



**FOR IMMEDIATE RELEASE**  
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**Rancho Santa Fe Association and Hotwire Communications Sign Deal to Make the Covenant of Rancho Santa Fe Among the World's Most Connected Communities with 10 Gigabit Ready Community-Owned Fiber Network**

**(Rancho Santa Fe, CA)** – Today, the Rancho Santa Fe Association (“RSFA”) is proud to announce it has executed a comprehensive Letter of Intent with Hotwire Communications to build and service a community-owned fiber-to-the-home network with the fastest and most innovative technology available in the world today. This announcement comes after a thorough process of outreach, due diligence, and negotiation.

The Rancho Santa Fe Covenant, known for its beautiful rural landscapes, is home to some of the country’s most prominent names in technological innovation. However, because of its low-density and topographic hurdles, it is also a community suffering from some of the worst Internet connectivity in the country. That is about to change – dramatically.

More than 10 proposals were submitted to RSFA in response to its request for qualifications and proposals issued in late 2015. Ultimately, RSFA chose Hotwire Communications on the basis that its combination of technology, services, track-record and commercial terms provides the best partnership for RSFA as it moves forward to make the Rancho Santa Fe Covenant the most connected community in America.

When completed, the project will offer residents and businesses blazing fast Internet, with standard Gigabit and up to 10 Gigabit Internet service at competitive rates. This will improve the quality of life in the Covenant, and indirectly benefit to home values and the attractiveness of the Covenant to businesses. RSFA chose to pursue a community-owned advanced fiber-optic network structured to fit the community’s unique features and needs. The benefits of this approach include revenue sharing between RSFA and Hotwire Communications to provide a source of repayment for RSFA funds committed to support the construction of the network, enabling 100% of the Covenant’s residents and businesses to connect to the network and access Gigabit and 10 Gigabit Internet services, ensuring leading edge quality and performance levels are met at all times and maintaining control over cost of services in the future.

“When I visited the Fiber-to-the-Home convention in Austin Texas in 2014, I was excited about the potential for solving Rancho Santa Fe’s Internet woes,” said Rancho Santa Fe Association member John Ryan. “Now, having seen the product of comprehensive due diligence by the Rancho Santa Fe technology

committee, I can't tell you how proud I am of the job they did to negotiate a deal that serves not only our community, but as a model for others."

Rancho Santa Fe's due diligence began less than two years ago, when four residents privately funded a feasibility study. The results of that study were handed over to the Rancho Santa Fe Board and its technology committee. Board members Philip Wilkinson, Kim Eggleston, and Mike Licosati, along with acting General Manager Don May, negotiated the deal with the legal assistance of San Diego-based Peace & Shea LLP and technical assistance of Magellan Advisors.

"When we started the process, we reached out to several major providers. They wanted us to hand them millions of dollars to upgrade their own infrastructure in our community, with only marginal improvement in service," said Ann Boon, President of the RSF Association. "What we did was complex, yet simple at the same time. We negotiated from a simple premise: if we are funding it, and our members are going to be paying for the service, we ought to own it ourselves. In that regard, we demanded transparency from our potential partners, including an accounting for every dollar in and out. Some providers weren't willing to offer this level of transparency. Hotwire Communications did,"

"The difficulty with low-density communities is that there aren't enough customers for the major providers to make the kinds of returns they are looking for to justify an investment in the cost of the infrastructure. I'm proud to be a part of a deal that will bring my company to the West Coast, for a community that understands the long-term benefits of investing in themselves," stated Kristin Karp, President of Hotwire Communications.

Rancho Santa Fe Association members who participate in an early signup program can expect to pay promotional rates of about \$129/month for 1GB Internet service and \$299/month for a 10GB option and a one-time network connection fee of about \$525 for 1GB Internet service and \$2,000 for 10GB Internet service.

And members will not see an increase in their RSFA dues.

Visit <http://RSFCommunications.com> for more information.

#### **ABOUT HOTWIRE COMMUNICATIONS:**

Hotwire Communications has been a leader in providing Gigabit connectivity and streaming video solutions to multi-family and multi-tenant communities for over a decade. Hotwire has been at the forefront of the Gigabit revolution, installing fiber optic networks and delivering 10 Gbps connectivity through Our Fision™ Home, Work, Stay and U market services. We've created a unique infrastructure providing speeds over 100 times faster than the average US broadband connection, ensuring that Hotwire communities are capable of home automation, 4K video streaming and all that the future will offer. To learn more, please visit: <http://hotwirecommunications.com/>

#### **ABOUT MAGELLAN ADVISORS:**

Magellan provides comprehensive broadband, smart city and utility consulting services to create the most connected and competitive communities nationwide. We serve a range of public and private sector

organizations, including local governments, public utilities, homeowner's associations and private operators. Through our projects, over \$1 billion in fiber-based investments have been made nationwide, passing more than 1 million homes and connecting more than 1,000 community anchors with gigabit broadband capabilities.

Our professionals bring years of experience from the broadband, telecom, information technology and government sectors. We are thought leaders and "hands on" developers in broadband and smart city technologies; planning and building advanced networks that keep communities competitive in the digital world. Learn more by visiting [www.magellan-advisors.com](http://www.magellan-advisors.com) to find out how we create smart gigabit communities.

**ABOUT PEACE & SHEA LLP:**

Peace & Shea ([www.peaceshea.com](http://www.peaceshea.com)) represents developers, government entities and lenders in project development and finance transactions involving a variety of technology, energy, infrastructure and real-estate development projects, both domestically and internationally. This includes substantial experience in highly regulated industries.

Our attorneys have a proven track record of helping clients manage complex projects by delivering the highest quality advice without over-complication. As a boutique San Diego based firm we are proud to support the Rancho Santa Fe Association on this important community project.

**ABOUT THE RANCHO SANTA FE ASSOCIATION & TECHNOLOGY COMMITTEE:**

The Rancho Santa Fe Association manages the community of Rancho Santa Fe. The Association was incorporated in July of 1927 as a California nonprofit corporation for the purpose of managing the planned community of Rancho Santa Fe. Today it is one of the most exclusive, beautiful and desired rural communities in the country. The Rancho Santa Fe Association Technology committee is an ad hoc committee of the Rancho Santa Fe Association Board. Board Directors Philip Wilkinson, Mike Licosati, and Kim Eggleston, along with community representatives Alex Kaiser, Charlie Christ, Rob Strickland, and John Ryan oversaw due diligence and negotiations on behalf of the community.

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