



**Blockchain
Property
Gate**

Democratizing the access to sustainable and affordable real estate

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Disclaimer and abstraction

The purpose of this Whitepaper is to present Blockchain Property Gate – a security token in the real estate sector offering profit participation rights – to potential investors who want to participate in the upcoming Security Token Offering (“STO”) of the Blockchain Property Gate company. The information set forth below should not be considered exhaustive and does not imply any elements of a contractual relationship. Its sole purpose is to provide relevant and reasonable information to potential token holders in order for them to determine whether to undertake a thorough analysis of the company with the intent of acquiring BPGT Tokens.

Nothing in this Whitepaper shall be deemed to constitute a prospectus of any sort of a solicitation for investment. The document is not composed in accordance with, and is not subject to, laws or regulations of any jurisdiction which are designed to protect investors.

Certain statements, estimates, and financial information contained within this Whitepaper constitute forward-looking, or pro-forma statements, and information. Such statements or information involve known and unknown risks and uncertainties which may cause actual events or results to differ materially from the estimates or the results implied or expressed in such forward-looking statements.



Abstract

Residential real estate has been the best investment one could make in the past 140 years from a risk-return point of view.

The real estate sector is still considered one of the best industries to be in for retail investors today due to its great return to risk ratios. However, properties are much more than merely an investment for most people. According to the World Health Organization, affordable housing is one of the most basic human rights, yet fewer people have access to it. Even in developed countries, many cannot afford to have their own home and are usually forced to either cope with recurring rent costs every month that sometimes amount to more than 30% of their income, or to get a bank loan that eventually outgrows the initial value of the purchased property twice, even at comparatively low mortgage rates of about 2%.

Affordable housing has indeed become a global issue — over the last 7 years, property prices in Europe have increased by nearly 50% on average. Even strong economies like Germany are experiencing a shortage of housing with the government greatly reducing new development projects despite the skyrocketing demand.

The increased prices of real estate have raised the entry capital requirements to the point where banks have become an integral part of the equation - very few people today can become homeowners without getting a loan that they need to pay over the course of the next 25 to 30 years on average. While banks have been the fuel for that growth with easy and cheap access to capital, with the recent turmoil in the global economy and the FED raising interest rates, the system is in danger. With access to capital becoming more restricted for banks, the increased payments on borrowers' mortgages due to rate indexations could easily tip over the equilibrium, a possibility that became a reality during the global financial crisis in 2007 and 2008.

With the advent of blockchain technology and cryptocurrencies, asset tokenization for real estate presented a new possibility for investors. Real estate tokenization allows for properties to be broken down into fractional shares that are securely stored on



distributed ledgers and can be transferred from one entity to another. This enabled multiple investors to co-own a single property and share any proceedings made by it such as rent payments, while benefiting from the asset's value appreciation over time. The initial investment required to start investing in real estate was thus dramatically reduced, banks were no longer part of the equation and the shares could be sold or acquired quickly and easily. However, despite its numerous advantages, asset tokenization has yet to capture a considerable market share. Moreover, it does not really provide a solution to the issue with affordable housing that many people are faced with.

The Blockchain Property Gate project has made its mission to revolutionize the real estate sector by democratizing the access to affordable housing, make real estate investments accessible to all investors and solve the issue with the discrepancies in the supply and demand in the industry. The project focuses on utilizing a specific selection methodology developed by real estate experts with long standing experience to acquire buildings at competitive market prices. Blockchain Property Gate will then rent out, renovate and sell the housing units of the buildings, resulting in a good balance between recurring and short-term cash flow, as well as long-term returns and value appreciation.

Blockchain Property Gate introduces a revolutionary methodology for renovation that is cost- and time efficient and provides a higher degree of flexibility through modularity. Every building and its underlying housing quarters can be adjusted to the preferences of new tenants or owners, which allows for faster turnover and higher degree of customization. The team behind the project has managed to develop this methodology and perfect it from a financial and operational standpoint based on the success of multiple past projects. Blockchain Property Gate adopts a sustainability framework that encompasses a wide scope of social, cultural, ecological and economic factors, providing a whole new look at the market and the pathways towards the resolution of its biggest problems like affordable housing.

The project introduces a Security token based on the Ethereum blockchain and the ERC1400 standard. The token will give its holders access to profit sharing rights that amount to 30% of the net profit of Blockchain Property Gate. Through a Security Token Offering (STO), the company will initially raise up to 100 million EUR, around



65% of which will be entirely dedicated towards the acquisition of market-ready and occupiable properties and the operational expenses, as well as any legal costs incurred in the process. This is the first step that will secure a solid basis for the token, which will give investors an utmost degree of security, as their investment will be supported by tangible assets that appreciate in value. The second goal will be to acquire 3000 housing units in total with a market value of about 550 million EUR. From there, the tried and tested operational model of the company will allow it to grow over time by repeating its operational model, acquiring more properties and increasing its net profit, resulting in higher payouts for investors over time and Blockchain Property Gate becoming an international force on the real estate market, but more importantly — the driving factor behind the paradigm shift that the industry needs.

The Blockchain Property Gate project's mission is clear — to solve the issue with affordable housing by introducing a whole new framework for the real estate sector. The goal is to make affordable housing a reality, provide an alternative to the current system that heavily relies on banks and low mortgage rates and make real estate a more accessible and worthwhile investment for everyone.



Industry overview

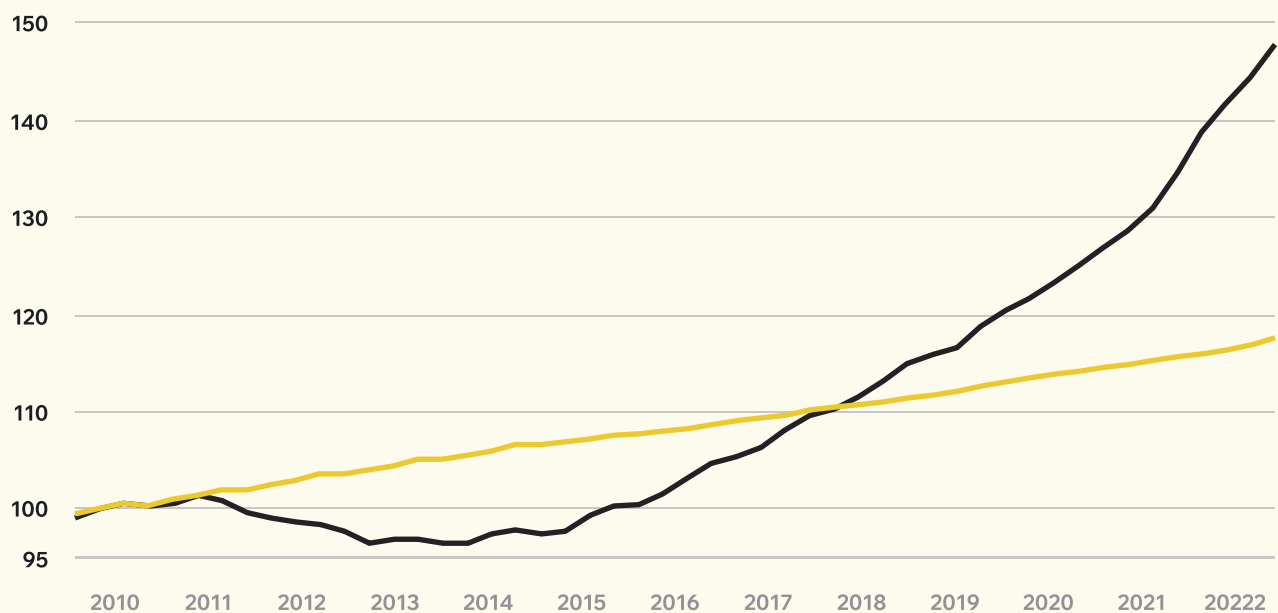
The real estate sector and its unprecedented growth

House prices in the EU rose by nearly 50% over the last 7 years.

Prices of properties have been historically always on the rise. The real estate sector consists of some of the most quickly appreciating assets in our modern economic world on a global scale. However, since 2015, the growth has been unprecedented.

House prices and rents in the EU

Estimated share of global plastic waste by disposal method.

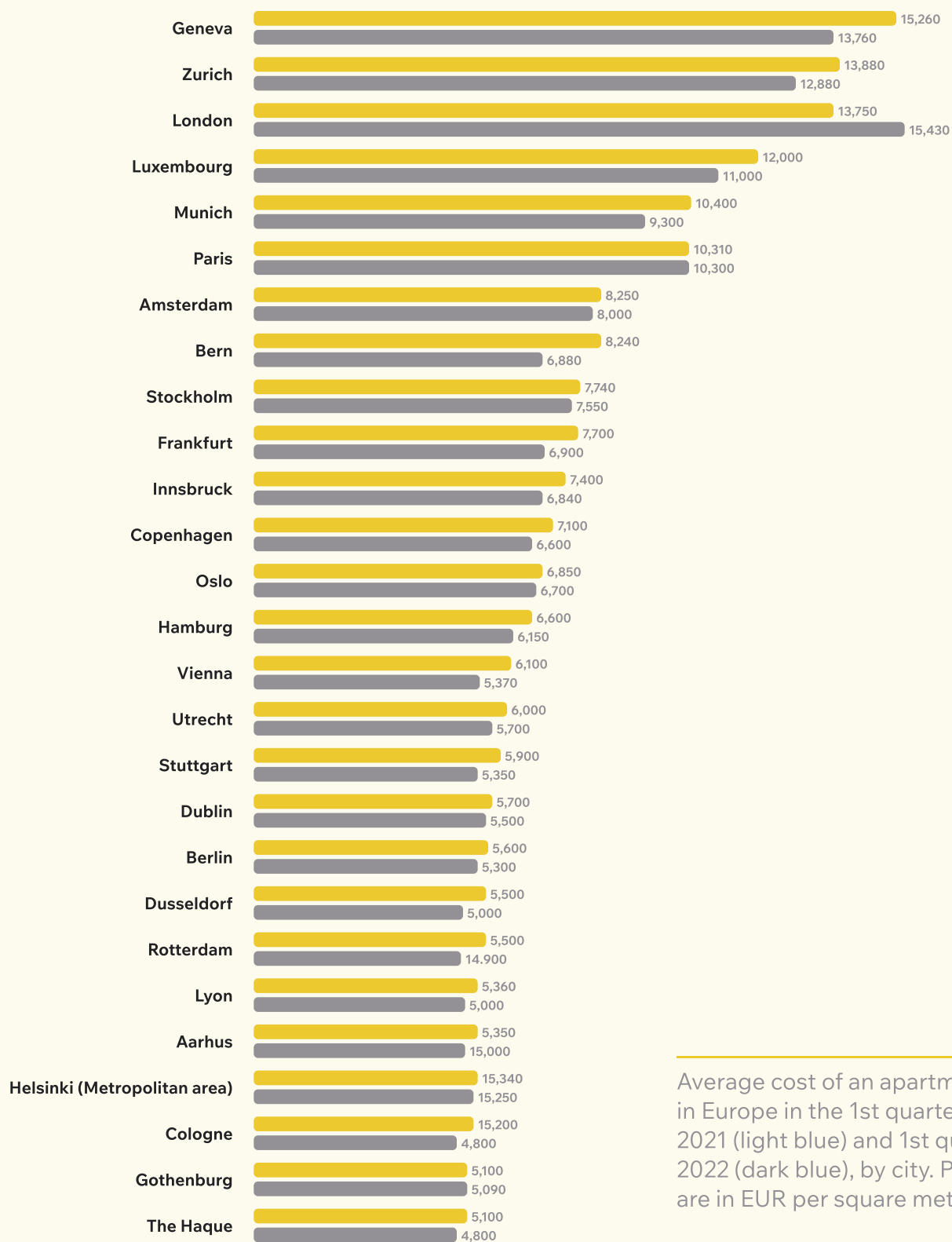


Growth of house prices and rents in Europe since 2010. The graph focuses on depicting the growth as percentage rather than absolute values, with 2010 presenting the baseline factor of 100, which increased to almost 150 in 2021 or 50%. Considering that between 2010 and 2015 prices of real estate did not change much, the growth is largely attributed to the timeframe between 2015 and 2022 - merely 7 years. Source: Eurostat

In some areas of Europe, the growth was much higher than Europe's average — in Austria, the increase surpassed 70% over the said period. In Estonia, prices even

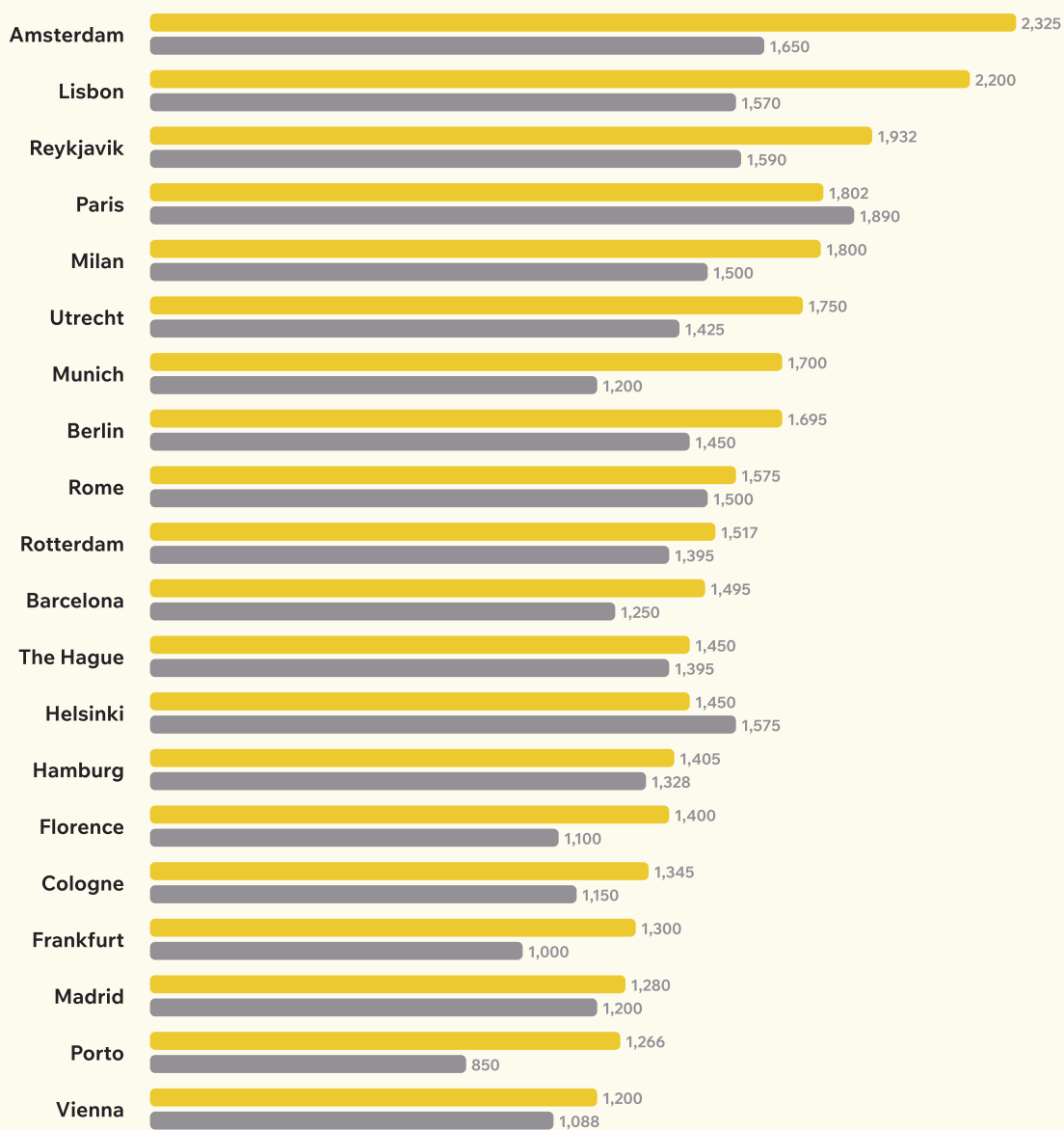


tripled. Just between 2021 and 2022 in the EU, the rise in residential property prices was nearly 10% on average. Now, real estate prices have reached levels that even some of the most renowned experts in the industry did not foresee.



Average cost of an apartment in Europe in the 1st quarter 2021 (light blue) and 1st quarter 2022 (dark blue), by city. Prices are in EUR per square meter

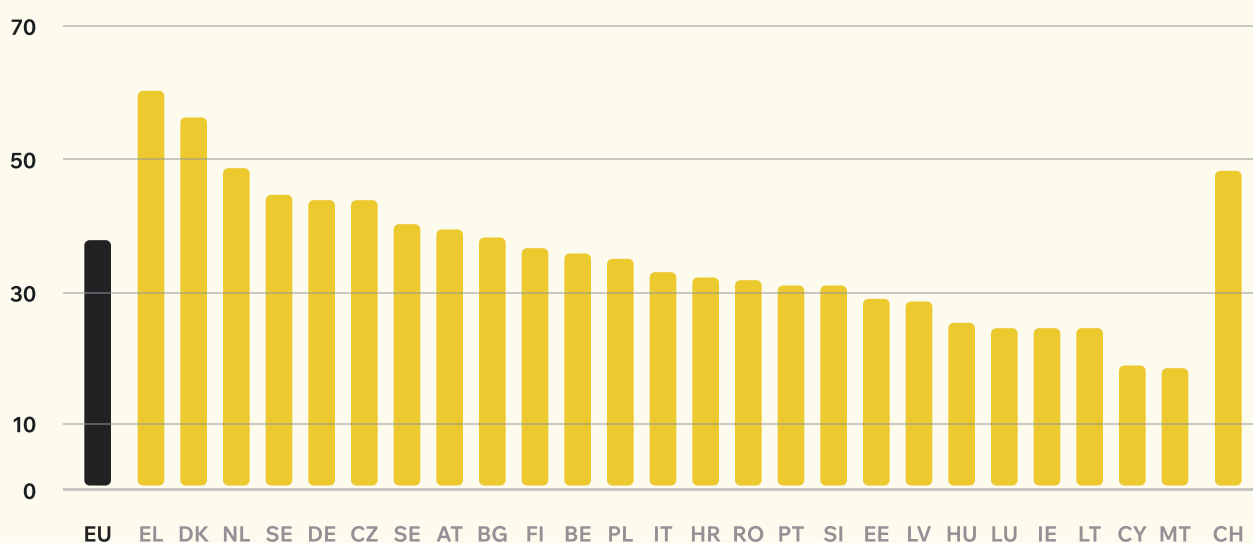
When it comes to rents, the levels have not increased as rapidly, yet in some areas, and especially over the last couple of years, they have started to catch up with the prices of properties.



Average monthly rental cost of a furnished one-bedroom apartment in select European cities as of 3rd quarter 2021 and 3rd quarter 2022. Germany is the country that is most heavily represented in the list with the highest growth of rent prices in 5 major cities. Source: Statista

Housing affordability — the dire truth

Even in Europe, we observe how the rising property prices are taking a toll on people's budgets, especially those that have less income and are thus considered closer to the poverty line. Eurostat has provided a good methodology for measuring the impact on the rising prices of properties and rents, more specifically through observing the housing cost overburden rate and the percentage of disposable income that goes to cover housing costs. According to the methodology, people who could be considered as at risk of poverty are classified as having a disposable income of below 60 % of the national median income. Eurostat concluded that even in some of the most developed European countries, people falling under this category are struggling.



Housing costs in disposable income — for people with a disposable income below 60 % of the median income, 2021 (in %). The average for the EU was at 37.7 %, with Germany (43,8%), Sweden (44,4%), The Netherlands (48,0%), and Greece (60%) leading the charts.

According to a broad definition, housing can be considered affordable if its cost (mortgage or rent) is below the 30% of the disposable household income. This does not seem to be the case in the EU area, where the current rate for people with a disposable income of below 60% is standing at nearly 38%.

Another way to analyze the developments in real estate prices is the Housing Affordability Index (HAI). This index is calculated separately for every country by

dividing nominal house price by nominal disposable income per head. In many countries this index is indicating that housing is far from affordable. In Germany, for example, the most populated country in Europe, since 2015, house price growth has outpaced income growth by 33%. This was much higher than the Euro area 16 average.

The data presented above is conclusive. While some investors who have gotten in on the train some years ago might cheer at the skyrocketing prices of real estate, there is a considerable issue developing that needs to be addressed.

Housing is becoming less and less affordable everywhere around the world.

The World Health Organization has been raising awareness of the issue for decades. The Council of Europe, United Nations and many other organizations are also claiming that affordable and adequate housing is an essential part of quality of life. The UN formulates in Goal 11 of its 2030 Agenda the need to make cities and human settlements inclusive, safe, resilient and sustainable. This includes, among other things, providing adequate, safe and affordable housing, reducing the per capita environmental impact of cities, and strengthening capacities for participatory, integrated and sustainable settlement planning and management. More than 1.8 billion people live in informal settlements or inadequate housing with limited access to essential services such as water and sanitation, electricity and are often under threat of forced eviction.

Problems with housing in Germany

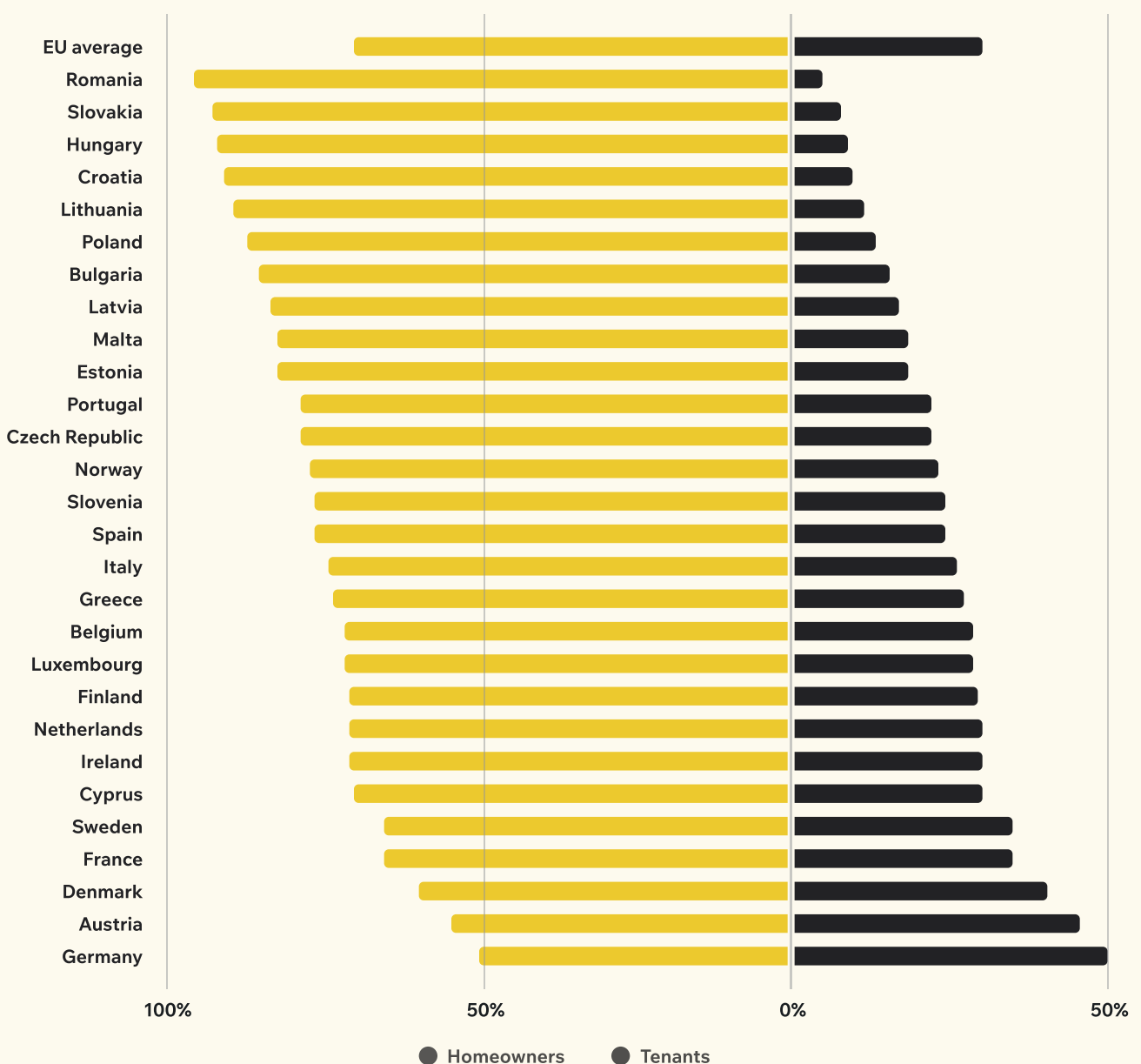
There is a shortage of 1.9 million affordable apartments in 77 major German cities. This includes around 1.4 million apartments under 45 square meters for single-person households.

Soaring German property prices are turning affordable housing into a dream for many. Germany, despite being one of the strongest economies in the world, has an ongoing real estate crisis that is starting to take its toll on the population. The prices of real estate are on the rise, surpassing the rates of many other European countries — especially around cities and in regions with strong economies. The DACH region



(Germany, Austria and Switzerland), together with the UK, is at the forefront of the rankings for the most expensive places to live in Europe.

Industry experts in Germany claim that the demand is quickly outgrowing the supply — the country needs approximately 700.000 new housing units per year. This number is far beyond what the government has committed to — 400.000 new apartments every year — and even further what is currently being achieved. In 2022, the number of new housing units amounted to 280.000, which is lower than the 300.000 that were built in 2019.



Share of homeowners vs tenants in Europe (2021). Germany has the lowest rate of home ownership.

The DACH countries (Switzerland, Germany, and Austria) have some of the lowest homeownership rates, with less than 60 percent of the population living in an owner-occupied home.

Considering that the DACH region has the lowest ownership rate, this translates in a comparatively higher share of renting compared to owning a home. However, as we saw earlier, rents are also skyrocketing:

In just a year, rents across most major European cities surged: A furnished one-bedroom apartment in Berlin cost on average almost 1,700 euros in the third quarter of 2022, up from about 1,500 a year ago.

The German Tenants' Association forecasts a shortage of 1.5 million apartments in Germany by 2025. The biggest issues are in metropolitan areas, university towns and big cities, especially where there is a concentration of work. Furthermore, current housing costs tenants around 14-15 euros per square meter on average, however, the optimal rate that is considered affordable is estimated to be 10.5 euros per square meter.

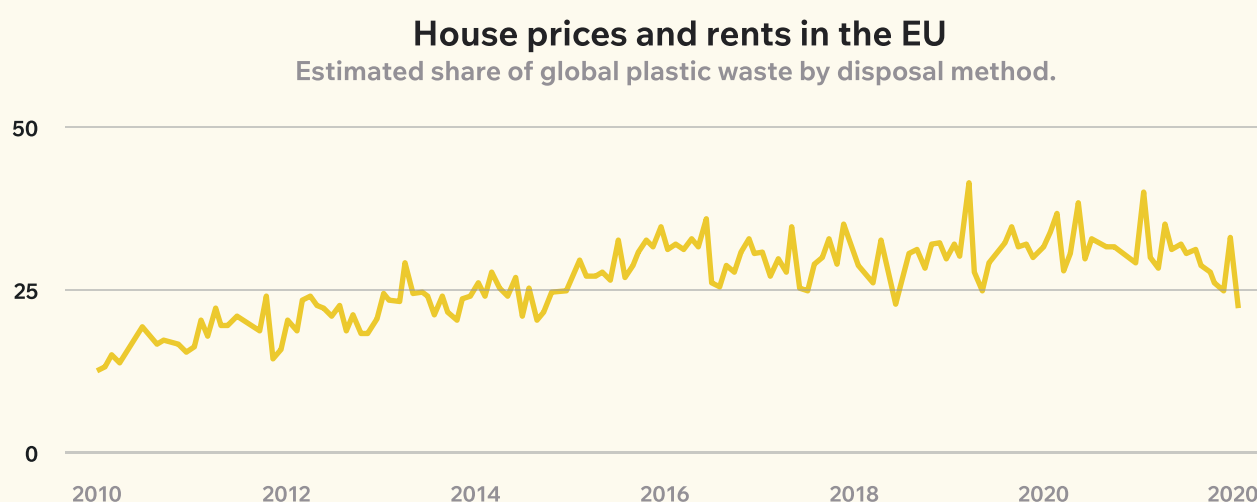
According to the German National Bank, real estate assets are overvalued by up to 40%.

The German state has been increasingly criticized over the last years for failing to ensure good conditions for affordable housing. Of the nearly 300,000 new homes built in 2019, less than one-third were traditional rental housing and less than one-tenth affordable social housing. While certain social initiatives to support selected groups have been somewhat successful, the average German citizen is struggling. Students are also feeling the pressure, as university towns and big cities are among the areas where real estate price increases have been felt the most - the price of a shared room (WG-Zimmer) has increased by an overall 9,4% from 2021 to 2022.

While the demand for new housing is rising exponentially, the rate at which new real estate projects are initiated is too low to meet the market expectations. The issue with the discrepancy between the demand and supply is expected to deepen even further based on the latest developments from political, economic and market standpoint.



There are two main reasons for this reality. First, the supply of housing is increasing slowly, especially in cities due to the limited available space as well as higher labor and materials costs for homebuilders. FitchRatings reports that German building firms have been struggling to meet deadlines over the last two years and many projects have halted operations due to supply chain disruptions. This could result in lower incentives for future development projects. Furthermore, costs might further increase due to the new energy efficiency targets for existing buildings and the need to accommodate Ukrainian refugees, which might require up to 300,000 new homes alone.



Number of approvals for new real estate development projects in Germany are on a steep decline. Building permits for new construction in January 2023 are down -25.5% for single-family houses, -48.4% for two-family houses, -28.6% for multi-family houses.

The other main reason is the legal requirements for new development projects that are getting increasingly more difficult to overcome, especially when factoring in the rising costs. In fact, the current processes of bringing a new real estate project to life have been extremely cumbersome and slow for a long time. There are multiple state organs that are responsible for the construction of new real estate - they have limited rights and decision power as to what buildings can be built at which locations and how exactly. In Germany there are 3700 building regulations in total, which leads to a lot of inefficiencies of the whole process and different regulations in every province. Despite the state of the current system, positive changes in this area are not on the horizon.

Furthermore, a new law that is aimed at adding additional requirements for new buildings in terms of energy efficiency became a controversial topic of debate after claims that it is going to deepen the crisis even more. Nevertheless, the law is expected to come into effect next year.

The reality is at hand - according to companies in Germany, the construction of new projects in the second half of last year among private house builders was in a standstill.

The lack of new real estate development projects and the currently rising demand are already introducing scarcity in the market, which is one of the reasons why prices are so high. The banking sector is reporting that the prices of real estate are outgrowing inflation, even at its current rates that are some of the highest in the history of our financial system. However, one potential solution lies within the already existing structures that were built over the last centuries. According to leading German medias:

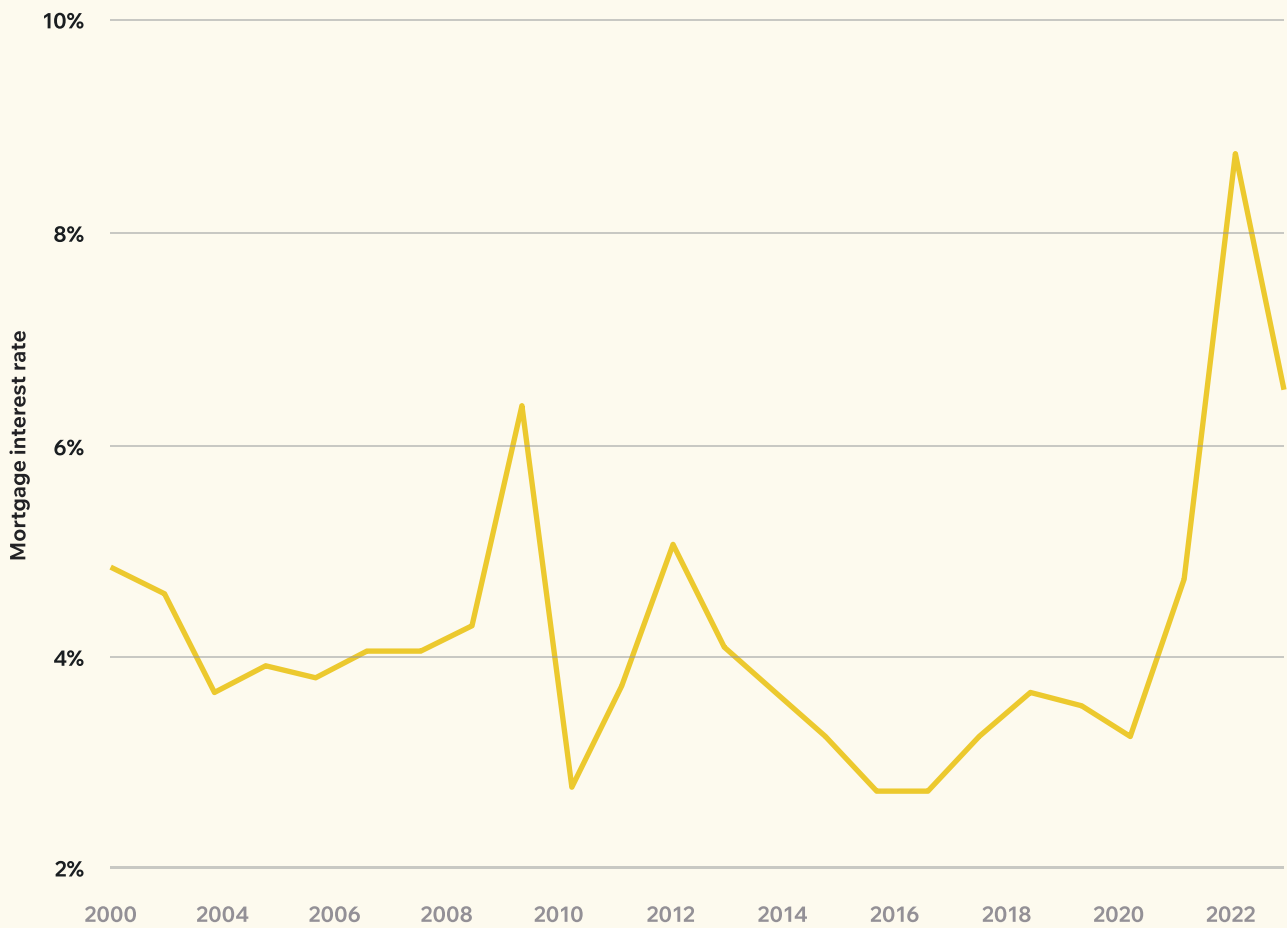
Germany has a large quantity of old but functional buildings which can benefit from efficient and practical solutions.

Main reasons for the issues in the sector

We have seen the harsh reality surrounding the real estate sector, even in strong economies like Germany. This raises the question of how we got where we are now. There are numerous reasons, the most notable of which are:

Economic factors: Economic factors such as the previously low mortgage rates, which resulted in higher demand, and inflation levels, are among the driving factors for the rise in property prices, especially in developed economies. Inflation has surpassed the levels we observed during the previous financial crisis.

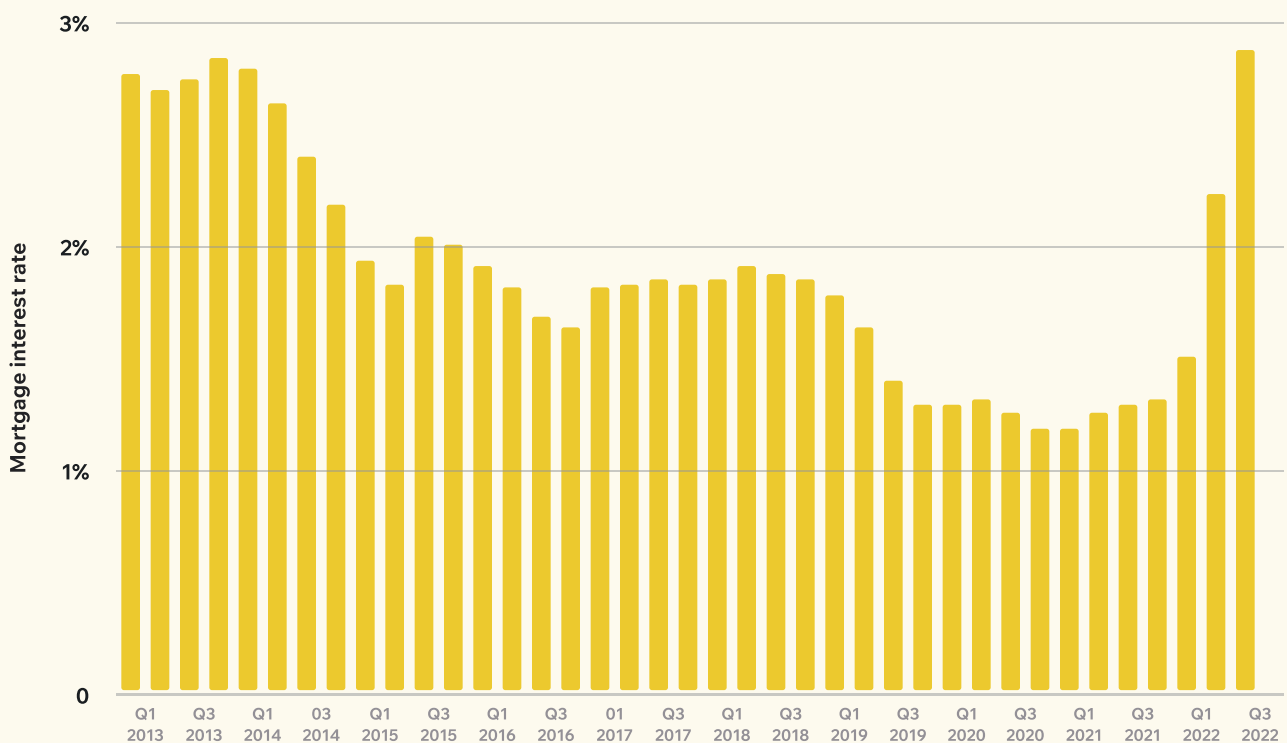




Global inflation hit a 20 year all time high of nearly 9% that was more than 2% higher than the ATH during the previous financial crisis.

The Federal Reserve has started raising interest rates in order to tame it, which is also causing mortgage interest rates to spike. For many people today, banks are the only way to afford a home, and while mortgage interest rates have been historically low between 2019 until the beginning of 2022, they have started to increase again lately:





Mortgage interest rate in Germany from 1st quarter 2013 to 3rd quarter 2022. There is an interesting connection between the rise in interest rates and the increased reduction in affordability of housing

Between 2010 and 2021, mortgage rates and saving accounts interest rates were both record-low, which caused many to borrow and invest in real estate. However, the shock increase of interest rates at the end of 2021 as a consequence of the base lending rate hikes introduced by banks to tackle the soaring inflation shook markets, especially stocks but also real estate. As borrowing costs increase, buying a home becomes less affordable and less home sales take place.

The current system of ever increasing demand and supply for homes is designed to work properly only if interest rates remain low over a long period of time. With the rising interest rates, the days of cheap capital are gone, making affordable homes an even more difficult target to achieve. Additional factors such as the recent turmoil in the banking sector with several bank runs, as well as a possibility of a recession based on what the bond market players are telling us (inverted yield curve), are additional factors that could deepen the crisis.



Population growth and migration: Another important factor is the growing population that is the most basic drive for the increasing demand. Over the next 20 years, the world's population is estimated to increase by approximately 1.4 billion people and reach an estimated 9.2 billion by 2040. Additionally, the higher migration levels to developed countries caused by various factors such as geopolitical conflicts are also contributing to a considerable extent.

Overpopulation of urban areas: The increasing degree of urbanization is one of the other factors that drives prices up. Today, more than 55% of the world's population lives in cities. This trend is expected to continue, with the urban population more than doubling its current size by 2050. Concentration of work in cities is causing many to migrate from rural areas, leading to high concentration in metropolitan areas. Combined with the scarcity of land and the need for infrastructure developments to accommodate the rising population growth, this trend will continue to be one of the main causes for the increasing prices of real estate.

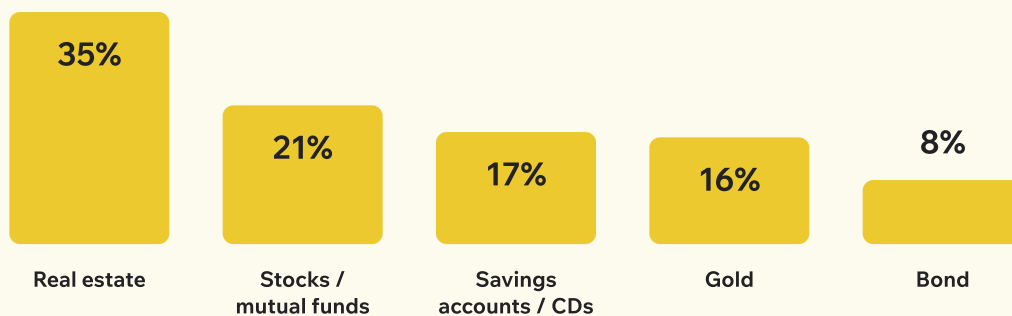
Lack of political support: We already discussed how the lack of political support in some countries like Germany is interfering with the equilibrium of supply and demand for new homes, which is also a reason for the rising prices.

Investing in real estate

Real estate continues to be one of the most sought-after investment vehicles - both to hedge against inflation and score good returns - mostly due to the good risk to reward ratio it offers and the long-term value appreciation of the assets. Experts agree that such an investment is still worthwhile despite rising prices and that, with the right strategy, profitable returns can be achieved.

Since 1870, residential real estate has outperformed equities in the asset class ranking, with an average annual return of 8.7%. It is also worth noting that residential real estate has shown significantly less fluctuation than equities. Real estate and the land it is tied to are both appreciating in price over the long term, unlike fiat money that loses its value in critical periods. In the case of renting, investors also benefit from rental income that can be used directly for financing.





According to Americans, real estate is the best long-term investment, followed by stocks / mutual funds trailing far behind.

According to banking experts in Germany, despite the expected reduction in the demand for real estate, the investment category still remains one of the best options for both retail and professional investors. Real estate prices outgrow inflation even at high rates and are deeply anchored within the economy. The banking sector reports among member countries of the OECD (Organisation for Economic Co-operation and Development), between 1970 and 2022, the average price growth of real estate outpaced consumer price indexes in 16 of them at factors between 1.3 (Germany) and 5.1 (United Kingdom). An extended analysis on the full list of countries in the OECD database showed similar results. The message is clear — real estate assets provide solid protection against inflation.

However, with the rising prices of real estate and mortgage rates, entry barriers to the real estate sector are higher than ever. The investment becomes more complex and as such, is no longer easily accessible to those without experience in the market and a clear plan of action. Furthermore, investing in real estate requires a lot of knowledge in various areas and the ability to determine the ratio between the acquisition costs to rent or sale price. Investors looking to acquire real estate (particularly in the residential sector) currently have limited options at their disposal in terms of accessibility, most of which have a variety of shortcomings:

- Acquiring the property directly:** To most investors, this option is only available under the conditions of a bank loan. As we already mentioned above, rising mortgage interest rates are making this more difficult by moving the break-even point higher. Furthermore, buying a property with your own funds is not without

risk — the developer could go bust, the project could be delayed considerably or not be finished due to various other reasons. Albeit low, this chance always exists. There are also a wide variety of additional complexities related to the property acquisition that the investor needs to consider here.

- **Investing through REITs (Real Estate Investment Trusts):** Real Estate Investment Trusts are companies that own and operate income-producing real estate. REITs issue shares that trade stock exchange and are bought and sold like ordinary stocks. This option lowers the entry capital requirements, however, selecting the right REITs usually requires a considerable amount of experience in various areas. Furthermore, stocks are complicated financial instruments and investors are vulnerable to dilutions and other dangers that are disconnected from the value of the underlying assets.
- **Real estate investment pools:** Real estate investment pools work on a simple principle - collecting funds from multiple investors allowing them to tap into an investment opportunity they would otherwise not have the required capital for. However, selecting a trustworthy pool could be a daunting task. As with all other options, there is a certain degree of risk here.
- **Investing through tokenized real estate assets and cryptocurrencies:** Blockchain technology allows for real estate assets to be tokenized and broken down into multiple fractional shares. These shares are then securely stored on distributed ledgers and can be transferred from one entity to another quickly and easily. This concept has the potential to revolutionize the market completely for investors who are looking to invest in real estate securely regardless of their available capital. Blockchain also opens the doors to creative financing options that no longer rely on the bank as the constant middle-man. Beyond that, cryptocurrencies can also find many use cases within the industry itself, making payments more transparent and easier, removing the necessity of brokerage services through the introduction of decentralized marketplaces for properties and thus eliminating yet another middle-man in the real estate sector and many more.



However, despite the potential blockchain, asset tokenization and cryptocurrencies are offering, many projects have tried and failed to revolutionize the real estate market and to particularly solve the issue with the lack of access to affordable housing.

Issues and Challenges

ISSUE

The skyrocketing real estate prices are leading to an increasing lack of access to affordable housing for new homeowners. Furthermore, real estate investors are facing greater entry barriers to the market than ever before. In the EU, home prices have gone up by an average of 50% in just 7 years.

ISSUE

The current system heavily relies on banks offering easy access to cheap mortgages in the long term. However, the rising inflation has caused the FED to initiate interest rate hikes, which are also causing mortgage interest rates to increase. This makes it more difficult for both prospective buyers to get their first home and investors to participate in the real estate market.

ISSUE

Some leading economies like Germany for example are experiencing a considerable shortage of homes. The percentage of people who cannot afford to buy their own home and have to pay rent instead is higher than ever in the DACH area and the discrepancy compared to other EU countries is increasing. New development projects are put on hold due to legal restrictions, issues with the scarcity of land and infrastructure limitations, lack of funding and political support and many others. While build-ups on existing properties present a potential solution to the issue, the idea is not actively utilized. The end result is that the demand cannot be met by the current levels of supply and governments are failing to address the issue.

ISSUE

The share of disposable income that goes to cover costs related to buying or renting a home are increasing - even in some leading economies, the acceptable



maximum ceiling of 30% of the available monthly income has been surpassed by a considerable margin. Combined with the overall high inflation and especially core CPI on important products such as food, this means that there is less and less disposable income left for people to spend on activities that are beyond the first levels of the hierarchy of needs.

ISSUE

Despite the advantages of cryptocurrencies and blockchain concepts such as asset tokenization when it comes to real estate investing, they are still not presenting a solution to the problem with affordable housing for prospective homeowners. The novel technology has a lot to offer, but adoption is still low and the focus is not set specifically on home affordability.

ISSUE

Investing in real estate is complicated on many fronts. Not every property is suitable for asset accumulation. Many are overpriced, low-yielding or simply lack sustainability. The value appreciation and profit depend to a large extent on the location and condition of the property. In addition, with the ever rising demand for housing in metropolitan areas, it is not so easy to find suitable projects to invest in.

Additionally, an investment or even purchase of a property is associated with bureaucratic hurdles. Brokers and notary services cost time and money and are often charged as a percentage of the purchase price. In addition, repair work and other expenses related to the property are considered as income-related expenses if the property is rented out. The investor also needs to be aware of how to leverage accounting methods to subtract the costs and reduce the taxes that are incurred in the process.

An investor needs to determine the ratio of acquisition costs to rental or sale price and make sure it is favorable. This is a very complicated task, however, that is one of the entry barriers for many to the sector. The end result is that real estate investments are out of reach for many, despite their potential in protecting investors from inflation and being one of the best long-term investment options by far, one that many also want to include in their retirement plans.



The solution

Blockchain Property Gate creates the first full-fledged solution to the most pressing issues currently in the real estate market by introducing a sustainable business model underpinned by a Security Token. The goal of the project is to democratize the access to sustainable and affordable housing and profitable real estate investments.

Blockchain Property Gate will initially target the German market, expand throughout Europe in the foreseeable future and become a decisive factor on the worldwide scene in the long term.

By utilizing the longstanding experience of the team behind the project on the real estate market, Blockchain Property Gate utilizes a unique methodology for the selection and acquisition of buildings at prices considerably below the market average. The goal is to rent out, renovate and sell the housing spaces according to a unique, cost-effective and sustainable methodology. 70% of the net profit is reinvested in the company's further expansion and the acquisition of more properties, with 30% dedicated to investor rewards that are paid out annually.

As we mentioned earlier, Germany has a large quantity of old but functional buildings which can benefit from efficient and practical solutions. These will be a considerable, but not the only target of the project's real estate portfolio. The selection process of viable buildings by Blockchain Property Gate is based on a complex methodology developed on the basis of the longstanding expertise of the team behind the project.

Furthermore, beyond the cost factor, we are putting sustainability in the core of our selection criteria, the concept of which goes beyond just the environmental aspects related to how the real estate project was brought to life. We adopt a three-pillar model, which encompasses the dimensions of social, ecological and economic issues and considers them to be fundamentally of equal importance. This is coherent with our mission — creating a basis for the future of real estate with democratic access to affordable housing.

Blockchain Property Gate will considerably lower the entry costs for prospective homeowners and reduce rent prices, all while adopting an innovative, modular



approach to how homes are refurbished. This approach allows for a high degree of flexibility in adjusting the properties to the new buyer or renter's preferences, which enables an overall quicker turnover and cash flow generation. Our business model puts the human factor in the focus without compromising on financial returns. We make housing affordable, yet we can provide higher than average yields for investors.

The BPGT token is an Ethereum ERC1400 token that gives profit sharing rights of 30% from the net profit of Blockchain Property Gate to its holders. The project will dedicate about 65% of the funds collected through the crowdsale towards real estate assets, offering investors a high degree of security by creating a solid basis for the token of the underlying asset.

The Blockchain Property Gate project is planned to unfold gradually in several distinct stages before it expands its potential to its fullest extent. The target is to introduce a much needed paradigm shift in how real estate projects are financed, developed and brought to the market on a global level.



The issues in the real estate sector

Real estate investments and housing becoming less and less affordable

- ⊗ Skyrocketing real estate prices
- ⊗ Decreasing housing affordability
- ⊗ Dependence on banks
- ⊗ Lack of supply of new housing
- ⊗ No political support for prospective homeowners
- ⊗ Rising inflation leaving less disposable income
- ⊗ High capital requirements for investors



The solution

Innovative business model based on acquisition of undervalued properties and their renovation through an innovative approach adding a higher degree of flexibility

- ✔ Goal to lower property prices of up to 30%
- ✔ Mission to make housing affordable for all social classes
- ✔ Greatly reduce the dependence on banks
- ✔ Increase supply by using existing buildings (build-ups) and lowering the development costs
- ✔ Lowering rents by a considerable margin
- ✔ Savings through lower housing costs
- ✔ Security token with low capital requirements and passive income



Problems and solutions at a glance

ISSUE

Skyrocketing real estate prices are making housing less affordable. Real estate investments become more and more inaccessible with the entry capital requirements rising and the break-even point getting more difficult to achieve. Getting a bank loan eventually results in the borrower returning almost double the price of the real estate due to the stacking interest rates.

SOLUTION

The Blockchain Property Gate project focuses on reducing the prices of real estate for both renters and buyers through an innovative business model that relies on a mix between acquisition, renting out, renovation and reselling of existing buildings. We are adopting a novel renovation methodology that has been proven successful in multiple countries which are currently experiencing housing shortage like Germany. It is also considered superior to the initiation of new development projects due to the increasingly restrictive policies when it comes to land acquisition, acquiring the legal permits and the overall development costs from scratch. At a later stage of the project development, we are also planning on both initiating build-ups on existing structures we have acquired and targeting new development projects.

ISSUE

The current system heavily relies on banks offering easy access to cheap mortgages in the long term, however, it is already starting to crumble with interest rates approaching 4.5 - 5%. Borrowers who acquired mortgages during the historic low rates a few years ago, and especially those that are barely meeting the requirements to receive such loans, will have difficulties paying them back in the foreseeable future. This can cause the whole system to collapse, much like we saw during the previous financial crisis.

SOLUTION

The Blockchain Property Gate project reduces the dependance of prospective homeowners and real estate investors of banks by lowering the property and rent



prices through its business model. Additionally, the project envisions introducing a variety of alternative options for financing and borrowing in the future, essentially allowing for a disconnection between banks and the market participants.

ISSUE

Governments are not doing enough to support the ongoing housing crisis. New development projects are scarce and the demand is far beyond the supply, even in some of the EU's most developed countries including the DACH region. Real estate becomes less and less affordable throughout the social classes, especially for those that are on the lower side of the disposable income.

SOLUTION

Blockchain Property Gate introduces a business model that will have the potential of fundamentally changing the way new properties are created, sold and rented out by introducing a much higher degree of cost efficiency. The project's goal is to reduce the current average ratio between housing costs to disposable income to the recommended 30% and even lower - the same ratio currently stands at almost 45% for Germany, meaning that housing costs are a burden for most, especially for those under the 60% income median. Rent prices that are currently around 14-15 euro per square meter can be lowered to the target of 10,5 euro per square meter with the disruptive model that Blockchain Property Gate introduces.

ISSUE

Blockchain solutions for real estate are mostly focused on the investing part and not on making housing more affordable.

SOLUTION

Blockchain Property Gate tackles the issues for both homeowners and investors. For the former - by making housing affordable through the lower development costs and the latter - by introducing a Security Token which gives access to profit sharing rights of 30% of the net profit of the company. Furthermore, at the later stages of the project's development, Blockchain Property Gate aims to introduce the BPGT token for payments, which will give considerable discounts compared to any traditional fiat currency.



ISSUE

Investing in real estate is difficult and requires a lot of knowledge and experience from the investor.

SOLUTION

Blockchain Property Gate entirely relieves investors from the work that they would otherwise need to do if they wish to invest in real estate. By utilizing its long standing expertise on the real estate market, the project takes care of every step along the way. With the BPGT token, the investor essentially taps into the real estate market without the risk that is created by his lack of knowledge and experience. The initial capital requirements are lowered dramatically and the returns are maximized, which removes any previous limits on the scope of investors who can participate in the market.

We are opening the doors to the best investment over the last 140 years to both retail and professional investors. With the BPGT token, we provide an alternative for short- and long-term oriented players alike, all the way to people planning their retirement plans.



How it works

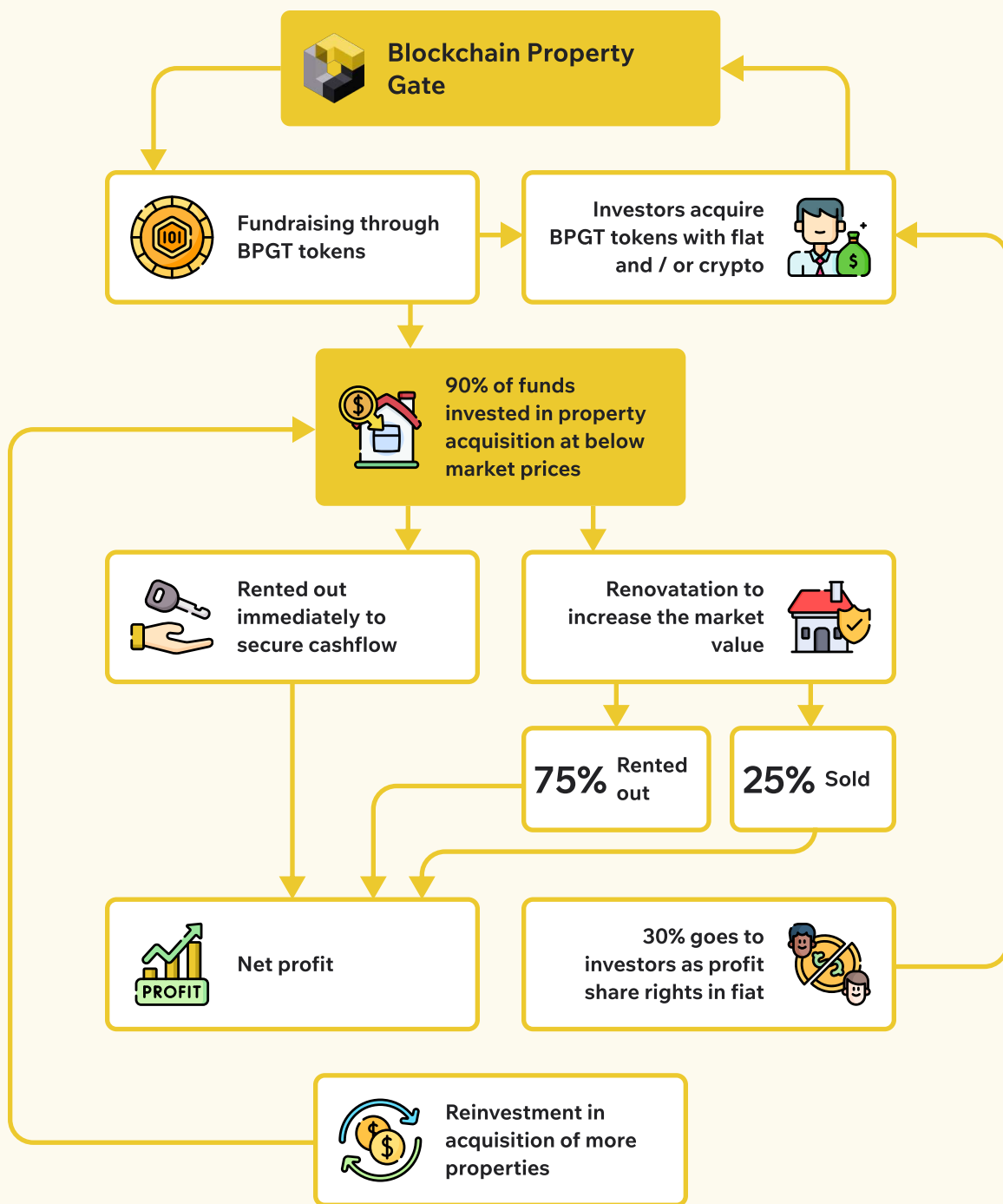
We are concerned with the ethics and sustainability of investing with real estate. This includes, among other things, providing adequate, safe and affordable housing.

The Blockchain Property Group creates a simple, yet an efficient operational model that relies on continuous acquisition of real estate assets that are undervalued or currently below the average market price. Part of these will be already suitable for living and rented out as soon as they are acquired and another will be renovated in order to increase their resell or rent value.

We adopt a complex selection methodology that takes into account multiple criteria points, as well as their interconnections. We will primarily focus on whole buildings that were constructed prior to the 80s of the previous century. However, due to the current situation with skyrocketing mortgage rates and the insolvency of multiple buyers who are not able to follow up on their recurring payments, we are expecting to also include buildings that have been more recently constructed due to the expected drop in prices.

The model is overall attractive to both prospective homeowners and real estate investors who are looking to get into the sector at lower initial investments and a better risk to return ratio. By removing the entry capital requirements to the sector with the BPGT token, we are tapping into the 25% of people who are looking for alternative investments with great long-term returns potential.





Step 1 — Fundraising

The project holds a Security Token Offering with the BPGT token to raise funds. We dedicate around 65% of the funds raised towards the acquisition of real estate assets, securing a solid foundation for the token that consists of tangible assets which appreciate in value over time.



Step 2 — Selection

About 65% of the proceedings collected are invested in the acquisition of properties at market prices well below the market average and our operational expenses. We are primarily focusing on older buildings that were built prior to the 70s and 80s in the last century, however, we will also include newer projects if they fit our selection criteria. The price-quality ratio of these assets is exceptional and they are suitable candidates for our unique renovation methodology. The ultimate goal is to acquire the buildings with the utmost potential when it comes to fulfilling our mission for affordable housing and reaching the highest possible financial growth of the Blockchain Property Gate project, and, consecutively, maximize the dividend payouts for our investors in the long-term.

Based on the distinguishable periods of the lifecycle of a property, we have derived a total of 50 different criteria that are analyzed together in order to assess the sustainability of the chosen properties. We are selecting real estate projects based on a complex set of variables consisting of both macro- and micro environment factors:

- **Macro factors** include the conditions that the geographic positioning is offering: we will prioritize regions with a high sustainable economic strength, low unemployment, good work and training opportunities.
- **Micro factors** include the location of the property and the infrastructural accessibility.

Furthermore, we take into account the sustainability aspect that consists of social, ecological and economic factors including various criteria such as health compatibility, comfort, safety, well-being, user friendliness and many others. We are combining the social and cultural aspects into one, cohesive category, that we will refer to as a socio-cultural dimension. Here is a short description of the three pillars and what they encompass.

- **Socio-cultural dimension:** The social or socio-cultural dimension is primarily concerned with the social effects of the property on the people who use it directly.



- **Ecological dimension:** The ecological dimension refers, among other things, to the question of whether and to what extent resources are conserved, harmful environmental emissions are reduced or aspects such as bio-diversity are taken into account. Factors such as the origin of building materials are also taken into account here.
- **Economic dimension:** The economic dimension of the chosen real estate investment in the narrower sense comprises the costs and returns likely to be generated over the entire life cycle.

Ultimately, the choice of the properties that are selected resides strictly within the framework of the 3 central dimensions, the macro and micro environment factors, and finds the best middle ground between them.

At a later stage of the project development, we will also include the potential for build-ups on existing buildings to our selection criteria. This is another cost-efficient approach that provides a sound alternative towards the acquisition of new land and initiating a development project from scratch in metropolitan areas with the increasing scarcity of land, legal restrictions, infrastructural limitations and rising construction costs. Already existing buildings can skip the majority of the leg work and legal hurdles that newly developed projects have to deal with.

The recent developments on the economic and political landscape, especially in Germany and in the DACH area, are presenting many homeowners with a challenge. Due to the rising inflation and bank interest rates, many homeowners are expected to not be able to follow up on their loans. This will lead to demand destruction for new buildings, which will present us with an opportunity to also include these in our selection process. We are already working on a variety of solutions in this area.

Average estimations are showing that, just with our renovation methodology, we can save anywhere between 25% and 30% on costs when compared to the traditional way of developing from scratch.



Traditional development from scratch

The traditional model of real estate development projects from scratch is no longer feasible to meet the skyrocketing demand.

- ⊗ Expensive land and development costs
- ⊗ Slow
- ⊗ Political and legal restrictions
- ⊗ Multiple permits required

Our solution

We skip the development from scratch entirely and acquire existing properties that can be either rented out immediately or renovated and then sold at higher market price.

- ✓ Much more cost-efficient
- ✓ Much quicker as the buildings already exist
- ✓ Considerably less political and legal restrictions
- ✓ Considerably less permits required

Step 3 — Renting out, renovation and selling

A percentage of the properties acquired are going to be already suitable for renting out immediately. This will provide short-term cash flow necessary to fund our further operations and expand our activities, including building capital reserves. We will also be able to reinvest a part of the profit in new properties and pay out dividends to investors as soon as possible, not later than the end of the 3rd year after the crowdsale.

The remaining properties (not more than 25%) are renovated in order to increase their market value. Thanks to the longstanding experience on the real estate market of the team behind Blockchain Property Gate, we have developed a renovation process that ensures high degree of cost-efficiency, allowing us to improve our cost structure and thus lower the market price for the buyers and renters, while maximizing our margins. This essentially leads to a higher net profit and better rewards for BPGT token holders.

This takes us back to why we are specifically focusing on properties primarily built prior to the 70s and 80s of the previous century. Normally, redevelopment and renovation usually starts from the outside walls, which means long permitting processes. The properties we are targeting have been constructed with thick walls and can be renovated from the inside out due to their resilient structure. This greatly reduces our development and legal costs, shortens the project completion timeframes and allows us to maximize our revenues in a timely manner. We are



excluding properties built in the 70s and 80s that have already been renovated, as their market price is comparatively high and does not provide a potential that is up to par with our core selection target.

A unique feature of the operational model of the Blockchain Property Gate project will be the flexible, modular approach in the property renovation procedure. We will renovate the buildings we acquire in such a way that the internal walls could be changed allowing the rooms to be quickly and easily adjusted based on the specific preferences of the buyers and the tenants. The added level of flexibility allows us to quickly adjust the property so that it can be resold or rented out in shorter time frames, improving our turnover.

Furthermore, the properties will be renovated in line with the utmost degree of environmental efficiency in terms of the materials used, as well as the energy efficiency coefficient (EE). Future legislation in Germany will put more weight and importance on these factors. Moreover, the rising energy prices encourage an increasing incentive to pursue energy decentralization and independence of separate housing complexes. With the introduction of new concepts such as microgrids and the advancements in renewable energy technologies, we are planning on positioning our real estate projects as a staple in the industry when it comes to autarky.

Our renovation methodology



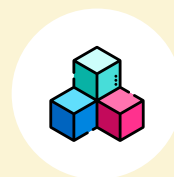
New inside-out approach



Faster than traditional methods



Cost-efficient



Flexible and modular



Sustainable



Energy-efficient



Quicker turnover



Improved cash flow



Once we have reached our first main goal of renovating 10.000 apartments, we will also start initiating build-ups on existing real estate, such as additional floors. The buildings we will be acquiring are suitable for this approach from a construction standpoint and the methodology allows us to save a considerable percentage of legal and other costs. There is a lot of potential in this regard also outside the residential sector, with large shopping centers looking for further expansion being the primary target.

Step 4

From the renovated properties, around 25% are then resold, while 75% are rented out — both at competitive prices, essentially allowing us to fulfill the promise of affordable housing that many governments in the EU have promised but have not delivered.

Step 5

The net profit is split into 30% which go to the token holders as dividend payouts in fiat. The remaining 70% are reinvested again in the same cycle, reinitiating the process from Step 2 again.

Additional fundraising rounds are also initiated once we complete the current development phase of the project. This initiates the same process but from Step 1. We will take a look at the different development stages in the coming chapter.



Development phases

As we mentioned earlier, we will unfold our project in several phases, each of which builds upon the previous one. Completing each one will serve as an important milestone and proof of concept that will allow us to move forward based on a structured plan of action. The completion of the various phases is also one of the main prerequisites for the further initiation of minting and fundraising rounds.

Phase one: year 0-1

Phase one lays out the foundations of the Blockchain Property Gate project and begins with our initial fundraising round with a 100 million EUR hard cap.

From the total funding amount that we aim to raise during the initial crowdfunding round, we are planning on dedicating around 65% towards the purchase of properties and cover our operational costs. We will acquire buildings which are already in a habitable state so that they can be rented out immediately. This will secure the initial cash flow of the company and will lay out of the foundations for our next target. In this phase, we are also planning on acquiring a real estate management company with existing know-how, staff and operational structures. The company should operate at least 500-600 housing units at the time of the acquisition. We will then restructure and adapt the company to our needs and save time and costs compared to building a new real estate company, which is related to high costs and long timeframes. We already have the needed knowledge, experience and human resource capacities to manage it. We will also acquire an additional house management company, which will be responsible for the maintenance of the housing units and any administrative tasks. Together, both companies will be essential for the management of our operational activities.



Phase two: year 1-3

Our next goal is focused on acquiring approximately 10.000 rental apartments in total in apartment blocks with at least 10 units. Here we will also primarily focus on buildings that are in a habitable state, as these will support the business model better in the early stages. From the moment of purchase, Blockchain Property Gate will start generating rental income, allowing us to quickly generate cash flow for the further operational activities, as well as to facilitate the dividend payouts for investors no later than 3 years after the conclusion of the sale. The value appreciation of the assets will further strengthen the financial balance of the company over time.

Phase two extends upon phase one and focuses on reaching a total of 1,8 billion EUR through additional fundraising rounds and our operational profit so far. The funds should secure the needed target of 10.000 apartments in total for this phase (based on current market prices of 180.000 to 200.000 euro per housing unit). This phase should be completed by the end of year 3 and also envisions the acquisition of further additional buildings selected through our methodology. We will also acquire a real estate development company, which will facilitate the later renovation and reselling of the acquired housing units.

Phase two is where we envision Blockchain Property Gate to start expanding exponentially based on the returns and the reinvestment of profit made through the operational activities.

Phase three: year 4-6

The goal for this phase is to extend the scope of phase 2 by fundraising for the acquisition, renovating and renting out or selling 30.000 apartments in total within the first 4-6 years. The total expected value of the assets based on the current market prices will be valued at around ~5,5 billion EUR.

During this phase we will start the renovation process based on our unique methodology. Between 20% and 30% of the buildings acquired will be renovated within a fixed time frame and sold. Further percentage of the buildings acquired will also be renovated and rented out.



Phase four: year 6-8

Phase four focuses on the acquisition of further additional real estate companies and mergers with the existing legal entities of Blockchain Property Gate. The goal is to acquire companies that have a considerable number of properties in their portfolio. The establishments will be situated in the DACH area, with Switzerland being one of the main targets due to favorable tax conditions. We will continue to acquire more properties and expand our operational activities while paying out dividends to our investors.

This is where we will also start scaling the business model internationally, allowing Blockchain Property Gate to tap into the global real estate market and pursue our main mission and goal.

Phase five: year 8-10

In phase 5 we envision to reach one of our major end goals of acquiring a total of 100.000 housing units. We will aim to achieve a total market capitalization of ~18,3 billion EUR through the operational activities and additional funding rounds until the end of the 10th year after the launch of the Blockchain Property Gate project.

Future developments: after year 10

In the future we plan on fulfilling our vision for the future of the real estate market by introducing a full-fledged real estate ecosystem, which will offer various token-based payments for real estate for property acquisition and rent at discounted prices. Additionally, we are planning the implementation of various financing options based on lending and borrowing, a concept that is currently implemented by various DeFi projects with great success but not within the real estate sector.



Development phases

1

Year 0-1

Security Token Offering. Acquisition of a real estate management company with existing know-how, staff and operational structures and at least 500-600 housing units. Acquisition of a house management company for maintenance and administrative purposes.

2

Year 1-3

Acquisition of approximately 10.000 housing units. Acquisition of a real estate development company. Reaching a total market capitalization of ~1,8 billion EUR through the operational activities and additional funding rounds.

3

Year 4-6

Acquisition of approximately 30.000 housing units. Reaching a total market capitalization of ~5,5 billion EUR through the operational activities and additional funding rounds. Start of the renovation process. 20%-30% of acquired housing units will be sold.

4

Year 6-8

Acquisition and mergers of further real estate companies. International expansion.

5

Year 8-10

Acquisition of approximately 100.000 housing units. Reaching a total market capitalization of ~18,3 billion EUR through the operational activities and additional funding rounds.

6

Future developments

Real estate ecosystem development.



Project references

As previously mentioned, we have a considerable experience in the development and renovation of real estate projects in the past. Here is a list of some of our completed real estate projects in the past.

Hotel Melchiorpark Würzburg	
Implementation period	2016-2017
Development scope	Hotel modernization and new construction
Contract volume	~ 700.000 €

Graduate School of life Sciences Würzburg	
Implementation period	2016-2017
Development scope	New construction of classrooms
Contract volume	~ 225.000 €

Bürgerspital Würzburg	
Implementation period	2017-2018
Development scope	New construction of apartments for senior citizens
Contract volume	~ 1.300.000 €

Bundeswehrkaserne Veitshöchheim	
Implementation period	2019-2020
Development scope	New construction of accommodation for soldiers
Contract volume	~ 680.000 €



Selgroß Würzburg	
Implementation period	2020
Development scope	Modernization and fire protection measures
Contract volume	~ 325.000 €

Immobilienverwaltung Bender	
Implementation period	2019
Development scope	Hall conversion to office space
Contract volume	~ 200.000 €

Hotel Maritim Würzburg	
Implementation period	2020
Development scope	Remediation measures
Contract volume	~ 240.000 €

Various further projects that we have completed in the past include kindergartens, private residences, apartment buildings, medical practices and others.



The BPGT security token

BPGT is an Ethereum-based security token on the ERC1400 standard. The primary goal of the token is to raise funds to allow us to implement our operational model and to give its holders access to profit sharing rights of 30% of our net profit. In the future developments, we are planning on implementing the token as a payment method for properties and rent within our planned real estate ecosystem.

Profit participation

BPGT token holders will be rewarded with profit participation in the net profit of the Blockchain Property Gate project that is proportional to their current stake in the circulating supply. The payouts will commence in euro. In order to secure the initial traction required to expand the business model and to build capital reserves, we will start paying out dividends not later than 3 years after the crowdsale has concluded. To compensate investors, we will reward them with a higher than market average dividend that amounts to 30% of our net profit. The BPGT token is still envisioned to be highly correlated to the growth of real estate prices, and will not be restricted by vesting periods, allowing investors to sell it on open markets right after exchange listing.

The rewards for investors are proportional to their stake compared to all tokens currently in circulation, which will be confirmed at a previously defined date. The dividend payouts will then commence based on the current share of the investor in the circulating supply. For example, if the token holder has 1% of all tokens currently in circulation, he or she will get 1% share of the total dividend payouts. If any investor decides to sell their BPGT tokens, they forfeit their rights to any dividend payouts.

The high dividend payouts will lead to a natural demand for the token — owning BPGT before every payout round will become more valuable. This model also scales with the growth of the project - the more the revenue and the net profit increase, the higher the payouts will be.



Additionally, BPGT token holders will have exclusive access to our development projects, allowing them to get priority to the properties for sale or for rent, as well as to get a variable discount on these as long as they remain in possession of their tokens throughout the transaction period. Note that in the initial stages of the project development, we will not offer the possibility to buy properties with BPGT.

Tokenomics

The BPGT token will have an uncapped supply. This is essential for us to achieve our mission, as the real estate sector is the biggest industry today in terms of total value. Large real estate investment companies have assets worth billions of dollars on their financial sheets. The industry is favorable towards the concept of an uncapped token, as the value of the underlying assets acts as a guarantee for investors.

We will initially mint 148.705.100 BPGT for the first crowdsale or the Security Token Offering, which will provide the basis for the further expansion of the project. Consecutive fundraising rounds will commence over time in order to support the growth of our project, which is in line with our plans to unfold our ecosystem in 6 phases, allowing us to scale our business model on a global scale. A specific amount of BPGT tokens that will be disclosed upfront will be minted and sold for a limited time through our secured investor dashboard. After the end of the round, all unsold BPGT tokens will be burned in order to ensure that there will be no dilution. We will provide a full audit of the minting and burning rounds to ensure maximum transparency.

All new batches of tokens that are minted will be fully dedicated towards consecutive crowdsale rounds. The proceeds from these will be primarily invested in property acquisition and used to cover our operational and legal expenses. The purpose is to expand the scope of our activities as much as possible, hence why we are going for an uncapped token supply.

Important to note is that despite the fact that the circulating supply might increase due to the total supply being uncapped, the investors' shares will not be diluted. This is due to the fact that by investing a considerable percentage in the acquisition of



properties, we will also increase the value of the assets that are supporting the token. This will essentially result in the returns from the profit sharing rights of 30% increasing at least by the same factor.

Security mechanisms

The integrity and tamper-proof dividend payouts is ensured by the use of blockchain and our transparent financial reporting methodology. Every investor will have an overview of what their current stake in the circulating supply of BPGT tokens is at any given time, which, combined with the publicly available earnings report of the company, will make it easy to determine the exact dividend payout they are eligible for.

BPGT tokens are of an uncapped supply, however, any new issuance of tokens will be fully invested into the operational activities in the companies and the acquisition of more real estate projects and properties. The company is legally committed towards publishing the net profit report at a previously defined time.



Blockchain technology used

BPGT tokens will be based on the Ethereum blockchain and the ERC1400 standard. This decision is driven by several factors, such as, but not limited to:

- **Technical specifications of existing blockchain solutions:** The Ethereum blockchain is one of the few solutions that offer a security token compliant technical standard for smart contracts (such as ERC1400). These standards allow for a wider functionality compared to the ERC20 standard for utility tokens, for example whitelisting.
- **Level of security:** The Ethereum blockchain offers one of the best levels of security for smart contracts currently on the blockchain market, which is crucial for BPGT security token.
- **Network scalability:** Unlike some of the newer blockchain solutions on the market, the Ethereum blockchain offers a high degree of scalability, being able to handle large amounts of transactions.
- **Compatibility and acceptance:** The Ethereum network offers the highest compatibility with other blockchain solutions within the cryptocurrency sphere, as well as the utmost degree of acceptance due to its market share.

While there are other good alternatives in terms of transaction speed and cost, we believe that the Ethereum blockchain offers the best technical infrastructure for the BPGT token.

Token Sale

The Blockchain Property Gate Security token (BPGT) will be released on the Ethereum blockchain according to ERC 1400 standard. BPGT will entitle its holders to profit participation rights amounting to 30% of the company's net profit. The dividend payouts will commence in Euro. All investors will have to undergo a KYC (Know Your Customer) process. All investments above \$10.000 are also subjective to AML (Anti Money Laundering) laws.

The BPGT token will be uncapped to fully support our long-term mission and goals. The initial minting round will amount to 148.705.100 BPGT. By designing the token in such a way, we allow for the expansion of the business model exponentially by dedicating further funds into property acquisition.

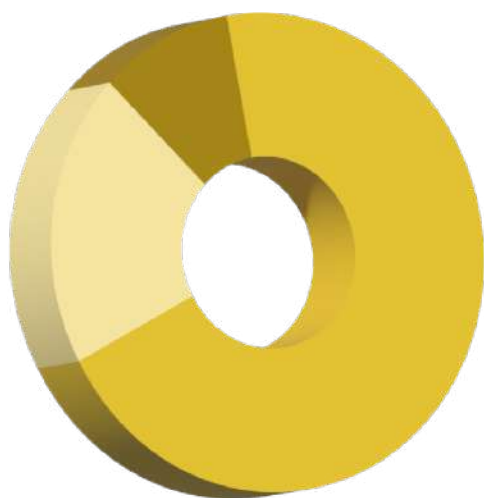
General terms	
Token name	BPGT
Total supply	Uncapped
Initial supply	148.705.100 BPGT
Total for sale	104.093.570 BPGT (70% of the initial supply)
Flat currencies accepted	EUR
Cryptocurrencies accepted	Bitcoin (BTC), Ether (ETH)
BPGT starting price	1,00 €
Hard cap	100.000.000 EUR

	Private sale	Pre-sale	Main sale
Dates	01.06.2024 — 31.07.2024	01.08.2024 — 30.09.2024	01.10.2024 — 30.11.2024
Hard cap in BPGT	27.777.780 BPGT	26.315.790 BPGT	50.000.000 BPGT
Hard cap in EUR	25.000.000 €	25.000.000 €	50.000.000 €
Price	0,90 €	0,95 €	1,00 €



Token distribution

The initial token supply of BPGT will be distributed as follows:



- **Crowdsale**

70% of the initial supply will be sold via the crowdsale

- **Team**

20% of the initial supply will be saved for the team & advisors of the project

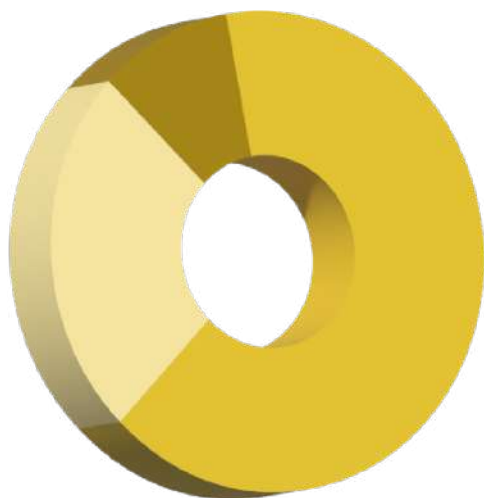
- **Liquidity**

10% of the initial supply will be reserved for liquidity purposes such as token listings on exchanges

Any release of additional tokens will be entirely dedicated towards the crowdsale periods. This means that the team tokens and liquidity pools will only be composed from the initial token supply.

Funds distribution

The funds raised through the crowdsale will be used as following:



- **Property acquisition and operational expenses**

65%: Our top priority and core of our business model is the acquisition of properties, about 75% of which will be immediately rented out and the rest renovated. Around 65% of the funds will be dedicated specifically for that, securing a solid price floor of the token and offering potential returns through the rising prices of the properties in the long-term.

- **Real estate company acquisition**

25% of the funds will be dedicated towards the acquisition and restructuring of the real estate company, which will be an important prerequisite for the further activities of our project.

- **Legal costs**

10% of the funds will be dedicated to cover legal costs.



Roadmap

Timeline	Milestones
July 2023	<ul style="list-style-type: none">• Official release of the whitepaper• Technical development• Marketing preparation
August 2023	<ul style="list-style-type: none">• Smart contract audit• Start of negotiations with investors (VCs, Angel investors, private investors)
June 2024	<ul style="list-style-type: none">• Start of the private sale
August 2024	<ul style="list-style-type: none">• Start of the pre-sale
October 2024	<ul style="list-style-type: none">• Start of the main sale
November 2024	<ul style="list-style-type: none">• Conclusion of the main sale• Listing on exchanges• Initiation of Phase 1
December 2024	<ul style="list-style-type: none">• Strategic expansion of the company
Q3 2025	<ul style="list-style-type: none">• Initiation of Phase 2
Q3 2027	<ul style="list-style-type: none">• Start of yearly dividend payouts for investors• Initiation of Phase 3
Q3 2030	<ul style="list-style-type: none">• Initiation of Phase 4
Q3 2032	<ul style="list-style-type: none">• Initiation of Phase 5
2034 - onwards	<ul style="list-style-type: none">• Real estate ecosystem development



Team



Manfred Frank

CEO

Visionary - Entrepreneur - Investor - Mentor

I have been a self-employed entrepreneur since 1985 and have lived through all the highs and lows of the profession. The experience has allowed me to learn a lot.

My motto: If you fall, you have to get up again.

I have successfully managed several companies in different industries and have gained extensive and wide-ranging experience in the construction and real estate sectors.

As the founder of Blockchain-Property-Gate - Inc., my goal is to show people how a revolutionary, ingenious system can create affordable housing without banks and generate good returns at the same time.

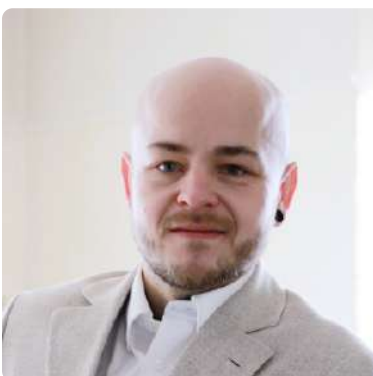
As a mentor, I will pass on my experience without being afraid to think outside of the box.



Georg Kaniwez

COO

- CEO of the construction and renovation company Mainausbau
- Extensive experience as a construction engineer
- Hands-on experience as a project leader in the renovation of buildings, including assembly and mechanic



Bogdan Zisch

CPO

- Founder and owner of the construction and renovation company Mainausbau
- Extensive experience as a construction engineer
- Vast experience in the project management and coordination of construction projects
- Education in business and construction engineering



Advisory board



Dimitri Haußmann

Blockchain advisor

- Founder of one of the leading agencies for blockchain development in D-A-CH
- Over ten successful ICOs and STOs with a total funding of >\$450M
- Vast experience in the technical development of complex projects
- Active on the cryptocurrency / blockchain markets for over 5 years



Martin Slavchev

Strategy advisor

- Strategy advisor and project manager for over 10 successful ICOs and STOs
- Extensive experience in blockchain and cryptocurrency concepts such as ICOs, STOs, DeFi, NFTs, Metaverse and dApps
- Passionate cryptocurrency trader
- and enthusiast with deep understanding of cryptocurrency and blockchain markets



Syed Rizvi

Legal Advisor

- Senior Associate at Rizvi Law Associates
- Managing partner at CounselBridge, a US-based company providing legal and compliance research for companies of all sizes
- More than 14 years of experience as a corporate lawyer
- Specialty in blockchain-based projects
- Expertise in credit risk management



Risks and concerns

Risks of cyber attack

Hackers are focused on finding and exploiting potential weaknesses. Attacks also extend to the open source algorithms of smart contracts running on blockchains, which is why we must consider the risk of attempted hacking at any given time.

Risks of fluctuating gains

We warn you that we do not guarantee that the project will achieve the same returns stated in this Whitepaper.

Risks of delayed operational process

We work with multiple partners that we have a longstanding partnership with. We have our internal risk assessment department, plus each project is controlled by court-certified surveyors in the purchase phase. However, we cannot guarantee that we will not have to look for additional partners, which might slow down the operational cycle. Unforeseen circumstances surround the properties such as abnormal costs of the materials used, issues with the land or natural disasters might impair the profitability of the company.

Regulatory risks of blockchain industry

Governments of many countries are still in the process of studying blockchain technology, and some countries impose restrictions (for example, the United States, China, South Korea). New laws that might come into force in the future could significantly affect the activities of blockchain projects, including Blockchain Property

Gate. We warn you that such laws can significantly limit and even stop the project activity, we are not responsible for the negative consequences associated with the possible regulation of the industry in the future.

Risk of not being listed on exchanges

We do not guarantee that there will be an opportunity to exchange BPGT on exchanges. The decision ultimately resides within the exchange and whether they are willing to list BPGT or not.

