Credit Report - Structured

Bundesbank No#:				**Date:**	**10/24/2012**
Required approval level:	**PWM Regional** [X]	**PWM COO** [ ]	**SCE** [ ] **KWG13** [ ] **KWG 15** [ ]	**Review Date:**	**10/31/2013**
				Last AKM Date: 6618229	n/a

~~6681229~~ = WABASH

[X]	New Request
[ ]	Review
[ ]	Increase
[ ]	Other amendment
[ ]	Addendum No:

Group:	The Trump Family
Borrower:	401 NORTH WABASH VENTURE LLC
Pledgor	
Guarantor:	Donald J. Trump ("Donald" or "DJT" or "Trump")
Location:	New York, NY
Industry:	Hotel/Resort
DB Unit:	DBTCA, NY ("DB" or "Bank" or "Lender")

Beneficial Owner:	Donald J. Trump
Org Id:	
Rel. Manager:	Vrablic/ Scalzi
Team Leader:	Sullivan
Lender:	Schroeder
Service Officer:	Ross
Legal:	Loeb & Loeb

Exchange Rate:	EUR/USD – N/A

Rating Development: CPD: iA FPD: dA

Currency: **US $ in million**	**New Limit**	**Usage**	**Previous Limit**
Line/ Loan	Up to $107	Up to $107	---
Swap	$5.7	$5.7	
SBLC			
Other			
Related Exposure	$128.65		
Total Exposure	Up to ~~$112.7~~ $241.35	Up to $112.7	---

€187.10

Years	**New Limit**	**Usage**	**Previous Limit**
<=1			---
>1 and <=5	Up to $112.7	Up to $112.7	---
>5 and <=7			
>7 and <=10			
>10			
Other liabilities or comments: N/A			

Collateral

Situated on a 119,388 SF site, the subject property is known as the 92-story Trump International Hotel and Tower Chicago (the "Property"). The entire tower contains 2,637,320 SF of mixed use components which includes a hotel, spa facility, residential condominiums, a parking garage, retail space, restaurants, convention space, and a health club. The structure will consist of two facilities (together the "Facilities) and the underlying collateral will be allocated as follows between the Facilities.

Facility A: A first mortgage lien and a first priority security interest in the residential component ("Residential Component") of the property consisting of, but not limited to, all unsold (a) residential condominium units (not to exceed 106 units), (b) deeded parking spaces, (c) storage spaces, and (d) associated common areas, including the Borrower's fee simple estate, all personal property, leases, rents, revenue, operating accounts, reserves and all other related assets. Facility A will be cross collateralized with Facility B, with a subordinate lien on the Collateral under Facility B, however, only for the period of time that Facility B remains outstanding.

Facility B: A first mortgage lien and first priority security interest in the commercial component ("Commercial Component") of the property consisting of, but not limited to, (a) a full service hotel, including 339 condo-hotel rooms, of which 175 rooms are Borrower owned ("Borrower Units"), which shall be included as Collateral and 164 rooms that are owned by third parties ("Third Party Units") and which shall not be included as Collateral, (b) approximately 38,000 SF of banquet space, (c) a 23,000 SF spa, and (d) a 285 space public parking garage, including the Borrower's fee simple estate, all personal property, leases, rents, revenue, operating accounts, reserves and all other related assets. Facility B will be cross collateralized with Facility A, with a subordinate lien on the Collateral under Facility A, however, only for the period of time that Facility A remains outstanding.

The Property also includes 85,000 sq ft of retail space that *shall not* be part of the Collateral and accordingly has not been included as part of the Collateral valuation discussed herein.

The Facilities will also be further supported by a full and unconditional guarantee provided by DJT of (i) Principal and Interest due under the Facility, and (ii) Operating Shortfalls of the Collateral property, as defined herein.

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

Assets Under Management: Donald J. Trump -- $29MM IA/cash deposits; Donald J. Trump Jr -- $100M 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	$3.65	$3.65	11/18/2014	L + 300	Donald J. Trump Jr
2	Trump Doral		1st Mortgage	iA/dBBB	$125.00	$125.00	6/10/17	L + 225	
3									
				Total	$128.65	$128.65			

See Regulatory Requirement - One Obligor Principle for further details on related exposure.

KYC Verification: Borrower(s) ________ Pledgor(s) ________ Guarantor(s) ________

_______ ____/____/____ SBLC: Applicant________ Beneficiary_________ Counter-Party_________

DEUTSCHE BANK PRIVATE WEALTH MANAGEMENT – RISK MANAGEMENT

Confidential

PX-291

Index No. 452564/2022 (AFE)

Covenants: Does the subject facility have covenants:	☒ **Yes**	☐ **No**	
Did the covenants change since last credit approval:	☐ **Yes**	☐ **No**	☒ **Not Applicable**

Reason for Presentation:

1) Request approval for up to a $107 million term commitment in the form of two senior secured credit facilities, which will be further supported on a full recourse basis by the Guarantor. Based on the unit sales under the Residential Component since execution of the term sheet plus the timing of additional pending sales which may close prior to the Closing Date, the total commitment amount is expected to be in the range of $95 million - $100 million. The Facilities are summarized as follows.
   - Facility A – up to a $62 million, 4 year term facility plus a 12-month extension option, subject to the extension terms as defined herein. As indicated, due to unit sales, actual commitment amount on Closing Date is expected to be in the range of $55 million to $60 million. *(Expected LTV at Closing Date is 55%)*
   - Facility B – up to a $45 million, 5-year term facility plus a 24 month extension option subject to the extension terms as defined herein. *(Expected LTV on Closing Date is 36%)*

   Proceeds from the Facility will be utilized refinance the existing construct-to-perm facility, which is agented by the DB CB&S Real Estate group that is scheduled to mature on July of 2013. The existing outstanding debt totals approximately $97.8MM. Proceeds from these Facilities will also finance closing costs and other related fees and expenses. The proceeds will not include any distributions to the Guarantor.

2) 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 principal amount outstanding under Facility B. The Swap will be cross-collateralized and cross-defaulted to Facility B with the property serving as collateral for the exposure under the Swap. Exposure under the Swap, which has PFE of $5.7MM, will also be further supported by the personal guaranty of Donald J. Trump. *(See Section VIII. Other for further discussion on documentation supporting the Swap.)*

3) Request approval to amend the transaction documentation supporting the $125 million Trump Doral credit facility to recognize that Lender shall not have the right to terminate the Doral management agreement as a result of realizing a cross-default under these Facilities.

Type: Other Secured

Borrower: 401NORTH WABASH VENTURE LLC

Guarantor: Donald J. Trump

Loan Amount: Up to $107,000,000 consisting of two facilities.

- **Facility A**: Up to $62MM *(subject to being reduced due to the sale of additional units prior to closing)*
- **Facility B:** Up to $45MM

Purpose: To refinance the existing construct-to-perm facility, which is agented by the DB CB&S Real Estate group that is scheduled to mature on July of 2013 The existing outstanding debt totals approximately $97.8MM. Proceeds from these Facilities will also finance closing costs and other related fees and expenses. The proceeds will not include any distributions to the Guarantor.

Collateral Property:

Note – CRE facility is in DBTCA, so no 5.23A issue with this refinancing. TNH.

Facility A: A first mortgage lien and a first priority security interest in the residential component ("Residential Component" of the property consisting of, but not limited to, all unsold (a) residential condominium units, (b) deeded parking spaces, (c) storage spaces, and (d) associated common areas, including the Borrower's fee simple estate, all personal property, leases, rents, revenue, operating accounts, reserves and all other related assets. <u>Facility A will be cross collateralized with Facility B, with a subordinate lien on the Collateral under Facility B, however, only for the period of time that Facility B remains outstanding.</u>

Facility B: A first mortgage lien and first priority security interest in the commercial component ("Commercial Component") of the property consisting of, but not limited to, (a) a full service hotel, including 339 condo-hotel rooms, of which 175 rooms are Borrower owned ("Borrower Units"), which shall be included as Collateral and 164 rooms that are owned by third parties ("Third Party Units") and which shall not be included as Collateral, (b) approximately 38,000 SF of banquet space, (c) a 23,000 SF spa, and (d) a 285 space public parking garage, including the Borrower's fee simple estate, all personal property, leases, rents, revenue, operating accounts, reserves and all other related assets. <u>Facility B will be cross collateralized with Facility A, with a subordinate lien on the Collateral under Facility A, however, only for the period of time that Facility A remains outstanding.</u>

Collateral Type:

Facility A: Until full repayment of Note A, 1st mortgage lien and first priority security interest in the Residential Component of the Property (with a subordinate lien on Collateral under Note B, but only for so long as Note B is also outstanding). Collateral shall also include a collateral assignment of executed purchase and sales agreements and to all deposits provided under the purchase and sales agreements and all contracts, agreements and other tangible and intangible property rights of Borrower associated with the ownership and operation of the Property, but excluding any rights to the Trump brand or any derivation thereof.

Facility B: Until full repayment of Note B, 1st mortgage lien and first priority security interest in the Commercial Component of the Property (with a subordinate lien on the Collateral under Note A, but only for so long as Note A is also outstanding). Collateral shall also include all contracts, agreements and other tangible and intangible property rights of Borrower associated with the ownership and operation of the Property, but excluding any rights to the Trump brand or any derivation thereof.

Notwithstanding the forgoing, each of the management agreements associated with the properties under Facility A and Facility B shall be Collateral under the Facility, and shall remain in place in accordance with the terms of such management agreements, and, at Borrower's request, Lender shall provide a recognition agreement to the manager(s) with respect to each of the management agreements, which recognition agreement(s) shall acknowledge that such management agreements shall remain in place pursuant to their terms. Notwithstanding the foregoing, Lender shall have the right to terminate such management agreements only upon the acceleration of Facility, but only if such acceleration is a result of the occurrence and continuation of an Event of Default resulting from events that must include any one or more of the following events: (1) Borrower's or Guarantor's failure to pay principal and/or interest when due and payable under Facility Note A and/or Facility Note B, (2) fraud, gross negligence, willful misconduct or misappropriation of funds by manager or (3) bankruptcy proceedings being initiated with respect to manager or Borrower. For the avoidance of doubt, Lender shall not have the right to terminate the management agreement in connection with any acceleration arising out of any other Event of Default that is not enumerated in clauses (1), (2) or (3) above, including, without limitation, any acceleration arising out of any cross-default between the Facilities and any other loan facility (other than Facility A or Facility B). Cancellation of the Management Agreements, without the consent of the Lender is an Event of Default, with the exception of the involuntary cancellation of such agreement, should it be involuntarily terminated by an independent Condominium/Hotel Board or by the Management Company due to the failure to receive the payment of management fees. In addition, the Doral loan documents shall be amended to provide that Lender shall not have the right to terminate the Doral management agreement as a result of any cross-default between the Doral loan and Facility Note A.

Guarantee:	**Facility A**: Donald J. Trump - 100% of principal, interest and Operating Shortfalls of Facility Note A's collateral. **Facility B:** Donald J. Trump - 100% of principal, interest and Operating Shortfalls of Facility Note B's collateral. <u>Operating Shortfalls</u> shall be defined as the amount by which the operating expenses exceed operating income in respect to the collateral properties with respect to Shortfall Coverage Period. The <u>Shortfall Coverage Period</u> is defined as the earliest of (a) a final judgment in respect of foreclosure proceedings regarding the collateral property, (b) acceptance by the Lender of a deed-in-lieu transferring title of the collateral property from the Borrower to the Lender (c) termination of the Guaranty by the Lender, or (d) the earlier to occur of (x) final judgment in respect of (i) any action for payment of the Guaranteed Obligation instituted by Lender, or (ii) any action by Lender regarding enforcement of their rights under this Guaranty.
Maturity:	**Facility A:** 4-years from closing plus 12-month extension option **Facility B:** 5 years from closing plus 24 month extension option
Extension Option:	**Facility A:** The Borrower may exercise a one-time extension of the Facility, in writing within 60-days prior to the Maturity Date of Facility Note A, under which the Maturity Date will be extended by 12-months if the Facility Note is in compliance with the following conditions: (i) the amount outstanding under the Facility Note A shall not exceed $6,000,000, (ii) the Loan-to-Value under Facility Note A shall not exceed 25%, and (iii) there are no other events of default under Facility Note A or Facility Note B. **Facility B:** The Borrower may request a one-time extension of the Facility, in writing no earlier than, or anytime after, the second anniversary date for an additional 24-month period (the "Extension Period") extending beyond the Initial Maturity Date. Such extension will be approved at the sole discretion of the Lender.
Extension Fee:	**Facility A:** 0.25% of the outstanding Facility Note Amount under Facility Note A shall be earned and paid on the first day of such extension period. **Facility B:** 0.50% of the outstanding Facility Note Amount under Facility Note B shall be earned and paid on the first day of such extension period.
Maximum Advance Rate:	**Facility A:** Shall not exceed 57% of the "as is" appraised value of the Collateral. "As Is Appraised Value" will be equal to the as-is value / bulk value of $113 million ($113,000,000) as identified in the August 21, 2012 Cushman and Wakefield appraisal, which value shall be adjusted downward as a result of any closings of residential condominium units or deeded parking spaces that were included in the appraisal collateral, but which close prior to the Closing Date. The appraised value adjustment will be equal to $584 per square foot for any residential condominium unit and $37,466 per any deed parking space. **Facility B:** Shall not exceed 60% of the "as is" appraised value of the Collateral.
Minimum Repayment:	**Facility A:** To be established at closing as the amount required per annum to pay the loan down to $6MM at the end of the initial Term based on annual straight line amortization. (For example if original loan amount at closing is $62 million the annual Minimum Repayment Amount shall be $14 million per annum.) Should the total annual Mandatory Repayment Amount be less than the Annual Minimum Repayment amount the Borrower or Guarantor shall make payment from its own sources. If the Mandatory Repayment Amount for any year exceeds the Minimum Repayment Amount for such year, all excesses will roll over and be credited towards achieving any future Minimum Repayment Amount. Not applicable for Facility B.
Mandatory Repayment:	**Facility A:** Individual condominium units shall be released upon the payment of the greater of (x) 92% of the Gross Sales Proceeds received upon sale of each Condo Unit and (y) the Minimum Release Price to be paid at closing of such sale, until all amounts due and payable under the Facility have been paid in full. Minimum release prices which are included in Schedule V of this memo. **Facility B:** Based on a 30-year amortization schedule to be paid quarterly.
Interest Rate:	**Facility A:** L + 3.35% **Facility B:** L + 2.25%
LIBOR Tenors:	Borrower may elect interest periods of 1, 3, 6, and 12 months

Facility Fee:	**Facility A:** 0.625% of Facility A payable on the Closing Date of the Facility **Facility B:** 0.75% of Facility B payable on the Closing Date of the Facility
Account to Charge:	An account to be opened by the Borrower at Lender.
Documentation:	Loeb & Loeb, LLP

Repayment Sources/ Key Risks/Mitigants

- **Primary Source of Repayment:** Facility A: Sale of the remaining un-sold condo units.
  Facility B: Cash flow generated by the Commercial Component of the collateral.
- **Secondary Source of Repayment:** Refinancing of the collateral property.
- **Tertiary Source of Repayment:** Full and unconditional guarantee of DJT which eliminates any shortfall associated with operating and liquidation of the Collateral.

Recommendation:

The Facility is being recommended for approval based on:

- *Quality of the Collateral and LTV* – the Property is in the form of a luxury hotel and condominium building located in Chicago. Based on recent "As Is" values provided in appraisals, as discussed herein and performed for purposes of underwriting these Facilities, the Residential Component is valued at $113 million which provides a Maximum LTV of 55%, and the Commercial Component is valued at $126.3 million which provides a Maximum LTV of 36%. The combined maximum LTV based on the maximum commitment amount of $107 million is 44.7%. *(See Section IV Financial Analysis – Property for additional details)*

- *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 million in adjusted excess recurring net cash flow. *(See Section II – Financial Analysis – Guarantor for additional details.)*

- *Nature of the Guarantee* - The nature of the guarantee which is fully unconditional and includes both principal and interest due under the Facilities along with Operating Shortfalls of the Property, as defined herein.

- *Operating Experience* - DJT is a well known and experienced in operator of properties of this type.

- *DB Relationship* – DJT continues to develop his relationship with DB, as this is the third credit facility we have originated with him or his family (2 with DJT 1 with DJT Jr). DJT has transferred $20 million in liquidity to DB and has indicated he is interested in continuing to grow his non-credit relationship with the firm. The PWM Banking team has been introduced to each DJT's three adult children and two have also established relationships with the firm. In addition, the CB&S Real Estate Team, which currently agents the loan being refinanced by the proposed Facilities, also has an on-going dialogue with the family.

Reg O Questions:	(Lender & CRM Initials) YES	NO
Is this loan for a DB employee?		
Is this loan for a DBTCA "insider?" *(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")*		
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.)*		

FOIL CONFIDENTIAL TREATMENT REQUESTED

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 refer to Total Relationship Exposure above.
- 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

Signatures

Emily S. Schroeder Vice President			10/26/12	10/26/12
Emily Schroeder, BUS	Tom Sullivan, BUS	Marc Mitchell, BUS	Sean Harrigan, CRM	Nicholas Haigh, CRM

☒ Approved ☐ Rejected ☐ Approved with conditions

I. Summary of Transaction

➢ **Request/Purpose**

The purpose of the transaction is to provide maximum financing in the amount not to exceed $107 million for the purposes of refinancing the existing debt on the Property, in the form of the original construct-to-perm facility, which is agented by the DB CB&S Real Estate group that is scheduled to mature on July of 2013 The Property is located on a 119,388 SF site and is known as the 92-story Trump International Hotel and Tower Chicago. The entire tower contains 2,637,320 SF of mixed use components which includes a hotel, spa facility, residential condominiums, a parking garage, retail space, restaurants, convention space, and a health club. The Properties retail space shall not be included as Collateral under the Facilities and is not reflected in the Property valuations that are presented herein.

The financing will be structured under two separate senior secured credit facilities:

Facility A: A first mortgage lien and a first priority security interest on the Residential Component. The maximum advance rate for Facility A shall not exceed 57% of the "as is" appraised value of the Collateral. The "As Is" appraised Value" will be equal to the "as is" value/bulk value of $113MM as identified in the 8/21/12 appraisal performed by Cushman & Wakefield. Based on the appraisal the expected LTV on the Closing Date is 55%. *(See Exhibit IV. A _ copy of Residential Appraisal)*

Facility B: A first mortgage lien and first priority security interest in the Commercial Component. The maximum advance rate for Facility A shall not exceed 60% of the "as is" appraised value of the Collateral The "As Is" appraised value is $126 3 million based on the appraisal performed by CB Richard Ellis, dated 7/23/12. Accordingly, the expected LTV at closing is expected to be 36%. *(See Exhibit IV B – Copy of Commercial Appraisal)*

II - Financial Analysis – Guarantor

Guarantors – Financial Summary: Although Facilities are 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				
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

- *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 clients investment in property development, retirement of debt and asset acquisition. (See Cash Flow section for additional details)

  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 Guarantors cash balance to $251.7 million.

The Guarantors 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 Guarantors 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 Guarantors total real estate portfolio, as of 6/31/12 which reflects the Guarantors 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. <u>The loan is non-recourse and matures in 2022</u>. 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. <u>The current lease is scheduled to expire in May 2017</u>. 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 <u>scheduled to mature in November 2017</u>. (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, <u>had an outstanding balance of 22.2MM and matures 8/1/15</u>. 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 <u>The Mar-A-Lago Club in Palm Beach Fl</u>; <u>Trump National Golf Club in Briarcliff Manor N.Y.</u>; <u>Trump International Golf Club in Palm Beach County, Fl</u>, <u>Trump National Golf Club in LA, Ca</u>; <u>Trump National Golf Club in Bedminsiter NJ</u>; <u>Trump National Golf Club in Colts Neck, NJ</u>; <u>Trump National Golf Club in Washington, DC</u>; <u>Trump International Golf Club in Scotland</u>; <u>Trump National Golf Club in Hudson Valley, NY</u>; <u>Trump National Golf Club in Philadelphia PA</u> in addition to the newly acquired <u>Trump National Doral in Miami, Florida</u> (please see previous memo for details) and the <u>Trump National Golf Club in Charlotte, NC</u>. 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.

- *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; 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 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.

III. Property Description

➢ ***Overview***

The Property is known as the 92-story Trump International Hotel and Tower Chicago. The entire tower contains 2,637,320 SF of mixed use components which includes a hotel, spa facility, residential condominiums, a parking garage, retail space, restaurants, convention space, and a health club. The Property was originally developed in the 1950's as a mid-rise office building occupied by the Chicago Sun Times which was purchased by Trump for $73MM, closing October of 2004. Subsequently the Sun-Times building was demolished and the Trump International Hotel and Tower was developed at a cost of approximately $600MM. Occupancy began in January 2008 for the hotel component, and the residential component began delivering units in Fall of 2008 with completion of the entire project in the latter half of 2009. The following is a summary of both the Residential Component and the Commercial Component:

- *Residential Component* - The 486 residential condominiums at the Trump International Hotel and Tower were constructed with a very high level of quality and luxury. Studios, along with one, two and three bedroom units, share the 28th through 85th floos in a variety of floor plans. The buildings 37 studio residences range from 580 to 713 SF, while 196 one bedroom units range from 919 to 1,475 SF. Two-bedroom units begin at 1,558 SF with larger floor plans available that feature up to 3,437 SF of space. The project includes 4 three bedroom units ranging from 3,080 to 3,948 SF. Penthouse residences compose three of the top four floors for the property and are each either a quarter, half or full floor home ranging in size from 2,959 SF to 14,260 SF. As of the date of the appraisal 380 of the 486 available condo units had been sold along with 440 of the 673 parking spaces.

- *Commercial Component* - The Trump International Hotel consists of a 339-room luxury hotel property which includes a bar/restaurant, spa, fitness center, banquet space, parking and ground floor retail. For the purposes of this facility, the collateral consists of 175 developer owned units as well as the commercial components of the hotel including the food and beverage outlets, the meeting/banquet space, parking and the Spa at Trump. The remaining 164 units are privately owned as part of a "condo-tel" agreement where, at the owners option, the unit is included in the available rental pool for the hotel. As noted above, the hotel occupies portions of the first level, the 14th level and levels 16 through 27.

The Spa at Trump includes eleven Spa treatment rooms, a couple's suite, nail salon, relaxation lounges, a retail boutique and a 16,000 SF health club. The health club includes a 75-ft heated indoor pool and provides a range of fitness classes which include Yoga, Pilates and Spinning.

The property has 3 dining venues including Sixteen, the signature fine dining restaurant serving three meals daily featuring an eclectic menu of seasonal ingredients. Sixteen was recently given the maximum four star rating from the Chicago Tribune which hailed the restaurant as "the most lavish dining experience in Chicago". Open May through October (weather permitting), the Terrace is located directly off Sixteen and can seat up to 250 guests in its outdoor lounge space providing views of the Wrigley Clock Tower, Lake Michigan and the Chicago River. Rebar is the indoor cocktail lounge offering neo-Japanese cuisine and signature cocktails. In-room dining is also available 24-hour a day. In addition to the restaurants, there are 12 meeting and function rooms totaling 20,108 SF, these include 2 ballrooms, 4 meeting rooms, 4 breakout rooms and 2 boardrooms. The hotel also includes 13 elevators providing access to the guestrooms and other amenities. All three of these venues are included as part of the Commercial Component along with 285 parking spaces which are available (at a cost) for both the hotel guests and the general public.

It should be noted that the hotel has won a number of awards and accolades since its opening including:
- #2 in the Continental U.S. and Canada and #9 in the World by Travel + Leisure's 2012 World's Best Service Awards
- #1 Hotel in Illinois and #21 in the World's Best 500 Hotels overall in 2011 Travel + Leisure
- AAA Five Diamond Hotel Award, 2011
- AAA Four Diamond Restaurant Award for Sixteen, 2011
- North America's Leading Luxury Hotel, World Travel Awards, 2010 & 2011

➢ ***Location***

This location is in Chicago's central business district at the southwest edge of the North Michigan Avenue submarket. The local market area is developed with a variety of uses, including retail, office, residential and hotel. The North Michigan Avenue submarket distinguishes itself by its upscale retail orientation and image. Referred to as the Magnificent Mile, the retail district is synonymous with world class shopping and matched only by Beverly Hill's Rodeo Drive, New York's Fifth Avenue, London's Bond Street and Tokyo's Ginza. North Michigan Avenue retail space consistently commands rental rates among the highest in the United States thanks to tremendous sales figures, traffic counts and a finite amount of store frontage along the Avenue.

Also located within this neighborhood are some of the city's premier hotels including the Four Seasons, the Ritz Carlton, the Park Hyatt and the Sofitel Chicago. Traditionally this submarket has been a prime location for hotels due to the array of stores and restaurants in the area. Key room night demand generators in the local market include the Northwestern Memorial Hospital complex, the companies located in the surrounding office development and the North Michigan Avenue shopping district. The area benefits from good transportation linkages and is convenient to the River North, the East Loop and the Central Loop submarkets, as well.

Anticipated to open in 2013, the Langham Hotel Chicago is currently under development to deliver 300 rooms directly across the street fom the subject property. The hotel is not a free-standing structure, but will rather occupy the second through thirteenth floors of the 52-story building that was once the home of IBM's Chicago head quarters. Property amenities are anticipated to include a restaurant, lobby lounge, approx. 28,592 SF of meeting spaces, an indoor pool, fitness center and a spa. The hotel will be a luxury full service hotel that will likely compete with the subject property.

Taking the aforementioned into consideration regarding the market area and its new and existing competitive set, as per the appraisal, the outlook for the subject's local market area, in general, and the subject property, in particular, is positive.

➢ ***Property Management***

Given the unique nature of the Property, it is managed by a Trump owned management company through a series of Management Agreements. The following is a summary of each of these agreements.

- *Commercial Management Agreement* – under which the Spa, parking, banquet and other common areas of the hotel are managed. The Property Manager has executed sub-management agreements with specific vendors to manage the spa and parking areas and also has an agreement with a vaile service. The agreement is scheduled to expire in 2041.

- *Hotel Management Agreement* – under which all hotel related rooms are managed, both third party owned and those units owned by the Borrower. The contract is scheduled to expire in 2038.

- *Residential Condo Agreement* – under which all residential condo units are managed both sold and unsold. The agreement is scheduled to expire in August 2013, and it is expected that the agreement will be extended.

The respective Board of Directors ("BOD") of the Condominium and Hotel are responsible to appoint the Property Manager. It should be noted that the Guarantor does not control either BOD. In accordance with the terms and conditions of this transaction the Lender will obtain Recognition Agreements, which provides the right for the Lender to terminate any of the Management Agreement upon the continuation of an Event of Default resulting from events that include any one or more of the following events: (1) Borrower's or Guarantor's failure to pay principal and/or interest when due and payable under Facility Note A and/or Facility Note B, (2) fraud, gross negligence, willful misconduct or misappropriation of funds by manager or (3) bankruptcy proceedings being initiated with respect to manager or Borrower. Cancellation of the Management Agreements, without the consent of the Lender is an Event of Default, with the exception of the cancellation of such agreement, should it be involuntarily terminated by the BOD or by the Management Company due to the failure to receive the payment of management fees.

➢ ***Appraisal Reports***

The following is a summary of the appraisals that were performed for both the Commercial and Residential Components:

- *Residential Component* – appraisal was performed by Cushman and Wakefield and is dated as of 8/21/12 with a value on the remaining 106 units totaling 193,395 sqft which results in a total "As Is" Value of $113 million. *(See Exhibit IV – Retail Component Appraisal Report)*

- *Commercial Component* – appraisal was performed by CB Richard Ellis, dated as of 7/23/12 which indicated an "As Is" value of $126.3 million *(See Exhibit IV B - Commercial Component Appraisal Report).*

➢ ***Environmental Reports***

Phase I ESA performed by IVI dated 9/28/12 has been reviewed and accepted by DB. The report showed no material issues or concerns warranting additional assessment and no further actions are necessary.

Property Condition Report performed by IVI dated 9/28/12 has been reviewed and accepted by DB. The scope of this property condition assessment was the hotel portion of the building, the unsold residential condominium units, common areas, the Sixteen Restaurant and parking garage areas. The subject property was described as generally in good condition and no significant, material physical deficiencies were noted. There are 34 open DOB violations with the City of Chicago DOB, however, a listing of the specific nature of the violations was not provided. It is recommended that the borrower begin the process of resolving these violations and having them removed. There were no significant, material costs noted in the schedule.

These recommendations will be discussed with the client and where necessary addressed in a post-closing agreement. In addition, the Bank will be receiving an environmental indemnity from the Borrower.

IV. Financial Analysis - Property

The Collateral for the Facilities in the form of the Residential Component and the Commercial Component is allocated between Facility A and Facility B. Accordingly, for purposes of this underwriting they are being evaluated separately.

➢ ***Residential Component***

As of the date of the appraisal 380 of the 486 available condo units had been sold along with 440 of the 673 parking spaces. Since the date of the appraisal, 13 residences and 7 parking spaces have sold and 3 are in contract to close in the next 60 days, thus the Collateral for Facility A is the remaining 93 unsold condominium units and 226 deeded parking spaces. Accordingly, the maximum commitment amount under this Facility on the Closing Date is expected to be between $55 million - $60 million, and will remain subject to a maximum LTV of 57%. The following table summarizes the remaining types of unsold condos expected to include as Collateral.

Type	# Unsold Units	Avg. Unit SF	Total SF	Total List Price	Avg List Price/SF
Studio	17	674	11,456	$8,791,000	$767
One bedroom	30	1,119	33,577	$21,833,500	$650
Two bedroom	40	2,387	95,462	$68,371,800	$716
Three bedroom	3	3,102	9,306	$7,835,000	$842
Four bedroom	1	6,850	6,850	$7,500,000	$1,095
Five bedroom	1	2,746	2,746	$1,850,000	$674
Penthouse	1	14,260	14,260	$30,000,000	$2,104
Total	**93**		**173,657**	**$146,181,300**	**$842**

Based on the current amount of unsold total square feet / units with an appraised value of $584 per sq ft the adjusted appraised value for the Residential Component is approximately $101.4 million which provides for a maximum commitment amount of up to $57.8 million.

As noted above, since the certificate of occupancy was delivered for the residences in 2008, of the 486 residential units in the Property all but 93 units have been sold. The 93 units occupy 173,657 SF and have an average list price of approximately $842/SF. Of the 380 units that were sold as of the appraisal date the actual sale price averaged $636/SF. Since January 1, 2011 23 units have sold with an average sales price of $667 per sq ft. The following table highlights the square feet and number of units (assuming an average of 1,800 sq ft per Unit) required to be sold in order for full repayment of the maximum commitment amount of $57.8 million based on the # of Unsold Units.

Average Price	Price (per sq ft)	Sq ft Sold	% Total Sq ft	# Units Sold	% Total Units
Current List Price	$842	74,615	43%	41	44%
Avg Sales Price 1/1/11 - Current	$667	94,192	54%	52	56%
Avg Sales Price Since Inception	$636	98,783	57%	55	59%
Appraised Value – w/Parking	$584	107,578	62%	60	65%
Appraised Value – w/out Parking	$534	116,560	67%	65	70%
Minimum Release Price	$422	148,877	86%	83	89%
Breakeven Price *	$362	173,657	100%	93	100%

** Breakeven Price, which could be utilized in liquidation to ensure full repayment of the amount outstanding under the Facilities, takes into account adjusting the assumption on average unit size of 1,800 per sq ft.*

The amounts calculated in the table above are in accordance with the terms and conditions of the proposed transaction which include repayment related to the sale of a unit will be equal to the greater of (x) 92% of the Gross Sales Proceeds received upon sale of each Condo Unit and (y) the Minimum Release Price which is attached as Exhibit V. The minimum release prices were agreed upon between the Borrower and Lender on a unit by unit basis with an average release price of $422/SF or 72% of the appraised value and 127% of the loan/SF. Additionally it should be noted that the Borrower will be required to make minimum annual principal payments. This minimum annual payment amount will be determined prior to the Closing Date and will be equal to the: (Original Loan Amount minus $6.0 million)/4. This repayment can come from the sale of the units, however, if the proceeds from these sales are not adequate to meet the Minimum Annual Repayment Amount, the Guarantor will be required to fund this payment from their own sources.

Associated with the Units are 675 deeded parking spaces, of which 445 or 66% have been sold (7 spaces sold post-appraisal date). The remaining 226 spaces are being pledged as collateral for this facility. As per the appraisal, 440 spaces were sold for a total value of $27,737,722 or $63,040 per space. This validates the most recent appraisal, which noted the value of $55,000 per space as market supported which provides approximately $12.6 million in collateral.

It should be noted that at the time of the appraisal there were 9 units under contract, with an average sales price of $707 per sq ft, representing a average discount of only 6.34% from the list price $757 per sq ft list price, further demonstrating the current momentum in the market.

➢ **Commercial Component**

The hotel property is divided into 3 general sections, the commercial areas including the spa, restaurants, banquet rooms and parking, the 175 sponsor own units (both of these sections compose our collateral) and 164 privately owned third party units (not included as Collateral). According to the management of the subject property, the hotel condominium units are no longer being marketed for sale and it is not expected that any additional units will be sold during the term of the loan.

With regards to the third party units, the private owners have the option to put their unit into the rental pool with the sponsor owned units to be rented to the general public. When one of the third party units is selected from a blind pool, the net income to the owner is the rental revenue on the unit revenue split, less various fees for expenses incurred in the operation of the hotel room including a management fee. As noted in the tables below, the 3rd Party Reimbursables line item represents these expenses that are netted out of the related 3rd Party Revenue Distribution. In addition to any fees related to the rental of their unit, the unit owner is responsible for the related real estate taxes and reserves as well as CAM and utilities. As per the Borrower, the revenue generated by the unit has historically been sufficient to cover these fixed costs as well as those related to the rental of the unit.

⇒ **Historical Financial Results**

The Borrower has provided Profit and Loss statements from 2010-6/30/12. Please see Exhibit III for further details of expected Property Performance.

	FY 12/31/2010	**FY 12/31/2011**	**12-Mo Ending 6/30/12**	**FY Budget 12/31/12**
Occupancy Rate	*61.7%*	*68.5%*	*68.8%*	*72.1%*
Average Daily Rate ("ADR")	*$321.67*	*$347.31*	*$362.19*	*$374.26*
Revenue per Available Room ("RevPar")	*$198.46*	*$237.98*	*$249.21*	*$269.84*
Total Revenue	$46,787	$55,226	$57,282	$60,828
Total Operating Expenses	$40,182	$45,439	$46,669	$48,492
Management fee	$1,847	$2,574	$2,638	$2,786
3rd Party Revenue Distribution	$7,068	$8,222	$8,726	$9,124
3rd Party Reimbursables	($3,989)	($6,030)	($6,266)	($6,630)
Net Operating Income	$1,679	$5,021	$4,515	$7,056
Projected Debt Service	$2,320	$2,320	$2,320	$2,320
DSCR	*0.72x*	*2.16x*	*1.95x*	*3.04x*

- Occupancy Rate - Since 2010 rates have improved from 61.7% to current reported year-to-date of 68.8%, which is driven primarily by the continued improvement in the economy and growing popularity of the Property location and is just short of the historical occupancy rates for similar hotels in Chicago of 70%.

- ADR/ Rev Par – the improvement in Occupancy Rates, has provided the Borrower the opportunity to significantly increase both ADR and RevPar. During the historical period ADR has increased by 12.7% and RevPar has increased 25.7%. Both of these indicators are well above the average ADR of $287.23 and RevPar of $201.21 for the subject's competitive set of hotels in Chicago. For full service hotels in the Chicago Metro are, ADR is anticipated to increase 4.97% in 2012, 1.40% in 2013, 2.03% in 2014 and 3.67% in 2015.

- Net Operating Income – during the historical period NOI improved by 168% primarily driven by an significant improvement in operating margin (defined as Total Revenue minus Total Operating Expenses) from 14.1% to 18.5% which is consistent with the significant improvement in RevPar during the Period.

- DSCR – based on historical performance the Collateral demonstrates the ability to comply with the defined Debt Service Coverage Ratio of 1.35x.

⇒ **Projected Financial Results**

The Commercial Component Appraisal has provided the following projections for 2013 though 2018.

	2013	**2014**	**2015**	**2016**	**2017**	**2018**
Occupancy Rate	*72.0%*	*70.0%*	*71.0%*	*73.0%*	*73.0%*	*73.0%*
ADR	*$371.06*	*$385.90*	*$397.48*	*$409.40*	*$421.68*	*$434.33*
RevPar	*$267.16*	*$270.13*	*$282.21*	*$298.86*	*$307.83*	*$317.06*
Total Revenue	$61,220	$61,785	$64,464	$68,097	$70,139	$72,244
Total Operating Expenses	$48,333	$49,271	$51,020	$53,107	$54,700	$56,341
Management fee	$2,680	$2,705	$2,822	$2,981	$3,070	$3,162
3rd Party Revenue Distribution	$8,727	$8,824	$9,219	$9,763	$10,056	$10,357
3rd Party Reimbursables	($6,347)	($6,418)	($6,704)	($7,100)	($7,313)	($7,533)
Net Operating Income	$7,827	$7,403	$8,107	$9,346	$9,626	$9,917
Projected Debt Service	$2,320	$2,320	$2,320	$2,320	$2,320	$2,320
DSCR	3.74x	3.19x	3.94x	4.02x	4.15x	4.27x

- Occupancy Rate - assumes the economy continues to slowly recover and the Property continues to realize the increasing growth in demand based on growing popularity of location. The 2014 step-down reflects impact of opening of new hotel located across the street which is expected to put some pressure on Occupancy as management continues to protect ADR and RevPar.

- ADR/ Rev Par – shows continued growth during the period with ADR increasing by 2.4% and RevPar increasing by 7.2% in 2013 from 2012 actual results with a continued increase per annum of approx 3.4% in ADR and 3.7% in RevPar during the forecasted period.

- Net Operating Income – during the forecasted period NOI is projected to improve by approximately 5.3% per annum primarily driven continued improvement in in operating margin (defined as Total Revenue minus Total Operating Expenses) which increases from an actual margin of 18.5% in 2012 to 21.0% in 2013 and improves to 22.0% by 2018.

- DSCR – based on historical performance the Collateral demonstrates the ability to comply with the defined Debt Service Coverage Ratio of 1.35x.

⇒ **Sensitivity Analysis**

The financial projections presented above provide the key indicators to operating performance which include Occupancy Rate, ADR, RevPar, and Operating Expenses. Management is challenged to balance each of these variables to drive the overall operating performance of the property which for purposes of this analysis we will measure through the Net Operating Income ("NOI"). Based on this methodology we have determined that the key variables for identifying levels sensitivity against the defined DSCR of 1.35% would be measured through the NOI and Interest Rate.

- NOI – based on the 2012 FY Actual results the NOI could decrease by $1.4 million or 30.6% before breaching the DSCR covenant. The capacity for deterioration further increases when using the 2013 Projected Financial Results which indicates that such a decrease by $4.7 million or 60% before such a default is triggered.
- Interest Rate – As the Borrower is executing a Swap the interest shall be fixed and accordingly the Facility will not be subject to interest rate volatility. The exposure on the Swap is supported by the Collateral in addition to the support of the Guarantor.

V. Conditions Precedent to closing
Usual and customary for facilities of this size, type and purpose, including but not limited to: • Receipt, review and acceptance of all insurance, title, survey, zoning, leases and other items pertaining to the perfection of a security interest in the subject collateral. • Satisfactory documentation

VI. Covenants

Reporting Covenants:

➢ *Guarantor:*

- ***Personal Financial Statement-*** Guarantor to provide a financial statements annually within 120 days of 6/30.
- ***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.

➢ *Borrower:*

- ***Facility A:*** Borrower to provide financial statements of the Residential Component, including balance sheet, within 120 days of year end. Borrower to provide a sales report and Unit closing report within 45 days of each fiscal quarter.
- ***Facility B:*** Borrower to provide financial statements of the Commercial Component including balance sheet, operating income and expense statements and cash flow statement within 120 days of year end.

Financial Covenants:

➢ *Guarantor:*

- ***Liquidity-*** Guarantor shall maintain unencumbered liquidity at all times (defined as unrestricted cash or marketable securities convertible to cash within 5 business days that is not pledged to support any obligations) of at least $50 million with at least $20 million to be maintained with the Lender (this cash will not be pledged as collateral).
- ***Indebtedness-*** Guarantor shall not incur any additional indebtedness (direct or contingent) in excess of $300 million, excluding (x) any Debt to the Lender and (y) any Guarantor indebtedness (direct or contingent) existing as of the date of the closing of the loan, without the prior consent of the Lender.
- ***Net Worth-*** Guarantor shall maintain a Minimum Net Worth of $2.5 billion excluding any value related to the Guarantor's brand value (as such Minimum Net Worth is reflected in Guarantor's Statement of Financial Condition prepared by Guarantor in substantially the form prepared by Guarantor as of the date of this term sheet, a copy of which will be delivered to Lender).

➢ *Borrower:*

- ***Debt Service Coverage- Facility A*** Borrower shall maintain a Debt Service Coverage ratio (DSCR) defined as Net Operating Income divided by Debt Service of no less than 1.35x In the event Guarantor fails to maintain such DSCR, (i) Guarantor shall be entitled to cure any shortfall of such DSCR by such reasonable means as Guarantor shall elect to enable Guarantor to meet the DSCR.

VII. Events of Default and Cure periods:

Usual and customary for facilities of this size, type and purpose, including but not limited to:

A) Payment default
B) Breach of representation or warranties
C) Violation of covenants
D) Cross defaults (including between Facility A and Facility B, as described herein)
E) Bankruptcy, insolvency
F) Death of the Guarantor - In connection with either the adjudicated incompetency or the death of any Guarantor, no Event of Default shall be declared by the Lender if, within ninety (90) days from the date of such adjudication of incompetency or the date of such Guarantor's death, as the case may be, the guardian of such Guarantor or the estate of the deceased Guarantor, as the case may be, (i) upon the Lender's written request acknowledges and does not repudiate or dispute in any manner, and assumes, this Guaranty and the Guaranteed Obligations hereunder, (ii) cooperates with the Lender in filing and seeking any contingent liability claim in connection with the death of such Guarantor, (iii) has sufficient assets to secure all monetary Guaranteed Obligations hereunder and sets aside sufficient sums, in the Lender's reasonable discretion, in connection therewith and (iv) the estate of Guarantor continues to meet all applicable terms, conditions and covenants under this Guaranty and the other Loan Documents.

Other
Hedging/Risk-Transfer/Hold Strategy: N/A The Borrower will execute an Interest Rate Swap for a notional amount not to exceed the original loan amount of the Commercial Component. We have coordinated documentation for the Swap with our legal counel Peter Seiden at Loeb & Loeb and Sebastian Marcilese DB In-house counsel.
Policy Issues: N/A
DB Relationship / Business Case: Approved KYC dated __/__/____
Approval Conditions: 1. Receipt of a current appraisal acceptable to the Lender 2. Property Condition Report, if determined by the Lender

Attachments

I. Summary of Terms
II. Guarantor Financial Statements
    A. Balance Sheet
    B. Excess Revenue over Expenses
    C. Schedule of Contingent Liabilities
III. Property Financial Statements
IV. Property Appraisals
    A. Residential Component
    B. Commercial Component
V. Schedule of Minimum Release Prices
VI. Risk Rating
VII. KYC

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

FOIL CONFIDENTIAL TREATMENT REQUESTED

Donald J. Trump
Trump International Hotel & Tower Chicago
September 19, 2012

	Summary of Indicative Terms	
Co-Borrowers	TBD - Single Purpose Entities	
Facility Amount	$107,000,000	
Purpose	To refinance existing debt on Property as well as closing costs related to this transaction (including Lender out-of-pocket expenses and facility fee)	
	Facility Note A	**Facility Note B**
Facility Note Amount	Up to $62,000,000 Term Loan	Up to $45,000,000 Term Loan
Guarantor	Donald J. Trump - 100% of principal, interest and operating expenses of Facility Note A's collateral.	Donald J. Trump - 100% of principal, interest and operating expenses of Facility Note B's collateral.
Property	The residential component ("Residential Component") of the property consisting of unsold (a) residential condominium units, (b) deeded parking spaces, (c) storage spaces, and (d) associated common areas.	The commercial component ("Commercial Component") of the property consisting of (a) a full service hotel, including 339 condo-hotel rooms, of which 177 rooms are Borrower owned ("Borrower Units"), which shall be included as Collateral and 162 rooms that are owned by third parties ("Third Party Units") and which shall not be included as Collateral, (b) approximately 38,000 square foot of banquet space, (c) a 23,000 square foot spa, and (d) a 285 space public parking garage. For collateral purposes the Property shall not include 85,000 square feet of retail space (the "Retail Component")
Pricing Spread	L + 3.35%	L + 2.50% *Borrower will have a fixed rate option through the execution of a 5-year swap with indicative fixed rate of 3.42% as of September 4, 2012.*
Facility Fee	.75% of Facility Note A shall be earned and paid on the Closing Date	1.00% of Facility Note B shall be earned and paid on the Closing Date.
Term	4 years	5 years
Extension Option	The Borrower may exercise a one-time extension of the Facility, in writing within 60-days prior to the Maturity Date of Facility Note A, under which the Maturity Date will be extended by 12-months if the Facility Note is in compliance with the following conditions: (i) the amount outstanding under the Facility Note A shall not exceed $6,000,000, (ii) the Loan-to-Value under Facility Note A shall not exceed 25%, and (iii) there are no other events of default under Facility Note A or Facility Note B.	The Borrower may request a one-time extension of the Facility, in writing no earlier than, or anytime after, the second anniversary date for an additional 24-month period (the "Extension Period") extending beyond the Initial Maturity Date. Such extension will be approved at the sole discretion of the Lender.
Extension Fee:	.25% of the outstanding Facility Note Amount under Facility Note A shall be earned and paid on the first day of such extension period.	.50% of the outstanding Facility Note Amount under Facility Note B shall be earned and paid on the first day of such extension period.
Collateral Type	Until full repayment of Note A, 1st mortgage lien and first priority security interest in the Residential Component of the Property (with a subordinate lien on Collateral under Note B, but only for so long as Note B is also outstanding). Collateral shall also include a collateral assignment of	Until full repayment of Note B, 1st mortgage lien and first priority security interest in the Commercial Component of the Property (with a subordinate lien on the Collateral under Note A, but only for so long as Note A is also outstanding). Collateral shall also include all contracts, agreements and other tangible and intangible property rights of Borrower

FOIL CONFIDENTIAL TREATMENT REQUESTED

	executed purchase and sales agreements and to all deposits provided under the purchase and sales agreements and all contracts, agreements and other tangible and intangible property rights of Borrower associated with the ownership and operation of the Property, but excluding any rights to the Trump brand or any derivation thereof. Notwithstanding the forgoing, each of the management agreements associated with the property shall be collateral under the Facility, and shall remain in place in accordance with the terms of such management agreements, and, at Borrower's request, Lender shall provide a recognition agreement to the manager(s) with respect to each of the management agreements, which recognition agreement(s) shall acknowledge that such management agreements shall remain in place pursuant to their terms. Notwithstanding the foregoing, Lender shall have the right to terminate such management agreement only upon the acceleration of Facility Note A, but only if such acceleration is a result of the occurrence and continuation of an Event of Default resulting from events that must include any one or more of the following events (each of the following events, an "HMA Note A Event of Default"): (1) Borrower's or Guarantor's failure to pay principal and interest when due and payable under Facility Note A and/or Facility Note B, (2) fraud, gross negligence, willful misconduct or misappropriation of funds by manager or (3) bankruptcy proceedings being initiated with respect to manager or Borrower. For the avoidance of doubt, Lender shall not have the right to terminate the management agreement in connection with any acceleration arising out of any Event of Default that is not an HMA Note A Event of Default, including, without limitation, any acceleration arising out of any cross-default between Facility Note A and any other loan facility (other than an HMA Note B Event of Default) unless an HMA Note A Event of Default has also occurred and is continuing. In addition, the Doral loan documents shall be amended to provide that Lender shall not have the right to terminate the Doral management agreement as a result of any cross-default between the Doral loan and Facility Note A.	associated with the ownership and operation of the Property, but excluding any rights to the Trump brand or any derivation thereof. Notwithstanding the forgoing, each of the management agreements associated with the property shall be collateral under the Facility, and shall remain in place in accordance with the terms of such management agreements, and, at Borrower's request, Lender shall provide a recognition agreement to the manager(s) with respect to each of the management agreements, which recognition agreement(s) shall acknowledge that such management agreements shall remain in place pursuant to their terms. Notwithstanding the foregoing, Lender shall have the right to terminate such management agreement only upon the acceleration of Facility Note B, but only if such acceleration is a result of the occurrence and continuation of an Event of Default resulting from events that must include any one or more of the following events (each of the following events, an "HMA Note B Event of Default"): (1) Borrower's or Guarantor's failure to pay principal and interest when due and payable under Facility Note A and/or Facility Note B, (2) fraud, gross negligence, willful misconduct or misappropriation of funds by manager or (3) bankruptcy proceedings being initiated with respect to manager or Borrower. For the avoidance of doubt, Lender shall not have the right to terminate the management agreement in connection with any acceleration arising out of any Event of Default that is not an HMA Note B Event of Default, including, without limitation, any acceleration arising out of any cross-default between Facility Note B and any other loan facility (other than an HMA Note A Event of Default) unless an HMA Note B Event of Default has also occurred and is continuing. In addition, the Doral loan documents shall be amended to provide that Lender shall not have the right to terminate the Doral management agreement as a result of any cross-default between the Doral loan and Facility Note B.
Maximum Advance Rate	Shall not exceed 57% of the "as is" appraised value of the Collateral. "As Is Appraised Value" will be equal to the as-is value / bulk value of $113 million ($113,000,000) as identified in the August 21, 2012 Cushman and Wakefield appraisal, which value shall be adjusted downward as a result of any closings of residential condominium units or deeded parking spaces that were included in the appraisal collateral, but which close prior to the Closing Date. The appraised value adjustment will be equal to $539 per square foot for any residential condominium unit and $37,466 per any deed parking space.	Shall not exceed 60% of the "as is" appraised value of the Collateral
Minimum Repayment Amount	To be established at closing as the amount required per annum to pay the loan down to $6MM at the end of the initial Term (e.g., if funded Facility Loan Amount is $62MM, Minimum Repayment Amount = $14MM = ($62MM-$6MM)/4). Should the total annual Mandatory Repayment Amount be less than the annual Minimum Repayment Amount the Borrower or Guarantor shall make payment from its own sources. To clarify, if the Mandatory Repayment Amount for any year exceeds the Minimum Repayment Amount for such year, all excesses will roll over and be credited towards achieving any future Minimum Repayment Amount.	Not Applicable

FOIL CONFIDENTIAL TREATMENT REQUESTED

Mandatory Repayment Amount	Individual condominium units shall be released upon the payment of the greater of (X) 92% of the Gross Sales Proceeds received upon sale of each Condo Unit and (Y) the Minimum Release Price to be paid at closing of such sale, until all amounts due and payable under the Facility have been paid in full. Minimum Release price TBD prior to closing.	Based on a 30-year amortization schedule to be paid quarterly.
Key Covenants	- Maximum Loan-to-Value ("LTV") not to exceed 57% with cure rights including pay-down and posting of additional collateral as permitted in the Doral documents. - Borrower shall not incur additional debt (other than trade payables and equipment leases). - Sale or transfer of all or any portion of the Property and/or Collateral is prohibited. Subject to sales of condo units and payment of Release Prices to Lender. - Unit contract of sale shall not deviate materially from the customary and usual standards for sales of condominium units similarly situated. - Change in ownership or control of the Hotel Property is prohibited, except as permitted under Doral documents. - No additional liens permitted.	- Maximum Loan-to-Value ("LTV") not to exceed 60% with cure rights including pay-down and posting of additional collateral as permitted in the Doral documents. - Minimum Debt Service Coverage to be equal to or greater than 1.35x with cure rights including pay-down and posting of additional collateral as permitted in the Doral documents. - Borrower shall not incur additional debt (other than trade payables and equipment leases). - Sale or transfer of all or any portion of the Property and/or Collateral is prohibited, except as permitted under Doral documents. - No additional liens permitted.

Key Guarantor Covenants:

- Guarantor to maintain unencumbered liquidity of at least $50 million, with $20 million to be held at DB. As clarification, both of the preceding requirements are inclusive and not duplicative of Doral loan requirements.
- Minimum Net Worth of $2.5 billion and Maximum Debt, including contingent liabilities (as defined in Doral loan documents), shall not exceed $300 million, excluding debt with the Lender.

Standard Events of Default (on both Facilities):

- Failure to pay principal, interest and fees when due
- Breach of covenants, representations and warranties under the legal documents supporting these Facilities
- Cross default to each of the Facilities and other obligations of the Borrower
- Voluntary or involuntary bankruptcy of the Borrower **or** Guarantor
- Unsatisfied material judgments against the Borrower or Guarantor
- Death or incompetence of the Guarantor

This Indicative Term Sheet is an expression of interest in pursuing discussions on the proposed credit facility (the "Facility"). This Indicative Term Sheet is not a commitment by Deutsche Bank AG, New York Branch, Deutsche Bank Trust Company Americas, DB Structured Products, Inc., or any of their affiliates or subsidiaries (individually and collectively referred to herein as "DB" or the "Bank") to make available the proposed Facility described below, nor is it to be construed as an undertaking on behalf of DB to fund such Facility. The proposed Facility is subject to, among other things, satisfactory due diligence, credit approval, and the execution and delivery of definitive documentation satisfactory to the Bank and its counsel. This Indicative Term Sheet is intended as an outline of certain material terms of the proposed Facility and does not purport to summarize all the material conditions, covenants, representations, warranties, and other provisions which may be contained in the definitive documentation for the proposed Facility.

FOIL CONFIDENTIAL TREATMENT REQUESTED

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Client	Trump	**GCIS**	478380
Deal Name	401 North Wabash Venture LLC	**Credit Approval Date**	10/26/2012
Facility Name	401 North Wabash Venture LLC (Hotel)	**CRM Officer**	Sean Harrigan
Facility Name		**Lender**	Emily Schroeder
Facility Name	n/a	**Analyst**	Jessica Wilbur

Reporting Covenants

	RC Type	RC Quality	Grace Period	First Statement Date (MM/DD/YYYY)	Frequency	Comments (Including Loan Document Reference)	New/ Change	Received
1	Business Financial Statement	Un-audited	120	12/31/2012	☐ 1/31 ☐ 4/30 ☐ 7/31 ☐ 10/31 ☐ One Time ☐ 2/28 ☐ 5/31 ☐ 8/31 ☐ 11/30 ☐ 3/31 ☐ 6/30 ☐ 9/30 ☑ 12/31	4.1(C) Loan Agreement: Borrower shall provide to Lender as soon as available to Borrower, and in any event no later than one hundred twenty (120) days from the close of each calendar year during the term hereunder, the financial statements of Borrower (which shall include, without limitation, Borrower's balance sheet, operating income and Operating Expense statements) as of the end of and for the immediately preceding calendar year, as prepared on an unaudited basis	New	☐
2	Compliance Certificate	Un-audited			☐ 1/31 ☐ 4/30 ☐ 7/31 ☐ 10/31 ☐ One Time ☐ 2/28 ☐ 5/31 ☐ 8/31 ☐ 11/30 ☐ 3/31 ☐ 6/30 ☐ 9/30 ☑ 12/31		New	☐
3	Personal Financial Statement	Un-audited	120	6/30/2013	☑ 1/31 ☐ 4/30 ☐ 7/31 ☐ 10/31 ☐ One Time ☑ 2/28 ☐ 5/31 ☐ 8/31 ☐ 11/30 ☐ 3/31 ☑ 6/30 ☐ 9/30 ☐ 12/31	Gty Section 11A: (A) Annual Statement of Financial Condition. As soon as reasonably available and in any event within one hundred twenty (120) days following each June 30th, Guarantor's Statement of Financial Condition as of June 30th.		☐
4	Compliance Certificate	Un-audited	120	6/30/2013	☐ 1/31 ☐ 4/30 ☐ 7/31 ☐ 10/31 ☐ One Time ☐ 2/28 ☐ 5/31 ☐ 8/31 ☐ 11/30 ☐ 3/31 ☑ 6/30 ☐ 9/30 ☐ 12/31	Gty Section 11A: (A) Annual Statement of Financial Condition. As soon as reasonably available and in any event within one hundred twenty (120) days following each June 30th, Guarantor's Statement of Financial Condition as of June 30th.	New	☐
5	Other - See comment	Un-audited	120	6/30/2013	☐ 1/31 ☐ 4/30 ☐ 7/31 ☐ 10/31 ☐ One Time ☐ 2/28 ☐ 5/31 ☐ 8/31 ☐ 11/30 ☐ 3/31 ☑ 6/30 ☐ 9/30 ☐ 12/31	Gty Section 11B: (B) Annual Schedule of Contingent Liabilities. As soon as reasonably available and in any event within one hundred twenty (120) days following each June 30th, Guarantor's Schedule of Contingent Liabilities as of June 30th.	New	☐
	Other - See comment	Un-audited	120	6/30/2013	☐ 1/31 ☐ 4/30 ☐ 7/31 ☐ 10/31 ☐ One Time ☐ 2/28 ☐ 5/31 ☐ 8/31 ☐ 11/30 ☐ 3/31 ☑ 6/30 ☐ 9/30 ☐ 12/31	Gty Section 11C: (C) Annual Excess Revenue over Disbursement Schedule. As soon as reasonably available and in any event within one hundred twenty (120) days following each June 30th, Guarantor's Excess Revenue over Disbursement Schedule as of June 30th.	New	

FOIL CONFIDENTIAL TREATMENT REQUESTED

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DB-NYAG-001676

Client	Trump	**GCIS**	478380
Deal Name	401 North Wabash Venture LLC	**Credit Approval Date**	10/26/2012
Facility Name	401 North Wabash Venture LLC (Hotel)	**CRM Officer**	Sean Harrigan
Facility Name		**Lender**	Emily Schroeder
Facility Name	n/a	**Analyst**	Jessica Wilbur

☐ 1/31 ☐ 2/28 ☐ 3/31 ☐ 4/30 ☐ 5/31 ☐ 6/30 ☐ 7/31 ☐ 8/31 ☐ 9/30 ☐ 10/31 ☐ 11/30 ☐ 12/31 ☐ One Time

Financial Covenants

	FC Type	Operator	Required Value	Reporting Covenant #	Comments (Including Loan Document Reference)	New/ Change
1	Liquidity Maintenance	<=	$ 50,000,000	1	(i) Unencumbered Liquid Assets. At all times during the term hereunder, Guarantor shall maintain Unencumbered Liquid Assets of not less than Fifty Million ($50,000,000) Dollars, with not less than Twenty Million ($20,000,000) Dollars of such Unencumbered Liquid Assets to be held in accounts with Lender or Lender's Affiliates	New
2	Limitation on additional indebtedness	>=	$ 300,000,000	2	(ii) Debt. At all times during the term hereunder, Guarantor shall not incur any Debt except for the Permitted Debt. This covenant shall be tested and certified to on an annual basis, as of each June 30th, within one hundred twenty (120) days following each June 30th, based on Guarantor's Schedule of Contingent Liabilities delivered to Lender pursuant to Section 11(i)(B) hereof. In connection therewith, Guarantor shall deliver to Lender his Compliance Certificate. Permitted Debt" means the sum of (a) (i) the Guaranteed Obligations hereunder, (ii) the "Guaranteed Obligations" as defined in the Residential Guaranty, and (iii) the "Guaranteed Obligations" as defined in the Doral Guaranty, plus (iv) other Debt of Guarantor not described in clauses (a)(i), (ii) and (iii), (b) or (c) herein; (b) typical "bad-boy" recourse obligations of Guarantor (e.g., fraud and misrepresentation), environmental indemnities or other similar liabilities (collectively, the "Excluded Contingent Liabilities"); and (c) other Debt approved by Lender in writing, in Lender's sole and absolute discretion, prior to the incurrence of same by Guarantor. At all times during the term hereunder, Guarantor's obligations under clause (a)(iv) above shall not exceed $300,000,000 in the aggregate (the "Guarantor Liability Cap"). For the avoidance of doubt, the Guaranteed Obligations and Excluded Contingent Liabilities shall not be included in determining whether Guarantor is in compliance with the Guarantor Liability Cap.	New
3	Net Worth	<=	$2.5B	3	Minimum Net Worth. At all times during the term hereunder, Guarantor shall maintain at all times a Net Worth of not less than Two Billion Five Hundred Million ($2,500,000,000) Dollars.	New

FOIL CONFIDENTIAL TREATMENT REQUESTED

DB-NYAG-001677

Client	Trump
Deal Name	401 North Wabash Venture LLC
Facility Name	401 North Wabash Venture LLC (Residential)
Facility Name	
Facility Name	n/a

GCIS	478380
Credit Approval Date	10/26/2012
CRM Officer	Sean Harrigan
Lender	Emily Schroeder
Analyst	Jessica Wilbur

Reporting Covenants

	RC Type	RC Quality	Grace Period	First Statement Date (MM/DD/YYYY)	Frequency	Comments (Including Loan Document Reference)	New/ Change	Received
1	Business Financial Statement	Un-audited	120	12/31/2012	☐ 1/31 ☐ 4/30 ☐ 7/31 ☐ 10/31 ☐ One Time ☐ 2/28 ☐ 5/31 ☐ 8/31 ☐ 11/30 ☐ 3/31 ☐ 6/30 ☐ 9/30 ☑ 12/31	4.1(C) Loan Agreement: Borrower shall provide to Lender as soon as available to Borrower, and in any event no later than one hundred twenty (120) days from the close of each calendar year during the term hereunder, the financial statements of Borrower (which shall include, without limitation, Borrower's balance sheet, operating income and Operating Expense statements) as of the end of and for the immediately preceding calendar year, as prepared on an unaudited basis	New	☐
2	Other - See comment	Un-audited	45	3/31/2013	☐ 1/31 ☐ 4/30 ☐ 7/31 ☐ 10/31 ☐ One Time ☐ 2/28 ☐ 5/31 ☐ 8/31 ☐ 11/30 ☑ 3/31 ☑ 6/30 ☑ 9/30 ☑ 12/31	4.1 (d) (d) Quarterly Sales Statements. As soon as practicable, but in any event within forty five (45) days after the close of each fiscal quarter of Borrower, a sales report and Unit closing status report.	New	☐
3	Compliance Certificate	Un-audited			☐ 1/31 ☐ 4/30 ☐ 7/31 ☐ 10/31 ☐ One Time ☐ 2/28 ☐ 5/31 ☐ 8/31 ☐ 11/30 ☐ 3/31 ☐ 6/30 ☐ 9/30 ☐ 12/31			☐
4	Personal Financial Statement	Un-audited	120	6/30/2013	☐ 1/31 ☐ 4/30 ☐ 7/31 ☐ 10/31 ☐ One Time ☐ 2/28 ☐ 5/31 ☐ 8/31 ☐ 11/30 ☐ 3/31 ☑ 6/30 ☐ 9/30 ☐ 12/31	Gty Section 11A: (A) Annual Statement of Financial Condition. As soon as reasonably available and in any event within one hundred twenty (120) days following each June 30th, Guarantor's Statement of Financial Condition as of June 30th.	New	☐
5	Other - See comment	Un-audited	120	6/30/2013	☐ 1/31 ☐ 4/30 ☐ 7/31 ☐ 10/31 ☐ One Time ☐ 2/28 ☐ 5/31 ☐ 8/31 ☐ 11/30 ☐ 3/31 ☑ 6/30 ☐ 9/30 ☐ 12/31	Gty Section 11B: (B) Annual Schedule of Contingent Liabilities. As soon as reasonably available and in any event within one hundred twenty (120) days following each June 30th, Guarantor's Schedule of Contingent Liabilities as of June 30th.	New	☐
	Other - See comment	Un-audited	120	6/30/2013	☐ 1/31 ☐ 4/30 ☐ 7/31 ☐ 10/31 ☐ One Time ☐ 2/28 ☐ 5/31 ☐ 8/31 ☐ 11/30 ☐ 3/31 ☑ 6/30 ☐ 9/30 ☐ 12/31	Gty Section 11C: (C) Annual Excess Revenue over Disbursement Schedule. As soon as reasonably available and in any event within one hundred twenty (120) days following each June 30th, Guarantor's Excess Revenue over Disbursement Schedule as of June 30th.	New	

FOIL CONFIDENTIAL TREATMENT REQUESTED

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DB-NYAG-001678

Client	Trump	**GCIS**	478380
Deal Name	401 North Wabash Venture LLC	**Credit Approval Date**	10/26/2012
Facility Name	401 North Wabash Venture LLC (Residential)	**CRM Officer**	Sean Harrigan
Facility Name		**Lender**	Emily Schroeder
Facility Name	n/a	**Analyst**	Jessica Wilbur

☐ 1/31 ☐ 4/30 ☐ 7/31 ☐ 10/31 ☐ One Time
☐ 2/28 ☐ 5/31 ☐ 8/31 ☐ 11/30
☐ 3/31 ☑ 6/30 ☐ 9/30 ☐ 12/31

Compliance Certificate	Un-audited	120	6/30/2013	Gty Section 11D: (D) Compliance Certificate. The statements and schedules required to be delivered under Section 10 hereof, and under subparagraphs 11(i)(A), (B) and (C) immediately above, shall be accompanied by Guarantor's Compliance Certificate substantially in the form attached hereto as Exhibit 11 (the "Compliance Certificate").

Financial Covenants

	FC Type	Operator	Required Value	Reporting Covenant #	Comments (Including Loan Document Reference)	New/ Change
1	Liquidity Maintenance	<=	$ 50,000,000	1	(i) Unencumbered Liquid Assets. At all times during the term hereunder, Guarantor shall maintain Unencumbered Liquid Assets of not less than Fifty Million ($50,000,000) Dollars, with not less than Twenty Million ($20,000,000) Dollars of such Unencumbered Liquid Assets to be held in accounts with Lender or Lender's Affiliates	New
2	Limitation on additional indebtedness	>=	$ 300,000,000	2	(ii) Debt. At all times during the term hereunder, Guarantor shall not incur any Debt except for the Permitted Debt. This covenant shall be tested and certified to on an annual basis, as of each June 30th, within one hundred twenty (120) days following each June 30th, based on Guarantor's Schedule of Contingent Liabilities delivered to Lender pursuant to Section 11(i)(B) hereof. In connection therewith, Guarantor shall deliver to Lender his Compliance Certificate. Permitted Debt" means the sum of (a) (i) the Guaranteed Obligations hereunder, (ii) the "Guaranteed Obligations" as defined in the Residential Guaranty, and (iii) the "Guaranteed Obligations" as defined in the Doral Guaranty, plus (iv) other Debt of Guarantor not described in clauses (a)(i), (ii) and (iii), (b) or (c) herein; (b) typical "bad-boy" recourse obligations of Guarantor (e.g., fraud and misrepresentation), environmental indemnities or other similar liabilities (collectively, the "Excluded Contingent Liabilities"); and (c) other Debt approved by Lender in writing, in Lender's sole and absolute discretion, prior to the incurrence of same by Guarantor. At all times during the term hereunder, Guarantor's obligations under clause (a)(iv) above shall not exceed $300,000,000 in the aggregate (the "Guarantor Liability Cap"). For the avoidance of doubt, the Guaranteed Obligations and Excluded Contingent Liabilities shall not be included in determining whether Guarantor is in compliance with the Guarantor Liability Cap.	New
3	Net Worth	<=	$2.5B	3	Minimum Net Worth. At all times during the term hereunder, Guarantor shall maintain at all times a Net Worth of not less than Two Billion Five Hundred Million ($2,500,000,000) Dollars.	New

V1

PWM Structured Credit Transaction Risk Rating / Summary Page

Borrower	401 North Wabash LLC/ Trump
PWM Region / Team	PWM NY/ Vrablic

Facility	Facility ID
1	TBD
2	
3	
4	
5	

Paragon Counterparty Org ID TBD
Paragon Group Org ID TBD

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	Family 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	239,200,000	45%	107,640,000	70
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	A
Current / Expected Facility Limit / Outstanding (the amount of risk being analysed)	107000000
% of Current / Expected Facility covered by Collateral (if <100% use "Custom" in Line 40 and complete Box K41)	1
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	68 5
Combined ("d") rating of Counterparty & Collateral before Structural Considerations	dA

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	dA
Combined Score after Structural Considerations	68 5

Comments:

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

DON-1 DTRUMP ~ 184509 !

Version 3 4

Preparer	Emily Schroeder
CRM	Sean Harrigan
Date	10/24/2012

Signature Preparer

Signature CRM

10/26/12

Structured Credit Risk Rating Tool
Private Wealth Management
Deutsche Bank

FOIL CONFIDENTIAL TREATMENT REQUESTED
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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
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DB-NYAG-001680

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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	1	17
	C.2	Volatility	1	6
	C.3	Liquidity	1	9
	C.4	Cash flows from the assets	0	4
	C.5	Event risk	1	4
	C.6	Haircut	0	19
	C.7	Monitoring	2	13
	C.8	Marketability / saleability	2	4

Market Value of Collateral		239,200,000
Advance Rate		45%
Lending Value of Collateral		107,640,000
Collateral Rating	A	70
Commercial Real Estate Guidance Range		BB – AA-

Structured Credit Risk Rating Tool
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