Credit Report – CRE (Annual Review)

Bundesbank No#:
Required approval level:

PWM Regional	PWM COO	SCE	KWG13	KWG 15
☐	☐	☐	☐	☐

Date:	**7/24/13**
Next Ann Review Date:	**7/30/14**
Original Approval Date:	**12/20/11**

■ **Review**

■ **Amendment**

Group:	The Trump Family
Borrower:	Trump Endeavor 12, LLC
Pledgor:	
Guarantor:	Donald J. Trump ("Donald", "DJT" or "Trump")
Location:	New York, NY
SIC Type:	LLC
SIC Code:	6500 General Real Estate
Purpose Code:	ACQ
DB Unit:	DBTCA

Beneficial Owner:	Donald J. Trump
Org ID:	
Attorney:	Loeb & Loeb
Rel. Manager:	Vrablic/Scalzi
Team Leader:	Sullivan
Lender:	Schroeder
Analyst:	
Service Officer:	Ross
Loan Product Type:	Other Secured

Reason for Presentation:

1. Modification of the Trump Endeavor 12, LLC loan facility.
2. Approval of an Interest Rate Swap
3. Annual Review of Trump Endeavor 12, LLC loan facility.
4. Request to change Annual Review date to 7/30/14.

Exchange Rate:	N/A

Rating Development: Current: Tranche A - iA/dBBB Tranche B – iA/dA-	Previous: iA-/dBBB
See attached Risk Rating for rationale for risk rating change (if applicable)	

Currency: **US $ in million**	**New Limit**	**Usage**	**Previous Limit**
Secured	$106	$106	$106
Unsecured	$19	$19	$19
SWAP PFE	$28	$28	$28
Other (Description)			
Related Exposure			
Total Exposure	$153	$153	$153

Years	**New Limit**	**Usage**	**Previous Limit**
<=1			
>1 and <=5			
>5 and <=7			
>7 and <=10	$153	$153	$153
>10			
Other liabilities or comments:			

Collateral	**Collateral Type**	**Market Value**	**Advance Rate**	**Collateral Lending Value**
Doral Golf Resort and Spa located in Miami, Florida	**Hotel and Golf Course**	**$125MM**	**85%**	**$106MM**
Unsecured	**N/A**			**$19MM ($47MM with SWAP PFE)**

**For collateral monitoring purposes, the $106MM Facility is being underwritten as Other Secured.*

The Collateral property consists of a 622 acre golf resort and spa that includes 4 tournament class golf courses (Blue, Red, Gold and White) and a 693 room resort. Other amenities of the resort include 86,139 SF of meeting space including a 24,000 SF ballroom, a 50,000 SF spa and treatment center, 6 food and beverage venues, retail space, 670 parking spaces and a Member's Clubhouse. The property is located within 8 miles or 15 minutes from Miami International Airport.

Assets Under Management: Donald J. Trump -- $29.7MM cash deposits; Donald J. Trump Jr -- $500M cash deposits

Total Relationship Other Credit Exposure Summary

#	**Obligor**	**Org Id**	**Collateral**	**Risk Rating**	**Facility Amount**	**O/S Balance**	**Maturity**	**Interest Rate**	**Comments**
1	Titan Atlas Manufacturing	7789036	1st Mortgage	iBBB-/dBBB	$3.58	$3.58	11/18/2014	L + 300	Donald J. Trump Jr.
2	401 North Wabash Venture	6618229	1st Mortgage	iA/dA	$27.5	$27.5	6/10/17	L + 225	Paid down from $99MM
				Total	**$31.08**	**$31.08**			

Covenants:

Does the subject facility have covenants?	☒ Yes	☐ No
If yes, are these new covenants or did the covenants change since last approval?	☒ Yes	☐ No
Are the covenants loaded in Covenant Lite?	☒ Yes	☐ No
If yes, have you included a Covenant Lite printout for existing covenants?	☐ Yes	☒ No
If no, have you included a new covenant transmittal?	☒ Yes	☐ No
Are all covenants in compliance?		
Reporting	☒ Yes	☐ No
Financial	☒ Yes	☐ No

See details in covenant section

PX-290
Index No. 452564/2022 (AFE)

Facility Details		
	Existing Terms	**Revised Terms**
Type/Facility Amount	$125,000,000, as evidenced by (i) a Secured Tranche A Note in the principal amount of $106,000,000 ("Secured Tranche A Note"), and (ii) an Unsecured Tranche B Note in the principal amount of $19,000,000 ("Unsecured Tranche B Note").	No change
Swap PFE	N/A	$28,000,000 assuming 10-year Swap on the $125,000,000 Facility Amount. Note: The related PFE under the Swap will be secured, as a defined Obligation, by the Collateral, however, is being underwritten as "unsecured" since "secured" exposure is limited to 85% of the most recent appraised Collateral Value. Accordingly, the total maximum "unsecured" exposure on closing date of this amendment will be $47,000,000 ($28,000,000 Swap PFE & $19,000,000 Tranche B Note). The Tranche B Note will become (i) secured or (ii) fully paid off within 2-years from the closing date. The SWAP PFE exposure shall at all times be fully guaranteed by the Guarantor and shall not be subject to the defined step-downs in the Guaranty Level, as defined herein.
Purpose:	Acquisition of the collateral property	Extension of the facility that was used to acquire the collateral property and modification to provide Guaranty Step-down provisions in accordance with LTV levels, as defined herein.
Maturity:	**Tranche A**: 5 years from the Closing Date on 6/11/12, Maturing on 6/10/17. **Tranche B:** 2-years from the Closing Date; provided, however, that in the event that there exists no event of default that shall have occurred and be continuing, if Borrower so requests and Borrower delivers to Lender an Appraisal, at Borrower's sole cost and expense, evidencing a LTV equal to or less than 85% as calculated based upon the indebtedness evidenced by both the Secured Tranche A Note and the Unsecured Tranche B Note (subject, in any event, to the Dispute Mechanism), the Unsecured Tranche B Note shall be extended to meet the term of Tranche A and the first mortgage lien on the Property shall be deemed to cover such increase in exposure to the property.	**Tranche A**: 10 years from closing on of the Second Amendment Effective Date. Maturing in 2023. **Tranche B:** 2-years from the Second Amendment Effective Date, with no other changes to terms as defined under the existing terms.
Repayment:	The committed term will consist of a 5-year interest only period. The Borrowers may prepay any amount under the Facility in whole or in part at any time without penalty, with the exception of any cost associated with breakage of a LIBOR contract.	The committed term will consist of a 10-year interest only period. The Borrowers may prepay any amount under the Facility in whole or in part at any time without penalty, with the exception of any cost associated with breakage of a LIBOR or SWAP contract.
Interest Rate:	• Renovation Period: Libor + 2.25% or the Prime Rate • Post-Renovation Period: Libor + 2.00% or the Prime Rate minus .25%	L + 1.75% or Prime minus 0.75%, with step-up to L+2.00% or Prime minus 0.50%, if Guaranty Level falls below 10%.
Interest Rate SWAP	N/A	Request approval for an interest rate swap (the "Swap"), for the purpose of hedging interest rate risk, with a notional amount not to exceed the total principal amount outstanding under the loan. The Swap will be cross-collateralized and cross-defaulted to the Loan with the property serving as collateral for the exposure under the Swap. Exposure under the Swap, which has PFE of $28MM, will also be further supported by the full personal guaranty of Donald J. Trump at all times while the Swap is outstanding.
LIBOR Tenors	Borrower may elect interest periods of 1, 3, 6, and 12 months	No Change

<table>
<tr>
<td>Fees:</td>
<td>1.00% of Facility Amount - payable as follows: (i) 1% of the Secured Tranche A Note, was paid on the Closing Date; and (ii) 1% of the Unsecured Tranche B Note, shall be payable in the amount of (a) 40% was paid on the Closing Date, and (b) the balance, equal to $114,000, shall be paid upon the Tranche A Increase, if any (it being understood and agreed that in the event that there is no Tranche A Increase, such balance shall not be required to be paid).</td>
<td>The remaining fee of $114,000 due in connection to Tranche B shall be paid in full as of the Closing Date of this Amendment.</td>
</tr>
<tr>
<td>DSC Covenant</td>
<td>
• During the Renovation Period: No DSC Covenant
• During the Post-Renovation Period: 1.15x
</td>
<td>The DSC Covenant shall be increased to correspond with defined step-downs in the Guaranty Levels as indicated in the chart below:
<table>
<tr><th>Guaranty Level</th><th>DSC Covenant</th></tr>
<tr><td>40%</td><td>1.15x</td></tr>
<tr><td>20%</td><td>1.40x</td></tr>
<tr><td>10%</td><td>1.65x</td></tr>
<tr><td>0%</td><td>1.25x</td></tr>
</table>
If at any time the DSC covenant is breached when the Guaranty Level is > 0%, the Borrower must provide an acceptable appraisal to the Lender, at Lender request, confirming the LTV. If the LTV is above the Max LTV for the Guarantor Level in place, the Borrower has the option to (i) pay down the loan or post additional collateral to bring the loan back into compliance or (ii) increase the Guaranty Level correspond to the updated LTV. At anytime the Guaranty Level is 0% the DSC Covenant will step-down to 1.25, however, any breach thereafter will be trigger an Event of Default without requiring a new appraisal.</td>
</tr>
<tr>
<td>Maximum LTV</td>
<td>85% against the collateral property securing Tranche A (MV: $125MM)</td>
<td>Max LTV shall be determined based on the corresponding Guaranty Level as defined above.
<table>
<tr><th>Max LTV</th><th>Guaranty Level</th></tr>
<tr><td>85%</td><td>100%</td></tr>
<tr><td>65%</td><td>40%</td></tr>
<tr><td>55%</td><td>20%</td></tr>
<tr><td>45%</td><td>10%</td></tr>
<tr><td>35%</td><td>0%</td></tr>
</table>
</td>
</tr>
</table>

<table>
<tr>
<td>Reappraisal LTV Test</td>
<td>N/A</td>
<td>The Reappraisal LTV Test shall be calculated only in cases where the Guaranty Level has previously been stepped down and the there has been an increase in the LTV based on the most recent appraisal. In such cases when the new LTV has increased the Max LTV as defined under the Reappraisal LTV Test shall be used to determine the Max LTV. In no case can the Reapprisal LTV Test be used to step-down the existing Guaranty Level. The Guarantor continues to maintain the the option to (i) increase the Guaranty Option %, as defined in the table below or (ii) pay the loan down to bring the Max LTV back within the then current Guaranty level under the Reappraisal LTV test.
See below Guaranty section.
<table>
<tr><th>Max LTV (B)</th><th>Max LTV</th><th>Guarantee Option %</th><th>DSC Covenant</th></tr>
<tr><td>> 85%</td><td>100%</td><td>100%</td><td></td></tr>
<tr><td></td><td></td><td></td><td></td></tr>
<tr><td>> 65% - 85%</td><td>85%</td><td>20%</td><td></td></tr>
<tr><td>> 35% - 65%</td><td>65%</td><td>10%</td><td></td></tr>
<tr><td>35% and below</td><td>35%</td><td>*</td><td>1.25x</td></tr>
</table>
* Debt Service Coverage Test converts to covenant during Reappraisal Test Period (1.25x)</td>
</tr>
<tr>
<td>Guaranty:</td>
<td>Donald Trump personally guarantees 100% principal, interest and operating shortfalls</td>
<td>Donald Trump shall continue to personally guarantee a percentage of principal, interest and operating shortfalls. However the % of such Guaranty shall be maintained in accordance with the defined LTV Range as indicated in the table below. Any reduction in such Guaranty Levels will be considered permanent, unless Guarantor elects to increase the Guaranty Level for purposes of curing any shortfalls in accordance with the Max LTV requirement.
<table>
<tr><th>LTV Range</th><th>Guaranty Level</th></tr>
<tr><td>85% - 66%</td><td>100%</td></tr>
<tr><td>65% - 56%</td><td>40%</td></tr>
<tr><td>55% - 46%</td><td>20%</td></tr>
<tr><td>45% - 36%</td><td>10%</td></tr>
<tr><td>35% and below</td><td>0%</td></tr>
</table>
The LTV Range shall be calculated based on the most recent appraisal received in accordance with the existing terms and conditions under the transaction documents.</td>
</tr>
</table>

Guarantor Covenants

During the Renovation Period and any DSC Non-Compliance Period:

- **Minimum Liquidity:** Guarantor must maintain at least $50MM in unencumbered liquidity with $20MM held at DB.

- **Maximum Debt:** Guarantor cannot incur direct or contingent debt in excess of $300MM. Excluding the subject facility.

At all times during the term of the loan:

- **Required Net Worth:** Guarantor must maintain a NW of no less than $2.5B.

During the Renovation Period the Guarantor covenants do not change. Once the Renovation Period is over (an acceptable appraisal is delivered showing an LTV for the entire loan facility at or below 85%), the following Guarantor Covenants will be in place.

During the DSC Non-compliance Period. The following Guarantor Covenants will be in place:

- **Minimum Liquidity**

Guaranty Level	Unencumbered Liquidity Covenant	Held with DB
100%	$50MM	$20MM
40%	$20MM	$20MM
20%	$10MM	$10MM
10%	$5MM	$5MM
0%	$0	$0

- **Maximum Debt** Guarantor cannot incur direct or contingent debt in excess of $500MM. Excluding the subject facility.

At all times during the term of the loan:

- **Required Net Worth:** Guarantor shall maintain a Net Worth of not less than the product of (x) Two Billion Five Hundred Million Dollars ($2,500,000,000) times (y) the applicable Guaranty Level.

Guaranty Level (Y)	Net Worth Covenant (X)
100%	$2.5B
40%	$1B
20%	$500MM
10%	$250MM
0%	$0

Other Modification:

Partial Release of Mortgaged Premises

The client has been in discussions with the local government to explore the possibility of opening a casino at the collateral property. While this idea is purely in the discussion phase, given the 10-year term of the facility, the Borrower has requested the ability to carve out an 8-9 acre area at the back-side of the property from the mortgage premises if the Borrower should obtain the appropriate state and regulatory approvals to develop a casino on the premises. The portion they are requesting is located behind the ballroom and spa and is currently being used as parking. ., The condition for release is there can be no material adverse effect on the collateral property as a result of the partial release. The Lender will ago maintain the right to conduct an annual appraisal to confirm any change in the LTV. Please see aerial diagram of the requested partial release attached as Exhibit VI. As the collateral property totals approximately 660-acres, the potential release of 8-9 acres represents approx. 1.4% of the collateral property size.

Repayment Sources/ Key Risks/Mitigants

- **Primary Source of Repayment:** Refinancing of the Collateral Property.
- **Secondary Source of Repayment**: Cash flow from Resort following the Renovation Period. Based on projections the Resort should be able to satisfactorily service the debt paying principal and interest based on a 25-year amortization schedule.
- **Tertiary Source of Repayment**: When the LTV is above 65%, DJT provides a full and unconditional guarantee, which eliminates any shortfall associated with operating and liquidating Collateral. As equity in the collateral increases, the Guaranty Level steps down concurrently.

Recommendation:

The Modification to the facility is being recommended for approval based on:

- *Financial Strength of the Guarantor* - The financial profile of the Guarantor includes, on an adjusted basis, $146 million in unencumbered liquidity, $2.4 billion in Net Worth and approximately $13.4 million in adjusted recurring net cash flow.
- *Equity Injection of the Guarantor:* While the initial equity injection of the Guarantor was estimated at $50MM, we have been told that the estimate has been increased to anywhere from $150-$160MM, with approximately $30MM already invested.

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- *Leverage Levels required for Step-Down of the Guaranty* – The LTV levels required to for a decrease in the guaranty levels are low enough to ensure that the loan is more than adequately collateralized.
- *Operating Experience* – DJT's extensive experience in operating private golf/country clubs. His current portfolio includes 10 such clubs with a reported value of $1.4 billion and DB adjusted value of $637 million.
- *Expected Enhanced Value due to Capex* -The Resort is a world class location that has been home to a PGA event every year since the Resort opened in 1962. As DJT expects to invest approximately $150-160 million on capital improvements it is expected that the value of our Collateral will increase significantly over the term of the Facility.

Regulatory Requirement - One Obligor Principle

IMPORTANT: Transactions subject to banking secrecy in other locations should not be covered

- Does the borrower have other existing credit client relationships in the current booking location or with other Deutsche Bank entities (whether under private individual name or other related entities)?

☒ Yes ☐ No

If 'Yes', please provide details:

Please see Total Exposure on Page 1.

- Please certify (tick the box) that this was confirmed with the borrower: ☒

If answered 'Yes' to the above question, the Consolidation of Borrowers' Sheet has to be completed*

**Credit Officer or Lending Officer to complete as per responsibilities in place in the given location*

Reg O Questions: **(Lender & CRM Initials)**

YES **NO**

1.) **Is this loan for a DB employee?**

2.) **Is this loan for a DBTCA "insider?" or "related party"?**
(Consult the most current list of "DBTCA Insiders for Regulation O and NY State Banking Law Reporting Purposes," which is posted on the shared drive R in the folder titled "Reg O," in a Word document titled "Reg O and Insider List")

3.) **If the loan is for a DBTCA "insider," will DBTCA, DBPWM or any other subsidiary of DBTCA originate the loan?**
(If Yes, the loan must be approved in advance by the DBTCA Board of Directors and the DBTCA Office of the Secretary. Please contact Compliance or Legal immediately.)

Signatures

Emily S. Schroeder Vice President	**Tom Sullivan** Managing Director			
Emily Schroeder, **BUS**	Tom Sullivan, **BUS**	Marc Mitchell, **BUS**	Sean Harrigan, **CRM** 7/30/13	Nicholas Haigh, **CRM** 7/30/13

☐ **Approved** ☐ **Rejected** ☐ **Approved with conditions**

II - Financial Analysis – Guarantor

It should be noted that the Guarantor, DJT, is required to provide financials within 120 days of 6/30 FYE. Thus the most recent financials available are as of 6/30/12. We are not aware of any material changes to the Guarantors financial profile. Once the updated 6/30/13 financials have been provided, expected on or before 10/31/13, an updated Guarantor analysis will be completed as part of the review of this facility and the Trump International Hotel in Chicago (401 North Wabash).

Guarantors – Financial Summary: Although the Facility is secured by the Collateral, given its unique nature, the credit exposure is being recommended based on the financial profile of the Guarantor. As part of this underwriting we have met with several members of the family office to update our due diligence on the client reported financial information, as prepared by WeiserMazars, an independent public accounting firm. Based on the results of this due diligence we have made certain assumptions that have resulted in adjustments to reported values. Details on such adjustments are included in the analysis that follows. Additional details are included in the Guarantors financial statements which are attached as Exhibit II.

Financial Summary *($ in millions)* **Source:** *Client provided financials*	**DJT 6/30/2011 (Client Reported)**	**DJT 6/30/2011** ***(DB Adjusted)***	**DJT 6/30/2012** ***(Client Reported)***	**DJT 6/30/2012** ***(DB Adjusted)***
Cash & Marketable Securities	**$258.9**	$135.8	**$169.7**	$146.3
Escrow & Reserve Deposits	**$9.1**	--	**$10.8**	--
Real Estate – Net Equity	**$2,996.9**	$1,737.9	**$3,184.2**	$1,707.5
Partnerships & Joint Ventures	**$720.0**	$360.0	**$823.3**	$411.7
Real Estate Licensing	**$89.3**	$44.6	**$65.2**	$32.6
Other Assets	**$199.2**	$99.6	**$318.5**	$159.3
Total Assets	**$4,273.4**	$2,377.9	**$4,563.9**	$2,448.8
Personal Mortgage other Debt	**$8.4**	$8.4	**$8.3**	$8.3
Other Liabilities	**$3.7**	$3.7	**$4.4**	$4.4
Net Worth	**$4,261.3**	**$2,365.8**	**4,559.0**	**2,436.1**
Contingent Obligations	**$114.0**	$114.0	**$195.7**	277.7
Net Cash Flow *	**$82.4**	$48.8	**($89.2)**	$13.4
Key Ratios – Unsecured Lending Guidelines (excludes Swap PFE)				
Leverage Ratio (<= .30)	.13	.24	**.14**	.13
Cash Flow Ratio (>= .35)	**.57**	.31	**-0.67**	.05
Liquidity Ratio (>= .25)	**2.04**	1.06	**1.32**	.47
Asset Coverage Ratio (>=6.0)	31.7	17.84	33.32	8.43
Key Ratios – Unsecured Lending Guidelines (including Swap PFE)				
Leverage Ratio (<= .30)			.15	.14
Cash Flow Ratio (>= .35)			**-0.68**	.03
Liquidity Ratio (>= .25)			**1.31**	.45
Asset Coverage Ratio (>=6.0)			33.32	8.41

- *Liquidity* – On 10/19/2012 Tom Sullivan and Emily Schroeder visited the offices of the Guarantor and reviewed bank and brokerage statements that confirmed $146.3 million in cash balances and marketable securities, representing 86% of the client reported amount and of which $118.4 million was held by in the name of the Guarantor and $27.9 is held in operating accounts of entities that are wholly-owned by the Guarantor. The client reported balance has decreased by $89.2 million from the prior year primarily due to the client's investment in property development, retirement of debt and asset acquisition. (See Cash Flow section for additional details).

  <u>Subsequent to June 30, 2012, the Guarantor closed a new $100 million refinancing on August 30, 2012 on the Trump Tower property. The transaction replaced the existing $26.9 million in existing debt and allowed the Guarantor to take a $73 million cash distribution which further increased his reported liquidity. Adjusting for the distribution would increase the Guarantor's cash balance to $251.7 million.</u>

  The Guarantor's personal liquidity has been primarily generated through on-going distributions from his diversified portfolio of operating companies which is highlighted in more detail in the Cash Flow section below. Such distributions include cash distributions from the Guarantor's portfolio of premier private clubs which generated these distributions through operating profit along with the collection of membership deposits. In accordance with industry standards premier golf clubs require new members post a non-interest bearing 30-year deposit as part of their membership requirement. Terms of the deposit agreement include that such deposits are non-refundable for 30-years without condition, after which the member may request the refund of such deposit which is generally contingent on being replaced by at least one new member. As of June 30, 2012 the total life-to-date balance of such deposits collected across the 12 clubs owned by the Guarantor was approximately $157 million, much of which has been reinvested into the clubs. Given the lack of any conditional rights by the member such deposits are not recorded on the operating books of the club as a liability. The Guarantor has indicated that they have received tax opinions supporting the treatment of such deposits and are not required to be included as part of taxable income.

- *Real Estate – Net Equity* - the following table summarizes the Guarantor's total real estate portfolio, as of 6/31/12 which reflects the Guarantor's 4 wholly owned trophy properties, the portfolio of 12 wholly owned club facilities, other major property interests and properties currently under development. DB adjustments for each of these properties are discussed below.

Property Type	DJT Valuation	DB Valuation	Reported Debt	DJT Net Equity	DB Adjusted Net Equity
Trump Tower – 725 5th Ave	$501.1	$480.2	$26.7	$474.4	*$380.2
Niketown – East 57th St	$279.5	$197.0	$46.4	$233.1	$150.6
40 Wall Street	$527.2	$438.0	$160.0	$367.2	$278.0
Trump Park Ave	$312.4	$206.3	$22.2	$290.2	$184.1
Subtotal – 4 Trophy Properties	***$1,620.2***	***$1,221.5***	***$255.3***	***$1,364.9***	***$992.9***
Club Facilities	$1,570.3	$785.2	$148.4	$1,421.9	$636.7
Other Property Interest	$412.6	$93.1	$15.2	$397.4	$77.9
Total – Portfolio	***$3,603.1***	***$2,099.8***	***$418.9***	***$3,184.2***	***$1,707.5***

** Reflects adjustment for $480 million appraised value less new debt of $100 million, which closed on August 31, 2012*

⇒ *4 Trophy Properties* – The valuations for each of these properties were discussed with DB Valuation Services Group ("DBVSG") who advised on adjustments for each.

- Trump Towers – The 68 story building contains residential and condominiums that are owned by residents along with 178,000 square feet in commercial space and 114,000 square feet of retail space. As of 6/30/12 the property had associated debt of approx $26.9M. On 8/30/12 the property was refinanced for $100MM allowing DJT to take a distribution of approx $73MM in cash. The loan is non-recourse and matures in 2022. A recent appraisal performed in conjunction with the refinance valued the property at $480MM resulting in a roughly 21% LTV. Although we did not adjust for the additional liquidity distributed to the Guarantor, we are adjusting the property value to reflect the recent appraisal and new debt.
- Niketown – The Guarantor is the lessee with respect to 2 long-term ground leasehold estates related to the land and the building located on 57th street between Madison and 5th Avenue. Since 1994 the building has been leased to Nike Retail Services. The current lease is scheduled to expire in May 2017. The space includes 65,000 square feet of retail space. Based on sq foot assumption DBVSG has indicated an adjusted value of $197 million. Financing on the space is in the form of long-term bonds which are scheduled to fully amortize by June 1, 2017.
- 40 Wall Street – The 72 floor tower consist of 1.3 million in premier office space. The property has an NOI of $26.2 million with the Guarantor using a 5.00% cap rate to derive the reported value. DBVSG has provided a 6.00% cap rate for purposes of calculating the adjusted value. The existing debt in the amount of $160 million, of which the Guarantor currently guarantees $20 million, is scheduled to mature in November 2017. (Note: Guarantor has indicated that they invested approximately $20 million in capex over the last 12 months to significantly upgrade the property).
- Trump Park Avenue – The property located on 59th Street and Park Avenue consists of 134 condominium units coupled with 30,000 square feet of retail space has a reported value based on unsold units and retail rates of $312.4 million. The unsold condominium units have been pledged as collateral for the mortgage which, as of 6/30/12, had an outstanding balance of 22.2MM and matures 8/1/15. Based on discussions with DBVSG we elected to take an approximate 35% haircut on the reported value.

⇒ *Club Facilities* – The Guarantor wholly owns interest in 12 private club facilities which include The Mar-A-Lago Club in Palm Beach Fl; Trump National Golf Club in Briarcliff Manor N.Y.; Trump International Golf Club in Palm Beach County, Fl, Trump National Golf Club in LA, Ca; Trump National Golf Club in Bedminster, NJ; Trump National Golf Club in Colts Neck, NJ; Trump National Golf Club in Washington, DC; Trump International Golf Club in Scotland; Trump National Golf Club in Hudson Valley, NY; Trump National Golf Club in Philadelphia PA in addition to the newly acquired Trump National Doral in Miami, Florida (please see previous memo for details) and the Trump National Golf Club in Charlotte, NC. In accordance with membership requirements members of the clubs are required to make an up-front membership deposit which is in the form of a non-interest bearing 30-year deposit. The deposits are non-refundable without condition prior to 30-years. Based on the terms of the deposit they are not recorded as a liability on the financial statements of the specific clubs. The Guarantor has obtained tax opinions supporting the accounting of such deposits for tax purposes. Life-to-date the clubs have collected $157 million in such deposits. For purposes of our analysis the $1.57 billion in reported value has been reduced by 50% for deriving an adjusted value.

⇒ *Other Property Interest* – consists of wholly owned interests in The Trump World Tower at United Nations; 100 Central Park South; Trump Plaza NY; Trump International Hotel and Tower, Trump Palace, Trump Parc and Trump Parc East Condominiums and the Mansion at Seven Springs in Bedford, NY. These properties consist of commercial, retail and hotel space along with condominium units and raw land. For purposes of deriving an adjusted value (with the exception of the Mansion at Seven Springs) we applied a haircut of approximately 23%, which is consistent with the weighted average adjustment made on the Guarantors 4 Trophy Properties, based on discussion with the DB Valuation Services team. With regards to the Mansion at Seven Springs in Bedford New York, this property consists of over 200 acres of land a mansion and other buildings. This property is zoned for 9 luxury homes and valued at $291million based on an assessment made by the Guarantor in conjunction with his associates of the projected net cash flow which he would derive as those units are constructed and sold, and the estimated fair value of the existing mansion and other buildings. For purposes of deriving an adjusted value we assumed a 75% haircut to this asset to reflect the uncertainty in valuing undeveloped land.

It should be noted that as of June 30, 2012 the Guarantor elected not to include the value of the Trump Chicago International Hotel & Tower in its financial statements, pending the completion of the updated appraisals as discussed herein. Based on the total appraised value of the Residential Component and the Commercial Component totaling $239.3 million less the reported maximum proposed debt of $107 million the unreported net equity value in the Property is approximately $132.3 million. For purposes of presenting the financials of the Guarantor as of June 30, 2012 we have elected not to include the net equity value of this Property.

Update: As of 11/9/12, DB provided the Guarantor with a bifurcated commercial mortgage facility on the Trump International Hotel and Condos in Chicago. As part of the transaction two appraisals were performed by Cushman and Wakefield as of 8/21/12 which indicated a total property value of $239.3 ($113MM for the unsold condos and $126.3MM for the hotel). The initial loan totaling $99MM consisted of a $54MM Tranche A Note taking the remaining unsold condos as collateral (48% LTV) and a $45MM Tranche B Note taking the hotel portion as collateral (36% LTV). Since closing, the entire Tranche A Note facility has been repaid in full and the Tranche B Note facility has approx. $27MM outstanding resulting in a 21% LTV. This $100M+ in equity value in the hotel and remaining unsold condos, have not been included in the Guarantor's financial analysis above. In addition, the hotel was budgeted in 2012 to generate approximately $2.3MM in cash-flow before debt service which has not been included in Mr. Trump's cash flow.

- *Partnership and Joint Ventures* - 1290 Avenue of the Americas, NY and 555 California Street, San Francisco, CA – In May of 2007 Mr. Trump partnered with Vornado Realty Trust in two buildings in NY and San Francisco. 1290 Avenue of the Americas consists of an office tower and retail space containing approximately 2MM leasable SF housing such tenants as Microsoft, AXA Equitable, Cushman & Wakefield and Columbia University. 555 California Street consists of one retail and two office buildings for a total of 1.7 million leasable SF in addition to a subterranean garage. Current tenants include Bank of America, Goldman Sachs, UBS Financial Services, Citigroup and Wells Fargo. Mr. Trump owns 30% of these properties. The value of $823.3 million is net of debt. For purposes of deriving an adjusted value we assumed a 50% haircut of this asset.

- *Real Estate Licensing* – The Guarantor has numerous associations with several other parties for purposes of developing properties and other projects. Terms of specific agreements vary and involve both defined compensation and contingent type fees tied to performance. The Guarantor has pledged certain of these fees to secure a $20 million mortgage on The Trump Tower at United Nations Plaza. Accordingly, the $20 million has been netted against the $85 million reported value. For purposes of deriving an adjusted value we assumed a 50% haircut against the net reported value.

- *Other Assets* – includes a Boeing 757 Jet, a Sirkorsky helicopter, ownership rights to the Miss Universe Pageants, the Wollman Rink in Central Park, 2,000 acre vineyard in Charlottesville Virginia, a management company that supervises the operation of condominium properties, an international talent/model agency and receivables representing amounts earned to date end contract rights with regards to future performances on television. For purposes deriving an adjusted value we assumed a 50% haircut on reported value. It should be noted that the Guarantor has had a valuation performed by PREDITV, an independent valuation firm, based on the intangible value of the Trump brand. The report, which is attached as Exhibit VI indicates a brand value in the range of $2.8 billion to $3.0 billion. For purposes of our financial analysis we assumed no value for the Trump brand.

- *Contingents* – as of 6/30/12 DJT's gross contingent obligations were reported to be $195.7 million, which included: a) the $125 million in support provided under the Doral credit facility with PWM, b) $25 million in personal recourse on the existing debt, agented by DB CB&S Real Estate group, related to the Trump International Hotel in Chicago (**Update: This debt is currently $27MM to DB AWM**); c) $20 million on a limited guarantee for the $160 million commercial mortgage on 40 Wall Street extended by Capital One; d) $11 million on Trump Golf at Ferry Point to the City of New York, e) $7.6 million related to 7 Springs Resort and $7.1 million in certain other project related completion guarantees. (See IIC – Schedule of Contingent Liabilities). For purposes of adjusting the reported balance we replaced the existing $25 million guarantee with the maximum exposure under the proposed Facilities of $107 million for an adjusted gross contingent liability amount of $277.7 million.

- Net Cash Flow – the Guarantor demonstrates a diversified stream of cash flows which are generally recurring by nature. The following table summarizes the sources and uses of cash for the period 2010 – 2012.

Type	DB Adjusted FY 6/30/12	Client Reported FY 6/30/12	(11 Mos) 11/30/11	FY 2010
Sources of Cash				
Real Estate	$32.1	$32.1	$30.5	$125.0
Entertainment	$19.8	$20.6	$23.5	$15.3
Clubs	$11.7	$15.1	$12.1	$8.0
Licensing	$32.4	$32.4	$33.4	$32.3
Non Operating Revenue	--	--	$41.2	$50.4
Investment income	$1.8	$1.8	$4.2	$4.2
Other	$11.1	$12.0	$10.7	$10.5
Total Sources	**$108.9**	**$114.0**	**$155.6**	**$245.7**
Uses of Cash				
Property Development	$69.8	$69.8	$34.8	$34.3
Retirement of Debt/Debt Service	--	$74.7	$14.2	$25.2
Golf Club/ Aircraft Acquisition	--	$32.9	–	$37.0
Income Tax Payable	$22.0	$22.0	$21.8	$2.9
Personal & Other	$3.7	$3.7	$2.5	$1.7
Total Uses	**$95.5**	**203.1**	**$73.3**	**$101.1**
Net Excess Cash Flow	***$13.4***	***($89.1)***	***$82.3***	***$144.6***

⇒ *Real Estate* – represents distributions from the portfolio of real estate holdings which have been previously outlined in this section. It should be noted that 2010 includes $85 million in the repayment of certain Notes that were held by the Guarantor.

- ⇒ *Entertainment* – represents distributions generated primarily through the Guarantors involvement in the TV show "The Apprentice" along with income generated through his affiliation with The Golf Channel. For purposes of deriving adjusted annual cash flow we have assumed the average between 2010, the first 11 months of 2011and the 12 months ending 6/30/12. The Apprentice maintains a one-year rolling contract and just recently began filming the 2013 season.
- ⇒ *Clubs* – represents distributions generated through the portfolio of 10 Clubs which are wholly owned by the Guarantor. For purposes of deriving adjusted annual cash flow we have assumed the average between 2010, the first 11 months of 2011and the 12 months ending 6/30/12.
- ⇒ *Licensing* – represents licensing revenue from a large portfolio of licensing agreements both real estate related along with other ventures such as Trump Vodka, Trump Water, Trump Shirts and several other such types of arrangements. For purposes of deriving adjusted annual cash flow we have assumed the lesser of i) the average between 2010, the first 11 months of 2011 and, ii) the 12 months ending 6/30/12 and the client reported amount.
- ⇒ *Non Operating Revenue* – includes tax refunds, insurance settlements, gains on sale and other one-time type items. Due to the nature of this cash flow we excluded for the purposes of calculating recurring cash flow.
- ⇒ *Investment Income* – represents interest and investment income on cash and marketable securities. For purposes of deriving annual adjusted revenue we have assumed the 12 months ending 6/30/12.
- ⇒ *Other* – primarily related to miscellaneous fee income and fees generated from speaking engagements. For purposes of deriving adjusted annual cash flow we have assumed the average between 2010, the first 11 months of 2011and the 12 months ending 6/30/12.
- ⇒ *Uses of Cash* – primarily utilized for i) property development with significant capital investment in 40 Wall ($20 million), Trump International Golf Course in Scotland ($20 million), ii) acquisition of Trump International in Charlotte ($5 million), and acquisition of new helicopter ($25 million) for purposes of transporting people from airport to Doral golf course in Miami, and iii) retirement of debt purchased from Fortress ($48 million) related to the Trump Chicago and from Eurohypo related to the Trump Las Vegas. For purposes of deriving annual adjusted uses of cash we have assumed client reported amounts with the exception of the Retirement of Debt and Club Acquisitions, which we assumed to be zero as there are no material contractual amounts due or scheduled acquisition in 2013. The client indicated that the investment Property Development is expected to decline in 2013.
- ⇒ *Net Excess Cash Flow* – the net decrease in reported Excess Cash Flow of $89.1 million reconciles to the reported decrease in the Guarantors reported Cash balance from $258.9 million to $169.7 million.

- *Key Ratios* – to demonstrate the strength of the Guarantor we have applied the Unsecured Lending Guidelines assuming repayment of the obligation (the full $125MM) by the Guarantor, using DB adjusted balances to both the balance sheet and net cash flow. The results indicate that the Guarantor meets 3 out of the 4 criteria slightly missing the required Cash Flow Ratio, due to the significant investment in property development during the period. It should be noted for purposes of reporting contingents, approximately $270 million of the adjusted contingent liabilities is related to secured debt however the full amount of the exposure is still included in the Guarantor's financials. Assuming the maximum Swap PFE of $28 million the Guarantor meets 3 of the unsecured ratios, still falling short on the Cash Flow Ratio.

Covenants	
Current	**Requested Modification**
Reporting Covenants Borrower and Guarantor are in compliance with all financial and reporting covenants. *Borrower:* • ***Business Financial Statement***- Guarantor to provide financial statements annually dated within 120 days of year end. Statements shall include balance sheet and cash-flow statement - Complies	**No change.**
Guarantor: • ***Personal Financial Statement***- Guarantor to provide financial statements annually within 120 days of 6/30. - Complies • ***Compliance Certificate***- Guarantor to provide a compliance certificate annually dated within 120 days of 6/30 and Lender will have right to confirm required liquidity through review of account statements at the offices of the Guarantor. – Complies	**No change.**
Financial Covenants Borrower and Guarantors are in compliance with all financial and reporting covenants. *Borrower:* • During the Renovation Period: No DSC Covenant • During the Renovation Period: 1.15x	*Borrower:* The DSC Covenant shall be increased to correspond with defined step-downs in the Guaranty Levels as indicated in the chart below:

Guaranty Level	Minimum DSC Covenant
100%	No Test
40%	1.15x
20%	1.40x
10%	1.65x
0%	1.90x

Guarantors:

During the Renovation Period and any DSC Non-Compliance Period:

- **Minimum Liquidity:** Guarantor must maintain at least $50MM in unencumbered liquidity with $20MM held at DB.
- **Maximum Debt:** Guarantor cannot incur direct or contingent debt in excess of $300MM. Excluding the subject facility.

At all times during the term of the loan:

- **Required Net Worth:** Guarantor must maintain a NW of no less than $2.5B.

Guarantors:

During the Renovation Period the Guarantor covenants do not change. Once the Renovation Period is over (an acceptable appraisal is delivered showing an LTV for the entire loan facility at or below 85%), the following Guarantor Covenants will be in place.

During the DSC Non-compliance Period. The following Guarantor Covenants will be in place:

- **Minimum Liquidity**

Guaranty Level	Unencumbered Liquidity Covenant	Held with DB
100%	$50MM	$20MM
40%	$20MM	$20MM
20%	$10MM	$10MM
10%	$5MM	$5MM
0%	$0	$0

- **Maximum Debt** - No change

At all times during the term of the loan:

- **Required Net Worth:** Guarantor shall maintain a Net Worth of not less than the product of (x) Two Billion Five Hundred Million Dollars ($2,500,000,000) times (y) the applicable Guaranty Level.

Guaranty Level (Y)	Net Worth Covenant (X)
100%	$2.5B
40%	$1B
20%	$500MM
10%	$250MM
0%	$0

Project Overview

In 2007, the Property joined CNL Hospitality and became part of the Marriott portfolio of 60 worldwide resorts. Since that time, the Guarantor feels the property's performance has degraded significantly due to the misalignment of Marriott's mid-level brand with Doral's luxury potential, an inconsistent guest experience and a lack of expertise in golf operations. The Guarantor feels their branding and operating experience is more closely aligned with Doral's potential as a high end golf and resort destination.

The Property has been invested in significantly over the years with more than $67MM of capital improvements completed since 2005. A very significant portion of that amount, +$20MM, has been invested in mechanical, electrical, plumbing and other "behind the wall" improvements.

Since acquisition the Guarantor has indicated they will invest between $150MM-$160MM to renovate and reposition the resort to its previous world-class standard. Significant renovations began in April 2013 and are targeted to be almost entirely completed by the end of 1Q 2014. The goal of the refurbishment is to ensure a consistent guest room quality and enhanced guest experience throughout the rooms and public spaces of the resort. As rooms are located in multiple lodges, there will never be the requirement to close the entire resort as only a portion of rooms will be out of inventory at any time.

Renovation of the Main Building, Conference Area, Spa and Champions Pavilion will include an aesthetic upgrade of the lobbies, reception areas meeting spaces, restaurants, retail space, spa and corridors. Renovation of the Lodges and Spa Suites will include both interior and exterior work including painting, lighting and landscaping. Guest rooms will undergo a complete renovation including new bathroom fixtures, furniture, flooring, window treatments, lighting and linens. The Member's Clubhouse will receive a brand new design that will enlarge the space and improve the finishes to support the drive to increase the number of the members and amount of dues. The golf course renovations will be primarily aesthetic with a focus on improvements to the cart paths and landscaping. In addition, the budget includes lengthening and expanding the driving range to make it consistent with the high standard of the courses. The remaining funds will be used to enhance the arrival experience, improve the overall landscaping, renovate the pool and outdoor areas and perform a number of other smaller projects.

Property Performance

Historical

The Guarantor has provided Profit and Loss statements for Property for the four years, 2007-2010.

	2007 Actual	2008 Actual	2009 Actual	2010 Actual
Occupancy Rate	69.3%	66.7%	56.1%	70.6%
ADR	$182.69	$184.45	$155.6	$144.46
RevPar	$126.54	$122.97	$87.37	$101.95
Total Revenue	$96,391	$96,848	$70,465	$80,539
Total Operating Expenses	$78,149	$81,562	$68,937	$75,799
Net Operating Income	$18,242	$15,286	$1,528	$4,740
EBITDA	$23,041	$20,128	$5,052	$8,765

As illustrated above, the property has seen a steady decline in NOI since 2007. The Guarantor feels that this is a result of mismanagement of the property resulting in an inconsistent guest experience and lack of expertise in golf operations. Given the Guarantor's successful history in the hotel and golf course space, they feel there is substantial opportunity in the property once it is repositioned.

Once renovations are completed at the end of the second year of operations (March 2014), the Guarantor believes the cash flow generated by the property will increase dramatically.

Actual 2012 and Projected

	2012 6 months Actual	2012 Annualized Actual	2013 Projected	2014 Projected	2015 Projected
Occupancy Rate	48.39%	N/A	62.2%	73%	73%
ADR	$148.58	N/A	$175.0	$208	$250
RevPar	$67.43	N/A	$108.85	$151.85	$182.5
Total Revenue	$30,025	$60,050	$82,099	$111,237	$121,993
Total Operating Expenses	$37,754	$75,508	$69,899	$87,295	$93,786
Net Operating Income	($7,729)	($15,458)	$12,200	$23,942	$28,207
EBITDA	($6,553)	($13,106)	$12,200	$26,169	$31,869
Actual Debt to EBITDA	N/A	N/A	10.25x	4.78x	3.92x

*It should be noted that operating expenses omit any hotel management fees as these would be subordinate to any payments of senior debt.

As the Borrower purchased the collateral property in June of 2012, we have been provided with financial statements for the 6 months ending 12/31/12. The property reportedly produced $30,025M in revenue less $37,754M in expenses for a deficit of $7,729M. The deficit can be attributed to the ongoing renovations at the property which has left only a portion of the rooms available for guest use, thus limiting the potential revenue generated. In addition, the golf courses are also being renovated limited revenue generated by the golf operations. All renovations are expected to be completed prior to the PGA-Cadillac World Golf Championship which is scheduled for the beginning of March 2014, thus 2013 revenues are expected to be further impaired as a result of the on-going renovations. It should be noted that prior to the delivery of a new appraisal showing an "as is" value greater than $192.3MM (65% LTV), the Guaranty level remains at 100%.

The projections are supported by the Guarantor's plan to improve the revenue generated in four specific areas of concentration; guest rooms, food and beverage, golf and expense management. As illustrated in the above historical figures, prior to the implementation of the Marriott management company, when the Property was operated as a single flag, the Doral produced EBITDA of $23MM. As aforementioned, the Guarantor's goal is to restore it to this level by 2014.

The Property's competitive set includes the PGA National Resort in Palm Beach (85 miles from subject), Fairmount Turnberry Isle in Aventura (23 miles), Intercontinental Hotel Miami (13 miles), Innisbrook Resort & Golf Club (283 miles), Loews Miami Beach Hotel (17 miles) and Westin Diplomat Resort Golf and Spa (25 miles). Over the past few years, the Property has significantly underperformed its competitive set losing market penetration from 94.4% during 2005 to 80.8% during 2007 to 65.7% for the 12 months ending August 2011. It is the view of the Guarantor that the affiliation with the Trump Hotel brand will elevate the Property and support the growth projection of an increase in market penetration to 89% vs a competitive set that they feel is weaker than that faced by other properties in the Trump portfolio.

In addition to the guest rooms, the Guarantor plans to reposition the food and beverage venues to better serve a high end clientele in addition to promoting the wedding and event business. As golf course operations are viewed as a particular strength of the Trump organization, the Guarantor projects a strong growth in the key golf operating metrics as follows:

	At closing 6/2012	1st Year Stabilized
Members	752	857
Golf Dues	$6,720	$10,000
Initiation Fees	$15,500	$50,000
Revenue	$16,239,744	$26,795,578

Update: As per the Borrower during 2012 there were $776,050 in initial fees collected and the member count as of 7/23/13 has increased to 758.

The final area of concentration (and possibly the most important) is the Guarantor's plans to more effectively control costs without comprising quality. At the forefront of the expense management program is corporate oversight over every budget category. Expenses are controlled through best practices created at other hotels and golf courses, leveraged national account pricing across every department, competitive bidding of goods and services and detailed analysis regarding expenditure decisions.

US ONLY:
Additional Information

1. Section 23 Attestation

The Lending Officer has made such inquiries as determined to be appropriate under the circumstances, including an analysis of the transaction, the collateral and the application of the proceeds of the transaction; and has accessed the database maintained by the Compliance Department, which contains a listing of entities, which have been determined to be affiliates ("Affiliates") for purposes of Sections 23A and 23B of the Federal Reserve Act ("Affiliate List")

- The entity which is entering into the transaction with **DBTCA** (the "Applicable Bank") is not named as an Affiliate of the Applicable Bank on the Affiliate List maintained by the Compliance Department.
- The proceeds will not be transferred to or used for the benefit of a named Affiliate; except for transactions that are not covered transactions.
- The collateral on which we rely for S23 purposes is not a liability of an Affiliate of the Applicable Bank and so a covered transaction will not be produced by this loan.

NO AFFILIATE COLLATERAL HELD

Attachments:

I. **Risk Rating**
II. **Covenant Transmittal**
III. **Financial Spreads**
IV. **Guarantor PFS**
V. **Property Financials**
VI. **Aerial View with requested carve out**

PWM Structured Credit Transaction Risk Rating / Summary Page

Borrower	Trump Endevour 12 LLC
PWM Region / Team	PWM NY/ Vrablic

Paragon Counterparty Org ID	7862044
Paragon Group Org ID	7862044

Facility	Facility ID
1	1430330
2	
3	
4	
5	

Section A - Quantative assessment

Private

		poor / unknown	still acceptable	satisfactory	good
		3	2	1	0
A 1	Concentration / Diversification →		x		
A 2	Financial strength / Liquidity →				x
A 3	Leverage / Capital structure →				x
A 4	Future financial stability →				x

Score | Rating

Sum A: 26

Section B - Qualitative assessment

Private

		poor / unknown	still acceptable	satisfactory	good
		3	2	1	0
B 1	Trustworthiness / Qualification →			x	
B 2	Strategic alignment in wealth management →			x	
B 3	Transparency / Conduct of relationship →			x	
B 4	Familiy situation →			x	

Sum B: 41

Sum (A+B): 67

Calculated Counterparty Rating ("i")	iA
CRM Assigned Counterparty Rating (if different than calculated rating, give reason in Comments)	Use Calculated
Final Counterparty Rating ("i")	iA

Section C - Evaluation of collateral

Deal Unsecured: Yes

	Collateral Type	Market Value	A/R	Lending Value	Score
Collateral #1	N/A	0	0%	0	0
Collateral #2	N/A	0	0%	0	0
Collateral #3	N/A	0	0%	0	0
Collateral #4	N/A	0	0%	0	0
Collateral #5	N/A	0	0%	0	0

Collateral Score (weighted) Rating		N/A
Current / Expected Facility Limit / Outstanding (the amount of risk being analysed)		47000000
% of Current / Expected Facility covered by Collateral (if <100% use "Custom" in Line 40 and complete Box K41)		0.00%
Weighting of Credit Structuring Reliance on Collateral / Borrower (Guarantor)	Entirely on Borrower	
If "Custom" is selected in Line 42 enter % reliance on collateral, otherwise enter 0%	*ENTER 0%*	0%
Combined Score		67
Combined ("d") rating of Counterparty & Collateral before Structural Considerations		dA

Section D - Structural Considerations

		Adjustment	Reason
D 1	Recourse Structure	1	Unsecured B Note and PFE
D 2	Relationship of DB's position to other Creditors	0	
D 3	Tenor/Amortization of Facility	0	
D 4	Security Structure	0	
D 5	Borrower Debt Capacity / Cash Flow	0	
D 6	Documentation	0	
D 7	Jurisdiction	0	
D 8	Other Structural Issues (to be explained)	0	

Combined ("d") rating of Counterparty & Collateral after Structural Considerations	dA-
Combined Score after Structural Considerations	79

Comments:

Strength of credit lies within the full and unconditional guarantee from an individual with a reported NW in excess of ~~$7~~ billion $4 Bln
This is reflected in the CPD section of the RSS Obligor is an SPV established solely for this transaction

Obligor has a $125MM 10-year IRS on subject transaction with a PFE of $28MM.

A Note - $106MM (FCN# 1430330)
B Note - $19MM (FCN# 1430320)
Swap PFE-$28MM .Fully Guaranteed D. Trump
Unsecured = B Note $19MM plus PFE $28MM. Borrower qualifies

NEXT REVIEW DATE (m/d/yyyy in cell B73) for the CREDIT APPROVAL MEMO (CAM):
7/30/2014

Version 3.5

Preparer:	E. Schroeder
CRM:	Harrigan
Date:	July 23, 2013

Signature Preparer

Signature CRM

Structured Credit Risk Rating Tool
Private Wealth Management
Deutsche Bank

Risk Rating - Counterparty Probability of Default

Criteria for CPD		Make Choice:	Private	
Rate The Following Categories: 0 - Good 1 - Satisfactory 2 - Still Acceptable 3 - Poor (or No information)				
A - Quantitative assessment	A.1	Concentration / Diversification	2	13
	A.2	Financial strength / Liquidity	0	10
	A.3	Leverage / Capital structure	0	6
	A.4	Future financial stability	0	6
B - Qualitative assessment	B.1	Trustworthiness / Qualification	1	9
	B.2	Strategic alignment in wealth management	1	12
	B.3	Transparency / Conduct of relationship	1	5
	B.4	Familiy situation	1	15

CPD Rating	iA	67

This risk rating sheet should be completed for Borrowers which are individuals, private investment companies and other non-operating investment vehicles.

FOIL CONFIDENTIAL TREATMENT REQUESTED

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Risk Rating - Structural Ratings

Criteria for- Structural considerations.			**Positive (Examples)**	**Negative (Examples)**	**Adjustment**	**Reason**
You can adjust the rating by -3, -2, -1, 1, 2, or 3 notches. To do this enter the value in the respective cell (-1 is a one notch upgrade, +1 is a one notch downgrade). Supply a reason for each adjustment.						
D - Structural Considerations	D.1	Recourse Structure	• Additional guarantors or other credit enhancements in the structure • Borrower/Guarantor has multiple ways available to repay the DB facility debt within its terms.	• No recourse to ultimate clients. • Potential for diverging interests among Borrowers/Guarantors. • Borrower/Guarantor has limited ways to repay the DB facility.	1	Unsecured B Note and PFE
	D.2	Relationship of DB's position to other Creditors	• Borrower has no other existing debt, and no future debt is allowed by covenants. • DB is senior to other existing and potential creditors.	• Other creditors are senior to DB or have significantly larger or stronger collateral positions.	0	
	D.3	Tenor/Amortization of Facility	• Tenor/Amortization of DB's commitment is short given overall position of borrower and the structure or purpose of the transaction	• Tenor/Amortization of DB's commitment is long given overall position of borrower and the structure or purpose of the transaction.	0	
	D.4	Security Structure	• Substantial over collateralization of DB's credit facility and its risks, including currency mismatches.	• Transaction is unsecured. • Collateral is shared with other lenders or has other specific issues not addressed in Section C.	0	
	D.5	Borrower Debt Capacity / Cash Flow	• Borrower has highly probable liquidity events which will significantly strengthen liquidity during life of transaction.	• Transaction's credit structure relies upon a liquidity event which may be subject to notable business, market or timing risks.	0	
	D.6	Documentation	• DB's legal documentation includes specific terms which provide strong protection from credit deterioration and allow for appropriate risk management	• DB's legal documentation provides less than standard protection of DB's rights or limits appropriate risk management.	0	
	D.7	Jurisdiction	• Jurisdiction of the transaction is favorable to the bank for this type of structure.	• Jurisdiction of Borrower or other party to the transaction might limit DB's enforcement of its rights under certain circumstances.	0	
	D 8	Other Structural Issues (to be explained)			0	

DB-NYAG-001650

PWM Structured Credit Transaction Risk Rating / Summary Page

Borrower	Trump Endevour 12 LLC
PWM Region / Team	PWM NY/ Vrablic

Paragon Counterparty Org ID 7862044
Paragon Group Org ID 7862044

Facility	Facility ID
1	1430330
2	
3	
4	
5	

Section A - Quantative assessment

Private

		poor / unknown	still acceptable	satisfactory	good
		3	2	1	0
A 1	Concentration / Diversification		x		
A 2	Financial strength / Liquidity				x
A 3	Leverage / Capital structure				x
A 4	Future financial stability				x

Score | Rating

Sum A 26

Section B - Qualitative assessment

Private

		poor / unknown	still acceptable	satisfactory	good
		3	2	1	0
B 1	Trustworthiness / Qualification			x	
B 2	Strategic alignment in wealth management			x	
B 3	Transparency / Conduct of relationship			x	
B 4	Familiy situation			x	

Sum B 41
Sum (A+B) 67

Calculated Counterparty Rating ("i") iA
CRM Assigned Counterparty Rating (if different than calculated rating, give reason in Comments) Use Calculated
Final Counterparty Rating ("i") iA

Section C - Evaluation of collateral

Deal Unsecured No

	Collateral Type	Market Value	A/R	Lending Value	Score
Collateral #1	Commercial Real Estate	125,000	85%	106,250	128
Collateral #2	N/A	0	0%	0	0
Collateral #3	N/A	0	0%	0	0
Collateral #4	N/A	0	0%	0	0
Collateral #5	N/A	0	0%	0	0

Collateral Score (weighted) Rating	BB+
Current / Expected Facility Limit / Outstanding (the amount of risk being analysed)	106000000
% of Current / Expected Facility covered by Collateral (if <100% use "Custom" in Line 40 and complete Box K41)	0.10%
Weighting of Credit Structuring Reliance on Collateral / Borrower (Guarantor)	Equal Weighting
If "Custom" is selected in Line 42 enter % reliance on collateral, otherwise enter 0% — ENTER 0%	0%
Combined Score	97 5
Combined ("d") rating of Counterparty & Collateral before Structural Considerations	dBBB

Section D - Structural Considerations

		Adjustment	Reason
D 1	Recourse Structure	0	
D 2	Relationship of DB's position to other Creditors	0	
D 3	Tenor/Amortization of Facility	0	
D 4	Security Structure	0	
D 5	Borrower Debt Capacity / Cash Flow	0	
D 6	Documentation	0	
D 7	Jurisdiction	0	
D 8	Other Structural Issues (to be explained)	0	

Combined ("d") rating of Counterparty & Collateral after Structural Considerations dBBB
Combined Score after Structural Considerations 97 5

Comments:

Strength of credit lies within the full and unconditional guarantee from an individual with a reported NW in excess of ~~$7 billion~~ $4 Bil
This is reflected in the CPD section of the RSS Obligor is an SPV established solely for this transaction
Note 100% Guarantee subject to burn off based on LTV and DSC performance
Obligor has a $125MM 10-year IRS on subject transaction with a PFE of $28MM

Tranche A - $106MM (FCN# 1430330)
Tranche B - $19MM (FCN# 1430320)

NEXT REVIEW DATE (m/d/yyyy in cell B73) for the CREDIT APPROVAL MEMO (CAM):
7/30/2014

Version 3.5

Preparer	E. Schroeder
CRM	Harrigan
Date	July 23, 2013

Signature Preparer

Signature CRM

Structured Credit Risk Rating Tool
Private Wealth Management
Deutsche Bank

Risk Rating - Counterparty Probability of Default

Criteria for CPD		Make Choice:	**Private**	
Rate The Following Categories: 0 - Good 1 - Satisfactory 2 - Still Acceptable 3 - Poor (or No information)				
A - Quantitative assessment	A.1	Concentration / Diversification	2	13
	A.2	Financial strength / Liquidity	0	10
	A.3	Leverage / Capital structure	0	6
	A.4	Future financial stability	0	6
B - Qualitative assessment	B.1	Trustworthiness / Qualification	1	9
	B.2	Strategic alignment in wealth management	1	12
	B.3	Transparency / Conduct of relationship	1	5
	B.4	Familiy situation	1	15

CPD Rating	iA	67

This risk rating sheet should be completed for Borrowers which are individuals, private investment companies and other non-operating investment vehicles.

Structured Credit Risk Rating Tool
Private Wealth Management
Deutsche Bank

Risk Rating - Collateral Ratings

Criteria for collateral ratings		Deal Type	Commercial Real Estate	
Rate The Following Categories: 0 - Good 1 - Satisfactory 2 - Still Acceptable 3 - Poor (or No information)				
C - Evaluation of collateral	C.1	Asset value / Quality	2	17
	C.2	Volatility	1	6
	C.3	Liquidity	3	9
	C.4	Cash flows from the assets	1	4
	C.5	Event risk	1	4
	C.6	Haircut	1	19
	C.7	Monitoring	2	13
	C.8	Marketability / saleability	2	4

Market Value of Collateral		125,000
Advance Rate		85%
Lending Value of Collateral		106,250
Collateral Rating	BB+	128
Commercial Real Estate Guidance Range		BB – AA-

Deutsche Bank Trust Company Americas / DB Structured Products, Inc.

Sponsor(s): DJT
Prepared by:
Date Prepared:

In 000's	6/30/2011	6/30/2012	Comments
Assets			
Liquid Assets:			
Cash and Marketables	258,900	169,700	personally and at the entity level for working capital,debt service and other business purposes; includes common stock, mututal funds, 1 HF, corp notes and bonds and 1 US gov't bond.
Bonds:			
US Obligations			
Agency Bonds			
Muni Bonds			
Corporate Bonds			
Marketable Securities:			
Diversified, Domestic Equities			
Concentrated, Domestic Equities			
Control/Restricted Equities			
International Equities Emerging			
International Equities Developed			
MS Investments - no details			
Retirement Accounts			
Escrow and Reserve Deposits and prepaid expenses	9,100	10,780	
Other			
Other			
Other			
Total Liquid Assets	268,000	180,480	
Illiquid Assets:			
Alternative Investments:			
Domestic Hedge Funds			
Offshore Hedge Funds			
Private Equity Funds			
Cash Surrender Value Life Insurance			
Receivables (Notes, Mortgages, etc)			
Real Estate:			
Primary Residence			
Secondary Residence(s)			
Vacant Land			
Closely Held Investments			
Equity in Real Estate Interests	2,988,070	3,176,450	See CRE tab
Partnership Interests	720,900	823,300	1290 Sixth Ave and 555 California Street value given net of debt
Fine Art			
Yachts & Aircraft			
Other Assets:			
Household Goods			
Autos			
Other Personal Assets			
Other	15,000	15,000	Miss Universe Pagents ; 50/50 JV with NBC
Other	110,000	85,000	Real estate licensing Developments; valuation based onthose situations where signed arrangements existed and were "reasonably" quantifiable
Other	184,100	303,500	Triplex in Trump Tower, 2 homes in Palm Beach across from Mar-a-Lago ; pledged for approx $1MM in debt Boeing 757 and Sikorsky helicopter.
Other	3,000,000	3,000,000	Brand Value - based on some income stream over a period of years plus a residual value at the end for the facility and land. Value ranged from $2.8-3B.
Total Illiquid Assets	7,018,070	7,403,250	
Total Assets	7,286,070	7,583,730	
Liabilities			
Credit Card(s)			
Accounts Payable	3,700	4,400	accrued expenses and retention payable
Due to Closely Held Investments			
Due to Related			
Due to banks:			
Unsecured			
Secured (non-residential R/E)	20,780	20,650	Mortgages and loans payable secured by other assets; Includes $19.76MM in fees derived from RE licensing developments
Real Estate:			
Primary Residence			
Secondary Residence(s)			
Vacant Land			
Loans Against Life Insurance CSV			
Margin Debt			
Income Taxes Payable			
Taxes on Unrealized Asset Appreciation			
Other Debt			
Total Liabilities	24,480	25,050	
Stated Net Worth	7,261,590	7,558,680	
Contingent Liabilities	389,000	389,000	$125 - Project Eagle;$114 Exisiting and $150 new

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