Some comments:

* The project is built with .net 8, it uses SQL Server Express for database.
* Entity framework is used for migrations.
* The project uses dependency injection.
* I decided to use a repository pattern to separate between the data access layer and the business logic layer.
* For data access I used PointRepository and for business logic I used PointFacade.
* Only PointFacade is called form the Controller.
* The SquaresAPIHomeworkTests project includes a few tests, more could be added later. It uses xunit for testing and FakeItEazy for mocking.
* The square finding solution could be optimized more by only checking points that have a similar distance between them.