



March 27, 2009

Dear Neighbor:

Over the past few weeks, it has become evident to us that many of our neighbors are very concerned about the impact the renovated Masonic, and the partnership with Live Nation, will have on the neighborhood. We have made every effort to communicate accurate, truthful information about our plans, but certain neighbors have worked just as hard to disseminate false and misleading information. It seems that this bad information is sadly clouding the normal, congenial atmosphere on Nob Hill, so in order to put as many people at ease as possible I have chosen to send this letter directly to our neighbors.

First, Live Nation was chosen as our partner in managing the Masonic Center because of their experience and professionalism. I am aware that a neighbor at 1201 California has been publishing information about two east coast events promoted by Live Nation where there were troubles and stating that these things will happen when Live Nation comes to Nob Hill. Anyone would be worried by such information.

The fact is that Live Nation and its predecessor, Bill Graham Presents, have been promoting concerts in our building on Nob Hill since 1972. They have promoted more than a dozen concerts here recently and one as late as February 24. There have been no arrests, assaults, or underage drinking; nor has there been harm done to Huntington Park. Live Nation produces many concerts in a variety of venues in the Bay Area and their reputation is just not consistent with the bad picture that some neighbors seek to impress upon the neighborhood.

Live Nation will have a general manager and operations staff on the property and we believe that once established as the sole operator, they will bring a much higher level of professionalism to the concerts, meetings, and special events that are held in our facility. This has already been demonstrated in the efficiency that they brought to the most recent concert.

Traffic has been challenging for certain events in the past. We take this issue very seriously. We have worked with Live Nation, as well as traffic and parking consultants, to understand the traffic issues better and to find solutions. Together, we have identified a number of ways to reduce congestion on California Street. Several of these measures were implemented during the February 24 event (2,700 in attendance) and traffic conditions were greatly improved. The traffic expert noted that traffic flowed consistently and that there was no congestion. If our plan is approved by the Planning Commission, additional improvements to traffic and parking, such as pre-paid parking, an additional lane into the garage, and an additional entrance through Pine Street, will have an additional positive impact on the traffic and parking.

IN PARTNERSHIP WITH



We have also addressed several other concerns of the neighbors with the conditions we have proposed to the Planning Commission. Sadly, another person in the area is circulating emails claiming that “all attempts to negotiate a reasonable compromise with (the Masonic) have been met with vague, deceptive and arrogant responses.” Setting aside his inflammatory language, nothing could be further from the truth. We have reached out to neighbors on many levels, from hosting an open house when we first started this project to get our neighbors’ feedback to meeting with everyone who has requested it to communicating with tens of thousands of neighbors through mail, email, and advertising. We have addressed to the very best of our ability every constructive concern that has been presented to us. I have enclosed a copy of these conditions for your information.

Many have asked if we have considered the impact this project may have on our building. Indeed we have. Our building is very important to us and we constantly work to maintain and improve it. Just recently we completed the restoration of our beautiful endomosaic mural. This is another reason why we have chosen Live Nation. In visiting some of the other venues they manage, we were impressed by the condition of them, especially the more historic sites under their care. Further, we have enlisted the advice of Architectural Resources Group (ARG), a leading architecture firm in San Francisco that restores historic structures throughout the state. ARG has reviewed all of the plans for improvement with an eye to preserve the character and integrity of the building. We have also hired The Albert Group of San Francisco to oversee the work that is done. The Albert Group has an excellent reputation for the work they have done for some of San Francisco’s most treasured buildings.

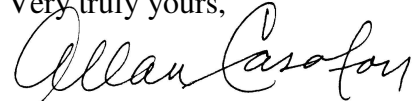
The changes being made to the auditorium are not intended to increase attendance at events. Rather, the changes are being made to make the auditorium more flexible than it is currently to better meet the needs of future events. The new configuration of the auditorium will provide a better environment for concerts, meeting planners, and guests of the venue. The tiered floors will be able to accommodate seats, standing room, or banquet tables. The hotels on the Hill are very excited about this kind of flexibility. For complete clarification, the capacity of building is not changing. Capacity is determined by the Building Code and when the Code is applied to this new configuration in the auditorium, it expands the capacity by about 200 (from a maximum capacity of about 3,280 to 3,481 persons). This has been offset by changes to the exhibition hall, where concurrent events have been held in the past, so that the overall capacity of the building is not altered.

The Masons of California have a long-standing, excellent reputation in San Francisco and throughout the state. We are proud of what we have done, what we currently do, and what we will do in the future to improve the lives of others through support of public schools, nursing and healthcare and through a variety of important services to needy children and seniors. We would not knowingly do anything to harm this reputation. We believe that when the facts are known about our Nob Hill project and it moves forward,

we will have improved the operations of our building to the betterment of the neighborhood and the entire City.

Thank you again for your time and please let me know if I can provide any further information to you regarding our current project. I have included a flyer which specifically addresses other rumors that are currently circulating in the neighborhood. In addition you may call me personally if you have specific questions at (415) 292-9140 or you may email us at masoniccentersf@gmail.com or check our website for project updates at www.masonicauditorium.com. If you are supportive of our efforts we would appreciate receiving an email at your earliest convenience so that we may provide you with follow-up information.

Very truly yours,

A handwritten signature in cursive script that reads "Allan Casalou". The signature is written in black ink and is positioned above the printed name.

Allan L. Casalou
Grand Secretary