

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549

FORM 10-Q

☒ **QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**

For the quarterly period ended September 30, 2017

OR

☐ **TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**

For the transition period from _____ to _____

Commission file number: 001-16853

SBA COMMUNICATIONS CORPORATION

(Exact name of Registrant as specified in its charter)

Florida
(State or other jurisdiction of
incorporation or organization)

8051 Congress Avenue
Boca Raton, Florida
(Address of principal executive offices)

65-0716501
(I.R.S. Employer
Identification No.)

33487
(Zip Code)

Registrant's telephone number, including area code (561) 995-7670

Securities registered pursuant to Section 12(b) of the Act:

Title of Each Class
Class A Common Stock, \$0.01 par value per share

Name of Each Exchange on Which Registered
The NASDAQ Stock Market LLC
(NASDAQ Global Select Market)

Securities registered pursuant to Section 12(g) of the Act:

None

Indicate by check mark whether the Registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the Registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes ☒ No ☐

Indicate by check mark whether the registrant has submitted electronically and posted on its corporate Web site, if any, every Interactive Data File required to be submitted and posted pursuant to Rule 405 of Regulation S-T (Section 232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit and post such files). Yes ☒ No ☐

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, a smaller reporting company, or an emerging growth company. See the definitions of "large accelerated filer," "accelerated filer," "smaller reporting company," and "emerging growth company" in Rule 12b-2 of the Exchange Act.

Large accelerated filer ☒

Accelerated filer ☐

Non-Accelerated filer ☐

Smaller reporting company ☐

Emerging growth company ☐

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act. ☐

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act) Yes ☐ No ☒

Indicate the number of shares outstanding of each issuer's classes of common stock, as of the latest practicable date: 117,542,678 shares of Class A common stock as of October 27, 2017.

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PART I – FINANCIAL INFORMATION
ITEM 1: FINANCIAL STATEMENTS
SBA COMMUNICATIONS CORPORATION AND SUBSIDIARIES
CONSOLIDATED BALANCE SHEETS (in thousands, except par values)

	September 30, 2017	December 31, 2016
	(unaudited)	
ASSETS		
Current assets:		
Cash and cash equivalents	\$ 139,711	\$ 146,109
Restricted cash	30,168	36,786
Accounts receivable, net	87,417	78,344
Costs and estimated earnings in excess of billings on uncompleted contracts	12,508	11,127
Prepaid expenses and other current assets	54,262	52,205
Total current assets	324,066	324,571
Property and equipment, net	2,777,339	2,792,076
Intangible assets, net	3,550,710	3,656,924
Other assets	648,355	587,374
Total assets	\$ 7,300,470	\$ 7,360,945
LIABILITIES AND SHAREHOLDERS' DEFICIT		
Current liabilities:		
Accounts payable	\$ 32,429	\$ 28,320
Accrued expenses	85,052	61,129
Current maturities of long-term debt	773,289	627,157
Deferred revenue	101,168	101,098
Accrued interest	19,668	44,503
Other current liabilities	11,109	11,240
Total current liabilities	1,022,715	873,447
Long-term liabilities:		
Long-term debt, net	8,185,512	8,148,426
Other long-term liabilities	350,041	334,993
Total long-term liabilities	8,535,553	8,483,419
Shareholders' deficit:		
Preferred stock - par value \$.01 , 30,000 shares authorized, no shares issued or outst.	—	—
Common stock - Class A, par value \$.01 , 400,000 shares authorized, 118,428 and 121,004 shares issued and outstanding at September 30, 2017 and December 31, 2016 , respectively	1,184	1,210
Additional paid-in capital	2,148,273	2,010,520
Accumulated deficit	(4,064,805)	(3,637,467)
Accumulated other comprehensive loss, net	(342,450)	(370,184)
Total shareholders' deficit	(2,257,798)	(1,995,921)
Total liabilities and shareholders' deficit	\$ 7,300,470	\$ 7,360,945

The accompanying condensed notes are an integral part of these consolidated financial statements.

SBA COMMUNICATIONS CORPORATION AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF OPERATIONS
(unaudited) (in thousands, except per share amounts)

	For the three months ended September 30,		For the nine months ended September 30,	
	2017	2016	2017	2016
Revenues:				
Site leasing	\$ 408,538	\$ 388,168	\$ 1,209,089	\$ 1,144,461
Site development	25,407	23,151	75,513	72,159
Total revenues	433,945	411,319	1,284,602	1,216,620
Operating expenses:				
Cost of revenues (exclusive of depreciation, accretion, and amortization shown below):				
Cost of site leasing	90,351	86,354	269,070	255,609
Cost of site development	21,117	19,114	62,713	59,021
Selling, general, and administrative ⁽¹⁾⁽²⁾	32,559	32,255	100,177	110,326
Acquisition related adjustments and expenses	1,583	2,970	6,857	8,974
Asset impairment and decommission costs	9,417	2,305	25,908	23,180
Depreciation, accretion, and amortization	161,907	160,111	480,457	479,635
Total operating expenses	316,934	303,109	945,182	936,745
Operating income	117,011	108,210	339,420	279,875
Other income (expense):				
Interest income	2,505	3,101	8,648	7,704
Interest expense	(81,357)	(83,426)	(237,415)	(250,913)
Non-cash interest expense	(725)	(585)	(2,146)	(1,500)
Amortization of deferred financing fees	(4,957)	(5,445)	(16,603)	(16,035)
Loss from extinguishment of debt, net	—	(34,512)	(1,961)	(34,512)
Other income (expense), net	20,062	(1,139)	16,218	92,137
Total other expense	(64,472)	(122,006)	(233,259)	(203,119)
Income (loss) before provision for income taxes	52,539	(13,796)	106,161	76,756
Provision for income taxes	(3,378)	(1,574)	(10,167)	(5,780)
Net income (loss)	\$ 49,161	\$ (15,370)	\$ 95,994	\$ 70,976
Net income (loss) per common share				
Basic	\$ 0.41	\$ (0.12)	\$ 0.80	\$ 0.57
Diluted	\$ 0.41	\$ (0.12)	\$ 0.79	\$ 0.56
Weighted average number of common shares				
Basic	119,746	124,604	120,745	125,041
Diluted	121,026	124,604	121,727	125,761

(1) Includes non- cash compensation of \$9,213 and \$7,970 for the three months ended September 30, 2017 and 2016 , respectively, and \$28,069 and \$24,440 for the nine months ended September 30, 2017 and 2016 , respectively.

(2) Includes the impact of the \$16,498 Oi reserve for the nine months ended September 30, 2016.

The accompanying condensed notes are an integral part of these consolidated financial statements.

SBA COMMUNICATIONS CORPORATION AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME (LOSS)
(unaudited) (in thousands)

	For the three months		For the nine months	
	ended September 30,		ended September 30,	
	2017	2016	2017	2016
Net income (loss)	\$ 49,161	\$ (15,370)	\$ 95,994	\$ 70,976
Foreign currency translation adjustments	36,472	(5,525)	27,734	131,659
Comprehensive income (loss)	<u>\$ 85,633</u>	<u>\$ (20,895)</u>	<u>\$ 123,728</u>	<u>\$ 202,635</u>

The accompanying condensed notes are an integral part of these consolidated financial statements.

SBA COMMUNICATIONS CORPORATION AND SUBSIDIARIES
CONSOLIDATED STATEMENT OF SHAREHOLDERS' DEFICIT
(unaudited) (in thousands)

	Class A		Additional		Accumulated	Other	
	Common Stock		Paid-In	Accumulated	Comprehensive		Total
	Shares	Amount	Capital	Deficit	Loss		
BALANCE, December 31, 2016	121,004	\$ 1,210	\$ 2,010,520	\$ (3,637,467)	\$ (370,184)		\$ (1,995,921)
Net income	—	—	—	95,994	—		95,994
Common stock issued in connection with							
stock purchase/option plans	711	7	45,098	—	—		45,105
Non-cash stock compensation	—	—	29,347	—	—		29,347
Common stock issued in connection with							
acquisitions	488	5	63,308	—	—		63,313
Repurchase and retirement of common stock	(3,775)	(38)	—	(523,332)	—		(523,370)
Foreign currency translation adjustments	—	—	—	—	27,734		27,734
BALANCE, September 30, 2017	118,428	\$ 1,184	\$ 2,148,273	\$ (4,064,805)	\$ (342,450)		\$ (2,257,798)

The accompanying condensed notes are an integral part of these consolidated financial statements.

SBA COMMUNICATIONS CORPORATION AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CASH FLOWS
(unaudited) (in thousands)

	For the nine months ended September 30,	
	2017	2016
CASH FLOWS FROM OPERATING ACTIVITIES:		
Net income	\$ 95,994	\$ 70,976
Adjustments to reconcile net income to net cash provided by operating activities:		
Depreciation, accretion, and amortization	480,457	479,635
Non-cash asset impairment and decommission costs	22,316	19,050
Non-cash compensation expense	28,894	24,752
Amortization of deferred financing fees	16,603	16,035
Gain on remeasurement of U.S. dollar denominated intercompany loan	(11,649)	(88,964)
Provision for doubtful accounts ⁽¹⁾	1,498	20,516
Loss from extinguishment of debt, net	1,961	34,512
Other non-cash items reflected in the Statements of Operations	(2,481)	(3,418)
Changes in operating assets and liabilities, net of acquisitions:		
Accounts receivable and costs and estimated earnings in excess of billings on uncompleted contracts, net	(11,950)	(3,644)
Prepaid expenses and other assets	(18,168)	(30,973)
Accounts payable and accrued expenses	4,846	(4,263)
Accrued interest	(24,836)	(17,825)
Other liabilities	7,987	10,842
Net cash provided by operating activities	591,472	527,231
CASH FLOWS FROM INVESTING ACTIVITIES:		
Acquisitions	(161,007)	(191,402)
Capital expenditures	(106,310)	(104,320)
Other investing activities	(23,598)	(4,491)
Net cash used in investing activities	(290,915)	(300,213)
CASH FLOWS FROM FINANCING ACTIVITIES:		
Borrowings under Revolving Credit Facility	415,000	290,000
Repayments under Revolving Credit Facility	(375,000)	(140,000)
Repayment of Tower Securities	(610,000)	(550,000)
Proceeds from issuance of Tower Securities, net of fees	749,811	690,584
Repurchase and retirement of common stock, inclusive of fees	(523,370)	(202,349)
Proceeds from 2016 Senior Notes, net of fees	—	1,078,387
Payment for the redemption of 5.75% Senior Notes	—	(825,795)
Other financing activities	25,957	(7,293)
Net cash (used in) provided by financing activities	(317,602)	333,534
Effect of exchange rate changes on cash, cash equivalents, and restricted cash	3,537	13,760
NET CHANGE IN CASH, CASH EQUIVALENTS, AND RESTRICTED CASH	(13,508)	574,312
CASH, CASH EQUIVALENTS, AND RESTRICTED CASH:		
Beginning of period	185,970	146,619
End of period	\$ 172,462	\$ 720,931

(1) Includes the impact of the \$16,498 O i reserve for the nine months ended September 30, 2016.

The accompanying condensed notes are an integral part of these consolidated financial statements.

SBA COMMUNICATIONS CORPORATION AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CASH FLOWS
(in thousands)

	For the nine months ended September 30,	
	2017	2016
SUPPLEMENTAL DISCLOSURE OF CASH FLOW INFORMATION:		
Cash paid during the period for:		
Interest	\$ 262,257	\$ 268,997
Income taxes	\$ 11,323	\$ 8,133
SUPPLEMENTAL DISCLOSURE OF NON-CASH ACTIVITIES:		
Assets acquired through capital leases	\$ 254	\$ 1,386
Common stock issued in connection with acquisitions	\$ 63,313	\$ —

The accompanying condensed notes are an integral part of these consolidated financial statements.

SBA COMMUNICATIONS CORPORATION AND SUBSIDIARIES
CONDENSED NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (UNAUDITED)

1. BASIS OF PRESENTATION

The accompanying consolidated financial statements should be read in conjunction with the Annual Report on Form 10-K for the fiscal year ended December 31, 2016 for SBA Communications Corporation and its subsidiaries (the “Company”). These financial statements have been prepared in accordance with the instructions to Form 10-Q and Article 10 of Regulation S-X and, therefore, omit or condense certain footnotes and other information normally included in financial statements prepared in accordance with accounting principles generally accepted in the United States. In the opinion of the Company’s management, all adjustments (consisting of normal recurring accruals) considered necessary for fair financial statement presentation have been made. The results of operations for an interim period may not give a true indication of the results for the year. Certain reclassifications have been made to prior year amounts or balances to conform to the presentation adopted in the current year.

The preparation of financial statements requires management to make estimates and assumptions that affect the amounts reported in consolidated financial statements and accompanying notes. While the Company believes that such estimates are fair when considered in conjunction with the consolidated financial statements and accompanying notes, the actual amounts, when known, may vary from these estimates.

Foreign Currency Translation

The functional currency for the Company’s Central American subsidiaries is the U.S. dollar. Monetary assets and liabilities of such subsidiaries which are not denominated in U.S. dollars are remeasured at exchange rates in effect at the balance sheet date, and revenues and expenses are remeasured at monthly average rates prevailing during the year. Unrealized translation gains and losses are reported as other income (expense), net in the Consolidated Statement of Operations.

All assets and liabilities of foreign subsidiaries that do not utilize the U.S. dollar as its functional currency are translated at period-end rates of exchange, while revenues and expenses are translated at monthly average rates of exchange prevailing during the period. Unrealized remeasurement gains and losses are reported as foreign currency translation adjustments through Accumulated Other Comprehensive Loss in the accompanying Consolidated Statement of Shareholders’ Deficit.

Intercompany Loans

In accordance with ASC 830, the Company remeasures foreign denominated intercompany loans with the corresponding change in the balance being recorded in Other income (expense), net in the Consolidated Statement of Operations as settlement is anticipated or planned in the foreseeable future. The Company recorded a net \$18.4 million gain and a \$3.2 million loss on the remeasurement of intercompany loans for the three months ended September 30, 2017 and 2016, respectively, and a net \$11.6 million gain and a net \$89.0 million gain on the remeasurement of intercompany loans for the nine months ended September 30, 2017 and 2016, respectively. As of September 30, 2017, the outstanding balance under the intercompany loan agreement with our Brazilian subsidiary was \$433.3 million.

Accounting Pronouncements Recently Adopted

In January 2017, the FASB issued ASU 2017-01, Clarifying the Definition of a Business. The standard provides guidance to help entities determine whether transactions should be accounted for as acquisitions or disposals of assets or businesses. ASU 2017-01 provides revised guidance to determine when an acquisition meets the definition of a business or should be accounted for as an asset acquisition, likely resulting in more acquisitions being accounted for as asset acquisitions as opposed to business combinations. The Company adopted this standard prospectively effective January 1, 2017. Under this update, substantially all of the Company’s acquisitions are expected to qualify for asset acquisition treatment under ASC 360, Property, Plant, and Equipment, rather than business combination treatment under ASC 805 Business Combinations. For asset acquisitions, external, direct transaction costs will be capitalized as a component of the cost of the asset acquired, while internal costs related to the asset acquisition will continue to be expensed as incurred. Additionally, earnout liabilities will be recognized at the time when the contingency is resolved or becomes payable and will increase the cost basis of the assets acquired. The adoption of ASU 2017-01 did not have a material impact on the Company’s unaudited consolidated financial statements and related disclosures.

Recent Accounting Pronouncements Not Yet Adopted

In May 2014, the FASB released an updated standard regarding the recognition of revenue from contracts with customers, exclusive of those contracts within lease accounting. The core principle of the standard is that an entity should recognize revenue to depict the transfer of promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services. To achieve that core principle, an entity should apply the following steps: (1) identify the contracts with the customer; (2) identify the performance obligations in the contract; (3) determine the contract price; (4) allocate the transaction price to the performance obligations in the contract; and (5) recognize revenue when (or as) the entity satisfies a performance obligation. This standard is effective for the Company in the first quarter of 2018. Early adoption is permitted. This standard is required to be applied retrospectively to each prior reporting period presented or with the cumulative effect being recognized at the date of initial application. The Company is evaluating the standard and does not expect a material financial statement impact upon adoption since the standard only affects the Company's site development segment, which represents approximately 6% of the Company's total revenues.

In February 2016, the FASB issued ASU 2016-02, Leases. The standard requires lessees to recognize a right-of-use asset and a lease liability, initially measured at the present value of the lease payments for all leases with a term greater than 12 months. The accounting for lessors remains largely unchanged from existing guidance. This standard is effective for annual and interim periods beginning after December 15, 2018 and requires a modified retrospective transition approach for all leases existing at, or entered into after, the beginning of the earliest comparative period presented. Early adoption is permitted; however, the Company does not currently plan to early adopt. The Company has established a cross functional project plan and is currently assessing the impact of the standard on its consolidated financial statements. The Company expects this guidance to have a material impact on its consolidated balance sheet due to the recognition of right-of-use assets and lease liabilities for its ground leases. The Company does not expect adoption to have a material impact on its consolidated statement of operations, nor does it expect accounting for capital leases to change substantially.

2. FAIR VALUE MEASUREMENTS

Items Measured at Fair Value on a Recurring Basis — The Company's earnout liabilities related to business combinations are measured at fair value on a recurring basis using Level 3 inputs and are recorded in Accrued expenses in the accompanying Consolidated Balance Sheets. Changes in estimates are recorded in Acquisition related adjustments and expenses in the accompanying Consolidated Statement of Operations. The Company determines the fair value of earnouts (contingent consideration) and any subsequent changes in fair value using a discounted probability-weighted approach using Level 3 inputs. Level 3 valuations rely on unobservable inputs for the asset or liability, and include situations where there is little, if any, market activity for the asset or liability. The fair value of the earnouts is reviewed quarterly and is based on the payments the Company expects to make based on historical internal observations related to the anticipated performance of the underlying assets. The Company's estimate of the fair value of its obligation contained in various acquisitions prior to January 1, 2017 (adoption of ASU 2017-01) was \$2.8 million and \$4.1 million as of September 30, 2017 and December 31, 2016, respectively. The maximum potential obligation related to the performance targets for these various acquisitions was \$4.2 million and \$5.8 million as of September 30, 2017 and December 31, 2016, respectively. The maximum potential obligation related to the performance targets for acquisitions after January 1, 2017 was \$7.9 million as of September 30, 2017.

Items Measured at Fair Value on a Nonrecurring Basis — The Company's long-lived assets, intangibles, and asset retirement obligations are measured at fair value on a nonrecurring basis using Level 3 inputs. The Company considers many factors and makes certain assumptions when making this assessment, including but not limited to: general market and economic conditions, historical operating results, geographic location, lease-up potential and expected timing of lease-up. The fair value of the long-lived assets, intangibles, and asset retirement obligations is calculated using a discounted cash flow model.

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Asset impairment and decommission costs for all periods presented and the related impaired assets primarily relate to the Company's site leasing operating segment. The following summarizes the activity of asset impairment and decommission costs (in thousands) :

	For the three months		For the nine months	
	ended September 30,		ended September 30,	
	2017	2016	2017	2016
Asset impairment ⁽¹⁾	\$ 4,128	\$ 6,673	\$ 10,162	\$ 14,138
Write-off of carrying value of decommissioned towers	4,496	3,587	12,143	11,449
Write-off and disposal of former corporate headquarters	—	—	—	2,346
Gain on sale of fiber assets ⁽²⁾	—	(8,965)	—	(8,965)
Other third party decommission costs	793	1,010	3,603	4,212
Total asset impairment and decommission costs	\$ 9,417	\$ 2,305	\$ 25,908	\$ 23,180

(1) Represents impairment charges resulting from the Company's regular analysis of whether the future cash flows from certain towers are adequate to recover the carrying value of the investment in those towers .

(2) Related to the sale of fiber assets acquired in the 2012 Mobilitie transaction.

Fair Value of Financial Instruments — The carrying values of cash and cash equivalents, accounts receivable, restricted cash, accounts payable, and short-term investments approximate their estimated fair values due to the short maturity of these instruments. Short-term investments consisted of \$0.2 million in Treasury securities as of September 30, 2017 and December 31, 2016 . The Company's estimate of the fair value of its held-to-maturity investments in treasury and corporate bonds, including current portion, are based primarily upon Level 1 reported market values. As of September 30, 2017 and December 31, 2016 , the carrying value and fair value of the held-to-maturity investments, including current portion, were \$0.7 million. These amounts are recorded in Prepaid expenses and other current assets and Other assets in the accompanying Consolidated Balance Sheets.

The Company determines fair value of its debt instruments utilizing various Level 2 sources including quoted prices and indicative quotes (non-binding quotes) from brokers that require judgment to interpret market information including implied credit spreads for similar borrowings on recent trades or bid/ask prices. The fair value of the Revolving Credit Facility is considered to approximate the carrying value because the interest payments are based on Eurodollar rates that reset monthly or more frequently . The Company does not believe its credit risk has changed materially from the date the applicable Eurodollar Rate plus 137.5 to 200.0 basis points was set for the Revolving Credit Facility. Refer to Note 10 for the fair values, principal balances, and carrying values of the Company's debt instruments.

3. RESTRICTED CASH

The cash, cash equivalents, and restricted cash balances on the consolidated statement of cash flows consists of the following:

	As of	As of	Included on Balance Sheet
	September 30, 2017	December 31, 2016	
	(in thousands)		
Cash and cash equivalents	\$ 139,711	\$ 146,109	
Securitization escrow accounts	29,929	36,607	Restricted cash - current asset
Payment and performance bonds	239	179	Restricted cash - current asset
Surety bonds and workers compensation	2,583	3,075	Other assets - noncurrent
Total cash, cash equivalents, and restricted cash	\$ 172,462	\$ 185,970	

Pursuant to the terms of the Tower Securities (see Note 10), the Company is required to establish a securitization escrow account, held by the indenture trustee, into which all rents and other sums due on the towers that secure the Tower Securities are directly deposited by the lessees. These restricted cash amounts are used to fund reserve accounts for the payment of (1) debt service

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costs, (2) ground rents, real estate and personal property taxes and insurance premiums related to towers, (3) trustee and servicing expenses, and (4) management fees. The restricted cash in the securitization escrow account in excess of required reserve balances is subsequently released to the Borrowers (as defined in Note 10) monthly, provided that the Borrowers are in compliance with their debt service coverage ratio and that no event of default has occurred. All monies held by the indenture trustee are classified as restricted cash on the Company's Consolidated Balance Sheets.

Payment and performance bonds relate primarily to collateral requirements for tower construction currently in process by the Company. Cash is pledged as collateral related to surety bonds issued for the benefit of the Company or its affiliates in the ordinary course of business and primarily related to the Company's tower removal obligations. As of September 30, 2017 and December 31, 2016, the Company had \$39.1 million and \$39.2 million in surety, payment and performance bonds, respectively, for which it was only required to post \$0.5 million in collateral as of December 31, 2016. As of September 30, 2017, no collateral was required to be posted. The Company periodically evaluates the collateral posted for its bonds to ensure that it meets the minimum requirements. As of September 30, 2017 and December 31, 2016, the Company had also pledged \$2.5 million as collateral related to its workers compensation policy.

4. PREPAID EXPENSES AND OTHER CURRENT ASSETS

The Company's prepaid expenses and other current assets are comprised of the following:

	As of September 30, 2017	As of December 31, 2016
	(in thousands)	
Prepaid land rent	\$ 30,932	\$ 33,975
Other	23,330	18,230
Total prepaid expenses and other current assets	\$ 54,262	\$ 52,205

5. ACQUISITIONS

The following table summarizes the Company's cash acquisition capital expenditures:

	For the three months ended September 30,		For the nine months ended September 30,	
	2017	2016	2017	2016
	(in thousands)			
Towers and related intangible assets ⁽¹⁾⁽²⁾	\$ 66,338	\$ 31,022	\$ 124,476	\$ 144,534
Land buyouts and other assets ⁽³⁾	12,488	11,676	36,531	46,868
Total cash acquisition capital expenditures	\$ 78,826	\$ 42,698	\$ 161,007	\$ 191,402

- (1) The nine months ended September 30, 2017 excludes \$63.3 million of acquisition costs funded through the issuance of 487,963 shares of Class A common stock.
- (2) The three and nine months ended September 30, 2017 exclude \$21.0 million of acquisitions completed during the second quarter of 2017 which were not funded as of September 30, 2017.
- (3) In addition, the Company paid \$2.4 million and \$2.2 million for ground lease extensions and term easements on land underlying our towers during the three months ended September 30, 2017 and 2016, respectively, and paid \$10.6 million and \$8.7 million for ground lease extensions and term easements on land underlying our towers during the nine months ended September 30, 2017 and 2016, respectively. The Company recorded these amounts in prepaid rent on its Consolidated Balance Sheets.

For acquisitions which qualify as asset acquisitions, the aggregate purchase price is allocated on a relative fair value basis to towers and related intangible assets. The fair values of these net assets acquired are based on management's estimates and assumptions, as well as other information compiled by management, including valuations that utilize customary valuation procedures.

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and techniques. The fair value estimates are based on available historical information and on future expectations and assumptions deemed reasonable by management at the time. If the actual results differ from the estimates and judgments used in these fair values, the amounts recorded in the consolidated financial statements could be subject to a possible impairment of the intangible assets, or require acceleration of the amortization expense of intangible assets in subsequent periods.

For business combinations, the estimates of the fair value of the assets acquired and liabilities assumed at the date of an acquisition are subject to adjustment during the measurement period (up to one year from the particular acquisition date). During the measurement period, the Company will adjust assets and/or liabilities if new information is obtained about facts and circumstances that existed as of the acquisition date that, if known, would have resulted in a revised estimated value of those assets and/or liabilities as of that date. The primary areas of the preliminary purchase price allocations that are not yet finalized relate to the fair value of certain tangible and intangible assets acquired and liabilities assumed, including contingent consideration and any related tax impact.

During the nine months ended September 30, 2017, the Company acquired 436 completed towers and related assets and liabilities consisting of \$48.0 million of property and equipment, \$160.0 million of intangible assets, and \$0.2 million of working capital adjustments.

Subsequent to September 30, 2017, the Company acquired 35 towers and related assets for \$24.4 million in cash.

6. INTANGIBLE ASSETS, NET

The following table provides the gross and net carrying amounts for each major class of intangible assets:

	As of September 30, 2017			As of December 31, 2016		
	Gross carrying amount	Accumulated amortization	Net book value	Gross carrying amount	Accumulated amortization	Net book value
(in thousands)						
Current contract intangibles	\$ 4,284,068	\$ (1,612,010)	\$ 2,672,058	\$ 4,141,968	\$ (1,401,025)	\$ 2,740,943
Network location intangibles	1,555,579	(676,927)	878,652	1,515,348	(599,367)	915,981
Intangible assets, net	<u>\$ 5,839,647</u>	<u>\$ (2,288,937)</u>	<u>\$ 3,550,710</u>	<u>\$ 5,657,316</u>	<u>\$ (2,000,392)</u>	<u>\$ 3,656,924</u>

All intangible assets noted above are included in the Company's site leasing segment. The Company amortizes its intangible assets using the straight-line method over 15 years. Amortization expense relating to the intangible assets above was \$96.8 million and \$93.6 million for the three months ended September 30, 2017 and 2016, respectively, and \$286.8 million and \$276.4 million for the nine months ended September 30, 2017 and 2016, respectively.

7. PROPERTY AND EQUIPMENT, NET

Property and equipment, net (including assets held under capital leases) consists of the following:

	As of September 30, 2017	As of December 31, 2016
	(in thousands)	(in thousands)
Towers and related components	\$ 4,691,935	\$ 4,563,756
Construction-in-process	36,429	38,926
Furniture, equipment, and vehicles	51,713	50,671
Land, buildings, and improvements	617,032	578,680
Total property and equipment	<u>5,397,109</u>	<u>5,232,033</u>
Less: accumulated depreciation	<u>(2,619,770)</u>	<u>(2,439,957)</u>
Property and equipment, net	<u>\$ 2,777,339</u>	<u>\$ 2,792,076</u>

Construction-in-process represents costs incurred related to towers that are under development and will be used in the Company's operations. Depreciation expense was \$65.0 million and \$66.4 million for the three months ended September 30, 2017 and 2016, respectively, and \$193.2 million and \$202.8 million for the nine months ended September 30, 2017 and 2016, respectively. At September 30, 2017 and December 31, 2016, non-cash capital expenditures that are included in accounts payable and accrued expenses were \$7.5 million and \$7.0 million, respectively.

8. COSTS AND ESTIMATED EARNINGS ON UNCOMPLETED CONTRACTS

Costs and estimated earnings on uncompleted contracts consist of the following:

	As of September 30, 2017	As of December 31, 2016
	(in thousands)	
Costs incurred on uncompleted contracts	\$ 31,845	\$ 34,577
Estimated earnings	11,255	11,185
Billings to date	(30,861)	(36,027)
	<u>\$ 12,239</u>	<u>\$ 9,735</u>

These amounts are included in the accompanying Consolidated Balance Sheets under the following captions:

	As of September 30, 2017	As of December 31, 2016
	(in thousands)	
Costs and estimated earnings in excess of billings on uncompleted contracts	\$ 12,508	\$ 11,127
Billings in excess of costs and estimated earnings on uncompleted contracts (included in Other current liabilities)	(269)	(1,392)
	<u>\$ 12,239</u>	<u>\$ 9,735</u>

Eight customers comprised 82.3% and 81.6% of the costs and estimated earnings in excess of billings on uncompleted contracts, net of billings in excess of costs and estimated earnings at September 30, 2017 and December 31, 2016, respectively.

9. EARNINGS PER SHARE

Basic earnings per share was computed by dividing net income from continuing operations attributable to common shareholders by the weighted-average number of shares of Common Stock outstanding for each respective period. Diluted earnings per share was calculated by dividing net income from continuing operations attributable to common shareholders by the weighted-average number of shares of Common Stock outstanding adjusted for any dilutive Common Stock equivalents, including unvested restricted stock and shares issuable upon exercise of stock options as determined under the "If-Converted" method and also Common Stock warrants as determined under the "Treasury Stock" method.

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The following table sets forth basic and diluted net income per common share for the three and nine months ended September 30, 2017 and 2016 (in thousands, except per share data):

	For the three months ended September 30,		For the nine months ended September 30,	
	2017	2016	2017	2016
Numerator:				
Net income (loss)	\$ 49,161	\$ (15,370)	\$ 95,994	\$ 70,976
Denominator:				
Basic weighted-average shares outstanding	119,746	124,604	120,745	125,041
Dilutive impact of stock options and restricted shares	1,280	—	982	720
Diluted weighted-average shares outstanding	121,026	124,604	121,727	125,761
Net income (loss) per common share:				
Basic	\$ 0.41	\$ (0.12)	\$ 0.80	\$ 0.57
Diluted	\$ 0.41	\$ (0.12)	\$ 0.79	\$ 0.56

For the three and nine months ended September 30, 2017, the diluted weighted average number of common shares outstanding excluded an additional 11,674 and 1.8 million shares, respectively, issuable upon exercise of the Company's stock options because the impact would be anti-dilutive.

For the three months ended September 30, 2016, all potential common stock equivalents, including 4.5 million shares of stock options outstanding and 0.3 million shares of restricted stock units outstanding, were excluded as the effect would be anti-dilutive.

For the nine months ended September 30, 2016, the diluted weighted average number of common shares outstanding excluded an additional 2.2 million shares issuable upon exercise of the Company's stock options because the impact would be anti-dilutive.

10. DEBT

The principal values, fair values, and carrying values of debt consist of the following (in thousands):

		As of September 30, 2017			As of December 31, 2016		
		Principal Balance	Fair Value	Carrying Value	Principal Balance	Fair Value	Carrying Value
2014 Senior Notes	July 15, 2022	\$ 750,000	\$ 772,500	\$ 738,547	\$ 750,000	\$ 763,125	\$ 736,992
2016 Senior Notes	Sep. 1, 2024	1,100,000	1,134,375	1,080,674	1,100,000	1,083,500	1,078,954
2012-1C Tower Securities	Dec. 11, 2017	—	—	—	610,000	610,165	607,157
2013-1C Tower Securities	April 10, 2018	425,000	423,959	424,049	425,000	423,381	422,768
2013-2C Tower Securities	April 11, 2023	575,000	586,103	568,339	575,000	563,322	567,545
2013-1D Tower Securities	April 10, 2018	330,000	330,234	329,240	330,000	334,521	328,225
2014-1C Tower Securities	Oct. 8, 2019	920,000	921,168	914,244	920,000	922,199	912,219
2014-2C Tower Securities	Oct. 8, 2024	620,000	623,181	613,253	620,000	608,921	612,641
2015-1C Tower Securities	Oct. 8, 2020	500,000	501,790	492,920	500,000	495,145	491,289
2016-1C Tower Securities	July 9, 2021	700,000	697,081	692,658	700,000	688,072	691,322
2017-1C Tower Securities	April 11, 2022	760,000	759,248	750,645	—	—	—
Revolving Credit Facility	Feb. 5, 2020	430,000	430,000	430,000	390,000	390,000	390,000
2014 Term Loan	Mar. 24, 2021	1,451,250	1,454,878	1,442,529	1,462,500	1,467,984	1,452,039
2015 Term Loan	June 10, 2022	488,750	489,361	481,703	492,500	494,347	484,432
Total debt		\$ 9,050,000	\$ 9,123,878	\$ 8,958,801	\$ 8,875,000	\$ 8,844,682	\$ 8,775,583
Less: current maturities of long-term debt				(773,289)			(627,157)
Total long-term debt, net of current maturities				\$ 8,185,512			\$ 8,148,426

The table below reflects cash and non-cash interest expense amounts recognized by debt instrument for the periods presented:

	For the three months ended September 30,				For the nine months ended September 30,			
	2017		2016		2017		2016	
	Cash	Non-cash	Cash	Non-cash	Cash	Non-cash	Cash	Non-cash
	Interest	Interest	Interest	Interest	Interest	Interest	Interest	Interest
(in thousands)								
5.625% Senior Notes	\$ —	\$ —	\$ 7,031	\$ —	\$ —	\$ —	\$ 21,094	—
5.75% Senior Notes	—	—	5,494	—	—	—	28,494	—
2014 Senior Notes	9,141	182	9,141	173	27,422	540	27,422	513
2016 Senior Notes	13,406	240	6,852	117	40,219	711	6,852	117
2010-2C Tower Securities	—	—	1,098	—	—	—	15,213	—
2012-1C Tower Securities	—	—	4,529	—	5,331	—	13,596	—
2013 Tower Securities	10,804	—	10,804	—	32,413	—	32,413	—
2014 Tower Securities	12,785	—	12,785	—	38,354	—	38,354	—
2015-1C Tower Securities	3,985	—	3,985	—	11,954	—	11,954	—
2016-1C Tower Securities	5,090	—	4,808	—	15,271	—	4,808	—
2017-1C Tower Securities	6,096	—	—	—	11,098	—	—	—
Revolving Credit Facility	2,673	—	667	—	6,848	—	2,245	—
2014 Term Loan	12,964	133	12,209	129	36,291	391	36,453	380
2015 Term Loan	4,366	170	4,111	166	12,221	504	12,275	490
Other	47	—	(88)	—	(7)	—	(260)	—
Total	\$ 81,357	\$ 725	\$ 83,426	\$ 585	\$ 237,415	\$ 2,146	\$ 250,913	\$ 1,500

Revolving Credit Facility under the Senior Credit Agreement

The Revolving Credit Facility is governed by the Senior Credit Agreement. The Revolving Credit Facility consists of a revolving loan under which up to \$1.0 billion aggregate principal amount may be borrowed, repaid and redrawn, based upon specific financial ratios and subject to the satisfaction of other customary conditions to borrowing. Amounts borrowed under the Revolving Credit Facility accrue interest, at SBA Senior Finance II's election, at either (i) the Eurodollar Rate plus a margin that ranges from 137.5 basis points to 200.0 basis points or (ii) the Base Rate plus a margin that ranges from 37.5 basis points to 100.0 basis points, in each case based on the ratio of Consolidated Total Debt to Annualized Borrower EBITDA, calculated in accordance with the Senior Credit Agreement. In addition, SBA Senior Finance II is required to pay a commitment fee of 0.25% per annum on the amount of unused commitment. If not earlier terminated by SBA Senior Finance II, the Revolving Credit Facility will terminate on, and SBA Senior Finance II will repay all amounts outstanding on or before, February 5, 2020. The proceeds available under the Revolving Credit Facility may be used for general corporate purposes. SBA Senior Finance II may, from time to time, borrow from and repay the Revolving Credit Facility. Consequently, the amount outstanding under the Revolving Credit Facility at the end of a period may not be reflective of the total amounts outstanding during such period.

During the three and nine months ended September 30, 2017, the Company borrowed \$315.0 million and \$415.0 million, respectively, and repaid \$35.0 million and \$375.0 million, respectively, of the outstanding balance under the Revolving Credit Facility. As of September 30, 2017, SBA Senior Finance II was in compliance with the financial covenants contained in the Senior Credit Agreement.

Subsequent to September 30, 2017, the Company borrowed an additional \$30.0 million and repaid \$460.0 million of the outstanding balance under the Revolving Credit Facility. As of the date of this filing, no amount was outstanding under the Revolving Credit Facility.

Term Loans under the Senior Credit Agreement

Repricing Amendment to the Senior Credit Agreement

On January 20, 2017, SBA Senior Finance II amended its Senior Credit Agreement, primarily to reduce the stated rate of interest applicable to its senior secured term loans. As amended, the senior secured term loans accrue interest, at SBA Senior Finance II's election, at either the Base Rate plus 125 basis points (with a zero Base Rate floor) or the Eurodollar Rate plus 225 basis points (with a zero Eurodollar Rate floor).

2014 Term Loan

The 2014 Term Loan consists of a senior secured term loan with an initial aggregate principal amount of \$1.5 billion that matures on March 24, 2021. Prior to the reduction in the term loan interest rates as discussed above, the 2014 Term Loan accrued interest, at SBA Senior Finance II's election, at either the Base Rate plus 150 basis points (with a Base Rate floor of 1.75%) or the Eurodollar Rate plus 250 basis points (with a Eurodollar Rate floor of 0.75%). The 2014 Term Loan was issued at 99.75% of par value. As of September 30, 2017, the 2014 Term Loan was accruing interest at 3.49% per annum. Principal payments on the 2014 Term Loan commenced on September 30, 2014 and are being made in quarterly installments on the last day of each March, June, September, and December in an amount equal to \$3.8 million. SBA Senior Finance II has the ability to prepay any or all amounts under the 2014 Term Loan. The Company incurred deferred financing fees of approximately \$14.1 million in relation to this transaction, which are being amortized through the maturity date.

During the three and nine months ended September 30, 2017, the Company repaid \$3.8 million and \$11.3 million of principal on the 2014 Term Loan. As of September 30, 2017, the 2014 Term Loan had a principal balance of \$1,451.3 million.

2015 Term Loan

The 2015 Term Loan consists of a senior secured term loan with an initial aggregate principal amount of \$500.0 million that matures on June 10, 2022. Prior to the reduction in the term loan interest rates as discussed above, the 2015 Term Loan accrued interest, at SBA Senior Finance II's election, at either the Base Rate plus 150 basis points (with a Base Rate floor of 1.75%) or the Eurodollar Rate plus 250 basis points (with a Eurodollar Rate floor of 0.75%). The 2015 Term Loan was issued at 99.0% of par value. As of September 30, 2017, the 2015 Term Loan was accruing interest at 3.49% per annum. Principal payments on the 2015 Term Loan commenced on September 30, 2015 and are being made in quarterly installments on the last day of each March, June, September, and December in an amount equal to \$1.3 million. SBA Senior Finance II has the ability to prepay any or all amounts under the 2015 Term Loan. The Company incurred deferred financing fees of approximately \$5.5 million in relation to this transaction, which are being amortized through the maturity date.

During the three and nine months ended September 30, 2017, the Company repaid \$1.3 million and \$3.8 million of principal on the 2015 Term Loan. As of September 30, 2017, the 2015 Term Loan had a principal balance of \$488.8 million.

Secured Tower Revenue Securities

2012-1C Tower Securities

On August 9, 2012, the Company, through a New York common law trust (the "Trust"), issued \$610.0 million of Secured Tower Revenue Securities Series 2012-1C (the "2012-1C Tower Securities"), which had an anticipated repayment date of December 11, 2017 and a final maturity date of December 9, 2042. The fixed interest rate of the 2012-1C Tower Securities was 2.933% per annum, payable monthly. The Company incurred deferred financing fees of \$14.9 million in relation to this transaction, which were being amortized through the anticipated repayment date of the 2012-1C Tower Securities.

On April 17, 2017, the Company repaid in full the 2012-1C Tower Securities with proceeds from the 2017-1C Tower Securities. In connection with the prepayment, the Company expensed \$2.0 million of net deferred financing fees.

The sole asset of the Trust consists of a non-recourse mortgage loan made in favor of those entities that are borrowers on the mortgage loan (the "Borrowers").

2013 Tower Securities

On April 18, 2013, the Company, through the Trust, issued \$425.0 million of 2.240% Secured Tower Revenue Securities Series 2013-1C , which have an anticipated repayment date of April 10, 2018 and a final maturity date of April 9, 2043 (the “2013-1C Tower Securities”), \$575.0 million of 3.722% Secured Tower Revenue Securities Series 2013-2C , which have an anticipated repayment date of April 11, 2023 and a final maturity date of April 9, 2048 (the “2013-2C Tower Securities”), and \$330.0 million of 3.598% Secured Tower Revenue Securities Series 2013-1D , which have an anticipated repayment date of April 10, 2018 and a final maturity date of April 9, 2043 (the “2013-1D Tower Securities”) (collectively the “2013 Tower Securities”). The aggregate \$1.33 billion of 2013 Tower Securities have a blended interest rate of 3.218% per annum, payable monthly. The Company incurred deferred financing fees of \$25.5 million in relation to this transaction , which are being amortized through the anticipated repayment date of each of the 2013 Tower Securities.

2014 Tower Securities

On October 15, 2014, the Company, through the Trust, issued \$920.0 million of 2.898% Secured Tower Revenue Securities Series 2014-1C , which have an anticipated repayment date of October 8, 2019 and a final maturity date of October 11, 2044 (the “2014-1C Tower Securities”) and \$620.0 million of 3.869% Secured Tower Revenue Securities Series 2014-2C , which have an anticipated repayment date of October 8, 2024 and a final maturity date of October 8, 2049 (the “2014-2C Tower Securities”) (collectively the “2014 Tower Securities”). The aggregate \$1.54 billion of 2014 Tower Securities have a blended interest rate of 3.289% per annum, payable monthly . The Company incurred deferred financing fees of \$22.5 million in relation to this transaction , which are being amortized through the anticipated repayment date of each of the 2014 Tower Securities.

2015-1C Tower Securities

On October 14, 2015, the Company, through the Trust, issued \$500.0 million of Secured Tower Revenue Securities Series 2015-1C , which have an anticipated repayment date of October 8, 2020 and a final maturity date of October 10, 2045 (the “2015-1C Tower Securities”). The fixed interest rate of the 2015-1C Tower Securities is 3.156% per annum, payable monthly. The Company incurred deferred financing fees of \$11.2 million in relation to this transaction , which are being amortized through the anticipated repayment date of the 2015-1C Tower Securities.

2016-1C Tower Securities

On July 7, 2016, the Company, through the Trust, issued \$700.0 million of Secured Tower Revenue Securities Series 2016-1C , which have an anticipated repayment date of July 9, 2021 and a final maturity date of July 10, 2046 (the “2016-1C Tower Securities”). The fixed interest rate of the 2016-1C Tower Securities is 2.877% per annum, payable monthly. Net proceeds from this offering were used to prepay the full \$550.0 million outstanding on the 2010-2C Tower Securities and for general corporate purposes. The Company incurred deferred financing fees of \$9.5 million in relation to this transaction , which are being amortized through the anticipated repayment date of the 2016-1C Tower Securities.

2017-1C Tower Securities

On April 17, 2017, the Company, through the Trust, issued \$760.0 million of Secured Tower Revenue Securities Series 2017-1C , which have an anticipated repayment date of April 11, 2022 and a final maturity date of April 9, 2047 (the “2017-1C Tower Securities”). The fixed interest rate on the 2017-1C Tower Securities is 3.168% per annum, payable monthly. Net proceeds from this offering were used to prepay the entire \$610.0 million aggregate principal amount, as well as accrued and unpaid interest, of the 2012-1C Tower Securities and for general corporate purposes. The Company incurred deferred financing fees of \$10.2 million in relation to this transaction , which are being amortized through the anticipated repayment date of the 2017-1C Tower Securities.

In addition, to satisfy certain risk retention requirements of Regulation RR promulgated under the Securities Exchange Act of 1934, SBA Guarantor, LLC, a wholly owned subsidiary of the Company, purchased \$40.0 million of Secured Tower Revenue Securities Series 2017-1R issued by the Trust , which have an anticipated repayment date of April 11, 2022 and a final maturity date of April 9, 2047 (the “2017-1R Tower Securities”). The fixed interest rate on the 2017-1R Tower Securities is 4.459% per annum, payable monthly. Principal and interest payments made on the 2017-1R Tower Securities eliminate in consolidation.

In connection with the issuance of the 2017-1C Tower Securities, the non-recourse mortgage loan was increased by \$800.0 million (or by a net of \$190.0 million after giving effect to prepayment of the loan components relating to the 2012-1C Tower Securities). The new loan accrues interest at the same rate as the 2017-1C Tower Securities; however, it is subject to all other material terms of the existing mortgage loan, including collateral and interest rate after the anticipated repayment date.

Debt Covenants

As of September 30, 2017, the Borrowers met the debt service coverage ratio required by the mortgage loan agreement and were in compliance with all other covenants as set forth in the agreement.

Senior Notes

2014 Senior Notes

On July 1, 2014, the Company issued \$750.0 million of unsecured senior notes due July 15, 2022 (the “2014 Senior Notes”). The 2014 Senior Notes accrue interest at a rate of 4.875% per annum and were issued at 99.178% of par value. Interest on the 2014 Senior Notes is due semi-annually on January 15 and July 15 of each year. The Company incurred deferred financing fees of \$11.6 million in relation to this transaction, which are being amortized through the maturity date.

2016 Senior Notes

On August 15, 2016, the Company issued \$1.1 billion of unsecured senior notes due September 1, 2024 (the “2016 Senior Notes”). The 2016 Senior Notes accrue interest at a rate of 4.875% per annum and were issued at 99.178% of par value. Interest on the 2016 Senior Notes is due semi-annually on March 1 and September 1 of each year, beginning on March 1, 2017. The Company incurred deferred financing fees of \$12.8 million in relation to this transaction, which are being amortized through the maturity date. Net proceeds from this offering and cash on hand were used to redeem \$800.0 million, the aggregate principal amount outstanding, of Telecommunications’ 5.75% Senior Notes and \$250.0 million of the Company’s 5.625% Senior Notes and pay the associated call premiums.

2017 Senior Notes

On October 13, 2017, the Company issued \$750.0 million of unsecured senior notes due October 1, 2022 (the “2017 Senior Notes”). The 2017 Senior Notes accrue interest at a rate of 4.0% per annum. Interest on the 2017 Senior Notes is due semi-annually on April 1 and October 1 of each year, beginning on April 1, 2018. The Company incurred deferred financing fees of \$8.2 million in relation to this transaction, which are being amortized through the maturity date. Net proceeds from this offering were used to repay \$460.0 million outstanding under the Revolving Credit Facility and for general corporate purposes.

11. SHAREHOLDERS’ EQUITY

Common Stock equivalents

The Company has potential common stock equivalents (see Note 12) related to its outstanding stock options and restricted stock units. These potential common stock equivalents were considered in the Company’s diluted earnings per share calculation (see Note 9).

Stock Repurchases

On June 4, 2015, the Company’s Board of Directors authorized a stock repurchase plan. This plan authorized the Company to purchase, from time to time, up to \$1.0 billion of the Company’s outstanding Class A common stock through open market repurchases in compliance with Rule 10b-18 under the Securities Exchange Act of 1934, as amended, and/or in privately negotiated transactions at management’s discretion based on market and business conditions, applicable legal requirements and other factors.

On January 12, 2017, the Company’s Board of Directors authorized a new stock repurchase plan, replacing the plan authorized on June 4, 2015, which had a remaining authorization of \$150.0 million. This plan authorizes the Company to purchase, from time to time, up to \$1.0 billion of the Company’s outstanding Class A common stock through open market repurchases in compliance with Rule 10b-18 under the Securities Exchange Act of 1934, as amended, and/or in privately negotiated transactions at management’s discretion based on market and business conditions, applicable legal requirements and other factors. Shares repurchased will be retired. The new plan has no time deadline and will continue until otherwise modified or terminated by the Company’s Board of Directors at any time in its sole discretion. During the three months ended September 30, 2017, the Company repurchased 2.7 million shares of its Class A common stock under this plan for \$383.9 million, at an average price per share of \$141.17. During the nine months ended September 30, 2017, the Company repurchased 3.9 million shares of its Class A common stock under this plan for \$538.9 million, at an average price per share of \$139.16. Shares repurchased were retired.

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Subsequent to September 30, 2017, the Company repurchased 0.8 million shares of its Class A common stock for \$111.1 million, at an average price per share of \$147.19. Shares repurchased were retired. As of the date of this filing, the Company had \$350.0 million of authorization remaining under the current stock repurchase plan.

Registration of Additional Shares

The Company filed a shelf registration statement on Form S-4 with the Securities and Exchange Commission registering 4.0 million shares of its Class A common stock in 2007. These shares may be issued in connection with acquisitions of wireless communication towers or antenna sites and related assets or companies that own wireless communication towers, antenna sites, or related assets. During the year ended December 31, 2016, the Company did not issue any shares of its Class A common stock pursuant to this registration statement in connection with acquisitions. During the nine months ended September 30, 2017, the Company issued 487,963 shares of Class A common stock under this registration statement. As of September 30, 2017, the Company had approximately 1.2 million shares of Class A common stock remaining under this registration statement.

12. STOCK-BASED COMPENSATION

Stock Options

The Company records compensation expense for employee stock options based on the estimated fair value of the options on the date of grant using the Black-Scholes option-pricing model with the assumptions included in the table below. The Company uses a combination of historical data and historical volatility to establish the expected volatility, as well as to estimate the expected option life. The risk-free rate is based on the U.S. Treasury yield curve in effect at the time of grant for the estimated life of the option. The following assumptions were used to estimate the fair value of options granted using the Black-Scholes option-pricing model:

	For the nine months ended	
	September 30,	
	2017	2016
Risk free interest rate	1.70% - 1.97%	1.11% - 1.43%
Dividend yield	0.0%	0.0%
Expected volatility	20%	20%
Expected lives	4.6 years	4.7 years

The following table summarizes the Company's activities with respect to its stock option plans for the nine months ended September 30, 2017 as follows (dollars and number of shares in thousands, except for per share data):

	Number	Weighted-	Weighted-	Weighted-	
	of Shares	Exercise Price	Average	Average	
		Per Share	Contractual	Remaining	Aggregate
			Life (in years)		Intrinsic Value
Outstanding at December 31, 2016	4,447	\$ 93.09			
Granted	1,171	\$ 115.41			
Exercised	(615)	\$ 78.64			
Canceled	(62)	\$ 105.44			
Outstanding at September 30, 2017	4,941	\$ 100.03	4.6		\$ 217,485
Exercisable at September 30, 2017	2,076	\$ 87.74	3.3		\$ 116,910
Unvested at September 30, 2017	2,865	\$ 108.93	5.5		\$ 100,575

The weighted-average per share fair value of options granted during the nine months ended September 30, 2017 was \$23.88. The total intrinsic value for options exercised during the nine months ended September 30, 2017 was \$30.9 million.

Restricted Stock Units

The following table summarizes the Company's restricted stock unit activity for the nine months ended September 30, 2017 :

	Number of Shares (in thousands)	Weighted- Average Grant Date Fair Value per Share
Outstanding at December 31, 2016	291	\$ 101.74
Granted	171	\$ 116.52
Vested	(122)	\$ 98.75
Forfeited/canceled	(10)	\$ 109.83
Outstanding at September 30, 2017	330	\$ 110.27

13. INC OME TAXES

The primary reason for the difference in the Company's effective tax rate and the U.S. statutory rate is a result of the Company's REIT election and the Company having a full valuation allowance on the U.S. net deferred tax assets of the taxable REIT subsidiaries ("TRSs"). The Company has concluded that it is not more likely than not that its deferred tax assets will be realized and has recorded a full valuation allowance. A foreign tax provision is recognized because certain international subsidiaries of the Company have profitable operations or are in a net deferred tax liability position.

The Company elected to be taxed as a REIT commencing with its taxable year ended December 31, 2016. As a REIT, the Company generally will be entitled to a deduction for dividends that it pays and therefore not subject to U.S. federal corporate income tax on that portion of its net income that it distributes to its shareholders. As a REIT, the Company will continue to pay U.S. federal income tax on earnings, if any, from assets and operations held through its TRSs. These assets and operations currently consist primarily of the Company's site development services and its international operations. The Company's international operations would continue to be subject, as applicable, to foreign taxes in the jurisdictions in which those operations are located. The Company may also be subject to a variety of taxes, including payroll taxes and state, local and foreign income, property and other taxes on its assets and operations. The Company's determination as to the timing and amount of future dividend distributions will be based on a number of factors, including REIT distribution requirements, its existing federal net operating losses ("NOLs") of approximately \$1.1 billion as of December 31, 2016, the Company's financial condition, earnings, debt covenants, and other possible uses of such funds. The Company may use these NOLs to offset its REIT taxable income, and thus any required distributions to shareholders may be reduced or eliminated until such time as the NOLs have been fully utilized.

14. SEGMENT DATA

The Company operates principally in two business segments : site leasing and site development . The Company's site leasing business includes two reportable segments , domestic site leasing and international site leasing. The Company's business segments are strategic business units that offer different services . They are managed separately based on the fundamental differences in their operations. The site leasing segment includes results of the managed and sublease businesses. The site development segment includes the results of both consulting and construction related activities. The Company's Chief Operating Decision Maker utilizes segment operating profit and operating income as his two measures of segment profit in assessing performance and allocating resources at the reportable segment level.

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Revenues, cost of revenues (exclusive of depreciation, accretion and amortization), capital expenditures (including assets acquired through the issuance of shares of the Company's Class A common stock) and identifiable assets pertaining to the segments in which the Company continues to operate are presented below.

	Domestic Site	Int'l Site	Site	Not Identified	
	Leasing	Leasing	Development	by Segment	Total
For the three months ended September 30, 2017					
	(in thousands)				
Revenues	\$ 328,395	\$ 80,143	\$ 25,407	\$ —	\$ 433,945
Cost of revenues ⁽²⁾	65,226	25,125	21,117	—	111,468
Operating profit	263,169	55,018	4,290	—	322,477
Selling, general, and administrative	16,945	6,658	3,826	5,130	32,559
Acquisition related adjustments and expenses	962	621	—	—	1,583
Asset impairment and decommission costs	7,898	1,554	(35)	—	9,417
Depreciation, amortization and accretion	125,142	34,548	605	1,612	161,907
Operating income (loss)	112,222	11,637	(106)	(6,742)	117,011
Other expense (principally interest expense and other income (expense))				(64,472)	(64,472)
Income before provision for income taxes					52,539
Cash capital expenditures ⁽³⁾	57,352	57,507	372	724	115,955
For the three months ended September 30, 2016					
Revenues	\$ 319,109	\$ 69,059	\$ 23,151	\$ —	\$ 411,319
Cost of revenues ⁽²⁾	65,353	21,001	19,114	—	105,468
Operating profit	253,756	48,058	4,037	—	305,851
Selling, general, and administrative	19,206	5,277	3,128	4,644	32,255
Acquisition related adjustments and expenses	335	2,635	—	—	2,970
Asset impairment and decommission costs	1,974	331	—	—	2,305
Depreciation, amortization and accretion	126,059	31,453	997	1,602	160,111
Operating income (loss)	106,182	8,362	(88)	(6,246)	108,210
Other expense (principally interest expense and other income (expense))				(122,006)	(122,006)
Loss before provision for income taxes					(13,796)
Cash capital expenditures ⁽³⁾	52,589	23,057	320	704	76,670

	Domestic Site	Int'l Site	Site	Not Identified by	Total
	Leasing	Leasing	Development	Segment	
For the nine months ended September 30, 2017					
	(in thousands)				
Revenues	\$ 974,850	\$ 234,239	\$ 75,513	\$ —	\$ 1,284,602
Cost of revenues ⁽²⁾	195,903	73,167	62,713	—	331,783
Operating profit	778,947	161,072	12,800	—	952,819
Selling, general, and administrative	53,147	19,007	11,495	16,528	100,177
Acquisition related adjustments and expenses	4,300	2,557	—	—	6,857
Asset impairment and decommission costs	22,746	2,956	206	—	25,908
Depreciation, amortization and accretion	373,262	100,388	1,968	4,839	480,457
Operating income (loss)	325,492	36,164	(869)	(21,367)	339,420
Other expense (principally interest expense and other income (expense))				(233,259)	(233,259)
Income before provision for income taxes					106,161
Cash capital expenditures ⁽³⁾	160,814	103,609	692	2,456	267,571
For the nine months ended September 30, 2016					
Revenues	\$ 951,181	\$ 193,280	\$ 72,159	\$ —	\$ 1,216,620
Cost of revenues ⁽²⁾	196,027	59,582	59,021	—	314,630
Operating profit	755,154	133,698	13,138	—	901,990
Selling, general, and administrative ⁽⁴⁾	55,141	30,727	9,960	14,498	110,326
Acquisition related adjustments and expenses	3,533	5,441	—	—	8,974
Asset impairment and decommission costs	19,359	1,476	—	2,345	23,180
Depreciation, amortization and accretion	384,208	88,111	2,661	4,655	479,635
Operating income (loss)	292,913	7,943	517	(21,498)	279,875
Other expense (principally interest expense and other income (expense))				(203,119)	(203,119)
Income before provision for income taxes					76,756
Cash capital expenditures ⁽³⁾	232,558	60,125	1,792	2,633	297,108

	Domestic Site	Int'l Site	Site	Not Identified	
	Leasing	Leasing	Development	by Segment ⁽¹⁾	Total
Assets	(in thousands)				
As of September 30, 2017	\$ 5,247,946	\$ 1,929,355	\$ 44,976	\$ 78,193	\$ 7,300,470
As of December 31, 2016	\$ 5,396,394	\$ 1,839,703	\$ 43,769	\$ 81,079	\$ 7,360,945

- (1) Assets not identified by segment consist primarily of general corporate assets.
- (2) Excludes depreciation, amortization, and accretion.
- (3) Includes cash paid for capital expenditures and acquisitions and vehicle capital lease additions.
- (4) International site leasing includes the impact of the \$16,498 O i reserve for the nine months ended September 30, 2016.

ITEM 2. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

We are a leading independent owner and operator of wireless communications infrastructure, including tower structures, rooftops and other structures that support antennas used for wireless communications, which we collectively refer to as "towers" or "sites." Our principal operations are in the United States and its territories. In addition, we own and operate towers in South America, Central America, and Canada. Our primary business line is our site leasing business, which contributed 98.7% of our total segment operating profit for the nine months ended September 30, 2017. In our site leasing business, we (1) lease antenna space to wireless service providers on towers that we own or operate and (2) manage rooftop and tower sites for property owners under various contractual arrangements. As of September 30, 2017, we owned 26,764 towers, a substantial portion of which have been built by us or built by other tower owners or operators who, like us, have built such towers to lease space to multiple wireless service providers. We also managed or leased approximately 5,300 actual or potential sites, approximately 500 of which were revenue producing as of September 30, 2017. Our other business line is our site development business, through which we assist wireless service providers in developing and maintaining their own wireless service networks.

Site Leasing Services

Our primary focus is the leasing of antenna space on our multi-tenant towers to a variety of wireless service providers under long-term lease contracts in the United States, Canada, Central America, and South America. As of September 30, 2017, (1) no U.S. state or territory accounted for more than 10% of our total tower portfolio by tower count, and (2) no U.S. state or territory accounted for more than 10% of our total revenues for the nine months ended September 30, 2017. In addition, as of September 30, 2017, approximately 27.6% of our total towers are located in Brazil and less than 3% of our total towers are located in any of our other international markets (each country is considered a market). We derive site leasing revenues primarily from wireless service provider tenants, including AT&T, T-Mobile, Verizon Wireless, Sprint, Oi S.A., Telefonica, Claro, and TIM. Wireless service providers enter into tenant leases with us, each of which relates to the lease or use of space at an individual site. In the United States and Canada, our tenant leases are generally for an initial term of five to ten years with five 5-year renewal periods at the option of the tenant. These tenant leases typically contain specific rent escalators, which average 3-4% per year, including the renewal option periods. Tenant leases in our Central American and South American markets typically have an initial term of ten years with multiple five - year renewal periods. In Central America, we have similar rent escalators to that of leases in the United States and Canada while our leases in South America escalate in accordance with a standard cost of living index. Site leases in South America typically provide for a fixed rental amount and a pass through charge for the underlying ground lease rent.

In our Central American markets and Ecuador, significantly all of our revenue, expenses, and capital expenditures arising from our new build activities are denominated in U.S. dollars. Specifically, most of our ground leases, tenant leases, and tower-related expenses are due and paid in U.S. dollars. In our Central American markets, our local currency obligations are principally limited to (1) permitting and other local fees, (2) utilities, and (3) taxes. In Brazil, Canada, Chile, and Colombia, significantly all of our revenue, expenses, and capital expenditures, including tenant leases, ground leases, and other tower-related expenses are denominated in local currency. In Argentina and Peru, our revenue, expenses, and capital expenditures, including tenant leases, ground leases, and other tower-related expenses are denominated in a mix of local currency and U.S. dollars.

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Cost of site leasing revenue primarily consists of:

- Rental payments on ground leases and other underlying property interests;
- Straight-line rent adjustment for the difference between rental payments made and the expense recorded as if the payments had been made evenly throughout the lease term (which may include renewal terms) of the underlying property interests;
- Property taxes;
- Site maintenance and monitoring costs (exclusive of employee related costs);
- Utilities;
- Property insurance; and
- Deferred lease origination cost amortization.

Ground leases are generally for an initial term of five years or more with multiple renewal terms of five-year periods at our option and provide for rent escalators which typically average 2-3% annually, or in our South American markets, adjust in accordance with a standard cost of living index. As of September 30, 2017, approximately 70% of our tower structures were located on parcels of land that we own, land subject to perpetual easements, or parcels of land in which we have a leasehold interest that extends beyond 20 years. For any given tower, costs are relatively fixed over a monthly or an annual time period. As such, operating costs for owned towers do not generally increase as a result of adding additional customers to the tower. The amount of property taxes varies from site to site depending on the taxing jurisdiction and the height and age of the tower. The ongoing maintenance requirements are typically minimal and include replacing lighting systems, painting a tower, or upgrading or repairing an access road or fencing.

As indicated in the table below, our site leasing business generates substantially all of our total segment operating profit. For information regarding our operating segments, see Note 14 of our Condensed Notes to Consolidated Financial Statements included in this quarterly report.

	For the three months ended		For the nine months ended	
	September 30,		September 30,	
	2017	2016	2017	2016
Segment operating profit as a percentage of total				
Domestic site leasing	81.6%	83.0%	81.8%	83.7%
International site leasing	17.1%	15.7%	16.9%	14.8%
Total site leasing	98.7%	98.7%	98.7%	98.5%

We believe that over the long-term, site leasing revenues will continue to grow as wireless service providers lease additional antenna space on our towers due to increasing minutes of network use and data transfer, network expansion and network coverage requirements. During the remainder of 2017, we expect organic site leasing revenue growth in both our domestic and international segments to be consistent with our growth in 2016 and the nine months ended September 30, 2017. We believe our site leasing business is characterized by stable and long-term recurring revenues, predictable operating costs and minimal non-discretionary capital expenditures. Due to the relatively young age and mix of our tower portfolio, we expect future expenditures required to maintain these towers to be minimal. Consequently, we expect to grow our cash flows by (1) adding tenants to our towers at minimal incremental costs by using existing tower capacity or requiring wireless service providers to bear all or a portion of the cost of tower modifications and (2) executing monetary amendments as wireless service providers add or upgrade their equipment. Furthermore, because our towers are strategically positioned and our customers typically do not relocate, we have historically experienced low tenant lease terminations as a percentage of revenue other than in connection with customer consolidation or cessations of specific technology (e.g. iDEN, MetroPCS, Clearwire, and Cricket).

Site Development Services

Our site development business, which is conducted in the United States only, is complementary to our site leasing business and provides us the ability to keep in close contact with the wireless service providers who generate substantially all of our site leasing revenue and to capture ancillary revenues that are generated by our site leasing activities, such as antenna and equipment installation at our tower locations. Site development services revenues are earned primarily from providing a full range of end to end services to wireless service providers or companies providing development or project management services to wireless service providers. Our services include: (1) network pre-design; (2) site audits; (3) identification of potential locations for towers and antennas on existing infrastructure; (4) support in leasing of the location; (5) assistance in obtaining zoning approvals and permits; (6) tower and related

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site construction; (7) antenna installation; and (8) radio equipment installation, commissioning, and maintenance. We provide site development services at our towers and at towers owned by others on a local basis, through regional, market, and project offices. The market offices are responsible for all site development operations.

Capital Allocation Strategy

Our capital allocation strategy is to prioritize investment in quality assets that meet our return criteria and then stock repurchases when we believe our stock price is below its intrinsic value. A primary goal of our capital allocation strategy is to increase our Adjusted Funds From Operations per share. To achieve this, we expect we would continue to deploy capital between portfolio growth and stock repurchases, subject to compliance with REIT distribution requirements, available funds and market conditions, while maintaining our target leverage levels. Key elements of our capital allocation strategy include:

Portfolio Growth. We intend to continue to grow our tower portfolio, domestically and internationally, through tower acquisitions and the construction of new towers.

Stock Repurchase Program. We currently utilize stock repurchases as part of our capital allocation policy when we believe our share price is below its intrinsic value. We believe that share repurchases, when purchased at the right price, will facilitate our goal of increasing our Adjusted Funds From Operations per share.

Critical Accounting Policies and Estimates

We have identified the policies and significant estimation processes listed in the Annual Report on Form 10-K as critical to our business operations and the understanding of our results of operations. The listing is not intended to be a comprehensive list. In many cases, the accounting treatment of a particular transaction is specifically dictated by accounting principles generally accepted in the United States, with no need for management's judgment in their application. In other cases, management is required to exercise judgment in the application of accounting principles with respect to particular transactions. The impact and any associated risks related to these policies on our business operations is discussed throughout "Management's Discussion and Analysis of Financial Condition and Results of Operations" where such policies affect reported and expected financial results. For a detailed discussion on the application of these and other accounting policies, see Note 2 of our Consolidated Financial Statements contained in our Annual Report on Form 10-K for the year ended December 31, 2016. Our preparation of our financial statements requires us to make estimates and assumptions that affect the reported amount of assets and liabilities, disclosure of contingent assets and liabilities at the date of our financial statements, and the reported amounts of revenue and expenses during the reporting periods. Management bases its estimates on historical experience and on various other assumptions that are believed to be reasonable under the circumstances. There can be no assurance that actual results will not differ from those estimates and such differences could be significant.

Acquisitions

In January 2017, the FASB issued ASU 2017-01, Clarifying the Definition of a Business. The standard provides guidance to help entities determine whether transactions should be accounted for as acquisitions or disposals of assets or businesses. ASU 2017-01 provides revised guidance to determine when an acquisition meets the definition of a business or when the acquisition should be accounted for as an asset acquisition. We adopted this standard effective January 1, 2017 and all changes will be accounted for prospectively. The adoption of ASU 2017-01 did not have a material impact on our unaudited consolidated financial statements and related disclosures.

Under the new standard, our acquisitions will generally qualify for asset acquisition treatment under ASC 360, Property, Plant, and Equipment, rather than business combination treatment under ASC 805 Business Combinations. For acquisitions which qualify as asset acquisitions, the aggregate purchase price is allocated on a relative fair value basis to towers and related intangible assets. For asset acquisitions, external, direct transaction costs will be capitalized as a component of the cost of the asset acquired. We will continue to expense internal acquisition costs as incurred.

We account for business combinations under the acquisition method of accounting. The assets and liabilities acquired are recorded at fair market value at the date of each acquisition and the results of operations of the acquired assets are included with those from the dates of the respective acquisitions. We continue to evaluate all acquisitions for a period not to exceed one year after the applicable closing date of each transaction to determine whether any additional adjustments are needed to the allocation of the purchase price paid for the assets acquired and liabilities assumed as a result of information available at the acquisition date.

The fair values of net assets acquired are based on management's estimates and assumptions, as well as other information compiled by management, including valuations that utilize customary valuation procedures and techniques. The fair value estimates are based on available historical information and on future expectations and assumptions deemed reasonable by management at the

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time. If the actual results differ from the estimates and judgments used in these fair values, the amounts recorded in the consolidated financial statements could be subject to a possible impairment of the intangible assets, or require acceleration of the amortization expense of intangible assets in subsequent periods.

The intangible assets represent the value associated with the current leases at the acquisition date (“Current contract intangibles”) and future tenant leases anticipated to be added to the towers (“Network location intangibles”) and were calculated using the discounted values of the current or future expected cash flows. The intangible assets are estimated to have a useful life consistent with the useful life of the related tower assets, which is typically 15 years.

In connection with certain acquisitions, we may agree to pay contingent consideration (or earnouts) in cash or stock if the communication sites or businesses that are acquired meet or exceed certain performance targets over a period of one to three years after they have been acquired. We accrue for contingent consideration in connection with business combinations at fair value as of the date of the acquisition. All subsequent changes in fair value of contingent consideration payable in cash are recorded through Consolidated Statements of Operations. Contingent consideration in connection with asset acquisitions will be recognized at the time when the contingency is resolved or becomes payable and will increase the cost basis of the assets acquired.

REIT Conversion

We believe that our business has been operated in a manner that complies with the REIT rules since January 1, 2016, and as a result, we made the election to be subject to tax as a REIT commencing with our taxable year ended December 31, 2016. A REIT is an entity that qualifies for special treatment for U.S. federal income tax purposes because, among other things, it derives most of its income from real estate-based sources and makes a special election under the Code. We operate as a REIT that principally invests in, and derives most of its income from the ownership, operation and leasing of, towers. As a REIT, we generally will be entitled to a deduction for dividends that we pay and therefore not subject to U.S. federal corporate income tax on that portion of our net income that we distribute to our shareholders. However, we will continue to pay U.S. federal income tax on earnings, if any, from assets and operations held through taxable REIT subsidiaries (“TRSs”). These assets and operations currently consist primarily of our site development services and our international operations. Our international operations will continue to be subject, as applicable, to foreign taxes in the jurisdictions in which those operations are located. We may also be subject to a variety of taxes, including payroll taxes and state, local and foreign income, property and other taxes on our assets and operations.

As a REIT, we will generally be required to distribute at least 90% of our REIT taxable income after the utilization of any available net operating losses (“NOLs”) (determined without regard to the dividends paid deduction and excluding net capital gain) each year to our shareholders. In addition to the REIT distribution requirements, our determination as to the timing and amount of future dividend distributions will be based on a number of factors, including investment opportunities around our core business, the availability of our existing federal NOLs of approximately \$1.1 billion as of December 31, 2016 that are attributes of the REIT, our financial condition, earnings, debt covenants, and other possible uses of such funds. We may use these NOLs to offset our REIT taxable income, and thus any required distributions to shareholders may be reduced or eliminated until such time as the NOLs have been fully utilized.

RESULTS OF OPERATIONS

This report presents our financial results and other financial metrics after eliminating the impact of changes in foreign currency exchange rates. We believe that providing these financial results and metrics on a constant currency basis, which are non-GAAP measures, gives management and investors the ability to evaluate the performance of our business without the impact of foreign currency exchange rate fluctuations. We eliminate the impact of changes in foreign currency exchange rates by dividing the current period’s financial results by the average monthly exchange rates of the prior year period, as well as by eliminating the impact of the remeasurement of our intercompany loans.

Three Months Ended September 30, 2017 Compared to Three Months Ended September 30, 2016
Revenues and Segment Operating Profit:

	For the three months ended				Constant
	September 30,		Foreign	Constant	Currency
	2017	2016	Currency Impact	Currency Change	% Change
Revenues					
	(in thousands)				
Domestic site leasing	\$ 328,395	\$ 319,109	\$ —	\$ 9,286	2.9%
International site leasing	80,143	69,059	1,521	9,563	13.8%
Site development	25,407	23,151	—	2,256	9.7%
Total	\$ 433,945	\$ 411,319	\$ 1,521	\$ 21,105	5.1%
Cost of Revenues					
Domestic site leasing	\$ 65,226	\$ 65,353	\$ —	\$ (127)	(0.2%)
International site leasing	25,125	21,001	531	3,593	17.1%
Site development	21,117	19,114	—	2,003	10.5%
Total	\$ 111,468	\$ 105,468	\$ 531	\$ 5,469	5.2%
Operating Profit					
Domestic site leasing	\$ 263,169	\$ 253,756	\$ —	\$ 9,413	3.7%
International site leasing	55,018	48,058	990	5,970	12.4%
Site development	4,290	4,037	—	253	6.3%

Revenues

Domestic site leasing revenues increased \$9.3 million for the three months ended September 30, 2017, as compared to the prior year, due to (i) revenues from 248 towers acquired and 60 towers built since July 1, 2016 and (ii) organic site leasing growth, primarily from monetary lease amendments for additional equipment added to our towers as well as new leases and contractual rent escalators, partially offset by lease non-renewals primarily by MetroPCS, Clearwire, and Cricket.

International site leasing revenues increased \$11.1 million for the three months ended September 30, 2017, as compared to the prior year. On a constant currency basis, international site leasing revenues increased \$9.6 million. These changes were primarily due to (i) revenues from 560 towers acquired and 439 towers built since July 1, 2016, (ii) organic site leasing growth from new leases and contractual escalators, and (iii) an increase in reimbursable pass-through expenses. Site leasing revenue in Brazil represented 13.5% of total site leasing revenue for the period. No other individual international market represented more than 3% of our total site leasing revenue.

Site development revenues increased \$2.3 million for the three months ended September 30, 2017, as compared to the prior year, as a result of increased carrier activity.

Operating Profit

Domestic site leasing segment operating profit increased \$9.4 million for the three months ended September 30, 2017, as compared to the prior year, primarily due to additional profit generated by (i) towers acquired and built since July 1, 2016 and organic site leasing growth as noted above, (ii) continued control of our site leasing cost of revenue, and (iii) the positive impact of our ground lease purchase program.

International site leasing segment operating profit increased \$7.0 million for the three months ended September 30, 2017, as compared to the prior year. On a constant currency basis, international site leasing segment operating profit increased \$6.0 million. These changes were primarily due to towers acquired and built since July 1, 2016 and organic site leasing growth as noted above, partially offset by increases in cost of revenues.

Site development segment operating profit increased \$0.3 million for the three months ended September 30, 2017, as compared to the prior year, primarily due to increased revenue, partially offset by lower margins due to a change in the mix of work performed.

Selling, General, and Administrative Expenses :

	For the three months ended				Constant
	September 30,		Foreign	Constant	Currency
	2017	2016	Currency Impact	Currency Change	% Change
(in thousands)					
Domestic site leasing	\$ 16,945	\$ 19,206	\$ —	\$ (2,261)	(11.8%)
International site leasing	6,658	5,277	121	1,260	23.9%
Total site leasing	\$ 23,603	\$ 24,483	\$ 121	\$ (1,001)	(4.1%)
Site development	3,826	3,128	—	698	22.3%
Not identified by segment	5,130	4,644	—	486	10.5%
Total	\$ 32,559	\$ 32,255	\$ 121	\$ 183	0.6%

Selling, general, and administrative expenses increased \$0.3 million for the three months ended September 30, 2017, as compared to the prior year. On a constant currency basis, selling, general, and administrative expenses increased \$0.2 million. These changes were primarily as a result of increases in non-cash compensation, personnel, salaries, benefits, and other support costs particularly in connection with our international expansion, partially offset by a decrease in the provision for doubtful accounts associated with our domestic site leasing business.

Acquisition Related Adjustments and Expenses:

	For the three months ended				Constant
	September 30,		Foreign	Constant	Currency
	2017	2016	Currency Impact	Currency Change	% Change
(in thousands)					
Domestic site leasing	\$ 962	\$ 335	\$ —	\$ 627	187.2%
International site leasing	621	2,635	(12)	(2,002)	(76.0%)
Total	\$ 1,583	\$ 2,970	\$ (12)	\$ (1,375)	(46.3%)

Acquisition related adjustments and expenses decreased \$1.4 million, on an actual and constant currency basis, for the three months ended September 30, 2017, as compared to the prior year. These changes were primarily as a result of a reduction in third party acquisition costs expensed in the current year as compared to the prior year.

Asset Impairment and Decommission Costs :

	For the three months ended				Constant
	September 30,		Foreign	Constant	Currency
	2017	2016	Currency Impact	Currency Change	% Change
(in thousands)					
Domestic site leasing	\$ 7,898	\$ 1,974	\$ —	\$ 5,924	300.1%
International site leasing	1,554	331	66	1,157	349.5%
Total site leasing	\$ 9,452	\$ 2,305	\$ 66	\$ 7,081	307.2%
Site development	(35)	—	—	(35)	—%
Total	\$ 9,417	\$ 2,305	\$ 66	\$ 7,046	305.7%

Asset impairment and decommission costs increased \$7.1 million for the three months ended September 30, 2017, as compared to the prior year. On a constant currency basis, asset impairment and decommission costs increased \$7.0 million. These changes were primarily as a result of a \$9.0 million gain on the sale of fiber assets recorded in the prior year period, partially offset by a \$2.5 million decrease in impairment charges from the prior year associated with our regular analysis of whether the future cash flows are adequate to recover the carrying value of the investment.

Depreciation, Accretion, and Amortization Expense:

	For the three months ended				Constant
	September 30,		Foreign	Constant	Currency
	2017	2016	Currency Impact	Currency Change	% Change
(in thousands)					
Domestic site leasing	\$ 125,142	\$ 126,059	\$ —	\$ (917)	(0.7%)
International site leasing	34,548	31,453	662	2,433	7.7%
Total site leasing	\$ 159,690	\$ 157,512	\$ 662	\$ 1,516	1.0%
Site development	605	997	—	(392)	(39.3%)
Not identified by segment	1,612	1,602	—	10	0.6%
Total	\$ 161,907	\$ 160,111	\$ 662	\$ 1,134	0.7%

Depreciation, accretion, and amortization expense increased \$1.8 million for the three months ended September 30, 2017, as compared to the prior year. On a constant currency basis, depreciation, accretion, and amortization expense increased \$1.1 million. These changes were primarily due to additional international site leasing depreciation associated with the increase in the number of towers we acquired and built since July 1, 2016, partially offset by a decrease in domestic site leasing depreciation associated with assets that became fully depreciated since the prior year period.

Operating Income (Expense):

	For the three months ended				Constant
	September 30,		Foreign	Constant	Currency
	2017	2016	Currency Impact	Currency Change	% Change
(in thousands)					
Domestic site leasing	\$ 112,222	\$ 106,182	\$ —	\$ 6,040	5.7%
International site leasing	11,637	8,362	153	3,122	37.3%
Total site leasing	\$ 123,859	\$ 114,544	\$ 153	\$ 9,162	8.0%
Site development	(106)	(88)	—	(18)	20.5%
Not identified by segment	(6,742)	(6,246)	—	(496)	7.9%
Total	\$ 117,011	\$ 108,210	\$ 153	\$ 8,648	8.0%

Domestic site leasing operating income increased \$6.0 million for the three months ended September 30, 2017, as compared to the prior year, primarily due to higher segment operating profit and decreases in selling, general, and administrative expenses and depreciation, accretion, and amortization expenses, partially offset by increases in asset impairment and decommission costs and acquisition related adjustments and expenses.

International site leasing operating income increased \$3.3 million for the three months ended September 30, 2017, as compared to the prior year. On a constant currency basis, international site leasing operating income increased \$3.1 million. These changes were primarily due to higher segment operating profit and a decrease in acquisition related adjustments and expenses, partially offset by increases in depreciation, accretion, and amortization expenses, selling, general, and administrative expenses, and asset impairment and decommission costs.

Other Income (Expense):

	For the three months ended				Constant
	September 30,		Foreign	Constant	Currency
	2017	2016	Currency Impact	Currency Change	% Change
	(in thousands)				
Interest income	\$ 2,505	\$ 3,101	\$ 42	\$ (638)	(20.6%)
Interest expense	(81,357)	(83,426)	(3)	2,072	(2.5%)
Non-cash interest expense	(725)	(585)	—	(140)	23.9%
Amortization of deferred financing fees	(4,957)	(5,445)	—	488	(9.0%)
Loss from extinguishment of debt, net	—	(34,512)	—	34,512	—%
Other (expense) income, net	20,062	(1,139)	21,521	(320)	28.1%
Total	\$ (64,472)	\$ (122,006)	\$ 21,560	\$ 35,974	(29.5%)

Interest expense decreased \$2.1 million, on an actual and constant currency basis, for the three months ended September 30, 2017, as compared to the prior year, due to a lower weighted average interest rate on debt and lower average principal amount of cash-interest bearing debt outstanding as compared to the prior year. The decrease primarily resulted from the repayment of the 2010-2C Tower Securities in July 2016, the 5.75% Senior Notes in August 2016, the 5.625% Senior Notes in October 2016, and the 2012-1C Tower Securities in April 2017, partially offset by the issuance of the 2016 Senior Notes in August 2016 and the 2017-1C Tower Securities in April 2017, and a higher average balance outstanding on the Revolving Credit Facility in the current year period.

Loss from extinguishment of debt was \$34.5 million for the three months ended September 30, 2016 due to the payment of a \$25.8 million call premium on the redemption of the 5.75% Senior Notes, the write-off of \$7.7 million in deferred financing fees related to the 5.75% Senior Notes, and the write-off of \$1.0 million in deferred financing fees related to the redemption of the 2010-2C Tower Securities.

Other (expense) income, net includes a net \$18.4 million gain on the remeasurement of a U.S. dollar denominated intercompany loan with a Brazilian subsidiary for the three months ended September 30, 2017, while the prior year period included a \$3.2 million loss.

Provision for Income Taxes:

	For the three months ended				Constant
	September 30,		Foreign	Constant	Currency
	2017	2016	Currency Impact	Currency Change	% Change
	(in thousands)				
Provision for income taxes	\$ (3,378)	\$ (1,574)	\$ 8	\$ (1,812)	115.1%

Provision for income taxes increased \$1.8 million, on an actual and constant currency basis, for the three months ended September 30, 2017, as compared to the prior year. These changes were primarily due to an increase in state tax provisions from becoming a taxpayer in additional jurisdictions.

Net Income :

	For the three months ended				Constant
	September 30,		Foreign	Constant	Currency
	2017	2016	Currency Impact	Currency Change	% Change
	(in thousands)				
Net income (loss)	\$ 49,161	\$ (15,370)	\$ 21,705	\$ 42,826	278.6%

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Net income increased \$64.5 million for the three months ended September 30, 2017, as compared to the prior year. On a constant currency basis, net income increased \$42.8 million. These changes were primarily due to fluctuations in our foreign currency exchange rates including changes recorded on the remeasurement of the intercompany loan, an increase in operating income, and a decrease in the loss from extinguishment of debt.

Nine Months Ended September 30, 2017 Compared to Nine Months Ended September 30, 2016

Revenues and Segment Operating Profit:

	For the nine months ended		Foreign	Constant	Constant
	September 30,		Currency	Currency	Currency
	2017	2016	Impact	Change	% Change
Revenues					
	(in thousands)				
Domestic site leasing	\$ 974,850	\$ 951,181	\$ —	\$ 23,669	2.5%
International site leasing	234,239	193,280	16,365	24,594	12.7%
Site development	75,513	72,159	—	3,354	4.6%
Total	<u>\$ 1,284,602</u>	<u>\$ 1,216,620</u>	<u>\$ 16,365</u>	<u>\$ 51,617</u>	4.2%
Cost of Revenues					
Domestic site leasing	\$ 195,903	\$ 196,027	\$ —	\$ (124)	(0.1%)
International site leasing	73,167	59,582	5,738	7,847	13.2%
Site development	62,713	59,021	—	3,692	6.3%
Total	<u>\$ 331,783</u>	<u>\$ 314,630</u>	<u>\$ 5,738</u>	<u>\$ 11,415</u>	3.6%
Operating Profit					
Domestic site leasing	\$ 778,947	\$ 755,154	\$ —	\$ 23,793	3.2%
International site leasing	161,072	133,698	10,627	16,747	12.5%
Site development	12,800	13,138	—	(338)	(2.6%)

Revenues

Domestic site leasing revenues increased \$23.7 million for the nine months ended September 30, 2017, as compared to the prior year, due to (i) revenues from 402 towers acquired and 85 towers built since January 1, 2016 and (ii) organic site leasing growth, primarily from monetary lease amendments for additional equipment added to our towers as well as new leases and contractual rent escalators, partially offset by lease non-renewals primarily by MetroPCS, Clearwire, and Cricket.

International site leasing revenues increased \$41.0 million for the nine months ended September 30, 2017, as compared to the prior year. On a constant currency basis, international site leasing revenues increased \$24.6 million. These changes were primarily due to (i) revenues from 565 towers acquired and 575 towers built since January 1, 2016, (ii) organic site leasing growth from new leases and contractual escalators, and (iii) an increase in reimbursable pass-through expenses. Site leasing revenue in Brazil represented 13.4% of total site leasing revenue for the period. No other individual international market represented more than 3% of our total site leasing revenue.

Site development revenues increased \$3.4 million for the nine months ended September 30, 2017, as compared to the prior year, as a result of increased carrier activity.

Operating Profit

Domestic site leasing segment operating profit increased \$23.8 million for the nine months ended September 30, 2017, as compared to the prior year, primarily due to additional profit generated by (i) towers acquired and built since January 1, 2016 and organic site leasing growth as noted above, (ii) continued control of our site leasing cost of revenue, and (iii) the positive impact of our ground lease purchase program.

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International site leasing segment operating profit increased \$27.4 million for the nine months ended September 30, 2017, as compared to the prior year. On a constant currency basis, international site leasing segment operating profit increased \$16.7 million. These changes were primarily due to towers acquired and built since January 1, 2016 and organic site leasing growth as noted above, partially offset by increases in cost of revenues.

Site development segment operating profit decreased \$0.3 million for the nine months ended September 30, 2017, as compared to the prior year, primarily due to lower margins resulting from a change in the mix of work performed, partially offset by an increase in revenue due to increased carrier activity.

Selling, General, and Administrative Expenses:

	For the nine months ended				Constant
	September 30,		Foreign	Constant	Currency
	2017	2016	Currency Impact	Currency Change	% Change
	(in thousands)				
Domestic site leasing	\$ 53,147	\$ 55,141	\$ —	\$ (1,994)	(3.6%)
International site leasing	19,007	30,727	911	(12,631)	(41.1%)
Total site leasing	\$ 72,154	\$ 85,868	\$ 911	\$ (14,625)	(17.0%)
Site development	11,495	9,960	—	1,535	15.4%
Not identified by segment	16,528	14,498	—	2,030	14.0%
Total	\$ 100,177	\$ 110,326	\$ 911	\$ (11,060)	(10.0%)

Selling, general, and administrative expenses decreased \$10.1 million for the nine months ended September 30, 2017, as compared to the prior year. On a constant currency basis, selling, general, and administrative expenses decreased \$11.1 million. These changes were primarily as a result of a decrease in the provision for doubtful accounts which included the \$16.5 million OI reserve recorded in the second quarter of 2016, partially offset by increases in non-cash compensation, personnel, salaries, benefits, and other support costs.

Acquisition Related Adjustments and Expenses:

	For the nine months ended				Constant
	September 30,		Foreign	Constant	Currency
	2017	2016	Currency Impact	Currency Change	% Change
	(in thousands)				
Domestic site leasing	\$ 4,300	\$ 3,533	\$ —	\$ 767	21.7%
International site leasing	2,557	5,441	194	(3,078)	(56.6%)
Total	\$ 6,857	\$ 8,974	\$ 194	\$ (2,311)	(25.8%)

Acquisition related adjustments and expenses decreased \$2.1 million for the nine months ended September 30, 2017, as compared to the prior year. On a constant currency basis, acquisition related adjustments and expenses decreased \$2.3 million. These changes were primarily as a result of changes in our estimated pre-acquisition contingencies as compared to the prior year period and a reduction in third party acquisition costs expensed in the current year as compared to the prior year.

Asset Impairment and Decommission Costs:

	For the nine months ended				Constant
	September 30,		Foreign	Constant	Currency
	2017	2016	Currency Impact	Currency Change	% Change
	(in thousands)				
Domestic site leasing	\$ 22,746	\$ 19,359	\$ —	\$ 3,387	17.5%
International site leasing	2,956	1,476	201	1,279	86.7%
Total site leasing	\$ 25,702	\$ 20,835	\$ 201	\$ 4,666	22.4%
Site development	206	—	—	206	—%
Not identified by segment	—	2,345	—	(2,345)	(100.0%)
Total	\$ 25,908	\$ 23,180	\$ 201	\$ 2,527	10.9%

Asset impairment and decommission costs increased by \$2.7 million for the nine months ended September 30, 2017, as compared to the prior year. On a constant currency basis, asset impairment and decommission costs increased \$2.5 million. These changes were primarily as a result of a \$9.0 million gain on the sale of fiber assets recorded in the prior year period, partially offset by a \$2.3 million decrease in write-off and disposal costs related to our former corporate headquarters building during the second quarter of 2016 and a \$4.0 million decrease in impairment charges resulting from our regular analysis of whether the future cash flows are adequate to recover the carrying value of the investment.

Depreciation, Accretion, and Amortization Expenses:

	For the nine months ended				Constant
	September 30,		Foreign	Constant	Currency
	2017	2016	Currency Impact	Currency Change	% Change
	(in thousands)				
Domestic site leasing	\$ 373,262	\$ 384,208	\$ —	\$ (10,946)	(2.8%)
International site leasing	100,388	88,111	6,988	5,289	6.0%
Total site leasing	\$ 473,650	\$ 472,319	\$ 6,988	\$ (5,657)	(1.2%)
Site development	1,968	2,661	—	(693)	(26.0%)
Not identified by segment	4,839	4,655	—	184	4.0%
Total	\$ 480,457	\$ 479,635	\$ 6,988	\$ (6,166)	(1.3%)

Depreciation, accretion, and amortization expense increased \$0.8 million for the nine months ended September 30, 2017, as compared to the prior year. On a constant currency basis, depreciation, accretion, and amortization expense decreased \$6.2 million. These changes were primarily due to a decrease in domestic site leasing depreciation associated with assets that became fully depreciated since the prior year period, partially offset by additional international site leasing depreciation associated with an increase in the number of towers we acquired and built since January 1, 2016.

Operating Income (Expense) :

	For the nine months ended				Constant
	September 30,		Foreign	Constant	Currency
	2017	2016	Currency Impact	Currency Change	% Change
	(in thousands)				
Domestic site leasing	\$ 325,492	\$ 292,913	\$ —	\$ 32,579	11.1%
International site leasing	36,164	7,943	2,333	25,888	325.9%
Total site leasing	\$ 361,656	\$ 300,856	\$ 2,333	\$ 58,467	19.4%
Site development	(869)	517	—	(1,386)	(268.1%)
Not identified by segment	(21,367)	(21,498)	—	131	(0.6%)
Total	\$ 339,420	\$ 279,875	\$ 2,333	\$ 57,212	20.4%

Domestic site leasing operating income increase d \$32.6 million for the nine months ended September 30, 2017 , as compared to the prior year, primarily due to higher segment operating profit and decreases in depreciation, accretion, and amortization expense and selling, general, and administrative expenses, partially offset by an increase in asset impairment and decommission costs.

International site leasing operating income increase d \$28.2 million for the nine months ended September 30, 2017 , as compared to the prior year. On a constant currency basis, international site leasing operating income increase d \$25.9 million. These changes were primarily due to higher segment operating profit and decreases in selling, general, and administrative expenses resulting from the \$16.5 million Oi reserve recorded in the second quarter of 2016 and acquisition related adjustments and e xpenses, partially offset by increase s in depreciation, accretion, and amortization expenses and asset impairment and decommission costs .

Site development operating income decrease d \$1.4 million for the nine months ended September 30, 2017 , as compared to the prior year, primarily due to lower segment operating profit and increases in selling, general, and administrative expenses and asset impairment and decommission costs, partially offset by a decrease in depreciation, accretion, and amortization expense.

Other Income (Expense):

	For the nine months ended				Constant
	September 30,		Foreign	Constant	Currency
	2017	2016	Currency Impact	Currency Change	% Change
	(in thousands)				
Interest income	\$ 8,648	\$ 7,704	\$ 685	\$ 259	3.4%
Interest expense	(237,415)	(250,913)	(3)	13,501	(5.4%)
Non-cash interest expense	(2,146)	(1,500)	—	(646)	43.1%
Amortization of deferred financing fees	(16,603)	(16,035)	—	(568)	3.5%
Loss from extinguishment of debt, net	(1,961)	(34,512)	—	32,551	(94.3%)
Other (expense) income, net	16,218	92,137	(78,029)	2,110	2.3%
Total	\$ (233,259)	\$ (203,119)	\$ (77,347)	\$ 47,207	(23.2%)

Interest expense decrease d \$13.5 million, on an actual and constant currency basis, for the nine months ended September 30, 2017 , as compared to the prior year, due to a lower weighted average interest rate on debt and a low er average principal amount of cash-interest bearing debt outstanding as compared to the prior year. The decrease primarily resulted from the repayment of the 2010-2C Tower Securities in July 2016, the 5.75% Senior Notes in August 2016, the 5.625% Senior Notes in October 2016, and the 2012-1C Tower Securities in April 2017, partially offset by the issuance of the 2016-1C Tower Securities in July 2016, the 2016 Senior Notes in August 2016, and the 2017-1C Tower Securities in April 2017, and a higher average balance outstanding on the Revolving Credit Facility in the current year period.

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Loss from extinguishment of debt was \$2.0 million for the nine months ended September 30, 2017 due to the write-off of unamortized financing costs associated with the repayment of the 2012-1C Tower Securities in April 2017. Loss from extinguishment of debt was \$34.5 million for the nine months ended September 30, 2016 due to the payment of a \$25.8 million call premium and the write off of \$7.7 million in deferred financing fees on the redemption of the 5.75% Senior Notes, and the write off of \$1.0 million in deferred financing fees related to the redemption of the 2010-2C Tower Securities.

Other (expense) income, net includes a net \$11.6 million gain on the remeasurement of a U.S. dollar denominated intercompany loan with a Brazilian subsidiary for the nine months ended September 30, 2017, while the prior year period included a net \$89.0 million gain.

Provision for Income Taxes:

	For the nine months ended				Constant
	September 30,		Foreign	Constant	Currency
	2017	2016	Currency Impact	Currency Change	% Change
(in thousands)					
Provision for income taxes	\$ (10,167)	\$ (5,780)	\$ 19	\$ (4,406)	76.2%

Provision for income taxes increased \$4.4 million, on an actual and constant currency basis, for the nine months ended September 30, 2017, as compared to the prior year. These changes were primarily due to an increase in state tax provisions from becoming a taxpayer in additional jurisdictions.

Net Income:

	For the nine months ended				Constant
	September 30,		Foreign	Constant	Currency
	2017	2016	Currency Impact	Currency Change	% Change
(in thousands)					
Net income	\$ 95,994	\$ 70,976	\$ (75,033)	\$ 100,051	141.0%

Net income increased \$25.0 million for the nine months ended September 30, 2017, as compared to the prior year. On a constant currency basis, net income increased \$100.1 million. These changes were primarily due to an increase in operating income and a decrease in interest expense, partially offset by fluctuations in our foreign currency exchange rates including changes recorded on the remeasurement of the intercompany loan.

NON-GAAP FINANCIAL MEASURES

This report contains information regarding a non-GAAP measure, Adjusted EBITDA. We have provided below a description of Adjusted EBITDA, a reconciliation of Adjusted EBITDA to its most directly comparable GAAP measure and an explanation as to why management utilizes this measure. This report also presents our financial results and other financial metrics after eliminating the impact of changes in foreign currency exchange rates and the Oi reserve recorded in the second quarter of 2016. We believe that providing these financial results and metrics on a constant currency basis, which are non-GAAP measures, gives management and investors the ability to evaluate the performance of our business without the impact of foreign currency exchange rate fluctuations. We eliminate the impact of changes in foreign currency exchange rates by dividing the current period's financial results by the average monthly exchange rates of the prior year period, as well as by eliminating the impact of the remeasurement of our intercompany loans. In addition, we believe that excluding the Oi reserve, which represents a \$16.5 million one-time provision for doubtful accounts recorded in the prior year, provides management and investors the ability to better analyze our core results without the impact of what we believe is a non-recurring event.

Adjusted EBITDA

We define Adjusted EBITDA as net income excluding the impact of non-cash straight-line leasing revenue, non-cash straight-line ground lease expense, non-cash compensation, net loss from extinguishment of debt, other income and expenses, acquisition related adjustments and expenses, asset impairment and decommission costs, interest income, interest expenses, depreciation, accretion, and amortization, and provision for or benefit from taxes.

We believe that Adjusted EBITDA is useful to investors or other interested parties in evaluating our financial performance. Adjusted EBITDA is the primary measure used by management (1) to evaluate the economic productivity of our operations and (2) for purposes of making decisions about allocating resources to, and assessing the performance of, our operations. Management believes that Adjusted EBITDA helps investors or other interested parties to meaningfully evaluate and compare the results of our operations (1) from period to period and (2) to our competitors, by excluding the impact of our capital structure (primarily interest charges from our outstanding debt) and asset base (primarily depreciation, amortization and accretion) from our financial results. Management also believes Adjusted EBITDA is frequently used by investors or other interested parties in the evaluation of REITs. In addition, Adjusted EBITDA is a component of the calculation that has been used by our lenders to determine compliance with certain covenants under our Senior Credit Agreement and the indentures relating to the 2014 Senior Notes, 2016 Senior Notes, and 2017 Senior Notes. Adjusted EBITDA should be considered only as a supplement to net income computed in accordance with GAAP as a measure of our performance.

	For the three months ended				Constant
	September 30,		Foreign	Constant	Currency
	2017	2016	Currency Impact	Currency Change	% Change
	(in thousands)				
Net income (loss)	\$ 49,161	\$ (15,370)	\$ 21,705	\$ 42,826	(278.6%)
Non-cash straight-line leasing revenue	(4,376)	(7,334)	(86)	3,044	(41.5%)
Non-cash straight-line ground lease expense	7,698	8,323	14	(639)	(7.7%)
Non-cash compensation	9,423	8,076	31	1,316	16.3%
Loss from extinguishment of debt, net	—	34,512	—	(34,512)	—%
Other expense (income), net	(20,062)	1,139	(21,521)	320	28.1%
Acquisition related adjustments and expenses	1,583	2,970	(12)	(1,375)	(46.3%)
Asset impairment and decommission costs	9,417	2,305	66	7,046	305.7%
Interest income	(2,505)	(3,101)	(42)	638	(20.6%)
Interest expense ⁽¹⁾	87,039	89,456	3	(2,420)	(2.7%)
Depreciation, accretion, and amortization	161,907	160,111	662	1,134	0.7%
Provision for taxes ⁽²⁾	3,835	2,123	8	1,704	80.3%
Adjusted EBITDA	\$ 303,120	\$ 283,210	\$ 828	\$ 19,082	

	For the nine months ended				Constant
	September 30,		Foreign	Constant	Currency
	2017	2016	Currency Impact	Currency Change	% Change
(in thousands)					
Net income	\$ 95,994	\$ 70,976	\$ (75,033)	\$ 100,051	141.0%
Non-cash straight-line leasing revenue	(12,440)	(24,955)	(1,061)	13,576	(54.4%)
Non-cash straight-line ground lease expense	23,461	26,610	130	(3,279)	(12.3%)
Non-cash compensation	28,894	24,752	110	4,032	16.3%
Loss from extinguishment of debt, net	1,961	34,512	—	(32,551)	(94.3%)
Other expense (income), net	(16,218)	(92,137)	78,029	(2,110)	2.3%
Acquisition related adjustments and expenses	6,857	8,974	194	(2,311)	(25.8%)
Asset impairment and decommission costs	25,908	23,180	201	2,527	10.9%
Interest income	(8,648)	(7,704)	(685)	(259)	3.4%
Interest expense ⁽¹⁾	256,164	268,448	3	(12,287)	(4.6%)
Depreciation, accretion, and amortization	480,457	479,635	6,988	(6,166)	(1.3%)
Provision for taxes ⁽²⁾	11,680	7,185	50	4,445	61.9%
Adjusted EBITDA	894,070	819,476	8,926	65,668	
Oi reserve	—	16,498	—	(16,498)	
Adjusted EBITDA excluding Oi reserve	\$ 894,070	\$ 835,974	\$ 8,926	\$ 49,170	

- (1) Interest expense includes interest expense, non-cash interest expense, and amortization of deferred financing fees.
- (2) Provision for taxes includes \$457 and \$549 of franchise and gross receipts taxes for the three months ended September 30, 2017 and 2016, respectively, and \$1,513 and \$1,405 of franchise and gross receipts taxes for the nine months ended September 30, 2017 and 2016, respectively, reflected in selling, general, and administrative expenses on the Consolidated Statement of Operations.

Adjusted EBITDA increased \$19.9 million for the three months ended September 30, 2017, as compared to the prior year period. On a constant currency basis, Adjusted EBITDA increased \$19.1 million. These changes were primarily due to increases in domestic site leasing, international site leasing, and site development segment operating profit.

Adjusted EBITDA excluding the Oi reserve increased \$58.1 million for the nine months ended September 30, 2017, as compared to the prior year period. On a constant currency basis, Adjusted EBITDA excluding the Oi reserve increased \$49.2 million. These changes were primarily due to increases in domestic and international site leasing segment operating profit, partially offset by an increase in selling, general, and administrative expenses after excluding the Oi reserve and a decrease in site development segment operating profit.

LIQUIDITY AND CAPITAL RESOURCES

SBAC is a holding company with no business operations of its own. SBAC's only significant asset is 100% of the outstanding capital stock of SBA Telecommunications, LLC ("Telecommunications"), which is also a holding company that owns equity interests in entities that directly or indirectly own all of our domestic and international towers and assets. We conduct all of our business operations through Telecommunications' subsidiaries. Accordingly, our only source of cash to pay our obligations, other than financings, is distributions with respect to our ownership interest in our subsidiaries from the net earnings and cash flow generated by these subsidiaries.

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A summary of our cash flows is as follows:

	For the nine months ended	
	September 30, 2017	September 30, 2016
	(in thousands)	
Cash provided by operating activities	\$ 591,472	\$ 527,231
Cash used in investing activities	(290,915)	(300,213)
Cash (used in) provided by financing activities	(317,602)	333,534
Change in cash, cash equivalents, and restricted cash	(17,045)	560,552
Effect of exchange rate changes on cash, cash equiv., and restricted cash	3,537	13,760
Cash, cash equivalents, and restricted cash, beginning of period	185,970	146,619
Cash, cash equivalents, and restricted cash, end of period	\$ 172,462	\$ 720,931

Operating Activities

Cash provided by operating activities was \$591.5 million for the nine months ended September 30, 2017 as compared to \$527.2 million for the nine months ended September 30, 2016. The increase of \$64.2 million was primarily due to increases in segment operating profit from domestic site leasing and international site leasing operating segments and a decrease in interest payments.

Investing Activities

A detail of our cash capital expenditures is as follows:

	For the nine months ended September 30,	
	2017	2016
	(in thousands)	
Acquisitions of towers and related intangible assets ⁽¹⁾⁽²⁾	\$ 124,476	\$ 144,535
Construction and related costs on new tower builds	49,650	51,487
Augmentation and tower upgrades	31,704	28,201
Land buyouts and other assets ⁽³⁾	36,531	46,867
Tower maintenance	21,752	21,125
General corporate	3,204	3,507
Total cash capital expenditures	\$ 267,317	\$ 295,722

- (1) The nine months ended September 30, 2017 excludes \$63.3 million of acquisition costs funded through the issuance of 487,963 shares of Class A common stock.
- (2) The nine months ended September 30, 2017 excludes \$21.0 million of acquisitions completed during the second quarter of 2017 which were not funded as of September 30, 2017.
- (3) In addition, we paid \$10.6 million and \$8.7 million for ground lease extensions and term easements on land underlying our towers during the nine months ended September 30, 2017 and 2016, respectively.

During all of 2017, inclusive of the capital expenditures made during the nine months ended September 30, 2017, we expect to incur non-discretionary cash capital expenditures associated with tower maintenance and general corporate expenditures of \$32.5 million to \$37.5 million and discretionary cash capital expenditures, based on current acquisition obligations, planned new tower construction, forecasted tower augmentations, and forecasted ground lease purchases, of \$395.0 million to \$415.0 million as well as potential, additional tower acquisitions not yet under contract. We expect to fund these cash capital expenditures from cash on hand, cash flow from operations, and borrowings under the Revolving Credit Facility or new financings. The exact amount of our future

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cash capital expenditures will depend on a number of factors, including amounts necessary to support our tower portfolio, our new tower build and acquisition programs, and our ground lease purchase program.

Financing Activities

During the nine months ended September 30, 2017, we borrowed \$415.0 million and repaid \$375.0 million of the outstanding balance under the Revolving Credit Facility. As of September 30, 2017, we had \$430.0 million outstanding under the \$1.0 billion Revolving Credit Facility. Subsequent to September 30, 2017, we borrowed an additional \$30.0 million and repaid \$460.0 million of the outstanding balance under the Revolving Credit Facility with proceeds from the 2017 Senior Notes (defined below). As of the date of this filing, no amount was outstanding under the Revolving Credit Facility.

During the nine months ended September 30, 2017, we repurchased 3.9 million shares of our Class A common stock under our current stock repurchase plan for \$538.9 million at a weighted average price per share of \$139.16. Subsequent to September 30, 2017, we repurchased 0.8 million shares of our Class A common stock under our current stock repurchase plan for \$111.1 million at a weighted average price per share of \$147.19. Shares repurchased were retired. As of the date of this filing, we had \$350.0 million of authorization remaining under the current stock repurchase plan.

On January 20, 2017, SBA Senior Finance II repriced its senior secured term loans from a Eurodollar Rate plus 250 basis points (with a Eurodollar Rate floor of 0.75%) to a Eurodollar Rate plus 225 basis points (with a zero Eurodollar floor).

On April 17, 2017, we, through a New York common law trust (the "Trust"), issued \$760.0 million of 2017-1C Tower Securities (as defined below). The fixed interest rate on the 2017-1C Tower Securities is 3.168% per annum, payable monthly. Net proceeds from this offering were used to prepay the entire \$610.0 million aggregate principal amount, as well as accrued and unpaid interest, of the 2012-1C Tower Securities and for general corporate purposes.

On October 13, 2017, we issued \$750.0 million of 2017 Senior Notes (as defined below). The 2017 Senior Notes accrue interest at a rate of 4.0% per annum. Interest on the 2017 Senior Notes is due semi-annually on April 1 and October 1 of each year, beginning on April 1, 2018. Net proceeds from this offering were used to repay \$460.0 million outstanding under the Revolving Credit Facility and for general corporate purposes.

Registration Statements

We have on file with the Commission a shelf registration statement on Form S-4 registering shares of Class A common stock that we may issue in connection with the acquisition of wireless communication towers or antenna sites and related assets or companies who own wireless communication towers, antenna sites, or related assets. During the nine months ended September 30, 2017, we issued 487,963 shares of Class A common stock under this registration statement. As of September 30, 2017, we had approximately 1.2 million shares of Class A common stock remaining under this shelf registration statement.

On March 3, 2015, we filed with the Commission an automatic shelf registration statement for well-known seasoned issuers on Form S-3ASR. This registration statement enables us to issue shares of our Class A common stock, preferred stock or debt securities either separately or represented by warrants, or depositary shares as well as units that include any of these securities. Under the rules governing automatic shelf registration statements, we will file a prospectus supplement and advise the Commission of the amount and type of securities each time we issue securities under this registration statement. No securities were issued under this registration statement from March 3, 2015 through the date of this filing.

Debt Instruments and Debt Service Requirements

Revolving Credit Facility under the Senior Credit Agreement

The Revolving Credit Facility is governed by the Senior Credit Agreement. The Revolving Credit Facility consists of a revolving loan under which up to \$1.0 billion aggregate principal amount may be borrowed, repaid and redrawn, based upon specific financial ratios and subject to the satisfaction of other customary conditions to borrowing. Amounts borrowed under the Revolving Credit Facility accrue interest, at SBA Senior Finance II's election, at either (i) the Eurodollar Rate plus a margin that ranges from 137.5 basis points to 200.0 basis points or (ii) the Base Rate plus a margin that ranges from 37.5 basis points to 100.0 basis points, in each case based on the ratio of Consolidated Total Debt to Annualized Borrower EBITDA, calculated in accordance with the Senior Credit Agreement. As of September 30, 2017, the balance outstanding under the Revolving Credit Facility was accruing interest at 3.20% per annum. In addition, SBA Senior Finance II is required to pay a commitment fee of 0.25% per annum on the amount of unused commitment. If not earlier terminated by SBA Senior Finance II, the Revolving Credit Facility will terminate on, and SBA

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Senior Finance II will repay all amounts outstanding on or before, February 5, 2020 . The proceeds available under the Revolving Credit Facility may be used for general corporate purposes. SBA Senior Finance II may, from time to time, borrow from and repay the Revolving Credit Facility. Consequently, the amount outstanding under the Revolving Credit Facility at the end of a period may not be reflective of the total amounts outstanding during such period.

As of September 30, 2017 , SBA Senior Finance II was in compliance with the financial covenants contained in the Senior Credit Agreement.

Term Loans under the Senior Credit Agreement

Repricing Amendment to the Senior Credit Agreement

On January 20, 2017, SBA Senior Finance II amended its Senior Credit Agreement, primarily to reduce the stated rate of interest applicable to its senior secured term loans. As amended, the senior secured term loans accrue interest, at SBA Senior Finance II's election, at either the Base Rate plus 125 basis points (with a zero Base Rate floor) or the Eurodollar Rate plus 225 basis points (with a zero Eurodollar Rate floor).

2014 Term Loan

The 2014 Term Loan consists of a senior secured term loan with an initial aggregate principal amount of \$1.5 billion that matures on March 24, 2021. Prior to the reduction in the term loan interest rates as discussed above, the 2014 Term Loan accrued interest, at SBA Senior Finance II's election, at either the Base Rate plus 150 basis points (with a Base Rate floor of 1.75%) or the Eurodollar Rate plus 250 basis points (with a Eurodollar Rate floor of 0.75%). The 2014 Term Loan was issued at 99.75% of par value. As of September 30, 2017 , the 2014 Term Loan was accruing interest at 3.49% per annum. Principal payments on the 2014 Term Loan commenced on September 30, 2014 and are being made in quarterly installments on the last day of each March, June, September, and December in an amount equal to \$3.8 million. SBA Senior Finance II has the ability to prepay any or all amounts under the 2014 Term Loan. We incurred deferred financing fees of approximately \$14.1 million in relation to this transaction , which are being amortized through the maturity date.

During the three and nine months ended September 30, 2017 , we repaid \$3.8 million and \$11.3 million of principal on the 2014 Term Loan. As of September 30, 2017 , the 2014 Term Loan had a principal balance of \$1,451.3 million.

2015 Term Loan

The 2015 Term Loan consists of a senior secured term loan with an initial aggregate principal amount of \$500.0 million that matures on June 10, 2022. Prior to the reduction in the term loan interest rates as discussed above, the 2015 Term Loan accrued interest, at SBA Senior Finance II's election, at either the Base Rate plus 150 basis points (with a Base Rate floor of 1.75%) or the Eurodollar Rate plus 250 basis points (with a Eurodollar Rate floor of 0.75%). The 2015 Term Loan was issued at 99.0% of par value. As of September 30, 2017 , the 2015 Term Loan was accruing interest at 3.49% per annum. Principal payments on the 2015 Term Loan commenced on September 30, 2015 and are being made in quarterly installments on the last day of each March, June, September, and December in an amount equal to \$1.3 million. SBA Senior Finance II has the ability to prepay any or all amounts under the 2015 Term Loan. We incurred deferred financing fees of approximately \$5.5 million in relation to this transaction , which are being amortized through the maturity date.

During the three and nine months ended September 30, 2017 , we repaid \$1.3 million and \$3.8 million of principal on the 2015 Term Loan. As of September 30, 2017 , the 2015 Term Loan had a principal balance of \$488.8 million.

Secured Tower Revenue Securities

2012 -1C Tower Securities

On August 9, 2012, we, through the Trust, issued \$610.0 million of Secured Tower Revenue Securities Series 2012 -1C (the "2012 -1C Tower Securities") , which had an anticipated repayment date of December 11 , 2017 and a final maturity date of December 9 , 2042. The fixed interest rate of the 2012 -1C Tower Securities was 2.933% per annum, payable monthly. We incurred deferred financing fees of \$14.9 million in relation to this transaction , which were being amortized through the anticipated repayment date of the 2012-1C Tower Securities.

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On April 17, 2017, we repaid in full the 2012-1C Tower Securities with proceeds from the 2017-1C Tower Securities. In connection with the prepayment, we expensed \$2.0 million of net deferred financing fees.

The sole asset of the Trust consists of a non-recourse mortgage loan made in favor of those entities that are borrowers on the mortgage loan (the “Borrowers”).

2013 Tower Securities

On April 18, 2013, we, through the Trust, issued \$425.0 million of 2.240% Secured Tower Revenue Securities Series 2013-1C , which have an anticipated repayment date of April 10, 2018 and a final maturity date of April 9, 2043 (the “2013-1C Tower Securities”), \$575.0 million of 3.722% Secured Tower Revenue Securities Series 2013-2C , which have an anticipated repayment date of April 11, 2023 and a final maturity date of April 9, 2048 (the “2013-2C Tower Securities”), and \$330.0 million of 3.598% Secured Tower Revenue Securities Series 2013-1D , which have an anticipated repayment date of April 10, 2018 and a final maturity date of April 9, 2043 (the “2013-1D Tower Securities”) (collectively the “2013 Tower Securities”). The aggregate \$1.33 billion of 2013 Tower Securities have a blended interest rate of 3.218% per annum, payable monthly. We incurred deferred financing fees of \$25.5 million in relation to this transaction , which are being amortized through the anticipated repayment date of each of the 2013 Tower Securities.

2014 Tower Securities

On October 15, 2014, we, through the Trust, issued \$920.0 million of 2.898% Secured Tower Revenue Securities Series 2014-1C , which have an anticipated repayment date of October 8, 2019 and a final maturity date of October 11, 2044 (the “2014-1C Tower Securities”) and \$620.0 million of 3.869% Secured Tower Revenue Securities Series 2014-2C , which have an anticipated repayment date of October 8, 2024 and a final maturity date of October 8, 2049 (the “2014-2C Tower Securities”) (collectively the “2014 Tower Securities”). The aggregate \$1.54 billion of 2014 Tower Securities have a blended interest rate of 3.289% per annum, payable monthly. We incurred deferred financing fees of \$22.5 million in relation to this transaction , which are being amortized through the anticipated repayment date of each of the 2014 Tower Securities.

2015-1C Tower Securities

On October 14, 2015, we, through the Trust, issued \$500.0 million of Secured Tower Revenue Securities Series 2015-1C , which have an anticipated repayment date of October 8, 2020 and a final maturity date of October 10, 2045 (the “2015-1C Tower Securities”). The fixed interest rate of the 2015-1C Tower Securities is 3.156% per annum, payable monthly. We incurred deferred financing fees of \$11.2 million in relation to this transaction , which are being amortized through the anticipated repayment date of the 2015-1C Tower Securities.

2016-1C Tower Securities

On July 7, 2016, we, through the Trust, issued \$700.0 million of Secured Tower Revenue Securities Series 2016-1C , which have an anticipated repayment date of July 9, 2021 and a final maturity date of July 10, 2046 (the “2016-1C Tower Securities”). The fixed interest rate of the 2016-1C Tower Securities is 2.877% per annum, payable monthly. Net proceeds from this offering were used to prepay the full \$550.0 million outstanding on the 2010-2C Tower Securities and for general corporate purposes. We incurred deferred financing fees of \$9.5 million in relation to this transaction , which are being amortized through the anticipated repayment date of the 2016-1C Tower Securities.

2017-1C Tower Securities

On April 17, 2017, we, through the Trust, issued \$760.0 million of Secured Tower Revenue Securities Series 2017-1C , which have an anticipated repayment date of April 11, 2022 and a final maturity date of April 9, 2047 (the “2017-1C Tower Securities”). The fixed interest rate on the 2017-1C Tower Securities is 3.168% per annum, payable monthly. Net proceeds from this offering were used to prepay the entire \$610.0 million aggregate principal amount, as well as accrued and unpaid interest, of the 2012-1C Tower Securities and for general corporate purposes. We incurred deferred financing fees of \$10.2 million in relation to this transaction , which are being amortized through the anticipated repayment date of the 2017-1C Tower Securities.

In addition, to satisfy certain risk retention requirements of Regulation RR promulgated under the Securities Exchange Act of 1934, SBA Guarantor, LLC, a wholly owned subsidiary, purchased \$40.0 million of Secured Tower Revenue Securities Series 2017-1R issued by the Trust , which have an anticipated repayment date of April 11, 2022 and a final maturity date of April 9, 2047 (the “2017-

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1R Tower Securities”). The fixed interest rate on the 2017-1R Tower Securities is 4.459% per annum, payable monthly. Principal and interest payments made on the 2017-1R Tower Securities eliminate in consolidation.

In connection with the issuance of the 2017-1C Tower Securities, the non-recourse mortgage loan was increased by \$800.0 million (or by a net of \$190.0 million after giving effect to prepayment of the loan components relating to the 2012-1C Tower Securities). The new loan accrues interest at the same rate as the 2017-1C Tower Securities; however, it is subject to all other material terms of the existing mortgage loan, including collateral and interest rate after the anticipated repayment date.

Debt Covenants

As of September 30, 2017, the Borrowers met the debt service coverage ratio required by the mortgage loan agreement and were in compliance with all other covenants as set forth in the agreement.

Senior Notes

2014 Senior Notes

On July 1, 2014, we issued \$750.0 million of unsecured senior notes due July 15, 2022 (the “2014 Senior Notes”). The 2014 Senior Notes accrue interest at a rate of 4.875% per annum and were issued at 99.178% of par value. Interest on the 2014 Senior Notes is due semi-annually on January 15 and July 15 of each year. We incurred deferred financing fees of \$11.6 million in relation to this transaction, which are being amortized through the maturity date.

2016 Senior Notes

On August 15, 2016, we issued \$1.1 billion of unsecured senior notes due September 1, 2024 (the “2016 Senior Notes”). The 2016 Senior Notes accrue interest at a rate of 4.875% per annum and were issued at 99.178% of par value. Interest on the 2016 Senior Notes is due semi-annually on March 1 and September 1 of each year, beginning on March 1, 2017. We incurred deferred financing fees of \$12.8 million in relation to this transaction, which are being amortized through the maturity date. Net proceeds from this offering and cash on hand were used to redeem \$800.0 million, the aggregate principal amount outstanding, of Telecommunications’ 5.75% Senior Notes and \$250.0 million of our 5.625% Senior Notes and pay the associated call premiums.

2017 Senior Notes

On October 13, 2017, we issued \$750.0 million of unsecured senior notes due October 1, 2022 (the “2017 Senior Notes”). The 2017 Senior Notes accrue interest at a rate of 4.0% per annum. Interest on the 2017 Senior Notes is due semi-annually on April 1 and October 1 of each year, beginning on April 1, 2018. We incurred deferred financing fees of \$8.2 million in relation to this transaction, which are being amortized through the maturity date. Net proceeds from this offering were used to repay \$460.0 million outstanding under the Revolving Credit Facility and for general corporate purposes.

Debt Service

As of September 30, 2017, we believe that our cash on hand, capacity available under our Revolving Credit Facility and cash flows from operations for the next twelve months will be sufficient to service our outstanding debt during the next twelve months.

The following table illustrates our estimate of our debt service requirement over the twelve months ended September 30, 2018 based on the amounts outstanding as of September 30, 2017 and the interest rates accruing on those amounts on such date (in thousands):

2014 Senior Notes	\$	36,563
2016 Senior Notes		53,625
2013-1C Tower Securities ⁽¹⁾		430,281
2013-2C Tower Securities		21,585
2013-1D Tower Securities ⁽¹⁾		336,552
2014-1C Tower Securities		26,954
2014-2C Tower Securities		24,185
2015-1C Tower Securities		15,939
2016-1C Tower Securities		20,361
2017-1C Tower Securities		24,318
Revolving Credit Facility		15,185
2014 Term Loan		65,452
2015 Term Loan		21,992
Total debt service for the next 12 months ⁽²⁾	\$	<u>1,092,992</u>

- (1) The anticipated repayment date and the final maturity date for the 2013-1C Tower Securities is April 10, 2018 and April 9, 2043, respectively. The anticipated repayment date and the final maturity date for the 2013-1D Tower Securities are April 10, 2018 and April 9, 2043, respectively.
- (2) Amounts exclude interest payments on the 2017 Senior Notes which are due semi-annually on April 1 and October 1 of each year, beginning on April 1, 2018. On October 13, 2017, proceeds from the issuance of the 2017 Senior Notes were used to repay the full \$460.0 million outstanding under the Revolving Credit Facility at such time.

ITEM 3. QUANTITATIVE AND QUALITATIVE DISCLOSURES ABOUT MARKET RISK

We are exposed to certain market risks that are inherent in our financial instruments. These instruments arise from transactions entered into in the normal course of business.

The following table presents the future principal payment obligations and fair values associated with our long-term debt instruments assuming our actual level of long-term indebtedness as of September 30, 2017 :

	2017	2018	2019	2020	2021	Thereafter	Total	Fair Value
(in thousands)								
2014 Senior Notes	\$ —	\$ —	\$ —	\$ —	\$ —	\$ 750,000	\$ 750,000	\$ 772,500
2016 Senior Notes	—	—	—	—	—	1,100,000	1,100,000	1,134,375
2013-1C Tower Securities ⁽¹⁾	—	425,000	—	—	—	—	425,000	423,959
2013-2C Tower Securities ⁽¹⁾	—	—	—	—	—	575,000	575,000	586,103
2013-1D Tower Securities ⁽¹⁾	—	330,000	—	—	—	—	330,000	330,234
2014-1C Tower Securities ⁽¹⁾	—	—	920,000	—	—	—	920,000	921,168
2014-2C Tower Securities ⁽¹⁾	—	—	—	—	—	620,000	620,000	623,181
2015-1C Tower Securities ⁽¹⁾	—	—	—	500,000	—	—	500,000	501,790
2016-1C Tower Securities ⁽¹⁾	—	—	—	—	700,000	—	700,000	697,081
2017-1C Tower Securities ⁽¹⁾	—	—	—	—	—	760,000	760,000	759,248
Revolving Credit Facility	—	—	—	430,000	—	—	430,000	430,000
2014 Term Loan	3,750	15,000	15,000	15,000	1,402,500	—	1,451,250	1,454,878
2015 Term Loan	1,250	5,000	5,000	5,000	5,000	467,500	488,750	489,361
Total debt obligation ⁽²⁾	\$ 5,000	\$ 775,000	\$ 940,000	\$ 950,000	\$ 2,107,500	\$ 4,272,500	\$ 9,050,000	\$ 9,123,878

- (1) The anticipated repayment date and the final maturity date for the 2013-1C Tower Securities is April 10, 2018 and April 9, 2043, respectively. The anticipated repayment date and the final maturity date for the 2013-2C Tower Securities is April 11, 2023 and April 9, 2048, respectively. The anticipated repayment date and the final maturity date for the 2013-1D Tower Securities are April 10, 2018 and April 9, 2043, respectively. The anticipated repayment date and the final maturity date for the 2014-1C Tower Securities is October 8, 2019 and October 11, 2044, respectively. The anticipated repayment date and the final maturity date for the 2014-2C Tower Securities is October 8, 2024 and October 8, 2049, respectively. The anticipated repayment date and the final maturity date for the 2015-1C Tower Securities is October 8, 2020 and October 10, 2045, respectively. The anticipated repayment date and the final maturity date for the 2016-1C Tower Securities is July 9, 2021 and July 10, 2046, respectively. The anticipated repayment date and the final maturity date for the 2017-1C Tower Securities is April 11, 2022 and April 9, 2047, respectively.
- (2) On October 13, 2017, proceeds from the issuance of the 2017 Senior Notes, which are due October 1, 2022, were used to repay the full \$460.0 million outstanding under the Revolving Credit Facility at such time.

Our current primary market risk exposure is (1) interest rate risk relating to our ability to refinance our debt at commercially reasonable rates, if at all, and (2) interest rate risk relating to the impact of interest rate movements on our 2014 Term Loan and 2015 Term Loan and any borrowings that we may incur under our Revolving Credit Facility, which are at floating rates. We manage the interest rate risk on our outstanding debt through our large percentage of fixed rate debt. While we cannot predict our ability to refinance existing debt or the impact interest rate movements will have on our existing debt, we continue to evaluate our financial position on an ongoing basis.

We are exposed to market risk from changes in foreign currency exchange rates in connection with our operations in Brazil, Canada, Chile, Peru, Argentina, Colombia, and to a lesser extent, our markets in Central America. In each of these countries, we pay most of our selling, general, and administrative expenses and a portion of our operating expenses, such as taxes and utilities incurred in the country in local currency. In addition, in Brazil, Canada, Chile, and Colombia we receive significantly all of our revenue and pay significantly all of our operating expenses in local currency. In Peru and Argentina, we receive our revenue and pay our operating expenses in a mix of local currency and U.S. dollars. All transactions denominated in currencies other than the U.S. Dollar are reported in U.S. Dollars at the applicable exchange rate. All assets and liabilities are translated into U.S. Dollars at exchange rates in effect at the end of the applicable fiscal reporting period and all revenues and expenses are translated at average rates for the period. The cumulative translation effect is included in equity as a component of Accumulated other comprehensive income (loss). For the nine months ended September 30, 2017, approximately 13.5% of our revenues and approximately 16.0% of our total operating expenses were denominated in foreign currencies.

We have performed a sensitivity analysis assuming a hypothetical 10% adverse movement in the Brazilian Real from the quoted foreign currency exchange rates at September 30, 2017. As of September 30, 2017, the analysis indicated that such an adverse movement would have caused our revenues and operating income to decline by approximately 1.1% and 2.8%, respectively, for the nine months ended September 30, 2017.

As of September 30, 2017, we had intercompany debt, which is denominated in a currency other than the functional currency of the subsidiary in which it is recorded. As settlement of this debt is anticipated or planned in the foreseeable future, any changes in the foreign currency exchange rates will result in unrealized gains or losses, which will be included in our determination of net income. A change of 10% in the underlying exchange rates of our unsettled intercompany debt at September 30, 2017 would have resulted in approximately \$43.8 million of unrealized gains or losses that would have been included in Other income (expense), net in our Consolidated Statement of Operations for the nine months ended September 30, 2017.

Special Note Regarding Forward-Looking Statements

This quarterly report contains “forward-looking statements” within the meaning of Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, as amended. These statements concern expectations, beliefs, projections, plans and strategies, anticipated events or trends and similar expressions concerning matters that are not historical facts. Specifically, this quarterly report contains forward-looking statements regarding:

- our expectations on the future growth and financial health of the wireless industry and the industry participants, the drivers of such growth, the demand for our towers, and the trends developing in our industry;
- our ability to capture and capitalize on industry growth and the impact of such growth on our financial and operational results;
- our intent to grow our tower portfolio domestically and internationally;
- our belief that over the long-term, site leasing revenues will continue to grow as wireless service providers increase their use of our towers due to increasing minutes of network use and data transfer, network expansion and network coverage requirements;
- our expectation regarding site leasing revenue growth, on an organic basis, in our domestic and international segments;
- our belief that our site leasing business is characterized by stable and long-term recurring revenues, predictable operating costs, and minimal non-discretionary capital expenditures;
- our expectation that, due to the relatively young age and mix of our tower portfolio, future expenditures required to maintain these towers will be minimal;
- our expectation that we will grow our cash flows by adding tenants to our towers at minimal incremental costs and executing monetary amendments;
- our ability to qualify and to remain qualified as a REIT and the timing of such qualification and our election to be subject to tax as a REIT;
- our belief that our business is currently operated in a manner that complies with the REIT rules and our intent to continue to do so;
- our plans regarding our distribution policy, and the amount and timing of, and source of funds for, any such distributions;
- our expectations regarding the use of NOLs to reduce REIT taxable income;
- our expectations regarding our capital allocation strategy, the impact of our election to be taxed as a REIT on that strategy, and our goal of increasing our Adjusted Funds From Operations per share;
- our expectations regarding our future cash capital expenditures, both discretionary and non-discretionary, including expenditures required to maintain, improve, and modify our towers, ground lease purchases, and general corporate expenditures, and the source of funds for these expenditures;
- our intended use of our liquidity;

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- our expectations regarding our debt service and our belief that our cash on hand, capacity under our Revolving Credit Facility, and our cash flows from operations for the next twelve months will be sufficient to service our outstanding debt during the next twelve months;
- our belief regarding our credit risk; and
- our estimates regarding certain accounting and tax matters.

These forward-looking statements reflect our current views about future events and are subject to risks, uncertainties and assumptions. We wish to caution readers that certain important factors may have affected and could in the future affect our actual results and could cause actual results to differ significantly from those expressed in any forward-looking statement. The most important factors that could prevent us from achieving our goals, and cause the assumptions underlying forward-looking statements and the actual results to differ materially from those expressed in or implied by those forward-looking statements include, but are not limited to, the following:

- the impact of consolidation among wireless service providers on our leasing revenue;
- our ability to continue to comply with covenants and the terms of our credit instruments and our ability to obtain additional financing to fund our capital expenditures;
- our ability to successfully manage the risks associated with international operations, including risks relating to political or economic conditions, tax laws, currency restrictions and exchange rate fluctuations, legal or judicial systems, and land ownership;
- our ability to successfully manage the risks associated with our acquisition initiatives, including our ability to effectively integrate acquired towers into our business and to achieve the financial results projected in our valuation models for the acquired towers;
- developments in the wireless communications industry in general, and for wireless communications infrastructure providers in particular, that may slow growth or affect the willingness or ability of the wireless service providers to expend capital to fund network expansion or enhancements;
- our ability to secure as many site leasing tenants as anticipated, recognize our expected economies of scale with respect to new tenants on our towers, and retain current leases on towers;
- our ability to secure and deliver anticipated services business at contemplated margins;
- our ability to build new towers, including our ability to identify and acquire land that would be attractive for our customers and to successfully and timely address zoning, permitting, weather, availability of labor and supplies and other issues that arise in connection with the building of new towers;
- competition for the acquisition of towers and other factors that may adversely affect our ability to purchase towers that meet our investment criteria and are available at prices which we believe will be accretive to our shareholders and allow us to maintain our long-term target leverage ratios while achieving our expected portfolio growth levels;
- our capital allocation decisions and the impact on our ability to achieve our expected tower portfolio growth levels;
- our ability to protect our rights to the land under our towers, and our ability to acquire land underneath our towers on terms that are accretive;
- our ability to sufficiently increase our revenues and maintain expenses and cash capital expenditures at appropriate levels to permit us to meet our anticipated uses of liquidity for operations, debt service and estimated portfolio growth;
- our ability to successfully estimate the impact of regulatory and litigation matters;
- natural disasters and other unforeseen damage for which our insurance may not provide adequate coverage;
- a decrease in demand for our towers;
- the introduction of new technologies or changes in a tenant's business model that may make our tower leasing business less desirable to potential tenants;
- our ability to qualify for treatment as a REIT for U.S. federal income tax purposes and to comply with and conduct our business in accordance with such rules;
- our ability to utilize available NOLs to reduce REIT taxable income; and
- our ability to successfully estimate the impact of certain accounting and tax matters, including the effect on our company of adopting certain accounting pronouncements and the availability of sufficient NOLs to offset future REIT taxable income.

ITEM 4. CONTROLS AND PROCEDURES

In order to ensure that the information we must disclose in our filings with the Commission is recorded, processed, summarized and reported on a timely basis, we have formalized our disclosure controls and procedures. Our principal executive officer and principal financial officer have reviewed and evaluated the effectiveness of our disclosure controls and procedures, as defined in Securities and Exchange Act Rule 13a-15(e) as of September 30, 2017. Based on such evaluation, such officers have concluded that, as of September 30, 2017, our disclosure controls and procedures were effective.

There have been no changes in our internal control over financial reporting during the quarter ended September 30, 2017 that have materially affected, or are reasonably likely to materially affect, our internal control over financial reporting.

PART II – OTHER INFORMATION

ITEM 2. UNREGISTERED SALES OF EQUITY SECURITIES AND USE OF PROCEEDS

Issuer Purchases of Equity Securities

The following table presents information related to our repurchases of Class A common stock during the third quarter of 2017 :

Period	Total Number of Shares Purchased	Average Price Paid Per Share	Total Number of Shares Purchased as Part of Publicly Announced Plans or Programs ⁽¹⁾	Approximate Dollar Value of Shares that May Yet Be Purchased Under the Plans or Programs
7/1/2017 - 7/31/2017	698,923	\$ 135.92	698,923	\$ 750,002,586
8/1/2017 - 8/31/2017	1,202,321	\$ 141.39	1,202,321	\$ 580,003,146
9/1/2017 - 9/30/2017	817,962	\$ 145.33	817,962	\$ 461,125,150
Total	2,719,206	\$ 141.17	2,719,206	\$ 461,125,150

- (1) On January 12, 2017, our Board of Directors authorized a new stock repurchase plan, replacing the plan authorized on June 4, 2015 which had a remaining authorization of \$150.0 million. This plan authorizes us to purchase, from time to time, up to \$1.0 billion of our outstanding Class A common stock through open market repurchases in compliance with Rule 10b-18 under the Securities Exchange Act of 1934, as amended, and/or in privately negotiated transactions at management's discretion based on market and business conditions, applicable legal requirements and other factors. Shares repurchased will be retired. The new plan has no time deadline and will continue until otherwise modified or terminated by our Board of Directors at any time in its sole discretion.

ITEM 5. OTHER INFORMATION

Item 5.02 Departure of Directors or Certain Officers; Election of Directors; Appointment of Certain Officers; Compensatory Arrangements of Certain Officers.

(e)

On August 15, 2017, we entered into an employment agreement with Jeffrey A. Stoops, our President and Chief Executive Officer. The agreement replaces his existing employment agreement entered into with him on October 30, 2014, which would have expired on December 31, 2017. The new employment agreement provides for Mr. Stoops to serve in his present position and expires on December 31, 2020.

Pursuant to the employment agreement, Mr. Stoops will receive an annual base salary of \$800,000, which may be increased by the Board of Directors. In addition, Mr. Stoops will receive an annual bonus based on achievement of performance criteria established by the Compensation Committee of the Board of Directors. Mr. Stoops is eligible to receive a target bonus of 150% of base salary for 2017, and in subsequent years, the Compensation Committee will set Mr. Stoops' target bonus, which may be greater or less than 150% of Mr. Stoops' base salary for that year.

The employment agreement provides that upon termination of Mr. Stoops' employment without cause, or Mr. Stoops' resignation for good reason, Mr. Stoops is entitled to receive (i) an amount equal to the Applicable Multiple (as defined below) times the sum of his: (a) base salary for the year in which the termination or resignation occurs, (b) Reference Bonus (as defined below) and (c) Reference Benefits Value (as defined below), and (ii) a pro rata portion of the bonus for the year in which the termination or

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resignation occurs. The severance payments will be paid in a lump sum on the first business day of the third calendar month following the calendar month in which the termination or resignation is effective.

The Applicable Multiple means two, in the event the termination occurs prior to a change in control, and three, in the event the termination occurs on or after a change in control. Reference Benefits Value means the greater of (1) \$33,560 and (2) the value of all medical, dental, health, life, and other fringe benefit plans and arrangements for the year in which the termination or resignation occurs. Reference Bonus means the greater of (i) 75% of Mr. Stoops' target bonus for the year in which the termination or resignation occurs and (ii) 100% of the bonus for the year immediately preceding the year in which the termination or resignation occurred.

Upon a change in control, the agreement is automatically extended for three years. The employment agreement provides for noncompetition, noninterference, non-disparagement and nondisclosure covenants. Mr. Stoops' severance payment is subject to his execution of a full release and waiver of claims against us.

ITEM 6. EXHIBITS

Exhibit No.	Description of Exhibits
10.18	Purchase Agreement, dated September 28, 2017, between SBA Communications Corporation and Citigroup Global Markets, Inc. and J.P. Morgan Securities LLC, as representatives of the several initial purchasers listed on Schedule 1 thereto.
10.35G	Employment Agreement, dated August 15, 2017, between SBA Communications Corporation and Jeffrey A. Stoops. †
31.1	Certification by Jeffrey A. Stoops, Chief Executive Officer, pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.
31.2	Certification by Brendan T. Cavanagh, Chief Financial Officer, pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.
32.1	Certification by Jeffrey A. Stoops, Chief Executive Officer, pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.
32.2	Certification by Brendan T. Cavanagh, Chief Financial Officer, pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.
101.INS	XBRL Instance Document.
101.SCH	XBRL Taxonomy Extension Schema Document.
101.DEF	XBRL Taxonomy Extension Definition Linkbase Document.
101.CAL	XBRL Taxonomy Extension Calculation Linkbase Document.
101.LAB	XBRL Taxonomy Extension Label Linkbase Document.
101.PRE	XBRL Taxonomy Extension Presentation Linkbase Document.

† Management contract or compensatory plan or arrangement.

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the Registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

SBA COMMUNICATIONS CORPORATION

November 7, 2017

/s/ Jeffrey A. Stoops

Jeffrey A. Stoops

Chief Executive Officer

(Duly Authorized Officer)

November 7, 2017

/s/ Brendan T. Cavanagh

Brendan T. Cavanagh

Chief Financial Officer

(Principal Financial Officer)

SBA COMMUNICATIONS CORPORATION

\$750,000,000 4.000% Senior Notes due 2022

Purchase Agreement

September 28, 2017

Citigroup Global Markets Inc.
J.P. Morgan Securities LLC
As Representatives of the several
Initial Purchasers listed on
Schedule 1 hereto

c/o Citigroup Global Markets Inc.
388 Greenwich Street
New York, New York 10013

c/o J.P. Morgan Securities LLC
383 Madison Avenue
New York, New York 10179

Ladies and Gentlemen:

SBA Communications Corporation, a Florida corporation (the “Company”), proposes to issue and sell to the several initial purchasers listed on Schedule 1 hereto (collectively, the “Initial Purchasers”), for whom you are acting as Representatives (the “Representatives”), \$750,000,000 aggregate principal amount of its 4.000% Senior Notes due 2022 (the “Securities”). The Securities will be issued pursuant to an Indenture, to be dated as of the Closing Date (as defined in Section 2(c)) (as the same may be amended, supplemented, waived or otherwise modified from time to time in accordance with the terms thereof, the “Indenture”), between the Company and U.S. Bank National Association, as trustee (the “Trustee”).

The Securities will be offered and sold to the Initial Purchasers without being registered under the Securities Act of 1933, as amended (the “Securities Act”), in reliance upon an exemption therefrom.

Holders of the Securities (including the Initial Purchasers and their direct and indirect transferees) will be entitled to the benefits of a Registration Rights Agreement, to be dated the Closing Date and substantially in the form attached hereto as Exhibit A (the “Registration Rights Agreement”), pursuant to which the Company will agree to file a registration statement with the Securities and Exchange Commission (the “Commission”) relating to an offer to exchange the Securities for an issue of securities registered with the SEC, which we refer to as the Exchange Securities, with terms identical to the Securities (except that the Exchange Securities will not be subject to

restrictions on transfer or to any increase in annual interest rate) or alternatively under certain circumstances will agree to file a shelf registration statement with the Commission relating to resales of the Securities.

The Company hereby confirms its agreement with the Initial Purchasers concerning the purchase and sale of the Securities, as follows:

1. Offering Memorandum. The Company has prepared a preliminary offering memorandum, dated September 28, 2017 (the "Preliminary Offering Memorandum"), and will prepare an offering memorandum, dated the date hereof (the "Final Offering Memorandum"), setting forth information concerning the Company and the Securities. Copies of the Preliminary Offering Memorandum have been, and copies of the Final Offering Memorandum will be, delivered by the Company to the Initial Purchasers pursuant to the terms of this Agreement. The Company hereby confirms that it has authorized the use of the Preliminary Offering Memorandum, the other Time of Sale Information (as defined below) and the Final Offering Memorandum in connection with the offering and resale of the Securities by the Initial Purchasers in the manner contemplated by this Agreement.

Capitalized terms used but not defined herein shall have the meanings given to such terms in the Preliminary Offering Memorandum. References herein to the Preliminary Offering Memorandum, the Time of Sale Information and the Final Offering Memorandum shall be deemed to refer to and include any document incorporated by reference therein.

At or prior to the time when sales of the Securities were first made or confirmed by the Initial Purchasers (the "Time of Sale"), the following information shall have been prepared (collectively, the "Time of Sale Information"): the Preliminary Offering Memorandum, as supplemented and amended by the written communications listed on Annex A hereto.

2. Purchase and Resale of the Securities by the Initial Purchasers. The Company agrees to issue and sell the Securities to the several Initial Purchasers as provided in this Agreement, and each Initial Purchaser, on the basis of the representations, warranties and agreements set forth herein and subject to the conditions set forth herein, agrees, severally and not jointly, to purchase from the Company the principal amount of Securities set forth opposite that Initial Purchaser's name in Schedule 1 hereto, plus any additional principal amount of Securities which such Initial Purchaser may become obligated to purchase pursuant to the provisions of Section 8, at a purchase price equal to 99.000% of the principal amount of the Securities (the "Purchase Price").

(a) The Company understands that the Initial Purchasers intend to offer the Securities for resale on the terms set forth in the Time of Sale Information and the Final Offering Memorandum. Each Initial Purchaser, severally and not jointly represents, warrants and agrees with the Company that:

(i) it is a qualified institutional buyer (a “QIB”) within the meaning of Rule 144A under the Securities Act (“Rule 144A”) and an accredited investor within the meaning of Rule 501(a) under the Securities Act;

(ii) it is purchasing the Securities pursuant to an exemption under the Securities Act;

(iii) it has not solicited offers for, or offered or sold, and will not solicit offers for, or offer or sell, the Securities by means of any form of general solicitation or general advertising within the meaning of Rule 502(c) of Regulation D under the Securities Act (“Regulation D”) or in any manner involving a public offering within the meaning of Section 4(a)(2) of the Securities Act; and

(iv) it has solicited offers and will solicit offers for the Securities only from, and has offered and sold and will offer, sell and deliver the Securities only:

(A) within the United States to persons whom it reasonably believes to be QIBs in transactions pursuant to Rule 144A or if any such person is buying for one or more institutional accounts for which such person is acting as fiduciary or agent, only when such person has represented to it that each such account is a QIB to whom notice has been given that such sale is being made in reliance on Rule 144A; or

(B) in accordance with the restrictions set forth in Annex C.

(b) The Company acknowledges and agrees that, subject to the terms and conditions of this Agreement, the Initial Purchasers may offer and sell Securities to or through any affiliates of the Initial Purchasers and that any such affiliate may offer and sell Securities purchased by it to or through the Initial Purchasers.

(c) Payment for the Securities shall be made by wire transfer in immediately available funds to the account specified by the Company to the Initial Purchasers at the offices of Simpson Thacher & Bartlett LLP, 425 Lexington Avenue, New York, New York at 10:00 a.m., New York City time, on October 13, 2017, or at such other time or place on the same or such other date, not later than the tenth (10th) Business Day after September 28, 2017, as the Initial Purchasers and the Company may agree upon in writing. The time and date of such payment for the Securities is referred to herein as the “Closing Date.”

(d) Certificates for the Securities shall be in global form, registered in such names and in such denominations as you shall request in writing not later than one (1) full Business Day prior to the Closing Date. The certificates evidencing the Securities shall be delivered to you on the Closing Date, for the account of the Initial Purchasers, with any documentary stamp taxes or other taxes payable in connection with the issuance of the Securities to the Initial Purchasers duly paid by the Company, against payment of the Purchase Price therefor.

(e) The Company acknowledges and agrees that each Initial Purchaser is acting solely in the capacity of an arm's length contractual counterparty to the Company with respect to the offering of Securities contemplated hereby (including in connection with determining the terms of the offering) and not as a financial advisor or a fiduciary to, or an agent of, the Company or any other person. Additionally, neither the Representatives nor any other Initial Purchaser is advising the Company or any other person as to any legal, tax, investment, accounting or regulatory matters in any jurisdiction. The Company shall consult with its own advisors concerning such matters and shall be responsible for making its own independent investigation and appraisal of the transactions contemplated hereby, and neither the Representatives nor any other Initial Purchaser has any responsibility or liability to the Company with respect thereto. Any review by the Representatives or any Initial Purchasers of the Company and the transactions contemplated hereby or other matters relating to such transactions will be performed solely for the benefit of the Representatives or such Initial Purchasers and shall not be on behalf of the Company or any other person.

(f) Each Initial Purchaser agrees that, prior to or simultaneously with the confirmation of sale by the Initial Purchaser to any purchaser of any of the Securities purchased by the Initial Purchaser from the Company pursuant hereto, the Initial Purchaser shall furnish to that purchaser a copy of the Time of Sale Information. In addition to the foregoing, each Initial Purchaser acknowledges and agrees that the Company, and for purposes of the opinions to be delivered to the Initial Purchasers pursuant to Section 6(i) and (j), counsel for the Company and for the Initial Purchasers, respectively, may rely upon the accuracy of the representations and warranties of each Initial Purchaser and its compliance with its agreements contained in this Section 2 (including Annex C hereto), and each Initial Purchaser hereby consents to such reliance.

3. Representations and Warranties of the Company. The Company represents and warrants to, and agrees with, each Initial Purchaser that:

(a) *Preliminary Offering Memorandum, Time of Sale Information and Final Offering Memorandum*. The Preliminary Offering Memorandum, as of its date, did not, the Time of Sale Information, at the Time of Sale, did not, and at the Closing Date will not, and the Final Offering Memorandum, as of the date hereof and as of the Closing Date will not, contain any untrue statement of a material fact or omit to state a material fact necessary in order to make the statements therein, in the light of the circumstances under which they were made, not misleading; provided that the Company makes no representation or warranty with respect to any information contained in or omitted from the Preliminary Offering Memorandum, any Time of Sale Information or the Final Offering Memorandum in reliance upon and in conformity with written information relating to the Initial Purchasers furnished to the Company by or on behalf of the Initial Purchasers through the Representatives expressly for use in the Preliminary Offering Memorandum, the Time of Sale Information or the Final Offering Memorandum (the "Initial Purchasers' Information"), which information is identified in Section 15.

(b) *Additional Written Communications* . The Company (including its agents and representatives, other than the Initial Purchasers in their capacity as such) has not made, used, prepared, authorized, approved or referred to and will not prepare, make, use, authorize, approve or refer to any written communication that constitutes an offer to sell or solicitation of an offer to buy the Securities (each such communication by the Company or its agents and representatives (other than a communication referred to in clauses (i) and (ii) below) an “Issuer Written Communication”) except for (i) the Preliminary Offering Memorandum and the Final Offering Memorandum, (ii) the documents listed on Annex A hereto, including a term sheet substantially in the form of Annex B hereto, which constitute part of the Time of Sale Information, (iii) any electronic roadshow, and (iv) other written communications, in each case used in accordance with Section 4(c).

(c) *Incorporated Documents*. The documents incorporated by reference in the Time of Sale Information and the Final Offering Memorandum, when they were filed with the Commission, conformed or will conform, as the case may be, in all material respects to the requirements of the Securities Exchange Act of 1934, as amended, and the applicable rules and regulations of the Commission thereunder (the “Exchange Act”), and none of such documents contained an untrue statement of a material fact or omitted to state a material fact necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading; and any further documents so filed and incorporated by reference in the Time of Sale Information and the Final Offering Memorandum, when such documents are filed with the Commission, will conform in all material respects to the requirements of the Exchange Act, and did not and will not contain an untrue statement of a material fact or omit to state a material fact necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading.

(d) *Financial Statements*. The summary historical financial data and consolidated historical financial statements of the Company, together with the related notes thereto, included or incorporated by reference in each of the Time of Sale Information and the Final Offering Memorandum fairly present the financial position of the Company and its subsidiaries at the respective dates indicated and the results of their operations and the changes in their cash flows for the respective periods indicated, in each case in accordance with generally accepted accounting principles (“GAAP”) consistently applied throughout such periods. The other financial information and data included or incorporated by reference in each of the Time of Sale Information and the Final Offering Memorandum are, in all material respects, accurately presented and prepared on a basis consistent with such financial statements and the books and records of the Company and its subsidiaries.

(e) *No Material Adverse Change*. Neither the Company nor any of its subsidiaries has sustained, since the date of the latest audited financial statements included or incorporated by reference in each of the Time of Sale Information and the Final Offering Memorandum, any material loss or interference with its business from fire, explosion, flood or other calamity, whether or not covered by insurance, or from any labor dispute or court or governmental action, order or decree, otherwise than as set

forth or contemplated in each of the Time of Sale Information and the Final Offering Memorandum; and, since such date, neither the Company nor any of its subsidiaries has incurred any liability or obligation, direct or contingent, or entered into any transaction, in each case not in the ordinary course of business, and that is material to the Company and its subsidiaries, taken as a whole, otherwise than as set forth or contemplated in each of the Time of Sale Information and the Final Offering Memorandum; and, since such date, there has been no dividend or distribution of any kind, declared, set aside for payment, paid or made by the Company and there has been no change in the capital stock or long-term debt of the Company or its subsidiaries on a consolidated basis or any material adverse change, or any development involving a prospective material adverse change, in or affecting the business, properties, rights, assets, management, consolidated financial position, stockholders' equity, results of operations, or prospects of the Company and its subsidiaries taken as a whole, in each case otherwise than as set forth or contemplated in each of the Time of Sale Information and the Final Offering Memorandum.

(f) *Organization and Good Standing.* The Company is duly incorporated and validly existing and in good standing under the laws of Florida with all requisite corporate power and authority to own, lease and operate its properties and to conduct its business as described in each of the Time of Sale Information and the Final Offering Memorandum, and is duly registered and qualified to conduct its business and is in good standing in each jurisdiction or place where the nature of its properties or the conduct of its business requires such registration or qualification, except to the extent that the failure to be duly registered or qualified or in good standing, would not, individually or in the aggregate, have caused a material adverse effect on the business, properties, rights, assets, management, consolidated financial position, stockholders' equity, results of operations or prospects, of the Company and its subsidiaries taken as a whole (a " Material Adverse Effect "), and none of the subsidiaries of the Company other than (i) SBA Telecommunications, LLC, (ii) SBA Senior Finance LLC, (iii) SBA Senior Finance II LLC, (iv) SBA Guarantor LLC, (v) SBA Holdings, LLC, (vi) SBA 2012 TC Assets, LLC, (vii) Brazil Shareholder I LLC, and (viii) SBA Torres Brasil Ltda (collectively, the " Significant Subsidiaries ") is a "significant subsidiary" as such term is defined in Rule 405 under the Securities Act.

(g) *Subsidiaries .* Each of the subsidiaries of the Company is duly organized and validly existing and in good standing under the laws of the jurisdiction of its organization, with all requisite power and authority to own, lease and operate its properties and is duly registered and qualified to conduct its business and is in good standing in each jurisdiction or place where the nature of its properties or the conduct of its business requires such registration or qualification, except where the failure to be duly registered or qualified would not, individually or in the aggregate, have caused a Material Adverse Effect. The Company and its subsidiaries, taken as a whole, conduct their business as described in each of the Time of Sale Information and the Final Offering Memorandum.

(h) *Capitalization of the Company.* The Company has an authorized capitalization as set forth in each of the Time of Sale Information and the Final Offering

Memorandum under the heading “Capitalization”, and all of the issued shares of capital stock of the Company have been duly and validly authorized and issued, are fully paid and non-assessable, and conform in all material respects to the description thereof contained in each of the Time of Sale Information and the Final Offering Memorandum.

(i) *Capitalization of the Company’s Subsidiaries* . All of the issued shares of capital stock of each subsidiary of the Company have been duly authorized and validly issued and are fully paid and non-assessable, are owned directly or indirectly by the Company, and (except as set forth in each of the Time of Sale Information and the Final Offering Memorandum) are free and clear of all liens, encumbrances, equities, claims or adverse interests.

(j) *Full Power*. The Company has full right, power and authority to execute and deliver this Agreement, the Securities and the Indenture, the Exchange Securities and the Registration Rights Agreement (collectively, the “ Transaction Documents ”), and the Company has full right, power and authority to perform its obligations hereunder and thereunder; and, as of the Closing Date, all corporate action required to be taken for the due and proper authorization, execution, issuance and delivery of each of the Transaction Documents and the consummation of the transactions contemplated thereby has been or will have been duly and validly taken.

(k) *The Indenture* . The Indenture has been duly authorized by the Company and when duly executed and delivered in accordance with its terms by each of the other parties thereto, will constitute a valid and legally binding instrument of the Company, enforceable against the Company in accordance with its terms, subject, as to enforcement, to bankruptcy, insolvency, reorganization and similar laws relating to or affecting creditors’ rights and to general equity principles; on the Closing Date, the Indenture will conform in all material respects to the requirements of the Trust Indenture Act of 1939, as amended (the “ Trust Indenture Act ”), and the rules and regulations of the Commission applicable to an indenture that is qualified thereunder; and the Indenture conforms in all material respects to the descriptions thereof in each of the Time of Sale Information and the Final Offering Memorandum.

(l) *The Securities* . The Securities have been duly authorized by the Company and, when duly executed, authenticated, issued and delivered by the Company and paid for by the Initial Purchasers pursuant to this Agreement and duly authenticated by the Trustee will have been duly executed, authenticated, issued and delivered and will constitute valid and legally binding obligations of the Company entitled to the benefits provided by the Indenture, and will be enforceable in accordance with their terms, subject, as to enforcement, to bankruptcy, insolvency, reorganization and similar laws relating to or affecting creditors’ rights and to general equity principles, and the Securities conform in all material respects to the descriptions thereof in each of the Time of Sale Information and the Final Offering Memorandum.

(m) *Purchase and Registration Rights Agreements*. This Agreement has been duly and validly authorized, executed and delivered by the Company; and the Registration Rights Agreement has been duly and validly authorized by the Company

and on the Closing Date will be duly executed and delivered by the Company and, when duly executed and delivered in accordance with its terms by each of the parties thereto, will constitute a valid and legally binding agreement of the Company enforceable against the Company in accordance with its terms, subject, as to enforcement, to bankruptcy, insolvency, reorganization and similar laws relating to or affecting rights and to general equity principles, and except that rights to indemnity and contribution thereunder may be limited by applicable law and public policy.

(n) *The Exchange Securities*. On the Closing Date, the Exchange Securities will have been duly authorized by the Company and, when duly executed, authenticated, issued and delivered as contemplated by the Registration Rights Agreement, will be duly and validly issued and outstanding and will constitute valid and legally binding obligations of the Company, as issuer, enforceable against the Company in accordance with their terms, subject, as to enforcement, to bankruptcy, insolvency, reorganization and similar laws relating to or affecting rights and to general equity principles, and will be entitled to the benefits of the Indenture.

(o) *Descriptions of the Transaction Documents*. Each Transaction Document conforms in all material respects to the description thereof contained in each of the Time of Sale Information and the Final Offering Memorandum. The statements set forth in each of the Time of Sale Information and the Final Offering Memorandum under the caption "Description of Notes," insofar as they purport to constitute a summary of the material terms of the Securities or contracts and other documents, and under the caption "Material United States Federal Income Tax Considerations," insofar as they purport to constitute summaries of the statutes, rules or regulations described therein, constitute accurate summaries of the terms of the Securities or contracts and other documents or such statutes, rules and regulations in all material respects.

(p) *No Violation or Default*. Neither the Company nor any of its Significant Subsidiaries (i) is in violation of its organizational documents, (ii) is in default, and no event has occurred which, with notice or lapse of time or both, would constitute such a default, in the due performance or observance of any term, covenant or condition contained in any indenture, mortgage, deed of trust, loan agreement or other agreement or instrument to which it is a party or by which it is bound or to which any of its properties or assets is subject or (iii) is in violation of any statute or any judgment, order, rule or regulation of any court or arbitrator or governmental agency or body having jurisdiction over the Company or any of its subsidiaries or any of their properties or assets, other than, a default or violation described in clauses (ii) and (iii) which is not reasonably likely to have a Material Adverse Effect.

(q) *No Conflicts*. The execution, delivery and performance by the Company of each of the Transaction Documents, the issuance and sale of the Securities and compliance by the Company with this Agreement and the consummation of the transactions contemplated by the Transaction Documents will not conflict with, or result in a breach or violation of any of the terms or provisions of, or (including with the giving of notice or the lapse of time or both) constitute a default under (i) or result in the termination, modification or acceleration of, or result in the creation or imposition of any

lien, charge or encumbrance upon any property, right or asset of the Company or any of its subsidiaries pursuant to any indenture, mortgage, deed of trust, loan agreement or other agreement or instrument to which the Company or any of its subsidiaries is a party or by which the Company or any of its subsidiaries is bound or to which any of the properties or assets of the Company or any of its subsidiaries is subject, (ii) the provisions of the charter, by-laws or other organizational documents of the Company or any of its subsidiaries, (iii) any internal policy of the Company or any of its subsidiaries or (iv) to the knowledge of the Company, any statute or any order, rule or regulation of any court or governmental agency or body having jurisdiction over the Company or any of its subsidiaries or any of their properties or assets, except in the cases of clause (i) or (iv), such breaches, violations or defaults that in the aggregate would not have a Material Adverse Effect and would not materially adversely affect the consummation of the transactions contemplated under this Agreement.

(r) *No Consents Required.* No consent, approval, authorization or order of, or filing or registration with, any court or arbitrator or governmental agency or body is required for the execution, delivery and performance by the Company of each of the Transaction Documents, the issuance, authentication, sale and delivery of the Securities in accordance with the terms and conditions of the Indenture and compliance by the Company with the terms thereof and the consummation of the transactions contemplated by the Transaction Documents, including the use of proceeds therewith as described in the Time of Sale Information and the Final Offering Memorandum, except for such consents, approvals, authorizations, orders, filings and registrations or qualifications as may be required (i) under applicable state securities laws in connection with the purchase and resale of the Securities by the Initial Purchasers and (ii) with respect to the Exchange Securities under the Securities Act, the Trust Indenture Act and applicable state securities laws as contemplated by the Registration Rights Agreement.

(s) *No Legal Impediment to Issuance.* No action has been taken and no statute, rule, regulation or order has been enacted, adopted or issued by any governmental agency or body which prevents the issuance of the Securities in accordance with the terms and conditions of the Indenture or suspends the sale of the Securities in any jurisdiction; no injunction, restraining order or order of any nature by any federal or state court of competent jurisdiction has been issued with respect to the Company or any of its subsidiaries which would prevent or suspend the issuance, authentication, sale or delivery of the Securities or the use of the Time of Sale Information or the Final Offering Memorandum in any jurisdiction; no action, suit or proceeding is pending against or, to the best knowledge of the Company, threatened against or affecting the Company or any of its subsidiaries before any court or arbitrator or any governmental agency, body or official, domestic or foreign, which could reasonably be expected to interfere with or adversely affect the issuance of the Securities or in any manner reasonably draws into question the validity or enforceability of any of the Transaction Documents or any action taken or to be taken pursuant thereto; and the Company has complied with any and all requests by any securities authority in any jurisdiction for additional information to be included in the Time of Sale Information and the Final Offering Memorandum.

(t) *Legal Proceedings.* There are no legal or governmental or regulatory investigations, actions, demands, claims, suits, arbitrations, inquiries or proceedings pending or, to the knowledge of the Company or any of its subsidiaries, threatened against the Company or any of its subsidiaries or to which any of its properties is subject, that are not disclosed in the Time of Sale Information and the Final Offering Memorandum and which are reasonably likely to have a Material Adverse Effect or to materially affect the issuance of the Securities.

(u) *Independent Accountants.* Ernst & Young LLP, who have certified certain financial statements of the Company and its subsidiaries, whose report appears in the Form 10-K incorporated by reference into the Time of Sale Information and the Final Offering Memorandum and who have delivered the initial letter referred to in Section 6(h), are independent public accountants as required by the Securities Act and the applicable rules and regulations of the Commission thereunder and were independent accountants under the rules and regulations of the Public Company Accounting Oversight Board during the periods covered by the financial statements on which they issued a report and which are incorporated by reference into the Time of Sale Information and the Final Offering Memorandum.

(v) *Title to Real and Personal Property.* The Company and each of its subsidiaries have good, valid and, to the extent the construct exists under applicable law, marketable title in fee simple to or a leasehold, subleasehold, easement, usufruct, possessory rights or similar interest in all real property and good and valid title to all personal property owned by them, in each case free and clear of all liens, encumbrances, defects, equities or claims except for liens described in each of the Time of Sale Information and the Final Offering Memorandum or such as do not materially affect the value of such property and do not materially interfere with the use made and proposed to be made of such property by the Company and its subsidiaries; all assets held under lease by the Company and its subsidiaries are held by them under valid, subsisting and enforceable leases, with such exceptions as are not material and do not materially interfere with the use made and proposed to be made of such assets by the Company and its subsidiaries taken as a whole; and the present and contemplated use of the assets owned or leased by the Company and its subsidiaries for the operation of towers is in compliance in all material respects with all applicable zoning ordinances and regulations and other laws and regulations except where failure so to comply would not result, or create reasonable risk of resulting, in a Material Adverse Effect.

(w) *Title to Intellectual Property.* The Company and each of its subsidiaries own or possess adequate rights to use all patents, patent applications, trademarks, service marks, trade names, trademark registrations, service mark registrations, domain names and other source indicators, copyrights, inventions and copyrightable works, know-how (including trade secrets and other unpatented and/or unpatentable proprietary or confidential information, systems or procedures) and licenses necessary for the conduct of their respective businesses and have no reason to believe that the conduct of their respective businesses will conflict with, and have not received any

notice of any claim of conflict with, any such rights of others, in each case except as could not reasonably be expected to have a Material Adverse Effect.

(x) *Licenses.* The Company and each of its subsidiaries possess all licenses and sub-licenses, certificates, permits and other authorizations issued by, and have made all declarations and filings with, the appropriate federal, state, local or foreign governmental or regulatory authorities that are necessary for the ownership or lease of their respective properties or the conduct of their respective businesses as described in each of the Time of Sale Information and the Final Offering Memorandum, except where the failure to possess or make the same would not, individually or in the aggregate, have a Material Adverse Effect; and except as described in each of the Time of Sale Information and the Final Offering Memorandum, neither the Company nor any of its subsidiaries has received notice of any revocation or modification of any such license, certificate, permit or authorization or has any reason to believe that any such license, sub-license, certificate, permit or authorization will not be renewed in the ordinary course, except where such modification, revocation or non-renewal would not, individually or in the aggregate, have a Material Adverse Effect.

(y) *No Undisclosed Relationships.* No material relationship, direct or indirect, exists between or among the Company and its Significant Subsidiaries on the one hand, and the directors, officers, stockholders, affiliates, customers or suppliers of the Company and their Significant Subsidiaries on the other hand, that would be required by the Securities Act to be described in a registration statement filed with the Commission and that is not so described in each of the Time of Sale Information and the Final Offering Memorandum.

(z) *Investment Company Act.* Neither the Company nor any of its subsidiaries is, and after giving effect to the offer and sale of the Securities and the application of the proceeds therefrom as described under "Use of Proceeds" in each of the Time of Sale Information and the Final Offering Memorandum will be, an "investment company" or a company "controlled" by an "investment company" within the meaning of, and subject to regulation under, the Investment Company Act of 1940, as amended, and the rules and regulations of the Commission thereunder.

(aa) *Taxes.* Each of the Company and its subsidiaries has filed all U.S. federal, state, local and foreign income and franchise tax returns required to be filed through the date hereof and has paid all taxes due except where such failure would not have a Material Adverse Effect, and no tax deficiency has been determined adversely to the Company or any of its subsidiaries nor does the Company or any of its subsidiaries have any knowledge of any tax deficiency which, if determined adversely to the Company, or any of its subsidiaries, would have a Material Adverse Effect.

(bb) *FCC and FAA Matters.* The Company and its subsidiaries (i) have duly and timely filed all material reports, registrations and other material filings, if any, which are required to be filed by it or any of its subsidiaries under the Communications Act of 1934, any similar or successor federal statute, and the rules of the Federal Communications Commission (the "FCC") thereunder or any other applicable law, rule

or regulation of any governmental authority, including the FCC and the Federal Aviation Authority (the “FAA”), other than such filings for which the failure to file would not result, or would not be reasonably likely to result, in a Material Adverse Effect and (ii) are in compliance with all such laws, rules, regulations and ordinances, including those promulgated by the FCC and the FAA, other than such compliance for which the failure to comply would not result, or would not be reasonably likely to result, in a Material Adverse Effect. All information provided by or on behalf of the Company or any affiliate in any material filing, if any, with the FCC and the FAA relating to the business of the Company and its subsidiaries was, to the knowledge of such person at the time of filing, complete and correct in all material respects when made, and the FCC and the FAA have been notified of any substantial or significant changes in such information as may be required in accordance with applicable requirements of law. The industry-related, tower-related and customer-related data and estimates included or incorporated by reference in each of the Time of Sale Information and the Final Offering Memorandum are based on or derived from sources which the Company believes to be reliable and accurate. For each existing tower of the Company (or of its subsidiaries) not yet registered with the FCC where registration will be required, the FCC's grant of an application for registration of such tower will not have a significant environmental effect as defined under Section 1.1307(a) of the FCC's rules.

(cc) *No Labor Disputes.* Neither the Company nor any of its subsidiaries is involved in any strike or labor dispute with any group of employees, and, to the knowledge of the Company or any of its subsidiaries, no such action or dispute is threatened, which might be expected to have a Material Adverse Effect.

(dd) *Compliance With Environmental Laws.* There has been no storage, disposal, generation, manufacture, refinement, transportation, handling or treatment of toxic wastes, hazardous wastes or hazardous substances by the Company or any of its subsidiaries (or, to the knowledge of the Company any of its predecessors in interest) at, upon or from any of the property now or previously owned or leased by the Company or any of its subsidiaries in violation of any applicable law, ordinance, rule, regulation, order, judgment, decree or permit or which would require remedial action under any applicable law, ordinance, rule, regulation, order, judgment, decree or permit, except for any violation or remedial action which would not have, or could not be reasonably likely to have, singularly or in the aggregate with all such violations and remedial actions, a Material Adverse Effect; there has been no spill, discharge, leak, emission, injection, escape, dumping or release of any kind onto such property or into the environment surrounding such property of any toxic wastes, medical wastes, solid wastes, hazardous wastes or hazardous substances due to or caused by the Company or any of its subsidiaries or with respect to which the Company or any of its subsidiaries has knowledge, except for any such spill, discharge, leak, emission, injection, escape, dumping or release which would not have or would not be reasonably likely to have, singularly or in the aggregate with all such spills, discharges, leaks, emissions, injections, escapes, dumpings and releases, a Material Adverse Effect; and the terms “hazardous wastes,” “toxic wastes,” “solid wastes,” “hazardous substances” and “medical wastes” shall have the meanings specified in any applicable local, state, federal and foreign laws or regulations with respect to environmental protection.

(ee) *Compliance With ERISA.* (i) The Company and its subsidiaries and each Plan (defined below) are in compliance in all material respects with all applicable provisions of the Employee Retirement Income Security Act of 1974, as amended, including the regulations and published interpretations thereunder (“ERISA”), and each employee benefit plan (within the meaning of Section 3(3) of ERISA) for which the Company or (i) any member of its “controlled group” (within the meaning of Section 414 of the Internal Revenue Code of 1986, as amended, including the regulations and published interpretations thereunder (the “Code” and a “Plan,” respectively)), or (ii) any entity under common control with the Company within the meaning of Section 4001(a)(14) of ERISA could have any liability has been maintained in material compliance with its terms and the requirements of any applicable statutes, order, rules and regulations including, but not limited to ERISA, the Code, and any other applicable non-U.S. statutes, orders, rules and regulations that are similar to ERISA or the Code (collectively, “Other Plan Laws”); (ii) no “reportable event” (as defined in Section 4043(c) of ERISA) has occurred or is reasonably expected to occur with respect to any Plan which is a “pension benefit plan” (as defined in Section 3(2) of ERISA); (iii) no non-exempt “prohibited transaction” (within the meaning of Section 4975 of the Code or Section 406 of ERISA) has occurred with respect to any Plan; (iv) the Company and its subsidiaries have not incurred nor reasonably expect to incur liability under Title IV of ERISA with respect to termination of, or withdrawal from, any Plan; (v) there has been no failure by any Plan to satisfy the minimum funding standards (within the meaning of Section 412 of the Code or Section 302 of ERISA) applicable to such Plan, whether or not waived; (vi) no Plan subject to Title IV of ERISA is, or is reasonably expected to be, in “at risk status” (within the meaning of Section 303(i) of ERISA) or “endangered status” or “critical status” (within the meaning of Section 305 of ERISA); (vii) with respect to any Plan that is required to be funded the fair market value of the assets of each such Plan exceeds the present value of all benefits accrued under such Plan (determined based on those assumptions used to fund such Plan); and (viii) each Plan that is intended to be qualified under Section 401(a) of the Code or the applicable provisions of Other Plan Laws is so qualified and nothing has occurred, whether by action or by failure to act, which would cause the loss of such qualification.

(ff) *Disclosure Controls.* The Company has established and maintains disclosure controls and procedures (as such term is defined in Rule 13a-15(e) under the Exchange Act), which (i) are designed to ensure that material information relating to the Company, including its consolidated subsidiaries, is made known to the Company’s principal executive officer and its principal financial officer or persons performing similar functions by others within the Company, particularly during the periods in which the periodic reports required under the Exchange Act are being prepared; (ii) have been evaluated for effectiveness as of December 31, 2016; and (iii) are effective in all material respects to perform the functions for which they were established. Based on the evaluation of its disclosure controls and procedures as of December 31, 2016, the Company is not aware of (i) any significant deficiency in the design or operation of internal controls which could adversely affect the Company’s ability to record, process, summarize and report financial data or any material weaknesses in internal controls that has not been remedied, except as described in each of the Time of Sale Information and the Final Offering Memorandum or (ii) any fraud, whether or not material, that

involves management or other employees who have a significant role in the Company's internal controls. Since the date of the most recent evaluation of such disclosure controls and procedures, there have been no significant changes in internal controls or in other factors that could significantly affect internal controls, including any corrective actions with regard to significant deficiencies and material weaknesses.

(gg) *Accounting Controls.* The Company and its subsidiaries have a system of internal accounting controls sufficient to provide reasonable assurance that (i) transactions are executed in accordance with management's general or specific authorization; (ii) transactions are recorded as necessary to permit preparation of its consolidated financial statements in conformity with GAAP and to maintain accountability for assets; (iii) access to assets is permitted only in accordance with management's general or specific authorization; (iv) interactive data in eXtensible Business Reporting Language included or incorporated by reference in the Time of Sale Information and the Final Offering Memorandum is prepared in accordance with the Commission's rules and guidelines applicable thereto and (v) the reported accountability for assets is compared with existing assets at reasonable intervals and appropriate action is taken with respect to any differences.

(hh) *Insurance.* The Company and each of its subsidiaries carry, or are covered by, insurance in such amounts and covering such risks as is adequate for the conduct of their respective businesses and the value of their respective properties and as is customary for companies engaged in similar businesses in similar industries.

(ii) *Solvency.* On the Closing Date and immediately after giving effect to the issuance of the Securities and the consummation of the other transactions related thereto as described in each of the Time of Sale Information and the Final Offering Memorandum, the Company will be Solvent. As used in this paragraph, the term "Solvent" means, with respect to a particular date, that on such date (i) the present fair market value (or present fair saleable value) of the assets of the Company is not less than the total amount required to pay the probable liabilities of the Company on its total existing debts and other liabilities (including contingent liabilities, computed at the amount that, in light of all of the facts and circumstances existing at such time, represents the amount that can reasonably be expected to become an actual or matured liability) as they become absolute and matured; (ii) the Company is able to realize upon its assets and pay its debts and other liabilities (including such contingent liabilities) as they mature and become due in the normal course of business; (iii) assuming consummation of the issuance of the Securities as contemplated by this Agreement, the Time of Sale Information and the Final Offering Memorandum, the Company has not incurred, and does not propose to incur, debts that would be beyond its ability to pay as such debts and other liabilities mature; (iv) the Company is not engaged in any business or transaction, and does not propose to engage in any business or transaction, for which its property would constitute unreasonably small capital after giving due consideration to the prevailing practice in the industry in which the Company is engaged; and (v) the Company is not a defendant in any civil action that would result in a judgment that the Company is or would become unable to satisfy.

(jj) *No Restrictions on Subsidiaries* . Except as described in the Time of Sale Information or the Final Offering Memorandum, no subsidiary of the Company is currently prohibited, directly or indirectly, under any agreement or other instrument to which it is a party or is subject, from paying any dividends to the Company, from making any other distribution on such subsidiary's capital stock or similar ownership interest, from repaying to the Company any loans or advances to such subsidiary from the Company or from transferring any of such subsidiary's properties or assets to the Company or any other subsidiary of the Company.

(kk) *Rule 144A Eligibility*. On the Closing Date, the Securities will not be of the same class as securities listed on a national securities exchange registered under Section 6 of the Exchange Act or quoted in an automated inter-dealer quotation system; and each of the Preliminary Offering Memorandum and the Final Offering Memorandum, as of its respective date, contains or will contain all the information that, if requested by a prospective purchaser of the Securities, would be required to be provided to such prospective purchaser pursuant to Rule 144A(d)(4) under the Securities Act.

(ll) *No Integration*. Neither the Company nor any of its affiliates (as defined in Rule 501(b) of Regulation D) has, directly or through any agent, sold, offered for sale, solicited offers to buy or otherwise negotiated in respect of, any security (as defined in the Securities Act), that is or will be integrated with the sale of the Securities in a manner that would require registration of the Securities under the Securities Act.

(mm) *No General Solicitation or Directed Selling Efforts*. None of the Company, any of its affiliates or any other person acting on its or their behalf (other than the Initial Purchasers, as to which no representation is made) has (i) solicited offers for, or offered or sold, the Securities by means of any form of general solicitation or general advertising within the meaning of Rule 502(c) of Regulation D or in any manner involving a public offering within the meaning of Section 4(a)(2) of the Securities Act or (ii) engaged in any directed selling efforts within the meaning of Regulation S under the Securities Act ("Regulation S"), and all such persons have complied with the offering restrictions requirement of Regulation S.

(nn) *Securities Law Exemptions*. Assuming the accuracy of the representations and warranties of the Initial Purchasers contained in Section 2(a) (including Annex C hereto), it is not necessary, in connection with the issuance and sale of the Securities to the Initial Purchasers and the offer, resale and delivery of the Securities by the Initial Purchasers in the manner contemplated by this Agreement, the Time of Sale Information and the Final Offering Memorandum, to register the Securities under the Securities Act or to qualify the Indenture under the Trust Indenture Act.

(oo) *No Broker's Fees* . Neither the Company nor any of its subsidiaries is a party to any contract, agreement or understanding with any person (other than this Agreement) that would give rise to a valid claim against any of them or any Initial Purchaser for a brokerage commission, finder's fee or like payment in connection with the offering and sale of the Securities.

(pp) *No Stabilization*. Neither the Company, nor to its knowledge, any of its affiliates, has taken or may take, directly or indirectly, any action designed to cause or result in, or which has constituted or which might reasonably be expected to constitute, the stabilization or manipulation of the price of the Securities.

(qq) *Margin Rules*. Neither the issuance, authentication, sale and delivery of the Securities nor the application of the proceeds thereof by the Company as described in each of the Time of Sale Information and the Final Offering Memorandum will violate Regulation T, U or X of the Board of Governors of the Federal Reserve System or any other regulation of such Board of Governors.

(rr) *Sarbanes-Oxley Act*. The Company is and, to the knowledge of the Company, the Company's directors and officers (in their capacities as such) are in compliance in all material respects with any applicable provision of the U.S. Sarbanes-Oxley Act of 2002 and the rules and regulations promulgated in connection therewith.

(ss) *No Unlawful Payments*. Neither the Company nor any of its subsidiaries, nor, to the knowledge of the Company, any director, officer or employee of the Company or any of its subsidiaries, or any agent, affiliate or other person associated with or acting on behalf of the Company or any of its subsidiaries has (i) used any corporate funds for any unlawful contribution, gift, entertainment or other unlawful expense relating to political activity; (ii) made or taken an act in furtherance of an offer, promise or authorization of any direct or indirect unlawful payment or benefit to any foreign or domestic government official or employee, including of any government-owned or controlled entity or of a public international organization, or any person acting in an official capacity for or on behalf of any of the foregoing, or any political party or party official or candidate for political office; (iii) violated or is in violation of any provision of the Foreign Corrupt Practices Act of 1977, as amended, or any applicable law or regulation implementing the OECD Convention on Combating Bribery of Foreign Public Officials in International Business Transactions, or committed an offence under the Bribery Act 2010 of the United Kingdom, or any other applicable anti-bribery or anti-corruption law (collectively, "Anti-Corruption Laws"); or (iv) made, offered, agreed, requested or taken an act in furtherance of any unlawful bribe or other unlawful benefit, including, without limitation, any rebate, payoff, influence payment, kickback or other unlawful or improper payment or benefit. The Company will not directly or, to its knowledge, indirectly, use the proceeds of the offering of the Securities, or lend, contribute or otherwise make available such proceeds to any subsidiary or joint venture partner, or other person in violation of Anti-Corruption Laws. The Company and its subsidiaries have instituted, maintain and enforce, and will continue to maintain and enforce, policies and procedures designed to promote and ensure compliance with all applicable anti-bribery and anti-corruption laws.

(tt) *Anti-Money Laundering*. The operations of the Company and its subsidiaries are and have been conducted at all times in compliance with applicable financial recordkeeping and reporting requirements of the Currency and Foreign Transactions Reporting Act of 1970, as amended, the money laundering statutes of all jurisdictions to which the Company or any of its subsidiaries are subject, the rules and

regulations thereunder and any related or similar rules, regulations or guidelines, issued, administered or enforced by any governmental agency having jurisdiction over the Company or any of its subsidiaries (collectively, the “ Money Laundering Laws ”) and no action, suit or proceeding by or before any court or governmental agency, authority or body or any arbitrator involving the Company or any of its subsidiaries with respect to the Money Laundering Laws is pending or, to the knowledge of the Company, threatened.

(uu) *Sanctions* . As of the date hereof, the Company, and its subsidiaries are in compliance with Sanctions, and to the knowledge of the Company and its subsidiaries their respective directors, officers, employees and agents are also in compliance with Sanctions as pertains to their conduct for or on behalf of the Company or its subsidiaries. None of the Company, any of its subsidiaries or to the knowledge of the Company or any of its subsidiaries any of their respective directors, officers, or employees is a Sanctioned Person. The Company will not directly or, to its knowledge, indirectly, use the proceeds of the offering of the Securities, or lend, contribute or otherwise make available such proceeds to any other person to fund activities or business (i) of or with any Sanctioned Person, (ii) in or with any Sanctioned Country, or (iii) in any other manner that will, to the Company’s knowledge, result in a violation by any person of Sanctions. “ Sanctions ” means economic or financial sanctions or trade embargoes imposed, administered or enforced from time to time by the U.S. government, including those administered by the Office of Foreign Assets Control of the U.S. Department of the Treasury (“ OFAC ”) or the U.S. Department of State, or other U.S. federal sanctions authority applicable to the Company or its subsidiaries. “ Sanctioned Country ” means a country or territory which is the subject or target of country-wide embargo administered by OFAC. As of the date hereof, each of Crimea, Cuba, Iran, Sudan, Syria and North Korea is a Sanctioned Country. “ Sanctioned Person ” means (a) any person listed in any Sanctions-related list of designated persons or (b) any person the Company knew or should have known was controlled by any such Person.

(vv) *Florida Law*. The Company has complied with all provisions of Section 517.075, Florida Statutes (Chapter 92-198, Laws of Florida, as amended) relating to doing business with the Government of Cuba or with any person or affiliate located in Cuba.

(ww) *XBRL* . The interactive data in eXtensible Business Reporting Language included or incorporated by reference in the Time of Sale Information and the Final Offering Memorandum fairly presents the information called for in all material respects and is prepared in accordance with the Commission’s rules and guidelines applicable thereto.

(xx) *Industry Data*. The industry-related, tower-related and customer-related data and estimates included or incorporated by reference in the Time of Sale Information and the Final Offering Memorandum are based on or derived from sources which the Company believes to be reliable and accurate.

4. Further Agreements of the Company. The Company covenants and agrees with the Initial Purchasers that:

(a) *Delivery of Copies*. The Company will deliver to the Initial Purchasers, without charge, as many copies of the Preliminary Offering Memorandum, any other Time of Sale Information, any Issuer Written Communication and the Final Offering Memorandum (including all amendments and supplements thereto) as the Representatives may reasonably request.

(b) *Offering Memorandum, Amendments or Supplements*. Before finalizing the Preliminary Offering Memorandum or making or distributing any amendment or supplement to any of the Time of Sale Information or the Final Offering Memorandum, the Company will furnish to the Initial Purchasers and counsel for the Representatives a copy of the proposed Preliminary or Final Offering Memorandum or such amendment or supplement for review, and will not distribute any such proposed Preliminary or Final Offering Memorandum, amendment or supplement to which the Representatives reasonably objects .

(c) *Additional Written Communications*. Before using, authorizing, approving or referring to any Issuer Written Communication, the Company will furnish to the Representatives and counsel for the Initial Purchasers a copy of such written communication for review and will not use, authorize, approve or refer to any such written communication to which the Representatives reasonably objects.

Prior to the Closing Date, the Company will not issue any press release or other communication directly or indirectly or hold any press conference with respect to the Company, its condition, financial or otherwise, or earnings, business affairs or business prospects (except for routine oral marketing communications in the ordinary course of business and consistent with the past practices of the Company and of which the Representatives is notified), without the prior written consent of the Representatives, unless in the judgment of the Company and its counsel, and after notification to the Representatives, such press release or communication is required by law.

(d) *Notice to the Initial Purchasers*. The Company will advise the Representatives promptly, and confirm such advice in writing, (i) of the occurrence of any event which makes any statement of a material fact made in any of the Time of Sale Information, any Issuer Written Communication or the Final Offering Memorandum (as then amended or supplemented) untrue or which requires the making of any additions to or changes in any of the Time of Sale Information, any Issuer Written Communication or the Final Offering Memorandum (as then amended or supplemented) in order to make the statements therein, in the light of the circumstances under which they were made, not misleading; (ii) of the issuance by any governmental or regulatory authority of any order preventing or suspending the use of any of the Time of Sale Information, any Issuer Written Communication or the Final Offering Memorandum or

the initiation or, to the best knowledge of the Company, threatening of any proceeding for that purpose; and (iii) of the receipt by the Company of any notice with respect to any suspension of the qualification of the Securities for offer and sale in any jurisdiction or the initiation or threatening of any proceeding for such purpose; and the Company will use its reasonable best efforts to prevent the issuance of any such order preventing or suspending the use of any of the Time of Sale Information, any Issuer Written Communication or the Final Offering Memorandum or suspending any such qualification of the Securities and, if any such order is issued, will obtain as soon as possible the withdrawal thereof.

(e) *Ongoing Compliance of the Time of Sale Information and the Final Offering Memorandum.* (1) If at any time prior to the Closing Date (i) any event shall occur or condition shall exist as a result of which any of the Time of Sale Information as then amended or supplemented would include any untrue statement of a material fact or omit to state any material fact necessary in order to make the statements therein, in the light of the circumstances under which they were made, not misleading or (ii) it is necessary to amend or supplement any of the Time of Sale Information to comply with law, the Company will immediately notify the Initial Purchasers thereof and forthwith prepare and, subject to paragraph (b) above, furnish to the Initial Purchasers such amendments or supplements to any of the Time of Sale Information (or any document to be filed with the Commission and incorporated by reference therein) as may be necessary so that the statements in any of the Time of Sale Information as so amended or supplemented (including, if applicable, such document to be incorporated by reference therein) will not, in light of the circumstances under which they were made, be misleading or so that the Time of Sale Information will comply with law, and (2) if at any time prior to the completion of the resale of the Securities by the Initial Purchasers (i) any event shall occur or condition shall exist as a result of which the Final Offering Memorandum as then amended or supplemented would include any untrue statement of a material fact or omit to state any material fact necessary in order to make the statements therein, in the light of the circumstances existing when the Final Offering Memorandum is delivered to a purchaser, not misleading or (ii) it is necessary to amend or supplement the Final Offering Memorandum to comply with law, the Company will immediately notify the Initial Purchasers thereof and forthwith prepare and, subject to paragraph (b) above, furnish to the Initial Purchasers such amendments or supplements to the Final Offering Memorandum (or any document to be filed with the Commission and incorporated by reference therein) as may be necessary so that the statements in the Final Offering Memorandum as so amended or supplemented (including, if applicable, such document to be incorporated by reference therein) will not, in the light of the circumstances existing when the Final Offering Memorandum is delivered to a purchaser, be misleading or so that the Final Offering Memorandum will comply with law.

(f) *Blue Sky Compliance.* The Company will qualify the Securities for offer and sale under the securities or Blue Sky laws of such jurisdictions as the Representatives shall reasonably request and will continue such qualifications in effect so long as required for the offering and resale of the Securities; provided that the Company shall not be required to (i) qualify as a foreign corporation in any such

jurisdiction where it would not otherwise be required to so qualify, (ii) file any general consent to service of process in any such jurisdiction or (iii) subject itself to taxation in any such jurisdiction if it is not otherwise so subject.

(g) *Use of Proceeds.* The Company will apply the net proceeds from the sale of the Securities as described in each of the Time of Sale Information and the Final Offering Memorandum under the heading “Use of Proceeds.”

(h) *Supplying Information.* While the Securities remain outstanding and are “restricted securities” within the meaning of Rule 144(a)(3) under the Securities Act, the Company will, during any period in which the Company is not subject to and in compliance with Section 13 or 15(d) of the Exchange Act, furnish to holders of the Securities and prospective purchasers of the Securities designated by such holders, upon the request of such holders or such prospective purchasers, the information required to be delivered pursuant to Rule 144A(d)(4) under the Securities Act.

(i) *DTC.* The Company will assist the Initial Purchasers in arranging for the Securities to be eligible for clearance and settlement through The Depository Trust Company (“DTC”).

(j) *No Resales by the Company.* During the one-year period from the Closing Date, the Company will not, and will not permit any of its affiliates (as defined in Rule 144 under the Securities Act) to, resell any of the Securities that have been acquired by any of them, except for Securities purchased by the Company or any of its affiliates and resold in a transaction registered under the Securities Act.

(k) *No Integration.* Neither the Company nor any of its affiliates (as defined in Rule 501(b) of Regulation D) or any other person acting on its or their behalf (other than the Initial Purchasers, as to which no covenant is given) will, directly or through any agent, sell, offer for sale, solicit offers to buy or otherwise negotiate in respect of, any security (as defined in the Securities Act), that is or will be integrated with the sale of the Securities in a manner that would require registration of the Securities under the Securities Act.

(l) *No General Solicitation or Directed Selling Efforts.* Neither the Company nor any of its affiliates or any other person acting on its or their behalf (other than the Initial Purchasers, as to which no covenant is given) will (i) solicit offers for, or offer or sell, the Securities by means of any form of general solicitation or general advertising within the meaning of Rule 502(c) of Regulation D or in any manner involving a public offering within the meaning of Section 4(a)(2) of the Securities Act; or (ii) offer, sell, contract to sell or otherwise dispose of, directly or indirectly, any securities under circumstances where such offer, sale, contract or disposition would cause the exemption afforded by Section 4(a)(2) of the Securities Act to cease to be applicable to the offering and sale of the Securities as contemplated by this Agreement, any of the Time of Sale Information and the Final Offering Memorandum; or (iii) engage in any directed selling efforts within the meaning of Regulation S, and all such persons will comply with the offering restrictions requirement of Regulation S.

(m) *No Stabilization.* Neither the Company nor to its knowledge, any of its affiliates, will take, directly or indirectly, any action designed to or that could reasonably be expected to cause or result in any stabilization or manipulation of the price of the Securities and neither the Company nor any of its affiliates has taken or will take, directly or indirectly, any action prohibited by Regulation M under the Exchange Act in connection with the offering of the Securities.

(n) *Clear Market.* During the period from the date hereof through and including the date that is forty-five (45) calendar days after the date hereof, the Company will not, without the prior written consent of the Representatives, offer, sell, contract to sell or otherwise dispose of any debt securities issued or guaranteed by the Company or its subsidiaries and having a tenor of more than one year.

(o) *No Action.* The Company will not initiate any action prior to the Closing Date which would require any of the Time of Sale Information or the Final Offering Memorandum to be amended or supplemented pursuant to Section 4(e).

5. Certain Agreements of the Initial Purchasers. Each Initial Purchaser hereby severally represents and agrees that it has not and will not use, authorize use of, refer to, or participate in the planning or use of, any written communication that constitutes an offer to sell or the solicitation of an offer to buy the Securities other than (i) the Time of Sale Information and the Final Offering Memorandum, (ii) a written communication that contains no "issuer information" (as defined in Rule 433(h)(2) under the Securities Act) that was not included (including through incorporation by reference) in the Time of Sale Information or the Final Offering Memorandum, (iii) any written communication listed on Annex A or prepared pursuant to Section 4(c) above, (iv) any written communication prepared by the Initial Purchasers and approved by the Company in advance in writing or (v) any written communication relating to or that contains the terms of the Securities and/or other information that was included or incorporated by reference in the Time of Sale Information or the Final Offering Memorandum.

6. Conditions of Initial Purchasers' Obligations. The obligation of each Initial Purchaser to purchase the Securities on the Closing Date as provided herein is subject to the performance by the Company of its covenants and other obligations hereunder and to the following additional conditions:

(a) *Representations and Warranties.* The representations and warranties of the Company contained herein shall be true and correct on the date hereof and on and as of the Closing Date; and the statements of the Company and its officers made in any certificates delivered pursuant to this Agreement shall be true and correct on and as of the Closing Date.

(b) *The Time of Sale Information and Final Offering Memorandum.* The Time of Sale Information and the Final Offering Memorandum (and any amendments or supplements thereto) shall have been printed and copies distributed to the Initial Purchasers as promptly as practicable on or following the date of this Agreement or at

such other date and time as to which the Representatives may agree. If any event shall have occurred that requires the Company under Section 4(e) to prepare an amendment or supplement to any of the Time of Sale Information and the Final Offering Memorandum, such amendment or supplement shall have been prepared, the Representatives shall have been given a reasonable opportunity to comment thereon, and copies thereof shall have been delivered to the Initial Purchasers reasonably in advance of the Closing Date.

(c) Ongoing Compliance of the Time of Sale Information and Final Offering Memorandum.

The Initial Purchasers shall not have discovered and disclosed to the Company (1) on or prior to the Closing Date that any of the Time of Sale Information contains an untrue statement of fact which, in the opinion of counsel for the Initial Purchasers, is material or omits to state any fact which, in the opinion of such counsel, is material and is necessary to make the statements therein not misleading and (2) on or prior to the Closing Date that the Final Offering Memorandum (and any amendments or supplements thereto) contains an untrue statement of fact which, in the opinion of counsel for the Initial Purchasers, is material or omits to state any fact which, in the opinion of such counsel, is material and necessary to make the statements therein not misleading.

(d) Required Corporate Actions. All corporate proceedings and other legal matters incident to the authorization, form and validity of the Transaction Documents, the Time of Sale Information and the Final Offering Memorandum (and any amendments or supplements thereto), and all other legal matters relating to the Transaction Documents and the transactions contemplated thereby shall be reasonably satisfactory in all material respects to counsel for the Initial Purchasers, and the Company shall have furnished to such counsel all documents and information that they may reasonably request to enable them to pass upon such matters.

(e) No Downgrade. Subsequent to the execution and delivery of this Agreement (i) no downgrading shall have occurred in the rating accorded the Securities or any other debt securities issued or guaranteed by the Company or its subsidiaries by any "nationally recognized statistical rating organization," as such term is defined under Section 3(a)(62) of the Exchange Act and (ii) no such organization shall have publicly announced that it has under surveillance or review, with possible negative implications, or has changed its outlook with respect to its rating of the Securities or any other debt securities issued or guaranteed by the Company or its subsidiaries.

(f) No Material Adverse Change. (i) Neither the Company nor any of its subsidiaries shall have sustained since the date of the latest audited financial statements included or incorporated by reference in the Time of Sale Information and the Final Offering Memorandum (exclusive of any amendment or supplement thereto) any loss or interference with its business from fire, explosion, flood or other calamity, whether or not covered by insurance, or from any labor dispute or court or governmental action, order or decree, otherwise than as set forth or contemplated in the Time of Sale Information and the Final Offering Memorandum or (ii) otherwise than as set forth or contemplated in the Time of Sale Information and the Final Offering Memorandum

(exclusive of any amendment or supplement thereto), since the date of the Preliminary Offering Memorandum, there shall not have been any change in the capital stock or long-term debt of the Company or its subsidiaries or any change, or any development involving a prospective change, that would have a Material Adverse Effect, the effect of which, in any such case described in clause (i) or (ii), is, in the judgment of the Representatives, so material and adverse as to make it impracticable or inadvisable to proceed with the payment for and delivery of the Securities being delivered on the Closing Date on the terms and in the manner contemplated by this Agreement, the Time of Sale Information and the Final Offering Memorandum (exclusive of any amendment or supplement thereto).

(g) *Officers' Certificates.* The Initial Purchasers shall have received on and as of the Closing Date (1) a certificate of the Company's chief executive officer or president and chief financial officer stating that (i) such officers have carefully reviewed the Time of Sale Information and the Final Offering Memorandum; (ii) to the best knowledge of such officers, the Time of Sale Information, at the time of sale and at the Closing Date, did not, and the Final Offering Memorandum, as of its date and at the Closing Date, did not include any untrue statement of a material fact and did not omit to state a material fact necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading, and since the date of each of the Time of Sale Information and the Final Offering Memorandum, no event has occurred which should have been set forth in a supplement or amendment to any of the Time of Sale Information and the Final Offering Memorandum so that the Time of Sale Information and the Final Offering Memorandum (as so amended or supplemented) would not include any untrue statement of a material fact and would not omit to state a material fact necessary to make the statements therein, under the light of the circumstances under which they were made, not misleading; and (iii) as of the Closing Date the representations and warranties of the Company in this Agreement are true and correct, the Company has complied with all agreements and satisfied all conditions on its part to be performed or satisfied hereunder at or prior to the Closing Date and (2) a certificate of the Company's chief financial officer, on the date of this Agreement and on the Closing Date, substantially in the form of the attached hereto as Annex E.

(h) *Comfort Letters.* On the date of this Agreement and on the Closing Date Ernst & Young LLP shall have furnished to the Initial Purchasers, at the request of the Company, letters, dated the respective dates of delivery thereof and addressed to the Initial Purchasers, in form and substance reasonably satisfactory to the Initial Purchasers, containing statements and information of the type customarily included in accountants' "comfort letters" to underwriters with respect to the financial statements and certain financial information contained or incorporated by reference in each of the Time of Sale Information and the Final Offering Memorandum; provided that the letters delivered on the date of this Agreement and on the Closing Date shall use a "cut-off" date no more than three (3) Business Days prior to the date of this Agreement and such Closing Date, respectively.

(i) *Opinion and 10b-5 Statement of Counsel for the Company.* Greenberg Traurig PA, counsel for the Company, shall have furnished to the Initial Purchasers, at

the request of the Company, their written opinion and negative assurance statement, dated the Closing Date and addressed to the Initial Purchasers, in form and substance reasonably satisfactory to the Initial Purchasers, to the effect set forth in Annex D hereto.

(j) *Opinion and 10b-5 Statement of Counsel for the Initial Purchasers.* The Initial Purchasers shall have received on and as of the Closing Date an opinion and negative assurance statement of Simpson Thacher & Bartlett LLP, counsel for the Initial Purchasers, with respect to such matters as the Initial Purchasers may reasonably request, and such counsel shall have received such documents and information as they may reasonably request to enable them to pass upon such matters.

(k) *Opinion of FCC Counsel for the Company.* Greenberg Traurig PA, FCC counsel for the Company, shall have furnished to the Initial Purchasers, at the request of the Company, their written opinion, dated the Closing Date and addressed to the Initial Purchasers, in form and substance reasonably satisfactory to the Initial Purchasers.

(l) *No Legal Impediment to Issuance.* No action shall have been taken and no statute, rule, regulation or order shall have been enacted, adopted or issued by any federal, state or foreign governmental or regulatory authority that would, as of the Closing Date, prevent the issuance or sale of the Securities; and no injunction or order of any federal, state or foreign court shall have been issued that would, as of the Closing Date, prevent the issuance or sale of the Securities.

(m) *No Rule 144A or Regulation S Invalidity.* There shall not have occurred any invalidation of Rule 144A or Regulation S under the Securities Act by any court or withdrawal or proposed withdrawal of any rule or regulation under the Securities Act or the Exchange Act by the Commission or any amendment or proposed amendment thereof by the Commission which in the judgment of the Representatives would materially impair the ability of the Initial Purchasers to purchase, hold or effect resales of the Securities contemplated hereby.

(n) *Good Standing.* The Representatives shall have received on and as of the Closing Date satisfactory evidence of the good standing of the Company and its subsidiaries listed on Schedule 2 in their respective jurisdictions of incorporation or formation and their good standing as foreign entities in such other jurisdictions as the Representatives may reasonably request, in each case in writing or any standard form of telecommunication from the appropriate governmental authorities of such jurisdictions.

(o) *Indenture and Securities.* The Indenture shall have been duly executed and delivered by the Company and the Trustee, and the Securities shall have been duly executed and delivered by the Company and duly authenticated by the Trustee.

(p) *Registration Rights Agreement.* The Initial Purchasers shall have received a counterpart of the Registration Rights Agreement that shall have been executed and delivered by a duly authorized officer of the Company.

(q) *DTC.* The Securities shall be eligible for clearance and settlement through DTC.

(r) *No Default.* There shall exist at and as of the Closing Date no conditions that would constitute a default (or an event that with notice or the lapse of time, or both, would constitute a default) under (i) the Second Amended and Restated Loan and Security Agreement, dated as of October 15, 2014, entered into among SBA Properties, LLC, the additional borrowers party thereto and Midland Loan Services, as servicer on behalf of Deutsche Bank Trust Company Americas, as trustee, as amended, supplemented or otherwise modified from time to time (the “Mortgage Loan”) or (ii) the Second Amended and Restated Credit Agreement, dated as of February 7, 2014, among SBA Senior Finance II LLC, as borrower and the several lenders from time to time parties thereto, as amended, supplemented or otherwise modified from time to time (the “Credit Agreement”).

(s) *Market Events .* Subsequent to the execution and delivery of this Agreement there shall not have occurred any of the following: (i) trading in securities generally on the NYSE, the NASDAQ Global Select Market, the NASDAQ Global Market or the American Stock Exchange or in the over-the-counter market, or trading in any securities of the Company on any exchange or in the over-the-counter market, shall have been suspended or minimum prices shall have been established on any such exchange or such market by the Commission, by such exchange or by any other regulatory body or governmental authority having jurisdiction, (ii) a material disruption in securities settlement, payment or clearance services in the United States, (iii) a banking moratorium shall have been declared by federal or state authorities, (iv) any attack on, outbreak or escalation of hostilities or act of terrorism involving the United States, any declaration of war by Congress or any other national or international calamity, crisis or emergency if, in the judgment of the Representatives, the effect of any such attack, outbreak, escalation, act, declaration, calamity, crisis or emergency makes it impractical or inadvisable to proceed with the completion of the offering or sale of and payment for the Securities, or (v) the occurrence of any other calamity, crisis (including without limitation as a result of terrorist activities), or material adverse change in general economic, political or financial conditions (or the effect of international conditions on the financial markets in the United States shall be such) as to make it, in the judgment of the Representatives, impracticable or inadvisable to proceed with the public offering, sale or delivery of the Securities being delivered on the Closing Date on the terms and in the manner contemplated by this Agreement, the Time of Sale Information and the Final Offering Memorandum or that, in the judgment of the Representatives, would materially and adversely affect the financial markets or the markets for the Securities and/or debt securities.

(t) *Additional Documents.* On or prior to the Closing Date, the Company shall have furnished to the Representatives such further certificates and documents as the Representatives may reasonably request.

All opinions, letters, certificates and evidence mentioned above or elsewhere in this Agreement shall be deemed to be in compliance with the provisions hereof only if they are in form and substance reasonably satisfactory to counsel for the Initial Purchasers.

7. Indemnification and Contribution.

(a) *Indemnification of the Initial Purchasers.* The Company agrees to indemnify and hold harmless each Initial Purchaser, their respective affiliates, directors and officers and each person, if any, who controls such Initial Purchasers within the meaning of Section 15 of the Securities Act or Section 20 of the Exchange Act, from and against any and all losses, claims, damages and liabilities (including, without limitation, legal fees and other expenses incurred in connection with any suit, action or proceeding or any claim asserted, as such fees and expenses are incurred), joint or several, that arise out of, or are based upon, any untrue statement or alleged untrue statement of a material fact contained in the Preliminary Offering Memorandum, any of the other Time of Sale Information, any Issuer Written Communication or the Final Offering Memorandum (or any amendment or supplement thereto), in any materials or information provided to investors by, or with the approval of, the Company in connection with the marketing of the offering of the Securities or in any information provided by the Company pursuant to Section 4(e), any omission or alleged omission to state therein a material fact necessary in order to make the statements therein, in the light of the circumstances under which they were made, not misleading, in each case except insofar as such losses, claims, damages or liabilities arise out of, or are based upon, any untrue statement or omission or alleged untrue statement or omission made in reliance upon and in conformity with any Initial Purchasers' Information.

(b) *Indemnification of the Company.* Each Initial Purchaser agrees, severally and not jointly, to indemnify and hold harmless the Company, each of its affiliates, directors and officers and each person, if any, who controls the Company within the meaning of Section 15 of the Securities Act or Section 20 of the Exchange Act to the same extent as the indemnity set forth in paragraph (a) above, but only with respect to any losses, claims, damages or liabilities that arise out of, or are based upon, any untrue statement or omission or alleged untrue statement or omission made in reliance upon and in conformity with any Initial Purchasers' Information furnished to the Company in writing by such Initial Purchaser through the Representatives expressly for use in the Preliminary Offering Memorandum, any of the other Time of Sale Information, any Issuer Written Communication or the Final Offering Memorandum (or any amendment or supplement thereto).

(c) *Notice and Procedures.* If any suit, action, proceeding (including any governmental or regulatory investigation), claim or demand shall be brought or asserted against any person in respect of which indemnification may be sought pursuant to either

paragraph (a) or (b) above, such person (the “Indemnified Person”) shall promptly notify the person against whom such indemnification may be sought (the “Indemnifying Person”) in writing; provided that the failure to notify the Indemnifying Person shall not relieve it from any liability that it may have under paragraph (a) or (b) above except to the extent that it has been materially prejudiced (through the forfeiture of substantive rights or defenses) by such failure; and provided, further, that the failure to notify the Indemnifying Person shall not relieve it from any liability that it may have to an Indemnified Person otherwise than under paragraph (a) or (b) above. If any such proceeding shall be brought or asserted against an Indemnified Person and it shall have notified the Indemnifying Person thereof, the Indemnifying Person shall retain counsel reasonably satisfactory to the Indemnified Person (who shall not, without the consent of the Indemnified Person, be counsel to the Indemnifying Person) to represent the Indemnified Person and any others entitled to indemnification pursuant to this Section 7 that the Indemnifying Person may designate in such proceeding and shall pay the fees and expenses of such counsel related to such proceeding, as incurred. In any such proceeding, any Indemnified Person shall have the right to retain its own counsel, but the fees and expenses of such counsel shall be at the expense of such Indemnified Person unless (i) the Indemnifying Person and the Indemnified Person shall have mutually agreed to the contrary; (ii) the Indemnifying Person has failed within a reasonable time to retain counsel reasonably satisfactory to the Indemnified Person; (iii) the Indemnified Person shall have reasonably concluded that there may be legal defenses available to it that are different from or in addition to those available to the Indemnifying Person; or (iv) the named parties in any such proceeding (including any impleaded parties) include both the Indemnifying Person and the Indemnified Person and representation of both parties by the same counsel would be inappropriate due to actual or potential differing interests between them. It is understood and agreed that the Indemnifying Person shall not, in connection with any proceeding or related proceeding in the same jurisdiction, be liable for the fees and expenses of more than one separate firm (in addition to any local counsel) for all Indemnified Persons, and that all such fees and expenses shall be reimbursed as they are incurred. Any such separate firm for the Initial Purchasers, their respective affiliates, directors and officers and any control persons of the Initial Purchasers shall be designated in writing by the Initial Purchasers and any such separate firm for the Company, its directors and officers and any control persons of the Company shall be designated in writing by the Company. The Indemnifying Person shall not be liable for any settlement of any proceeding effected without its written consent, but if settled with such consent or if there be a final judgment for the plaintiff, the Indemnifying Person agrees to indemnify each Indemnified Person from and against any loss or liability by reason of such settlement or judgment. Notwithstanding the foregoing sentence, if at any time an Indemnified Person shall have requested that an Indemnifying Person reimburse the Indemnified Person for fees and expenses of counsel as contemplated by this paragraph, the Indemnifying Person shall be liable for any settlement of any proceeding effected without its written consent if (i) such settlement is entered into more than thirty (30) calendar days after receipt by the Indemnifying Person of such request and (ii) the Indemnifying Person shall not have reimbursed the Indemnified Person in accordance with such request prior to the date of such settlement. No Indemnifying Person shall, without the written consent of the

Indemnified Person, effect any settlement of any pending or threatened proceeding in respect of which any Indemnified Person is or could have been a party and indemnification could have been sought hereunder by such Indemnified Person, unless such settlement (x) includes an unconditional release of such Indemnified Person, in form and substance reasonably satisfactory to such Indemnified Person, from all liability on claims that are the subject matter of such proceeding and (y) does not include any statement as to or any admission of fault, culpability or a failure to act by or on behalf of any Indemnified Person.

(d) *Contribution.* If the indemnification provided for in paragraphs (a) and (b) above is unavailable to an Indemnified Person or insufficient in respect of any losses, claims, damages or liabilities referred to therein, then each Indemnifying Person under such paragraph, in lieu of indemnifying such Indemnified Person thereunder, shall contribute to the amount paid or payable by such Indemnified Person as a result of such losses, claims, damages or liabilities (i) in such proportion as is appropriate to reflect the relative benefits received by the Company on the one hand and the Initial Purchasers on the other from the offering of the Securities or (ii) if the allocation provided by clause (i) is not permitted by applicable law, in such proportion as is appropriate to reflect not only the relative benefits referred to in clause (i) but also the relative fault of the Company on the one hand and the Initial Purchasers on the other in connection with the statements or omissions that resulted in such losses, claims, damages or liabilities, as well as any other relevant equitable considerations. The relative benefits received by the Company on the one hand and the Initial Purchasers on the other shall be deemed to be in the same respective proportions as the net proceeds (before deducting expenses) received by the Company from the sale of the Securities and the total discounts and commissions received by the Initial Purchasers in connection therewith, as provided in this Agreement, bear to the aggregate offering price of the Securities. The relative fault of the Company on the one hand and the Initial Purchasers on the other shall be determined by reference to, among other things, whether the untrue or alleged untrue statement of a material fact or the omission or alleged omission to state a material fact relates to the information supplied by the Company or Initial Purchasers' Information supplied by the Initial Purchasers and the parties' relative intent, knowledge, access to information and opportunity to correct or prevent such statement or omission.

(e) *Limitation on Liability.* The Company and the Initial Purchasers agree that it would not be just and equitable if contribution pursuant to this Section 7 were determined by pro rata allocation or by any other method of allocation that does not take account of the equitable considerations referred to in paragraph (d) above. The amount paid or payable by an Indemnified Person as a result of the losses, claims, damages and liabilities referred to in paragraph (d) above shall be deemed to include, subject to the limitations set forth above, any legal or other expenses incurred by such Indemnified Person in connection with any such action or claim. Notwithstanding the provisions of this Section 7, in no event shall the Initial Purchasers be required to contribute any amount in excess of the amount by which the total discounts and commissions received by the Initial Purchasers with respect to the offering of the Securities exceeds the amount of any damages that the Initial Purchasers have otherwise been required to pay by reason of such untrue or alleged untrue statement or omission or alleged omission.

No person guilty of fraudulent misrepresentation (within the meaning of Section 11(f) of the Securities Act) shall be entitled to contribution from any person who was not guilty of such fraudulent misrepresentation. The Initial Purchasers' obligations to contribute pursuant to paragraph (d) above are several in proportion to their respective purchase obligations hereunder and not joint.

(f) *Non-Exclusive Remedies.* The remedies provided for in this Section 7 are not exclusive and shall not limit any rights or remedies that may otherwise be available to any Indemnified Person at law or in equity.

8. Defaulting Initial Purchasers. If, on the Closing Date, any Initial Purchaser defaults in the performance of its obligations under this Agreement, the remaining non-defaulting Initial Purchasers shall be obligated to purchase the Securities that the defaulting Initial Purchasers agreed but failed to purchase on such Closing Date in the respective proportions which the principal amount of the Securities set forth opposite the name of each remaining non-defaulting Initial Purchaser in Schedule 1 hereto bears to the aggregate principal amount of the Securities set forth opposite the names of all the remaining non-defaulting Initial Purchasers in Schedule 1 hereto; *provided, however*, that the remaining non-defaulting Initial Purchasers shall not be obligated to purchase any of the Securities on such Closing Date if the aggregate principal amount of the Securities that the defaulting Initial Purchaser or Initial Purchasers agreed but failed to purchase on such date exceeds 9.09% of the aggregate principal amount of the Securities to be purchased on such Closing Date and any remaining non-defaulting Initial Purchaser shall not be obligated to purchase more than 110% of the principal amount of the Securities that it agreed to purchase on such Closing Date pursuant to the terms of Section 2. If the foregoing maximums are exceeded, the remaining non-defaulting Initial Purchasers shall have the right, but shall not be obligated, to purchase, in such proportion as may be agreed upon among them, all the Securities to be purchased on such Closing Date. If the remaining Initial Purchasers do not elect to purchase the principal amount of Securities that the defaulting Initial Purchaser or Initial Purchasers agreed but failed to purchase on such Closing Date this Agreement shall terminate without liability on the part of any non-defaulting Initial Purchaser or the Company, except that the Company will continue to be liable for the payment of expenses to the extent set forth in Section 10. As used in this Agreement, the term "Initial Purchaser" includes, for all purposes of this Agreement unless the context requires otherwise, any party not listed in Schedule 1 hereto that, pursuant to this Section 8, purchases Securities that a defaulting Initial Purchaser agreed but failed to purchase.

Nothing contained herein shall relieve a defaulting Initial Purchaser of any liability it may have to the Company for damages caused by its default. If other Initial Purchasers are obligated or agree to purchase the Securities of a defaulting or withdrawing Initial Purchaser, either the remaining Initial Purchasers or the Company may postpone the Closing Date for up to seven (7) full Business Days in order to effect any changes that in the opinion of counsel for the Company or counsel for the Initial Purchasers may be necessary in the Time of Sale Information, the Final Offering Memorandum or in any other document or arrangement.

9. Termination . The obligations of the Initial Purchasers hereunder may be terminated by the Initial Purchasers, in the absolute discretion of the Initial Purchasers, by notice given to the Company prior to the delivery of and payment for the Securities if, prior to that time, any of the events described in Section 6(e), 6(f), 6(l), 6(m) and 6(s) shall have occurred.

10. Payment of Expenses . (a) Whether or not the transactions contemplated by this Agreement are consummated or this Agreement is terminated, the Company agrees to pay or cause to be paid all costs and expenses incident to the performance of its obligations hereunder, including without limitation, (i) the costs incident to the authorization, issuance, sale, preparation and delivery of the Securities and any taxes payable in that connection; (ii) the costs incident to the preparation and printing of the Preliminary Offering Memorandum, any Issuer Written Communication, any Time of Sale Information and the Final Offering Memorandum (including all exhibits, amendments and supplements thereto) and the distribution thereof; (iii) the costs of reproducing and distributing each of the Transaction Documents; (iv) the fees and expenses of the Company's counsel and independent accountants; (v) the fees and expenses incurred in connection with the registration or qualification and determination of eligibility for investment of the Securities under the laws of such jurisdictions as the Initial Purchasers may designate and the preparation, printing and distribution of a Blue Sky Memorandum (including the related fees and expenses of counsel for the Initial Purchasers not to exceed \$15,000); (viii) any fees charged by rating agencies for rating the Securities; (ix) the fees and expenses of the Trustee and any paying agent (including related fees and expenses of any counsel to such parties); (x) all expenses and application fees incurred in connection with the approval of the Securities for book-entry transfer by DTC; and (xi) all expenses incurred by the Company in connection with any "road show" presentation to potential investors.

(b) If (i) this Agreement is terminated pursuant to Section 9 (other than due to the events described in Section 6(l) and 6(m)), (ii) the Company for any reason fails to tender the Securities for delivery to the Initial Purchasers or (iii) the Initial Purchasers decline to purchase the Securities for any reason permitted under this Agreement, the Company agrees to reimburse the Initial Purchasers for all out-of-pocket costs and expenses (including the fees and expenses of their counsel) reasonably incurred by the Initial Purchasers in connection with this Agreement and the proposed purchase and resale of the Securities contemplated hereby.

11. Persons Entitled to Benefit of Agreement . This Agreement shall inure to the benefit of and be binding upon the parties hereto and their respective successors and any controlling persons referred to herein, and the affiliates, officers and directors of the Initial Purchasers referred to in Section 7 hereof. Nothing in this Agreement is intended or shall be construed to give any other person any legal or equitable right, remedy or claim under or in respect of this Agreement or any provision contained herein. No purchaser of Securities from the Initial Purchasers shall be deemed to be a successor merely by reason of such purchase.

12. Survival. The respective indemnities, rights of contribution, representations, warranties and agreements of the Company and the Initial Purchasers contained in this Agreement or made by or on behalf of the Company or the Initial Purchasers pursuant to this Agreement or any certificate delivered pursuant hereto shall survive the delivery of and payment for the Securities and shall remain in full force and effect, regardless of any termination of this Agreement or any investigation made by or on behalf of the Company or the Initial Purchasers.

13. Compliance with USA Patriot Act. In accordance with the requirements of the USA Patriot Act (Title III of Pub. L. 107-56 (signed into law October 26, 2001)), the Initial Purchasers are required to obtain, verify and record information that identifies their respective clients, including the Company, which information may include the name and address of their respective clients, as well as other information that will allow the Initial Purchasers to properly identify their respective clients.

14. Certain Defined Terms. For purposes of this Agreement, (a) except where otherwise expressly provided, the term “affiliate” has the meaning set forth in Rule 405 under the Securities Act; (b) the term “Business Day” means any day other than a Saturday, a Sunday or a day on which banking institutions in New York, New York are authorized or required by law or executive order to remain closed; (c) the term “subsidiary” has the meaning set forth in Rule 405 under the Securities Act; and (d) the term “written communication” has the meaning set forth in Rule 405 under the Securities Act.

15. Initial Purchasers’ Information. The parties hereto acknowledge and agree that, for all purposes of this Agreement, the Initial Purchasers’ Information consists solely of the following information in the Time of Sale Information or the Final Offering Memorandum: the statements in the third paragraph, the fourth and fifth sentences of the thirteenth paragraph and the fifteenth paragraph under “Plan of Distribution” in the Final Offering Memorandum.

16. Miscellaneous. (a) *Authority of the Representatives*. Any action by the Initial Purchasers hereunder may be taken by the Representatives on behalf of the Initial Purchasers, and any such action taken by the Representatives shall be binding upon the Initial Purchasers.

(b) *Notices*. All notices and other communications hereunder shall be in writing and shall be deemed to have been duly given if mailed or transmitted and confirmed by any standard form of telecommunication. Notices to the Initial Purchasers shall be given to the Initial Purchasers c/o Citigroup Global Markets Inc., 388 Greenwich Street, New York, New York 10013, Attention: General Counsel and c/o J.P. Morgan Securities LLC, 383 Madison Avenue, New York, New York 10179, Attention: Richard Gabriel with a copy to Simpson Thacher & Bartlett LLP, 425 Lexington Avenue, New York, New York 10017; Attention: Risë Norman, Esq. (Fax: (212) 455-2502). Notices to the Company shall be given to it at SBA Communications Corporation, 8051 Congress Avenue, Boca Raton, Florida 33487; Attention: Jeffrey A. Stoops (fax: (561) 997-0343) and Attention: Thomas P. Hunt (fax: (561) 989-2941), with a copy to Greenberg Traurig

PA, 401 East Las Olas Boulevard Suite 2000, Fort Lauderdale, FL 33301; Attention: Kara L. MacCullough, Esq. (fax: (954) 765-1477).

(c) *Governing Law* . This Agreement and any claim, controversy or dispute relating to or arising out of this Agreement shall be governed by and construed in accordance with the law of the State of New York.

(d) *Counterparts* . This Agreement may be signed in counterparts (which may include counterparts delivered by any standard form of telecommunication), each of which shall be an original and all of which together shall constitute one and the same instrument.

(e) *Amendments or Waivers* . No amendment or waiver of any provision of this Agreement, nor any consent or approval to any departure therefrom, shall in any event be effective unless the same shall be in writing and signed by the parties hereto.

(f) *Headings* . The headings herein are included for convenience of reference only and are not intended to be part of, or to affect the meaning or interpretation of, this Agreement.

If the foregoing is in accordance with your understanding, please indicate your acceptance of this Agreement by signing in the space provided below.

Very truly yours,

SBA COMMUNICATIONS CORPORATION

By: /s/ Brendan Cavanagh

Name: Brendan Cavanagh

Title: Chief Financial Officer

[Signature Page to the Purchase Agreement]

Accepted as of the date first written above:

CITIGROUP GLOBAL MARKETS INC.

By: /s/ Scott Slavik

Name: Scott Slavik

Title: Director

J.P. MORGAN SECURITIES LLC

By: /s/ Varun Rastogi

Name: Varun Rastogi

Title: Executive Director

Acting severally on behalf of themselves
and as Representatives of the several
Initial Purchasers named on Schedule 1 hereto.

[Signature Page to the Purchase Agreement]

Initial Purchasers

<u>Initial Purchasers</u>	<u>Principal Amount of Securities</u>
Citigroup Global Markets Inc.	\$206,250,000
J.P. Morgan Securities LLC	206,250,000
Barclays Capital Inc.	67,500,000
Deutsche Bank Securities Inc.	67,500,000
Mizuho Securities USA LLC	67,500,000
TD Securities (USA) LLC	67,500,000
Wells Fargo Securities, LLC	67,500,000
Total	\$750,000,000

Subsidiaries Providing Good Standing Certificates

SBA Telecommunications, LLC

SBA Senior Finance LLC

SBA Senior Finance II LLC

SBA Guarantor LLC

SBA Holdings, LLC

SBA 2012 TC Assets, LLC

Brazil Shareholder I LLC

EMPLOYMENT AGREEMENT

THIS EMPLOYMENT AGREEMENT (the “Agreement”) between SBA COMMUNICATIONS CORPORATION, a Florida corporation (the “Company”) and JEFFREY A. STOOPS (the “Executive”) is made and entered into effective as of August 15 , 2017 (the “Effective Date”).

WITNESSETH:

WHEREAS, the Company and its subsidiaries (collectively, the “Company Group”) engage in the business of developing, leasing and maintaining wireless telecommunications tower sites and other related businesses;

WHEREAS, the Company and the Executive have previously entered into an Employment Agreement, dated October 30, 2014 , as amended (the “Prior Agreement”), that, by its terms, expires on December 31, 2017 ; and

WHEREAS, the Board of Directors of the Company (the “Board”) has determined that it is in the best interests of the Company and its stockholders to replace the Prior Agreement with this Agreement and to have this Agreement be effective as of the Effective Date.

NOW, THEREFORE, it is hereby agreed by and between the parties as follows:

1. **EMPLOYMENT.** The Company hereby agrees to employ the Executive and the Executive hereby agrees to be employed by the Company on the terms and conditions set forth herein.
 2. **TERM.** The term of employment of the Executive by the Company under this Agreement shall commence on the Effective Date and shall end December 31, 2020 (the “Initial Term”), unless sooner terminated as hereinafter provided or automatically extended in accordance with Section 7(a). All references herein to the “Term” shall refer to both the Initial Term and any automatic extension of the term that occurs in accordance with Section 7(a) during the Initial Term.
 3. **POSITION AND DUTIES.** The Executive shall serve as the president and chief executive officer of the Company and any other positions within the Company Group as determined from time to time by the Board. The Executive shall generally perform the duties of a president and chief executive officer for the Company and shall have such specific responsibilities, duties and authorities as shall from time to time be assigned by the Board. The Executive shall devote substantially all his working time and efforts to the business and affairs of the Company Group.
 4. **COMPENSATION AND RELATED MATTERS.**
 - (a) **Salary .** During the Term, the Executive shall be paid an annual salary at a rate of \$ 800 ,000 per annum, which amount may be increased but not decreased by the Board (the “Base Salary”). The Company shall pay the Base Salary in accordance with its regular payroll practices as in effect from time to time. Compensation of the Executive by payments of Base
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Salary shall not be deemed exclusive and shall not prevent the Executive from participating in any other compensation or benefit plan of the Company Group.

(b) **Bonus** . In addition to the Base Salary payable to the Executive hereunder, the Executive shall be entitled to receive a bonus (the “Bonus”) hereunder for each calendar year to the extent earned in accordance with performance targets, measurements and such other criteria as shall be established for such year by the Company on or before March 31st of such year. The target amount of the Bonus for 2017 shall be 150 % of the Base Salary for 2017 based on the Executive’s annual rate of Base Salary in effect as of the Effective Date. For each year after 2017 , the Compensation Committee of the Board (the “Compensation Committee”) shall set the target amount of the Bonus for that year at the time it establishes the performance goals and metrics for the year, and the target amount for any year during the Term after 2017 may be set by the Compensation Committee at greater or less than 150 % of the Base Salary in effect for the Executive for that year. The Bonus earned for a year shall be payable in accordance with the Company’s customary bonus payment practices, but in no event later than March 15th of the succeeding calendar year.

(c) **Expenses** . During the Term, the Executive shall be entitled to receive payment or reimbursement for all reasonable expenses incurred by the Executive in performing services hereunder, including all expenses of travel and living expenses while away from home on business or at the request of and in the service of the Company Group, cell phone expenses and dues and seminar fees; provided that such expenses are incurred and accounted for in accordance with the policies and procedures then established by the Company Group from time to time; provided further that the reimbursement of dues and seminar fees in any one calendar year shall not impact the amount of dues and seminar fees reimbursable in any other calendar year; provided further that reimbursement shall be made as soon as practicable after a request for reimbursement is received by the Company Group in accordance with the Company Group ’s customary expense reimbursement practices, but in no event later than the last day of the calendar year next following the calendar year in which the expense is incurred.

(d) **Other Benefits** . The Executive shall be entitled to participate in or receive benefits under any employee benefit plan or arrangement made available by the Company Group in the future to its executives and key management employees, subject to and on a basis consistent with the terms, conditions and overall administration of such plans and arrangements, which benefits shall include disability insurance for as long as the Company Group generally provides disability insurance to its officers. Any payments, bonuses or benefits payable to the Executive hereunder in respect of any calendar year during which the Executive is employed by the Company for less than the entire such year shall, unless otherwise provided in the applicable plan or arrangement, be prorated in accordance with the number of days in such calendar year during which the Executive is so employed.

(e) **Group or Family Medical Coverage** . During the Term, the Company shall provide group or family medical insurance coverage to the Executive and his dependents under a plan for employees of the Company Group and such plan shall include reasonable coverage for medical, hospital, surgical and major medical expenses and shall be subject to such deductibles as applicable to other Company Group employees.

5. WITHHOLDING. Both the Executive and the Company agree that all amounts paid pursuant to this Agreement shall be subject to all applicable federal, state, local and foreign withholding requirements.

6. TERMINATION. Subject to the provisions set forth in this Section 6, the Company shall have the right to terminate the Executive's employment hereunder, and the Executive shall have the right to resign his employment with the Company, at any time for any reason or for no stated reason. For purposes of this Agreement, the terms "terminate," "terminated," "termination" and "resignation" mean a termination of the Executive's employment that constitutes a Separation from Service (as defined in Section 6(e)(v) hereof).

(a) **General**. Upon a termination of the Executive's employment for any reason, he shall be entitled to receive the following amounts on the next regularly scheduled payroll date after the date of the Executive's termination of employment: (i) any accrued and unpaid Base Salary determined as of his date of termination, (ii) a cash payment (calculated on the basis of his Base Salary then in effect) for all unused vacation days which the Executive may have accrued as of his date of termination, and (iii) any unpaid reimbursement for business expenses the Executive is entitled to receive under Section 4(c) above.

(b) ***Termination for Cause; Resignation Without Good Reason***.

(i) If, prior to the expiration of the Term, the Executive's employment with the Company is terminated by the Company for Cause (as defined below) or if the Executive resigns without Good Reason (as defined below), he shall be entitled to the payments set forth in Section 6(a). Except to the extent required by the terms of any applicable compensation or benefit plan or program or otherwise required by applicable law, the Executive shall have no right under this Agreement or otherwise to receive any other compensation or to participate in any other plan, program or arrangement after such termination or resignation of employment with respect to the year of such termination or resignation and later years.

(ii) "Cause" means the occurrence of any of the following events: (A) the Executive's willful material violation of any law or regulation applicable to the business of the Company Group; (B) the Executive's conviction of, or plea of "no contest" to, a felony; (C) any willful perpetration by the Executive of an act involving moral turpitude or common law fraud whether or not related to his activities on behalf of the Company Group; (D) any act of gross negligence by the Executive in the performance of his duties as an employee of the Company; (E) any material violation by the Executive of the Company's Code of Conduct or Code of Ethics, as in effect from time to time; (F) the willful and continued failure or refusal of the Executive to satisfactorily perform the duties reasonably required of him by the Board; (G) the indictment for any crime, whether a felony or misdemeanor, involving the purchase or sale of any security, mail or wire fraud, theft, embezzlement, moral turpitude, or Company Group property where such indictment has a material adverse impact on the Executive's ability to perform his duties under this Agreement; (H) any willful misconduct by the Executive that is materially injurious to the financial condition, business, or reputation of, or is otherwise materially injurious to, any member of the

Company Group; or (I) any breach by the Executive of Section 9(a), (b), (c) or (d) of this Agreement.

(iii) Termination of the Executive's employment for Cause shall be communicated by delivery to the Executive of a written notice from the Board stating that the Executive will be terminated for Cause, specifying the particulars thereof and the effective date of such termination; provided, however, that upon receipt of such notice, the Executive shall have (A) an opportunity to cure the matter constituting Cause within thirty (30) days following the Executive's receipt of such notice (provided that the event constituting cause is susceptible to cure) and (B) an opportunity, together with his counsel, to be heard by the Board. The date of the Executive's termination for Cause shall be the date of termination specified by the resolution of the Board; ***provided, however***, that such termination shall not become effective until no earlier than the date of the meeting of the Board described in clause (B) of the preceding sentence.

(iv) The date of a resignation without Good Reason by the Executive shall be the date specified in a written notice of resignation to the Company. The Executive shall provide at least 30 days' advance written notice of resignation without Good Reason; provided, however, that the Company, in its sole discretion, may waive the notice requirement in whole or in part.

(c) ***Termination Without Cause; Resignation for Good Reason .***

(i) If, prior to the expiration of the Term, the Executive's employment with the Company is terminated by the Company without Cause or if the Executive resigns from his employment hereunder for Good Reason, then in addition to the amounts set forth in Section 6(a), the Executive shall be entitled to the following payments (collectively, the "Severance Payments"): (A) a pro rata portion of the Bonus for the year in which the termination or resignation occurs calculated by multiplying (x) the Bonus for the year of termination (based on the assumption that all performance targets have been or will be achieved) by (y) a fraction, the numerator of which is the number of days the Executive was employed during the year of termination and denominator of which is 365; and (B) a payment equal to the Applicable Multiple (as defined below) times the sum of (x) the Reference Salary, (y) the Reference Bonus and (z) the Reference Benefits Value (each as defined below). "Applicable Multiple" means (A) two, in the event the termination without Cause or resignation for Good Reason occurs prior to a Change in Control of the Company (as defined in Section 7(b)), and (B) three, in the event the termination without Cause or resignation for Good Reason occurs on or after a Change in Control of the Company; provided, however, that, if within six months prior to the date on which a Change in Control occurs, the Executive's employment with the Company is terminated by the Company without Cause or by the Executive for Good Reason and it is reasonably demonstrated that such termination of employment without Cause or Good Reason event was in contemplation of the Change in Control, then the Applicable Multiple shall be three, but the Severance Payments then payable shall be reduced by any Severance Payments previously paid to the Executive under this

Section 6(c) by the Company as a result of such termination or resignation of employment and any remaining portion of the Severance Payments shall be payable at the time contemplated by Section 6(c)(ii) or, if such date has already occurred, on the date of the Change in Control.

(ii) Subject to Section 6(e) hereof, the Severance Payments shall be payable in a lump sum on the first business day of the third calendar month following the calendar month in which the Executive's termination or resignation becomes effective in accordance with this Section 6(c).

(iii) Payment of the Severance Payments shall be contingent upon the Executive executing a full release and waiver of claims against the Company Group (which release and waiver of claims, once executed and irrevocable, shall not apply to the Company's obligation to make the Severance Payments hereunder), in a form approved by the Board, which becomes irrevocable not later than the last day of the second calendar month following the calendar month in which the Executive's termination or resignation becomes effective in accordance with this Section 6(c).

(iv) "Reference Benefits Value" means the greater of (1) \$33,560 and (2) the value of all medical, dental, health, life, and other fringe benefit plans and arrangements applicable to the Executive and his dependents for the year in which the termination occurs.

(v) "Reference Bonus" means the greater of (1) 75% of the Executive's target Bonus for the year in which the termination occurs and (2) 100% of the Executive's Bonus for the year immediately preceding the year in which the Executive's termination of employment occurred.

(vi) "Reference Salary" means the greater of (1) \$ 800 ,000 and (2) the Executive's annual rate of Base Salary for the year in which the termination occurs.

(vii) Resignation for "Good Reason" means the occurrence of any of the following events: (A) the Executive's position, title, duties, and reporting responsibilities with the Company in effect on the Effective Date become less favorable in any material respect; provided, however, Good Reason shall not be deemed to occur under this clause (A) if the following three conditions are satisfied: (1) the diminution in the Executive's position, duties or reporting responsibilities is solely and directly a result of the Company no longer being a publicly-traded entity; (2) the event resulting in the Company no longer being a publicly-traded entity is a leveraged buyout, acquisition by a private equity fund and/or other similar "going private" transaction and is not as a result of the acquisition of the Company or the business of the Company Group by another operating company or parent or subsidiary thereof; and (3) the Executive continues to hold the same position and title with the Company and no other act or omission has then occurred that would constitute an event of Good Reason under this definition; (B) a reduction in the Base Salary or material benefits as of the Effective Date, other than an across-the-board reduction applicable to all senior executive officers of the Company Group; or the

failure to maintain an annual cash Bonus arrangement for the Executive or to pay any earned Bonus when due , or (C) the relocation without the Executive's consent, of the Executive's principal place of business to a location that is more than sixty (60) miles from the Executive's primary business location on the Effective Date or, if applicable, from a subsequent preliminary business location agreed to by the Executive . In order to constitute Good Reason, (x) the Executive must provide written notification of his intention to resign within thirty (30) days after the Executive knows or has reason to know of the occurrence of any such event, and (y) such event or condition is not corrected, in all material respects, by the Company within twenty (20) days of its receipt of such notice , and (z) the Executive resigns his employment with the Company and the Company not more than thirty (30) days following the expiration of the 20-day period described in the foregoing clause (y). Notwithstanding the previous provisions of this Section 6(c)(vii), it shall not be an event of Good Reason under this Agreement for the Company (i) to adopt (or subsequently amend) one or more claw-back, mandatory deferral or other risk management policies related to the Company's incentive compensation plans or arrangements , including without limitation the Company's Executive Compensation Recoupment Policy, or (ii) to adopt (or subsequently amend) stock ownership guidelines related to the Company's common stock or (iii) to subject the compensation payable to the Executive under this Agreement to these policies or guidelines; provided that, except as otherwise required by law, such policies are generally applicable to the Company's executive officers.

(viii) The date of termination of employment without Cause shall be the date specified in a written notice of termination to the Executive. The date of resignation for Good Reason shall be the date specified in a written notice of resignation from the Executive to the Company; provided, however, that no such written notice shall be effective unless the cure period specified in Section 6(c)(vii) above has expired without the Company having corrected the event or events subject to cure.

(d) ***Disability; Death*** . If, as a result of the Executive's incapacity due to physical or mental illness (such incapacity being determined by the Company in its reasonable discretion), the Executive shall have been absent from his full-time duties as described hereunder for the entire period of six (6) consecutive months, the Executive's employment shall terminate at the end of the six (6) month period. Upon a termination pursuant to this Section 6(d) or as a result of the Executive's death, the Executive (or his estate, as applicable) shall be entitled to the benefits set forth in Section 6(a). Except to the extent required by the terms of any applicable compensation or benefit plan or program or otherwise required by applicable law, the Executive shall have no right under this Agreement or otherwise to receive any other compensation or to participate in any other plan, program or arrangement after such termination.

(e) ***Section 409A Compliance*** .

(i) If, at the time of the Executive's termination or resignation with the Company, the Executive is a Specified Employee (as defined below), then any amount payable under this Agreement that the Company determines constitutes deferred compensation within the meaning of Section 409A of the Code and that is subject to the six-month delay required by Treas. Reg. Section 1.409A-1(c)(3)(v),

shall be delayed and not paid to the Executive until the first business day following the six-month anniversary of the Executive's termination or resignation (the "Short-Term Deferral Date"), at which time such delayed amounts will be paid to the Executive in a cash lump sum (the "Catch-Up Amount").

(ii) If payment of an amount is delayed as a result of this Section 6(e), such amount shall be increased with interest from the date on which such amount would otherwise have been paid to the Executive but for this Section 6(e) to the day prior to the date the Catch-Up Amount is paid. The rate of interest shall be the applicable short-term federal rate applicable under Section 7872(f)(2)(A) of the Internal Revenue Code of 1986, as amended (the "Code") for the month in which the date of the Executive's termination or resignation occurs. Such interest shall be paid at the same time that the Catch-Up Amount is paid.

(iii) If the Executive dies on or after the date of the Executive's termination or resignation and prior to the Short-Term Deferral Date, any amount delayed pursuant to this Section 6(e) shall be paid to the Executive's estate or beneficiary, as applicable, together with interest, within 30 days following the date of the Executive's death.

(iv) "Specified Employee" has the meaning set forth in Section 409A(a)(2)(B)(i) of the Code. The determination of whether the Executive constitutes a Specified Employee on the date of his termination or resignation shall be made in accordance with the Company's established methodology for determining Specified Employees.

(v) "Separation from Service" means a "separation from service" from the Company within the meaning of the default rules under the final regulations issued pursuant to Section 409A of the Code.

(vi) The provisions of this Section 6(e) shall apply notwithstanding any provision of this Agreement related to the timing of payments following the Executive's termination or resignation. For purposes of applying the provisions of Section 409A of the Code to this Agreement, each separately identified amount to which the Executive is entitled under this Agreement shall be treated as a separate payment.

7. CHANGE IN CONTROL.

(a) The Term shall automatically be extended for three (3) years following the effective date of a Change in Control of the Company (as defined below) that occurs during the Initial Term.

(b) A "Change in Control" shall be deemed to have occurred when:

(i) any person is or becomes the "beneficial owner" (as defined) in Rule 13d-3 of the Exchange Act, directly or indirectly, of securities of the Company

representing thirty-five percent (35%) or more of the combined voting power of the Company's then-outstanding securities; or

(ii) during any 24-month period, individuals who, at the beginning of such period, constitute the Board (the "Incumbent Directors") cease for any reason to constitute a majority of the Board; provided, that any new director subsequent to the beginning of such period (other than a director whose initial assumption of office is in connection with an actual or threatened election contest, including, but not limited to, a consent solicitation, relating to the election of directors of the Company) whose appointment or election by the Board or nomination for election by the Company's shareholders was approved or recommended by a vote of a majority of the Incumbent Directors shall be an Incumbent Director; or

(iii) there is consummated a merger or consolidation of the Company, other than (A) a merger or consolidation which would result in the voting securities of the Company outstanding immediately prior to such merger or consolidation continuing to represent (either by remaining outstanding or by being converted into voting securities of the surviving entity or any parent thereof), in combination with the ownership of any trustee or other fiduciary holding securities under an employee benefit plan of the Company or any subsidiary, at least fifty percent (50%) of the combined voting power of the securities of the Company or such surviving entity or any parent thereof outstanding immediately after such merger or consolidation, or (B) a merger or consolidation effected to implement a recapitalization of the Company (or similar transaction) in which no person is or becomes the beneficial owner, directly or indirectly, of securities of the Company (not including in the securities beneficially owned by such person any securities acquired directly from the Company or its affiliates other than in connection with the securities acquired directly from the Company or its affiliates other than in connection with the acquisition by the Company or its affiliates of a business) representing fifty percent (50%) or more of the combined voting power of the Company's then-outstanding securities; or

(iv) the shareholders of the Company approve a plan of complete liquidation or dissolution of the Company or there is consummated an agreement for the sale or disposition by the Company of all or substantially all of the Company's assets, other than a sale or disposition by the Company of all or substantially all of the Company's assets to an entity, at least fifty percent (50%) of the combined voting power of the voting securities of which are owned by shareholders of the Company in substantially the same proportions as their ownership of the Company immediately prior to such sale.

8. REDUCTION OF PAYMENTS.

(a) In the event that it shall be determined that (X) any amount or benefit paid, distributed or otherwise provided to the Executive by the Company Group, whether pursuant to this Agreement or otherwise (collectively, the "Covered Payments"), would be subject to the excise tax imposed by Section 4999 of the Code (the "Excise Tax"), and (Y) the reduction of the amounts payable to the Executive under this Agreement or with respect to stock

options and equity awards to the maximum amount that could be paid to the Executive without giving rise to the Excise Tax (the “ Safe Harbor Cap ”) would provide the Executive with a greater after-tax amount than if such amounts were not reduced, then, subject to the further limitations set forth herein, the Covered Payments shall be reduced (but not below zero) to the Safe Harbor Cap. The reductions, if applicable, shall be made to the extent necessary in the following order: (i) the acceleration of vesting of stock options and other equity awards with an exercise price that exceeds the then fair market value of the stock subject to the award; (ii) the Severance Payments; and (iii) the acceleration of vesting of all other stock options and equity awards. For purposes of reducing the Covered Payments to the Safe Harbor Cap, only amounts payable under this Agreement and with respect to stock options and equity awards (and no other Covered Payments) shall be reduced. If the reduction would not result in a greater after-tax result to the Executive, no amounts payable under this Agreement or with respect to stock options and equity awards shall be reduced pursuant to this provision.

(b) A nationally recognized firm of independent accountants, selected by the Company after consultation with the Executive, shall perform the foregoing calculations. The Company shall bear all expenses with respect to the determinations by such accounting firm required to be made hereunder. Such accounting firm shall apply the provisions of this Section 8 in a reasonable manner and in good faith in accordance with then prevailing practices in the interpretation and application of Section 4999 of the Code. For purposes of applying the provisions of this Section 8, the Company shall be entitled to rely on the written advice of legal counsel or such accounting firm as to whether one or more Covered Payments constitute “parachute payments” under Section 4999 of the Code.

(c) The accounting firm engaged to make the determinations hereunder shall provide its calculations, together with detailed supporting documentation, to the Company and the Executive within 30 calendar days after the date that such accounting firm has been engaged to make such determinations or such other time as requested by the Company or the Executive. If payments are reduced to the Safe Harbor Cap or the accounting firm determines that no Excise Tax is payable by the Executive without a reduction in Covered Payments, it shall furnish the Company and the Executive with an opinion to such effect, that the Executive is not required to report any Excise Tax on the Executive’s federal income tax return, and that the failure to report the Excise Tax, if any, on the Executive’s applicable federal income tax return will not result in the imposition of a negligence or similar penalty. Any good faith determinations of the accounting firm made hereunder shall be final, binding, and conclusive upon the Company and the Executive.

9. PROTECTION OF THE COMPANY’S INTERESTS.

(a) ***No Competing Employment*** . For so long as the Executive is employed by the Company and during a period of two (2) years after his employment with the Company has been terminated (such period being referred to hereinafter as the “ Restricted Period ”), the Executive shall not, without the prior written consent of the Board, directly or indirectly, own an interest in, manage, operate, join, control, lend money or render financial or other assistance to or participate in or be connected with, as an officer, employee, partner, stockholder, consultant or otherwise, any individual, partnership, firm, corporation or other business organization or entity that competes with the business of the Company Group by providing any goods or services

provided or under development by the Company Group at the effective date of the Executive's termination of employment (the "Business"); provided, however, that this Section 9(a) shall not proscribe the Executive's ownership, either directly or indirectly, of less than one percent (1%) of any class of securities which are listed on a national securities exchange.

(b) ***No Interference*** . During the Restricted Period, the Executive shall not, directly or indirectly, whether for his own account or for the account of any other individual, partnership, firm, corporation or other business organization (other than the Company Group), (i) solicit, or endeavor to entice away from the Company Group, or otherwise interfere with the relationship of the Company Group with, any person or entity who is, or was within the then most recent twelve-month period, (A) employed by, or otherwise engaged to perform services for, the Company Group, or (B) a customer or client of the Company Group or (ii) assist or encourage any other person in carrying out, directly or indirectly, any activity that would be prohibited by the provisions of this Section 9(b) if such activity were carried out by the Executive, and, in particular, the Executive agrees that he will not, directly or indirectly, induce any employee of the Company Group to carry out any such activity, or (iii) otherwise interfere with the business of the Company Group.

(c) ***Non -Disparagement*** . During the Restricted Period and thereafter, the Executive shall not intentionally make any public statement, or publicly release any information, that disparages or defames the Company Group, or any of its officers and directors, and shall not intentionally cause or encourage any other person to make any such statement or publicly release any such information.

(d) ***Confidentiality*** . The Executive understands and acknowledges that in the course of his employment, he has had and will continue to have access to and will learn confidential information regarding the Company Group that concerns the technological innovations, operations and methodologies of the Company Group, including, without limitation, business plans, financial information, protocols, proposals, manuals, procedures and guidelines, computer source codes, programs, software, know-how and specifications, inventions, copyrights, trade secrets, market information, Developments (as hereinafter defined), data and customer information (collectively, "Proprietary Information"). The Executive recognizes that the use or disclosure of Proprietary Information could cause the Company Group substantial loss and damages which could not be readily calculated, and for which no remedy at law would be adequate. Accordingly, the Executive agrees that during the period beginning on the date hereof and continuing in perpetuity thereafter, he shall keep confidential and shall not directly or indirectly disclose any such Proprietary Information to any third party, except as required to fulfill his duties in connection with his positions within the Company Group, and shall not misuse, misappropriate or exploit such Proprietary Information in any way. The restrictions contained herein shall not apply to any information which the Executive can demonstrate (i) was already available to the public at the time of disclosure, or subsequently became available to the public, otherwise than by breach of this Agreement or (ii) was the subject of a court order to disclose.

"Developments" shall mean all data, discoveries, findings, reports, designs, inventions, improvements, methods, practices, techniques, developments, programs, concepts

and ideas, whether or not patentable, and works of authorship, relating to the present or planned activities, or the products and services of the Company Group .

(e) ***Exclusive Property*** . The Executive confirms that all Proprietary Information is and shall remain the exclusive property of the Company Group. All business records, papers and documents kept or made by him relating to the business of the Company Group shall be and remain the property of the Company Group. Upon the termination of the Executive's employment with the Company or upon the request of the Company at any time, he shall promptly deliver to the Company, and shall not without the consent of the Company retain copies of, any written materials not previously made available to the public, or records and documents made by the Executive or coming into his possession concerning the business or affairs of the Company Group; provided, however, that subsequent to any such termination, the Company shall provide the Executive with copies (the cost of which shall be borne by the Executive) of any documents which are requested by the Executive and which he has determined in good faith are (i) required to establish a defense to a claim that the Executive has not complied with his duties hereunder or (ii) necessary to the Executive in order to comply with applicable law.

(f) ***Assignment of Developments*** . During the Executive's employment, all Developments that are at any time made, reduced to practice, conceived or suggested by him, whether acting alone or in conjunction with others, shall be the sole and absolute property of the Company Group, free of any reserved or other rights of any kind on his part, and the Executive hereby irrevocably assigns, conveys and transfers any and all right, title and interest that he may have in such Developments to the Company Group. If such Developments were made, reduced to practice, conceived or suggested by the Executive during or as a result of his employment relationship with the Company, the Executive shall promptly make full disclosure of any such Developments to the Company and, at the Company's cost and expense, do all acts and things (including, among others, the execution and delivery under oath of patent and copyright applications and instruments of assignment) deemed by the Company to be necessary or desirable at any time in order to effect the full assignment to the Company Group, of his right and title, if any, to such Developments. The Executive acknowledges and agrees that any invention, concept, design or discovery that concretely relates to or is associated with the Executive's work for the Company Group that is described in a patent application or is disclosed to a third party directly or indirectly by the Executive during the Restricted Period shall be the property of and owned by the Company Group and such disclosure by patent application (except by way of a patent application filed by the Company Group) or otherwise shall constitute a breach of this Section 9.

(g) ***Injunctive Relief*** . Without intending to limit the remedies available to the Company Group, the Executive acknowledge that a breach of any of the covenants contained in this Section 9 may result in material irreparable injury to the Company Group for which there is no adequate remedy at law, that it will not be possible to measure damages for such injuries precisely and that, in the event of such a breach or threat thereof, the Company Group shall be entitled to obtain a temporary restraining order and/or a preliminary or permanent injunction restraining the Executive from engaging in activities prohibited by this Section 9 or such other relief as may be required to specifically enforce any of the covenants in this Section 9.

(h) **Enforceability** . Should any of the time periods or the geographic area set forth in this Section 9 be held to be unreasonable by any court of competent subject matter jurisdiction, the parties hereto agree to petition such court to reduce the time period or geographic area to the maximum permitted by governing law.

(i) **Periods Following the Term** . Subject to the provisions of Section s 9(a) and (b) , the provisions of this Section 9 shall continue in effect in accordance with the provisions hereof following the expiration of the Term, including, without limitation, during any period that the Executive remains an employee-at-will of the Company.

10. NOTICE. All notices, requests, consents and other communications required or permitted under this Agreement shall be in writing (including electronic transmission) and shall be (as elected by the person giving such notice) hand delivered by messenger or courier service, electronically transmitted, or mailed (airmail if international) by registered or certified mail (postage prepaid), return receipt requested, addressed to:

If to the Executive:

Jeffrey A. Stoops

(at the current address on the Company's official records)

If to the Company:

SBA COMMUNICATIONS CORPORATION

8051 Congress Avenue

Boca Raton, FL 33487 -1307

Attn: General Counsel

With a copy to:

NORTON ROSE FULBRIGHT US LLP

1301 Avenue of the Americas

New York, NY 1011 9

Attn: Marjorie M. Glover

or to such other address as any party may designate by notice complying with the provisions of this Section. Each such notice shall be deemed delivered (a) on the date delivered if by personal delivery; (b) on the date of transmission with confirmed answer back if by electronic transmission; and (c) on the date upon which the return receipt is signed or delivery is refused or the notice is designated by the postal authorities as not deliverable, as the case may be, if mailed.

11. AMENDMENTS. The provisions of this Agreement may not be amended, supplemented, waived or changed orally, but only by a writing signed by the party as to whom enforcement of any such amendment, supplement, waiver or modification is sought and making specific reference to this Agreement. Notwithstanding the preceding sentence, the Company may, without the Executive's consent, amend any provision of this Agreement to the extent it deems such action necessary or advisable to avoid the imposition on any person of additional taxes, penalties or interest under Section 409A of the Code, and any such amendment shall not be a basis for a resignation by the Executive for Good Reason; provided, however, that any such amendment or modification shall, to the maximum extent the Company, reasonably and in good

faith determines to be possible, retain the economic and tax benefits to the Executive hereunder while not materially increasing the cost to the Company of providing such benefits to the Executive. Any determinations of the Company pursuant to this Section 11 shall be final, conclusive and binding on all persons.

12. ASSIGNMENTS. No party shall assign his or its rights and/or obligations under this Agreement without the prior written consent of each other party to the Agreement. The Company will require a successor to all or substantially all of the business or assets of the Company to assume expressly and to agree to perform this Agreement in the same manner and to the same extent that the Company would be required to perform this Agreement if no such succession had taken place.

13. COUNTERPARTS. This Agreement may be executed in one or more counterparts, each of which shall be deemed an original, but all of which taken together shall constitute one and the same instrument. Confirmation of execution by electronic transmission of a facsimile signature page shall be binding upon any party so confirming.

14. ENFORCEMENT COSTS. If any civil action or other legal proceeding arising out of or related to this Agreement is brought for the enforcement of this Agreement, or because of an alleged dispute, breach, default or misrepresentation in connection with any provision of this Agreement, the successful or prevailing party or parties shall be entitled to recover reasonable attorneys' fees, sales and use taxes, court costs and all expenses even if not taxable as court costs (including, without limitation, all such fees, taxes, costs and expenses incident to arbitration, appellate, bankruptcy and post-judgment proceedings), incurred in that civil action or legal proceeding, in addition to any other relief to which such party or parties may be entitled. Attorneys' fees shall include, without limitation, paralegal fees, investigative fees, administrative costs, sales and use taxes and all other charges billed by attorney to the prevailing party.

15. EQUITABLE REMEDIES. The Executive acknowledges that the services to be rendered by the Executive hereunder are extraordinary and unique and are vital to the success of the Company Group, and that damages at law would be an inadequate remedy for any breach or threatened breach of this Agreement by the Executive. Therefore, in the event of a breach or threatened breach by the Executive of any provision of this Agreement, the Company shall be entitled, in addition to all other rights or remedies, to an injunction restraining such breach, without the Company being required to show any actual damage or to post an injunction bond.

16. PAYMENT OF AMOUNTS AND BENEFITS. Notwithstanding any other provision of this Agreement to the contrary, payment of any amount or benefit under this Agreement may be paid, distributed or otherwise provided to the Executive by a member of the Company Group.

17. GOVERNING LAW. This Agreement and all transactions contemplated by this Agreement shall be governed by, and construed and enforced in accordance with, the laws of the State of Florida applicable to contracts executed and performed entirely in such state.

18. JURISDICTION AND VENUE. The parties acknowledge that a substantial portion of the negotiations, anticipated performance and execution of this Agreement occurred or

shall occur in Palm Beach County, Florida. Any civil action or legal proceeding arising out of or relating to this Agreement shall be brought in the courts of record of the State of Florida in Palm Beach County or the United States District Court, Southern District of Florida, West Palm Beach Division. Each party consents to the jurisdiction of such court in any such civil action or legal proceeding and waives any objection to the laying of venue of any such civil action or legal proceeding in such court. Service of any court paper may be effected on such party by mail, as provided in this Agreement, or in such other manner as may be provided under applicable laws, rules of procedure or local rules.

19. SEVERABILITY. If any provision of this Agreement or any other agreement entered into pursuant hereto is contrary to, prohibited by or deemed invalid under applicable law or regulation, such provision shall be inapplicable and deemed omitted to the extent so contrary, prohibited or invalid, but the remainder hereof shall not be invalidated thereby and shall be given full force and effect so far as possible. If any provision of this Agreement may be construed in two or more ways, one of which would render the provision invalid or otherwise voidable or unenforceable and another of which would render the provision valid and enforceable, such provision shall have the meaning which renders it valid and enforceable.

20. ENTIRE AGREEMENT. This Agreement represents the entire understanding and agreement between the parties with respect to the subject matter hereof, and supersedes all other negotiations, understandings and representations (if any) made by and between such parties, except for the Company's Executive Compensation Recoupment Policy and any and all Acknowledgements and Agreements to such policy executed by the Executive. As of the Effective Date, this Agreement supersedes and replaces the Prior Agreement.

IN WITNESS WHEREOF, the parties have executed this Agreement as of the date and year first above written.

SBA COMMUNICATIONS CORPORATION

By: /s/ Thomas P. Hunt
Thomas P. Hunt, Senior Vice President

and

By: /s/ Steven E. Bernstein
Steven E. Bernstein, Chairman of the Board
of SBA Communications Corporation

/s/ Jeffrey A. Stoops
JEFFREY A. STOOPS

CERTIFICATION

I, Jeffrey A. Stoops, Chief Executive Officer, certify that:

1. I have reviewed this quarterly report on Form 10-Q of SBA Communications Corporation;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
 - a. Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
 - b. Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes, in accordance with generally accepted accounting principles;
 - c. Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
 - d. Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):
 - a. All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
 - b. Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: November 7, 2017

By: /s/ Jeffrey A. Stoops
Name: Jeffrey A. Stoops
Title: Chief Executive Officer

CERTIFICATION

I, Brendan T. Cavanagh, Chief Financial Officer, certify that:

1. I have reviewed this quarterly report on Form 10-Q of SBA Communications Corporation;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
 - a. Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
 - b. Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes, in accordance with generally accepted accounting principles;
 - c. Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
 - d. Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):
 - a. All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
 - b. Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: November 7, 2017

By: /s/ Brendan T. Cavanagh
Name: Brendan T. Cavanagh
Title: Chief Financial Officer

Certification Required by 18 U.S.C. Section 1350

(as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002)

In connection with the Quarterly Report of SBA Communications Corporation (the "Company"), on Form 10-Q for the period ended September 30, 2017, as filed with the Securities and Exchange Commission on the date hereof (the "Report"), I, Jeffrey A. Stoops, Chief Executive Officer of the Company, certify, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act, that to the best of my knowledge:

1. The Report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934, as amended, and

2. The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

Date: November 7, 2017

/s/ Jeffrey A. Stoops

Jeffrey A. Stoops

Chief Executive Officer

Certification Required by 18 U.S.C. Section 1350

(as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002)

In connection with the Quarterly Report of SBA Communications Corporation (the "Company"), on Form 10-Q for the period ended September 30, 2017, as filed with the Securities and Exchange Commission on the date hereof (the "Report"), I, Brendan T. Cavanagh, Chief Financial Officer of the Company, certify, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act, that to the best of my knowledge:

1. The Report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934, as amended, and
2. The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

Date: November 7, 2017

/s/ Brendan T. Cavanagh

Brendan T. Cavanagh

Chief Financial Officer
