

FOR NON U.S. INVESTORS ONLY



WHITEPAPER
CRYPTONIZING HARD ASSETS

An attractive and stable Blockchain platform that
is backed by Real Assets

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Suite 1300
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Email: investors@aytos.io



We are Tokenizing and Digitizing the Real Estate Industry

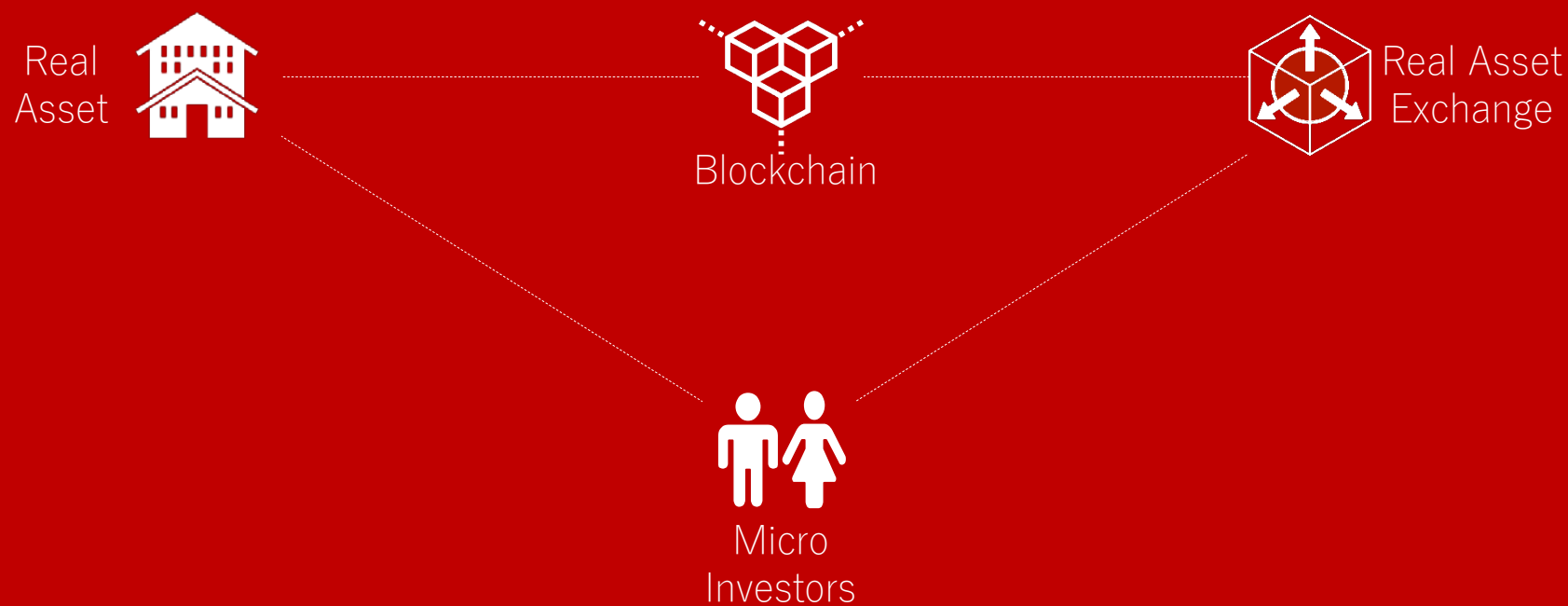
A Network of Standardized (Hotel Quality) Real Estate Properties – Creating a Top Tier Equivalent on the Blockchain

A Dividend and Cash Income Investment Opportunity for Main Street Investors

A Blockchain-based Platform to Invest in Real Estate for as Little as \$250



A Technology Real Estate Company
that Connects Real Assets with the Blockchain
For Micro Investors Worldwide

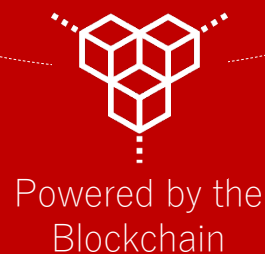


Our Story

When our Founder and his wife purchased a second home in Atlanta, GA to generate cash flow to fund their children's future college educations they felt fortunate they had the ability to make this investment.

They realized that the cost and barriers to become a homeowner or an investor are high and that not everyone can participate in this type of opportunity.

AYTOS was formed to create a platform where everyone in the world can pool their investments to participate in U.S. Real Estate transactions for cash flow and income, regardless of their financial capability.



AYTOS Network

A collection of Real Assets that are owned by AYTOS in various attractive markets in North America.

We will build a network where all of our customers can communicate through our technology platform.

We will deliver dividends from our cash flow to our investors.

AYTOS Platform

A micro investment platform that gives everyone access to invest in the North American real estate market for cash flow and income, with a minimum of a US \$250 dollar investment.

Our platform owners will receive cash generated / profits from their assets on a quarterly basis while still maintaining ownership in their asset(s).

You Are Investing in the 2 components of the AYTOS Business Model



AYTOS
Network

A Business that Acquires and Operates Hotel-Quality Real Assets for Residential, Business and Vacation Customers recorded on the blockchain

All Assets Will be Owned by AYTOS



AYTOS
Platform

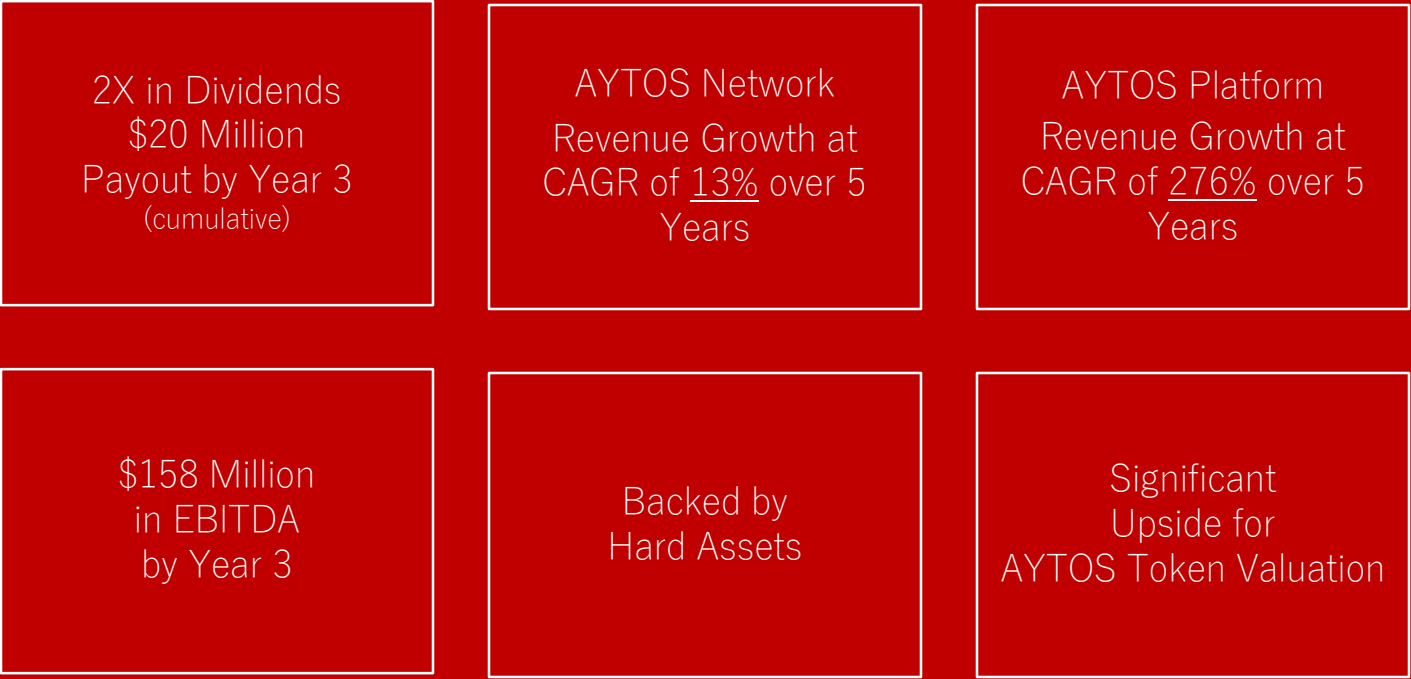
A Software Business that operates an Exchange that allows Micro Investors Worldwide to participate in Shared Home Ownership

Creating the Home Ownership Experience with as little as \$250

What is the Potential **UPSIDE?**

As the Network Assets are rented, there will be income available to be distributed back to Investors as Dividends on a quarterly basis

As the Platform (Software-Based Exchange) starts to process Transactions, there will be income available to be distributed back to Investors as Dividends on a quarterly basis as well

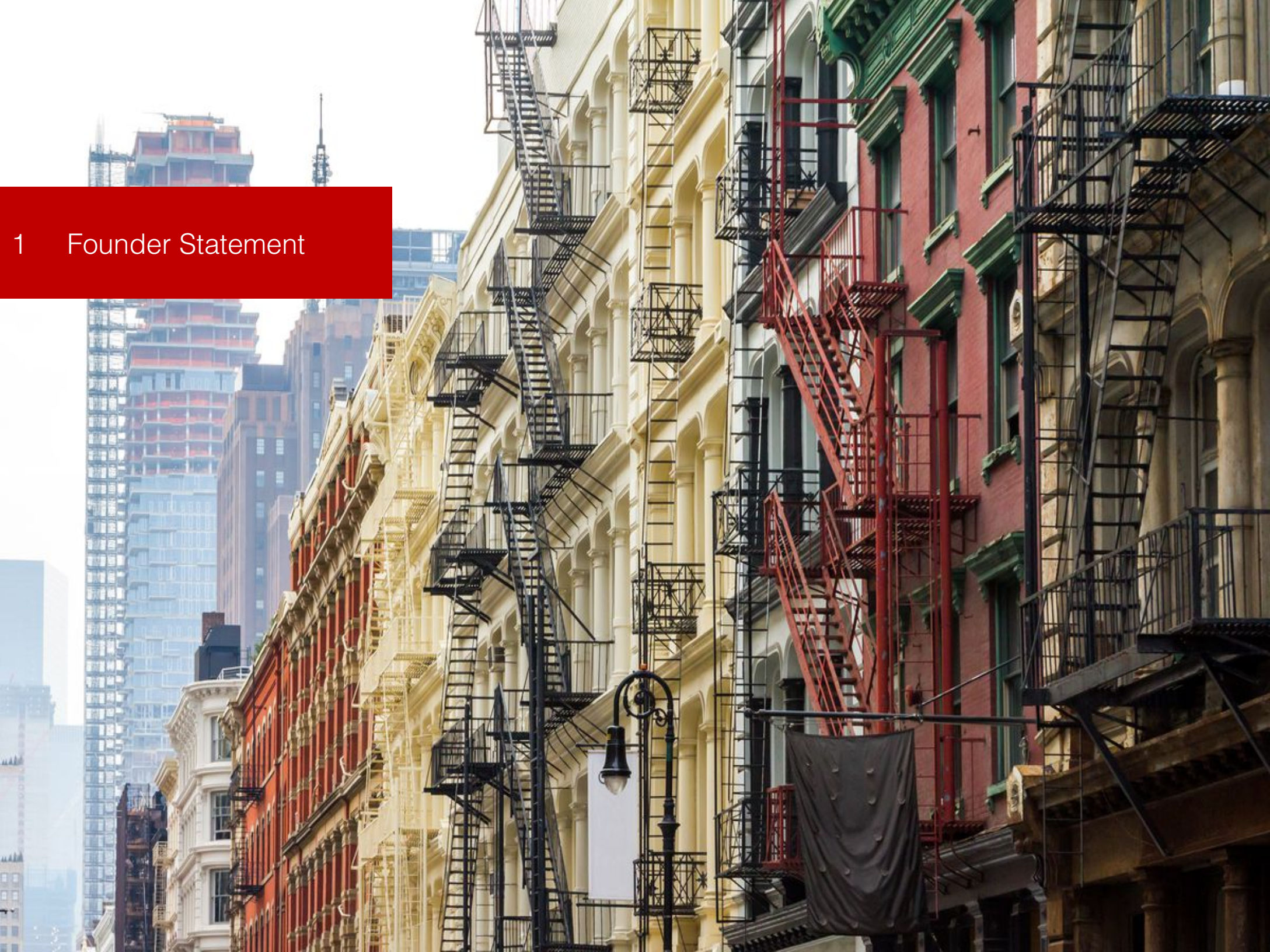


(Note: Financial in this page are based on the assumptions that AYTOS raised \$10 Million in ICO. Please see page 50 for details.)

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1 Founder Statement



AYTOS is a Technology-Focused Real Estate Corporation that aims to disrupt and tokenize the real estate industry.

We are creating a "virtual city" by acquiring and operating Real Estate Assets on the blockchain. We are also a blockchain-based platform that serves as a gateway for worldwide investors to acquire properties in North America and the rest of the world.

Why Real Estate?

Real Estate plays an important role in our lives and serves different needs to different people. It is the world's largest and most important investment class by asset.

Total global assets in 2016 registered at \$226 Trillion after normalizing the impact from inflation, according to HSBC. Global real estate (value only, excluding income) grew by more than 5% from 2015A-2016A.

(Source: Savills, Oxford Economics, HSBC, Company Research)

AYTOS Network - Assets on the blockchain:

We will deploy 80% of the proceeds from our ICO to acquire assets throughout the United States and Canada, and create a hotel style living standard for residential, business and short-term stays.

We are creating a hotel quality equivalent using single family homes as a foundation, and operating the entire network on the Ethereum blockchain. 90% of all net profit (after reserves) will be paid out as dividends to our token holders.

We are confident that we can declare our first dividend within 6-9 months after the close of our ICO.

AYTOS Platform: We are building a platform to allow everyone to make investments in Real Estate all over the world, starting in North America. This is going to be a platform where anyone can have the home ownership experience for as little as \$250. You invest, we manage, and you receive the cash flow. And its all done through the Blockchain technology.

There has been no real disruption to this ~\$200 trillion industry – the world's largest asset class. We are excited to be at the forefront in disrupting this asset class.

Please join me on this journey to improve both the health and quality of experiences for renters and tenants, and to introduce this world class investment opportunity to investors worldwide.

Your investments are backed by hard assets and 90% (after reserves) of cash generated by the company will be paid out as dividends on a quarterly basis.

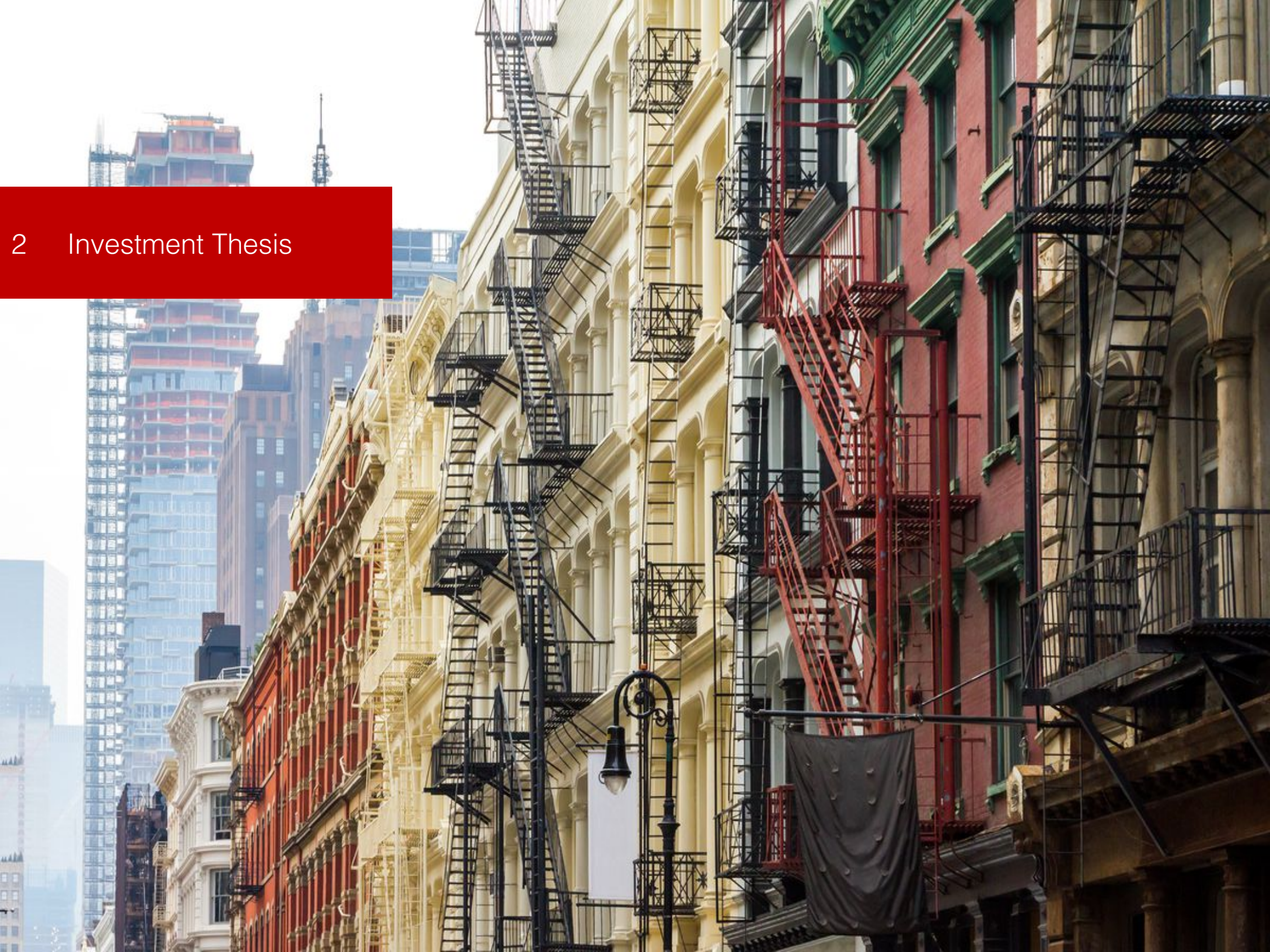
We are launching our ICO in accordance to U.S. SEC Regulation D and Regulation S. We will also immediately file for U.S. Regulation A+ upon the close of our ICO.

Yours Truly,



JASON YIP
Founder
AYTOS, Inc.

2 Investment Thesis



AYTOS INVESTMENT THESIS

AYTOS is creating a bridge for worldwide investors to gain access to the highly lucrative North American Real Estate market through blockchain technology. Our thesis is comprised of the AYTOS Network and the AYTOS Platform.

AYTOS Network will seek to directly own stable, income-generating residential and vacation real estate across key property types, including single family homes, condominiums, multifamily homes, and vacation homes.

The AYTOS Platform is a peer-to-peer (P2P) system that will open the attractive real estate market to micro-investors worldwide, allowing anyone to get started with as little as \$250. The platform is also an exchange that will allow micro-investors to trade their real estate assets.



Real Estate for All Investors: We will make real estate investments available to everyone worldwide and let them enjoy the same type of dividend distribution that Wall Street investors have access to. We believe this is a compelling opportunity for everyone that can be made possible through blockchain technology.



Market and Asset Class: This is a project that represents the world's largest asset class, #1 in the world at \$217 trillion as of 2015. This is a hard asset and not something that can be easily replaced. Your investments will be backed by hard assets.



Asset Appreciation: We seek long-term asset appreciation by investing primarily in highly accretive markets. Our process will scrutinize assets and only invest in assets in key locations that we believe to have above-average potential for growth.



Fixed Income: Our primary approach is to generate fixed income and capital preservation. We seek to acquire steady and reliable income stream assets and return money back to our investors.



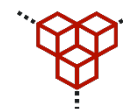
Focus on Cash: We will focus on generating cash and returning money back to our investors through dividends and a token buy-back program. We believe this is the utmost gauge of our performance as a company.



Dividends: AYTOS is about dividends, and we believe we can declare our first dividend six-to-nine months after the close of our ICO, and continue paying dividends on a quarterly basis.



Tokenizing the Real Estate Market: We will change how the market works, and by using blockchain, we will disrupt the MLS (U.S. traditional real estate network) and create an opportunity for everyone in the world to invest in real estate.

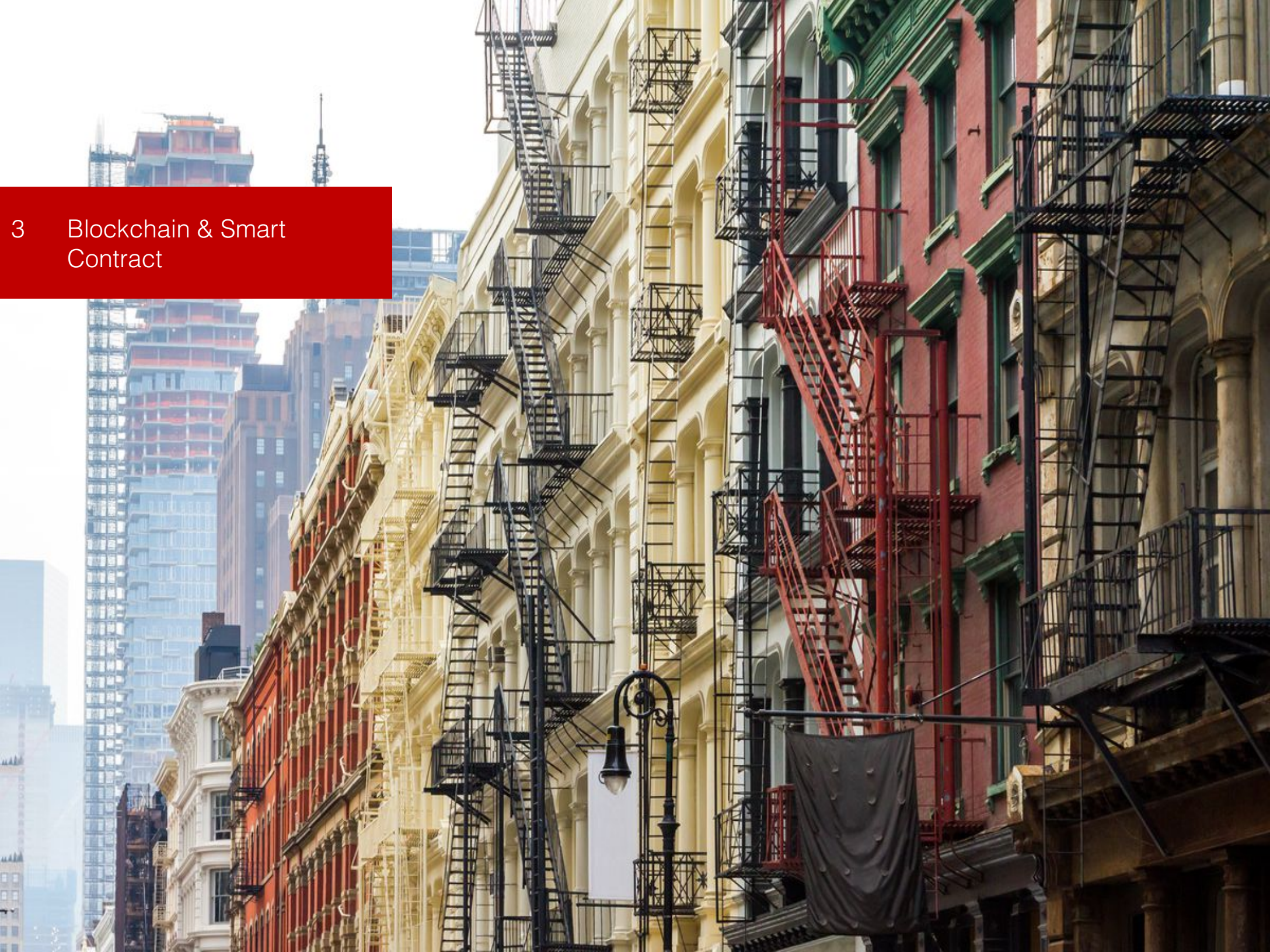


Real Estate Exchange: The AYTOS Platform is an exchange that will provide liquidity to investors worldwide. It will be a place where investors of all kinds can invest and sell their position anytime, just like a stock market.



Growing Asset via Income: 90% of cash generated (after reserves) will be declared as dividends. We will use all excess cash to acquire additional assets. This will strengthen our portfolio position and improve our dividend or cash payout to our investors.

3 Blockchain & Smart Contract



BLOCKCHAIN

AYTOS is convinced that the combination of blockchain and smart contracts are the engine that is going to fuel disruption and change how businesses will engage with the real estate and tourism industries.

Blockchain technology is a strong mechanism in securing and transferring funds and recording complex transactions to drive funds transfers through the use of smart contracts. Because data on a blockchain is saved in an immutable distributed network, users can rest assured that their data is secured and cannot be tampered with. This will improve the booking experience of our customers, and improve the acquisition experience of our platform customers.



Technology: Blockchain and cryptocurrency are going to be more than just buzzwords to the real estate industry. The technology can potentially be the solution to some of the industry's pain points, including streamlining online distribution, reimagining loyalty programs, payments, settlement, and fraud, according to Deloitte.



Decentralization: The AYTOS business model is creating a true peer-to-peer environment in the real estate market. The decentralized nature of blockchains make them an ideal technology for eliminating third-parties and middlemen while still having the ability to process a multi-party transaction.



Processing Speed: AYTOS will not only eliminate third-parties but it uses blockchain to support all of these functions. These technologies can eliminate the functions of

brokers, attorneys, and banks. All of these functions will be carried out on our platform, and as a result, the cost and time required will be greatly reduced. We estimate blockchain can improve real estate transaction speeds by more than 90%.



Liquidity: Real estate sellers can get direct access to investors, and investors can invest with fiat currency or cryptocurrency. With blockchain, sellers and buyers are no longer trapped within the traditional cross-border boundaries. This will improve timing, pricing and speed of the sale.



Tokenization: Blockchain technology enables the possibility for buyers to acquire real estate by piece or by percentage with ease. This will allow investors to purchase a portion of the real estate based on their investment appetite, with an option to diversify their investment across a broader property selection and geographic location.



Transparency: Blockchain provides full transparency, and it is accessible by all peers on the network. Information of ownership and transaction data is captured and saved in the distributed network and recorded on the blockchain. With this system, buyers and sellers can take control of their information and execute their transactions with confidence.

AYTOS AND BLOCKCHAIN

Goldman Sachs published a report on blockchain and discussed how it can accelerate the adoption of the sharing economy. In the report, they commented that the unique characteristics of blockchain has the potential to not only streamline existing markets, but also to redistribute markets and create new ones.

The firm also summarized five key selected industries where blockchain can generate a great impact in the real world. One of those is real estate and lodging, the focus of the AYTOS business model.

Goldman Sachs believes that blockchain can help accelerate the adoption of the sharing economy by enabling identity and reputation management systems. This will allow users to "credentialize" themselves by validating their identity and past behavior. The sharing economy has already begun to unleash industry disruption by opening up significant amounts of previously untapped private capacity – such as Uber for cars and Airbnb for housing.

"Credentializing" will solve many challenges and also accelerate adoption in the industry. Goldman Sachs also described that their sensitivity analysis (base case) will support new booking fees for Airbnb alone by \$2.7-\$9.2 billion through 2020, creating a potential negative RevPAR (revenue per available room) impact of 800-1,200bps to the US hotel industry.

In short, identity and reputation management solutions can make new consumers feel comfortable with the sharing economy model. The firm then conducted a survey that supports their idea that blockchain-based

(Source: Goldman Sachs, Company Research)

technologies can serve as the adoption engine for the sharing economy.

The survey results showed that safety is the most common reason why people have not used P2P lodging services and prefer traditional hotels. Blockchain can help in this area by authenticating government-issued IDs and user reviews, and create a more comfortable situation for customers and hosts.

The survey also shows that once a person uses some form of P2P services (such as Uber), they are more likely to use P2P lodging services over traditional hotels. Goldman Sachs further explained that if blockchain can create a "digital resume" of a person's interactions on various services, it could encourage people to use P2P services more. This will enable a virtuous cycle – the more engrained people are in the sharing economy, the more they like it.

The Sharing Economy: Lodging

(AYTOS Network model)



\$3-9Bn upside

Blockchain Role

Enable identity and reputation management. Securely store and integrate users' online transaction and review history with identification and payment credentials – making it easier to establish trust between parties.

Real Estate: Title and Transaction

(AYTOS Platform model)

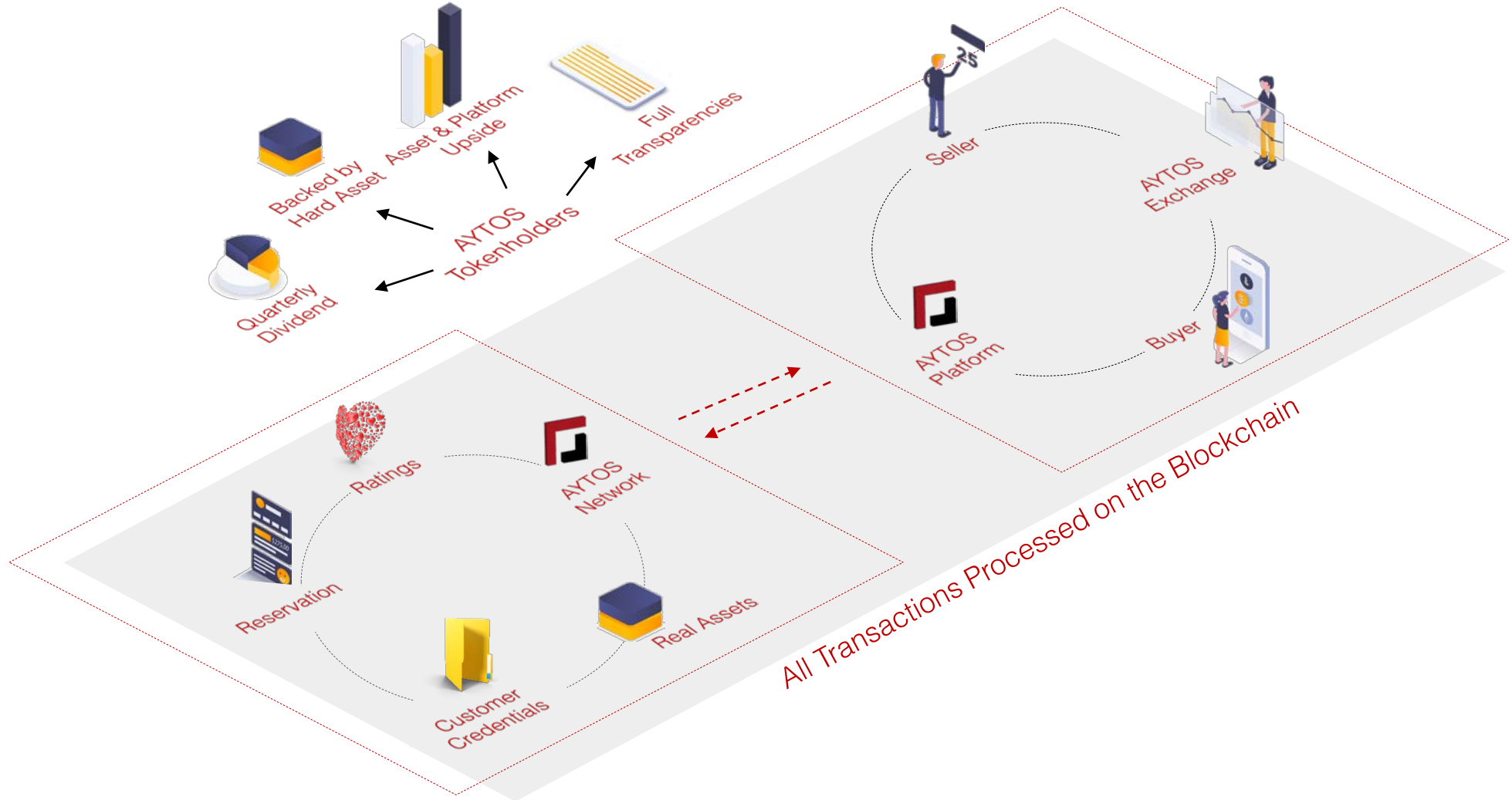


\$2-4Bn upside

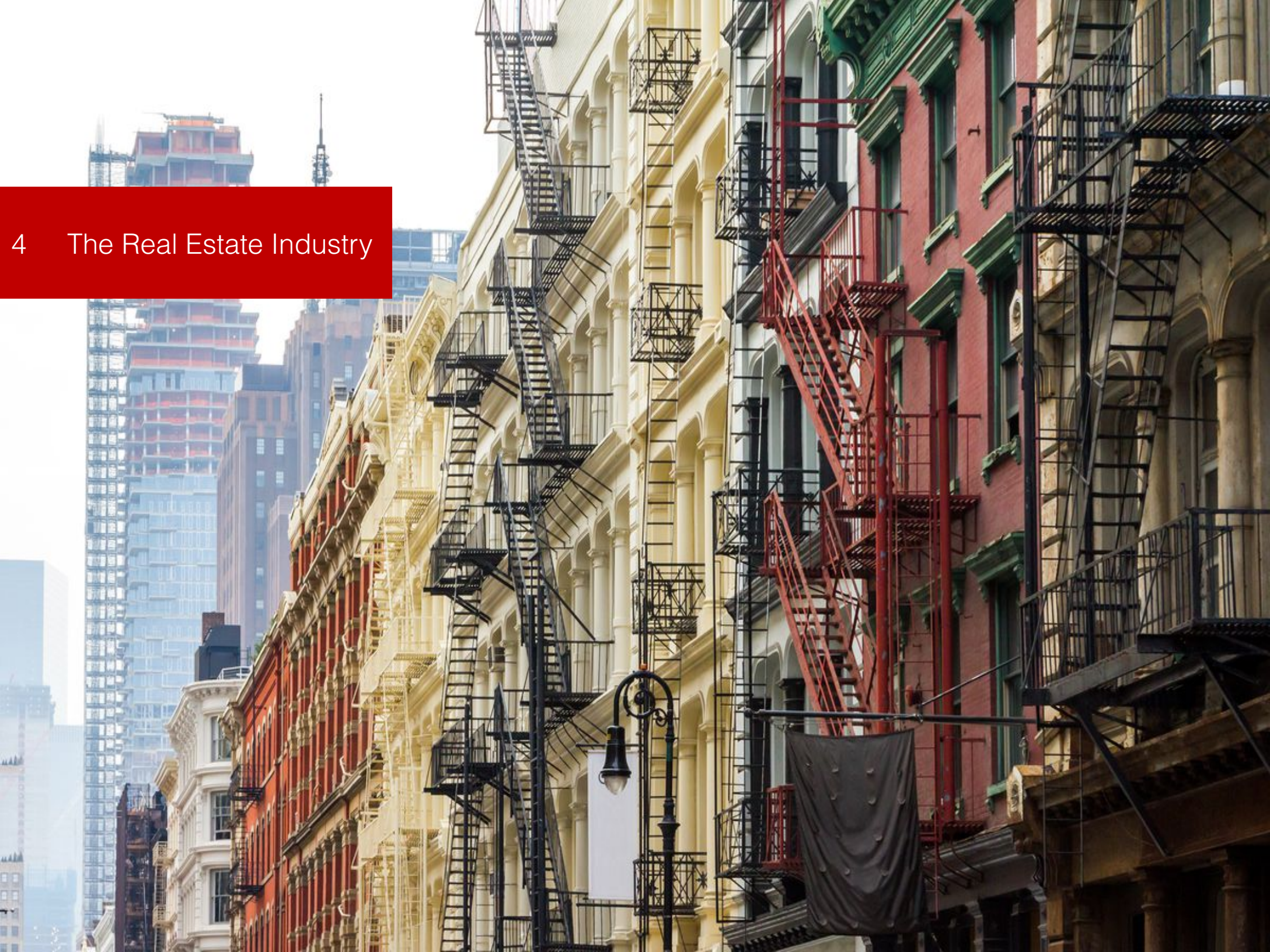
Blockchain Role

Improve efficiency and reduce risk. Recording property records in a blockchain, owners, title insurers would have easier access to the information they need to clear a title. The tamper-proof feature will lower real estate fraud.

AYTOS ECOSYSTEMS ON THE BLOCKCHAIN



4 The Real Estate Industry



Global Perspectives on Residential Real Estates



44%

Residential Represent
44% of Global Assets



5%

Global Residential Value
Grew by 5% Annually



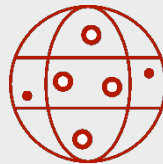
13%

U.S. REIT Average
Total Returns for 10-
Years at ~13%

Three Growth Pillars for The Next Decade



Rise of Secondary
and Tertiary
Markets



Rise of Second Tier
Cities

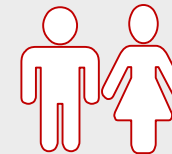


Rise of Alternative
Asset Classes
and Locations

Megatrends Driving Residential Real Estates



Urbanization
Growth in urban
population



Demography
Rising Aging
Population and Middle
Class



13%

Technology
Introducing New
Revenue Model

GLOBAL REAL ESTATE MARKET

The global real estate industry is valued at \$217 trillion as of 2015, according to research by Savills. This represents 60% of all assets in the world, which is \$372 trillion.

Global Assets	Investable	Non-Investable	Total
ALL REAL ESTATE	\$81	\$136	\$217
Residential	\$54	\$108	\$162
High Quality, Global, Commercial	\$19	\$10	\$29
Agricultural Land	\$8	\$18	\$26
Other Investments	\$155	-	\$155
Equities	\$55	-	\$55
Securitized Debt	\$94	-	\$94
Gold	\$6	-	\$6
Total Global Asset	\$236	\$136	\$372

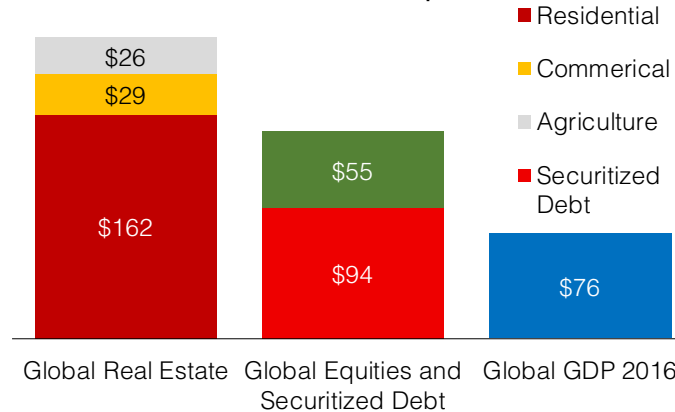
(Source: Savills, Oxford Economics, Company Research)

This \$217 trillion is comprised of retail property, offices, industrial property, hotels, residential property, other commercial property, and agricultural land. Residential assets at \$162 trillion represented 75% of the total real estate or 44% of total global assets, making it the single largest asset class.

For the same period, real estate also represented 3x of world GDP of \$74 trillion. Real estate, at 60% of global assets, is an important element of national, corporate, and individual wealth and has pushed gold into an insignificant position with just

\$6 trillion in value. The industry has also exceeded global traded equities and securitized debt instruments by more than one-third, making it an important investment vehicle in economies worldwide.

Global Asset Comparison



(Source: Savills, Bank of International Settlement, Oxford Economics, Company Research)

Real estate is a preeminent asset class that can mostly be impacted by global monetary conditions and investment activity. Conversely, the industry has the power to severely impact national and international economies.

Why Real Estate?

Real estate plays an important part in our lives and serves different needs for different people. For some, real estate is not just our homes, but a repository for our life savings as well. Beyond providing a roof over our heads, real estate is a defense against poverty in old age, but a potential legacy that we can leave to our next

generation, and a collateral that we can use to raise funds. For those with strong financial capability, real estate is often an investment of choice. Both residential and commercial properties have come into focus as potentially rewarding sources of income and capital growth. As more people from new and emerging countries grow wealthier and seek homes as savings vehicles, real estate has become an increasingly important global asset class of choice.

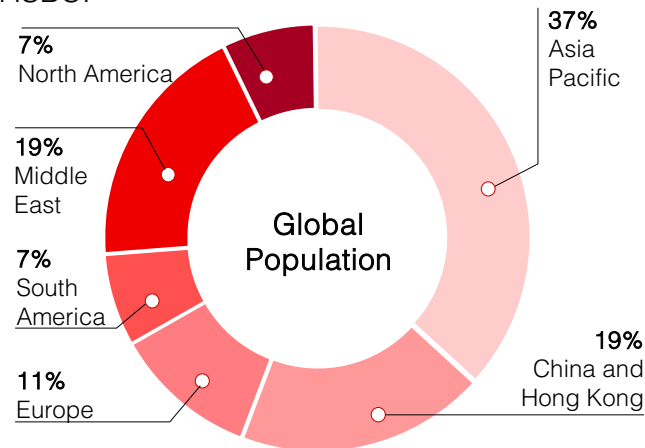
As an investor, owning real estate will not only buy you the physical asset and the rights which have been granted to the land on which that asset is developed. The most important part is that it also buys you the rights to the future income stream from that land and/or building. Your right to these income streams is governed by a lease with a tenant.

The lease provides for the tenant to occupy, use, and possess the space for the length of the lease. The owner continues to own the property, and at the end of the lease term the use and possession reverts back to the owner. The core investment strategy of AYTOS is to acquire properties located in the best locations and have the best potential for stable cash flows.

WHY RESIDENTIAL REAL ESTATE?

75% of the global real estate value is in residential property, which also accounts for three quarters of all real estate. Residential also represents 44% of total global assets (including real estate) and is the largest asset class in the world.

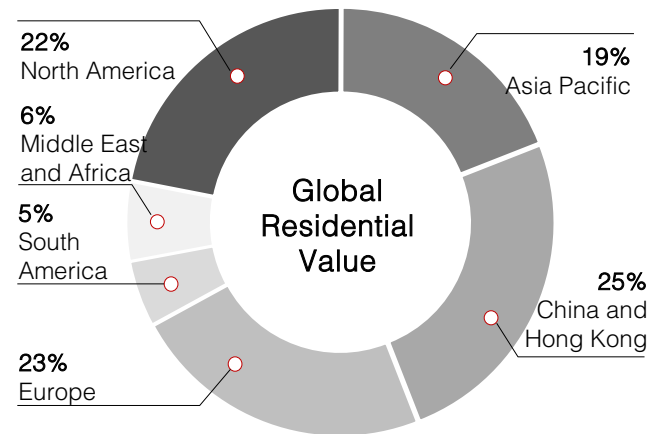
Residential property markets in most countries have seen capital growth over recent decades and often above local income growth. The highest value residential properties are concentrated in developed economies mainly in North America and Europe, according to HSBC.



(Source: Savills, HSBC, Company Research)

As global macroeconomics continue to be positive and supported by the above-average performance in economic acceleration, and inflation remains below central bank targets, job & wage improvements will drive consumers

to continue to fuel the late cycle in economic expansion, according to Morgan Stanley. Although global monetary policy is slowly turning, starting with the U.S. Federal Reserve and likely extending to Europe, the tightening pace will be modest. Income growth will continue to be the primary driver for returns. The change in monetary policy has also not negatively impacted prices, but rather just suggesting scarcity of quality products for sale, thinner bidder pools and a wider bid-ask spread.



(Source: Savills, HSBC, Company Research)

The structural trends, most notably e-commerce and aging populations, continue to influence growth patterns and investment decisions, combining investment strategies and underwriting decisions. Morgan Stanley believes the current situation will continue to create a potential and very favorable environment for real estate investing globally.

As residential real estate continues to take on a new role in investment portfolios across the world, some of the key investment themes to consider for the future

as you weigh the potential within your portfolio are as follows:

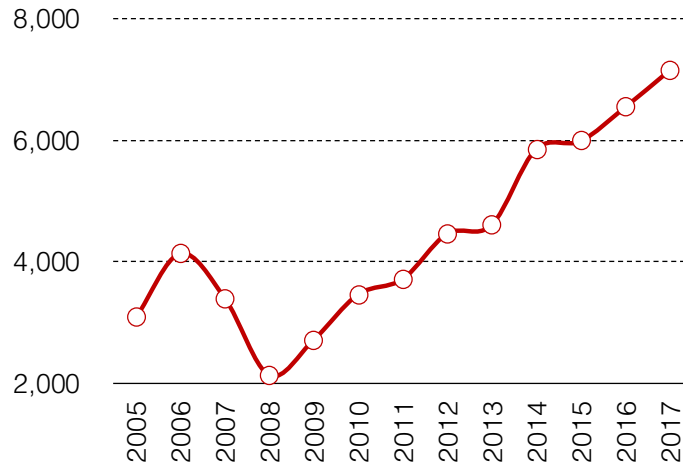
Search for Income: As the world has adjusted to low interest rates and yields in the aftermath of the global financial crisis, the appetite for real estate has grown. This will continue as investors continue to seek for income rather than just growing capital.

Solid Asset: Real estate is a solid asset. In developed economies, real estate are not easily confiscated or devalued, and a reliable, transparent and a safe option for investment amidst the potential threat of geopolitical uncertainties. In some emerging economies, it is also becoming an increasingly transparent and secure asset class among investors.

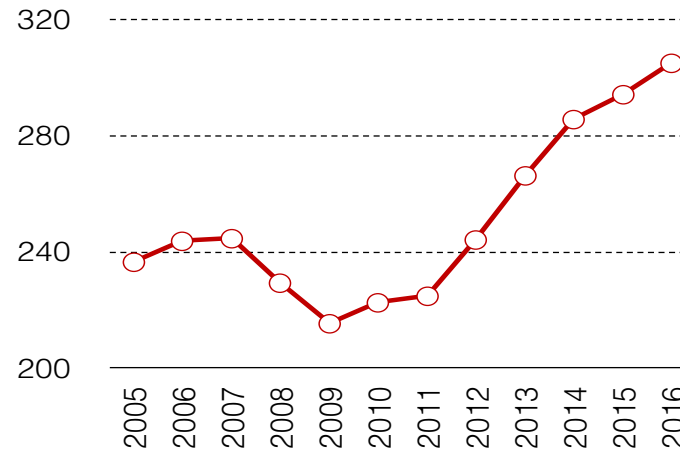
Value/Demand is The New Quality: The difference between 'core', 'value-add' or 'opportunistic' in investment is growing as investors appetites continue to change. If we continue to focus on demand, residential is the investment of choice.

Rise of new global cities: The locations in which to invest are changing, too. Smaller cities are rising on the global stage, competing with global megacities. Expansion of the tech industry in cities like Austin, San Francisco and Melbourne are just a few examples.

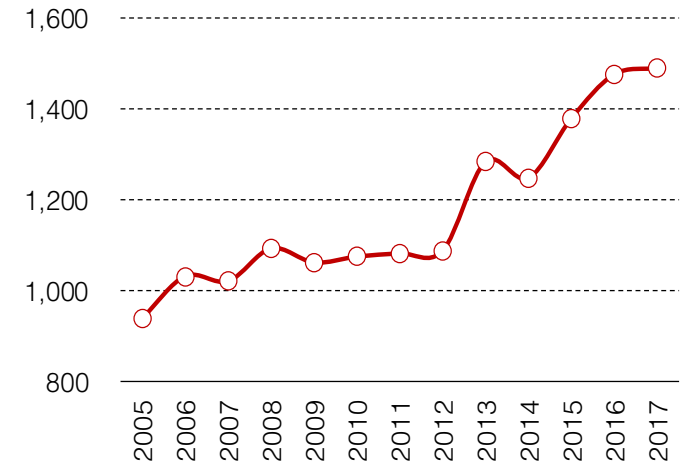
FTSE U.S. All REIT Index



U.S. Historical Average Home Prices

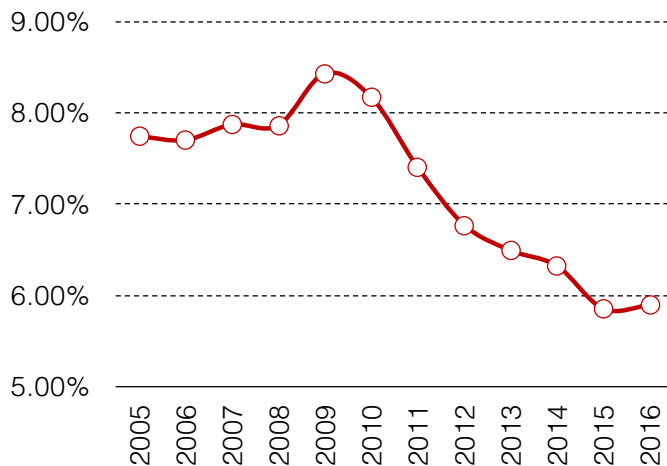


U.S. – Median Asking Price – Unfurnished Apartment



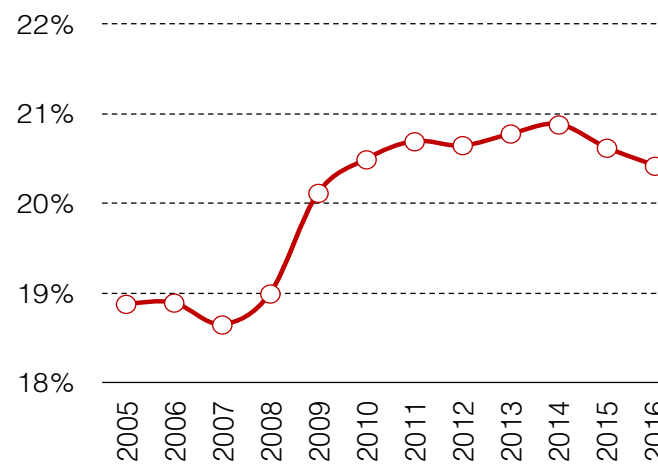
U.S. Vacancy Rate

The rental vacancy rate in the US peaked in 2009 at 8.43%. Since then it has fallen by 2.54% to 5.89%. Data records for this series originated in 2005. From a 2015 post peak low of 5.85%, the rental vacancy rate has increased by 0.04%.



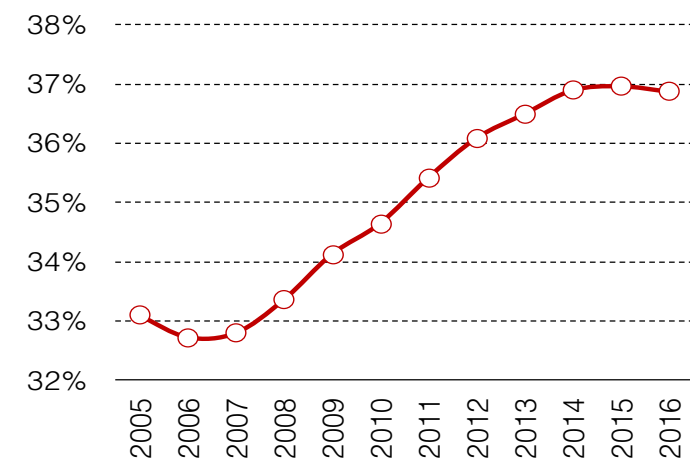
U.S. Rent as a Fraction of Income

Using median household income data, we can calculate the fraction of income the median household would use to pay rent at the median monthly gross rent rate. Median monthly gross rent as a fraction of median household income was 20.43% in 2016.

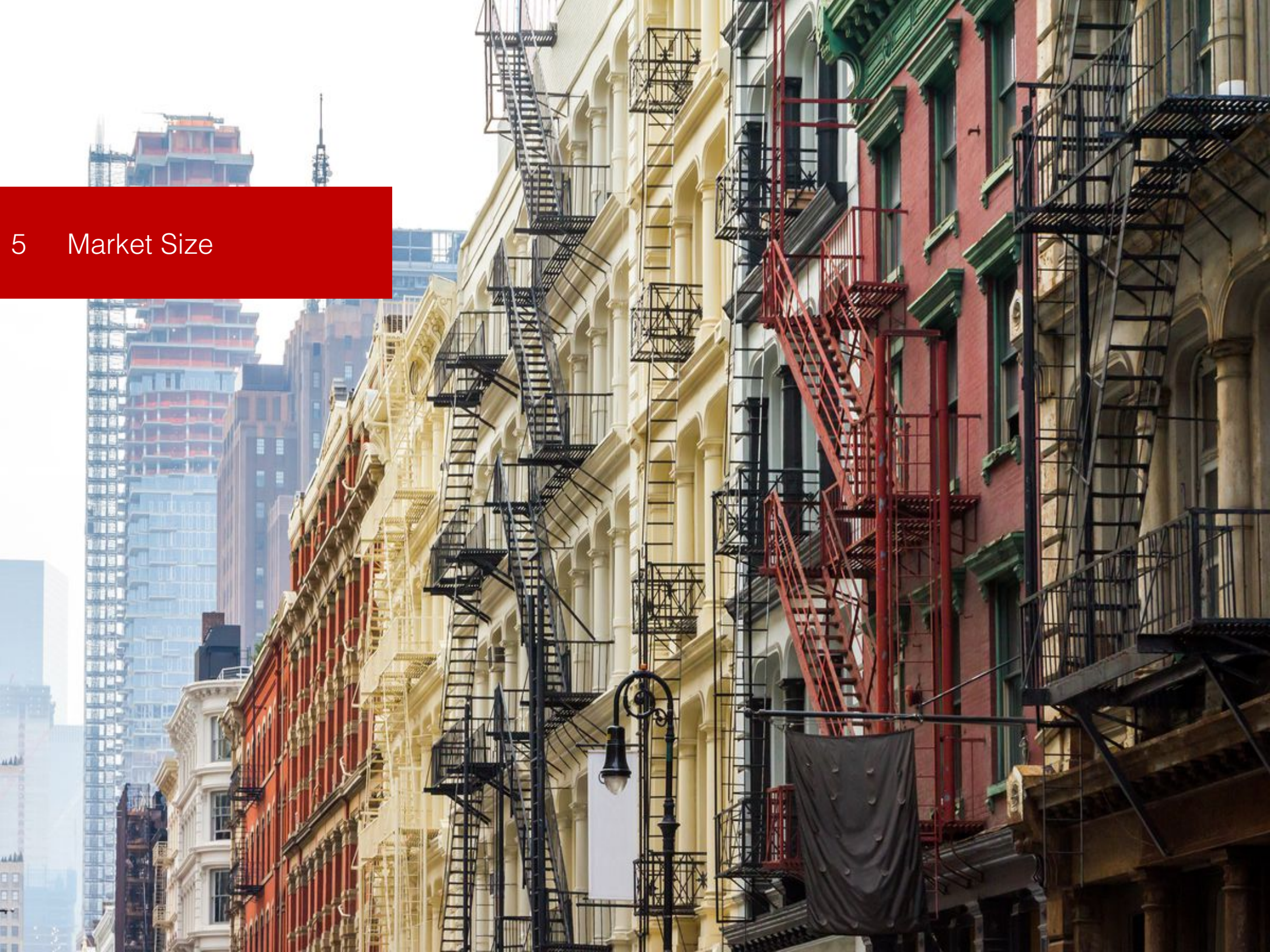


U.S. Renter as % of Total Households

This calculation are computed using the number of renting households in the US as a percentage of total US households. 36.88% of households in 2016 were renters, according Census data.



5 Market Size



TOTAL ADDRESSABLE MARKET



\$473 Billion
(Long-Term Stays)

\$2 Billion
(Short-Term Stays)



\$1.6 Trillion
(worldwide)

\$467 Billion
(United States)

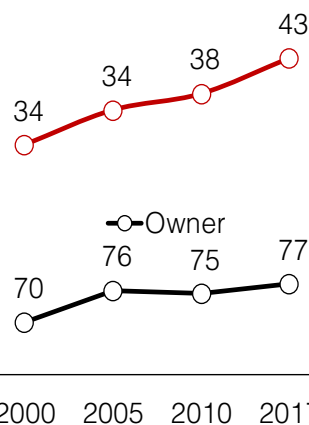
AYTOS ADDRESSABLE MARKET SIZE

The long-term residential rental market size in the United States ended at \$519 Billion or 2.8% of GDP in 2016, according to U.S. Bureau of Economics. AYTOS participates in the above-average income market and we estimate that our addressable market size range is between \$400 to \$473 billion annually.

U.S. Residential Rental Market

36% or 43 million of total households in the United States were renters as of 2017, according to data published by the Federal Reserve. The percentage of renters in the country has been growing steadily from 32% in 2000 to the current level of 36%, at an average of 1.5% per year.

U.S. Households Residence

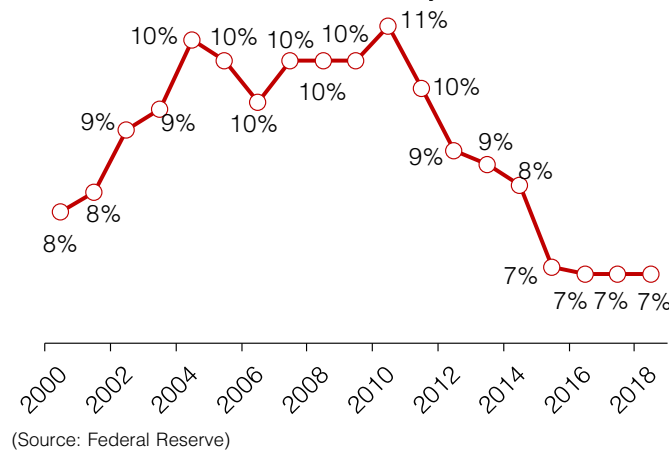


Households in the U.S. grew by 7.6 million between 2006 and 2016. For the same period, the number of households that are homeowners

the number of households that are homeowners have remained relatively flat, partly due to the housing crisis. However, the number of households renting their home increased significantly during this same period which rose from 31.2% of households in 2006 to 36.6% in 2016. The current renting level exceeds the recent high of 36.2% set in 1986 and 1988 and is approaching the rate of 37.0% in last seen in 1965.

This sustaining strength in rental demand is fueled by the slow recovery in single-family construction and the increases in rental construction. Although construction for rentals continue to rise, demand has been soaring and that has driven the national vacancy rate to a multi-year low of 7%.

U.S. Rental Vacancy Rate



At the same time, the median asking price for an unfurnished apartment in the U.S. has been on the rise and exceeding an average of \$1,500 per month.

This also represents a CAGR growth rate of 5% from 2010-2017. The spike in home prices is another factor that is causing the rise in rental price. The average home price in 2017 was \$403,000, growing by an average of 5% since 2010.

U.S. Median Asking Price

(unfurnished apartment)



This combination of the spike in home prices, limited availability of land in major metropolitan areas, and the growth in demand have significantly increased the barriers to potential home buyers.

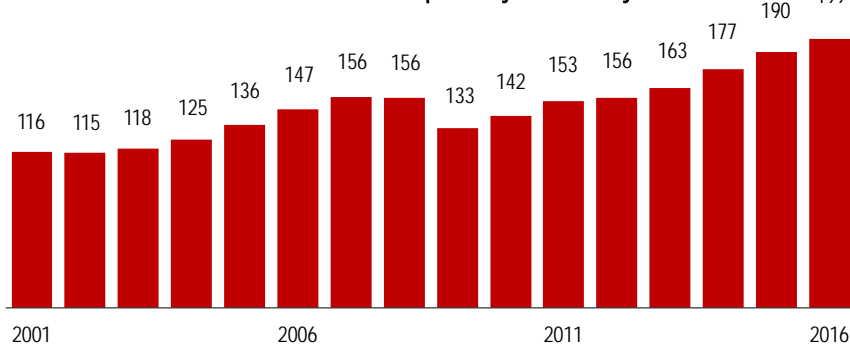
In short, the rental industry is an increasingly important contributor to the U.S. economy with renter aggregate housing expenditures increasing by 3.2% annually between 2006 and 2016. This also represents the growth of 58% in domestic personal housing consumption over the decade.

GLOBAL HOSPITALITY INDUSTRY

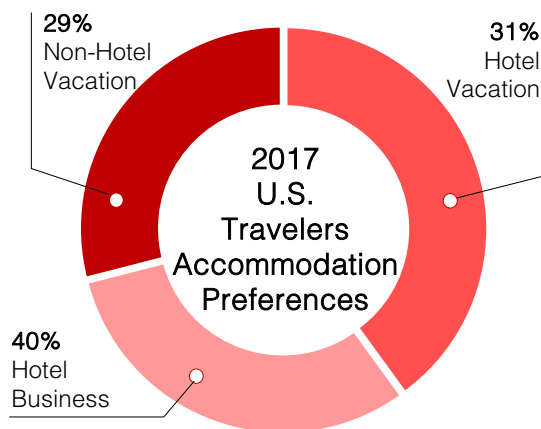
The global hospitality industry in 2016 ended at \$495 billion in transactions volume, and grew by 7% from 2015 of \$464 billion or a CAGR of 10% from 2014-2016, according to Euromonitor.

North America is the largest market with ~5 Million rooms, or 38% of total global hotel rooms, followed by 28% in Europe and 24% in Asia Pacific. The U.S. hospitality industry in 2016 accounted to nearly 40% of total global revenue at \$199 Billion.

U.S. Hospitality Industry



(Source: PricewaterhouseCoopers (1967-1986; 2001-2004), Smith Travel Research (1987-2000), Department of Commerce, Macroeconomic Advisers, LLC, Company Research)



(Source: STR, USTA, BEA, AHILA, Company Research)

Revenues are primarily driven by demand from travelers for business and vacation, and vacation travelers represent 60% of the total market in the U.S. Among the total vacation travelers (60%), 52% stay in hotels for lodging and 48% stay in non-hotels for lodging.

Business travelers that primarily stay in a hotel represent the remaining 40% of the total industry. Domestic travelers make up 80% of total demand and 20% from international.

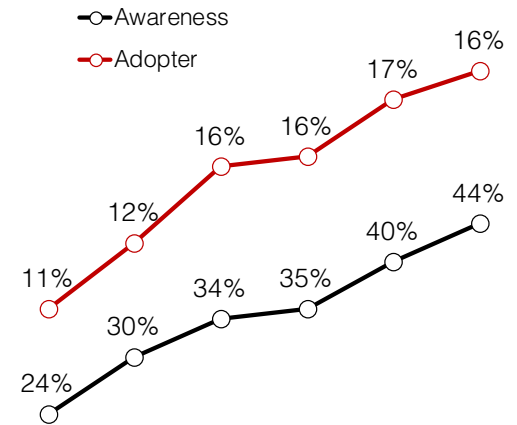
Growing P2P Lodging

Peer-to-peer (P2P) lodging availability is currently offered through sites like Airbnb, HomeAway, VRBO and FlipKey. These sites create an alternative for travelers all around the world by connecting them with owners of properties.

P2P lodging has been gaining momentum in recent years, and a survey conducted by Goldman Sachs shows that awareness and adoption in this segment has grown by 46% and 33% in 2015 and 2016 respectively.

Goldman Sachs forecasted that global demand for P2P lodging, and for Airbnb alone, will reach ~358 million equivalent nights in 2018 or \$37 billion in market size using \$104 as the average daily rate.

P2P Lodging Survey



(Source: Goldman Sachs, Company Research)

AYTOS Addressable Market

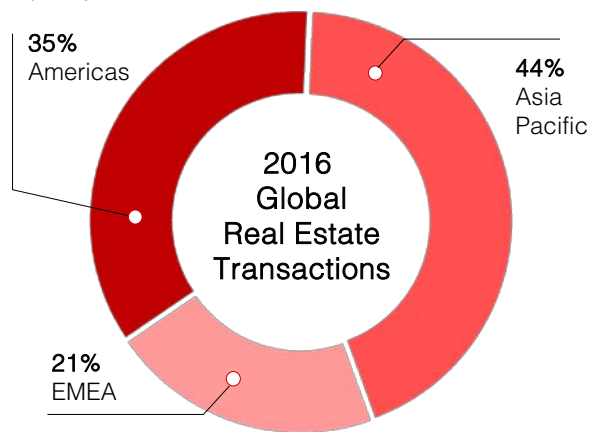
The AYTOS business model is to provide a new option to hotel travelers with properties that have the same amenities as a hotel and leverage the technology of P2P in the lodging industry.

With this, we believe our total addressable market for short-term stay customers in the U.S. to be at approximately \$1.1 Billion in 2018 and growing to more than \$2 Billion by 2020, as suggested by Goldman Sachs.

AYTOS ADDRESSABLE MARKET SIZE

The total addressable market or market size for the AYTOS Real Estate Platform can be as high as \$1.6 trillion. The objective of our Platform is to Tokenize and Digitize the global real estate industry.

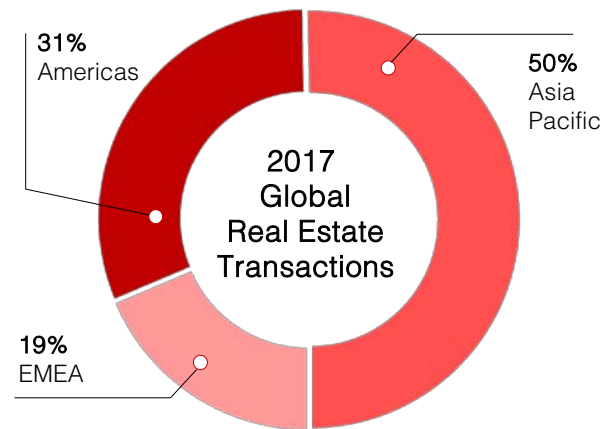
According to Cushman & Wakefield, global real estate transaction volumes in 2017 ended higher than expected at \$1.6 trillion, compared to the company's initial forecast of ~\$1.4 Trillion.



(Source: Cushman & Wakefield, RCA, Company Research)

The latest numbers represent a global growth of ~17% from 2016, with Asia Pacific representing ~50% (\$800 Billion) of the industry, followed by the Americas at ~31% (\$500 billion) and EMEA at ~19% (\$300 billion) respectively. Cushman & Wakefield, which analyzes and predicts future trends in real estate investment activity across the world, states that investment demand for real estate will continue to be active in 2018.

Investors from Asia were the primary driving force to these record levels investment, with money from the region representing more than half of all deployed capital. Capital deployment from Asia is likely to continue to dominate the global real estate industry due to the incremental source of capital coming from the region. Investors are also seeking global diversification as the equity investment market continues its volatility and we believe

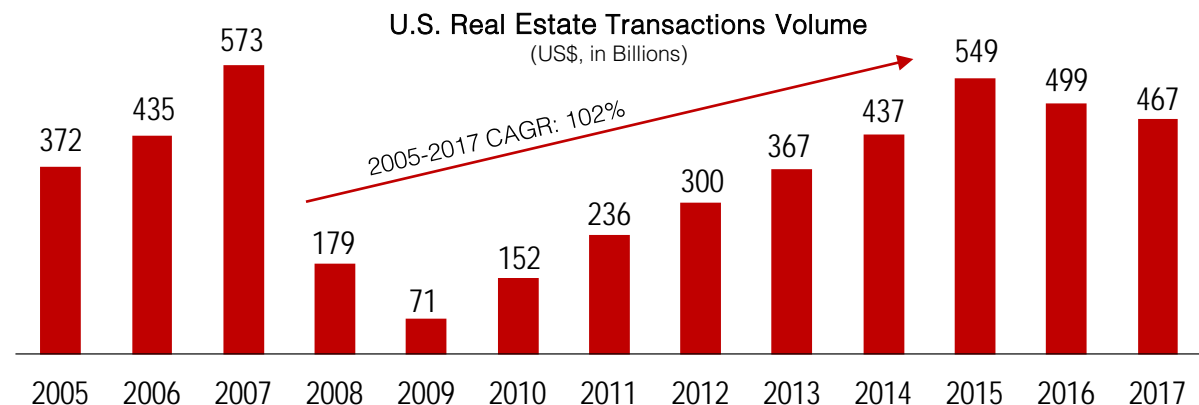


(Source: Cushman & Wakefield, RCA, Company Research)

demand for real estate will likely outpace what is available for investment, a mechanic that will continue to elevate pricing in the future.

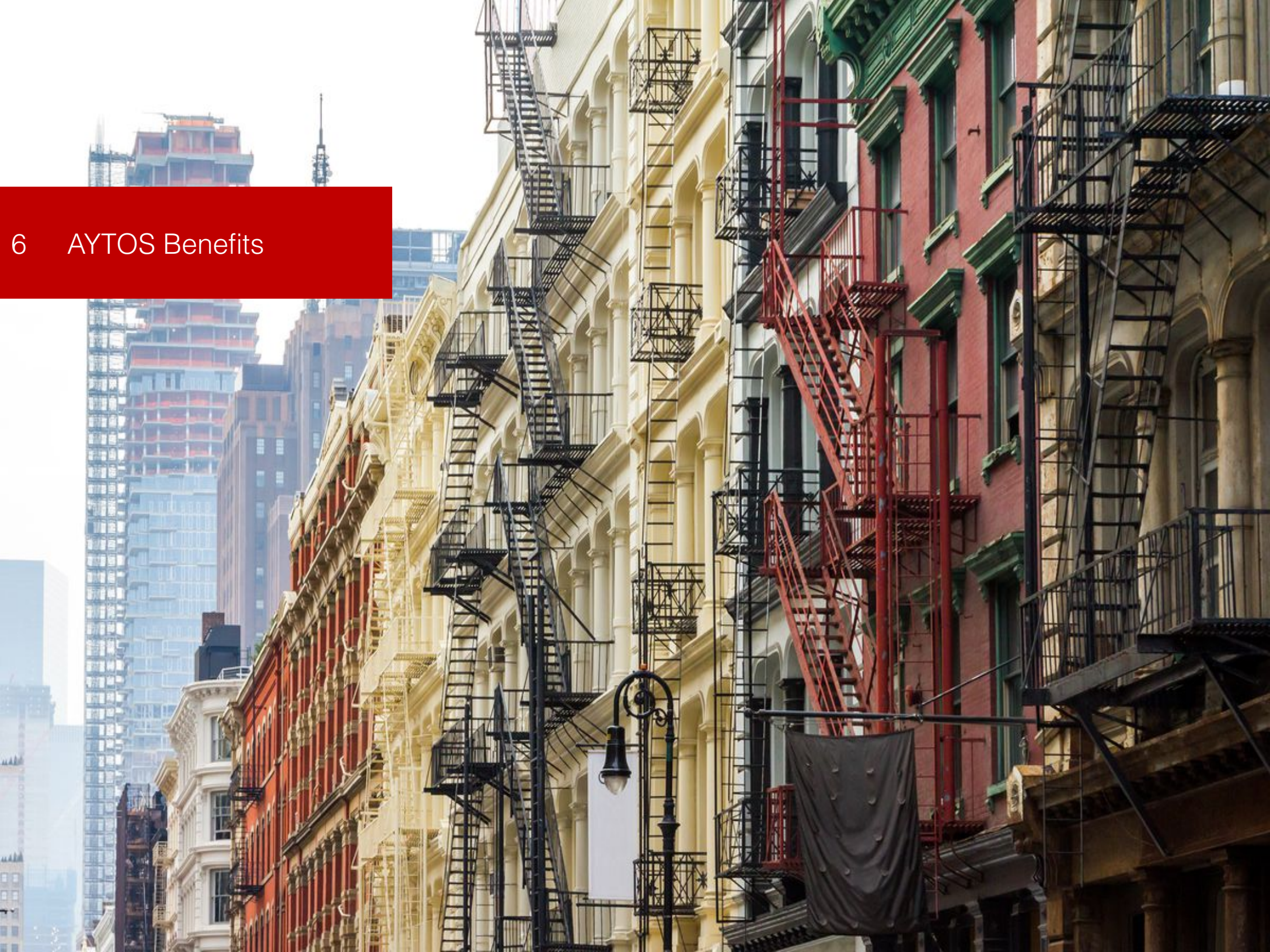
In the U.S., the local market for AYTOS ended the year of 2017 at \$467 billion in transaction volume. It faced a small setback over the last 2 years due to a range of factors that include the stage of the market cycle, uncertainty over U.S. policies, and domestic capital controls in China.

However, the U.S. will remain as the main target for international investors, according to Cushman & Wakefield. Investors are generally attracted to the U.S. because of the country's stable housing market and the economy overall. This sector is also seen as a safe haven for their capital, generating an average return of 9.7% between 2002 and 2017 or 13% between 2008 and 2017, according to NAREIT.



(Source: U.S. Census, Real Capital Analytics, Company Research)

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6 AYTOS Benefits

INDUSTRY PROBLEMS

Real estate investing consists of a variety of emotions, running from excitement to anxiety. It is an investment that will consume significant capital, require short-term and long-term perspective, neighborhood quality, tenant and property management issues, and liquidity. Those feelings of apprehension should be balanced by the knowledge that real estate as an asset class generally offers high returns and provides diversification to traditional stock portfolios with potential long-term appreciation.



Barriers to Entry: The primary barriers to entry into real estate development are investment capital. Initial capital cannot easily be borrowed, except from friends and family. Inception funding is always difficult unless you have something that can be used as collateral.



Cross-Border: The U.S. real estate market continues to attract significant international investment because of the regulation and lucrative financial rewards. This will not be an issue for big players, but it is definitely a barrier for micro-investors. Micro-investors do not have the financial power to join this lucrative market.



Liquidity: To us, liquidity means the speed at which investors can access their funds. The focus is therefore on the exit of an investment and not on making the investment. Real estate investments can have very different degrees of liquidity. Liquidity cannot happen immediately for real estate and depends on the type of investment vehicle (REIT, asset, MBS, and others) investors choose to pursue.



Micro-Investing: This investing mechanism is simply not available in the market today. Real estate represents big money, and there are very limited real up-and-running platforms available today for micro-investors that are legitimate and that focus on returning money to investors.



Transaction Costs: Transaction costs are high when it comes to real estate in North America. The buyer's burden is not limited to down payment, but also the unnecessary agent, documentation and legal costs that technically add no value to the buyer. This represents nearly 2% of the total purchase price.



Cash Transaction for Investors: There are no meaningful platforms available for **international investors** except hard money, which is very expensive. This is the primary barrier for investors outside the U.S. 60% of homes purchased by international buyers in the U.S. are in cash, according to the National Association of Realtors.

AYTOS BENEFITS

AYTOS, a technology real estate platform, utilizes blockchain to give investors a direct and simple way to access the world's most profitable and attractive residential real estate markets.



Quality Investment: Focus on active portfolios that improved performance and managed volatility. We seek to mitigate the volatile effects with our high quality, low-volatility (HQLV) strategy. A strategy that is based on thorough analysis, and lies at the heart of each asset we acquire. This foundation of quality will help ensure active asset portfolio performance.



Global Portfolio: The AYTOS strategy is to acquire and create a portfolio of assets with growth-oriented characteristics. Our initial focus is the U.S. market, followed by Asia and Europe. We strive to create a cash-positive portfolio that also delivers quality of living to reflect the culture and history of many extraordinary locations worldwide.



Quarterly Dividend: We plan to distribute dividends to our investors on a quarterly basis, and anticipate our first declaration between 3-6 months after the start of operations. We believe quarterly dividends will provide token holders with a regular flow of income, and will allow the company to distribute its substantial profit as a return to our token holders.



Token Buy-Back Program: We will have an annual token buy-back program that purchase and burn AYTOS tokens. We know that we will end-up buying our tokens at above-market price, but it is an effective way to return cash to our investors.



Worldwide Investor Access to North American Real Estate: The real estate market environment is always attractive. Key driving investment areas include the confluence of demographic trends, property values yield disparities, and assets that are over-leveraged or in need of improvements. AYTOS will use blockchain technology as an investment gateway for investors of all kinds, worldwide.



Superior Market Insights & Unique Perspectives: AYTOS is based on years of disciplined, integrated research, and our investment professionals have macro and micro-economic insight into market trends and cycles, as well as local markets.



Deep, Stable and Experienced Team: Our founder has broad real asset experience. We are an investment team with a wealth of experience and real estate expertise. This depth of experience gives us an exceptional ability to understand the asset dynamics in which we will invest and the calculated potential returns.



Disciplined, Valuation-Based Investment Process: The priority of AYTOS is the interests of our token holders, and we focus on maximizing their financial returns. We are a team of investment professionals that conduct rigorous market research. We are detailed, disciplined, and all of our investments will be supported by a strong research team coupled with our unique global real estate platform. The AYTOS investment process uses a transparent valuation methodology to identify, value and make sound investment decisions.



Micro Investing for Main Street: We create micro-investing opportunities for everyone in the world to have the ability to access real estate in the U.S. and eventually all over the world. We believe that investment opportunities should be made available to everyone, and not just those on Wall Street. Our platform will allow individuals to make investments by block and round up their investment to the nearest dollar. It's a way to make investing available to worldwide investors regardless of their income.



Low Entry: You do not need to be rich to start investing in real estate through AYTOS. Even if you have less than \$500, you can get in and get started. Our minimum entry point is \$250, and there's no single best way to invest.



80/20 Rule: The 80/20 rule is simple. Investors use our platform to invest in real estate managed by AYTOS. 80% of net profit will be transferred to the token owners on a quarterly basis. If investors use our platform to purchase a home for themselves, the AYTOS management fee won't be applied.



Leverage Strategy: AYTOS is a tactical, strategic and opportunistic investing platform that seeks to capitalize on global investment opportunities that are time-sensitive, complex, or in dislocated markets where we believe risk is fundamentally mis-priced. Our strategy will be to invest globally across geographies with the leverage and financing support from three major investment banks that have a presence in North America, Asia and Europe.



Tax Efficiencies: Taxes are such a normal part of life that investors may overlook them until they see the bill. AYTOS and its legal team put extraordinary efforts to properly structure this ICO and make it tax efficient. While we cannot eliminate all legally required tax, we believe we have structured it to be the most beneficial for both investors located in the U.S. and internationally. U.S investors will continue to be taxed based on the standard dividend and capital gain structure. International investors will enjoy significant tax benefits from our structure.

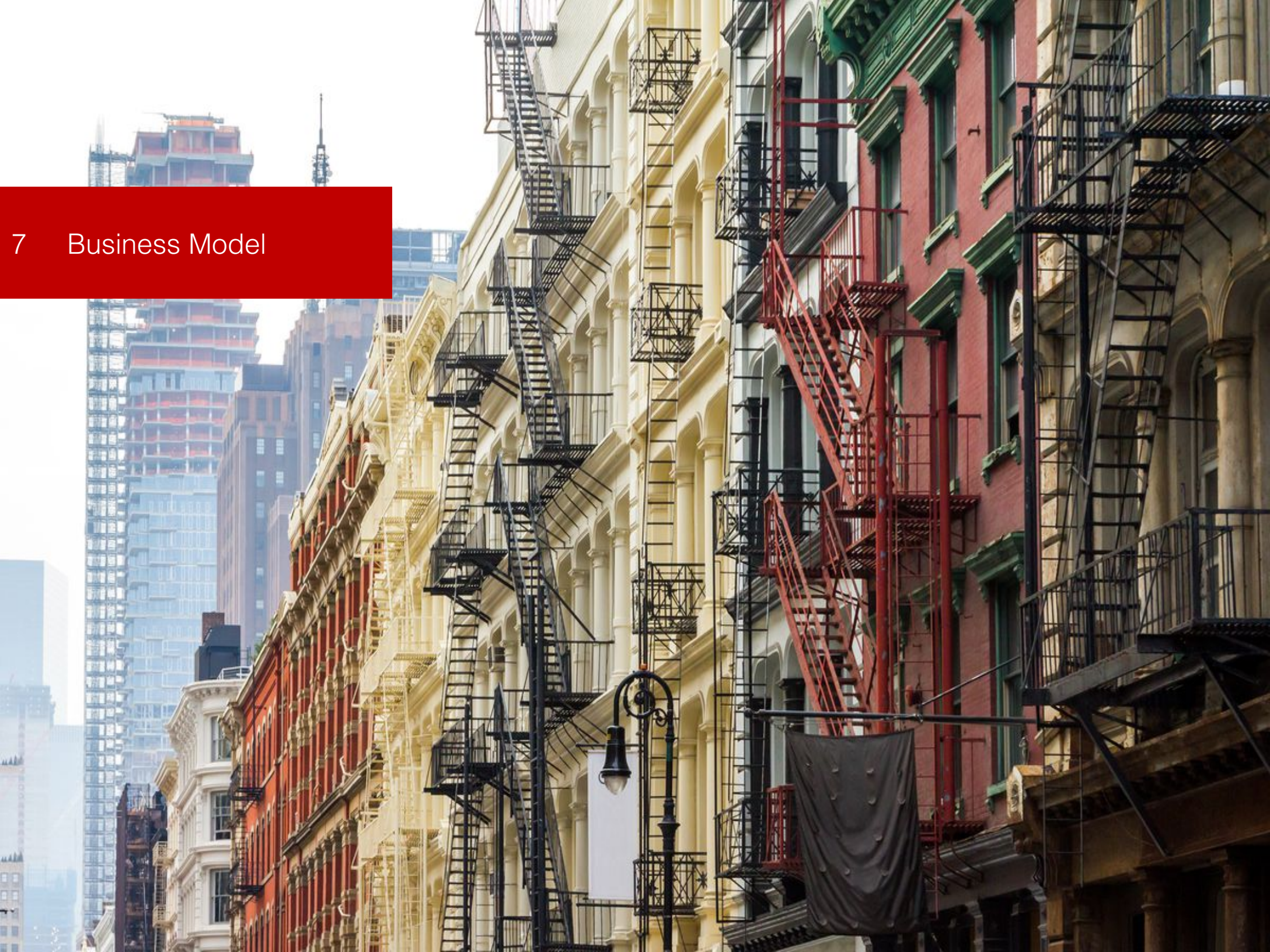


Mergers & Acquisitions: M&A is an important execution strategy in today's rapidly changing business environment. AYTOS is no different, and will use M&A for inorganic growth to enter new markets and for strategic acquisitions that help achieve economies of scale or increase our competitive power. AYTOS M&As will be solely focused on maximizing token holder value. M&A is a proven model that has delivered value to shareholders historically.



Security Token Backed by Hard Assets: AYTOS tokens are security tokens, and our ICO is complying with all regulatory obligations. All investors that invest in our ICO will receive direct ownership of the company operation and financial performance, just like any public company in the U.S. AYTOS tokens are also backed by hard assets (real estate) that are owned by the company.

7 Business Model

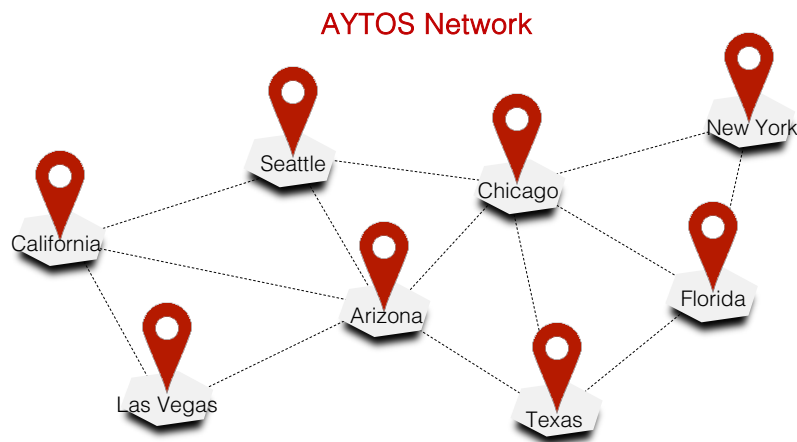


AYTOS NETWORK

AYTOS Network is a virtual city that comprises assets that we will be acquiring across North America. Our initial focus will be the U.S. market and Canada, with later expansion to Asia and Europe.

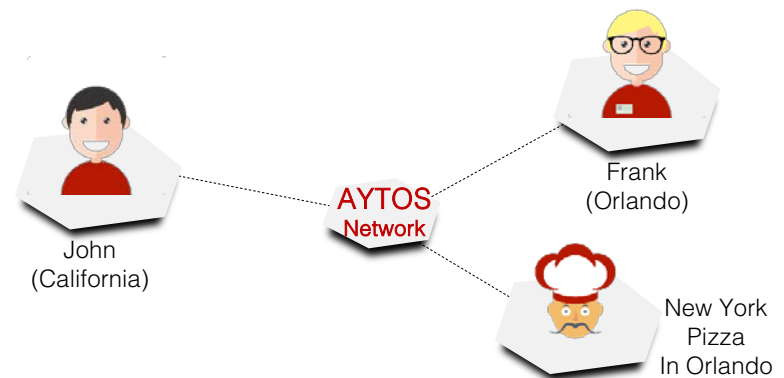
Assets: Our assets will mainly be single family homes, condominiums, and apartments. We want to build a top-tier hotel experience using these assets as a foundation to provide a new living standard to our customers.

Business Model: Our plan is to acquire a group of existing properties and remodel those assets to include amenities and a design that is comparable to a hotel. We want to introduce hotel living quality to long-term, short-term, business and vacation customers or tenants, and we will run the entire operations on Ethereum.



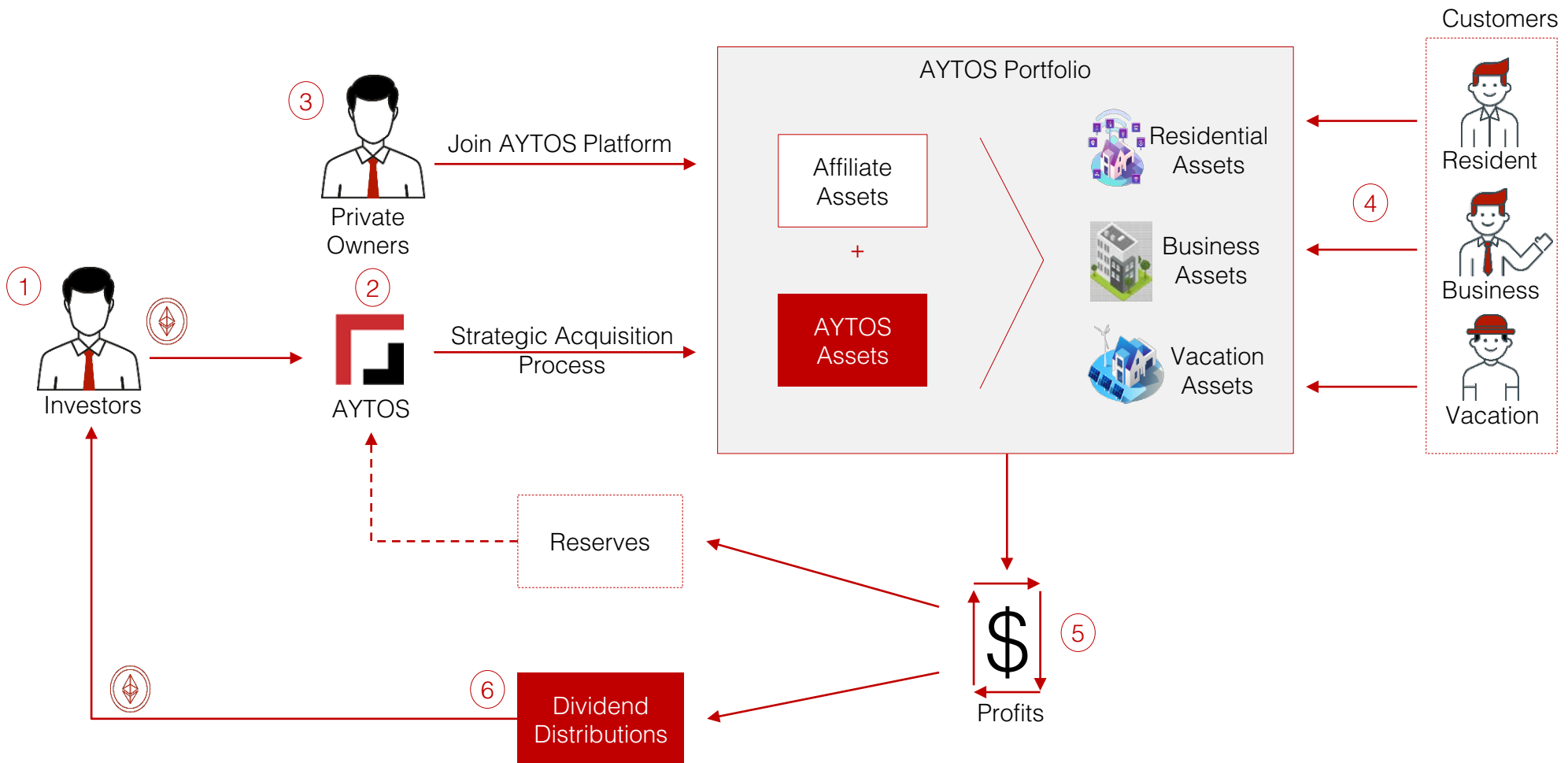
All of our residents (customers and tenants) will be connected via a technology protocol in the AYTOS Network. This technology will be the essential communication channel for sharing information, pictures, video, requesting services, and placing orders to the surrounding retailers or restaurants.

How AYTOS Network Works - Example for Vacation Traveler: John and his family are traveling to Disney World in Orlando, FL for the first time, and they love New York Pizza. John reached out to a Frank, an AYTOS resident in Orlando and requested permission to communicate via the AYTOS Network app. Once accepted by Frank, John can then ask Frank for guidance on where to go for New York Pizza in Orlando. The surrounding participating restaurants and retailers in the AYTOS Network will also know that John (with permission) will be traveling to Orlando, FL. They can then advertise their products and services to John's family prior to their arrival via the AYTOS app.



Blockchain: We will be operating the entire network on the Ethereum blockchain. Customer acquisition, payments, communication, and all operational transparencies will be performed on the blockchain.

Revenue and Distribution: Our source of revenue will come from rentals to long-term and short-term tenants, business and vacation travelers, and advertisements. We plan to distribute 90% of all profits (after reserves) back to our investors as dividends on a quarterly basis.



① John invests in AYTOS ICO by purchasing AYTOS Token

② AYTOS uses the proceeds from ICO and acquires a set of quality assets in U.S. and Canada

③ Frank (Private Owner) has 3 assets in U.S. and wants AYTOS to manage it. AYTOS manages Frank assets as "Affiliate Asset"

④ Customers stay at AYTOS Portfolio Assets for long-term / short-term, business, and vacation needs

⑤ A portion of the profit generated from the operation will be used for reserves. The remaining will be returned to Investors as Dividends

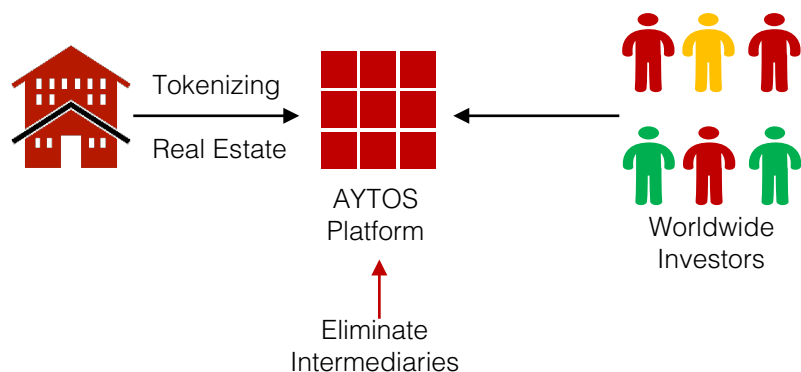
⑥ Investors of AYTOS will receive Dividends deposited into their wallet on record on a quarterly basis

AYTOS PLATFORM

The AYTOS Platform is a technology peer-to-peer platform that is aiming to change the process of acquiring and investing in real estate. We are going to tokenize and digitize the real estate industry, eliminating the middlemen. We believe acquiring and investing in real estate should be straight-forward and simple.

Business Model: Our business model is to create a platform where anyone in the world can invest in real estate with as little as \$250. Our model will break real estate into blocks and each block will represent \$250 of the investment. Each of these blocks are also entitled to the income generated from the asset.

Invest in Real Estate – Starting at \$250



How the Platform Works: Sara put her home up for sale. In the current environment, Sara would need to pay 5-6% fees to her real estate agent. With the AYTOS Platform, Sara will be paying 2-3% in fees and the entire transaction will be performed on the blockchain.

Worldwide investors subscribe to purchase Sara's asset block by block and once fully subscribed, the transaction will trigger and complete via a smart contract.

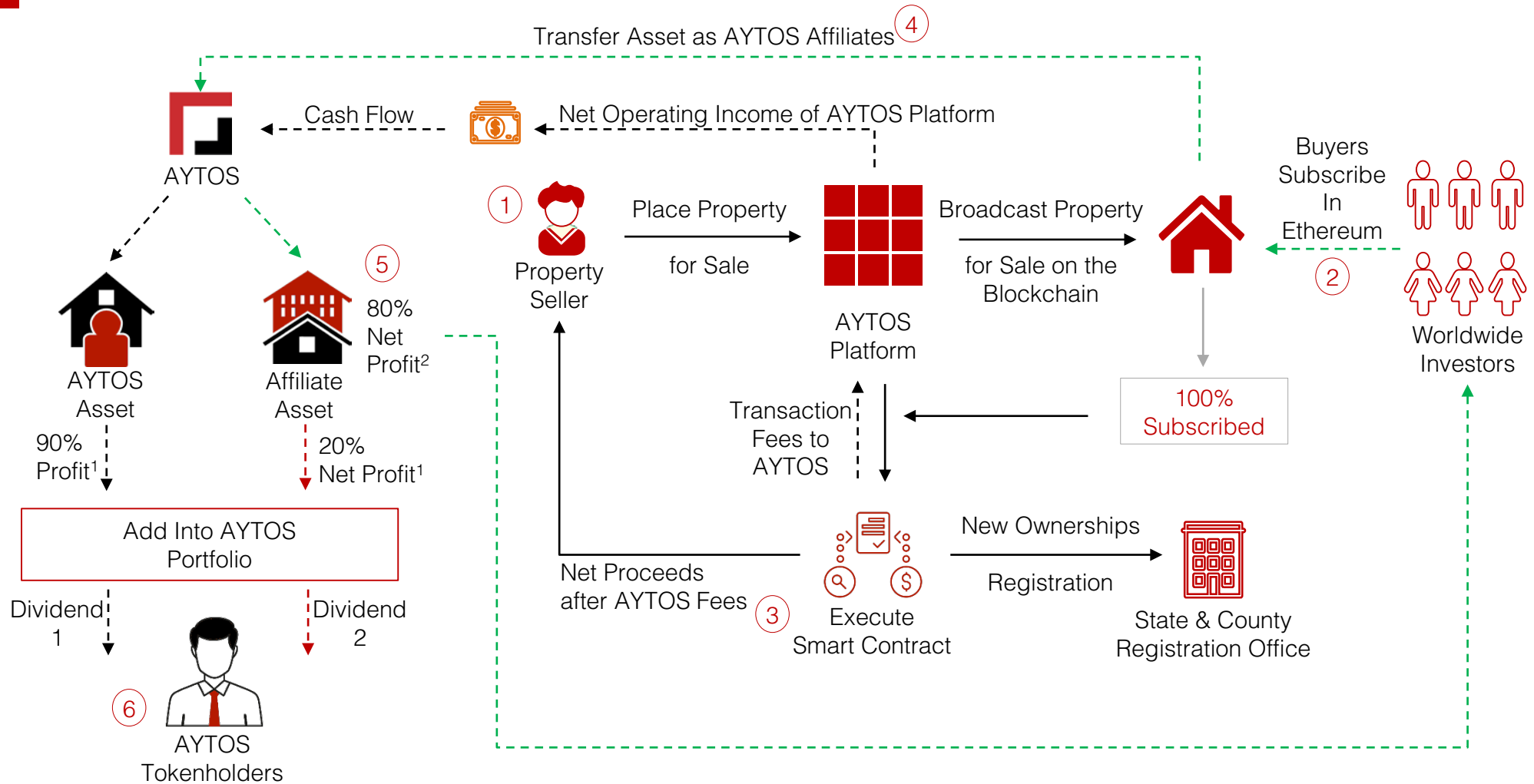
Upon the completion of the transaction, AYTOS will register the list of new owners to the property owner registration office at the county or state office where the assets are located.

Scenario 1: If there is only one buyer, and the buyer wants to move-in and live in the asset that they just purchased on our platform, the transaction is considered complete.

Scenario 2: If there are multiple buyers, the property will then transfer to AYTOS as an affiliate asset and operate under our brand. 80% of net profit will be distributed back to the owners of record on a quarterly basis. This distribution will occur on the Ethereum blockchain.

This list of new owners will receive income from their investment and can also sell their tokenized asset anytime on our platform.

Revenue and Distribution: The platform generates revenue from 1) transaction fees and 2) advertisements. All operating income generated from our platform will be transferred to the AYTOS Network. AYTOS will then use the proceeds for 1) distributing special dividend to AYTOS Investors and 2) perform token buy-back program (buy-back and burn) or 3) to acquire new assets under the AYTOS portfolio, which in-turn creates additional operating income, value, and dividends to AYTOS investors.



1 Sara places her property for Sale on AYTOS Platform

2 Worldwide investors subscribe to Sara's property. Once fully subscribed, the Smart Contract will execute the transaction

3 Once the Smart Contract is executed, new owners information will be registered with the local government office

4 Worldwide investors and AYTOS entered into a management contract. Asset will be transfer to AYTOS as an Affiliate Asset

5 80% of net profit will be distributed back to property owner on a quarterly basis. The remaining 20% will be for AYTOS operation

6 AYTOS investors will receive 2 dividends: 1) from AYTOS portfolio and 2) from AYTOS Affiliates

(1 – AYTOS profit available for dividend distributions, after reserves)
(2 – Profit for individual homeowners, not for AYTOS)

One of the primary ways investors of AYTOS can make money is by purchasing and selling the token on an exchange. At AYTOS, we believe our tokens hold significant upside potential. Our dividend policy is one tangible way how the company returns money back to our investors.

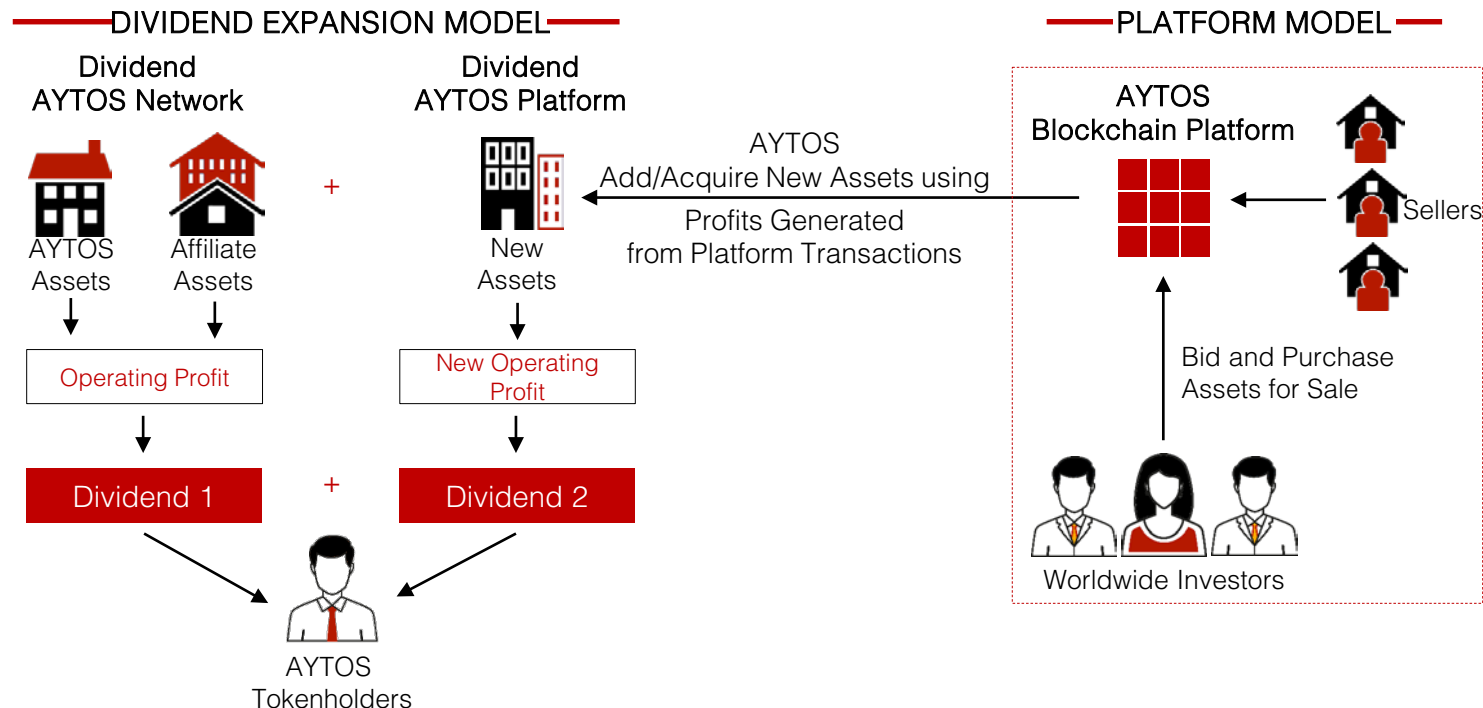
We believe our dividend expansion model will help our investors take full advantage by investing long-term in AYTOS. AYTOS generates revenue from our network and our platform, and these revenue sources are rental income, advertisements, transaction fees, marketing fees, and others.

Our operating income from the network will grow as we continue to use cash generated from the business to acquire new assets. Each new acquisition represents the improvement of the valuation to the company token as well as the incremental cash available to the company for future expansion or distribution.

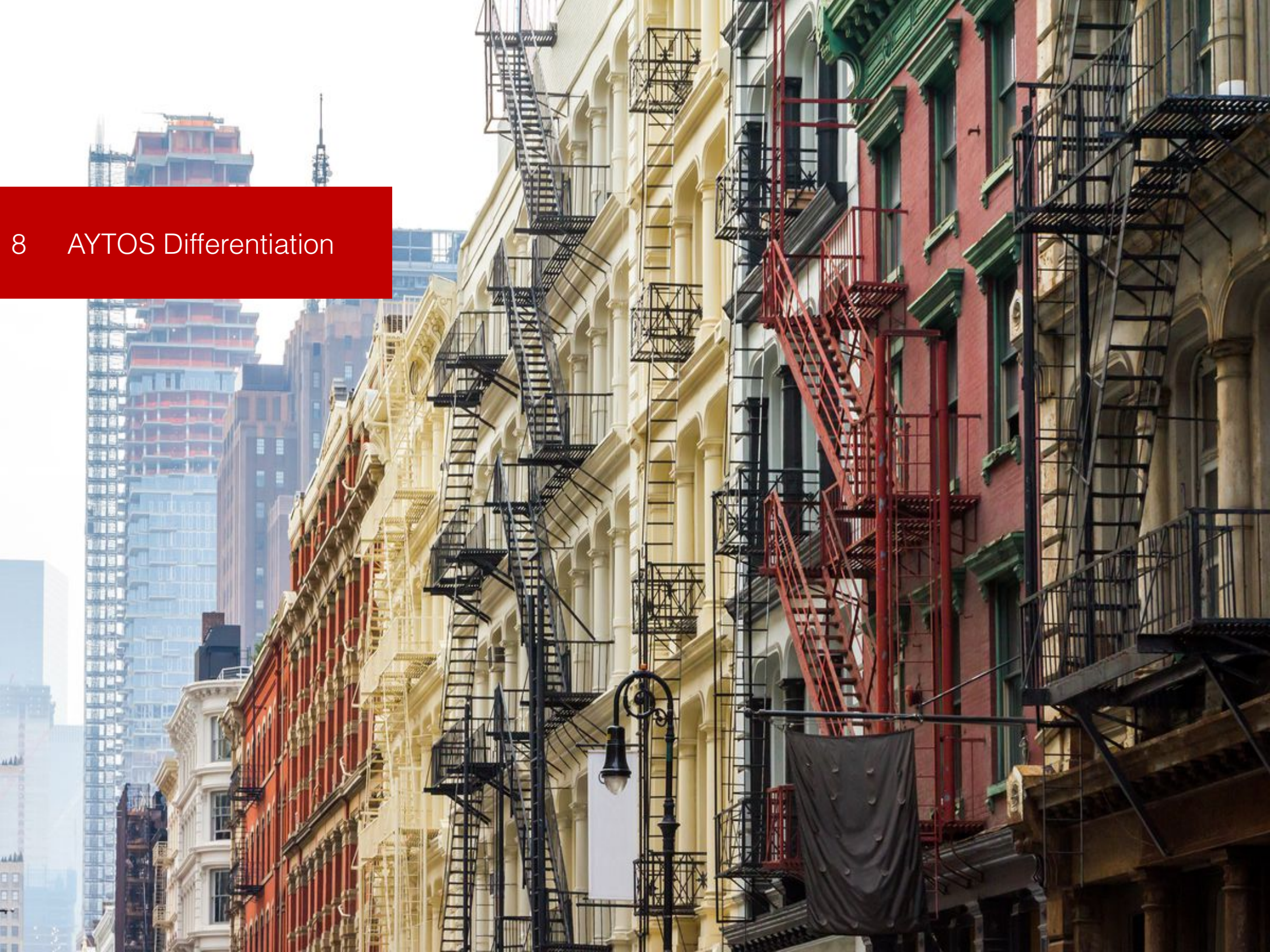
With the operation of the AYTOS Platform, new cash flow and assets will continue to flow into the AYTOS Network. Such an influx will drive new acquisitions of assets and hence continue to grow the company's cash position.

We therefore believe our model represents a unique value proposition to our investors. Comparing other ICOs, we plan to deliver on-going quarterly dividends from two potential sources (Dividend 1 and Dividend 2 as noted in the chart below).

We will also embark on a capital return plan as another way for the company to distribute profit back to our investors. This capital return plan will use Ether (ETH) or cash to trigger a token buy-back program to burn (reduce) the AYTOS tokens in circulation.



8 AYTOS Differentiation



AYTOS believes in market efficiencies. A lot of ICOs promise to change or create a mega disruption to the world. While this may seem like a logical, reasonable, and a proactive approach given we are entering the infancy stage of the blockchain era, many projects simply fail to deliver.

Although we might share some of the enthusiasm of other ICOs, we believe being different with a focus on financial performance will help our potential investors understand us better.

DIFFERENCES

Market: We will not enter the high-price real estate segment and will not be operating or competing in that segment. This is because we select our markets based on a proprietary equilibrium philosophy that focuses solely on generating profit.

\$162 Trillion Market: AYTOS operates in the world's largest asset class (residential), with \$162 trillion worldwide or \$462 billion in annual transaction value, just in the US. A fraction of the market share will generate significant dividend to our investors.

Business Model: Our business model is comprised of assets and our platform. We are different because as an investor of AYTOS, your investment will own both hard assets (AYTOS Network) and a technology business (AYTOS Platform).

Secure: As AYTOS investors, your investment is 1) secured by hard assets, 2) entitled to our quarterly dividend, 3) entitled to the profit we generate from the Platform, and 4) entitled to the proceeds should an M&A take place.

Scalability: Both the AYTOS Network and Platform are scalable. We can replicate AYTOS Network's lean operational model throughout the world. We can also scale the AYTOS Platform for global growth.

FINANCIAL PERFORMANCES

Dividend & Token Buy-Back: Because AYTOS focuses on generating profit, a quarterly dividend payout will differentiate us among other real estate ICOs. We will also use excess cash to either 1) purchase more assets which will increase the dividend to our investors or 2) perform a token buy-back and burn to reduce the total tokens in circulation to improve the value of our token for our long-term investors.

		AYTOS	Alt.Estate	Real	Realisto	Atlant	Direct Purchase	REIT
Market	Residential (\$162 Trillion Market)	•	•		•	•	•	•
	Commercial (29 Trillion Market)	•		•			•	•
Core Business - Asset	Financial Transparency	•					•	•
	Use of Proceeds - Asset	•					•	•
	Use of Proceeds - SG&A	•	•	•	•	•		•
	Dividend	•						•
	Liquidity	•					•	•
	Token Buy-Back / Burn	•						
	Ownership of Asset	•					•	•
Platform Business	Investor Low Entry Barrier	•	•	•		•		
	Low Fees	•	•	•		•		
	Liquidity	•	•	•		•		
	Cross-Border Transaction	•	•	•		•		
	Select Your Property	•	•	•	•			
	Income from Property	•			•			
	On-Going Management Fees		•					
	Profit Sharing (80/20)	•						

(Source: Alt.Estate, Real, Realisto, Atlant, Company Research)

9 Investment Philosophy



AYTOS structures our investment operations where we believe the potential for reward outweighs the risk entailed. All of our investment activities operate according to our unifying philosophy.

The Primacy of Risk Control

Superior investment performance is not our primary goal, but rather superior performance with less-than-commensurate risk. Above-average gains in good times are not proof of a success. It takes superior performance in bad times to prove that those good-time gains were earned through skill, not simply the acceptance of above average risk. Thus, rather than merely searching for prospective profits, we place the highest priority on preventing losses. It is our overriding belief that, especially in the opportunistic markets in which we work, "if we avoid the losers, the winners will take care of themselves."

Emphasis on Consistencies

Oscillating between top-quartile results in good years and bottom-quartile results in bad years is not acceptable to us. It is our belief that a superior record is best built on a high batting average rather than a mix of brilliant successes and dismal failures.

The Importance of Market Inefficiency

We feel skill and hard work can lead to a "knowledge advantage," and thus to potentially superior investment results, but not in so-called efficient markets where large numbers of participants share roughly equal access to information and act in an unbiased fashion to incorporate that information into asset prices. We believe less efficient markets exist in which dispassionate application of skill and effort should pay off for our clients, and it is only in such markets that we will invest.

The Benefits of Specialization

Specialization offers the surest path to the results we, and our clients, seek. Thus, we insist that each of our portfolios should do just one thing — practice a single investment specialty — and do it absolutely as well as it can be done. We establish the charter for each investment specialty as explicitly as possible and do not deviate. In this way, there are no surprises. Our actions and performance always follow directly to our specialization.

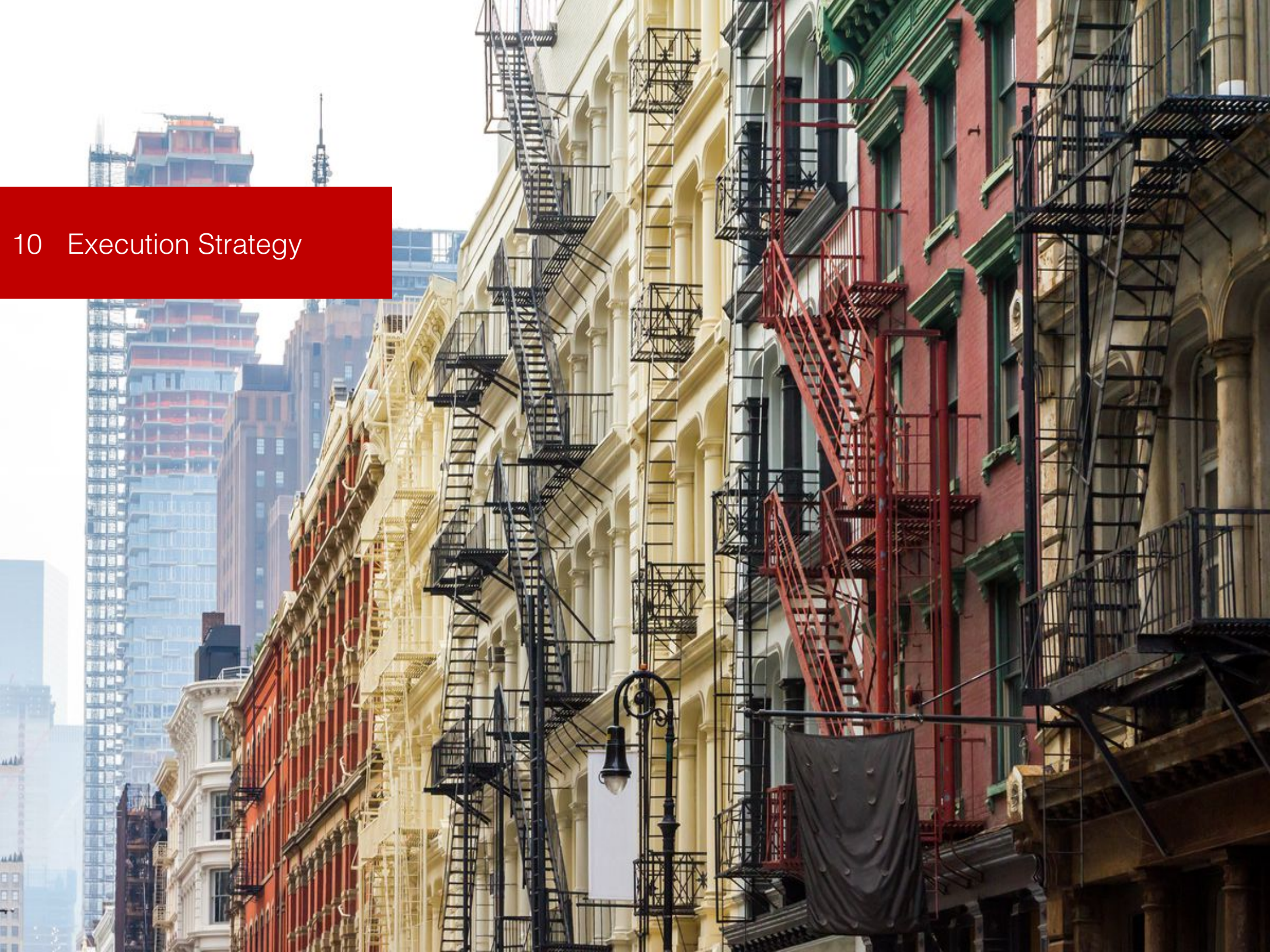
Macro-Forecasting not Critical to Investing

We believe consistently excellent performance can only be achieved through superior knowledge of market, assets, locality, and seasonal demands, not through attempts at predicting what is in store for the economy, interest rates or the stock markets. Therefore, our investment process is entirely bottom-up, based upon proprietary, market-specific research. We use overall portfolio structuring as a defensive tool to help us avoid dangerous concentration, rather than as an aggressive weapon expected to enable us to hold more of the things that do best.

Disavowal of Market Timing

Because we do not believe in the ability to correctly predict and time markets, we keep portfolios fully invested whenever attractively priced assets can be bought. Concern about the market climate may cause us to tilt toward more defensive assets, increase selectivity and act more deliberately. AYTOS invests in specific market niches, and we must never fail to think strategically on all of our investments. We understand that owning an underperforming investment is unpleasant, but missing out on returns because we failed to execute is inexcusable.

10 Execution Strategy



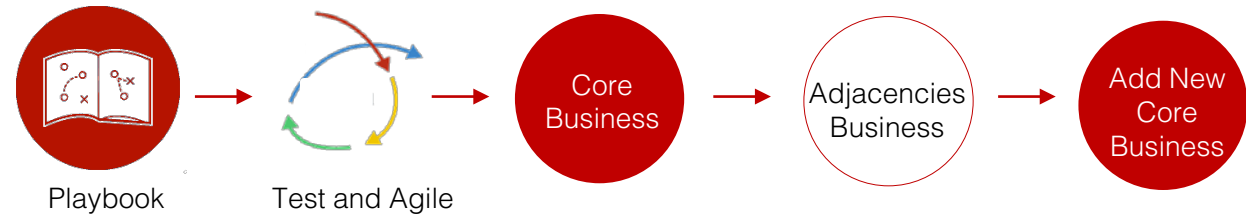
AYTOS Execution Strategy

Good execution is the success of every strategy. A flawed strategy is the shortcoming of bad implementation. Companies that continue to follow the “plan, then do” approach to strategy, and work tirelessly to create the best forecast about the future market and competitive landscape are no longer viable.

AYTOS believes that the “plan, then do” approach is obsolete in today’s fast-paced world. The uncertainties surrounding our future market and the competitive conditions are too great for companies to prescribe every element in a multiyear strategy.

AYTOS is agile and will embark to narrow the strategy-to-performance gap. Our strategy starts a playbook following with “decide-do, refine-do”, and “repeat-success” approach. Our founder has tested this agile strategy and the approach to “test-learn” and “repeat-success”. It is an approach that is used by many high-performance companies worldwide, and has helped bridge the chasms that exist at so many companies between great strategy, great execution, and great performance. AYTOS focused on execution and performance.

Overview of the AYTOS Execution Model



AYTOS believes in strategy and an agile approach to create wealth and return profits to our investors. Our methodology is systematic and agile - starting with a playbook that includes the values we believe in, a stringent financial analysis, investors deliverables in-focus, and a radical alternative to test our execution.

We believe in the correlation between innovation and agile management. In today’s dynamic and competitive environment, we need more than just new products. What’s more important are innovations that are functional, particularly given the rapid spread of new software and blockchain technology. AYTOS execution strategy is to create an environment where we are agile, and deliver innovations faster than other ICO projects.

Playbook

Executing a digital or blockchain industrial transformation strategy can be challenging. AYTOS understands that, as we embark on “test and agile” initiatives prior to our ICO to ensure that we will be successful and be responsible to our investors.

The AYTOS playbook is a process that we engineered from a repeatable industrial transformation exercise. The process can be used to replicate our success for different geographies. We are designing an approach of “build once, deploy anywhere” for both the AYTOS Network and Platform.

The five key pillar initiatives of our playbook are shown in the chart on the right of this page.

AYTOS PLAYBOOK

- 1 Target & Segmentation
- 2 Capabilities & Operating Model
- 3 Partner Ecosystems
- 4 Talent & Culture
- 5 Business Model Innovation

Test and Agile

We believe that strategy in today's dynamic and ever-changing climate is becoming more fluid; just like a software application that needs constant updates. Our test and agile approach executes two emerging concepts: vision and improvisation.

Vision incorporates the stringent financial modeling of our team, deploying capital and monitoring the financial performance for both short-term and long-term. If the strategy does not show a long-term prospective for our investors interest, we will suggest an improvisation of our fundamental at the tactical level—the explore, experiment, and iteration process.

We do this because we believe when we incorporate both into strategy creation, it becomes a transformative event rather than a long-winded process.

Core Business

AYTOS believes in developing a core business, built it to its full potential, and using the resources to support new business, acquisition of adjacent businesses and harness new core business.

Because we believe in core business, we are confident that we can declare our first dividend within 6-9 months upon the completion of our ICO.

The AYTOS Network will be our #1 core business, and we will use the resources from AYTOS Network to harness AYTOS Platform as the Company's #2 core business. While developing the AYTOS Platform, our strategy is to continue to be disciplined and not ignore our dividend responsibilities to our investors.

We does not plan to venture far afield but to find new value close to home. We want to continue to build-out assets in hand to eventually become valuable cores.

Adjacencies Business

Every business has its lifecycle and we are not immune to that. AYTOS believes that successful growth strategies reveal two key elements: the first is a strong, or even dominant competitive position in our core business or segment that will be managed aggressively to gain consistent market share. The second is an investment program that reinvests in our core and adjacencies at a rate that sustains competitive advantage.

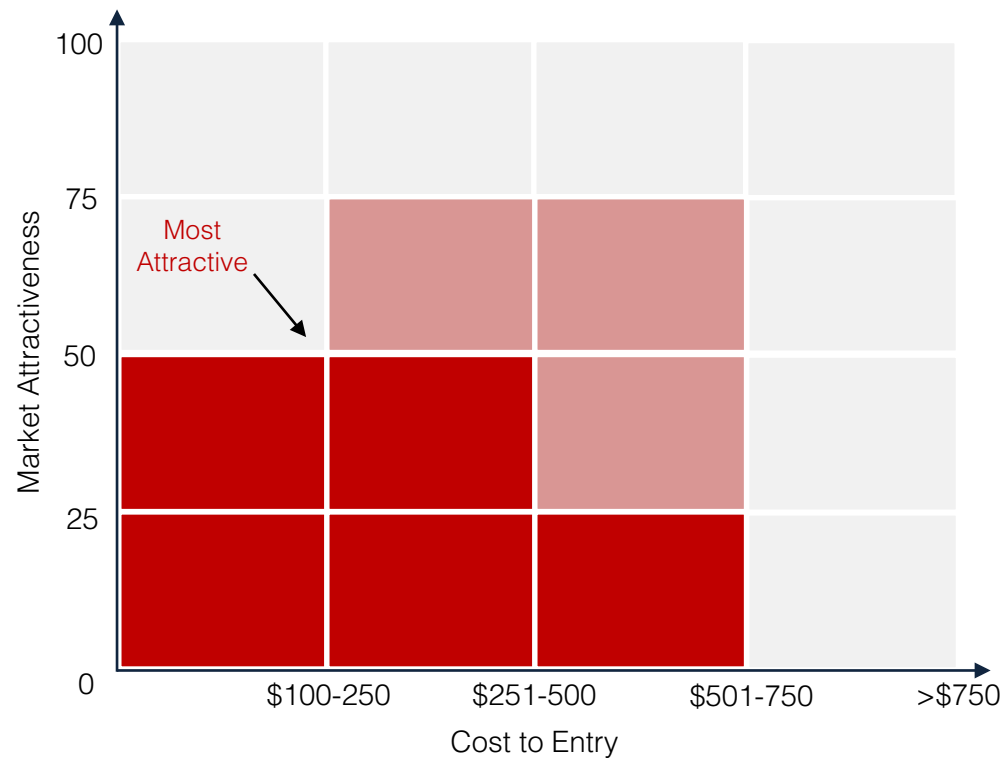
As our core business matures, we want to enter new adjacencies and control the industry profit pool – to supersede our profitability levels – and use such leverage to improve our competitiveness and to increase our dividend to AYTOS investors.

Adding New Core Business

AYTOS will continue to evaluate our core business and explore opportunities to add new initiatives to the company. Changes in the business environment shows that there is no single fully sustainable core business model. AYTOS will seek new core business plans that will comprehend and create new value to the company and to our investors.

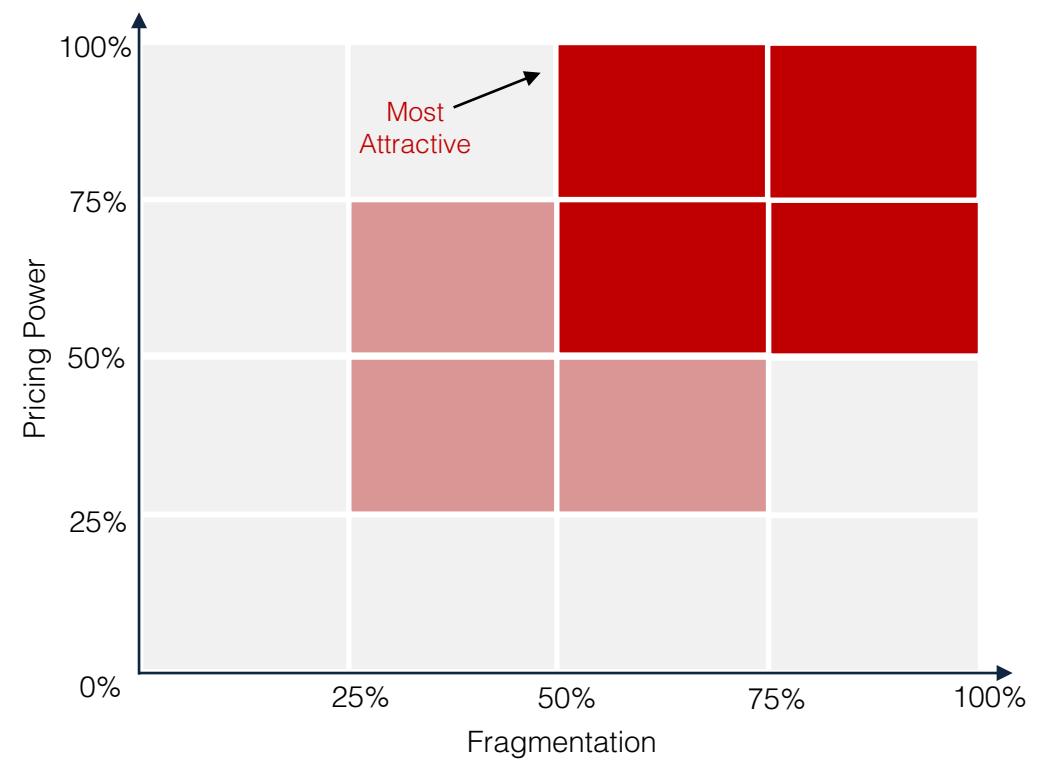
We will find growth close to our core business, especially those that uniquely link activities to us will be most important. At the same time, we will also continue to build new capabilities to help us grow beyond the core. We believe by doing so, we will have the capabilities to scan, evaluate, and integrate opportunities and to create value with these moves.

Cost to Entry vs. Market Attractiveness



Seeking Assets in Markets or Segments that have Low to Mid Cost of Entry, and supported by Attractive Income and Upside Financial Potential

Fragmentation vs. Pricing Power



Seeking Assets in Mid to High Fragmentation Markets, and supported by Strong Pricing Power for Attractive Income Outcome and Financial Upside

11 Financial



We put our best thinking together with a proprietary process, an execution strategy and our in-depth investment experiences to create a risk and return projections. While we believe we have assembled a compelling investment theme, the delving into the maturity of any business cycle and the interplay of its cyclicalities or secularities will continue to influence long-term investment.

With this, we want to communicate to all investors that our projections are based on a set of assumptions. These assumptions are the core to our approach in building a strong financial fundamental and dividend position for our investors.

Therefore, it is important that you understand our key assumptions shown below prior to investment in AYTOS token. Please also see page 72, "Risk Factors" for additional details.

Start-Up Operations: 3-6 months to completely build-up our team and the acquisition of phase 1 assets

First Dividend Payout: 6-9 months upon the close of our ICO

Fund Deployment: Asset – 80%
Platform – 15%
SG&A – 5%

Leverage: Minimum of 3x leverage

Asset-Mix: 80% Short-Term
20% Long-Term

Debt Financing: We assume that we will achieve reasonable for the cost of our debt

Year-1: 6-9 Months after the completion of our ICO

AYTOS Platform: 6-9 Months for complete development

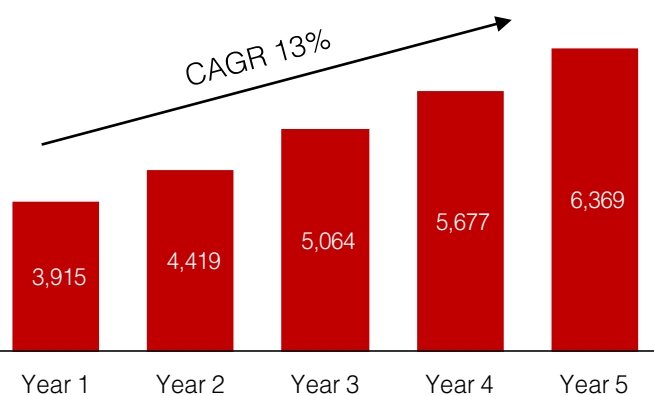
Real Estate: We assume a neutral to positive outlook for real estate relative to most other asset classes. We also assume the current supply discipline to support above level returns comparing to other relative asset class

Capital Market: We assume no recession over the next five years and that a modest recovery in business investment and productivity will extend the cycle. We are also assuming that the equities market to continue outperform the bonds market

Credit Market: We assume that despite the maturity of the current credit cycle, long-term credit will continue to remain as one of the more promising areas in fixed income universe

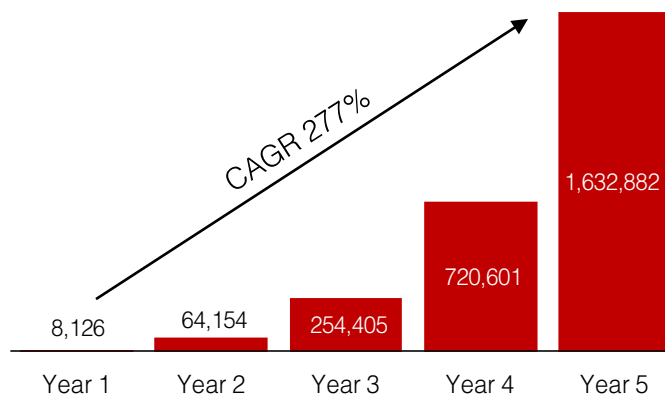
AYTOS Asset Revenue

CAGR 13%



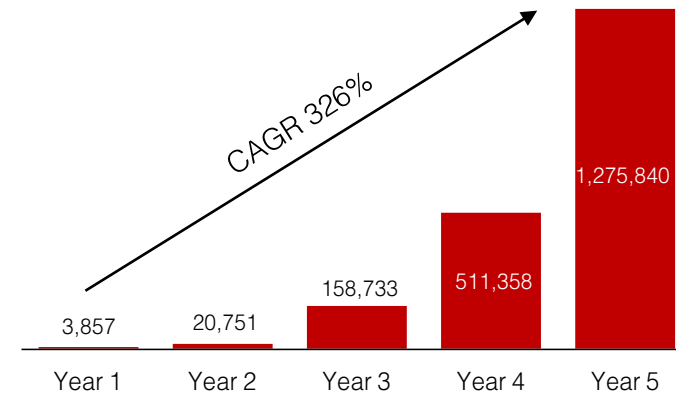
AYTOS Platform Revenue

CAGR 277%



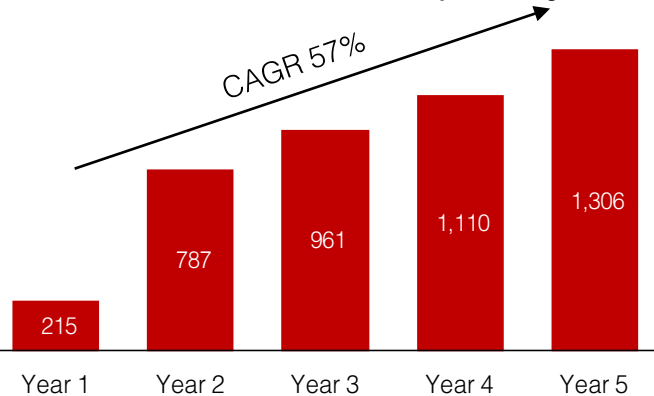
EBITDA - AYTOS Network and Platform

CAGR 326%



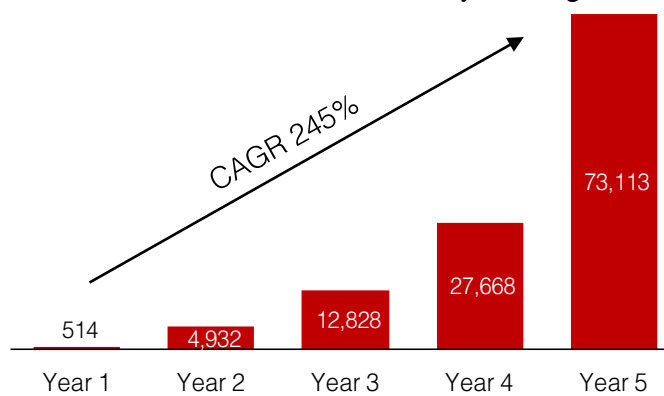
AYTOS Network Dividend Payout Target

CAGR 57%



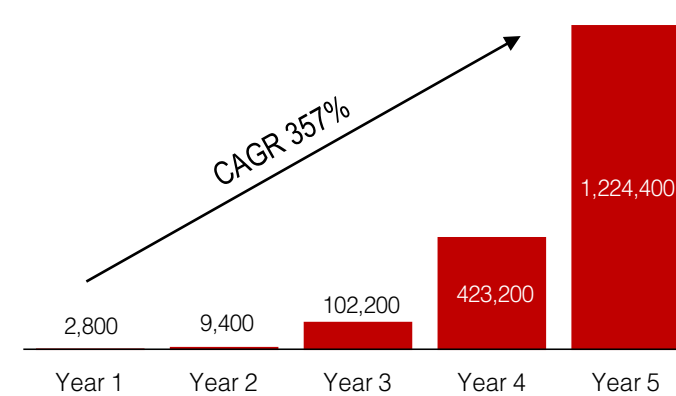
AYTOS Platform Dividend Payout Target

CAGR 245%



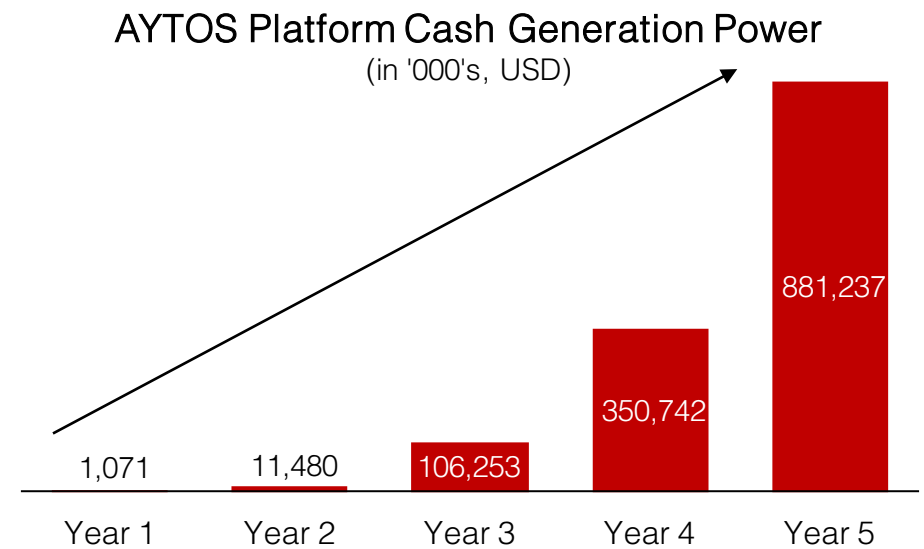
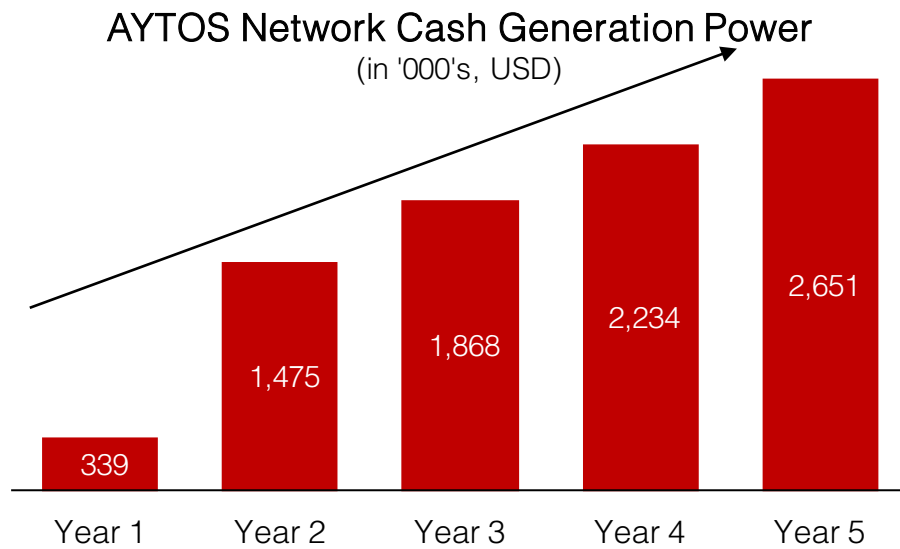
Cash Available after Dividend

CAGR 357%



(Note: All number in '000's, USD)

Cash Generation Forecast – A Conservation Perspectives

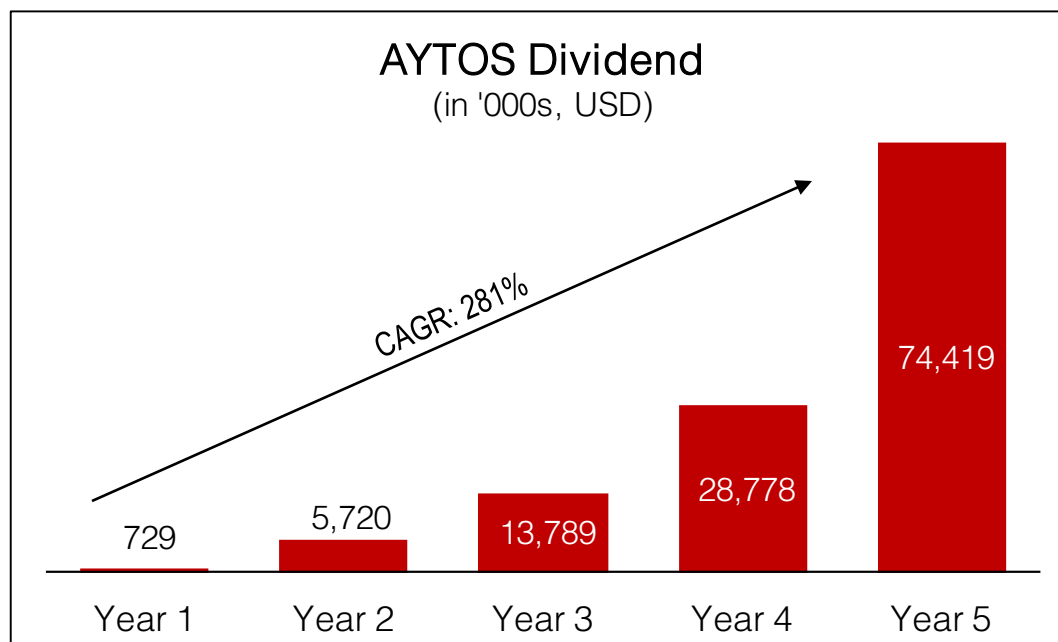


(Note: All number in '000's, USD)

Strong Dividend Payout to AYTOS Token Holders

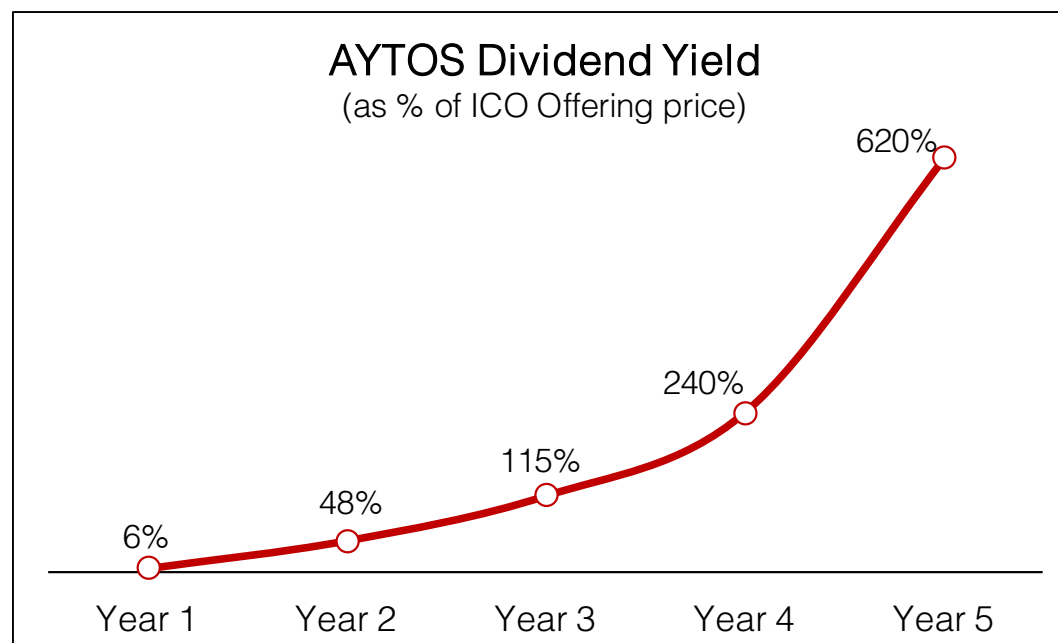
\$729K or 1.7K ETH Dividend payout in Year-1 growing at an CAGR of 218% to \$74MM or 172K ETH payout by Year-5

Significant Upside in Year-2 is driven by our Platform Business going in Full Operations

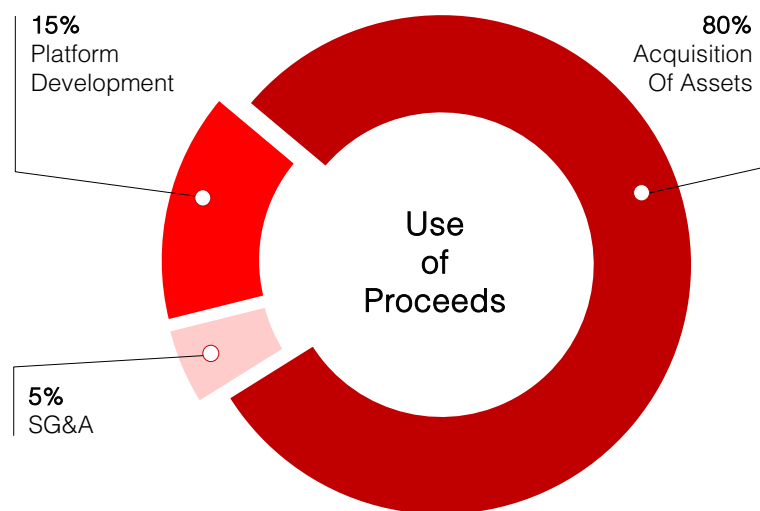


Excellent Dividend Yield (assuming the initial token price of \$0.1 per token)

3% Dividend Yield in Year-1 and Growing to 310% by Year-5



(Note: USD-ETH assumptions: US\$428 to 1 ETH)



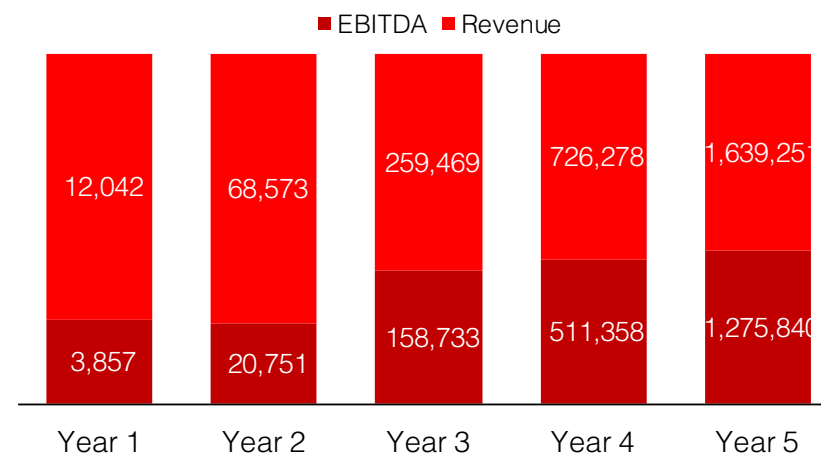
Use of Proceeds

AYTOS is committed to providing full transparency, and it is important that all investors understand how we use the proceeds from our ICO. Upon the completion of our ICO, we plan to use the proceeds from the sale of AYS Tokens as follows:

- 80% - Acquisitions of Real Estate Assets;
- 15% - Development of AYTOS Platform; and
- 5% - General Operations.

We plan to grow our portfolio for the AYTOS Network in a systematic way, and payout 90% of all cash generated (after reserves) to our Tokenholders. Cash generated from AYTOS Platform will be used to fund future and international expansion especially to Asia and Europe. A significant amount of cash generated from AYTOS Platform will also be use for dividend payout (the “Dividend 2” or “Special Dividend”).

AYTOS Network & Platform (in '000's, USD)

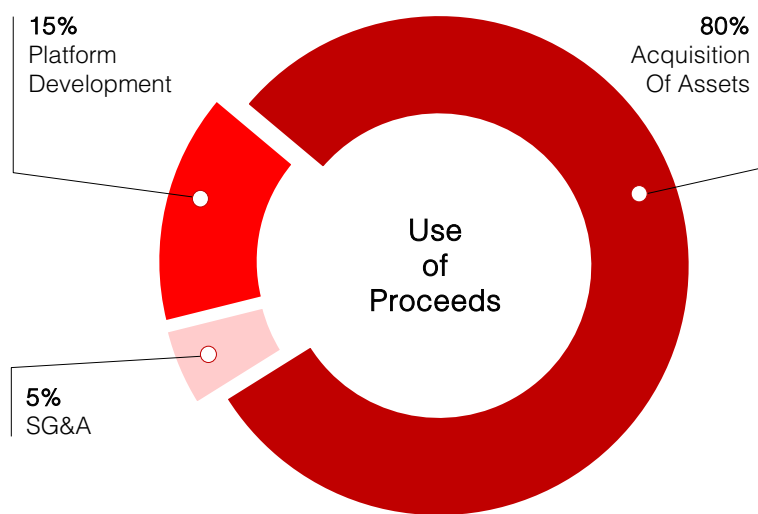


Financial Summary

Upon the completion of our ICO, we will begin our operation as a Technology Real Estate Company. We will start building the AYTOS Network by acquiring assets in the U.S. and Canada, and continue to complete the development of the AYTOS Platform for live roll-out in 2019.

We forecast our revenue for year 1 at \$12 million with EBITDA of \$3.8 million. \$0.7 million will be paid out as dividend to AYTOS token holders. This represents ~7% of total investment return in Year-1. Our forecast also shows that revenue will continue to growth at an CAGR of 242% over the next 5 years, recording an estimated revenue of \$1.6 billion by Year-5.

With a conservative growth rate and processing only 3.5% of total U.S. real estate transactions, we forecast our total future dividend payouts to AYTOS token holders will be \$123 million over 5 years. This represents a dividend growth CAGR of 218% or 1,234% of initial investment by token holders.



Use of Proceeds

We estimate that at the average token sale price of \$0.13, the proceeds from the sale of the 80 Million tokens (100 Million total issued – 20 Million for Management, Advisors and Bounty) from our ICO will be approximately \$10,000,000 or 23,095 ETH, before deducting any offering expenses. We will utilize the proceeds from this offering for asset acquisitions, technology development, and general operations.

The following table below sets forth the uses of proceeds assuming the sale of 100% of the tokens offered for sale in this offering by the company.

- 80% - Acquisitions of Real Estate Assets;
- 15% - Development of AYTOS Platform; and
- 5% - General Operations.

AYTOS Network - Acquisition of Real Estate Assets – 80%

We will use 80% of total proceeds to acquire assets in the U.S. and Canada. We will partner with 3 leading financial institutions in the U.S. for debt financing, and we believe we can acquire up to 90 properties by leveraging our financial position.

We will however reserves a minimum of \$1.5 Million or ~ ETH 3.45K in Ethereum or in FAIT currency for risk management.

AYTOS Platform – Software Development – 15%

We will use 15% of total proceeds to complete the development of our platform and go live within 6-9 months. We plan to split our software developments into three different modules, and each module will be develop by different development team and located in different region.

We will have our core module development team in San Francisco to eventually integrate all modules together and control all source codes locally. We believe this will help us make better use of our proceeds and yet focus on bringing our product to the market in a timely manner.

General Operations – 5%

We plan to use the remaining 5% for IT infrastructure, Sales & Marketing, Legal, Patent, and General Administration and Operations.

IT Infrastructure: We need to complete built-out the backbone of our infrastructure to support our day-to-day operations. We will be applying for patents for the proprietary technology that we are developing, the next-generation homeownership platform that remove middleman, reduce bureaucratic challenges, and for everyone regardless of their financial capability.

Sales & Marketing: We plan to run our sales and marketing efforts on a lean and cost-efficient basis. Because AYTOS owns our assets, we do not need to spend significant financial resources to acquire users. We plan to leverage resources and selling channels available in the market to help sell our AYTOS products. We believe it is unnecessary to re-create the wheel or waste our financial resources on something that is already available in the market.

Operations: AYTOS believes in lean operations just like a methodology for removing waste. We are focused in particular on creating a culture of continuous improvement and a new leadership approach. We want our employees at all levels to understand the company's vision and translate it into action every day, with a common purpose across the entire organization.

We will develop our managers with the expectation that everyone should have the opportunity to contribute to the best of their ability. We want everyone to see problems as opportunities to make the business stronger. All of our employees should understand our customers, and seek to meet their needs as efficiently as possible.

These lean operations and management disciplines correlate to tangible skills and ways of working that people and organizations can learn. This, over time, constitutes a new company culture that focuses on generating value to our investors or token holders.

Legal: We will use some of the proceeds for patents and for an A+ filing with the SEC to create liquidity to our token holders.

AYTOS Consolidated Financials

Combining both the AYTOS Network and Platform, we believe our revenue for Year-1 will end at approximately \$12 Million. We forecast our revenue will grow by more than 400% in Year-2, primarily driven by the expansion from our Platform business while our Network business will continue to grow steadily and generates stable income.

With 6.1 million residential homes sold in 2017, we estimate that the market will grow by 3% annually to 6.4 million homes in 2018. California represented 1.6 million of total homes sold, or 26% of U.S. residential market.

We estimate that we can easily process 1.8K home transactions in Year-1 and grew to 13K in Year-2 especially given that we are a home-grown California Corporation.

We believe our growth rate will escalate over time and can easily capture 3.5% of the market share by Year-5 or earlier. This will make AYTOS a \$1.6 billion corporation by revenue in Year-5 with an annual CAGR of 242%.

We forecast total dividend payout by Year-5 will be \$123 Million with \$1.2 billion still available for special dividends or future acquisitions.

Operating Expenses: OPEX for Year-1 and Year-2 is

Aytos Financial Summary

(in '000s, US\$)	FY Year 1	FY Year 2	FY Year 3	FY Year 4	FY Year 5	CAGR	Cum.
Aytos Network	3,915	4,419	5,064	5,677	6,369	13%	
Aytos Platform	8,126	64,154	254,405	720,601	1,632,882	276%	
Revenue	12,042	68,573	259,469	726,278	1,639,251	242%	
<i>Growth</i>		469%	278%	180%	126%		
Gross Profit	12,042	68,573	259,469	726,278	1,639,251		
<i>Growth</i>		469.5%	278.4%	179.9%	125.7%		
Operational Expenses	8,185	47,822	100,735	214,920	363,411		
SG&A	8,185	47,822	100,735	214,920	363,411		
<i>Growth</i>		484%	111%	113%	69%		
<i>as % of Revenue</i>	68%	70%	39%	30%	22%		
EBITDA	3,857	20,751	158,733	511,358	1,275,840	326%	
<i>Growth</i>		438.0%	664.9%	222.1%	149.5%		
<i>as % of Revenue</i>	32%	30%	61%	70%	78%		
Dividend Distribution	729	5,720	13,789	28,778	74,419	218%	123,435
<i>as % of Investment</i>	7%	57.2%	137.9%	287.8%	744.2%		1234.4%
Cash, cumulative	2,800	9,400	102,200	423,200	1,224,400	357%	
<i>as % of Investment</i>	28.0%	94.0%	1022.0%	4232.0%	12244.0%		

higher as percentage of revenue primarily due to the one-time event of our Network business and the short-term expansion of marketing and G&A expenses for our Platform business.

Dividend Distribution: We plan to distribute \$0.7 Million Dividend in Year-1 and grew by ~600% in Year-2, supported by the strong cash generations from both the AYTOS Network and Platform. We anticipate this to continue but at a slower pace, growing our dividend to \$13 million in Year-3 to \$74 million by Year-5. This represents a Dividend Distribution CAGR of 218% or a total return of 1,234%.

Cash, Cumulative: We forecast that our cash reserve will reach \$1.2 Billion by Year-5. We will use these funds for asset acquisitions, special dividend payouts, token buy-back and burning, and returning money back to our investors by other means.

AYTOS Network

We are going to use 80% of the proceeds from the AYS token sale to execute our strategy for AYTOS Network. We will be acquiring assets in the United States and Canada, and remodeling all assets for long-term, short-term, business and vacation travelers.

Portfolio: We believe we can acquire up to 90 assets using 80% of the proceeds from our ICO + the leveraged financing from 3 major financial institutions in the U.S. This 90 portfolio of assets will be the core in generating consistent cash flow and dividend to our token holders.

Revenue: We forecast that our revenue will end at \$3.9 Million for Year-1 and grew by an CAGR of 13% to \$6.3 Million by Year-5, without adding any assets to the portfolio.

Operating Expenses (SG&A): Our OPEX will be higher in Year-1 because of One-Time event that is mainly driven expenses from remodeling and redesigning of assets that we acquire. We forecast that OPEX will normalized at 23-29% over the course of the year.

EBITDA: We forecast our EBITDA at 42% of revenue for Year-1 and 77% of revenue by Year-5. Again, lower EBITDA in Year-1 is driven by the one-time event we discussed earlier. We use leveraged financing strategy, and all financing costs are not recorded in our income statement.

Aytos Network Financial Summary

(in '000s, US\$)	FY Year 1	FY Year 2	FY Year 3	FY Year 4	FY Year 5	CAGR	Cum.
Portfolio Mix	100%	100%	100%	100%	100%		
Number of Properties	90	90	90	90	90		
Revenue	3,915	4,419	5,064	5,677	6,369	13%	
<i>Growth</i>		13%	15%	12%	12%		
Gross Profit	3,915	4,419	5,064	5,677	6,369		
<i>Growth</i>		13%	15%	12%	12%		
Operational Expenses	1,960	908	936	966	997		
Corporate Office	310	360	385	413	443		
SG&A	2,270	1,268	1,321	1,379	1,440		
<i>Growth</i>		-44%	4%	4%	4%		
<i>as % of Revenue</i>	58%	29%	26%	24%	23%		
EBITDA	1,645	3,151	3,743	4,298	4,929	32%	
<i>Growth</i>		91.5%	18.8%	14.8%	14.7%		0.0%
<i>as % of Revenue</i>	42%	71%	74%	76%	77%		
Dividend Distribution	215	787	961	1,110	1,306	57%	4,380
<i>as % of Investment</i>	2.7%	9.8%	12.0%	13.9%	16.3%		54.7%
Cash, cumulative	1,600	2,200	3,000	4,000	5,200	34%	5,200
<i>as % of Investment</i>	20.0%	27.5%	37.5%	50.0%	65.0%		65.0%

Dividend Distribution: We plan to have \$1.5 Million in reserves at the beginning of operation. Upon the completion of acquisitions and remodeling, we forecast that the AYTOS Network will generates \$0.34 million in cash, after debt payment. Because of our leverage strategy, it is crucial that we continue to build-up our reserves. With that in-mind, we will allocate \$0.2 million for dividend distribution in Year-1. This represents an annual dividend payout of 2.7%. Our dividends will not stop here. We forecast that our dividend will grew by a CAGR of 57% over 5 years. Total cumulative payouts over 5-Years will be \$4.3 million, or 53% of total invested dollars.

Cash, Cumulative: We forecast that cash reserve at AYTOS Network will reach \$5.2 million by Year-5, which we can use for asset purchases, special dividend payouts, or token buy-back and burn operations to again return money back to our token holders.

AYTOS Platform

The U.S. real estate industry processed 6.1 million transactions of residential homes in 2017. This represented a total transaction value of \$467 billion. AYTOS Platform is built to disrupt this industry, and we estimate that we can conservatively capture 3-5% of the market over 5 years.

Market Penetration: California, our home ground, processed 1.6 million or 26% of total real estate transactions in the U.S. We believe we can process at least 1,830 transactions in Year-1 (0.03% of U.S or 0.1% of California). We model our financials based on the average selling price of \$0.2 million, a low price tag for California but average for the U.S.

Revenue: With the average selling price of \$0.2 million and processing 1.83K transaction in year 1, we believe our revenue for year 1 will end at \$8.1 million. We further forecast our revenue for the AYTOS Platform to grow by a CAGR 276% to \$1.6 billion by year 5, growing our market share in the U.S. from 0.03% to 3.5%

Operating Expenses (SG&A): AYTOS Platform is a software technology that runs on blockchain. It is an application that scales and we anticipate this to start in Year-2, and generates significant cash for the company for dividend distributions. We forecast OPEX to decline from the 73% of revenue in Year-1 to approximately 30% of revenue over 5 years as we scale the business.

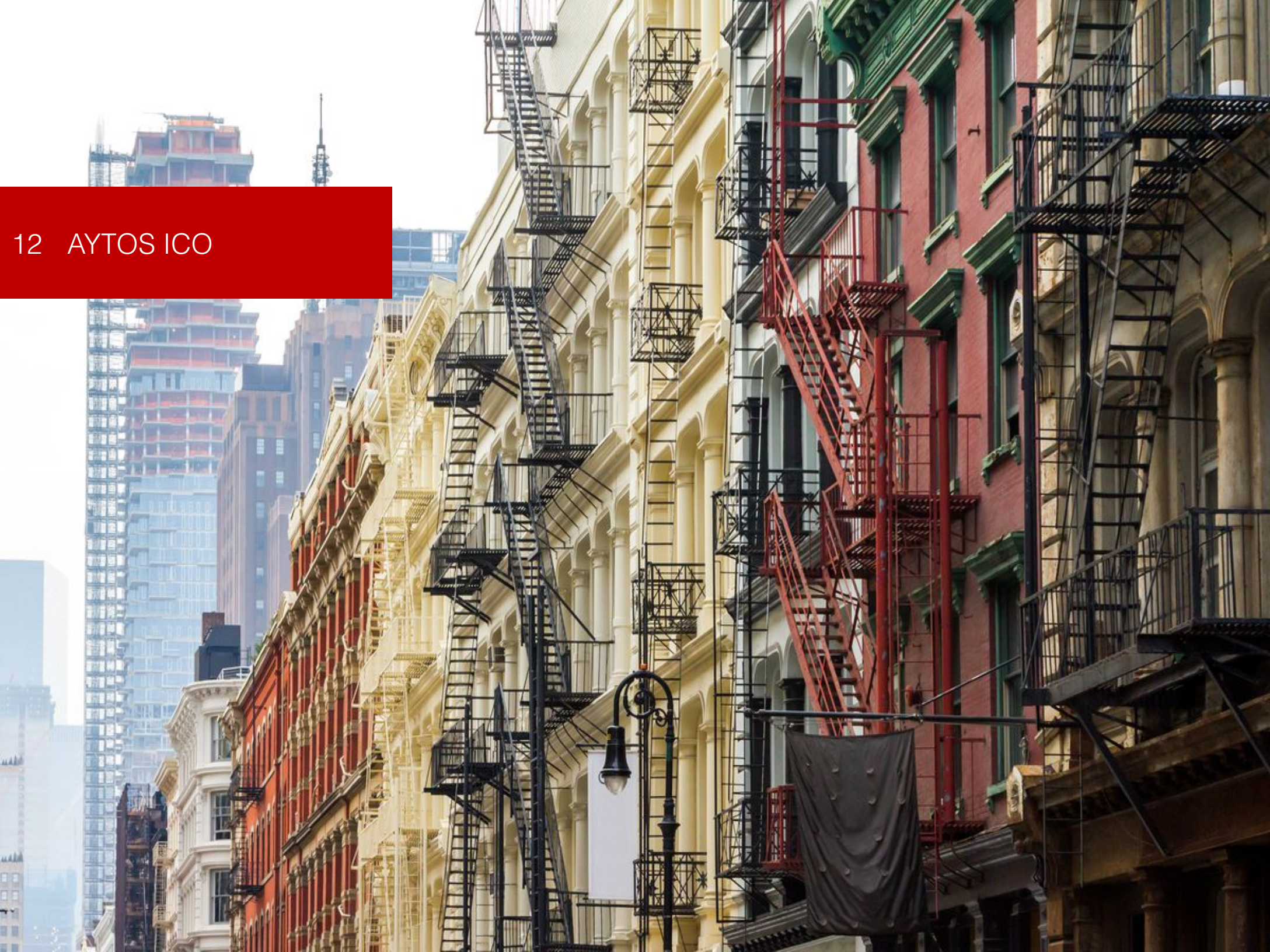
Aytos Platform Financial Summary

(in '000s, US\$)	FY Year 1	FY Year 2	FY Year 3	FY Year 4	FY Year 5	CAGR	Cum.
Market Data							
U.S. Residential Transactions	6,363	6,554	6,751	6,953	7,162		
Growth	3%	3%	3%	3%	3%		
Market Penetration	0.03%	0.20%	0.70%	1.75%	3.50%		
Processed Transactions	1.83	13	47	122	251		
Average Transaction Value	200	220	242	266	293		
Total Transaction Value	365,892	2,883,866	11,435,969	32,392,383	73,401,141		
Revenue	8,126	64,154	254,405	720,601	1,632,882	276%	
Growth		689%	297%	183%	127%		
Gross Profit	8,126	64,154	254,405	720,601	1,632,882		
Growth		689.5%	296.6%	183.3%	126.6%		
Operational Expenses	5,915	46,554	99,414	213,541	361,971		
SG&A	5,915	46,554	99,414	213,541	361,971		
Growth		687%	114%	115%	70%		
as % of Revenue	73%	73%	39%	30%	22%		
EBITDA	2,212	17,600	154,991	507,060	1,270,910	390%	
Growth		695.8%	780.6%	227.2%	150.6%		
as % of Revenue	27%	27%	61%	70%	78%		
Dividend Distribution	514	4,932	12,828	27,668	73,113	245%	119,056
as % of Investment	5.1%	49.3%	128.3%	276.7%	731.1%		1190.6%
Cash, cumulative	1,200	7,200	99,200	419,200	1,219,200	465%	
as % of Investment	80.0%	480.0%	6613.3%	27946.7%	81280.0%		

Dividend Distribution: Dividend distribution in Year-1 will be low, but we still estimate to deliver \$0.5 Million or 5% of the total invested amount. This distribution does not include the distribution from the AYTOS Network. We estimate our dividend distributions will grow by a CAGR of 245%, distributing \$73MM of dividends in Year-5. This represents a cumulative total of \$119 million or 1,119% of total invested ICO funds.

Cash, Cumulative: We forecast that cash from AYTOS Platform will reach \$1.2 billion by Year-5, which we can use for acquisitions, asset purchases, special dividend payout or token buy-back and burn to again return money back to our token holders.

12 AYTOS ICO



AYTOS will manage our token sale through our website at www.ico.ayto.io. To participate in the AYTOS token sale, prospective purchasers will need to visit www.ico.aytos.io and register on our ICO portal. Once successfully registered, buyers will be able to purchase AYS tokens using Ethereum, Bitcoin, a credit card, or USD via wire transfer.

Investors of AYTOS must have an ERC-20 compatible wallet in order to receive their AYS tokens which will be distributed after the purchase. Investors will also be required to provide additional information and documentation to verify their identity as part of AYTOS's KYC (Know Your Customer) process. AYTOS reserves the right to reject any potential AYS token purchaser.

AYTOS Token Sale

The AYTOS token sale will take place on September 1, 2018 at 9:00 Pacific Time (PST) and will conclude by November 30, 2018 at 23:59 Pacific Time (PST) (the "Closing Date"); or when the amount of investment received reaches \$10 million USD. AYTOS may extend the Closing Date, at its sole discretion, up to 3 times with each extension being 30 days (the "token sale end date"). If on the Closing Date or on the last occasion of AYTOS extension of the Closing Date, AYTOS has not received a minimum of \$1 million USD in investment, all invested capital will be returned to our investors.

Minimum Purchase

The minimum purchase amount shall be \$1000 USD. The final number of AYS to be received by an investor will depend on what day the token sale is made, as per our token allocation.

Token Symbol:	AYS
Dividend:	Qualified, quarterly payout in ETH
Equity:	Yes (Preferred Shares – Series A)
Start Date:	October 1, 2018
End Date:	December 31, 2018
Soft Cap:	\$1 Million USD
Hard Cap:	\$11 Million USD
Token for Sale:	80 Million
Minimum:	\$1000 USD
Private Sale	
August 1 – August 31, 2018:	\$0.05 USD per Token (10 Million Token)
	\$0.08 USD per Token (10 Million Token)
Pre-ICO	
September 1 – October 1, 2018:	\$0.1 USD per Token (20 Million Token)
ICO	
October 2 – November 30, 2018:	US \$0.2 per Token (40 Million Token)
Token in Circulation at End of ICO: ~100 Million Token	
Token Supply:	2 Billion
Reserves:	1.9 Billion
Blockchain:	Ethereum
Token Type / Standard:	Security / ERC20
Currencies:	ETH, BTC, USD
Voting Rights:	No

Legal

The AYTOS token sale is available to investors in the United States and International. We are offering our token to U.S. residents in pursuant to the Regulation D and residents outside the United States in pursuant to the Regulation S, and in accordance with the laws and regulations of the U.S. Securities and Exchange Commission (“SEC”).

Tax Efficiencies

AYTOS, together with our legal advisor, have evaluated a mix of legal vehicles and locations for our token offerings. We believe every investor has a different plan on how their wealth should be put to use, but as a general rule, overall taxation of the investments should be as low as possible.

We have designed an investment structure for our potential international investors (outside the United States) that focuses on non-tax objectives on all dividends to be paid out by the company. This structure simply means that all of our international investors will not be subject to any tax for dividends distributed by the company. However, international investors should always consult their tax attorney for their local tax policy or tax obligations. Tax for U.S. residents will remain the same since we are a U.S. Corporation.

Lock-Up Periods

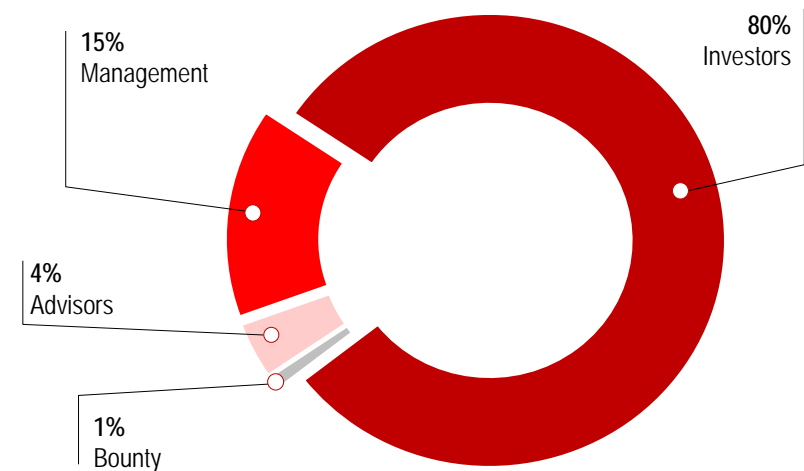
Investor: All AYS tokens purchased by U.S. residents or accredited investors will be subject to a 12-month lock-up period. Tokens purchased by international investors are not subject to lock-up if transferred or sold outside of the U.S. and no to U.S. investors.

Employee: Tokens for AYTOS employees are subject to a 1-year lock-up (vesting period).

Advisors and Bounty: Tokens for AYTOS advisors and bounty are subject to a 2-year lock-up (vesting period).

Token Sale Procedure & Allocation

AYTOS is allocating 80 million tokens for this sale, and the following are the allocations for the sale:



AYTOS will deliver tokens to our investors after the token sale end date. All transferability of the tokens is governed by the applicable lock-up and vesting periods.

- 80% of AYTOS ICO tokens to be allocated to the token sale
- 15% of AYTOS ICO tokens to be allocated to management and employees
- 4% of AYTOS ICO tokens to be allocated to advisors
- 1% of AYTOS ICO tokens to be allocated for our bounty program

Transparency

Transparency is everything. AYTOS is committed to full transparency for the sale of our tokens. We will notify the public on the total amount of tokens in circulation upon the completion of our ICO.

We plan to provide bi-annual reporting to our investors, giving a complete view of the company financial condition and portfolios — ensuring that our investors stay up-to-date on their investment and performance.

AYTOS will also notify the public of all future sale tokens from our reserve. We will also communicate to our investors and the public on the rationale for future token sales – ensuring full transparency to our investors.

Reserves Tokens

AYTOS plans to use our reserves tokens for 1) asset acquisition for the AYTOS Network, and 2) expansion of the AYTOS Platform to Asia and Europe.

One of the key reasons that we will need to sell more tokens in the future is to raise new funding to acquire new assets for the AYTOS Network expansion. This is positive for all AYTOS token holders because the initiative will improve the Company asset position, cash flow, and dividend payout.

Selling tokens to raise new funding for AYTOS Platform will carry the similar positive improvement to our token holders. As the Company expands our reach to new geographies, processes international transactions, and adds new affiliates to our portfolio of assets; this will again represent improvement to financial, cash flow, and dividend payouts to our token holders.

We are committed to being 100% transparent, and we will not execute any event that will dilute the interests of our token holders. All decisions for future sales will be focused to the best interest of the company and to create value to our token holders.

Dilution

Investments in AYTOS are backed by hard assets, and the cash generated by the company. \$0.95 of every \$1 AYTOS receives during this ICO will be use for asset acquisition and platform development.

Asset acquisition represents 80% of total ICO proceeds and will create revenue and profit in the very near term. We believe we will start generating profit within 3 months after each acquisition. We clearly see that this will be a positive or accretive upside to our token holders.

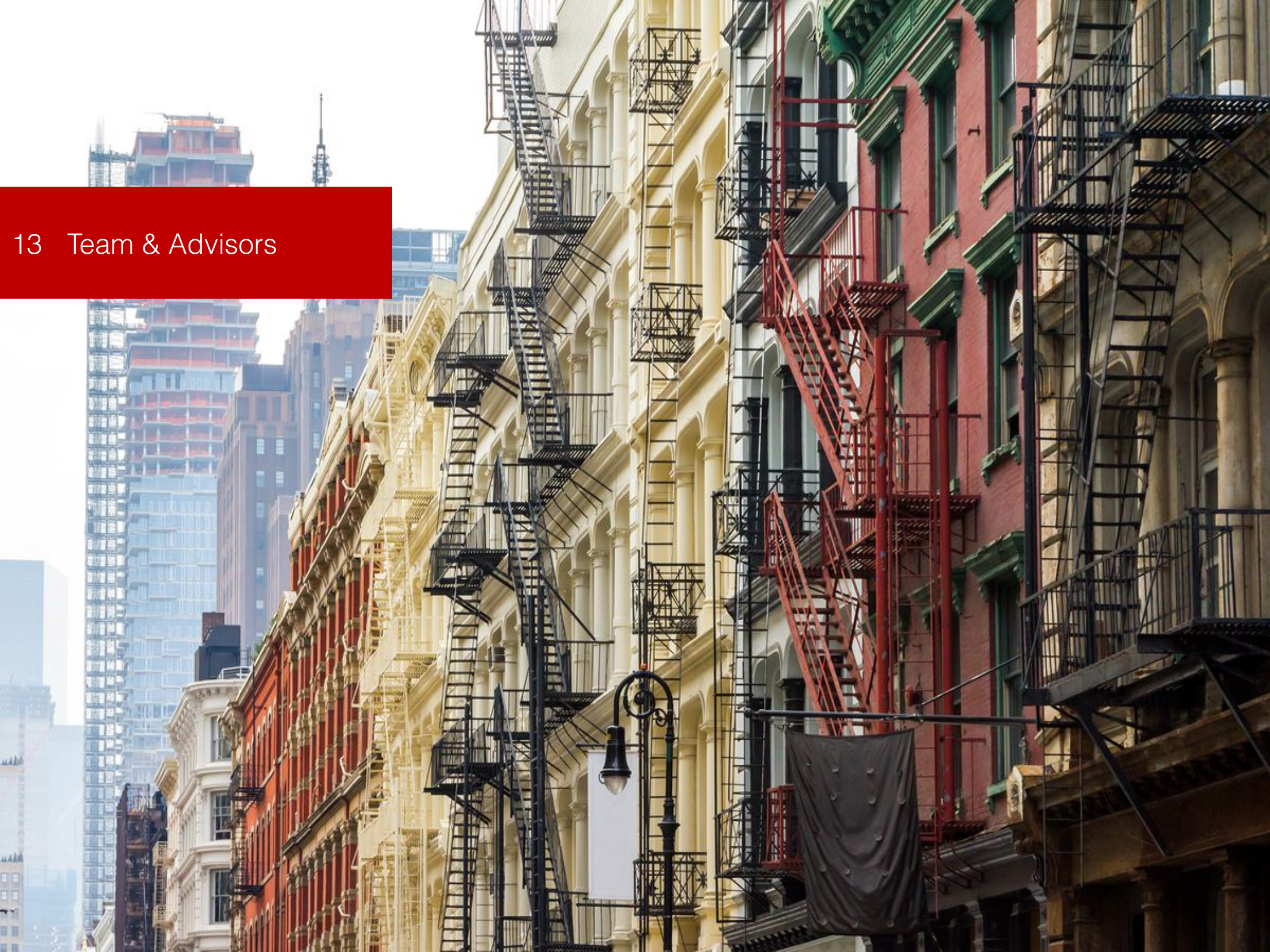
Development and launch of our platform will take some time, and we believe with our stringent financial management, we can cultivate this temporary dilution with the positive cash generation from the AYTOS Network.

Dilution from Future Sale of Tokens

AYTOS business model focuses on hard assets and returning capital to our investors through dividends and our annual token buy-back & burn program. Proceeds from every token that we sell in the future will be used to acquire additional assets and will generate additional cash flow to the Company.

Therefore, we do not believe this will create a dilution situation to our token holders since all proceeds received from future token sales will be deployed to acquire new assets or enter new markets.

13 Team & Advisors

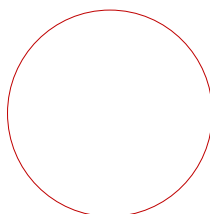
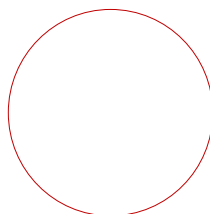


**JASON YIP**

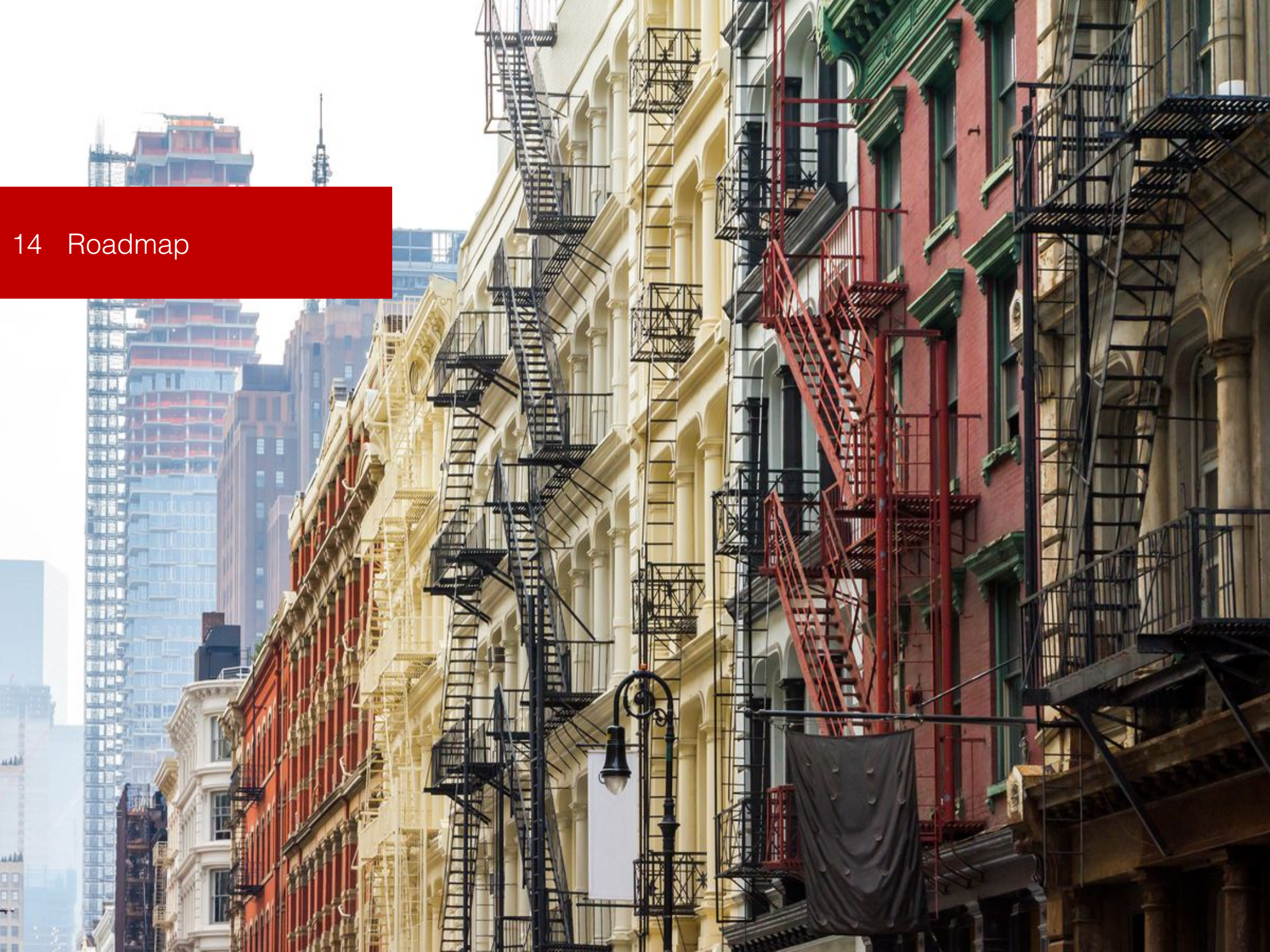
Founder

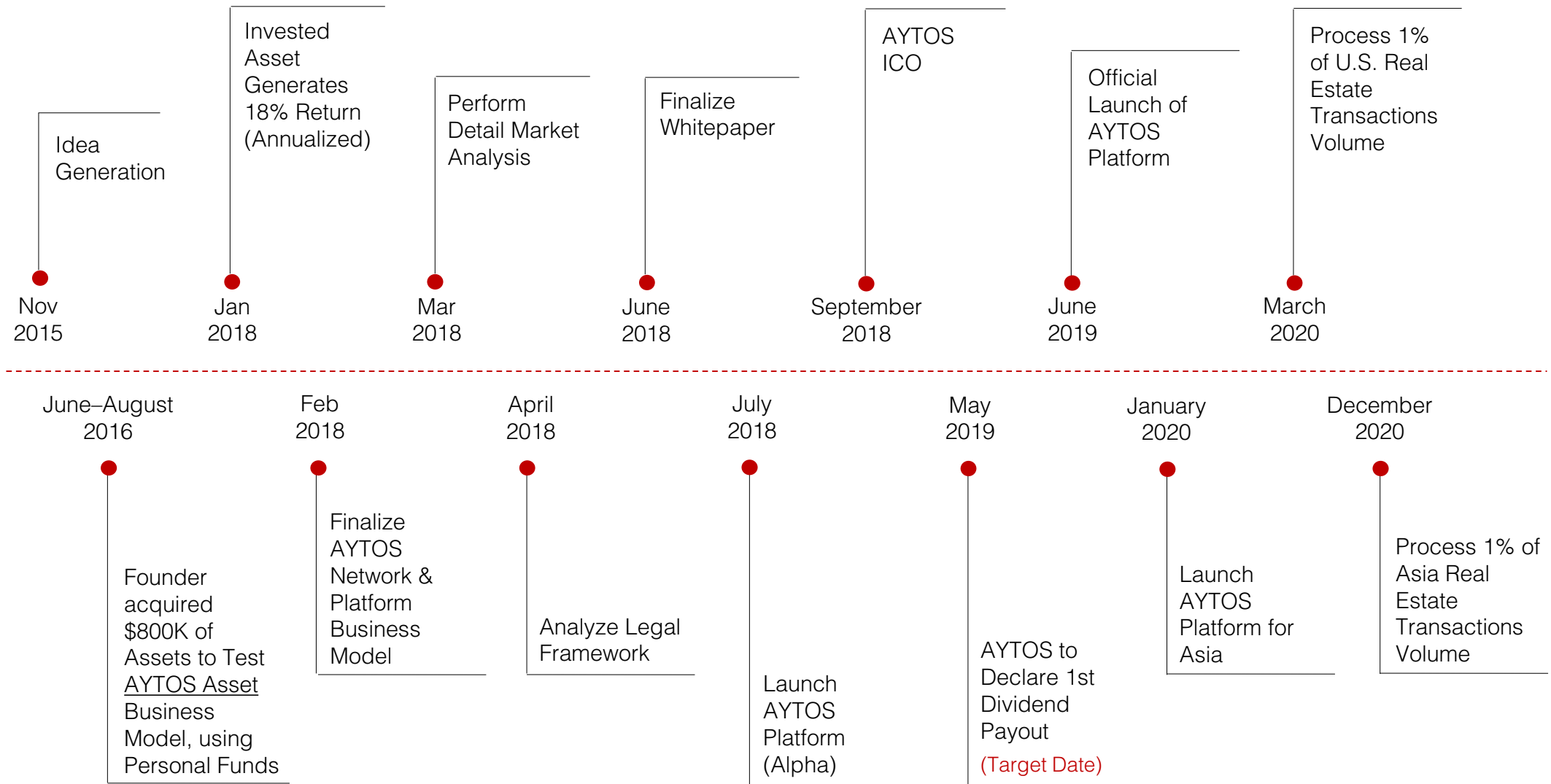
Investment Banking, M&A and Strategic Financial professional, and an active investor in the real estate sector who regularly generates an IRR of more than 20%.

Processed and executed investment transactions in excess of \$700 million over the last few years, and a successful entrepreneur responsible for structuring and executing AYTOS's vision and delivering our commitment to investors.

Team**Marina Verdugo**
Investment**Rhonda Bonneville**
Marketing & PR**Simon Lim**
Strategy**Vincent Tan**
Business Development**Debra Maddock**
Operation Management**Mae Lugullo**
AYTOS Network Designer**Daniel**
Smart Contract**Rich Gora**
Legal**Advisor****Craig Morley**
CEO
MOgene**Alex Chang**
CEO
Timebox

14 Roadmap







Who is AYTOS?

AYTOS is a Technology Real Estate corporation that is going to use the blockchain to disrupt and tokenize the real estate industry. Our business is comprised of AYTOS Network and AYTOS Platform.

What is AYTOS Mission?

AYTOS mission is to use the blockchain and create 1) integrated home/hotel living experiences on the blockchain and 2) create a micro investment platform that gives everyone the opportunity to invest in Real Estate Market for cash flow and income with as little as \$250.

What is AYTOS Network?

AYTOS Network is a virtual city that comprises of assets that we will be acquiring across North America and run the entire operations on the blockchain. AYTOS AYS Token will be backed by all hard assets on this Network.

What is AYTOS Platform?

The AYTOS Platform is a Technology Peer-2-Peer ("P2P") Platform that change the process in acquiring and investing in Real Estate. This is the platform where seller and buyer of residential or commercial property meet. Seller

can sell their property in blocks of \$250, essentially slicing their asset into blocks (i.e. \$250,000 homes will be sold in 1,000 blocks) and buyer can enjoy the homeownership experiences with as little as \$250.

Is AYTOS Platform an Exchange?

Yes, AYTOS Platform is also an exchange where owners and buyers can trade their respective block of asset on the blockchain.

How AYTOS Solves Problem?

At present, real estate investment are for the big boys or the above average income investors. There is no room for micro investors.

AYTOS through the blockchain will change this by removing the "Barrier to Entry", making this real estate investment available to anyone in the world. We are also removing the cross border issue and improve the liquidity by tokenizing the industry. The high transaction cost (middle man) and limited financing option are another area we are improving in the industry.

Why We Need the Blockchain?

The blockchain is going to automate, record, and expedite the real estate investment and operations process. All parties involved in the

process, including the buyer, seller, AYTOS exchange, asset operations and investor relations, benefits from the blockchain. The blockchain will significantly reduce paperwork, back-and-forth communication and related costs, and is going to be the foundation of AYTOS business.

How does AYTOS make Money?

AYTOS have 2 primary and 2 secondary sources of revenue. **Primary Income:** Revenue from room and asset rental from our Network business, and transaction income from our Platform business. **Secondary Income:** revenue from our Affiliate business and Advertisement revenue from companies advertised on our Network and Platform.

AYTOS Token be Listed on an Exchange?

It is our goal to be listed on the most reputable exchanges. We estimates that we will secure our listing on at least 1 major exchange within 6-12 months after the completion of our ICO.

AYTOS will file Form A+ to the SEC in the U.S. upon the closing of our ICO. Form A+ will allow AYTOS create liquidity for our Tokenholders on NASDAQ, NYSE, or other crypto exchange.

Regulation

AYTOS is offering our token sale to worldwide investors. For residents in the United States, we are offering our token sale under Regulation D as promulgated by the Securities and Exchange Commission (the ‘SEC’). For residents resided outside of the United States, we are offering our token sale under Regulation S as promulgated by the Securities and Exchange Commission (*the ‘SEC’).

AYTOS will file for A+ Registration with the SEC in the U.S. upon the completion of our ICO to create liquidity and list our token on a major exchange.

What is Regulation D?

Regulation D is a regulation promulgated by the Securities and Exchange Commission (the ‘SEC’) under the Securities Act of 1933 (the ‘Securities Act’) providing a number of exemptions from the registration requirements of the Securities Act. Neither the SEC nor its Staff review, qualifies, or approves any offering materials or the specific sale of securities under Regulation D. It allows issuers to offer and sell securities without having to register the securities with the SEC pursuant to complete compliance with the terms and conditions of Regulation D.

The securities offered and sold under Regulation D are restricted securities.

What is Regulation S?

Regulation S is a regulation promulgated by the SEC under the Securities Act providing a safe harbor from the registration requirements of the Securities Act. Neither the SEC nor its Staff review, qualifies, or approves any offering materials or the specific sale of securities under Regulation S. It allows issuers to offer and sell securities in an “offshore transaction” that lacks “directed selling efforts” in the United States without having to register the securities with the SEC pursuant to complete compliance with the terms and conditions of Regulation D. The securities offered and sold under Regulation S are restricted securities. Reg S is only for residents residing outside of the U.S.

What is Regulation A+?

Regulation A+ (Reg A+) is an alternative to a traditional IPO, which makes it easier for smaller, early stage companies to access capital.

Regulation A is a regulation promulgated by the SEC under the Securities Act providing an exemption from the registration requirements of

the Securities Act. The SEC reviews, and must qualify, offering material and the specific sale of securities prior to any sale by the issuer. The securities offered and sold under Regulation A are unrestricted securities. Regulation A+ securities are allow for listing on NYSE or NASDAQ under the Exchange Act.

Why AYTOS Pursue A+ Registration with the SEC?

We pursue A+ registration because we want to ensure our investors that we are taking additional steps to protect our investors from any fraud. By registering with the SEC, we will make our financials available to the SEC and to our investors on a bi-annual basis, and are subject to full audit by a licensed auditor. With A+ registration, our token will be eligible for trading on an exchange in the United States, creating liquidity to our tokenholders.

Who can Invest in AYTOS?

Anyone can invest in our tokens. We have studied many ICO companies and while many are great companies, we found that many investors are extremely frustrated for the lack of transparency. We decided early on that we wanted to be different and to be completely transparent.

What are you Investing In?

You are investing in a Network of hard assets that have stable cash flow and quarterly dividend. You are also investing in a Platform that will disrupt the \$467 Billion U.S. real estate industry.

Is AYTOS a Security Token?

Yes, we are a security token. A security token features ownership and entitles you to the dividend declared by the company. AYTOS is also subject to regulation requirements and will provide full financial transparencies to our investors.

Why AYTOS Token is the most Secure ICO?

ATOS token are backed by all the hard assets owned by the Company. These hard assets are almost like a insurance policy. AYTOS tokens are also entitled dividend from the profits we generated from our Platform business.

What are the Benefits of Investing in AYTOS?

AYTOS token is backed by all the hard assets owned by the company. We only acquire assets that generate strong cash flow and located in targeted areas in the U.S and Canada, initially.

AYTOS Token are dividend qualified and we estimate that total payout over 5-years will equal to ~50% of your invested capital. The tokens you own are directly tied to the operating income we receive from our Network and Platform operations. AYTOS also plans to file for Form A+ with the SEC, making us a legitimate ICO for investment.

What if the Real Estate Market Declines?

We are very fortunate that we have had a rising real estate market in the U.S for the last several years. However, if the market fluctuates, AYTOS will be in a good position to take advantage from both in an up and a down real estate market.

Our investment and operating strategy are uniquely crafted to allow us to take advantage of downturns in the real estate market. We view market downturns as opportunity and history has shown that the demand and price for homes stayed level.

How AYTOS use Leverage to Maximize Value for our Investors?

AYTOS has strong relationships with 3 major financial institutions in the U.S. We will be working with these 3 firms to leverage our financial power and extend our acquisition power by 3-7x.

For example, if we raises \$1MM and through our leverage, we can purchase \$3-7MM worth of property. It's important to understand we won't max out our leverage, and put our company and investors at risk.

What Percentage of Profit will be Distributed as Dividends?

90% after expenses and reserves will be distributed as dividends on a quarterly basis.

How AYTOS Distributes Dividends?

We will distribute all declared dividends directly into your wallet, and in Ethereum.

What type of information will the AYTOS portal entail?

Our portal will allow investors to see our financials, assets we own, your dividend payout and upcoming dividend, your profile, and other.

Where is AYTOS Located? Is the Founder Accessible?

We are based in San Francisco and our office and contact information are as follow:

AYTOS, Inc.

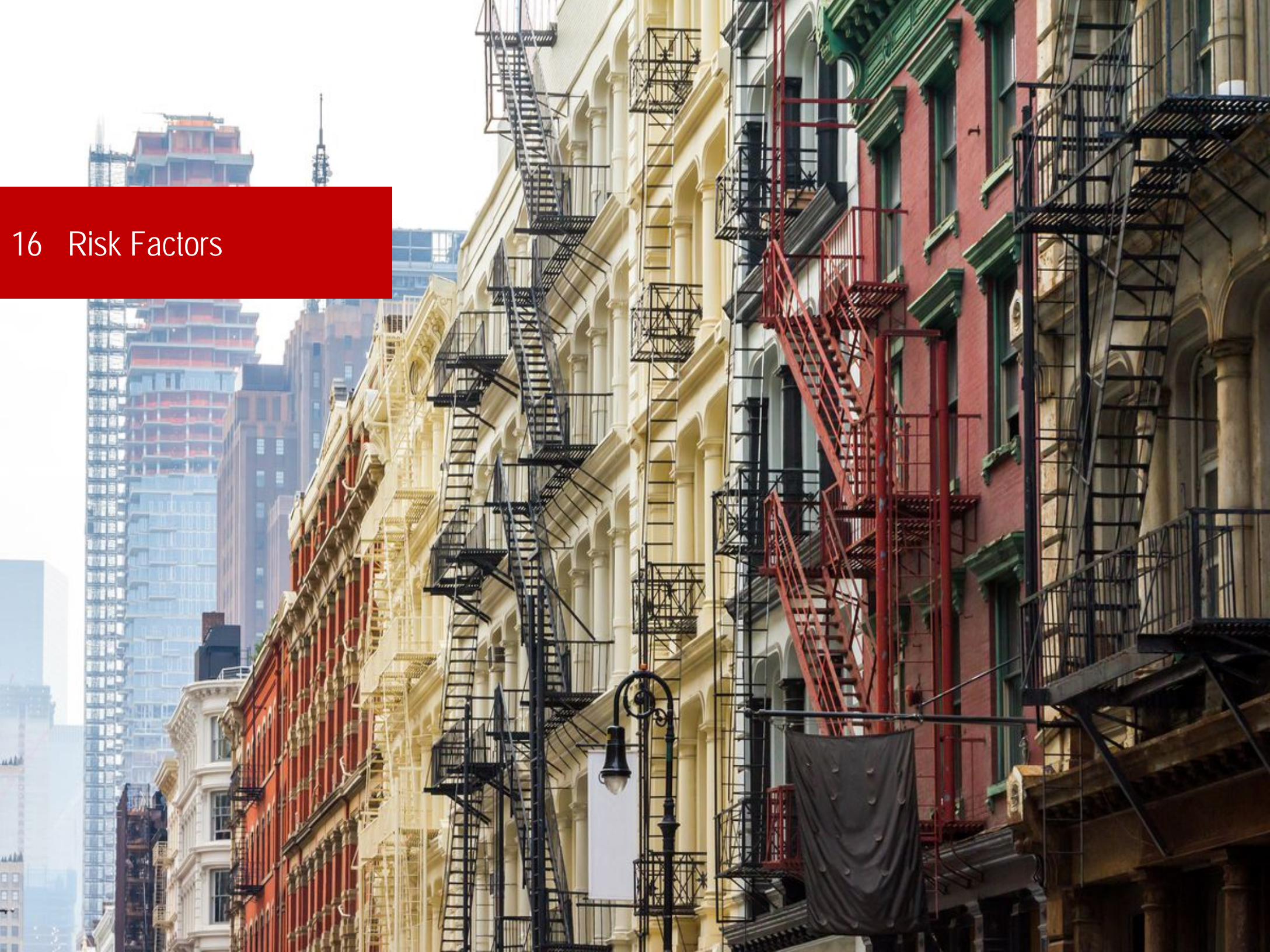
388 Market Street, Suite 1300

San Francisco, CA 94111

Email: investors@aytos.io

Founder Email: Jason.Yip@aytos.io

16 Risk Factors



Investing in our token involves risk. You should carefully consider the risks and uncertainties described below, together with all the other information in this offering, including “Management’s Discussion and Analysis” and the consolidated financial statements and the related notes included elsewhere in this offering circular, before deciding whether to invest in our token. If any of the following risks actually occurs, our business, reputation, financial condition, results of operations, revenue, make dividend distributions to our tokenholders, and future prospects could be seriously harmed. In that event, the market price of our token could decline, and you could lose part or all of your investment.

We have a limited operating history, and we may not be able to successfully operate our business or generate sufficient cash flows to make or sustain dividend distributions to our tokenholders.

We are incorporated in April 25, 2018 and will commence operations upon the completion of our fundraising. We may not be able to successfully operate our business or implement our operating policies. Our ability to successfully operate our business and implement our operating policies depends on many factors, including:

- the availability, and our ability to identify, attractive acquisition opportunities consistent with our execution strategy;
- our ability to effectively manage renovation, maintenance, marketing and other operating costs for our properties;
- our ability to maintain high occupancy rates and target rent levels;
- our ability to compete with investors entering the single-family sector;
- costs that are beyond our control, including title litigation, litigation with tenants or tenant organizations, legal compliance, real estate taxes, HOA or other fees and insurance; and
- judicial and regulatory developments affecting landlord-tenant relations that may affect or delay our ability to dispossess or evict occupants or increase rents.

In addition, we face significant competition in acquiring attractive properties on advantageous terms. Any one or more of these factors could adversely affect our business, financial condition and results of operations.

We may not be able to effectively manage our growth, and any failure to do so may have an adverse effect on our business and operating results.

Our future operating results may depend on our ability to effectively manage rapid growth, which is dependent, in part, upon our ability to:

- stabilize and manage a rapidly increasing number of properties and tenant relationships while maintaining a high level of tenant satisfaction and building and enhancing our brand;
- identify and supervise a large number of suitable third parties on which we rely to provide certain services outside of property management to our properties;
- attract, integrate and retain new management and operations personnel as our organization grows in size and complexity;
- continue to improve our operational and financial controls and reporting procedures and systems; and
- scale our technology and other infrastructure platforms to service new properties adequately.

There can be no assurance that we will be able to achieve these results or that we may otherwise be able to manage our growth effectively, or without incurring significant additional expenses. Any failure to do so may have an adverse effect on our business and operating results.

We intend to continue to expand our scale of operations and make acquisitions even if the rental and housing markets are not as favorable as they were when we commenced operations, and this could adversely impact anticipated yields.

Our long-term growth depends, in part, on the availability of acquisition opportunities in our target markets at attractive pricing levels. We believe home prices have stabilized in many areas and expect that in the future, housing prices will continue to stabilize and return to more normalized levels. Therefore, future acquisitions may be more costly. The following factors, among others, are making acquisitions more expensive:

- improvements in the overall economy and job market;
- a resumption of consumer lending activity and greater availability of consumer credit;
- improvements in the pricing and terms of mortgage-backed securities;
- the emergence of increased competition for single-family, condominium, apartment or multi-family, and townhome assets from private investors and entities with similar objectives to ours; and
- tax or other government incentives that encourage homeownership.

We have not adopted and do not expect to adopt a policy of making future acquisitions only if they are accretive to existing yields and distributable cash. We plan to continue acquiring properties as long as we believe such properties offer an attractive total return opportunity. Accordingly, future acquisitions may have lower yield characteristics than recent past and present opportunities. If such future acquisitions are funded through equity issuances, the yield and distributable cash per share will be reduced, and the value of our tokens may decline.

Our future growth depends, in part, on the availability of additional debt or equity financing. If we cannot obtain additional financing on terms favorable or acceptable to us, our growth may be limited.

Part of our business strategy may involve the use of debt and equity financing to increase potential returns to our shareholders in the future. Our inability in the future to obtain additional financing on attractive terms, or at all, could adversely impact our ability to execute our business strategy, which could adversely affect our growth prospects and future shareholder returns. Our access to capital depends, in part, on:

- general business conditions;
- financial market conditions;
- the markets perception of our business prospects and growth potential;
- the market prices of our tokens;
- our debt levels; and
- our expected earnings, cash flow and distributions.

We cannot assure you that we will be able to obtain debt or equity financing on terms favorable or acceptable to us or at all. If we are unable to do so, then we may have to curtail our execution activities, which could limit our growth prospects, and we may be forced to dispose of assets at inopportune times. We continue to seek additional sources of financing for our acquisitions. Our pace of acquisitions may depend on the level of funds available for acquisitions. In addition, if we are unable to obtain debt financing, then we may have to rely more heavily on additional token issuances, which may be dilutive to our shareholders, or on less efficient forms of debt financing that require a larger portion of our cash flow from operations, thereby reducing funds available for our operations, future business opportunities, cash distributions to our tokenholders and other purposes.

Our revenue and expenses are not directly correlated, and because a large percentage of our costs and expenses are fixed, we may not be able to adapt our cost structure to offset declines in our revenue.

Most of the expenses associated with our business, such as acquisition costs, repairs and maintenance costs, real estate taxes, HOA and other fees, insurance, utilities, personal and ad valorem taxes, employee wages and benefits and other general corporate expenses, are fixed to a certain minimum level and will not necessarily decrease with a reduction in revenue from our business. Some components of our fixed assets depreciate more rapidly and will require a significant amount of ongoing capital expenditures. Our expenses and ongoing capital expenditures also will be affected by inflationary increases, and certain of our cost increases may exceed the rate of inflation in any given period. By contrast, our rental income is affected by many factors beyond our control, such as the availability of alternative rental housing and economic conditions in our target markets. In addition, state and local regulations may require us to maintain properties that we own, even if the cost of maintenance is greater than the value of the property or any potential benefit from renting the property. As a result, we may not be able to fully offset rising costs and capital spending by raising rental rates, which could have a material adverse effect on our results of operations and cash available for distribution.

We are dependent on our executive officers and dedicated personnel, and the departure of any of our key personnel could materially and adversely affect us. We also face intense competition for highly-skilled managerial, financial and operational personnel.

We rely on a small number of individuals to carry out our business and operating strategies. Any of our senior management may cease to provide services to us at any time. The loss of the services of any of our key management personnel, or our inability to recruit and retain qualified personnel in the future, could have an adverse effect on our business and financial results.

In addition, as we expand our operations, we will continue to need to attract and retain additional qualified personnel but may not be able to do so on acceptable terms or at all. Competition for highly skilled managerial, financial and operational personnel is intense.

We are expected to continue to be concentrated in our markets and in the single-family properties sector of the real estate industry, which exposes us to seasonal fluctuations in rental demand and downturns in our markets or in the single family properties sector.

Our strategy in real estate assets are expected to continue to be concentrated in our target markets and in the single-family properties sector of the real estate industry. A downturn or slowdown in the rental demand for single-family housing caused by adverse economic, regulatory or environmental conditions, or

other events, in our markets may have a greater impact on the value of our properties or our operating results than if we had more fully diversified our properties. We believe that there are seasonal fluctuations in rental demand with demand higher in the spring and summer than in the fall and winter. Such seasonal fluctuations may impact our operating results.

We may not be able to control effectively the timing and costs relating to the renovation of properties, which may adversely affect our operating results.

Nearly all of our properties require some level of renovation immediately upon their acquisition or in the future following expiration of a lease or otherwise. We may acquire properties that we plan to renovate extensively. We also may acquire properties that we expect to be in good condition only to discover unforeseen defects and problems that require extensive renovation and capital expenditures. To the extent properties are leased to existing tenants, renovations may be postponed until the tenant vacates the premises, and we will pay the costs of renovating. In addition, from time to time, in order to reposition properties in the rental market, we will be required to make ongoing capital improvements and replacements and perform significant renovations and repairs that tenant deposits and insurance may not cover.

We face significant competition for acquisitions of our target properties, which may limit our strategic opportunities and increase the cost to acquire those properties

We face significant competition for attractive acquisition opportunities in our target markets from large real estate investors, some of whom have greater financial resources and a lower cost of capital than we do. We also compete with individual private home buyers and small scale investors. This activity could adversely impact our level of purchases in certain of our target markets. If our business model or a similar model proves to be successful, we can expect competition to intensify significantly. As a result, the purchase price of potential acquisition properties may be significantly elevated, or we may be unable to acquire properties on desirable terms or at all.

We face significant competition in the leasing market for quality tenants, which may limit our ability to rent our single-family homes on favorable terms or at all.

We depend on rental income for substantially all of our revenues and to succeed, and must attract and retain qualified tenants. We face competition for tenants from other lessors of single-family properties, apartment buildings and condominium units, and the continuing development of single-family properties, apartment buildings and condominium units in many of our markets increases the supply of housing and exacerbates competition for tenants. Competing properties may be newer, better located and more attractive to tenants. Potential competitors may have lower rates of occupancy than we do or may have superior access to capital and other resources than we do, which may result in competitive properties offered at lower rental rates than we might offer. Many of these competitors may successfully attract tenants with better incentives and amenities, which could adversely affect our ability to obtain quality tenants and lease our single-family properties on favorable terms or at all. Additionally, some competing housing options may qualify for government subsidies that may make such options more affordable and therefore more attractive than our properties.

In addition, increases in unemployment levels and other adverse changes in economic conditions in our markets may adversely affect the creditworthiness of

potential residents, which may decrease the overall number of qualified residents for our properties within such markets. We could also be adversely affected by accelerating development of competing properties or high vacancy rates of homes in our markets, which could result in an excess supply of homes and reduce occupancy and rental rates.

Improving economic conditions, along with the availability of low residential mortgage interest rates and government sponsored programs to promote home ownership, have made home ownership more affordable and more accessible for potential renters who have strong credit. These factors may encourage potential renters to purchase residences rather than lease them, thereby causing a decline in the number and quality of potential tenants available to us.

We have no assurance that we will be able to attract and retain qualified tenants. Our operating results would be adversely affected if we are not able to lease our properties on favorable terms or at all.

Our evaluation of properties involves a number of assumptions that may prove inaccurate, which could result in us paying too much for properties we acquire or overvaluing our properties or our properties failing to perform as we expect.

In determining whether a particular property meets our criteria, we make a number of assumptions, including assumptions related to estimated time of possession and estimated renovation costs and time frames, annual operating costs, market rental rates and potential rent amounts, time from purchase to leasing and tenant default rates. These assumptions may prove inaccurate. As a result, we may pay too much for properties we acquire or overvalue our properties, or our properties may fail to perform as anticipated. Adjustments to the assumptions we make in evaluating potential purchases may result in fewer properties qualifying under our selection criteria, including assumptions related to our ability to lease properties we have purchased. Reductions in the supply of properties that meet our selection criteria may adversely affect our ability to implement our strategy and operating results.

Furthermore, the properties that we acquire vary materially in terms of time to possession, renovation, quality and type of construction, location and hazards. Our success depends on our ability to acquire properties that can be quickly possessed, renovated, repaired, upgraded and rented with minimal expense and maintained in rentable condition. Our ability to identify and acquire such properties is fundamental to our attempt to be successful.

If occupancy levels and rental rates in our target markets do not increase sufficiently to keep pace with rising costs of operations, our rental income will decline.

The success of our business model depends, in part, on conditions in the single-family rental market in our target markets. Our asset acquisitions are premised on assumptions about occupancy levels and rental rates, and if those assumptions prove to be inaccurate, our cash flows and profitability will be reduced. A continuation of the recent strengthening of the U.S. economy and job growth, coupled with government programs designed to keep homeowners in their homes and/or other factors may contribute to an increase in homeownership rather than renting. In addition, we expect that as investors increasingly seek to capitalize on opportunities to purchase housing assets at below replacement costs and convert them to productive uses, the supply of single-family rental properties will decrease and the competition for tenants may intensify. A softening of the rental market in our target areas would reduce our rental income and profitability.

We depend on our tenants and their willingness to renew their leases for substantially all of our revenues. Poor tenant selection and defaults and nonrenewal by our tenants may adversely affect our reputation and financial performance.

We depend on rental income from tenants for substantially all of our revenues. As a result, our success depends in large part upon our ability to attract and retain qualified tenants for our properties. Our reputation and financial performance would be adversely affected if a significant number of our tenants fail to meet their lease obligations or fail to renew their leases.

Short-term leases of residential property may expose us to the risk that we may have to re-lease our properties frequently, which we may be unable to do on attractive terms, on a timely basis or at all, which may adversely affect our operating results.

Substantially all of our new leases have a duration of one year. As these leases permit tenants to leave at the end of the lease term without penalty, we anticipate our rental revenues may be affected by declines in market rents more quickly than if our leases were for longer terms. Short-term leases may result in high turnover, which involves costs such as restoring the properties, marketing costs and lower occupancy levels. Our tenant turnover rate and related cost estimates may be less accurate than if we had more operating data upon which to base such estimates. Moreover, we cannot assure you that our leases will be renewed on equal or better terms or at all. If our tenants do not renew their leases or the rental rates for our properties decrease, our operating results could be adversely affected.

Declining real estate values and impairment charges could adversely affect our financial condition and operating results.

We periodically review the carrying value of our properties to determine whether their value, based on market factors, projected income and generally accepted accounting principles, has permanently decreased such that it is necessary or appropriate to take an impairment loss in the relevant accounting period. Such a loss would cause an immediate reduction of net income in the applicable accounting period and would be reflected in a decrease in our balance sheet assets. Impairment charges would adversely affect our financial condition and operating results.

Higher interest rates could increase debt service requirements on our floating rate debt and could reduce funds available for operations, distributions to our shareholders, future business opportunities or other purposes. If we need to repay existing debt during periods of rising interest rates, we could be required to liquidate one or more of our properties at times which may hinder realization of the maximum return and could result in significant losses.