



Converting Wireless Leases Into Lasting Value



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—Michael Corrier
Solicitor
Borough of Walnutport, PA

Pennsylvania Borough Finds Budget Relief, Thanks to Unison

Situated in Northampton County in Eastern Pennsylvania is the borough of Walnutport with a population of around 2,000. The tax base of the borough is relatively fixed, but municipal costs continue to rise putting a strain on the budget. The borough needed an infusion of capital and received one when Unison offered a cash payment to lease the town’s only cell tower, operating since 1990.

CHALLENGE

According to borough solicitor Michael Corrier, Esq., the municipality was facing budgetary issues and needed a lump sum of cash to assist with everyday expenses such as repairs and salaries. Unison approached the borough in 2009 and offered to buy out the cell tower lease, which had been providing Walnutport with a monthly rental income. Just one problem. The land belonged to the school district and was leased to the municipality to be used for public purposes only.

SOLUTION

Rather than purchasing the lease outright, which would have violated the school district’s deed restrictions, Unison offered to lease the cell tower site from Walnutport for 50 years. The district agreed that the lease transfer would still satisfy the public-purposes-only requirement, since the property would continue to generate

tax revenue for the municipality and school district. Unison paid a lump sum for the lease transfer and Walnutport will participate in future revenue streams generated by new qualified ground leases.

RESULTS

Budgetary relief

The lump sum from Unison provided immediate budgetary relief. “With the cash payment received from Unison, the borough was able to pay for projects, repairs and salaries,” said Corrier.

Potential future income

In addition to the one-time cash payment, the borough will receive future revenue when new qualified ground leases are added.

Flexibility to meet needs

Unison was willing to make flexible arrangements to take over the lease in order to meet deed requirements for the land set forth by the borough’s school district.

About Unison

Unison Site Management is the largest independently owned cell site management company in the United States, managing thousands of wireless leases.

As wireless lease consultants, Unison helps cell site owners protect against uncertainty, maximize return, and provide peace of mind.

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