

Pinpoint

ADVISORS IN CAPITAL

The Tower Market Report

MARKET UPDATE – Q3 2026

November 9, 2026

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Market Highlights – Carriers

Verizon Misses on Revenue Estimates, Beats EPS with Strongest Q3 Subscriber Growth in Five Years. Verizon reported Q3'26 revenues of $34.3B, missing consensus by 1.4%, while EPS of $1.31 topped analyst expectations by 3.2%. The carrier delivered 406,000 postpaid phone net adds, a sharp rebound from 44,000 in Q3'25, marking its strongest third-quarter subscriber performance in five years.

AT&T Beats Revenue and EPS Estimates, Posts Moderate Subscriber Growth. AT&T reported Q3'26 consolidated revenues of $32.3B, beating consensus estimates by 2.0%, with EPS of $0.65 topping expectations by 6.6%. Postpaid phone net adds came in at 379,000, softening compared to the 405,000 recorded in Q3'25. During the quarter, the company announced the sale of AT&T Mexico for $2B.

T-Mobile Tops Revenue and EPS Estimates as Account Growth Softens. T-Mobile reported Q3'26 revenues of $23.6B, beating consensus by 1.2%, with EPS of $3.22 outperforming expectations by 12.6%. Despite beating earnings estimates, postpaid net account additions slowed to 274,000, trailing the 396,000 reported in Q3'25. During the quarter, TMO completed the sale of its 800 MHz spectrum portfolio to Grain Management, which was subsequently acquired by SpaceX.

AT&T to Sell AT&T Mexico to Grupo Televisa and Fintech Holdings for $2B. The transaction will allow AT&T to sharpen its capital allocation and strategic focus on expanding its domestic U.S. 5G and fiber networks. The transaction is expected to close in the first quarter of 2027, subject to regulatory approvals in Mexico.

SpaceX Acquires Nationwide 800 MHz Spectrum and Targets 80,000 Towers to Challenge Major U.S. Carriers. SpaceX entered into a definitive agreement to acquire 100% of Grain Management's nationwide 800 MHz spectrum portfolio (originally obtained from T-Mobile in Q3'26), securing vital low-band frequencies to power its Starlink Mobile direct-to-device service. Complementing the spectrum deal, SpaceX is reportedly, according to *Bloomberg*, moving to lease space on up to 80,000 cell towers across the country, pairing low-band terrestrial macro sites with its satellite network to mount a direct, full-scale challenge to Verizon, AT&T, and T-Mobile.

SpaceX Selects Qualcomm to Power Starlink Mobile's Terrestrial 5G Network. Following reports that SpaceX is exploring leases on up to 80,000 U.S. cell sites, the company partnered with Qualcomm to deploy cellular equipment across its planned terrestrial 5G network starting in 2027. Qualcomm will supply base stations, software, and radios to support SpaceX's hybrid satellite-to-cellular network buildout.

AT&T, T-Mobile, and Verizon Launch Satellite Joint Venture to Eliminate Coverage Dead Zones. The partnership builds on initial plans announced in May to integrate terrestrial infrastructure with direct-to-device satellite networks. Industry veteran Paul Roth was appointed interim CEO to guide the entity's governance framework alongside a board comprised of representatives from all three carriers.

Sources: Company quarterly disclosures and press releases, Zacks Investment Research, Bloomberg

Market Highlights – Carriers

Verizon Expands AI Connect Platform with Nearly $4B in Hyperscaler Deals. Verizon has secured nearly $4B in AI Connect contracts to supply high-capacity fiber and edge infrastructure to major hyperscalers. The total includes an AI infrastructure agreement with Amazon Web Services worth over $2B for data center interconnectivity and edge compute workloads, adding to a prior $1B dark fiber data center agreement with Google.

Cricket Wireless Launches 5G Home Internet on AT&T Network. Cricket Wireless introduced Cricket 5G Home Internet, becoming the first MVNO to offer a fixed wireless access service according to *Inside Towers*. The contract-free, self-install product runs on AT&T's 5G network, likely utilizing its extensive 3.45 GHz mid-band airwaves, advancing AT&T's wireless-broadband convergence strategy into the prepaid market.

T-Mobile and Verizon Announce Key Executive Departures and Transitions. Major U.S. carriers are overhauling senior leadership across finance and engineering operations. T-Mobile named former Shell CFO Jessica Uhl as CFO Designate, slated to succeed Peter Osvaldik in February 2027 ahead of his mid-2027 retirement. Simultaneously, Verizon Senior Vice President and Chief Network Officer Adam Koeppe announced he will depart at year-end after 26 years, marking the latest senior exit amid CEO Dan Schulman's ongoing corporate restructuring.

U.S. Wireless Data Demand Continues to Surge. According to *CTIA's 2026 Annual Survey Highlights*, U.S. wireless data consumption jumped 20% y/y in 2025 to a record 159.3 trillion megabytes. CTIA projects domestic demand will grow 4x by 2032, with emerging AI applications expected to become a major driver of future mobile traffic.

Sources: Company quarterly disclosures and press releases, Inside Towers, CTIA

Market Highlights – Towers

AMT Hits Revenue Expectations, Reports Declining U.S. Tower Billings Growth. American Tower reported Q3'26 consolidated revenues of $2.78B, 0.4% above consensus estimates. Domestic gross organic site billings grew 4.9% y/y, decelerating from 5.7% y/y in Q2'26. Domestic churn stood at 4.9% y/y, representing a modest 10 bps improvement versus Q2'26 levels, while net debt leverage remained steady at 4.9x. Additionally, during Q3, AMT announced the sale of its Canadian wireless tower business to independent operator Aurora Towers.

CCI Misses Revenue Estimates Amid Slower Domestic Organic Billings Growth. Crown Castle reported Q3'26 revenues of $995mm, missing consensus estimates by 1.7%. Domestic gross organic site billings grew 4.1% y/y, slowing from 4.7% y/y in Q2'26. Domestic churn climbed to 7.3% y/y, roughly 100 bps above Q2'26 levels. Meanwhile, net debt leverage increased to 6.5x (vs. 6.3x in Q2'26). This marked CCI's first full quarter operating strictly as a pure-play U.S. macro tower company following the Q2 divestitures of its fiber and small cell units to Zayo and EQT Infrastructure.

SBAC Lags Revenue Expectations as Domestic Billings Growth Cools. SBA Communications reported Q3'26 revenues of $714mm, missing consensus estimates by 1.8%. Domestic gross organic site billings grew 4.7% y/y, down from 5.1% in Q2'26. Domestic churn came in at 8.1% y/y, improving by ~300 bps compared to the prior quarter, while net debt leverage held flat at 6.4x. On the portfolio front, SBAC completed the sale of its tower portfolios in Chile and Ecuador and entered into an agreement to sell its assets in Peru.

AD Meets Revenue Expectations, Maintains Site Rental Revenue Growth. Array Digital Infrastructure reported Q3 revenues of $53.9mm, edging out consensus estimates by 0.1%. Site rental revenue rose 14.0% y/y, while the company's tenancy ratio held flat at approximately 0.98 compared to Q2'26. On the M&A front, Array secured regulatory clearance to divest its remaining 600 MHz and 700 MHz spectrum licenses to T-Mobile, with the transaction slated to close in 2026.

U.S. Tower Companies Reportedly in Discussions with SpaceX for Cell Site Leases. During Crown Castle's Q3 earnings call, CEO Chris Hillabrant addressed questions regarding potential master lease agreements with satellite operators such as SpaceX and Amazon, stating, "I don't think I want to get into customer-specific detail, but you can assume that we're talking to all parties." Meanwhile, *Bloomberg* reported that SpaceX is exploring deals with Crown Castle, American Tower, and Vertical Bridge to access up to 80,000 cell sites nationwide to support its mobile expansion plans.

Bell Canada Partners with Canadian Pension La Caisse, Sells 49.9% Stake in Tower Business for C$2.45B. The transaction values the business at C$4.91 billion and establishes Canada's largest dedicated tower operator with more than 5,000 sites. Bell will retain a 50.1% controlling equity interest along with full ownership of its spectrum and active network equipment, leasing back tower capacity to support mobile services while directing proceeds toward debt reduction. The deal is expected to close in the first quarter of 2027, subject to customary regulatory approvals.

Sources: Company quarterly disclosures and press releases, Zacks Investment Research, Bloomberg

Market Highlights – Towers

Phoenix Tower International ("PTI") Secures $6.5B Multi-Jurisdiction Financing. The financing was led by Ares Management, Apollo, and Apterra Infrastructure, comprising a $5.37B term loan, a $635mm delayed draw term loan, and a $500mm revolving credit facility. The facility will allow PTI to consolidate debt, lower borrowing costs, and fund future acquisitions, capital expenditures, and working capital requirements.

CVC DIF's Aurora Towers to Acquire American Tower's Canadian Portfolio. Aurora Towers, an independent Canadian wireless infrastructure platform backed by private markets manager CVC DIF, entered into a definitive agreement to acquire American Tower's Canadian wireless tower business, comprising 255 sites. Funded via DIF's Infrastructure VIII fund, the deal expands Aurora's nationwide footprint to 650+ sites. The acquisition is expected to close in Q4 2026 subject to regulatory approval.

Accelerate Infrastructure Closes $450mm Asset-Backed Securitization. Accelerate, a land-under-tower acquisition platform backed by CBRE Investment Management, completed a $450mm asset-backed securitization ("ABS"). The transaction marks Accelerate's second ABS issuance following its $150mm debut in 2024. Accelerate will deploy the capital to continue expanding its U.S. footprint, which currently spans 400 sites across 47 states.

TowerNorth Secures Additional Growth Capital from Berkshire Partners and Closes New Debt Facility. Independent wireless infrastructure developer TowerNorth secured the additional capital to fund build-to-suit projects, developer partnerships, and selective acquisitions.

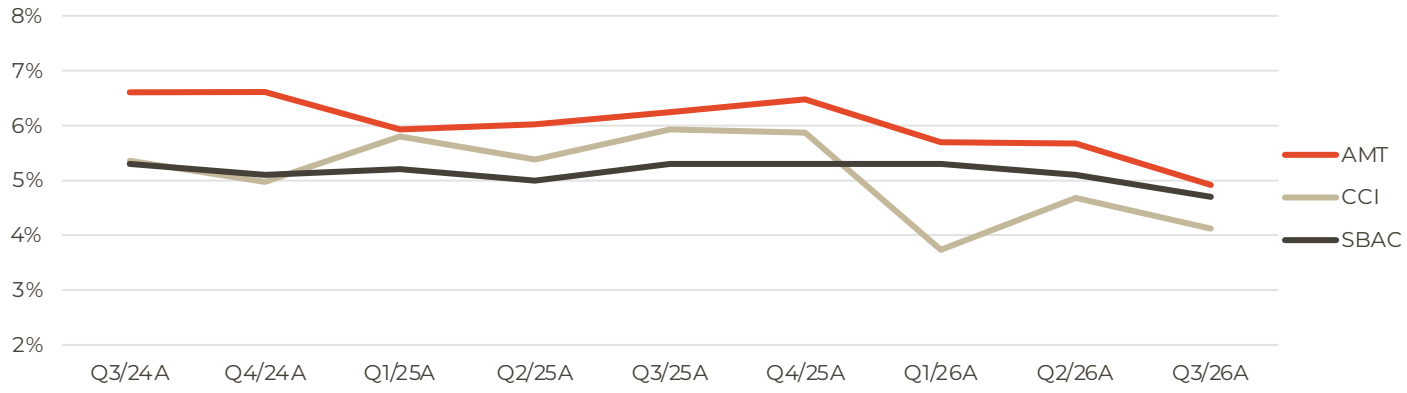
TDS Withdraws Bid for Remaining Public Shares of Array Digital Infrastructure. Telephone and Data Systems ("TDS") withdrew its proposal to acquire the remaining publicly traded shares of Array Digital Infrastructure (NYSE: AD) after the parties failed to agree on transaction terms. TDS will retain its existing ~82% majority stake in Array, which operates a portfolio of over 4,400 macro towers across the U.S.

Dish Wireless Enters Mediation with Tower Companies, Halts Litigation. Following its Chapter 11 bankruptcy filing in Q2, Dish Wireless entered mediation discussions with major U.S. tower operators to address its tower lease obligations. According to *Bloomberg Law*, active litigation was paused in mid-September, with *Broadband Breakfast* reporting mediation talks subsequently extended into mid-November as the parties attempt to negotiate a consensual resolution.

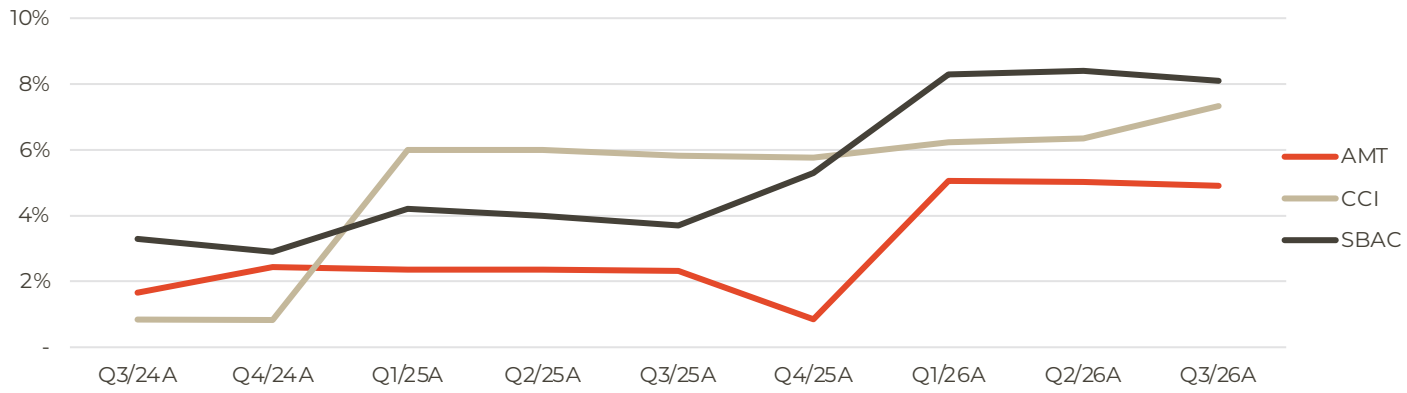
Sources: Company quarterly disclosures and press releases, Bloomberg Law, Broadband Breakfast

Selected TowerCo Key Operational Metrics

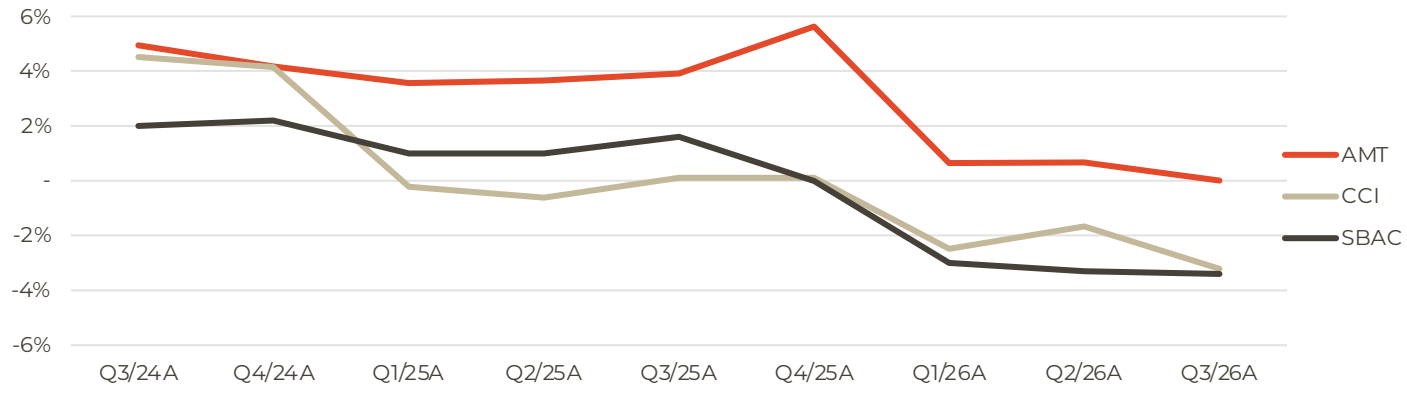
Domestic Gross Organic Revenue Growth (Year-over-year)



Domestic Churn Rate (Year-over-year)



Domestic Net Organic Revenue Growth (Year-over-year)



Notes:

- AMT rates do not include straight-line revenue, prepaid amortization revenue, and foreign currency impact. Rates reflect revenues from other properties including managed sites and rooftops. Rates reflect U.S. and Canada portfolio. Q3 2025 was the last quarter to recognize Sprint churn.
- CCI rates adjust for straight-line revenue, amortization of prepaid rent, contributions from acquisitions of less than one year, and other. Beginning Q1 2025, churn and net organic revenue growth have accounted for churn related to T-Mobile's acquisition of Sprint, which was not recognized previously.
- SBAC rates as per reported figures.

Sources: Public company quarterly disclosures

TowerCo Valuation Trends

U.S. Tower Public Trading Multiples

	Symbol	Price Nov. 02/26	Shares Outstanding (mm)	Mkt. Cap. (mm)	Debt (mm)	Cash (mm)	Ent. Val. (mm)	Net Debt/ LQA EBITDA	LTM EBITDA (mm)	LTM Revenue (mm)	Div. Yield	EV/LTM EBITDA
American Tower	AMT	$188.30	464.2	$87,409	$37,579	$1,872	$123,116	4.9x	$7,294	$11,010	3.8%	16.9x
Crown Castle	CCI	$87.03	426.0	$37,075	$17,904	$305	$54,674	6.5x	$2,741	$4,085	4.9%	19.9x
SBA Comm.	SBAC	$184.86	105.7	$19,533	$12,975	$455	$32,054	6.4x	$1,933	$2,852	2.7%	16.6x

Notes:
- EBITDA figures reflect Adjusted EBITDA.
- Shares outstanding figures as of Q3 2026 earnings reports.

EV / Trailing 12-Month EBITDA Tower Multiples – Historical Trend

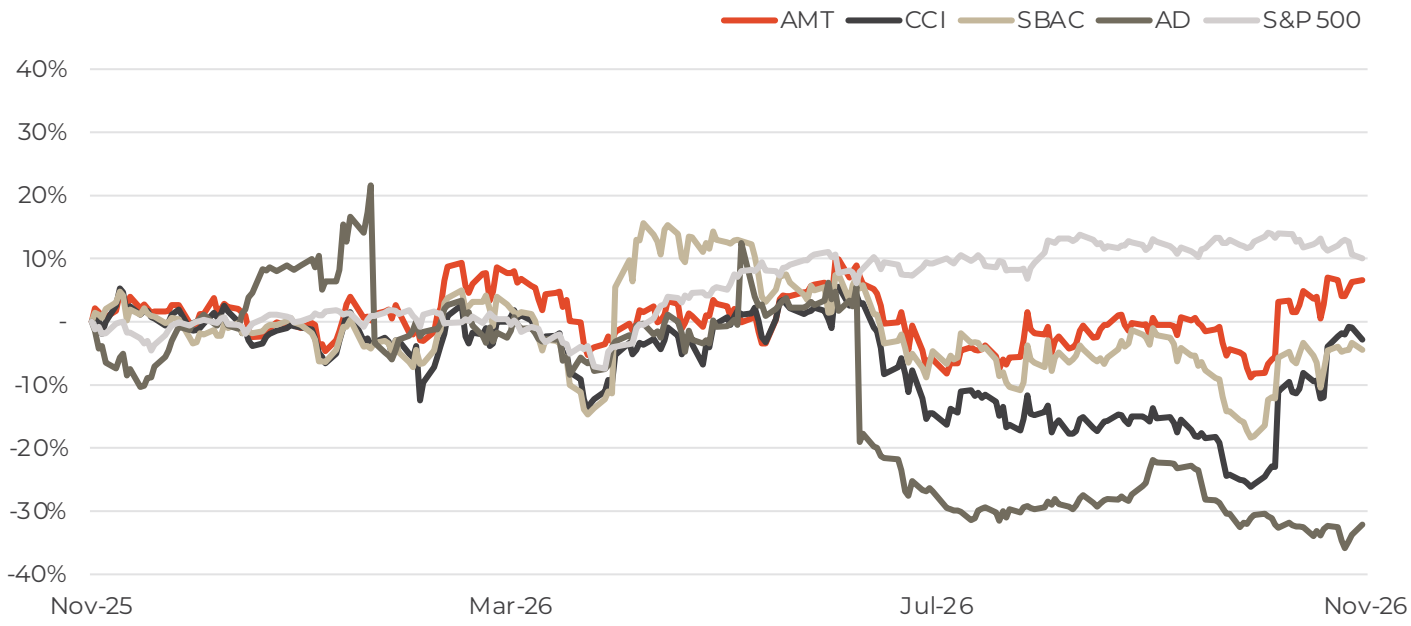


Notes:
- Chart includes AMT, CCI and SBAC.
- EBITDA figures reflect TTM Adjusted EBITDA.

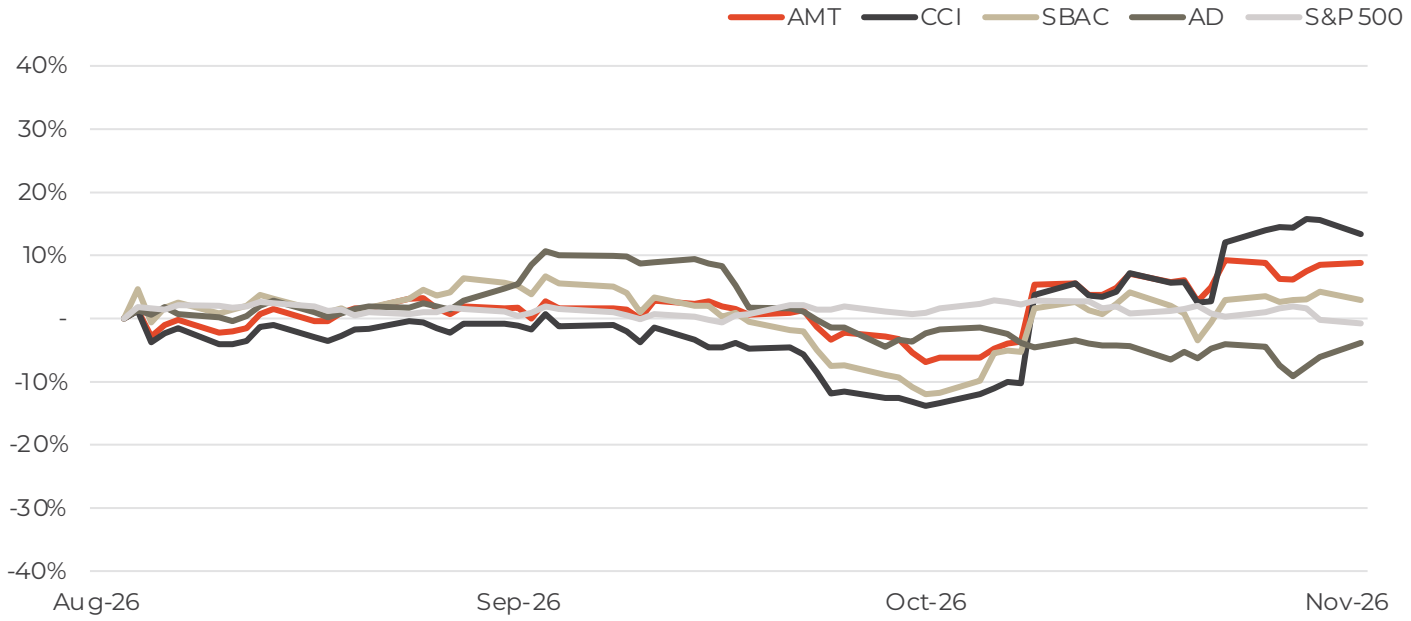
Sources: Public company quarterly disclosures, Yahoo

TowerCo Share Performance

1-Year Relative Share Price Performance



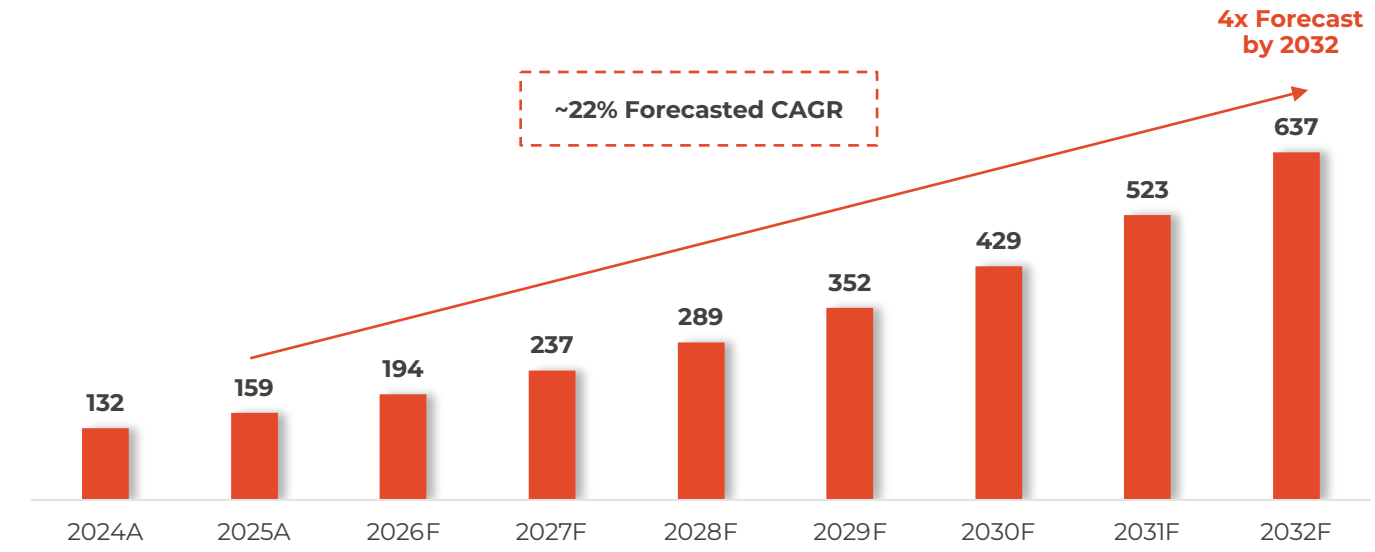
3-Month Relative Share Price Performance



Sources: S&P Global, Yahoo

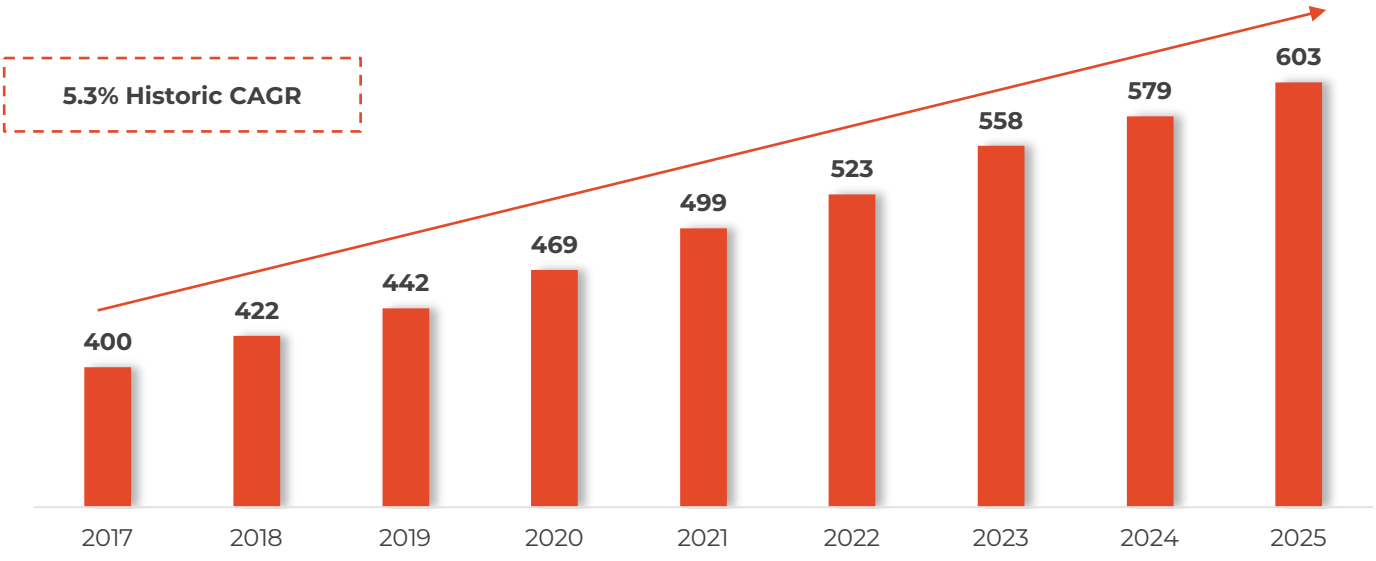
U.S. Wireless Demand Trends

U.S. Wireless Data Usage (Trillions of Megabytes)



Notes:
- 2024A, 2025A, and 2032F data provided by CTIA Annual Survey Highlights.
- 2032F forecast is extrapolated over 2026F-2031F.

U.S. Wireless Connections (Total Devices in Millions)

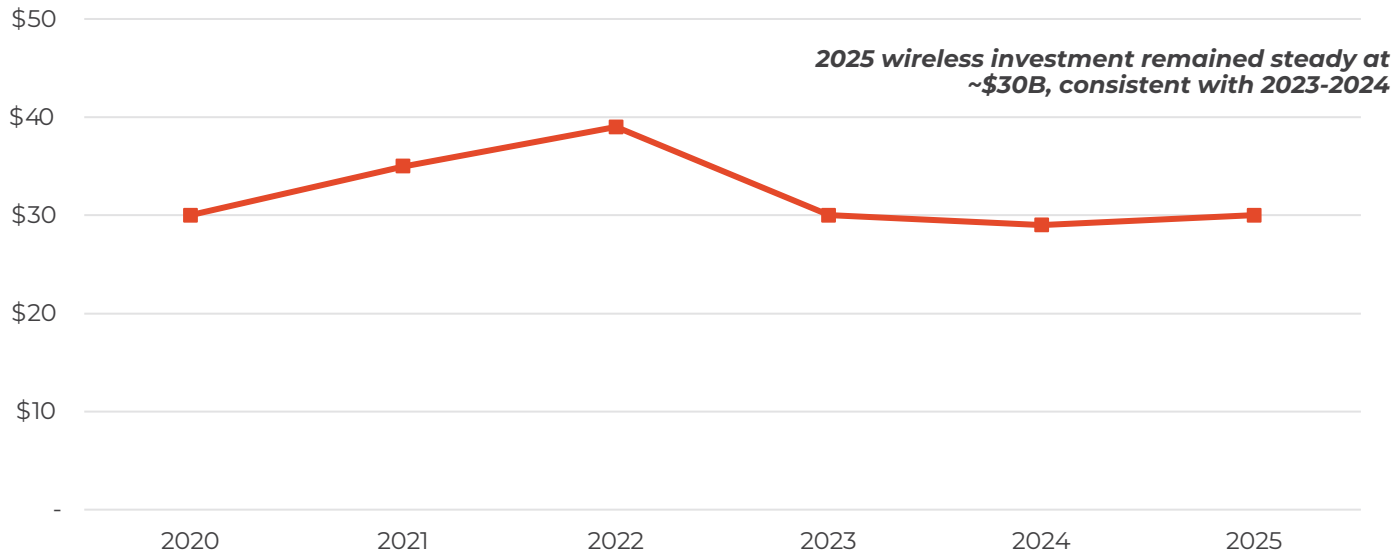


Notes:
- Data provided by CTIA Annual Survey Highlights.

Sources: CTIA

U.S. Wireless Investment

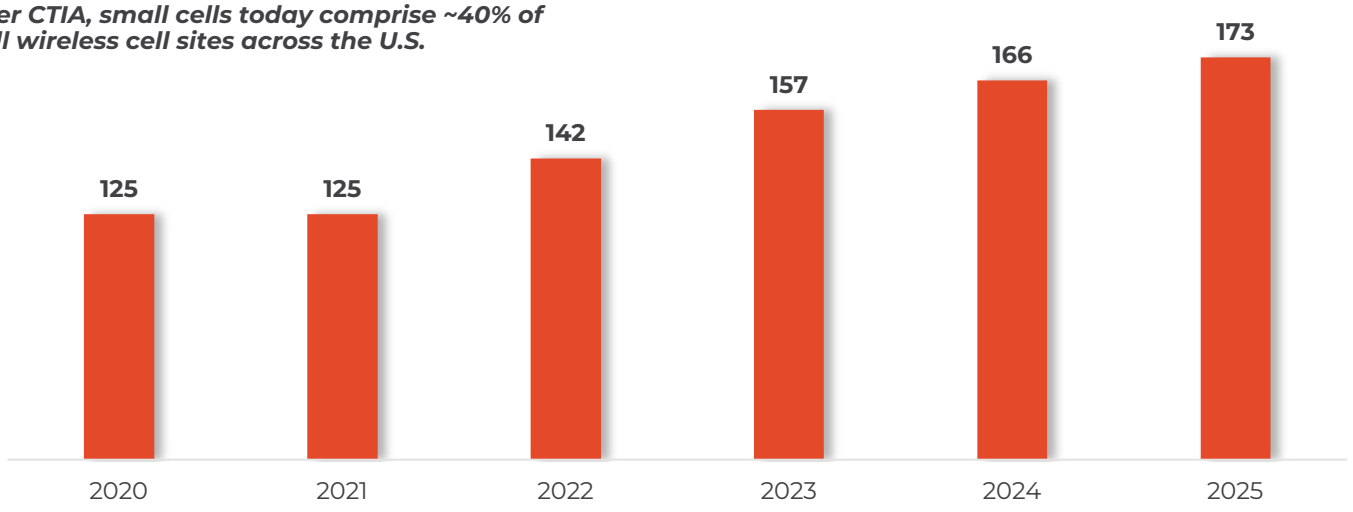
U.S. Wireless Investment ($B)



Notes:
- Data provided by CTIA Annual Survey Highlights.

U.S. No. of Small Cells (000s)

Per CTIA, small cells today comprise ~40% of all wireless cell sites across the U.S.

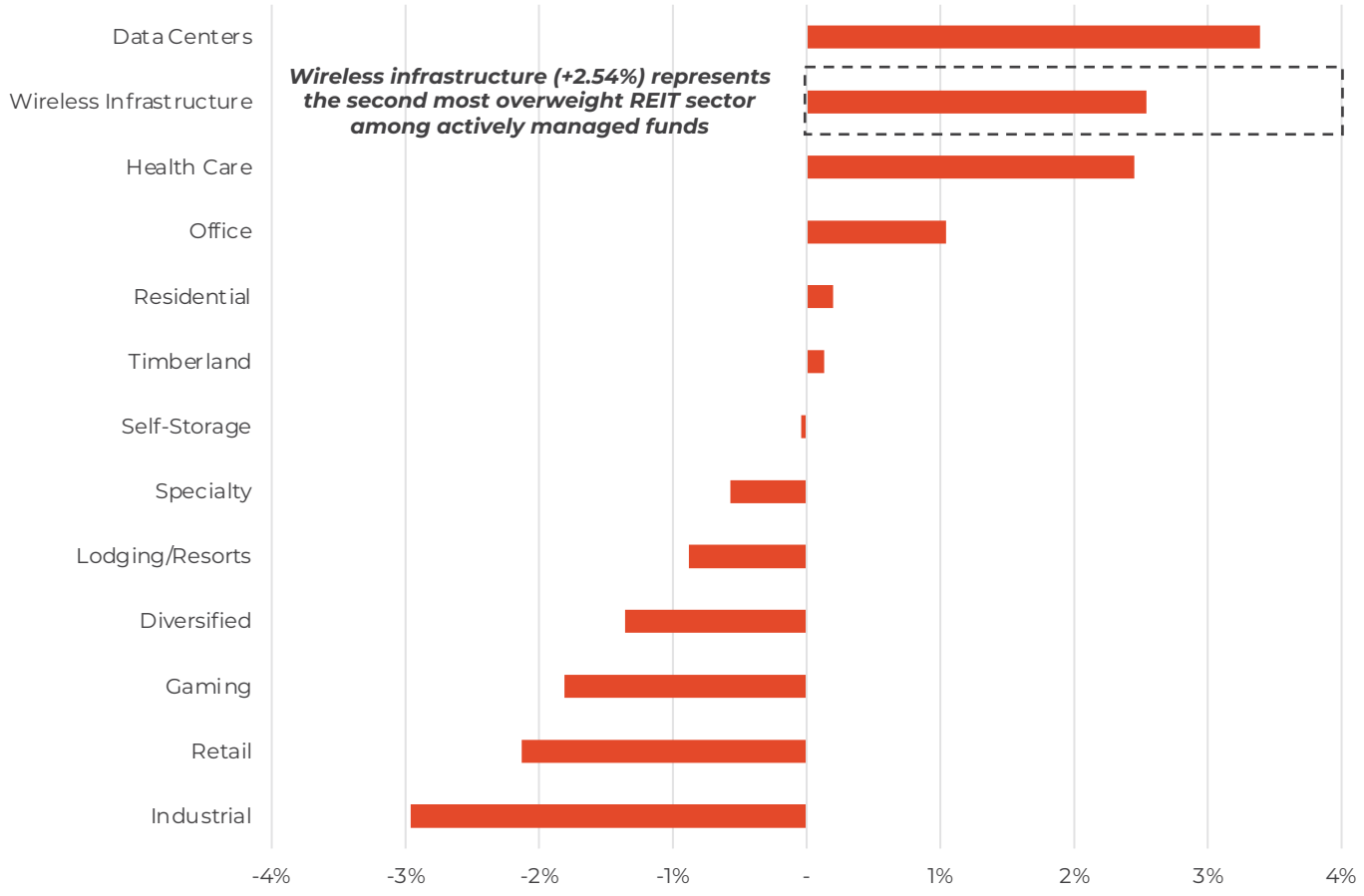


Notes:
- Data provided by CTIA Annual Survey Highlights.

Sources: CTIA

Wireless Infrastructure: Second Most Overweight REIT Sector

Sector Share in Active Funds vs. Benchmark Index (% Overweight or Underweight)



Notes:
- Data provided by Nareit.
- Chart shows how much sectors are overweight or underweight in actively managed funds vs. Nareit's All Equity Index.
- Wireless infrastructure sector defined by Nareit as "Telecommunications" and includes 3 REITs, which are AMT, CCI, and SBAC.

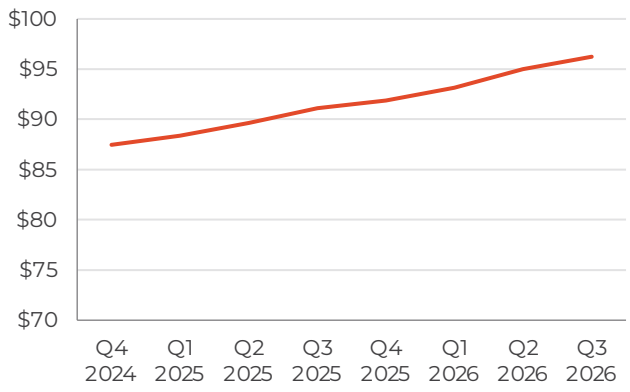
Sources: Nareit

Macroeconomics

Secured Overnight Financing Rate



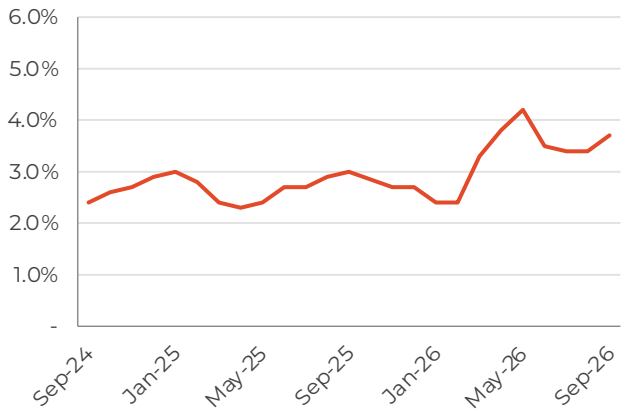
U.S. GDP per Capita (000s)



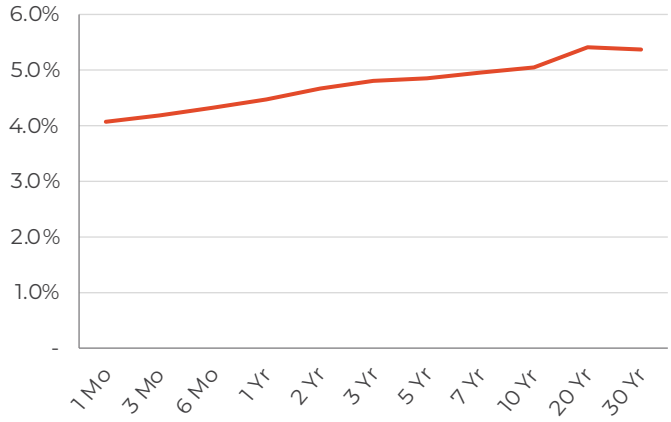
5 Year U.S. Treasury Yield



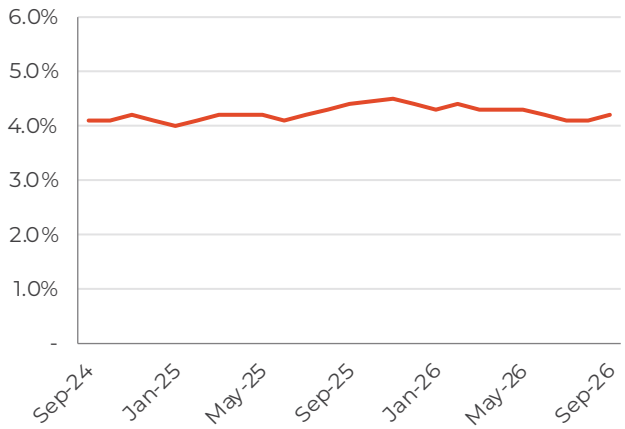
U.S. CPI Inflation



U.S. Treasury Yield Curve



U.S. Unemployment Rate



Notes:
- U.S. Treasury Yield Curve as at October 28, 2026.
- Due to the federal government shutdown in Q4 2025, CPI Inflation and unemployment rates for October 2025 are estimated using the average of the previous and following months.

Sources: St. Louis Fed, Bureau of Labor Statistics, U.S. Department of Treasury, Federal Reserve Bank of New York

Pinpoint Capital Advisors

Pinpoint Capital Advisors is a leading boutique investment bank focused exclusively on the mid-market digital infrastructure sector including wireless towers, fiber and data centers. Pinpoint advises companies on transactions (business sales) and raises capital for growth from longer-term, lower cost institutional investors.

We would be delighted at the opportunity to discuss your tower business with you, and would be happy to provide further information on our approach and process.

Please feel free to connect with our experienced team. We'd love to hear from you!

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