

Reader Opinion: Rebuttal to National Law Review Article

- October 8, 2019

Inside Towers welcomes letters from our readers if they disagree on anything we have presented and would like to try and set the record straight. Such is the case from Bud Blinick, President of Cell at Auction, LLC who was critical of Friday's article taken from the *National Law Review* about advice to those selling cell tower leased properties.

Dear Editor,

This is a rebuttal to the [article](#) that recently appeared last Friday by the author from the *National Law Review* regarding the valuations of selling cell tower leases. The author did not take into consideration several variables. Who is the carrier or tower company? When was the lease signed, for how many years, and when does it expire? What, if any are the annual or renewal term increases? Is there a co-location share provision and if so, what are the splits? Is there a right of first refusal? Are the other towers nearby? There are numerous considerations that are factored in when the buyers of these leases analyze an opportunity.

As a personal owner/investor of income producing property and a member of ICSC, I can state with some knowledge and experience that it is most unlikely that a purchaser will permit the seller to retain the revenue from a tower that has an easement on their property or especially any rooftop leases where the owner has to be obligated to relinquish revenues, aesthetic appearance, allow for 24/7 access to the roof and control over their property. The sale of a property where an easement has previously been acquired by a third-party company in the telecom industry is very common however buyers will be hesitant to purchase a property where the seller maintains access and revenue rights.

The author, by giving a generic valuation of a 17.5 multiple of revenue comparison, is saying that the CAP rate for the sale of a local strip center with mom-and-pop tenants should be the same as a high-end retail center with Class A tenants with long term leases. The unnamed author is attempting to simplify what is a very complex and ever-changing industry.

With Appreciation,

Bud Blinick, President, [Cell At Auction LLC](#)

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