

THE FORUM OWNERS CORP.

August 17, 2011

The Forum Owners Corp.
343 East 74th Street
New York, NY 10021

Dear Shareholder,

We are writing to inform you and to update you about several matters regarding staffing, the elevators, the building's façade and our finances.

First, we hope that you have had an opportunity to meet Terence ("Terry") Feeley our new Superintendent. Terry has been working with Saulo for the past two weeks to get up to speed on the workings of our building. If you haven't met Terry, he will be in the lobby of the building each morning beginning at 8:30 so if you have not had a chance to say hello please make a point to do so. We will officially welcome Terry at a wine and cheese party to be held on the building's rooftop on August 22nd from 7:00 to 9:00 p.m.

Next, we are pleased to report that the elevator work continues to move forward on schedule. So far we are very happy with the outcome of the first elevator which was completed July 5th and we look forward to finishing the passenger elevator on time and on budget just after Labor Day. Once the modernization work has been completed, we will replace the floors of each elevator and have the paneling refinished.

One of the challenges we will soon face involves the building's façade. As you probably know, the City of New York, under Local Law 11, requires that all buildings six stories or more in height must inspect their façades every five years and file a report with the Department of Buildings. Recently, the Board interviewed three engineering firms and after careful deliberation determined that O&S Associates will perform this inspection in a prudent as well as pragmatic way. O&S has begun their preliminary inspection and will soon provide a plan for approaching both the curtain wall issue and the façade. We will keep you informed of what this will entail and the associated costs.

With regard to finances, we scored a major success this year in our protest of the building's assessed valuation which determines, in large part, the amount of real estate taxes we pay on an annual basis. We are very pleased to inform you that our certiorari counsel obtained a \$1,685,000 reduction in the assessed value of the building. This should translate into a reduced tax bill for the coming year.

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While there are still some challenges ahead for our building, we can take comfort in the fact that we have made significant improvements to our property over the past year: We have in place a highly trained Superintendent; our hallways and lobby have been beautifully renovated; our elevators will now be state-of-the-art and our real estate taxes – which have been a continued burden on our budget for the past several years – have been reduced.

We appreciate your continued support and look forward to seeing you at our summer party.

As always, you can go to our website at www.theforumowners.com for updates and additional information.

Sincerely,

The Board of Directors