ASSET-BACKED FINANCING

Managed WiFi in Your Properties: Removing the Capital Barrier

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The three things today's renters ask for most are reliable internet, convenient parking, and pickleball. Of those, only one directly strengthens a property's operational foundation, improves retention, and creates long-term asset value: reliable internet delivered via managed WiFi.

Owners understand this. Managed WiFi is no longer a future consideration, it's become the best practice approach. It supports modern leasing, enables building automation, and drives net operating income (NOI) through bulk internet models and inherent resident satisfaction (stickier leases). But despite its advantages, many owners face the obstacle of upfront investment.

Property-wide deployments require capital. Even when the long-term financial case is sound, the near-term budget impact can be a deal breaker. That tension between value and affordability is something we've heard consistently in the field, so we looked for a way to address it.

We asked whether managed WiFi could be made more financially viable for owners who wanted to modernize but couldn't fund the infrastructure investment entirely themselves. The answer came through a financing model long used by institutional investors, asset-backed securities financing.

On 8/27/25, we announced that we'd closed the first-ever ABS deal in the MDU broadband sector. This is very important for a variety of reasons, but first and foremost, by securing this capital, we're now able to offer property owners flexible options to deploy managed WiFi—whether that means funding part of the build or removing the capital requirement altogether. The goal is to ultimately make adoption easier, improve NOI, and support portfolio-wide upgrades without delaying for CapEx.

1 RELIABLE INTERNET

2 CONVENIENT PARKING

3 PICKLEBALL

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Why Asset-Backed Financing Solves the Capital Constraint

Managed WiFi has become foundational to both resident experience and operational performance. It powers smart access, supports IoT platforms, enables remote leasing, and allows for seamless connectivity throughout the property. For owners, it contributes directly to NOI through bulk service arrangements, increased lease renewals, and overall resident satisfaction.

These benefits of managed WiFi are now widely understood. What holds many owners back is the funding model. Capital constraints, particularly across larger portfolios or during periods of elevated borrowing costs, can delay upgrades for years. Even owners committed to deploying managed WiFi often face tough choices about where and when to spend.

By securing capital against the long-term revenue of our service contracts, we're now able to fund managed WiFi deployments ourselves without requiring owners to invest upfront. This makes it possible for our property owner customers to modernize properties without waiting on CapEx or diverting funds from other priorities.

Bottom line, this means generating NOI from day one. Gigstreem provided funding is essentially "free money" in the sense that owners get an increase in NOI without diverting funds. The cost of the infrastructure is recovered through a monthly service fee, allowing owners to generate value immediately without any upfront spend.

This model is flexible. Some owners prefer to self-fund the build entirely to capture the highest long-term return. Others share the cost to preserve liquidity. Many opt to shift all CapEx to us and focus on yield from the start.

In every case, the structure is designed around the owner's goals, whether that's accelerating deployment, protecting cash flow, or improving the rate of return.

Validated, Rated, and Designed for Scale

Asset-backed financing isn't new. It has decades of history in sectors like auto lending, equipment leasing, and energy infrastructure. More recently, it has been adapted to mature technology categories such as data centers, broadband, and now, managed WiFi.

What's new is how it's being applied in multifamily real estate. We are the first managed WiFi provider in this space to secure asset-backed financing at scale.

We approached the institutional investment community with a clear question: Would they back this model—our contracts, our operations, our performance—with long-term capital? The answer was yes. Not only did they invest, but the facility also received a high rating from a respected third-party agency, further validating the strength of the offering.

That confidence in our model now flows directly to our customers.

Because of this financing, we're able to offer property owners flexible funding options for managed WiFi deployments, covering all or part of the build, depending on what's most strategic for the asset. If our cost of capital is better than what the owner can access on their own, it becomes a financially attractive way to move forward.

The structure is also designed for scale. It's reloadable and doesn't require us to return to the market for each project. That means owners get access to consistent, stable financing, backed not just by Gigstreem, but by long-term institutional capital behind the scenes.

Flexible Financing in Practice: Three ABS Scenarios to Consider

No two properties, or portfolios, are the same. That's why financing is never a one-size-fits-all solution. Some owners prefer to maximize returns by deploying capital upfront. Others prioritize liquidity, optionality, or speed. The structure adapts.

To illustrate what this flexibility can look like, here are three simplified examples of how managed WiFi deployments could be financed. We're assuming a 300-unit property that charges $80* per unit and that the upfront cost to install managed WiFi is $450,000 ($1,500/unit):

**Note: to reach $80, we're assuming a $40 internet cost from the provider and a $40 markup by the property owner. Numbers may vary depending on several factors.*

Scenario 1: 100% Owner CapEx / 0% Gigstreem Financing

In this structure, the property owner covers the full $450,000 infrastructure investment.

- **Annual gross revenue:** $288,000 (300 units × $80 × 12)
- **Owner Investment:** $450,000
- **Monthly provider fee:** Negotiated separately; not included in this example
- **Owner benefit:** Full control and maximum long-term return
- **Trade-off:** Requires a significant upfront investment, and delays NOI gains until the capital is recouped

This model is ideal for owners focused on the rate of return, confident in long-term hold periods, and equipped to deploy capital now in exchange for greater upside later.

Scenario 2: 50% Owner CapEx / 50% Gigstreem Financing

Here, the owner and Gigstreem each contribute $225,000 toward the infrastructure build.

- **Annual gross revenue:** $288,000 (300 units × $80 × 12)
- **Owner investment:** $225,000
- **Monthly provider fee:** Adjusted based on shared investment structure
- **Owner benefit:** Reduces CapEx exposure while maintaining strong NOI potential
- **Trade-off:** Requires some capital outlay and coordination, but with faster payback and reduced upfront risk

This option is often well suited for groups managing across multiple assets who want to balance capital deployment with liquidity and timeline flexibility.

Scenario 3: 0% Owner CapEx / 100% Gigstreem Financing

Gigstreem funds the entire $450,000 build. The owner pays a monthly fee and retains the margin between that and the resident charge.

- **Annual NOI to owner:** $144,000 (assuming Gigstreem charges $40/unit and the property charges $80)
- **CapEx required from owner:** $0
- **Owner benefit:** No upfront cost, immediate NOI, and faster time-to-value
- **Trade-off:** Sacrifices some long-term return in exchange for capital preservation and speed

This approach works well for owners with constrained CapEx, portfolios undergoing upgrades, or groups looking to deploy across multiple sites in parallel.

These examples are illustrative. Actual deal structures are always customized to the property, the portfolio, and the ownership goals.

SCENARIO	CAPEX BY OWNER	NOI UPLIFT	TIME TO BREAK EVEN	IDEAL FOR
100% CapEx	High	Highest	Longer	Rate of return-focused owners
50% CapEx	Medium	Strong	Moderate	Balanced portfolios
0% CapEx	None	Immediate	Immediate	Liquidity-sensitive or scaling

Modern Connectivity Without Capital Constraints

For years, the decision to implement managed WiFi was often deferred, not for lack of belief, but for lack of budget. That's no longer necessary.

Gigstreem financing, afforded by Gigstreem's asset-backed securities funding, allows owners to move forward immediately, not just when the budget aligns. It unlocks NOI, improves operations, and meets rising resident expectations, without waiting for the next CapEx window.

Reach out if you're interested in exploring what Gigstreem financing might look like for your portfolio.