
Advanced Certificate in Real Estate Tokenization

Unit 8: Real Estate Token Valuation

Advanced Certificate in Real Estate Tokenization: a professional certification program focused on the technical, legal, and financial aspects of real estate tokenization.

Appraisal: a valuation process to estimate the market value of a property, usually performed by a licensed appraiser.

Asset-backed Token (ABT): a digital token representing ownership of a real-world asset, such as real estate.

Blockchain: a decentralized, distributed digital ledger that records transactions across multiple computers, ensuring data security and transparency.

Capitalization Rate (Cap Rate): a ratio used to evaluate the investment potential of a real estate property, calculated by dividing the net operating income by the property's market value or purchase price.

Cryptoasset: a digital asset that uses cryptography for security and operates on blockchain technology, including cryptocurrencies and security tokens.

Cryptocurrency: a digital or virtual form of currency that uses cryptography for security, operating independently from a central bank.

Decentralized Finance (DeFi): a blockchain-based form of finance that does not rely on central financial intermediaries, such as banks or exchanges.

Digital Security: a digital representation of a traditional security, such as stocks, bonds, or real estate, stored and traded on a blockchain.

Due Diligence: an investigation or audit of a potential investment to ensure its legitimacy and evaluate associated risks.

Fiat Currency: a government-issued currency, not backed by a physical commodity, but by the government's full faith and credit.

Fungible Tokens: tokens that are interchangeable and can be replaced by another identical token, like cryptocurrencies.

GitHub: a web-based platform for version control and collaboration that allows developers to manage and store code for software development projects.

ICO (Initial Coin Offering): a fundraising method in which a company sells its own cryptocurrency to investors, usually in the form of a token sale.

KYC (Know Your Customer): a process that financial institutions and other regulated entities use to verify the

identity of their customers, usually as part of an anti-money laundering regulation.

Liquidity: the ability to quickly buy or sell an asset without significantly affecting its market price.

Non-Fungible Tokens (NFTs): tokens that are unique and cannot be replaced by another identical token, often used for digital art, collectibles, and real estate.

Real Estate Investment Trust (REIT): a company that owns, operates, or finances income-generating real estate properties and allows individual investors to invest in large-scale real estate projects.

Real Estate Tokenization: the process of converting real estate assets into digital tokens, allowing for fractional ownership, increased liquidity, and efficient trading on blockchain platforms.

Regulation D: a set of SEC rules that allow private companies to raise capital through the sale of securities, exempt from registration requirements.

Regulation S: a set of SEC rules that allow foreign companies to raise capital from U.S. investors through the sale of securities, without registering the securities with the SEC.

Regulation A+: a set of SEC rules that allow smaller companies to raise capital from both accredited and non-accredited investors, through a mini-IPO process.

Security Token: a digital token representing an ownership interest in a traditional security, subject to securities regulations.

Security Token Offering (STO): a fundraising method in which a company sells security tokens to investors.

Smart Contract: a self-executing contract with the terms of the agreement directly written into code, stored and replicated on the blockchain.

Solidity: a programming language used for writing smart contracts on the Ethereum blockchain.

Tokenization: the process of converting rights to an asset into a digital token on a blockchain.

Transfer Agent: a third-party entity responsible for maintaining records of a company's shareholders, facilitating the transfer of shares, and handling other related administrative tasks.

Utility Token: a digital token that provides access to a product or service, rather than representing an ownership interest in a company or asset.

Virtual Real Estate: digital real estate that exists within a virtual world or metaverse, often represented as Non-Fungible Tokens (NFTs).

Whitepaper: a detailed document that outlines a project's goals, features, and technical specifications, often used in the context of ICOs, STOs, or other blockchain-based projects.

Yield Farming: the process of lending or staking cryptocurrencies or tokens to earn rewards or interest, often involving DeFi platforms.

Zillow: a popular online real estate marketplace that provides information about homes for sale and rent, as well as home valuations and other real estate-related tools and services.