



Business Plan Summary

The proposed Chappell fiber project is an organic extension and upgrade to the existing Vistabeam fixed wireless deployment in the town. Vistabeam currently has 196 broadband customers on the fixed wireless system in Chappell, fed from a fiber backbone connection and backed up by two high capacity microwave middle mile connections. These customers will be migrated to the fiber network and the fixed wireless equipment will be redeployed elsewhere.

Vistabeam has a universal pole attachment agreement in Chappell and has three trunk fiber lines deployed throughout the town along with a fourth route that goes to the fiber backbone provider. The City of Chappell has been notified of our intention to deploy a fiber to the premise network and is supportive of our project.

Notes on the Financial Analysis of the Chappell Fiber Project (Vistabeam_Chappell_G_2.xlsx)

Over the first twelve months after project completion, fixed wireless customers will be transitioned to the fiber network until 50% of the 612 potential locations are active customers on the system. Once that level of market share is attained, it will remain steady. ARPU for the fiber customers is projected at \$65/month for a monthly revenue target of \$19890.

The monthly expenses include \$7769.41 for a loan payment for the grant match, \$200 for pole attachment fees, \$200 for electric utilities, \$2500 for Internet backbone connectivity and \$1000 for maintenance. This produces a monthly expense target of \$11,669.

The proposed loan structure for the match is on a 5 year amortization with a 7% interest rate.

Cash flow for the first few months of the project is slightly negative, but reaches breakeven once 150 customers are on the fiber network.

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