

AP WIRELESS INFRASTRUCTURE PARTNERS, LLC

Municipal Success Story: Orange Village, OH

Client: Orange Village, Ohio. An affluent village of 3,300 people outside of Cleveland looking for ways to capitalize on current assets and anticipated future revenue.

Cell Tower Information: Currently has a cell tower on Village property owned and operated by AT&T as a tenant with Orange Village as the landlord. AT&T pays the village \$1,650 per month rent. The village receives \$875 per month for its share of a T-Mobile co-location on the cell tower. Village public safety forces also use the tower for communications services.

Key Players: Chris Miller, Partner, Ice Miller Law Firm, acting as Special Legal Counsel on behalf of Orange Village. Chris Pagano, Managing Director, AP Wireless.

Background: Orange Village had been approached in the past by other companies seeking to take over cell carrier rent in exchange for an upfront lump-sum payment.

Summary

The Village decided it was ready to enter into an agreement if its terms could be met. “AP Wireless had the most flexible and innovative approach,” said Chris Miller, a partner at Ice Miller, Special Legal Counsel on behalf of Orange Village. Miller has represented municipalities and other public entities on telecommunications issues for the past fifteen years across Ohio in other states around the country.

“To be honest, I haven’t always been in favor of these types of deals where forward rents are exchanged for an upfront sum. However, in dealing with AP Wireless, their flexibility really made a difference and they were clearly the easiest company to work with. Orange Village had some special circumstances, such as the need for public safety equipment on the tower and certain unique transfer/assignment of ownership concerns.. Unlike the other companies we talked to, AP was willing to work with the Village on all our specifics, and at the end of the day saw the most value in our tower. This was reflected in the \$230,000 check they wrote to the Village, about 20% more and with better terms and conditions than any of the offers made by the competition,” said Miller.

In addition to the upfront lump sum, AP Wireless also will be sharing revenue from future carriers that are brought to the cell tower. Unlike other companies competing with them, AP Wireless was willing to share 75% of any future new carrier revenue with the Village.

Where competitors wanted terms of fifty years, AP Wireless was willing to negotiate a deal for an initial term of only twenty years, with an option for a second ten-year term. In the second term, the Village’s revenue share will be 50% of all rents received.

“Economically, AP Wireless was ahead of the pack and put the best deal on the table,” said Miller.

“The deal that AP Wireless structured for Orange Village is a perfect example of how we can customize a transaction to meet the specific needs of our client,” stated Eric Overman, Chief Executive Officer. “AP Wireless is leading the industry with innovative solutions that enable us to maximize the cash payout while providing the flexibility that public entities need on certain deal points.”

AP Wireless was established by senior-level professionals with deep experience in the financial, legal, and accounting aspects of wireless infrastructure to help cell site owners maximize the value of their wireless infrastructure assets. With a professional services and consultative approach, AP Wireless works with public sector clients to, first, convert existing cell site lease rents to a large up-front cash payment. The cash can be used to fund programs, projects, debt reduction, or simply to increase the reserve fund. Second, AP Wireless can leverage its industry knowledge and expertise to help market cell sites to incremental tenants, thus increasing revenue. And third, AP Wireless assumes the risk of cell site revenues disappearing due to carrier lease termination or rent reduction.

For more information, please contact AP Wireless:

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