

Elon Musk cuts Twitter expenses by falling behind on bills

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Elon Musk is trying to slash expenses at Twitter as close to zero as

possible while his personal wealth shrinks—and this apparently has included falling behind on rent payments at the company's offices.

Twitter owes \$136,260 in overdue rent on its offices on the 30th floor of a building in downtown in San Francisco, according to a lawsuit filed by the building's landlord last week.

The landlord at 650 California St., which is not Twitter's main San Francisco headquarters, served a notice to the social media company on Dec. 16 informing it that it would be in default if it didn't pay within five days. The five days elapsed without payment, according to the lawsuit.

The landlord, Columbia REIT 650 California LLC, is seeking damages totaling the back rent, as well as attorney fees and other expenses. Twitter signed a seven-year lease for the offices in 2017. The monthly rent was \$107,526.50 in the first full year and increase gradually to \$128,397 per month in the seventh year.

Twitter did not respond to a message for comment. The company no longer has a media relations department.

Musk bought Twitter for \$44 billion in October and the company is on the hook for about \$1 billion a year in interest payments from the deal. Most of Musk's wealth [is tied to his ownership of Tesla shares](#), which have lost more than half of their value since he took ownership of Twitter. He has sold nearly \$23 billion worth of the electric vehicle company's stock to fund the purchase since April, when he started building a position in Twitter. He's even lost the top spot for the world's wealthiest person, according to Forbes.

[Musk defended his extreme cost cutting measures](#) last month in a late night Twitter Spaces call.

"This company is like, basically, you're in a plane that is headed towards the ground at high speed with the engines on fire and the controls don't work," Musk said on Dec. 21.

The company's headquarters are located at another San Francisco address, 1355 Market St., where Twitter has also reportedly [fallen behind on rent](#), according to The New York Times.

In addition to not paying [rent](#) and laying off workers, Musk's Twitter is also auctioning off high-end office furniture, kitchen equipment and other relics the past, when Twitter had over 7,500 full-time workers around the world, and free lunch and other office perks were common. Some three-quarters of Twitter's employee base are expected to have left the [company](#), either because they were [laid off](#), [fired](#) or quit.

Among the items Twitter is auctioning off are a pizza oven, 40-quart commercial kitchen floor mixer (retails for around \$18,000; bidding starts at \$25), high-end designer furniture such as Eames chairs from Herman Miller and Knoll Diamond chairs that retail in the thousands.

Even a Twitter bird statue (bidding starts at \$25) and a neon Twitter bird light display (bidding starts at \$50) are up for grabs in this fire sale-style auction reminiscent of the dot-com bust of the early 2000s when failed tech startups were selling off their decadent office wares.

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