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Mountain Union Telecom

- Mountain Union owns towers and manages rooftops and towers serving the wireless industry.
- Mountain Union facilities are located in key areas of the continental United States and Puerto Rico.
- Mountain Union is a regionally focused company that provides wireless sites within specific geographic areas.
- Mountain Union aggressively researches telecom trends and established markets.



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Mountain Union Telecom

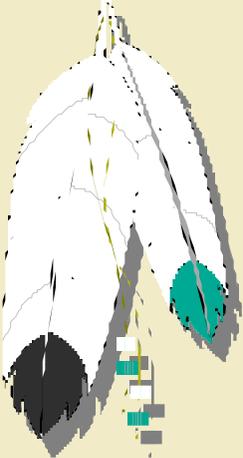
- Each new facility goes through a series of rigorous testing before it becomes operational.
- Mountain Union's site development teams consist of site acquisition personnel with experience in site leasing, permitting and construction.
- Once constructed, our sites are operated by seasoned engineers, technicians and facility managers committed to providing excellent customer service.

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Site Leasing Issues

- One of the primary issues associated with telecom facility development is the acquisition of either land or rooftop space.
- Both the property owner and the lessee have specific issues that need to be addressed in the lease agreement concerning the subject property. With a few exceptions, these issues are the same whether you are dealing with raw land or rooftop development.

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Property Owner Leasing Issues

- 1. Leased Premises. The Leased Premises should be specifically defined in the text of the lease agreement and represented in the exhibits.

- 2. Term.
 - A. Initial Term: 5 years
 - B. Successive Renewal Terms
 - C. The Commencement Date should either be defined by a specific date or by the occurrence of some specific event.

Property Owner Leasing Issues

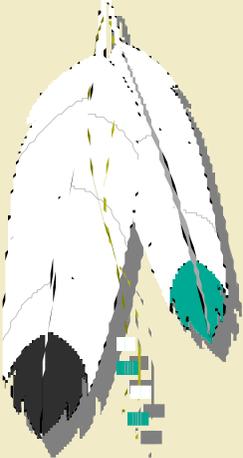
- 3. Rent.
 - A. Location of Property and size of Leased Premises.
 - B. Rent calculations: fixed vs. percentage
- 4. Interference. Interference between current and future users of the Property and Lessee's use.
- 5. Access and Utilities.
 - A. Existing access and utilities.
 - (i) Reimbursement vs. sub-metering
 - B. Development of access and installation of utilities.

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Property Owner Leasing Issues

- **6. Taxes.**
 - A. Owner pays certain taxes
 - B. Lessee pays certain taxes

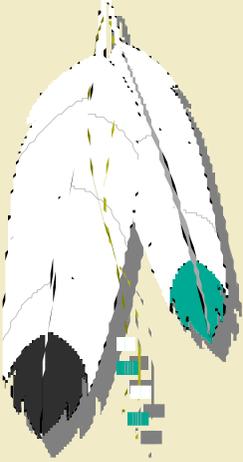
- **7. Exhibits.**
 - A. Legal description of the Property
 - B. Legal description and/or survey of the Leased Premises
 - C. Site plan showing the proposed telecommunications facility.



Lessee Leasing Issues

- 1. Option.
 - A. One-time aggregate payment
 - B. Specified period of time
 - C. Development feasibility activities:
 - (i) applications for governmental approvals
 - (ii) title work;
 - (iii) engineering studies;
 - (iv) environmental studies; and,
 - (v) marketability

**If Lessee determines it is feasible to develop the proposed facility, Lessee will “exercise” its option to lease the premises.



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Lessee Leasing Issues

- **2. Term.**
 - A. Lessee will require a long-term lease.**
 - B. Initial Term**
 - C. Successive Renewal Terms**

- **3. Rent.**
 - A. Location of Property and size of Leased Premises**
 - B. Rent calculations: fixed vs. percentage**

- **4. Interference. Interference between current and future users of the Property and Lessee's use.**



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Lessee Leasing Issues

- **5. Access and Utilities.**
 - A. Existing access and utilities
 - (i) Reimbursement vs. sub-metering
 - B. Development of access and installation of utilities
- **6. Right to Terminate. Lessee will require a provision to allow them to terminate the lease agreement if:**
 - (i) Lessee is unable to obtain governmental approvals;
 - (ii) Prior to construction of the telecom facility, Lessee determines it is not feasible to construct the facility



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Lessee Leasing Issues

- **7. Condemnation.** Lessee shall be entitled to receive the award related to the telecom facility and any infrastructure built by Lessee and related to the telecom structure.
- **8. Assignment of Lease.** The agreement may be assigned or transferred by Lessee, without the prior consent of owner, to:
 - (i) A successor to the primary business of Lessee
 - (ii) A subsidiary, affiliate or partner of Lessee
 - (iii) Someone who purchases substantially all of Lessee's assets



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Property Owner as Licensor

- **The property owner may decide to develop the land and/or rooftop to build a telecommunications facility.**
- **In this capacity the owner becomes the Licensor and “licenses” space to the telecommunication service provider on the Facility.**
- **The Owner/Licensor then has a dual role**
 - (i) Develop and maintain the Facility**
 - (ii) Negotiate license agreements with service providers to license space on this Facility for a fee.**



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Property Owner as Licensor

Administrative considerations for Owner as Licensor

- A. Marketing the Facility to service providers
- B. Customer Service
- C. Billing
- D. Access and Utilities
- E. Safety
- F. Security
- G. Regulatory Compliance



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License Agreements

Property Owner License Agreement Considerations

- **1. Term.** Owner will want to have the right to terminate the agreement upon the expiration of the Initial Term or any Renewal Terms.
- **2. License Fee.**
 - A. Fixed vs. Percentage Rent
 - B. Annual Escalation
- **3. Review and approval of construction plans, modifications**



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License Agreements

Property Owner License Agreement Considerations

- **4. Interference.** Licensor obligations to mitigate and remedy.

- **5. Insurance.** Licensor should require Licensee to carry an adequate amount of insurance for the installation and operation of its equipment on the Facility.

- **6. Assignment.**
 - A. Requirement of consent for Licensee assignment.
 - B. Free assignment of Licensor's interest.



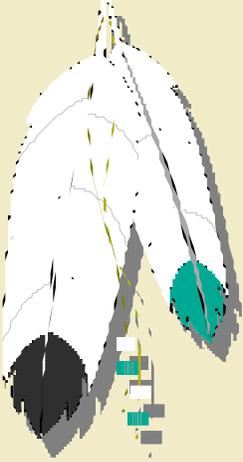
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License Agreements

Property Owner License Agreement Considerations

- **7. Right to replace and renovate Facility.**

- **8. Access and Utilities**
 - A. Existing access and utilities**
 - (i) Reimbursement vs. sub-metering**
 - B. Development of access and installation of utilities**



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License Agreements

Licensee License Agreement Considerations

- **1. Interference**
- **2. Assignment**
- **3. Quiet Title and Enjoyment**
- **4. Recordation of License Agreement**
- **5. Access and Utilities**
- **6. Ownership, Control and Maintenance of Equipment**

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