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SoMa Grand condo owners sue over alleged defects

By J.K. Dineen

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Residents of the Mid-Market condo tower SoMa Grand have filed suit in San Francisco Superior Court for numerous construction defects and are seeking damages in excess of \$4 million.

The SOMA Grand Residences Owners Association alleges that in 2011 the building began to experience significant waterproofing issues in the exterior concrete masonry walls, subterranean garage walls and the expansive podium deck. Exterior sealant joint failures of the pre-cast concrete walls and window defects are also identified, according to the lawsuit.

Completed in 2008 the building was the first luxury condo development in the Mid-Market, an area that is currently seeing an explosion of new development, including thousands of new housing units.



Flooding of several units also occurred during rainstorms in December 2012, according to the lawsuit. All of the defects were identified by independent forensic architects and consultants retained by the homeowners association through counsel, The Miller Law Firm.

Those named in the lawsuit include: TMG Partners and the three LLC's formed to build and sell the condos – 1160 Mission Associates, LLC, AGI-TMG Mission, LLC and TMG 1160, LLC, the project architects – Kwan Henmi Architecture & Planning, Inc., Architecture International, LTD., and McGinnis Chen Associates, Inc., and the general contractor for the project, Webcor Builders, Inc.

In a statement the developer, 1160 Mission Associates, said “the owner has in good faith sought to address the issues and pursue resolution through what has been until now ongoing mediation.”

“The parties had a scheduled mediation on May 24, 2013 which was jointly continued until July 18, 2013 to provide additional time for further analysis of the issues,” the group stated. “The filing of the lawsuit has not altered the scheduled mediation nor the mutual desire of the parties to resolve this matter expeditiously. While we will continue to seek such resolution, as the lawsuit has been filed today, we cannot address the matter publicly in any greater detail.”

The alleged defects notwithstanding, the SoMa Grand has rebounded nicely from the housing crash of 2009. Of the last five units that sold, four traded for more than the 2008 sale price. A unit recently sold for \$1.16 million, 3 percent higher than the 2008 sales price, according to an analysis by Polaris Pacific. Another unit sold for \$628,000, 7 percent higher than the 2008 price. And a third unit was recently unloaded for \$990,000, which represents a 23 percent appreciation from the recession-era price 2009 price of \$804,000.