



REAL ESTATE SECTOR MISSION STATEMENT

Our mission is to horizontally and vertically unite real estate investment trusts (REITs) and real estate management and development companies on our NexGen Blockchain in order to DEMOCRATIZE the Real Estate Experience for your HUMAN IDENTITY.

REAL ESTATE SECTOR ROLE IN THE BLOCKCHAIN ECOSYSTEM AND HOW THE BUTTONWOOD AGREEMENT WILL HELP ACCELERATION OF THE INDUSTRY

The Global Industry Classification Standard used by Morgan Stanley defines the Real Estate Sector as industry that includes companies engaged in real estate development and operation. It also includes companies offering real estate related services and Equity Real Estate Investment Trusts (REITs). Additionally, it includes real estate management and development companies. Using CrowdPoint's next-generation Blockchain, all members of the ecosystem benefit from the transparency and speed of the numerous transactions associated with the real estate industry.

REAL ESTATE SECTOR BLOCKCHAIN ECOSYSTEM ACCELERATION OF OPPORTUNITY

The global real estate market is expected to reach \$2.77 trillion in 2021 at a compound annual growth rate (CAGR) of 3.2%. The market is expected to reach \$3.71 trillion in 2025 at a CAGR of 8%. With the rapidly growing residential and commercial markets there is an unexpected surge in annual growth rate. CrowdPoint's Blockchain will ease the pressures associated with such a surge and reduce the tensions associated with a very volatile sector.

TOTAL ADDRESSABLE MARKET

In the absence of empirical data and research in the Real Estate Sector, the valuation of TAM is difficult to determine. Each market, whether national, regional, or local will have its own narrow or wide view of TAM. Example: In Texas, where real estate development is booming and housing is in extremely high demand, the TAM is far wider in scope than TAM in Iowa or Arkansas. In 2020, national Residential sales reached \$156.2B, Commercial sales hit \$280B. The expected growth rate for 2021 looking forward is @ 23%, maybe more, for the immediate future.

With that said, the TAM for the Real Estate Sector in the USA is between \$545.25B and \$600B (possibly up to \$1Tr).

HOW OUR REAL ESTATE SECTOR EXCHANGE WILL ACCELERATE VALUE CREATION

CrowdPoint's Blockchain will expedite transactions between developers, contractors, brokers, agents, lending entities, and utility companies. Using "smart contracts" on the exchange, information and closings will take place in real time and at the same time be totally transparent. Rapid closings and transactions save money and increases value of the Sector. All members can identify ICPs and build trusted relationships.

BIG DATA ANALYTICS

Big Data Analytics are essential in today's business; it keeps records of the most valuable asset: the Human Identity. In CrowdPoint's Exchange the end-user controls his/her identity and all information is housed as a non-fungible attribute in a Decentralized I.D. We make Big Data work for the members of the exchange.

When it comes to risk mitigation, predictive analytics helps reduce risk when it comes to real estate investments; developers, realtors, sellers, and buyers now have access to critical information about a property with few unknowns. Furthermore, Big Data has the ability to make appraisals based on years of market data, resulting in simple and fast evaluations. With more accurate evaluations, purchasers can now make a more realistic offer, and in turn allows financial institutions to minimize losses when calculating loans. Moreover, Big Data provides predictive analytics that helps real estate agents better understand what their customers want, resulting in time saved. In addition, big data brings improvement in marketing strategy which allows realtors to move faster and more accurately on current consumer trends. Likewise, Big Data makes it easy to identify ICPs through various demographic criteria. Another member of the real estate sector that benefits from big data is home insurance companies since they can now optimize their insurance offerings for customers and geographic regions. Utility providers will also benefit from real time development opportunities along with speedy connections for customers.



ARTIFICIAL INTELLIGENCE TECHNOLOGY

Artificial Intelligence will affect the members of the Sector Exchange in numerous ways. All members of the Exchange will have better information available to them so they can make better decisions, expediting transactions.

AI and Realtors: AI in real estate can help realtors improve clients' home searches, generate and identify strong leads, remove bias, refine transactions, and better predict market value, which is directly correlated to the value of REITs.

AI Impact on Home Search for Clients: AI is able to combine search data from a potential home buyer with that of similar buyers to produce a list of properties prospects actively searched while connecting them with other properties that align closely to their needs. Clients will have the opportunity to virtually visit developments, chat with agents, and narrow searches to areas that are fitted to their particular needs and desires, thus saving time and money for all parties involved.

AI Impact on the Transaction Process: AI can help agents and teams provide the most seamless experience for their clients by delivering smarter mobile apps, solid compliance checks, detailed reporting, and auto-fillable apps that reduce manual data entry and errors, thereby resulting in faster closing times. Funding the sale will happen in real time.



COMPACTION TECHNOLOGY

By breaking down large data and re-organizing its parts, Compaction allows for rapid transmission of data without compromising its quality. This has cybersecurity and fraud deterring implications for the Real Estate sector, allowing for the secure implementation Smart Contracts. When any business saves time, costs are reduced and the parties involved benefit. When combined with AI, Compaction allows for sharing information via non-fungible data between all interested parties. Each party is only allowed access to whatever information the others permit; this level of security leads to secured privacy and trust.

BLOCKCHAIN TECHNOLOGY

Blockchain offers a way to reduce the need for paper-based record keeping while speeding up transactions — helping stakeholders improve efficiency and reduce transaction costs on all sides. Real estate blockchain applications can help record, track, and transfer land titles, property deeds, liens, and more, and can help ensure that all documents are accurate and verifiable. All documents are signed and securely stored online, while deeds and other contracts are recorded using blockchain technology within the corresponding data bases as well as on paper. Buying and selling property becomes seamless and the time to "close" is reduced. Additionally, within a property, home appliance warranties can easily be accessed when maintenance issues arise. Synthesis of all appliance and utility data can allow for property owners to follow predictive maintenance schedules to mitigate repair and replacement costs associated with critical failure. Utility usage, home improvement upgrades, and relevant property information can be attached to property records for transparency to all parties during transactions.

Smart contracts can instantly incorporate federal, state, and county regulations prior to completion of the transaction so there are no "surprises" at the closing; everything is transparent. For the buyer, there will be more access to loan agencies/companies within the blockchain thereby creating competition that before was basically non-existent. This competition can lower costs and interest rates.

REAL ESTATE SECTOR EXCHANGE SUMMARY OF ACCELERATION OPPORTUNITIES

The Real Estate Sector is one of the most volatile Sectors in the GICS. Markets change rapidly and Developers need information and data instantly as the market expands or deflates. Changes in the national, regional, or local economies drive the market and these changes can be predicted accurately on the Sector Exchange via CrowdPoint's Blockchain Ecosystem, leveling the volatility, mitigating financial losses.

As the Real Estate sector adopts Big Data and AI, increased accuracy in appraisals and home value forecasting help everyone from the client to the agent, and even the loan and insurance institutions involved. Essentially AI's ability to collect, analyze, and learn from a huge inflow of data can make agents more efficient and effective, brokers more strategic, and clients ultimately empowered to experience the buying and selling process with much less uncertainty. Accordingly, compaction and blockchain add transparency, agility, and security into the multi-phase process of purchasing and selling property, ultimately reducing transaction costs as well as the time to 'close' a transaction.

