

Technology V13/S6 - Virtual Real Estate

As technology continues to advance at a rapid pace, we are searching for answers to questions that we never thought we would need to ask. Like, how do I buy a virtual home? Once only a thought in science fiction novels, we are now poised to move into a whole new world. A virtual one.



Where so much of our lives are already online, a virtual reality space called the “metaverse” is about to take it to the next level. The metaverse is the emerging 3-D digital space that uses virtual reality, augmented reality, and other advanced internet technology to allow people to have lifelike experiences online.

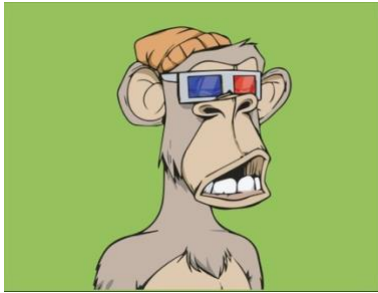
If the virtual world takes off in popularity the way some people predict, you won’t just be looking at a screen in the future, but rather will be immersed through headsets or other technologies, where you control a virtual version of yourself called an Avatar. You might not just be playing video games online but sitting in class, going to birthday parties, and maybe even hanging out in your very own digital home. If there is a virtual world, then wouldn’t there also be virtual real estate?



We are just at the beginning of this technology, but some companies and investors already see an opportunity to capitalize on what might be our day-to-day lives in the coming years. An asset is anything that may be useful or valuable to a person. In the virtual world, there are digital assets that people are looking to make money on.

Virtual real estate might eventually become a virtual shopping mall, where people can buy and sell digital goods, or a concert venue where you can scream alongside other fans to your favorite artist. Recent research shows that the metaverse has the potential to generate up to \$5 trillion in value by 2030. No one can be sure

how the virtual world may evolve, but a day may come when you spend more time (and money) in a virtual world than the real one.



But how can you “own” something that does not physically exist. This concept is already in place with NFTs (non-fungible tokens), which is a unique digital identifier that is used to certify ownership of digital art like a drawing, GIF, song, item of clothing for your avatar, or many other forms. People are paying big

bucks to own digital art called NFTs. These same people may also want somewhere to “hang” their art and invite their friends to come over to see it. To do that, they will need a space in the metaverse to call their own.

When you own a digital asset, you might not have a physical piece of paper like a deed to say you are the owner. Rather, your property will have a unique digital code stored on the blockchain. The blockchain is a record that is stored across multiple computers linked on a peer-to-peer network. That means there is proof that you own any digital asset that is protected because it is not on one central system. If someone buys a piece of virtual real estate, there will be proof that it belongs to them stored on the blockchain.

You can use your computer to look at real estate in the metaverse, conduct a home tour, or check out the neighborhood, so in some ways it may feel like a traditional real estate purchase, but there are also ways that it differs from a traditional real estate purchase. If you want to buy physical property, you need to have money in the bank or a loan. In the virtual world, you need to have a digital wallet and cryptocurrency to make purchases. Cryptocurrency is the digital currency that uses blockchain technology as a medium of exchange. Setting up these things can feel complicated if you are new to the world of digital assets. There are many different platforms you can use, and depending on what you want to buy, you need to select the correct platform that supports it. But once you have your cryptocurrency loaded, it's just a click of the buy button and the property is yours. Home sweet virtual home.

