



SQF COIN

POWERED BY BLOCKCHAIN TECHNOLOGY

PRESENTED BY SOLSTICE VENTURE PROPERTIES INC

Table of Contents

ABSTRACT	4
Introduction	5
SQF Coin	6
Function of the White Paper	7
Technology Overview	8
Blockchain	8
Database	8
Peer-to-Peer Network	9
Consensus Formation Networks	9
Cryptographic Token	10
Virtual machine (Ethereum)	10
Real Estate Market Overview	11
Situation Overview	12
Blockchain Enabled Marketplaces: Driving Liquidity	12
Commercial Real Estate market	13
Potential Benefits of Blockchain Infrastructure to Commercial Real Estate.	14
How can blockchain help Real Estate operators?	14
Asset Tokenization	15
The big idea behind tokenization	15
Tokenized Securities	16
Security	16
Tokens	17
Tokenization	17
Security tokens	17
Potential Tokenization Benefits	16
Fractionalization	18
Customizability	18
Liquidity	18



Automation	19
Cost Efficiency	19
Settlement Time	19
Data Transparency	19
Structured Products	19
Why is Security Tokenization Applied to Real Estate?	20
SQF Coin Platform	21
Legally Tokenizing the Property	21
SQF Coin Management and Property Management	21
SQF Coin Property Management	22
About The SQF Tokens	22
The SQF Token	23
SQF Token Economics & ICO	23
Highlights of the offering	24
Legal Disclaimer	25



ABSTRACT

Real Estate is the largest asset class in the world with a combined estimated value of 3.5 times the Global GDP, investing in Real Estate has many advantages over investing in stocks, bonds or mutual funds. It is also considered the best way to build wealth over time. The most notable benefits of investing in Real Estate and Real

Estate-based financial products includes: A predictable cash flow and ability to generate passive income, an improvable asset with the ability to appreciate, and an array of benefits surrounding leverage capabilities and mounting tax advantages. However, Real Estate investment transactions remain frozen in time, conducted in the same manner as they have been since the late 1900's. Using outdated and archaic infrastructure, paper-based processes, and multiple third-party intermediaries, the Real Estate sector has internalized significant structural inefficiencies over time. These traditional practices create unnecessary friction in transactions, impacting value and liquidity, while market participants previously had no option but to tolerate the complex regulations and processes associated with a Real Estate transaction.

SQF Coin aims to connect and combine the modern digital asset economy, the power of Real Estate and the security of blockchain technology and its benefits. Process driven friction in private markets present challenges to liquidity, speed, record keeping, accuracy, and market efficiency. In the traditional Real Estate landscape, investors must deal with the complexities of assets and investor management, lengthy ownership transfers, regulatory investor compliance, expensive business operations, maintenance of cash and dividend flow, security against fraudulent transactions, and the obstacle of liquidity complications. SQF Coin platform provides a comprehensive improvement solution to each of these areas and more as the future of the digital economy continues to infiltrate more and more aspects of the world economy.

SQF Coin, an open and decentralized Real Estate marketplace, creates transparency, accessibility and liquidity for all Real Estate investors in the Globe. Underpinned by blockchain technology, SQF Coin is a one-of-a-kind investment platform that creates an open fully digital platform accessible Globally, unlocking Real Estate investment available before only to a selected few. With the introduction of the fractionalization of the underlying Real Estate asset. SQF Coin aspires to become a worldwide, interconnected and open Real Estate community.

SQF Coin brings Real Estate investment to the blockchain and aggregates Real Estate online through three basic functions.

INVESTMENT PLATFORM - Enables fractional ownership of investment in Real Estate.

DIGITALIZATION - SQF Coin works as an intermediary between a token-owning individual and a piece of Real Estate property.

BLOCKCHAIN - Enables ownership interest of the property by tokenizing it to unique ERC-20 tokens ("SQF Coin") on the Ethereum blockchain.

***SQF COIN PLATFORM, CREATES
TRANSPARENCY, ACCESSIBILITY AND
LIQUIDITY FOR EVERY REAL ESTATE
INVESTOR.***



INTRODUCTION

SQF Coin has been formed into a legal entity in the island of the Bahamas in response to several advantages offered by the local government. As a worldwide Real Estate industry provider, SQF Coin will continually Strive to evolve and adapt to client

expectations and changes in the ever-changing marketplace. Our pragmatic approach to Real Estate allows it to provide decentralized services to clients and to deliver results locally, nationally and globally. With Blockchain technology and smart contracts at the core of SQF Coin, it has the potential to transform the way we buy and sell investment Real Estate, by doing away with the explosive closing costs and inefficiencies in transacting in the Existing Real Estate market, along with issues associated with owning a large portfolio of properties. SQF Coin aims to introduce blockchain technology by using a decentralized token. SQF Coin General Partner, the US based company Solstice Venture Properties Inc, which brings in its expertise in the Real Estate market on targeted acquisitions, property management and Development capabilities. By tokenizing each property, SQF Coin limited partnership management structure retains legal rights and enjoys protections not provided by traditional ownership of Real Estate. The SQF Coin platform works as an intermediary between a token-owning individual and an existing piece of acquired Real Estate property. Each available and qualified property is tokenized via ERC-20 protocol and deployed on the Ethereum blockchain, each SQF Coin represents 1 sqf of equity ownership interest in one of the independent properties being offered in the SQF Coin platform. Ownership of any or all the SQF Coins gives a direct ownership interest in the digitized underlying asset. All available documents to link ownership of the Real Estate by token holders can be accessed at any time, by anyone, from anywhere as they are available to the public through any given local registry of deeds. A team of seasoned Real Estate professionals gives support to the buying and selling efforts with deep knowledge and insight into the Real Estate marketplace. A broad range of experts gives insight including financials, international, national, state and local taxation, Real Estate Management, expert value adding property development and location strategy to mention a few.

The US Real Estate is one of the most active markets in the World and it offers many advantages not yet available in other parts of the world. It is also known for having the most transparent, stable and liquid market system anywhere in the world, not to mention a robust secondary market availability. SQF Coin is pinned to the available square footage of the properties being held by the US General Partner. Consequently also directly correlated to the dollar since the same continues to act as The Worldwide Reserve currency, many economies in the world are as a result integrated with the US economy.

The SQF Coin Platform is:

1. Leveraging next generation ledger technology behind a new digital interface to optimize efficiency in investors & property management.
2. Implementing smart contract technology to expand the capabilities of transactions, improve cash flows, and shorten cycle times.



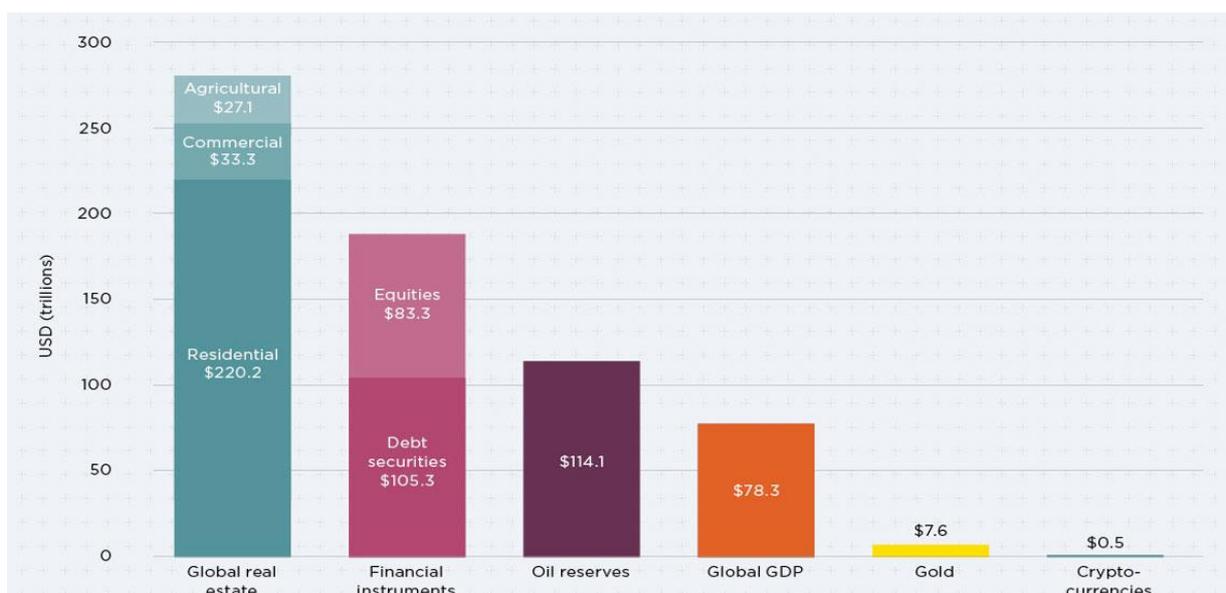
SQF COIN MISSION

SQF Coin's objective is to connect crypto lovers worldwide and tangible Real Estate regardless of investment capacity or physical location. With blockchain technology, SQF Coin converts the Real Estate into a transparent, liquid and accessible medium for everyone. At the heart of the platform sits the SQF Token – the currency of the SQF Coin ecosystem. The SQF Token is the fuel that intends to power a new global economy anchored in the most valuable asset class in the world – Real Estate.

SQF Coin's mission is to improve the efficiency and liquidity of available Real Estate by offering an investor data management portal that enables simple, fast, cost-efficient, and globally syndicated transactions. SQF Coin strives to provide the most fluid and practical digital functionality needed for capital raising, asset governance, automated compliance, investor management, and custodial solutions. SQF Coin's technology offers a platform that modernizes the traditional investment process via the conversion of each square foot in an available property into a tradeable digital equivalent, creating a clear path to an entirely new frontier in Real Estate; 24/7 asset liquidity through digitized ownership and direct market liquidity.

Ownership of the property is tokenized to unique ERC-20 tokens standards ("SQF Token") on the Ethereum blockchain, each of which represents an square feet in equity ownership interest in one of the portfolio properties.

Global Real Estate Universe in Comparison



Source: Savills World Research



FUNCTION OF THE WHITE PAPER

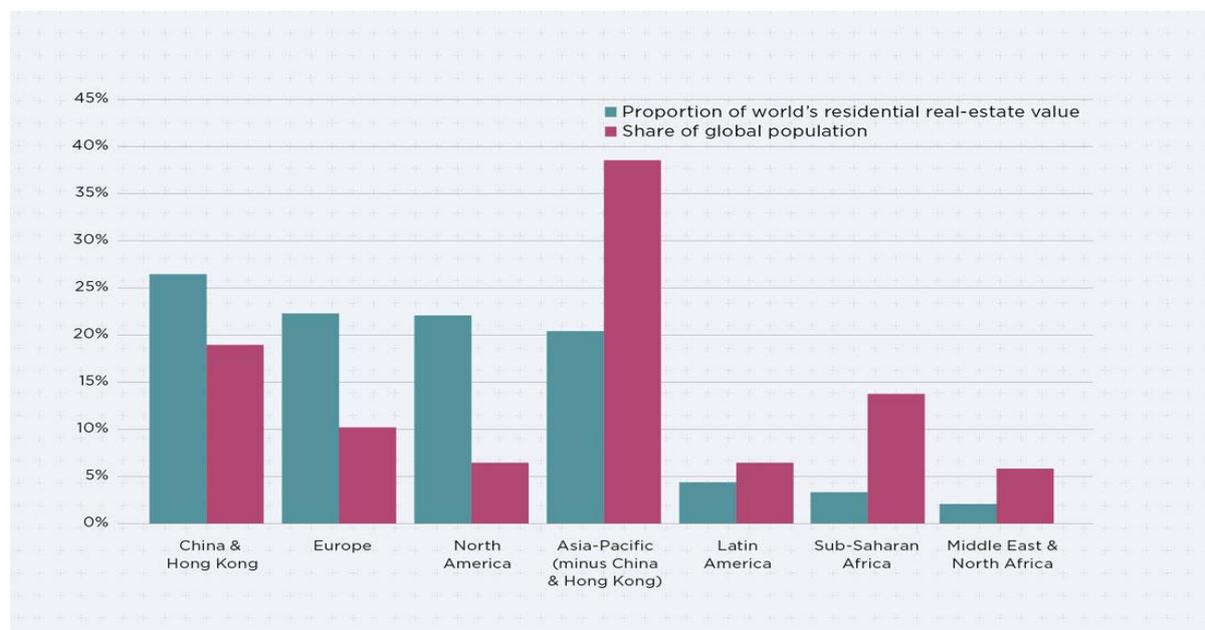
The white paper intends to describe how Solstice Venture Properties INC (General Partner) is using tokenization process to create new business and improve operations' model through SQF Coin. This document provides a detailed description of the benefits of Real Estate asset tokenization from a business and IT perspective.

Business Advantages: - Increased liquid assets as a result of reduced trading frictions - Improved investment clarity - Instant audit ability for regulators and compliance procedure - Reduction of total cost of ownership - Simplified accounting systems - A digital Coin with fundamentals that can be disclosed and analysed.

Key IT Benefits: - Digital ledger protection through modern robust cryptography - Secure ledger synchronization between counterparties - Management reliability of transaction history and admin events - High level of utilization security.

The white paper intends to highlight key points of SFT Coin - The approach of blockchain and tokenization in Real Estate and how to apply it for business purposes.

Global distribution of Real Estate Value x Population



Source: Savills World Research



Tech Overview

BLOCKCHAIN

Blockchain is a growing list of records, called blocks, which are linked using cryptography. The following statement gives an explanation that summarizes key properties of the technology: “Blockchain is a method of storage and synchronization of data between parties who naturally do not trust each other”. It clearly points out to the most appropriate applications of blockchain—those that require guaranteed decision making and ledger management.

As a starting point, it is critical to understand that there is not just one, but many different blockchain networks with varying functionality and purposes. Examples include general programming platforms like Ethereum, which can be used for almost any business or transactional purpose. To get a better understanding of that structure and blockchain’s value proposition, we decided to simplify the protocol as much as possible and divide it into its core interacting technological elements:

- Database
- Peer-to-peer network
- Consensus formation
- Crypto token
- Virtual machine (Ethereum)

Database

The basic component of the technology is the actual immutable blockchain database, which serves as a back-end office of the blockchain network. The blockchain database synchronizes data between and amongst multiple users. It can be imagined as a spreadsheet that is regularly updated and duplicated thousands of times across a network of computers. The actual database consists of data blocks that are linked to each other. After a certain interval, a new block of data is created and connected to the previous block. That block includes all historical data plus the new information on transactions that occurred within that time interval. Blockchain, however, is designed to be an “append-only” structure. Once it is confirmed on blockchain, all the data is irreversible and transparent for all users. A user can only add more data, in the form of additional blocks. All previous data is permanently stored and cannot be altered. For example, if blockchain records a wallet balance, a new transaction will change the balance that is recorded. However, the pre-transaction balance also remains on the blockchain permanently. That database can be created in a public (permission-less) or a private (permissioned) form. Private blockchains behave in the same way as public ones, except that they require users’ identities to be validated against a list of authorized members. While public blockchains allow for full transparency, private blockchains ensure that only parties who have validated their identity to the satisfaction of the administrators are transacting. Like the evolution of the Internet that began on private Intranets, permissioned blockchains will give way to the public blockchains if they successfully achieve scalability.



Peer-to-Peer Network

The next element is the peer-to-peer network on which that database is built on. A peer-to-peer network is a system where every user is simultaneously a user and a host. That means that there is no centralized authority that controls who has access. Therefore, blockchain is called a decentralized network or DAP. Anyone can download a (public) blockchain onto their own computer and become part of the network by installing an online wallet that functions like a bank account. As a result, every connected computer on the network has a complete or partial copy. Every transaction on blockchain is permanently recorded and transparent for all participants, but the individual participant's information can only be decrypted through each user's private key (or digital access code) making the data secure. In some ways, the rise of blockchain technology can be seen as the evolution of the peer-to-peer networks from the early 2000s, which were mostly piracy-driven and ultimately hit a wall as people started to prefer organized and, therefore, centralized architectures. Thereafter, open peer-to-peer internet networks were replaced by closed single database models controlled by companies like Facebook or Google with nearly unlimited access to capital. Blockchain networks have similar open-source peer-to-peer structures. However, blockchain's token model creates new ownership models.

Consensus Formation Networks

The third element is the consensus formation algorithm or the process in which the users collectively come to a decision about what event and when an event occurred that should be recorded in the data blocks. The current method to reach that consensus is called proof-of-work. It is a probabilistic solution to address the "Byzantine Generals' Problem", which is the problem to reach consensus for a distributed system that does not have a central authority. In its current format, the connected network of computers competes with each other to add a new block to the database and get a reward in the form of the respective cryptocurrency. This prevents any one user from getting too much power and potentially manipulating the data. This consensus mechanism allows the blockchain to be a distributed network.

However, the proof-of-work process uses an immense amount of energy due to the raw computing power necessary to complete each data entry. Therefore, it is not sustainable on the increasingly large scale that blockchains operate on. As a result, blockchain developers are working on moving to a process called proof-of-stake, which would pre-determine who gets to add a new block to the database.

Cryptographic Token

The fourth element is the cryptographic token. We use the term token, rather than cryptocurrency, to emphasize that the technology is not necessarily aiming to disrupt existing currencies. Much of the public interest has been directed towards the significance of cryptocurrencies in replacing traditional currencies, but their primary function is to reward and to incentivize users to keep building the blockchain network. Cryptocurrencies and tokens are related but separate concepts. All cryptocurrencies are cryptographic tokens, but not all tokens are cryptocurrencies. Cryptocurrencies like Bitcoin do not have another use case other than being a medium of exchange, while most of the blockchain tokens are not meant to be real currencies. A token can be either classified as



Utility Tokens: represent tokens that provide access to a company's product or service. Utility tokens are not designed as investments, but only to provide owners with an actual functionality of a decentralized network. As an Example, FileCoin, raised \$257 million by selling tokens that provide users with access to its decentralized cloud storage platform.

Security Tokens: represent tokens whose value is tied to an outside, tradable asset like equity, debt, derivatives or Real Estate. These tokens are bought by investors with the anticipation of future profits.

On a technical level, tokens differ between blockchain 'native tokens' - like Ether for Ethereum blockchain - that are implemented in the core process of blockchain and 'non-native tokens'. The native tokens are necessary for blockchain to function, as each exchange that occurs on blockchain is metered by those tokens. However, there are several different types of tokens even within the same blockchain platform. These are non-native tokens that sit on top of the blockchain network and are non-essential. Non-native tokens can represent anything from a salary to an employee badge, to equity in a blockchain project working on a business application. Therefore, the tokens also differ in underlying value, utility and legal status.

Ethereum (Virtual Machine)

Ethereum as a digital platform, which allowed for blockchain to become an engine for different business applications on its own blockchain. This is due to its so-called virtual machine feature that enables decentralized applications or even fully decentralized autonomous organizations to be built on top of and powered by blockchain. It is easiest to imagine this as the software combining all the computing power of the network and its consensus mechanism to allow users to build applications on top of the protocol layer. Essentially, the blockchain's protocol powers an application layer that allows anyone to create and trade their own network token for any blockchain-based business. It lets users automate any direct interaction between peers or facilitate group interactions across a network.

These automated transactions are called smart contracts. The key feature of a smart contract is that it has "programmable" execution; effectively replacing third-party intermediaries. That is, a written code automatically executes a transaction depending on various conditions, like a computer function. These smart contracts give blockchain technology the ability to grow beyond a decentralized database of cryptocurrency transactions and can fuel any type of value transfer. To visualize blockchain, we created a simplified "sketch" overview below.



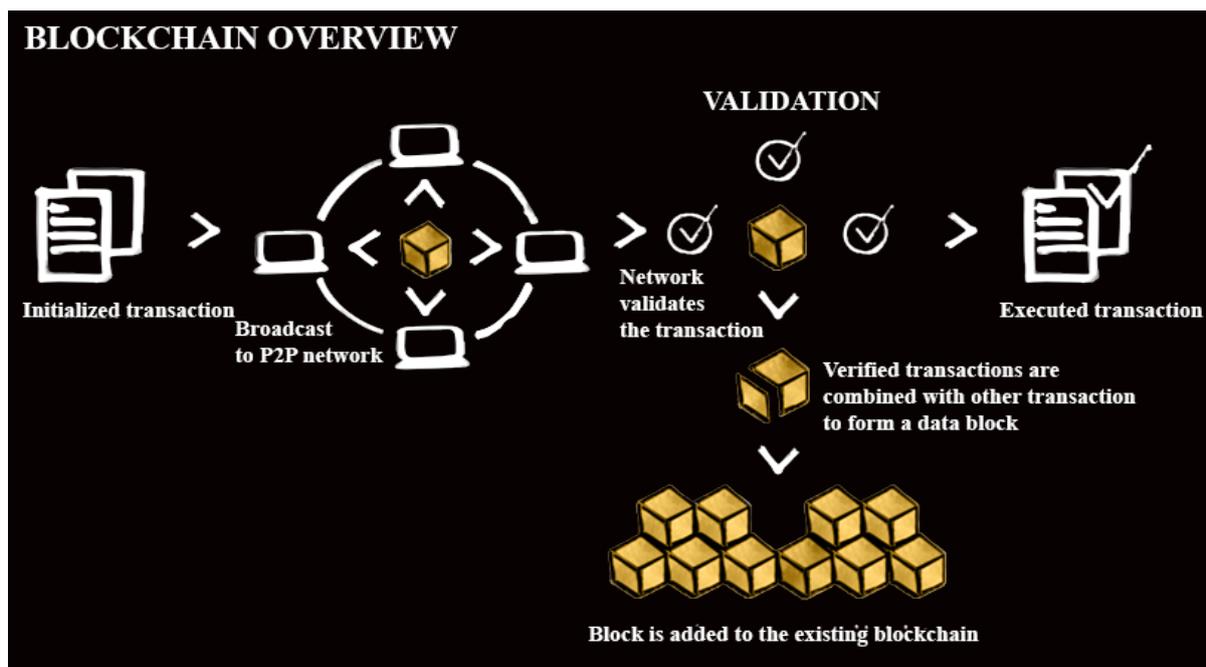


Figure 1Blockchain overview

REAL ESTATE MARKET OVERVIEW

Situation Overview

Research and surveys from institutions such as the World Economic Forum (WEF), predict that up to 10% of the global Gross Domestic Product (GDP) will be stored and transacted with the help of blockchain technology by 2025–27. Having this tipping point in mind, we ran a market simulation to determine the potential market size of a global tokenized market using a conservative approach. Tokens and tokenization can be viewed at four conceptually different levels: The need for digitization of assets arose alongside the emergence of computing machinery and data transmission networks. Existing tools for asset management and trading are either not sufficiently automated, not reliable enough, or require complete trust from users. This greatly limits the potential of market turnover of goods and services, resulting in an overly low liquidity and interoperability. Before jumping into details of tokenization, we must clarify the terminology.

Blockchain Enabled Marketplaces

Driving Liquidity

Today, the exchange of Real Estate assets suffers from highly limiting trade restrictions and illiquidity. In short, there are significant trade frictions starting with sellers and buyers not being able to find each other. Subsequently, each trade requires a significant amount of underwriting and legal

documentation. Ownership can include various security distinctions that carry significant transfer prohibitions. Any limited partnership investment, and even the trade of an investment property deeded to two people, may be considered a regulated security offering, making trade activity highly manual and costly. To account for the lack of liquidity, the value of private securities is generally discounted (the “illiquidity discount”), preventing issuers from capturing the full value of the underlying asset. The tokenization of illiquid assets like Real Estate can potentially reduce trade frictions. Once these asset-backed tokens are created, a market for trading the tokens could possibly reduce the estimated 20%-30% illiquidity discount common to many traditional private securities. Considering only the \$13T U.S. Real Estate Market, there is huge potential for Real Estate investors. The key takeaway is that even just a small decrease of that illiquidity discount achieved via freely tradeable asset-backed tokens, would potentially represent billions of dollars in unlocked value.

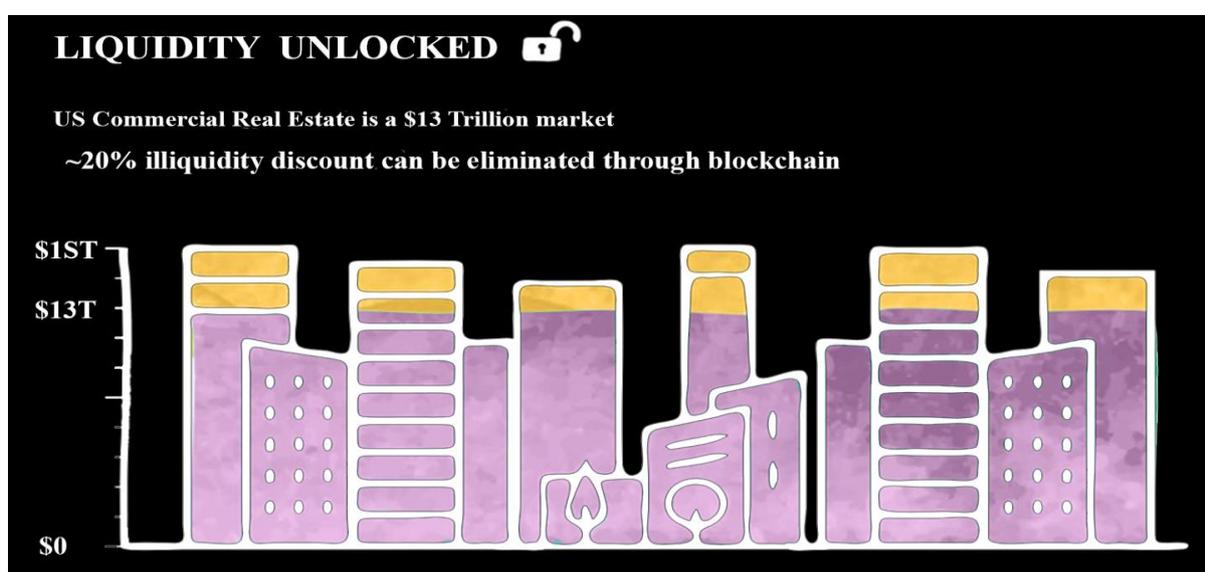


Figure 2 Liquidity unlocked

Real Estate Market

Real Estate market makes up a significant economic global segment both in terms of asset base as well as transactional activity. The investment market for Real Estate, while immense, has been dominated by a relatively closed network of firms and organizations able to shoulder big, chunky, illiquid investments. It is also hindered by a significant amount of transactional friction and opacity. While there have been improvements in the digital age – especially as it relates to information flow and transaction set up and completion – we are only at the initial few steps in terms of digitization. There is still a significant amount of improvement that can be made in Real Estate when it comes to the use of digital technology and the representation of physical assets in digital forms. This advancement will be driven largely by the digital securitization of Real Estate properties (also known as “tokenization”) and improved transaction processing that make it easier to buy and sell properties and/or shares of properties, and record and perfect property transactions. The future of Real Estate

is one where purchases and investments become much more liquid, much more available, and far more easily documented and managed. These changes will be driven largely by blockchain technologies. These technologies include decentralized and immutable transaction ledgers, asset tokenization, and owner entity and land title registries and, as a result, the benefits will open up markets for new investors and let a greater number of parties manage ownership, liquidity, and risk much more effectively.

Potential Benefits of Blockchain Infrastructure to Real Estate.

As previously mentioned, the range and impact of benefits increases as blockchain adoption becomes more widespread and more supported with updated regulations. The core, or “layer one”, benefits granted by tokenized securities are marginal in comparison to the benefits of the full blockchain infrastructure. These benefits also apply to investors, resulting in a better investment experience, others directly affect the possibility for investors to access new opportunities, customize in a more granular way their investment portfolio, and an overall reduction on the discount rate. Access can be improved by lowering the transaction cost, lowering investment minimums, and allowing international investments. Granular customization is the result of single asset tokenization. Lower discount rates are the result of lower risk premiums due to greater information transparency, higher expected liquidity, and improved portfolio management (as a result of granularity).

How Can Blockchain Help Real Estate Operators

Given its size, lack of digital infrastructure, transaction complexities, and illiquidity, the Real Estate industry stands to greatly benefit from blockchain’s value proposition of helping digitize and exchange assets in a decentralized and secure manner. Blockchain’s inherent trust mechanism can be a compelling concept for reshaping businesses and transactions that are traditionally bogged down by inefficiencies. As such, the \$200T+ Real Estate asset class Worldwide- from landlords to service providers, to data providers and others - needs to pay careful attention to this emerging technology and develop a strong understanding of the potential changes that could take place in the market. Blockchain is the technological foundation to create and trade security-law-compliant representations of traditional private assets. On the SQF Coin platform SQF tokens represent ownership claims of private securities on blockchain. SQF tokens allow asset owners to easily convert the rights of individual properties onto the blockchain network, subdivide the asset into individual parcels and create tradeable fractional ownership of property rights.



ASSET TOKENIZATION

Asset tokenization is an area of explosive growth for the blockchain industry. Today, blockchain's application to securities issuance and trading is well underway, and the benefits of its application to many types of securities is becoming better understood. When one

says "blockchain" or "tokenization", many people tend to think about cryptocurrency and token sales, which makes headlines almost every day now. But this is only the hype version of the story.

SQF Coin maximizes the strategic value of their assets having already understood the role of blockchain in achieving security and interoperability of their IT systems.

Once or twice every decade, the IT marketplace experiences a major innovation that shakes the entire data management infrastructure. In recent years, the emergence of cryptocurrencies provided an example of how a financial system can be made robust in a completely hostile environment—fully anonymous, permissionless, distributed, and without any security administrators, firewalls or physical security. Many ideas can be borrowed from that scenario and applied to the much more friendly environment of real asset management. The idea of digitization of all assets and application of programmable logic to the operations with them is very prominent and is getting more and more traction. Tokenization brings guaranteed trust to the processes in the accounting system and increases the value of assets.

The two expressions "a tokenized title to an asset" and "a tokenized asset" are to be used interchangeably.

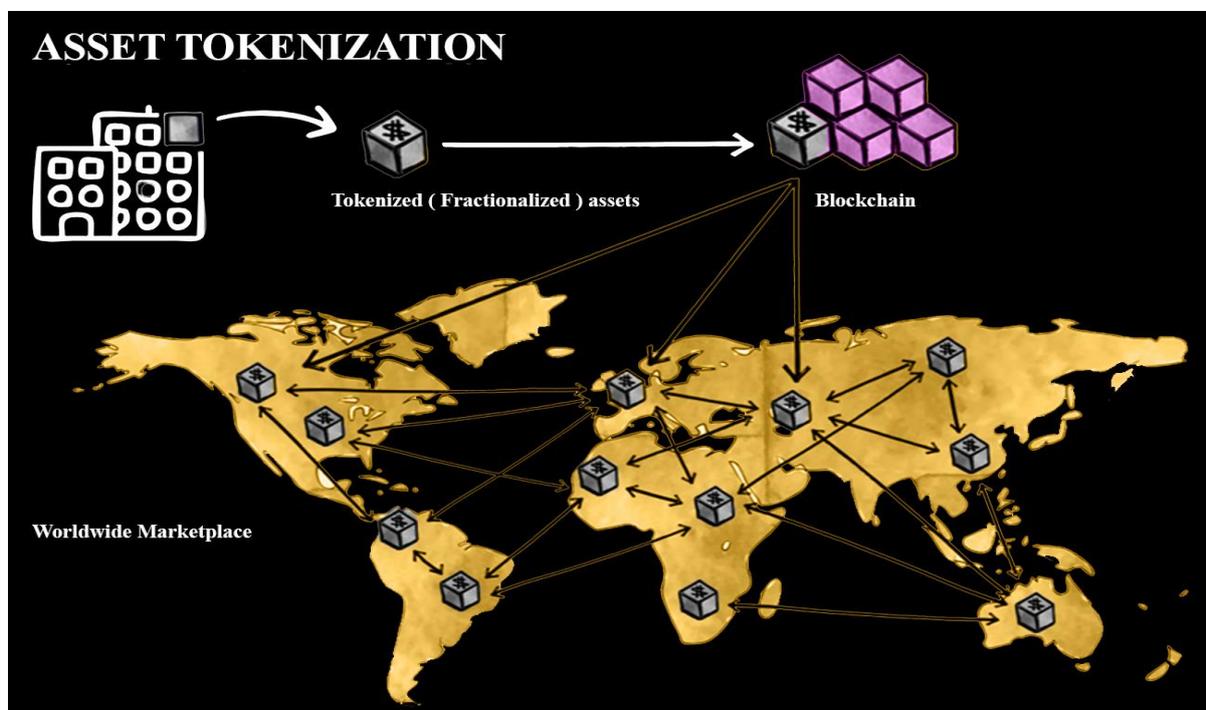


Figure 3 Asset Tokenization

The Big Idea Behind Tokenization

Tokenization is the process of digital transformation of asset accounting and management systems. It has nothing to do with the creation of virtual currencies. Tokenized assets are always issued by a certain business whose role is to perform registration of users, processing of transactions and custodial services. These activities are performed according to the local regulations. Tokenization implies that accounts are managed using cryptographic keys, which results in direct account management instead of mere execution of orders. Tokenization makes accounting systems more secure than traditional database records which makes them transparent, expandable and scalable. Tokenization implies that a blockchain based ledger is the primary source of information. For business, the main benefit is increased liquidity as a result of transaction improvement and technology advancement. From the IT operations perspective, the main benefit is the reduction of TCO of the ecosystem and greater interoperability. Tokenization is an evolutionary step in the transition of accounting from paper to an entirely digital form.

Tokenized Securities

Securities are defined in the U.S. securities law of 1933 passed in the wake of the great market crash 1929. Securities and Exchange Commission (SEC) regulates and enforces federal securities law in the US. Additionally, each state has its own securities regulator who enforces securities sold or persons who sell them within each state.

The term “security” means any note, stock, treasury stock, security future, bond, debenture, evidence of indebtedness, certificate of interest or participation in any profit sharing agreement, collateral-trust certificate, preorganization certificate or subscription, transferable share, investment contract, voting-trust certificate, certificate of deposit for a security, fractional undivided interest in oil, gas, or other mineral rights, any put, call, straddle, option, or privilege on any security, certificate of deposit, or group or index of securities (including any interest therein or based on the value thereof), or any put, call, straddle, option, or privilege entered into on a national securities exchange relating to foreign currency, or, in general, any interest or instrument commonly known as a “security”, or any certificate of interest or participation in, temporary or interim certificate for, receipt for, guarantee of, or warrant or right to subscribe to or purchase, any of the foregoing.”

Tokens

For our purposes, a token is defined as a blockchain-based, digital representation of an asset. A token is an accounting unit used to represent user’s balance in a digital accounting system which allows proving ownership of a corresponding asset.

Tokenization

Tokenization is a process of transformation of asset accounting and management in which the ownership of an asset is represented by a digital token.



Security Tokens

Security Tokens on the other hand are digital, blockchain-based representations of securities. They share the same legal constructs as traditional securities but often enable additional technical features (such as automatic payments, transparent ownership history, and immutable ownership record) by virtue of being on the blockchain. To date, in the U.S., The Federal Trade Commission (FTC), IRS, and Security Exchange Commission (SEC), have provided some guidance around the status of digitally represented assets, but ambiguity remains.

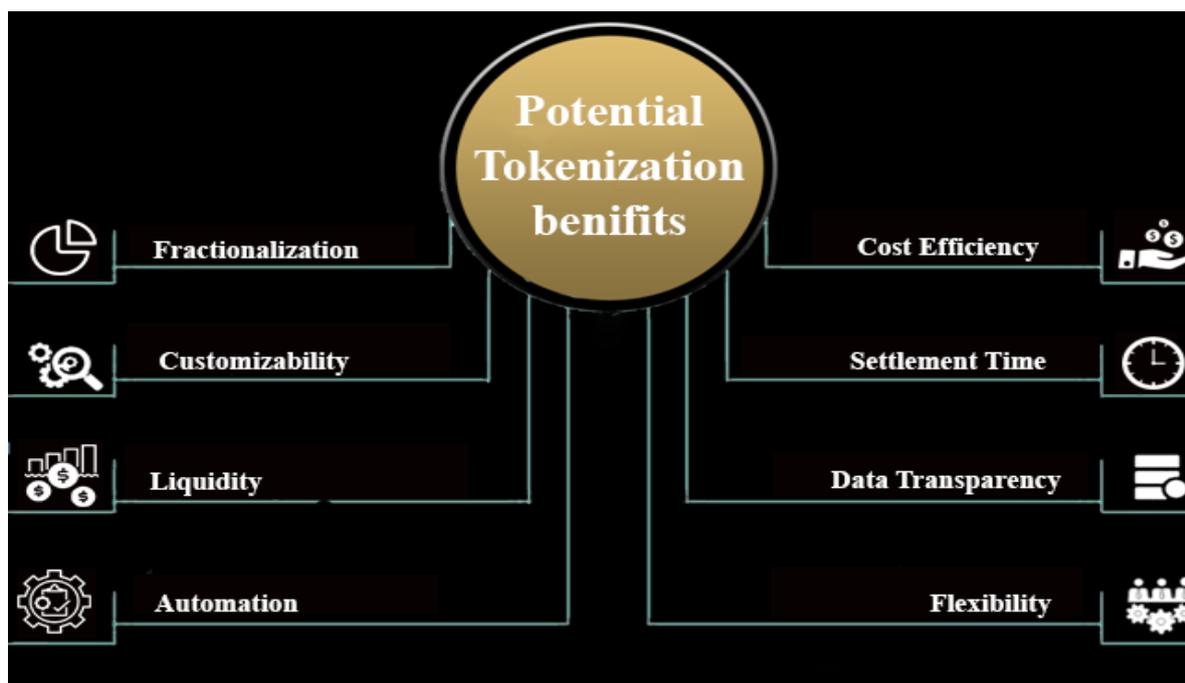


Figure 4 Potential Benefits of Tokenization

Fractionalization

For assets that traditionally have large upfront capital requirements, tokenization lowers the barriers to entry for investment by enabling interests in the asset to be more readily divided across a wider pool of investors, democratizing access to the asset. Fractional ownership is securely managed by a digital register of members on blockchain. New financial products could be distributed to a wider pool of investors at a lower per unit cost, with a fee structure inclusive of an access premium for the previously inaccessible investment opportunity.

Customizability

Tokenization enables exposure to individual Real Estate assets. Consequently, instead of investing in the whole sector, portfolios can be customized down to single buildings.

Liquidity

Tokenization enables liquidity by enabling the secure transfer of shares between investors, with every transaction reflected on the digital wallets of members. With regulatory regimes worldwide embracing the technology and establishing frameworks for the regulation of digital securities exchanges, global public market liquidity for tokenized securities is also well on its way.

Automation

Smart contracts are programmable actions on the blockchain that facilitate the automation of processes such as compliance checks, investor whitelisting, and post-issuance matters including paying dividends and distributions. Smart contracts also enable the programming of tokens with unique qualities, so that characteristics of each share class and customizable fee structures could be created for tokenized assets at a relatively low operational cost.

Cost Efficiency

By removing certain intermediaries and increasing efficiency of processes, costs in general can be lowered. This has been the case with many other tech advances as reduction of inefficiencies are deflationary in nature, consequently resulting in an end consumer that will pay less as the inefficiencies are removed from the systems.

Settlement Time

Tokens can settle in minutes or hours (depending on the underlying blockchain)

This unlocks the capital that is tied in the market which currently settles at T+3/T+2

Transactions in tokenized products can be settled almost instantly, unlike the days or weeks that it can sometimes take to settle traditional financial transactions.

Data Transparency

Blockchain as a distributed ledger technology is known for its immutability and resistance to cyber-attacks, as data is distributed across a network of participating nodes as opposed to a single centralized database. While transaction information is made trackable and visible on blockchain, data anonymity of blockchain transactions are preserved by cryptographic hashes. Secure and visible recordkeeping on blockchain can increase transparency to the underlying data. Especially for complex derivative products, the ability to clearly link a security to its underlying value.

Structured Products

Additional value can be realized once assets are tokenized, and this process enables the creation of additional layered financial products such as an array of assets and derivatives. Since the underlying is tokenized, creating complex products becomes simpler through coded smart contracts.



Flexibility

The above-mentioned elements enable flexibility in investment: fractionalization enables flexible portfolio construction and diversification; operational efficiency and reduced settlement time that allows faster transfer of investment interests; and data transparency brings updated information for investment analysis in real time.

Why is Security Tokenization Applied to Real Estate?

Some of the current features of Real Estate make it particularly attractive for tokenization. In general, a single Real Estate transaction is characterized by a large private market investment, in an opaque data environment. This leads to an investment ecosystem that is rife with slow transaction and settlement processes that include many intermediaries (agents, sellers, buyers, financiers, insurers, among others), redundant verification processes, and redundant information registered in isolated databases and registries. SQF Coin not only provide investors with the ability to liquidate their investments real-time at lower cost (both direct cost and price slippage), but also allows the investment vehicle to maintain less cash and higher investment rates.

By using SQF Coin, an investor can choose to invest in a specific fraction of a property, on a fixed portfolio of properties or on a managed portfolio of properties. Some of the potential benefits particular to this model of Real Estate investing are savings from eliminating intermediaries and the possibility of investing in specific properties with a high rate of returns allowing the investor to customize their investment portfolio. An alternative approach to solving the informational and structural challenges of CRE investment is leveraging blockchain technology to issue a token representing a financial instrument that invests in Real Estate. To date, the most common procedure is to tokenize all or a portion of shares in a SPV that owns all or a portion of a property. The shares of the SPV are held by a custodian who oversees the initial creation of the tokens. Tokens are then sold to investors (to date, only accredited investors) who in the future would be able to trade them according to applicable regulations. In this setting, the issuer would have complete transparency as to the ownership of each token at any point in time. Information, payments, and requests for votes could be transmitted to all token holders simultaneously through their blockchain address. Investors would be able to achieve greater diversification and customizability simply by purchasing property-specific tokens. Issuers could create different tokens for different assets pertaining to Real Estate investing (ownership of the land, use rights, infrastructure, cash-flows from leases, etc). The issuer could also create different classes within each type of token, for example, senior tokens on fixed lease payments and junior tokens for the variable component of commercial leases. The waterfall of payments can be hard coded into the token's contracts, providing both a layer of transparency at creation and compliance and verification upon each payment.



SQF Coin Platform

Legally Tokenizing the Property

In order to legally tokenize a property within the SQF Coin framework, a short series of steps are required to bridge the gap between ownership of a distinct real property and the digital tokens on the Ethereum blockchain that represent that property.

In the SQF Coin platform each property is a discrete property asset. Each property is split into digital token units based on the square foot measure of that property, or SQF tokens. Ownership of any or all of the SQF tokens of a particular property gives ownership interest and certain governing rights. Each of the units of a portfolio is represented by a single unique digital token, or SQF Token, on the Ethereum blockchain. These digital tokens each have a Unique Identification Number (UIN) that is found both in the metadata of the token, and in the Certificate of Formation of SQF Coin.

The deed is the legal document showing who owns the real property, for the real property asset once acquired is held by the General Partner Company. The General partner is the recorded title holder of the real property. The deed is recorded in the county where the property is located and thus ownership of the property by the General Partner Company becomes a matter of public record. Along with the recording of the deed, an affidavit is filed stating that the property listed and described in the deed is owned by the General Partner Company, which has membership interest split with its Limited Partner, each with a distinct Universal Identification Number (UIN) and with each UIN reflected in the affidavit. The affidavit is a redundant mechanism for linking ownership of the deed to the membership interests of the Partners.

SQF Coin General Partner and Property Management

SQF Coin has its own limited partnership Operating Agreement and each property transacted will be governed through a General Partnership agreement. The Operating Agreement is an internal document of SQF Coin that defines the governance and operation of the General Partnership and SQF Coin (Limited Partner) and the relationships between partners, limited partners and the various Token holders. The General Partner Company (Solstice Venture Properties) sets the specific terms and conditions which define the partnership operation in relation to the property and the members of the partnership, SQF Token holders.

A primary objective of the Partnership Agreement is the significant management of the properties to be held by the General Partner Company, while sharing ownership rights with the SQF Token holders. Under the General Partnership Agreement, the authority to manage the day-to-day operations of the real property assets owned by the partnership. The purpose of this operating structure is to limit and shield the responsibility of SQF Token holders with the underlying asset. The General Partner Company will keep the obligations to give maintenance of assets held, crucial decisions such as the intent to sell, restore, remodel, or rebuild the property, or deal with any other unforeseen circumstances that are required. The General Partner Agreement gives quorum to the General Partner to take decisions and execute on behalf of the Token holders.



Property Management structure

For portfolio properties being held for rent, SQF Token holders are not able to manage the properties they have an interest in as a traditional landlord. It is unrealistic to expect numerous token holders from across the world to coordinate complex day to day property management decisions. A specific type or arrangement is required in order to make the upkeep and rental collection smooth, so the value of the investment is preserved. Consequently, the General Partner Company (SVP) is necessary in order to upkeep the property and manage all landlord responsibilities. The Limited partner, SQF Coin holders, are paid a portion of the rent collected from the tenant via smart contract obligations built in the blockchain. The General Partner Company allows for minimum necessary involvement of the SQF Token owners. This management and ownership structure will ensure and safeguard the future of all units being held in the portfolio. This careful relationship also ensures that any liabilities arising from the portfolio of properties are not passed to SQF Token holders.

About SQF Tokens

SQF Tokens are electronic, cryptographic, digital tokens to be issued as Ethereum-based smart contracts on the Ethereum Blockchain. The protocol, or code, for the SQF Token smart contracts has been designed based on the open-source ERC-20 standard. SQF Tokens are effectively a digital membership interest backed by the underlying value of the Real Estate asset being held. Each SQF Token represents a membership interest in a particular property made available on the SQF Coin platform. For each introduced SQF Coin platform property, there will be a limited number of tokens contained inside the SQF Coin Smart contract that is unique to each portfolio owned property. While all SQF Coins are equal, they are not fungible. Each SQF Coin has a designated universal identification number, or UIN, that is required for linking the SQF Coin to ownership of the membership interest in the Real Estate made available in the platform. The distinct UINs will be listed in the certificate of formation of SQF Coin, which will be updated and amended to reflect the acquisition of the SQF Tokens by the token holders in each property and posted on the Ethereum blockchain. This will allow anyone to search the Ethereum blockchain to identify the Ethereum digital wallets that own any or all the SQF Token interests in any SQF Coin.

The SQF Token

The governing currency on the SQF Coin platform is the SQF Token. SQF Token is a utility token designed to enable participants to utilize the decentralized platform. SQF Token will consolidate Real Estate assets in a global way by connecting Real Estate investment funds and the platform. SQF Coin embraces decentralization by leveraging the Ethereum blockchain and utilizes smart contracts to allow investors in the platform to connect in a simple and secure way.

The SQT token is ERC20 compliant token, meaning it follows a common list of rules within the Ethereum blockchain and is therefore built in the core operating system on the SQF Coin platform.



Investors can transact by interchanging SQF Coins via the SQF Token smart contracts, which will facilitate access to key functions, namely:

- Creation of new Real Estate listings
- Investment in Real Estate targeted opportunities
- Distribution of Real Estate income

The token is limited by design. Demand for SQF Coins will therefore be driven by the volume of transactions going through the platform. We anticipate that, as SQF Coin grows and connects more Real Estate opportunities with the platform, demand for the SQF Coins will increase substantially. The token will be tradable via crypto exchanges, letting traders and enthusiasts acquire the token when they are bullish about the success of SQF Coin.

SQF Coin Token Economics & ICO

- SQF Coin Token Symbol: SQF
- Token Decimal: 18
- Project Protocol: ERC20
- Initial Supply of SQF Coins: 1,000,000,000

SQF Coin is a utility token to be used within the SQF Coin ecosystem. During each platform listing phase you will be able to acquire a different number of SQF Coins tradable for BTC, ETH and USD.

Highlights of the Offering

- The SQF token aims to provide each Purchaser with the opportunity to directly invest in targeted US Real Estate assets.
- The first digital Real Estate platform leveraged on blockchain technology.
- Smart Contract ERC20 Compliant tokens
- Transparency and full disclosure of financial records.
- Compliant KYC/AML purchase of Tokens.

The governing currency on the SQF Coin platform is the SQF Token. SQF Token is a utility token designed to enable users to utilize the decentralized platform.



Legal Disclaimer

Please carefully read the information below. If there is anything you do not understand or if you have any questions, get in touch through our social channels or email us at info@sqfootCoin.com. All information outside this disclaimer will be considered null and void. The sole objective of this white paper is to present the SQF Coin project to potential token holders in connection with the planned Token benefits. The information outlined in this whitepaper may not be exhaustive and does not indicate any elements of a contractual agreement. Details of this whitepaper are not binding for SQF Coin, while SQF Coin reserves the right to change, modify, remove or add content to the document for specific reasons at any time before, during or after the SQF Token Sale. Changes and updates to the white paper will be published on the SQF Coin website - www.SQfootCoin.com. The whitepaper does not consist of investment, legal, tax or regulatory, financial or accounting advice and is not intended to provide the sole basis for any evaluations of a transaction on the acquiring of the SQF Coins. Before obtaining SQF Coins, a prospective purchaser should consult his/her legal, investment, tax, accounting advisor to determine the potential benefits, risks and other consequences of such a transaction. Nothing shall be deemed to constitute a prospectus of any sort or a solicitation for investment within the whitepaper, nor shall it in any way relate to any form of offering or solicitation in any jurisdiction to the purchase securities. This whitepaper is not composed by and is not subject to laws or regulations of any jurisdictions which prohibit or in any manner restrict transactions in respect of, or with use of digital tokens or cryptocurrencies. The SQF Token is not a form of financial instrument or digital currency, and hence it is not registered according to the Securities Act of 1933. The act is also shown in the securities laws governing any state within the United States of America or securities laws of any other country which also includes the securities laws of any jurisdictions in which any potential token holder is a resident. The SQF token should not be offered, distributed, sold or

SQF Coin automates regulatory compliance like anti-money laundering (AML) and “know your customer” (KYC) verification. This allows private securities to be issued as Security Tokens by asset owners and compliantly traded them between accredited investors on the blockchain.

otherwise dissociated by their holders to citizens and legal people that have their residence, location or their seat of incorporation in the country or territory where transactions with digital tokens are prohibited or in any manner restricted by applicable laws or regulations. Purchasers of the SQF Coins should remember that attention will be drawn to some statements and financial information contained in the whitepaper comprising forward-looking statements. These forward-looking statements or information involve risks and uncertainties which could cause a difference in results, estimates or implied results or expressed in these forward-looking statements. The English version of the white paper is the primary official source of information about the SQF Coin token project. All the information contained in the English version may subsequently be translated into other languages. During such translation, some of the information provided in the English whitepaper version may be lost, corrupted or misrepresented. The accuracy of such conversion cannot be guaranteed. In the event of any conflicts or inconsistencies between translations in other languages and the official English whitepaper version, the English whitepaper version shall be considered as the original document.

The Initial Coin Offering (ICO)

This SQF Token aims at raising funds to “tokenize” a diversified portfolio of Real Estate assets located in the US. The SQF Token aims to tap regular investors in financial and capital markets. This ICO intends to be fully compliant with all KYC/AML and tax obligations and securities regulations. The ICO (i) brings a unique opportunity to access, through a low-cost/tax-efficient structure, the US Real Estate market, (one of the secure and fastest-growing markets in the World), (ii) It relies on the expertise, proven track record and credibility of the Solstice Venture Properties teams and (iii) is conducted through a simple, direct and innovative way using a blockchain-based technology asset known as “SQF Coin” (the “Token”).

Eligibility

Solstice Venture Properties Inc, the General Partner, is a company incorporated under the State of Wyoming, subject to the provisions and obligations related to Anti-Money Laundering (“AML”) and Know Your Customer (“KYC”) procedures of the State of Wyoming. This ICO is intended for qualified investors and international purchasers worldwide, excluding persons with residence/nationality from any country where the purchase of cryptocurrencies is legally forbidden. In addition to persons located in any of the jurisdictions blacklisted by the Organization for Economic Co-operation and Development.

Legal Disclosures

This Whitepaper provides information in connection to an opportunity for the acquisition of a security token that will grant purchasers economic exposure to US Real Estate properties. The tokens will not provide legal ownership over the targeted assets. This Whitepaper does not constitute a prospectus, an offering memorandum and/or any other offering document relating to the Issuer and has not been reviewed or approved by any financial regulator or securities commission in any jurisdiction. Investing in digital Tokens involves several risks. There can be no



guarantee that Token holders will be able to receive a payback of their invested capital or any positive returns on their purchase of tokens. Prior to investing in digital Tokens, prospective purchasers should carefully consider the section “Risk Factors” of this Whitepaper, which despite not providing an exhaustive list or explanation of all the risks purchasers may face when investing in Tokens, shall be used as guidance. Prospective purchasers should consider carefully whether a purchase of Tokens is suitable for them considering the information herein and their personal legal and financial circumstances. Unless otherwise indicated or the context otherwise requires, all references in this Whitepaper to “Issuer”, “we”, “our”, “ours”, “us” or similar terms refer to the Issuer.

Forward- looking Statements

This Whitepaper may contain estimates and forward-looking statements which are mainly based on the current expectations and estimates of future events and trends that affect or may affect the business, financial condition, results of operations, cash flows, liquidity, prospects and the envisaged valuation of the Tokens. Although we believe that these estimates and forward-looking statements are based upon reasonable assumptions, they are subject to many significant risks, uncertainties and are made in light of the current available information. Forward-looking statements speak only as of the date they were made, and we do not undertake the obligation to update publicly or to revise any forward-looking statements after we distribute this document because of new information, future events or other factors. Considering the risks and uncertainties described above, the forward-looking events and circumstances discussed in this document might not occur and future results may be materially different from those expressed in or suggested by these forward-looking statements. Forward-looking statements involve known and unknown risks, uncertainties and other factors which may cause actual events or results, performance or achievements to differ materially from the estimates or the results implied or expressed in such forward-looking statements. These factors include, amongst others:

- Changes in political, social, economic and stock or cryptocurrency market conditions, and the regulatory environment in the countries in which the Issuer conducts its businesses and operations.
- The risk that the Issuer may be unable to execute or implement its respective business strategy and future plans.
- Changes in interest rates and exchange rates of fiat currencies and cryptocurrencies.
- Future Federal Reserve actions pertaining to money supply and interest rates
- Future Regulatory actions on Federal and State level
- Any direct or indirect correlation with other cryptocurrencies currently in the market
- Changes in the anticipated growth strategies and expected internal growth of the Issuer.
- War or acts of international or domestic terrorism.
- Occurrences of catastrophic events, natural disasters and acts of God that affect the businesses and/or operations of the Issuer.



- Other factors beyond the control of the company. The company disclaims any responsibility to update any of those forward-looking statements or publicly announce any revisions to those forward-looking statements to reflect future developments, events or circumstances, even if new information becomes available or other events occur in the future.

The disclaimer of implied warranties contained in these Terms may not apply if and to the extent such warranties cannot be excluded or limited under the Applicable Law of the jurisdiction in which you reside.

Contact Information:

Solstice Venture Properties INC

Email: support@sqfootCoin.com

© 2021 SmartContract SQF Coin Limited

All rights reserved. All trademarks, logos and service marks displayed on the Portal and the SQF Coin's network are our property or the property of other third parties.

