GLOBAL SIGNAL INC
Form S-11/A
May 19, 2004
As filed with the Securities and Exchange Commission on May 18, 2004

Registration No. 333-112839

SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

Amendment No. 3
to
Form S-11

REGISTRATION STATEMENT
UNDER THE SECURITIES ACT OF 1933

Global Signal Inc.

(Exact name of registrant as specified in its governing instruments)

301 North Cattlemen Road
Suite 300
Sarasota, Florida 34232
(941) 364-8886

(Address, including zip code, and telephone number, including area code, of registrant's principal executive offices)

Stephen W. Crawford
Secretary
Global Signal Inc.
Suite 300
301 North Cattlemen Road
Sarasota, Florida 34232
(941) 364-8886

(Name, address, including zip code, and telephone number, including area code, of agent for service)

Copies to:

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Approximate date of commencement of proposed sale to the public: As soon as practicable after this registration statement becomes effective.

If this Form is filed to register additional securities for an offering pursuant to Rule 462(b) under the Securities Act, please check the following box and list the Securities Act registration statement number of the earlier effective registration statement for the same offering.

If this Form is a post-effective amendment filed pursuant to Rule 462(c) under the Securities Act, check the following box and list the Securities Act registration statement number of the earlier effective registration statement for the same offering.

If this Form is a post-effective amendment filed pursuant to Rule 462(d) under the Securities Act, check the following box and list the Securities Act registration statement number of the earlier effective registration statement for the same offering.

If delivery of the prospectus is expected to be made pursuant to Rule 434, check the following box.

The registrant hereby amends this registration statement on such date or dates as may be necessary to delay its effective date until the registrant shall file a further amendment which specifically states that this registration statement shall thereafter become effective in accordance with Section 8(a) of the Securities Act of 1933 or until the registration statement shall become effective on such date as the Securities and Exchange Commission, acting pursuant to said Section 8(a), may determine.

The information in this prospectus is not complete and may be changed. We may not sell these securities until the registration statement filed with the Securities and Exchange Commission is effective. This prospectus is not an offer to sell these securities and it is not soliciting an offer to buy these securities in any state where the offer or sale is not permitted.

SUBJECT TO COMPLETION, DATED , 2004

PROSPECTUS

7,000,000 Shares

Global Signal Inc.

Common Stock

This is the initial public offering of Global Signal Inc. No public market currently exists for our common stock. As of the completion of this offering, new investors will own 14.3% of our common stock, assuming no exercise of outstanding options or warrants since May 17, 2004 and the underwriters do not exercise their overallotment option.

We currently anticipate the initial public offering price of our common stock to be between $16.00 and $18.00 per share. Our common stock has been approved for listing on the New York Stock Exchange under the symbol "GSL."

We are organized and conduct our operations to qualify as a real estate investment trust (a REIT) for federal income tax purposes. To assist us in complying with certain federal income tax requirements applicable to REITs, our amended and restated certificate of incorporation and amended and restated bylaws contain certain restrictions relating to the ownership and transfer of our common stock, including a 9.9% ownership limit.

You should read the section entitled "Risk Factors" beginning on page 16 before buying our common stock. Investing in our common stock involves risks, including:

- We recently emerged from a Chapter 11 bankruptcy reorganization, have a history of losses and may not be able to maintain profitability.
- You may not be able to compare our historical financial information to our current financial information, which will make it more difficult to evaluate an investment in our common stock.
- A decrease in the demand for our wireless communications sites and our ability to attract additional tenants could negatively impact our ability to maintain profitability.
- We have significant customer concentration and the loss of one or more of our major customers or a reduction in their utilization of our site space could result in a material reduction in our revenues.
- We may encounter difficulties in acquiring towers at attractive prices or integrating acquisitions with our operations, which could limit our revenue growth and our ability to maintain profitability.
- Our failure to qualify as a REIT would result in higher taxes and reduce cash available for dividends.

	Price to Public	Underwriting Discounts and Commissions	Proceeds to Us
Per Share	$	$	$
Total	$	$	$

We have granted the underwriters a 30-day option to purchase up to 1,050,000 additional shares to cover any overallotments.

Delivery of the shares will be made on or about , 2004.

Neither the Securities and Exchange Commission nor any state securities commission has approved or disapproved of these securities or passed upon the adequacy or accuracy of this prospectus. Any representation to the contrary is a criminal offense.

Joint Book-Running Manager	Joint Book-Running Manager	Joint Lead Manager
Morgan Stanley	Banc of America Securities LLC	Lehman Brothers

Raymond James

The date of this prospectus is , 2004

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You may rely only on the information contained in this prospectus. Neither we nor the underwriters have authorized anyone to provide you with different or additional information. This prospectus is not an offer to sell nor is it seeking an offer to buy common stock in any jurisdiction where the offer or sale is not permitted. The information contained in this prospectus is accurate only as of the date of this prospectus, regardless of the time of delivery of this prospectus or of any sale of common stock.

PROSPECTUS SUMMARY

This summary highlights information more fully described elsewhere in this prospectus. This summary is not complete and does not contain all the information you should consider before buying shares of our common stock. You should read this entire prospectus carefully, including "Risk Factors" and our consolidated historical financial statements and the related notes included in this prospectus, before deciding to invest in shares of our common stock. For convenience in this prospectus unless indicated otherwise, "Global Signal," "the company," "we," "us" and "our" refer to Global Signal Inc. and its consolidated subsidiaries, including Global Signal Operating Partnership, L.P., and "Global Signal Inc." refers to Global Signal Inc., formerly Pinnacle Holdings Inc., prior to its name change effective December 18, 2003. "Global Signal OP" refers to Global Signal Operating Partnership, L.P. "Fortress" refers to Fortress Investment Holdings LLC and certain of its affiliates and "Greenhill" refers to Greenhill Capital Partners, L.P. and affiliated investment funds. All per share information and information on our outstanding common stock, options and warrants has been adjusted to give effect to a two-for-one stock split we effected on February 11, 2004.

Global Signal Inc.

Global Signal, formerly known as Pinnacle Holdings Inc., is one of the largest wireless communications tower owners in the United States, based on the number of towers owned. For the year ended December 31, 2003 and the three months ended March 31, 2004, all of our revenues came from our ownership, leasing and management of wireless communications towers and other communications sites. Our sites are primarily located in the southeastern and mid-Atlantic regions of the country. As of March 31, 2004, we owned 2,199 towers and 251 other communications sites. We own in fee or have long-term easements on the land under 789 of these towers and we lease the land under 1,410 of these towers. In addition, as of March 31, 2004, we managed 781 towers, rooftops and other communications sites where we had the right to market space or where we had a sublease arrangement with the site owner. As of

March 31, 2004, we owned or managed a total of 3,231 communications sites. As of May 12, 2004, we owned substantially all of our assets and conducted our operations through an operating partnership, Global Signal Operating Partnership, L.P., or "Global Signal OP." Global Signal Inc. is the special limited partner and our wholly-owned subsidiary, Global Signal GP LLC, is the managing general partner of Global Signal OP. Global Signal Inc. holds 99% of the partnership interests and Global Signal GP LLC holds 1% of the partnership interests in Global Signal OP.

Our customers include a wide variety of wireless service providers, government agencies, operators of private networks and broadcasters. These customers operate networks from our communications sites and provide wireless telephony, mobile radio, paging, broadcast and data services. As of March 31, 2004, we had an aggregate of more than 12,000 leases on our communications sites with over 2,600 customers. The average number of tenants on our owned towers, as of March 31, 2004, was 4.1, which included an average of 1.3 wireless telephony tenants.

For the year ended December 31, 2003, and the three months ended March 31, 2004, we generated:

	Year ended December 31, 2003	Three months ended March 31, 2004
	($ in millions)	
Revenues from continuing operations	$169.2	$43.6
Net income (loss)	$ 18.0	$ (5.5)
EBITDA, as defined below	$ 82.0	$12.2
Funds from operations, or FFO, as defined below	$ 60.7	$ 5.5

Our operating results for the three months ended March 31, 2004 include a loss on early extinguishment of debt of $8.4 million associated with the repayment of our old credit facility on February 5, 2004 and an expense of $2.6 million for non-cash stock-based compensation.

We are organized as a real estate investment trust, or REIT, and as such are required to distribute at least 90% of our taxable income to our stockholders. On February 5, 2004 we paid a one-time special distribution of $142.2 million to all of our stockholders, which represented a return of capital. In addition, on February 5, 2004, we paid our first ordinary dividend of $0.3125 per share of our common stock, or an aggregate of $12.8 million, for the three months ended December 31, 2003, and on April 22, 2004 we paid our second ordinary dividend of $0.3125 per share

of our common stock, or an aggregate of $13.1 million, of which $11.3 million represented a return of capital, for the three months ended March 31, 2004. In addition, our board of directors has declared a dividend of $0.2095 per share of common stock to stockholders of record as of May 26, 2004 for the period commencing on April 1, 2004 and ending on May 31, 2004. We are paying this dividend so that holders of our common stock prior to the offering will receive a distribution for the period prior to the offering. Purchasers of shares of our common stock in this offering will not be entitled to this dividend. Subsequent to this offering, we intend to pay a dividend for the one month ended June 30, 2004 and thereafter we intend to make regular quarterly distributions to the holders of our common stock.

Our ratios of total debt at March 31, 2004 to EBITDA and to net income for the twelve months ended March 31, 2004 were 6.1 times and 55.5 times, respectively, and 93% of our total debt had a weighted average fixed interest rate of approximately 5% as of March 31, 2004.

Industry Strengths

We believe that the tower industry is attractive because of the following characteristics:

- Strong Industry Outlook. We believe that the following factors will drive the growth of new tenant leases:
  - growth in the number of wireless telephony subscribers;
  - increasing wireless telephony usage per subscriber;
  - customer demand for high network quality and ubiquitous coverage; and
  - new wireless technologies, devices and applications.
- High Operating Leverage. Operating costs associated with adding incremental wireless tenants to an existing owned tower are relatively low resulting in a significant percentage of new revenues being converted to cash flow provided by operating activities.
- Low Maintenance Capital Expenditures. Generally, wireless towers require minimal annual capital investments to maintain.
- Low Churn of Wireless Telephony Customers. Due to the expense of modifying their wireless network architecture and relocating their equipment, wireless carriers tend to be long-term tenants that renew their leases.

Growth Strategy

Our objective is to increase our Funds From Operations, or FFO. Key elements of our strategy to achieve this objective include:

- Grow our Revenues by Adding New Tenants to our Existing Communications Sites. We believe that we can take advantage of our site capacity and locations, strong customer relationships and operational expertise to attract new tenants to our existing communications sites.
- Expand our Communications Sites Network Through Acquisition and Development of Towers. We plan to purchase or develop towers in areas where we believe there is, or will be significant demand for wireless services which should drive network expansion and increase demand for space on our towers. We will focus our acquisition and new build efforts on towers that already have an existing telephony tenant, or in the case of new builds, a telephony customer committed to a new lease, and have the potential to add multiple additional telephony tenants.
- Outsource New Tower Development and Construction. We outsource all aspects of new tower development including radio frequency engineering, initial land acquisition, zoning and construction. We believe that by outsourcing we avoid most of the high overhead and risks associated with providing these services.
- Build on Relationships with Wireless Telephony Carriers. We maintain a consistent and focused dialogue with our wireless telephony carriers in order to fully meet their network needs.
- Maintain an Efficient Capital Structure. We believe that our low cost debt, combined with appropriate leverage, will allow us to maintain operating and financial flexibility. Our capital management strategy is to finance newly acquired assets, on a long-term basis, using low cost fixed rate debt obtained through the

issuance of mortgage-backed securities combined with a portion of the proceeds from this offering. To accomplish this, we plan to first use proceeds from this offering and then we plan to finance newly acquired and developed wireless communications sites through borrowings on our credit facility, which we expect will be repaid with proceeds from the issuance of mortgage-backed securities.

Our Strengths

- High Quality Communications Sites with Diversified and Stable Cash Flows. As of March 31, 2004, we had 3,231 wireless communications sites, including 2,199 owned towers, of which 92% are guyed or lattice towers. Our diversified customer base, which includes over 2,600 customers with over 12,000 leases, has historically provided us with a stable cash flow stream.
- Efficient and Well Organized Operating Platform. We have recently spent a significant amount of time and capital on improving our operations. We have also reoriented our organizational structure, sales force, business processes and systems towards improving customer service and adding new tenants.
- Experienced Management Team. We have installed a new experienced management team that is highly focused on growing our business and is incentivized with options to acquire approximately 7.0% of our common stock on a fully diluted basis, as of May 17, 2004.
- Tax Efficient REIT Status. We are organized as a REIT which enables us to reduce our corporate-level income taxes by making dividend distributions to our stockholders and to pass our capital gains through to our stockholders in the form of capital gains dividends.

Recent Developments

Mortgage Loan. On February 5, 2004, our principal operating subsidiary, Pinnacle Towers LLC, then known as Pinnacle Towers Inc., and 13 of its direct and indirect subsidiaries borrowed $418.0 million under a mortgage loan made payable to a newly formed trust. The trust simultaneously issued $418.0 million in commercial mortgage pass-through certificates with terms identical to the mortgage loan. The proceeds from the mortgage loan were used primarily to repay the $234.4 million of then outstanding borrowings under our old credit facility and to fund a $142.2 million one-time special distribution to our stockholders which represented a return of capital, including $113.8 million to Fortress and Greenhill. As of May 17, 2004, the weighted average fixed interest rate of the various tranches of the mortgage loan was approximately 5.0%. The mortgage loan is secured by mortgages, deeds of trust and deeds to secure debt creating first priority mortgage liens on assets which generated substantially all of our gross margins for the year ended December 31, 2003 and the three months ended March 31, 2004.

Credit Facility. On February 6, 2004, we amended our $100.0 million credit facility with Morgan Stanley to, among other things, increase the commitment thereunder to $200.0 million and reduce the applicable margin for federal funds rate loans and LIBOR loans to 2.1175% and 2.50%, respectively. On May 12, 2004, we further amended the credit facility in connection with the implementation of the UPREIT operating partnership structure to, among other things, substitute Global Signal OP for Global Signal Inc. as the guarantor and the pledgor under the credit facility.

Acquisition of TowerCom Assets. On February 6, 2004, we acquired all of the outstanding common stock of Pinnacle Towers Acquisition Holdings LLC ("Pinnacle Acquisition"), then known as Pinnacle Towers Acquisition Inc. through the exercise of an option granted to us by its stockholders, which constituted the majority of our stockholders. On December 4, 2003, Pinnacle Acquisition completed the acquisition of 67 towers from TowerCom Enterprises, L.L.C. and its affiliates for approximately $26.3 million plus fees and expenses. The TowerCom acquisition was financed with proceeds from our credit facility. The towers are located primarily in Florida, Georgia, Alabama and Mississippi and are generally less than four years old. At the time of the TowerCom acquisition, these sites accommodated 27 customers subject to a total of 147 tenant leases, including 132 telephony tenant leases with wireless carriers. We believe that TowerCom was an attractive acquisition due to the high percentage of existing wireless telephony customers and the quality and the location of their recently constructed towers. Due to the 99% common control of Global Signal and Pinnacle Acquisition, we have accounted for the acquisition of Pinnacle Acquisition in a manner similar to a pooling of interests.

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Dividends. On February 5, 2004, we paid our first ordinary dividend of $0.3125 per share of our common stock for the three months ended December 31, 2003, or an aggregate of $12.8 million, and on April 22, 2004 we paid our second ordinary dividend of $0.3125 per share of our common stock, or an aggregate of $13.1 million, of which $11.3 million represented a return of capital, for the three months ended March 31, 2004. In addition, on February 5, 2004, we paid a $142.2 million one-time special distribution to our stockholders, which represented a return of capital. Furthermore, our board of directors has declared a dividend of $0.2095 per share of common stock to stockholders of record as of May 26, 2004 for the period commencing on April 1, 2004 and ending on May 31, 2004. We are paying this dividend so that holders of our common stock prior to the offering will receive a distribution for the period prior to the offering. Purchasers of shares of our common stock in this offering will not be entitled to this dividend.

Interest Rate Swap Agreements. We expect to acquire and develop additional communications tower sites during 2004 and expect to finance such acquisitions in a manner similar to the mortgage loan transaction we completed on February 5, 2004. On March 26, 2004, in anticipation of such acquisitions and financing, we entered into four interest rate swaps with Morgan Stanley as counter party to hedge the variability of future interest rates on our anticipated mortgage financing. Under the interest rate swaps, we agreed to pay the counter party a fixed interest rate of 3.416% on a total notional amount of $200.0 million beginning in October 2004 through April 2009 in exchange for receiving three-month LIBOR on the same notional amount for the same period. The swaps terminate on the earlier of the issuance of any new mortgage loan or January 1, 2005 at which time the swaps will be settled for cash based on the fair market value.

Tower Ventures Acquisition. On April 22, 2004, Pinnacle Towers Acquisition LLC, our wholly-owned subsidiary, executed an agreement to acquire all of the membership interests in Tower Ventures III LLC ("Tower Ventures") from five non-affiliated sellers for $52.0 million in cash, plus $1 million we expect to incur in estimated fees and expenses. Tower Ventures owns 97 wireless communications towers located primarily in Tennessee, Mississippi, Missouri and Arkansas. The sites are generally less than four years old and generate substantially all of their revenue from approximately 240 tenant leases with wireless telephony tenants. Approximately 73% of Tower Ventures' revenue for the three months ended March 31, 2004 was generated from the six largest wireless telephony service providers in the United States. We believe that Tower Ventures is an attractive acquisition due to the high percentage of revenue from existing wireless telephony customers and the quality and location of these recently constructed towers. While we cannot assure you that this acquisition will be consummated, we believe that it is probable, as the closing conditions are customary for a real estate transaction of this type. We expect to finance this acquisition with a portion of the net proceeds from this offering provided that this offering is completed prior to the closing of the acquisition. If the offering is not completed prior to the closing of the acquisition, we expect to finance this acquisition with short-term borrowings under our credit facility which we then expect to repay upon consummation of this offering.

Other Tower Acquisitions. During April 2004, we made other acquisitions of a total of five wireless communications towers located in Georgia from Skylink Properties, L.L.C. and Hightower Communication Services, LLC, two non-affiliated parties, for approximately $3.4 million including fees and expenses. These towers generate all of their revenue from 19 wireless telephony tenant leases. We believe these towers represent attractive acquisitions because of their existing wireless telephony tenants and the location of the towers in high demand areas with significant restrictions on zoning. We financed these acquisitions with borrowings under our credit facility which we intend to repay with proceeds from this offering.

Pinnacle Towers Limited. We are currently finalizing an agreement to purchase the remaining 9% of the capital stock of Pinnacle Towers Limited from Alexander George Jurcazak as trustee of the Lisa Rowland Trust for approximately $1.2 million.

History

We were formed in 1995 to acquire and manage wireless towers and other communications sites. We historically funded our operations through bank credit facilities and issuances of debt and equity securities. Prior to our emergence from bankruptcy, we were unable to meet our financial obligations due primarily to (1) our highly leveraged capital structure, (2) the non-strategic acquisition of assets we have subsequently disposed of that were unrelated to our core tower business and (3) the inability of our former management to efficiently integrate and

manage our communications sites. In addition, to a lesser extent, we were unable to meet our financial obligations due to the reduced amount of capital spending by wireless carriers on their networks in 2001 and 2002. On May 21, 2002, Global Signal (then known as Pinnacle Holdings Inc.) filed a voluntary petition for relief under Chapter 11 of the Bankruptcy Code in the United States Bankruptcy Court for the Southern District of New York.

Under the prearranged plan of reorganization, Fortress and Greenhill purchased 22,526,598 shares of our common stock for an aggregate purchase price of $112.6 million and elected to receive an additional 9,040,166 shares of common stock in lieu of $45.2 million of cash for the 10% senior notes due 2008 (senior notes) they held making their total investment in the company in connection with the reorganization $157.8 million. Other senior noteholders entitled to receive $47.2 million of cash elected to receive 9,433,236 shares of common stock in lieu of cash, making the total equity investment $205.0 million. In December 2002, Fortress purchased 1,440,000 shares of common stock from Abrams Capital Partners I, L.P., Abrams Capital Partners II, L.P., and Whitecrest Partners, L.P., affiliates of Abrams Capital, LLC, our third largest stockholder, for an aggregate purchase price of approximately $7.3 million. On February 5, 2004, Fortress and Greenhill's total investment was reduced by $113.8 million to $51.3 million (including the amount invested in connection with the purchase of shares from Abrams Capital, LLC and certain of its affiliates) as a result of our special distribution which represented a return of capital. In April 2004, Fortress exercised its warrant for 418,050 shares at an aggregate exercise price of $3.6 million and Fortress and Greenhill received a return of capital related to their portion of our April dividend to the extent it exceeded accumulated earnings to date in the amount of $9.0 million, thereby decreasing the Fortress and Greenhill investment to $45.9 million.

Under the plan, the company satisfied $325.0 million of indebtedness related to our senior notes for $21.6 million in cash and 18,473,402 shares of our common stock valued at $92.4 million, and satisfied $187.5 million of indebtedness related to our 5.5% convertible notes due 2007 for $1.0 million in cash and warrants to purchase 820,000 shares of our common stock. In total $404.8 million, including $7.3 million of accrued interest, was discharged under the reorganization. Under the plan, our then existing senior credit facility lenders were paid approximately $93.0 million in cash, with the balance of the full amount owed to them incorporated into an amended and restated credit facility comprising a three-year secured term loan of $275.0 million. In addition, certain of these lenders provided a secured revolving credit facility of $30.0 million. We refer to the term loan and revolving credit facility, collectively, as our old credit facility. The plan was confirmed by the bankruptcy court on October 9, 2002 and we exited bankruptcy with Fortress as our controlling stockholder. On February 5, 2004, the old credit facility was repaid in full and terminated.

Prior to our reorganization we acquired certain non-strategic assets unrelated to our core tower business, which have subsequently been sold, and our former management was unable to efficiently integrate and manage our communications sites. Our current growth strategy, which is in part based on a new site acquisition and development strategy, is significantly different. The primary differences are (1) our strategy to finance our assets using a capital structure which we believe does not rely on growth to reduce leverage and uses low cost fixed rate debt obtained through the issuance of mortgage-backed securities combined with a portion of the proceeds from this offering to finance our new tower acquisitions and development growth, (2) our strategy to buy core tower assets with in-place telephony or government tenants where we believe there is a high likelihood of multiple lease renewals, (3) our stringent underwriting process which evaluates each asset individually and prices each asset based on its current yield and the asset and tenant attributes and location of the asset, and (4) our focus on integrating, maintaining and operating the assets we buy efficiently and effectively. As an illustration of our focus on maintaining and operating our assets, since our emergence from bankruptcy, we have invested approximately $2.2 million to inventory and digitally catalog all of the important documents related to owning and operating our assets, including performing environmental assessments on all of our U.S. sites and performing title reviews on over 800 of our most profitable sites.

We were incorporated in the State of Delaware in 2002. Our predecessor company was incorporated in the State of Delaware in 1995. Our principal executive offices are located at 301 North Cattlemen Road, Suite 300, Sarasota, Florida 34232. Our telephone number is (941) 364-8886. Our website address is www.gsignal.com. Information on our website does not constitute part of this prospectus.

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Organizational Structure of Global Signal Inc.
and Significant Subsidiaries[(1)]

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Risks Relating to Our Business

- We recently emerged from a Chapter 11 bankruptcy reorganization, have a history of losses and may not be able to maintain profitability.
- You may not be able to compare our historical financial information to our current financial information, which will make it more difficult to evaluate an investment in our common stock.
- A decrease in the demand for our wireless communications sites and our ability to attract additional tenants could negatively impact our ability to maintain profitability.
- Our revenues may be adversely affected by the economies, real estate markets and wireless communication industry in the regions where our sites are located.
- Consolidation in the wireless industry could decrease the demand for our sites and may lead to reductions in our revenues.
- Our revenues are dependent on the creditworthiness of our tenants which could result in uncollectable accounts receivable and the loss of significant customers and anticipated lease revenues.
- We have significant customer concentration and the loss of one or more of our major customers or a reduction in their utilization of our site space could result in a material reduction in our revenues.

- Our revenues depend on the renewal of our tenant leases by our customers on favorable terms.
- We are currently implementing new software systems throughout our business and may encounter integration problems that affect our ability to serve our customers and maintain our records, which in turn could harm our ability to operate our business.
- If we are unable to successfully compete, our business will suffer.
- Competing technologies may offer alternatives to ground-based antenna systems which could reduce the future demand for our sites.
- Equipment and software developments are increasing our tenants' ability to more efficiently utilize spectral capacity and to share transmitters which could reduce the future demand for our sites.
- Carrier joint ventures and roaming agreements which allow for the use of competitor transmission facilities and spectrum may reduce future demand for incremental sites.
- We may be unable to modify our towers, which could harm our ability to add additional site space and new customers which could result in our inability to execute our growth strategy and limit our revenue growth.
- We may encounter difficulties in acquiring towers at attractive prices or integrating acquisitions with our operations, which could limit our revenue growth and our ability to maintain profitability.
- Our failure to comply with federal, state and local laws and regulations could result in our being fined, liable for damages and, in some cases, the loss of our right to conduct some of our business.
- Our failure to comply with environmental laws could result in liability and claims for damages that could result in a significant increase in the cost of operating our business.
- Because we generally lease, sublease, license or have easements relating to the land under our towers, our ability to conduct our business and generate revenues may be harmed if we fail to obtain lease renewals or protect our rights under our leases, subleases, licenses and easements.
- Our tenant leases require us to be responsible for the maintenance and repair of the sites and for other obligations and liabilities associated with the sites and our obligations to maintain the sites may affect our revenues.
- Site management agreements may be terminated prior to expiration, which may adversely affect our revenues.

- Our towers may be damaged by disaster and other unforeseen events for which our insurance may not provide adequate coverage and which may cause service interruptions affecting our reputation and revenues and resulting in unanticipated expenditures.
- If radio frequency emissions from our towers are demonstrated, or perceived, to cause negative health effects, our business and revenues may be harmed.
- Repayment of the principal of our outstanding indebtedness may require additional financing that we cannot assure you will be available to us.
- The terms of our credit facility and mortgage loan may restrict our current and future operations, which would adversely affect our ability to respond to changes in our business and to manage our operations.
- Our Chief Executive Officer has management responsibilities with other companies and may not be able to devote sufficient time to the management of our business operations.

Risks Relating to Our REIT Status

- Our failure to qualify as a REIT would result in higher taxes and reduce cash available for dividends.
- Dividends payable by REITs generally do not qualify for the reduced tax rates under recently enacted tax legislation.
- REIT distribution requirements could adversely affect our liquidity.

- The stock ownership limits imposed by the Internal Revenue Code for REITs and our amended and restated certificate of incorporation may inhibit market activity in our stock and may restrict our business combination opportunities.

Risks Relating to this Offering

- Investors in this offering will suffer immediate and substantial dilution.
- The issuance of additional stock in connection with acquisitions or otherwise will dilute all other stockholdings.
- We have not established a minimum dividend payment level and there are no assurances of our ability to pay dividends in the future.
- Your ability to influence corporate matters may be limited because a small number of stockholders beneficially own a substantial amount of our common stock.
- An increase in interest rates would result in an increase in our interest expense which could adversely affect our results of operations and financial condition.
- Our fiduciary obligations to Global Signal OP may conflict with the interests of our stockholders.

The Offering

The following information assumes that the underwriters do not exercise their overallotment option to purchase additional shares in this offering.

Common stock we are offering	7,000,000 shares
Common stock to be outstanding after the offering	48,854,155 shares
NYSE symbol	"GSL"

The number of shares of common stock that will be outstanding after the offering is based on the number of shares outstanding as of May 17, 2004 and excludes options and warrants exercisable to purchase 4,821,984 shares of common stock outstanding as of that date, options exercisable to purchase 700,000 shares of common stock (assuming the underwriters do not exercise their overallotment option) granted to FRIT PINN LLC and Greenhill, or affiliates of such entities in connection with this offering and 20,000 shares of common stock, in the aggregate, to be granted to Messrs. Robert H. Gidel, Douglas L. Jacobs, Howard Rubin and Mark Whiting on the first day following the consummation of this offering pursuant to our board compensation package.

Use of Proceeds

We estimate that our net proceeds from the sale of the shares of common stock will be approximately $108.5 million, or approximately $125.1 million if the underwriters exercise their overallotment option in full, based upon an assumed public offering price per share of $17.00, after deducting assumed underwriting discounts, commissions and estimated offering expenses.

We intend to use the net proceeds of this offering as follows:

- approximately $33.2 million to repay the debt outstanding under our credit facility with Morgan Stanley, including debt incurred to finance our recent acquisition of additional wireless communications towers located in Georgia, which matures October 1, 2005 and bears interest, at our option, at either the federal funds rate plus 2.1175% per annum or LIBOR plus 2.5% per annum. On May 17, 2004, the interest rate on our credit facility was 3.6%. We use borrowings under the credit facility primarily to fund acquisitions, from time to time, of additional wireless communications towers and other communications sites;

- approximately $53.0 million to finance the acquisition of Tower Ventures. We expect to finance this acquisition with a portion of the net proceeds from this offering. If the offering is not completed prior to the closing of the acquisition, we expect to finance this acquisition with short-term borrowings under our credit facility which we then expect to repay upon consummation of this offering;
- approximately $2.1 million to finance the acquisition of the land we currently lease underneath 19 of our sites in a series of transactions for which asset purchase agreements have been signed;
- approximately $3.8 million to pay for the cost of licensing and implementing PeopleSoft, Cognos and manageStar software systems;
- approximately $1.2 million to finance our acquisition of the 9% minority interest of the capital stock of Pinnacle Towers Limited, our UK subsidiary, and, upon consummation of that acquisition, approximately $1.0 million (based on an exchange rate of 1 GBP = 1.7692 USD on May 17, 2004) to repay outstanding borrowings under our UK term loan with Bank of Scotland which matures June 30, 2006, and bears interest at 2% above a base rate. On May 17, 2004, the interest rate on that term loan was 5.8%. The proceeds of the term loan were used to fund the communications sites owned by Pinnacle Towers Limited; and
- approximately $14.2 million to finance the acquisition of 42 communications sites located in Alabama, Connecticut, Florida, Georgia, Kansas, Kentucky, Louisiana, Massachusetts, Michigan, Minnesota, Mississippi, Missouri, and Texas for which we have currently signed non-binding letters of intent. We are seeking to complete our due diligence and execute firm asset purchase agreements for these sites.

A tabular presentation of our estimated use of proceeds follows:

	Dollar Amount (in thousands)	Percentage of Gross Proceeds
Gross offering proceeds	$119,000	100.0%
Underwriting discount	8,330	7.0%
Other cash expenses of offering (1)	2,170	1.8%
Net offering proceeds	$108,500	91.2%

(1) Excludes $1.5 million of non-cash offering costs representing the Black-Scholes valuation of the stock-based compensation options granted to FRIT PINN LLC and Greenhill, or affiliates of such entities, to purchase 700,000 shares of common stock (assuming the underwriters do not exercise their overallotment option), for purposes of compensating Fortress and Greenhill for their successful efforts in raising capital in this offering.

	Dollar Amount	Percentage of Net Proceeds

	(in thousands)	
Estimated amount of net proceeds used to repay outstanding borrowings under our credit facility	$ 33,154	30.6%
Estimated amount to finance the acquisition of Tower Ventures	53,000	48.8%
Estimated amount to finance the acquisition of the land we currently lease underneath 19 of our sites	2,115	2.0%
Estimated amount to pay for the cost of licensing and implementing PeopleSoft, Cognos and manageStar software systems	3,800	3.5%
Estimated amount to finance our acquisition of the capital stock of Pinnacle Towers Limited	1,200	1.1%
Estimated amount to repay outstanding borrowings under our UK term loan	1,015	0.9%
Estimated amount to finance the acquisition of communications sites for which we currently have signed letters of intent	14,216	13.1%
Net offering proceeds	$108,500	100.0%

Pending these uses, we intend to invest the net proceeds in interest-bearing, short-term investment grade securities or money-market accounts, which is consistent with our intention to qualify as a REIT.

Restrictions on Ownership of Stock

Due to limitations on the concentration of ownership of a REIT imposed by the Internal Revenue Code of 1986, as amended, our amended and restated certificate of incorporation generally prohibits any stockholder, unless exempted by our board of directors, from directly or indirectly owning more than 9.9% of our stock. Our board of directors may grant such an exemption in its sole discretion, subject to such terms, conditions, representations and undertakings as it may determine. Certain of our stockholders are exempt from these ownership limits.

Benefits to Affiliates and Certain Other Parties

Our directors and officers receive compensation in connection with their service to us as described in "Management—Compensation of Directors" and "Management—Executive Compensation."

In connection with this offering and for the purpose of compensating FRIT PINN LLC, an affiliate of Fortress, and Greenhill, or affiliates of such entities, for their successful efforts in raising capital in this offering, FRIT PINN LLC and Greenhill, or affiliates of such entities, will receive the following additional benefits.

Transaction	Affiliated Party	Consideration(1)
Grant of options to purchase 700,000 shares of common stock	FRIT PINN LLC	$1,226,400(2)
	Greenhill	306,600(2)

(1) All options to purchase shares of common stock are valued using the Black-Scholes method assuming the common stock is valued at $17.00 per share, representing the mid-point of the range of prices listed on the cover page of this prospectus.

(2) Represents the fair value of the options to purchase 700,000 shares of common stock (assuming the underwriters do not exercise their overallotment option) granted to FRIT PINN LLC and Greenhill, or affiliates of such entities, in consideration for their successful efforts in raising capital in connection with this offering, using the

Black-Scholes method of valuation.

Distribution Policy

On February 5, 2004, we paid our first ordinary dividend of $0.3125 per share of our common stock, or an aggregate of $12.8 million for the three months ended December 31, 2003, and on April 22, 2004 we paid our second ordinary dividend of $0.3125 per share of our common stock, or an aggregate of $13.1 million, of which $11.3 million represented a return of capital, for the three months ended March 31, 2004. On May 11, 2004, we declared an ordinary dividend of $0.2095 per share of our common stock for the period of April 1, 2004 through May 31, 2004 to be paid on June 14, 2004 to all stockholders of record as of May 26, 2004. We are paying this dividend so that holders of our common stock prior to the offering will receive a distribution for the period prior to the offering. Purchasers of shares of our common stock in this offering will not be entitled to this dividend. We intend to pay a dividend for the one month ended June 30, 2004 and thereafter to continue to make regular quarterly distributions to the holders of our common stock. Distributions, including distribution of capital, assets or dividends, will be made at the discretion of our board of directors and will depend on many factors, including our financial condition, earnings, legal requirements and other factors as our board of directors deems relevant.

We generally need to distribute at least 90% of our taxable income each year (subject to certain adjustments) to qualify as a REIT under the Internal Revenue Code. Differences between the recognition of taxable income and the actual receipt of cash could require us to sell assets or borrow funds on a short-term or long-term basis to meet the 90% distribution requirement. Depending on our results of operations in 2004, we may have already satisfied that requirement for 2004 through payment of our $142.2 million special distribution and our April 22, 2004 ordinary dividend.

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Summary Consolidated Financial Information

The following table sets forth summary historical consolidated financial and other data. The balance sheet data as of December 31, 2001, 2002, and 2003 and the statements of operations data for the years ended December 31, 2001, and 2003 and the ten months ended October 31, 2002 and the two months ended December 31, 2002 are derived from our audited consolidated financial statements. The balance sheet data as of October 31, 2002 and March 31, 2003 and 2004 and the statements of operations for the three months ended March 31, 2003 and 2004, are derived from our unaudited condensed consolidated interim financial statements. The pro forma as adjusted statement of operations data reflects the February 5, 2004 issuance of the $418.0 million mortgage loan and the application of a portion of the mortgage loan net proceeds to repay the $234.4 million of then outstanding borrowings under our old credit facility, this offering of 7,000,000 shares of common stock at an assumed price of $17.00 per share, the mid-point of the range shown on the cover of this prospectus, and the application of a portion of the net proceeds of this offering to repay the outstanding borrowings under our credit facility and to fund the Tower Ventures acquisition, as more fully described in the pro forma financial statements and the related notes included elsewhere in this prospectus, as if they had occurred on January 1, 2003 and 2004 for the year ended December 31, 2003 and the three months ended March 31, 2004, respectively. The pro forma as adjusted balance sheet data reflect this offering and the application of a portion of the net proceeds of this offering to repay the outstanding borrowings under our credit facility and to fund the Tower Ventures acquisition as if they had occurred on March 31, 2004.

On November 1, 2002, we emerged from Chapter 11. In accordance with AICPA Statement of Position 90-7 Financial Reporting by Entities in Reorganization Under the Bankruptcy Code ("SOP 90-7"), we adopted fresh start accounting as of November 1, 2002 and our emergence from Chapter 11 resulted in a new reporting entity. Under fresh start accounting, the reorganization value of the entity is allocated to the entity's assets based on fair values, and liabilities are stated at the present value of amounts to be paid determined at appropriate current interest rates. The effective date is considered to be the close of business on November 1, 2002 for financial reporting purposes. The periods presented prior to November 1, 2002 have been designated "predecessor company" and the periods starting on November 1, 2002 have been designated "successor company." As a result of the implementation of fresh start accounting as of November 1, 2002, our financial statements after that date are not comparable to our financial statements for prior periods because of the differences in the basis of accounting and the debt and equity structure for the predecessor company and the successor company. The more significant effects of the differences in the basis of accounting on the successor company's financial statements are (1) lower depreciation and amortization expense as a result of the revaluation of our long-lived assets downward by $357.2 million through the application of fresh start accounting, and (2) lower interest expense as a result of the discharge of $404.8 million of debt upon our emergence from bankruptcy.

The information set forth below should be read in conjunction with "Use of Proceeds," "Capitalization," "Management's Discussion and Analysis of Financial Condition and Results of Operations," our consolidated financial statements, our condensed consolidated interim financial statements, our pro forma condensed consolidated financial statements, the Tower Ventures' statements of revenue and certain expenses, and each of their related notes included elsewhere in this prospectus.

	Predecessor Company			Successor Company				
	Year Ended December 31, 2001	Ten Months Ended October 31, 2002	Two Months Ended December 31, 2002	Year Ended December 31, 2003	Pro Forma As Adjusted Year Ended December 31, 2003	Three Months Ended March 31, 2003	Three Months Ended March 31, 2004	Pro Forma As Adjusted Three Months Ended March 31, 2004
	(dollars in thousands, except per share data)							
Statements of Operations Data: (1)								
Revenue	$ 178,020	$140,646	$28,285	$169,233	$ 173,693	$41,407	$ 43,574	$ 44,774
Direct site operating expenses (excluding impairment losses, depreciation, amortization and accretion expense)	67,259	48,060	9,361	56,343	57,533	13,388	13,485	13,807
Gross margin	110,761	92,586	18,924	112,890	116,160	28,019	30,089	30,967
Other expenses:								
Selling, general and administrative	47,898	27,496	4,818	26,926	26,926	6,516	6,559	6,559
State franchise, excise and minimum taxes	1,877	1,671	331	848	848	209	172	172
	119,337	74,175	7,512	44,496	48,035	11,176	11,838	12,723

Depreciation, amortization and accretion (2)								
Non-cash stock-based compensation expense for services	—	—	—	1,479	1,479	—	2,604	2,604
Impairment loss on assets held for sale	46,592	1,018	—	—	—	—	—	—
Impairment loss on assets held for use	246,780	4,541	—	—	—	—	—	—
Reorganization costs	—	59,124	—	—	—	—	—	—
Unsuccessful debt restructuring costs	1,702	—	—	—	—	—	—	—
Total operating expenses	464,186	168,025	12,661	73,749	77,288	17,901	21,173	22,058
Operating income (loss)	(353,425)	(75,439)	6,263	39,141	38,872	10,118	8,916	8,909
Gain (loss) on extinguishment of debt	—	404,838	—	—	(8,449)	—	(8,449)	(8,449)
Interest expense, net.	(88,731)	(45,720)	(3,989)	(20,352)	(24,789)	(5,717)	(6,090)	(6,225)
Other income (expense)	113	533	(136)	(16)	(16)	(5)	(9)	(9)
Income tax benefit (expense)	6,630	5,195	(19)	665	665	76	(11)	(11)
Income (loss) from continuing operations	(435,413)	289,407	2,119	19,438	$ 6,283	4,472	(5,643)	$ (5,785)
Income (loss) from discontinued operations (1)	(7,145)	(33,157)	(66)	(1,100)		17	(99)	
Income (loss) before gain (loss) on sale of properties	(442,558)	256,250	2,053	18,338		4,489	(5,742)	
Gain (loss) on sale of properties	(5,644)	(78)	(2)	(302)		(58)	205	
Net income (loss)	$ (448,202)	$256,172	$ 2,051	$ 18,036		$ 4,431	$ (5,537)	
Net income (loss) per share (basic) (3)	$ (9.25)	$ 5.27	$ 0.05	$ 0.44	$ 0.11	$ 0.11	$ (0.13)	$ (0.10)
Net income (loss) per share (diluted) (3)	$ (9.25)	$ 5.27	$ 0.05	$ 0.44	$ 0.11	$ 0.11	$ (0.13)	$ (0.10)
Statement of Cash Flows Data:								
Net cash provided by operating activities	$ 27,125	$ 20,869	$ 7,193	$ 59,218	$ 58,051	$14,912	$ 20,876	$ 21,619
Net cash used in investing activities	(27,184)	(3,920)	(727)	(36,181)	(111,527)	(1,068)	(14,311)	(89,657)
Net cash provided by (used in) financing activities	(31,687)	(22,102)	(9,626)	(17,840)	57,506	(7,678)	9,344	84,690
Purchases of property and equipment	28,787	9,273	762	8,544	8,544	2,056	2,294	2,294

Table continues on next page

	Predecessor Company		Successor Company				
	December 31, 2001	October 31, 2002	December 31, 2002	December 31, 2003	March 31, 2003	March 31, 2004	Pro Forma As Adjusted March 31, 2004
			(dollars in thousands)				
Balance Sheet Data:							
Cash and cash equivalents	$ 13,187	$ 21,819	$ 4,350	$ 9,661	$ 10,555	$ 25,321	$ 25,321
Total assets	1,034,333	909,098	530,645	525,040	525,760	550,297	624,759
Total long-term obligations	9,274	6,610	263,344	263,153	255,769	417,036	417,152
Total stockholders' equity	83,798	354,917	207,377	225,453	211,685	52,261	160,761

	Predecessor Company		Successor Company					
	Year Ended December 31, 2001	Ten Months Ended October 31, 2002	Two Months Ended December 31, 2002	Year Ended December 31, 2003	Pro Forma As Adjusted Year Ended December 31, 2003	Three Months Ended March 31, 2003	Three Months Ended March 31, 2004	Pro Forma As Adjusted Three Months Ended March 31, 2004
			(dollars in thousands)					
Other Operating Data:								
EBITDA (4)	$ (242,786)	$373,653	$ 13,446	$ 82,040	$78,249	$ 21,151	$ 12,213	$ 12,982
Funds From Operations (FFO) (5)	(321,068)	331,961	9,431	60,702	51,748	14,974	5,502	6,341

(1) During the ten months ended October 31, 2002, the two months ended December 31, 2002, the year ended December 31, 2003, and the three months ended March 31, 2003 and 2004, we disposed of, or held for disposal by sale, certain non-core assets and under performing sites which have been accounted for as discontinued operations. Their results for all periods presented are not included in results from continuing operations.

(2) Depreciation, amortization and accretion expense for the ten months ended October 31, 2002 and two months ended December 31, 2002 are not proportional because the successor company's depreciable assets have a lower basis. Following the restructuring transaction, assets were revalued, including all long-lived assets, to their fair value, thereby lowering the depreciable basis.

(3) Pro forma as adjusted net income (loss) per share (basic and diluted) represents amounts from continuing operations. On a pro forma as adjusted basis, the weighted average number of shares of common stock outstanding for both basic and diluted earnings per share includes (1) 7,000,000 shares of common stock to be issued in this offering, (2) 20,000 shares to be issued to certain directors pursuant to the directors compensation package immediately following the completion of this offering and (3) 9,031,088 shares of common stock as required under Staff Accounting Bulletin Topic 1:B:3 to reflect the number of shares which would have to be issued to replace the capital dividends paid to our stockholders in excess of accumulated earnings. The number of shares included under Staff Accounting Bulletin Topic 1:B:3 is equal to the sum of the $142.2 million special

dividend paid on February 5, 2004 plus $11.3 million of our April 22, 2004 dividend representing the portion of that dividend in excess of our accumulated earnings to date divided by an assumed offering price of $17.00 per share of our common stock, the mid-point of the range on the cover of this prospectus.

(4) We believe EBITDA is useful to an investor in evaluating our performance as it is one of the primary measures used by our management team to evaluate our operations, is widely used in the tower industry to measure performance and is used in our credit facility to measure compliance with covenants. EBITDA consists of net income (loss) before interest, income tax expense (benefit), depreciation and amortization. We have also provided supplemental information regarding certain non-cash items, items associated with discontinued operations and items associated with our reorganization. See "Management's Discussion and Analysis of Financial Condition and Results of Operations — Non-GAAP Financial Measures — EBITDA" for a more detailed discussion of why we believe it is a useful measure. The reconciliation of net income (loss) to EBITDA is as follows:

Footnotes continue on next page

	Predecessor Company				Successor Company			
	Year Ended December 31, 2001	Ten Months Ended October 31, 2002	Two Months Ended December 31, 2002	Year Ended December 31, 2003	Pro Forma As Adjusted Year Ended December 31, 2003	Three Months Ended March 31, 2003	Three Months Ended March 31, 2004	Pro Forma As Adjusted Three Months Ended March 31, 2004
	(dollars in thousands)							
Net income (loss)	$ (448,202)	$ 256,172	$ 2,051	$ 18,036	$ 6,283	$ 4,431	$ (5,537)	$ (5,785)
Interest expense, net	88,731	45,720	3,989	20,352	24,789	5,717	6,090	6,225
Income tax expense (benefit)	(6,630)	(5,195)	19	(665)	(665)	(76)	11	11
Depreciation and amortization	123,315	76,956	7,387	44,317	47,842	11,079	11,649	12,531
EBITDA	$ (242,786)	$ 373,653	$ 13,446	$ 82,040	$ 78,249	$ 21,151	$ 12,213	$ 12,982
Supplemental Information:								
Impairment on assets held for sale	$ 46,592	$ 1,018	$ —	$ —	$ —	$ —	$ —	$ —
Impairment on assets held for use	246,780	4,541	—	—	—	—	—	—
Reorganization costs	—	59,124	—	—	—	—	—	—
(Gain) loss on extinguishment of debt	—	(404,838)	—	—	8,449	—	8,449	8,449
Non-cash stock based compensation expense	—	—	—	1,479	1,479	—	2,604	2,604

(Gain) loss on sale of properties	5,644	78	2	302	—	58	(205)	—
(Gain) loss on discontinued operations	7,145	33,157	66	1,100	—	(17)	99	—

(5)Funds From Operations, or FFO, for our purposes, represents net income (computed in accordance with generally accepted accounting principles or GAAP), excluding depreciation and amortization on real estate assets and gains (or losses) on the disposition of depreciable real estate assets. We believe Funds From Operations is an appropriate measure of the performance of REITs because it provides investors with an understanding of our ability to incur and service debt and make capital expenditures. See "Management's Discussion and Analysis of Financial Condition and Results of Operations — Non-GAAP Financial Measures — Funds From Operations" for a more detailed discussion of why we believe it is a useful measure. The reconciliation of net income to FFO is as follows:

	Predecessor Company			Successor Company				
	Year Ended December 31, 2001	Ten Months Ended October 31, 2002	Two Months Ended December 31, 2002	Year Ended December 31, 2003	Pro Forma As Adjusted Year Ended December 31, 2003	Three Months Ended March 31, 2003	Three Months Ended March 31, 2004	Pro Forma As Adjusted Three Months Ended March 31, 2004
			(dollars in thousands)					
Net income (loss)	$ (448,202)	$256,172	$2,051	$18,036	$ 6,283	$ 4,431	$ (5,537)	$ (5,785)
Real estate depreciation and amortization	121,490	75,613	7,378	41,940	45,465	10,485	11,244	12,126
(Gain) loss on disposal of assets	5,644	176	2	726	—	58	(205)	—
Funds From Operations (FFO)	$ (321,068)	$331,961	$9,431	$60,702	$51,748	$14,974	$ 5,502	$ 6,341

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RISK FACTORS

An investment in our common stock involves a high degree of risk. You should carefully consider the following information, together with the other information contained in this prospectus, before buying shares of our common stock. In connection with the forward-looking statements that appear in this prospectus, you should also carefully review the cautionary statement referred to under "Cautionary Statement Regarding Forward-Looking Statements."

Risks Relating to Our Business

We recently emerged from a Chapter 11 bankruptcy reorganization, have a history of losses and may not be able to maintain profitability.

We emerged from our Chapter 11 bankruptcy reorganization on November 1, 2002, approximately six months after filing a voluntary petition for bankruptcy reorganization. Prior to our emergence from bankruptcy, we were unable to meet our financial obligations due primarily to (1) our highly leveraged capital structure, (2) the non-strategic acquisition of assets we have subsequently disposed of that were unrelated to our core tower business and (3) the inability of our former management to efficiently integrate and manage our communications sites. In addition, to a lesser extent, we were unable to meet our financial obligations due to the reduced amount of capital spending by wireless carriers on their networks in 2001 and 2002. Prior to our reorganization, we incurred net losses of approximately $448.2 million in 2001 and $124.3 million in 2000. In connection with our reorganization, we adopted fresh start accounting as of November 1, 2002. The net effect of all fresh start accounting adjustments resulted in our revaluing our assets downward by $357.2 million. If we cannot successfully execute our growth strategy or maintain profitability, the value of your investment in our common stock will likely decline.

You may not be able to compare our historical financial information to our current financial information, which will make it more difficult to evaluate an investment in our common stock.

As a result of our emergence from bankruptcy, we are operating our business with a new capital structure, and adopted fresh start accounting prescribed by generally accepted accounting principles. Accordingly, unlike other companies that have not previously filed for bankruptcy protection, our financial condition and results of operations are not comparable to the financial condition and results of operations reflected in our historical financial statements for periods prior to November 1, 2002 contained in this prospectus. Without historical financial statements to compare to our current performance, it may be more difficult for you to assess our future prospects when evaluating an investment in our common stock.

A decrease in the demand for our wireless communications sites and our ability to attract additional tenants could negatively impact our ability to maintain profitability.

Our business depends on wireless service providers' demand for communications sites, which in turn, depends on consumer demand for wireless services. A reduction in demand for our communications sites or increased competition for additional tenants could negatively impact our ability to maintain profitability and harm our ability to attract additional tenants. Our wireless service provider customers lease communications sites on our towers based on a number of factors, including the level of demand by consumers for wireless services, the financial condition and access to capital of those providers, the strategy of providers with respect to owning, leasing or sharing communications sites, available spectrum and related infrastructure, competitive pricing, government regulation of communications licenses, and the characteristics of each company's technology and geographic terrain.

To a lesser degree, demand for site space is also dependent on the needs of television and radio broadcasters. Among other things, technological advances, including the development of satellite-delivered radio and television, may reduce the need for tower-based broadcast transmission. Any decrease in the demand for our site space from current levels or in our ability to attract additional customers could negatively impact our ability to maintain profitability and could decrease the value of your investment in our common stock.

Increasingly, transmissions that were previously effected by means of paging and mobile radio technologies have shifted to wireless telephony. As a result, we have experienced, and expect to continue to experience, increases in the percentage of our revenues that is generated from wireless telephony customers. We cannot assure you that the increases in our revenues from wireless telephony customers will offset the reduction in our revenues from paging and mobile radio customers. Some of our towers may not be as attractive to, or suitable for wireless telephony customers as for our other types of customers, which could negatively impact our ability to maintain profitability from wireless telephony customers.

Our revenues may be adversely affected by the economies, real estate markets and wireless communication industry in the regions where our sites are located.

The revenues generated by our sites could be affected by the conditions of the economies, the real estate markets and the wireless communications industry in regions where the sites are located, changes in governmental rules and fiscal policies, acts of nature (which may result in uninsured or under-insured losses), and other factors particular to the locales of the respective sites. Our sites are located in all 50 states, the District of Columbia, Canada and the United Kingdom.

The economy of any state or region in which a site is located may be adversely affected to a greater degree than that of other areas of the country by developments affecting industries concentrated in such state or region. To the extent that general economic or other relevant conditions in states or regions, in which sites representing significant portions of our revenues are located, decline or result in a decrease in demand for wireless communications services in the region, our revenues from such sites may be adversely affected. For example, our sites in Florida and Georgia together accounted for approximately 24.6% of our revenues for the three months ended March 31, 2004. A deterioration of general economic or other relevant conditions in those states could result in a decrease in the demand for our services and a decrease in our revenues from those markets, which in turn may have an adverse effect on our results of operations and financial condition.

Consolidation in the wireless industry could decrease the demand for our sites and may lead to reductions in our revenues.

Various wireless service providers, which are our primary existing and potential customers, could enter into mergers, acquisitions or joint ventures with each other over time. For example, on February 17, 2004, Cingular, our third largest customer by revenues for the three months ended March 31, 2004, announced it is acquiring AT&T Wireless, our fifth largest customer by revenues for the three months ended March 31, 2004. On March 29, 2004, Arch Wireless, our largest customer by revenues for the three months ended March 31, 2004, and Metrocall Holdings, Inc., our sixth largest customer by revenues for the three months ended March 31, 2004, announced that they had executed a merger agreement. Such consolidations could reduce the size of our customer base and have a negative impact on the demand for our services. In addition, consolidation among our customers is likely to result in duplicate networks, which could result in network rationalization and impact the revenues at our sites. Recent regulatory developments have made consolidation in the wireless industry easier and more likely. For example, in February 2002, the Federal Communications Commission, or FCC, enabled the ownership by a single entity of interests in both cellular carriers in overlapping metropolitan cellular service areas. In January 2003, the FCC eliminated the spectrum aggregation cap in a geographic area in favor of a case-by-case review of spectrum transactions. Also, in May 2003, the FCC adopted new rules authorizing wireless radio services holding exclusive licenses to freely lease unused spectrum. It is possible that at least some wireless service providers may take advantage of this relaxation of spectrum and ownership limitations and consolidate their businesses. Any industry consolidation could decrease the demand for our sites, which in turn may result in a reduction in our revenues.

Our revenues are dependent on the creditworthiness of our tenants which could result in uncollectable accounts receivable and the loss of significant customers and anticipated lease revenues.

Our revenues are dependent on the creditworthiness of our tenants and would be adversely affected by the loss of or default by significant lessees. Also, the recent economic slowdown has harmed, and may continue to harm, the financial condition of some wireless service providers. Many wireless service

providers operate with substantial leverage and some of our customers, representing 3.5% of our revenues for the three months ended March 31, 2004, are in bankruptcy. Other customers are having financial difficulties due to their inability to access additional capital. If one or more of our major customers experience financial difficulties, it could result in uncollectable accounts receivable and the loss of significant customers and anticipated lease revenues.

We have significant customer concentration and the loss of one or more of our major customers or a reduction in their utilization of our site space could result in a material reduction in our revenues.

Our six largest customers, which represented 39.8% of our revenue for the three months ended March 31, 2004 are Arch Wireless, Nextel, Cingular, Verizon Wireless, AT&T Wireless and Metrocall. These customers represented 11.0%, 6.7%, 6.0%, 5.7%, 5.5% and 4.9%, respectively, of our revenues for the three months ended March 31, 2004. These customers operate under lease agreements that have initial terms generally ranging from three to five years and which are renewable, at our customer's option over multiple renewal periods also generally ranging from three to five years. Arch Wireless is in the second year of a three-year lease. Excluding Arch Wireless, as of March 31, 2004 approximately 46% of our revenues for March 2004 from these customers were from leases in their initial term, 53% were from leases in a renewal period, and 1% were from month-to-month leases. Arch Wireless reorganized under Chapter 11 in late 2001 and exited bankruptcy in May 2002 and has reduced its utilization of our sites in recent years. On March 29, 2004, Arch Wireless, our largest customer by revenues for the three months ended March 31, 2004, and Metrocall Holdings, Inc., our sixth largest customer by revenues for the three months ended March 31, 2004, announced that they had executed a merger agreement. In addition, on February 17, 2004, Cingular, our third largest customer by revenues for the three months ended March 31, 2004, announced it is acquiring AT&T Wireless, our fifth largest customer by revenues for the three months ended March 31, 2004. The loss of one or more of our major customers or a reduction in their utilization of our site space, could result in a material reduction of the utilization of our site space and in our revenues.

As of March 31, 2004, our tenant leases had a weighted average term of approximately 4.8 years and had an average remaining term of 2.4 years. Our revenues depend on the renewal of our tenant leases by our customers on favorable terms.

Our tenant leases had a weighted average current term of approximately 4.8 years, as of March 31, 2004, and had an average remaining term of 2.4 years. We can not assure you that our existing tenants will renew their leases at the expiration of those leases. Further, we can not assure you that we will be successful in negotiating favorable terms with those customers that renew their tenant leases. For example, our largest customer, Arch Wireless, currently occupies fewer sites than their contracted minimum and as a result we cannot assure you that we will be able to renew their lease on the same terms upon expiration in May 2005. Failure to obtain renewals of our existing tenant leases or the failure to successfully negotiate favorable terms for such renewals would result in a reduction in our revenues.

We are currently implementing new software systems throughout our business and may encounter integration problems that affect our ability to serve our customers and maintain our records, which in turn could harm our ability to operate our business.

We are currently upgrading our software systems. We are implementing a PeopleSoft system for all of our accounting functions including vendor payments, accounts receivable and all internal reporting functions. We are also implementing a manageStar system to manage our communications sites, tenant leases and records. The integration of these software systems with our business is a significant project during which we may encounter difficulties that may be time consuming and costly, and result in systems interruptions and the loss of data. These two new systems handle our most significant business processes and difficulties with the implementation of these systems may adversely affect our day to day operations and our ability to service our customers, which in turn may harm our ability to operate our business.

If we are unable to successfully compete, our business will suffer.

We believe that tower location and capacity, price, quality of service and density within a geographic market historically have been, and will continue to be, the most significant competitive factors affecting our site operations business. We compete for customers with:

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- wireless service providers that own and operate their own towers and lease, or may in the future decide to lease, antenna space to other providers;
- other independent tower operators; and
- owners of non-tower antenna sites, including rooftops, water towers and other alternate structures.

Some of our competitors have significantly more financial resources than we do. The intense competition in our industry may make it more difficult for us to attract new tenants, increase our gross margins or maintain or increase our market share.

Competing technologies may offer alternatives to ground-based antenna systems which could reduce the future demand for our sites.

Most types of wireless and broadcast services currently require ground-based network facilities, including communications sites for transmission and reception. The development and growth of communications and other new technologies that do not require ground-based sites could reduce the demand for space on our towers. For example, the growth in delivery of video, voice and data services by satellites, which allow communication directly to users' terminals without the use of ground-based facilities, could lessen demand for our sites. Moreover, the FCC has issued licenses for several additional satellite systems (including low earth orbit systems) that are intended to provide more advanced, high-speed data services directly to consumers. These satellite systems compete with land-based wireless communications systems, thereby reducing the demand for the services that we provide.

Equipment and software developments are increasing our tenants' ability to more efficiently utilize spectral capacity and to share transmitters which could reduce the future demand for our sites.

Technological developments are also making it possible for carriers to expand their use of existing facilities to provide service without additional tower facilities. The increased use by carriers of signal combining and related technologies, which allow two or more carriers to provide services on different transmission frequencies using the communications antenna and other facilities normally used by only one carrier, could reduce the demand for tower space. Technologies that enhance spectral capacity, such as beam forming or "smart antennas," which can increase the capacity at existing sites and reduce the number of additional sites a given carrier needs to serve any given subscriber base, may have the same effect.

Carrier joint ventures and roaming agreements which allow for the use of competitor transmission facilities and spectrum may reduce future demand for incremental sites.

Carriers are, through joint ventures, sharing (or considering the sharing of) telecommunications infrastructure in ways that might adversely impact the growth of our business. For example, in 2001, T-Mobile and Cingular entered into a joint venture allowing both companies to jointly use the GSM network infrastructure in New York, California and Nevada and in 2003 AT&T Wireless and Cingular formed a joint venture to build a GSM network enabling them to provide service along approximately 4,000 miles of highway in the northeast and eastern regions of the United States. Furthermore, wireless service providers frequently enter into roaming agreements with competitors which allow them to utilize one another's wireless communications facilities to accommodate customers who are out of range of their home providers' services, so that the home providers do not need to lease space for their own antennas on communications sites we own. For example, over the past two years AT&T Wireless has entered into roaming agreements with Cingular, T-Mobile and more than 30 rural or regional carriers including Western Wireless and Dobson Communications, covering parts of 30 states. Any of the conditions and developments described above could reduce demand for our ground-based antenna sites and decrease demand for our site space from current levels or our ability to attract additional customers and may negatively affect our profitability.

We may be unable to modify our towers, which could harm our ability to add additional site space and new customers which could result in our inability to execute our growth strategy and limit our revenue growth.

Our business depends on our ability to modify towers and add new customers as they expand their tower network infrastructure. Regulatory and other barriers could adversely affect our ability to modify towers in accordance with the requirements of our customers, and, as a result, we may not be able to meet our customers' requirements. Our ability to modify towers and add new customers to towers may be affected by a number of factors beyond our control, including zoning and local permitting requirements, Federal Aviation Administration, or FAA, considerations, FCC tower registration procedures, availability of tower components and construction equipment, availability of skilled construction personnel, weather conditions and environmental compliance issues. In addition, because public concern over tower proliferation has grown in recent years, many communities now restrict tower modifications or delay granting permits required for adding new customers. In addition, we may not be able to overcome the barriers to modifying towers or adding new customers. Our failure to complete the necessary modifications could harm our ability to add additional site space and new customers which could result in our inability to execute our growth strategy and limit our revenue growth.

We may encounter difficulties in acquiring towers at attractive prices or integrating acquisitions with our operations, which could limit our revenue growth and our ability to maintain profitability.

In December 2003, we completed the acquisition of 67 towers from TowerCom Enterprises, L.L.C. and its affiliates, entered into an agreement to acquire all of the membership interest in Tower Ventures which owns 97 wireless communications towers, and acquired five additional wireless communications towers located in Georgia and will continue to target strategic tower and tower company acquisitions as opportunities arise. The process of integrating acquired operations into our existing operations may result in unforeseen operating difficulties, divert managerial attention or require significant financial resources. These acquisitions and other future acquisitions may require us to incur additional indebtedness and contingent liabilities, and may result in unforeseen costs, which may limit our revenue growth, cash flows, and our ability to maintain profitability and make distributions. Additionally, these acquisitions may be financed through the issuance of additional equity, which would dilute the interests of our stockholders. Moreover, any future acquisitions may not generate any additional income for us or provide any benefit to our business. In addition we cannot assure you that we will be able to locate and acquire towers at attractive prices in locations that are compatible with our strategy.

Our failure to comply with federal, state and local laws and regulations could result in our being fined, liable for damages and, in some cases, the loss of our right to conduct some of our business.

We are subject to a variety of regulations, including those at the federal, state and local levels. Both the FCC and the FAA regulate towers and other sites used for wireless communications transmitters and receivers. See "Business — Regulatory Matters." In addition, under the FCC's rules, we are fully liable for the acts or omissions of our contractors. We generally indemnify our customers against any failure by us to comply with applicable standards. Our failure to comply with any applicable laws and regulations (including as a result of acts or omissions of our contractors, which may be beyond our control) may lead to monetary forfeitures or other enforcement actions, as well as civil penalties, contractual liability and tort liability and, in some cases, losing our right to conduct some of our business, any of which could have an adverse impact on our business. We also are subject to local regulations and restrictions that typically require tower owners to obtain a permit or other approval from local officials or community standards organizations prior to tower construction or modification. Local regulations could delay or prevent new tower construction or modifications, as well as increase our costs, any of which could adversely impact our ability to implement or achieve our business objectives.

Our failure to comply with environmental laws could result in liability and claims for damages that could result in a significant increase in the cost of operating our business.

We are subject to environmental laws and regulations that impose liability without regard to fault. These laws and regulations place responsibility on us to investigate potential environmental and other

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effects of operations and to disclose any significant effects in an environmental assessment prior to constructing a tower or adding a new customer on a tower. In the event the FCC determines that one of our owned towers would have a significant environmental impact, the FCC would be required to prepare an environmental impact statement. The environmental review process mandated by the National Environmental Policy Act of 1969, or NEPA, can be costly and time consuming and may cause significant delays in the registration of a particular tower. In addition, various environmental interest groups routinely petition the FCC to deny applications to register new towers, further complicating the registration process and increasing potential costs and delays. In August 2003, the FCC released a Notice of Inquiry requesting comments and information on the potential impact of communications towers on migratory birds. The Notice of Inquiry regarding migratory birds marks the most significant action to date taken by the FCC on the matter and may lead to changes in the FCC's environmental rules. These changes, as well as changes resulting from other potential rulemakings could delay or prevent new tower construction or modifications as well as increase our costs related thereto.

In addition to the FCC's environmental regulations, we are subject to environmental laws that may require the investigation and remediation of any contamination at facilities that we own or operate, or that we previously owned or operated, or at third-party waste disposal sites at which our waste materials have been disposed. These laws could impose liability even if we did not know of, or were not responsible for, the contamination. Under these laws, we may also be required to obtain permits from governmental authorities or may be subject to record keeping and reporting obligations. If we violate or fail to comply with these laws, we could be fined or otherwise sanctioned by regulators. The costs of complying with existing or future environmental laws, responding to petitions filed by environmental interest groups or other activists, investigating and remediating any contaminated real property and resolving any related liability could result in a significant increase in the cost of operating our business, which would harm our profitability. See "Business — Regulatory Matters — Environmental Regulations."

Because we generally lease, sublease, license or have easements relating to the land under our towers, our ability to conduct our business and generate revenues may be harmed if we fail to obtain lease renewals or protect our rights under our leases, subleases, licenses and easements.

Our real property interests relating to towers primarily consist of leasehold interests, private easements, and permits granted by governmental entities. A loss of these interests for any reason, including losses arising from the bankruptcy of a significant number of our lessors, from the default by a significant number of our lessors under their mortgage financings or from a legal challenge to our interest in the real property, would interfere with our ability to conduct our business and generate revenues. Similarly, if the grantors of these rights elect not to renew our leases, our ability to conduct business and generate revenues could be adversely affected. As of March 31, 2004, we leased 85 parcels of land with a remaining term of two years or less, under 87 owned towers which represented 2.9% of revenues for the three months ended March 31, 2004.

In addition, we previously made acquisitions and did not always analyze and verify all information regarding title and other issues prior to completing an acquisition of communications sites. Our inability to protect our rights to the land under our towers could interfere with our ability to conduct our business and generate revenues. Generally, we have attempted to protect our rights in the sites by obtaining title insurance on the owned fee sites and the ground lease sites and relying on title warranties and covenants from sellers and landlords.

Our ability to protect our rights against persons claiming superior rights in towers or real property depends on our ability to:

- recover under title insurance policies, the policy limits of which may be less than the purchase price of a particular tower;
- in the absence of title insurance coverage, recover under title warranties given by tower sellers, whose warranties often terminate after the expiration of a specific period (typically one to three years) and are dependent on the general creditworthiness of sellers making the title warranties;
- recover from landlords under title covenants contained in lease agreements, which is dependent on the general creditworthiness of landlords making the title covenants; and

- obtain so-called "non-disturbance agreements" from mortgagees and superior lienholders of the land under our towers.

Our tenant leases require us to be responsible for the maintenance and repair of the sites and for other obligations and liabilities associated with the sites and our obligations to maintain the sites may affect our revenues.

None of our tenant leases is a net lease. Accordingly, as landlord we are responsible for the maintenance and repair of the sites and for other obligations and liabilities (including for environmental compliance and remediation) associated with the sites, such as the payment of real estate taxes, ground lease rents and the maintenance of insurance. Our failure to perform our obligations under a tenant lease could entitle the related lessee to an abatement of rent or, in some circumstances, result in a termination of the tenant lease. An unscheduled reduction or cessation of payments due under a tenant lease would result in a reduction of our revenues. Similarly, if the expenses of maintaining and operating one or more sites exceeds amounts budgeted, and if lease revenues from other sites are not available to cover the shortfall, amounts that would otherwise be used for other purposes may be required to pay the shortfall.

Site management agreements may be terminated prior to expiration, which may adversely affect our revenues.

Approximately 781 and 819 sites, as of March 31, 2004 and December 31, 2003, respectively (representing approximately 20% and 21% of our revenues for the three months ended March 31, 2004 and year ended December 31, 2003, respectively) are managed sites where we market and/or sublease space under site management agreements with third party owners. The management agreements or subleases on 192 and 317 managed sites, which represented 3.5% and 8.2% of our revenues for the three months ended March 31, 2004 and the year ended December 31, 2003, respectively, are month-to-month or will expire by their terms in 2004. In many cases, the site management agreements may be terminated early at the third party owner's discretion or upon the occurrence of certain events (such as the sale of the relevant site by the third party owner, our default, a change of control with respect to our company and other events negotiated with the third party owner including discretionary terminations). If a site management agreement is not renewed or is terminated early, our revenues would be reduced.

Our towers may be damaged by disaster and other unforeseen events for which our insurance may not provide adequate coverage and which may cause service interruptions affecting our reputation and revenues and resulting in unanticipated expenditures.

Our towers are subject to risks associated with natural disasters, such as ice and wind storms, fire, tornadoes, floods, hurricanes and earthquakes, as well as other unforeseen events. Our sites and any lessees' equipment are also vulnerable to damage from human error, physical or electronic security breaches, power loss, other facility failures, sabotage, vandalism and similar events. In the event of casualty, it is possible that any lessee sustaining damage may assert a claim against us for such damages. If reconstruction (for example, following fire or other casualty) or any major repair or improvement is required to the property, changes in laws and governmental regulations may be applicable and may raise our cost or impair our ability to effect such reconstruction, major repair or improvement.

Since January 1, 2002, four of our towers have been destroyed by natural disasters and three have been destroyed in vehicular accidents. In addition, we own, lease and license a large number of towers in geographic areas, including 121 sites in California, 346 sites in Florida, 137 sites in North Carolina and 169 sites in South Carolina that have historically been subject to natural disasters, such as high winds, hurricanes, floods, earthquakes and severe weather. There can be no assurance that the amount of insurance obtained would be sufficient to cover damages caused by any event, or that such insurance will be commercially available in the future. A tower accident for which we do not have adequate insurance reserves or have no insurance, or a large amount of damage to a group of towers, could decrease the value of our communications sites, result in the loss of revenues while the tower is out of service, and also require us to make unanticipated expenditures in order to repair the damages caused by any event.

In addition, any of these events or other unanticipated problems at one or more of the sites could interrupt lessees' ability to provide their services from the sites. This could damage our reputation, making it difficult to attract new lessees and causing existing lessees to terminate their leases, which in turn would reduce our revenues.

If radio frequency emissions from our towers are demonstrated, or perceived, to cause negative health effects, our business and revenues may be harmed.

The safety guidelines for radio frequency emissions from our sites require us to undertake safety measures to protect workers whose activities bring them into proximity with the emitters and to restrict access to our sites by others. If radio frequency emissions are found, or perceived, to be harmful, our customers and possibly our company could face lawsuits claiming damages from these emissions, and we could encounter increased opposition to our development of new towers. Demand for wireless services and new towers, and thus our business and revenues, may be harmed. Although we have not been subject to any personal injury claims relating to radio frequency emissions, we cannot assure you that these claims will not arise in the future or that they will not negatively impact our business.

Repayment of the principal of our outstanding indebtedness may require additional financing that we cannot assure you will be available to us.

We have historically financed our operations primarily with indebtedness. Our ability to generate sufficient cash flow from operations to make scheduled payments on our debt obligations will continue to depend on our future financial performance. As of March 31, 2004, our long-term debt obligations consist of $417.5 million outstanding on our mortgage loan, $28.2 million outstanding on our $200.0 million credit facility, $1.2 million outstanding on a capital lease and $1.0 million outstanding on a term loan. Of these obligations, $36.5 million is due in less than one year, $17.8 million is due between one and three years and $393.6 million is due between four and five years. In addition, we currently anticipate that in order to pay the principal of our outstanding mortgage loan on the anticipated repayment date of January 2009, we will likely be required to adopt one or more alternatives, such as refinancing our indebtedness or selling our equity securities or the equity securities or assets of our operating partnership and our subsidiaries. There can be no assurance that we will be able to refinance our indebtedness on attractive terms and conditions or that we will be able to obtain additional debt financing. If we are unable to refinance our indebtedness in full, we may be required to issue additional equity securities or sell assets. If we are required to sell equity securities, investors who purchase our common stock in this offering may be diluted. If we are required to sell interests in our operating partnership, this would have a similar effect as a sale of assets and the market price of our common stock may decline. In addition, there can be no assurance as to the terms and prices at which we will be able to sell additional equity securities or operating partnership interests or that we will be able to sell additional equity securities or sell operating partnership interests. If we are required to sell assets to refinance our indebtedness, there can be no assurance as to the price we will obtain for the assets sold and whether those sales will realize sufficient funds to repay our outstanding indebtedness. To the extent we are required to sell assets at prices lower than their fair market values, the equity holders' market price of our common stock may decline.

Our credit facility restricts the ability of our subsidiary, Pinnacle Towers Acquisition Holdings LLC, and its subsidiaries, to incur additional debt, other than debt under the credit facility and certain subordinated debt, and to issue guarantees of debt, other than guarantees of its subsidiaries' debt in the ordinary course of business and certain indemnities in favor of a title company issuing a policy on a mortgaged property. In addition, the guarantee by Global Signal OP in favor of Morgan Stanley with respect to the obligations of our subsidiaries under the credit facility prohibits us from having consolidated debt in excess of $625 million, including debt pursuant to our credit agreement and mortgage loan. As of March 31, 2004, our consolidated outstanding debt was $447.9 million. The credit facility also restricts the ability of Pinnacle Towers Acquisition Holdings LLC to issue certain preferred stock. Our credit facility does not otherwise restrict our ability to obtain additional financing.

Our mortgage loan restricts the ability of our principal operating subsidiary, Pinnacle Towers LLC and its subsidiaries, from incurring other indebtedness for borrowed money or further encumbering their assets. In addition, so long as the tangible assets of the borrowers under the mortgage loan represent at least 25% of our assets, it will be an event of default under the mortgage loan if Global Signal Inc. incurs any unsecured indebtedness for borrowed money without confirmation from the rating agencies that rated the commercial mortgage pass-through certificates that none of the ratings will be adversely affected. Our mortgage loan does not otherwise restrict our ability to obtain additional financing. If we require additional financing in connection with acquisitions, we anticipate being able to draw on our credit facility or obtain financing through a securitization of acquired sites similar to the one completed on February 5, 2004. We cannot assure you that we could effect any of the foregoing alternatives on terms satisfactory to us, that any of the foregoing alternatives would enable us to pay the interest or principal of our indebtedness or that any of such alternatives would be permitted by the terms of our credit facility and other indebtedness then in effect.

The terms of our credit facility and mortgage loan may restrict our current and future operations, which would adversely affect our ability to respond to changes in our business and to manage our operations.

Our credit facility and mortgage loan contain, and any future indebtedness of ours or of any of our subsidiaries would likely contain, a number of restrictive covenants that impose significant operating and financial restrictions on us and/or certain of our subsidiaries, including restrictions on our or our subsidiaries' ability to, among other things:

- incur additional debt, or additional unsecured debt without rating agency approval;
- issue stock;
- pay dividends;
- create liens;
- make investments, loans and advances;
- engage in sales of assets and subsidiary stock;
- enter into sale-leaseback transactions;
- enter into transactions with our affiliates;
- change the nature of our business;
- transfer all or substantially all of our assets or enter into certain merger or consolidation transactions; and
- make capital expenditures.

Our mortgage loan contains a covenant providing for a reserve account if the debt service coverage ratio falls to 1.45 or lower as of the end of any calendar quarter. Debt service coverage ratio is defined as the preceding 12 months of net cash flow, as defined in the mortgage loan, divided by the amount of principal and interest payments required under the mortgage loan over the next 12 months. Net cash flow, as defined in the mortgage loan, is approximately equal to gross margin minus capital expenditures made for the purpose of maintaining our sites, minus 10% of revenue. The funds in the reserve account will not be released to us unless the debt service coverage ratio exceeds 1.45 times for two consecutive calendar quarters. If the debt service coverage ratio falls below 1.20 times as of the end of any calendar quarter, then all funds on deposit in the reserve account along with future excess cash flows will be applied to prepay the mortgage loan. Failure to maintain the debt service ratio above 1.45 times would impact our ability to pay our indebtedness other than the mortgage loan, pay dividends and to operate our business.

Our credit facility also requires us to maintain our leverage ratio, defined as the ratio of debt for borrowed money to Consolidated EBITDA, as defined, at or below 6:1, and our Consolidated EBITDA may not be less than $68.0 million for the four consecutive fiscal quarters ending June 30, 2004.

A failure by us to comply with the covenants or financial ratios contained in the credit facility could result in an event of default under the facility which could adversely affect our ability to respond to changes in our business and manage our operations. In addition, the failure of Fortress and Greenhill to maintain 51% ownership of Global Signal would constitute an event of default under the credit facility. In the event of any default under our credit facility, the lenders under our credit facility will not be required to lend any additional amounts to us. Our lenders also could elect to declare all amounts outstanding to be immediately due and payable. If the indebtedness under our credit facility were to be accelerated, and we are not able to make the required cash payments, our lenders will have the option of foreclosing on any of the collateral pledged as security for the loan.

Upon the completion of this offering, our obligations under the credit facility will be secured by a pledge of all of the assets of Pinnacle Acquisition and by a pledge by Pinnacle Acquisition of its ownership interest in Pinnacle Towers Acquisition LLC which, as of March 31, 2004 collectively constituted 5.2% of our total assets' book value.

If an event of default occurs under the mortgage loan, the lenders will have the option to foreclose on any of the collateral pledged as security for the mortgage loan. The mortgage loan is secured by (1) mortgage liens on our interests (fee, leasehold or easement) in more than 1,100 of our wireless communications sites, (2) a security interest in substantially all of Pinnacle Tower Inc. and its subsidiaries' personal property and fixtures including our rights under substantially all of our site management agreements, tenant leases (excluding tenant leases for sites referred to in (1) above) and management agreement with GS Services and (3) a pledge of certain of our subsidiaries' capital stock (or equivalent equity interests) (including a pledge of the capital stock of Pinnacle Towers LLC, from its direct parent, Global Signal Holdings II LLC). There can be no assurance that our assets would be sufficient to repay this indebtedness in full.

Our Chief Executive Officer has management responsibilities with other companies and may not be able to devote sufficient time to the management of our business operations.

Our Chief Executive Officer, Wesley R. Edens, is also the Chairman of the Board and Chairman of the Management Committee of Fortress Investment Group LLC and the Chairman of the Board and Chief Executive Officer of Newcastle Investment Corp., a publicly-traded real estate securities business. As Chairman of the Management Committee of Fortress Investment Group, he manages and invests in other real estate-related investment vehicles. As a result, he may not be able to devote sufficient time to the management of our business operations.

Risks Relating to Our REIT Status

Our failure to qualify as a REIT would result in higher taxes and reduce cash available for dividends.

We intend to operate in a manner so as to qualify as a REIT for federal income tax purposes. Although we do not intend to request a ruling from the Internal Revenue Service as to our REIT status, we expect to receive an opinion of Skadden, Arps, Slate, Meagher & Flom LLP with respect to our qualification as a REIT. This opinion will be issued in connection with this offering of common stock. Investors should be aware, however, that opinions of counsel are not binding on the IRS or any court. The opinion of Skadden, Arps represents only the view of our counsel based on our counsel's review and analysis of existing law and on certain representations as to factual matters and covenants made by us, including representations relating to the values of our assets, the sources of our income, and the nature, construction, character and intended use of our properties. The opinion of Skadden, Arps also relies on various legal opinions issued by other counsel for Global Signal Inc. and its predecessors, including the legal opinion of Holland & Knight LLP, which itself is based on various representations and covenants and is subject to various limitations to the effect that we were taxable as a REIT on October 31, 2002. The opinions, copies of which are filed as an exhibit to the registration statement of which this prospectus is a part, are expressed as of the date issued, and do not cover subsequent periods. The opinions of counsel impose no obligation on them to advise us or the holders of our common stock of any subsequent change in the matters stated, represented or assumed, or of any subsequent change in applicable law.

Furthermore, both the validity of the tax opinions, and our continued qualification as a REIT will depend on our satisfaction of certain asset, income, organizational, distribution, stockholder ownership

and other requirements on a continuing basis, the results of which will not be monitored by tax counsel. Our ability to satisfy the asset tests depends upon our analysis of the characterization and fair market values of our assets, some of which are not susceptible to a precise determination, and for which we will not obtain independent appraisals. Our compliance with the REIT income and quarterly asset requirements also depends upon our ability to successfully manage the composition of our income and assets on an ongoing basis.

If we were to fail to qualify as a REIT in any taxable year, we would be subject to federal income tax, including any applicable alternative minimum tax, on our taxable income at regular corporate rates, and distributions to stockholders would not be deductible by us in computing our taxable income. Any such corporate tax liability could be substantial and would reduce the amount of cash available for distribution to our stockholders, which in turn could have an adverse impact on the value of, and trading prices for, our common stock. Unless entitled to relief under certain Internal Revenue Code provisions, we also would be disqualified from taxation as a REIT for the four taxable years following the year during which we ceased to qualify as a REIT. See "Federal Income Tax Considerations" for a discussion of material federal income tax consequences relating to us and our common stock.

Dividends payable by REITs generally do not qualify for the reduced tax rates under recently enacted tax legislation.

Recently enacted tax legislation reduces the maximum tax rate for dividends payable to individuals from 38.6% to 15% through 2008. Dividends payable by REITs, however, are generally not eligible for the reduced rates. Although this legislation does not adversely affect the taxation of REITs or dividends paid by REITs, the more favorable rates applicable to regular corporate dividends could cause investors who are individuals to perceive investments in REITs to be relatively less attractive than investments in the stocks of non-REIT corporations that pay dividends, which could adversely affect the value of the stock of REITs, including our common stock.

In addition, the relative attractiveness of real estate in general may be adversely affected by the newly favorable tax treatment given to corporate dividends, which could affect the value of our real estate assets negatively.

REIT distribution requirements could adversely affect our liquidity.

We generally must distribute annually at least 90% of our net taxable income, excluding any net capital gain, in order for corporate income tax not to apply to earnings that we distribute. We intend to make distributions to our stockholders to comply with the requirements of the Internal Revenue Code. However, differences between the recognition of taxable income and the actual receipt of cash could require us to sell assets or borrow funds on a short-term or long-term basis to meet the 90% distribution requirement of the Internal Revenue Code. Certain types of assets generate substantial mismatches between taxable income and available cash. Such assets include rental real estate that has been financed through financing structures which require some or all of available cash flows to be used to service borrowings. As a result, the requirement to distribute a substantial portion of our taxable income could cause us to: (a) sell assets in adverse market conditions, (b) borrow on unfavorable terms or (c) distribute amounts that would otherwise be invested in future acquisitions, capital expenditures or repayment of debt in order to comply with REIT requirements.

Our mortgage loan contains a covenant providing for a reserve account if our debt service coverage ratio falls to 1.45 times or lower. If our debt service coverage ratio were to fall to that level and we had net income as defined by tax regulations, our ability to distribute 90% of our taxable income, and hence our REIT status, could be jeopardized. Further, amounts distributed will not be available to fund our operations.

Prior to our emergence from Chapter 11, we funded our operations primarily through debt and equity capital. Since our emergence from bankruptcy on November 1, 2002, we have funded our operations through operating cash flow. We expect to finance our future operations through operating cash flows and our future acquisitions through debt and equity capital. If we fail to obtain debt or equity capital in the future, it could limit our ability to grow, which could have a material adverse effect on the value of our common stock.

The stock ownership limits imposed by the Internal Revenue Code for REITs and our amended and restated certificate of incorporation may inhibit market activity in our stock and may restrict our business combination opportunities.

In order for us to maintain our qualification as a REIT under the Internal Revenue Code, not more than 50% in value of our outstanding stock may be owned, directly or indirectly, by five or fewer individuals (as defined in the Internal Revenue Code) at any time during the last half of each taxable year after our first year. Our amended and restated certificate of incorporation states that, unless exempted by our board of directors, no person, other than certain of our existing stockholders and subsequent owners of their stock, may own more than 9.9% of the aggregate value of the outstanding shares of any class or series of our stock. Our board may grant such an exemption in its sole discretion, subject to such conditions, representations and undertakings as it may determine. These ownership limits could delay or prevent a transaction or a change in our control that might involve a premium price for our common stock or otherwise be in the best interest of our stockholders.

Risks Relating to this Offering

There may not be an active market for our shares, which may cause our common stock to trade at a discount and make it difficult to sell the shares you purchase.

Prior to this offering and since our reorganization, there has been no public market for our shares. We cannot assure you that an active trading market for our shares will develop or be sustained after this offering. The initial public offering price for our shares was determined by negotiations between the underwriters and us. We cannot assure you that the initial public offering price will correspond to the price at which our shares will trade in the public market subsequent to this offering or that the price of our shares available in the public market will reflect our actual financial performance.

The market price of our common stock could be negatively affected by sales of substantial amounts of our common stock in the public markets.

As adjusted for this offering, there will be 48,854,155 shares of our common stock outstanding and options and warrants to purchase a total of 4,821,984 shares of common stock, of which warrants to purchase 613,784 shares of common stock have an exercise price of $8.53, options to purchase 3,593,200 shares of common stock have a weighted average exercise price of $6.52 per share and options to purchase 615,000 shares of common stock have an exercise price equal to the offering price per share in this offering or $25 per share if this offering is not consummated by December 31, 2004. In addition, FRIT PINN LLC, an affiliate of Fortress, and Greenhill, or affiliates of such entities, hold options to purchase an aggregate of 700,000 shares of common stock (assuming the underwriters do not exercise their overallotment option) with an exercise price equal to the offering price per share in this offering and we will grant 20,000 shares of common stock, in the aggregate, to Messrs. Robert H. Gidel, Douglas L. Jacobs, Howard Rubin and Mark Whiting on the first day following the consummation of this offering pursuant to our board compensation package. Including the 20,000 shares to be issued pursuant to our board compensation package, there will be 49,924,155 shares outstanding if the underwriters exercise their overallotment option in full and the Fortress and Greenhill options to purchase shares of our common stock will increase to 805,000 shares. Of our outstanding shares, all the shares of our common stock sold in this offering and as of May 17, 2004, 18,906,544 shares of common stock already outstanding will be freely transferable, except for 16,641,926 shares held by our "affiliates," as that term is defined in Rule 144 under the Securities Act of 1933, as amended ("Securities Act").

Pursuant to our Amended and Restated Investor Agreement, Fortress Pinnacle Acquisition LLC and its affiliates, Greenhill Capital Partners, L.P. and its related partnerships and Abrams Capital Partners II, L.P. and its related partnerships have the right to require us to register their shares of our common stock under the Securities Act for sale into the public markets. Upon the effectiveness of such a registration statement, all shares covered by the registration statement will be freely transferable.

We and our executive officers, directors and each of our stockholders holding 10% or more of our outstanding common stock have agreed with the underwriters that, subject to limited exceptions, for a

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period of 120 days after the date of this prospectus, we and they will not directly or indirectly offer, pledge, sell, contract to sell, sell any option or contract to purchase or otherwise dispose of any shares of common stock or any securities convertible into or exercisable or exchangeable for shares of common stock, or in any manner transfer all or a portion of the economic consequences associated with the ownership of shares of common stock, or cause a registration statement covering any shares of common stock to be filed, without the prior written consent of the representatives. The representatives may waive these restrictions at their discretion.

In addition, following the completion of this offering, we intend to file a registration statement on Form S-8 under the Securities Act to register an aggregate of 6,476,911 shares of our common stock reserved for issuance under our stock incentive programs. Subject to the exercise of issued and outstanding options, shares registered under the registration statement on Form S-8 will be available for sale into the public markets subject to the 120-day lock-up agreements described above.

The issuance of additional stock in connection with acquisitions or otherwise will dilute all other stockholdings.

After this offering, assuming the exercise in full by the underwriters of their overallotment option, we will have an aggregate of 92,200,000 shares of common stock authorized but unissued and not reserved for issuance under our option plans or under outstanding warrants. We may issue all of these shares without any action or approval by our stockholders. We intend to continue to actively pursue strategic acquisitions of wireless communications towers and other communications sites. We may pay for such acquisitions, at least partly, through the issuance of partnership units in our operating partnership which may be redeemed for shares of our common stock, or by the issuance of additional equity. Any shares issued in connection with our acquisitions, including the issuance of common stock upon the redemption of operating partnership units, the exercise of outstanding warrants or stock options or otherwise would dilute the percentage ownership held by the investors who purchase our shares in this offering.

The price of our common stock may fluctuate substantially, which could negatively affect us and the holders of our common stock.

The trading price of our common stock may be volatile in response to a number of factors, many of which are beyond our control including:

- a decrease in the demand for our wireless communications sites;
- the economies, real estate markets and wireless communications industry in the regions where our sites are located;
- consolidation in the wireless industry;
- the creditworthiness of our tenants; and
- fluctuations in interest rates.

In addition, our financial results may be below the expectations of securities analysts and investors. If this were to occur, the market price of our common stock could decrease, perhaps significantly. Any volatility of or a significant decrease in the market price of our common stock could also negatively affect our ability to make acquisitions using our common stock as consideration. In addition, the U.S. securities markets, and telecommunications stocks in particular, have experienced significant price and volume fluctuations. These fluctuations often have been unrelated to the operating performance of companies in these markets. Broad market and industry factors may negatively affect the price of our common stock, regardless of our operating performance. You may not be able to sell your shares at or above the initial public offering price, or at all. Further, if we were to be the object of securities class action litigation as a result of volatility in our common stock price or for other reasons, it could result in substantial costs and diversion of our management's attention and resources, which could negatively affect our financial results. In addition, if we decide to settle any class action litigation against us, our decision to settle may not necessarily be related to the merits of the claim.

Investors in this offering will suffer immediate and substantial dilution.

The initial public offering price of our common stock is substantially higher than the net tangible book value per share of our common stock outstanding immediately after this offering. Our net tangible

book value deficit per share as of March 31, 2004 was approximately $2.14 and represents the amount of our stockholders' equity of $52.3 million minus intangible assets of $124.6 million and deferred finance costs of $15.7 million, divided by the 41,197,130 shares of our common stock that were outstanding on March 31, 2004. Our net book value per share of $1.27 as of March 31, 2004 represents the amount of our stockholders' equity of $52.3 million divided by the 41,197,130 shares of common stock that were outstanding on March 31, 2004.

Investors who purchase our common stock in this offering will pay a price per share that substantially exceeds the net tangible book value per share of our common stock. If you purchase our common stock in this offering, you will experience immediate and substantial dilution of $16.63 in the net tangible book value per share of our common stock based on an initial offering price of $17.00 per share, the mid-point of the range shown on the cover of this prospectus. Our net tangible book value per share on a pro forma as adjusted basis at March 31, 2004 was approximately $0.37 and represents the amount of our stockholders' equity of $160.8 million minus intangible assets of $127.4 million and deferred finance costs of $15.7 million, divided by the 48,197,130 shares of our common stock that were outstanding after giving effect to this offering. Additional dilution will occur upon the exercise of outstanding options and warrants. Investors who purchase our common stock in this offering will have purchased 14.3% of the shares outstanding immediately after the offering, but will have paid 67.0% of the total consideration for those shares.

As part of our reorganization, we issued warrants to purchase 1,229,850 shares of our common stock of which warrants to purchase 613,784 shares of our common stock, as of May 17, 2004, were outstanding and exercisable through October 31, 2007 at an exercise price of $8.53 per share. These warrants were issued in connection with the cancellation of the 5 1/2% convertible subordinated notes due 2007, and with the receipt of certain releases given by former stockholders as part of our reorganization and by plaintiffs in the settlement of a stockholder class action suit. The issuance of these shares will have a dilutive effect on the value of our common stock when these warrants are exercised.

ERISA may restrict investments by Plans in our common stock.

A plan fiduciary considering an investment in our common stock should consider, among other things, whether such an investment might constitute or give rise to a prohibited transaction under the Employee Retirement Income Security Act of 1974, as amended, the Internal Revenue Code or any substantially similar federal, state or local law and whether an exemption from such prohibited transaction rules is available. See "ERISA Considerations."

Our authorized but unissued common and preferred stock may prevent a change in our control.

Our amended and restated certificate of incorporation authorizes us to issue additional authorized but unissued shares of our common stock or preferred stock. In addition, our board of directors may classify or reclassify any unissued shares of our preferred stock and may set the preferences, rights and other terms of the classified or reclassified shares. As a result, our board may establish a series of preferred stock that could delay or prevent a transaction or a change in control that might involve a premium price for our common stock or otherwise be in the best interest of our stockholders.

Anti-takeover provisions in our amended and restated certificate of incorporation could have effects that conflict with the interests of our stockholders.

Certain provisions of our amended and restated certificate of incorporation and amended and restated bylaws could make it more difficult for a third party to acquire control of us or for us to acquire control of a third party even if such a change in control would be beneficial to you.

We have a number of anti-takeover devices in place that will hinder takeover attempts and could reduce the market value of our common stock. Our anti-takeover provisions include:

- a staggered board of directors;
- removal of directors only for cause, by 80% of the voting interest of stockholders entitled to vote;

- blank-check preferred stock;
- a provision denying stockholders the ability to call special meetings with the exception of Fortress Pinnacle Acquisition LLC, FRIT PINN LLC, Fortress Pinnacle Investment Fund LLC, Greenhill Capital Partners, L.P. and their respective affiliates so long as they collectively beneficially own at least 50% of our issued and outstanding common stock;
- our amended and restated certificate of incorporation provides that Global Signal has opted out of the provisions of Section 203 of the Delaware General Corporation Law. Section 203 restricts certain business combinations with interested stockholders in certain situations; and
- advance notice requirements by stockholders for director nominations and actions to be taken at annual meetings.

We have not established a minimum dividend payment level and there are no assurances of our ability to pay dividends in the future.

We intend to pay quarterly dividends and to make distributions to our stockholders in amounts such that all or substantially all of our taxable income in each year, subject to certain adjustments, is distributed. We have not established a minimum dividend payment level, and our ability to pay dividends may be adversely affected by the risk factors described in this prospectus. All distributions will be made at the discretion of our board of directors and will depend on our earnings, our financial condition, maintenance of our REIT status and such other factors as our board of directors may deem relevant from time to time. There are no assurances of our ability to pay dividends in the future. In addition, some of our distributions may include a return of capital.

Global Signal Inc. is a holding company with no operations.

Global Signal Inc. is a holding company with no material direct operations. Its principal assets are the equity interests it holds in its operating subsidiaries. In addition, we plan to own substantially all of our assets and conduct our operations through Global Signal OP. As a result, Global Signal Inc. is dependent on loans, dividends and other payments from its subsidiaries and will be dependent on loans, dividends and other payments from Global Signal OP to generate the funds necessary to meet its financial obligations and pay dividends. Global Signal Inc.'s subsidiaries and Global Signal OP are legally distinct from Global Signal Inc. and have no obligation to make funds available to it and Pinnacle Towers Acquisition Holdings LLC is limited by virtue of certain loan covenants from paying dividends to it.

Your ability to influence corporate matters may be limited because a small number of stockholders beneficially own a substantial amount of our common stock.

After giving effect to the offering, assuming no exercise by the underwriters of their overallotment option, affiliates of Fortress will beneficially own approximately 24.8 million shares, or 50.7%, of our common stock, Greenhill will beneficially own approximately 8.4 million shares, or 17.2%, of our common stock and affiliates of Abrams Capital, LLC will beneficially own approximately 5.9 million shares, or 12.1% of our common stock. Three of our directors are associated with these stockholders. As a result, Fortress, Greenhill, and Abrams Capital, LLC could exert significant influence over our management and policies and may have interests that are different from yours and may vote in a way with which you disagree and which may be adverse to your interests. In addition, this concentration of ownership may have the effect of preventing, discouraging or deferring a change of control, which could depress the market price of our common stock.

Morgan Stanley will receive benefits from this offering in addition to its underwriting discount.

We intend to use approximately $33.2 million of the proceeds from this offering to repay the debt outstanding under our credit facility with an affiliate of Morgan Stanley, an underwriter in this offering. See "Use of Proceeds" and "Underwriting—Relationships." This use of proceeds may create a conflict of interest because it may give the affiliate of

Morgan Stanley an interest in the successful completion of this offering beyond the underwriting discounts and commissions Morgan Stanley will receive from this offering.

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An increase in interest rates would result in an increase in our interest expense which could adversely affect our results of operations and financial condition.

Any indebtedness we incur under our $200.0 million credit facility bears interest at floating rates, based on either the federal funds rate or LIBOR. Accordingly, an increase in the federal funds rate or LIBOR could lead to an increase in our interest expense which could have an adverse effect on our results of operations and financial condition.

Our fiduciary obligations to Global Signal OP may conflict with the interests of our stockholders.

Our wholly-owned subsidiary Global Signal GP LLC, as the managing general partner of Global Signal OP, may have fiduciary obligations in the future to the limited partners of Global Signal OP, the discharge of which may conflict with the interests of our stockholders. Unless otherwise provided for in the relevant partnership agreement, Delaware law generally requires a general partner of a Delaware limited partnership to adhere to fiduciary duty standards under which it owes its limited partners the highest duties of good faith, fairness and loyalty and which generally prohibits such general partner from taking any action or engaging in any transaction as to which it has a conflict of interest. For example, if Global Signal GP LLC has a need for liquidity, the timing of a distribution from Global Signal GP LLC to Global Signal Inc. may be a decision that presents such a conflict. The limited partners of Global Signal OP will have the right, beginning one year after they contribute property to the partnership, to cause Global Signal OP to redeem their limited partnership units for cash or shares of our common stock. As managing partner, Global Signal LLC's decision as to whether to exchange units for cash or shares of our common stock may conflict with the interest of our common stockholders.

Limited partners of Global Signal OP may exercise their voting rights in a manner that conflicts with the interests of our stockholders.

Those persons holding units of Global Signal OP, as limited partners, have the right to vote as a class on certain amendments to the operating partnership agreement and individually to approve certain amendments that would adversely affect their rights, which voting rights may be exercised by future limited partners in a manner that conflicts with the interests of those investors who acquire our common stock in this offering.

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CAUTIONARY STATEMENT REGARDING
FORWARD-LOOKING STATEMENTS

This prospectus contains certain forward-looking statements which are subject to various risks and uncertainties, including without limitation, statements relating to the operating performance of our communications sites and financing needs. Forward-looking statements are generally identifiable by use of forward-looking terminology such as "may," "will," "should," "potential," "intend," "expect," "endeavor," "seek," "anticipate," "estimate," "overestimate," "underestimate," "believe," "could," "project," "predict," "continue" or other similar words or expressions. Forward-looking statements are based on certain assumptions, discuss future expectations, describe future plans and strategies, contain projections of results of operations or of financial condition or state other forward-looking information. Our ability to predict results or the actual effect of future plans or strategies is inherently uncertain. Although we believe that the expectations reflected in such forward-looking statements are based on reasonable assumptions, our actual results and performance could differ materially from those set forth in the forward-looking statements. Factors which could have a material adverse effect on our operations and future prospects include, but are not limited to, a decrease in the demand for our wireless communications sites, the economies, real estate markets and wireless communication industry in the regions where our sites are located, consolidation in the wireless industry, the creditworthiness of our tenants, competing technologies, our failure to comply with federal, state and local laws and regulations, our failure to comply with environmental laws, interest rate fluctuations, our ability to qualify as a REIT, REIT distributions requirements and the stock ownership limit imposed by the Internal Revenue Code for REITs. When considering forward-looking statements, you should keep in mind the risk factors and other cautionary statements in this prospectus. Readers are cautioned not to place undue reliance on any of these forward-looking statements, which reflect our management's views as of the date of this prospectus. The "Risk Factors" and other factors noted throughout this prospectus could cause our actual results to differ significantly from those contained in any forward-looking statement. For a discussion of our critical accounting policies see "Management's Discussion and Analysis of Financial Condition and Results of Operations — Critical Accounting Policies and Estimates."

Although we believe that the expectations reflected in the forward-looking statements are reasonable, we cannot guarantee future results, levels of activity, performance or achievements. We are under no duty to update any of the forward-looking statements after the date of this prospectus to conform these statements to actual results.

USE OF PROCEEDS

We estimate that our net proceeds from the sale of the shares of common stock will be approximately $108.5 million, or approximately $125.1 million if the underwriters exercise their overallotment option in full, based upon an assumed public offering price per share of $17.00, after deducting assumed underwriting discounts, commissions and estimated offering expenses.

We intend to use the net proceeds of this offering as follows:

- approximately $33.2 million to repay the debt outstanding under our credit facility with Morgan Stanley, including debt incurred to finance our recent acquisition of additional wireless communications towers located in Georgia, which matures October 1, 2005 and bears interest, at our option, at either the federal funds rate plus 2.1175% per annum or LIBOR plus 2.5% per annum. On May 17, 2004, the interest rate on our credit facility was 3.6%. We use borrowings under the credit facility primarily to fund acquisitions, from time to time, of additional wireless communications towers and other communications sites;
- approximately $53.0 million to finance the acquisition of Tower Ventures. We expect to finance this acquisition with a portion of the net proceeds from this offering. If the offering is not completed prior to the closing of the acquisition, we expect to finance this acquisition with

short-term borrowings under our credit facility which we then expect to repay upon consummation of this offering;

- approximately $2.1 million to finance the acquisition of the land we currently lease underneath of our sites in a series of transactions for which asset purchase agreements have been signed;
- approximately $3.8 million to pay for the cost of licensing and implementing PeopleSoft, Cognos and manageStar software systems;
- approximately $1.2 million to finance our acquisition of the 9% minority interest of the capital stock of Pinnacle Towers Limited, our UK subsidiary, and, upon consummation of that acquisition, approximately $1.0 million (based on an exchange rate of 1 GBP = 1.7692 USD on May 17, 2004) to repay outstanding borrowings under our UK term loan with Bank of Scotland which matures June 30, 2006, and bears interest at 2% above a base rate. On May 17, 2004, the interest rate on that term loan was 5.8%. The proceeds of the term loan were used to fund the communications sites owned by Pinnacle Towers Limited; and
- approximately $14.2 million to finance the acquisition of 42 communications sites located in Alabama, Connecticut, Florida, Georgia, Kansas, Kentucky, Louisiana, Massachusetts, Michigan, Minnesota, Mississippi, Missouri, and Texas for which we have currently signed non-binding letters of intent. We are seeking to complete our due diligence and execute firm asset purchase agreements for these sites.

DISTRIBUTION POLICY

In general, we will not pay a corporate-level income tax on our earnings to the extent we distribute our earnings to our stockholders. In order to satisfy the REIT requirements, we must distribute to our stockholders an amount at least equal to (1) 90% of our REIT taxable income (determined before the deduction for dividends paid and excluding any net capital gain) plus (2) 90% of the excess of our net income from foreclosure property (as defined in Section 856 of the Internal Revenue Code) over the tax imposed on such income by the Internal Revenue Code less (3) any excess non-cash income (as determined under the Internal Revenue Code). See "Federal Income Tax Considerations." Depending on our results of operations in 2004, we may have already satisfied this REIT requirement for 2004 through payment of our February 5, 2004 ordinary dividend and special distribution and our April 22, 2004 ordinary dividend described below. The actual amount and timing of distributions, however, will be at the discretion of our board of directors and will depend upon our financial condition in addition to the requirements of the Internal Revenue Code. Differences between the recognition of taxable income and the actual receipt of cash could require us to sell assets or borrow funds on a short-term or long-term basis to meet the 90% distribution requirements. In addition, Global Signal Inc. is a holding company with no material direct operations and depends on loans, dividends and other payments from its subsidiaries and

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will be dependent on loans, distributions from Global Signal OP to generate the funds necessary to pay dividends. Global Signal Inc.'s subsidiaries and Global Signal OP are legally distinct from Global Signal Inc. and have no obligation to make funds available to it and Pinnacle Towers Acquisition Holdings LLC is limited by virtue of certain loan covenants from paying dividends to it.

On February 5, 2004, we paid a one-time special distribution of $142.2 million to all of our stockholders, which represented a return of capital. The special distribution was funded with a portion of the proceeds from our mortgage loan. Also, on February 5, 2004, we paid our first ordinary dividend of $0.3125 per share of our common stock, or an aggregate of $12.8 million to all of our stockholders for the three months ended December 31, 2003, and on April 22, 2004 we paid our second ordinary dividend of $0.3125 per share of our common stock, or an aggregate of $13.1 million, of which $11.3 million represented a return of capital, for the three months ended March 31, 2004. On May 11, 2004, we declared an ordinary dividend of $0.2095 per share of our common stock for the period of April 1, 2004 through May 31, 2004 to be paid on June 14, 2004 to all stockholders of record as of May 26, 2004. We are paying this dividend so that holders of our common stock prior to the offering will receive a distribution for the period prior to the offering. Purchasers of shares of our common stock in this offering will not be entitled to this dividend. We intend to pay a dividend for the one month ended June 30, 2004 and thereafter to continue to make regular quarterly distributions to the holders of our common stock. Distributions, including distribution of capital, assets or dividends, will be made at the discretion of our board of directors and will depend on many factors, including our financial condition, earnings, legal requirements and other factors as our board of directors deems relevant.

It is anticipated that distributions generally will be either (1) taxable as ordinary income, (2) a non-taxable return of capital or (3) taxable as a long-term capital gain. We will furnish annually to each of our stockholders a statement setting forth distributions paid during the preceding year and their federal income tax status. For a discussion of the federal income tax treatment of distributions by us, see "Federal Income Tax Considerations — Taxation of Global Signal" and "— Taxation of Stockholders."

CAPITALIZATION

The following table sets forth our consolidated capitalization as of March 31, 2004 on (i) an actual basis and (ii) pro forma as adjusted to give effect to the sale of shares of our common stock offered by us in this offering at an assumed initial public offering price of $17.00, after deducting assumed underwriting discounts, commissions and estimated offering expenses payable by us and the use of the proceeds as described under "Use of Proceeds."

	As of March 31, 2004	
	Actual	Pro Forma As Adjusted (1)
	(dollars in thousands)	
Cash and cash equivalents	$ 25,321	$ 25,321
Current portion of long-term debt (2)	$ 36,473	$ 3,319
Long-term obligations	411,382	411,382
Stockholders' equity:		
Preferred stock, $0.01 par value: 20 million shares authorized; no shares issued and outstanding on an actual and pro forma as adjusted basis	—	—
Common stock, $0.01 par value: 100 million shares authorized on an actual and 150 million shares authorized on a pro forma as adjusted basis; 41.2 million shares issued and outstanding on an actual and 48.2 million shares issued and outstanding on a pro forma as adjusted basis (3)	412	482
Additional paid-in capital	56,824	165,254
Accumulated other comprehensive loss	(4,975)	(4,975)
Retained earnings	—	—

Total stockholders' equity	52,261	160,761
Total capitalization	$500,116	$575,462

(1) The adjustments in this column reflect the sale by us of 7,000,000 shares of common stock in this offering at an estimated price of $17.00 per share, the mid-point of the range shown on the cover of the prospectus and the application of a portion of the net proceeds of this offering to repay the outstanding borrowings under our credit facility and to fund the Tower Ventures acquisition as more fully described in the pro forma financial statements and the related notes included elsewhere in this prospectus, as if they had occurred on March 31, 2004.

(2) Reflects the repayment of $33.2 million of debt outstanding under our credit facility that will occur concurrently with the completion of this offering. It does not reflect the anticipated repayment of our UK term loan, which is not expected to occur concurrently with the completion of this offering.

(3) The common stock outstanding as of March 31, 2004 as shown excludes (i) 2,103,068 shares of common stock available for future issuance under our stock option plan, (ii) 4,490,076 shares of common stock issuable under outstanding options granted under our stock option plan, (iii) 700,000 shares of common stock (805,000 shares if the underwriters exercise their overallotment option in full) issuable to FRIT PINN LLC, an affiliate of Fortress, and Greenhill, or affiliates of such entities, pursuant to an option granted to them in March 2004 allowing them to purchase a number of shares equal to an aggregate of 10% of the shares sold in this offering, (iv) 1,032,720 shares of common stock issuable under then outstanding warrants of which, as of May 17, 2004, warrants to purchase 418,936 shares have been exercised, including 418,050 shares issued to Fortress on April 5, 2004 pursuant to the exercise of warrants, and (v) 20,000 shares of common stock, in the aggregate, to be granted to Messrs. Robert H. Gidel, Douglas L. Jacobs, Howard Rubin and Mark Whiting on the first day following the consummation of this offering pursuant to our board compensation package. On May 12, 2004, we filed a certificate of amendment to our amended and restated certificate of incorporation that increased the number of shares of common stock authorized from 100 million to 150 million shares.

DILUTION

Our net book value attributable to common stockholders on March 31, 2004 was approximately $52.3 million, or $1.27 per share of common stock.

After giving effect to this offering, our net book value attributable to common stockholders on March 31, 2004 would have been $160.8 million, or $3.34 per share of common stock. The adjustments made to determine net book value per share are the following:

- increasing equity and assets to reflect the estimated net proceeds of the offering as described under "Use of Proceeds" at an assumed initial public offering price of $17.00 per share the midpoint of the range listed on the cover page of this prospectus; and

- adding the number of shares of common stock offered by this prospectus to the number of shares of common stock outstanding.

The following table illustrates the increase in net book value of $2.07 per share of common stock and the dilution (the difference between the offering price per share of common stock and net book value per share of common stock) to new investors:

Initial public offering price per share of common stock		$17.00
Net book value per share of common stock prior to the offering	$1.27	
Increase in net book value per share of common stock attributable to investors in the offering	2.07	
Net book value per share of common stock, after the offering		3.34
Dilution to new investors		$13.66

The following table shows the difference between existing stockholders as of May 17, 2004 and new investors with respect to the number of shares purchased, the total consideration paid after giving effect to both the $142.2 million one-time special distribution paid on February 5, 2004, and $11.3 million of our first quarter dividend paid on April 22, 2004, which represented returns of capital and the average price paid per share of common stock. We have used an assumed initial public offering price of $17.00 per share, the midpoint of the range listed on the cover page of this prospectus.

	Shares Purchased		Total Consideration		Average Price Per Share
	Number	Percent	Amount	Percent	
Existing stockholders	41,854,155	85.7%	$ 58,529,140	33.0%	$ 1.40
New investors	7,000,000	14.3	119,000,000	67.0	17.00
Total	48,854,155	100.0%	$177,529,140	100.0%	$ 3.63

The above table reflects our existing stockholders and their shares outstanding as of May 17, 2004 and assumes no further exercise of outstanding options or warrants to purchase shares of our common stock. The above table also excludes the Fortress and Greenhill options to be issued in connection with this offering and the grant of 20,000 shares of common stock to be made on the first day following the consummation of this offering to certain of our directors pursuant to our board compensation package. As of May 17, 2004, there were outstanding options and warrants to purchase a total of 4,821,984 shares of common stock, of which warrants to purchase 613,784 shares of common stock have an exercise price of $8.53, options to purchase 3,593,200 shares of common stock have a weighted average exercise price of $6.52 per share and options to purchase 615,000 shares of common stock have an exercise price equal to the offering price per share in this offering or $25 per share if this offering is not consummated by December 31, 2004. In addition, FRIT PINN LLC, an affiliate of Fortress, and Greenhill, or affiliates of such entities, hold options to purchase an aggregate of 700,000 shares of common stock (805,000 shares if the underwriters exercise their overallotment option in full) with an exercise price equal to the offering price per share in this offering and we will grant 20,000 shares of common stock, in the aggregate, to Messrs. Robert H. Gidel, Douglas L. Jacobs, Howard Rubin and Mark Whiting on the first day following the consummation of this offering pursuant to our board compensation package. If all outstanding options and warrants were fully exercised including the Fortress and Greenhill options to be issued in connection with this offering and we granted 20,000 shares of common stock to certain of our directors pursuant to our board compensation package, the dilution to new investors would be $13.06 per share.

If the underwriters fully exercise their overallotment option and including the 20,000 shares to be issued to certain directors, the number of shares of common stock held by existing holders will be reduced to 83.8% of the aggregate number of shares of common stock outstanding after this offering and the number of shares of common stock held by new investors will be increased to 8,070,000 or 16.2%, of the aggregate number of shares of common stock outstanding after this offering.

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SELECTED HISTORICAL CONSOLIDATED FINANCIAL INFORMATION

The following table sets forth selected historical consolidated financial and other data. The balance sheet data as of December 31, 1999, 2000, 2001, 2002, and 2003 and the statements of operations and statements of cash flows data for the years ended December 31, 1999, 2000, 2001, and 2003 and the ten months ended October 31, 2002 and the two months ended December 31, 2002 are derived from our audited consolidated financial statements. The balance sheet data as of October 31, 2002 and March 31, 2003 and 2004 and the statements of operations for the three months ended March 31, 2003 and 2004, are derived from our unaudited condensed consolidated interim financial statements. The pro forma as adjusted statement of operations data reflects the February 5, 2004 issuance of the $418.0 million mortgage loan and the application of a portion of the mortgage loan net proceeds to repay the $234.4 million of then outstanding borrowings under our old credit facility, this offering of 7,000,000 shares of common stock at an assumed price of $17.00 per share, the mid-point of the range shown on the cover of this prospectus, and the application of a portion of the net proceeds of this offering to repay the outstanding borrowings under our credit facility and to fund the Tower Ventures acquisition, as more fully described in the pro forma financial statements and the related notes included elsewhere in this prospectus, as if they had occurred on January 1, 2003 and 2004 for the year ended December 31, 2003 and the three months ended March 31, 2004, respectively. The pro forma as adjusted balance sheet data reflect this offering and the application of a portion of the net proceeds of this offering to repay the outstanding borrowings under our credit facility and to fund the Tower Ventures acquisition as if they had occurred on March 31, 2004.

On November 1, 2002, we emerged from Chapter 11. In accordance with AICPA Statement of Position 90-7 Financial Reporting by Entities in Reorganization Under the Bankruptcy Code ("SOP 90-7"), we adopted fresh start accounting as of November 1, 2002 and our emergence from Chapter 11 resulted in a new reporting entity. Under fresh start accounting, the reorganization value of the entity is allocated to the entity's assets based on fair values, and liabilities are stated at the present value of amounts to be paid determined at appropriate current interest rates. The effective date is considered to be the close of business on November 1, 2002 for financial reporting purposes. The periods presented prior to November 1, 2002 have been designated "predecessor company" and the periods starting on November 1, 2002 have been designated "successor company." As a result of the implementation of fresh start accounting as of November 1, 2002, our financial statements after that date are not comparable to our financial statements for prior periods because of the differences in the basis of accounting and the debt and equity structure for the predecessor company and the successor company. The more significant effects of the differences in the basis of accounting on the successor company's financial statements are (1) lower depreciation and amortization expense as a result of the revaluation of our long-lived assets downward by $357.2 million through the application of fresh start accounting, and (2) lower interest expense as a result of the discharge of $404.8 million of debt upon our emergence from bankruptcy.

The information set forth below should be read in conjunction with "Use of Proceeds," "Capitalization," "Management's Discussion and Analysis of Financial Condition and Results of Operations," our consolidated financial statements, our condensed consolidated interim financial statements, our pro forma condensed consolidated financial statements, the Tower Ventures' statements of revenue and certain expenses, and each of their related notes included elsewhere in this prospectus.

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Selected Historical Consolidated Financial Information

	Predecessor Company				Successor Company					
	Year Ended December 31,			Ten Months Ended October 31,	Two Months Ended December 31,	Year Ended December 31, 2003		Three Months Ended March 31,	Three Months March 31, 2	
	1999	2000	2001	2002	2002	Historical	Pro Forma As Adjusted	2003	Historical	For Ad
	(dollars in thousands, except per share data)									
ent of Operations Data										
ne	$ 81,461	$ 163,482	$ 178,020	$140,646	$28,285	$169,233	$173,693	$41,407	$ 43,574	$ 4
site operating es (excluding ment losses, ation, zation and on expense)	24,443	57,748	67,259	48,060	9,361	56,343	57,533	13,388	13,485	1
margin	57,018	105,734	110,761	92,586	18,924	112,890	116,160	28,019	30,089	3
xpenses:										
, general and strative	16,502	54,052	47,898	27,496	4,818	26,926	26,926	6,516	6,559	6
anchise, and minimum	1,107	1,184	1,877	1,671	331	848	848	209	172	
iation, zation and on (2)	55,886	112,510	119,337	74,175	7,512	44,496	48,035	11,176	11,838	1
sh stock based nsation e for services	—	—	—	—	—	1,479	1,479	—	2,604	2
ment loss on eld for sale	—	—	46,592	1,018	—	—	—	—	—	
ment loss on eld for use	—	—	246,780	4,541	—	—	—	—	—	
nization costs	—	—	—	59,124	—	—	—	—	—	

essful debt turing costs	—	—	1,702	—	—	—	—	—	—	
perating es	73,495	167,746	464,186	168,025	12,661	73,749	77,288	17,901	21,173	22
ing income	(16,477)	(62,012)	(353,425)	(75,439)	6,263	39,141	38,872	10,118	8,916	8
oss) on ishment of	—	—	—	404,838	—	—	(8,449)	—	(8,449)	(8
t expense, net	(46,661)	(65,707)	(88,731)	(45,720)	(3,989)	(20,352)	(24,789)	(5,717)	(6,090)	(6
ncome se)	(2,930)	(163)	113	533	(136)	(16)	(16)	(5)	(9)	
tax (expense)	—	575	6,630	5,195	(19)	665	665	76	(11)	
(loss) from ing operations	(66,068)	(127,307)	(435,413)	289,407	2,119	19,438	$ 6,283	4,472	(5,643)	$ (
(loss) from inued ons	2,045	3,012	(7,145)	(33,157)	(66)	(1,100)		17	(99)	
(loss) before oss) on sale of ies	(64,023)	(124,295)	(442,558)	256,250	2,053	18,338		4,489	(5,742)	
oss) on sale of ies	—	—	(5,644)	(78)	(2)	(302)		(58)	205	
ome (loss)	$ (64,023)	$ (124,295)	$ (448,202)	$256,172	$ 2,051	$ 18,036		$ 4,431	$ (5,537)	
ome (loss) ble to on olders	$ (64,023)	$ (124,295)	$ (448,202)	$256,172	$ 2,051	$ 18,036		$ 4,431	$ (5,537)	
(loss) from ing operations re (basic) (3)	$ (2.02)	$ (2.65)	$ (8.99)	$ 5.95	$ 0.05	$ 0.47	$ 0.11	$ 0.11	$ (0.14)	$
(loss) from ing operations re (diluted)	$ (2.02)	$ (2.65)	$ (8.99)	$ 5.95	$ 0.05	$ 0.47	$ 0.11	$ 0.11	$ (0.14)	$
ome (loss) per basic)	$ (1.96)	$ (2.59)	$ (9.25)	$ 5.27	$ 0.05	$ 0.44		$ 0.11	$ (0.13)	
ome (loss) per diluted)	$ (1.96)	$ (2.59)	$ (9.25)	$ 5.27	$ 0.05	$ 0.44		$ 0.11	$ (0.13)	
ry cash ds declared re of common	$ —	$ —	$ —	$ —	$ —	—		—	$ 0.31	
cash tion declared re	$ —	$ —	$ —	$ —	$ —	—		$	$ 3.47	

Table continues on next page.

	Predecessor Company					Successor Company			
	Year Ended December 31,			Ten Months Ended October 31, 2002	Two Months Ended December 31, 2002	Year Ended December 31, 2003		Three Months Ended March 31, 2003	Three Mont March 31
	1999	2000	2001			Historical	Pro Forma As Adjusted		Historical
	(dollars in thousands, except per share data)								
verage ommon anding	32,588	47,918	48,431	48,573	41,000	41,000	57,051	41,000	41,058
verage ommon anding)	32,588	47,918	48,431	48,573	41,000	41,112	57,163	41,000	41,058
of Cash a:									
rovided by ctivities	$ 22,385	$ 15,542	$ 27,125	$ 20,869	$ 7,193	$ 59,218	$ 58,051	$ 14,912	$ 20,876
sed in ctivities	(549,492)	(473,730)	(27,184)	(3,920)	(727)	(36,181)	(111,527)	(1,068)	(14,311)
rovided by nancing	608,418	407,692	(31,687)	(22,102)	(9,626)	(17,840)	57,506	(7,678)	9,344
of property nent	36,392	59,993	28,787	9,273	762	8,544	8,544	2,056	2,294

	Predecessor Company							Successor Marc
	December 31, 1999	December 31, 2000	December 31, 2001	October 31, 2002	December 31, 2002	December 31, 2003	March 31, 2003	Historical
heet Data:	(dollars in thousands, except per share data)							
ash	$ 94,863	$ 44,233	$ 13,187	$ 21,819	$ 4,350	$ 9,661	$ 10,555	$ 25,321
s	1,130,504	1,469,607	1,034,333	909,098	530,645	525,040	525,760	549,297
term , less tion	713,169	883,792	9,274	6,610	263,344	263,153	255,769	417,036
holders'	374,226	534,103	83,798	354,917	207,377	225,453	211,685	52,261

(1)During the ten months ended October 31, 2002, the two months ended December 31, 2002, the year ended December 31, 2003 and the three months ended March 31, 2003 and 2004, we disposed of, or held for disposal by sale, certain non-core assets and under performing sites which have been accounted for as discontinued operations. Their results for all periods presented are not included in results from continuing operations.

(2) Depreciation, amortization and accretion expense for the ten months ended October 31, 2002 and two months ended December 31, 2002 are not proportional because the successor company's depreciable assets have a lower basis. Following the restructuring transaction, assets were revalued, including all long-lived assets, to their fair market value, thereby lowering the depreciable basis.

(3) Pro forma as adjusted net income (loss) per share (basic and diluted) represents amounts from continuing operations.

(4) On a pro forma as adjusted basis, the weighted average number of shares of common stock outstanding for both basic and diluted earnings per share includes (1) 7,000,000 shares of common stock to be issued in this offering, (2) 20,000 shares to be issued to certain directors pursuant to the directors compensation package immediately following the completion of this offering and (3) 9,031,088 shares of common stock as required under Staff Accounting Bulletin Topic 1:B:3 to reflect the number of shares which would have to be issued to replace the capital dividends paid to our stockholders in excess of accumulated earnings. The number of shares included under Staff Accounting Bulletin Topic 1:B:3 is equal to the sum of the $142.2 million special dividend paid on February 5, 2004 plus $11.3 million of our April 22, 2004 dividend representing the portion of that dividend in excess of our accumulated earnings to date divided by an assumed offering price of $17.00 per share of our common stock, the mid-point of the range on the cover of this prospectus.

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MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

You should read the following discussion in conjunction with "Selected Consolidated Financial and Other Data" and our consolidated financial statements included elsewhere in this prospectus. Some of the statements in the following discussion are forward-looking statements which include numerous risks and uncertainties as described in "Cautionary Statement Regarding Forward-Looking Statements" and in "Risk Factors." For purposes of this discussion, "2003" refers to the year ended December 31, 2003, and "2001" refers to the year ended December 31, 2001.

Executive Overview

Global Signal, formerly known as Pinnacle Holdings Inc., is one of the largest wireless communications tower owners in the United States, based on the number of towers owned. For the year ended December 31, 2003 and three months ended March 31, 2004, all of our revenues came from our ownership, leasing and management of wireless communications towers and other communications sites. Our sites are primarily located in the southeastern and mid-Atlantic regions of the country. As of December 31, 2003 and March 31, 2004, we owned 2,206 and 2,199 towers, respectively, and 251 other communications sites at both dates. As of December 31, 2003 and March 31, 2004, we owned in fee or had long-term easements on the land under 787 and 789 of these towers, respectively and we leased the land under 1,419 and 1,410 towers, respectively. The average remaining length of our ground leases including renewal options was approximately 20.7 years at December 31, 2003 and 20.6 years at March 31, 2004. In addition, as of December 31, 2003 and March 31, 2004, we managed 819 and 781 towers, rooftops and other communications sites, respectively, where we had the right to market space or where we had a sublease arrangement with the site owner. As of December 31, 2003 and March 31, 2004, we owned or managed a total of 3,276 and 3,231 communications sites, respectively. As of May 12, 2004, we owned substantially all of the assets and conducted our operations through an operating partnership, Global Signal Operating Partnership, L.P., or "Global Signal OP." Global Signal Inc. is the special limited partner and our wholly-owned subsidiary, Global Signal GP LLC, is the managing general partner of Global Signal OP. Global Signal Inc. holds 99% of the partnership interests and Global Signal GP LLC holds 1% of the partnership interests in Global Signal OP.

We are organized and conduct our operations to qualify as a REIT for federal income tax purposes. As such, we will generally not be subject to federal income tax on that portion of our income that is distributed to our stockholders if we distribute at least 90% of our REIT taxable income to our stockholders and comply with various other requirements.

The majority of our customer base is comprised of wireless service providers. In addition we serve a broad array of government agencies, operators of private networks and broadcasters. The economic and industry factors relevant to our business fall into the following four primary categories: (1) the growth in the number of wireless subscribers, (2) the increasing wireless usage per subscriber, (3) customer demand for high network quality and ubiquitous coverage, and (4) the development and adoption of new wireless technologies, devices and applications. Over the past ten years, new wireless technologies, devices and applications have become more advanced and broadly utilized by wireless subscribers. As new technologies, devices and applications have developed, new networks have been deployed to support the more advanced applications and the growth in the number of wireless subscribers while more mature technologies, such as paging, have experienced shrinking subscriber bases and network contraction. Some of the key indicators that we regularly monitor to evaluate growth trends affecting wireless technology usage are the growth or contraction of a particular technology's wireless subscribers and the usage as measured in minutes of use or network capacity utilization.

The material opportunities, challenges and risks of our business have changed significantly over the past two years. Most recently, concurrent with an increased focus on improving network quality, many of our wireless customers have experienced a general improvement in their overall financial condition. This has resulted in an increase in these customers' abilities to invest in their networks and a related increase in our telephony tenant base. During 2003 and the first quarter of 2004, the demand by wireless telephony service providers for our communications sites increased compared to the demand we experienced during

2002 and 2001. Our growth will be primarily affected by the future demand for communications sites by wireless telephony service providers and government agencies. The demand for communications site space by wireless telephony service providers will be driven by growth in their subscribers' utilization of wireless telephony services, including utilization of their networks for data services. In addition, demand could also be affected by carrier consolidation, because consolidation could result in duplicative coverage and excess network capacity. Recently, Cingular announced that it will acquire AT&T Wireless, which could impact tenant lease revenue at some of our communications sites. For example, as of March 31, 2004, 124 of our sites are occupied by both Cingular and AT&T Wireless and the combined revenues from AT&T Wireless and Cingular on these sites was approximately $1.5 million for the three months ended March 31, 2004. In addition, these tenants may also be located on nearby wireless communications towers owned by our competitors. The demand for communications site space by government entities will be driven by the agencies' demand for new digital networks and the ability to communicate with other government agencies as well as their ability to gain funding for such networks.

Since our reorganization, we have installed a new management team, reengineered our business processes and reduced our debt. Our debt was reduced primarily as a result of the extinguishment of $404.8 million of indebtedness pursuant to the terms of our reorganization in November 2002. We have subsequently refinanced our balance sheet through a $418.0 million tower asset securitization in February 2004, which has provided us with low cost fixed rate debt. Furthermore, we have disposed of certain non-core communications sites and under performing sites to enhance our operating margins. Our growth opportunities are primarily linked to organic growth on our existing towers and acquiring and developing new towers on which our wireless customers will seek to locate their equipment, thereby growing our overall tenant base.

A key component of our growth strategy is our capital management strategy, which supports the financing of our new tower development and tower acquisition strategy. Our capital management strategy is to finance newly acquired assets, on a long-term basis, using low cost fixed rate debt obtained through the issuance of mortgage-backed securities combined with a portion of the proceeds from this offering. To accomplish this, we plan to first use proceeds from this offering and then we plan to finance newly acquired and developed wireless communications sites through borrowings on our credit facility, which we expect will be repaid with proceeds from the issuance of mortgage-backed securities. As of December 31, 2003 and March 31, 2004, our debt to EBITDA for the prior twelve months was 3.2 times and 6.1 times, respectively. As of December 31, 2003 and March 31, 2004, our debt to net income for the prior twelve months was 14.7 times and 55.5 times, respectively. At December 31, 2003 we had current assets of $17.6 million compared to debt of $264.2 million. At March 31, 2004, we had current assets of $33.8 million compared to debt of $447.9 million. At March 31, 2004, our debt consists primarily of a $417.5 million mortgage loan with interest at a weighted average fixed interest rate of 5.0% and $28.2 million of debt outstanding under our $200.0 million credit facility with interest at LIBOR plus 2.5% (3.6% at May 17, 2004). See "—Credit Facility" and "—Securitization".

Prior to our reorganization we acquired certain assets unrelated to our core tower business, which have subsequently been sold, and our former management was unable to efficiently integrate and manage our communications sites. Our current growth strategy, which is in part based on a new site acquisition and development strategy, is significantly different. The primary differences are (1) our strategy to finance our assets using a capital structure which we believe does not rely on growth to reduce leverage and uses low cost fixed rate debt obtained through the issuance of mortgage-backed securities combined with a portion of the proceeds from this offering to finance our new tower acquisitions and development growth, (2) our strategy to buy core tower assets with in-place telephony or government tenants where we believe there is a high likelihood of multiple lease renewals, (3) our stringent underwriting process which evaluates each asset individually and prices each asset based on its current yield and the asset and tenant attributes and location of the asset, and (4) our focus on integrating, maintaining and operating the assets we buy efficiently and effectively. As an illustration of our focus on maintaining and operating our assets, since our emergence from bankruptcy, we have invested approximately $2.2 million to inventory and digitally catalog all of the important documents related to owning and operating our assets, including performing environmental assessments on all of our U.S. sites and performing title reviews on over 800 of our most profitable sites. Prior to our reorganization, we incurred net losses of approximately $448.2

million in 2001 and $124.3 million in 2000. In connection with our reorganization, we adopted fresh start accounting as of November 1, 2002. The net effect of all fresh start accounting adjustments resulted in our revaluing our assets downward by $357.2 million.

The primary factors affecting our determination of the value of a communications site are its location and the immediate area's competitive structures and tenant base and their credit quality. Our communications sites are primarily located in the southeastern and mid-Atlantic regions of the United States, in addition to our sites in Canada and the United Kingdom. The locations of our sites are diverse and include sites along active transportation corridors, in dense urban centers and in growing surburban communities. We also have a diverse tenant base, which includes government agencies, large and small wireless service providers and operators of private communication networks. The credit quality of our tenants varies greatly from investment grade credits to small independent operations. As of December 31, 2003 and March 31, 2004, our communications sites averaged 4.2 and 4.1 tenants per owned tower, respectively.

Revenues

We generate all of our revenues from leasing space on communications sites to various tenants including wireless service providers, government agencies, operators of private networks, and broadcasters. Factors affecting our revenues include the rate at which our customers deploy capital to enhance and expand their networks, the rate at which customers rationalize their networks, the renewal rates of our tenants and fixed-price annual escalation clauses in our contracts that allow us to increase our tenants rental rates over time.

For the three months ended March 31, 2004, 80% and 90%, respectively, of our revenues and gross margin were generated from our owned sites, while 20% and 10%, respectively, of our revenues and gross margin were generated from our managed sites. For the year ended December 31, 2003, 79% and 89%, respectively, of our revenues and gross margin was generated from our owned sites, while 21% and 11%, respectively, of our revenues and gross margin was generated from our managed sites. Typically, our tenant lease agreements are specific to a site, are for terms of one to ten years, and are renewable for multiple pre-determined periods at the option of the tenant. Rents under the tenant leases are generally due to us on a monthly basis, and revenues from each agreement are recognized monthly. These agreements typically contain fixed-price annual escalation clauses, however rental revenues are recognized in our financial statements on a straight-line basis over the contractual term of the agreements.

Our tenants are responsible for the installation and maintenance of their equipment at our sites. These tenants transmit from our sites utilizing a wide variety of technologies including personal communication services (PCS), cellular, enhanced specialized mobile radio (ESMR), mobile radio, paging, and radio and television broadcast. For the months of December 2001, 2002, 2003, and March 2004 our revenue mix for the primary technology categories was as follows:

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Revenues Percentage by Tenant Technology Type

Tenant Technology Type	Percent of Revenues for the Month of December 2001	Percent of Revenues for the Month of December 2002	Percent of Revenues for the Month of December 2003	Percent of Revenues for the Month of March 2004
Telephony (PCS, cellular, ESMR)	31.3%	36.1%	40.6%	41.4%
Mobile radio	31.7	29.3	25.8	25.0
Paging	25.4	22.5	21.6	21.6
Broadcast	6.1	6.9	7.1	7.3
Wireless data and other	5.5	5.2	4.9	4.7
Total	100.0%	100.0%	100.0%	100.0%

Direct Site Operating Expenses and Other Expenses

Direct site operating expenses consist of ground rents (if we do not own the land at our site), utilities, property and ad valorem taxes, insurance and site maintenance cost. Other shared costs such as property management, site operations and contract administration, are included in selling, general and administrative as described below. Because the costs of operating an owned site generally do not increase significantly as we add additional tenants, new lease revenues from additional tenants to a particular site provide high incremental gross margin for that site. Similarly, the loss of any tenant on an owned site does not significantly reduce the costs associated with operating the site; and as a result, the lost lease revenues will reduce cash flow and gross margin from the site. Fluctuations in our gross margins on owned sites are directly related to changes in our tenant lease revenues. For managed sites, we typically pay the site owner either a fixed fee, a percentage of revenues or a combination of a fixed fee plus a percentage of revenues. In instances where we pay the landlord a percentage of revenues, changes in revenues result in an increase or decrease, as applicable, in our communications site operating costs.

Selling, general and administrative expenses consist of five major components: (1) sales, marketing and co-locations, (2) property management and site operations, (3) contracts administration, (4) business development including acquisitions and new builds, and (5) administrative support including legal, finance, accounting, and information technology.

Acquisitions and Dispositions of Communications Sites

Our financial results are also impacted by the timing, size and number of acquisitions and dispositions we complete in a period. Our number of communications sites decreased from 3,881 at December 31, 2001 to 3,231 at March 31, 2004. We routinely review and dispose of under-performing sites which generate negative cash flows and which are not compatible with our strategy. During 2002, our dispositions principally related to our sale of 266 non-core microwave sites. During 2003 and the three months ended March 31, 2004, we disposed of 134 and 18 under-performing sites, respectively, primarily consisting of managed sites and as of March 31, 2004, we had 86 other sites held for sale.

During 2001, we reclassified our portfolio of five wireline telephony co-location facilities to assets held for sale. Three were sold in 2001 and two were sold in the ten months ended October 31, 2002. These facilities contributed $6.4 million and $1.1 million to revenues during 2001 and the ten months ended October 31, 2002 for the successor company, respectively, prior to the sale of the last facility in October 2002. These dispositions are not classified in "discontinued operations" as they did not meet the required segment criteria in 2001 and this was prior to our adoption of Statement of Financial Accounting Standard ("SFAS") No. 144, "Accounting for the Impairment and Disposal of Long-lived Assets".

In 2002, we sold other assets including certain rental buildings, two wholly-owned subsidiaries and a portfolio of microwave tower sites. The results of operations for these assets have been reclassified to discontinued operations under SFAS No. 144 which became effective January 1, 2002. In addition, the under-performing sites we disposed of in 2002 that were not previously held for sale were also reclassified as discontinued operations.

On September 23, 2003, a majority of our stockholders formed a new company, Pinnacle Towers Acquisition Holdings LLC ("Pinnacle Acquisition"), then known as Pinnacle Towers Acquisition Inc.

This entity had no operations until December 4, 2003, when it acquired, from TowerCom Enterprises, L.L.C. and its affiliates, a portfolio of 67 towers with 132 telephony tenant leases which are primarily located in Florida, Georgia, Alabama and Mississippi and are generally less than four years old. The purchase price was $26.3 million in cash, and Pinnacle Acquisition accounted for the purchase using purchase accounting. Pinnacle Acquisition was initially funded through a $100.0 million committed acquisition credit facility, provided by Morgan Stanley, which was increased to $200.0 million on February 6, 2004. In addition, on February 6, 2004, we exercised our option to acquire all the outstanding common stock of Pinnacle Acquisition, and Pinnacle Acquisition became our wholly-owned subsidiary. We acquired the common stock of Pinnacle Acquisition for approximately $21,000. Global Signal and Pinnacle Acquisition had 99% common controlling stockholders. Because our acquisition of Pinnacle Acquisition was a business combination among "entities under common control," we have accounted for it in a manner similar to a pooling of interests. As a result, we have included the financial statements of Pinnacle Acquisition in our 2003 financial statements included elsewhere in this prospectus, beginning September 23, 2003. For the three months ended March 2004, revenues from these towers represented 1.8% of our revenues.

Reorganization

Prior to our reorganization, we funded our operations through bank credit facilities and issuances of debt and equity securities. Prior to our emergence from bankruptcy, we were unable to meet our financial obligations due primarily to (1) our highly leveraged capital structure, (2) the non-strategic acquisition of assets we have subsequently disposed of that were unrelated to our core tower business and (3) the inability of our former management to efficiently integrate and manage our communications sites. In addition, to a lesser extent, we were unable to meet our financial obligations due to the reduced amount of capital spending by wireless carriers on their networks in 2001 and 2002. On May 21, 2002, Global Signal, then known as Pinnacle Holdings Inc., filed a voluntary petition for relief under Chapter 11 of the Bankruptcy Code in the United States Bankruptcy Court for the Southern District of New York. On October 9, 2002, the Bankruptcy Court entered an order confirming the Second Amended Joint Plan Of Reorganization dated September 23, 2002 (the "Prearranged Plan"), which became effective on November 1, 2002.

Under the prearranged plan of reorganization, Fortress and Greenhill purchased 22,526,598 shares of our common stock for an aggregate purchase price of $112.6 million and elected to receive an additional 9,040,166 shares of common stock in lieu of $45.2 million of cash for the 10% senior notes due 2008 (senior notes) they held making their total investment in the company in connection with the reorganization $157.8 million. Other senior noteholders entitled to receive $47.2 million of cash elected to receive 9,433,236 shares of common stock in lieu of cash, making the total equity investment $205.0 million. In December 2002 Fortress purchased 1,440,000 shares of common stock from Abrams Capital Partners I, L.P., Abrams Capital Partners II, L.P., and Whitecrest Partners, L.P., affiliates of Abrams Capital LLC, our third largest stockholder, for an aggregate purchase price of approximately $7.3 million. On February 5, 2004, Fortress and Greenhill's total investment was reduced by $113.8 million to $51.3 million (including the amount invested in connection with the purchase of shares from Abrams Capital, LLC and certain of its affiliates) as a result of our special distribution which represented a return of capital. In April 2004, Fortress exercised its warrants for 418,050 shares at an aggregate exercise price of $3.6 million and Fortress and Greenhill received a return of capital related to their portion of our April dividend to the extent it exceeded accumulated earnings to date in the amount of $9.0 million, thereby decreasing the Fortress and Greenhill investment to $45.9 million.

Under the plan, we satisfied $325.0 million of indebtedness related to our senior notes for $21.6 million and 18,473,402 shares of our common stock valued at $92.4 million, and satisfied $187.5 million of indebtedness related to our 5.5% convertible notes due 2007 for $1.0 million and warrants to purchase 820,000 shares of our common stock. In total $404.8 million, including $7.3 million of accrued interest, was discharged under the reorganization. Under the plan, our then existing senior credit facility lenders were paid approximately $93.0 million in cash, with the balance of the full amount owed to them incorporated into an amended and restated credit facility comprising a three-year secured term loan of $275.0 million. In addition, certain of these lenders provided a secured revolving credit facility of $30.0 million. We refer to the term loan and revolving credit facility, collectively, as our old credit facility. On February 5, 2004, the old credit facility was repaid in full and terminated.

Our emergence from bankruptcy and adoption of fresh start accounting resulted in the extinguishment of $404.8 million of indebtedness and significantly reduced our interest expense and depreciation and amortization expense. In addition to our reorganization, we have taken a number of other measures to minimize potential net losses in the future, including the sale of non-performing communications sites, the reduction of overhead and capital expenditures and the installation of a new management team.

2001 Securities and Exchange Commission Investigation

In August 2000, we became the subject of an investigation by the Securities and Exchange Commission. On December 6, 2001, we entered into a settlement with the Commission relating to our original accounting for the August 1999 acquisition of certain communications sites from Motorola, Inc. We restated our financial statements to change our accounting for that transaction in filings made with the Commission in April and May 2001. In the settlement, we consented, without admitting or denying the Commission's findings, to the Commission's entry of an administrative order that we cease and desist from committing or causing violations of the reporting, books and records, and internal control provisions of the federal securities laws. The Commission's order does not claim any violation of the antifraud provisions of the federal securities laws, nor does it assess a monetary penalty or fine against us. As previously disclosed, we cooperated fully with the Commission in its inquiry.

Basis of Accounting

In the following discussion, we refer to ourselves in the periods prior to our emergence from Chapter 11 as "predecessor company" and in the periods subsequent to the date of our emergence from bankruptcy as "successor company." The following is a discussion of our financial condition and results of operations for 2001 and the ten months ended October 31, 2002, for the predecessor company, and the two months ended December 31, 2002, the year ended December 31, 2003, and the three months ended March 31, 2003 and 2004 for the successor company. The discussion should be read in conjunction with our financial statements included elsewhere in this prospectus.

As a result of the adoption of fresh start accounting as of November 1, 2002, our financial statements after that date are not comparable to our financial statements for prior periods because of the differences in the basis of accounting and the different debt and equity structures for the predecessor company and the successor company. The more significant effects of the differences in the basis of accounting on the successor company's financial statements are lower depreciation and amortization expense as a result of the revaluation of our long-lived assets downward by $357.2 million through the application of fresh start accounting, and lower interest expense as a result of the discharge of $404.8 million of debt upon our emergence from bankruptcy. In addition, as required under fresh start accounting, we early adopted SFAS No. 143, "Accounting for Asset Retirement Obligations" at that time.

Recent Developments

On February 5, 2004, our principal operating subsidiary, Pinnacle Towers LLC, then known as Pinnacle Towers Inc., and 13 of its direct and indirect subsidiaries issued a $418.0 million mortgage loan made payable to a newly formed trust. The trust simultaneously issued $418.0 million in commercial mortgage pass-through certificates with terms identical to the mortgage loan. The net proceeds of $397.1 million from the mortgage loan were used primarily to repay $234.4 million of then outstanding borrowings under our old credit facility and to fund a $142.2 million one-time special distribution to our stockholders which represented a return of capital. The remaining net cash proceeds were used to establish a $4.6 million imposition reserve (which was required to be escrowed in connection with our securitization transaction and mortgage loan and relates to taxes, insurance and rents) and the remaining $15.9 million is available to fund operations. In connection with our repayment of the outstanding borrowings under our old credit facility, we expensed the remaining unamortized deferred debt financing cost totaling approximately $8.4 million during the first quarter of 2004. The weighted average fixed interest rate of the various tranches of the mortgage loan was approximately 5.0%, as of May 17, 2004. The

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mortgage loan has a final maturity date of January 2029, however, the loan documents impose material penalties if we fail to repay the mortgage loan on or prior to January 2009. The mortgage loan requires monthly payments of principal and interest of approximately $2.4 million based on a 25-year amortization. The mortgage loan is secured by mortgages, deeds of trust and deeds to secure debt creating first priority mortgage liens on assets which generated substantially all of our gross margin for the year ended December 31, 2003 and the three months ended March 31, 2004.

On February 5, 2004, we declared and paid an ordinary dividend of $0.3125 per share of our common stock, or an aggregate of $12.8 million.

On February 6, 2004, we amended our $100.0 million credit facility with Morgan Stanley to, among other things, increase the commitment thereunder to $200.0 million and reduce the applicable margin for federal funds rate loans and LIBOR loans to 2.1175% and 2.50%, respectively. We extended the maturity date to February 6, 2005, and the maturity date will be further extended to October 1, 2005 upon consummation of the offering. In addition, we pledged 100% of our ownership interest in Pinnacle Towers Acquisition Holdings LLC, then known as Pinnacle Towers Acquisition Inc., which pledge was to be reduced to 50% of our interest upon consummation of the offering and we succeeded the prior stockholders of Pinnacle Towers Acquisition Holdings LLC as guarantor under the credit facility. On May 12, 2004, we further amended the credit facility in connection with the implementation of the UPREIT operating partnership structure to, among other things, substitute Global Signal OP for Global Signal Inc. as the guarantor and the pledgor under the credit facility. In addition, upon consummation of this offering Global Signal OP will no longer be required to pledge its ownership interest in Pinnacle Towers Acquisition Holdings LLC.

On February 11, 2004, our board of directors approved a two-for-one stock split. In addition, our stockholders approved increases in our authorized number of shares of common stock to 100,000,000 and preferred stock to 20,000,000. All shares of common stock and per share of common stock amounts have been retroactively restated to give effect to the stock split. On February 11, 2004, our stockholders approved an increase of 2,000,000 shares in the shares available under the stock option plan and, effective as of January 1, 2005, subsequent annual increases of the lesser of 1,000,000 shares or 2% of the outstanding number of shares of common stock on the last day of the immediately preceding fiscal year.

On March 22, 2004, we declared an ordinary dividend of $0.3125 per share of common stock or an aggregate of $13.1 million of which $11.3 million represented a return of capital, for the three months ended March 31, 2004, and paid it on April 22, 2004 to all stockholders of record as of April 9, 2004.

On April 22, 2004, Pinnacle Towers Acquisition LLC, our wholly-owned subsidiary, executed an agreement to acquire all of the membership interests in Tower Ventures III LLC ("Tower Ventures") from five non-affiliated sellers for $52.0 million in cash, plus $1 million we expect to incur in estimated fees and expenses. Tower Ventures owns 97 wireless communications towers located primarily in Tennessee, Mississippi, Missouri and Arkansas. The sites are generally less than four years old and generate substantially all of their revenue from approximately 240 tenant leases with wireless telephony tenants. Approximately 73% of Tower Ventures' revenue for the three months ended March 31, 2004 was generated from the six largest wireless telephony service providers in the United States. We believe that Tower Ventures is an attractive acquisition due to the high percentage of revenue from existing wireless telephony customers and the quality and location of these recently constructed towers. While we cannot assure you that this acquisition will be consummated, we believe that it is probable, as the closing conditions are customary for a real estate transaction of this type. We expect to finance this acquisition with a portion of the net proceeds from this offering provided that this offering is completed prior to the closing of the acquisition. If the offering is not completed prior to the closing of the acquisition, we expect to finance this acquisition with short-term borrowings under our credit facility which we expect to repay upon consummation of this offering.

During April 2004, we also acquired a total of five wireless communications towers located in Georgia from Skylink Properties, L.L.C. and Hightower Communications Services, LLC, two non-affiliated parties, for approximately $3.4 million including fees and expenses. These towers generate all of their revenue from 19 wireless telephony tenant leases with monthly billings for April 2004 that would provide revenues, on an annualized basis of $0.4 million. Approximately 73% of the revenue generated

from these towers in April 2004 was from the six largest wireless telephony service providers in the United States. We believe these towers represent attractive acquisitions because of their existing wireless telephony tenants and the location of the towers in high demand areas with significant restrictions on zoning. We financed these acquisitions with borrowings under our credit facility which we intend to repay with proceeds from this offering.

We expect to acquire and develop additional communications tower sites during 2004 and to ultimately finance such communications towers in a manner similar to the mortgage loan transaction we completed on February 5, 2004. On March 26, 2004, in anticipation of such financing, we entered into four interest rate swaps with Morgan Stanley as counter party to hedge the variability of future interest rates on the financing. Under the interest rate swaps, we agreed to pay the counter party a fixed interest rate of 3.416% on a total notional amount of $200.0 million beginning in October 2004 through April 2009 in exchange for receiving three-month LIBOR on the same notional amount for the