Ashland Fiber Network    Ashland, OR  
purchase by private telecom for $1.00

Burlington Telecom    Burlington, VT  
sold for pennies on the dollar

ChaskaNet    Chaska, MN  
closed to stop the blood flow of money

Crosslake Comm    Crosslake, MN  
sold to a private company at a loss

FiberNet    Marietta, GA  
sold at a $24M loss

iProvo    Provo, UT  
they actually PAID Google to take it over

Lake Connections    Lake County, MN  
sold to a private company at a loss

Link City    Kansas City, MO  
sold to a private company, then leased it back from them

Memphis Networx    Memphis, TN  
sold at a $29M loss

Net Quincy    Quincy, FL  
sold for pennies on the dollar

OptiNet    Bristol, VA  
closed following federal indictments

Thames Valley Comm    Groton, CN  
sold at a $34M loss

Westfield Connects    Hamilton, IN  
sold at a 75% loss
We are not alone
<table>
<thead>
<tr>
<th>Description</th>
<th>Cost</th>
</tr>
</thead>
<tbody>
<tr>
<td>Broadcast license fees (per subscriber)</td>
<td>$45.00</td>
</tr>
<tr>
<td>Average net return (per subscriber)</td>
<td>$4.30</td>
</tr>
<tr>
<td>VoIP equipment costs (per subscriber)</td>
<td>$30.00</td>
</tr>
<tr>
<td>Average net return (per subscriber)</td>
<td>$2.15</td>
</tr>
</tbody>
</table>
Housing density = Number of homes per square mile

Cost per home passed = Total cost to build, divided by number of homes

Take rate = Projected number of subscribers
8,775 homes
16,250 residents
$11M cost to build
Projected Revenue: $240K per month

4,725 homes
8,750 residents
$10M cost to build
Projected Revenue: $140K per month
Unseen terms (aka: surprises and “gotchas”):

Helpdesk: How many calls per day,
How long do the calls last,
What if the problem isn’t solved

Outside plant: What happens if the fiber breaks,
How long does it take to install a home,
What’s really involved in in-home installations
Differences between wood and brick installs,
What about underground installations
Out-sourcing

Outside plant construction
In-home installations
24x7 helpdesk
Network Engineering and
Alarm Monitoring
How many people are needed

How many helpdesk positions are needed
Is a 24x7 helpdesk actually necessary
How many field technicians are needed
How many central office technicians are needed

How large should the management structure be
Are clerical and support staff needed