



**A**

**High Speed  
Internet Access  
Offering  
For Residential  
Multi-Tenant  
Environments**



## Executive Summary

Need High Speed (NHS) is pleased to offer this proposal to provide high-speed Internet access to your multi-tenant properties that do not have an alternative to traditional dial-up Internet services. NHS is ready to commit the necessary level of resources to ensure rapid service deployment and a high quality product for your residents subscribing to our service offerings. This proposal reviews NHS' high-speed access services and how NHS can easily add innovative products for your residents in the future as a communications partner for your residential multi-tenant properties.

This proposal supports the objective of offering all residents of your properties high-speed Internet access. By insuring high-speed Internet service is available at every property; you will enhance the value of your multi-million dollar real estate assets.

In addition to bringing Internet access to your properties, through this offering the residents of your properties will have the choice of selecting NHS as their DSL bandwidth provider at other locations where alternatives may be available. This capability would provide an additional incentive for any of your residents who may be relocating; to move between your properties rather than moving to a competing property.

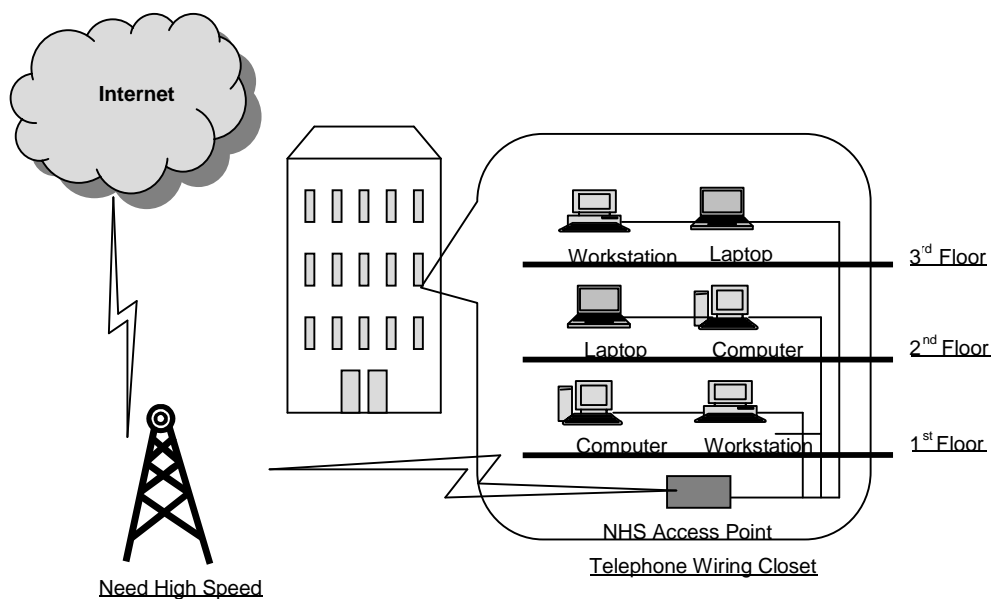
NHS appreciates the opportunity to provide you with our proposal for enabling high-speed Internet access. Our offer includes all of the professional services needed to ensure successful deployments for your residents at your apartment complexes. Within the business models section of our proposal is an optional financial incentive which will allow you to realize a new revenue stream generated from the offered communication services. Additionally, we have included compensation programs to give the residents as well as your property management an incentive for recommending our service to new tenants.

Competition within the telecommunications industry has created multiple options for delivering high-speed access to multi-tenant facilities. For a company such as yours, advertising a property as "High-Speed Internet Ready" brings a competitive edge that can result in higher occupancy rates and high revenues per square foot. NHS will enable you to guarantee to your current and prospective residents high-speed Internet access for those desiring such an amenity. The NHS services will not require your residents to wait for broadband services nor will they have to give up their current telephone service while they are connected to the Internet. The products offered by NHS are fully scalable to accommodate casual subscribers who do not require or need the full capabilities of high-speed Internet access to the professional or home office subscriber needing large capacity bandwidth services.

NHS enjoys multiple strategic relationships within the Front Range telecommunications market of Colorado. Our company, headquartered in Lakewood, CO, dedicated to providing high speed communications services and solutions by the best means possible. Recognizing that DSL and cable modems were unavailable in many areas and that T1 service are expensive, NHS has built a wireless network extending from Southern Fort Collins to Castle Rock to deliver badly needed Internet services. We sincerely look forward to your favorable acceptance of our high-speed Internet access services proposal and the subsequent development of a long-term strategic relationship between our respective companies.

## NHS Internet Access Technology

The delivery architecture of a multi-tenant data service is generally the same regardless of the underlying technologies utilized. The NHS network consists of two basic elements: the high-speed access to the particular property and the in-building distribution network for delivering IP services to subscribers. Through the use of local multi-point distribution system technologies such as shown below, NHS will ensure a reliable high performance method for your residents to access the Internet when subscribing to our IP product offerings.



NHS' high speed Internet access solution is a scalable, multi-service platform incorporating highly reliable equipment that is compatible with Internet technology advancements. NHS commonly uses the existing telephone wiring infrastructure to each apartment to deliver Internet services. This technology does not interfere with normal telephone conversations, ISDN, or future DSL services. Utilizing each building's existing communications wiring infrastructure to deliver high bandwidth services to individual tenants is a win-win solution. For you this means no significant additional infrastructure installations and the inconveniences of tearing down walls to string new wire to convert a building and make it broadband-ready. For the residents there will be no personal inconveniences to obtain the fastest, latest Internet access technologies and applications. NHS can focus on delivering a high quality product, rather than building additional infrastructure in your buildings.

With the NHS high speed Internet access solution any telephone wall jack in an apartment can deliver high-speed Internet access. The network will be engineered so that property residents will have as much flexibility as possible for their computing environment yet can still use their telephones while sending or receiving data from the Internet. Our intent, as a strategic communications partner, is to insure that for your residents the NHS customer experience is completely customizable. And, from our menu of products we will be able to solve complex networking challenges for their individual needs and lifestyle.



In combination with a roof top antenna the individual building NHS access point is a critical element of our solution to be installed at each property. This common equipment, the NHS access point which is shared between subscribers, incorporates highly advanced capable IP routing options and end-to-end QoS (Quality of Service) controls. Through this equipment your residents will be able to subscribe to NHS' flexible Internet services including:

- Multiple NHS high speed Internet access products
  - Bandwidth to any resident can be allocated with extreme granularity up to and including the physical access speed.
- Access to additional high speed network resources and offerings
  - Optional services for residents will include remote access, VoIP (Voice over Internet Protocol) telephone services with local and long distance plans, Firewall security services as well as Web hosting and IT consulting.

### **Your Company's Advantage**

In the increasingly competitive real estate market the ability to offer broadband services to apartment residents is a highly valued amenity. High-speed data connectivity is quickly moving from a "nice to have" to a "must-have" to attract new tenants to apartment communities. The convenience of accessing an "always-on" Internet connection through a high-speed link from an apartment unit can greatly influence a prospective resident's decision to sign on the dotted line. Residents are telecommuting, setting up small home offices, and simply using the Web for entertainment and to communicate with friends and family.

Having high-speed Internet access available to all residents creates a large competitive advantage for your company. Broadband access results in increased service revenues, occupancy, rent and ultimately asset value. Through the NHS high speed Internet access solution your company can:

- Attract and retain the best portfolio of tenants
- Develop an effective corporate services branding mechanism
  - Add new high value amenities to your service portfolio
  - Develop a specific intranet community center for your tenants and company
    - Market concierge services
- Increase the intrinsic value of each individual property
- Develop new non-rental revenue streams

Through this relationship with NHS, you will be providing your residents with an "always-on" connection to the Internet from their apartment homes, as well as potentially from community clubhouses and entertainment centers thus gaining a significant property differentiation over your competition. Partnering with NHS will give your company the elements necessary to enable high speed Internet services in a cost-effective manner within your properties.

### **The NHS Property Surveys**

An important element of the strategic relationship between our respective companies is the NHS property survey which defines how we would deliver our services for your residents. NHS will complete an in-depth survey for each of your properties where we would enable service at. These surveys are performed to determine both the feasibility as well as alternatives to bringing



high speed Internet access at any individual apartment unit where a resident could subscribe to one of our access products or other service offerings.

Through these surveys we will have an understanding of your individual properties as well as a complete complex that have more complicated network environments and therefore need more extensive installations. For example, we may find buildings in a specific complex have outdoor metal enclosures as the telephone demarcation point rather than in-building telephone rooms or closets. In cases such as this we would install a similar enclosure near the existing telephone demarcation boxes. Each NHS access point will require AC power and a short cable installed between the telephone demarcation box and our enclosure. NHS' high speed Internet access solution uses a combination of wireless technology and direct burial wire to connect buildings together and give the complex access to the Internet.

When our survey find individual properties and complexes having in-building telephone rooms or closets we would use these utility locations to house the NHS access point common equipment. In cases where our survey determines all telephone lines run to a central in-building location on a specific property or a large complex, NHS would install our network access equipment in just that single location.

## **Business Review**

NHS is offering your residential multi-tenant facilities a "turn-key" implementation of our high speed Internet access system for all of your residents requesting high speed services. We have designed a series of access offerings that will satisfy all of your resident's budgets in terms of both monthly subscription rates for different levels of internet access bandwidth with inclusive features as well as optional additional applications and services.

Recognizing not everyone will want to have a high speed connection, we have included a low cost 64K access product for subscribers that are satisfied with the lower speed of a dial-up internet access. The big advantage of this product is that it doesn't tie up their telephone line and yet it still gives them the "always on" connection feature.

In addition to the multiplicity of enhanced services developed specifically for your residence, NHS will provide our 1Mbps (1024Kbps) service to the management office at each property as well as to your corporate headquarters, at no additional cost to your business. As part of this addition we will assist your company with the creation of a virtual private network (VPN) between the property management offices and your corporate headquarters. Additionally, NHS will assist your company in developing a custom-designed apartment community portal capability to streamline services and communications within each apartment complex to greatly enhance your portfolio of service offerings and market concierge services.

## **NHS Requests**

NHS requests that your residential multi-tenant services company grant the following to enable us to deliver our high speed Internet access services to your properties and tenants:

- That your company will exclusively market and promote NHS products where we provide service.



- That your company uses the NHS logo and the tag line “Powered by Need High Speed, Inc.” in all appropriate promotional materials including advertisements as well as web sites and their subtending pages.
- That NHS has the exclusive right to market our high speed Internet access services and products to the residents of your company’s properties and that our promotional materials will be readily available in the management offices of each property.
- That your company will use its best efforts to insure all subscribers abide by our Acceptable Use Policy and that if violations occur your company will assist NHS in the enforcement of this policy.
- That if or when your company and NHS finalize and execute an agreement we will be allowed to immediately begin marketing our high speed access services and products to the residents of your properties in advance of installation of the enabling equipment. Additionally, we will jointly issue a press release describing our relationship and intentions. The press release will be subject to approval by both companies.

## Description of Services

Today’s communications networks face new challenges associated with many users distributed more broadly throughout communities and geographical areas. These users are demanding the availability of a diverse set of valuable applications and services such as high speed Internet access, e-commerce, secure remote access, e-mail, and web services. Not only does NHS need to provide this broad set of applications and services, but we also must provide high QoS (Quality of Service) and AoS (Availability of Service) to meet our subscriber requirements and commitments to your company.

AoS is one of the cornerstones of the NHS overall network architecture. While QoS is used to guarantee the priority of data, AoS enhances QoS by guaranteeing the availability of network bandwidth when it is needed for a given service by a subscriber. By reserving bandwidth within the system NHS will ensure AoS for your residents subscribing to our services. In this manner NHS allows the network to absorb temporary surges or last minute requirements in the data traffic flow, while still honoring the AoS guarantees made to your residents subscribing to our services.

NHS offers a wide variety of Internet access connectivity and networking solutions. Our uniquely scalable service has been designed to meet the needs of subscribers needing limited bandwidth to high bandwidth solutions for the subscriber that needs it all. All of the subscribers we serve, which would include the residents of your company, are subject to NHS’ Standard Terms and Conditions of services.

The basic Internet Service program developed by NHS specifically for subscribers from residential multi-tenant properties such as yours will include:

- A bi-directional 384K Internet connection
  - 5 E-mail addresses (with anti-spam and anti-virus filtering)
  - 10 MB of personal web space
  - Guaranteed speeds and installation times through our SLA (Service Level Agreement)
  - “Ready-and-Waiting” always on connection
  - Full service customer support and quality assurance
    - On-line customer support



- Automated trouble ticket system
- Telephone technical support

Each of the properties in your company served by NHS will also have a comprehensive suite of additional services and products including:

- Domain name hosting ([www.MyName.com](http://www.MyName.com), [Me@MyName.com](mailto:Me@MyName.com))
- Web hosting
- IT consulting
- Remote access for use when away from home
- Voice over Internet Protocol (VoIP) telephone service
  - Basic service
  - Expanded service
- Individual Firewall security products
- Internet access products offering the best in value and scalability. NHS' service is a reliable and secure high speed Internet access solution that is uniquely scalable from 64Kbps up to 1Mbps.
  - 64Kbps dial-up alternative
  - A 512Kbps upgrade
  - A 1Mbps (1024Kbps) upgrade
  - Additional bandwidth of up to 10Mbps can be enabled for any of your residents requiring that capacity on a case by case basis.

Deployment schedules for each property will be provided with the execution of a contract for services between your company and NHS. Generally, we can have services initiated within the first month after contract agreement. Individual subscribers to our services from your properties will be activated no later than 5 business days from requesting the announced service. Usually the service activation will occur within 2 business days based on equipment availability and subscriber financial approval.

### Service Models

To maximize the subscription take rate of high speed Internet access for your company and NHS, we have designed products for all your residents' budgets and access speed necessities. We begin our specific offerings with a 64K product for prospective subscribers that are satisfied with the cost and speed of dial-up internet access through a 1M service (1024K) for those professionals needing the full transport capabilities enabled by the bandwidth capabilities of this product.

<b><i>NHS Bi-directional Access Speed (up/down)</i></b>
64K/64K
384K/384K
640K/640K
1024K/1024K

In addition, the following optional add-ons services are available to your residents:



<b><i>NHS Optional Services</i></b>
100 Hours/month of dial-up service for use when away from home:
Voice over IP (VoIP) phone with local number and 500 minutes of US LD
VoIP phone with unlimited LD within the US and Canada
Hardware Firewall/Router (available on a per subscriber basis)

All service plans will have an installation fee which would be charged to each new subscriber to cover administrative and customer acquisition costs.

### **Network Installations**

Like service installation and activation fees associated with utilities such as water, gas, electrical, television, telephone, etc.; NHS has upfront costs that are necessary to provide high-speed Internet access services. Recognizing you may wish to have an ownership interest in the equipment, NHS can offer an optional installation cost sharing arrangement with you for the common equipment based on a time commitment contract. Through this optional installation cost sharing arrangement your company will have an interest in the infrastructure we install. Your interest could be leveraged to enable alternative network operators access to your residents should we fail to perform or otherwise meet our obligations.

The network common equipment will require AC power and therefore NHS will need to have you supply AC power where we install the common equipment. The power utilization for this equipment is very minimal and the installation costs will be considerably less if this equipment is not separately metered.

NHS will need to have your company grant us roof rights to deploy wireless equipment at your properties as well as corporate headquarters. In addition to the roof rights, we may request that your company give us the right to bury cables between buildings at properties, as needed. Before any burial of cables is undertaken a plan of the trenching will be given to your company for approval to proceed.

For the residents of your properties where we will be marketing our services and products; all network access service plans may have an installation fee which would be charged for subscribing to services. This fee primarily is offsetting NHS' administrative financial implications for moves, adds and changes in addition to our customer acquisition costs.

For your residents subscribing to our services, the individual CPE (customer premise equipment) will be a self-install procedure to activate individual subscriber services. Our automated provisioning system for new subscribers requires they either have an authorized credit card for monthly services billing or, alternatively, they can prepay the annualized service fee. If and when necessary, we will provide professional installation services for residents that are uncomfortable self-installing the network access interface equipment. We will provide a simple methodology for residents to return their CPE equipment upon termination of services.

NHS will provide a small inventory of CPE to the individual management offices for new residents thus providing a greater level of customer service and amenity satisfaction for each property residents. The inventory could also be used to support existing subscribers should their network access interface equipment have any failures.



## **Revenue Sharing and Incentive Programs**

As an incentive to promote, market and up-sell the high speed Internet access products from NHS, we will share a percentage of the revenue generated from our services with your company. Our revenue sharing plan is offered if you elect to participate with the optional installation cost sharing arrangement reflected above. When monthly revenues from a property exceed \$3,000 per month we will share 3 percent (3%) of that revenue with your company and when it exceeds \$5,000 per month we will share five percent (5%) of that revenue. Thereafter, when monthly revenue exceeds \$7,500 per month per property NHS will increase your company's revenue share to seven percent (7%).

The NHS offer also includes an incentive program to give your property management an incentive for soliciting and capturing new customers for NHS' high speed Internet access. Our lead referral incentive is a fast and easy way for your property managers to earn extra income. The deal is simple – if residents they refer to us become an installed NHS subscriber we'll send them a check and there is no limit on how many people they can refer. The only requirement is that the referral must be from one of your properties we are offering services to.

Additionally, we will implement a referral program for your residents subscribing to our services to compensate them for additional subscriptions from other residents that they might refer to us. They can refer a neighbor and get one month free as long as the referral stays as a NHS subscriber for three months. The deal is simple – if they refer one of their neighbors to NHS who becomes and installed NHS subscriber we'll credit their service and off-set their bills according. The only requirement is that the referral must be from one of your properties we are offering services at and the new customer stays as an NHS subscriber for three months.

These programs will be carefully monitored to insure there are no conflicts.

## **Moving Forward**

Acting as an integral member of your company's team, we will implement our high-speed Internet access alternative with telecommunications capabilities and programs that are specific to the residents of your properties and your company's communications operations needs and requirements. NHS strongly believes in close relationships with our clients to insure the communications solution we provide are meeting all of the necessities of those we serve by generally exceeding their expectations. NHS enjoys multiple strategic relationships within the telecommunications market. We sincerely look forward to your favorable acceptance of this proposal and the subsequent development of a mutually rewarding long-term relationship which we will build as we go forward.