



HOUSE THAT MINE COINS

Real business – Real Estate

2017



ANNOTATION

The project Estate Coin offers a new concept of investment.

Estate Coin offers a symbiosis of high returns of information technology with a conservative asset in the real estate market.

Real estate is an asset that has a high reliability and liquidity rating. This is a good, long-term investment.

But in the age of high-tech assets, real estate is a very conservative tool in the hands of investors because of the relatively low profitability and is burdened by additional costs for its maintenance.

Our project solves this problem by integrating a mining farm into the infrastructure of the house. Mining gives additional income, which makes real estate investment very attractive. The combination of profitability and reliability allows us to view our project as an excellent opportunity for diversification for any portfolio investor.

Therefore, special attention is focused on the symbiosis of information technologies and technologies for the construction of residential buildings. In particular, the use of the heat recovery technology, which is allocated by the crypto-currency miners, in the heat supply of a residential house.

Tokens that are realized within of the ICO campaign will give an opportunity to receive income up to 36% per annum in the crypto currency (in bitcoin or up to 270% in USD, this income can be during the period when mining equipment works). Tokens are provided with real square meters of built residential real estate.

The document also provides a justification for the fact that the need for both the construction of houses and the construction of mining farms will be relevant for more than 25 years.



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1. DEFINITIONS.

Cryptocurrency is a special electronic means of payment, the course of which is supported by supply and demand.

Crypto Exchange is a specialized site where the process of purchase and sale of cryptocurrency occurs.

Mining - activities to maintain a distributed platform and create new blocks with the possibility to receive reward in the form of the emitted currency and commission fees in various cryptocurrencies, in particular Bitcoin.

A mining farm is a large number of servers or specialized computers located in the same premises and intended for the sole task of extracting cryptocurrency.

ICO (Initial Coins Offering) is a new way of raising capital through the use of crypto investments in the project at its initial stage (including using crypto currency). The text of the document will use the abbreviation "ICO".

WAVES is a decentralized Blockchain platform with an emphasis on custom tokens.

Token is a cryptocurrency issued on the basis of the Waves platform, which is directly related to the ICO Project. As a token in this project, a token called Estate Coin is used.



2. SUMMARY OF THE PROJECT

Estate Coins are tokens based on blockchain technology and released on the basis of the Waves platform.

Tokens are issued by SBG, Ltd (Issuer) in order to attract financing for the construction of residential houses on a typical project (Appendix 1).

ICO Conditions.

In order to become the owner of the token one should follow the ICO Roadmap:

- the first stage is the stage of preliminary sale of tokens at a nominal price of 1 USD (US dollar) or equivalent price in crypto-currencies, the duration of the stage is 9 days;
- in the first week of the ICO campaign itself, the sale price of the token is 110% of the nominal price;
- in the second week of ICO, the selling price of the token is 120% of the nominal price;
- in the third week of ICO, the selling price of the token is 130% of the nominal price;
- on the fourth week of ICO, the selling price of the token is 140% of the nominal price.

The offer to sell the tokens will be public.

The token owner has the right to sell, and the Token Issuer has a duty to purchase a token in accordance with the Roadmap for buyout of tokens. The process of purchase and sale will occur on crypto-exchanges DEX, Tidex, Bittrex and others.

A road map for buyback of Estate Coin tokens.

- from 0 to 12 months inclusive (after the end of the ICO campaign), the buyback price is 1 USD (US dollar), i.e. is equal to the nominal price of the token;
- from 13 months to 14 months inclusive (after the end of the ICO campaign) the cost of buyback is 1.03 USD (US Dollar);
- from 15 months to 17 months inclusive (after the end of the ICO campaign), the cost of buyback is 1.28 USD (US Dollar);
- from 18 months to 20 months inclusive (after the end of the ICO campaign), the buyback price is USD 1.28 (USD) + 60% of the entire amount of crypto currency (Bitcoin) produced during this time period (3 months) at the rate in USD (US dollars) or in the crypto currency (Bitcoin). The orders are published by the Issuer in the relevant sections



of the crypto-exchange sites;

- from 21 months to 23 months inclusive (after the completion of the ICO campaign), and every three months thereafter the buyback price is USD 1.28 (USD) + 60% of all the crypto currency (Bitcoin) recovered in the previous 6 months (and +3 months thereafter). The choice of the redemption currency is given to the owner of the token. Buyback occurs in the appropriate sections on the websites of crypto-exchanges.

Mining is carried out by equipment, which is an integral part of the submitted project. The current number of coins (mined) coins of the crypto currency can be controlled by the investor on the site of the project estate-coin.com. Also on the site, investor can see the actual cost of buyout an Estate Coin token.

A summary of the ICO campaign.

Total tokens for issue (maximum within the ICO campaign, considering the construction of 10 houses, as well as 10% for the ICO campaign and reserve for owners)	12,100,000
PRESALE campaign targets, tokens	up to 5,500,000
ICO campaign targets, tokens	up to 11,000,000
Total for sale, tokens	11,000,000
The nominal price of token	1 US Dollar
The price of tokens for sale	1 US Dollar (or equal in BTC, ETH, Waves)
Site of ICO campaign	https://estate-coin.com
Start of PRESALE campaign	12 July 2017 12:00 GMT
Start of ICO campaign	01 September 2017 12:00 GMT
End of ICO campaign	30 September 2017 12:00 GMT
Start of buyout tokens	01 October 00:00 GMT



3. Review of the Project Estate Coin.

3.1. Essence of the Project

The project Estate Coin is an innovation in the field of construction of residential real estate. A key feature of the project is the symbiosis of information technologies and technologies for the construction of residential buildings. In accordance with this, we use the technology of heat recovery, allocated during the crypto currency mining, in the process of heating the apartment house.

This idea is not new in the world practice: engineers of many companies have long been working on the development of mechanisms that allow using the thermal energy allocated by the data center servers, with the benefit.

To date, quite successful projects have been implemented. The allocated energy is used to heat the office buildings and residential buildings that are close to the data center.

The most famous of them are the TELUS server farm in Canada (Vancouver), Teletcity in France, the Telehouse data center in the UK, and the IBM data centers in Finland and Switzerland.

Our project uses the latest developments in the field of effective heat transfer of high-performance computing systems. We use the technology of submersible cooling of electronic components. This technology is the most optimal in terms of performance.

As a result, all participants of the project will benefit: investors receive additional income for their investments, the developer receives financing to build up the portfolio of projects, the owners of the constructed housing optimize the costs of heating their apartments.

Everybody is winning!



3.2. History of the Project

We, as a developer (building company) have a rich experience in the construction of all types of infrastructure. In total, the company built and reconstruct more than 30 objects with a total area of more than 145,000 square meters. We have been building for more than 13 years. And every year we replenish the arsenal of our tools with modern methods and world achievements in the field of construction technologies. The use of innovative materials and technologies allows the market to provide a competitive offer.

The idea of mining crypto currency came to us when we were looking for opportunities to diversify the construction business. And we found common basis for technology. Mining has two features that limit its use: high power consumption and large heat dissipation during operation.

Task is buy electricity at low cost and decrease heat energy loss.

So, we know that in the regions the cost of electricity is much lower. And additional heat can be used in heat power engineering at home, thereby increasing the efficiency of energy costs in mining. Our project will use the rich experience of large companies in the use of thermal energy allocated by computer equipment.

Synthesis of technologies allows to improve the operational characteristics of housing under construction for homeowners and at the same time to receive additional income for investors.

3.3. Pricing of the Project

We have calculated the optimal project of a residential building and the mining farm.

Living area of the house is 1388 sq.m.

The house has 3 floors, 41 apartments.

The heat consumption of the house is 200 kW (heat energy).

Energy consumption of the farm is 180 kW (electric energy).

The productivity of the farm is 1500 TH/s.



Cost of building 1 house

The cost of building a house with an area of 1388 sq. m (at the rate of 588.5 USD/sq.m), USD	817,025
The cost of building a mining farm at 1500 TH/s (at the rate of 188.7 USD/TH), USD	282,975
Total, USD	1,000,000

Road map for the construction of one house:

- 1 month preparation for construction;
- 2-13 month construction of the house with interior decoration;
- 14 month integration of the mining farm into the heat and power network at house.

At the same time, the company can build up to 10 houses.

3.4. Markets Review

Fact number 1.

According to the Agency of Statistics, the need for new housing in the Russian Federation is met only by 70% (of the annual requirement of about 100 million square meters, only 70 million square meters are being built).

And even if all 100% of the annual demand for housing construction is met, demand will be supported within 20-25 years.

Fact number 2.

According to calculations (taking into account the current speed of calculations), the last Bitcoin will be paid to miners in 2140 year. In addition, the mining farm receives and will continue to receive revenue from commissions for approving transaction blocks even after 2140.

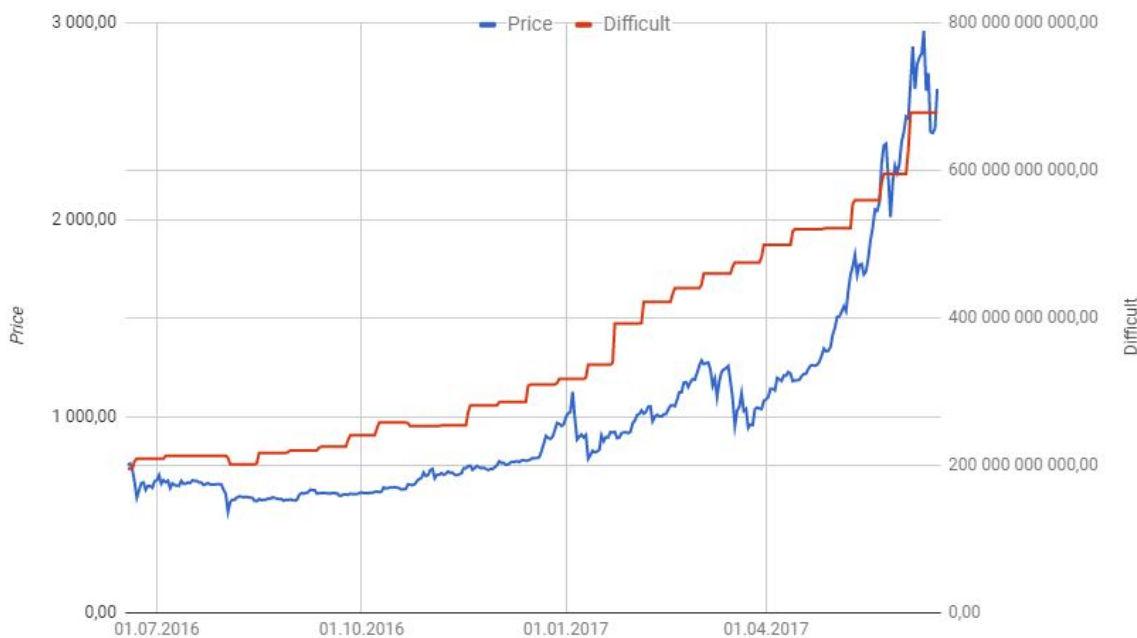
In accordance with these data, the need for both the construction of houses and the construction of mining farms will be relevant for at least 25 years.



In addition, the correlation between the cost of Bitcoin and the complexity of its extraction gives grounds for an optimistic forecast of its future value.

Therefore, when recalculating to the US Dollar, the income from the project will grow throughout the long life of the real estate property.

Bitcoin Price&Difficult Correlation



3.5. Technologies used in the Project

The project integrates modern technologies of construction of residential buildings and the most up-to-date information technologies in crypto-currency mining.

The set of applied technologies gives a synergistic effect in the energy and heat efficiency of the house. Careful calculation of the project allows to maximize the benefits of materials used in construction. The use of modern technologies allows the developer do a quick and high-quality construction of the house.

In addition, modern achievements in the field of building high-tech infrastructure have also found application in our project. The latest achievements in the field of microelectronics and circuitry make it possible to obtain highly effective means for mining crypto-currency. Using the mechanism of heat recovery from operating computer equipment makes it possible to increase the profitability of the project as a whole and the energy efficiency of the house under construction in particular. The submersible liquid



cooling system provides undeniable advantages in the implementation of our project. Heat does not go into the air - it continues to work in the heat and power system at house. This is GREEN technologies.

Building Technologies:

- reinforced tape foundation of blocks FBS with foundation protection Penetron;
- hollow core slabs;
- enclosing structures of sand-concrete blocks with an external insulation Senardgy;
- 5-chamber PVC windows;
- partitions internal from gazosilikatnyh blocks and GKL;
- wooden truss roof system with a profiled sheet.

The construction of the farm will use the components and technologies of such world producers as BitFury (ASIC chip using 16 nm technology BF8162C16), Immers (immersion cooling system with absolutely safe refrigerant "STORUS-OHL14"). Also, we will use own engineering developments to integrate the mining farm into the infrastructure of the house.

The farm has a modular architecture for optimizing maintenance processes. Also, this solution makes it easy to upgrade the components of the farm with the development of mining technology.

Own engineering developments of high-tech systems allow to increase the efficiency of the crypto-currency mining and make the project highly profitable and attractive for investors.

3.6. The Project team



Oleg Kirillov, CEO (Chief Executive Officer). Founder of the group of companies SBG. He graduated from the Ivanovo State Architecture and Construction Academy, where he was awarded the qualification of Engineer-builder by specialty "Industrial and Civil Engineering" (DVS 9668366). Also has a diploma of professional retraining in the FSOE and PKS GOUVPO Ivanovo State Academy of Architecture and Construction under the program "Management in Construction" (No. 241880). It proves his high



level of professionalism in the field of construction business. He is able to clearly prioritize the creation of ideology and development of the company's development strategy, thereby promoting it and inspiring it with his team.



Andrey Makeev, CFO (Chief Financial Officer). He graduated from the Academy of National Economy under the Government of the Russian Federation, where he was awarded the qualification of Economist-manager by specialty "Economics and Management at the enterprise" (VSB 0689443). He has an MBA degree . Andrey has certificates of completion of training on the topics "NACCP and ISO 9001". He completed the training course "Process management of the enterprise: an optimization approach" and "Strategic management of the enterprise based on the Balanced Scorecard BSC". He is engaged in analyzing the financial activities of the company, as well as competitors' enterprises, in order to choose the most successful development strategy and investing money. He has many years of experience in the field of production management.



Sergei Nogay, CTO (Chief Technical/Technology Officer). He graduated from the Ivanovo State Architectural and Construction Academy, where he was awarded the qualification of Engineer-builder by specialty "Technologies of construction production" (VGS 4107931). He worked in one of the largest developer and construction company Morton, which is the third largest developer in Russia. Responsible for construction and production processes in the enterprise. Carries out quality control of construction works. Experience in the construction business for more than 10 years.



Ivan Egorov, CBDO (Chief Business Development Officer). He graduated from the Ivanovo State Power University, where he was awarded the qualification of Engineer of electronic engineering by specialty "Industrial Electronics" (BVS 0411358). He also has an additional economic education. Successfully finished courses to improve communication skills in B2C. He has extensive experience in the field promotion of technology and



business: analyst at the textile production of HR in Software Developments, director for development of iTown Project (B2C Loyalty).



Julia Makarova, PR-director. She graduated from the Ivanovo State Power University, where she was awarded the qualification of Public relations specialist by specialty "Public Relations" (No. 103724 0882691). She wrote a number of scientific articles on marketing and advertising. Assesses, analyzes and predicts the factors that influence the company's development. Responsible for the development and organization of a PR campaign.



Alexander Zasyplin, Chief Engineer. He graduated from the Ivanovo Architecture and Construction University, where he was awarded the qualification of Engineer by specialty "Industrial and Civil Engineering" (WAS 3944391). Organizes the development and implementation of plans for the introduction of new techniques and technology, hosting organizational and technical measures,, research and construction works. Received various awards for the development and implementation of techniques for the modernization of construction equipment. Work experience in the construction business - 10 years.



Tatyana Arefeva, Engineer-estimator. She graduated from the Ivanovo Architectural and Construction University, where she was awarded the qualification of Engineer-estimator by specialty "Construction Economics" (SIP 2750825). Experienced and competent specialist in engineering and estimate documentation. She masters technology of construction works, pricing for these works and building materials and performs high-quality economic analysis. She has extensive experience in the field of construction business.



Aleksandr Komlev, Engineer-designer. Leading specialist in the field of construction. He graduated from the Ivanovo Architecture and Construction University, where he was awarded the qualification of Engineer by specialty "Industrial and Civil Engineering" (WAS 3944311). He has a successful experience in designing large facilities. Analyzes the development of the project and its implementation opportunities in the construction, on the basis of this prepares the adjustment of the engineering of

the object.



Alexander Dolmatov, Engineer-constructor. He graduated from the Ivanovo of the Order "Badge of Honor" State Power Institute named after V.I. Lenin, where he was awarded the qualification of Engineer-electromechanic by specialty "Electric Machines" (MB 498984). Alexander has certificates of completion of training courses on the topics "NACCP and ISO 9001" and "Industrial and Civil Construction Construction Activities". Also has a certificate of successful completion of the

Customized Module "Production Management on Restriction Theory". He has Diploma for participation in the International Trade Fair "IBA-2006", which was held at the New Munich Trade Fair Centre Germany. He was awarded the certificate of completion of training in a non-state, non-profit educational institution "Quality Center" on the topic "Modern management systems and increasing of the efficiency of enterprises." He graduated from the Ivanovo Regional Institute of Professional Development and Professional Retraining of Small Businesses in the course "Modern Technologies of Enterprise Management". He is a key employee of the project "Estate Coin", which controls the process of integration of mining equipment into the heat supply system of a residential building. Specialist of a high level of professionalism in his work.



Alexander Shulgin, a Leading Specialist in Blockchain technologies. He graduated from the Northwest Academy of Public Service, where he was awarded the qualification of Teacher-researcher by specialty of "Systems analysis, management and information processing". He engaged in problems of development and application of methods of system analysis of



complex applied research objects, processing information, improving management and decision-making, in order to improve the effectiveness of the operation of the project Estate Coin.



4. ROAD MAPS OF THE PROJECT.

ICO Roadmap:

- the first stage is the stage of preliminary sale of tokens at a nominal price of 1 USD (US dollar) or equivalent price in crypto-currencies, the duration of the stage is 9 days;
- in the first week of the ICO campaign itself, the sale price of the token is 110% of the nominal price;
- in the second week of ICO, the selling price of the token is 120% of the nominal price;
- in the third week of ICO, the selling price of the token is 130% of the nominal price;
- on the fourth week of ICO, the selling price of the token is 140% of the nominal price.

Buyback Roadmap:

- from 0 to 12 months inclusive (after the end of the ICO campaign), the buyback price is 1 USD (US dollar), i. e. is equal to the nominal price of the token;
- from 13 months to 14 months inclusive (after the end of the ICO campaign) the cost of buyback is 1.03 USD (US Dollar);
- from 15 months to 17 months inclusive (after the end of the ICO campaign), the cost of buyback is 1.28 USD (US Dollar);
- from 18 months to 20 months inclusive (after the end of the ICO campaign), the buyback price is USD 1.28 (USD) + 60% of the entire amount of crypto currency (Bitcoin) produced during this time period (3 months) at the rate in USD (US dollars) or in the crypto currency (Bitcoin). The orders are published by the Issuer in the relevant sections of the crypto-exchange sites;
- from 21 months to 23 months inclusive (after the completion of the ICO campaign), and every three months thereafter the buyback price is USD 1.28 (USD) + 60% of all the crypto currency (Bitcoin) recovered in the previous 6 months (and +3 months thereafter). The choice of the redemption currency is given to the owner of the token. Buyback occurs made in the appropriate sections on the websites of crypto-exchanges.



Roadmap of the construction of one house:

- preparation for construction - 1 month;
- construction of the house with interior decoration - 2-13 month;
- integration of the mining farm into the heat and power network of the house - 14 month



5. RISKS OF THE PROJECT.

5.1. Dependence on computer infrastructure.

Mining-farm dependence on functioning software applications, computer hardware and the Internet implies that Estate Coin can offer no assurances that a system failure would not adversely affect the performance of your mining operations. Despite Estate Coin implementation of all reasonable network security measures, its processing center servers are vulnerable to computer viruses, physical or electronic break-ins or other disruptions of a similar nature. Computer viruses, break-ins or other disruptions caused by third parties may result in interruption, delay or suspension of services.

5.2. Smart contract limitations.

Smart contract technology is still in its early stages of development, and its application is of experimental nature. This may carry significant operational, technological, regulatory, reputational and financial risks. Consequently, although the audit conducted by independent third party increases the level of security, reliability, and accuracy, this audit cannot serve as any form of warranty, including any expressed or implied warranty that the Estate Coin Smart Contract is fit for purpose or that it contains no flaws, vulnerabilities or issues which could cause technical problems or the complete loss of Estate Coin tokens.

5.3. Regulatory risks.

The Blockchain technology, including but not limited to the issue of tokens, may be a new concept in some jurisdictions, which may then apply existing regulations or introduce new regulations regarding Blockchain technology-based applications, and such regulations may conflict with the current Estate Coin tokens. This may result in substantial modifications of the Estate Coin tokens, including but not limited to its termination and the loss of Estate Coin tokens.

5.4. Rapid changes in technology may adversely affect mining.

Cryptocurrency mining is a very dynamic and fast-paced business. To remain



competitive, SBG will use its best efforts to follow and promptly introduce the latest technologies at its facility. Nevertheless, if, despite all its efforts, the farm ceases to be competitive, this could threaten the loss of benefits for the owners of the tokens Estate Coin.

5.5. Interruptions in the supply of electricity.

As a result of failures on the electric power transmission line, to which the mining farm is connected, a partial or complete stop of the mining farm operation is possible. Company SBG will do everything in its power to restore the energy supply to the farm as quickly as possible.

5.6. Force Majeure.

Work of the mining farm may be interrupted, suspended or delayed due to force majeure circumstances. For the purposes of this document, force majeure shall mean extraordinary events and circumstances which could not be prevented by company and shall include: acts of nature, wars, armed conflicts, mass civil disorders, industrial actions, epidemics, lockouts, slowdowns, prolonged shortage or other failures of energy supplies or communication service, acts of municipal, state or federal governmental agencies, other circumstances beyond Estate Coin control, which were not in existence at the time of project start.



6. ANNEX 1

The layout of the facades and floors of the residential house of the project Estate Coin.

The plan of the facade



Ground floor plan



Plan of the second floor





Plan of the third floor

