Dweller Litepaper V1.0

Decentralized finance for new homes

May 2022

Overview

Dweller is utilizing blockchain technology to make the process of building and buying new homes much more attainable for the masses.

Dweller is building a network that levels the playing field for building homes worldwide. It's now possible to create financial systems via software APIs and blockchain to achieve consistency and transparency when it comes to funding the construction of new homes and the purchasing of the homes from the consumer side.

Achieving scale on a global-level becomes achievable thanks to cross-border interoperability, settlement in less than 5 seconds and very low transaction fees.

In addition, the requirements for obtaining a "crypto mortgage" versus a traditional one are much less intrusive and complicated. See the chart below:

Crypto Mortgage Requirements	Tradtional Mortgage Requirements
⊘ Proof of crypto holdings	⊘ Pay stubs
	⊘ Proof of employment
	⊘ Employer contact info
	⊘ Tax documents
	⊘ Bank statements
	⊘ Business documents
	⊘ Debt info
	⊘ Confirmation of property
	⊘ Residential history
	⊘ Proof of additional income
	⊘ Stock, bonds and saving statements
	⊘ Earnest money source

Figure 01

When it comes to building a new home, software is the perfect instrument to help facilitate the process due to all the complexities that exist. Even more, cryptocurrencies and blockchain technologies can solve a lot of the problems that exist today around General Contractors accepting the work done by their hired Subcontractors and paying them for it. This will be discussed in more depth below in the 'Buildmore' section under 'Loan Protocols'.

Dweller and the Dweller community are creating an open-source software platform called DwellerNet that will become the instrument to connect to other APIs to form the Dweller ecosystem.

DwellerNet

DwellerNet will be the software platform that powers the Dweller loan protocols across the globe. Users will have accounts and logins to DwellerNet and will be able to authenticate into third-party applications.

Since housing is a very sensitive subject and shelter is perhaps the single-most important aspect of our lives, the financial system around it should very much be decentralized and not governed by a central authority like governments or financial institutions.

DwellerNet will be open-source with the code available on GitHub and the transactions occurring on a transparent, decentralized ledger.

Voting for new features for DwellerNet will be open and transparent and will occur on the Dweller website. The framework for how the voting operates will be established by the community. Due to housing being a very popular subject amongst the general population, the Dweller voting system should be simple and accessible to all.

DwellerNet Users

V1.0 of DwellerNet users will mainly consist of individuals or entities with large sums of crypto assets, and they will be using the loan protocols within DwellerNet to fund loan opportunities. These users will initially be discovering new loan opportunities thanks to the Everywhere API, but other home design platform APIs may be implemented in the future.

DwellerNet applications

The DwellerNet ecosystem will grow over time. Initially DwellerNet will bridge other home design project APIs, like the Everywhere® API, and will surface the data inside of DwellerNet in order to allow Lender users to utilize the Dweller loan protocols and surface the data within the lending pools and liquidity market.

If it's voted on by the community, an SDK can be created to allow for a more streamlined approach for application development.

DWEL token

The DWEL token will be utilized within the Dweller loan systems, mainly FirmWire. Liquidity from the token will be allocated to create zero-interest loans in partnership with Everywhere to begin with and other platforms in the future.

The DWEL token was issued on the Stellar network, with a supply of one billion tokens, due to Stellar's growing list of projects and developer community, along with cheap and fast transactions.

DWEL tokens will be used as a currency for FirmWire payments. Fiat, XLM or other crypto currencies can be swapped or converted into DWEL and then into a stablecoin such as USDC, so volatility doesn't negatively affect user's asset holdings.

DWEL token supply
The DWEL token supply can be divided into four main pieces; 45% distributed, 25% to Dweller operations, 20% to the FirmWire protocol and 10% to housing projects. Please review the chart below:

DWEL TOKEN
SUPPLY BREAKDOWN

45% Distributed	450,000,000 DWEL
25% Dweller	250,000,000 DWEL
20% FirmWire	200,000,000 DWEL
10% Housing Projects	100,000,000 DWEL

10%
Housing
Projects

20%
FirmWire

45%
Distributed

25%
Dweller
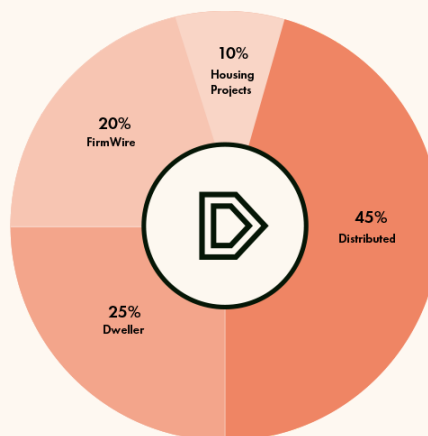
DWEL token airdrops

Dweller will periodically perform DWEL token airdrops. The token airdrops will be taken from the 45% allocated to be distributed amongst the Dweller community.

Loan Protocols

Loan protocols are frameworks that specify the rules for smart contracts to run within DwellerNet, which allow users to access funds that will purchase their homes. DwellerNet will begin with 3 loan protocols and the community can vote to add more over time.

The loan protocols will be accessed by both home buyer users and home lender users that can connect to each other via APIs.

1. **HomeLend Protocol V1.0**

   The HomeLend protocol is designed to facilitate new home transactions for homes that have already been built but have not yet had a resident.

   Similarly to how a traditional mortgage would function, HomeLend will provide a loan term for up to a 30-year period. HomeLend will utilize the home buyer user's cryptocurrency in order to purchase the home.

   Unlike a traditional mortgage, HomeLend will allow the home buyer user to stake their down payment and earn interest against it, which can offset the monthly payments on the home and create large savings opportunities.

Borrowing amounts and terms for the HomeLend protocol will be determined by the partnerships we are able to create with other decentralized finance entities and protocols.

Collateral for HomeLend will be cryptocurrency and will utilize as many of the most popular tokens as possible.

HomeLend protocol diagram V1.0
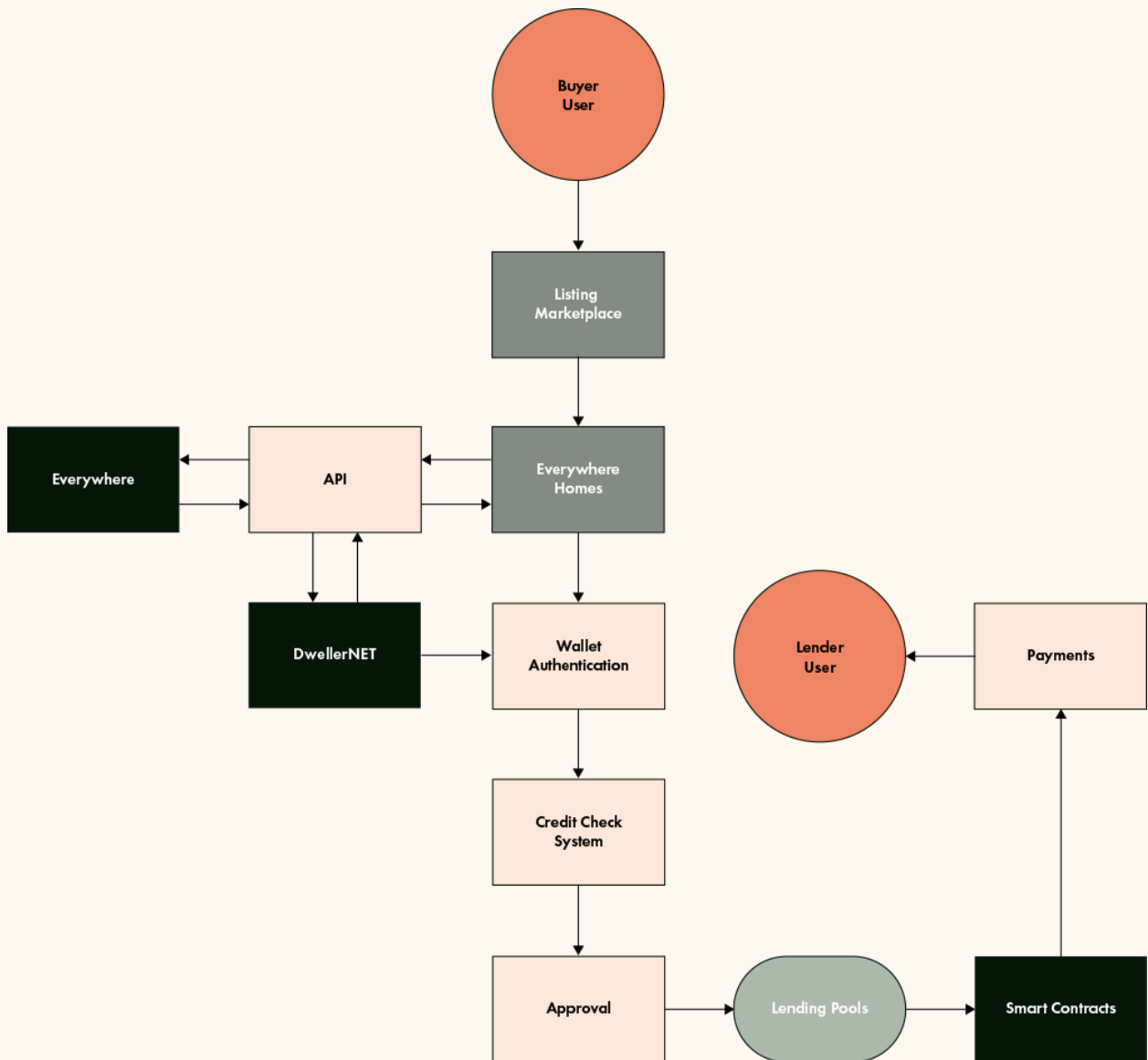
2. Buildmore Protocol V1.0

Two major problems exist with the American single-family housing market: 1. America is behind around 7 million new homes [1]. 2. Subcontractors wait 80 days on average to be paid for construction jobs.

New housing is in stark supply. The Buildmore protocol will allow for many more new homes to be built in a scalable way. A study by McKinsey & Company showed the construction industry grew two-thirds slower than every other industry during the past 20 years [2].

The Buildmore Protocol makes construction lending easy, secure and faster than ever before. Lenders fund projects and gain transparency into the flow of dollars which are escrowed and earn APY.

Lender users can view potential projects to invest in via lending pools within DwellerNet. Once a Lender commits to a project, funds are moved via USDC and stored in escrow. When tasks are completed during the project, the escrowed funds are released by the General Contractor to the Subcontractors.

When the home is purchased, the Lender is paid back. The new Buyer can pay cash or purchase with the HomeLend protocol.
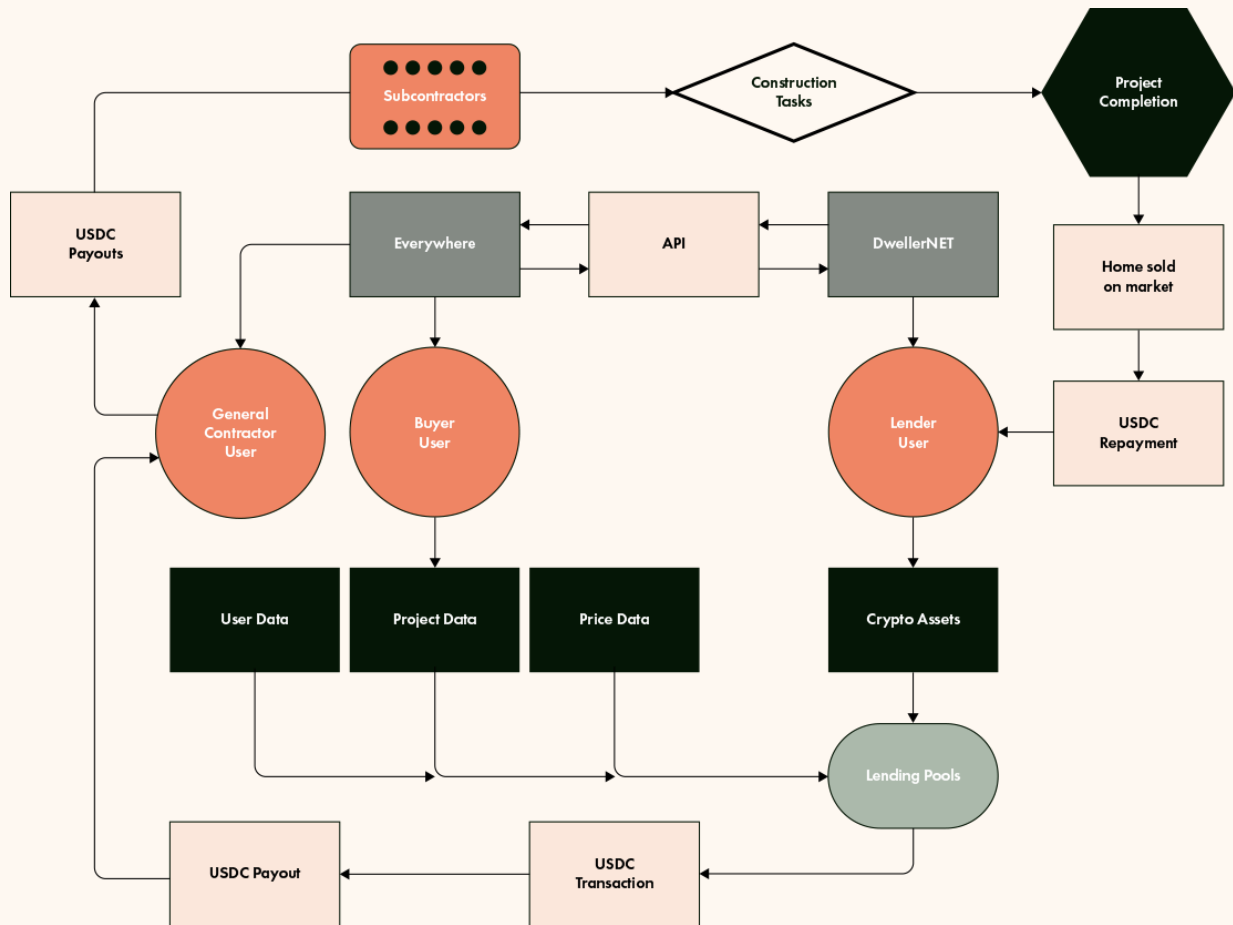
3. FirmWire Protocol V1.0

FirmWire is a next-generation solution to what a true mortgage system that benefits humanity can look like. A protocol that will utilize the DWEL token on the blockchain to raise liquidity and apply it towards the funding and construction process of new homes.

FirmWire will use the DWEL token's liquidity and provide utility within the protocol. Users will acquire DWEL through exchanges and airdrops or potentially through the DwellerNet API as a seamless mechanism in the future.

Once a user holds DWEL, they can use it for payments towards their new home. A small transaction fee will occur for each monthly payment. The transaction fee can then be

split to use DWEL and reward third-party applications with a portion of the payment fee as well, in order to grow the Dweller ecosystem.

FirmWire protocol diagram V1.0
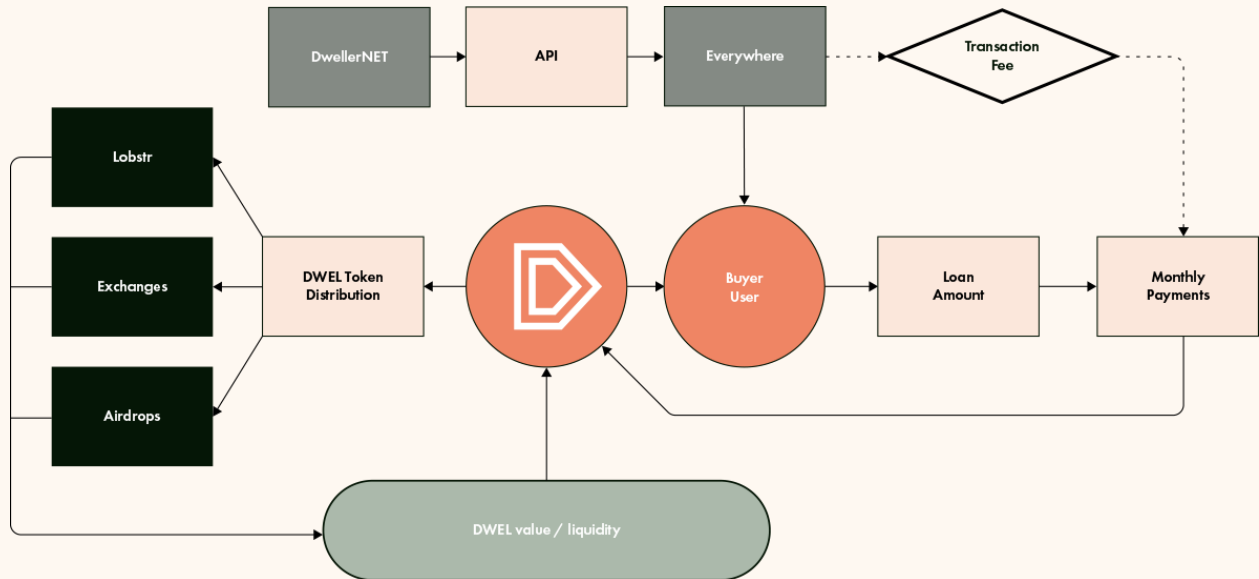
Lending Pools

Lending Pools within DwellerNet allow Lender users to view potential projects that they would like to fund and support.
Liquidity Market

The liquidity market is an open market GUI which will be accessible to anyone and available to view on the Dweller website and within DwellerNet.

Version 1 of the liquidity market will integrate the Everywhere® API, allowing thousands of users that are seeking loans for their new homes to gain more visibility amongst Lenders.

Community Voting

Because housing is such an important aspect in everyone's lives, we want to give the greater community a chance to help mold how our loan protocols are built, in an open and transparent way. Banks or Credit Unions won't let you do this. You have to play by their rules or you can't buy a home. Imagine being able to have a voice from the beginning about how this exciting new landscape will be formed for the decades ahead.

The UI and features of our community voting framework will be decided by the community.

Bug Bounties

Bug bounties will be paid out in DWEL and the bounties and payouts will be voted on by the community.

Summary

There are not many chances that come along where you have the opportunity to reinvent how the financial instruments work when it comes to purchasing a new home. This is one of those moments. You can help us build this.

Not only do we have a great name, a great brand and great design and ideas to build from, we have an incredible partner in [Everywhere®](#) with existing home models and an innovative business plan and software infrastructure, that is open to working with cryptocurrency and blockchain applications.

If we can build a strong developer community around Dweller, and we can attract individuals and organizations that want to help build more homes across the United States and the rest of the world, we can build an innovative product that hundreds of millions of people can access.

References

Figure 01
Farm Bureau Financial Services
https://www.fbfs.com/learning-center/paperwork-for-buying-a-house-12-documents-you-may-need

[1] Underbuilding Housing

https://cdn.nar.realtor/sites/default/files/documents/Housing-is-Critical-Infrastructure-Social-and-Economic-Benefits-of-Building-More-Housing-6-15-2021.pdf

[2] The Next Normal in Construction

https://www.mckinsey.com/~/media/McKinsey/Industries/Capital%20Projects%20and%20Infrastructure/Our%20Insights/The%20next%20normal%20in%20construction/The-next-normal-in-construction.pdf