

David Enrich @davidenrich Tue Oct 27 21:28:42 +0000 2020

NEW: @realDonaldTrump's tax records show that big banks and hedge funds gave him hundreds of millions of dollars of financial breaks.

Trump managed to avoid paying taxes on almost all of it.

Latest in @nytimes tax series. by me, @russbuettner, etc. <https://t.co/Cp9x0wSCYn>

Trump's lenders forgave or canceled \$287M in debt. The vast majority was related to Trump's Chicago skyscraper, which he built using borrowed money.

When Trump defaulted in 2008, creditors could have tried to seize the property. But they decided it wasn't worth the fight. <https://t.co/luUg5q3ruH>

The president's [federal income tax records, obtained by The New York Times](#), show for the first time that, since 2010, his lenders have forgiven about \$287 million in debt that he failed to repay. The vast majority was related to the Chicago project.

How Mr. Trump found trouble in Chicago, and maneuvered his way out of it, is a case study in doing business the Trump way.

When the project encountered problems, he tried to walk away from his huge debts. For most individuals or businesses, that would have been a recipe for ruin. But tax-return data, other records and interviews show that rather than warring with a notoriously litigious and headline-seeking client, lenders cut Mr. Trump slack — exactly what he seemed to have been counting on.

Instead, hedge funds and private equity firms threw up their hands and forgave most of what Trump owed.

Two of those firms were run by men who later got roles in the Trump administration: @stevenmnuchin1 and Stephen Feinberg, who leads a White House advisory panel. <https://t.co/dbhnINIud6>

Before Mr. Trump defaulted, Fortress had expected to receive more than \$300 million from his company: the \$130 million in principal and roughly \$185 million in anticipated interest and fees.

But Fortress and its partners — including Mr. Mnuchin's Dune Capital, as well as Cerberus Capital Management, whose co-chief executive, Stephen A. Feinberg, would become a major Trump fund-raiser and go on to lead a White House advisory panel — quickly realized they wouldn't ever collect that full amount.

Ultimately, Fortress settled for \$48 million, which Mr. Trump wired to the firm in March 2012, according to people familiar with the deal.

The forgiven debts showed up in Mr. Trump's tax returns. For 2010, Mr. Trump's 401 Mezz Venture reported about \$181 million in canceled debts. Two years later, DJT Holdings, an umbrella company that the Chicago project had been folded into, reported that another \$105 million of debt had been forgiven. Most of that appears to reflect the unpaid Fortress sum.

Trump's other big lender in Chicago was @DeutscheBank. It gave Trump extra years to repay the \$334M he owed.

By 2012, Trump still owed \$99M to DB. So, one DB division lent him that exact amount to repay another DB division.

That \$99M is more than 2x what I'd previously known. <https://t.co/pgDahcGHnv>

IN WITNESS WHEREOF, Borrower has executed and delivered this Mortgage as of the date first written above.

Date: November 9, 2012

BORROWER:

401 NORTH WABASH VENTURE LLC, a
Delaware limited liability company

By: _____

Name: Donna J. Trump

Title: PRESIDENT

This Document Prepared by and after Recording, Return To:

James V. Inendino, Esq.
Loeb & Loeb LLP
321 North Clark Street
23rd Floor
Chicago, Illinois 60654

(Space Above For Recorder's Use)

**MORTGAGE, ASSIGNMENT OF LEASES AND RENTS, FIXTURE FILING,
AND SECURITY AGREEMENT**

NOTICE TO BORROWER: THE LOAN SECURED BY THIS MORTGAGE PROVIDES FOR A VARIABLE INTEREST RATE AND BALLOON PAYMENT AT MATURITY

THIS MORTGAGE, ASSIGNMENT OF LEASES AND RENTS, FIXTURE FILING AND SECURITY AGREEMENT (as amended, restated, supplemented or modified from time to time, this "Mortgage"), dated as of November 9, 2012, is given by **401 NORTH WABASH VENTURE LLC**, a Delaware limited liability company ("Borrower"), whose address is c/o The Trump Organization, 725 Fifth Avenue, 26th Floor, New York, New York 10022; in favor of **DEUTSCHE BANK TRUST COMPANY AMERICAS**, a New York banking corporation ("Lender"), whose address is 345 Park Avenue, 14th Floor, New York, New York 10154.

To secure the full and timely payment of the Indebtedness in the original principal amount of Forty Five Million and 00/100 Dollars (\$45,000,000.00) and the full and timely performance and discharge of the Obligations under the Note, Borrower MORTGAGES, ASSIGNS, GRANTS, BARGAINS, SELLS, CONVEYS AND PLEDGES to Lender and its successors and assigns the Mortgaged Premises, with power of sale and right of entry and possession, subject only to the Permitted Encumbrances (as defined in the Residential Loan Agreement), to have and to hold the Mortgaged Premises to Lender, its successors and assigns forever, and Borrower does hereby bind itself, its successors, and its assigns to warrant and forever defend the title to the Mortgaged Premises to Lender against anyone lawfully claiming it or any part of it; provided, however, that upon the earlier to occur of (a) the Indebtedness being

This Document Prepared by and after Recording, Return To:

James V. Inendino, Esq.
Loeb & Loeb LLP
321 North Clark Street
23rd Floor
Chicago, Illinois 60654

(Space Above For Recorder's Use)

**MORTGAGE, ASSIGNMENT OF LEASES AND RENTS, FIXTURE FILING,
AND SECURITY AGREEMENT**

NOTICE TO BORROWER: THE LOAN SECURED BY THIS MORTGAGE PROVIDES FOR A VARIABLE INTEREST RATE AND BALLOON PAYMENT AT MATURITY

THIS MORTGAGE, ASSIGNMENT OF LEASES AND RENTS, FIXTURE FILING AND SECURITY AGREEMENT (as amended, restated, supplemented or modified from time to time, this "Mortgage"), dated as of November 9, 2012, is given by 401 NORTH WABASH VENTURE LLC, a Delaware limited liability company ("Borrower"), whose address is c/o The Trump Organization, 725 Fifth Avenue, 26th Floor, New York, New York 10022; in favor of DEUTSCHE BANK TRUST COMPANY AMERICAS, a New York banking corporation ("Lender"), whose address is 345 Park Avenue, 14th Floor, New York, New York 10154.

To secure the full and timely payment of the Indebtedness in the original principal amount of Fifty Three Million Seven Hundred Thirty Thousand Nine Hundred Seventy Seven and 65/100 Dollars (\$53,730,977.65) and the full and timely performance and discharge of the Obligations under the Note, Borrower MORTGAGES, ASSIGNS, GRANTS, BARGAINS, SELLS, CONVEYS AND PLEDGES to Lender and its successors and assigns the Mortgaged Premises, with power of sale and right of entry and possession, subject only to the Permitted Encumbrances, to have and to hold the Mortgaged Premises to Lender, its successors and assigns forever, and Borrower does hereby bind itself, its successors, and its assigns to warrant and forever defend the title to the Mortgaged Premises to Lender against anyone lawfully claiming it or any part of it; provided, however, that if the Indebtedness is paid in full and the Obligations

Deutsche Bank still wasn't done with Trump in Chicago. In 2014, it lent him another \$24M.

That loan was repaid by May 2016. Oddly, Deutsche didn't release the collateral on the loan until...wait for it...Nov. 9, 2016.

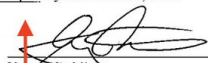
The day after Trump won the election. <https://t.co/WelJaHmfW3>

NOT AN OFFICIAL DOCUMENT

STATE OF NEW YORK)
) SS.
COUNTY OF NEW YORK)

I, the undersigned, a Notary Public in and for the County and State aforesaid, do hereby certify that Ashish Frank, as Vice President of Deutsche Bank Trust Company Americas, personally known to me to be the same person whose name is subscribed to the foregoing instrument appeared before me this day in person and acknowledged that he signed and delivered the foregoing instrument as his own free and voluntary act and the free and voluntary act of such company, for the uses and purposes therein set forth.

GIVEN under my hand and Notarial Seal, this 9th day of November, 2016.



Notary Public

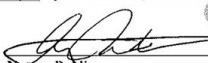
My Commission Expires:

ANTHONY PONTORIERO
Notary Public, State of New York
No. 01PO6311276
Qualified in New York County
Commission Expires September 15, 2018

STATE OF NEW YORK)
) SS.
COUNTY OF NEW YORK)

I, the undersigned, a Notary Public in and for the County and State aforesaid, do hereby certify that Raymond Devi, as Vice President of Deutsche Bank Trust Company Americas, personally known to me to be the same person whose name is subscribed to the foregoing instrument appeared before me this day in person and acknowledged that he signed and delivered the foregoing instrument as his own free and voluntary act and the free and voluntary act of such company, for the uses and purposes therein set forth.

GIVEN under my hand and Notarial Seal, this 9th day of November, 2016.



Notary Public

My Commission Expires:

ANTHONY PONTORIERO
Notary Public, State of New York
No. 01PO6311276

Trump currently has \$45 million outstanding to Deutsche Bank in Chicago. It's personally guaranteed. He has at least another \$285M in personally guaranteed debts to DB on other projects.

Those debts are due in 2023 and 2024.

If @realDonaldTrump defaults, things will get crazy.

About 6 weeks before Trump defaulted on the Chicago loan, claiming that he'd been devastated by the financial crisis and couldn't possibly repay his lenders, he attended a ceremony at the nearly finished skyscraper.

Check it out. <https://t.co/vf1YMTTGAJ>

About 7 months after that ceremony, the Trump family was desperately trying to sell condos into a very weak real estate market. So @IvankaTrump recorded a sales pitch and gave viewers a video tour.

<https://t.co/xVwBQPElp0>

On tomorrow's @nytimes front page: @realDonaldTrump and @DeutscheBank are together again, presumably for the last time before the election. <https://t.co/BO0QZKbuwk>

In addition to all the @nytimes colleagues who worked on this, I should note that I got helpful leads from previous reporting by @WendySiegelman @hvogell @DanAlexander21 @Farenthold @AlexNitkin among others. Thank you!