

Message

From: Emily Schroeder [emily.schroeder@db.com]
Sent: 9/19/2012 4:29:35 PM
To: itrump@trumporg.com; dorowitz@trumporg.com
CC: Rosemary Vrablic [rosemary.vrablic@db.com]; Tom-J Sullivan [tom-j.sullivan@db.com]; pseiden@loeb.com; jfried@loeb.com; jgreenblatt@trumporg.com
Subject: Trump Chicago Summary of Terms and Expense Coverage Letter [C]
Attachments: Trump Chicago Expense Coverage Letter - Final.pdf; Trump International Hotel Tower - Summary of Terms - Final.pdf

Classification: Confidential

Ivanka,

We are pleased to present you with the agreed upon Summary of Terms and Expense Coverage Letter for the financing of the Trump International Hotel and Tower in Chicago. Please have the letter executed and returned to my attention at your earliest convenience. Please let me know if you have any questions. We look forward to working with you, and your team, on this exciting opportunity!

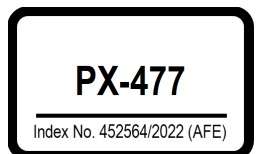
Wiring Instructions for the Deposit are as follows:

Deutsche Bank Trust Company Americas
ABA # 021001033
Credit Account #: 42928608
Account Name: DB Private Wealth Mortgage Ltd.
Ref: Trump Chicago

Regards,

Emily

Emily S. Schroeder
Vice President
Deutsche Bank - PWM
345 Park Ave - 14th Floor
New York, NY, 10154
emily.schroeder@db.com
Phone: (212) 454-3060
Fax: (646) 525-4851
Cell: (917) 257-5407



DEUTSCHE BANK TRUST COMPANY AMERICAS
345 Park Avenue
New York, New York 10154-0004

September 19, 2012

Donald Trump
725 Fifth Avenue
New York, New York 10022

Trump International Hotel & Tower Chicago (the "Property");
Legal and Other Out of Pocket Expenses

Dear Mr. Trump:

This letter shall confirm our understanding that in connection with the proposed refinancing of the Property, you have requested that Deutsche Bank Trust Company Americas (the "Bank") commence the drafting of loan documentation based upon the Summary of Terms, dated September 19, 2012, which is attached hereto as **Exhibit A** (the "Proposed Facility"). The Proposed Facility remains subject to the terms and conditions of said Summary of Terms, including, but not limited to, completion of due diligence by the Bank, credit approval of the Bank and the execution and delivery of definitive loan documentation satisfactory to the Bank.

Regardless of whether the Proposed Facility closes, you have agreed to pay upon demand by the Bank all reasonable and documented out-of-pocket expenses (the "Transaction Expenses") which may be incurred by the Bank in connection with the preparation, negotiation and documentation of the Proposed Facility including, without limitation, all reasonable legal costs and fees of any counsel to the Bank.

Before the Bank can proceed with the preparation, negotiation and documentation of the Proposed Facility, the Bank asks that you deliver to it (a) a fully-executed copy of this letter, and (b) \$25,000, as a due diligence deposit (the "Deposit") in respect of the Transaction Expenses. Regardless of whether the Proposed Facility closes, should any balance remain of the Deposit after deducting therefrom all Transaction Expenses, the Bank shall refund to you such balance. In the event that the Transaction Expenses exceed the Deposit, you shall pay such excess to the Bank upon demand by the Bank.

This letter may be executed in counterparts, each of which shall be deemed an original and all of which counterparts shall constitute one and the same document and shall be governed by, and construed in accordance with, the internal laws of the State of New York without reference to principles of conflict of law.

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Please acknowledge your agreement to the foregoing by signing a copy of this letter in the space provided below and returning it to the Bank, together with said Deposit, by September 28, 2012 at 5:00 P.M.

Very truly yours,

**DEUTSCHE BANK TRUST
COMPANY AMERICAS**

By: _____
Name: Tom J. Sullivan
Title: Managing Director

By: _____
Name: Emily S. Schroeder
Title: Vice President

AGREED TO AND ACCEPTED BY:

Name: Donald Trump

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217938-10013

Exhibit A

**Summary of Terms
(see attached)**

NY1140446.3
217938-10013

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% <i>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.</i>
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, 1 st 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, 1 st 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

	<p>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.</p>	<p>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.</p>
<p>Maximum Advance Rate</p>	<p>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.</p>	<p>Shall not exceed 60% of the "as is" appraised value of the Collateral</p>
<p>Minimum Repayment Amount</p>	<p>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.</p>	<p>Not Applicable</p>

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	<ul style="list-style-type: none"> - 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. 	<ul style="list-style-type: none"> - 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: <ul style="list-style-type: none"> - 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): <ul style="list-style-type: none"> - 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.