

SBA COMMUNICATIONS CORP  
Form S-4  
April 13, 2005  
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As filed with the Securities and Exchange Commission on April 13, 2005

Registration No. 333-

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**UNITED STATES**  
**SECURITIES AND EXCHANGE COMMISSION**  
**WASHINGTON, D.C. 20549**  
**FORM S-4**  
**REGISTRATION STATEMENT**  
***UNDER THE SECURITIES ACT OF 1933***  
**SBA COMMUNICATIONS CORPORATION**

(Exact Name of Registrant as Specified in Its Charter)

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**Florida**  
(State or Other Jurisdiction  
of Incorporation or Organization)

**1700**  
(Primary Standard Industrial  
Classification Code Number)

**65-0716501**  
(I.R.S. Employer  
Identification Number)

**5900 Broken Sound Parkway NW**

**Boca Raton, FL 33487**

**Phone: (561) 995-7670**

**Fax: (561) 998-3448**

(Address, Including Zip Code, and Telephone Number, Including Area Code, of Registrant's Principal Executive Offices)

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**Jeffrey A. Stoops, President and Chief Executive Officer**

**5900 Broken Sound Parkway NW**

**Boca Raton, FL 33487**

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Phone: (561) 995-7670 / Fax: (561) 998-3448

(Name, Address, Including Zip Code, and Telephone Number, Including Area Code, of Agent For Service)

*Copy To:*

**Kara L. MacCullough, Esq.**

**Akerman Senterfitt**

**One S.E. Third Avenue, 28th Floor**

**Miami, Florida 33131**

**Phone: (305) 374-5600 / Fax: (305) 374-5095**

**Approximate date of commencement of proposed sale of the securities to the public:** as soon as practicable after the effective date of this registration statement.

If the securities being registered on this form are being offered in connection with the formation of a holding company and there is compliance with General Instruction G, check the following box: "

If this form is filed to register additional securities for an offering pursuant to Rule 462(b) under the Securities Act, check the following box and list the Securities Act registration statement number of the earlier effective registration statement for the same offering. "

If this form is a post-effective amendment filed pursuant to Rule 462(d) under the Securities Act, check the following box and list the Securities Act registration statement number of the earlier effective registration statement for the same offering. "

**Calculation of Registration Fee**

<b>Title Of Each Class Of Securities To Be Registered</b>	<b>Amount To Be Registered</b>	<b>Proposed Maximum Offering Price Per Unit(1)</b>	<b>Proposed Maximum Aggregate Offering Price(1)</b>	<b>Amount Of Registration Fee</b>
8 1/2% Senior Notes Due 2012	\$ 250,000,000	100%	\$ 250,000,000	\$ 29,425

(1) Estimated solely for the purpose of calculating the registration fee pursuant to Rule 457(f) under the Securities Act of 1933 as the market value of the securities to be cancelled in the exchange.

**The registrant hereby amends this registration statement on such date or dates as may be necessary to delay its effective date until the registrant shall file a further amendment which specifically states that this registration statement shall thereafter become effective in accordance with Section 8(a) of the Securities Act of 1933 or until the registration statement shall become effective on such date as the Commission, acting pursuant to said Section 8(a), may determine.**



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**The information in this prospectus is not complete and may be changed. We may not sell these securities until the registration statement filed with the Securities and Exchange Commission is effective. This prospectus is not an offer to sell these securities and it is not soliciting an offer to buy these securities in any state where the offer or sale is not permitted.**

**Subject to Completion, Dated April 13, 2005**

**PROSPECTUS**

**SBA Communications Corporation**

**Exchange Offer for \$250,000,000 8 1/2% Senior Notes due 2012**

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**Exchange Offer**

We will exchange new notes that are registered under the Securities Act for old notes that were sold on December 14, 2004. All old notes that are validly tendered and not validly withdrawn will be exchanged. We will receive no proceeds from the exchange offer.

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**Exchange Offer Expiration**

The exchange offer will expire on the earlier of 5:00 p.m., New York City time on [21 business days after commencement of offer] or a later date and time to which it may be extended.

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**New Notes**

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Identical to the old notes except that the new notes will be registered under the Securities Act. The new notes are expected to trade in the private offerings, resales and trading through automatic linkages market referred to as the PORTAL Market.

Maturity: December 1, 2012.

Change of Control: You can require us to purchase all or part of your notes at 101% of the aggregate principal amount plus accrued and unpaid interest and additional interest, if any, to the date of purchase.

Yield and Interest Payment Dates: Interest on the notes will accrue at a rate of 8 1/2% per annum and will be payable semi-annually on June 1 and December 1 of each year, beginning on June 1, 2005.

Redemption: We may redeem all or part of the notes on or after December 1, 2008. Prior to December 1, 2008, we may redeem all or part of the notes at a redemption price equal to 100% of the principal amount of the notes to be redeemed plus (1) the applicable premium, (2) accrued and unpaid interest, and (3) additional interest, if any, to the redemption date. Prior to December 1, 2007, we may redeem up to 35% of the aggregate principal amount of the notes from the proceeds of certain sales of equity securities. Redemption prices are specified in this prospectus under Description of the Notes Optional Redemption.

Ranking: The notes will be our general unsecured obligations and will not be guaranteed by any of our subsidiaries. The notes will rank *pari passu* in right of payment to our existing and future senior indebtedness, senior in right of payment to our future subordinated indebtedness, if any, effectively junior in right of payment to all of our future secured indebtedness, and structurally junior in right of payment to all existing and future indebtedness and other liabilities of our subsidiaries, including the 9 3/4% senior discount notes due 2011 that we co-issued with SBA Telecommunications, Inc., and SBA Senior Finance, Inc. s obligations under the senior credit facility.

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**Investment in the notes to be issued in the exchange offer involves risks. See the risk factors section beginning on page 15.**

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This prospectus and the accompanying letter of transmittal are first being mailed to holders of outstanding notes on or about \_\_\_\_\_, 2005.

**Neither the Securities and Exchange Commission (the Commission ) nor any state securities commission has approved or disapproved of the notes or passed upon the adequacy or accuracy of this prospectus. Any representation to the contrary is a criminal offense.**

The date of this prospectus is \_\_\_\_\_, 2005.

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This prospectus incorporates important business and financial information about us that is not included in or delivered with this prospectus. We will provide you with copies of this information, without charge, upon written or oral request to:

SBA Communications Corporation

5900 Broken Sound Parkway N.W.

Boca Raton, Florida 33487

Attention: Investor Relations

Phone: (561) 995-7670

Fax: (561) 998-3448

In order to receive timely delivery of this information, you should make your request no later than \_\_\_\_\_, 2005, which is five business days before the expiration date of the exchange offer. For a more detailed discussion about the information about us that is incorporated by reference into this prospectus, see Where You Can Find More Information; Incorporation by Reference

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**PROSPECTUS SUMMARY**

*This summary highlights selected information about us. In addition to reading this summary, you should carefully review the entire prospectus, including the Risk Factors section of this document beginning on page 15, our consolidated financial statements and related notes incorporated by reference herein.*

In this prospectus, other than in Description of the Notes and Description of Other Indebtedness, the terms SBA, SBA Communications, the Company, our company, we, our and us refer collectively to SBA Communications Corporation and its subsidiaries on a consolidated basis. term Telecommunications refers to SBA Telecommunications, Inc. The term SBA Senior Finance refers to SBA Senior Finance, Inc.

**Our Company**

We are a leading independent owner and operator of wireless communications towers in the Eastern third of the United States. We generate revenues from our two businesses, site leasing and site development. In our site leasing business, we lease antenna space to wireless service providers on towers and other structures that we own, manage or lease from others. The towers that we own have been constructed by us at the request of a carrier, built or constructed based on our own initiative or acquired. As of December 31, 2004, we owned 3,060 towers in continuing operations, approximately 60% of which we have built ourselves. In our site development business, we offer wireless service providers assistance in developing and maintaining their own wireless service networks. Since our founding in 1989, we have participated in the development of more than 25,000 antenna sites in 49 of the 51 major wireless markets in the United States.

**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. Our site leasing business generates substantially all of our gross profit. Our activities are focused in the Eastern third of the United States where substantially all of our towers are located. We believe that over the long term our 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 network coverage requirements. We lease antenna space on the towers we have constructed, the towers we have acquired, and the towers we lease, sublease and/or manage for third parties. Our site leasing revenue comes from a variety of wireless carrier tenants, including ALLTEL, Cingular, Nextel, Sprint PCS, T-Mobile and Verizon Wireless, and we believe our current tower portfolio positions us to take advantage of wireless carriers antenna and equipment deployment. We believe our site leasing business is characterized by stable and long-term recurring revenues, predictable operating costs and minimal capital expenditures. Due to the relatively young age and mix of our tower portfolio, we expect future expenditures required to maintain these towers will be minimal. Consequently, we expect to grow our cash flows by adding tenants to our towers at minimal incremental costs by using existing tower capacity or requiring carriers to bear all or a portion of the cost of tower modifications. Because our towers are strategically positioned and our customers typically do not re-locate, we have historically experienced low customer churn as a percentage of revenue. Our lease contracts typically have terms of five years or more with multiple term tenant renewal options and provide for annual rent escalators.

During 2004 we announced our intention to re-commence, on a limited basis, our new build program. The towers under our new build program will be constructed either under build-to-suit arrangements or in locations chosen by us. Under our build-to-suit arrangements, we will build towers for a wireless service provider on a location of their direction. We retain ownership of the tower and the exclusive right to co-locate additional tenants on the tower. In addition, we intend on building towers on locations chosen by us. Based on our knowledge of our customers needs, we seek to identify attractive locations for new towers and complete pre-construction procedures necessary to secure the site concurrently

with our leasing efforts. Our intent is that each



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of our new builds will have at least one tenant on the day that it is completed and we expect that many will have multiple tenants. We expect to build a total of 50 to 75 new towers during 2005.

The table below provides information regarding the development and status of our tower portfolio over the past five years.

	As of December 31,				
	2000	2001	2002	2003	2004
Towers owned at beginning of period	1,163	2,390	3,734	3,877	3,093
Tower constructed	779	667	141	13	10
Towers acquired	448	677	53		5
Towers reclassified/disposed of(1)			(51)	(797)	(42)
<b>Towers owned at end of period</b>	<b>2,390</b>	<b>3,734</b>	<b>3,877</b>	<b>3,093</b>	<b>3,066</b>
Towers held for sale at end of period	552	815	837	47	6
Towers in continuing operations at end of period	1,838	2,919	3,040	3,046	3,060
<b>Towers owned at end of period</b>	<b>2,390</b>	<b>3,734</b>	<b>3,877</b>	<b>3,093</b>	<b>3,066</b>

- (1) Reclassifications reflect the combination for reporting purposes of multiple acquired tower structures on a single parcel of real estate, which we market and customers view as a single location, into a single owned tower site. Dispositions reflect the sale, conveyance or other legal transfer of owned tower sites.

As of December 31, 2004, we had 7,257 tenants on our 3,060 towers included in continuing operations.

At December 31, 2004, our same tower revenue growth (defined as year over year growth on towers owned at December 31, 2003 that were still owned by us at December 31, 2004) was 14% and our same tower site leasing gross profit growth was 20% on the 3,053 towers we owned as of December 31, 2003 and December 31, 2004 in continuing operations.

The following chart includes details regarding our site leasing revenue and gross profit percentage:

	For the year ended December 31,		
	2002	2003	2004
	(dollars in thousands)		
Site leasing revenue	\$ 115,121	\$ 127,852	\$ 144,004
Percentage of total revenue	53.7%	66.6%	62.2%
Site leasing gross profit percentage contribution of total	79.4%	93.5%	94.1%

To help maximize the revenue and profit we earn from our capital investment in our towers, we provide services at our tower locations beyond the leasing of antenna space. The services we provide, or may provide in the future, include generator provisioning, antenna installation, equipment installation, maintenance, and backhaul, which is the transport of the wireless signals transmitted or received by an antenna to a carrier's network. Some of these services are part of our site leasing services (e.g., the generator provisioning) and are recurring in nature, and are contracted for by a wireless carrier or other user in a manner similar to the way they lease antenna space.

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### **Site Development Services**

Our site development business consists of two segments, site development consulting and site development construction, through which we provide wireless service providers a full range of end-to-end services. In the consulting segment of our site development business, we offer clients the following services: (1) network pre-design; (2) site audits; (3) identification of potential locations for towers and antennas; (4) support in buying or leasing of the location; and (5) assistance in obtaining zoning approvals and permits. In the construction segment of our site development business we provide a number of services, including, but not limited to the following: (1) tower and related site construction; (2) antenna installation; and (3) radio equipment installation, commissioning and maintenance. During 2004, we completed our previously announced plan to exit the services business in the Western portion of the United States based on our determination that this business was no longer beneficial to our site leasing business. Consequently, our services business is focused in the Northeast and Southeast regions of the U.S. In these regions we are involved in major projects with most of the major wireless communications and services companies. Our site development customers include Bechtel Corporation, Cingular, General Dynamics, Nextel, Sprint PCS, T-Mobile and Verizon Wireless.

### **Business Strategy**

Our primary strategy is to capture the maximum benefits from our position as a leading owner and operator of wireless communications towers. Key elements of our strategy include:

*Focusing on Site Leasing Business with Stable, Recurring Revenues.* We intend to continue to focus on and allocate substantially all of our capital resources to expanding our site leasing business due to its attractive characteristics such as long-term contracts, built-in rent escalators, high operating margins and low customer churn. The long-term nature of the revenue stream of our site leasing business makes it less volatile than our site development business, which is more reactive to changes in industry conditions. By focusing on our site leasing business, we believe that we can maintain a stable, recurring cash flow stream and reduce our exposure to cyclical changes in customer spending.

*Maximizing Use of Tower Capacity.* We generally have constructed our towers to accommodate multiple tenants and a substantial majority of our towers are high capacity lattice or guyed towers. Most of our towers have significant capacity available for additional antennas and we believe that increased use of our towers can be achieved at a low incremental cost. We actively market space on our towers through our internal sales force.

*Geographically Focusing our Tower Ownership.* We have decided to focus our tower ownership geographically in the Eastern third of the United States. We believe that focusing our site leasing activities in this smaller geographic area, where we have a higher concentration of towers, will improve our operating efficiencies and reduce our overhead expenses and procure higher revenue per tower.

*Disciplined Capital Expenditures While Reducing our Leverage.* Over the last two years, we have successfully reduced our leverage and implemented a disciplined level of capital expenditures. While we plan on selectively investing in new tower builds and/or tower acquisitions that we believe present good business opportunities, we intend that these investments will be consistent with our commitment to proactively manage our level of capital expenditures and reduce our leverage below current levels.

*Using our Local Presence to Build Strong Relationships with Major Wireless Service Providers.* Given the nature of towers as location specific communications facilities, we believe that substantially all of what we do is best done locally. Consequently, we have a broad field organization

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that allows us to develop and capitalize on our experience, expertise and relationships in each of our local markets, which in turn enhances our customer relationships. Due to our presence in local markets, we believe we are well positioned to capture additional site leasing business and new tower build opportunities in our markets and identify and participate in site development projects across our markets.

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*Capturing Other Revenues That Flow From our Tower Ownership.* To help maximize the revenue and profit we earn from capital investment in our towers, we provide services at our tower locations beyond the leasing of antenna space, including antenna installation and equipment installation. Because of our ownership of the tower, our control of the tower site and experience and capabilities in providing installation services, we believe that we are well positioned to perform more of these services and capture the related revenue.

*Capitalizing on our Management Experience.* Our management team has extensive experience in site leasing and site development services. Management believes that its industry expertise and strong relationships with wireless carriers will allow us to expand our position as a leading provider of site leasing and site development services.

**Principal Executive Offices**

Our principal executive offices are located at 5900 Broken Sound Parkway NW, Boca Raton, Florida 33487. Our telephone number is (561) 995-7670. Our website address is [www.sbsite.com](http://www.sbsite.com). The information on our website does not constitute part of this prospectus.

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**The Exchange Offer**

Securities Offered	\$250.0 million in aggregate principal amount of 8 1/2% senior notes due 2012. The terms of the new notes and the old notes are identical except for the transfer and registration rights.
Issuer	SBA Communications Corporation.
Issue Date	December 14, 2004.
Maturity Date	December 1, 2012.
Issuance of Old Notes	\$250.0 million in aggregate principal amount of 8 1/2% senior notes due 2012 were issued on December 14, 2004 to Lehman Brothers Inc., Deutsche Bank Securities Inc., Friedman, Billings, Ramsey & Co., Inc., Raymond James & Associates, Inc., RBC Capital Markets Corporation and TD Securities (USA) LLC, which placed the old notes with qualified institutional buyers in reliance on Rule 144A and to buyers outside the United States in reliance on Regulation S under the Securities Act.
The Exchange Offer	We are offering to exchange \$1,000 principal amount of new notes for each \$1,000 principal amount of old notes. Old notes may only be exchanged in \$1,000 principal amount increments. There is \$250.0 million in aggregate principal amount of old notes outstanding.
Conditions to the Exchange Offer	The exchange offer is not conditioned upon any minimum principal amount of old notes being tendered for exchange. However, the exchange offer is subject to customary conditions, which may be waived by us. See The Exchange Offer Conditions to the Exchange Offer.
Procedures For Tendering	If you wish to tender your old notes in the exchange offer, you must complete and sign the letter of transmittal for the notes according to the instructions contained in this prospectus. You must then mail, fax or hand deliver the letter of transmittal, together with any other required documents, to the exchange agent, either with the old notes to be tendered or in compliance with the specified procedures for guaranteed delivery of old notes. You should allow sufficient time to ensure timely delivery. Some brokers, dealers, commercial banks, trust companies and other nominees may also effect tenders by book-entry transfer. If you own old notes registered in the name of a broker, dealer, commercial bank, trust company or other nominee, you are urged to contact that person promptly if you wish to tender old notes in the exchange offer. Letters of transmittal and certificates representing the old notes should not be sent to us. These documents should be sent only to the exchange agent. Questions regarding how to tender and requests for information should also be directed to the exchange agent. If you hold old notes through The Depository Trust Company and wish to accept the exchange offer, you must do so pursuant to the book-entry transfer facility's procedures for book entry transfer (or other applicable procedures), contained in this prospectus and the letter of transmittal. See The Exchange Offer Procedures for Tendering Old Notes.

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Expiration Date; Withdrawal	The exchange offer will expire on the earlier of 5:00 p.m., New York City time on [21 business days after commencement of offer] or a later date and time to which it may be extended. We will accept for exchange any and all old notes that are validly tendered in the exchange offer prior to 5:00 p.m., New York City time, on the expiration date. The tender of old notes may be withdrawn at any time prior to the earlier of the expiration date or the date when all old notes have been tendered. Any old note not accepted for exchange for any reason will be returned without expense to the tendering holder as promptly as practicable after the expiration or termination of the exchange offer. The new notes issued in the exchange offer will be delivered promptly following the expiration date. See The Exchange Offer Terms of the Exchange Offer; Period for Tendering Old Notes and Withdrawals of Tenders.
Guaranteed Delivery Procedures	If you wish to tender your old notes and (1) your old notes are not immediately available or (2) you cannot deliver your old notes together with the letter of transmittal to the exchange agent prior to the expiration date, you may tender your old notes according to the guaranteed delivery procedures contained in the letter of transmittal. See The Exchange Offer Procedures for Tendering Old Notes Guaranteed Delivery Procedures.
Tax Considerations	For U.S. federal income tax purposes, the exchange of old notes for new notes should not be considered a sale or exchange or otherwise a taxable event to the holders of notes.
Use of Proceeds.	We will receive no proceeds from the exchange offer.
Appraisal Rights	Holders of old notes will not have dissenters' rights or appraisal rights in connection with the exchange offer.
Exchange Agent	U.S. Bank National Association is serving as exchange agent in connection with the exchange offer for the notes.
Resales of New Notes	Based on an interpretation by the Commission set forth in no-action letters issued to third parties, we believe that you may resell or otherwise transfer new notes issued in the exchange offer in exchange for old notes without restrictions under the federal securities laws. However, there are exceptions to this general statement.  You may not freely transfer the new notes if:  <div style="margin-left: 40px;">you are an affiliate of ours;</div> <div style="margin-left: 40px;">you did not acquire the new notes in the ordinary course of your business;</div> <div style="margin-left: 40px;">you intend to participate in the exchange offer for the purpose of distributing new notes; or</div> <div style="margin-left: 40px;">you are a broker-dealer who acquired the old notes directly from us.</div>
	Any holder subject to any of the exceptions above will not be able to rely on the interpretations of the Staff set forth in the above-mentioned

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interpretive letters; will not be permitted or entitled to tender old notes in the exchange offer; and must comply with the registration and prospectus delivery requirements of the Securities Act in connection with any sale or other transfer of old notes unless the sale is made pursuant to an exemption from those requirements.

In addition, each participating broker-dealer that receives new notes for its own account in the exchange offer in exchange for old notes that were acquired as a result of market making activities or other trading activities, and not directly from us must comply with the registration and prospectus delivery requirements of the Securities Act in connection with the resale of the new notes.

Consequences of Not  
Exchanging the Old Notes

If you do not tender your old notes or your old notes are not properly tendered, the existing transfer restrictions on the old notes will continue to apply. The old notes are currently eligible for sale pursuant to Rule 144A through the PORTAL Market. Because we anticipate that most holders will elect to exchange old notes for new notes due to the absence of restrictions on the resale of new notes under the Securities Act, we anticipate that the liquidity of the market for any old notes remaining after the consummation of the exchange offer will be substantially limited. See Risk Factors There could be negative consequences to you if you do not exchange your old notes for new notes and The Exchange Offer Consequences of Failure to Exchange Old Notes.

Regulatory Requirements

There are no federal or state regulatory requirements that must be complied with or approval obtained in connection with the exchange offer other than the delivery of this prospectus and the registration of the new notes.



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**Summary Description of the New Notes**

The terms of the new notes and the old notes are identical in all respects, except that the terms of the new notes do not include the transfer restrictions and registration rights relating to the old notes.

Notes Offered	\$250.0 million in aggregate principal amount of 8 1/2% senior notes due 2012.
Maturity Date	December 1, 2012.
Yield and Interest Payment Dates	Interest will accrue on the notes and will be payable on June 1 and December 1 of each year, beginning on June 1, 2005.
Ranking	The notes are our general unsecured obligations. Accordingly, they rank:

*pari passu* in right of payment to our existing and future senior indebtedness;

senior in right of payment to our future subordinated indebtedness, if any;

effectively junior in right of payment to all of our future secured indebtedness; and

structurally junior in right of payment to all existing and future indebtedness and other liabilities of our subsidiaries, including the 9 3/4% senior discount notes that we co-issued with Telecommunications (the 9 3/4% senior discount notes ) and SBA Senior Finance s obligations under the senior credit facility.

As of December 31, 2004, as adjusted for the redemption of the 10 1/4% senior notes in February 2005, we (excluding our subsidiaries) would have had total senior indebtedness of approximately \$552.4 million (including the notes and the 9 3/4% senior discount notes) and no indebtedness contractually subordinated to the notes.

On the same basis, the notes would have been structurally junior to approximately \$703.3 million of total liabilities of our subsidiaries, including \$323.4 million of indebtedness under the senior credit facility and \$302.4 million of the 9 3/4% senior discount notes.

As of March 31, 2005, we had drawn down \$322.6 million under the senior credit facility and as a result had approximately \$36.5 million in availability under the senior credit facility, which would be senior in right of payment to the notes, and had \$309.8 million aggregate principal amount at maturity outstanding of the 9 3/4% senior discount notes.

Optional Redemption

At any time prior to December 1, 2008, we may redeem all or part of the notes at a redemption price equal to 100% of the principal amount of the notes to be redeemed plus (1) the applicable premium, (2) accrued and unpaid interest, and (3) additional interest, if any, to the redemption date. See Description of the Notes Optional Redemption.

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On and after December 1, 2008, we may redeem all or part of the notes at the redemption prices set forth under Description of the Notes Optional Redemption.

At any time prior to December 1, 2007, we may redeem up to 35% of the notes with the net cash proceeds of certain equity offerings at the redemption price set forth under Description of the Notes Optional Redemption.

Mandatory Offer to Repurchase

If we experience specific kinds of changes in control, we must offer to repurchase the notes at the redemption price set forth under Description of the Notes Purchase at the Option of Holders Change of Control.

Covenants

The notes are issued under the indenture, dated December 14, 2004, among the issuer and U.S. Bank National Association, as trustee. The indenture, among other things, restricts our ability to:

make certain investments;

incur or guarantee additional indebtedness or issue preferred stock;

pay dividends or make other distributions on capital stock;

redeem or repurchase capital stock;

create liens;

allow dividend or other payment restrictions affecting subsidiaries;

sell assets;

merge or consolidate with other entities;

enter into transactions with affiliates;

enter into sale and leaseback transactions; and

engage in certain business activities.

These covenants are subject to a number of important exceptions and qualifications.

Events of Default

Each of the following constitutes an event of default:

default for 30 days in the payment when due of interest or additional interest on the notes;

default in payment when due of the principal of or premium, if any, on the notes;

failure by us to comply with the provisions described under the caption **Certain Covenants Merger, Consolidation or Sale of Assets** or failure by us to consummate a **Change of Control Offer or Asset Sale Offer** (as defined in the indenture) under the provisions of the indenture;

failure by us for 30 days after notice to comply with any of our other agreements in the indenture or the notes;

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default under any mortgage, indenture or instrument under which there may be issued or by which there may be secured or evidenced any indebtedness for money borrowed by us or any of our significant subsidiaries (or the payment of which is guaranteed by us or any of our significant subsidiaries) whether such indebtedness or guarantee now exists, or is created after the date of the indenture, which default (a) is caused by a failure to pay principal of or premium, if any, or interest on such indebtedness prior to the expiration of the grace period provided in such indebtedness on the date of such default (a Payment Default ) or (b) results in the acceleration of such indebtedness prior to its stated maturity and, in each case, the principal amount of any such indebtedness, together with the principal amount of any other such indebtedness under which there has been a Payment Default or the maturity of which has been so accelerated, aggregates \$10.0 million or more;

failure by us or any of our significant subsidiaries to pay final judgments aggregating in excess of \$10.0 million, which judgments are not paid, discharged or stayed for a period of 60 days; or

certain events of bankruptcy or insolvency with respect to us or any of our restricted subsidiaries that is a significant subsidiary.

Rights of Holders

If any event of default occurs and is continuing, the trustee or the holders of at least 25% in principal amount of the then outstanding notes may declare all of the notes to be due and payable immediately. Upon any such declaration, the principal and accrued and unpaid interest, if any, shall become due and payable immediately. Notwithstanding the foregoing, in the case of an event of default arising from certain events of bankruptcy or insolvency, with respect to us, all outstanding notes will become due and payable without further action or notice. Holders of the notes may not enforce the indenture or the notes except as provided in the indenture. Subject to certain limitations, holders of a majority in principal amount of the then outstanding notes may direct the trustee in its exercise of any trust or power.

The holders of a majority in aggregate principal amount of the notes then outstanding by notice to the trustee may on behalf of the holders of all of the notes waive any existing default or event of default and its consequences under the indenture except a continuing default or event of default in the payment of interest on, or the principal of, the notes.

No Prior Market

The new notes will be new securities for which there is currently no market. Although the initial purchasers of the old notes have informed us of their intentions to make a market in the new notes, they are not obligated to do so and they may discontinue any market-making at any time without notice. Accordingly we cannot assure you as to the development or liquidity of any market for the notes.

Risk Factors

You should carefully consider the information set forth in the section entitled Risk Factors and other information included in this prospectus in deciding whether to exchange your notes.

Trustee

U.S. Bank National Association

For additional information concerning the notes, see Description of the Notes.

**Table of Contents****SUMMARY HISTORICAL FINANCIAL DATA**

The following table sets forth summary historical financial data as of and for the years ended December 31, 2002, 2003 and 2004. The financial data for fiscal year ended 2004 have been derived from our audited consolidated financial statements. The financial data for the fiscal years ended 2002 and 2003 have been derived from, and are qualified by reference to, our restated audited consolidated financial statements. These restated financial statements include adjustments for a change in the method of accounting for certain types of ground leases underlying our tower sites. You should read the information set forth below in conjunction with Management's Discussion and Analysis of Financial Condition and Results of Operations and our consolidated financial statements and the related notes to those consolidated financial statements included in our Annual Report on Form 10-K for the year ended December 31, 2004, incorporated by reference into this prospectus.

	For the year ended December 31,		
	2002 as restated	2003 as restated	2004
	(audited)		
	(in thousands except for share data)		
<b>Operating Data</b>			
<b>Revenues:</b>			
Site leasing	\$ 115,121	\$ 127,852	\$ 144,004
Site development	99,352	64,257	87,478
<b>Total revenues</b>	<b>214,473</b>	<b>192,109</b>	<b>231,482</b>
<b>Cost of revenues (exclusive of depreciation, accretion and amortization shown below):</b>			
Cost of site leasing	46,709	47,793	47,283
Cost of site development	81,565	58,683	81,398
<b>Total cost of revenues</b>	<b>128,274</b>	<b>106,476</b>	<b>128,681</b>
<b>Gross profit</b>	<b>86,199</b>	<b>85,633</b>	<b>102,801</b>
<b>Operating expenses:</b>			
Selling, general and administrative	32,740	30,714	28,887
Restructuring and other charges	47,762	2,094	250
Asset impairment charges	24,194	12,993	7,092
Depreciation, accretion and amortization	95,627	93,657	90,453
<b>Total operating expenses</b>	<b>200,323</b>	<b>139,458</b>	<b>126,682</b>
<b>Operating loss from continuing operations</b>	<b>(114,124)</b>	<b>(53,825)</b>	<b>(23,881)</b>
<b>Other income (expense):</b>			
Interest income	601	692	516
Interest expense, net of amounts capitalized	(54,822)	(81,501)	(47,460)
Non-cash interest expense	(29,038)	(9,277)	(28,082)
Amortization of debt issuance costs	(4,480)	(5,115)	(3,445)
Write-off of deferred financing fees and loss on extinguishment of other debt		(24,219)	(41,197)
Other	(169)	169	236
<b>Total other expense</b>	<b>(87,908)</b>	<b>(119,251)</b>	<b>(119,432)</b>
<b>Loss from continuing operations before cumulative effect of changes in accounting principles</b>	<b>(202,032)</b>	<b>(173,076)</b>	<b>(143,313)</b>
Provision for income taxes	(300)	(1,729)	(710)
<b>Loss from continuing operations before cumulative effect of change in accounting principle</b>	<b>(202,332)</b>	<b>(174,805)</b>	<b>(144,023)</b>
(Loss) gain from discontinued operations, net of income taxes	(4,081)	202	(3,257)

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Loss before cumulative effect of change in accounting principle	(206,413)	(174,603)	(147,280)
Cumulative effect of change in accounting principle(1)	(60,674)	(545)	
<b>Net loss</b>	<b>\$ (267,087)</b>	<b>\$ (175,148)</b>	<b>\$ (147,280)</b>
<b>Basic and diluted loss per common share amounts:</b>			
Loss from continuing operations before cumulative effect of change in accounting principle	\$ (4.01)	\$ (3.35)	\$ (2.47)
(Loss) gain from discontinued operations	(0.08)		(0.05)
Cumulative effect of change in accounting principle	(1.20)	(0.01)	
	<b>\$ (5.29)</b>	<b>\$ (3.36)</b>	<b>\$ (2.52)</b>
<b>Basic and diluted weighted average shares outstanding</b>	<b>50,491</b>	<b>52,204</b>	<b>58,420</b>

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	As of December 31,		
	2002	2003	2004
	as restated	as restated	2004
	(unaudited)	(audited) (in thousands)	(audited)
<b>Balance Sheet Data:</b>			
Cash and cash equivalents	\$ 61,141	\$ 8,338	\$ 69,627
Short-term investments		15,200	
Restricted cash(2)		10,344	2,017
Property and equipment (net)	922,392	830,145	745,831
Total assets	1,279,267	958,252	917,244
Total debt(3)	1,024,282	870,758	927,706
Total Shareholders' equity (deficit)	161,024	(1,566)	(88,671)

	For the year ended December 31,		
	2002	2003	2004
		(audited) (in thousands)	
<b>Other Data:</b>			
Cash provided by (used in)			
Operating activities	\$ 17,807	\$ (29,808)	\$ 14,216
Investing activities	(102,716)	155,456	1,326
Financing activities	132,146	(178,451)	45,747
Ratio of earnings to fixed charges(4)			

	For the year ended December 31,		
	2002	2003	2004
		(unaudited) (in thousands)	
<b>Indenture Data for this Offering:</b>			
SBA Communications Corporation			
Adjusted Consolidated Cash Flow(5)(6)	\$ 58,472	\$ 66,497	\$ 84,911
SBA Senior Finance, Inc.			
Adjusted Consolidated Cash Flow(5)(7)	63,472	71,282	89,918
<b>Tower Data:</b>			
Tower owned at the beginning of period	3,734	3,877	3,093
Towers constructed	141	13	10
Towers acquired	53		5
Towers reclassified/disposed of(8)	(51)	(797)	(42)
Total towers owned at the end of period	3,877	3,093	3,066
Total towers held for sale at end of period	837	47	6
Towers in continuing operations at end of period	3,040	3,046	3,060
	3,877	3,093	3,066



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- (1) The Company adopted FAS 143, Asset Retirement Obligations effective January 1, 2003 and FAS 142, Goodwill and other Intangible Assets effective January 1, 2002.
  - (2) Restricted cash of \$2.0 million as of December 31, 2004 is related to surety bonds issued for our benefit. Restricted cash of \$10.3 million as of December 31, 2003 consists of \$7.3 million of cash held by an escrow agent in accordance with certain provisions of the Western tower sale agreement and \$3.0 million related to surety bonds issued for our benefit.
  - (3) Includes deferred gain on interest rate swap of \$1.9 million as of December 31, 2004, \$4.6 million of December 31, 2003 and \$5.2 million as of December 31, 2002, respectively.

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- (4) For purposes of calculating the ratio of earnings to fixed charges, earnings represent net loss before income taxes, cumulative effect of changes in accounting principles, discontinued operations and dividends on preferred stock. Fixed charges consist of interest expense, the component of rental expense believed by management to be representative of the interest factor thereon, amortization of original issue discount and debt issue costs and preferred dividends. We had a deficiency in earnings to fixed charges of \$202.0 million for 2002, \$173.1 million for 2003 and \$143.3 million for 2004.
- (5) SBA Communications Adjusted Consolidated Cash Flow and Senior Finance Adjusted Consolidated Cash Flow are included in this prospectus because covenants in the indenture relating to the notes offered hereby are tied to ratios based on these measures. SBA Communications Adjusted Consolidated Cash Flow and Senior Finance Adjusted Consolidated Cash Flow are not measures of performance under generally accepted accounting principles, or GAAP, and should not be considered as alternatives to net loss as an indicator of our operating performance or any other measure of performance derived in accordance with GAAP. This data should be read in conjunction with our consolidated financial statements and related notes incorporated by reference herein. A reconciliation of SBA Communications Adjusted Consolidated Cash Flow and Senior Finance Adjusted Consolidated Cash Flow to net loss is as follows:

	Year Ended December 31,		
	2002	2003	2004
		(unaudited)	
		(in thousands)	
Net loss	\$ (267,087)	\$ (175,148)	\$ (147,280)
Loss from discontinued operations, net of income taxes	4,081	(202)	3,257
Write-off of deferred financing fees and loss on extinguishment of debt		24,219	41,197
Cumulative effect of changes in accounting principles	60,674	545	
Provision for income taxes	300	1,729	710
Interest expense	56,494	81,571	47,460
Non-cash interest expense	29,038	9,277	28,082
Amortization of debt issuance costs	4,480	5,115	3,445
Depreciation, accretion and amortization	95,627	93,657	90,453
Non-cash general and administrative compensation expenses	2,017	803	470
Non-cash restructuring and other charges	43,438	1,118	247
Asset impairment charges	24,194	12,993	7,092
Other expenses	169	(169)	(236)
Interest income	(601)	(692)	(516)
Non cash site leasing revenue	(3,511)	(2,372)	(1,169)
Non cash ground rent expense	6,247	5,852	5,578
Other permitted cash expenses(a)		2,792	
LTM Tower Cash Flow(b)	(71,148)	(83,539)	(101,131)
Annualized Tower Cash Flow(c)	74,060	88,948	107,252
SBA Communications Adjusted Consolidated Cash Flow	58,472	66,497	84,911
Plus: Selling, general and administrative expenses of SBA Communications	5,000	4,661	4,711
Plus: Selling, general and administrative expenses of Telecommunications		124	296
Senior Finance Adjusted Consolidated Cash Flow	\$ 63,472	\$ 71,282	\$ 89,918

- (a) Other permitted cash expenses for the twelve months ended December 31, 2003 were \$2,792 which include cash charges for (1) professional fees related to the restatement of our consolidated financial statements for the years ended December 31, 2001 and 2002 of \$925, (2) restructuring charges of \$976 and (3) professional

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- and advisory fees related to our review of our strategic alternatives and decision to sell a portion of our tower portfolio in the Western tower sale of \$891.
- (b) LTM Tower Cash Flow is Tower Cash Flow for the twelve month period ended as of the date presented. See the definition of Tower Cash Flow in Description of the Notes Certain Definitions included elsewhere herein. See footnote 5(c) to Selected Historical Data included elsewhere herein for a reconciliation of LTM Tower Cash Flow to Site Leasing Gross Profit for each of the periods presented.
  - (c) Annualized Tower Cash Flow is Tower Cash Flow for the most recent calendar quarter multiplied by four. See footnote (5)(c) to Selected Historical Financial Data included elsewhere herein for a reconciliation of Annualized Tower Cash Flow to Site Leasing Gross Profit for each of the periods presented.
  - (6) SBA Communications Consolidated Indebtedness is long-term debt, including the current maturities and excluding deferred gain on interest rate swap, in accordance with GAAP as set forth in our consolidated balance sheets incorporated by reference herein. SBA Communications Total Debt to Adjusted Consolidated Cash Flow Ratio is calculated by dividing SBA Communications Consolidated Indebtedness by SBA Communications Adjusted Consolidated Cash Flow. The indenture requires that SBA Communications Total Debt to Adjusted Consolidated Cash Flow Ratio not exceed 8.5 to 1.0 in order for SBA Communications to be able to incur additional debt, subject to certain exceptions, in accordance with the indenture. For the twelve months ended December 31, 2004, as adjusted for the Transactions, SBA Communications Total Debt to Adjusted Consolidated Cash Flow Ratio under the indenture would have been 10.3 to 1.0.
  - (7) Senior Finance s Consolidated Indebtedness is included in our long-term debt, including the current maturities, in accordance with GAAP as set forth in our consolidated balance sheets incorporated by reference herein, consisting of amounts related to our senior credit facility loans and our notes payable. Senior Finance s Consolidated Indebtedness does not include the 10<sup>3</sup>/<sub>4</sub>% senior notes nor the 9<sup>3</sup>/<sub>4</sub>% senior discount notes. Senior Finance s Total Debt to Adjusted Consolidated Cash Flow Ratio is calculated by dividing Senior Finance Consolidated Indebtedness by Senior Finance Adjusted Consolidated Cash Flow. The indenture requires that Senior Finance s Total Debt to Adjusted Consolidated Cash Flow Ratio not exceed 5.5 to 1.0 in order for Senior Finance to be able to incur additional debt, subject to certain exceptions, in accordance with the indenture. For the twelve months ended December 31, 2004, as adjusted for the Transactions, Senior Finance s Total Debt to Adjusted Consolidated Cash Flow Ratio under the indenture would have been 3.6 to 1.0.
  - (8) Reclassifications reflect the combination for reporting purposes of multiple acquired tower structures on a single parcel of real estate, which we market and customers view as a single location, into a single owned tower site. Dispositions reflect the sale, conveyance or other legal transfer of owned tower sites.

**Table of Contents****RISK FACTORS**

Holders of old notes should carefully consider the information set forth below and all other information set forth in this prospectus before tendering their old notes in the exchange offer. The risk factors set forth in this prospectus, other than Risk Factors There could be negative consequences to you if you do not exchange your old notes for new notes, are generally applicable to the old notes as well as the new notes.

**Risks Relating to Our Business**

*We may not be able to service our substantial indebtedness.*

As indicated below, we have and will continue to have a significant amount of indebtedness relative to our equity.

	<b>As of December 31,</b>	
	<b>2003</b>	<b>2004</b>
	<b>(in thousands)</b>	
Total indebtedness*	\$ 866,199	\$ 925,797
Shareholders deficit	\$ (1,566)	\$ (88,671)

\* Excludes deferred gain on interest rate swap of \$1,909 at December 31, 2004 and \$4,559 at December 31, 2003.

Our ability to service our debt obligations will depend on our future operating performance. Our earnings were insufficient to cover our fixed charges for the year ended December 31, 2004 by \$143.3 million and \$173.1 million for the year ended December 31, 2003. Based on our outstanding debt at December 31, 2004 we would require approximately \$46.0 million of cash flow from operating activities (before net cash interest expenses) to discharge our cash interest and principal obligations for the year ending December 31, 2005. By comparison, for the year ended December 31, 2004, we generated \$93.2 million of cash flow from operating activities (before net cash interest expenses). In order to manage our substantial amount of indebtedness, we may from time to time sell assets, issue equity, or repurchase, restructure or refinance some or all of our debt (all of which we have done at various times in the last two years). In 2003, we sold 784 towers located in the Western two-thirds of the United States and realized gross proceeds of \$196.7 million. We may not be able to effectuate any of these alternative strategies on satisfactory terms in the future, if at all. The implementation of any of these alternative strategies may dilute our current shareholders or subject us to additional costs or restrictions on our ability to manage our business and as a result could have a material adverse effect on our financial condition and growth strategy.

We may not have sufficient liquidity or cash flow from operations to repay the remaining amount of our outstanding senior credit facility, our 9<sup>3</sup>/<sub>4</sub>% senior discount notes or our 8<sup>1</sup>/<sub>2</sub>% senior notes upon their respective maturities. Therefore, prior to the maturity of our outstanding debt we may be required to refinance and/or restructure some or all of this debt. We cannot assure you that we will be able to refinance or restructure this debt on acceptable terms or at all. If we were unable to refinance, restructure or otherwise repay the principal amount of this debt upon its maturity, we may need to sell assets, cease operations and/or file for protection under the bankruptcy laws.

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As of December 31, 2004, we had approximately \$36.5 million of additional borrowing capacity under our senior credit facility, subject to maintenance covenants, borrowing base limitations and other conditions. Furthermore, we and our subsidiaries may be able to incur significant additional indebtedness in the future, subject to the restrictions contained in our debt instruments, some of which may be secured debt.

*We may not secure as many site leasing tenants as planned or our lease rates on new leases may decline.*

If tenant demand for tower space or our lease rates on new leases decrease, we may not be able to successfully grow our site leasing business. This may have a material adverse effect on our strategy, revenue

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growth and our ability to satisfy our financial and other contractual obligations. Our plan for the growth of our site leasing business largely depends on our management's expectations and assumptions concerning future tenant demand and potential lease rates for independently owned towers.

*If our wireless service provider customers combine their operations to a significant degree, our growth, our revenue and our ability to service our indebtedness could be adversely affected.*

Demand for our services may decline if there is significant consolidation among our wireless service provider customers as they may then reduce capital expenditures in the aggregate because many of their existing networks and expansion plans overlap. In January 2003, the spectrum cap, which previously prohibited wireless carriers from owning more than 45 MHz of spectrum in any given geographical area, expired. Some wireless carriers have consolidated with each other and others may be encouraged to consolidate with each other as a result of this regulatory change and as a means to strengthen their financial condition. Economic conditions have resulted in the consolidation of several wireless service providers and this trend is likely to continue. To the extent that our customers consolidate, they may not renew any duplicative leases that they have on our towers and/or may not lease as many spaces on our towers in the future. This would adversely affect our growth, our revenue and our ability to service our indebtedness. In October 2004, Cingular acquired AT&T Wireless. As of December 31, 2004, Cingular and AT&T were both tenants on 355 of our 3,060 towers. The contractual revenue generated by both of these tenants on these 355 towers at December 31, 2004 was approximately \$16 million. If, as a result of this transaction, Cingular were not to renew duplicate leases, we could lose up to 50% of such revenue. The average remaining contractual life of such duplicate leases was approximately two years.

In January 2005, Sprint PCS and Nextel agreed to merge, which is expected to be consummated in the second half of 2005. As of December 31, 2004, Sprint PCS and Nextel were both tenants on 349 of our 3,060 towers. The contractual revenue generated by both of these tenants on the 349 towers at December 31, 2004 was approximately \$16 million. If this merger is consummated and either Sprint PCS or Nextel were not to renew duplicate leases, we could lose up to 50% of such revenue. The average remaining contractual life of such duplicate leases was approximately 2 years.

Similar consequences may occur if wireless service providers engage in extensive sharing or roaming or resale arrangements as an alternative to leasing our antenna space. Wireless voice service providers frequently enter into roaming agreements with competitors allowing them to use another's wireless communications facilities to accommodate customers who are out of range of their home provider's services. Wireless voice service providers may view these roaming agreements as a superior alternative to leasing antenna space on communications sites owned or controlled by us or others. The proliferation of these roaming agreements could have a material adverse effect on our revenue.

*We depend on a relatively small number of customers for most of our revenue.*

We derive a significant portion of our revenue from a small number of customers, particularly in our site development services business. The loss of any significant customer could have a material adverse effect on our revenue.

The following is a list of significant customers and the percentage of our total revenues for the specified time periods derived from these customers:

**Percentage of Total Revenues  
For the year ended December 31,**

	<b>2002</b>	<b>2003</b>	<b>2004</b>
Cingular (including AT&T Wireless)	14.5%	20.3%	22.7%
Sprint PCS	5.2%	8.6%	15.7%
Bechtel Corporation*	13.8%	10.4%	6.1%

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We also have client concentrations with respect to revenues in each of our financial reporting segments:

	Percentage of Site Leasing Revenues For the year ended December 31,		
	2002	2003	2004
Cingular (including AT&T Wireless)	16.9%	28.0%	27.5%
Verizon	11.7%	10.0%	9.5%
Nextel	11.3%	6.5%	7.3%

	Percentage of Site Development Consulting Revenue For the year ended December 31,		
	2002	2003	2004
Bechtel Corporation*	46.2%	40.3%	24.7%
Cingular (including AT&T Wireless)	16.0%	4.3%	26.6%
Verizon Wireless	4.5%	13.6%	26.1%
Horizon	13.1%	1.5%	

	Percentage of Site Development Construction Revenue For the year ended December 31,		
	2002	2003	2004
Bechtel Corporation*	26.2%	28.9%	14.5%
Sprint PCS	3.0%	13.1%	35.8%
Cingular (including AT&T Wireless)	13.2%	5.4%	12.5%
T-Mobile	10.7%	7.5%	3.9%

\* Substantially all of the work performed for Bechtel Corporation was for its clients Cingular and AT&T Wireless.

Revenues from these clients are derived from numerous different site leasing contracts and site development contracts. Each site leasing contract relates to the lease of space at an individual tower site and is generally for an initial term of five years renewable for five five-year periods at the option of the tenant. Our site development customers engage us on a project-by-project basis, and a customer can generally terminate an assignment at any time without penalty. In addition, a customer's need for site development services can decrease, and we may not be successful in establishing relationships with new customers. Furthermore, our existing customers may not continue to engage us for additional projects.

*Our substantial indebtedness may negatively impact our ability to implement our business plan.*

Our substantial indebtedness may negatively impact our ability to implement our business plan. For example, it could:



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limit our ability to fund future working capital, capital expenditures and development costs;

limit our flexibility in planning for, or reacting to, changes in our business and the industry in which we operate;

increase our vulnerability to general economic and industry conditions;

subject us to interest rate risk;

place us at a competitive disadvantage to our competitors that are less leveraged;

require us to sell debt or equity securities or sell some of our core assets, possibly on unfavorable terms, to meet payment obligations; and

limit our ability to borrow additional funds.

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*We are dependent on the financial stability of our customers and any deterioration in their financial condition may reduce the demand for our services which would adversely affect our growth strategy, revenues and financial condition.*

Our business depends on the financial stability of our customers. The economic slowdown and intense competition in the wireless and telecommunications industries over the past several years have impaired the financial condition of some of our customers, certain of which operate with substantial leverage and certain of which have filed or may file for bankruptcy. The financial uncertainties facing our customers could reduce demand for our communications sites, increase our bad debt expense and reduce prices on new customer contracts. This could affect our ability to satisfy our obligations.

In addition, we may be negatively impacted by our customers' limited access to debt and equity capital. Recently when capital market conditions were difficult for the telecommunications industry, wireless service providers conserved capital by not spending as much as originally anticipated to finance expansion activities. This decrease adversely impacted demand for our services and consequently our financial condition. As a result, we adjusted our business during 2002 and early 2003 to significantly reduce and subsequently suspend any material investment for new towers and our site development activities. If our customers are not able to access the capital markets in the future, our growth strategy, revenues and financial condition may again be adversely affected.

*Our debt instruments contain restrictive covenants that could adversely affect our business.*

Our senior credit facility and the indentures governing our outstanding notes each contain certain restrictive covenants. Among other things, these covenants restrict our ability to:

incur additional indebtedness;

sell assets;

pay dividends, or repurchase our common stock;

make certain investments;

engage in other restricted payments;

engage in mergers or consolidations;

incur liens; and

enter into affiliate transactions.

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If we fail to comply with these covenants, it could result in an event of default under one or all of these debt instruments. The acceleration of amounts due under one of our debt instruments would also cause a cross-default under our other debt instruments.

SBA Senior Finance, which owns, directly or indirectly, all of the common stock of our operating subsidiaries, is the borrower under our senior credit facility. The senior credit facility requires SBA Senior Finance to maintain specified financial ratios, including ratios regarding SBA Senior Finance's debt to annualized operating cash flow, debt service, cash interest expense and fixed charges for each quarter. In addition, the senior credit facility contains additional negative covenants that, among other things, restrict our ability to commit to capital expenditures and build towers without anchor tenants. Our ability to meet these financial ratios and tests and comply with these covenants can be affected by events beyond our control, and we may not be able to do so. A breach of any of these covenants, if not remedied within the specified period, could result in an event of default under the senior credit facility.

Upon the occurrence of any default, our senior credit facility lenders can prevent us from borrowing any additional amounts under the senior credit facility. In addition, upon the occurrence of any event of default, other than certain bankruptcy events, senior credit facility lenders, by a majority vote, can elect to declare all amounts

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of principal outstanding under the senior credit facility, together with all accrued interest, to be immediately due and payable. The acceleration of amounts due under our senior credit facility would cause a cross-default under our indentures, thereby permitting the acceleration of such indebtedness. If the indebtedness under the senior credit facility and/or indebtedness under our outstanding notes were to be accelerated, our current assets would not be sufficient to repay in full the indebtedness. If we were unable to repay amounts that become due under the senior credit facility, the senior credit lenders could proceed against the collateral granted to them to secure that indebtedness. Substantially all of our assets are pledged as security under the senior credit facility. In such an event of default, our assets may not be sufficient to satisfy our obligations under the notes.

*Due to the long-term expectations of revenue from our tenant leases, we are very sensitive to the creditworthiness of our tenants.*

Due to the long-term nature of our tenant leases, we, like others in the tower industry, are dependent on the continued financial strength of our tenants. Wireless service providers often operate with substantial leverage, and financial problems for our customers could result in uncollected accounts receivable, the loss of customers and lower than anticipated lease revenues. During the past three years, a number of our site leasing customers have filed for bankruptcy including almost all of our paging customers. Although these bankruptcies have not had a material adverse effect on our business or revenues, any future bankruptcies may have a material adverse effect on our business, revenues, and/or the collectability of our accounts receivable.

*Our quarterly operating results for our site development services fluctuate and therefore should not be considered indicative of our long-term results.*

The demand for our site development services fluctuates from quarter to quarter and should not be considered as indicative of long-term results. Numerous factors cause these fluctuations, including:

the timing and amount of our customers' capital expenditures;

the size and scope of our projects;

the business practices of customers, such as deferring commitments on new projects until after the end of the calendar year or the customers' fiscal year;

delays relating to a project or tenant installation of equipment;

seasonal factors, such as weather, vacation days and total business days in a quarter;

the use of third party providers by our customers;

the rate and volume of wireless service providers' network development; and

general economic conditions.

Although the demand for our site development services fluctuates, we incur significant fixed costs, such as maintaining a staff and office space in anticipation of future contracts. In addition, the timing of revenues is difficult to forecast because our sales cycle may be relatively long. Therefore, we may not be able to adjust our cost structure in a timely basis to adjust to market slowdowns.

*We are not profitable and expect to continue to incur losses.*

We are not profitable. The following chart shows the net losses we incurred for the periods indicated:

	<b>For the year ended December 31,</b>		
	<b>2002</b>	<b>2003</b>	
	<b>as restated</b>	<b>as restated</b>	<b>2004</b>
		<b>(in thousands)</b>	
Net Loss	\$ (267,087)	\$ (175,148)	\$ (147,280)

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Our losses are principally due to significant interest expense and depreciation and amortization in each of the periods presented above. For the year ended December 31, 2004, we recorded an asset impairment charge of \$7.1 million and a charge associated with the write-off of deferred financing fees and loss on the extinguishment of debt of \$41.2 million. We recorded an asset impairment charge of \$13.0 million, a charge associated with the loss from write-off of deferred financing fees and extinguishment of debt of \$24.2 million, and a restructuring charge of \$2.1 million during the year ended December 31, 2003. We recorded restructuring and other charges of \$47.8 million, a \$60.7 million charge related to the cumulative effect of a change in accounting principle related to the adoption of SFAS No. 142, and an asset impairment charge of \$24.2 million in the year ended December 31, 2002. We expect to continue to incur significant losses which may affect our ability to service our indebtedness.

### *Increasing competition in the tower industry may adversely affect us.*

Our industry is highly competitive, particularly with respect to securing quality tower assets and adequate capital to support tower networks. Competitive pressures for tenants on their towers from these competitors could adversely affect our lease rates and services income. In addition, the loss of existing customers or the failure to attract new customers would lead to an accompanying adverse effect on our revenues, margins and financial condition. Increasing competition could also make the acquisition of quality tower assets more costly.

We compete with:

wireless service providers that own and operate their own towers and lease, or may in the future decide to lease, antenna space to other providers;

site development companies that acquire antenna space on existing towers for wireless service providers, manage new tower construction and provide site development services;

other large independent tower companies; and

smaller local independent tower operators.

Wireless service providers that own and operate their own tower networks and several of the other tower companies generally are substantially larger and have greater financial resources than we do. We believe that tower location and capacity, quality of service, density within a geographic market and, to a lesser extent, price historically have been and will continue to be the most significant competitive factors affecting the site leasing business.

The site development market includes participants from a variety of market segments offering individual, or combinations of, competing services. We believe that a company's experience, track record, local reputation, price and time for completion of a project have been and will continue to be the most significant competitive factors affecting the site development business.

*We may not be able to build and/or acquire as many towers as we anticipate.*

We currently intend to build 50 to 75 new towers during 2005 and to consummate a limited number of tower acquisitions. However, our ability to build these new towers is dependent upon (1) the availability of sufficient capital to fund construction, (2) our ability to locate, and acquire at commercially reasonable prices, attractive locations for such towers and (3) our ability to obtain the necessary zoning and permits.

Our ability to consummate tower acquisitions is also subject to risks. Specifically, these risks include (1) our ability to identify those towers that would be attractive to our clients and accretive to our revenues, (2) our ability to negotiate and consummate agreements to acquire such towers and (3) sufficient capital to fund such acquisitions. Due to these risks, it may take longer to complete our new tower builds than anticipated, the costs of constructing or acquiring these towers may be higher than we expect or we may not be able to add as many towers as we had planned in 2005. If we are not able to increase our tower portfolio as anticipated, it could negatively impact our ability to make our goals for site leasing revenue.

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*The loss of the services of certain of our key personnel or a significant number of our employees may negatively affect our business.*

Our success depends to a significant extent upon performance and active participation of our key personnel. We cannot guarantee that we will be successful in retaining the services of these key personnel. We have employment agreements with Jeffrey A. Stoops, our President and Chief Executive Officer, Kurt L. Bagwell, our Senior Vice President and Chief Operating Officer, and Thomas P. Hunt, our Senior Vice President and General Counsel. We do not have employment agreements with any of our other key personnel. If we were to lose any key personnel, we may not be able to find an appropriate replacement on a timely basis and our results of operations could be negatively affected. Further, the loss of a significant number of employees or our inability to hire a sufficient number of qualified employees could have a material adverse effect on our business.

*New technologies and their use by carriers may have a material adverse effect on our growth rate and results of operations.*

The emergence of new technologies could reduce the demand for space on our towers. For example, the development of and use of products that would permit multiple wireless carriers to use a single antenna, share networks or increase the range and capacity of an antenna could reduce the number of antennas needed by our customers. In addition, the deployment of WiFi and WiMax technologies could impact the network needs of our existing customers providing wireless telephony services. This could have a material adverse effect on our growth rate and results of operations.

*Our costs could increase and our revenues could decrease due to perceived health risks from radio frequency ( RF ) energy.*

The government imposes requirements and other guidelines on our towers relating to RF energy. Exposure to high levels of RF energy can cause negative health effects.

The potential connection between exposure to low levels of RF energy and certain negative health effects, including some forms of cancer, has been the subject of substantial study by the scientific community in recent years. According to the FCC, the results of these studies to date have been inconclusive. However, public perception of possible health risks associated with cellular and other wireless communications media could slow the growth of wireless companies, which could in turn slow our growth. In particular, negative public perception of, and regulations regarding, health risks could cause a decrease in the demand for wireless communications services. Moreover, if a connection between exposure to low levels of RF energy and possible negative health effects, including cancer, were demonstrated, we could be subject to numerous claims. If we were subject to claims relating to RF energy, even if such claims were not ultimately found to have merit, our financial condition could be materially and adversely affected.

*Our business is subject to government regulations and changes in current or future regulations could harm our business.*

We are subject to federal, state and local regulation of our business. In particular, both the Federal Communications Commission ( FCC ) and Federal Aviation Administration ( FAA ) regulate the construction and maintenance of antenna towers and structures that support wireless communications and radio and television antennas. In addition, the FCC separately licenses and regulates wireless communications equipment and television and radio stations operating from such towers and structures. FAA and FCC regulations govern construction, lighting, painting and marking of towers and structures and may, depending on the characteristics of the tower or structure, require registration of the tower or structure. Certain proposals to construct new towers or structures or to modify existing towers or structures are reviewed by the FAA to ensure



that the tower or structure will not present a hazard to air navigation.

Antenna tower owners and antenna structure owners may have an obligation to mark or paint towers or structures or install lighting to conform to FAA standards and to maintain such marking, painting and lighting.

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Antenna tower owners and antenna structure owners may also bear the responsibility of notifying the FAA of any lighting outages. Certain proposals to operate wireless communications and radio or television stations from antenna towers and structures are also reviewed by the FCC to ensure compliance with environmental impact requirements. Failure to comply with existing or future applicable requirements may lead to civil penalties or other liabilities and may subject us to significant indemnification liability to our customers against any such failure to comply. In addition, new regulations may impose additional costly burdens on us, which may affect our revenues and cause delays in our growth.

Local regulations, including municipal or local ordinances, zoning restrictions and restrictive covenants imposed by community developers, vary greatly, but typically require antenna tower and structure owners to obtain approval from local officials or community standards organizations prior to tower or structure construction or modification. Local regulations can delay, prevent, or increase the cost of new construction, co-locations, or site upgrade projects, thereby limiting our ability to respond to customer demand. In addition, new regulations may be adopted that increase delays or result in additional costs to us. These factors could have a material adverse effect on our future growth and operations.

### ***Our towers are subject to damage from natural disasters.***

Our towers are subject to risks associated with natural disasters such as tornadoes and hurricanes. We maintain insurance to cover the estimated cost of replacing damaged towers, but these insurance policies are subject to loss limits and deductibles. We also maintain third party liability insurance, subject to deductibles, to protect us in the event of an accident involving a tower. A tower accident for which we are uninsured or underinsured, or damage to a significant number of our towers, could require us to make significant capital expenditures and may have a material adverse effect on our operations or financial condition.

### ***We could have liability under environmental laws that could have a material adverse effect on our business, financial condition and results of operations.***

Our operations, like those of other companies engaged in similar businesses, are subject to the requirements of various federal, state, local and foreign environmental and occupational safety and health laws and regulations, including those relating to the management, use, storage, disposal, emission and remediation of, and exposure to, hazardous and non-hazardous substances, materials, and wastes. As owner, lessee or operator of numerous tower sites, we may be liable for substantial costs of remediating soil and groundwater contaminated by hazardous materials, without regard to whether we, as the owner, lessee or operator, knew of or were responsible for the contamination. We may be subject to potentially significant fines or penalties if we fail to comply with any of these requirements. The current cost of complying with these laws is not material to our financial condition or results of operations. However, the requirements of these laws and regulations are complex, change frequently, and could become more stringent in the future. It is possible that these requirements will change or that liabilities will arise in the future in a manner that could have a material adverse effect on our business, financial condition and results of operations.

### ***Our dependence on our subsidiaries for cash flow may negatively affect our business.***

We are a holding company with no business operations of our own. Our only significant asset is and is expected to be the outstanding capital stock of our subsidiaries. We conduct, and expect to conduct, all of our business operations through our subsidiaries. Accordingly, our ability to pay our obligations, including the principal and interest, premium, if any, and additional interest, if any, on our outstanding 9<sup>3</sup>/<sub>4</sub>% senior discount notes and our 8<sup>1</sup>/<sub>2</sub>% senior notes, is dependent upon dividends and other distributions from our subsidiaries to us. Other than amounts required to make interest and principal payments on the notes, we currently expect that the earnings and cash flow of our subsidiaries will be retained and used by them in their operations, including servicing their debt obligations. Our operating subsidiaries are separate and distinct legal entities and have no obligation, contingent or otherwise to pay the principal, interest and other amounts on the notes or make any



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funds available to us for payment. The ability of our operating subsidiaries to pay dividends or transfer assets to us may be restricted by applicable state law and contractual restrictions, including the terms of the senior credit facility. Although the indenture governing the notes will limit the ability of our operating subsidiaries to enter into consensual restrictions on their ability to pay dividends to us, these limitations are subject to a number of significant qualifications and exceptions.

## **Risks Relating to the Notes**

*The notes will be structurally subordinated to the debt of our subsidiaries, including our senior credit facility.*

We have no operations of our own and derive substantially all of our revenue from the operations of our subsidiaries. Our subsidiaries are not guarantors of the notes. In the event of our bankruptcy or the bankruptcy of any of our subsidiaries, the holders of their liabilities, including indebtedness, and trade creditors of our subsidiaries would generally be entitled to payment of their claims from the assets of the affected subsidiaries before those assets were made available for distribution to us. As a result, the claims of holders of the notes will effectively rank junior to the claims of all of the creditors of our subsidiaries, including trade creditors and the lenders under our senior credit facility. If any indebtedness of our subsidiaries were to be accelerated, we cannot assure you that the assets of the subsidiaries remaining after payment of such indebtedness would be sufficient to repay our indebtedness in full, including the notes. As of December 31, 2004, the notes would have been structurally junior to approximately \$703.3 million of total liabilities of our subsidiaries, including \$323.4 million of indebtedness under the senior credit facility and \$302.4 million of the 9<sup>3</sup>/<sub>4</sub>% senior discount notes. As of March 31, 2005, we had drawn down \$322.6 million under the senior credit facility and as a result had approximately \$36.5 million in availability under the senior credit facility, which would be senior in right of payment to the notes, and had \$309.8 million aggregate principal amount at maturity outstanding of the 9<sup>3</sup>/<sub>4</sub>% senior discount notes. Furthermore, our subsidiaries may be able to incur significant additional indebtedness in the future, subject to the restrictions contained in our debt instruments, some of which may be secured debt.

*The notes will be structurally subordinated to our secured indebtedness.*

The notes will not be secured by any of our assets. The senior credit facility is secured by a lien on substantially all of our assets and the assets of our domestic subsidiaries and a pledge of all of the outstanding capital stock of each of our domestic subsidiaries. If we become insolvent or are liquidated, or payment under indebtedness is accelerated, our lenders would be entitled to exercise the remedies as secured lenders under applicable law and will have a claim on such assets that would rank senior to the holders of the notes. The liquidation value of our assets remaining after payment of such secured indebtedness may not be sufficient to repay in full our unsecured indebtedness, including the notes.

*We are a holding company and are dependent on our subsidiaries for cash flow.*

We are a holding company with no business operations of our own. Our only significant asset is the outstanding capital stock of our subsidiaries. We conduct all of our business operations through our subsidiaries. Accordingly, our ability to pay the principal and interest, premium, if any, and additional interest, if any, on the notes, is dependent upon the earnings of our subsidiaries and their distribution of funds to us. None of our subsidiaries will have any obligation, contingent or otherwise, to make any funds available to us for payment of principal or interest on the notes. We may not be able to access cash generated by our subsidiaries in order to pay principal and interest on the notes. We may not be able to access cash generated by our subsidiaries in order to pay principal and interest, premium, if any, and additional interest, if any, on the notes or fulfill other cash commitments. The ability of our subsidiaries to pay dividends or transfer assets may be restricted under the terms of the senior credit facility. Although the indenture governing the notes will limit the ability of our subsidiaries to enter into consensual restrictions on their ability to pay dividends to us, such limitations are subject to a number of significant qualifications and exceptions. Our right or the right of our

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creditors, including holders of the notes, to participate in the assets of any subsidiary upon the liquidation or reorganization of that subsidiary will be subject to the prior claims of that subsidiary's creditors, including holders of its indebtedness and trade creditors.

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*We may not have sufficient funds to repurchase the notes upon a change in control as required by the indenture.*

If a change of control (as defined in the indenture for the notes and the 9<sup>3/4</sup>% senior discount notes) of SBA Communications occurs, we will be required, subject to certain conditions, to offer to purchase all outstanding notes and all outstanding 9<sup>3/4</sup>% senior discount notes at a price equal to 101% of the principal amount thereof, plus accrued and unpaid interest thereon to the date of purchase.

As of December 31, 2004, we did not have sufficient funds available to purchase all of the notes and all outstanding 9<sup>3/4</sup>% senior discount notes if they were tendered in a change of control offer. The source of funds for any purchase of these notes will be our available cash or cash generated from our operations or other sources, including borrowings, sales of assets or sales of equity. If we do not have sufficient cash on hand, we could seek to obtain a waiver from the lenders under the senior credit facility or the holders of the notes and the 9<sup>3/4</sup>% senior discount notes, and/or refinance the debt under the senior credit facility and/or the notes and the 9<sup>3/4</sup>% senior discount notes. We may not, however, be able to obtain a waiver or refinance our debt on satisfactory terms, or at all.

Our failure to purchase the notes would be a default under the indentures for the notes and the 9<sup>3/4</sup>% senior discount notes, which would in turn be a default under the senior credit facility. In addition, a change of control will constitute an event of default under the senior credit facility. A default under the senior credit facility would result in an event of default under the indentures if the senior credit lenders were to accelerate the debt under the senior credit facility. Furthermore, if the holders of the notes or the holders of the 9<sup>3/4</sup>% senior discount notes exercise their right to require us to repurchase their respective notes, the financial effect of this repurchase could cause a default under our other debt, even if the event itself would not cause a default.

*No public market currently exists for the notes and an active trading market may not develop for the notes, which may limit your ability to resell them.*

The notes constitute a new class of securities for which there is no established trading market and we do not intend to list the notes on any securities exchange or seek their admission to be quoted on any automated dealer quotation system. However, the notes are eligible for trading in the PORTAL Market.

Although the initial purchasers have advised us that they intend to make a market in the notes, they are not obligated to do so, and they may cease to do so at any time without notice. Accordingly, we cannot assure you that an active market will develop for the notes or, if a trading market develops, that it will continue. The lack of an active trading market for the notes would have a material adverse effect on the market price and liquidity of the notes. If a market for the notes develops, they may trade at a discount from their initial offering price. Future trading prices of the notes will depend on many factors, including:

our operating performance and financial condition;

our ability to complete the offer to exchange the old notes for new notes;

prevailing interest rates; and

the market for similar securities.

Historically, the market for non-investment grade debt has been subject to disruptions that have caused substantial volatility in prices. The market for the notes, if any, may be subject to similar disruptions. Any such disruptions may adversely affect the value of the notes and your ability to dispose of the notes, regardless of our prospects or performance.

*There could be negative consequences to you if you do not exchange your old notes for new notes.*

Any old notes tendered and exchanged in the exchange offer will reduce the aggregate principal amount of old notes outstanding. Because we anticipate that most holders will elect to exchange their old notes for new

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notes due to the absence of most restrictions on the resale of new notes, we anticipate that the liquidity of the market for any old notes remaining outstanding after the exchange offer may be substantially limited. Following the consummation of the exchange offer, holders who did not tender their old notes generally will not have any further registration rights under the registration rights agreement, and these old notes will continue to be subject to restrictions on transfer. The old notes are currently eligible for sale under Rule 144A through the PORTAL Market.

As a result of making the exchange offer, we will have fulfilled our obligations under the registration rights agreement relating to the old notes. Holders who do not tender their old notes generally will not have any further registration rights or rights to receive the liquidated damages specified in the registration rights agreement for our failure to register the new notes.

Any old notes that are not exchanged for new notes will remain restricted securities. Accordingly, the old notes may be resold only:

to us or one of our subsidiaries;

to a qualified institutional buyer;

to an institutional accredited investor;

to a party outside the United States under Regulation S under the Securities Act;

under an exemption from registration provided by Rule 144 under the Securities Act; or

under an effective registration statement.



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**SPECIAL NOTE REGARDING FORWARD-LOOKING STATEMENTS**

This prospectus and the documents incorporated by reference in this prospectus contain forward-looking statements. Discussions containing forward-looking statements may be found in the material set forth in the section entitled Summary, and throughout this prospectus.

our estimates regarding our liquidity, capital expenditures and sources of both, and our ability to fund operations and meet our obligations as they become due;

our ability to sell those towers accounted for in discontinued operations and the timing of such sales;

our belief that we will experience continued long-term growth of our site leasing revenues due to increasing minutes of network use and network coverage and capacity requirements;

our strategy to focus our business on the site leasing business, and the consequential shift in our revenue stream and gross profits from project driven revenues to recurring revenues, predictable operating costs and minimal capital expenditures;

our belief that focusing our site leasing activities in the Eastern third of the United States will improve our operating efficiencies, reduce overhead expenses and procure higher revenue per tower;

our expectation of growing our cash flows by using existing tower capacity or requiring carriers to bear all or a portion of the cost of tower modifications;

our belief that our towers have significant capacity to accommodate additional tenants and increased use of our towers can be achieved at a low incremental cost;

our intention to selectively invest in new tower builds and/or tower acquisitions;

our expectations regarding our new build program and our intent to build 50-75 new towers in 2005;

our intent that each new build will at least have one tenant upon completion and our expectation that many will have multiple tenants;

our belief regarding our position to capture additional site leasing business in our markets and identify and participate in site development projects across our markets;

our estimates regarding our annual debt service and cash interest requirements in 2005 and thereafter; and

our estimates regarding cash savings in debt service and amortization payments in 2005 as a result of our debt refinancing activities.

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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:

our inability to sufficiently increase our revenues and maintain or decrease expenses and cash capital expenditures to permit us to fund operations and meet our obligations as they become due;

the inability of our clients to access sufficient capital or their unwillingness to expend capital to fund network expansion or enhancements;

our ability to continue to comply with covenants and the terms of our senior credit facility and to access sufficient capital to fund our operations;

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our ability to secure as many site leasing tenants as planned;

our ability to expand our site leasing business and maintain or expand our site development business;

our ability to successfully build 50-75 new towers in 2005;

our ability to successfully implement our strategy of having at least one tenant on each new build upon completion;

our ability to successfully address zoning issues;

our ability to retain current lessees on our towers;

the actual amount and timing of services rendered and revenues received under our contract with Sprint;

our ability to realize economies of scale from our tower portfolio; and

the continued use of towers and dependence on outsourced site development services by the wireless communications industry.

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**USE OF PROCEEDS**

We will not receive any proceeds from the issuance of the new notes offered in the exchange offer. In consideration for issuing the new notes, we will receive in exchange old notes in like principal amount, the terms of which are identical in all respects to the new notes, except for the transfer restrictions and registration rights. The old notes surrendered in exchange for new notes will be retired and canceled and cannot be reissued. Accordingly, issuance of the new notes will not result in any increase in our indebtedness.

The net proceeds of the sale of the old notes was approximately \$244.8 million, after deducting transaction fees and expenses payable by us. We used the net proceeds from this offering to fund payments made in connection with the tender offer for the repurchase of \$186.5 million aggregate principal amount of our outstanding 10 1/4% senior notes. The offering of the notes was not conditioned on the repurchase of any minimum amount of 10 1/4% senior notes in the tender offer. On February 1, 2005, the remaining 10 1/4% senior notes became redeemable at our option, in whole or in part, at a premium of 105.125%, plus accrued and unpaid interest, if any, to the redemption date. We used the remaining net proceeds to redeem the remaining \$50.0 million 10 1/4% senior notes on February 1, 2005.

**Table of Contents****SELECTED FINANCIAL DATA**

The following table sets forth selected historical financial data as of and for each of the five years ended December 31, 2004. The financial data for fiscal year ended 2004 have been derived from our audited consolidated financial statements. The financial data for the fiscal years ended 2003 and 2002 have been derived from, and are qualified by reference to, our restated audited consolidated financial statements. These restated financial statements include adjustments for a change in the method of accounting for certain types of ground leases underlying our tower sites. The financial data as of and for the fiscal years ended 2001 and 2000 have been derived from our restated unaudited consolidated financial statements. The unaudited financial data as of and for the year ended December 31, 2001 and 2000, have been derived from our books and records without audit and, in the opinion of management, include all adjustments, (consisting only of normal, recurring adjustments) that management considers necessary for a fair statement of results for these periods. The following consolidated financial statements have been reclassified to reflect the discontinued operations treatment of our western site development services and reclassification of 14 towers previously classified as discontinued operations into continuing operations. You should read the information set forth below in conjunction with our Management's Discussion and Analysis of Financial Condition and Results of Operations and our consolidated financial statements and the related notes to those consolidated financial statements included in our Annual Report on Form 10-K for the year ended December 31, 2004, incorporated by reference into this prospectus.

	For the year ended December 31,				
	2000 as restated  (unaudited)	2001 as restated  (unaudited)	2002 as restated  (audited)  (in thousands)	2003 as restated  (audited)	2004  (audited)
<b>Operating Data</b>					
<b>Revenues:</b>					
Site leasing	44,332	\$ 85,519	\$ 115,121	\$ 127,852	\$ 144,004
Site development	103,677	115,773	99,352	64,257	87,478
<b>Total revenues</b>	<b>148,009</b>	<b>201,292</b>	<b>214,473</b>	<b>192,109</b>	<b>231,482</b>
<b>Cost of revenues (exclusive of depreciation, accretion and amortization shown below):</b>					
Cost of site leasing	19,676	35,537	46,709	47,793	47,283
Cost of site development	81,630	92,755	81,565	58,683	81,398
<b>Total cost of revenues</b>	<b>101,306</b>	<b>128,292</b>	<b>128,274</b>	<b>106,476</b>	<b>128,681</b>
<b>Gross profit</b>	<b>46,703</b>	<b>73,000</b>	<b>86,199</b>	<b>85,633</b>	<b>102,801</b>
<b>Operating expenses:</b>					
Selling, general and administrative	26,482	39,697	32,740	30,714	28,887
Restructuring and other charges		24,399	47,762	2,094	250
Asset impairment charges			24,194	12,993	7,092
Depreciation, accretion and amortization	29,901	73,390	95,627	93,657	90,453
<b>Total operating expenses</b>	<b>56,383</b>	<b>137,486</b>	<b>200,323</b>	<b>139,458</b>	<b>126,682</b>
<b>Operating loss from continuing operations</b>	<b>(9,680)</b>	<b>(64,486)</b>	<b>(114,124)</b>	<b>(53,825)</b>	<b>(23,881)</b>
<b>Other income (expense):</b>					
Interest income	6,252	7,058	601	692	516
Interest expense, net of amounts capitalized	(4,879)	(47,713)	(54,822)	(81,501)	(47,460)

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Non-cash interest expense	(23,000)	(25,843)	(29,038)	(9,277)	(28,082)
Amortization of debt issuance costs	(3,006)	(3,887)	(4,480)	(5,115)	(3,445)
Write-off of deferred financing fees and loss on extinguishment of other debt		(5,069)		(24,219)	(41,197)
Other	66	(56)	(169)	169	236
	<u>        </u>	<u>        </u>	<u>        </u>	<u>        </u>	<u>        </u>
Total other expense	(24,567)	(75,510)	(87,908)	(119,251)	(119,432)
	<u>        </u>	<u>        </u>	<u>        </u>	<u>        </u>	<u>        </u>

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	For the year ended December 31,				
	2000	2001	2002	2003	2004
	as restated	as restated	as restated	as restated	
	(unaudited)	(unaudited)	(audited) (in thousands)	(audited)	(audited)
Loss from continuing operations before cumulative effect of changes in accounting principles	(34,247)	(139,996)	(202,032)	(173,076)	(143,313)
Provision for income taxes	(954)	(1,489)	(300)	(1,729)	(710)
Loss from continuing operations before cumulative effect of change in accounting principle	(35,201)	(141,485)	(202,332)	(174,805)	(144,023)
(Loss) gain from discontinued operations, net of income taxes	323	74	(4,081)	202	(3,257)
Loss before cumulative effect of change in accounting principle	(34,878)	(141,411)	(206,413)	(174,603)	(147,280)
Cumulative effect of change in accounting principle(1)			(60,674)	(545)	
Net loss	\$ (34,878)	\$ (141,411)	\$ (267,087)	\$ (175,148)	\$ (147,280)
<b>Basic and diluted loss per common share amounts:</b>					
Loss from continuing operations before cumulative effect of changes in accounting principle	\$ (0.86)	\$ (2.99)	\$ (4.01)	\$ (3.35)	\$ (2.47)
(Loss) gain from discontinued operations	0.01		(0.08)		(0.05)
Cumulative effect of change in accounting principle			(1.20)	(0.01)	
	\$ (0.85)	\$ (2.99)	\$ (5.29)	\$ (3.36)	\$ (2.52)
Basic and diluted weighted average shares outstanding	41,156	47,321	50,491	52,204	58,420
<b>As of December 31,</b>					
	2000	2001	2002	2003	2004
	as restated	as restated	as restated	as restated	
	(unaudited)	(unaudited)	(unaudited) (in thousands)	(audited)	(audited)
<b>Balance Sheet Data:</b>					
Cash and cash equivalents	\$ 14,980	\$ 13,904	\$ 61,141	\$ 8,338	\$ 69,627
Short-term investments				15,200	
Restricted cash(2)				10,344	2,017
Property and equipment (net)	762,644	975,662	922,392	830,145	745,831
Total assets	945,285	1,394,280	1,279,267	958,252	917,244
Total debt(3)	248,273	845,453	1,024,282	870,758	927,706
Total Shareholders equity (deficit)	529,406	424,369	161,024	(1,566)	(88,671)

	For the year ended December 31,				
	2000	2001	2002	2003	2004
	as restated	as restated	as restated	as restated	
	(unaudited)	(unaudited)	(audited) (in thousands)	(audited)	(audited)
<b>Other Data:</b>					
Cash provided by (used in):					

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Operating activities	\$ 47,516	\$ 28,753	\$ 17,807	\$ (29,808)	\$ 14,216
Investing activities	(445,280)	(554,700)	(102,716)	155,456	1,326
Financing activities	409,613	524,871	132,146	(178,451)	45,747
Ratio of earnings to fixed charges(4)	0.12x				

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	For the year ended December 31,		
	2002	2003	2004
	(unaudited) (in thousands)		
<b>Indenture Data for this Offering:</b>			
SBA Communications Corporation			
Adjusted Consolidated Cash Flow(5)(6)	\$ 58,472	\$ 66,497	\$ 84,911
SBA Senior Finance, Inc.			
Adjusted Consolidated Cash Flow(5)(7)	63,472	71,282	89,918

	For the year ended December 31,				
	2000	2001	2002	2003	2004
	(unaudited)				
Tower owned at the beginning of period	1,163	2,390	3,734	3,877	3,093
Towers constructed	779	667	141	13	10
Towers acquired	448	677	53		5
Towers reclassified/disposed of(8)			(51)	(797)	(42)
<b>Total towers owned at the end of period</b>	<b>2,390</b>	<b>3,734</b>	<b>3,877</b>	<b>3,093</b>	<b>3,066</b>
Total held for sale at end of period	552	815	837	47	6
Towers in continuing operations at end of period	1,838	2,919	3,040	3,046	3,060
	2,390	3,734	3,877	3,093	3,066

- (1) The Company adopted FAS 143, Asset Retirement Obligations effective January 1, 2003 and FAS 142, Goodwill and other Intangible Assets effective January 1, 2002.
- (2) Restricted cash of \$2.0 million as of December 31, 2004 is related to surety bonds issued for our benefit. Restricted cash of \$10.3 million as of December 31, 2003 consists of \$7.3 million of cash held by an escrow agent in accordance with certain provisions of the Western tower sale agreement and \$3.0 million related to surety bonds issued for our benefit.
- (3) Includes deferred gain on interest rate swap of \$1.9 million as of December 31, 2004, \$4.6 million of December 31, 2003 and \$5.2 million as of December 31, 2002, respectively.
- (4) For purposes of calculating the ratio of earnings to fixed charges, earnings represent net loss before income taxes, cumulative effect of changes in accounting principles, discontinued operations and dividends on preferred stock. Fixed charges consist of interest expense, the component of rental expense believed by management to be representative of the interest factor thereon, amortization of original issue discount and debt issue costs and preferred dividends. The ratio of earnings to fixed charges was .12x for 2000. We had a deficiency in earnings to fixed charges of \$140.0 million for 2001, \$202.0 million for 2002, \$173.1 million for 2003 and \$143.3 million for 2004.

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- (5) SBA Communications Adjusted Consolidated Cash Flow and Senior Finance Adjusted Consolidated Cash Flow are included in this prospectus because covenants in the indenture relating to the notes offered hereby are tied to ratios based on these measures. SBA Communications Adjusted Consolidated Cash Flow and Senior Finance Adjusted Consolidated Cash Flow are not measures of performance under generally accepted accounting principles, or GAAP, and should not be considered as alternatives to net loss as an indicator of our operating performance or any other measure of performance derived in accordance with GAAP. This data should be read in conjunction with our consolidated financial statements and related notes incorporated by reference herein. A reconciliation of SBA Communications Adjusted Consolidated Cash Flow and Senior Finance Adjusted Consolidated Cash Flow to net loss is as follows:

	Year Ended December 31,		
	2002	2003	2004
		(unaudited)	
		(in thousands)	
Net loss	\$ (267,087)	\$ (175,148)	\$ (147,280)
Loss from discontinued operations, net of income taxes	4,081	(202)	3,257
Write-off of deferred financing fees and loss on extinguishment of debt		24,219	41,197
Cumulative effect of changes in accounting principles	60,674	545	
Provision for income taxes	300	1,729	710
Interest expense	56,494	81,571	47,460
Non-cash interest expense	29,038	9,277	28,082
Amortization of debt issuance costs	4,480	5,115	3,445
Depreciation, accretion and amortization	95,627	93,657	90,453
Non-cash general and administrative compensation expenses	2,017	803	470
Non-cash restructuring and other charges	43,438	1,118	247
Asset impairment charges	24,194	12,993	7,092
Other expenses	169	(169)	(236)
Interest income	(601)	(692)	(516)
Non cash site leasing revenue	(3,511)	(2,372)	(1,169)
Non cash ground rent expense	6,247	5,852	5,578
Other permitted cash expenses(a)		2,792	
LTM Tower Cash Flow(b)	(71,148)	(83,539)	(101,131)
Annualized Tower Cash Flow(c)	74,060	88,948	107,252
SBA Communications Adjusted Consolidated Cash Flow	58,472	66,497	84,911
Plus: Selling, general and administrative expenses of SBA Communications	5,000	4,661	4,711
Plus: Selling, general and administrative expenses of Telecommunications		124	296
Senior Finance Adjusted Consolidated Cash Flow	\$ 63,472	\$ 71,282	\$ 89,918

- (a) Other permitted cash expenses for the twelve months ended December 31, 2003 were \$2,792 which include cash charges for (1) professional fees related to the restatement of our consolidated financial statements for the years ended December 31, 2001 and 2002 of \$925, (2) restructuring charges of \$976 and (3) professional and advisory fees related to our review of our strategic alternatives and decision to sell a portion of our tower portfolio in the Western tower sale of \$891.
- (b) LTM Tower Cash Flow is Tower Cash Flow for the twelve month period ended as of the date presented. See the definition of Tower Cash Flow in Description of the Notes Certain Definitions included elsewhere herein. LTM Tower Cash Flow for the years ended December 31, 2002, 2003 and 2004 is derived from our restated audited consolidated statements of operations incorporated by reference herein.
- (c) Annualized Tower Cash Flow is Tower Cash Flow for the most recent calendar quarter multiplied by four.

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	Year Ended December 31,		
	2002	2003	2004
	(dollars in thousands)		
	(unaudited)		
Site Leasing Revenue for the year ended December 31	\$ 115,121	\$ 127,852	\$ 144,004
less non cash site leasing revenue for the year ended December 31	(3,511)	(2,372)	(1,168)
Site Leasing Cost of Revenue for the year ended December 31	(46,709)	(47,793)	(47,283)
plus non cash site leasing cost of revenue for the year ended December 31	6,247	5,852	5,578
<b>Tower Cash Flow for the year ended December 31</b>	<b>\$ 71,148</b>	<b>\$ 83,539</b>	<b>\$ 101,131</b>
Site Leasing Revenue for the nine months ended September 30	\$ 84,801	\$ 94,916	\$ 106,352
less non cash site leasing revenue for the nine months ended September 30	(2,481)	(1,869)	(781)
Site Leasing Cost of Revenue for the nine months ended September 30	(34,342)	(36,089)	(35,555)
plus non cash site leasing cost of revenue for the nine months ended September 30	4,655	4,344	4,302
<b>Tower Cash Flow for the nine months ended September 30</b>	<b>\$ 52,633</b>	<b>\$ 61,302</b>	<b>\$ 74,318</b>
<b>Tower Cash Flow for the three months ended December 31</b>	<b>\$ 18,515</b>	<b>\$ 22,237</b>	<b>\$ 26,813</b>
	4	4	4
<b>Annualized Tower Cash Flow</b>	<b>\$ 74,060</b>	<b>\$ 88,948</b>	<b>\$ 107,252</b>

- (6) SBA Communications Consolidated Indebtedness is long-term debt, including the current maturities and excluding deferred gain on interest rate swap, in accordance with GAAP as set forth in our consolidated balance sheets incorporated by reference herein. SBA Communications Total Debt to Adjusted Consolidated Cash Flow Ratio is calculated by dividing SBA Communications Consolidated Indebtedness by SBA Communications Adjusted Consolidated Cash Flow. The indenture requires that SBA Communications Total Debt to Adjusted Consolidated Cash Flow Ratio not exceed 8.5 to 1.0 in order for SBA Communications to be able to incur additional debt, subject to certain exceptions, in accordance with the indenture. For the year ended December 31, 2004, as adjusted for the Transactions, SBA Communications Total Debt to Adjusted Consolidated Cash Flow Ratio under the indenture would have been 10.3 to 1.0.
- (7) Senior Finance s Consolidated Indebtedness is included in our long-term debt, including the current maturities, in accordance with GAAP as set forth in our consolidated balance sheets incorporated by reference herein, consisting of amounts related to our senior credit facility loans and our notes payable. Senior Finance s Consolidated Indebtedness does not include the 10 1/4% senior notes nor the 9 3/4% senior discount notes. Senior Finance s Total Debt to Adjusted Consolidated Cash Flow Ratio is calculated by dividing Senior Finance Consolidated Indebtedness by Senior Finance Adjusted Consolidated Cash Flow. The indenture requires that Senior Finance s Total Debt to Adjusted Consolidated Cash Flow Ratio not exceed 5.5 to 1.0 in order for Senior Finance to be able to incur additional debt, subject to certain exceptions, in accordance with the indenture. For the year ended December 31, 2004, as adjusted for the Transactions, Senior Finance s Total Debt to Adjusted Consolidated Cash Flow Ratio under the indenture would have been 3.6 to 1.0.
- (8) Reclassifications reflect the combination for reporting purposes of multiple acquired tower structures on a single parcel of real estate, which we market and customers view as a single location, into a single owned tower site. Dispositions reflect the sale, conveyance or other legal transfer of owned tower sites.

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**THE EXCHANGE OFFER**

You can find the definitions of capitalized terms used in this section under the heading **Description of the Notes** **Certain Definitions**.

**Terms Of The Exchange Offer; Period For Tendering Old Notes**

The old notes were sold by us on December 14, 2004 to Lehman Brothers Inc., Deutsche Bank Securities Inc., Friedman, Billings, Ramsey & Co., Inc., Raymond James & Associates, Inc., RBC Capital Markets Corporation and TD Securities (USA) LLC (the **Initial Purchasers** ) pursuant to a Purchase Agreement dated December 1, 2004 between us and the Initial Purchasers. As set forth in this prospectus and in the accompanying letter of transmittal, we will accept for exchange any and all old notes that are properly tendered on or prior to the expiration date and not withdrawn as permitted below. The term **expiration date** means 5:00 p.m., New York City time on [21 business days after commencement of offer]; provided however, that if we extend the period of time for which the Exchange Offer is open, the term **expiration date** means the latest time and date to which the Exchange Offer is extended.

As of the date of this prospectus, \$250.0 million aggregate principal amount of the old notes are outstanding. This prospectus, together with the letter of transmittal, is first being sent on or about the date set forth on the cover page to all holders of old notes at the addresses set forth in the security register maintained by the trustee or other registrar. Our obligation to accept old notes for exchange is subject to conditions as set forth under **Conditions to the Exchange Offer** below.

We expressly reserve the right, at any time or from time to time, to extend the period of time during which the Exchange Offer is open, and thereby delay acceptance for exchange of any old notes, by public announcement of an extension to the holders of old notes as described below. During any extension, all old notes previously tendered will remain subject to the Exchange Offer and may be accepted for exchange by us. Any old notes not accepted for exchange for any reason will be returned without expense to the tendering holder promptly after the expiration or termination of the Exchange Offer.

Old notes tendered in the Exchange Offer must be \$1,000 in principal amount or any integral multiple of \$1,000.

If we make a material change in the terms of the Exchange Offer or the information concerning the Exchange Offer or waive a material condition to the Exchange Offer, we will disseminate additional Exchange Offer materials and extend the Exchange Offer to the extent required by law. In addition, we may, if we deem appropriate, extend the Exchange Offer for any other reason. If the principal amount of old notes subject to the Exchange Offer is decreased, the Exchange Offer will remain open at least ten business days from the date we first give notice to you, by public announcement or otherwise, of that decrease. In the case of an extension of the Exchange Offer, the announcement will be issued no later than 9:00 a.m., New York City time, on the next business day after the previously scheduled expiration of the Exchange Offer. Without limiting the manner in which any public announcement may be made, we will have no obligation to publish, advertise or otherwise communicate any public announcement other than by issuing a release to the Dow Jones News Service.

**Registration Covenant; Exchange Offer**

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Under our registration rights agreement dated December 14, 2004 with the Initial Purchasers, we have agreed to file with the Commission the Exchange Offer Registration Statement on the appropriate form under the Securities Act with respect to the new notes. Upon the effectiveness of this Exchange Offer Registration Statement, we will offer to the holders of the old notes who are able to make required representations the opportunity to exchange their old notes for new notes. Alternatively, we will file with the Commission a Shelf Registration Statement to cover resales of Transfer Restricted Securities (as defined below) by the holders of

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old notes who satisfy specific conditions relating to the provision of information in connection with the Shelf Registration Statement if:

we are not required to file the Exchange Offer Registration Statement pursuant to the registration rights agreement; or

we are not permitted to consummate the Exchange Offer because it is not permitted by applicable law or Commission policy; or

any holder of Transfer Restricted Securities notifies us at least 30 business days prior to the consummation of the Exchange Offer that:

it is prohibited by law or Commission policy from participating in the Exchange Offer;

it may not resell the new notes acquired by it in the Exchange Offer to the public without delivering a prospectus and the prospectus contained in the Exchange Offer Registration Statement is not appropriate or available for such resales; or

it is a broker-dealer and holds old notes acquired directly from us or one of our affiliates.

We will use our reasonable best efforts to cause the applicable Registration Statement to be declared effective as promptly as possible by the Commission.

Transfer Restricted Securities means each old note until the earliest to occur of:

the date on which such note is exchanged in the Exchange Offer and entitled to be resold to the public by the holder without complying with the prospectus delivery requirements of the Securities Act;

the date on which such note has been disposed of in accordance with a Shelf Registration Statement;

the date on which such note is disposed of by a broker-dealer pursuant to the Plan of Distribution contemplated by the Exchange Offer Registration Statement (including delivery of the prospectus contained therein); or

the date on which such note is distributable to the public pursuant to Rule 144 under the Securities Act.

The registration rights agreement provides that:

we will use our reasonable best efforts to file an Exchange Offer Registration Statement with the Commission on or before 120 days after December 14, 2004, which is the closing date of the original issuance of the old notes;

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we will use our reasonable best efforts to have the Exchange Offer Registration Statement declared effective on or before 210 days after December 14, 2004;

unless the Exchange Offer would not be permitted by applicable law or Commission policy, we will commence the Exchange Offer and use our reasonable best efforts to cause the Exchange Offer to be consummated on or before 240 days after December 14, 2004; and

if obligated to file the Shelf Registration Statement, we will use our reasonable best efforts to file the Shelf Registration Statement with the Commission on or before 60 days after the filing obligation arises, and use our reasonable best efforts to cause the Shelf Registration Statement to be declared effective by the Commission on or before the later of 60 days after that obligation arises or 210 days after December 14, 2004.

If a registration default (as defined below) occurs, then additional cash interest ( Additional Interest ) shall accrue to each holder of Transfer Restricted Securities, commencing upon the occurrence of such registration default in an amount equal to \$.05 per week per \$1,000 of the principal amount of Transfer Restricted Securities held by such holder for the first 90 day period immediately following the first registration default. The amount of

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Additional Interest will increase by an additional \$.05 per week per \$1,000 of the principal amount of Transfer Restricted Securities from and during any period in which the registration default has continued for more than 90 days until all registration defaults have been cured, up to a maximum rate of Additional Interest for all registration defaults of \$.50 per week per \$1,000 of the principal amount of the old notes. All accrued Additional Interest shall be paid to the holders of the old notes in the same manner as interest is paid under the notes. Immediately upon the cure of all registration defaults, accrual of Additional Interest will cease.

A registration default means the occurrence of one of the following events:

we fail to file any of the registration statements required by the registration rights agreement on or before the date specified for that filing;

any of those registration statements are not declared effective by the Commission on or prior to the date specified for its effectiveness in the circumstances required by the registration rights agreement;

we fail to consummate the Exchange Offer within 240 days after December 14, 2004; or

any registration statement required by the registration rights agreement is declared effective but thereafter ceases to be effective or usable in connection with resales of Transfer Restricted Securities during the periods specified in, and subject to the suspension periods contemplated by the registration rights agreement.

This summary of the provisions of the registration rights agreement is not complete and is subject to, and is qualified by reference to, all provisions of the registration rights agreement.

## **Interest On Exchange Notes**

The new notes will bear interest at the same rate and on the same terms as the old notes. Each new note will bear interest from the most recent date to which interest has been paid or duly provided for on the old note surrendered in exchange for a new note, or, if no interest has been paid or duly provided for on the old note, from December 14, 2004. Holders of the old notes whose old notes are accepted for exchange will not receive accrued interest on the old notes for any period from and after the last interest payment date to which interest has been paid or duly provided for on the old notes prior to the original issue date of the new notes. These holders will be deemed to have waived the right to receive any interest on the old notes accrued from and after that interest payment date, or, if no interest has been paid or fully provided for, from and after December 14, 2004. Interest on the notes is payable semi-annually in arrears on each December 1 and June 1, commencing on June 1, 2005.

## **Procedures For Tendering Old Notes**

To tender in the Exchange Offer, a holder must complete, sign and date the letter of transmittal, or a facsimile of the letter of transmittal, have the signatures guaranteed if required by the letter of transmittal, and mail or otherwise deliver the letter of transmittal or a facsimile, together with the old notes and any other required documents, to the exchange agent. The exchange agent must receive these documents at the address set forth below prior to 5:00 p.m., New York City time on the expiration date. Delivery of the old notes may be made by book-entry transfer in



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accordance with the procedures described below. Confirmation of book-entry transfers must be received by the exchange agent prior to the expiration date.

By executing a letter of transmittal, each holder will make the representations set forth below under the heading Resale of New Notes.

The tender by a holder and the acceptance by us will constitute an agreement between the holder and us in accordance with the terms subject to the conditions set forth in this prospectus and in the letter of transmittal.

The method of delivery of old notes and the letter of transmittal and all other required documents to the exchange agent is at the election and risk of the holder. Instead of delivery by mail, it is recommended that

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holders use an overnight or hand delivery service. In all cases, sufficient time should be allowed to assure delivery to the exchange agent before the expiration date. No letter of transmittal or notes should be sent to us. Holders may request their brokers, dealers, commercial banks, trust companies or nominees to effect the above transactions for them.

Any beneficial owner whose old notes are registered in the name of a broker, dealer, commercial bank, trust company or other nominee and who wishes to tender should contact the registered holder promptly and instruct the registered holder to tender on the beneficial owner's behalf.

Signatures on a letter of transmittal or a notice of withdrawal, as the case may be, must be guaranteed by an eligible institution (as defined below) unless the old notes tendered:

are signed by the registered holder, unless the holder has completed the box entitled "special exchange instructions" or "special delivery instructions" on the letter of transmittal; or

are tendered for the account of an eligible institution.

In the event that signatures on a letter of transmittal or a notice of withdrawal, as the case may be, are required to be guaranteed, the guarantee must be by a member firm of a registered national securities exchange or of the National Association of Securities Dealers, Inc., a commercial bank or trust company having an office or correspondent in the United States, or an eligible guarantor institution within the meaning of Rule 17Ad-15 under the Exchange Act (an eligible institution).

If a letter of transmittal is signed by a person other than the registered holder of any old notes listed on the letter of transmittal, the old notes must be endorsed or accompanied by a properly completed bond power, signed by the registered holder as the registered holder's name appears on the old notes, with the signature guaranteed by an eligible institution.

If a letter of transmittal or any old notes or bond powers are signed by trustees, executors, administrators, guardians, attorneys-in-fact, officers of corporations or other acting in a fiduciary or representative capacity, the persons should so indicate when signing. Unless waived by us, evidence satisfactory to us of their authority to so act must be submitted with the letter of transmittal.

All questions as to the validity, form, eligibility, including time or receipt, acceptance of tendered old notes and withdrawal of tendered old notes will be determined by us in our reasonable discretion. This determination will be final and binding. We reserve the absolute right to reject any and all old notes that are not properly tendered or any old notes our acceptance of which would, in the opinion of our counsel, be unlawful. We also reserve the right to waive any defects, irregularities or conditions of tender as to particular old notes. Our interpretation of the terms and conditions of the Exchange Offer, including the instructions in the letter of transmittal, will be final and binding on all parties. Unless waived, any defects or irregularities in connection with tenders of old notes must be cured within the time period we determine. Although we intend to notify holders of defects or irregularities with respect to tenders of old notes, neither we, the exchange agent nor any other person will incur any liability for failure to give this notification. Tendere of old notes will not be deemed to have been made until defects or irregularities have been cured or waived. Any old notes received by the exchange agent that are not properly tendered and as to which the defects or irregularities have not been cured or waived will be returned by the exchange agent to the tendering holders, unless otherwise provided in letter of transmittal, as soon as practicable following the expiration date.

*Book-Entry Delivery Procedures*

Promptly after the date of this prospectus, the exchange agent for the old notes will establish accounts with respect to the old notes at DTC, (the book-entry transfer facility ) for purposes of the Exchange Offer. Any financial institution that is a participant in the book-entry transfer facility s systems may make book-entry

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delivery of the old notes by causing the book-entry transfer facility to transfer old notes into the exchange agent's account at the book-entry transfer facility in accordance with the book-entry transfer facility's procedures for transfers. Timely book-entry delivery of old notes pursuant to the Exchange Offer, however, requires receipt of a book-entry confirmation prior to the expiration date. In addition, to receive new notes for tendered old notes, the letter of transmittal, or a mutually signed facsimile, together with any required signature guarantees and any other required documents, or an agent's message in connection with a book-entry transfer, must, in any case, be delivered or transmitted to and received by the exchange agent at its address set forth under "Exchange Agent" below prior to the expiration date. Alternatively, the guaranteed delivery procedures described below must be complied with. Tender will not be considered made until the documents are received by the exchange agent. Delivery of documents to the book-entry transfer facility does not constitute delivery to the exchange agent.

### *Tender Of Existing Notes Held Through Book-Entry Transfer Facility*

The exchange agent and the book-entry transfer facility have confirmed that the Exchange Offer is eligible for the book-entry transfer facility's Automated Tender Offer Program, or ATOP. Accordingly, participants in the book-entry transfer facility's ATOP may, in lieu of physically completing and signing the letter of transmittal and delivering it to the exchange agent, electronically transmit their acceptance of the Exchange Offer by causing the book-entry transfer facility to transfer old notes to the exchange agent in accordance with the book-entry transfer facility's ATOP procedures for transfer. The book-entry transfer facility will then send an agent's message to the exchange agent.

The term "agent's message" means a message transmitted by a book-entry transfer facility, received by the exchange agent and forming part of the book-entry confirmation, which states that:

the book-entry transfer facility has received an expressed acknowledgment from a participant in its ATOP that is tendering old notes which are the subject of the book-entry confirmation;

the participant has received and agrees to be bound by the terms of the letter of transmittal or, in the case of an agent's message relating to guaranteed delivery, the participant has received and agrees to be bound by the notice of guaranteed delivery; and

we may enforce the agreement against the participant.

### *Guaranteed Delivery Procedure*

Holders who wish to tender their old notes and (1) whose old notes are not immediately available, (2) who cannot deliver their old notes, the letter of transmittal or any other required documents to the exchange agent or (3) who cannot complete the procedures for book-entry transfer, prior to the expiration date, may effect a tender if:

the tender is made through an eligible institution;

prior to the expiration date, the agent receives from the eligible institution a properly completed and duly executed notice of guaranteed delivery, by facsimile transmission, mail or hand delivery, setting forth the name and address of the holder, the certificate number(s) of the old notes and the principal amount of old notes tendered and guaranteeing that, within three New York Stock Exchange trading days after the date of execution, the letter of transmittal or facsimile together with the certificate(s) representing the

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old notes or a book-entry confirmation of the old notes into the exchange agent's account at the book-entry transfer facility and any other documents required by the letter of transmittal, will be deposited by the eligible institution with the exchange agent; and

a properly completed and executed letter of transmittal or facsimile, as well as the certificate(s) representing all tendered old notes in proper form for transfer or a book-entry confirmation transfer of the old notes into the exchange agent's account at the book-entry transfer facility and all other documents required by the letter of transmittal, are received by the exchange agent within three New York Stock Exchange trading days after the date of execution.

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Upon request to the exchange agent, a notice of guaranteed delivery will be sent to holders who wish to tender their old notes according to the guaranteed delivery procedures set forth above.

### **Withdrawals Of Tenders**

Except as otherwise provided in this prospectus, tenders of old notes may be withdrawn at any time prior to 5:00 p.m., New York City time on the expiration date.

To withdraw a tender of old notes in the Exchange Offer, a written or facsimile transmission notice of withdrawal must be received by the exchange agent at the address set forth below prior to 5:00 p.m., New York City time, on the expiration date. Any notice of withdrawal must:

specify the name of the person having deposited the old notes to be withdrawn (the depositor );

identify the old notes to be withdrawn, including the certificates number(s) and principal amount of the old notes, or, in the case of old notes transferred by book-entry transfer, the name and number of the account at the book-entry transfer facility to be credited;

be signed by the holder in the same manner as the original signature on the letter of transmittal by which the old notes were tendered, including any required signature guarantees, or be accompanied by documents of transfer sufficient to have the trustee or other registrar register transfer of the old notes into the name of the person withdrawing the tender; and

specify the name in which any of the old notes are to be registered, if different from that of the depositor.

All questions as to the validity, form and eligibility, including time or receipt, of the notices will be determined by us. Our determination will be final and binding on all parties. Any old notes so withdrawn will be deemed not to have been validly tendered for purposes of the Exchange Offer and no new notes will be issued in exchange unless the old notes so withdrawn are validly retendered. Any old notes which have been tendered but which are not accepted for exchange will be returned to their holder without cost to the holder as soon as practicable after withdrawal, rejection of tender or termination of the Exchange Offer. Properly withdrawn old notes may be retendered by following one of the procedures described above under Procedures for Tendering Old Notes at any time prior to the expiration date.

### **Conditions To The Exchange Offer**

Notwithstanding any other terms of the Exchange Offer, we will not be required to accept for exchange, or exchange new notes for, any old notes, and may terminate the Exchange Offer before the acceptance of the old notes if, in our reasonable judgment, the Exchange Offer would violate any law, statute, rule or regulation or an interpretation thereof of the Staff of the Commission. If we determine in our reasonable discretion that this condition is not satisfied, we may:

refuse to accept any old notes and return all tendered old notes to the tendering holders;

extend the Exchange Offer and retain all old notes tendered prior to the expiration date, subject, however, to the rights of holders to withdraw the old notes (see Withdrawals of Tender ); or

waive the unsatisfied condition with respect to the Exchange Offer and accept all validly tendered old notes which have not been withdrawn. If the waiver constitutes a material change to the Exchange Offer, we will promptly disclose the waiver by means of a prospectus supplement that will be distributed to the registered holders, and we will extend the Exchange Offer for a period of five to ten business days, depending upon the significance of the waiver and the manner of disclosure to the registered holders, if the Exchange Offer would otherwise expire during that five to ten business day period.

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### **Exchange Agent**

U.S. Bank National Association has been appointed as the exchange agent for the Exchange Offer of the old notes. The executed letter of transmittal should be directed to the exchange agent at the address set forth below. Questions and requests for assistance, requests for additional copies of this prospectus or of the letter of transmittal and requests for notices of guaranteed delivery should be directed to the exchange agent, addressed as follows:

By mail or by hand:                   U.S. Bank National Association  
  
  Corporate Trust Services  
  
  60 Livingston Avenue  
  
  St. Paul, MN 55107

By Facsimile: (651) 495-8158

Confirm Facsimile by Telephone: (800) 934-6802

Delivery of a letter of transmittal to an address other than that for the exchange agent as set forth above or transmission of instructions via facsimile other than as set forth above does not constitute a valid delivery of a letter of transmittal.

### **Fees And Expenses**

We will not make any payment to brokers, dealers or others for soliciting acceptances of the Exchange Offer.

### **Transfer Taxes**

Holders who tender their old notes for exchange generally will not be obligated to pay any transfer tax in connection with the exchange. However, holders who instruct us to register new notes in the name of a person other than the registered tendering holders, or request that old notes not properly tendered, withdrawn or not accepted in the Exchange Offer be returned to a person other than the registered tendering holder, will be responsible for the payment of any applicable transfer tax.

### **Accounting Treatment**

The new notes will be recorded at the same carrying value as the old notes. This is the aggregate principal amount of the old notes, as reflected in our accounting records on the date of exchange. Accordingly, no gain or loss for accounting purposes will be recognized by us in connection with the Exchange Offer. The expenses of the Exchange Offer will be amortized over the term of the notes.



**Appraisal Rights**

Holders of old notes will not have dissenters' rights or appraisal rights in connection with the Exchange Offer.

**Resale Of New Notes**

The new notes are being offered to satisfy our obligations contained in the registration rights agreement. We are making the Exchange Offer in reliance on the position of the Staff of the Commission as set forth in the Exxon Capital No-Action Letter, the Morgan Stanley No-Action Letter, the Shearman & Sterling No-Action Letter, and other interpretive letters addressed to third parties in other transactions. However, we have not sought our own interpretive letter addressing these matters and there can be no assurance that the Staff would make a

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similar determination with respect to the Exchange Offer as it has in those interpretive letters to third parties. Based on these interpretations by the Staff, and subject to the two immediately following sentences, we believe that new notes issued pursuant to this Exchange Offer in exchange for old notes may be offered for resale, resold and otherwise transferred by holders, other than a holder who is a broker-dealer, without further compliance with the registration and prospectus delivery requirements of the Securities Act, provided that:

the new notes are acquired in the ordinary course of the holder's business; and

the holder is not participating, and has no arrangement or understanding with any person to participate, in a distribution within the meaning of the Securities Act of the new notes.

However, any holder who:

is an affiliate of ours, within the meaning of Rule 405 under the Securities Act;

does not acquire new notes in the ordinary course of its business;

intends to participate in the Exchange Offer for the purpose of distributing new notes; or

is a broker-dealer who purchased old notes directly from us,

will not be able to rely on the interpretations of the Staff set forth in the above-mentioned interpretive letters; will not be permitted or entitled to tender old notes in the Exchange Offer; and must comply with the registration and prospectus delivery requirements of the Securities Act in connection with any sale or other transfer of old notes unless the sale is made pursuant to an exemption from those requirements.

In addition, as described below, if any broker-dealer holds old notes acquired for its own account as a result of market-making or other trading activities and exchanges the old notes for new notes (a participating broker-dealer), the participating broker-dealer may be deemed to be a statutory underwriter within the meaning of the Securities Act and must deliver a prospectus meeting the requirements of the Securities Act in connection with any resales of new notes. See Plan of Distribution.

Each holder who wishes to exchange old notes for new notes in the Exchange Offer will be required to represent that:

it is not an affiliate of ours;

any new notes to be received by it are being acquired in the ordinary course of its business; and

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it has no arrangement or understanding with any person to participate in a distribution, within the meaning of the Securities Act, of new notes.

Each broker-dealer that receives new notes for its own account pursuant to the Exchange Offer must:

acknowledge that it acquired the old notes for its own account as a result of market-making activities or other trading activities, and not directly from us; and

agree that it will deliver a prospectus meeting the requirements of the Securities Act in connection with any resale of new notes.

The letter of transmittal states that by so acknowledging and by delivering a prospectus, a participating broker-dealer will not be deemed to admit that it is an underwriter within the meaning of the Securities Act. Based on the position taken by the Staff in the interpretive letters referred to above, we believe that participating broker-dealers may fulfill their prospectus delivery requirements with respect to the new notes received upon exchange of old notes with a prospectus meeting the requirements of the Securities Act, which may be the prospectus prepared for an Exchange Offer so long as it contains a description of the plan of distribution with respect to the resale of new notes. Accordingly, this prospectus, as it may be amended or supplemented from time to time, may be used by a participating broker-dealer during the period referred to below in connection with the resales of new notes received in exchange for old notes where the old notes were acquired by the participating broker-dealer for its own account as a result of market-making or other trading activities.

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Subject to provisions set forth in the registration rights agreement, we shall use our best efforts to:

keep the Exchange Offer Registration Statement continuously effective, supplemented and amended to the extent necessary to ensure that it is available for resales of new notes acquired by broker-dealers for their own accounts as a result of market-making activities or other trading activities; and

ensure that the Exchange Offer Registration Statement conforms with the requirements of the registration rights agreement, the Securities Act and the policies, rules and regulations of the Commission as announced from time to time, for a period of 180 days from the date on which the Exchange Offer Registration Statement is declared effective.

Any participating broker-dealer who is an affiliate of ours may not rely on the interpretive letters and must comply with the registration and prospectus delivery requirements of the Securities Act in connection with any resale transaction.

Each participating broker-dealer who surrenders old notes pursuant to the Exchange Offer will be deemed to have agreed, by execution of a letter of transmittal, that, upon receipt of notice from us of the occurrence of any event or the discovery of any fact which makes any statement contained or incorporated by reference in this prospectus untrue in any material respect or which causes this prospectus to omit to state a material fact necessary in order to make the statements contained or incorporated by reference herein, in light of the circumstances under which they were made, not misleading or of the occurrence of other events specified in the registration rights agreement, the participating broker-dealer will suspend the sale of new notes pursuant to this prospectus until we have amended or supplemented this prospectus to correct the misstatement or omission and have furnished copies of the amended or supplemented prospectus to the participating broker-dealer or we have given notice that the sale of the new notes may be resumed, as the case may be.

### **Consequences Of Failure To Exchange Old Notes**

Any old notes tendered and exchanged in the Exchange Offer will reduce the aggregate principal amount of old notes outstanding. Following the consummation of the Exchange Offer, holders who did not tender their old notes generally will not have any further registration rights under the registration rights agreement, and these old notes will continue to be subject to restrictions on transfer. Accordingly, the liquidity of the market for the old notes could be adversely affected. The old notes are currently eligible for sale under Rule 144A through the PORTAL Market. Because we anticipate that most holders will elect to exchange their old notes for new notes due to the absence of most restrictions on the resale of new notes, we anticipate that the liquidity of the market for any old notes remaining outstanding after the Exchange Offer may be substantially limited.

As a result of the making of the Exchange Offer, we will have fulfilled our obligations under the registration rights agreement, and holders who do not tender their old notes generally will not have any further registration rights or rights to receive liquidated damages specified in the registration rights agreement for our failure to register the new notes.

The old notes that are not exchanged for new notes will remain restricted securities. Accordingly, the old notes may be resold only:

to us or one of our subsidiaries;

to a qualified institutional buyer;

to an institutional accredited investor;

to a party outside the United States under Regulation S under the Securities Act;

under an exemption from registration provided by Rule 144 under the Securities Act; or

under an effective registration statement.

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**DESCRIPTION OF THE NOTES**

**General**

We issued the old notes and will issue the new notes under the Indenture dated as of December 14, 2004, by and between us and U.S. Bank National Association, as trustee (the Indenture ). The term Notes refers to the old notes and the new notes. The terms of the Notes include those stated in the Indenture and those made part of the Indenture by reference to the Trust Indenture Act of 1939, as amended (the Trust Indenture Act ). The aggregate principal amount of Notes issuable under the Indenture is unlimited, although the issuance of old notes and new notes is limited to an aggregate principal amount of \$250.0 million. We may issue an unlimited principal amount of Additional Notes having identical terms and conditions as the Notes, subject to compliance with the covenant described under Certain Covenants Limitation on Incurrence of Indebtedness and Issuance of Preferred Stock. Any Additional Notes may be part of the same issue as the Notes and to that extent will vote on all matters with the holders of such Notes.

The following description is a summary of those provisions of the Indenture and the Registration Rights Agreement that we consider material. It does not restate either agreement in its entirety. We urge you to read the Indenture and the Registration Rights Agreement because they, and not this description, define your rights as holders of the Notes. Copies of the Indenture and the Registration Rights Agreement are available as set forth below under Additional Information. You can find the definitions of capitalized terms used in this description under the subheading Certain Definitions. In this description, the issuer, the Company, we, us and our refer only to SBA Communications Corporation and not to any of subsidiaries.

**Brief Description of the Securities**

The Notes are:

our senior, unsecured obligations;

senior in right of payment to any of our future subordinated Indebtedness;

*pari passu* in right of payment to our existing and future unsecured Indebtedness that is not by its terms expressly subordinated to the Notes; and

effectively junior in right of payment to our existing and future secured Indebtedness to the extent of the value of the collateral securing that Indebtedness.

As of December 31, 2004, as adjusted for the redemption of the 10<sup>1</sup>/<sub>4</sub>% senior notes in February 2005, we would have had approximately \$552.4 million of Senior Indebtedness outstanding (including the notes and the \$302.4 million due under the 9<sup>3</sup>/<sub>4</sub>% senior discount notes due 2011 that we co-issued with Telecommunications (the 2011 Notes )) none of which is secured. As of December 31, 2004, the Notes would have ranked structurally junior in right of payment to \$703.3 million of total liabilities of our Subsidiaries, including \$323.4 million of indebtedness under the senior credit facility and \$302.4 million of the 2011 Notes. As of March 31, 2005, we had drawn down \$322.6 million under the senior credit facility and as a result had approximately \$36.5 million in availability under the senior credit facility, which would be senior in right of

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payment to the notes, and had \$309.8 million aggregate principal amount at maturity outstanding of the 9<sup>3</sup>/<sub>4</sub>% senior discount notes. The Indenture permits certain of our Subsidiaries to incur additional amounts of Indebtedness, all of which would be structurally senior to the Notes.

Our operations are conducted through our Subsidiaries and, therefore, we are dependent upon the cash flow of our Subsidiaries to meet our obligations, including our obligations under the Notes. Our Subsidiaries will not be guarantors of the Notes and are separate entities with no obligation to make payments on the Notes or to make funds available therefor. The Notes will be effectively subordinated to all Indebtedness (including all obligations under the Senior Credit Facility) and other liabilities and commitments (including trade payables and lease obligations) of our Subsidiaries. Our right to receive assets of any of our Subsidiaries upon such Subsidiary s

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liquidation or reorganization (and the consequent right of the holders of the Notes to participate in those assets) will be effectively subordinated to the claims of that Subsidiary's creditors, except to the extent that we are ourselves recognized as a creditor of such Subsidiary, in which case our claims would still be subordinate to any security in the assets of such Subsidiary and any Indebtedness of such Subsidiary senior to that held by us. We cannot assure you that, if a Default or Event of Default occurs, we will have sufficient cash or other assets available to meet our obligations, especially after repayment by our Subsidiaries of their obligations. For other information relating to the Company and its Subsidiaries and the structural subordination of the Notes to Indebtedness and other Obligations of such Subsidiaries, see Risk Factors. The notes will be structurally subordinate to the debt of our subsidiaries, including our senior credit facility.

As of December 14, 2004, all of our existing subsidiaries are Restricted Subsidiaries and bound by the covenants contained in the Indenture. However, under certain circumstances, we will be permitted to designate our current or future Subsidiaries as Unrestricted Subsidiaries. Our Unrestricted Subsidiaries will not be subject to the restrictive covenants set forth in the Indenture.

## **Principal, Maturity and Interest**

We issued Initial Notes with a maximum aggregate principal amount of \$250.0 million. We may issue Additional Notes from time to time. Any offering of Additional Notes is subject to the covenant described under Certain Covenants Limitation on Incurrence of Indebtedness and Issuance of Preferred Stock. The Initial Notes and any Additional Notes subsequently issued under the Indenture will be treated as a single class for all purposes under the Indenture, including, without limitation, waivers, amendments, redemptions and offers to purchase. The Notes will mature on December 1, 2012. We issued the old notes and will issue the new notes in denominations of \$1,000 and integral multiples thereof.

Interest on the Notes will accrue at the rate of 8 1/2% per annum and will be payable in U.S. dollars semiannually in arrears on June 1 and December 1, commencing on June 1, 2005, to holders of record on the immediately preceding May 15 or November 15, respectively. The registered holder of a Note is treated as the owner of the Note for all purposes. Only registered holders have rights under the Indenture.

Holders of record on such record dates will become irrevocably entitled to receive accrued interest in respect of the interest period during which such record date occurs as of the close of business on such record date. Interest on the Notes will accrue from the date of original issuance or, if interest has already been paid, from the most recent date to which interest has been paid. Interest will be computed on the basis of a 360-day year comprised of twelve 30-day months.

## **Methods of Receiving Payments on the Notes**

If a holder has given wire transfer instructions to us, we will pay all principal, interest, premium, if any, and Additional Interest, if any, on that holder's Notes in accordance with those instructions. All other payments on Notes will be made at the office or agency of the paying agent and registrar within the City and State of New York unless we elect to make interest payments by check mailed to the holders at their address set forth in the register of holders.

## **Paying Agent and Registrar for the Notes**



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The Trustee will initially act as paying agent and registrar. We may change the paying agent or registrar without prior notice to the holders of the Notes, and we or any of our Subsidiaries may act as paying agent or registrar.

### **Transfer and Exchange**

A holder may transfer or exchange Notes in accordance with the Indenture. The registrar and the Trustee may require a holder to furnish appropriate endorsements and transfer documents in connection with a transfer of

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Notes. Holders will be required to pay all taxes due on transfer. The registrar is not required to transfer or exchange any Note selected for redemption. Also, the registrar is not required to transfer or exchange any Note for a period of 15 days before a selection of Notes to be redeemed.

**Optional Redemption**

Except as described below, the Notes will not be redeemable at our option prior to December 1, 2008. Thereafter, the Notes will be subject to redemption at any time at our option, in whole or in part, upon not less than 30 nor more than 60 days notice, at the redemption prices (expressed as percentages of principal amount) set forth below plus accrued and unpaid interest and Additional Interest thereon, if any, to the applicable redemption date (subject to the right of holders of record on the relevant record date to receive interest due on the relevant interest payment date), if redeemed during the twelve-month period beginning on December 1 of the years indicated below:

<u>Year</u>	<u>Percentage</u>
2008	104.250%
2009	102.125%
2010 and thereafter	100.000%

In addition, at any time on or prior to December 1, 2008, we may redeem all or a part of the Notes upon not less than 30 nor more than 60 days prior notice mailed by first-class mail to each holder's registered address, at a redemption price equal to 100% of the principal amount of the Notes to be redeemed plus the Applicable Premium plus accrued and unpaid interest and Additional Interest, if any, to the redemption date (subject to the rights of holders of record on relevant record dates to receive interest due on an interest payment date).

At any time prior to December 1, 2007, we may on any one or more occasions redeem up to 35% of the aggregate principal amount of Notes (including any Additional Notes) issued under the Indenture at a redemption price of 108.500% of the principal amount thereof on the redemption date, plus accrued and unpaid interest and Additional Interest, if any, with the net cash proceeds of one or more Equity Offerings and/or Strategic Equity Investments; *provided* that (1) at least 65% of the original principal amount of Notes issued under the Indenture remains outstanding immediately after the occurrence of such redemption (excluding Notes held by us or any of our Subsidiaries) and (2) that such redemption shall occur within 60 days of the date of the closing of such Equity Offering and/or Strategic Equity Investment.

**Selection and Notice**

If less than all of the Notes are to be redeemed at any time, selection of Notes for redemption will be made by the Trustee in compliance with the requirements of the principal national securities exchange, if any, on which the Notes are listed, or, if the Notes are not so listed on a pro rata basis, by lot or in accordance with any other method the Trustee shall deem fair and appropriate; *provided* that no Notes of \$1,000 or less shall be redeemed in part. Notices of redemption shall be mailed by first class mail at least 30 but not more than 60 days before the redemption date to each Holder of Notes to be redeemed at its registered address, except that redemption notices may be mailed more than 60 days prior to a redemption date if the notice is issued in connection with a defeasance of the Notes or a satisfaction and discharge of the Indenture. Notices of redemption may not be conditional.

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If any Note is to be redeemed in part only, the notice of redemption that relates to such Note shall state the portion of the principal amount thereof to be redeemed. A new Note in principal amount equal to the unredeemed portion thereof will be issued in the name of the holder thereof upon cancellation of the original Note. Notes called for redemption become due on the date fixed for redemption. On and after the redemption date, interest ceases to accrue on Notes or portions of them called for redemption so long as we have deposited with the Paying Agent sufficient funds in satisfaction of the applicable redemption price pursuant to the Indenture.

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### **Mandatory Redemption**

We are not required to make mandatory redemption or sinking fund payments with respect to the Notes.

### **Purchase at the Option of Holders**

#### *Change of Control*

Upon the occurrence of a Change of Control, each holder of Notes will have the right to require the Company to purchase all or any part (equal to \$1,000 or an integral multiple thereof) of such holder's Notes pursuant to the offer described below (the "Change of Control Offer") at an offer price in cash equal to 101% of the aggregate principal amount thereof plus accrued and unpaid interest and Additional Interest thereon, if any (subject to the right of holders of record on the relevant record date to receive interest and Additional Interest, if any, due on the relevant interest payment date), to the date of purchase (the "Change of Control Payment"). Within 30 days following any Change of Control, the Company will mail a notice to each Holder describing the transaction or transactions that constitute the Change of Control and offering to purchase Notes on the date specified in such notice, which date shall be no earlier than 30 days and no later than 60 days from the date such notice is mailed (the "Change of Control Payment Date"), pursuant to the procedures required by the Indenture and described in such notice.

On the Change of Control Payment Date, the Company will, to the extent lawful:

- (1) accept for payment all Notes or portions thereof properly tendered pursuant to the Change of Control Offer,
- (2) deposit with the Paying Agent an amount equal to the Change of Control Payment in respect of all Notes or portions thereof so tendered, and
- (3) deliver or cause to be delivered to the Trustee the Notes so accepted together with an Officers' Certificate stating the aggregate principal amount of Notes or portions thereof being purchased by the Company.

The paying agent will promptly mail to each holder of Notes so tendered the Change of Control Payment for such Notes, and the Trustee will promptly authenticate and mail (or cause to be transferred by book entry) to each Holder a new Note equal in principal amount to any unpurchased portion of the Notes surrendered, if any; *provided* that each such new Note will be in a principal amount of \$1,000 or an integral multiple thereof.

We will comply, to the extent applicable, with the requirements of Section 14(e) of the Exchange Act and any other securities laws or regulations applicable to any Change of Control Offer. To the extent that the provisions of any such securities laws or securities regulations conflict with the provisions of the covenant described above, we will comply with the applicable securities laws and regulations and will not be deemed to have breached its obligations under the covenant described above by virtue thereof.

The Change of Control purchase feature is a result of negotiations between the Company and the initial purchasers. We have no present intention to engage in a transaction involving a Change of Control, although it is possible that the Company would decide to do so in the future. Subject to the limitations discussed below, the Company could in the future, enter into certain transactions, including acquisitions, refinancings or other recapitalizations, that would not constitute a Change of Control under the Indenture, but that could increase the amount of Indebtedness outstanding at such time or otherwise affect the Company's capital structure. Restrictions on the ability of the Company to incur additional Indebtedness are contained in the covenants described under Certain Covenants Limitation on Incurrence of Indebtedness and Issuance of Preferred Stock, Certain Covenants Limitation on Liens and Certain Covenants Limitation on Sale and Leaseback Transactions. Such restrictions can be waived only with the consent of the holders of a majority in principal amount of the Notes then outstanding. Except for the limitations contained in such covenants, however, the Indenture does not contain any covenants or provisions that may afford holders of the Notes protection in the event of certain highly leveraged transactions.

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Any Credit Facility would likely limit the Company's access to the cash flow of its Subsidiaries and, therefore, restrict the Company's ability to purchase any Notes. Any Credit Facility would likely also provide, and the Senior Credit Facility provides, that the occurrence of certain change of control events with respect to the Company will constitute a default thereunder. In such event, the Company could seek the consent of the lenders under such Credit Facility or could attempt to refinance the borrowings that contain such prohibition. If the Company does not obtain such a consent or repay such borrowings, the Company will remain prohibited from purchasing Notes. In such case, the Company's failure to purchase tendered Notes would constitute an Event of Default under the Indenture which would, in turn, constitute a default under such Credit Facility. The December 2003 Senior Discount Note Indenture, evidencing the 2011 Notes, also requires the Company and such Subsidiary to offer to repurchase the 2011 Notes on a Change of Control. Future indebtedness of the Company and its Subsidiaries may contain prohibitions on the occurrence of certain events that would constitute a Change of Control or require such indebtedness to be purchased upon a Change of Control. Moreover, the exercise by the Holders of their right to require the Company to purchase the Notes could cause a default under such indebtedness, even if the Change of Control itself does not, due to the financial effect of such purchase on the Company. The Company's ability to pay cash to the Holders of Notes following the occurrence of a Change of Control may also be limited by the Company's then existing financial resources, including its ability to access the cash flow of its Subsidiaries. See *Risk Factors* *Risks Related to the Notes* we may not have sufficient funds to repurchase the notes upon a change in control as required by the indenture.

The Company will not be required to make a Change of Control Offer upon a Change of Control if a third party makes the Change of Control Offer in the manner, at the times and otherwise in compliance with the requirements set forth in the Indenture applicable to a Change of Control Offer made by the Company and purchases all Notes validly tendered and not withdrawn under such Change of Control Offer. The provisions under the Indenture relative to the Company's obligation to make an offer to repurchase the Notes as a result of a Change of Control may be waived or modified only with the written consent of the holders of a majority in principal amount of the Notes then outstanding.

The definition of Change of Control includes a phrase relating to the sale, lease, transfer, conveyance or other disposition of all or substantially all of the assets of the Company and its Restricted Subsidiaries taken as a whole. Although there is a limited body of case law interpreting the phrase substantially all, there is no precise established definition of the phrase under applicable law. Accordingly, the ability of a Holder of Notes to require the Company to purchase such Notes as a result of a sale, lease, transfer, conveyance or other disposition of less than all of the assets of the Company and its Restricted Subsidiaries taken as a whole to another Person or group may be uncertain.

### *Asset Sales*

The Company will not, and will not permit any of its Restricted Subsidiaries to, consummate an Asset Sale unless:

(1) the Company (or the Restricted Subsidiary, as the case may be) receives consideration at the time of such Asset Sale at least equal to the fair market value (evidenced by a resolution of the Board of Directors set forth in an Officers' Certificate delivered to the Trustee) of the assets or Equity Interests issued or sold or otherwise disposed of; and

(2) at least 75% of the consideration therefor received by the Company or such Restricted Subsidiary is in the form of (a) cash or Cash Equivalents, (b) Tower Assets or (c) any combination of the foregoing.

For purposes of this provision, the following shall be deemed to be cash:

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(A) the amount of any liabilities (as shown on the Company's or such Restricted Subsidiary's most recent balance sheet) of the Company or any Restricted Subsidiary (other than contingent liabilities and liabilities that are by their terms subordinated to the Notes or any guarantee thereof) that are assumed by the transferee of any such assets pursuant to a customary novation agreement that releases the Company or such Restricted Subsidiary from further liability; and

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(B) the amount of any securities, notes or other obligations received by the Company or any such Restricted Subsidiary from such transferee that are converted by the Company or such Restricted Subsidiary into cash within 20 days of the applicable Asset Sale (to the extent of the cash received).

Within 360 days after the receipt of any Net Proceeds from an Asset Sale, the Company or the applicable Restricted Subsidiary may apply such Net Proceeds to:

(a) reduce (which reduction may be temporary) Indebtedness under a Credit Facility;

(b) reduce or repurchase any other Indebtedness of any of the Company's Restricted Subsidiaries, including the 2011 Notes;

(c) reduce or repurchase any Indebtedness represented by the Notes;

(d) reduce or repurchase any Senior Indebtedness of the Company, excluding the 2011 Notes; *provided* that the Notes are reduced or repurchased on a pro rata basis with the Net Proceeds from such Asset Sale;

(e) acquire all or substantially all the assets of a Permitted Business; *provided*, that after giving effect thereto, the Company and/or a Restricted Subsidiary own such assets;

(f) acquire Voting Stock of a Permitted Business from a Person that is not a Subsidiary of the Company; *provided*, that, after giving effect thereto, the Company and/or a Restricted Subsidiary own a majority of such Voting Stock; or

(g) make a capital expenditure or acquire other long-term assets that are used or useful in a Permitted Business; *provided*, that after giving effect thereto, the Company or a Restricted Subsidiary of the Company is the owner of such assets.

Pending the final application of any such Net Proceeds, the Company or the applicable Restricted Subsidiary may invest such Net Proceeds in any manner that is not prohibited by the Indenture.

Any Net Proceeds from Asset Sales that are not applied or invested as provided in clauses (a) through (g) immediately above will be deemed to constitute Excess Proceeds. When the aggregate amount of Excess Proceeds exceeds \$10 million, the Company or the applicable Restricted Subsidiary will be required to make an offer (an Asset Sale Offer) to all holders of Notes and all holders of other Senior Indebtedness of the Company, excluding the 2011 Notes, containing provisions similar to those set forth in the Indenture with respect to offers to purchase or redeem with the proceeds of sales of assets (such other Senior Indebtedness, Pari Passu Notes) to purchase, on a pro rata basis, the maximum principal amount (or accreted value, as applicable) of Notes and such Pari Passu Notes that may be purchased out of the Excess Proceeds, at an offer price in cash in an amount equal to 100% of the principal amount (or accreted value, as applicable) thereof plus accrued and unpaid interest



and Additional Interest thereon, if any, to the date of purchase (subject to the right of holders of record on the relevant record date to receive interest due on the relevant interest payment date), in accordance with the procedures set forth in the Indenture and the instruments governing such Pari Passu Notes.

To the extent that any Excess Proceeds remain after consummation of an Asset Sale Offer, the Company may use such Excess Proceeds for any purpose not otherwise prohibited by the Indenture. If the aggregate principal amount (or accreted value, as applicable) of Notes and such Pari Passu Notes tendered into such Asset Sale Offer surrendered by holders thereof exceeds the amount of Excess Proceeds, the Trustee shall select the Notes and such Pari Passu Notes to be purchased on a pro rata basis based on the aggregate principal amount (or accreted value, as applicable) of Notes and Pari Passu Notes tendered. Upon completion of such offer to purchase, the amount of Excess Proceeds shall be reset at zero.

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The Company will comply, to the extent applicable, with the requirements of Section 14(e) of the Exchange Act and any other securities laws or regulations applicable to any Asset Sale Offer. To the extent that the provisions of any such securities laws or securities regulations conflict with the provisions of the covenant described above, the Company will comply with the applicable securities laws and regulations and will not be deemed to have breached its obligations under the covenant described above by virtue thereof.

### **Certain Covenants**

#### ***Limitation on Restricted Payments***

The Company will not, and will not permit any of its Restricted Subsidiaries to, directly or indirectly:

(1) declare or pay any dividend or make any other payment or distribution on account of the Company's or any of its Restricted Subsidiaries' Equity Interests (including, without limitation, any payment in connection with any merger or consolidation involving the Company or any of its Restricted Subsidiaries) or to the direct or indirect holders of the Company's or any of its Restricted Subsidiaries' Equity Interests in their capacity as such (other than dividends or distributions payable (A) in Qualified Equity Interests or (B) to the Company or a Restricted Subsidiary of the Company);

(2) purchase, redeem or otherwise acquire or retire for value (including without limitation, in connection with any merger or consolidation involving the Company) any Equity Interests of the Company;

(3) designate any Restricted Subsidiary as an Unrestricted Subsidiary;

(4) make any payment on or with respect to, or purchase, redeem, defease or otherwise acquire or retire for value any Indebtedness that is subordinated to the Notes, except a payment of interest or principal at Stated Maturity (other than payments to the Company or payments by a Restricted Subsidiary of the Company to the Company or to another Restricted Subsidiary of the Company); or

(5) make any Restricted Investment (all such payments and other actions set forth in clauses (1) through (5) being collectively referred to as Restricted Payments ),

unless, at the time of and after giving effect to such Restricted Payment:

(a) no Default shall have occurred and be continuing or would occur as a consequence thereof; and

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(b) the Company would have been permitted to incur at least \$1.00 of additional Indebtedness pursuant to the Company's Debt to Adjusted Consolidated Cash Flow Ratio test set forth in the first paragraph of the covenant described below under the caption "Limitation on Incurrence of Indebtedness and Issuance of Preferred Stock"; and

(c) such Restricted Payment, together with the aggregate amount of all other Restricted Payments made by the Company and its Restricted Subsidiaries after the date of the March 1998 Senior Discount Note Indenture (excluding Restricted Payments permitted by clauses (2) and (3) of the next succeeding paragraph), is less than the sum, without duplication, of:

(1) 100% of the Consolidated Cash Flow of the Company for the period (taken as one accounting period) from the beginning of the fiscal quarter during which the March 1998 Senior Discount Note Indenture was executed to the end of the Company's most recently ended fiscal quarter for which internal financial statements are available at the time of such Restricted Payment (or, if the Consolidated Cash Flow for such period is a deficit, less 100% of the deficit), less 1.40 times the Consolidated Interest Expense of the Company since the beginning of the fiscal quarter during which the March 1998 Senior Discount Note Indenture was executed to the end of the Company's most recently ended fiscal quarter for which internal financial statements are available at the time of such Restricted Payment; *plus*

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(2) (A) 100% of the aggregate net cash proceeds plus (B) 70% of the aggregate value, as reflected on the Company's balance sheet in accordance with GAAP using purchase accounting, of any Qualified Proceeds, plus (C) 100% of the principal amount of Disqualified Stock or debt securities (other than Subordinated Obligations) of the Company or a Restricted Subsidiary that have been converted into or exchanged for Qualified Equity Interests, received by the Company or any of its Restricted Subsidiaries (from Persons other than Subsidiaries) from the issue and sale of, or conversion into or exchange for, Qualified Equity Interests in each case since the beginning of the fiscal quarter during which the March 1998 Senior Discount Note Indenture was executed (provided that any net cash proceeds that are used pursuant to the third paragraph under "Optional Redemption" shall not be so included); *plus*

(3) to the extent that any Unrestricted Subsidiary of the Company is redesignated as or becomes a Restricted Subsidiary after the Issue Date; the lesser of:

(A) the fair market value of the Company's Investments in such Subsidiaries as of the date they are designated or become Restricted Subsidiaries, and

(B) the sum of:

(x) the fair market value of the Company's Investments in such Subsidiaries as of the date on which such Subsidiaries were originally designated as Unrestricted Subsidiaries, and

(y) the amount of any Investments made in such Subsidiaries subsequent to such designation (and treated as Restricted Payments) by the Company or any Restricted Subsidiary; *plus*

(4) to the extent not included in the Consolidated Cash Flow referred to in clause (1) and to the extent that any Restricted Investment that was made after the Issue Date is sold for cash or otherwise liquidated or repaid for cash, the lesser of:

(A) the cash return of capital with respect to the Restricted Investment (less the cost of disposition, if any), and

(B) the initial amount of the Restricted Investment; *plus*

(5) 100% of any other dividends or other distributions received by the Company or a Restricted Subsidiary of the Company since the Issue Date from an Unrestricted Subsidiary of the Company to the extent that such dividends were not otherwise included in Consolidated Net Income of the Company for such period.

The foregoing provisions will not prohibit:

(1) the payment of any dividend within 60 days after the date of declaration thereof, if at said date of declaration such payment would have complied with the provisions of the Indenture;

(2) the making of any Investment or the redemption, repurchase, retirement, defeasance or other acquisition of any Subordinated Obligations or Equity Interests of the Company or its Restricted Subsidiaries in exchange for, or out of the net cash proceeds, to the extent of the net cash proceeds received by the Company from the sale since the Issue Date, (other than to a Subsidiary of the Company) of, any Qualified Equity Interests; *provided* that the amount of any such net cash proceeds that are so utilized shall be excluded from clause (c)(2) of the preceding paragraph;

(3) the defeasance, redemption, repurchase or other acquisition of Subordinated Obligations with the net cash proceeds from an incurrence of Permitted Refinancing Indebtedness;

(4) the repurchase, redemption or other acquisition or retirement for value of Equity Interests of the Company or any Restricted Subsidiary of the Company held by any member of the Company's (or any of its Restricted Subsidiaries') management; *provided* that the aggregate amount expended pursuant to this clause (4) shall not exceed \$500,000 in any twelve-month period;

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(5) the repurchase of Equity Interests of the Company that may be deemed to occur upon the exercise of options to acquire capital stock of the Company if such Equity Interests represent a portion of the exercise price of such options; or

(6) cash payments, in lieu of fractional shares issuable as dividends on Equity Interests of the Company in an amount, when taken together with all other cash payments made pursuant to this clause (6) since the Issue Date, not to exceed \$500,000.

The Board of Directors may designate any Restricted Subsidiary to be an Unrestricted Subsidiary if such Subsidiary, after giving effect to such designation, would meet the requirements of the definition of Unrestricted Subsidiary. The Company will not, and will not permit any of its Subsidiaries to, enter into, or suffer to exist, any transaction or arrangement, with a Subsidiary that is an Unrestricted Subsidiary that would be inconsistent with or violate the terms set forth in the definition of Unrestricted Subsidiary.

The amount of all Restricted Payments (other than cash), including the amount of the Restricted Payment that will be deemed to occur upon the designation of a Subsidiary as an Unrestricted Subsidiary, shall be the fair market value on the date of the Restricted Payment of the asset(s) or securities proposed to be transferred or issued by the Company or the applicable Restricted Subsidiary, or of the Company's proportionate interest in the Subsidiary so to be designated as the case may be, pursuant to the Restricted Payment.

### ***Limitation on Incurrence of Indebtedness and Issuance of Preferred Stock***

The Company will not, and will not permit any of its Restricted Subsidiaries to, directly, or indirectly, create, incur, issue, assume, guarantee or otherwise become directly or indirectly liable, contingently or otherwise, with respect to (collectively, *incur*) any Indebtedness (including Acquired Debt) and the Company will not issue any Disqualified Stock and will not permit any of its Restricted Subsidiaries to issue any shares of preferred stock; *provided, however*, that (x) the Company may incur Indebtedness (including Acquired Debt) or issue shares of Disqualified Stock if (1) no Default shall have occurred and be continuing or would occur as a consequence thereof and (2) the Company's Debt to Adjusted Consolidated Cash Flow Ratio at the time of incurrence of such Indebtedness or the issuance of such Disqualified Stock, after giving pro forma effect to such incurrence or issuance as of such date and to the use of proceeds therefrom would have been no greater than 8.5 to 1.0 and (y) SBA Senior Finance Inc. ( *SBA Senior Finance* ) may incur Indebtedness (including Acquired Debt) or issue shares of Disqualified Stock and the other Restricted Subsidiaries of the Company may incur Indebtedness or issue preferred stock if, in each case, (1) no Default shall have occurred and be continuing or would occur as a consequence thereof and (2) *SBA Senior Finance's* Debt to Adjusted Consolidated Cash Flow Ratio at the time of incurrence of such Indebtedness or the issuance of such Disqualified Stock or preferred stock, after giving pro forma effect to such incurrence or issuance as of such date and to the use of proceeds therefrom, would have been no greater than 5.5 to 1.0.

The first paragraph of this covenant will not apply to the incurrence of any of the following items of Indebtedness (collectively, *Permitted Debt*) if no Default shall have occurred and be continuing or would occur as a consequence thereof:

(1) the incurrence by the Company or any of its Restricted Subsidiaries of Indebtedness under one or more Credit Facilities or through the issuance of Seller Paper in an aggregate principal amount (with letters of credit being deemed to have an aggregate principal amount equal to the maximum potential liability of the Company and its Restricted Subsidiaries thereunder) at any one time outstanding not to exceed \$300.0 million *less* (i) the aggregate amount of commitment reductions under Credit Facilities resulting from the application of proceeds of Asset Sales since the Issue Date and (ii) the aggregate amount of outstanding Consolidated Indebtedness of SBA Senior Finance incurred pursuant to the first paragraph of this covenant; *provided, however*, that the aggregate principal amount of Seller Paper at any one time outstanding under this clause (1) shall not exceed \$50.0 million;

(2) the incurrence by the Company and its Restricted Subsidiaries of the Existing Indebtedness;

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(3) the incurrence by the Company of Indebtedness represented by the Notes (other than Additional Notes) and the Exchange Notes issued in exchange therefor;

(4) the incurrence by the Company or any of its Restricted Subsidiaries of Indebtedness represented by Capital Lease Obligations, mortgage financings or purchase money obligations, in each case, incurred for the purpose of financing all or any part of the purchase price or cost of construction or improvement of property, plant or equipment used in the business of the Company or such Restricted Subsidiary, in an aggregate principal amount, including all Permitted Refinancing Indebtedness incurred to refund, refinance or replace any other Indebtedness incurred pursuant to this clause (4), not to exceed \$20.0 million at any one time outstanding;

(5) the incurrence by the Company or any of its Restricted Subsidiaries of Permitted Refinancing Indebtedness in exchange for, or the net proceeds of which are used to extend, refinance, renew, replace, defease or refund, Indebtedness (other than intercompany Indebtedness) that was permitted by the Indenture to be incurred under the first paragraph hereof or clause (2) or (3) or this clause (5) of this paragraph;

(6) the incurrence by the Company or any of its Restricted Subsidiaries of intercompany Indebtedness or intercompany preferred stock between or among the Company and any of its Restricted Subsidiaries; *provided, however*, that (1) if the Company is the obligor on such Indebtedness, such Indebtedness is expressly subordinated to the prior payment in full in cash of all Obligations with respect to the Notes and (2)(A) any subsequent issuance or transfer of Equity Interests that results in any such Indebtedness or preferred stock being held by a Person other than the Company or a Restricted Subsidiary and (B) any sale or other transfer of any such Indebtedness or preferred stock to a Person that is not either the Company or a Restricted Subsidiary shall be deemed, in each case, to constitute an incurrence of such Indebtedness or issuance of such preferred stock by the Company or such Restricted Subsidiary, as the case may be;

(7) the incurrence by the Company or any of its Restricted Subsidiaries of Hedging Obligations that are incurred for the purpose of fixing or hedging interest rate risk with respect to any floating rate Indebtedness that is permitted by the terms of the Indenture to be outstanding or currency exchange risk or otherwise entered into for bona fide purposes designed to protect against interest rate or currency exchange risk and not for speculative purposes;

(8) the guarantee by the Company or any of its Restricted Subsidiaries of Indebtedness of the Company or a Restricted Subsidiary of the Company that was permitted to be incurred by another provision of the Indenture;

(9) the incurrence by the Company or any of its Restricted Subsidiaries of Acquired Debt in connection with the acquisition of assets or a new Subsidiary and the incurrence by the Company's Restricted Subsidiaries of Indebtedness as a result of the designation of an Unrestricted Subsidiary as a Restricted Subsidiary; *provided* that, in the case of any such incurrence of Acquired Debt, such Acquired Debt was incurred by the prior owner of such assets or such Restricted Subsidiary prior to such acquisition by the Company or one of its Restricted Subsidiaries and was not incurred in connection with, or in contemplation of, such acquisition by the Company or one of its Restricted Subsidiaries; and *provided further* that, as a result of such incurrence, in the case of Acquired Debt incurred directly by the Company, the Company's Debt to Adjusted Consolidated Cash Flow Ratio and, in the case of Acquired Debt incurred by SBA Senior Finance or any other Restricted Subsidiary of the Company, the Company's Debt to Adjusted Consolidated Cash Flow Ratio and SBA Senior Finance's Debt to Adjusted Consolidated Cash Flow Ratio, in each case, at the time of incurrence of such Acquired Debt, after giving pro forma effect to such incurrence as if the same had occurred at the beginning of the most recently ended four full fiscal quarter period for the Company for which internal financial statements are available, would have been less than or equal to, in the case of Acquired Debt incurred directly by the Company, the Company's Debt to Adjusted Consolidated Cash Flow Ratio and, in the case of Acquired Debt incurred by SBA Senior Finance or any other Restricted Subsidiary of the Company, the Company's Debt to Adjusted Consolidated Cash Flow Ratio and SBA Senior Finance's Debt to Adjusted Consolidated Cash Flow, respectively, for the same period without giving pro forma effect to such incurrence; and





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(10) the incurrence by the Company or any of its Restricted Subsidiaries of additional Indebtedness in an aggregate principal amount (or accreted value, as applicable) at any time outstanding not to exceed \$25.0 million.

The Company will not incur any Indebtedness that is contractually subordinated in right of payment to any other Indebtedness of the Company unless such Indebtedness is also contractually subordinated in right of payment to the Notes on substantially identical terms; *provided, however*, that no Indebtedness of the Company shall be deemed to be contractually subordinated in right of payment to any other Indebtedness of the Company solely by virtue of being unsecured; and (2) the Company will not permit any of its Unrestricted Subsidiaries to incur any Indebtedness other than Non-Recourse Debt; and (3) Restricted Subsidiaries may not issue or sell, and the Company may not permit any Restricted Subsidiary to have outstanding, any Equity Interests (other than (x) Equity Interests held by the Company or its Restricted Subsidiaries or (y) Permitted Subsidiary Equity Interests).

For purposes of determining compliance with this covenant, in the event that an item of Indebtedness or preferred stock meets the criteria of more than one of the categories of Permitted Debt described in clauses (1) through (10) in the second paragraph of this covenant or is entitled to be incurred pursuant to the first paragraph of this covenant, the Company shall, in its sole discretion, classify or reclassify such item of Indebtedness in any manner that complies with this covenant. Accrual of interest, accretion or amortization of original issue discount and the payment of interest in the form of additional Indebtedness will not be deemed to be an incurrence of Indebtedness for purposes of this covenant.

### ***Limitation on Liens***

The Company will not, and will not permit any of its Restricted Subsidiaries to, directly or indirectly, create, incur, assume or suffer to exist any Lien securing Indebtedness or trade payables on any asset now owned or hereafter acquired, or any income or profits therefrom or assign or convey any right to receive income therefrom, except Permitted Liens, unless (A) in the case of the Liens securing Indebtedness that is expressly subordinate or junior in right of payment to the Notes, the Notes are secured by a Lien on those assets or income or profits that is senior in priority to those Liens, with the same relative priority as that subordinate or junior Indebtedness will have with respect to the Notes and (B) in all other cases, the Notes are secured on an equal and ratable basis, in each case, until such time as such Indebtedness is no longer secured by a Lien.

### ***Limitation on Dividends and Other Distributions from Restricted Subsidiaries***

The Company will not, and will not permit any of its Restricted Subsidiaries to, directly or indirectly, create or otherwise cause or suffer to exist or become effective any consensual encumbrance or restriction on the ability of any Restricted Subsidiary to:

(1) (a) pay dividends or make any other distributions to the Company or any of its Restricted Subsidiaries (x) on its Capital Stock or (y) with respect to any other interest or participation in, or measured by, its profits, or (b) pay any indebtedness owed to the Company or any of its Restricted Subsidiaries;

(2) make loans or advances to the Company or any of its Restricted Subsidiaries; or

(3) transfer any of its properties or assets to the Company or any of its Restricted Subsidiaries.

However, the foregoing restrictions will not apply to encumbrances or restrictions existing under or by reason of:

(a) any agreement or instrument governing Existing Indebtedness as in effect on the Issue Date or as amended, modified, restated or renewed in any manner not materially more restrictive, taken as a whole,

(b) the Indenture or the Notes,

(c) applicable law,

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(d) any instrument governing Indebtedness or Capital Stock of a Person acquired by the Company or any of its Restricted Subsidiaries as in effect at the time of such acquisition (except to the extent such Indebtedness was incurred in connection with or in contemplation of such acquisition), which encumbrance or restriction is not applicable to any Person, or the properties or assets of any Person, other than the Person, or the property or assets of the Person, so acquired, provided that, in the case of Indebtedness, such Indebtedness was permitted by the terms of the Indenture to be incurred,

(e) by reason of customary non-assignment provisions in leases or licenses or other contracts entered into in the ordinary course of business,

(f) purchase money obligations for property acquired in the ordinary course of business that impose restrictions of the nature described in clause (3) above on the property so acquired,

(g) the provisions of agreements governing Indebtedness incurred pursuant to clause (4) of the second paragraph of the covenant described above under the caption **Limitation on Incurrence of Indebtedness and Issuance of Preferred Stock**,

(h) any agreement for the sale of a Restricted Subsidiary that restricts that Restricted Subsidiary pending its sale,

(i) any Credit Facility or Permitted Refinancing Indebtedness, *provided that* the restrictions contained in such Credit Facility or the agreements governing such Permitted Refinancing Indebtedness are not materially more restrictive, taken as a whole, than those contained in the Senior Credit Facility as of the Issue Date with respect to a Credit Facility, or the agreements governing the Indebtedness being refinanced with respect to Permitted Refinancing Indebtedness, as applicable,

(j) Liens permitted to be incurred pursuant to the provisions of the covenant described under the caption **Limitation on Liens** that limit the right of the debtor to transfer the assets subject to such Liens,

(k) any Indebtedness incurred in compliance with the covenant under the caption **Limitation on Incurrence of Indebtedness and Issuance of Preferred Stock** or any agreement pursuant to which such Indebtedness is issued if the encumbrance or restriction applies only in the event of a payment default or default with respect to a financial covenant contained in the Indebtedness or agreement and the encumbrance or restriction is not materially more disadvantageous to the holders of the Notes than is customary in comparable financings (as determined by the Company) and the Company determines that any such encumbrance or restriction will not materially affect the Company's ability to pay interest or principal on the Notes,

(l) provisions with respect to the disposition or distribution of assets or property in joint venture agreements and other similar agreements, and

(m) restrictions on cash or other deposits or net worth imposed by customers under contracts entered into in the ordinary course of business.

*Merger, Consolidation or Sale of Assets*

The Company may not consolidate or merge with or into (whether or not the Company is the surviving corporation), or sell, assign, transfer, lease, convey or otherwise dispose of all or substantially all of its properties or assets in one or more related transactions, to another corporation, Person or entity unless:

(1) the Company is the surviving corporation or the entity or the Person formed by or surviving any such consolidation or merger (if other than the Company) or to which such sale, assignment, transfer, lease, conveyance or other disposition shall have been made is a corporation organized or existing under the laws of the United States, any state thereof or the District of Columbia;

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(2) the entity or Person formed by or surviving any such consolidation or merger (if other than the Company) or the entity or Person to which such sale, assignment, transfer, lease, conveyance or other disposition shall have been made assumes all our obligations under the Notes, the Indenture and the Registration Rights Agreement pursuant to agreements reasonably satisfactory to the Trustee;

(3) immediately after such transaction no Default or Event of Default exists; and

(4) immediately after the transaction and after giving pro forma effect thereto as if the transaction had occurred at the beginning of the applicable four-quarter period, (i) the Company or the entity or Person formed by or surviving any such consolidation or merger (if other than the Company) or to which such sale, assignment, transfer, lease, conveyance or other disposition shall have been made will be permitted to incur at least \$1.00 of additional Indebtedness pursuant to the Company's Debt to Adjusted Consolidated Cash Flow Ratio test set forth in the first paragraph of the covenant described above under the caption "Limitation on Incurrence of Indebtedness and Issuance of Preferred Stock" or (ii) the Company's Debt to Adjusted Consolidated Cash Flow Ratio shall be less than or equal to, the Company's Debt to Adjusted Consolidated Cash Flow Ratio and for the same period without giving pro forma effect to such transaction.

***Limitation on Transactions with Affiliates***

The Company will not, and will not permit any of its Restricted Subsidiaries to, make any payment to, or sell, lease, transfer or otherwise dispose of any of its properties or assets to, or purchase any property or assets from, or enter into or make or amend any transaction, contract, agreement, understanding, loan, advance or Guarantee with, or for the benefit of, any Affiliate (each of the foregoing, an "Affiliate Transaction"), unless:

(1) such Affiliate Transaction is on terms that are no less favorable to the Company or the relevant Restricted Subsidiary than those that would have been obtained in a comparable transaction by the Company or such Restricted Subsidiary with an unrelated Person and

(2) the Company delivers to the Trustee:

(a) with respect to any Affiliate Transaction or series of related Affiliate Transactions involving aggregate consideration in excess of \$2.5 million, a resolution of the Board of Directors set forth in an Officers' Certificate certifying that such Affiliate Transaction complies with clause (1) above and that such Affiliate Transaction has been approved by a majority of the disinterested members of the Board of Directors; and

(b) with respect to any Affiliate Transaction or series of related Affiliate Transactions involving aggregate consideration in excess of \$10.0 million, an opinion as to the fairness to the holders of such Affiliate Transaction from a financial point of view issued by an accounting, appraisal or investment banking firm of national standing.

Notwithstanding the foregoing, the following items shall not be deemed to be Affiliate Transactions:

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(1) any employment arrangements with any executive officer of the Company or a Restricted Subsidiary that is entered into by the Company or any of its Restricted Subsidiaries in the ordinary course of business and consistent with compensation arrangements of similarly situated executive officers at comparable companies engaged in Permitted Businesses,

(2) transactions between or among the Company and/or its Restricted Subsidiaries,

(3) payment of outside directors' fees in an aggregate annual amount not to exceed \$50,000 per Person,

(4) Restricted Payments and Permitted Investments that are permitted by the provisions of the Indenture described above under the caption "Limitation on Restricted Payments" and

(5) the issuance or sale of Equity Interests (other than Disqualified Stock) of the Company.

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### ***Limitation on Sale and Leaseback Transactions***

The Company will not, and will not permit any of its Restricted Subsidiaries to, enter into any sale and leaseback transaction (as seller); *provided* that the Company or any of its Restricted Subsidiaries may enter into a sale and leaseback transaction if:

(1) the Company or such Restricted Subsidiary, as applicable, could have (a) incurred Indebtedness in an amount equal to the Attributable Debt relating to such sale and leaseback transaction (x), in the case of the Company, pursuant to the Company's Debt to Adjusted Consolidated Cash Flow Ratio test set forth in the first paragraph of the covenant described above under the caption *Limitation on Incurrence of Indebtedness and Issuance of Preferred Stock* and (y) in the case of SBA Senior Finance and any other Restricted Subsidiary of the Company pursuant to SBA Senior Finance's Debt to Adjusted Consolidated Cash Flow Ratio test set forth in the first paragraph of the covenant described above under the caption *Limitation on Incurrence of Indebtedness and Issuance of Preferred Stock* (b) incurred a Lien to secure such Indebtedness pursuant to the covenant described above under the caption *Limitation on Liens*;

(2) the gross cash proceeds of such sale and leaseback transaction are at least equal to the fair market value (as determined in good faith by the Board of Directors) of the property that is the subject of such sale and leaseback transaction; and

(3) the transfer of assets in such sale and leaseback transaction is permitted by, and the Company applies the proceeds of such transaction in compliance with, the covenant described above under the caption *Purchase at the Option of Holders - Asset Sales*.

### ***Limitations on Issuances of Guarantees of Indebtedness***

The Company will not permit any Restricted Subsidiary, directly or indirectly, to Guarantee or pledge any assets to secure the payment of any Indebtedness of the Company (except Indebtedness of the Company under a guarantee of Indebtedness of one or more of its Restricted Subsidiaries) unless such Restricted Subsidiary simultaneously executes and delivers a supplemental Indenture to the Indenture providing for the Guarantee of the payment of the premium, if any, principal, interest and Additional Interest, if any on the Notes by such Restricted Subsidiary, which Guarantee shall be senior to or *pari passu* with such Restricted Subsidiary's Guarantee of or pledge to secure such other Indebtedness.

Notwithstanding the foregoing, any such Guarantee by a Restricted Subsidiary of the Notes shall provide by its terms that it shall be automatically and unconditionally released and discharged upon any sale, exchange or transfer, to any Person other than a Restricted Subsidiary of the Company, of all of the Company's stock in, or all or substantially all the assets of, such Restricted Subsidiary, which sale, exchange or transfer is made in compliance with the applicable provisions of the Indenture. The form of such Guarantee will be attached as an exhibit to the Indenture.

### ***Limitation on Business Activities***

The Company will not, and will not permit any Restricted Subsidiary to, engage in any business other than Permitted Businesses, except to such extent as would not be material to the Company and its Restricted Subsidiaries taken as a whole.



***Reports***

Whether or not required by the rules and regulations of the Securities and Exchange Commission (the Commission ), so long as any Notes are outstanding, the Company will furnish to the holders of Notes:

(i) all quarterly and annual financial information that would be required to be contained in a filing with the Commission on Forms 10-Q and 10-K as if the Company were subject to the reporting requirements of Section 13 or 15(d) of the Exchange Act, including a Management's Discussion and Analysis of Financial Condition

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and Results of Operations that describes the financial condition and results of operations of the Company and its consolidated Subsidiaries (showing in reasonable detail, in the footnotes to the financial statements and in Management's Discussion and Analysis of Financial Condition and Results of Operations (in each case to the extent not prohibited by the Commission's rules and regulations), (a) the financial condition and results of operations of the Company and its Restricted Subsidiaries separate from the financial condition and results of operations of the Unrestricted Subsidiaries of the Company and (b) the Tower Cash Flow for the most recently completed fiscal quarter and the Adjusted Consolidated Cash Flow for the most recently completed four-quarter period) and, with respect to the annual information only, a report thereon by the Company's independent certified public accountants; and

(ii) all current reports that would be required to be filed with the Commission on Form 8-K if the Company were subject to the reporting requirements of Section 13 or 15(d) of the Exchange Act, in each case within the time periods specified in the Commission's rules and regulations.

In addition, following the consummation of the Exchange Offer contemplated by the Registration Rights Agreement, whether or not required by the rules and regulations of the Commission, the Company will file a copy of all such information and reports with the Commission for public availability within the time periods specified in the Commission's rules and regulations (unless the Commission will not accept such a filing) and make such information available to securities analysts and prospective investors upon request. In addition, the Company will, for so long as any Notes remain outstanding, furnish to the holders and to securities analysts and prospective investors, upon their request, the information required to be delivered pursuant to Rule 144A(d)(4) under the Securities Act.

## **Events of Default and Remedies**

Each of the following constitutes an Event of Default:

- (1) default for 30 days in the payment when due of interest or Additional Interest on the Notes;
- (2) default in payment when due of the principal of or premium, if any, on the Notes;
- (3) failure by the Company or any of its Subsidiaries to comply with the provisions described under the caption "Certain Covenants - Merger, Consolidation or Sale of Assets" or failure by the Company to consummate a Change of Control Offer or Asset Sale Offer in accordance with the provisions of the Indenture applicable thereto;
- (4) failure by the Company or any of its Subsidiaries for 30 days after notice by the Trustee or the holders of at least 25% in aggregate principal amount of Notes to comply with any of its other agreements in the Indenture or the Notes;
- (5) default under any mortgage, Indenture or instrument under which there may be issued or by which there may be secured or evidenced any Indebtedness for money borrowed by the Company or any of its Significant Subsidiaries (or the payment of which is guaranteed by the Company or any of its Significant Subsidiaries) whether such Indebtedness or guarantee now exists, or is created after the Issue Date, which

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default (a) is caused by a failure to pay principal of or premium, if any, or interest on such Indebtedness prior to the expiration of the grace period provided in such Indebtedness on the date of such default (a Payment Default ) or (b) results in the acceleration of such Indebtedness prior to its express maturity and, in each case, the principal amount of any such Indebtedness, together with the principal amount of any other such Indebtedness under which there has been a Payment Default or the maturity of which has been so accelerated, aggregates \$10.0 million or more;

(6) failure by the Company or any of its Significant Subsidiaries to pay final judgments aggregating in excess of \$10.0 million, which judgments are not paid, discharged or stayed for a period of 60 days; or

(7) certain events of bankruptcy or insolvency with respect to the Company or any of its Restricted Subsidiaries that is a Significant Subsidiary.

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If any Event of Default occurs and is continuing, the Trustee or the holders of at least 25% in principal amount of the then outstanding Notes may declare all of the Notes to be due and payable immediately. Upon any such declaration, the principal of and accrued and unpaid interest, if any, shall become due and payable immediately. Notwithstanding the foregoing, in the case of an Event of Default arising from certain events of bankruptcy or insolvency, with respect to the Company, all outstanding Notes will become due and payable without further action or notice. Holders of the Notes may not enforce the Indenture or the Notes except as provided in the Indenture. Subject to certain limitations, holders of a majority in principal amount of the then outstanding Notes may direct the Trustee in its exercise of any trust or power.

The holders of a majority in aggregate principal amount of the Notes then outstanding by notice to the Trustee may on behalf of the holders of all of the Notes waive any existing Default or Event of Default and its consequences under the Indenture except a continuing Default or Event of Default in the payment of interest on, or the principal of, the Notes.

The Indenture provides that if a Default occurs and is continuing and is known to the Trustee, the Trustee must mail to each holder of the Notes notice of the Default within 90 days after it occurs. Except in the case of a Default in the payment of principal of, interest, premium or Additional Interest, if any, on any Note, the Trustee may withhold notice if and so long as a committee of its trust officers determines that withholding notice is not opposed to the interest of the holders of the Notes. In addition, the Company is required to deliver to the Trustee, within 90 days after the end of each fiscal year, a certificate indicating whether the signers thereof know of any Default that occurred during the previous year. The Company is also required to deliver to the Trustee, forthwith after the occurrence thereof, written notice of any event that would constitute a Default, the status thereof and what action the Company is taking or proposes to take in respect thereof.

The Company shall deliver to the Trustee, within 90 days after the end of each fiscal year, an Officers Certificate stating that a review of the activities of the Company and its Subsidiaries during the preceding fiscal year has been made under the supervision of the signing Officers with a view to determining whether the Company has kept, observed, performed and fulfilled its obligations under the Indenture, and further stating, as to each such Officer signing such certificates, that to the best of his or her knowledge the Company has kept, observed, performed and fulfilled each and every covenant contained in the Indenture and is not in default in the performance or observance of any of the terms, provisions and conditions of the Indenture (or, if a Default or Event of Default shall have occurred, describing all such Defaults or Events of Default of which he or she may have knowledge and what action the Company is taking or proposes to take with respect thereto) and that to the best of his or her knowledge no event has occurred and remains in existence by reason of which payments on account of the principal of or interest, if any, on the Notes is prohibited or if such event has occurred, a description of the event and what action the Company is taking or proposes to take with respect thereto.

## **No Personal Liability of Directors, Officers, Employees and Stockholders**

No director, officer, employee, incorporator or stockholder of the Company, as such, shall have any liability for any obligations of the Company under the Notes, the Indenture or the Registration Rights Agreement or for any claim based on, in respect of, or by reason of, such obligations or their creation. Each holder of Notes by accepting a Note waives and releases all such liability. The waiver and release are part of the consideration for issuance of the Notes. Such waiver may not be effective to waive liabilities under the federal securities laws and it is the view of the Commission that such a waiver is against public policy.

## **Legal Defeasance and Covenant Defeasance**

We may, at our option and at any time, elect to have all of our obligations discharged with respect to the outstanding Notes and the Indenture ( Legal Defeasance ) except for:

(1) the rights of holders of outstanding Notes to receive payments in respect of the principal of, premium, if any, interest and Additional Interest on such Notes when such payments are due from the trust referred to below,

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(2) the Company's obligations with respect to the Notes concerning issuing temporary Notes, registration of Notes, mutilated, destroyed, lost or stolen Notes and the maintenance of an office or agency for payment and money for security payments held in trust,

(3) the rights, powers, trusts, duties and immunities of the Trustee, and the Company's obligations in connection therewith, and

(4) the Legal Defeasance provisions of the Indenture.

In addition, the Company may, at its option and at any time, elect to have the obligations of the Company released with respect to certain covenants that are described in the Indenture (Covenant Defeasance) and thereafter any omission to comply with such obligations shall not constitute a Default or Event of Default with respect to the Notes. In the event Covenant Defeasance occurs, certain events (not including non-payment and bankruptcy, receivership, rehabilitation and insolvency events with respect to the Company) described under Events of Default and Remedies will no longer constitute an Event of Default with respect to the Notes.

In order to exercise either Legal Defeasance or Covenant Defeasance:

(1) the Company must irrevocably deposit with the Trustee, in trust, for the benefit of the holders of the Notes, cash in United States dollars, noncallable Government Securities, or a combination thereof, in such amounts as will be sufficient, in the opinion of a nationally recognized firm of independent public accountants, to pay the principal of, premium, if any, and interest and Additional Interest on the outstanding Notes on their Stated Maturity or on the applicable redemption date, as the case may be, and the Company must specify whether the Notes are being defeased to maturity or to a particular redemption date;

(2) in the case of Legal Defeasance, the Company shall have delivered to the Trustee an opinion of counsel in the United States reasonably acceptable to the Trustee confirming that (A) the Company has received from, or there has been published by, the Internal Revenue Service a ruling or (B) since the Issue Date, there has been a change in the applicable federal income tax law, in either case to the effect that, and based thereon such opinion of counsel shall confirm that, the holders of the outstanding Notes will not recognize income, gain or loss for federal income tax purposes as a result of such Legal Defeasance and will be subject to federal income tax on the same amounts, in the same manner and at the same times as would have been the case if such Legal Defeasance had not occurred;

(3) in the case of Covenant Defeasance, the Company shall have delivered to the Trustee an opinion of counsel in the United States reasonably acceptable to the Trustee confirming that the holders of the outstanding Notes will not recognize income, gain or loss for federal income tax purposes as a result of such Covenant Defeasance and will be subject to federal income tax on the same amounts, in the same manner and at the same times as would have been the case if such Covenant Defeasance had not occurred;

(4) no Default or Event of Default shall have occurred and be continuing on the date of such deposit (other than a Default or Event of Default resulting from the borrowing of funds to be applied to such deposit) or insofar as Events of Default from bankruptcy or insolvency events with respect to the Company are concerned, at any time in the period ending on the 91st day after the date of deposit;

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(5) such Legal Defeasance or Covenant Defeasance will not result in a breach or violation of, or constitute a default under any material agreement or instrument (other than the Indenture) to which the Company or any of its Restricted Subsidiaries is a party or by which the Company or any of its Restricted Subsidiaries is bound;

(6) the Company must have delivered to the Trustee an opinion of counsel to the effect that after the 91st day following the deposit, the trust funds, will not be subject to the effect of any applicable bankruptcy, insolvency, reorganization or similar laws affecting creditors' rights generally;

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(7) the Company must deliver to the Trustee an Officers Certificate stating that the deposit was not made by the Company with the intent of preferring the holders of Notes over the other creditors of the Company with the intent of defeating, hindering, delaying or defrauding creditors of the Company or others; and

(8) the Company must deliver to the Trustee an Officers Certificate and an opinion of counsel, each stating that all conditions precedent provided for relating to Legal Defeasance or the Covenant Defeasance have been complied with.

## **Satisfaction and Discharge**

The Indenture will be discharged and will cease to be of further effect as to all notes issued thereunder, when:

(1) either:

(a) all notes that have been authenticated, except lost, stolen or destroyed notes that have been replaced or paid and notes for whose payment money has been deposited in trust and thereafter repaid to the Company, have been delivered to the Trustee for cancellation; or

(b) all notes that have not been delivered to the Trustee for cancellation have become due and payable by reason of the mailing of a notice of redemption or otherwise or will become due and payable within one year and the Company has irrevocably deposited or caused to be deposited with the Trustee as trust funds in trust solely for the benefit of the holders, cash in U.S. dollars, non-callable Government Securities, or a combination of cash in U.S. dollars and non-callable Government Securities, in amounts as will be sufficient, without consideration of any reinvestment of interest, to pay and discharge the entire Indebtedness on the notes not delivered to the Trustee for cancellation for principal, premium and Additional Interest, if any, and accrued interest to the date of maturity or redemption;

(2) no Default or Event of Default has occurred and is continuing on the date of the deposit (other than a Default or Event of Default resulting from the borrowing of funds to be applied to such deposit) and the deposit will not result in a breach or violation of, or constitute a default under, any other instrument to which the Company is a party or by which the Company is bound;

(3) the Company has paid or caused to be paid all sums payable by it under the Indenture; and

(4) the Company has delivered irrevocable instructions to the trustee under the Indenture to apply the deposited money toward the payment of the notes at maturity or on the redemption date, as the case may be.

In addition, the Company must deliver an Officers Certificate and an opinion of counsel to the Trustee stating that all conditions precedent to satisfaction and discharge have been satisfied.



**Amendment, Supplement and Waiver**

Except as provided in the next two succeeding paragraphs, the Indenture or the Notes may be amended or supplemented with the consent of the holders of at least a majority of the aggregate principal amount of the Notes then outstanding (including, without limitation, consents obtained in connection with a purchase of, or tender offer or exchange offer for, Notes), and any existing default or compliance with any provision of the Indenture or the Notes may be waived with the consent of the holders of at least a majority of the aggregate principal amount of the then outstanding Notes (including consents obtained in connection with a tender offer or exchange offer for Notes).

Without the consent of each holder affected, an amendment or waiver may not (with respect to any Notes held by a non-consenting holder):

(1) reduce the principal amount of Notes whose holders must consent to an amendment, supplement or waiver,

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(2) reduce the principal of or change the fixed maturity of any Note or alter the provisions with respect to the redemption of the Notes (specifically excluding the provisions relating to the covenants described above under the caption "Purchase at the Option of Holders"),

(3) reduce the rate of or change the time for payment of interest on any Note,

(4) waive a Default or Event of Default in the payment of principal of or premium, if any, or interest or Additional Interest on the Notes (except a rescission of acceleration of the Notes by the holders of at least a majority in aggregate principal amount of the Notes and a waiver of the payment default that resulted from such acceleration),

(5) make any Note payable in money other than that stated in the Notes,

(6) make any change in the provisions of the Indenture relating to waivers of past Defaults or the rights of holders of Notes to receive payments of principal of or premium, if any, or Additional Interest, if any, or interest on the Notes,

(7) change the ranking of the notes, or

(8) make any change in the foregoing amendment and waiver provisions.

Notwithstanding the foregoing, without the consent of any holder of Notes, the Company and the Trustee may amend or supplement the Indenture or the Notes to:

(1) cure any ambiguity, defect or inconsistency,

(2) provide for uncertificated Notes in addition to or in place of certificated Notes,

(3) provide for the assumption of the Company's obligations to holders of Notes by a successor to the Company in accordance with the provisions of the Indenture or in the case of a merger or consolidation

(4) make any change that would provide any additional rights or benefits to the holders of Notes or that does not adversely affect the legal rights under the Indenture of any such holder, or

(5) comply with requirements of the Commission in order to effect or maintain the qualification of the Indenture under the Trust Indenture Act.

**Concerning the Trustee**

The Indenture contains certain limitations on the rights of the Trustee, should it become a creditor of the Company, to obtain payment of claims in certain cases, or to realize on certain property received in respect of any such claim as security or otherwise. The Trustee is permitted to engage in other transactions; however, if it acquires any conflicting interest it must eliminate such conflict within 90 days, apply to the Commission for permission to continue or resign.

The holders of a majority in principal amount of the then outstanding Notes have the right to direct the time, method and place of conducting any proceeding for exercising any remedy available to the Trustee, subject to certain exceptions. The Indenture provides that in case an Event of Default shall occur (which shall not be cured), the Trustee will be required, in the exercise of its power, to use the degree of care of a prudent man in the conduct of his own affairs. Subject to such provisions, the Trustee will be under no obligation to exercise any of its rights or powers under the Indenture at the request of any holder of Notes, unless such holder shall have offered to the Trustee security and indemnity satisfactory to it against any loss, liability or expense.

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### **Additional Information**

Anyone who receives this prospectus may obtain a copy of the Indenture and Registration Rights Agreement without charge by writing to SBA Communications Corporation, 5900 Broken Sound Parkway NW, Boca Raton, Florida 33487, Attention: General Counsel.

### **Certain Definitions**

Set forth below are certain defined terms used in the Indenture. Reference is made to the Indenture for a full disclosure of all such terms, as well as any other capitalized terms used herein for which no definition is provided.

*Acquired Debt* means, with respect to any specified Person, (1) Indebtedness of any other Person existing at the time such other Person is merged with or into or became a Subsidiary of such specified Person, including, without limitation, Indebtedness incurred in connection with, or in contemplation of, such other Person merging with or into or becoming a Subsidiary of such specified Person, and (2) Indebtedness secured by a Lien encumbering any asset acquired by such specified Person.

*Additional Interest* has the meaning set forth in the Registration Rights Agreement.

*Additional Notes* means 8% Senior Notes due 2012 of the Company issued under the Indenture after the Issue Date and having identical terms to the Initial Notes or the Exchange Notes issued in exchange for the Initial Notes.

*Adjusted Consolidated Cash Flow of the Company* has the meaning given to such term in the definition of Company's Debt to Adjusted Consolidated Cash Flow Ratio.

*Adjusted Consolidated Cash Flow of SBA Senior Finance* means, the sum of (1) the Consolidated Cash Flow of SBA Senior Finance for the four most recent full fiscal quarters ending immediately prior to such date for which internal financial statements are available, less SBA Senior Finance Tower Cash Flow for such four-quarter period, plus (2) the product of four times SBA Senior Finance Tower Cash Flow for the most recent quarterly period.

*Affiliate* of any specified Person means any other Person directly or indirectly controlling or controlled by or under direct or indirect common control with such specified Person. For purposes of this definition, control (including, with correlative meanings, the terms controlling, controlled by and under common control with), as used with respect to any Person, shall mean the possession, directly or indirectly, of the power to direct or cause the direction of the management or policies of such Person, whether through the ownership of voting securities, by agreement or otherwise, provided that beneficial ownership of 10% or more of the Voting Stock of a Person shall be deemed to be control.

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*Applicable Premium* means, with respect to a Note at any redemption date, the greater of (i) 1.0% of the principal amount of such Note and (ii) the excess of (A) the present value at such time of (1) the redemption price of such Note at December 1, 2008 (such redemption price being set forth in the table of the first paragraph under *Optional Redemption* ) plus (2) all required interest payments due on such Note through December 1, 2008 (excluding accrued but unpaid interest), computed using a discount rate equal to the Treasury Rate as of such redemption date plus 50 basis points, over (B) the principal amount of such Note, if greater.

*Asset Sale* means:

(1) the sale, lease, conveyance or other disposition of any assets or rights (including, without limitation, by way of a sale and leaseback, as seller), in any case, outside of the ordinary course of business *provided* that the sale, lease, conveyance or other disposition of all or substantially all of the assets of the Company and its

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Subsidiaries taken as a whole will be governed by the provisions of the Indenture described above under the caption Purchase at the Option of Holders Change of Control and/or the provisions described above under the caption Certain Covenants Merger, Consolidation or Sale of Assets and not by the provisions described above under the caption Purchase at the Option of Holders Asset Sales, and

(2) the issue or sale by the Company or any of its Restricted Subsidiaries of Equity Interests of any of the Company's Subsidiaries (other than (x) directors' qualifying shares or shares required by applicable law to be held by a Person other than the Company or a Restricted Subsidiary or (y) Permitted Subsidiary Equity Interests), in the case of either clause (1) or (2), whether in a single transaction or a series of related transactions (a) that have a fair market value in excess of \$2.0 million or (b) for net proceeds in excess of \$2.0 million.

Notwithstanding the foregoing, the following items shall not be deemed to be Asset Sales:

(1) a transfer of assets by the Company to a Restricted Subsidiary or by a Restricted Subsidiary to the Company or to another Restricted Subsidiary,

(2) an issuance of Equity Interests by a Subsidiary to the Company or to another Restricted Subsidiary,

(3) a Restricted Payment or Permitted Investment that is permitted by the covenant described above under the caption Certain Covenants Limitation on Restricted Payments,

(4) grants of leases or licenses in the ordinary course of business, and

(5) disposals of cash or Cash Equivalents.

*Attributable Debt* in respect of a sale and leaseback transaction means, at the time of determination, the present value (discounted at the rate of interest implicit in such transaction, determined in accordance with GAAP) of the obligation of the lessee for net rental payments during the remaining term of the lease included in such sale and leaseback transaction (including any period for which such lease has been extended or may, at the option of the lessor, be extended).

*Board of Directors* means the Board of Directors of the Company, or any authorized committee of the Board of Directors of the Company.

*Broker-Dealer* means any broker or dealer registered under the Exchange Act.

*Business Day* means any day other than a Legal Holiday.

*Capital Lease Obligation* means, at the time any determination thereof is to be made, the amount of the liability in respect of a capital lease that would at such time be required to be capitalized on a balance sheet in accordance with GAAP.

*Capital Stock* means (1) in the case of a corporation, corporate stock, (2) in the case of an association or business entity, any and all shares, interests, participations, rights or other equivalents (however designated) of corporate stock, (3) in the case of a partnership or limited liability company, partnership or membership interests (whether general or limited) and (4) any other interest or participation that confers on a Person the right to receive a share of the profits and losses of, or distributions of assets of, the issuing Person.

*Cash Equivalents* means:

(1) United States dollars,

(2) securities issued or directly and fully guaranteed or insured by the United States government or any agency or instrumentality thereof (provided that the full faith and credit of the United States is pledged in support thereof) having maturities of not more than 12 months from the date of acquisition,

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(3) certificates of deposit and eurodollar time deposits with maturities of 12 months or less from the date of acquisition, bankers' acceptances with maturities not exceeding 12 months and overnight bank deposits, in each case with any lender party to the Senior Credit Facility or with any domestic commercial bank having capital and surplus in excess of \$500.0 million and a Thompson Bank Watch Rating of B or better,

(4) repurchase obligations with a term of not more than seven days for underlying securities of the types described in clauses (2) and (3) above entered into with any financial institution meeting the qualifications specified in clause (3) above,

(5) commercial paper having the highest rating obtainable from Moody's Investors Service, Inc. or Standard & Poor's Ratings Group and in each case maturing within 12 months after the date of acquisition and

(6) money market funds at least 95% of the assets of which constitute Cash Equivalents of the kinds described in clauses (1)-(5) of this definition.

*Change of Control* means the occurrence of any of the following:

(1) the sale, lease, transfer, conveyance or other disposition (other than by way of merger or consolidation), in one or a series of related transactions, of all or substantially all of the assets of the Company and its Restricted Subsidiaries, taken as a whole to any person (as such term is used in Section 13(d)(3) of the Exchange Act);

(2) the adoption of a plan relating to the liquidation or dissolution of the Company;

(3) the filing of a petition by or against the Company under any bankruptcy or insolvency laws, which petition, if involuntary, is not withdrawn within sixty (60) calendar days after such filing;

(4) any Person has the right or ability by voting power or contract to (i) elect or designate for election a majority of the Board of Directors or (ii) direct the operation of the Company pursuant to a management agreement or similar agreement, other than officers or directors serving in their capacities as such;

(5) the consummation of any transaction (including, without limitation, any merger or consolidation) the result of which is that any person (as defined above) becomes the beneficial owner (as such term is defined in Rule 13d-3 and Rule 13d-5 under the Exchange Act, except that a person shall be deemed to have beneficial ownership of all securities that such person has the right to acquire, whether such right is currently exercisable or is exercisable only upon the occurrence of a subsequent condition), directly or indirectly, of more than 50% of the Voting Stock of the Company (measured by voting power rather than number of shares);

(6) the first day on which a majority of the members of the Board of Directors are not Continuing Directors; or



(7) the Company consolidates with, or merges with or into, any Person, or any Person consolidates with, or merges with or into, the Company, in any such event pursuant to a transaction in which any of the outstanding Voting Stock of the Company is converted into or exchanged for cash, securities or other property, other than any such transaction where the Voting Stock of the Company outstanding immediately prior to such transaction is converted into or exchanged for Voting Stock (other than Disqualified Stock) of the surviving, or transferee Person constituting a majority of the outstanding, shares of such Voting Stock of such surviving, or transferee Person (immediately after giving effect to such issuance).

*Company's Debt to Adjusted Consolidated Cash Flow Ratio* means, as of any date of determination, the ratio of (a) the Consolidated Indebtedness of the Company as of such date to (b) the sum of:

(1) the Consolidated Cash Flow of the Company for the four most recent full fiscal quarters ending immediately prior to such date for which internal financial statements are available, less the Company's Tower Cash Flow for such four-quarter period, *plus*

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(2) the product of four times the Company's Tower Cash Flow for the most recent quarterly period (such sum being, referred to as Adjusted Consolidated Cash Flow of the Company), in each case determined on a pro forma basis after giving effect to all acquisitions or dispositions of assets made by the Company and its Subsidiaries from the beginning of such four-quarter period through and including such date of determination (including any related financing transactions) as if such acquisitions and dispositions had occurred at the beginning of such four-quarter period. For purposes of making the computation referred to above:

(A) acquisitions that have been made by the Company or any of its Restricted Subsidiaries, including through mergers or consolidations and including any related financing transactions, during the reference period or subsequent to such reference period and on or prior to the Calculation Date shall be deemed to have occurred on the first day of the reference period, and

(B) the Consolidated Cash Flow attributable to discontinued operations, as determined in accordance with GAAP, and operations or businesses disposed of prior to the Calculation Date, shall be excluded.

*Consolidated Cash Flow* means, with respect to any Person for any period, the Consolidated Net Income of such Person for such period plus:

(1) provision for taxes based on income or profits of such Person and its Restricted Subsidiaries for such period to the extent that such provision for taxes was deducted in computing such Consolidated Net Income, *plus*

(2) Consolidated Interest Expense, which means

(A) consolidated interest expense of such Person and its Restricted Subsidiaries for such period determined in accordance with GAAP, whether paid or accrued and whether or not capitalized (including, without limitation, amortization of debt issuance costs and original issue discount, non-cash interest payments, the interest component of any deferred payment obligations, the interest component of all payments associated with Capital Lease Obligations, imputed interest with respect to Attributable Debt, commissions, discounts and other fees and charges incurred in respect of letter of credit or bankers' acceptance financings, and net payments (if any) pursuant to Hedging Obligations, but excluding any gain or loss from write-off of deferred financing fees and extinguishment of debt), to the extent that any such expense was deducted in computing such Consolidated Net Income, *plus*

(B) all preferred stock dividends paid or accrued in respect of the Company's and its Restricted Subsidiaries' preferred stock to Persons other than the Company or a Wholly Owned Restricted Subsidiary of the Company other than preferred stock dividends paid by the Company in shares of preferred stock that is not Disqualified Stock, *plus*

(3) depreciation, accretion, amortization (including amortization of goodwill and other intangibles and other non-cash expenses (excluding any such non-cash expense to the extent that it represents an accrual of or reserve for cash expenses in any future period)) of such Person and its Restricted Subsidiaries for such period to the extent that such depreciation, amortization and other non-cash expenses were deducted in computing such Consolidated Net Income; provided that the amount of the accretion included in Consolidated Cash Flow of any Person shall not exceed \$250,000 for such four-quarter ending period, minus

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(4) non-cash items increasing such Consolidated Net Income for such period (excluding any items that were accrued in the ordinary course of business), minus

(5) interest income of such Person and its Restricted Subsidiaries for such period, to the extent that any such income was included in computing such Consolidated Net Income, minus

(6) for purposes of the Limitation on Incurrence of Indebtedness and Issuance of Preferred Stock covenant only and calculating only the Consolidated Cash Flow of SBA Senior Finance, the amount by which the selling, general and administrative expenses of the Company exceeds \$6.0 million for such four-quarter ending period,

in each case on a consolidated basis and determined in accordance with GAAP.

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*Consolidated Indebtedness* means, with respect to any Person as of any date of determination, the sum, without duplication, of:

- (1) the total amount of Indebtedness of such Person and its Restricted Subsidiaries, *plus*
  
- (2) the total amount of Indebtedness of any other Person, to the extent that such Indebtedness has been Guaranteed by the referent Person or one or more of its Restricted Subsidiaries, *plus*
  
- (3) the aggregate liquidation value of all Disqualified Stock of such Person and all preferred stock of Restricted Subsidiaries of such Person (other than Permitted Subsidiary Equity Interests), in each case, determined on a consolidated basis in accordance with GAAP.

*Consolidated Interest Expense* has the meaning given to such term in the definition of *Consolidated Cash Flow*.

*Consolidated Net Income* means, with respect to any Person for any period, the aggregate of the Net Income of such Person and its Restricted Subsidiaries for such period, on a consolidated basis, determined in accordance with GAAP; *provided that*:

- (1) the Net Income (and net loss) of any Person (other than the Company) that is not a Restricted Subsidiary of the Company or that is accounted for by the equity method of accounting shall be excluded, except that for purposes of determining compliance with the covenant described under *Certain Covenants Limitation on Restricted Payments* above, such Net Income shall be included but only to the extent of the amount of dividends or distributions paid in cash to the referent Person or a Restricted Subsidiary thereof, and
  
- (2) the Net Income (but not loss) of any Unrestricted Subsidiary shall be excluded whether or not distributed to the Company or one of its Restricted Subsidiaries or whether or not otherwise included pursuant to clause (1).

*Consolidated Tangible Assets* means, with respect to the Company, the total consolidated assets of the Company and its Restricted Subsidiaries, less the total intangible assets of the Company and its Restricted Subsidiaries, as shown on the most recent internal consolidated balance sheet of the Company and such Restricted Subsidiaries calculated on a consolidated basis in accordance with GAAP.

*Continuing Directors* means, as of any date of determination, any member of the Board of Directors who:

- (1) was a member of such Board of Directors on the Issue Date, or
  
- (2) was nominated for election or elected to such Board of Directors with the approval of a majority of the Continuing Directors who were members of such Board at the time of such nomination or election.

*Credit Facility* means one or more senior debt facilities (including, without limitation, the Senior Credit Facility) or commercial paper facilities with banks or other institutional lenders providing for revolving credit loans, term loans or letters of credit, in each case, as amended, modified, renewed, refunded, replaced or refinanced in whole or in part from time to time (including subsequent refinancings).

*Default* means any event that is, or with the passage of time or the giving of notice or both would be, an Event of Default.

*Disqualified Stock* means any Capital Stock that, by its terms (or by the terms of any security into which it is convertible or for which it is exchangeable, in each case, at the option of the holder thereof), or upon the happening of any event, matures or is mandatorily redeemable, pursuant to a sinking fund obligation or otherwise, or redeemable at the option of the holder thereof, in whole or in part, on or prior to the date that is 91 days after the date on which the Notes mature; *provided, however*, (1) that any Capital Stock that would constitute Disqualified Stock solely because the holders thereof have the right to require the Company to

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repurchase such Capital Stock upon the occurrence of a Change of Control or an Asset Sale shall not constitute Disqualified Stock if the terms of such Capital Stock provide that the Company may not repurchase or redeem any such Capital Stock pursuant to such provisions unless such repurchase or redemption complies with the covenant described under the caption *Certain Covenants Limitation on Restricted Payments* and (2) that any preferred stock that would constitute Disqualified Stock shall not constitute Disqualified Stock if issued as a dividend on then outstanding shares of preferred stock of the same class or series.

*Equity Interests* means Capital Stock and all warrants, options or other rights to acquire Capital Stock (but excluding any debt security that is convertible into, or exchangeable for, Capital Stock) (it being understood that Permitted Subsidiary Equity Interests shall not be deemed Equity Interests of the Company until they have been converted into Equity Interests of the Company in accordance with the terms thereof).

*Equity Offering* means an underwritten primary public offering of common stock of the Company pursuant to an effective registration statement under the Securities Act, or to the extent net proceeds hereof are paid to the Company as a capital contribution, a primary sale of common stock of the Company.

*Exchange Act* means the Securities Exchange Act of 1934, as amended.

*Exchange Notes* means any substantially identical issue of notes (other than with respect to transfer restrictions) issued in an exchange offer, for the Initial Notes or any Additional Notes.

*Exchange Offer* has the meaning set forth in the Registration Rights Agreement.

*Exchange Offer Registration Statement* means the Registration Statement relating to the Exchange Offer, including the related Prospectus.

*Existing Indebtedness* means Indebtedness of the Company and its Subsidiaries (other than Indebtedness under the Credit Facility) in existence on the Issue Date, until such amounts are repaid.

*Fair market value* means the price which could be negotiated in an arm's length, free market transaction, for cash, between a willing and able seller and a willing and able buyer, neither of whom is under undue pressure, or compulsion to complete the transaction. Fair market value shall be determined by the Board of Directors acting reasonably and in good faith, evidenced by a resolution of the Board of Directors delivered to the Trustee; *provided, however*, that fair market value shall be determined by a nationally recognized independent investment banking, accounting or appraisal firm for any transaction which is reasonably likely to exceed \$10 million in value.

*GAAP* means generally accepted accounting principles set forth in the opinions and pronouncements of the Accounting Principles Board of the American Institute of Certified Public Accountants and statements and pronouncements of the Financial Accounting Standards Board or in such other statements by such other entity as have been approved by a significant segment of the accounting profession, which are in effect from time to time.

*Government Securities* means direct obligations of, or obligations guaranteed by, the United States of America, and the payment for which the United States pledges its full faith and credit.

*Guarantee* means a guarantee (other than by endorsement of negotiable instruments for collection in the ordinary course of business), direct or indirect, in any manner (including, without limitation by way of a pledge of assets or through letters of credit or reimbursement agreements in respect thereof), of all or any part of any Indebtedness.

*Hedging Obligations* means, with respect to any Person, the obligations of such Person under (1) interest rate swap agreements, interest rate cap agreements and interest rate collar agreements and (2) other agreements or arrangements relating to or based upon fluctuations in interest rates or currency exchange rates.

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*Indebtedness* means, with respect to any Person, any indebtedness of such Person, whether or not contingent, in respect of borrowed money or evidenced by bonds, notes, debentures or similar instruments or letters of credit (or reimbursement agreements in respect thereof) or banker's acceptances or representing Capital Lease Obligations or the balance deferred and unpaid of the purchase price of any property or representing any Hedging Obligations, except any such balance that constitutes an accrued expense or trade payable, if and to the extent any of the foregoing indebtedness (other than letters of credit and Hedging Obligations) would appear as a liability upon a balance sheet of such Person prepared in accordance with GAAP, as well as all Indebtedness of others secured by a Lien on any asset of such Person whether or not such Indebtedness is assumed by such Person (the amount of such Indebtedness as of any date being deemed to be the lesser of the value of such property or assets as of such date or the principal amount of such Indebtedness of such other Person so secured) and, to the extent not otherwise included, the Guarantee by such Person of any Indebtedness of any other Person. The amount of any Indebtedness outstanding as of any date shall be (1) the accreted value thereof, in the case of any Indebtedness issued with original issue discount, and (2) the principal amount thereof, together with any interest thereon that is more than 30 days past due, in the case of any other Indebtedness. In calculating the amount of Indebtedness outstanding, letters of credit supporting obligations otherwise included as Indebtedness (and reimbursement obligations with respect to such letters of credit to the extent supporting obligations otherwise included in Indebtedness) shall not be included.

*Initial Notes* means the \$250,000,000 aggregate principal amount of 8½% Senior Notes due 2012 issued by the Company on the Issue Date.

*Investments* means, with respect to any Person, all investments by such Person in other Persons (including Affiliates) in the forms of direct or indirect loans (including guarantees of Indebtedness or other obligations), advances or capital contributions (excluding commission, travel and similar advances to officers and employees made in the ordinary course of business), purchases or other acquisitions for consideration of Indebtedness, Equity Interests or other securities, together with all items that are or would be classified as investments on a balance sheet prepared in accordance with GAAP. If the Company or any Restricted Subsidiary of the Company sells or otherwise disposes of all Equity Interests of any direct or indirect Subsidiary of the Company or a Restricted Subsidiary of the Company issues any of its Equity Interests such that, in each case, after giving effect to any such sale or disposition, such Person is no longer a Restricted Subsidiary of the Company, the Company shall be deemed to have made an Investment on the date of any such sale or disposition equal to the fair market value of the Equity Interests of such Subsidiary not sold or disposed of in an amount determined as provided in the final paragraph of the covenant described above under the caption Certain Covenants Limitation on Restricted Payments.

*Issue Date* means December 14, 2004, the date of original issuance of the Notes.

*Legal Holiday* means a Saturday, a Sunday or a day on which banking institutions in the City of New York or at a place of payment are authorized by law, regulation or executive order to remain closed. If a payment date is a Legal Holiday at a place of payment, payment may be made at that place on the next succeeding day that is not a Legal Holiday, and no interest shall accrue on such payment for the intervening period.

*Lien* means, with respect to any asset, any mortgage, lien, pledge, charge, security interest or encumbrance of any kind in respect of such asset, whether or not filed, recorded or otherwise perfected under applicable law (including any conditional sale or other title retention agreement, any lease in the nature thereof, any option or other agreement to sell or give a security interest in and any filing of or agreement to give any financing statement under the Uniform Commercial Code (or equivalent statutes) of any jurisdiction).

*March 1998 Senior Discount Note Indenture* means that certain Indenture between the Company and State Street Bank and Trust Company, as Trustee, dated as of March 2, 1998, as amended by the First Supplemental Indenture between the Company and the Trustee, dated as of March 5, 1999 and as amended by the Second Supplemental Indenture between the Company and the Trustee, dated as of October 28, 1999.





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*Maximum Secured Amount* means, as of any date of determination, the maximum amount of Indebtedness (other than Subordinated Obligations) that, as of such date, and after giving pro forma effect to such incurrence as of such date and to the use of proceeds therefrom, would not cause SBA Senior Finance's Debt to Adjusted Consolidated Cash Flow Ratio to exceed 5.5 to 1.0.

*Net Income* means, with respect to any Person, the net income (loss) of such Person, determined in accordance with GAAP and before any reduction in respect of preferred stock dividends, excluding, however, (1) any gain or loss, together with any related provision for taxes on such gain or loss, realized in connection with (a) any asset sale outside the ordinary course of business (including, without limitation, dispositions pursuant to sale and leaseback transactions) or (b) the disposition of any securities by such Person or any of its Restricted Subsidiaries or the write off of any deferred financing fees or the extinguishment of any Indebtedness of such Person or any of its Restricted Subsidiaries, (2) any extraordinary gain or loss, together with any related provision for taxes on such extraordinary gain or loss, (3) the cumulative effect of a change in accounting principles and (4) any net after-tax income (loss) from discontinued operations.

*Net Proceeds* means the aggregate cash proceeds received by the Company or any of its Restricted Subsidiaries in respect of any Asset Sale (including, without limitation, any cash received upon the sale or other disposition of any non-cash consideration received in any Asset Sale), net of:

- (1) the direct costs relating to such Asset Sale (including, without limitation, legal, accounting and investment banking fees, and sales commissions) and any relocation expenses incurred as a result thereof,
- (2) taxes paid or payable as a result thereof (after taking into account any available tax credits or deductions and any tax sharing arrangements),
- (3) amounts required to be applied to the repayment of Indebtedness (other than Indebtedness under a Credit Facility) secured by a Lien on the asset or assets that were the subject of such Asset Sale,
- (4) all distributions and other payments required to be made to minority interest holders in Restricted Subsidiaries as a result of such Asset Sale,
- (5) the deduction of appropriate amounts provided by the seller as a reserve in accordance with GAAP against any liabilities associated with the assets disposed of in such Asset Sale and retained by the Company or any Restricted Subsidiary after such Asset Sale, and
- (6) without duplication, any reserves that the Board of Directors determines in good faith should be made in respect of the sale price of such asset or assets for post closing adjustments;

*provided* that in the case of any reversal of any reserve referred to in clause (5) or (6) above, the amount so reserved shall be deemed to be Net Proceeds from an Asset Sale as of the date of such reversal.

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*Non-Recourse Debt* means Indebtedness (1) as to which neither the Company nor any of its Restricted Subsidiaries (a) provides credit support of any kind (including any undertaking, agreement or instrument that would constitute Indebtedness), (b) is directly or indirectly liable (as a guarantor or otherwise), or (c) constitutes the lender; (2) no default with respect to which (including any rights that the holders thereof may have to take enforcement action against an Unrestricted Subsidiary) would permit (upon notice, lapse of time or both) any holder of any other Indebtedness of the Company or any of its Restricted Subsidiaries to declare a default on such other Indebtedness or cause the payment thereof to be accelerated or payable prior to its Stated Maturity; and (3) as to which the lenders have been notified in writing that they will not have any recourse to the stock or assets of the Company or any of its Restricted Subsidiaries.

*Obligations* means any principal, interest, penalties, fees, indemnifications, reimbursements, damages and other liabilities payable under the documentation governing any Indebtedness.

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*Officer* means, with respect to any Person, the Chairman of the Board, the Chief Executive Officer, the President, the Chief Operating Officer, the Chief Financial Officer, the Treasurer, any Assistant Treasurer, the Controller, the Secretary or any Vice President of such Person.

*Officers Certificate* means a certificate signed by two Officers or by an Officer and either an Assistant Treasurer or an Assistant Secretary of the Company.

*Permitted Business* means any business conducted by the Company and its Restricted Subsidiaries on the Issue date and any other business related, ancillary or complementary to any such business.

*Permitted Investments* means:

(a) any Investment in the Company or in a Restricted Subsidiary of the Company;

(b) any Investment in Cash Equivalents;

(c) any Investment by the Company or any Restricted Subsidiary of the Company in a Person, if as a result of such Investment (1) such Person becomes a Restricted Subsidiary of the Company or (2) such Person is merged, consolidated or amalgamated with or into, or transfers or conveys substantially all of its assets to, or is liquidated into, the Company or a Restricted Subsidiary of the Company;

(d) any Restricted Investment made as a result of the receipt of non-cash consideration from an Asset Sale that was made pursuant to and in compliance with the covenant described above under the caption Purchase at the Option of Holders Asset Sales,

(e) any acquisition of assets solely in exchange for the issuance of Equity Interests (other than Disqualified Stock) of the Company;

(f) receivables created in the ordinary course of business;

(g) loans or advances to employees made in the ordinary course of business not to exceed \$5.0 million at any one time outstanding;

(h) securities and other assets received in settlement of trade debts or other claims arising in the ordinary course of business;

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(i) other Investments in Permitted Businesses not to exceed 10% of the Company's Consolidated Tangible Assets at any one time outstanding (each such Investment being measured as of the date made and without giving effect to subsequent changes in value); and

(j) additional Investments having an aggregate fair market value, taken together with all other Investments made pursuant to this clause (j) that are at that time outstanding, not to exceed an amount equal to \$25.0 million at the time of such Investment (each such Investment being measured as of the date made and without giving effect to subsequent changes in value).

Permitted Liens means:

(1) Liens securing Indebtedness of the Company under one or more Credit Facilities that was permitted by the terms of the Indenture to be incurred;

(2) Liens securing Indebtedness of any Restricted Subsidiary (other than Subordinated Obligations); provided that the amount of Indebtedness secured by such Liens does not, at the time of incurrence of such Indebtedness, exceed an amount equal to the greater of (x) the Maximum Secured Amount and (y) the maximum amount of Indebtedness then permitted to be incurred under clause (1) of the definition of Permitted Debt to the extent such Indebtedness is incurred under clause (1) of the definition of Permitted Debt;

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(3) Liens in favor of the Company;

(4) Liens existing on the Issue Date;

(5) Liens for taxes, assessments or governmental charges or claims that are not yet delinquent or that are being contested in good faith by appropriate proceedings promptly instituted and diligently concluded, *provided* that any reserve or other appropriate provision as shall be required in conformity with GAAP shall have been made therefor;

(6) Liens securing Indebtedness permitted to be incurred under clause (4) of the second paragraph of the covenant described above under the caption Certain Covenants Limitation on Incurrence of Indebtedness and Issuance of Preferred Stock; and

(7) Liens incurred in the ordinary course of business of the Company or any Restricted Subsidiary of the Company with respect to obligations that do not exceed \$10 million at any one time outstanding and that (a) are not incurred in connection with the borrowing of money or the obtaining of advances or credit (other than trade credit in the ordinary course of business) and (b) do not in the aggregate materially detract from the value of the property or materially impair the use thereof in the operation of business by the Company or such Restricted Subsidiary.

*Permitted Refinancing Indebtedness* means any Indebtedness of the Company or any of its Restricted Subsidiaries issued in exchange for, or the net proceeds of which are used to extend, refinance, renew, replace, defease or refund other Indebtedness of the Company or any of its Restricted Subsidiaries (other than intercompany Indebtedness); *provided* that:

(1) the principal amount (or initial accreted value, if applicable) of such Permitted Refinancing Indebtedness does not exceed the principal amount of (or accreted value, if applicable), plus accrued interest on, the Indebtedness so extended, refinanced, renewed, replaced, defeased or refunded (plus the amount of expenses and prepayment premiums incurred in connection therewith),

(2) such Permitted Refinancing Indebtedness has a final maturity date later than the final maturity date of, and has a Weighted Average Life to Maturity equal to or greater than the Weighted Average Life to Maturity of, the Indebtedness being extended, refinanced, renewed, replaced, defeased or refunded,

(3) if the Indebtedness being extended, refinanced, renewed, replaced, defeased or refunded is subordinated in right of payment to the Notes, such Permitted Refinancing Indebtedness is subordinated in right of payment to, the Notes on terms at least as favorable to the holders of Notes as those contained in the documentation governing the Indebtedness being extended, refinanced, renewed, replaced, defeased or refunded, and

(4) such Indebtedness is incurred (i) solely by the Company if the Company is the sole obligor on the Indebtedness being extended, refinanced, renewed, replaced, defeased or refunded, (ii) by either Company or any Restricted Subsidiary of the Company if a Restricted Subsidiary of the Company is the obligor on the Indebtedness being extended, refinanced, renewed, replaced, defeased or refunded or (iii) by the Restricted Subsidiary who is the obligor on the Indebtedness being extended, refinanced, renewed, replaced, defeased or refunded; *provided* that, except as provided in clauses (i), (ii) and (iii) above, no Restricted Subsidiary of the Company may incur any Indebtedness in accordance with the

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provisions set forth in this definition if the proceeds are used to refinance Indebtedness on which the Company is the sole obligor.

*Permitted Subsidiary Equity Interests* means Equity Interests of Restricted Subsidiaries of the Company that:

(1) will automatically convert into common stock of the Company upon the occurrence of an Event of Default under the Indenture,

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(2) does not entitle the holder to any registration rights,

(3) is issued as consideration in a Tower Asset Acquisition and

(4) does not provide for any dividends other than in additional shares of such Equity Interests.

*Person* means any individual, corporation, partnership, limited liability company, joint venture, association, joint-stock company, trust, unincorporated organization or government or agency or political subdivision thereof (including any subdivision or ongoing business of any such entity or substantially all of the assets of any such entity, subdivision or business).

*Prospectus* means the prospectus included in a Registration Statement at the time such Registration Statement is declared effective, as amended or supplemented by any prospectus supplement and by all other amendments thereto, including post-effective amendments, and all material incorporated by reference into such Prospectus.

*Qualified Equity Interests* means Equity Interests of the Company other than Disqualified Stock.

*Qualified Proceeds* means assets that are used or useful in, or Capital Stock of any Person engaged in, a Permitted Business.

*Registration Rights Agreement* means (1) with respect to the Initial Notes issued on the Issue Date, the Registration Rights Agreement dated as of December 14, 2004 between the Company and the initial purchasers and (2) with respect to each issuance of Additional Notes issued in a transaction exempt from the registration requirements of the Securities Act, the Registration Rights Agreement, if any, among the Company and the Persons purchasing such Additional Notes under the related purchase agreement.

*Registration Statement* means any registration statement of the Company relating to (a) an offering of Exchange Notes pursuant to an Exchange Offer or (b) the registration for resale of Transfer Restricted Securities pursuant to the Shelf Registration Statement, in each case, (i) that is filed pursuant to the provisions of the Registration Rights Agreement and (ii) including the Prospectus included therein, all amendments and supplements thereto (including post-effective amendments) and all exhibits and material incorporated by reference therein.

*Restricted Investment* means an Investment other than a Permitted Investment.

*Restricted Subsidiary* of a Person means any Subsidiary of the relevant Person that is not an Unrestricted Subsidiary.



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*SBA Senior Finance's Debt to Adjusted Consolidated Cash Flow Ratio* means, as of any date of determination, the ratio of (a) the Consolidated Indebtedness of SBA Senior Finance as of such date to (b) Adjusted Consolidated Cash Flow of SBA Senior Finance, in each case determined on a pro forma basis after giving effect to all acquisitions or dispositions of assets made by SBA Senior Finance and its Subsidiaries from the beginning of such four-quarter period through and including such date of determination (including any related financing transactions) as if such acquisitions and dispositions had occurred at the beginning of such four-quarter period. For purposes of making the computation referred to above, (A) acquisitions that have been made by SBA Senior Finance or any of its Subsidiaries, including through mergers or consolidations and including any related financing transactions, during the reference period or subsequent to such reference period and on or prior to the Calculation Date shall be deemed to have occurred on the first day of the reference period, and (B) the Consolidated Cash Flow attributable to discontinued operations, as determined in accordance with GAAP, and operations or businesses disposed of prior to the Calculation Date, shall be excluded.

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*Securities Act* means the Securities Act of 1933, as amended.

*Seller Paper* means Indebtedness incurred by the Company or any of its Restricted Subsidiaries as consideration in a Tower Asset Acquisition.

*Senior Credit Facility* means the Amended and Restated Credit Agreement, dated as of January 30, 2004, by and among SBA Senior Finance, Inc., the several lenders from time to time parties thereto, Lehman Brothers Inc. and Deutsche Bank Securities Inc., as joint lead arrangers and bookrunners, and Lehman Commercial Paper Inc., as administrative agent, and including any related notes, guarantees, collateral documents, instruments and agreements executed in connection therewith, and in each case as amended, modified, renewed, refunded, replaced or refinanced in whole or in part from time to time (including subsequent refinancings).

*Senior Indebtedness* means, whether outstanding on the Issue Date or thereafter issued, created, incurred or assumed, all amounts payable by the Company under or in respect of all Indebtedness of the Company, including premiums and accrued and unpaid interest (including interest accruing on or after the filing of any petition in bankruptcy or for reorganization relating to the Company at the rate specified in the documentation with respect thereto whether or not a claim for post filing interest is allowed in such proceeding), fees, charges, expenses, reimbursement obligations and guarantees relating thereto; *provided, however*, that Senior Indebtedness will not include:

(1) any Indebtedness incurred in violation of the Indenture, unless such Indebtedness was incurred based on an Officers' Certificate (delivered in good faith after reasonable investigation) to the effect that the incurrence of such Indebtedness did not violate the provisions of the Indenture;

(2) any obligation of the Company to any Subsidiary;

(3) any liability for Federal, state, foreign, local or other taxes owed or owing by the Company;

(4) any accounts payable or other liability to trade creditors arising in the ordinary course of business (including Guarantees thereof or instruments evidencing such liabilities);

(5) any Indebtedness, Guarantee or obligation of the Company that is expressly subordinate or junior in right of payment to any other Indebtedness, Guarantee or obligation of the Company, including, without limitation, any Senior Subordinated Indebtedness and any Subordinated Obligations; or

(6) any Capital Stock.

*Shelf Registration Statement* means the Shelf Registration Statement as defined in the Registration Rights Agreement.

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*Significant Subsidiary* means, with respect to any Person, any Restricted Subsidiary of such Person that would be a significant subsidiary of such Person as defined in Article 1, Rule 1-02 of Regulation S-X, promulgated pursuant to the Securities Act, as such Regulation is in effect on the date hereof, except that all references to 10 percent in Rule 1-02(w)(1), (2) and (3) shall mean 5 percent.

*Stated Maturity* means, with respect to any installment of interest or principal on any series of Indebtedness, the date on which such payment of interest or principal was scheduled to be paid in the original documentation governing such Indebtedness, and shall not include any contingent obligations to repay, redeem or repurchase any such interest or principal prior to the date originally scheduled for the payment thereof.

*Strategic Equity Investment* means a cash contribution to the common equity capital of the Company or a purchase from the Company of common Equity Interests (other than Disqualified Stock), in either case by or from a Strategic Equity Investor and for aggregate cash consideration of at least \$10.0 million.

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*Strategic Equity Investor* means a Person engaged in a Permitted Business whose Total Equity Market Capitalization exceeds \$1 billion.

*Subordinated Obligation* means any Indebtedness of the Company (whether outstanding on the Issue Date or thereafter incurred) which is expressly subordinated or junior in right of payment to the Notes pursuant to a written agreement.

*Subsidiary* means, with respect to any Person, (1) any corporation, association or other business entity of which more than 50% of the total voting power of shares of Capital Stock entitled (without regard to the occurrence of any contingency) to vote in the election of directors, managers or Trustees thereof is at the time owned or controlled, directly or indirectly, by such Person or one or more of the other Subsidiaries of that Person (or a combination thereof) and (2) any partnership (a) the sole general partner or the managing general partner of which is such Person or a Subsidiary of such Person or (b) the only general partners of which are such Person or of one or more Subsidiaries of such Person (or any combination thereof).

*Total Equity Market Capitalization* of any Person means, as of any day of determination, the sum of (1) the product of (A) the aggregate number of outstanding primary shares of common stock of such Person on such day (which shall not include any options or warrants on, or securities convertible or exchangeable into, shares of common stock of such Person) multiplied by (B) the average closing price of such common stock listed on a national securities exchange or the Nasdaq National Market System over the 20 consecutive Business Days immediately preceding such day, plus (2) the liquidation value of any outstanding shares of preferred stock of such Person on such day.

*Tower Asset Acquisition* means an acquisition of Tower Assets or a business substantially all of the assets of which are Tower Assets.

*Tower Assets* means wireless transmission towers and related assets that are located on the site of a transmission tower.

*Tower Cash Flow* of any Person means, for any period, the Consolidated Cash Flow of such Person and its Restricted Subsidiaries for such period that is directly attributable to site rental revenue, license or management fees paid to manage, lease or sublease space on communication sites owned, leased or managed by such Person (collectively, "site leasing revenues"), all determined on a consolidated basis and in accordance with GAAP. Tower Cash Flow will not include revenue of any Person or expenses attributable to non-site rental services provided by such Person or any of its Restricted Subsidiaries or revenues derived from the sale of assets.

*Transfer Restricted Securities* means each Note, until the earliest to occur of (a) the date on which such Note is exchanged in the Exchange Offer and entitled to be resold to the public by the holder thereof without complying with the prospectus delivery requirements of the Securities Act, (b) the date on which such Note has been disposed of in accordance with a Shelf Registration Statement, (c) the date on which such Note is disposed of by a Broker-Dealer pursuant to the Plan of Distribution contemplated by the Exchange Offer Registration Statement (including delivery of the Prospectus contained therein) or (d) the date on which such Note is distributable to the public pursuant to Rule 144 under the Securities Act.

*Treasury Rate* means, as of the applicable redemption date, the yield to maturity, as of such redemption date, of United States Treasury securities with a constant maturity (as compiled and published in the most recent Federal Reserve Statistical Release H. 15(519) which has become publicly available at least two Business Days prior to the redemption date (or, if such Statistical Release is no longer published, any publicly available source or similar market data)) most nearly equal to the period from the redemption date to December 1, 2008, *provided, however*, that if the period from the redemption date to December 1, 2008 is not equal to the constant maturity of a United States Treasury security for which a

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weekly average yield is given, the Treasury Rate shall be obtained by linear interpolation (calculated to the nearest one-twelfth of a year) from the weekly average

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yields of United States Treasury securities for which such yields are given, except that if the period from the redemption date to December 1, 2008 is less than one year, the weekly average yield on actually traded United States Treasury securities adjusted to a constant maturity of one year shall be used.

*Unrestricted Subsidiary* means any Subsidiary of the Company that is designated by the Board of Directors as an Unrestricted Subsidiary pursuant to a Board Resolution; but only to the extent that such Subsidiary:

(a) has no Indebtedness other than Non-Recourse Debt;

(b) is not party to any agreement, contract, arrangement or understanding with the Company or any Restricted Subsidiary of the Company unless the terms of any such agreement, contract, arrangement or understanding are no less favorable to the Company or such Restricted Subsidiary than those that might be obtained at the time from Persons who are not Affiliates of the Company;

(c) is a Person with respect to which neither the Company nor any of its Restricted Subsidiaries has any direct or indirect obligation (x) to subscribe for additional Equity Interests or (y) to maintain or preserve such Person's financial condition or to cause such Person to achieve any specified levels of operating results;

(d) has not guaranteed or otherwise directly or indirectly provided credit support for any Indebtedness of the Company or any of its Restricted Subsidiaries; and

(e) has at least one director on its board of directors that is not a director or executive officer of the Company or any of its Restricted Subsidiaries and has at least one executive officer that is not a director or executive officer of the Company or any of its Restricted Subsidiaries.

Any such designation by the Board of Directors shall be evidenced to the Trustee by filing with the Trustee a certified copy of the Board Resolution giving effect to such designation and an Officers' Certificate certifying that such designation complied with the foregoing conditions and was permitted by the covenant described above under the caption "Certain Covenants - Limitation on Restricted Payments."

If, at any time, any Unrestricted Subsidiary would fail to meet the foregoing requirements as an Unrestricted Subsidiary, it shall thereafter cease to be an Unrestricted Subsidiary for purposes of the Indenture and any Indebtedness of such Subsidiary shall be deemed to be incurred by a Restricted Subsidiary of the Company as of such date (and, if such Indebtedness is not permitted to be incurred as of such date under the covenant described above under the caption "Certain Covenants - Limitation on Incurrence of Indebtedness and Issuance of Preferred Stock," the Company shall be in default of such covenant). The Board of Directors may at any time designate any Unrestricted Subsidiary to be a Restricted Subsidiary; *provided* that such designation shall be deemed to be an incurrence of Indebtedness by a Restricted Subsidiary of the Company of any outstanding Indebtedness of such Unrestricted Subsidiary and such designation shall only be permitted if (1) such Indebtedness is permitted under the covenant described above under the caption "Certain Covenants - Limitation on Incurrence of Indebtedness and Issuance of Preferred Stock," calculated on a pro forma basis as if such designation had occurred at the beginning of the four-quarter reference period, and (2) no Default would occur as a result of or be in existence following such designation.

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*Voting Stock* of any Person as of any date means the Capital Stock of such Person that is at the time entitled to vote in the election of the board of directors of such Person.

*Weighted Average Life to Maturity* means, when applied to any Indebtedness at any date, the number of years obtained by dividing (1) the sum of the products obtained by multiplying (a) the amount of each then remaining installment, sinking fund, serial maturity or other required payments of principal, including payment at final maturity, in respect thereof, by (b) the number of years (calculated to the nearest one-twelfth) that will elapse between such date and the making of such payment, by (2) the then outstanding principal amount of such Indebtedness.

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*Wholly Owned Restricted Subsidiary* of any Person means a Restricted Subsidiary of such Person all of the outstanding Capital Stock or other ownership interests of which (other than directors' qualifying shares) shall at the time be owned by such Person or by one or more Wholly Owned Restricted Subsidiaries of such Person.

**Registration Rights; Additional Interest**

We and the Initial Purchasers entered into the Registration Rights Agreement on December 14, 2004. Pursuant to the Registration Rights Agreement, we agreed to file with the Commission a registration statement (the Exchange Offer Registration Statement) on the appropriate form under the Securities Act with respect to the Exchange Notes. Upon the effectiveness of the Exchange Offer Registration Statement, we will offer to the holders of Transfer Restricted Securities who are able to make certain representations the opportunity to exchange their Transfer Restricted Securities for Exchange Notes.

If:

(1) We are not

(a) required to file the Exchange Offer Registration Statement pursuant to the Registration Rights Agreement, or

(b) permitted to consummate the Exchange Offer because the Exchange Offer is not permitted by applicable law or Commission policy; or

(2) any holder of Transfer Restricted Securities notifies us at least 30 business days prior to the consummation of the Exchange Offer that

(a) it is prohibited by law or Commission policy from participating in the Exchange Offer, or

(b) it may not resell the Exchange Notes acquired by it in the Exchange Offer to the public without delivering a prospectus and the Prospectus contained in the Exchange Offer Registration Statement is not appropriate or available for those resales, or

(c) it is a broker-dealer and owns Notes acquired directly from us or one of our affiliates,

then we will file with the Commission a shelf registration statement (the Shelf Registration Statement) to cover resales of the Notes by the holders thereof who satisfy certain conditions relating to the provision of information in connection with the Shelf Registration Statement.



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We will use our reasonable best efforts to cause the applicable registration statement to be declared effective as promptly as possible by the Commission.

The Registration Rights Agreement provides:

(1) we will use our reasonable best efforts to file an Exchange Offer Registration Statement with the Commission on or before 120 days after the Issue Date;

(2) we will use our reasonable best efforts to have the Exchange Offer Registration Statement declared effective by the Commission on or before 210 days after the Issue Date;

(3) unless the Exchange Offer would not be permitted by applicable law or Commission policy, we will

(a) commence the Exchange Offer, and

(b) use our reasonable best efforts to issue Exchange Notes in exchange for all Notes tendered in the Exchange Offer on or before 240 days after the Issue Date; and

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(4) if obligated to file the Shelf Registration Statement, we will use our reasonable best efforts to file the Shelf Registration Statement with the Commission on or before 60 days after that filing obligation arises and use our reasonable best efforts to cause the Shelf Registration to be declared effective by the Commission on or before the later of 60 days after that obligation arises or 210 days after the Issue Date.

If:

(1) we fail to file any of the registration statements required by the Registration Rights Agreement on or before the date specified for that filing; or

(2) any of those registration statements is not declared effective by the Commission on or prior to the date specified for its effectiveness in the circumstances required by the Registration Rights Agreement; or

(3) we fail to consummate the Exchange Offer within 240 days after the Issue Date; or

(4) the Shelf Registration Statement or the Exchange Offer Registration Statement is declared effective but thereafter ceases to be effective or usable in connection with resales of Transfer Restricted Securities during the periods specified in, and subject to the suspension periods contemplated by, the Registration Rights Agreement (each event referred to in clauses (1) through (4), a Registration Default ), then we will pay Additional Interest, which shall accrue to each holder of Transfer Restricted Securities adversely affected by the Registration Default from and during the continuance of the Registration Default in an amount equal to \$.05 per week per \$1,000 of the principal amount of Transfer Restricted Securities held by that holder, plus an additional \$.05 per week per \$1,000 of the principal amount of Transfer Restricted Securities from and during any period in which the Registration Default has continued for more than 90 days, up to a maximum rate of Additional Interest for all Registration Defaults of \$.50 per week per \$1,000 of the principal amount of Transfer Restricted Securities.

We will pay any accrued Additional Interest to holders of Transfer Restricted Securities in the same manner as interest is paid under the Notes. The accrual of Additional Interest will cease on the date all Registration Defaults are cured.

Holders of Notes will be required to make legal representations to us in order to participate in the Exchange Offer and will be required to deliver to us any information that we are required to use in connection with a Shelf Registration Statement and to provide comments on the Shelf Registration Statement within the time periods set forth in the Registration Rights Agreement in order to have their Notes included in that Shelf Registration Statement and benefit from the provisions regarding Additional Interest set forth above. By acquiring Transfer Restricted Securities, a holder will be deemed to have agreed to indemnify us against certain losses arising out of information furnished by that holder in writing for inclusion in any Shelf Registration Statement. Holders of Notes will also be required to suspend their use of the Prospectus included in the Shelf Registration Statement under certain circumstances upon receipt of written notice to that effect from us.

**Book-Entry, Depository Procedures**

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The Notes were, and will be, initially issued in the form of Global Notes registered in the name of the Depository Trust Company ( DTC ) or its nominee.

The following description of the operations and procedures of DTC, Euroclear and Clearstream are provided solely as a matter of convenience. These operations and procedures are solely within the control of the respective settlement systems and are subject to changes by them. We take no responsibility for these operations and procedures and urge investors to contact the system or their participants directly to discuss these matters.

DTC has advised us that DTC is a limited-purpose trust company created to hold securities for its participating organizations (collectively, the Participants ) and to facilitate the clearance and settlement of transactions in those securities between Participants through electronic book-entry changes in the accounts of its

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Participants. The Participants include securities brokers and dealers, banks, trust companies, clearing corporations and certain other organizations. Access to DTC's system is also available to other entities such as banks, brokers, dealers and trust companies that clear through or maintain a custodial relationship with a Participant, either directly or indirectly (collectively, the Indirect Participants). Persons who are not Participants may beneficially own securities held by or on behalf of DTC only through the Participants or the Indirect Participants. The ownership interests in, and transfers of ownership interests in, each security held by or on behalf of DTC are recorded on the records of the Participants and Indirect Participants.

DTC has also advised us that, pursuant to procedures established by it:

(1) upon deposit of the Global Notes, DTC will credit the accounts of Participants holding through it with portions of the principal amount of the Global Notes; and

(2) ownership of these interests in the Global Notes will be shown on, and the transfer of ownership of these interests will be effected only through, records maintained by DTC (with respect to the Participants) or by the Participants and the Indirect Participants (with respect to other owners of beneficial interests in the Global Notes).

Investors in the Global Notes who are Participants in DTC's system may hold their interests therein directly through DTC. Investors in the Global Notes who are not Participants may hold their interests therein indirectly through organizations (including Euroclear and Clearstream) which are Participants in such system. Euroclear and Clearstream will hold interests in the Global Notes on behalf of their participants through customers securities accounts in their respective names on the books of their respective depositories, which are Euroclear Bank S.A./N.V., as operator of Euroclear, and Citibank, N.A., as operator of Clearstream. All interests in a Global Note, including those held through Euroclear or Clearstream, may be subject to the procedures and requirements of DTC. Those interests held through Euroclear or Clearstream may also be subject to the procedures and requirements of such systems.

The laws of some states require that certain persons take physical delivery in definitive form of securities that they own. Consequently, the ability to transfer beneficial interests in a Global Note to such Persons will be limited to that extent. Because DTC can act only on behalf of Participants, which in turn act on behalf of Indirect Participants, the ability of a Person having beneficial interests in a Global Note to pledge such interests to Persons that do not participate in the DTC system, or otherwise take actions in respect of such interests, may be affected by the lack of a physical certificate evidencing such interests.

**Except as described below, owners of an interest in the Global Notes will not have Notes registered in their names, will not receive physical delivery of Notes in certificated form and will not be considered the registered owners or Holders thereof under the Indenture for any purpose.**

Payments in respect of the principal of, and interest and premium and Additional Interest, if any, on a Global Note registered in the name of DTC or its nominee will be payable to DTC in its capacity as the registered Holder under the Indenture. Under the terms of the Indenture, the Company and the Trustee will treat the Persons in whose names the Notes, including the Global Notes, are registered as the owners of the Notes for the purpose of receiving payments and for all other purposes. Consequently, neither the Company, the Trustee nor any agent of the Company or the Trustee has or will have any responsibility or liability for:

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(1) any aspect of DTC's records or any Participant's or Indirect Participant's records relating to or payments made on account of beneficial ownership interests in the Global Notes or for maintaining, supervising or reviewing any of DTC's records or any Participant's or Indirect Participant's records relating to the beneficial ownership interests in the Global Notes; or

(2) any other matter relating to the actions and practices of DTC or any of its Participants or Indirect Participants.

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DTC has advised us that its current practice, upon receipt of any payment in respect of securities such as the Notes (including principal and interest), is to credit the accounts of the relevant Participants with the payment on the payment date unless DTC has reason to believe it will not receive payment on such payment date. Each relevant Participant is credited with an amount proportionate to its beneficial ownership of an interest in the principal amount of the relevant security as shown on the records of DTC. Payments by the Participants and the Indirect Participants to the beneficial owners of Notes will be governed by standing instructions and customary practices and will be the responsibility of the Participants or the Indirect Participants and will not be the responsibility of DTC, the Trustee or the Company. Neither we nor the Trustee will be liable for any delay by DTC or any of its Participants in identifying the beneficial owners of the Notes, and we and the Trustee may conclusively rely on, and will be protected in relying on, instructions from DTC or its nominee for all purposes.

Transfers between Participants in DTC will be effected in accordance with DTC's procedures, and will be settled in same-day funds, and transfers between participants in Euroclear and Clearstream will be effected in accordance with their respective rules and operating procedures.

Cross-market transfers between the Participants in DTC, on the one hand, and Euroclear or Clearstream participants, on the other hand, will be effected through DTC in accordance with DTC's rules on behalf of Euroclear or Clearstream, as the case may be, by its respective depository; however, such cross-market transactions will require delivery of instructions to Euroclear or Clearstream, as the case may be, by the counterparty in such system in accordance with the rules and procedures and within the established deadlines (Brussels time) of such system. Euroclear or Clearstream, as the case may be, will, if the transaction meets its settlement requirements, deliver instructions to its respective depository to take action to effect final settlement on its behalf by delivering or receiving interests in the relevant Global Note in DTC, and making or receiving payment in accordance with normal procedures for same-day funds settlement applicable to DTC. Euroclear participants and Clearstream participants may not deliver instructions directly to the depositories for Euroclear or Clearstream.

DTC has advised us that it will take any action permitted to be taken by a Holder of Notes only at the direction of one or more Participants to whose account DTC has credited the interests in the Global Notes and only in respect of such portion of the aggregate principal amount of the Notes as to which such Participant or Participants has or have given such direction. However, if there is an Event of Default under the Notes, DTC reserves the right to exchange the Global Notes for legended Notes in certificated form, and to distribute such Notes to its Participants.

Although DTC, Euroclear and Clearstream have agreed to the foregoing procedures to facilitate transfers of interests in the Global Notes among participants in DTC, Euroclear and Clearstream, they are under no obligation to perform or to continue to perform such procedures, and may discontinue such procedures at any time. None of the Company, the Trustee or any of their respective agents will have any responsibility for the performance by DTC, Euroclear or Clearstream or their respective participants or indirect participants of their respective obligations under the rules and procedures governing their operations.

### **Exchange of Global Notes for Certificated Notes**

A Global Note is exchangeable for definitive Notes in registered certificated form ( Certificated Notes ) if:

(1) DTC (a) notifies us that it is unwilling or unable to continue as depository for the Global Notes or (b) has ceased to be a clearing agency registered under the Exchange Act, and a successor depository is not appointed within 90 days;

(2) we, at our option, notify the Trustee in writing that we elect to cause the issuance of the Certificated Notes; or

certain other events as provided in the Indenture should occur.

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In addition, beneficial interests in a Global Note may be exchanged for Certificated Notes upon prior written notice given to the Trustee by or on behalf of DTC in accordance with the Indenture.

### **Same Day Settlement and Payment**

We will make payments in respect of the notes represented by the Global Notes (including principal, premium, if any, interest and liquidated damages, if any) by wire transfer of immediately available funds to the accounts specified by the Global Note holder. We will make all payments of principal, interest and premium and liquidated damages, if any, with respect to Certificated Notes by wire transfer of immediately available funds to the accounts specified by the holders of those notes. If no account is specified by a holder, we will mail a check to that holder's registered address. The notes represented by the Global Notes are expected to be eligible to trade in the PORTAL Market and to trade in DTC's Same-Day Funds Settlement System, and any permitted secondary market trading activity in the notes will, therefore, be required by DTC to be settled in immediately available funds. We expect that secondary trading in any Certificated Notes will also be settled in immediately available funds.

Because of time zone differences, the securities account of a Euroclear or Clearstream participant purchasing an interest in a Global Note from a Participant in DTC will be credited, and that crediting will be reported to the relevant Euroclear or Clearstream participant, during the securities settlement processing day (which must be a business day for Euroclear and Clearstream) immediately following the settlement date of DTC. DTC has advised us that cash received in Euroclear or Clearstream as a result of sales of interests in a Global Note by or through a Euroclear or Clearstream participant to a Participant in DTC will be received with value on the settlement date of DTC but will be available in the relevant Euroclear or Clearstream cash account only as of the business day for Euroclear or Clearstream following DTC's settlement date.



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**DESCRIPTION OF OTHER INDEBTEDNESS**

**Senior Credit Facility**

On January 30, 2004, SBA Senior Finance closed on a new senior credit facility in the amount of \$400.0 million. This facility consists of a \$275.0 million term loan which was funded at closing, a \$50.0 million delayed draw term loan and a \$75.0 million revolving line of credit. The revolving line of credit may be borrowed, repaid and redrawn. Amortization of the term loan is at a quarterly rate of 0.25% and is payable quarterly beginning September 30, 2004 and ends September 30, 2008. All remaining amounts under the term loan are due October 31, 2008. There is no amortization of the revolving line of credit and all amounts outstanding under the revolving line of credit are due on July 31, 2008. On November 12, 2004, we entered into an amendment to the senior credit facility. Under the amendment, amounts borrowed will accrue interest at either the Eurodollar Rate (as defined in the senior credit facility) plus a spread of 275 basis points or the Base Rate (as defined in the senior credit facility) plus a spread of 175 basis points. This facility may be prepaid at any time with no prepayment penalty.

Amounts borrowed under this facility are secured by a first lien on substantially all of SBA Senior Finance's assets. In addition, each of SBA Senior Finance's domestic subsidiaries has guaranteed the obligations of SBA Senior Finance under the senior credit facility and has pledged substantially all of their respective assets to secure such guarantee. In addition, SBA Communications and Telecommunications have pledged, on a non-recourse basis, all of the common stock of Telecommunications and SBA Senior Finance to secure SBA Senior Finance's obligations under this senior credit facility.

This senior credit facility requires SBA Senior Finance to maintain specified financial ratios, including ratios regarding its debt to annualized operating cash flow, debt service, cash interest expense and fixed charges for each quarter. This new senior credit facility contains affirmative and negative covenants that, among other things, restricts its ability to incur debt and liens, sell assets, commit to capital expenditures, enter into affiliate transactions or sale-leaseback transactions, and/or build towers without anchor tenants. Additionally, this facility permits distributions by SBA Senior Finance to Telecommunications and SBA Communications to service their debt, pay consolidated taxes, pay holding company expenses and for the repurchase of senior notes or senior discount notes subject to compliance with the covenants discussed above. SBA Senior Finance's ability in the future to comply with the covenants and access the available funds under the senior credit facility in the future will depend on its future financial performance.

**The 9<sup>3</sup>/<sub>4</sub>% Senior Discount Notes due 2011**

On December 19, 2003, SBA Communications and Telecommunications co-issued \$402.0 million in aggregate principal amount at maturity of their 9<sup>3</sup>/<sub>4</sub>% senior discount notes, which produced net proceeds of approximately \$267.1 million after deducting offering expenses. Proceeds from the senior discount notes were used to tender for approximately \$153.3 million of our 12% senior discount notes. This description summarizes certain terms of the 9<sup>3</sup>/<sub>4</sub>% senior discount notes, but does not describe all of the terms. You should refer to the indenture governing the 9<sup>3</sup>/<sub>4</sub>% senior discount notes, a copy of which has been filed as an exhibit to our Form 10-K for the year ended December 31, 2003.

The 9<sup>3</sup>/<sub>4</sub>% senior discount notes are unsecured senior obligations of SBA Communications and Telecommunications, rank *pari passu* with the senior indebtedness of SBA Communications and are structurally senior to all indebtedness of SBA Communications. The 9<sup>3</sup>/<sub>4</sub>% senior discount notes mature on December 15, 2011. The 9<sup>3</sup>/<sub>4</sub>% senior discount notes were issued at a substantial discount to their principal amount at maturity and will accrete in value until December 15, 2007. After that date, interest on the 9<sup>3</sup>/<sub>4</sub>% senior discount notes is payable in cash, at the rate of 9<sup>3</sup>/<sub>4</sub>% per year, semi-annually, on June 15 and December 15.

At any time prior to December 15, 2006, we may redeem up to 35% of the notes with the net cash proceeds of certain equity offerings at the redemption price of 109.750% of the accreted value, together with accrued and

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unpaid interest, if any, to the date of redemption. Except as stated above, the 9<sup>3</sup>/<sub>4</sub>% senior discount notes are not redeemable at our option prior to December 15, 2007. On or after that date, the 9<sup>3</sup>/<sub>4</sub>% senior discount notes are redeemable at our option, in whole or in part, at any time, at a premium which is at a fixed percentage that declines to par on or after December 15, 2010, in each case together with accrued and unpaid interest, if any, to the date of redemption.

Upon the occurrence of certain change of control events, each holder of 9<sup>3</sup>/<sub>4</sub>% senior discount notes has the right to require us to purchase all or a portion of the holder's senior discount notes at a price equal to 101% of the aggregate principal amount thereof, together with accrued and unpaid interest to the date of purchase.

The indenture contains certain covenants, including covenants that limit (1) the incurrence of certain additional indebtedness and issuance of preferred stock; (2) restricted payments; (3) restrictions on distributions from restricted subsidiaries; (4) transactions with affiliates; (5) sales of assets and subsidiary stock (including sale and leaseback transactions); and (6) mergers or consolidations.

As of March 31, 2005, we have \$309.8 million aggregate principal amount outstanding of our 9<sup>3</sup>/<sub>4</sub>% senior discount notes.

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**CERTAIN U.S. FEDERAL INCOME TAX CONSIDERATIONS**

**Federal Income Tax Considerations of the Exchange of Old Notes for New Notes**

The following discussion is a summary of the material federal income tax considerations relevant to the exchange of old notes for new notes. The discussion is based upon the Internal Revenue Code of 1986, as amended (the Code), Treasury Regulations, Internal Revenue Service rulings and pronouncements and judicial decisions now in effect, all of which may be subject to change at any time by legislative, judicial or administrative action. These changes may be applied retroactively in a manner that could adversely affect a holder of new notes. The description does not consider the effect of any applicable foreign, state, local or other tax laws or estate or gift tax considerations.

We believe that the exchange of old notes for new notes under the exchange offer will not be an exchange or otherwise a taxable event to a holder for United States federal income tax purposes. Accordingly, a holder will have the same adjusted issue price, adjusted basis and holding period in the new notes as it had in the old notes immediately before the exchange.

**Federal Income Tax Considerations of Ownership and Disposition of New Notes**

The following summary describes the material U.S. federal income tax consequences and, in the case of non-U.S. holders, U.S. federal estate tax consequences, of the acquisition, ownership and disposition of the new notes by investors who had originally purchased the old notes at the initial offering price. This summary does not discuss all of the aspects of U.S. federal income and estate taxation which may be relevant to investors in light of their particular investment or other circumstances. In addition, this summary does not discuss any U.S. state or local income or foreign income or other tax consequences. This summary is based upon the provisions of the Code, Treasury Regulations, rulings and judicial decisions, all as in effect as of the date of this prospectus and all of which are subject to change or differing interpretation, possibly with retroactive effect. The discussion below deals only with the new notes held as capital assets within the meaning of the Code, and does not address holders of the new notes that may be subject to special rules. Holders that may be subject to special rules include:

U.S. expatriates;

financial institutions;

insurance companies;

tax-exempt entities;

dealers in securities or currencies;

traders in securities;

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holders whose functional currency is not the U.S. dollar; and

persons that hold the new notes as part of a straddle, hedge, conversion or other integrated transaction.

The following discussion does not address the U.S. federal income tax consequences of persons who hold the new notes through a partnership or other pass-through entity. You should consult your own tax advisor regarding the particular U.S. federal, state and local and foreign income and other tax consequences of acquiring, owning and disposing of the new notes that may be applicable to you.

### **U.S. Federal Income Tax Consequences to U.S. Holders**

For purposes of the following discussion, a U.S. holder is a beneficial owner of a new note that is, for U.S. federal income tax purposes:

an individual citizen or resident of the United States;

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a corporation (or entity treated as a corporation for U.S. federal income tax purposes) created or organized in or under the laws of the United States or any of its political subdivisions;

an estate, the income of which is subject to U.S. federal income taxation regardless of its source; or

a trust if, (i) the trust is subject to the supervision of a court within the United States and the control of one or more U.S. persons as described in section 7701(a)(30) of the Code or (ii) such trust has a valid election in place to be treated as a United States person.

### ***Stated Interest***

Interest on a new note will generally be taxable to a U.S. holder as ordinary interest income at the time that the interest is received or is accrued in accordance with the U.S. holder's method of accounting for federal income tax purposes.

### ***Dispositions***

Upon the sale, exchange, retirement, redemption or other taxable disposition of a new note, a U.S. holder generally will recognize taxable gain or loss in an amount equal to the difference, if any, between the amount realized on the disposition and the U.S. holder's tax basis in the new note. The amount realized on the disposition of the new note will not include any amount received that is attributable to accrued but unpaid interest, which will be treated in the manner described above under *Stated Interest*. A U.S. holder's tax basis in a new note generally will equal the U.S. holder's cost of the new note. Gain or loss recognized by a U.S. holder on the taxable disposition of a new note generally will be capital gain or loss. The capital gain or loss will be long-term capital gain or loss if the new note has been held for more than one year at the time of the disposition. Long-term capital gain recognized by a non-corporate U.S. holder generally will be subject to a maximum tax rate which currently is 15%. Subject to limited exceptions, capital losses cannot be used to offset ordinary income.

### ***Backup Withholding***

In general, backup withholding (currently at a rate of 28%) may apply:

to payments of principal and interest made on a new note; and

to payment of the proceeds of a sale or exchange of a new note (including at maturity), that are made to a non-corporate U.S. holder if the holder fails to provide a correct taxpayer identification number or otherwise comply with applicable requirements of the backup withholding rules. The backup withholding tax is not an additional tax and may be refunded or credited against a U.S. holder's U.S. federal income tax liability, provided the correct information is furnished to the Internal Revenue Service.

### **U.S. Federal Income and Estate Tax Consequences to Non-U.S. Holders**

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For the purposes of the following discussion, a non-U.S. holder is a beneficial owner of a new note that is, for U.S. federal income tax purposes, a nonresident alien or a corporation, estate or trust that is not a U.S. holder.

Under present U.S. federal income and estate tax law and subject to the discussion of backup withholding below:

(a) payments of principal, premium, if any, and interest on a new note by us or any of our paying agents to a non-U.S. holder will not be subject to withholding of U.S. federal income tax (which is imposed at a rate of 30% (unless reduced by an applicable treaty)), provided that in the case of interest:

the non-U.S. holder does not directly or indirectly, actually or constructively, own ten percent or more of the total combined voting power of all classes of our voting stock within the meaning of section 871(h)(3) of the Code and the Treasury regulations thereunder;

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the non-U.S. holder is not (1) a controlled foreign corporation that is related, directly or indirectly, to us through sufficient stock ownership, or (2) a bank whose receipt of interest is described in Section 881(c)(3)(A) of the Code of 1986; and

either (1) the beneficial owner of the new note certifies to us or our paying agent, under penalties of perjury, that it is not a United States person within the meaning of the Code and provides its name and address or (2) a securities clearing organization, bank or other financial institution that holds customers securities in the ordinary course of its trade or business and holds the new note on behalf of the beneficial owner certifies to us or our paying agent under penalties of perjury that it, or the financial institution between it and the beneficial owner, has received from the beneficial owner a statement, under penalties of perjury, that it is not a United States person and provides the payor with a copy of this statement,

(b) a non-U.S. holder will not be subject to U.S. federal income tax on any gain or income realized on the sale, exchange, redemption, retirement at maturity or other disposition of a new note (provided that, in the case of proceeds representing accrued interest, the conditions described in paragraph (a) above are met) unless:

in the case of gain, the non-U.S. holder is an individual who is present in the United States for 183 days or more during the taxable year and specific other conditions are met; or

the gain is effectively connected with the conduct of a U.S. trade or business by the non-U.S. holder and, if an income tax treaty applies, is generally attributable to a U.S. permanent establishment maintained by the non-U.S. holder; and

(c) a new note held by an individual who at the time of death is not a citizen or resident of the United States will not be subject to U.S. federal estate tax as a result of death if, at the time of death:

the individual did not directly or indirectly, actually or constructively, own ten percent or more of the total combined voting power of all classes of our stock entitled to vote within the meaning of section 871(h)(3) of the Code and the Treasury regulations thereunder; and

the interest payments on the new note would not have been effectively connected with the conduct of a trade or business by the individual in the United States.

Because U.S. federal tax law uses different tests to determine whether an individual is a non-resident alien for income tax and estate tax purposes, some individuals may be non-U.S. holders for purposes of the U.S. federal income tax discussion but not the U.S. federal estate tax discussion, and vice versa.

Although exempt from the withholding tax on interest discussed in the preceding paragraph (a), a non-U.S. holder may be subject to U.S. federal income tax with respect to interest or gain relating to a new note on a net basis at the same rates generally applicable to U.S. persons if the non-U.S. holder is engaged in a trade or business in the United States and said interest or gain is effectively connected with the conduct of this trade or business (and, if an income tax treaty applies, the non-U.S. holder maintains a U.S. permanent establishment to which the interest or such gain is generally attributable), provided that the holder furnishes a properly executed IRS form W-8 ECI on or before any payment date to claim the exemption from withholding.



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A foreign corporation that is a holder of a new note may be subject to a branch profits tax equal to 30% of its effectively connected earnings and profits for the taxable year, subject to certain adjustments unless it qualifies for a lower rate under an applicable income tax treaty. For this purpose, interest on a new note or gain recognized on the disposition of a new note will be included in earnings and profits if the interest or gain is effectively connected with the conduct by the foreign corporation of a trade or business in the United States.

Backup withholding and information reporting generally will not apply to payments made by us or our paying agents, in their capacities as such, to a non-U.S. holder of a new note if the holder has provided the required certification that it is not a United States person as set forth in paragraph (a) above. We or our paying

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agents may, however, report payments of interest on the new notes. Payments of the proceeds from a disposition by a non-U.S. holder of a new note made to or through a foreign office of a broker will generally not be subject to information reporting or backup withholding, except that information reporting may apply to those payments if the non-U.S. holder fails to provide the required certification that it is not a United States person and the broker is:

a United States person;

a controlled foreign corporation for U.S. federal income tax purposes;

a foreign person 50% or more of whose gross income from all sources is effectively connected with a U.S. trade or business for a specified three-year period; or

a foreign partnership, if at any time during its tax year, one or more of its partners are U.S. persons, as defined in Treasury regulations, who in the aggregate hold more than 50% of the income or capital interest in the partnership or if, at any time during its tax year, the foreign partnership is engaged in a U.S. trade or business.

Payments of the proceeds from a disposition by a non-U.S. holder of a new note made to or through the U.S. office of a broker is subject to information reporting and backup withholding unless the holder or beneficial owner certifies as to its taxpayer identification number or otherwise establishes an exemption from information reporting and backup withholding.

You should consult your own tax advisor regarding application of backup withholding and information reporting in your particular circumstance and the availability of and procedure for obtaining an exemption therefrom under Treasury regulations. Any amount withheld under the backup withholding rules from a payment to a non-U.S. holder will be allowed as a credit against the holder's U.S. federal income tax liability and may entitle such holder to a refund, provided the required information is furnished to the Internal Revenue Service.

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**PLAN OF DISTRIBUTION**

We will receive no proceeds in connection with the exchange offer.

Each broker-dealer that receives new notes for its own account in connection with the exchange offer must acknowledge that it will deliver a prospectus in connection with any resale of new notes. This prospectus, as it may be amended or supplemented from time to time, may be used by a broker-dealer in connection with resales of new notes received in exchange for old notes where the old notes were acquired as a result of market-making activities or other trading activities. We have agreed that for a period ending upon the earlier of (1) 180 days after the exchange offer has been completed or (2) the date on which broker-dealers no longer own any Transfer Restricted Securities, we will make available and provide promptly upon reasonable request this prospectus as amended or supplemented, in a form meeting the requirements of the Securities Act to any broker-dealer for use in connection with any resale.

New notes received by broker-dealers for their own account in the exchange offer may be sold from time to time in one or more transactions in the over-the-counter market, in negotiated transactions, through the writing of options on the new notes or a combination of these methods of resale, at market prices prevailing at the time of resale, at prices related to prevailing market prices or negotiated prices. Any resale may be made directly to purchasers or through brokers or dealers who may receive compensation in the form of commissions or concessions from any broker-dealer and/or the purchasers of any new notes.

**LEGAL MATTERS**

Certain legal matters relating to the issuance of the new notes will be passed upon for us by Akerman Senterfitt, Miami, Florida.

**EXPERTS**

The consolidated financial statements of SBA Communications Corporation and Subsidiaries appearing in SBA Communications Corporation's Form 10-K for the year ended December 31, 2004, and SBA Communications Corporation management's assessment of the effectiveness of internal control over financial reporting as of December 31, 2004 included therein, have been audited by Ernst & Young LLP, independent certified registered public accounting firm, as set forth in their reports thereon which conclude, among other things, that SBA Communications Corporation did not maintain effective internal control over financial reporting as of December 31, 2004, based on Internal Control - Integrated Framework issued by the Committee of Sponsoring Organizations of the Treadway Commission, because of the effects of the material weakness described therein, included therein, and incorporated herein by reference. Such consolidated financial statements and management's assessment are incorporated herein by reference in reliance upon such reports given on the authority of such firm as experts in accounting and auditing.

**WHERE YOU CAN FIND MORE INFORMATION; INCORPORATION BY REFERENCE**

We file annual, quarterly and special reports and other information with the Commission. Our Commission filings are available over the Internet at the Commission's web site at <http://www.sec.gov>. You may also read and copy any document we file at the Commission's Public Reference

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Room, 450 Fifth Street, N.W., Washington, D.C. 20549. Please call the Commission at 1-800-SEC-0330 for more information on the Public Reference Room and its copy charges. Our Commission filings are also available via our website at <http://www.sbsite.com>. We do not intend the information on our website to constitute part of this prospectus and registration statement.

The Commission allows us to provide information about our business and other important information to you by incorporating by reference the information we file with the Commission, which means that we can disclose the information to you by referring in this prospectus to the documents we file with the Commission. Under the Commission's regulations, any statement contained in a document incorporated by reference in this prospectus is automatically updated and superseded by any information contained in this prospectus, or in any subsequently filed document of the types described below.

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We incorporate into this prospectus by reference the following documents filed by us with the Commission, other than information furnished pursuant to Item 2.02 or Item 7.01 of Form 8-K, each of which should be considered an important part of this prospectus:

<b><u>Commission Filing (File No. 000-30110)</u></b>	<b><u>Period Covered or Date of Filing</u></b>
Annual Report on Form 10-K	Year ended December 31, 2004
Current Reports on Form 8-K	January 3, 2005 and February 28, 2005
All subsequent documents filed by us under Sections 13(a), 13(c), 14 or 15(d) of the Exchange Act of 1934	After the date of this prospectus and before the termination of the exchange offer

You may request a copy of each of our filings at no cost, by writing or telephoning us at the following address, telephone or facsimile number:

SBA Communications Corporation

5900 Broken Sound Parkway NW

Boca Raton, FL 33487

Phone: (561) 995-7670

Fax: (561) 998-3448

Exhibits to a document will not be provided unless they are specifically incorporated by reference in that document. You must request the filings no later than five business days before the date you must make your investment decision in order for you to obtain timely delivery of this information.

The information in this prospectus may not contain all of the information that may be important to you. You should read the entire prospectus, as well as the documents incorporated by reference in the prospectus, before making an investment decision.

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**SBA Communications Corporation**

**Exchange Offer for \$250,000,000**

**8<sup>1</sup>/<sub>2</sub>% Senior Notes due 2012**

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PROSPECTUS

, 2005

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Exchange Agent:

U.S. Bank National Association

Corporate Trust Services

60 Livingston Avenue

St. Paul, MN 55107

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**Part II**

**Information Not Required In Prospectus**

**Item 20. Indemnification of Directors and Officers**

Under Section 607.0831 of the Florida Business Corporation Act (the "FBCA"), a director is not personally liable for monetary damages to the corporation or any other person for any statement, vote, decision, or failure to act regarding corporate management or policy unless (1) the director breached or failed to perform his or her duties as a director and (2) the director's breach of, or failure to perform, those duties constitutes: (a) a violation of the criminal law, unless the director had reasonable cause to believe his or her conduct was unlawful, (b) a transaction from which the director derived an improper personal benefit, either directly or indirectly, (c) a circumstance under which the liability provisions of §607.0834 are applicable, (d) in a proceeding by or in the right of the corporation to procure a judgment in its favor or by or in the right of a shareholder, conscious disregard for the best interest of the corporation, or willful misconduct, or (e) in a proceeding by or in the right of someone other than the corporation or a shareholder, recklessness or an act or omission which was committed in bad faith or with malicious purpose or in a manner exhibiting wanton and willful disregard of human rights, safety, or property. A judgment or other final adjudication against a director in any criminal proceeding for a violation of the criminal law estops that director from contesting the fact that his or her breach, or failure to perform, constitutes a violation of the criminal law; but does not estop the director from establishing that he or she had reasonable cause to believe that his or her conduct was lawful or had no reasonable cause to believe that his or her conduct was unlawful.

Under Section 607.0850 of the FBCA, a corporation has power to indemnify any person who was or is a party to any proceeding (other than an action by, or in the right of the corporation), by reason of the fact that he or she is or was a director, officer, employee or agent of the corporation or is or was serving at the request of the corporation as a director, officer, employee or agent of another corporation, partnership, joint venture, trust or other enterprise against liability incurred in connection with such proceeding, including any appeal thereof, if he or she acted in good faith and in manner he or she reasonably believed to be in, or not opposed to, the best interests of the corporation and, with respect to any criminal action or proceeding, had no reasonable cause to believe his or her conduct was unlawful. The termination of any proceeding by judgment, order, settlement or conviction or upon a plea of nolo contendere or its equivalent shall not, of itself, create a presumption that the person did not act in good faith and in a manner which he or she reasonably believed to be in, or not opposed to, the best interests of the corporation or, with respect to any criminal action or proceeding, has reasonable cause to believe that his or her conduct was unlawful.

In addition, under Section 607.0850 of the FBCA, a corporation has the power to indemnify any person, who was or is a party to any proceeding by or in the right of the corporation to procure a judgment in its favor by reason of the fact that the person is or was a director, officer, employee, or agent of the corporation or is or was serving at the request of the corporation as a director, officer, employee, or agent of another corporation, partnership, joint venture, trust, or other enterprise, against expenses and amounts paid in settlement not exceeding, in the judgment of the board of directors, the estimated expense of litigating the proceeding to conclusion, actually and reasonably incurred in connection with the defense or settlement of such proceeding, including any appeal thereof. Such indemnification shall be authorized if such person acted in good faith and in a manner he or she reasonably believed to be in, or not opposed to, the best interests of the corporation, except that no indemnification shall be made under this subsection in respect of any claim, issue, or matter as to which such person shall have been adjudged to be liable unless, and only to the extent that, the court in which such proceeding was brought, or any other court of competent jurisdiction, shall determine upon application that, despite the adjudication of liability but in view of all circumstances of the case, such person is fairly and reasonably entitled to indemnity for such expenses which such court shall deem proper.

Under Section 607.0850 of the FBCA, the indemnification and advancement of expenses provided pursuant to Section 607.0850 of the FBCA are not exclusive, and a corporation may make any other or further indemnification or advancement of expenses of any of its directors, officers, employees, or agents, under any bylaw, agreement, vote of shareholders or disinterested directors, or otherwise, both as to action in his or her





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official capacity and as to action in another capacity while holding such office. However, indemnification or advancement of expenses shall not be made to or on behalf of any director, officer, employee or agent if a judgment or other final adjudication establishes that his or her actions, or omissions to act, were material to the cause of action so adjudicated and constitute: (a) a violation of the criminal law, unless the director, officer, employee or agent had reasonable cause to believe his or her conduct was unlawful; (b) a transaction from which the director, officer, employee or agent derived an improper personal benefit; (c) in the case of a director, a circumstance under which the above liability provisions of Section 607.0834 are applicable; or (d) willful misconduct or a conscious disregard for the best interests of the corporation in a proceeding by or in the right of the corporation to procure a judgment in its favor or in a proceeding by or in the right of a shareholder.

The articles of incorporation of the Company provide that the Company shall, to the fullest extent permitted by applicable law and its by-laws, as amended from time to time, indemnify all of its officers and directors.

Insofar as indemnification for liabilities arising under the Securities Act may be permitted to directors, officers or persons controlling the Company pursuant to the foregoing provisions, the Company has been informed that in the opinion of the Commission such indemnification is against public policy as expressed in the Securities Act and is therefore unenforceable.

**Item 21. Exhibits and Financial Statement Schedules**

## (a) Exhibits

<b>Exhibit Number</b>	<b>Description</b>
4.9	Indenture, dated as of December 14, 2004, among SBA Communications Corporation, and U.S. Bank National Association, as trustee, relating to \$250,000,000 in aggregate principal amount of 8 1/2% senior notes due 2012.(1)
4.10	Form of 8 1/2% senior note due 2012.(1)
5.1	Opinion of Akerman Senterfitt regarding the legality of the new notes.*
10.43	Registration Rights Agreement, dated December 14, 2004, among SBA Communications Corporation and Lehman Brothers Inc. and Deutsche Bank Securities Inc., as representatives of the Initial Purchasers, relating to the 8 1/2% senior notes due 2012.(1)
12.1	Computation of Ratio of Earnings to Fixed Charges. (1)
23.1	Consent of Ernst & Young LLP.*
23.2	Consent of Akerman Senterfitt (included in Exhibit 5.1).
24.1	Power of Attorney of certain directors and officers of SBA Communications Corporation and SBA Telecommunications, Inc. (set forth on the signature pages of this registration statement).
25.1	Statement of Eligibility of Trustee.*
99.1	Letter of Transmittal.*
99.2	Notice of Guaranteed Delivery.*
99.3	Letter to Brokers, Dealers, Commercial Banks, Trust Companies and Other Nominees.*
99.4	Letter to Clients.*
99.5	Guidelines for Certification of Taxpayer Identification Number on Substitute Form W-9.*

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- \* Filed herewith.
- (1) Incorporated by reference to the Form 10-K for the year ended December 31, 2004, previously filed by SBA Communications Corporation.

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**Item 22. Undertakings**

(a) The undersigned registrant hereby undertakes:

(1) To file, during any period in which offers or sales are being made, a post-effective amendment to this registration statement:

(i) To include any prospectus required by Section 10(a)(3) of the Securities Act of 1933;

(ii) To reflect in the prospectus any facts or events arising after the effective date of the registration statement (or the most recent post-effective amendment thereof) which, individually or in the aggregate, represent a fundamental change in the information set forth in the registration statement. Notwithstanding the foregoing, any increase or decrease in volume of securities offered (if the total dollar value of securities offered would not exceed that which was registered) and any deviation from the low or high end of the estimated maximum offering range may be reflected in the form of prospectus filed with the Commission pursuant to Rule 424(b) if, in the aggregate, the changes in volume and price represent no more than a 20 percent change in the maximum aggregate offering price set forth in the Calculation of Registration Fee table in the effective registration statement;

(iii) To include any material information with respect to the plan of distribution not previously disclosed in the registration statement or any material change to such information in the registration statement;

(2) That, for the purpose of determining any liability under the Securities Act of 1933, each such post-effective amendment shall be deemed to be a new registration statement relating to the securities offered therein, and the offering of such securities at that time shall be deemed to be the initial *bona fide* offering thereof.

(3) To remove from registration by means of a post-effective amendment any of the securities being registered which remain unsold at the termination of the offering.

(b) The undersigned registrant hereby undertakes that, for purposes of determining any liability under the Securities Act of 1933, each filing of the registrant's annual report pursuant to Section 13(a) or Section 15(d) of the Exchange Act (and, where applicable, each filing of an employee benefit plan's annual report pursuant to Section 15(d) of the Exchange Act) that is incorporated by reference in the registration statement shall be deemed to be a new registration statement relating to the securities offered therein, and the offering of such securities at that time shall be deemed to be the initial *bona fide* offering thereof.

(c) Insofar as indemnification for liabilities arising under the Securities Act of 1933 may be permitted to directors, officers and controlling persons of the registrant pursuant to the foregoing provisions, or otherwise, the registrant has been advised that in the opinion of the Securities and Exchange Commission such indemnification is against public policy as expressed in the Securities Act and is, therefore, unenforceable. In the event that a claim for indemnification against such liabilities (other than the payment by the registrant of expenses incurred or paid by a director, officer or controlling person of the registrant in the successful defense of any action, suit or proceeding) is asserted by such director, officer or controlling person in connection with the securities being registered, the registrant will, unless in the opinion of its counsel the matter has been settled by controlling precedent, submit to a court of appropriate jurisdiction the question whether such indemnification by it is against public policy as expressed in the Securities Act and will be governed by the final adjudication of such issue.

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- (d) The undersigned registrant hereby undertakes to respond to requests for information that is incorporated by reference into the prospectus pursuant to Item 4, 10(b), 11, or 13 of this Form, within one business day of receipt of such request, and to send the incorporated documents by first class mail or other equally prompt means. This includes information contained in documents filed subsequent to the effective date of the registration statement through the date of responding to the request.
  
- (e) The undersigned registrant hereby undertakes to supply by means of a post-effective amendment all information concerning a transaction, and the company being acquired involved therein, that was not the subject of and included in the registration statement when it became effective.

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**Table of Contents****SIGNATURES**

Pursuant to the requirements of the Securities Act of 1933, the registrant has duly caused this registration statement to be signed on its behalf by the undersigned, thereunto duly authorized, in the City of Boca Raton, State of Florida on April 13, 2005.

## SBA COMMUNICATIONS CORPORATION

By: */s/ JEFFREY A. STOOPS*  
 Name: **Jeffrey A. Stoops**  
 Title: **President and Chief Executive Officer**

**POWER OF ATTORNEY**

KNOW ALL MEN BY THESE PRESENTS, that each person whose signature appears below constitutes and appoints each of Jeffrey A. Stoops and Anthony J. Macaione, or either of them, each acting alone, his or her true and lawful attorney-in-fact and agent, with full power of substitution and resubstitution, for such person and in his or her name, place and stead, in any and all capacities, in connection with the registrant's registration statement on Form S-4 under the Securities Act of 1933, including to sign the registration statement in the name and on behalf of the registrant or on behalf of the undersigned as a director or officer of the registrant, and any and all amendments or supplements to the registration statement, including any and all stickers and post-effective amendments or supplements to the registration statement and to sign any and all additional registration statements relating to the same offering of securities as those that are covered by the registration statement that are filed pursuant to Rule 462(b) under the Securities Act of 1933, and to file the same, with all exhibits thereto, and other documents in connection therewith, with the Securities and Exchange Commission and any applicable securities exchange or securities self-regulatory body, granting unto said attorneys-in-fact and agents, each acting alone, full power and authority to do and perform each and every act and thing requisite and necessary to be done in and about the premises, as fully to all intents and purposes as he or she might or could do in person, hereby ratifying and confirming all that said attorneys-in-fact and agents, or their substitutes or substitute, may lawfully do or cause to be done by virtue hereof.

Pursuant to the requirements of the Securities Act of 1933, this registration statement has been signed by the following persons in the capacities and on the dates indicated.

<u>Signature</u>	<u>Title</u>	<u>Date</u>
<i>/s/ STEVEN E. BERNSTEIN</i> _____ <b>Steven E. Bernstein</b>	Chairman of the Board of Directors	April 13, 2005
<i>/s/ JEFFREY A. STOOPS</i> _____ <b>Jeffrey A. Stoops</b>	President, Chief Executive Officer and Director (Principal Executive Officer)	April 13, 2005
<i>/s/ ANTHONY J. MACAIONE</i> _____ <b>Anthony J. Macaione</b>	Chief Financial Officer (Principal Financial Officer)	April 13, 2005

/s/ BRIAN C. CARR

Director

April 13, 2005

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**Brian C. Carr**

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<u>Signature</u>	<u>Title</u>	<u>Date</u>
<u>/s/ PHILIP L. HAWKINS</u> <b>Philip L. Hawkins</b>	Director	April 13, 2005
<u>/s/ DONALD B. HEBB, JR.</u> <b>Donald B. Hebb, Jr.</b>	Director	April 13, 2005
<u>/s/ STEVEN E. NIELSEN</u> <b>Steven E. Nielsen</b>	Director	April 13, 2005

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**Exhibit Index**

<b><u>Exhibit Number</u></b>	<b><u>Description</u></b>
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