Credit Report - Structured

Date:	12/20/2011
Review Date:	12/31/2012
Last AKM Date:	n/a

Bundesbank No#:
7802670

Required approval level:

PWM Regional	PWM COO	SCE	KWG13	KWG 15
X				

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

Group:	The Trump Family
Borrower:	TBD [SPV acceptable to the Lender]
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
Broker CA#:	NA
A/C Manager:	Sullivan
Supporting Lenders:	Stafford/ Schroeder
Service Officer:	TBD
Legal:	Loeb & Loeb

1A-/dBB+

Exchange Rate: EUR/USD – 1.35

Rating Development: CPD: ~~iA~~ FPD: dBBB

Currency: US $ in million	New Limit	Usage	Previous Limit
Line/ Loan	Up to $125	Up to $125	---
SBLC			
SWAP			
Other			
Related Exposure			
Total Exposure	Up to $125	Up to $125	---

Years	New Limit	Usage	Previous Limit
<=1	Up to $125	Up to $125	---
>1 and <=5	Up to $125	Up to $125	---
>5 and <=7			
>7 and <=10			
>10			

Other liabilities or comments: N/A

Collateral

A first mortgage lien and a first priority security interest in the Doral Golf Resort and Spa located in Miami, Florida (the "*Resort*"), including the Borrower's fee simple estate, all personal property, leases, rents, revenue, operating accounts, reserves and all other related assets.

DJT negotiated a purchase price of $150 million and plans to invest an additional $50 million to bring the Resort to a level of luxury that exceeds its previous world-class standard. DJT intends to hold the property for the long-term to benefit from the strong cash flows and significant development opportunities. Based on the $150 million cost our initial LTV will be 83.3% however, borrowing under the Facility will be equal to the lesser of: i) $125 million and ii) up to 85% of the appraised value "subject to" the satisfactory review of DB's Valuation Services Group. The Collateral will maintain a minimum appraised value of $150 million, which may be confirmed by the Lender with an updated appraisal, at its cost of the Lender, at any time after the second anniversary of the Closing Date of the Facility.

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

The Facility will also be 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 Resort (it being understood that Borrower shall be permitted to utilize all revenues from the Resort to operate the Resort to reduce the amount of such shortfall).

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

Assets Under Management: Donald J. Trump -- $20MM cash deposits; Donald J. Trump Jr -- $100M cash deposits

Total Relationship 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	Subject Facility				$125.00	$125.00	TBD	L + 225	
3									
4									
				Aggregate	$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__________

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

DEUTSCHE BANK PRIVATE WEALTH MANAGEMENT – RISK MANAGEMENT

Confidential

PX-293
Index No. 452564/2022 (AFE)

Reason for Presentation:	Request approval for up to a $125 million term commitment in the form of a senior secured credit facility (the "Facility"). Proceeds from the Facility will be utilized to assist in financing the purchase of the Doral Golf Resort and Spa in Miami (the "***Resort***") which has a targeted purchase price of $150 million. The client request is for the Lender to provide a Commitment Letter in early January 2012, "subject to" an appraisal and Property Condition Report which shall be satisfactory to the Lender, with and expected Closing Date in late 1Q or early 2Q of 2012. **The Commitment Letter will have an expiration date of May 31, 2012.** On November 29th, 2011, the Trump Organization executed a Purchase and Sale Agreement for the Property including a hard deposit of $12MM. As the resort is part of a bankruptcy estate, the court will now file a Bidding Procedures Order designating the Trump Organization the "stalking horse" bidder in a 363 auction. As stipulated by this type of auction, other bidders will be required to exceed the stalking horse bid by approx $8MM, after which the stalking horse bidder has the opportunity to increase their bid. Historically, stalking horse bidders have been selected in approx. 80% of previous 363 auctions. Once acquired, the Trump Organization plans to inject $50MM of its own capital to renovate, reposition and operate the resort under the Trump National Doral name. The Organization intends to hold the property for the long-term to benefit from strong future cash flows and development opportunities.

Facility Details:	
Type:	Other Secured
Borrower:	TBD [SPV acceptable to the Lender]
Guarantor:	Donald J. Trump
Commitment Amount:	Up to $125,000,000 – "subject to" (i) an appraisal acceptable to the Lender, and (ii) Property Condition Report if determined by the Lender.
Purpose:	To assist in financing the purchase of the Resort -- targeted purchase price of $150 million.
Collateral:	A first mortgage lien and a first priority security interest in the Resort, including the Borrower's fee simple estate, all personal property, leases, rents, revenue, operating accounts, reserves and all other related assets.
Guarantee:	The Guarantor will provide a full and unconditional guarantee of (i) Principal and Interest due under the Facility, and (ii) operating shortfalls of the Resort (it being understood that Borrower shall be permitted to utilize all revenues from the Resort to operate the Resort to reduce the amount of such shortfall).
Maturity:	5-years from Closing Date The period of time between the closing of the loan and such time that Borrower shall deliver an "as is" appraisal, prepared by a provider acceptable to the Lender that confirms a minimum loan to value percentage ("***LTV***") of not greater than 60% shall be referred to herein as the "**Renovation Period**". Borrower shall have the right to deliver such "as is" appraisal at any time. The period of time following the delivery by Borrower of an "as is" appraisal confirming such LTV is not greater than 60% is referred to as the "**Post-Renovation Period**."
Repayment:	The committed term will consist of a 5-year interest only period. The Borrowers may prepay any amount under the Facility in whole or in part at any time without penalty, with the exception of any cost associated with breakage of a LIBOR contract. The unutilized portion of the commitments under the Facility may be permanently reduced or terminated by the Borrowers at anytime without penalty.
Interest Rate:	➢ Renovation Period: Libor + 2.25% or the Prime Rate ➢ Post-Renovation Period: Libor + 2.00% or the Prime Rate minus .25%
LIBOR Tenors:	Borrower may elect interest periods of 1, 3, 6, and 12 months
Commitment Fee:	0.25% of Facility Commitment - which shall be fully earned and payable on the execution date of the Commitment Letter.
Facility Fee:	1.00% of Facility Commitment - payable on the closing date of the Facility
Account to Charge:	TBD
Documentation:	Loeb & Loeb, LLP

Repayment Sources/ Key Risks/Mitigants

- **Primary Source of Repayment:** Refinancing of the Resort with long-term financing following completion of the Renovation Period or upon expiration of the 5-year term.
- **Secondary Source of Repayment**: Cash flow from Resort following the Renovation Period. Based on projections the Resort will be able to satisfactorily service principal and interest based on a 25-year amortization schedule.
- **Tertiary Source of Repayment**: Full and unconditional guarantee of DJT which eliminates any shortfall associated with operating and liquidating Collateral.

Recommendation:

The Facility is being recommended for approval based on:

- *Financial Strength of the Guarantor* - The financial profile of the Guarantor includes, on an adjusted basis, $135 million in unencumbered liquidity, $2.4 billion in Net Worth and approximately $48 million in adjusted recurring net cash flow.
- *Nature of the Guarantee* - The nature of the guarantee which includes both principal and interest along with operating expenses of the Resort.
- *Operating Experience* - DJT extensive experience in operating private clubs. His current portfolio includes 10 such clubs with a reported value of $1.3 billion and DB adjusted value of $675 million.
- *Expected Enhanced Value Due to Capex* -The Resort is a world class location that has been home to a PGA event every year since the Resort opened in 1962. As DJT expects to invest approximately $50 million on capital improvements it is expected that the value of our Collateral will increase significantly over the term of the Facility.

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.)*	____	____	____	____

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 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*

Credit Report - Structured

Signatures

Emily Schroeder, BUS	Tom Sullivan, BUS	Marc Mitchell, BUS	Sean Harrigan, CRM	Nicholas Haigh, CRM

Prepared by: Stafford/ Schroeder/ Sullivan

☐ Approved ☐ Rejected ☒ Approved with conditions

1. Receipt of a current appraisal acceptable to the Lender

Obligor Structure/ Background

Borrower: TBD [SPV acceptable to the Lender]
Pledgor: TBD [SPV acceptable to the Lender]
Guarantor: Donald J. Trump

Financial Analysis

Guarantors – Financial Summary: Although Facility is being extended to an SPV for the purposes of financing the purchase of the Resort, the credit exposure is being recommended primarily based on the financial profile of the Guarantor. As part of this underwriting we have met with several members of the family office to conduct 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 is attached as Exhibit II.

Financial Summary *($ in millions)* **Source:** *Client provided financials*	DJT 6/30/2011 ***(Client Reported)***	**DJT** **6/30/2011** ***(DB Adjusted)***
Cash & Marketable Securities	$258.9	$135.8
Escrow & Reserve Deposits	$9.1	--
Real Estate – Net Equity	$2,996.9	$1,737.9
Partnerships & Joint Ventures	$720.0	$360.0
Real Estate Licensing	$89.3	$44.6
Other Assets	$199.2	$99.6
Total Assets	$4,273.4	$2,377.9
Personal Mortgage other Debt	$8.4	$8.4
Other Liabilities	$3.7	$3.7
Net Worth	**$4,261.3**	**$2,365.8**
Contingent Obligations	$114.0	$114.0
Net Cash Flow *	$82.4	$48.8
Key Ratios – Unsecured Lending Guidelines		
Leverage Ratio (<= .30)	.13	.24
Cash Flow Ratio (>= .35)	.57	.31
Liquidity Ratio (>= .25)	2.04	1.06
Asset Coverage Ratio (>=6.0)	31.7	17.84

** - Represents 11 months of Revenue in excess of Disbursements for the period ended 11/30/2011*

- *Liquidity* – On 12/20/2011 a Structured Lending Team of Dave Williams and Emily Schroder visited the offices of the Guarantor and reviewed bank and brokerage statements that confirmed $178 million in cash balances and $51.8 million marketable securities, totaling $229.9 million held in the name of the Guarantor. In addition, they also reviewed statements for operating companies that were wholly owned by the Guarantor, which evidenced another $29.0 million cash and marketable securities.

  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

Credit Report - Structured

Signatures

Emily S. Schroeder
Vice President

Tom Sullivan
Director

Emily Schroeder, BUS	**Tom Sullivan, BUS**	**Marc Mitchell, BUS**	**Sean Harrigan, CRM** 12/22/11	**Nicholas Haigh, CRM** 12/22/11

Prepared by: Stafford/ Schroeder/ Sullivan

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

1. Receipt of a current appraisal acceptable to the Lender

Obligor Structure/ Background

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Cash & Marketable Securities	$258.9	$135.8
Escrow & Reserve Deposits	$9.1	--
Real Estate – Net Equity	$2,996.9	$1,737.9
Partnerships & Joint Ventures	$720.0	$360.0
Real Estate Licensing	$89.3	$44.6
Other Assets	$199.2	$99.6
Total Assets	$4,273.4	$2,377.9
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  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 deposit are non-refundable for 30-years without condition, after which the member may request the refund of such deposit often contingent on being replaced by at least one new member. As of June 30, 2011 the total life-to-date balance of such deposits collected across the 10 clubs owned by the Guarantor was $188 million. 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, however for purposes of calculating adjusted liquidity we have elected to include net 50% reserve ($94 million representing 50% of the $188 million life-to-date deposit balance) against the reported liquidity.

- *Real Estate – Net Equity* - the following table summarizes the Guarantors total real estate portfolio, as of 6/31/11 which reflects the Guarantors 4 wholly owned trophy properties, the portfolio of 10 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	Property Level Debt	DJT Net Equity	DB Adjusted Net Equity
Trump Tower – 725 5th Ave	$490.0	$380.2	$27.8	$462.2	$352.4
Niketown – East 57th St	$263.7	$197.0	$53.1	$210.6	$143.9
40 Wall Street	$524.7	$438.0	$160.0	$364.7	$278.0
Trump Park Ave	$311.6	$206.3	$22.7	$288.9	$183.6
Subtotal – 4 Trophy Properties	***$1,590.0***	***$1,221.5***	***$263.5***	***$1,326.4***	***$957.9***
Club Facilities	$1,315.0	$657.5	$24.2	$1,290.8	$633.3
Other Property Interest	$121.2	$93.1	$7.0	$114.2	$86.1
Properties under Development	$273.2	$68.3	$7.7	$265.5	$60.6
Total – Portfolio	***$3,299.4***	***$2,040.4***	***$302.4***	***$2996.9***	***$1,737.9***

⇒ *4 Trophy Properties* – The valuations for each of these properties were discussed with Andy Babienco, 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. The property has an NOI of $17.1 million and the Guarantor used a cap rate of 3.50% to derive reported value. For purposes of adjusting DBVSG used a 4.50% cap rate. The $27.7 million in outstanding debt, which is non-recourse in nature, is due to mature in February 2013.
- Niketown – The Guarantor is the lessee with respect to 2 long-term ground leasehold estates related to the land and the building located on 57th street between Madison and 5th Avenue. Since 1994 the building has been leased to Nike Retail Services. The current lease is scheduled to expire in May 2017. The space includes 65,000 square feet of retail space. Based on sq foot assumption DBVSG has indicated an adjusted value of $197 million. Financing on the space is in the form of long-term bonds which are scheduled to fully amortize by June 1, 2017.
- 40 Wall Street – The 72 floor tower consist of 1.3 million in premier office space. The property has an NOI of $26.2 million with the Guarantor using a 5.00% cap rate to derive the reported value. DBVSG has provided a 6.00% cap rate for purposes of calculating the adjusted value. The existing debt in the amount of $160 million, of which the Guarantor currently guarantees $20 million, is scheduled to mature in November 2017.
- 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 $311 million. 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 10 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 Bedminster 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 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 $188 million in such deposits. For purposes of our analysis the $1.3 billion in reported value has been reduced by 50% for deriving an adjusted value.

⇒ *Other Property Interest* – consists of wholly owned interests in <u>The Trump World Tower at United Nations</u>;<u>100 Central Park South</u>; <u>Trump Plaza NY</u>; <u>Trump International Hotel and Tower, Trump Palace</u>, <u>Trump Parc</u> and <u>Trump Parc East Condominiums.</u> These properties consist of both commercial, retail and hotel space along with condominium units. For purposes of deriving an adjusted value 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.

⇒ *Properties Under Development* – consists primarily of property known as the Mansion at Seven Springs in Bedford New York, which consists of over 200 acres of land a mansion and other buildings. This property is zoned for 9 luxury homes. Also, includes property in Beverly Hills CA. For purposes of deriving an adjusted value we assumed a 75% haircut to reflect the uncertainty in valuing undeveloped land.

- *Partnership and Joint Ventures* – consist of primarily interest in the 76-acre Trump Place development located along the Hudson River between 59th and 72nd Streets in Manhattan. The Guarantors Hong Kong Partners recently sold the rental space and some of the undeveloped land using the proceeds to reinvest into 2 commercial properties. The Guarantor is currently in dispute with his Hong Kong partners and is pursuing remedies. Due to uncertainly we have taken a 50% haircut on reported value to derive an adjusted value.

- *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 $110 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, 1,100 acre vineyard in Charlottesville Virginia, a management company that supervises the operation of condominium properties and an international talent/model agency. 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* – includes $47.5 million in personal recourse on two credit facilities extended by Fortress and DB related to the Trump International Hotel in Chicago; $20 million on a limited guarantee for the $160 million commercial mortgage on 40 Wall Street extended by Capital One; $11 million on Trump Golf at Ferry Point to the City of New York; $7.6 million related to 7 Springs Resort and $27.9 million in certain project related completion guarantees.

- 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 during the first 11 months of 2011 and for the full year of 2010.

Type	DB Adjusted 11/30/11	Thru 11/30/11	FY 2010
Sources of Cash			
Real Estate	$30.5	$30.5	$125.0
Entertainment	$19.4	$23.5	$15.3
Clubs	$10.0	$12.1	$8.0
Licensing	$33.0	$33.4	$32.3
Non Operating Revenue	--	$41.2	$50.4
Investment income	$4.2	$4.2	$4.2
Other	$10.0	$10.7	$10.5
Total Sources	**$107.1**	**$155.6**	**$245.7**
Uses of Cash			
Property Development	$34.0	$34.8	$34.3
Retirement of Debt	--	$14.2	$25.2
Aircraft Acquisition	--	--	$37.0
Income Tax Payable	$21.8	$21.8	$2.9
Personal & Other	$2.5	$2.5	$1.7
Total Uses	**$58.3**	**$73.3**	**$101.1**
Net Cash Flow	***$48.8***	***$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. For purposes of deriving annual adjusted revenue we have assumed the first 11 months of 2011.

⇒ *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 and the first 11 months of 2011.

⇒ *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 and the first 11 months of 2011.

⇒ *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 annual adjusted revenue we have assumed the first 11 months of 2011.

⇒ *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 first 11 months of 2011.

⇒ *Other* – primarily related to miscellaneous fee income and fees generated from speaking engagements. For purposes of deriving annual adjusted revenue we have assumed $10 million based on the prior 2-years of cash flow.

⇒ *Uses of Cash* – primarily utilized to reinvest in property development and retirement of debt on Clubs. For purposes of deriving annual adjusted uses of cash we have assumed the amounts incurred for 2011 with the exception of the Retirement of Debt, which we assumed to be zero as there are no contractual amounts due in 2012.

- *Key Ratios* – to demonstrate the strength of the Guarantor we have applied the Unsecured Lending Guidelines assuming repayment of the obligation by the Guarantor based on a 25-year amortization schedule, 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. It should be noted as part of our adjustments we reduced the Guarantor's reported recurring cash flow by 41%.

Summary of Transaction

➢ **Request/Purpose**

The requested $125MM term commitment will be used to finance a portion of the $150 million acquisition price of the Doral Golf Resort and Spa Miami (the "Resort"). As the Resort is being purchased in accordance with a 363 Bankruptcy Auction closing is not expected to occur until the March/April time period, however, the Guarantor has requested a Commitment Letter in early January to firm up his financing strategy. The Commitment being requested will be "subject to" an appraisal which is satisfactorily reviewed by the Lender. Results of the appraisal will be covered in a separate memo which will be added as an addendum to the Credit Approval, prior to closing the Facility.

On November 29th, 2011, the Trump Organization executed a Purchase and Sale Agreement for the Property including a hard deposit of $12MM. As the Resort is part of a bankruptcy estate, the court will now file a Bidding Procedures Order designating the Trump Organization the "stalking horse" bidder in a 363 auction. As stipulated by this type of auction, other bidders will be required to exceed the stalking horse bid by approx $8MM, after which the stalking horse bidder has the opportunity to increase their bid. Historically, stalking horse bidders have been selected in approx. 80% of previous 363 auctions. Once acquired, the Trump Organization plans to inject $50MM of its own capital to renovate, reposition and operate the resort under the Trump National Doral name. The Organization intends to hold the property for the long-term to benefit from strong future cash flows and development opportunities.

Property Description

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

The famed Blue Monster is the most well-known of the resort's courses and has been home to a PGA event every year since the resort opened in 1962. From 1962 to 2006 the resort was host to the Doral Open, and since 2007 the WGC-Cadillac Championship has made its home at the Blue Monster after having previously been played at various courses around the world. As per the Guarantor, the PGA has recently signed a 5 year contract with the resort to continue this tournament. In addition to the Blue Monster, the Gold and Red courses have hosted other PGA qualifying events in the past.

The spa facility was renovated in 2010 and includes 33 treatment rooms, indoor and outdoor pools, men and women's locker rooms with saunas and steam rooms as well as a fitness facility. In 2009, the Pritikin Longevity Center moved its entire operation to the Doral. The Pritikin Program is a nationally recognized diet and exercise program focused on altering diet and exercise to prevent heart disease, diabetes, hypertension and obesity. The Pritiken facilities (medical, gym, exercise rooms, kitchen, dining room, lecture rooms and offices) are integrated within the spa at the Doral, and Pritiken guests stay in the hotel suites. Packages offered by the Pritikin Center range from $4,500 to $5,900 per person/per week depending on the season.

In addition to the current improvements, the acquisition includes significant existing development rights for a wide range of commercial, residential and retail uses. From a zoning perspective, the property is divided into three parcels known as the Resort parcel (where the buildings are located), the Range View (driving range) and the Golf Courses. The Resort parcel can be expanded to include 600 additional dwelling units and in excess of 2.6MM SF of commercial or retail space. The driving range parcel could have 71,800 SF of hospitality or resort development. There are no immediate plans for further development, but long term there is value to these rights.

- *Environmental Report*

Phase I ESA performed by EBI dated 11/14/11 has been reviewed and accepted by DB. Recommendations include the following:

1). Continued compliance with the Industrial Waste Annual Operating Permit

2). The 500 gallon out of service UST is reportedly in process of being removed by Handex Consulting. All removal documentation including post excavation sampling and closure should be provided upon completion.

3). All remaining dry cleaning fluids should be removed from the facility, including draining the machine of PCE.

4). The site has been undergoing groundwater monitoring under the DERM County Monitoring Only Plan due to former dry cleaner, and is seeking NFA. It is unclear when NFA will be issued, but will also likely result in site use conditions being filed. Continued compliance with the MOP is recommended until NFA. We should also obtain an estimate from the consultant conducting the monitoring as to the time frame anticipated and remaining cost to achieve NFA.

5). Continued implementation of asbestos O&M plan.

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 for all existing REC's.

Project Overview

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

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

Upon acquisition the Guarantor intends to invest an additional $50MM to renovate and reposition the resort to its previous world-class standard. The goal of the refurbishment is to ensure a consistent guest room quality and enhanced guest experience throughout the rooms and public spaces of the resort. The vast majority of the work will be aesthetic and highly visible to guests. The project scope and logistics will be planned carefully so that there is minimal operational interference but a quick and visible impact on the resort facilities. To avoid the high season, work on the property primarily will be completed between April and October. As rooms are located in multiple lodges, there will never be the requirement to close the resort as only a small fraction of rooms will be out of inventory at any time. In addition, it is not expected that any of the golf courses will have to be closed during their enhancement. A breakdown of the improvement budget is as follows:

($ in millions) **Renovation Scope**	**Capex Budget**	**$/Key**
Main Building Enhancements	$5,722,320	$8,257
Conference Area, Spa and Champions Pavilion	$5,259,636	$7,590
Lodges and Guest Room Interiors	$8,434,900	$12,172
Member's Clubhouse and Golf	$4,000,000	$5,772
Enhanced Arrival Experience, Landscaping and Pool	$2,950,000	$4,257
FF&E and OS&E (rooms and furniture)	$13,176,000	$19,013
CM/General Conditions	$2,636,686	$3,805
Soft Costs	$4,591,423	$6,625
Contingency	$3,734,686	$5,389
Total Budget	**$50,505,649**	**$72,880**

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

See Exhibit IV – Investment Memorandum for additional details.

Property Performance

Historical

The Guarantor has provided Profit and Loss statements for Property for the four years, 2007-2010. Please see Exhibit III for further details of expected Property Performance.

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

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

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

Projected

The Guarantor has provided the following projections for 2011 though 2015.

	2011	2012	2013	2014	2015
Occupancy Rate	68.0%	54.1%	62.2%	73%	73%
ADR	$160.37	$162.00	$175.0	$208	$250
RevPar	$109.11	$87.64	$108.85	$151.85	$182.5
Total Revenue	$83,650	$71,163	$82,099	$111,237	$121,993
Total Operating Expenses	$77,539	$63,824	$69,899	$87,295	$93,786
Net Operating Income	$6,111	$7,339	$12,200	$23,942	$28,207
EBITDA	$10,293	$7,338	$12,200	$26,169	$31,869
Proposed Debt to EBITDA	12.14x	17.03x	10.25x	4.78x	3.92x

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

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

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

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

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

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

Conditions Precedent to closing

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

- Receipt of a current appraisal acceptable to the Lender. As indicated, the Guarantor has requested a Commitment Letter by early January which will be "subject to" completion of an appraisal acceptable to the Lender. Expected closing is in the April/May time period.
- Property Condition Report, if determined by the Lender

Covenants

Reporting Covenants:

➢ *Guarantor:*

- ***Business Financial Statement-*** Guarantor to provide a financial statement annually dated within 90 days of 12/31.

➢ *Guarantor:*

- ***Personal Financial Statement-*** Guarantor to provide a financial statement annually dated within 90 days of 12/31.
- ***Compliance Certificate-*** Guarantor to provide a compliance certificate annually dated within 90 days of 12/31 and Lender will have right to confirm required liquidity through review of account statements at the offices of the Guarantor.

Financial Covenants:

➢ *Renovation Period (required only until Post-Renovation Period begins):*

- ***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 $150 million, excluding (x) any obligation under this Facility 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).

➢ *Post-Renovation Period (in lieu of Renovation Period Covenants):*

- ***Debt Service Coverage-*** Guarantor shall maintain a Debt Service Coverage ratio (DSC) defined as Net Operating Income divided by Debt Service of no less than 1.15x. In the event Guarantor fails to maintain such DSC, (i) Guarantor shall be entitled to cure any shortfall of such DSC by such reasonable means as Guarantor shall elect to enable Guarantor to meet the DSC and (ii) ***if Guarantor is unable to cure such DSC failure, the Renovation Period covenants shall apply in lieu of the Post-Renovation Period requirements until such time as Guarantor maintains the DSC.***
- ***Net Worth-*** Guarantor shall maintain a reported 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).

Other Covenants:

- The Collateral will maintain a minimum appraised value of $150 million, which may be confirmed by the Lender with an updated appraisal, at the cost of the Lender, at any time after the second anniversary of the Closing Date of the Facility. The Guarantor may cure any deficiency caused by a valuation shortfall through the repayment of principal to an amount that the loan to value based on the revised valuation remains less than 85%, with such payment due within 10 business days of notification by the Lender.

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
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

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
III. Project Financial Statements
IV. Investment Memorandum
V. The Trump Golf Portfolio
VI. The Trump Hotel Collection
VII. Risk Rating
VIII. 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

EXHIBIT VII

PWM Structured Credit Transaction Risk Rating / Summary Page

Borrower	Project Eagle
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

Sum A: 42

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): 83

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	150,000,000	83%	125,000,000	170
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	B
Current / Expected Facility Limit / Outstanding (the amount of risk being analysed)	125000000
% 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	126.5
Combined ("d") rating of Counterparty & Collateral before Structural Considerations	dBB+

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: dBB+
Combined Score after Structural Considerations: 126.5

Comments:

Up to $125MM 5-year I/O commitment subject to and at the satisfaction of the Lender: (i) an appraisal with a minimum "as is" value of at least $150 million, (ii) environmental and property condition reports, and (iii) other market standard due diligence requirements.

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.

Version 3.4

Preparer:	Kirk Stafford
CRM:	Sean Harrigan
Date:	12/21/2011

Signature Preparer

Signature CRM

Structured Credit Risk Rating Tool
Private Wealth Management
Deutsche Bank

Risk Rating - Counterparty Probability of Default

Criteria for CPD		Make Choice:	Private	
Rate The Following Categories: 0 - Good 1 - Satisfactory 2 - Still Acceptable 3 - Poor (or No information)				
A - Quantitative assessment	A.1	Concentration / Diversification	2	13
	A.2	Financial strength / Liquidity	1	10
	A.3	Leverage / Capital structure	1	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-	83

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

Risk Rating - Collateral Ratings

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

Market Value of Collateral		150,000,000
Advance Rate		83%
Lending Value of Collateral		125,000,000
Collateral Rating	B	170
Commercial Real Estate Guidance Range		BB – AA-

Client	Project Eagle
Deal Name	Project Eagle
Facility Name	Project Eagle
Facility Name	n/a
Facility Name	n/a

GCIS	
Credit Approval Date	
CRM Officer	Sean Harrigan
Lender	Tom Sullivan
Analyst	Kirk Stafford

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	90	12/31/2011	☐ 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	☐
2	Personal Financial Statement	Un-audited	90	12/31/2011	☐ 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	Compliance Certificate	Un-audited	90	12/31/2011	☐ 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	☐
4					☐ 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			☐
5					☐ 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			☐
6					☐ 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			☐

Financial Covenants

	FC Type	Operator	Required Value	Reporting Covenant #	Comments (Including Loan Document Reference)	New/ Change
1	Liquidity Maintenance	>=	$ 50,000,000	2,3	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).	New
2	Net Worth	>=	$ 2,500,000,000	2,3	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).	New
3	Limitation on additional indebtedness	<=	$150,000,000	2,3	Guarantor shall not incur any additional indebtedness (direct or contingent) in excess of $150 million, excluding (x) any obligation under this Facility 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.	New
4	Debt Coverage Ratio	>=	1.15x	1	Borrower shall maintain a Debt Service Coverage ratio (DSC) defined as Net Operating Income divided by Debt Service of no less than 1.15x. In the event Borrower fails to maintain such DSC, (i) Borrower shall be entitled to cure any shortfall of such DSC by such reasonable means as Borrower shall elect to enable Borrower to meet the DSC and (ii) **if Borrower is unable to cure such DSC failure, the Renovation Period covenants shall apply in lieu of the Post-Renovation Period requirements until such time as Borrower maintains the DSC.**	New
5	Other - See comment	>=	$150,000,000	1	The Collateral will maintain a minimum appraised value of $150 million, which may be confirmed by the Lender with an updated appraisal, at the cost of the Lender, at any time after the second anniversary of the Closing Date of the Facility. The Guarantor may cure any deficiency caused by a valuation shortfall through the repayment of principal to an amount that the loan to value based on the revised valuation remains less than 85%, with such payment due within 10 business days of notification by the Lender.	New