



The Vertical Investment – What Should Know About Cell Towers?

By now, you have seen cell towers high in the sky, attached to buildings, camouflaged like trees, but did you know your Self-Directed IRA can invest in them to help build your retirement account?

It does not require an advanced investor to handle a cell tower investment and we will go over the basics with you in this article. Cell towers are a great way to dip your feet in the investment waters. Plus by using a Self-Directed IRA, you can use this easy investment to help strengthen your retirement nest egg.

Cell towers are important to us! Our phones are cherished in our day-to-day lives. We use them so much that the FCC had to step in and lay down rules on when we can and cannot use them (like when we are driving). Those towers that allow our cell phones to work are just as important!

Not only do cell towers provide service for our phones, but also our tablets, gaming devices, book readers, and all of our other Wi-Fi gadgets need the tower's service too. And that's just in our homes! There are many more internet-connected devices out there, like video surveillance systems used by businesses or the Netflix your kids watch in the backseat during a family trip. We are not slowing down when it comes to needing Wi-Fi!

Cell Phone Etiquette: 15 Rules to follow

<http://goo.gl/m8xRKA>

I have not heard of #14, but I LOVE IT!

THE "PERFECT TENANT"

Some investors refer to this investment as having the perfect tenant versus single family homes. No more worrying about broken toilets or the air going out in the middle of summer. This renter is responsible for all operating costs, surveying the land, obtaining permits, repairs, FCC approval, building & maintaining access road(s), etc. Again, this is an investment for any type of investor: savvy or beginner.

Another advantage over single family homes is that you will not be dealing with whiney tenants, just corporate tenants that pay their bills on time, putting money into your Self-Directed IRA account each month. Would you like to collect rent from Verizon or Mrs. Lizzy Latepay?

You own the land and pay taxes on the land, that's it! Plus, your Self-Directed IRA will pay those land taxes for you!

Another benefit - you do not have to worry about new tenants each year. Cell phone companies are looking to acquire as many antennas as possible, especially in growing areas. Once they rent that coverage, they ordinarily do not let it go.

Not only that, but an investments in cell towers can allow you to collect rent from multiple tenants depending on the number of antennas on your tower. When there are more carriers as tenants, there is more rent that is due, which is more money to deposit in your Self-Directed IRA each month.

Cell towers in other countries – Check out the concealed cactus tower!

<http://goo.gl/qbpXXC>



TOWER OF KNOWLEDGE

Let's take a look at some of the common terms in the industry and the different types of towers.

Antenna – A device attached to a tower used for receiving and transmitting electromagnetic waves. Each carrier uses multiple antennas. As more users move into an area, more antennas will need to be available to offer service. The height of antennas affect the distance of service they offer, the amplifications of the signal, and amount of data it can handle.

Access Road – A road that leads to the tower so any necessary repairs can be done quickly and efficiently. You, as the landlord, do not pay for any repairs needed nor do you pay to build the access road.

Base Receiver Station – An earth-based transmitting/receiving station in a fixed location. The antennas are attached to a base station.

Internet devise will outnumber people by the end of this year! <http://goo.gl/HJcsMG>

Poles – The base of a cell tower. Poles can be made from fiberglass, steel, or wood. Fiberglass is light weight, cheap to build, does not require much concrete for support, but cannot carry a lot of weight. Steel is more expensive to build and the poles can be taller, which usually means more coverage. Steel can support multiple shelves and can bear more weight, which usually means more tenants.

Utilities – Carriers typically need power as well as phone services running to the site. You are not financial responsible for installing or maintaining utilities.

Search Ring – An area researched to identify potential tower sites or service problems. Longitude and latitude GPS coordinate readings are taken to establish a good location.

TYPES OF TOWERS

Typically, towers are either built by tower companies or wireless carriers. The more antennas on your tower, the more potential tenants paying rent to your Self-Directed IRA account.

SST (Self-Support Tower) – This tower is three or four sided and has a square or triangular base. These towers are commonly made of steel, are often 50-190 feet high and are very expensive to build, but they can support multiple shelves and are a great load bearing tower. Since the SST can support multiple shelves, it can provide service to several tenants.

Monopole Tower – This single tube-shaped tower resembles a flag pole. It is somewhat flimsy so its height is generally limited to 200'. The antennas are mounted on the exterior. It requires the least amount of space versus the other towers. These towers are usually made from galvanized metal sections stacked on top of each other.



Guyed Tower – This single tube-shaped tower is the best option for heights over 300 feet. It's cheaper to construct, but requires the largest amount of land due to being anchored down by "guy wires". This tower is commonly used for radio and television signals.

Concealed Towers – These towers are most commonly in heavily populated areas. They are required by zoning and are "concealed" by camouflaged. They are the most expensive towers to build because they require additional materials to conceal them. These towers tend to be smaller and do not offer the same coverage as other towers. They can be disguised as trees, flag poles, elegant lights and more. You cannot have many tenants with this tower.

Flickr pictures of concealed towers. There are some strange looking towers out there! <http://goo.gl/2oxCM3>

Roof-top mounted tower – Just as the name indicates, these towers are installed on a roof top mainly around high or mid-rise structures. These can be attached to the roof by mounts or platforms; installed directly on the roof on top of heating, ventilation or air conditioned screens; or they can be affixed to the side of building. Roof-top towers can be painted to match building or area. These towers usually require an equipment shelter. If space is available the company can install the equipment in the building's mechanical room versus an exterior equipment shelter (the telecommunications company pays for this).

Other Towers – Towers attached to water towers are popular due to their geographical location, plus its usually the highest place in the area. Other high places in town you might find a tower are church steeples, windmills, silos, industrial smoke stacks and more.

Mobile Cell Site – This is a structure that can be moved to test an area or provide temporary services during an outage.

Ground-base tower – This tower is best choice for the suburbs or rural areas without buildings. They require heavy-commercial or industrial zoning.

TYPES OF LEASES

Ground Lease – Agreement between the landowner (your Self-Directed IRA) and the wireless carrier or tower owner. This lease is in place before the tower is constructed.

Additional Ground Space Lease – Lease between the landowner (your Self-Directed IRA) and the wireless carrier in addition to the initial Ground Space Lease. This lease is put together when the first lease did not include enough space for additional equipment. When more ground space is actually needed, this is not called an Additional Ground Space Lease, its called an Expansion of the lease.

Tower Collocation Lease – If the tower owner does not have a ground lease with your Self-Directed IRA (as the landowner) for the ground, then the carrier will go into a Tower Collocation Lease with the tower owner and into an Additional Group Space Lease with your Self-Directed IRA, as the landowner.



Rooftop Lease - Just as it states, this is a lease pertaining to antennas or tower on a rooftop between the building owner and the carrier.

Tenant Improvement Lease – Similar to a rooftop lease except its for renting space on another type of structure, like a water tower, billboard, silios, church steeples, etc.

August 2012, Bloomberg Article - 10 Billion connected devices in the world, average of 5 devices per household.
How many do you have in your home? <http://goo.gl/ob6Tkh>

SOME OF THE PLAYERS

Before investing, you should get to know the some of the people involved.

Cell Tower Company – These companies help tower developers secure leases on property. If you have land in a good area, they may approach you to build on your land.

Accuplan – That’s us! We help you set up a Self-Directed IRA account that purchases the land that the cell tower uses. This is one of many great ways to build your retirement nest egg (find more by visiting www.Accuplan.net).

Cell Tower Leasing Consultant – These consultants are your partner. They help with lease negotiations, zoning, permits, due diligence, competitive analysis and more.

Cell Tower Attorney – These attorneys are your partner and give you legal reviews of the lease.

Tax Sales Investor – This could be you! One way to invest in cell towers it to attend an IRS or county auction. These auctions are full of people who did not pay their taxes and now their homes, property or land (raw or with towers) are up for auction.

Different types of cell phone tower trees. Guess what species doesn’t mind calling one tower home.
<http://goo.gl/RUhx>

DUE DILIGENCE – WHAT TO ASK, WHAT TO KNOW!

Location, location, location! As with almost any investment you make, location is the key. Obviously, cell companies are looking for towers that can reach more populated areas or growing areas. Its not always a good investment if a cell phone tower is in the middle of farm land where there are little or no subscribers within a 10 mile radius. A cell tower next to a highway or freeway is the best option.

Some questions to ask before investing:

*What are the financials of the tower?

*Who are and how many carriers are renting?



*What are the traffic counts of the area?

*Does this area have the potential for growth?

*What type of tower is it?

*How many other towers are in the area?

*Is this tower providing coverage to areas that currently do not have coverage?

*Can your tower provide additional capacity when existing towers become overloaded?

*What is the quality of your tower? How far can the frequency go? Are calls being dropped or is it providing poor service?

CellReception.com takes the FCC registered database and combines it with knowledge from Google Maps to help you find cell phone towers in your area <http://goo.gl/EAoG>

CLOSING

In our busy lives we can forget many things: we may have forgotten to put the chicken out to defrost for dinner, forgot to lock the side gate, forgot to put the clothes in the dryer, but forgetting our cell phone will make us turn around the car in two seconds flat, despite the potential for being late. Our cell phones and other electronic devices are an important part of our day-to-day lives, so are the towers that give us this service!

This trend is NOT slowing down, in fact its growing faster than ever before.

This can be a lucrative, easy investment that does not require advanced investment knowledge and has the potential to help you build your retirement account with a Self-Directed IRA.

At Accuplan, we help investors just like you use your retirement funds to invest in non-traditional assets, like cell towers. We will help you set up a self-directed IRA and an LLC (if needed) so you can purchase land, pay land taxes and deposit rent checks from reliable carriers each month into your new Self-Directed IRA account.

You can also visit <http://www.accuplan.net/self-directed-ira.htm> to learn more about how to invest with a Self-Directed IRA or chat with one of our experienced Self-Directed IRA Specialists.

For more continuous information and knowledge, including being notified about upcoming educational webinars, follow us on your favorite social media sites:



Accuplan Benefits Services



@Accuplan1 @Jaclyn_Accuplan



Find Accuplan employees



Accuplan Benefits Services or Jaclyn Grella



Accuplan 1

Written By:

Jaclyn M. Grella

Accuplan IRA Specialist

JaclynGrella@Accuplan.net

Direct Line: 800-454-2649 x1119