



February 8 2022

City of Southfield Lathrop Village  
Site 310966

Changes in the Wireless Industry:

Today, operating costs continue to escalate and have become a major focus for carriers. Carrier mergers, lease buy-out programs, fewer tenants to which sites can be marketed, and the move to smaller repeater/micro towers are affecting the industry. T-Mobile announced 25,000 Sprint sites were to be terminated along with an additional 10,000 T-Mobile sites. These factors have led to industry wide network evaluations.

Eliminating Risk and Increasing Value:

As a result, American Tower is re-evaluating its portfolio in conjunction with network engineers to review which communications facilities are likeliest to remain active in the network.

Criteria for Cellular Site Retention:

American Tower would like to include this site in its long-term portfolio. To retain the current tenants and attempt to market to others we need to keep the site viable from a financial standpoint. Our goal is to secure cooperation to address the economics of this site allowing us to maintain it in our long-term portfolio.

There are two options to achieve that goal and can improve the long-term security of the Tower Site:

**1. Escalation Reduction -With Term added**

- **Reduce Term escalation from 25% to current Carrier Contract 10% term**
- **We can offer a \$1,500 cooperation bonus for this accommodation**
- **Agreement is executed as an amendment to the lease at which time we would add 3 5 year term options to the bac of the current end date.**
- **We request the addition of an Aggregator specific Right of First Refusal the addition of this clause allows me to increase the above signing bonus to \$7,500.**

**2. Lease Buyout**

**We can again consider the lease Buy-out option. Lease Buyouts place all future risk on the Tower company. They are executed as easement agreements. The Current "value" for a onetime payment based on TMO remaining at this location would be approximately \$1,200,000.00**

As this site was flagged in my data for immediate attention, please contact me prior to **3/15/2022**. I would like to do what we can to get the site off the "radar" so it can continue as a positive asset for both you and American Tower.

Best Regards,

**Laurene**

**Laurene Franklin**

Senior Lease Consultant,

Tower Alliance LLC (An Authorized Vendor of American Tower)

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*\*\*PLEASE NOTE: Offers subject to change, with required final approval by American Tower, and are for discussion purposes only. The parties will not be bound in any respect until and unless a written agreement is signed by all.*