

STATEMENT ON BEHALF OF THE MILLENNIUM TOWER ASSOCIATION

The Millennium Tower Association has been advised by the original developer that the Association's buildings have experienced settlement beyond what was originally anticipated. In response to that information, the Association has retained a number of engineering consultants to investigate the causes and long-term impact of these settlement conditions. Importantly, the Association has been assured that there are currently no short or long-term concerns with regard to building integrity or safety.

The Association's engineering consultants are actively working to develop the appropriate scope of repair to address these construction conditions as quickly and effectively as possible. At the same time, the Association is carefully evaluating its legal options in connection with those parties that have caused or contributed to the settlement conditions. Those parties may include the developer, the original design professionals, the original contractors, and the Transbay Joint Powers Authority (as a result of the construction of the neighboring Transbay Transit Center). The Transbay Joint Powers Authority has acknowledged, in a recorded easement, that its significant construction activities could have negative impacts on surrounding structures and properties.

The Association, at the appropriate time, and with the assistance of its consultants and legal counsel, will take all necessary steps to ensure that the buildings are fully repaired and that all parties that caused or contributed to the settlement conditions are held legally accountable.