

Vertical Bridge Issues \$534 Million of Secured Tower Revenue Notes

[dc digitalcolony.com/press/vertical-bridge-issues-534-million-secured-tower-revenue-notes](https://digitalcolony.com/press/vertical-bridge-issues-534-million-secured-tower-revenue-notes)

First Non-Traditional ABS Following Market Shutdown Due to COVID-19

Fifth Successful Securitization for Vertical Bridge Since Company's Founding and Largest to Date

BOCA RATON, FL – JUNE 1, 2020 – PRESS RELEASE – Vertical Bridge REIT, LLC (“Vertical Bridge” or “the Company”), the largest private owner and operator of communications infrastructure and locations in the United States, today announced that it has successfully issued \$534 million of Secured Tower Revenue Notes (“Revenue Notes” or “Notes”) in a private asset-backed securitization (ABS) transaction. This marks the first securitization of a non-traditional or esoteric asset since the ABS market shut down due to the COVID-19 pandemic.

“During the COVID-19 pandemic, wireless traffic has surged with U.S. carriers reporting a nearly 25 percent increase in traffic at times. As we approach 5G, traffic levels will only continue to rise, and the only way to meet this demand is to invest in communications infrastructure,” said Alex Gellman, CEO of Vertical Bridge. “Towers have a number of elements that make them a particularly compelling segment of the sector, and the success of this offering underscores their appeal, as well as the overall growth and durability of the industry, even in economically challenging times.”

The Revenue Notes are collateralized by nearly 2,800 geographically diverse sites across 49 states and Puerto Rico and are strategically positioned in urban, suburban, key corridor and rural markets. This is the Company’s fifth successful securitization since its founding in 2014 as well as its largest to date. The transaction includes a refinancing of \$321 million in commercial mortgage-backed securities from the Company’s first securitization, which was completed in June 2016. It also includes the first-ever Variable Funding Note (VFN) in a wireless tower transaction, which was issued at \$60 million. Excess proceeds from the securitization and VFN will be used to fuel Vertical Bridge’s continued growth, including building and acquiring new towers across the United States and its territories.

The transaction showcases a strong and growing interest in the tower sector from the investor community and highlights Vertical Bridge’s deep relationships across the ABS market. It also demonstrates the continuing evolution of communications infrastructure investment as several new investors chose to deploy capital in the tower sector for the first time with this securitization.

“This securitization speaks to the strength of our assets, and we are extremely gratified by the reception that the offering has received from both returning investors and newcomers to the sector,” added Michael Romaniw, Chief Financial Officer of Vertical Bridge. “The U.S. wireless market combines stability with growth, and as a U.S.-focused, pure-play tower company, we’ve placed ourselves at the very peak of one of the most attractive investment markets there is. In many ways, this is our most successful securitization to date.”

The Revenue Notes rank pari passu by tranche with Vertical Bridge’s \$236 million securitization, which was completed in February 2018. The Notes were issued in four classes: a \$60 million tranche, rated A/A/A2; a \$375 million tranche, rated A/A/A2; a \$37 million tranche, rated BBB/BBB/NR; and a \$122 million tranche, rated BB-/BB/NR. Ratings for each tranche were provided by Fitch, Kroll, and Moody’s, respectively. The Class A-1 Notes have a 3-year anticipated repayment with two one-year renewal options, and the Class A-2 Notes have a 5-year anticipated repayment date. Both Notes have a 30-year final maturity.

Barclays and Deutsche Bank served as Joint Bookrunning Managers, and Barclays served as Sole Structuring Advisor for the offering.

About Vertical Bridge

Vertical Bridge REIT, LLC is the largest private owner and operator of communications infrastructure and locations in the United States. The Company owns, operates and master leases over 269,000 tower, rooftop, billboard, utility attachment and other site locations in support of wireless network deployments. Based in Boca Raton, Florida, Vertical Bridge was founded in 2014 by key executives from Digital Bridge Holdings, LLC and former senior officers of Global Tower Partners. The senior management team at Vertical Bridge has over 200 years of collective experience in tower infrastructure and related sectors. For more information, please visit www.verticalbridge.com.

For Vertical Bridge:

Erica Dotterer
Vertical Bridge
(561) 406-4032
EDotterer@verticalbridge.com

Media Contact:

Kerri Donner
Stanton
(646) 502-3565
kdonner@stantonprm.com