CYBEREITS

THE WORLD FIRST BLOCKCHAIN REAL ESTATE TRADING PLATFORM

WHITE PAPER

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1.Summary

Keywords: blockchain, real estate trading platform, digital currency payment

CYBEREITS is determined to be the number one global real estate online transaction platform. Connect global real estate intermediary in the real estate side of the chain, and move the 200 trillion valued global real estate to the Internet; provide access to digital currency payment channels in the transaction–side, to achieve global real estate transactions in digital currency.

Real estate industry has always been the world's most profitable industry, but has been difficult to achieve Internet: In the real estate side, the traditional Internet technology can not be divided and transferred online, therefore will not be able to trade across geographical boundaries. On the trading side, real estate traders need to address a range of issues such as currency conversion, trading qualifications, which further increases the difficulty of trading real estate online. The above two problems have led to the result of real estate industry being difficult to get rid of local and offline business models, information transparency, global transactions, high–speed circulation and other Internet dividends difficult to achieve.

With the advent of blockchain technology, the above problems have the potential to be solved. With the help of ecological advantages of blockchain, such as digital currency payment, undisguised property rights information on chain, decentralized trading mechanism and automatic disposition of physical assets brought by smart contracts, real estate Internet is expected to be realized.

It is noteworthy that we are not an air project, but a project that has completed its pilot project. The CYBEREITS team has completed the validation of business logic in the past year. On the real estate side, the "3R" entry criteria (Risk, Regulation, Return) tailored to local laws and regulations

in Asia, North America and Europe were explored, and achieved the access of more than 100 million RMB worth of asset . On the trading side, successfully achieve the use of digital currency for real estate transaction payment, completed more than 200 million RMB of the transaction scale.

CYBEREITS team's business model and validation results have been widely recognized in the past year and has completed three rounds of financing. Now, we invite everyone to participate in the great process of real estate Internet.

Thanks to the investors for their support of the project:

Li Xiaolai、Unity Ventures and GP Wang Xiao、TUS Innovest

Thanks to the project consultant for for their support of the project:

Lao Mao, Huang Minqiang, Tu Guojun, Xiong lijian, Wu Yuanwen

Thank to the business partners for their support of the project:

BIGONE GXB XSTAR JINGTUM tech

2.Project Background

The bottleneck in real estate online trading

As a special asset with multiple values of living, investment and education, real estate has a stable demand for purchase and trading all over the world. However, it has always relied on the local and offline mode to conduct traditional transactions. This also creates a series of problems, such as: large geographical restrictions, difficulties in acquiring qualification, limited currency exchange, poor liquidity, long trading cycles and high thresholds, making it difficult to achieve Internet.

The essence of blockchain technology

Blockchain technology has created value-added and transitive Internet of value. The essence is the credible and rapid flow of asset value, which creates the conditions for the Internalization of all kinds of assets including real estate. At the same time, the blockchain has created a digital currency with point-to-point payment capabilities, greatly reducing the threshold and difficulty of cross-border payments.

The use of blockchain technology to solve the bottleneck of real estate online transactions

Apply the blockchain technology to real estate transactions, upgrade the traditional local, offline trading mode to global, online transactions. Rely on the advantage of the real estate technology TOKEN, you can achieve cross-border transactions, independency from purchase qualifications, trading threshold reduction, liquidity improvement and transaction efficiency, short trading cycle. Since digital currency payment has formed a good ecological environment, online real estate transactions can achieve not relying on traditional currencies, and fully using digital currency.

In the future, with the CYBEREITS platform, online real estate transactions will be completed using digital currency only.

3. Business Model

First, in order to solve the problem of large geographical restrictions, difficulties in obtaining acquisition qualification, limited currency exchange, low liquidity, long trading cycle and high threshold of real estate transactions, we hope to rely on blockchain technology to turn real estate TOKENs into digital assets and use digital currency to complete the transaction. To achieve the above assumptions, the following work needs to be done in turn:

(1)Property risk compliance certification

The value of digital assets in the block chain depends on the authenticity, integrity and real value of the assets on chain. The key to this part is to use a variety of risk compliance and evaluation methods to confirm and control the authenticity, integrity and the real value of the assets, under the framework of existing property management laws and regulations.

(2)Property management

On the basis of risk compliance and accurate valuation, the key to realize the value of property cash flow is proper management of the property. For the sales, repair and rental management of the actual property, it is necessary to establish an efficient and stable management system and team, to make the data in sales, leasing and other aspects of the value created by property consistent with the property certification evaluation stage.

(3)Digital asset formation

There are two key points in the formation of digital assets, which are clarification of the respective correspondence of the underlying assets and credibility of the assets on chain. For the first point, the solution is to set up a SPV to achieve risk isolation and one to one correspondence. For the second point, the current acceptable solution is to issue the assets on Ethereum, EOS and other public chain; or choose an alliance chain or private chain that are maintained by a highly credible organization (for example, Hyperledger which is

widely accepted by large-scale financial institutions).

(4)Trading platform establishment

The current digital asset transactions are divided into on chain trading and off chain trading, the corresponding CYBEREITS Platform also need to have both on chain and off chain trading capacity.

(5)Completion of the transaction using digital currency

After the completion of the above work, CYBEREITS platform has gathered a large number of digital real estate shares for the transaction, in order to achieve a globalized and efficient trading experience, the platform needs to dock mainstream digital currency to facilitate the completion of transactions between the two parties.

Secondly, at present there are already some real estate digital assets in the blockchain world that are issued using various public chains, and more and more digital real estate will be issued by various issuers in the future. In order to establish unification of real estate online trading platform, CYBEREITS Platform wishes to establish cross chain transaction platform and achieve unified transactions between assets that has been generated by different credible issuers under the complex block chain environment.

(1)Mutual Trust Mechanism

Establish a mutual trust mechanism between different digital asset issuers, so that there is a unified standard in risk, regulation and return (3R entry criteria), to achieve the standardization and compatibility of digital assets insurance between entities.

(2)Trading Mechanism

Establish cross-block chain mechanism, so that the digital assets that has been issued by different entities can transact and circulate cross-chain, and achieve a rapid flow.

3.1 Property risk compliance certification

The block chain 1.0 is the era of digital currency with the core representative of bitcoin, block chain 2.0 is the era of public chain with the core representative of Ethereum, block chain 3.0 bring the era into the smart contracts with the representative of various types of trading platform. One of the most representative applications of the smart contract era is digitizing and trading various physical or virtual assets.

After the digitization of the real assets using smart contract, the uniqueness of the digital asset delivery has been verified by the transaction of the digital currency, and the stability of the digital asset transaction rules has been verified by the smart contract.

However, the corresponding authenticity, integrity and determination of real value between digital assets and underlying assets, still relying on the existing laws and regulations.

The confirmation of the uniqueness of the property itself, can be proved through the traditional real estate property certificate. In most countries, real estate property certificates require proof of physical evidence (real estate), but some countries have achieved real estate property electronic inquiries, even real estate property block chain registration and inquiries.

Takes a variety of operations during the property risk compliance certification stage, such as property mortgage, pledge, notarization, lock, registration according to real estate laws and regulations of the property location, to prevent multiple sales, seizure, multiple mortgage and other factors affecting the value of property and the right occurred, in order to ensure further corresponding uniqueness between the physical real estate as a digital asset and the underlying assets.

Real value confirmation, because a property is a non-standard good, subjects of each individual property are different, the real value is more difficult to confirm compared to gold, crude oil, tea and other relatively standardized

assets. However, in developed countries and major developing countries, the electronic and corresponding valuation models of real estate transaction data are relatively perfected. The differences of chained assets real value evaluation can be controlled within 5%, using cost method, market law, income discount method and other methods, which rely on historical transaction data, relevant economic data and corresponding valuation model.

3.2 Property management

There comes the need for strict management, after the completion of the risk compliance certification. To establish a perfect management system, and hire a professional management team, so that the net income generated is as close as possible or exceed the estimated earnings (note, not as much as possible, If the actual earnings exceed the estimated earnings gradually, then the revenue forecast model has a serious bias).

In the property management, two aspects of works needed to be done, which are choosing excellent managers and executing excellent property management respectively:

(1)High quality management

The simplest way to achieve high-quality property management is to hire the best property management team, on this basis, a higher level of property management can be achieved by just doing regular inspection and local fine-tuning. CYBEREITS platform will mainly take the cooperation model, select the world's best real estate agency cooperation, to achieve a higher quality of property management under the premise of cost control.

(2)Direct management

Direct property management require a continuous and stead operation. In terms of revenue, the price of daily leasing depends on the conditions of the property and marketing; the selling price depends on choosing the right counter party and negotiation ability. In terms of cost, the purchase price, tax design, daily expenses, etc. need to be minimized.

3.3 Digital asset formation

On the basis of realizing the underlying assets, the clarification of the correspondence relationship between the underlying assets and digital assets are needed, select the appropriate chain and use the corresponding rules to upload smart contract.

At present, the common way to solve the problem of risk isolation and respective correspondence is to set up a SPV (special purpose vehicle). According to the different requirements of national laws and regulations and tax planning, there are many ways to set up a SPV, most common ways are Trust Principals, Limited Liability Companies and Limited Partnerships. In specific operation, will choose the risk isolation based on the situation of the property, to ensuring the lowest tax cost under the premise of clear property right. Ultimately Achieving respective correspondence between the property and the SPV, while isolating P2P risk between individual assets and other assets, assets and property management companies, assets and trading platforms, assets and chains.

In the choice of chain and smart contract, each individual asset will choose a starting chain, complete the initial chain action. In order to increase the credibility of digital assets, the general choice will be issuing the digital assets on a public chain (ETH, EOS, etc.). At the same time, there are already some high credibility entities who have the needs in the issuance and trading of real estate digital assets. Under that premise, the security can also be guaranteed if issuing and trading on a targeted alliance chain or private chain which is maintained by a high credible entity.

Real estate digital assets have a clear settlement date (usually 1 – 10 years), the corresponding underlying assets and smart contracts on chain are also synchronized with the need of settlement. When an asset meets its settlement date, physical property and digital asset will trigger the liquidation condition at the same time, which will enable the off chain and destruction of

the digital asset.

3.4 Trading platform establishment

Both needs from senior and junior users have to be taking into account on the block chain trading platform, which need to be able to complete the transactions both on chain and off chain.

The developments of block chain wallet for achieving extraction and preservation of digital assets, and block chain browser for achieving the monitor of the total amount and distribution of the digital assets are needed, in order to fulfill the needs of senior users.

The developments of a low threshold off chain trading platform, using traditional registration and login method (email, user name, mobile number login) rather than key login which require higher technology knowledge, and achieve hosting, trading and query functions of digital assets on the platform are needed, in order to fulfill the needs of junior users.

3.5 Use digital currency to complete the transaction

Upon the completion of the above mentioned works, CYBEREITS platform has gathered a large number of digital real estate shares for trading, in order to achieve a globalized and efficient trading experience, the platform needs to dock mainstream digital currencies to facilitate the completion of transactions between the parties.

Upon the completion of the above mentioned works, the owner of the physical property will hold the corresponding number of digital assets in the block chain wallet or the platform account. Digital asset holders can choose to sell any proportion of the digital assets at any time.

Depending on different regulatory environment, potential buyers of digital assets may choose to use digital currency or legal tender to purchase digital assets and choose to hold the digital asset until it dividends or sell again under

legal compliance.

After the settlement date of the digital asset, smart contracts will trigger the disposal of physical asset mechanism, conduct asset disposal and project dividends, protect the interests of all parties.

3.6 Establishment of cross chain mutual trust mechanism

As the combination of blockchain and real estate is the key development direction of the blockchain smart contract, the market already exists a variety of real estate digital assets which have been issued on different public chains,. CYBEREITS Platform hopes to establish a mutual trust mechanism to ensure that the digital assets issued by different parties reach a common standard in risk control, valuation model and asset certification, paving the way for multi–platform transactions for different real estate digital assets.

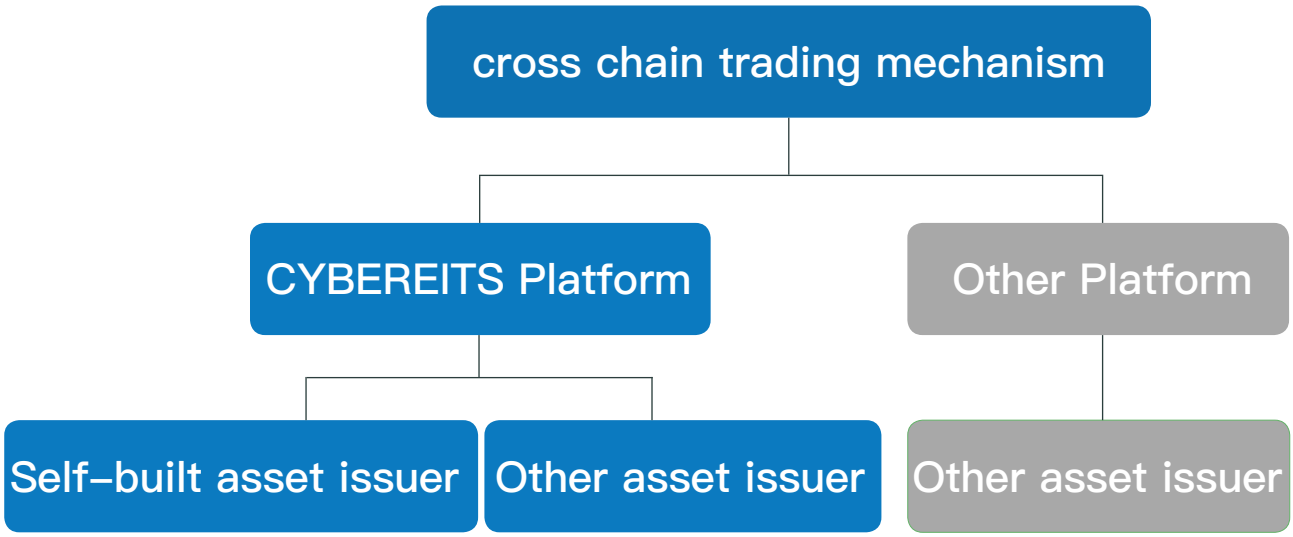
Achieving a mutual trust mechanism and unified admittance standards of asset ultimately (3R standards), standardize on RISK, REGULATION, RETURN, etc. to achieve information transparency and standardization.

3.7 Establishment of cross chain trading mechanism

After the establishment of a mutual trust mechanism and admittance standards of asset, the digital assets that have been issued by different entities will be provided with the basic conditions of fast and widely circulation. On this basis, the establishment of industry standard and cross block chain exchange mechanism of digital assets are needed, so that the digital assets issued by different entities can be cross chain traded and circulated, to achieve the rapid flow of digital assets.

Achieving the unified transactions of global real estate in the form of digital assets untimely.

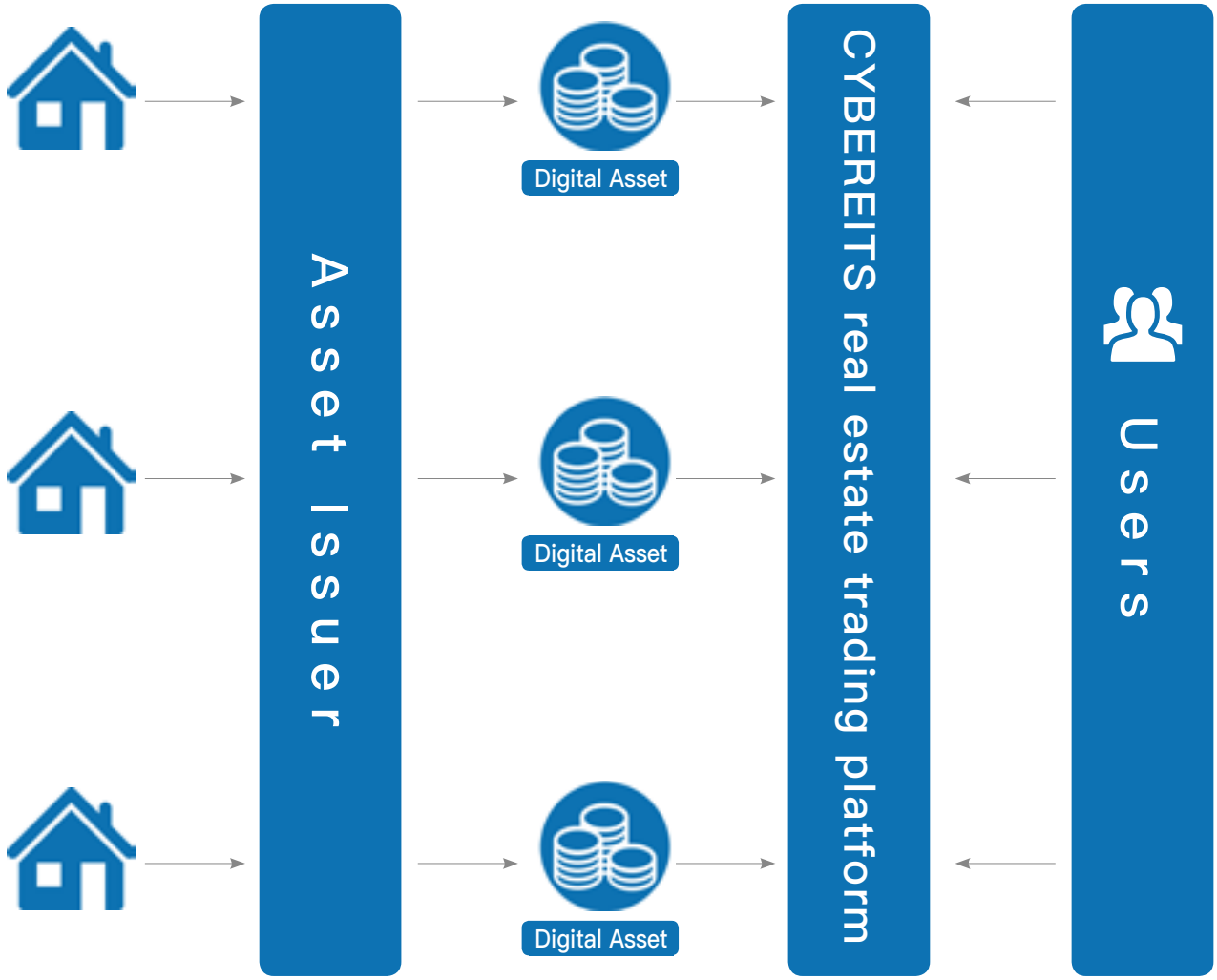
3.8 Overall structure of the solution



4. Technical realization

Under closely communicate and cooperate with corresponding government department, lawyer and other property management companies, CYBEREITS Platform continuously improve physical property asset risk management process. CYBEREITS Platform risk management system define the input and output , setup audit mechanism, and follow the existing law and regulation. After all offline procedures finish, CYBEREITS Platform issue the onchain digital asset and distribute to the holder, holder can transfer digital asset onchain.

CYBEREITS Platform fetch physical property online and offline market data, constantly improve the value estimate model. Combine the third party real-estate value estimate company, revise the presision of real-estate value.



4.1 Real Estate TMALL

CYBEREITS Platform is dedicated on providing ALL Platform off-chain on-chain trading system, including PC, Wechat, H5 and APP. On-chain trading system use smart contract for asset certificate, issue, trade, delist, KYC & AML. CYBEREITS Platform will introduce physical properties globally by third party asset management company.

4.2 Off-chain Trading Platform

(1) Memory Based Matching System, Extreme Message Queue Distribution, RingBuffer Message Process, Guarantee all deal process in millisecond

(2) Offline cold storage, Incremental backup hourly, Full backup daily, Keep all data safy

(3) SSL encrypted transmission, system penetration test twice a year, APP reinforcement, to provide bank-level security;

(4) GSLB Cluster, Real-time online monitoring, 7*24 transaction security

(5) API Support

4.3 On-Chain DAPP

CYBEREITS Platform DAPP based on Ethereum, including:

(1) KYC & AML

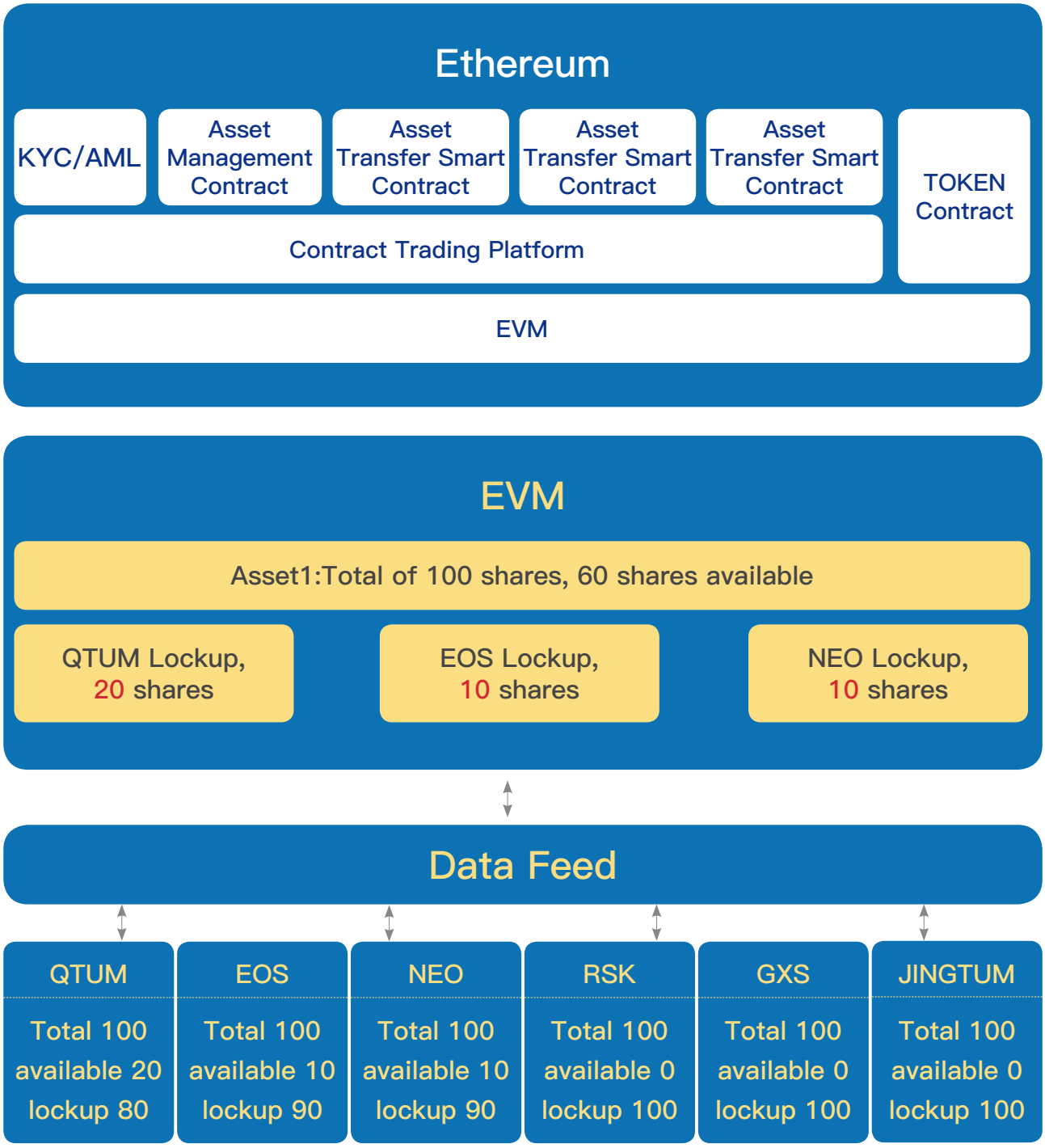
(2) Asset registration, certification and consignation

(3) Asset Transfer Contract

(4) Decentralized Trading Platform

(5) Token Contract

Smart contract features are as follows



4.4 DataFeeds & Oracle

By introduce DataFeeds and Oracle, Platform combines on-chain smart contract with off-chain contract, Data from real world trigger the smart contract.

DataFeeds represent data that fetched from real world, like FX, GDP or

physical property price index, and feed those data into smart contracts.

For example, When the real-estate's price in Huston increased 100%, these will trigger the smart contract start to clear the settlement of this real-estate.

Oracle represent trusted special agent, node or public key. If there are multiple data source, Oracle will choose the proper input data according to preset rules.

4.5 Cross-chain Mechanism

Currently, CYBEREITS Platform on-chain smart contract is based on Ethereum, in the future, it will extend to Qtum, EOS, Fabric and etc, single asset smart contract will be issued at multi-chain, when the ethereum user needs to transfer the digital asset to Qtum user, smart contract will lock the amount of asset on Ethereum and unlock same amount asset on Qtum by using DataFeeds.

CYBEREITS Platform will provide blockchain explorer which shows each asset lock and unlock amount, and asset holder statistics.

4.6 Decentralized Trading System Throughput Capacity

There are two main ways to improve transaction processing capacity, one is fragmentation technology (shard) and the other is state channel technology (channels). The Lightning Network (Raiden Network) is the realization of the state channel technology in the Etheric square.

The Lightning network of the etheric square is similar to that of a bitcoin. The basic idea of the Lightning network is that users can exchange transfer signature messages in private, rather than all the transactions are placed on the block chain. The Lightning network preserves the guarantee mechanism of the block chain system through the point to point payment and margin deposit in the Ethernet square network. The ongoing transactions between the participants are carried out under the chain, but they can be liquidated on the chain.

Raiden is implemented as an extension to Ethereum. A Raiden node runs alongside an Ethereum node and communicates with other Raiden nodes to facilitate transfers and with the Ethereum blockchain to manage deposits. It offers a simple API which makes it easy to use Raiden in DApps.

Raiden is a technology that leverages off-chain state networks to extend Ethereum with some nice properties for asset transfers:

(1)Scalable: it scales linearly with the number of participants (1,000,000+ transfers per second possible)

(2)Fast: Transfers are confirmed and final within the fraction of a second

(3)Confidential: Single transfers don't show up in the global shared ledger

(4)Interoperable: Works with any token that follows Ethereum's standardized token API

(5)Low Fees: Transaction fees can be 7 orders of magnitude lower than on the blockchain

(6)Micro-payments: Low transaction fees allow to efficiently transfer tiny values

5.CRE TOKEN

5.1 TOKEN Function and value

CRE is the Token of the Cybereits platform and is the value medium in the ecosystem. Its main value lies in two aspects:

(1) Use value

• Users can use CRE to purchase the digital real estate share from the Cybereits platform

• Users can use CRE to pay the various service fees of Cybereits platform

(2) Repurchase (see repo rules below)

• After receiving rent platform will repurchase CRE and using CRE to pay the rental dividends that properties made on Cybereits platform.

• The cybereits platform repurchases CREs at a quarterly bases with 50% of net profit and performs public announcements of destruction to reduce the total TOKEN

It is foreseeable that as the Cybereits platform continues to grow, the demand for CREs will increase, while the total amount of CREs decrease. As a result, the value of a single CRE will continue to rise.

5.2 Distribution ratio of Token

- TOKEN sale 40%
- Team holds 22%
- institutional investors 16%
- business development 10%
- early investors 8%
- Community Rewards 4%

5.3 Distribution program

The total amount of CRE is 1,000,000,000 and will never be increased. Team and early investor shares unlock 1/6 every six months for three years

The share for token distribution is 600,000,000, the specific release details are as follows:

Stage	Investment limits	Investment eiling	Exchange ratio	Lock up
Early Bird	start with 1ETH	32000ETH	1 ETH=25000 CRE	no lockup
Public Stage	start with 1ETH		1 ETH=20000 CRE	no lockup

Capital utilization

5.4 Token Repurchase

Dividend repurchase

Cybereits the digital real estate share on CYBEREITS have monthly rent dividends, Cybereits platform will buy CRE back from the market with the current market price after receiving the rent of the month. The share of CREs repurchased will be distributed to Cybereits platform users on a property-hold basis.

Profit repurchase

The cybereits platform repurchases CREs with the current market price at a quarterly bases with 50% of net profit and repurchased CREs will be permanently destroyed, causing a gradual reduction in the amount of CREs, with repurchase details and destruction results publicized.

6. Development History and Future Planning

6.1 Development path

6.2 MVP Result

8
months
2017.4.14—now

Platform running time

14
properties
1.12million RMB

Asset management size

Asia,EU,
north America

Business coverage

20000+

Accumulated registered users

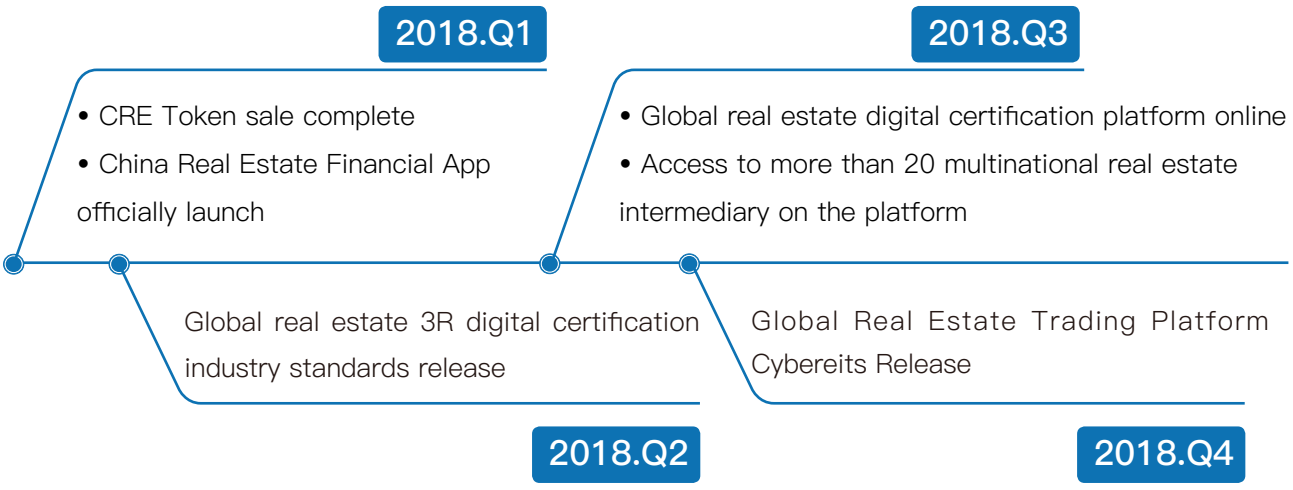
8000+

Accumulated transactions

2+
billion

Platform trading scale

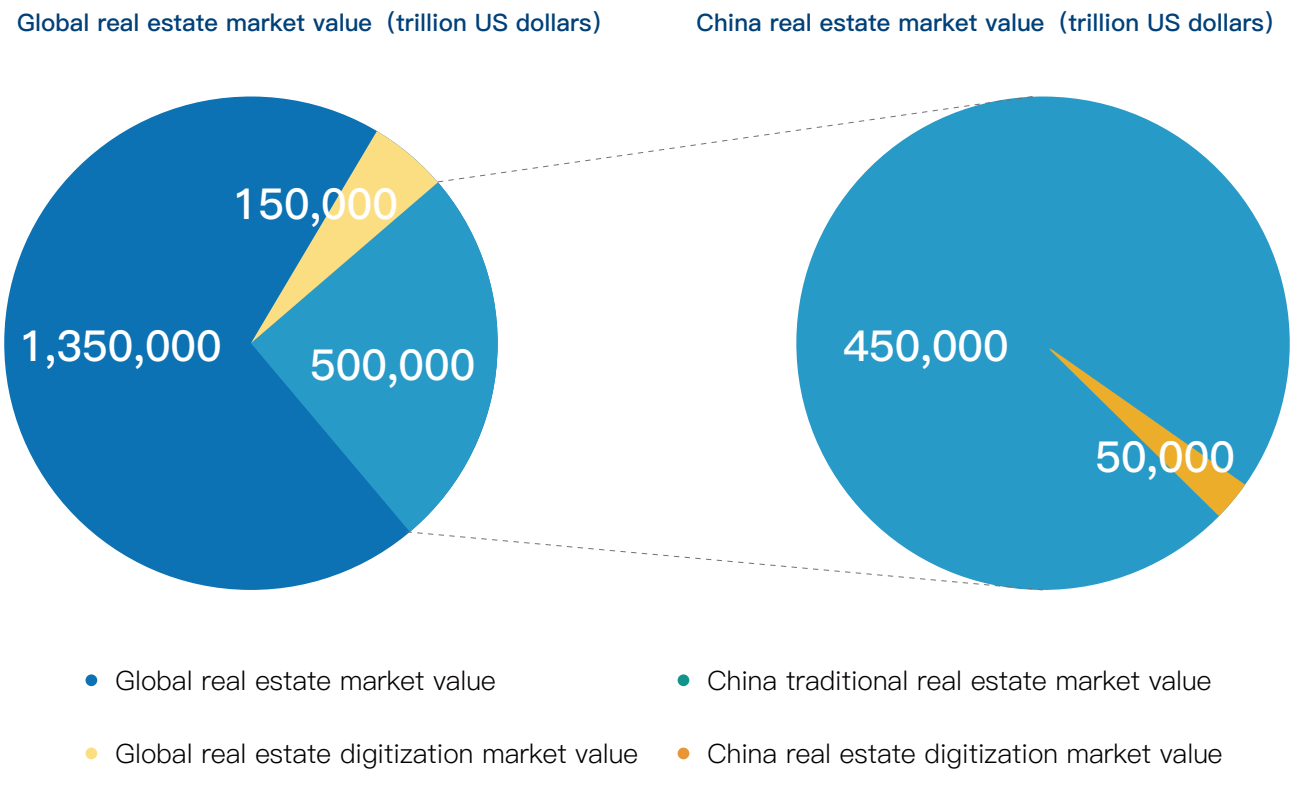
6.3 Future Plan



6.4 Market Expectation

The global real estate market has a total market value of more than 200 trillion US dollars, is the largest realizable assets. There are 4 trillion US dollars which achieved asset securitization using traditional methods, the conversion rate is about 2%. Block chain digital assets can not only cover traditional asset securitization products, but also achieve a wider range of asset securitization and digitization.

China's real estate market is about 1/4 of the global market (50 trillion US dollars). It is estimated that in the next 10 years, China's real estate digitization market will exceed 1 trillion U.S. dollars.



7. Team and investor introduction

7.1 Founder

Tan Bochao CEO

MBA of Tsinghua SEM MBA and a CFA holder
9 years of financial experience: 7 years Bank of China head office experience; former consumer financial project manager, IT architect, financial manager; 2 years of Internet finance experience; founder of the LE Internet financial platform.
6 years of entrepreneurial experience; has founded the top domestic gaming company; air purifier company.
2011 start up weekend entrepreneurial contest champion
People's Bank of China pay standard Editorial Board

7.2 Early investors

Li Xiaolai

Richest Bitcoin holder in China

九合创投 UNITY VENTURES

Unity Ventures

Top Domestic fund brands

启迪新创 TUS-INNOVEST

TUS Innovest

Member company of TUS Holding

7.3 Investment institution

INBlockchain	LINKVC	NODE CAPITAL

7.4 Project consultant

Lao Mao

Principal of Inblockchain

Huang Minqiang

CEO of GXB

Wu Yuanwen

CEO of JINGTUM tech

Li Feng

world's number on Litecoin ASIC miner

Tu Guojun

co founder of GXB

Xiong Lijian

founder of LOMOStar

7.5 Business Partners

well know international digital asset trading platform

Decentralized data exchange based on the blockchain

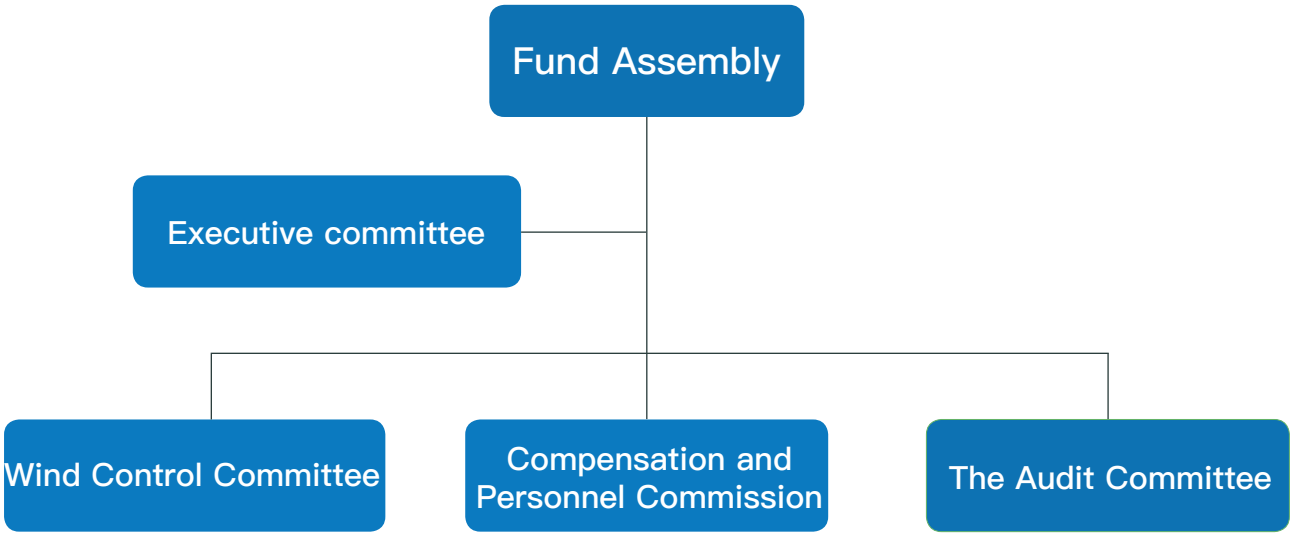
NYSE in Digital Asset World

A new generation of asset characterization, transfer and trading platform

7.6 Cooperative media

8. Foundation Governance Structure

8.1 Structure



8.2 Functional divisions of the committee

(1) Executive committee

Research and formulate long-term planning, design regulations and management system, analyze and approve new project, manage daily operations.

(2) Risk control committee

Research and formulate risk control strategy, set up risk control standard, audit overall operational risk, set up risk audit meeting of project and release audit report.

(3) Remuneration and HR Committee

Design and modify salary, incentive program, audit organization set up, job setup and recruitment.

(4) Audit committee

Responsible for operational audit, financial audit, code audit, token destruction and so on.

9. Risk and Disclaimer

(1) This document is intended to provide information only for the specifics that require further understanding of the project, and does not constitute any future investment guidance, nor is any form of contract or commitment

(2) Once the participant participates in the token distribution plan, the participant understands and accepts the risk of the project and is willing to take all the consequences personally.

(3) The project team made it clear that will not promise any return and would not be liable for any direct or indirect loss caused by the project.

(4) The token involved in this project is an encrypted digital code used in the transaction, does not represent the project equity, profit or control.

(5) We can not guarantee that the project will be successful and the project will have some risk of failure, since uncertainties of digital currency (including but not limited to: the regulation of digital currency in different countries, , the industry competition, the technical weakness of the digital currency itself) , the token of this project also has the risk of turning zero!

(6) While the team try to solve the problems that may be encountered in the project promotion process, there are still policy uncertainties in the future. Please understand the aspects of block chain before support and make rational participation under the premise of full understanding of the risks.

10. Contact Us

CYBEREITS is about to start the global public offering, for details of the project or community, please scan the QR code below to add CYBEREITS customer service for consultation

WeChat ID‘cybereits’