



WHITEPAPER

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Tokenised commercial real estate markets will lower the entry barrier and open access to direct CRE investments for anyone with an internet connection.

Blockchain technology and smart contracts are already transforming the way we use the world wide web. As we transit from an internet of information to an internet of value, new and established networks will evolve into decentralized peer-to-peer value exchange markets.

With global commercial real estate valued at roughly 50 trillion USD, tokenised CRE is set to become one of the biggest online exchange markets, as tokenization and frictionless trading increase liquidity, and this added quality will unlock new value of the underlying asset.

This paper describes in part Blocksquare, a plug & play system for online real estate platforms to tap into the upcoming tokenised real estate markets.

BLOCKCHAINS WILL UPGRADE NETWORKS TO MARKETS

To understand blockchain one must first understand society.

- 1/ Blockchains will replace networks with markets.
- 2/ Humans are the networked species. The first species to network across genetic boundaries and thus seize the world.
- 3/ Networks allow us to cooperate when we would otherwise go it alone. And networks allocate the fruits of our cooperation.
- 4/ Overlapping networks create and organize our society. Physical, digital, and mental roads connecting us all.
- 5/ Money is a network. Religion is a network. A corporation is a network. Roads are a network. Electricity is a network...
- 6/ Networks must be organized according to rules. They require Rulers to enforce these rules. Against cheaters.
- 7/ Networks have "network effects." Adding a new participant increases the value of the network for all existing participants.
- 8/ Network effects thus create a winner-take-all dynamic. The leading network tends towards becoming the only network.
- 9/ And the Rulers of these networks become the most powerful people in society.
- 10/ Some are run by kings and priests who choose what is money and law, sacred and profane. Rule is closed to outsiders and based on power.
- 11/ Many are run by corporations. The social network. The search network. The phone or cable network. Closed but initially meritocratic.
- 12/ Some are run by elites. The university network. The medical network. The banking network. Somewhat open and somewhat meritocratic.
- 13/ A few are run by the mob. Democracy. The Internet. The commons. Open, but not meritocratic. And very inefficient.
- 14/ Dictatorships are more efficient in war than democracies. The Internet and physical commons are overloaded with abuse and spam.
- 15/ The 20th century created a new kind of network - market networks. Open AND meritocratic.
- 16/ Merit in markets is determined by a commitment of resources. The resource is money, a form of frozen and tradeable time.
- 17/ The market networks are titans. The credit markets. The

stock markets. The commodities markets. The money markets. They break nations.

- 18/ Market networks work where there is a commitment of money. Otherwise they are just mob networks. The applications are limited.
- 19/ Until now.
- 20/ Blockchains are a new invention that allows meritorious participants in an open network to govern without a ruler and without money.
- 21/ They are merit-based, tamper-proof, open, voting systems.
- 22/ The meritorious are those who work to advance the network.
- 23/ As society gives you money for giving society what it wants, blockchains give you coins for giving the network what it wants.
- 24/ It's important to note that blockchains pay in their own coin, not the common (dollar) money of financial markets.
- 25/ Blockchains pay in coin, but the coin just tracks the work done. And different blockchains demand different work.
- 26/ Bitcoin pays for securing the ledger. Ethereum pays for (executing and verifying) computation.
- 27/ Blockchains combine the openness of democracy and the Internet with the merit of markets.
- 28/ To a blockchain, merit can mean security, computation, prediction, attention, bandwidth, power, storage, distribution, content...
- 29/ Blockchains port the market model into places where it couldn't go before.
- 30/ Blockchains' open and merit based markets can replace networks previously run by kings, corporations, aristocracies, and mobs.
- 31/ It's nonsensical to have a blockchain without a coin just like it's nonsensical to have a market without money.
- 32/ It's nonsensical to have a blockchain controlled by a sovereign, a corporation, an elite, or a mob.
- 33/ Blockchains give us new ways to govern networks. For banking. For voting. For search. For social media. For phone and energy grids.
- 34/ Networks governed without kings, priests, elites, corporations and mobs. Networks governed by anyone with merit to the network.
- 35/ Blockchain-based market networks will replace existing networks. Slowly, then suddenly. In one thing, then in many things.
- 36/ Ultimately, the nation-state is just a network (of networks).

FIN/ Thank you, Satoshi Nakamoto. And to all the shoulders that Satoshi stands upon.

Tweet storm by Naval Ravikant¹

¹ <https://twitter.com/naval/status/877467629308395521>

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WHY BLOCKSQUARE?

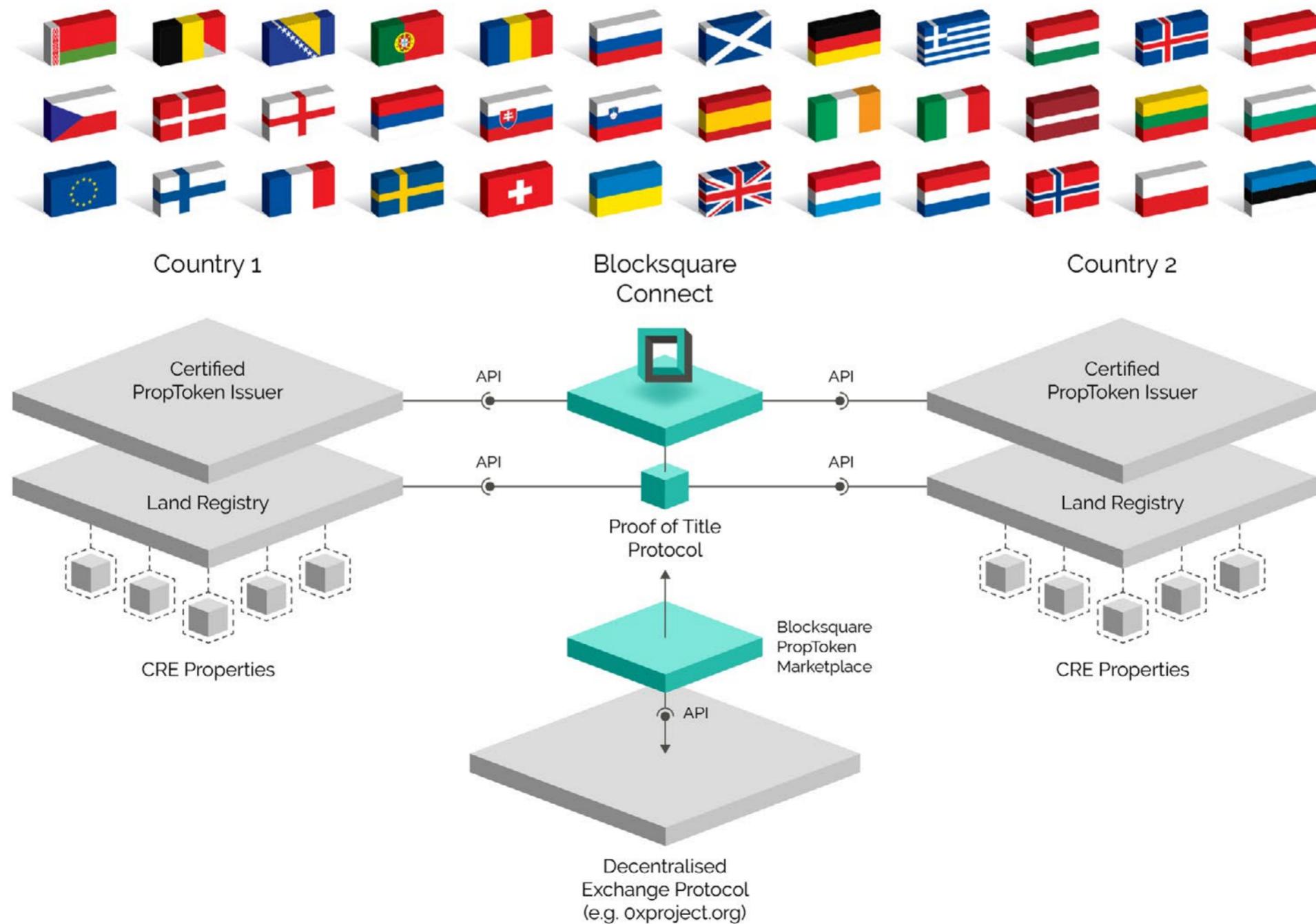
Early movers on the blockchain real estate vertical have proved there is strong interest in fractional real estate markets. Platforms such as Propy, Brickblock, Real and others show us the platform layer of this market. However, in order for this new market to start, a system that can scale through already established routes and incentivise those who wish to participate in its creation is needed.

Blocksquare is a plug & play set of protocols, APIs and tools for simple property tokenisation. Similar to how Stripe offers easy online payment processing for e-commerce sites, Blocksquare is building a system so online real estate platforms can tap into the upcoming tokenised real estate market.

Platforms will choose to integrate Blocksquare because:

1. it will enable them to leverage blockchain technology at minimal cost,
2. the system can be adapted to local regulatory rules,
3. the PropToken standard encourages market participation,
4. is a system that puts trust at its core.

Blocksquare targets clients that already deal with real estate online and provides them the required technological infrastructure to embark into a new market of tokenised commercial real estate.



UPDATING COMMERCIAL REAL ESTATE

Will blockchain technology produce PropTech 3.0, the next wave of innovation in real estate? Since 2012, real estate tech companies have raised USD 6.4 billion in funding and 4 companies have been minted to the unicorn club. This activity indicates real estate is in need of a big update, and a 95-page report written by Andrew Baum and released by Saïd Business School, University of Oxford takes an expansive look at PropTech and REtech. The report findings detail the changes facing the real estate industry and blockchain is already taking a big part.

The reason tokenization improves liquidity, is because it enables deeper markets. Since tokens are highly divisible and global, the potential number of market participants is substantially higher than what we see today in markets for illiquid assets.

- Stephen McKeon

The real estate industry can use blockchain or distributed ledger technology to build applications using smart contracts and develop services that bring the benefits of a new technology both to itself and to the mainstream. The main proponents of blockchain for real estate are:

- more information, available instantaneously;
- less error, less duplication, less human inefficiency leading to much lower costs;
- greater transparency (through consensus and distribution) of prices and contracts;
- potentially reduced transaction times; and
- greater market liquidity and turnover.

While the implementation of blockchain technology for certain use cases is to be considered, initiated and accepted by government authorities (e.g. title registration, land registry systems, cadastral system, land tenure systems, notary services etc.), other applications may be built on top of the currently available systems already in place.

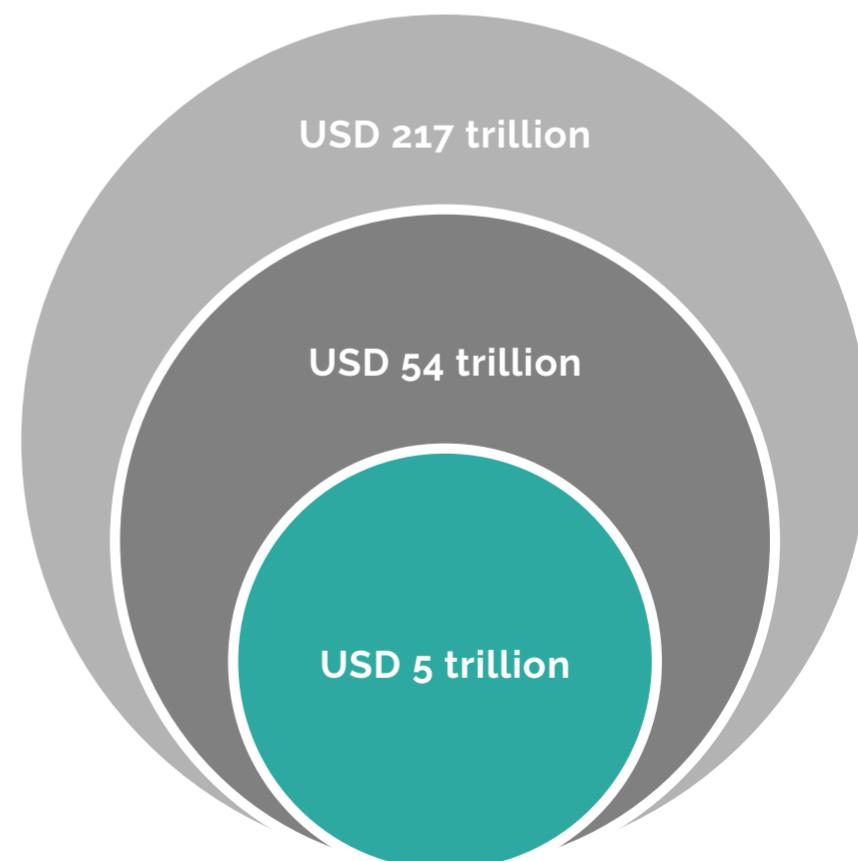
Blocksquare is building the needed infrastructure to give CRE professionals simple tools for CRE property tokenization, enabling fractional ownership, giving users effective diversification options, increasing liquidity of real estate assets.

UNLOCKING VALUE

Global real estate accounts for 60% of all mainstream assets and was valued at roughly USD 219 trillion in 2015, according to calculations by international real estate adviser, Savills.¹ Residential property constitutes the majority of the total value of global property, with CRE representing about 25% or USD 54 trillion.

Estimations suggest the illiquidity discount of real estate is somewhere around 10-30%.² This represents a huge amount of value and therein lies great promise. If we were to unlock 10% of the value of global CRE by introducing tokenization and frictionless trading, that would amount to over USD 5 trillion. Now, token generation to represent ownership, access and/or governance claims on a traditional asset does not impact liquidity per se. If a token is not trading enough, it is still relatively illiquid. Improvement in liquidity comes from increases in market depth, meaning more participants and more trade.

Important to note that almost half of the world's commercial property wealth is in North America, with 28% in Europe and just 5% in Latin America, the Middle East and Africa combined. The report highlights that the creation of new commercial real estate



markets in these areas, as well as Asia, represent a potentially huge market. The report estimates that if the quantity and value of commercial space in these regions were to reach the current global average per head of population, the total value of commercial real estate globally would rise by 54%.

¹ <http://pdf.euro.savills.co.uk/global-research/around-the-world-in-dollars-and-cents-2016.pdf>
² <http://people.stern.nyu.edu/adamodar/pdffiles/country/illiquidity.pdf>

ESTABLISHING A NEW CATEGORY

Creating a new category to challenge the status quo and start something truly new and original is one of the most difficult undertakings in business. Blocksquare is working to change how we perceive real estate investments. We foresee a future where investing in tokenized CRE properties will replace traditional real estate investment options of today. Much like Uber and Airbnb have created travel products that allow people to find rides or places to stay with an ease that was previously unheard of, Blocksquare is set to open global CRE to anyone with an internet connection.

“Tokenizing relatively illiquid assets and creating a market in which to trade these tokens can reduce the illiquidity discount substantially by reducing frictions to trade. Traditional assets will tokenize because they will lose the liquidity premium if they don't.”

- Stephen McKeon

SHARING ECONOMY: IMPACTS ON COMMERCIAL REAL ESTATE

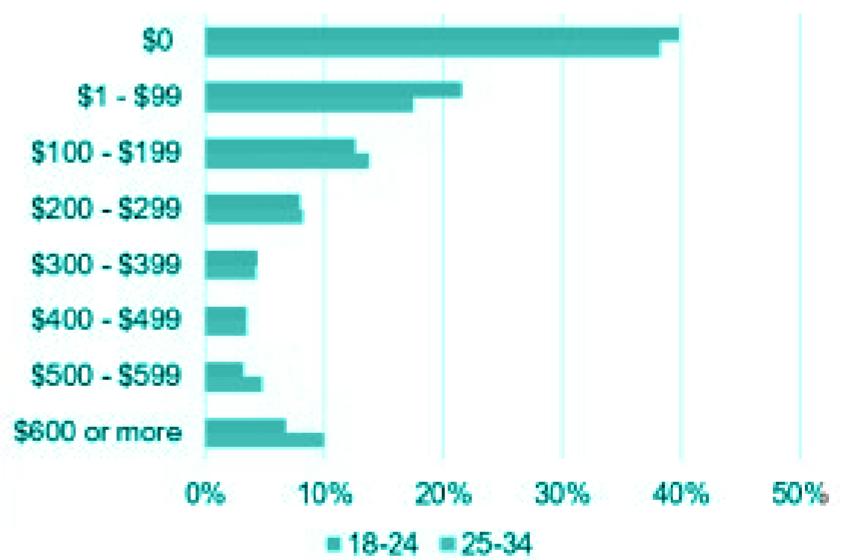
Sharing economy companies have truly changed how we visit destinations, how we stay there, and how we move around. The sharing economy has taken off in all sorts of niches from ridesharing, apartment or home lending, peer-to-peer lending, reselling, coworking, talent-sharing. In the last century, owning things was the marker of the middle class. Those who had more money could own more things.

Today however, as millennials enter adulthood, the trend seems to be for them to own less and the advent of the digital and sharing economies have made this much easier. Even so, recent data from Apartment List shows that, although 80 percent of US millennials would like to purchase real estate, very few are in a good position to actually buy, largely because they have not enough saved.¹

This could imply that the need for rental homes will further continue to increase, as the traditional model to becoming homeowner is not within reach for the majority. Either way, the fact is, any sharing economy requires assets in order to run (e.g. Ubercars, Airbnbhomes), and these assets need someone to

¹ <https://www.apartmentlist.com/rentonomics/american-dream-homeownership-delayed-millennial-generation/>

How much of your monthly income are you saving for a down payment?



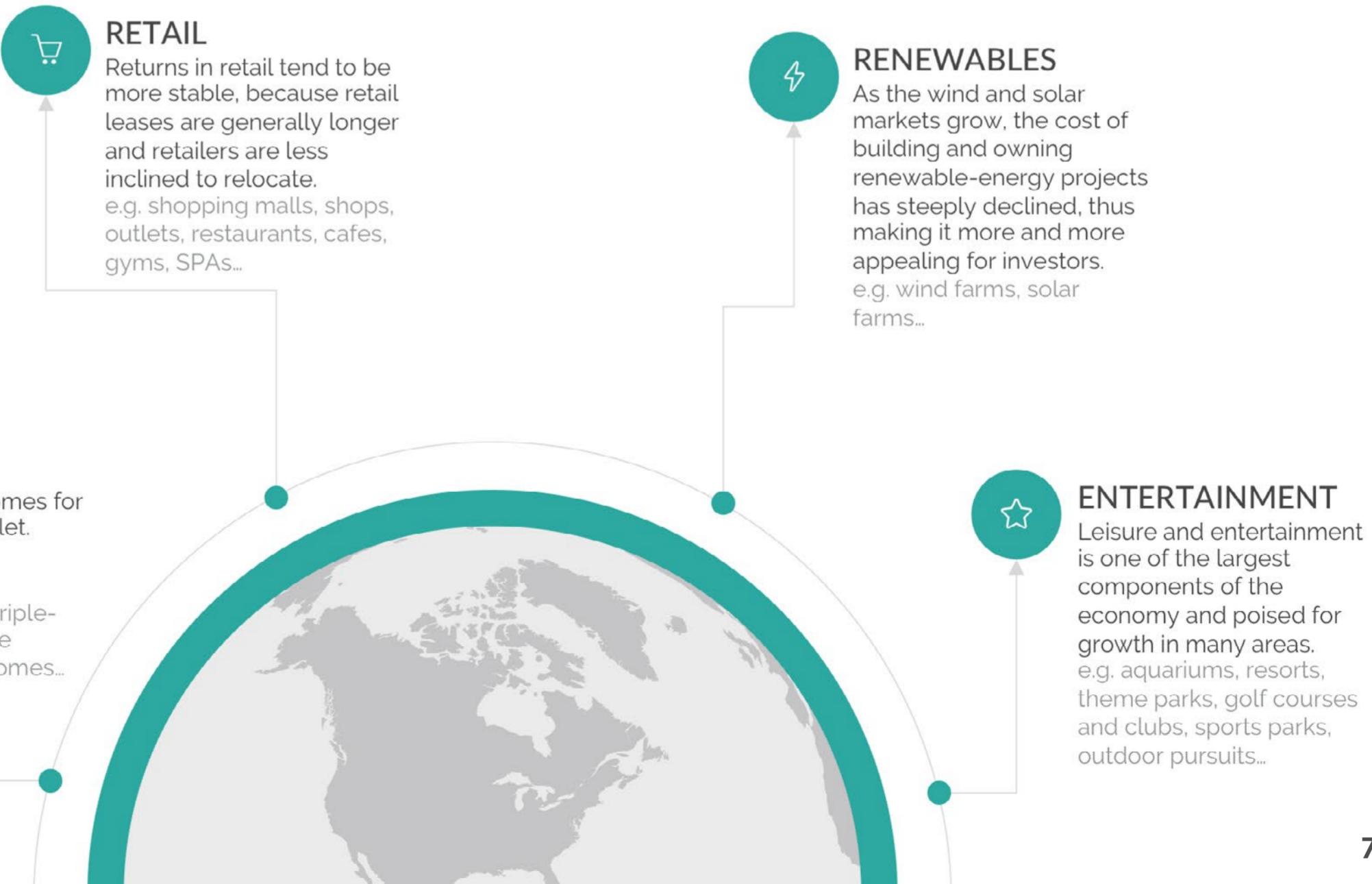
acquire them and hold ownership. Today most of these assets are owned by a small number of participants of a particular sharing economy, but in a not so distant future, blockchain, tokenization and fractional ownership will enable a much wider range of users to own a small part of assets in a given sharing economy. At scale, this will represent a big boost, adding many new assets to any sharing economy platform.

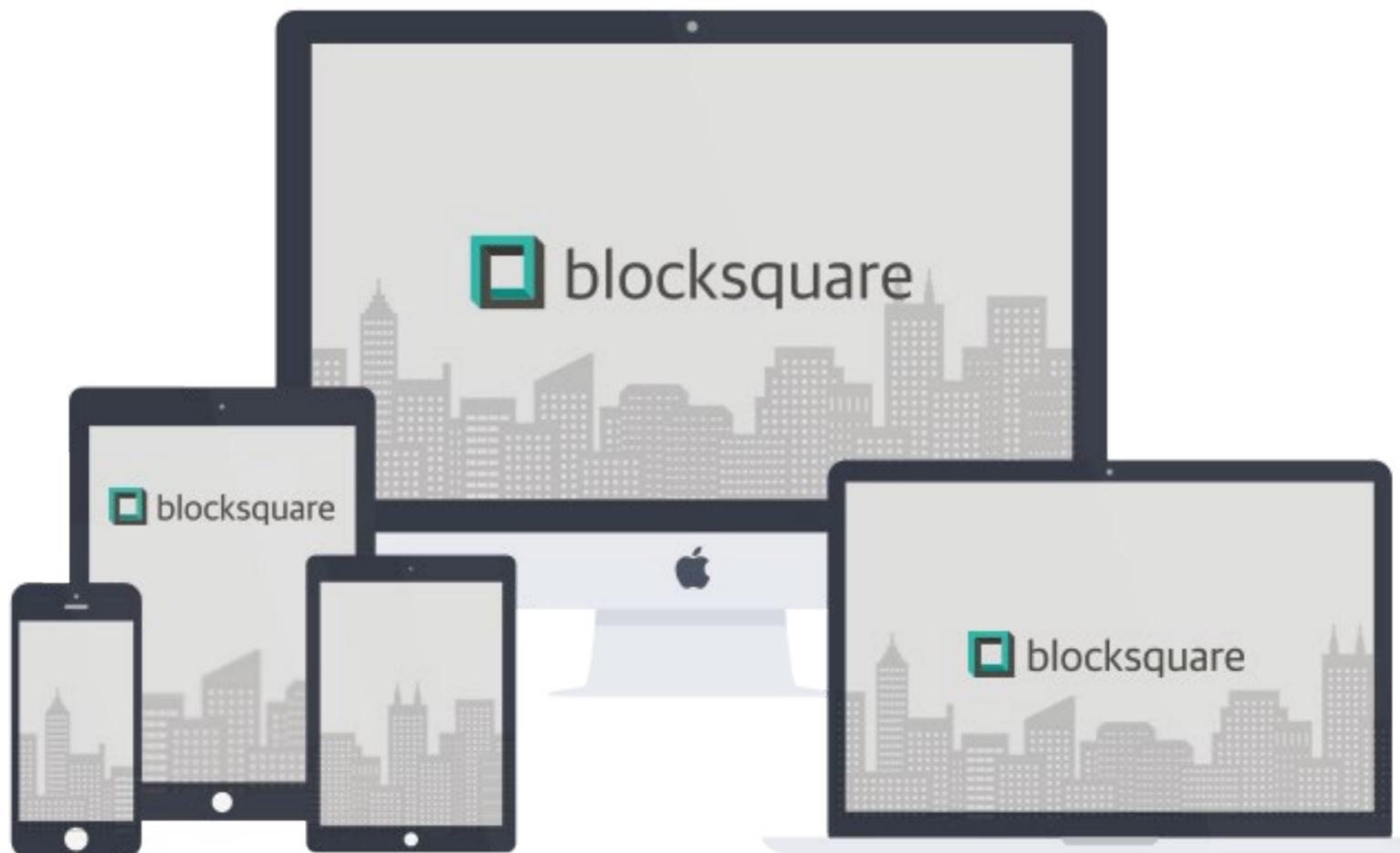
COMMERCIAL REAL ESTATE PROPERTY TYPES

In recent years, commercial real estate has increasingly migrated into the mainstream as a sought after asset. Previously long considered an "alternative asset" class that floated on the periphery of traditional investments such as stocks, bonds and mutual funds, commercial real estate is today the third largest asset class.

There are four basic groups in real estate generally viewed as office, industrial, retail and multifamily. With numerous other property types outside of the core four, including hotels, self-storage, medical office, senior housing, student housing and land, among others, commercial real estate is vast in almost every sense.

Although the Blocksquare protocol can potentially accommodate any type of real estate, we believe it will be first used by platforms focused on the growing market of professional short-term rentals (i.e. flats for Airbnb). This market has grown in recent years and today offers a well established infrastructure of local on-site property management services that take the work out of renting, analytical data providers that help evaluate market opportunities and a marketing edge that resonates to a broader audience.





CHALLENGES

REAL-WORLD ASSETS TOKENIZATION

Tokenization is the process of converting rights to an asset into a digital token on a blockchain and is expected to have a serious impact on liquidity across multiple asset classes in the decade to come.

Thousands of years of property ownership has led to a wide variety of types of ownership and control such as holding property on behalf of another person. The details depend on the jurisdiction, type of law, asset, and the rights intended to be transferred. Today, real-world assets like stocks, gold, oil or real estate are difficult to physically transfer or subdivide, so buyers and sellers choose to trade paper that represents some or all of the asset. But paper and complex legal agreements are cumbersome, difficult to transfer and can be hard to track.

Blockchain and smart contracts offer the required technology to evolve to a digital system linking tokens to a real-world asset. The goal is to achieve the security, speed and ease of transfer of cryptocurrencies (e.g. Bitcoin, Ether), combined with a real-world asset like real estate. In a digital system like Bitcoin or Ethereum there is always consistency. Transactions obey the rules of the software and there are no exceptions. In the real world, there are often exceptions. Therefore the key challenge for a system that

involves tokenizing real-world assets like real estate is to ensure that the digital token stays linked to the real-world asset.

Blocksquare provides a solution to this challenge by introducing its Proof of Title protocol to link smart contracts to the underlying real estate property.

Please refer to chapter Proof of Title Protocol for further details.

 **How big is the illiquidity discount? Financial economists have attempted to measure the illiquidity discount in a variety of ways. A common rule of thumb is 20-30%. This represents a huge amount of value and therein lies great promise.**

- Stephen McKeon

LIQUIDITY PREMIUM: UNLOCKING VALUE

Liquidity is a complex multidimensional concept that manifests itself in a number of ways, and has no single, generally accepted definition or measure.¹ Keynes' description of a liquid asset "being more certainly realisable at short notice without loss" is probably the most frequently cited one. In this sense, liquidity can be viewed in terms of the transaction price and transaction time. Typically, investors who are forced to sell within a certain time limit may be able to do so at the cost of a lower effective sale price, while a higher price could be achievable if a longer marketing period had been accepted. Moreover, liquidity in private markets is associated with uncertainty regarding the time and the value of the transaction.

Most of the literature on real estate liquidity ²focuses only on certain aspects of the problem, namely:

- Transaction intensity
- Transaction cost
- Duration of the sale process (time on market)
- Uncertainty associated with the sale process

In simplified terms, liquidity describes the degree to which an asset or security can be quickly bought or sold in the market without affecting the asset's price. Market liquidity refers to the extent to which a market, such as a country's stock market or a city's real estate market, allows assets to be bought and sold at stable prices. Cash is the most liquid asset, while real estate, fine art and collectibles are all considered relatively illiquid.³ Illiquid does not necessarily mean untradeable, but rather significantly costly to trade. The cost of trading illiquid assets is referred to as the 'liquidity premium' or correspondingly 'illiquidity discount'.

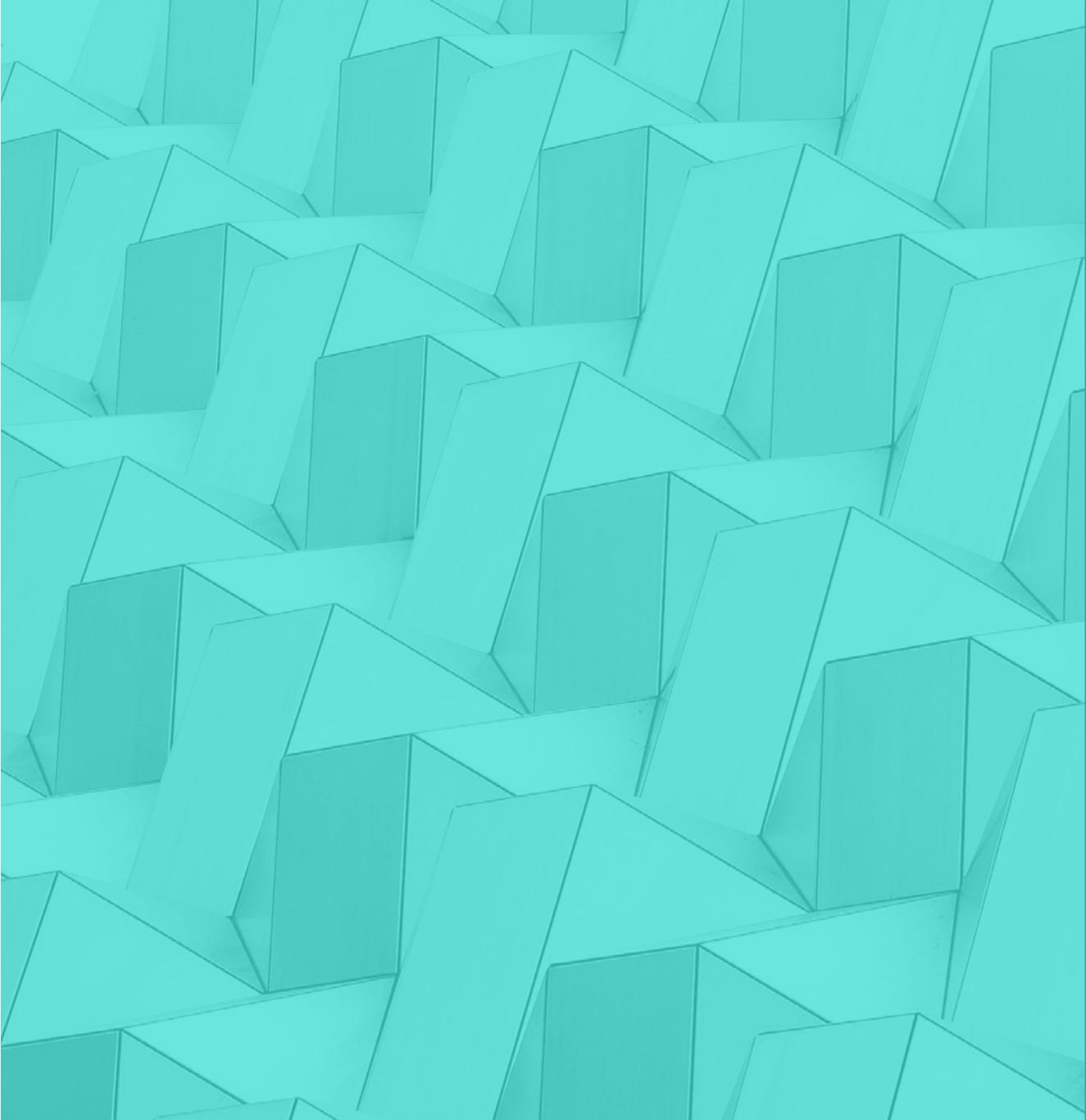
Global real estate value was recently estimated at USD 217 trillion.⁴ Roughly 25% of that total, USD 54 trillion, is commercial. If Blocksquare were to unlock 10% of their current liquidity premium, that is over USD 5 trillion. The illiquidity discount on global commercial real estate is therefore about 30-40x the aggregate value of the current cryptocurrency market.

¹ Lizieri and Bond (2004) review different definitions in the financial and real estate literature.

² See e.g. Lizieri and Bond (2004) or Hoesli and Lizieri (2007).

³ <http://www.investopedia.com/terms/l/liquidity.asp>

⁴ http://www.savills.co.uk/research_articles/188297/198667-0



REAL ESTATE 3.0: OPENING ACCESS

Real estate investing is a concept that's as old as the idea of property ownership itself. Land, like any other valuable resource, can be bought, refined, repackaged, marketed, and sold, or rented out for a profit. What has begun to change in the last years are the tools and techniques that are becoming available for anyone investing in real estate assets. As a result, real estate crowdfunding platforms, also referred to as RECF platforms, have become an increasingly popular source for both financing and investing in real estate assets.

While all this represents a great step in opening access to real estate investments, a more in depth analysis of major RECF platforms reveals inflexibilities and limitations these platforms are unable to overcome, due to the non-digital nature of the underlying complex and cumbersome structure of legal agreements making these real estate assets, even though fractional, difficult to trade.

The Blocksquare protocol and network of smart contracts deployed on the Ethereum blockchain overcomes these limitations as accounting is programmed into the network itself. What's more, it opens access to the majority crowd of internet users, allowing anyone regardless of budget to participate in tokenized real estate properties in a decentralized manner.

DIVERSIFICATION LIMITS

Real estate is a challenging asset class when it comes to risk management because of its complexities and multiple levels of risk. The number of properties to hold to achieve a well-diversified real estate property portfolio presents a puzzle, as the estimated number is considerably higher than that seen in actual portfolios. By spreading across real estate markets that are poorly correlated, the risk on portfolio level can be reduced. To some degree, these benefits can be realised by investing in multiple real estate sectors within a single market, although correlations across sectors tend to be relatively high. However, a significant further enhancement of risk-adjusted returns is possible through investing across global real estate markets.

Institutional investors are experienced and progressive when it comes to building a global real estate portfolio. Most institutional investors choose a combination of direct real estate, non-listed real estate funds and real estate equities for the purpose of their global real estate allocation. The goal is portfolio diversification with direct real estate investments usually composing the majority of their portfolio. Institutional investors also have a long time horizon and a myriad of resources at their disposal to optimize their asset diversification, something most individuals can never achieve as it requires a considerable portfolio size to begin with.

Blocksquare's network of tokenized real estate offers individual investors to replicate institutional real estate diversification strategies within their own investment portfolios, regardless of portfolio size. Furthermore, with the ability to freely trade these tokenized assets on a decentralized market, investors are not bound to long-term liabilities as with non-tokenized real estate investments making real estate suitable for the needs of today's investors and the demand for greater liquidity.



REMOTE PROPERTY MANAGEMENT

The best way to manage commercial property remotely is to enlist a reliable local property manager. A competent property manager can add significant value to any type of real estate investment. The benefits of hiring a professional property management company allow landlords to receive higher quality tenants, shorter vacancy cycles, better tenant retention, tighter rent collection process, lower maintenance and repair costs and less legal problems. A skilled property manager may also increase the value of real estate property through preventative maintenance systems that catch and deal with maintenance and repair issues early on or by offering suggestions and feedback on upgrades and modifications.

As we see home and building automation technology solutions coming to the market, the tasks associated to property management are becoming less demanding and with the Internet of Things at our doorsteps, smart real estate properties will make remote property management even easier. It is not hard to envision a future where properties are part of a larger learning ecosystem, that's aware of users, their habits and movements, using information from interconnected devices and sensors to not only enhance user experience, but also monitor and deliver accurate usage and performance data directly to property managers and landlords.

When tokenizing real estate property, hundreds or even thousands of stakeholders may be involved. Furthermore, property token

holders may change frequently and are likely to be scattered around the globe. This suggests a property manager is not only welcomed, but considered necessary.

To deploy a PropToken contract, a property management company needs to be selected by the PropToken issuer (Platform provider). Management companies will be able to register to provide their location based services within the network by holding BST tokens.

NETWORK SCALING AND USER ADOPTION

Blocksquare PropToken contracts incorporate a 2% transaction fee. This fee is then split amongst network participants to keep incentives aligned. Half of the transaction fee goes to the Blocksquare reserve fund to finance upkeep and maintenance of the real estate properties in the network, while the other half is split between PropToken issuer, PropToken first buyer and Blocksquare Inc.

To propel the new market of tokenized CRE, the PropToken contracts have been designed to distribute a portion of the fee to both token issuers and 'first buyers' - users that purchased PropTokens (BSPTs) during a PropToken generation event. Because the fee is coded into the PropToken contract, first buyers will always benefit from any trading activity where the specific PropToken is involved. This means they earn their share from each trade even if they do not hold the PropToken anymore.

Gradually as adoption grows, this fee to "first buyers" may be first lowered and then omitted in the PropToken standard.

VALUE PROPOSITIONS

THE BLOCKSQUARE SYSTEM

Similar to how Amadeus or Sabre systems provide the infrastructure for airline companies to sell tickets through retailers, where Skyscanner, momondo etc. are aggregators to facilitate end user price comparison, Blocksquare is developing the infrastructure layer and standard for real estate tokenization and fractional ownership so online real estate businesses can be offered a low cost plug & play protocol to open real estate investments for anyone, everywhere.

We leverage the Ethereum blockchain to design a system to facilitate the establishment and growth of a new global market of tokenized real estate, with the main driver essentially coming down to monetary incentive distribution of the currently locked-in value of liquidity premiums to market participants. To increase trust in the tokenization process of real-estate assets, the Proof of Title protocol is used to link PropToken smart contracts to the underlying real estate property.

Participation in PropTokens is granted in exchange for ETH, but a separate token is used to remunerate generated rent - the BST token. The primary reason for the introduction of the BST token is to reward early adoption, but it also serves as a level-up system. Holding BST grants users interaction with the Blocksquare network (e.g. the more BST one holds, the more PropToken contracts he or she can interact with).

PropTokens, being deployed on the Ethereum network, can inherently be stored in any ERC20 compatible wallet giving PropToken holders full control of their assets.

The appeal of real estate tokenization lies within the ability to freely transact online, effectively increasing liquidity of the underlying asset by multiples. To build a PropToken marketplace, Blocksquare is developing on top of the decentralized exchange protocol ox. ox supports all Ethereum-based assets that adhere to the ERC20 token standard.¹

To minimize business risk regarding development of the Blocksquare network, a separate limited liability company Blocksquare Inc. will be incorporated upon securing development funding. The purpose of Blocksquare Inc. is to employ all necessary means to develop, grow and advertise the Blocksquare system.

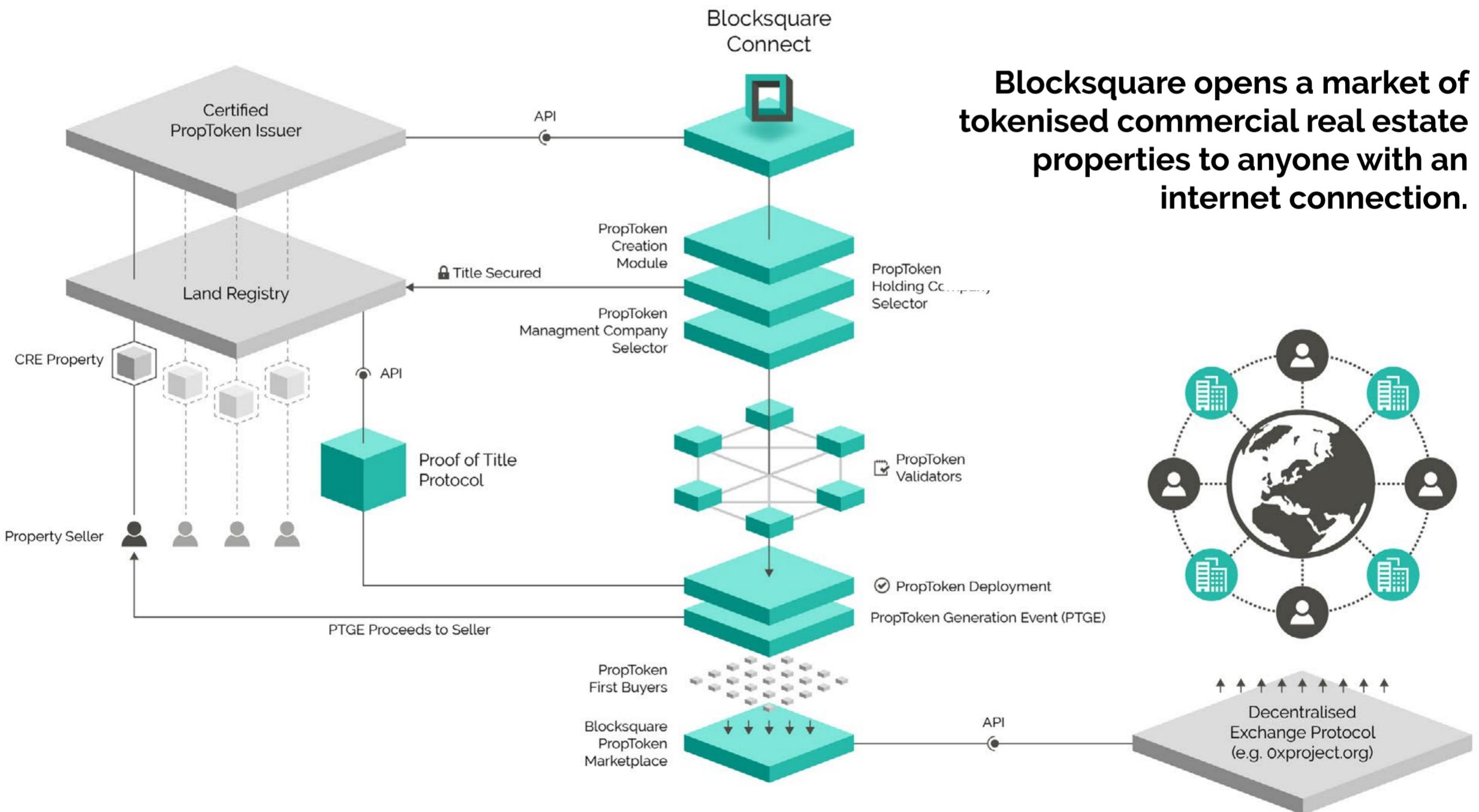


Building blocks of Blocksquare:

- PropToken standard smart contracts
- Proof of Title protocol (protocol to link a PropToken contract to land registry data)
- BST token (access, utility, currency, license)
- Blocksquare Network Reserve Fund (to cover ongoing costs)
- Decentralized exchange (to buy/sell PropTokens)
- Blocksquare Foundation (non-profit organisation for title annotations)
- Blocksquare Inc. (network operator)

¹ <https://github.com/oxProject>

Blocksquare opens a market of tokenised commercial real estate properties to anyone with an internet connection.



BLOCKSCAPE PROPTOKENS (BSPT)

PropTokens are smart contracts deployed on the Ethereum blockchain. Ethereum smart contracts are programs run on a blockchain, with unique attributes compared to other forms of software. The program itself is recorded on the blockchain, which gives it characteristics like permanence, censorship resistance and irreversibility. This in terms means any line written in the smart contract will always be present and can not be modified at a later stage.

The main purpose of the PropToken smart contract standard is to issue a unique set of tokens (BSPT) linked to a specific real estate property. A PropToken contract stores property related data (i.e. cadastral municipality, parcel number, building number, individual part number, property ID and right ID) and property holding related data (e.g. company's registration ID number, company full name and company address). A PropToken contract also stores information regarding all accounts holding the issued BSPT tokens.

As each separate real estate property occupies a different physical location and is distinguished by a range of other characteristics, no two PropTokens are identical. To keep track, Blocksquare maintains and curates a digital list of all deployed PropToken contracts.

PROPTOKEN STANDARD

PropTokens are Ethereum-based assets that adhere to the ERC20 token standard. Even though each PropToken represent a different real estate property, they all have the same structure:

- PropToken name: BSPT-[country code]-[12-digit sequential number]
- Total token supply (fixed): 100,000 tokens
- Transaction fee

The PropToken nomenclature follows a Blocksquare set standard. BSPT offers at-a-glance identification of the token being issued by Blocksquare. The [country code] part makes use of the ISO 3166-1 alpha-3 officially assigned code elements.¹ The 12-digit sequential number is automatically assigned to each new PropToken in a given country. Examples:

BSPT-SVN-000000000001, BSPT-SVN-000000000002, BSPT-SVN-000000000003,...; BSPT-GER-000000000001, BSPT-GER-000000000002,...; BSPT-USA-000000000001, BSPT-USA-000000000002,...;

The PropToken total supply is fixed to 100,000 BSPT tokens. A property worth USD 1,000,000 would therefore result in the pricing

of USD 10 per BSPT token.

Whenever a transaction of BSPT occurs, a fee is paid by the transaction initiator to the PropToken issuer, first buyer, network reserve fund and Blocksquare Inc. The fee is paid in BSPT and the execution of the transaction fee is programmed directly into the PropToken contract. To prevent infinite accumulation of fee collection, Blocksquare's account is exempted of this fee.

To learn more about the transaction fee structure, please refer to chapter Revenue streams.

¹ https://en.wikipedia.org/wiki/ISO_3166-1_alpha-3#Officially_assigned_code_elements

TOKEN FLOW

There are only a few ways tokens can flow. (1) Straight line, tokens are created for a single purpose and destroyed when used. (2) The poker-chip model, where they are used as currency in the system, then the system providers send them back to the cashier to exchange them for cash. (3) Circular, where they exchange back and forth, as with currencies.

The Blocksquare system uses 3 token types to function: ETH, BSPTs and BST. ETH and BST both flow in a circular way, while BSPTs flow similarly to the 'poker-chip' model.

ETH is accepted as payment in PTGEs (PropToken Generation Events) and proceeds are delivered to the property seller. BSPTs (Blocksquare PropTokens) are distributed back to the PTGE participants. The distributed BSPTs can then be either (a) traded, or (b) redeemed. BSPT redemption is the result of PropToken Privatization and is subject to certain rules and procedures (see chapter PropToken Privatization). BST is used to remunerate generated rent (please refer to chapter PropToken Remuneration) and can be then either (a) traded, or (b) held to level-up a user's account (see chapter BST token). As rent is likely to be collected in FIAT and represents a flow of fresh capital into the cryptocurrency market, BST tokens are expected to gain in demand as the network of tokenized real estate properties grows.

PROPTOKEN GENERATION (PTGE)

Each new PropToken is made available to users through a PropToken Generation Event (PTGE). Participation in PTGEs is granted in exchange for ETH. The minimum and maximum amount of ETH to be raised are predetermined. In order to achieve fair distribution, Blocksquare may choose to test various models of PTGEs before settling for a standard PTGE model.

The number of PTGEs a user can contribute to is subject to the user's level. The level is defined by the amount of BST tokens a user holds (please refer to chapter BST tokens).

BLOCKSCAPE TOKENS (BST)

The Blocksquare system is designed to scale. The more PropTokens there are, the more valuable the Blocksquare network is. The BST token allows for this growth to be shared with its user base and offers a compensation method for early adoption. BST tokens are ERC20 standard tokens that power the Blocksquare protocol. They grant access to PTGEs and serve to remunerate generated rent. BST tokens are needed by online real estate partners as licensing to use the Blocksquare protocol e.g. tokenize real estate and create PropToken Generation Events (PTGEs).

Holding BST on an ERC20 compatible wallet allows end users to participate in PTGEs. Participation level thresholds are not predetermined and subject to periodic recalculations based on BST token pricing.

PROOF OF TITLE PROTOCOL (POT)

With Ethereum and the underlying technical merger of blockchain technology and coded objects, the idea of tokenizing real world assets has become reality. Transferring real world value over the internet poses the need to introduce a system to securely link these coded objects, referred to as smart contracts, to the cumbersome structures of various national land registries.

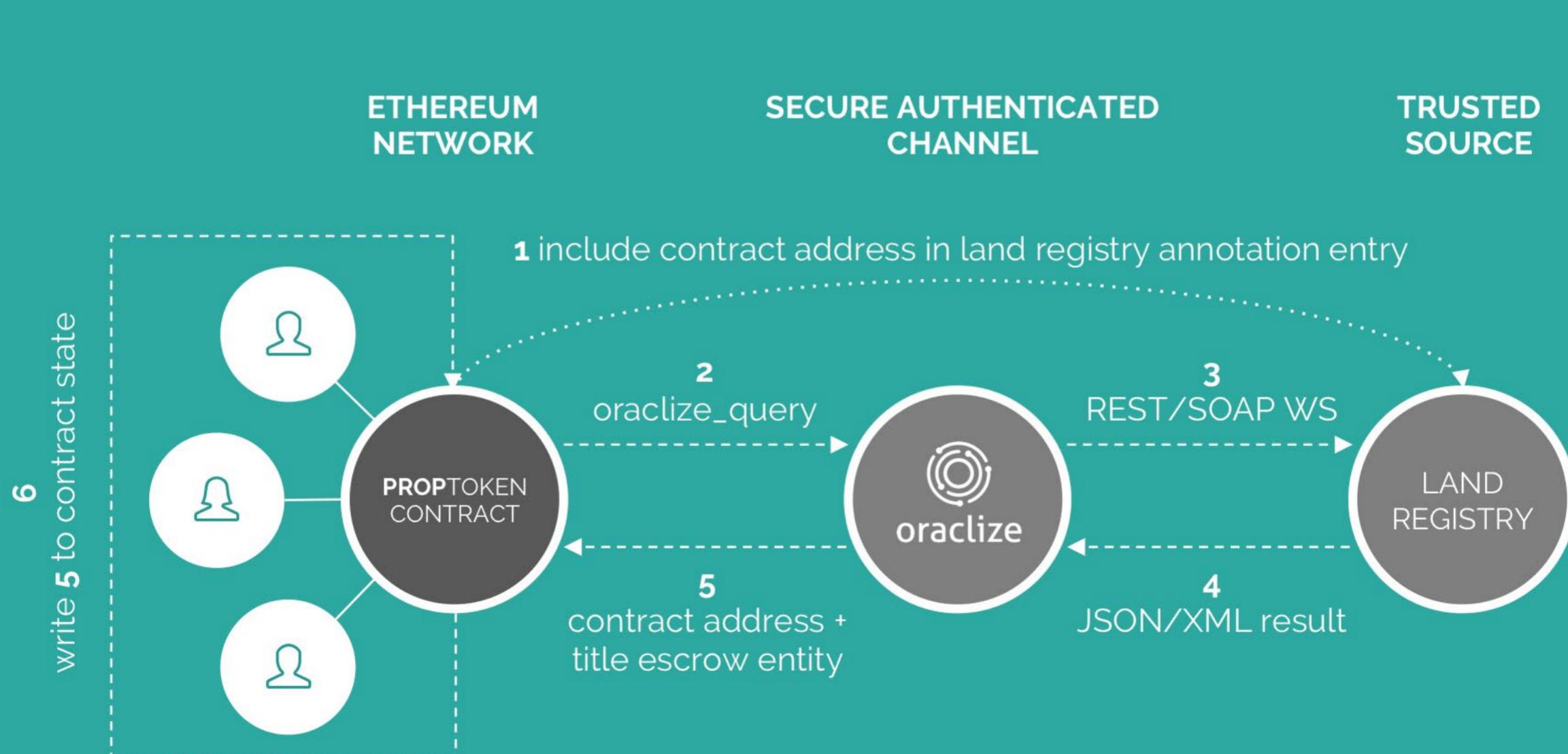
Ethereum smart contracts are programs run on a blockchain, with unique attributes compared to other forms of software. The program itself is recorded on the blockchain, which gives it characteristics like permanence, censorship resistance and irreversibility. Once an Ethereum smart contract is deployed to the blockchain its internal logic can't be changed. This in terms means any line written in the smart contract will always be present and can not be modified at a later stage.

The Blocksquare protocol requires the PropToken issuer to make use of these characteristics by copying property specific information from land registries and including it in a PropToken smart contract. On the land registry side, a note containing the PropToken smart contract hash address needs to be added to the title.

Where land registry data is accessible online, the Proof of Title

protocol periodically reads this information in the PropToken smart contract and compares it with information pulled from a trusted source such as the land registry. An external oracle service provider is used to ensure auditable guarantee and connect the outside world with a decentralized application on the blockchain.

Please refer to the Proof of Title technical paper for a more in-depth description of the protocol and how we connect PropToken smart contracts with traditional land registries. The paper can be found [here](#).





BLOCKSQURE NETWORK RESERVE FUND

PropTokens contribute to the Blocksquare Network Reserve Fund set aside for covering scheduled, routine and unscheduled expenses related to operating, maintaining or improving properties in the Blocksquare network. The reserve fund main purpose is to finance larger expanses that can not be covered from regular rent income.

5% of the proceeds received during a PropToken generation event are directed to the reserve fund. After that, the fund controls and maintains all PropToken balances at all times. Therefore, each remuneration of generated rent is subject to an allocation to the reserve fund in order for the PropToken to maintain a balance close to its initial state. The reserve fund is held in BST tokens, where a certain percentage could be held in other cryptocurrencies to have a more diversified fund portfolio.

PROPTOKEN GOVERNANCE

PropTokens provide a governance function for involved stakeholders to have control over the most important aspects of the underlying real estate property. The decisions taken may have significant influence over how the investment is managed and the outcomes it may produce.

Governance for PropTokens takes example from Robert's Rule of Order¹, but ultimately follow their programmed governance model. Because voting divides a group into winners and losers, which is not favorable for any collaborative environment, voting is limited to those actions considered absolutely necessary. Most motions are preset and stakeholders can signal on the subject at any given moment. The main preset motions are:

- property manager change
- revenue stream change
- property expenditure

Stakeholders have the ability to put forward these preset motions by interacting with the respective smart contract. By sending BSPT to the contract the stakeholder votes a request for change, for the property of the sent BSPT. To abstain means to oppose the wish to change, meaning no course of action is needed for

stakeholders that do not wish for a change. Each stakeholder's influence is weighted by the number of BSPT held on the account used to make the transaction and not the amount transacted. The proposal is accepted by reaching supermajority consensus based on the entire membership i.e. 100,000 BSPT, with a supermajority threshold set at 60%. When the threshold is met, the change request is put forward.

PropToken Governance

The process of changing a property manager involves voting on the successor. In an ideal scenario, a commercial property needs to have a competent property manager at all times. To facilitate the decision-making process for a new property management company, Blocksquare will act in the interest of the stakeholders and contact various local property managers and present them to the PropToken stakeholders. A vote is then cast on the presented options where each stakeholder's influence is weighted by the number of BSPT held on the account used to make the transaction and not the amount transacted. The property manager that receives the highest support of the entire membership i.e. 100,000 BSPT is accepted. Blocksquare will then coordinate the transition process to the new property manager.

¹ https://en.wikipedia.org/wiki/Robert%27s_Rules_of_Order

Revenue Stream Change

As with changing property manager, the selection of an alternative revenue stream is subject to vote. Depending on the property type, various revenue stream strategies may be adapted for the PropToken in question. In general stakeholders will have the ability to choose between (a) long term and (b) short term tenants, therefore, if the revenue stream change request is put forward, the property manager company will act accordingly to the newly chosen revenue stream.

Property Expenditure

The ability of commercial real estate to provide strong rent income has long been one of its benefits of inclusion into a long-term portfolio. However, expenditures due to ongoing costs, property repairs and possible improvements can hamper the rent income of commercial properties and mislead stakeholders into making misguided decisions. To control property related expenditures, PropToken stakeholders need to have the ability to monitor and act on these activities directly through the platform powered by Blocksquare's protocol.

Ongoing Costs

Real estate ownership comes with ongoing costs and bills that should be taken into consideration. The good thing is that most of the ongoing costs are recurring and can be fairly well predicted in advance in a commercial property's business plan. As these costs cannot be waived, the stakeholders will have no on chain governance options. Any decisions regarding possible changes relate to this expenditure category (e.g. changing electricity supplier, ISP, etc.) will be placed in the hands of the property management service provider.

The ongoing costs expenditure category includes:

- council rates and taxes
- utility bills and connection costs
- strata fees
- building and contents insurance

Property Repairs

A repair is maintenance that is necessary to keep the property in working condition. Repairs do not add significant value to the property or extend its life. They are reasonable in amount and are necessary to keep the property in habitable condition. Repairs are generally considered restoring an item to its previous good condition e.g. refinishing a wood floor, repainting a room, repairing a roof, repairing existing plumbing, repairing existing appliances, replacing a door knob, replacing a window, replacing a broken smoke detector, replacing rotted floorboards, replacing cracked floor tiles etc.

Due to the nature of property repairs, maintenance activities

are subject to a lazy consensus approach, where the property manager notifies the community of their maintenance intentions and may proceed if no one objects before the specified deadline. Notifications are posted through the Blocksquare powered platform and visible on the PropToken's details page. The benefits of lazy consensus include the fact that in the absence of an objection the property manager can assume he has consensus. Stakeholders with no objection and nothing to add to the maintenance activity need take no action.

Lazy consensus removes the risk of slipping into despotism since stakeholders consensus is still required. No major maintenance is made without the implicit approval of the stakeholders and so nobody can protest at a later date.

To facilitate property maintenance, an expenditure allowance is set for the property manager. When maintenance costs are expected to exceed the allowance, the property manager is required to notify stakeholders. The property manager incentive is to keep stakeholders happy and keep his business and fee collection running.

Property Improvements

An improvement is any type of renovation that will extend the 'useful life' of the property. In theory it may add value to the property for years to come. Improvements are generally considered adding something that was not previously there, upgrading something that was existing or adapting the asset to a new use. Examples include, but are not limited to: adding central air conditioning, installing a security system, installing brand new carpet, replacing an entire roof, replacing all existing plumbing, replacing all existing electric, renovating a kitchen, replacing all windows etc.

Property improvement proposals can be initiated by any stakeholder or the property manager. Improvements are usually more intensive than repairs, involve greater costs and are generally bound to geographic location of the property. Therefore, improvement proposals are expected to be carried out by the property manager on behalf of the stakeholders, where the stakeholders are required to vote on the presented improvements. Each stakeholder's influence is weighted by the number of BSPT held on the account used to make the vote transaction and not the amount transacted. The improvement proposal that receives the highest support of the entire membership i.e. 100,000 BSPT is accepted.

Property improvement costs are paid from the Blocksquare Network Reserve Fund. For safety purposes, Blocksquare retains veto power on any property improvement decisions and overlooks the financing and improvement implementation process.

PROPTOKEN PRIVATIZATION

PropToken Privatization is the process of transferring one's property rights off chain. In terms this means one must redeem 100,000 tokens of an individual PropToken. The motion for PropToken Privatization can be initiated by a majority stakeholder controlling at least 80,000 BSPT.

The majority stakeholder can choose to place a tender offer through a smart contract to acquire the remaining 20% of BSPT in circulation, usually at a premium from current market price, giving minority stakeholders enough incentive to sell. For the Tender Offer Contract to succeed, the majority stakeholder needs to come to control at least 90% of the total 100,000 BSPT. Blocksquare will then help and offer guidance to the majority stakeholder throughout the PropToken Privatization process.

To initiate a Tender Offer Contract (TOC), the majority stakeholder needs to set-up the Tender Offer Contract by selecting the start date, end date and PropToken address. The majority stakeholder needs to then send the total amount of ETH intended to settle before the tender offer start date. Once the ETH transaction is confirmed, the minority stakeholders can begin sending their tokens. The Tender Offer Contract awards a bonus to favour early sellers based on the following bonus schedule:

- Day 1 = 20% bonus
- Day 2 = 15% bonus
- Day 3 = 10% bonus
- Day 4 = 5% bonus
- Day 5+ = no bonus

The bonus can be considered as a reallocation method of the premium offered by the majority stakeholder. The bonuses are calculated after each bonus period ends, following distribution of BSPT and ETH to participants and Tender Offer Contract initiator (majority stakeholder).

The Tender Offer Contract rewards early action in a fair manner, meaning, if all remaining BSPT tokens were to be sent during the same day, all minority stakeholders would get the same amount of ETH proportionally to their BSPT share.

A Tender Offer Contract ends when one of the following conditions is met:

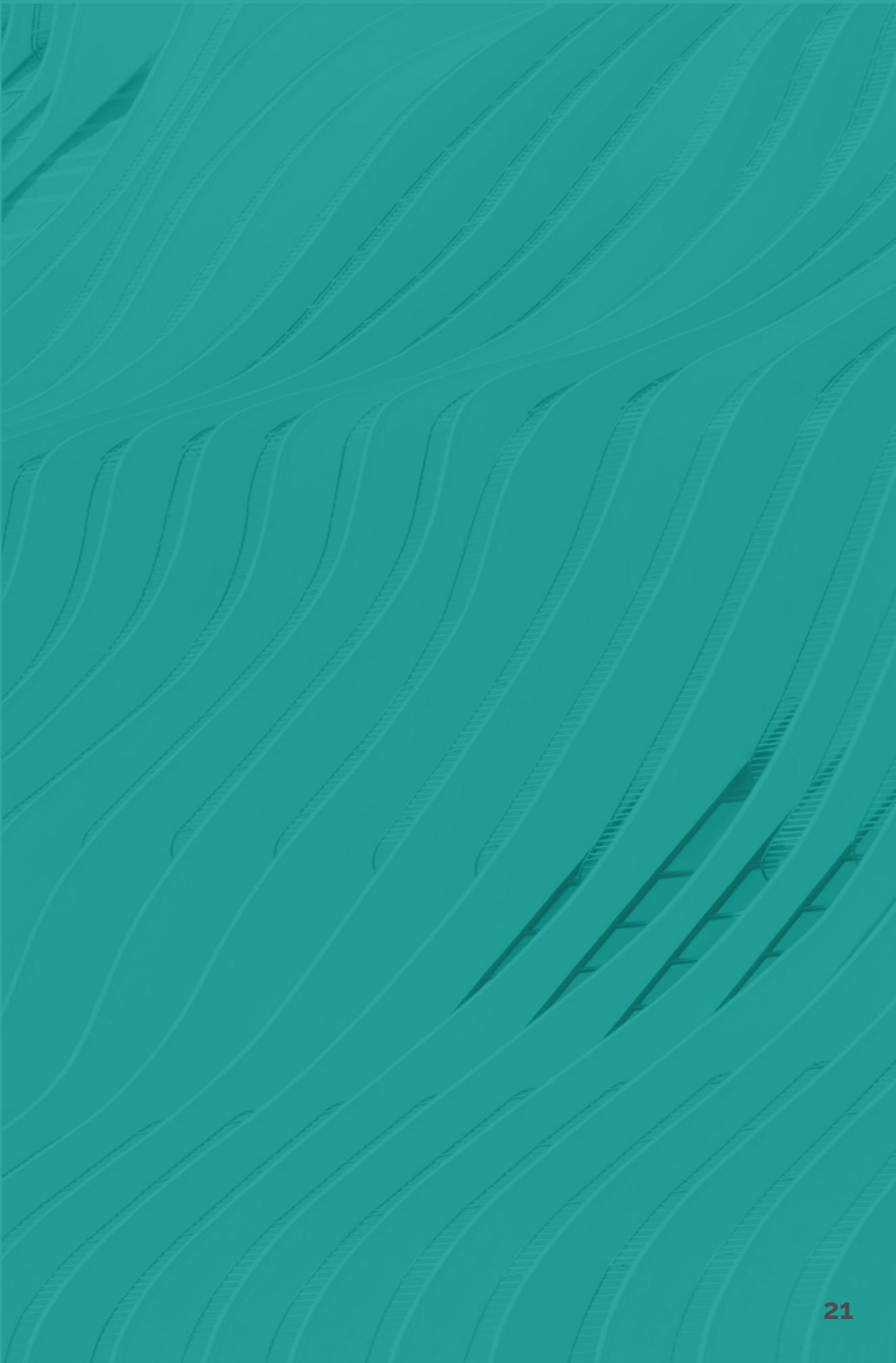
- If the initiator succeeds and holds at least 90,000 BSPT by specified end date, the TOC lasts until the last BSPT token is sent to the tender offer initiator.
- If the initiator fails to receive at least 90,000 BSPT by specified end date, the TOC ends at specified end date.

This means, once the 90% threshold is reached, the majority stakeholder is deemed as the sole stakeholder. Any entity still holding BSPT may claim its compensation through the TOC, as the TOC will be available up until the last BSPT is transacted.

In order to receive the green light for PropToken Privatization, the majority stakeholder is required to offer ETH as compensation through a TOC even in events where he or she comes to hold

90,000 BSPT without initiating a Tender Offer Contract (i.e. buys them on the decentralized exchange). To mitigate risk of foul play in such scenarios, Blocksquare calculate the minimum ETH compensation amount and set-up the TOC.

To better understand how the Tender Offer Contract calculates bonuses, we created a simplified spreadsheet calculator that you can review here. Even though the spreadsheet calculator does take into account for Blocksquare fees, please note it does not do so for Ethereum network fees.



PROPTOKEN REMUNERATION

Holding BSPT tokens of a specific PropToken contract, enables the holder to collect BST tokens generated by the linked real estate property. Blocksquare uses transaction and accounting data recorded on the Ethereum blockchain to calculate per account BST allowances, based on the user's BSPT portfolio.

BST tokens allow users to exercise their right to use any available property within the Blocksquare Network in a similar manner as points in a timeshare vacation club function. Therefore, the BST token allocation of a BSPT token holder can be regarded as a tokenized representation of their right-to-use. The user may decide if and how to use properties by transferring their BST tokens. BST tokens can also be sold at any time on any exchange listing the BST token.

PROPTOKEN RIGHT-TO-USE

Apart from being rented-out, any available short-term rental property within the Blocksquare Network can also be reserved and used by BSPT token holders. Timeslots at these properties are reserved on a first-come basis in exchange for BST tokens. A user's right-to-use is distributed in form of BST tokens based on the holding period of each set of BSPT tokens in a portfolio.

Some BSPT tokens produce more BST than others depending on the underlying property performance. BSPT holders can influence a PropToken performance by regularly monitoring activity and wielding their government rights (see chapter Property Governance).

PROPTOKEN DECENTRALIZED EXCHANGE

In order to achieve permissionless liquidity of tokenized real estate assets, a decentralized exchange protocol is integrated within the Blocksquare system. The exchange protocol used for development is the oxproject.org open source protocol.

The documentation of the ox exchange protocol can be found here and the abstract from the whitepaper quotes:

“...a protocol that facilitates low friction peer-to-peer exchange of ERC20 tokens on the Ethereum blockchain. The protocol is intended to serve as an open standard and common building block, driving interoperability among decentralized applications (dApps) that incorporate exchange functionality. Trades are executed by a system of Ethereum smart contracts that are publicly accessible, free to use and that any dApp can hook into. DApps built on top of the protocol can access public liquidity pools or create their own liquidity pool and charge transaction fees on the resulting volume. The protocol is unopinionated: it does not impose costs on its users or arbitrarily extract value from one group of users to benefit another. Decentralized governance is used to continuously and securely integrate updates into the base protocol without disrupting dApps or end users.”

Blocksquare will limit exchange services only to BSPT/ETH pairs to ensure easier order matching, but ultimately a user can choose to place a buy/sell BSPT (Blocksquare PropToken) order with a custom cryptocurrency pair through any decentralized exchange protocol supporting ERC20 tokens.



BLOCKSCAPE NETWORK PARTICIPANTS

The Blocksquare system establishes a network of tokenized real estate properties, that use the Proof of Title protocol to link property specific smart contracts called PropTokens to land registries. The protocol allows platforms to build on top and integrate into the network benefiting from various out of the box blockchain based functionalities. A user may be classified as a (1) Platform provider, (2) Service provider, or (3) Regular user.

Platform providers are certified users that have the right to issue new PropToken contracts and organise PropToken Generation Events (PTGEs).

Service providers are certified users that offer various services within the Blocksquare network. Initially these will be limited to property management companies, property title holding companies and PropToken validators. Validators are BST stake holders willing to stake their BST in order to validate a certain PropToken contract before it gets deployed.

In future, service providers may also come as real estate big data providers, IoT solution providers or companies developing AI for real estate markets.

Regular users are users of any platform powered by Blocksquare. They are allowed to search the Blocksquare network of properties, access ongoing PTGEs (PropToken Generation Events), use PropToken rights (property access and governance) and trade BSPT tokens powered by the PropToken Decentralized Exchange.

FINANCIALS

REVENUE STREAMS

In order to achieve profitability a fee collection system is integrated into the Blocksquare system providing 2 main revenue streams:

- BSPT trade transaction fees
- PropToken generation event fee
- PTGE validators fee

BSPT trade transaction fee

Trading PropTokens is subject to fees. The transaction fee is implemented into the PropToken contract. Whenever a transaction from one account to another is initiated, a 2% fee is collected from the initiator and split in the following manner:

- 0.3% PropToken Creator
incentivises real estate experts to use Blocksquare and sell their properties as tokens.
- 0.3% PropToken First Buyers
incentive to participate in PropToken Generation Events (PTGEs) and finance tokenization of real estate properties.
- 0.4% Blocksquare Foundation
funds used to cover development, maintenance and promotion of Blocksquare.
- 1% Blocksquare Network Reserve Fund
funds used for covering scheduled, routine and unscheduled expenses related to operating, maintaining or improving properties in the Blocksquare network. The reserve fund main purpose is to finance larger expenses that can not be covered from regular rent income.

PropToken generation event fee

Creating a PropToken generation event is subject to a 1.5% fee based on the total amount raised. This fee allows Blocksquare to offer proper customer support to real estate experts. Once the tokenization tools and processes are fully automated, Blocksquare will be able to omit this fee.

PTGE validators fee

Creating a PropToken generation event is subject to a 0.5% fee based on the total amount raised. This fee is distributed to PTGE validators that verify all property title related documents and procedures are valid. The validator must place a stake (in BST tokens) in order to be eligible for validation. The reward fee is split amongst participating validators.

BLOCKSQUARE MARKET STRUCTURE

Blocksquare is creating the needed infrastructure to kickstart and support a new market where CRE is sold in a tokenized fashion, decreasing secondary market trade friction, increasing asset liquidity, thus unlocking value. This unlocked value will push real estate professionals to leverage Blocksquare, but only if they see long term potential in doing so. Therefore, the fees structure needs to establish and align incentives for market makers.

Assumptions:

Average PropToken value at PropToken Generation Event (USD)	500,000
24h market exchange volume (~1/3 of current cryptocurrency 24h exchange vol.)	1%
Average per user total investment (USD)	25,000

Blocksquare Market Participants Incentives

Total BSPT exchange transaction fees:	total 2%
I. PropToken Issuers (e.g. certified RE professional)	0.3%
II. PropToken First Buyers (participants in PTGE)	0.3%
III. Blocksquare Network Reserve Fund	1%
IV. Blocksquare	0.4%
PropToken Generation Event (PTGEs) fees:	2%
PropToken Generation Events - Validators fees	0.5%
PropToken Generation Events - Infrastructure Provider fees (Blocksquare)	1.5%

Blocksquare Market Simulation

Assumptions:	year 2	year 3	year 5
PropToken Properties	5,000	70,000	500,000
Total PropToken Market Cap (USD)	2,500,000,000	35,000,000,000	250,00,000,000
Number of Active Users	100,000	1,400,000	10,000,000
24h Exchange Volumes (USD)	25,000,000	350,000,000	2,500,000,000
Distributed to Network Participants (USD):	54,750,000	766,500,000	5,475,000,000
PropToken Issuer fees (Exchange)	27,375,000	383,250,000	2,737,500,000
PropToken First Buyers fees	27,375,000	383,250,000	2,737,500,000
PropToken Generation Events - Validators fees	12,500,000	175,000,000	1,250,000,000
Blocksquare Revenues (USD):	74,000,000	1,036,000,000	3,650,000,000
PropToken Exchange fees	36,500,000	511,000,000	3,650,000,000
PropToken Generation Events - Blocksquare fees	37,500,000	525,000,000	fee omitted
Blocksquare Network Reserve Fund (USD)	91,250,000	1,277,500,000	9,125,000,000
Total Annual Market Turnover (USD)	232 million	3,2 billion	19,5 billion

STARTUP FUNDING

The total supply of BST tokens effectively represents 100% of the network's. BST tokens allow users access to the network and its services. The received funds will be used to further develop the needed infrastructure, grow the user base and expand the network. We currently foresee the expenditure of collected funds to be directed in for the following activities:

Presale

(Idea Development, MVP, Product Identification, Marketplace Orientation, Demographic Targeting, Team Creation, Crowdsale Marketing, Community Growth)

Series A

(Product Developent, Alpha/Beta Testing, Market Validation, Team Expansion 1)

Series B

(Official Release, Product Distribution, Market Growth, Team Expansion 2)

Future Series (C, D, E...)

(Product Optimization, Globalization, Acquisitions, Global Growth)

Multi-series token sale model

Blocksquare will follow a multi-series token sale model to distribute the BST token and raise funds for development. The main goal is to accommodate long term growth by allowing gradual runway extension. Based on our analysis of previous token sales, we evaluated that raising funds in multiple token

distribution events can have a significant impact on our ability to deliver a global network for the real estate industry.

You can read more about our research on the topic, the motivations behind it and simulations based on previous coin offerings data in the blog post titled "ICOs, don't bite off more than you can chew." by Blocksquare's co-founder Denis Petrovcic.

The token sale model is set to distribute 60% of the total BST token supply using the below distribution schedule.

Motivations for a multi-series token sale model

Angel investors and VCs traditionally fund new companies in multiple rounds. They offer initial seed capital to let a team prove its concept, develop a working prototype, validate the market, and only after the team shows the capability, they're able to raise more funds to grow and establish the business further. This way the building and funding iteration keeps all involved parties motivated to achieve and deliver on promises made.

Taking our funding goals through multiple funding rounds helps Blocksquare stand out as a long term project. Our team's incentive is to keep pushing and earn the right to go for the next funding round. Last but not least, it sends a clear message to the interested community that the team is focused on delivering.

PRESALE Q4 2017

10,000,000 BST
10% of total supply

target funding 750k USD

SERIES A Q1 2018

10,000,000 BST
10% of total supply

target funding 5MM USD

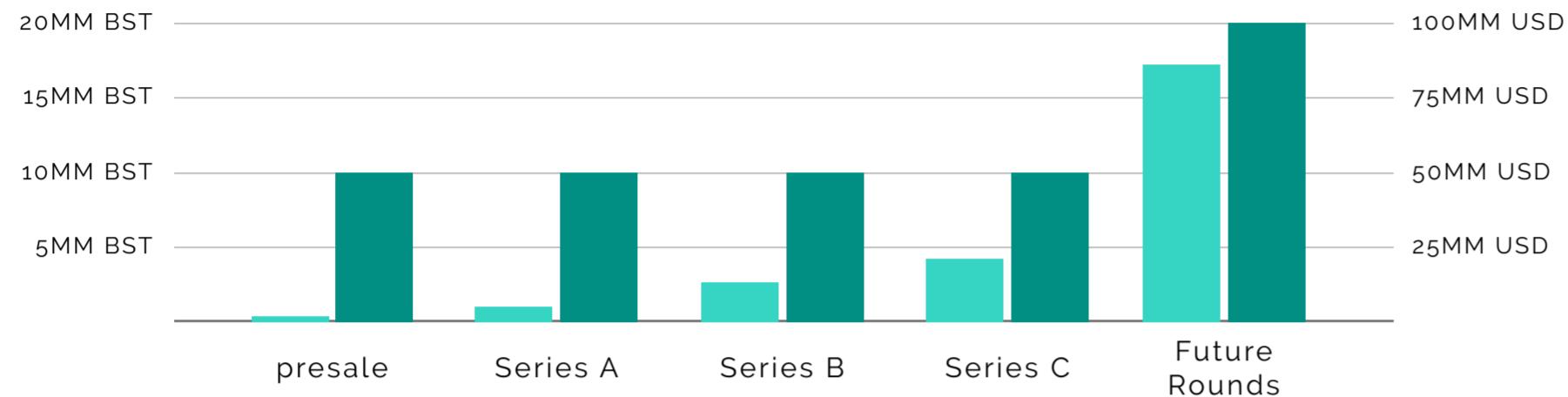
FUTURE SERIES 2019+

40,000,000 BST
40% of total supply

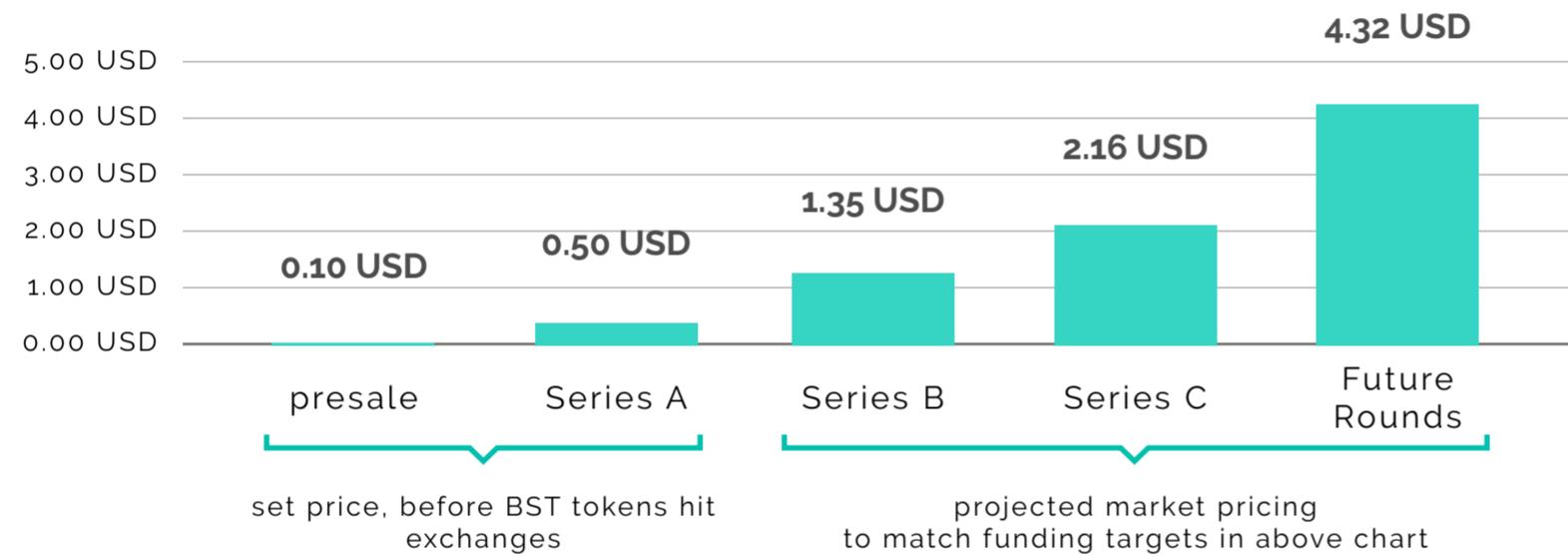
target funding 100MM+ USD

MULTI-SERIES TOKEN SALE MODEL

funding targets & distribute BST tokens per series



projected BST price



PRESALE Q4 2017

10,000,000 BST
10% of total supply

target funding 750k USD

SERIES A Q1 2018

10,000,000 BST
10% of total supply

target funding 5MM USD

FUTURE SERIES 2019+

40,000,000 BST
40% of total supply

target funding 100MM+ USD

BST TOKEN DETAILS

Role of Token: utility, access

Token Total Supply: 100,000,000 BST

Symbol: BST

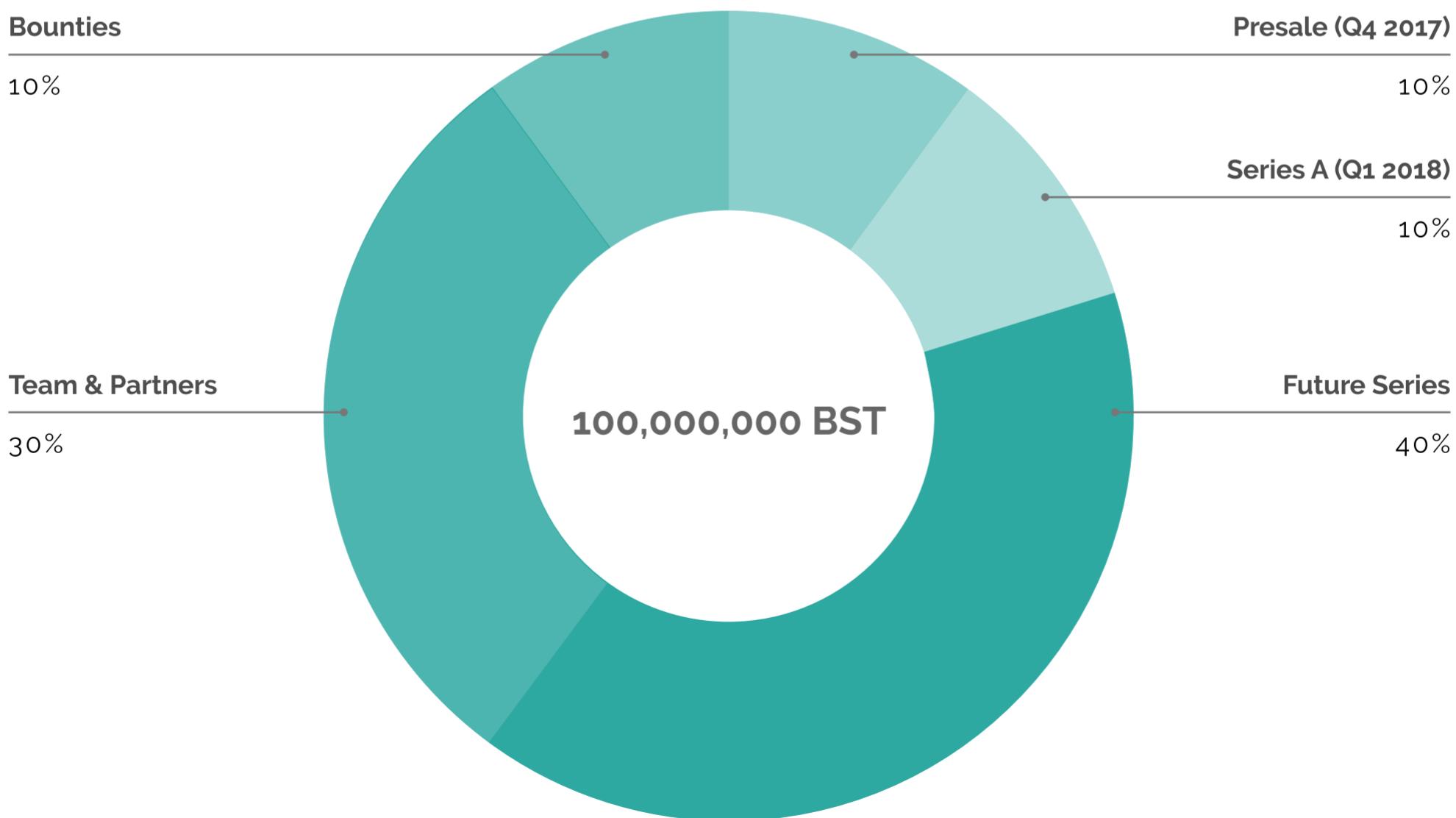
Blockchain: Ethereum

Token Standard: ERC20

BST token distribution chart

The total amount of BST tokens that can ever be minted is 100MM. 10% of the total BST token supply will be minted and distributed to presale participants. Team & Partners BST tokens will be minted according to our 4 years vesting policy with 12 month cliffs.

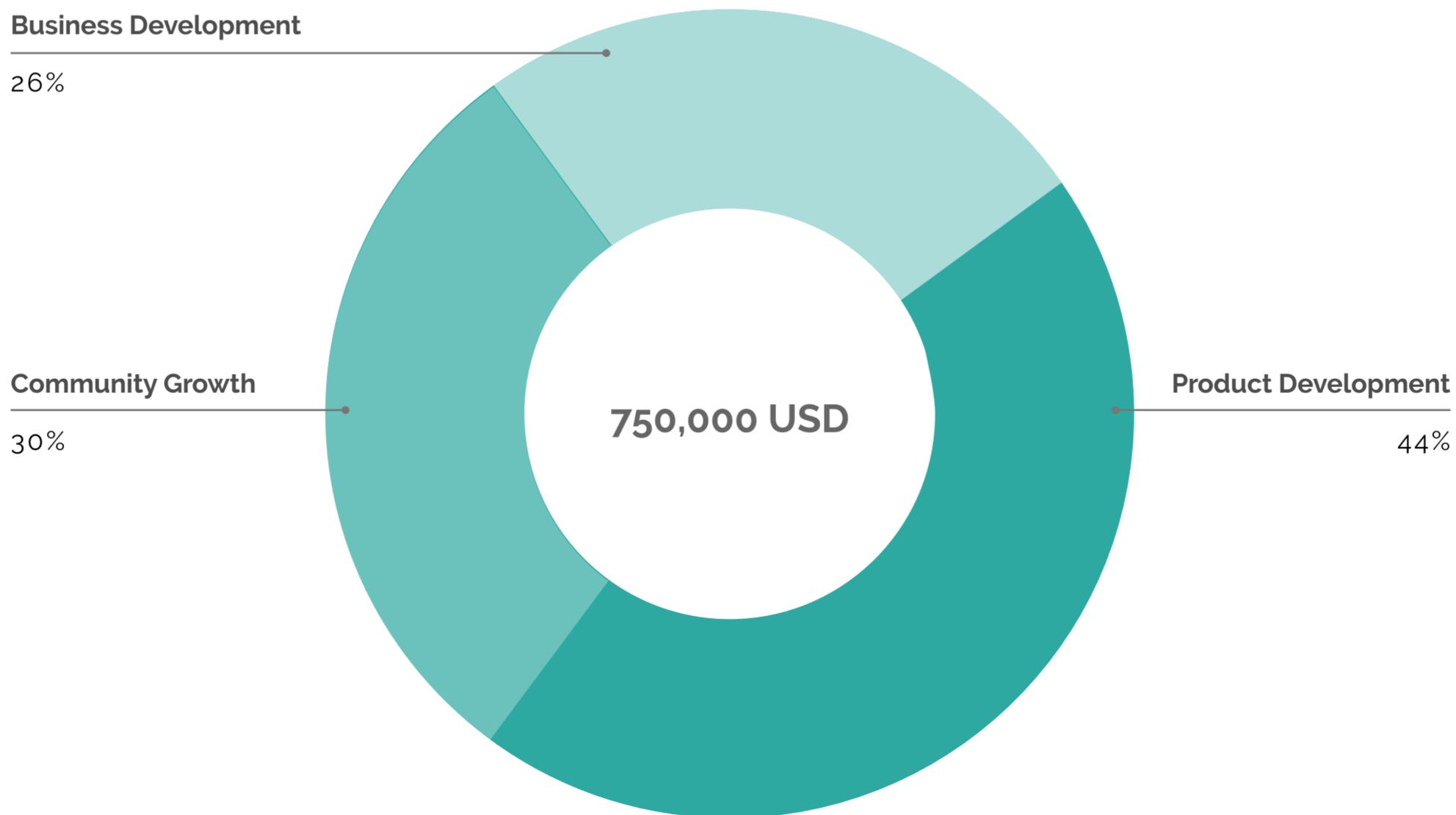
Series A BST tokens will be minted during the Series A token distribution event planned for March 2018 BST tokens reserved for Future Series (B, C, D...) will be minted at time of token distribution events. Bounty rewards will be minted from the 10% pool and distributed to participants of our bounty campaigns. Bounty campaigns will be available at Series A and Future Series (B, C, D...) token distribution events.distribution events.



PRESALE USE OF FUNDS

Our presale is set to procure enough funding for Blocksquare to continue development in partnership with Medius, Inc. So far we have been bootstrapping the development of Blocksquare from project ideation, market research, legal research, technical research, mvp development, product identification, marketplace orientation, demographic targeting, team creation, community growth etc. We are now ready for the next step to continue our work and commit even further in making real estate simple, secure and online.

We intend to use ~44% of the funds for product development; about ~26% for business development, legal and operations; and ~30% for community growth, communications and marketing in prospect of our series A crowdsale planned for March 2018.



PRESALE PRICING

The presale is set to distribute 10,000,000 BST tokens to early contributors - visionaries that see the huge potential unlocking liquidity in CRE offers. The illiquidity discount of real estate is estimated to be 10-30%. CRE tokenization and frictionless trading are set to unlock this value and open the door to a new market worth over USD 5 trillion.

The presale smart contract is designed to distribute BST in 10 tranches. The price for 1 BST is set to start at 0.01 USD for a very limited amount. After each tranche the price increases by 0.01 USD and distributes a slightly greater amount of BST tokens. This way we reward early supporters to receive a better deal, while not distributing larger amounts.

BST token lockdown

Please note the distributed BST tokens will not be available for trading at any exchange before the end of our series A round planned for March 2018. **The lockdown is set to protect early contributors, as the number of token holder accounts is not expected to be large at this stage.**

TRANCHE #	TRANCHE BST	BST PRICE	USD VALUE
TRANCHE 1	250,000 BST	0.01 USD	2,500 USD
TRANCHE 2	250,000 BST	0.02 USD	5,000 USD
TRANCHE 3	500,000 BST	0.03 USD	15,000 USD
TRANCHE 4	500,000 BST	0.04 USD	20,000 USD
TRANCHE 5	500,000 BST	0.05 USD	25,000 USD
TRANCHE 6	1,000,000 BST	0.06 USD	60,000 USD
TRANCHE 7	1,000,000 BST	0.07 USD	70,000 USD
TRANCHE 8	1,500,000 BST	0.08 USD	120,000 USD
TRANCHE 9	1,500,000 BST	0.09 USD	135,000 USD
TRANCHE 10	3,000,000 BST	0.10 USD	300,000 USD

PRESALE

10,000,000 BST
10% of total supply

target funding 750k USD

PRICE
FIRST TRANCHE

0,01 USD

PRICE
LAST TRANCHE

0,10 USD

PLEASE WHITELIST BEFORE FEBRUARY 1ST

ROADMAP

Q3 2017

PropToken contract developm.
Website design begins.
Blocksquare brand identity.

Q2 2017

Dr. Peter Merc joins the Blocksquare team as legal advisor
Peter is cofounder of Lemur Legal. To learn more please visit www.lemurlegal.com

Q3 2017

Jure Pozun joins the Blocksquare team as marketing strategy lead
Nina Tanhofer joins the Blocksquare team as social media and PR lead

Q3 2017

A need to induce trust results in development of the Proof of Title protocol.
Please refer our Proof of Title technical paper to gain a more in-depth overview.

Q2 2018

Pilot project.

Q1-Q2 2019

Blocksquare public Beta release

Q2-Q3 2016

Denis begins researching blockchain and looking for opportunities in his area of expertise: real estate.

Q3 2016

Medius Inc shows interest in blockchain technology and starts an R&D program.

Medius Inc is a software development company specialized in IT projects based on open source Java technology

Q1 2017

Denis and Viktor (cofounder @ Medius Inc) join forces to develop a concept for CRE tokenization.

Viktor is cofounder and COO at Medius Inc, leading a team of 20+ developers. To learn more please visit www.mediush.si

Q1 2017

blocksquare.io domain registration

Q4 2017

Deal with local real estate developer for pilot project.
Dev team starts working towards our first real estate tokenization.

Q4 2017

First conference appearances (US, Austria, Croatia, Slovenia).

Check our blog at medium.com/blocksquare

March 2018

Series A token sale to distribute 10MM BST tokens in return for 2-5M USD to finance further development.

February 2018

Presale round for seed stage funding set to distribute 10MM BST tokens to early stage contributors.

Q4 2017

Denis brings IBREA to Slovenia and sets to organise the first meetup in November EOM.

The International Blockchain Real Estate Association (IBREA) is a world wide non-profit organisation established in 2013.

TEAM

We are a team of dedicated professionals, entrepreneurs, private real estate investors, digital currency enthusiasts leveraging blockchain technology to make real estate hassle free and available to everyone, everywhere.

Our team is dynamic, distributed and always on the look for quality individuals that can bring value to the team and help us on our mission. If you believe you can contribute please feel free to contact us.

Blocksquare is being developed by Medius Inc, a software development company specialized in IT projects based on open source Java technology.



Denis Petrovcic

MSc in Architectural Engineering · co-founder · CEO

I consider myself to be a forward thinking, open minded person with an entrepreneurial spirit and passion for the unknown. I believe the path to reach our goals will always exceed the goal itself, making our journey just as important as the destination we want to reach. Today, with the experience gained by co-founding and managing a restaurant, failing an online marketing start-up, successfully launching a web-based energy certification service, leading & designing a proposal project for the world's highest indoor ski slope and successfully investing-in, setting-up and managing a student accommodation business, I focus on building a future where real estate investments are open to anyone.



Viktor Brajak

MSc in Computer Science · co-founder · CTO

Co-owner and COO at Medius Inc - a Java Middleware and Application Integration software engineering company specialized in development, design, implementation and integration of the most complex enterprise IT solutions. I am specialized in development, design, implementation and integration of information systems. I see blockchain technology as an undeniably ingenious invention that is set to change the way we use the internet and my team at Medius is here to help develop this future to come.



Medius Inc

Established 2002 · Full Stack Development Team · 20+ Experts · Proven Track Record

Medius Inc is a software development company specialized in IT projects based on open source Java technology. Our focus is exclusively on Agile Software Engineering: Design, Development, Testing, QA, Deployment and Maintenance of custom software systems, based on JEE technology. All our projects use concepts of custom developed business procedures and process models. By using our development tools we can easily create and publish electronic forms in real-time, access related data stored in external official registries, digitally sign documents, customize business process orchestration and flow, classify and retrieve documents, define complex data models and dictionaries, etc.



Peter Merc
Doctor of Laws (Ph.D.) • legal lead

Lemur Legal Cofounder, Blockchain Think Tank Lead Coordinator, Digital Lawyer, Sharing Economy & Blockchain Enthusiast. Most people see me as a "perpetuum mobile" person. Business wise I have always felt passionate about law, finance & entrepreneurship. While working I am keen to learn new things, my decision-making style is information driven and I always stay focused. Meanwhile in my private life I put a lot of effort in following "carpe diem" principles on a daily basis. One of my favourite quotes is by Oscar Wilde: "We are all in the gutter, but some of us are looking at the stars."



Jure Zibelnik
BA Economics • Project Manager

I have over 10 years of meaningful experience in business development, product and brand management. I am passionate about exploring new business possibilities and develop new projects from the ground up. One of the very important things for me is to establish a well connected and committed team which will deliver outstanding results. This kind of atmosphere will also reflect to our customers, partners and the market.
I see blockchain technology as the inevitable future which will take part and shape all kinds of different industries.



Jure Pozun
BA Sociology, Social Informatics • strategy & marketing lead

With over 12 years hands-on experience in advertising and mobile gaming industries, I've gained extensive know-how in branding and conceptualising communication for both traditional and digital media landscapes. Having worked closely with leading global companies and start ups, my creative and advisory services earned a proven track record of results, feedback and recognition. I worked as a creative brand strategist for Outfit7 and Apple. As an agile, responsive and result oriented creative with a clear understanding of brands, businesses and trends, I have the ability to connect the dots and teams.



Nina Tanhofer
BA Journalism • PR & communications lead

From journalist to Editor in Chief, brand manager, event manager and international windsurf school Founder & CEO is a colorful path where one earns valuable experience and confidence to initiate, manage and execute good ideas for good brands and causes. The ever-changing world of social media encapsulates my expertise in the fields of communication strategy, conceptualization and content management, raising the bar with every new opportunity to innovate, lead and enact proficient communication practise. Besides that, I like going places. Or just wander around - through cities, books, magazines and peoples minds.

FOUNDING PRTNER: MEDIUS INC

Medius, Java Middleware and Application Integration Inc., is a software engineering company specialized in development, design, implementation and integration of the most complex enterprise IT solutions.

Medius Inc started blockchain technology R&D activities with its team of 20+ developers in late 2016 and today offers consulting and development services in the field aiming to become a recognized leader combining on-chain and off-chain enterprise solutions to its high profile customer base.



"Founded in 2002, Medius is today one of the most recognized brands in the region offering custom development solutions based on open source Java technology."

- **Viktor Brajak, COO, Medius Inc**

Headquarters: Tehnoloski park 21, 1000 Ljubljana, Slovenia

Employees: 20

Annual Sales: Over 1.2MM EUR

VAT ID: SI 55773567

Registration Number: 1685325



United Nations Public Service Award

The United Nations Public Service Award is the most prestigious international recognition of excellence in public service. It rewards the creative achievements and contributions of public service institutions that lead to a more effective and responsive public administration in countries worldwide. In 2013, Slovenia has won a golden award thanks to a project "The Tray" which is the most important part of the whole solution, and was designed, developed and implemented by Medius.



e.com CERT

In 2010, MEDIUS has been awarded ISO 9001/2008 certificate, for "Development, Implementation, Integration, and Support of IT Systems, using Open Source Java Technology". It clearly demonstrates company's vision and dedication to development standards, constantly striving to deliver effective business solutions that generate customer value.

TM Forum Excellence Awards - Finalist

Telecommunication Management Forum Excellence Award is awarded to the communications service provider, demonstrating the most innovative and effective use of TM Forum Framework, to deliver tangible cost reduction, efficiency improvement, and operational agility. In 2010, Medius and Telekom Slovenia have been nominated for the TM Forum Excellence Award for project "Automator - NGOSS Orchestra for Fulfillment Automation".



EuroCloud Award 2016

Medius' CloudSE solution awarded as the best European cloud service in the category "Best Cloud Services provided by Start-Up CSPs". Nominees and the winners are determined by the panEuropean jury from participating countries composed of independent experts from different cloud expertise and distinction. Over 30 Cloud solution providers from all over Europe have competed in the 2-tiered competition - national and European.



QUESTIONS? WE HAVE ANSWERS.

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