



## Md7 Helps Operators **TAKE CONTROL OF LEASES**

### How Md7 helps you improve your cell site leases

Operators face an increasing financial burden to keep up with swiftly evolving technology while managing a diverse real estate portfolio that's wrought with outdated lease language and over-inflated rents. While equipment costs have fallen over the past ten years, cell site rents continue to escalate. Managing cell site rent costs are important because they are one of the largest network operating costs over a 15 year period. With the original network leases coming up for renewal and the prospect of many new 4G leases to come, operators cannot wait any longer to focus on rent savings.

Operators have historically paid too much for cell site rent— far more than other commercial real estate tenants. It's ironic considering that operators are the perfect tenants. They have solid credit, few property management issues, high renewal rates and a willingness to take otherwise unleaseable space. Operator tenants also lend credibility to a landlord's lease portfolio, which can both positively affect their cap rate valuations and their ability to obtain financing.

This disparity has been exacerbated by an increasingly competitive marketplace. High lease costs were not traditionally a focus for operators, who were more concerned with rapid network building to support subscribers. Now that the wireless market has matured, operator attention is shifting from network growth to reining in network operating costs. The evolution of the market requires competitive pricing, flexibility, agility and speed— all of which may have negative consequences imposed by the cell site lease.

#### Why Do Operators Pay More for Rent?

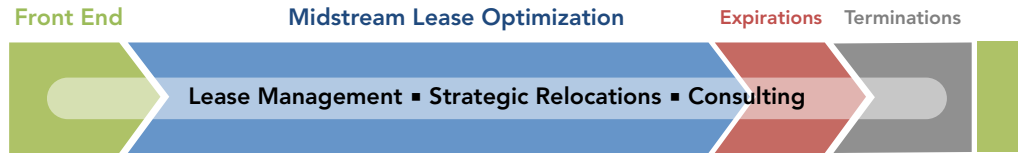
OBSTACLE	DESCRIPTION
DIVERSE REAL ESTATE PORTFOLIO	Operators are uninformed about competitive lease rates since they have no visibility into what other tenants are paying.
GOING RATE NOT IN SYNC WITH MARKET RATE	Real market rates are dynamic and a function of the broader real estate market for what all tenants are paying. Complex zoning and regulation can make determining the market rate difficult.
SKILL SET	Traditional site acquisition vendors must accomplish hundreds of tasks within a local market, limiting their ability to focus on the specialized task of negotiating leases. They lack the legal expertise related to commercial leases and intimate knowledge of local market financial conditions.
RENT NEGOTIATION MADE A LOWER PRIORITY	When proper lease negotiation is not a part of the origination process, operators can lose money from the start and throughout the lease lifecycle.

*Wireless operators typically pay three to five times as much per square foot than other tenants.*



## Md7 Offers a Competitive Edge

Md7 can help operators achieve the savings other commercial renters already enjoy. Md7 works exclusively as a partner with wireless operators around the world. Our programs and services enable you to identify and correct inefficiencies throughout your lease portfolio to reduce your operating expenses, ensure network flexibility for future growth and secure your competitive positioning against cell site speculators.

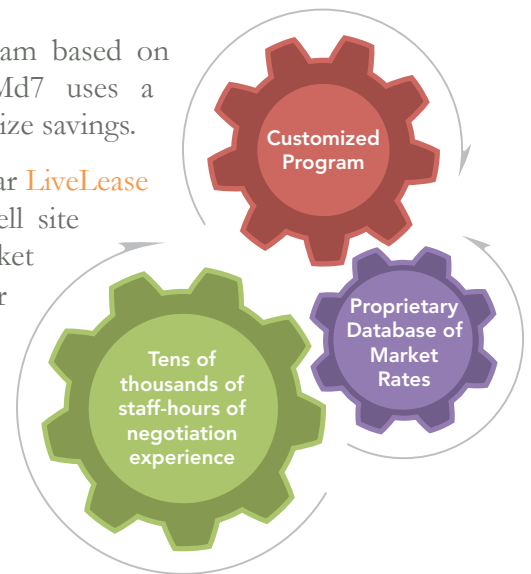


With our comprehensive blend of industry and real estate expertise, Md7 understands these pressures and offers unique solutions. Our **suite of services** focuses on lease administration and management strategies that can improve financial efficiencies throughout the entire lease lifecycle.

On the **Front End**, Md7 complements new site acquisition activities by delivering quality leases at origination. Our **Midstream** strategies optimize your current lease portfolio and administration process. We give operators the ability to execute intelligent network planning by managing lease expirations and streamlining network consolidation costs during mergers and acquisitions.

Md7 provides savings in three ways:

1. Md7 customizes a savings program based on your company's accounting needs. Md7 uses a performance-based fee model to maximize savings.
2. Md7 has built a multi-million dollar **LiveLease** system that houses our database of cell site and commercial lease and raw land market rates to give us a unique view of fair rent costs.
3. Md7 has a dedicated, fully trained staff of licensed real estate salespeople with tens of thousands of staff-hours of negotiation experience to get the best lease rate and terms.



## Who We Are

Established in 2003, Md7 is a private company that is majority-owned by management. Md7 provides operations and financial services to help wireless operators manage their cell site leases. With deep industry expertise, integrity and proprietary intelligence, we are uniquely positioned to expertly manage any lease portfolio. With offices in both the US and UK, our customer roster includes AT&T, Verizon, Vodafone and Sprint.

*Md7's customers are among the largest wireless operators, including AT&T, Verizon, Vodafone and Sprint.*

*Contact us today, and let's discuss how we can help reduce costs in uncertain times.*

**Md7 North America**  
3721 Valley Centre Drive  
Suite 300  
San Diego, CA 92130  
USA  
Office +1 858 799 7850  
Toll Free +1 888 553 6611

[www.md7.com](http://www.md7.com)