



Since 2004, Steel in the Air has served over 4,000 private landowners, small businesses, and municipal entities nationwide. We provide ethical, data-driven, fair market valuations of cellular assets, and specialize in assisting property owners with lease negotiations against tower companies, wireless carriers, and lease buyout companies. We have assisted over 1,000 clients with lease buyout related issues. Over the last 20 years, the principals of Steel in the Air have assisted sellers with the sale of over \$2.5 billion in cell towers and cell tower leases. Over that time, we have developed the following process for cell tower or cell site lease buyouts to better assist our clients. While not every sale of a lease is the same, generally most transactions will follow this sequence or close to it.

SITA's experts are well versed in lease buyouts transactions, having worked through them with all major buyers.

SITA works with your attorney to protect your interest throughout the closing process.

"At the end of the process, you will know that you got the best deal possible at the best terms possible. We stay with you from bidding through closing."

Ken Schmidt, President

OUTLINE OF PROCESS TO SELL CELL SITE OR CELL TOWER LEASES

1. **Seller** to forward due diligence documentation to **SITA**.
 - a. Leases and Any Amendments.
 - b. Rent Verification: Ledger, Most Recent Rent Check Stub or Bank Statement.
 - i. Please redact other non-relevant financial information
 - c. Confirmation of lease commencement date, current rent(s) and last escalation dates (or months).
 - d. Confirmation of any mortgage amount and lender.
2. **SITA** to put together Offering Memorandum (**7 days**).
 - a. Develop offering *Memorandum of Sale* (MOS).
 - b. Forward to **Seller** for review and confirmation that all information is accurate.
3. **SITA** to distribute Offering MOS to Potential bidders (**2 days**).
4. Potential bidders to respond with bids (**7-14 days, preferably 14**).
 - a. **SITA** requests final and best offers (**7 days**).
5. **SITA** to forward a Summary of Offers to **Seller** for review.
 - a. **SITA** and **Seller** jointly determine whether another round is necessary.
 - b. **SITA** sets up conference calls with high bidders if necessary.
6. **SITA** requests final and best offers (**7 days**).
7. **Seller** selects a **Buyer**.
8. Letter of Intent Execution (**typically 7-14 days** depending upon **Seller's Attorney** response time)
 - a. **Buyer** provides Letter of Intent in Word format for redline process. **SITA** requests easement purchase agreement (EPA) from **Buyer** and provides to **Seller** and **Attorney**.
 - b. **Seller** identifies **Attorney** to represent **Seller** (if you need a referral, we can recommend **Attorneys** who specialize in lease buyout purchase agreements).

- c. **Seller, SITA, and Seller's Attorney** jointly review the LOI and provide comments and redlines to **Buyer**.
 - d. **Buyer** accepts LOI revisions or returns redlines to **Seller's Attorney**.
 - e. LOI Signed by **Buyer** and **Seller**.
9. **Buyer** commences due diligence.
10. If There is a Right of First Refusal in the lease, notification will be sent by the **Buyer** in most cases to the Lessee.
 - a. The Notice of Right of First Refusal letter is typically created by the **Buyer**, signed by the **Seller**, and sent by courier with delivery confirmation.
 - i. Both **Buyer** and **SITA** will monitor for delivery confirmation; this starts the clock on the required response from Lessee.
 - ii. **Seller** will monitor for receipt of response from Lessee.
11. **Buyer** provides Easement Purchase Agreement (**7 days**).
12. **Seller, SITA, and Seller's Attorney** jointly review the Easement Purchase Agreement and provide redlines.
13. **Buyer** reviews redlined agreement and signs or responds with further redlines.
14. **Seller, SITA, and Seller's Attorney** negotiate final Easement Purchase Agreement
15. Easement Purchase Agreement is signed by **Seller** and **Buyer**.
16. **Buyer** continues due diligence (**45-60 days**)
 - a. Notifies **Seller** of any deficiencies.
 - i. **Seller** cures or responds.
17. **SITA** will coordinate with **Buyer** and **Buyer's** Title Company and **Seller**, to procure and distribute information for the Closing document creation.
18. Closing (done remotely in most cases).
 - a. Documents and closing statement provided by **Buyer's** title company to **Seller** in PDF form via email.
 - i. **SITA** and **Seller's Attorney** reviews closing statement and documents.
19. **Buyer's** Title company will send via courier the final, approved Closing Packet to **Seller**.
20. **Seller** signs and returns hard copies to Title Company for review.
21. Funds transferred to **Seller** and **SITA** from Closing.
22. **SITA** coordinates with Title Company to ensure that **Seller** receives a fully executed copy of all Closing documents.

Ken Schmidt started Steel in the Air nearly two decades ago. It was the first landowner-centric cell tower lease consultancy firm in the United States. Ken is well-respected in the industry for his ethical, no-nonsense approach to cellular lease negotiations and cellular asset valuation. Since 2004, SITA has been a trusted resource for private and public landowners, municipalities, investors, attorneys and educators.

