

# BLOCKCHAIN & Cryptocurrency



**FLORIDA AGENCY**  
NETWORK

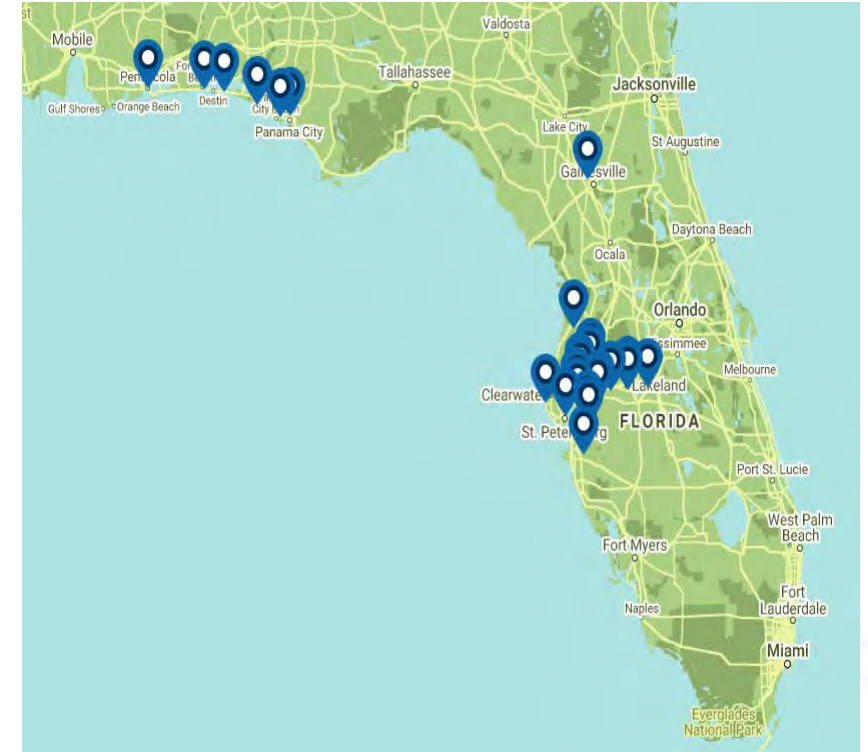


# Members of FAN Include:



# Florida Agency Network Locations

- **APOLLO BEACH**
  - Paramount Title
- **BRANDON**
  - Hillsborough Title
- **CARROLLWOOD**
  - Paramount Title
- **DESTIN**
  - SETCO
- **GAINESVILLE**
  - Gator Title
- **INDIAN ROCKS BEACH**
  - Paramount Title
- **LAKELAND**
  - Paramount Title
- **LAKELAND**
  - Smart Title
- **NEW TAMPA**
  - Hillsborough Title
- **PANAMA CITY**
  - SETCO
- **PANAMA CITY BEACH**
  - SETCO
- **PENSACOLA**
  - SETCO
- **PLANT CITY**
  - Equimax Title
- **PLANT CITY**
  - Hillsborough Title
- **SEACREST**
  - SETCO
- **SOUTH SHORE**
  - Hillsborough Title
- **SOUTH TAMPA**
  - Hillsborough Title
- **SOUTH TAMPA**
  - Strategic Title
- **SPRING HILL**
  - Paramount Title
- **ST. PETERSBURG**
  - Tampa Bay Title
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  - Hillsborough Title
- **WINTER HAVEN**
  - Paramount Title
- **VALRICO**
  - Affinity Title Services



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Presented By

# Aaron M. Davis

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Aaron M. Davis is the CEO of Florida Agency Network, a statewide alliance of title agencies who share back office resources, technology, and other closing support services. FAN's focus is to operate a title agency more efficiently and effectively to deliver a streamlined and seamless closing experience to its consumers. Network partners benefit through shared resources, centralized operations, customized workflow, industry leading reporting capabilities, and the most effective IT monitoring and security. Each Florida Agency Network company is SOC 1 Type 2 examined, assuring clients of the highest level of compliance related to processes and procedures.

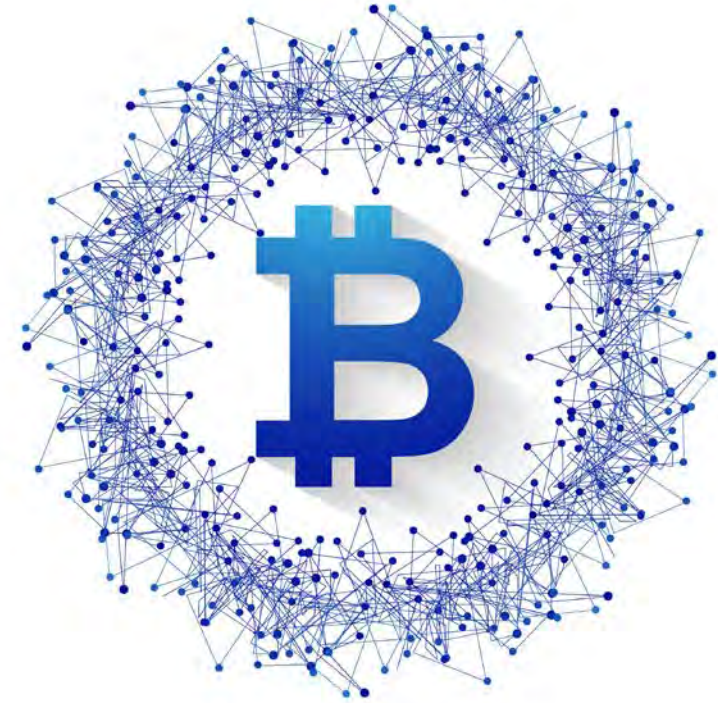
[Aaron@AMD-1.com](mailto:Aaron@AMD-1.com)



# What is Blockchain?

*A database or a ledger that maintains a continuously growing list of data records or transactions*

- Ingenious invention of a person known as Satoshi Nakamoto.
- Originally devised for the digital currency, Bitcoin.
- A spreadsheet that is duplicated thousands of times across a network of computers which is regularly updated.
- Information held on a blockchain exists as a shared — and continually reconciled — database



# What is Blockchain?

- In a way, it's like an Excel spreadsheet, but it has special qualities that make it better than traditional databases.



## SHARED PUBLICLY

Servers, or nodes, maintain the entries (known as blocks) and every node sees the transaction data stored in the blocks when created.



## DECENTRALIZED

There is no central authority required to approve transactions and set rules.



## SECURE

The database is an immutable and irreversible record. Posts to the ledger cannot be revised or tampered with – not even by the operators of the database.



## TRUSTED

Distributed nature of the network requires computer servers to reach a consensus, which allows for transactions to occur between unknown parties.



## AUTOMATED

The software is written so that conflicting or double transactions do not become written in the data set and transactions occur automatically.



# EVOLUTION OF MONETARY SYSTEM

The Change of Monetary  
System Over Time





# CURRENT TRADING SYSTEM



Trade is Recorded in Bookkeeping (An offline ledger where transaction details are stored)



Bookkeeping is Isolated and Closed to the Public



For this reason, we use trusted third parties or middle men to facilitate and approve our transactions.

# ISSUES WITH CURRENT SYSTEM

- Double Spending
  - Fake digital certificates are used to initiate fake transactions without enough balance
- Standard Transaction Fees
- Transaction Delays

# HOW BLOCKCHAIN AND BITCOIN HELP

## New Mode of Transaction

Bitcoin Blockchain has a distributed ledger

Transactions are immutable, thus cannot be hacked



The ledger is public for all to access

Double spending is not allowed because of the basic structure of block transactions

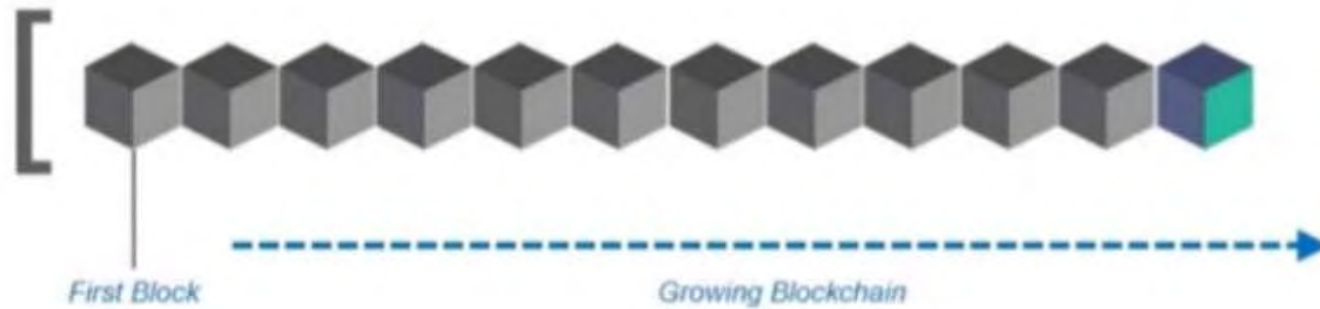


# How Blockchain Works

Blockchain is the technology used in Bitcoin. It is a public distributed database holding encrypted ledgers.

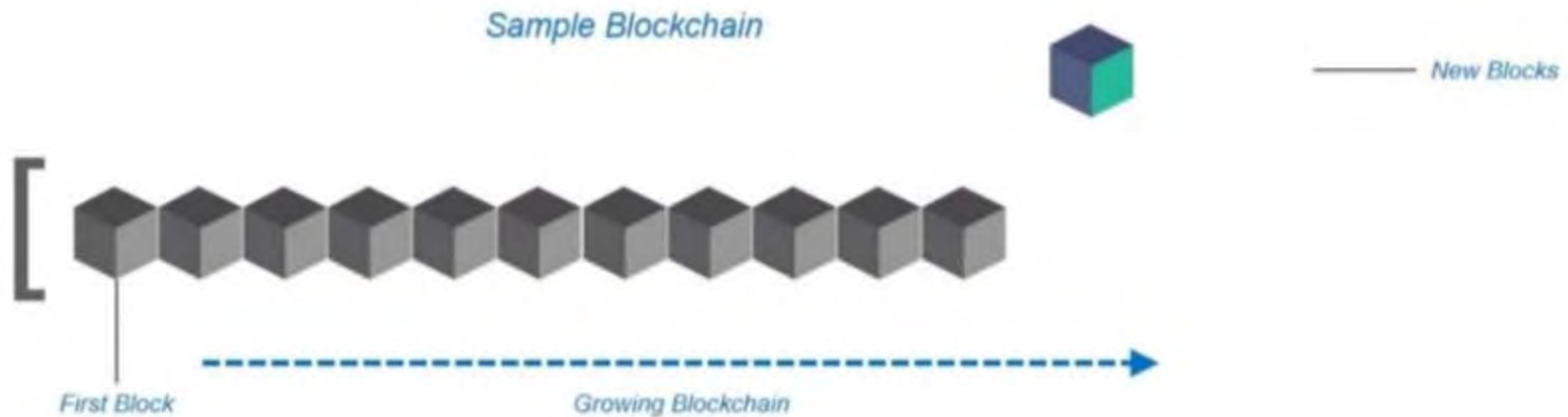
*Sample Blockchain*

— New Blocks



# How Blockchain Works

Blockchain is the technology used in Bitcoin. It is a public distributed database holding encrypted ledgers.



A block records some or all of the recent transactions and completed ones are added in to the blockchain as permanent database and a new block is generated.

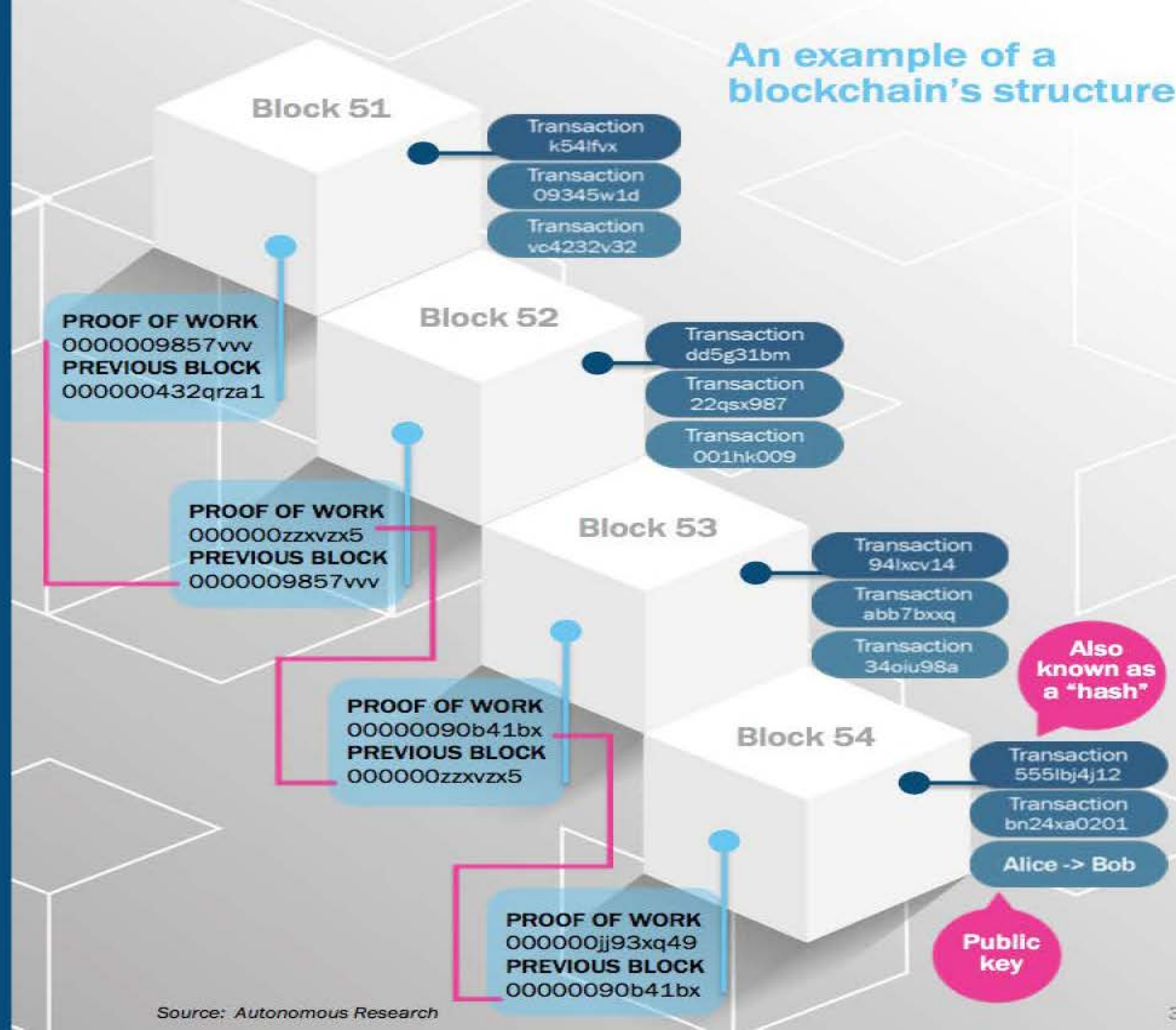
# How Blockchain Transactions Work

Blockchains solve two major challenges for digital transactions, controlling the information and avoiding duplication, at once.

There are four major pieces of information in a block:

1. An ID referred to as a “hash” or consensus identifier. In the example below, it’s called “proof of work.” This is a random set of encrypted numbers.
2. The hash number from the previous block, which sets the chronological order in the ledger
3. Transactions that are included in the block. Can be one, but can also be thousands of transactions.
4. Public key (identities) for the sender and receiver to identify the transfer of information.

An example of a blockchain's structure





# How Blockchain Works

Blockchains are built from 3 technologies:



Blockchain uses Private Key Cryptography to secure identities and hash functions to make the blockchain immutable

P2P machines on the network help in maintaining the consistency of the distributed ledger

The program gives the blockchain its protocol based on the requirement

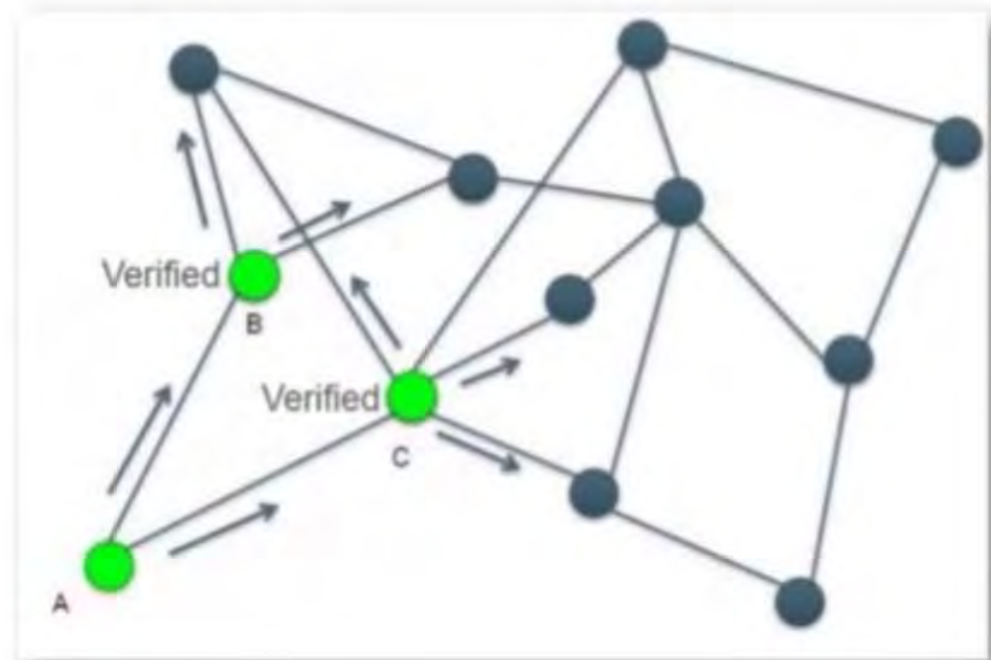
# Public Key Cryptography

- Public Key Cryptography is used for encryption
- Sender + Receiver + amount of Bitcoins to be send > hashed to particular hash value
- Apart from this there is a Digital Signature ( Hashed value of private Key and amount of bitcoins )
- Decrypt these values and compared to ensure the data is secure



# Peer to Peer Network

- Node is anyone associated with the block Chain system
- **Full Node** – Complete block chain and ledger
- **Minor Node** – People who validate transaction and builds new node





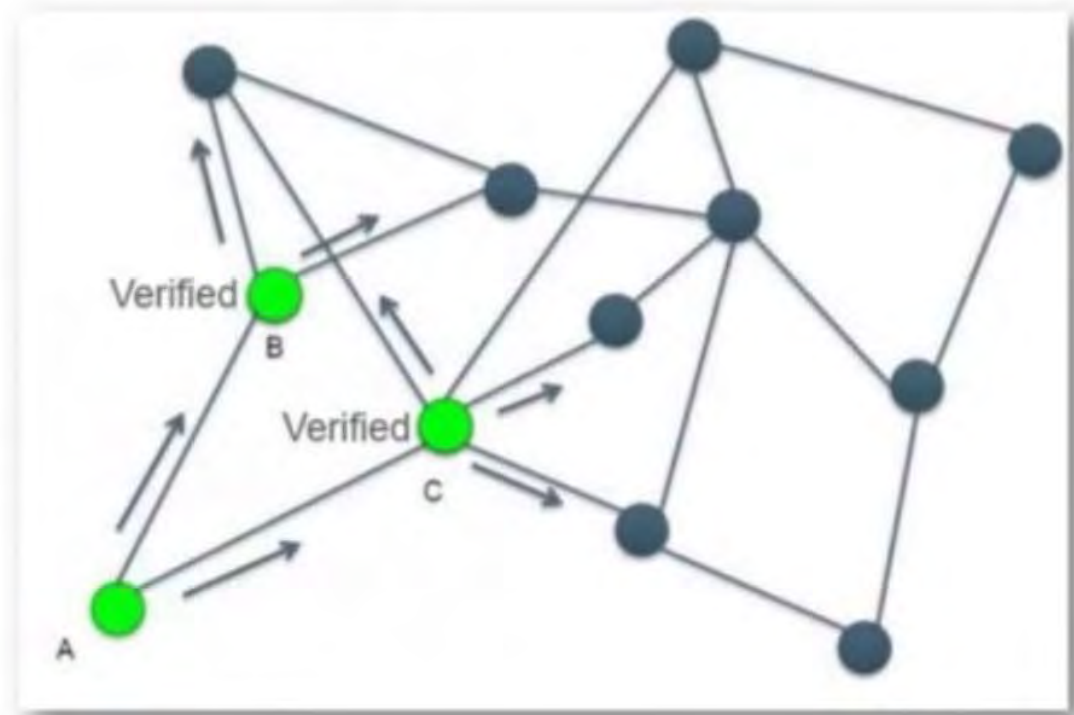
# Peer to Peer Network

Suppose A finds the transaction: Bobby (B) pays 5 coins to Cindy (C)

Node A broadcasts to the peers B and C in the network

If the transaction is verified, the peers (here, B & C) forward the transaction to their peers

The transactions propagate rapidly across the network

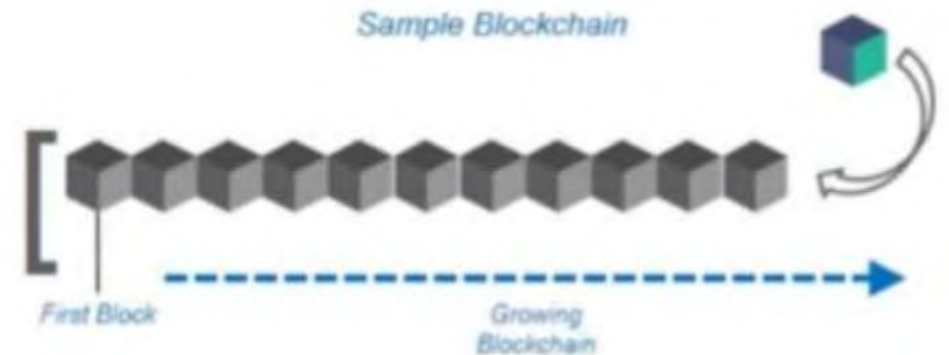


# Blockchain Program

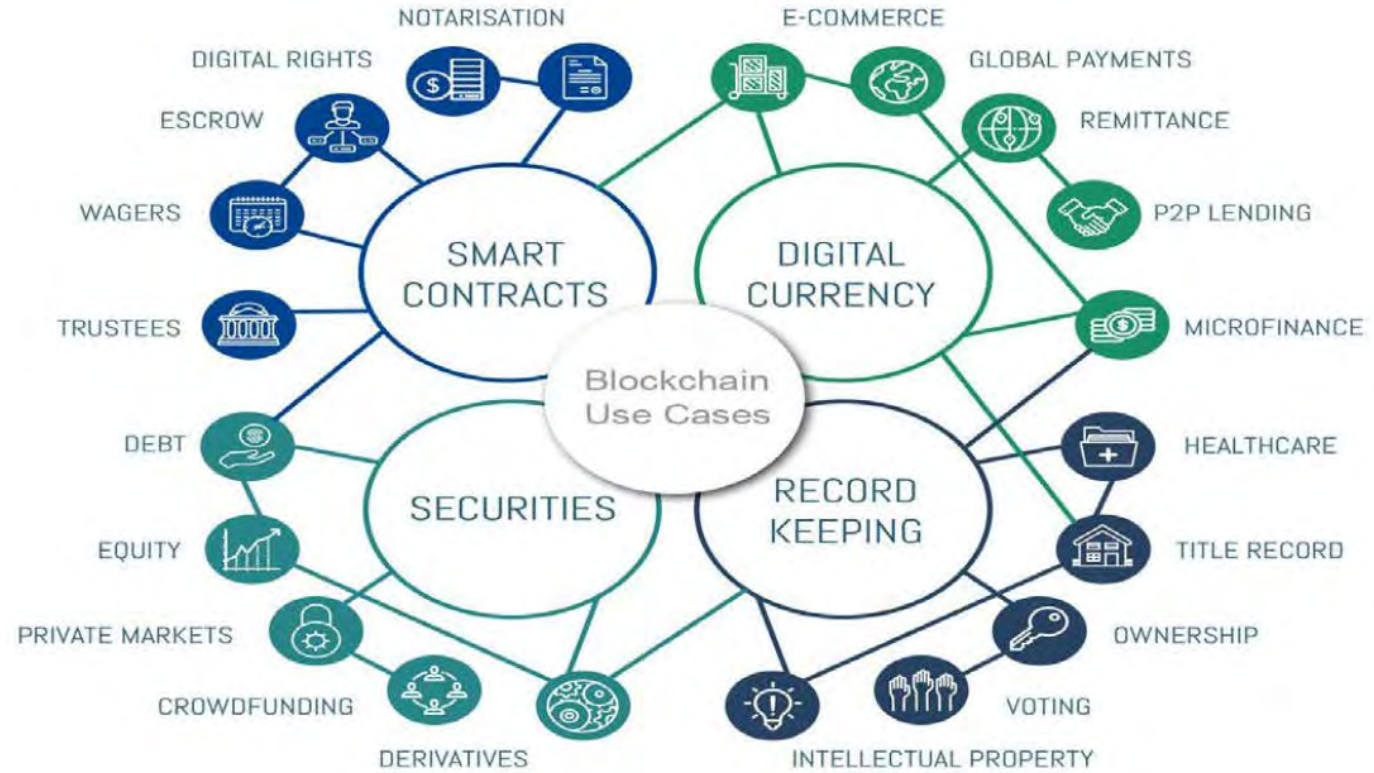
The Blockchain is the way of implementing any solution/ use case

Blockchain is a concept and can be implemented by any language

Solidity is the most preferred default for writing programs in Blockchain



# Blockchain Ecosystem

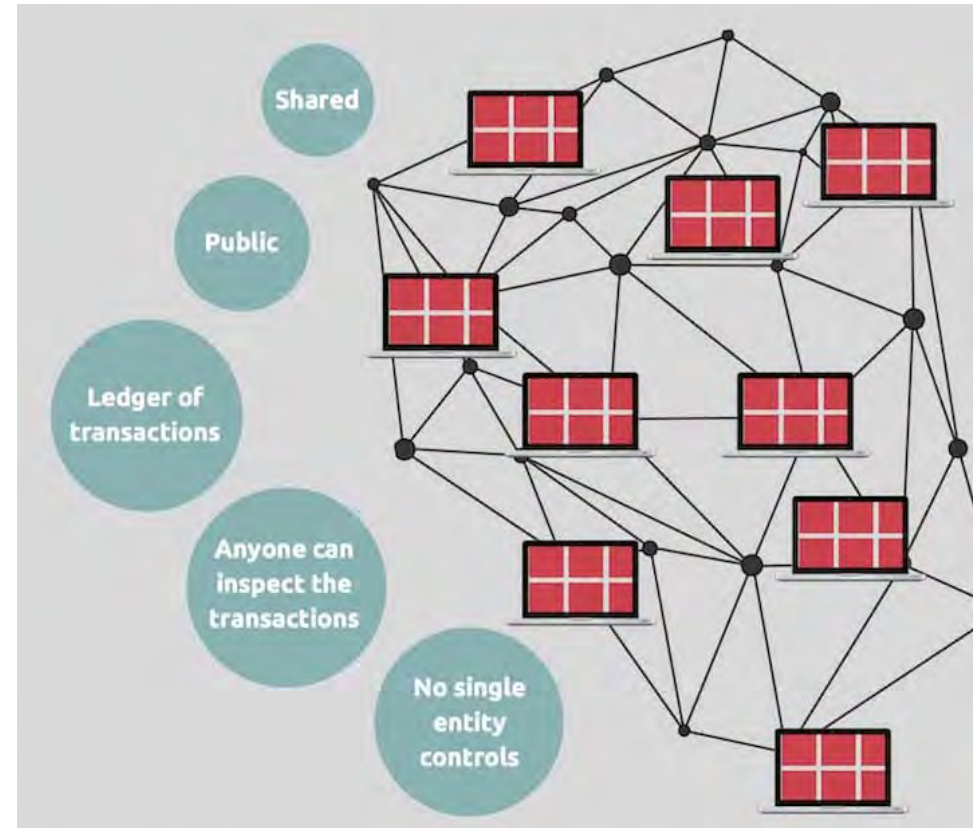




# No Entity Owns the Data - Shared Ownership

**Data is copied everywhere!**

This is difficult to grasp at first, but the technology is real





# What is BITCOIN?

- First Decentralized Cryptocurrency
- Uses cryptography to control its creation and management
- Various cryptography technologies and mathematical algorithms for creating Bitcoins are very complicated
- Total Bitcoins are limited to 21 Million
- Last Bitcoin will be mined by 2040

# OTHER CRYPTOCURRENCIES

Market Cap: All Price: All Volume (24h): All

USD Back to Top 100

#	Name	Symbol	Market Cap	Price	Circulating Supply	Volume (24h)	% 1h	% 24h	% 7d
1	Bitcoin	BTC	\$143,778,807,628	\$8,493.23	16,928,637	\$6,982,210,000	0.15%	8.02%	-7.66%
2	Ethereum	ETH	\$53,808,127,335	\$547.44	98,291,174	\$2,106,960,000	0.81%	5.33%	-21.49%
3	Ripple	XRP	\$27,368,837,539	\$0.700076	39,094,094,840 *	\$1,116,030,000	1.61%	13.29%	-12.33%
4	Bitcoin Cash	BCH	\$16,583,950,049	\$973.99	17,026,888	\$428,058,000	0.47%	8.24%	-7.25%
5	Litecoin	LTC	\$8,766,458,333	\$157.38	55,701,431	\$531,970,000	0.15%	5.63%	-12.11%
6	Cardano	ADA	\$4,756,347,017	\$0.183451	25,927,070,538 *	\$305,092,000	1.98%	23.30%	-18.32%
7	NEO	NEO	\$4,443,159,500	\$68.36	65,000,000 *	\$279,687,000	0.96%	12.84%	-20.30%
8	Stellar	XLM	\$4,388,775,884	\$0.237248	18,498,684,431 *	\$95,413,500	1.01%	16.78%	-18.52%
9	EOS	EOS	\$4,189,128,713	\$5.68	738,078,819 *	\$592,084,000	-0.21%	30.19%	-2.56%
10	IOTA	MIOTA	\$3,591,208,716	\$1.29	2,779,530,283 *	\$62,062,300	0.13%	8.38%	-2.04%
11	Monero	XMR	\$3,372,725,013	\$212.90	15,842,199	\$74,202,800	0.61%	9.99%	-17.71%
12	Dash	DASH	\$3,142,389,506	\$394.97	7,955,980	\$112,377,000	0.61%	7.05%	-21.03%
13	NEM	XEM	\$2,497,266,000	\$0.277474	8,999,999,999 *	\$99,208,500	-1.86%	5.83%	-29.26%
14	Tether	USDT	\$2,210,921,734	\$0.997195	2,217,140,814 *	\$2,797,730,000	-0.18%	-0.10%	-0.32%
15	TRON	TRX	\$2,080,575,252	\$0.031645	65,748,192,476 *	\$180,633,000	1.04%	17.22%	-11.80%
16	VeChain	VEN	\$1,911,597,232	\$3.73	511,903,798 *	\$78,580,500	-0.39%	7.73%	-6.36%

28-Year-Old Crypto Wiz Breaks Silence On Cryptocurrencies

[LEARN MORE](#)

Crypto.IQ

5:37 PM 3/19/2018

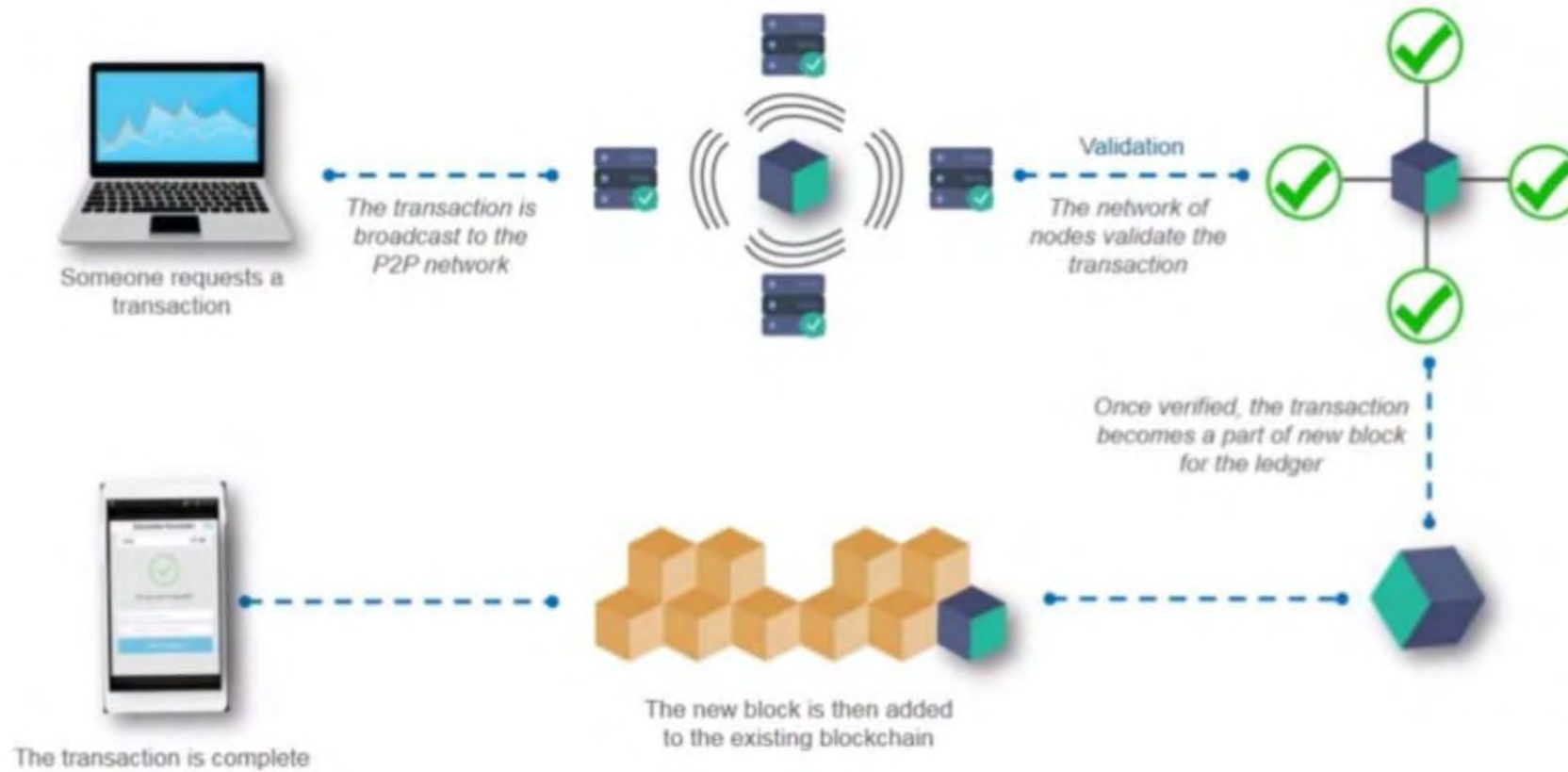
# And more....

Rank	Icon	Name	Ticker	Price	Market Cap	Volume	24h %	7d %	30d %
1545		Qora	QORA	\$?	\$0.194116	?	0.00%	7.56%	-23.72%
1546		Karmacoin	KARMA	\$?	\$0.000082	?	?	4.90%	-9.68%
1547		Xaucoin	XAU	\$?	\$0.050249	?	?	6.84%	-16.96%
1548		TrickyCoin	TRICK	\$?	\$0.009845	?	?	6.33%	6.97%
1549		Dubstep	DUB	\$?	\$0.001624	?	?	8.90%	-20.59%
1550		Cycling Coin	CYC	\$?	\$0.001332	?	?	6.25%	-2.38%
1551		InvisibleCoin	IVZ	\$?	\$0.505321	?	?	?	-12.89%
1552		X2	X2	\$?	\$0.000168	?	?	-0.22%	-38.36%
1553		Psilocybin	PSY	\$?	\$0.043417	?	?	5.20%	4.71%
1554		Happy Creator...	HCC	\$?	\$0.000082	?	?	5.05%	-9.65%
1555		International...	XID	\$?	\$0.002850	?	?	0.26%	-17.69%
1556		PinkDog	PDG	\$?	\$0.000086	?	?	9.41%	-5.70%
1557		KashhCoin	KASHH	\$?	\$0.000082	?	?	4.90%	-9.68%
1558		RHFCoin	RHFC	\$?	\$0.000742	?	?	5.20%	-8.63%
1559		Tattoocoin (L...	TLE	\$?	\$0.534724	?	?	4.95%	?
1560		LLToken	LLT	\$?	\$?	?	?	?	?
1561		High Gain	HIGH	\$?	\$0.000335	?	?	6.84%	-12.06%
1562		SpherePay	SAY	\$?	\$0.002235	?	?	?	-4.44%
1563		OCOW	OCOW	\$?	\$0.000017	?	?	?	?
1564		InfChain	INF	\$?	\$0.008800	?	?	?	-12.67%
1565		Farstcoin	FRCT	\$?	\$?	?	?	?	?
1566		Monero Gold	XMRG	\$?	\$0.000185	?	?	?	?

\* Not Mineable

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# Blockchain – Flow Diagram





# Land Registry Pilots

- Land & Gov't Records Pilots
  - a) Russia
  - b) Sweden
  - c) Ukraine
  - d) United Kingdom
- Evaluation of Blockchain as alternative database technology
- Blockchain to replace the Govt. Authority?

# Land Registry Pilots

- US Model – Title Insurance prevalent
- UK, EU – Govt. Records– Optional Insurance
- Mexico, Latin America, Eastern Europe
  - Reliance upon government registries is problematic
  - Foreign investments
- Blockchain based immutable records – provide assurance for third parties

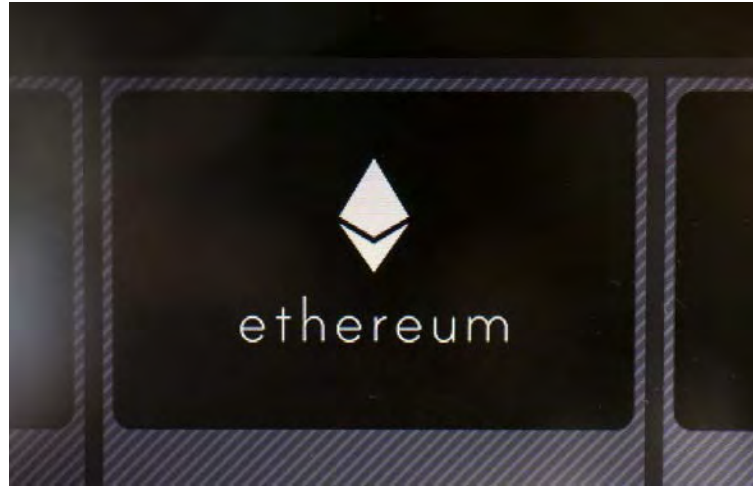
# Florida Bitcoin Closings



Bitcoin real estate transactions are set to increase across the U.S., and Florida was one of the first major examples of this trend.

In December 2017, a Bitcoin enthusiast sold their house for Bitcoin in Miami through a successful cryptocurrency real estate transaction.

# First Blockchain Real Estate Transaction Closed



- An apartment in Ukraine has become the first-ever property to be bought and sold using blockchain, potentially heralding a new era of transparent and efficient real estate transactions.
- Ukrainian developer Mark Ginsburg sold the Kiev property to Michael Arrington, co-founder of the tech news site TechCrunch, for \$60,000 via smart contracts on the Ethereum blockchain.




# Second Blockchain Real Estate Transaction Closed

This conveyance has been recorded in smart contract [0xa188e5a3da203f8ebc72ec7578532926dc1d3bec](#) of the public Ethereum blockchain.



IN WITNESS WHEREOF, the parties do hereby execute this Warranty Deed this 20<sup>th</sup> day of February, 2018.

  
Katherine M. Purcell

STATE OF VERMONT  
COUNTY OF CHITTENDEN, SS.

On this 20<sup>th</sup> day of February, 2018, personally **KATHERINE M. PURCELL**, to me known to be the person who executed the foregoing instrument, and she acknowledged this instrument, by her signed, to be her free act and deed.

Before me   
Notary Public

Printed Name: Michelle N. Farbas

Notary commission issued in Chittenden County  
My commission expires: 2/10/19

Vermont Property Transfer Tax  
32 V.S.A. Chap 231  
-ACKNOWLEDGEMENT-  
RETURN REC'D-TAX PAID BOARD  
OF HEALTH CERT. REC'D.  
VT LAND USE & DEVELOPMENT  
PLANS ACT. CERT. REC'D  
Return No. \_\_\_\_\_  
Donna Kinville City Clerk  
Date Feb 21, 2018



# Second Blockchain Real Estate Transaction Closed

- In the case of the Vermont transaction, the traditional instrument of conveyance, i.e. the deed, which eventually gets recorded at the county Land Records office, contains the [Deed smart contract's address](#) printed on it. This deed has created legal history, as this is the first time ever in the US that a blockchain address is recorded on a deed, and thus also recorded in the official, statutorily mandated land records in a recording jurisdiction of a US state.

# PROPY Timeline



# FIRST FULLY DIGITAL ONLINE CLOSINGS

- <https://flagency.net/first-digital-closing-title-transaction-florida-paramount-title/>
- <https://www.alta.org/news/news.cfm?20180313-Florida-Agency-Network-Closes-Full-Digital-Transaction-in-Sunshine-State>
- <https://notarize.com/blog/florida-first-ever-online-eclosing/>
- <https://www.thetitulereport.com/Articles/FAN-completes-fully-digital-refinance-72841.aspx>



# WHAT'S NEXT???

- Smart Contracts
- Ethereum Blockchain emerging as the “Real Estate favorite”
- Digital Closing and Mortgage
- Instant Transaction, recording and policy (Kiev transaction time)
- Changes in Technology
- How to stay ahead!

# Thank You!



[Flagency.net](http://Flagency.net)