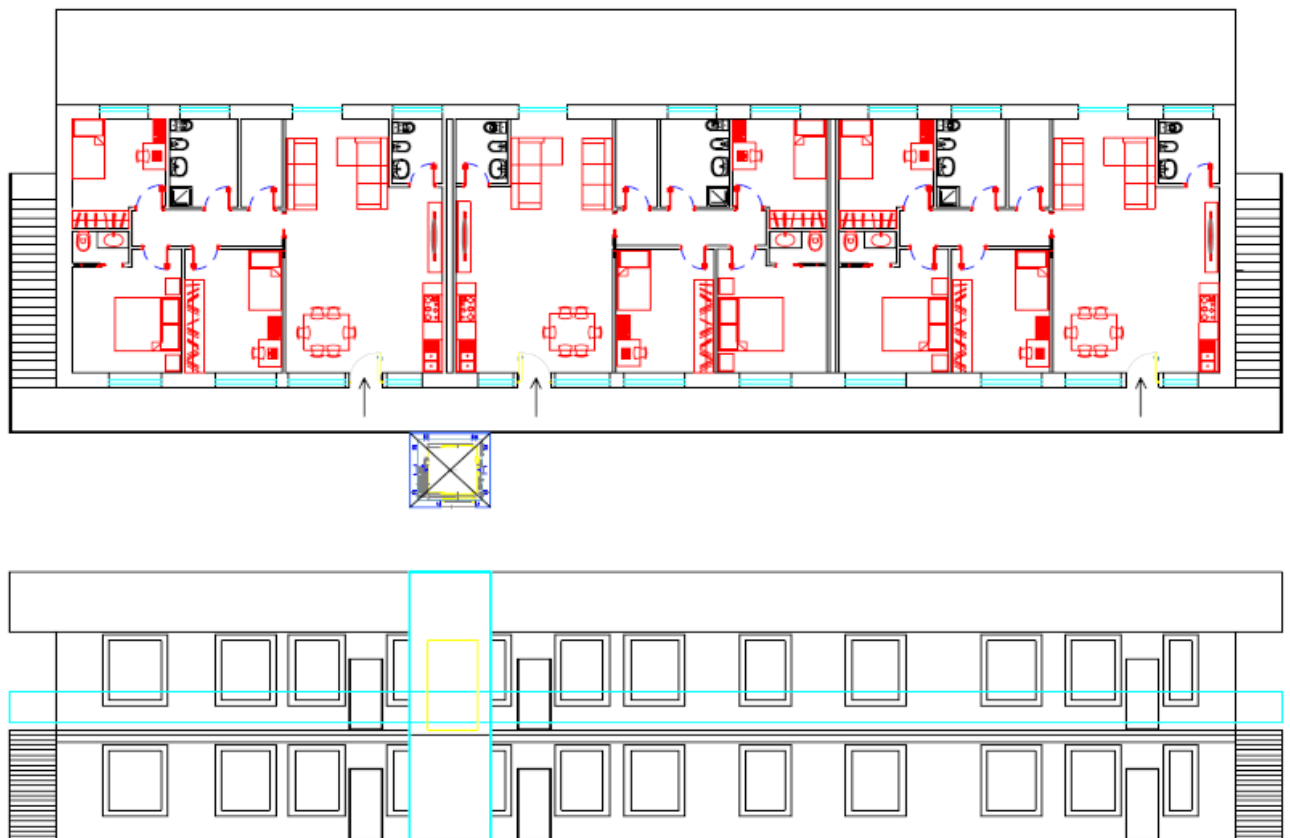


Ancient farmhouse of 350 square meters



1° example of an operation:

The table 1 shows renovation cost of a Torricella Farm house of 700 sq.m located in Rome, on two floors sub-divisible into six apartments of 95 sq.m. m. **Table 2** shows market price, renovation cost and gross income. **Table 3:** show ROI and ROE of investment

PROPERTY DATA					LINK
Address			Square Meters	Price Requested/Offered	
Via Lucignano, Rome (IT)			350	€ 300.000	
Financial Exposure			Months		
Rooms	Floor	Bathrooms	Elevator	Renovation	
1	-	-		Yes	
Land Registry	Income Registration Tax		1st Home	€	
			2nd Home	€	
			Company	€	
Renovation Cost €/sqm			Exposure		€
			Duration of the Operation (months)		
Light	Medium	Heavy			
€	€	€			

Table 1 : Income Statement

	Cost
Property Purchase	€300000
Cost of Renovation/Construction per square meter	€ 887000
Purchase Agency Fee 2%	€7000
Registration Tax	€27000
Mortgage Tax	€100
Cadastral Tax	€100
Notary	€2000
Technical Studio	€3000
Municipal Fees and Land Registry	€2000
VAT	€000
Home staging	€700
Utilities	€3000
Sales Agency Fee 1%	€5000
Lawyer	€000
Insurance	€0,00

Contingencies 10%	€88000
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Total renovation cost	€ 1.324.900
Total renovation cost per one sq.m	€ 1892.00

Finance Costs

	Cost
Finance Value	€ 0,00
Notary Mortgage	€ 0,00
Management Costs	€ 0,00
Expert	€ 0,00
Investigation Expenses	€ 0,00
Insurance	€ 0,00
Interests	€ 0,00
Substitute Tax	€ 0,00
Total Finance Costs	€ 0,00

Total renovation cost	€ 1.324.900
Total renovation cost for one sq.m	€ 1892.00

Table 2: Market prices

	Single of 100 sq. m. m	6 Apartments
Apartment market price (Class A)	€ 550,000	€ 3.300,000
Renovation cost	€ 189.000	€ 1.134.000
Gross income*	€ 361,750	€ 2.166,000
Tax 27%	€ 97,672	€ 586,032
Net income	€ 264,077	€ 1.579,968

* which to pay any taxes or fees according to the tax regime

Table 3 show ROI and ROE

Financial Report – Real Estate Token/NFT Investment Performance Analysis

Reference Period: 24 months

Target Project: Tokenized real estate for energy-efficient buildings

Model: Issuance of Token/NFT representing fractional real estate ownership

1. Operation Data

- Single token/NFT price: €50
- Number of tokens/NFTs issued: 26,498
- Total equity raised: €1,324,900
- Total investment cost: €1,324,900
- Total revenues generated: €3,300,000
- Net profit: €1,579,968 (after operating expenses and charges of €395,132)
- Operation duration: 24 months (2 years)

2. Profitability Indicators

- **Return on Investment (ROI):**

$$\text{ROI} = \frac{\text{Investment Gain} - \text{Investment Cost}}{\text{Investment Cost}} \times 100 = 149.08\%$$

Interpretation: Gross return of 149.08% over 24 months.

- **Return on Equity (ROE):**

$$\text{ROE} = \frac{\text{Net Profit}}{\text{Equity}} \times 100 = 119.25\%$$

Interpretation: Net return on equity of 119.25% over 24 months.

- **Annualized ROE (CAGR):**

$$\text{CAGR} = \left(1 + \frac{119.25}{100} \right)^{\frac{1}{2}} - 1 = 47.77\%$$

Note: The arithmetic average return would be 59.63%, but the more accurate compounded annual growth rate (CAGR) is 47.77%.

3. Summary Table

Indicator	Value	Interpretation
Total Equity	€1,324,900	Capital raised via Token/NFT issuance
Net Profit	€1,579,968	After operating expenses and charges
ROI (24 months)	149.08%	Gross return over 24 months
ROE (24 months)	119.25%	Net return on equity over 24 months
Annualized ROE (CAGR)	47.77%	Compounded annual return

4. Strategic Assessment

- **Strong profitability:** Annualized ROE of 47.8% far exceeds typical real estate benchmarks (usually below 10%).
- **Transparency & sustainability:** Tokenization offers distributed governance and full investment traceability.
- **ESG alignment:** Consistent with environmental and social governance standards, attracting impact-focused investors.
- **Risks:** Potential execution delays, token illiquidity, and market fluctuations remain key concerns that require monitoring.
- **Scalability:** Model replicable in future projects, especially urban regeneration and sustainable building initiatives.

5. Conclusion

The tokenized real estate investment has delivered **outstanding results**, generating a **149.08% ROI** and **119.25% ROE** over 24 months, equal to a **47.8% compounded annual ROE**.

This positions the project as a **competitive and innovative opportunity** for both institutional and private investors seeking exposure to green and digital real estate sectors.