

## TRUMP DOESN'T NEED AN APPRENTICE FOR CONDO DEVELOPMENT

The filming of "The Apprentice" isn't all that's going on in the offices of The Trump Organization in New York. The Donald and associates have several luxury residential/retail developments in the works, with location and style as priorities.

Trump appears to be shifting away from his gaming empire in Atlantic City and instead focusing his efforts on building high-rise condo towers. And Trump isn't alone. Companies such as **Bosa**, **The Patrinely Group**, **Optima**, and **Starwood Capital Group** are also capitalizing on the booming demand for urban luxury condominiums.

Trump Senior VP **Russell Flicker** notes that Trump's marketable brand, high-end appeal and resale potential are the driving forces behind his company's success with its condo projects. Trump is building high-rise luxury towers in Chicago, Phoenix and Fort Lauderdale, Fla., as well as Toronto and the Caribbean. Flicker denies that the switch to condominiums has anything to do with Trump's financial problems in the gaming industry in Atlantic City.

In Atlantic City, Trump will give up control of his hotel and casino company to **DLJ Merchant Banking**, a private equity arm of **Credit Suisse First Boston**, for \$400 million. Trump would stay on as chairman, but for how long is not known. Credit Suisse would get 65% of the casino company and the cash infusion would give Trump much-needed capital to invest in the Atlantic City properties. Plans include new hotel towers at both the **Taj Mahal** and **Trump Plaza**.

In Chicago, presales for the residential condominiums and hotel suites at the 90-story, \$700 million **Trump International** are going so well that plans for office space are off the board. Now the condos, which sell for \$571,000 to \$15 million for a top-floor penthouse, are about 65% taken. The condos run from 938 s.f. to 12,740 s.f. The hotel suites are 526 s.f. to 1,647 s.f. and sell for \$600,000 to \$1.2 million. The project, which has a view of Lake Michigan, is set for completion in 2007. The old **Chicago Sun-Times** building will be demolished this summer to make way for the high-rise. The tower also will include a 60,000 s.f. health club, as well as a five-star restaurant. Trump will maintain a security force at the building after it's completed.

In Phoenix and Ft. Lauderdale, Trump is adapting to local trends. The Florida development, located between the Atlantic Ocean and Intracoastal Waterway, will be 14 stories tall. The Arizona project between Phoenix and Scottsdale is in a glitzy business area known as the **Camelback Corridor** that is also becoming a high-end residential and shopping mecca. The **Ritz-Carlton** and **Esplanade Place**, the area's first residential high-rise, reportedly caught Trump's attention. Condos as big as 4,200 s.f. and costing up to \$2.7 million at Esplanade sold out before the project was completed in 2003. Esplanade was developed in part by LA-based **William E. Simon and Sons**. The Camelback corridor reportedly will get some other luxury-condo projects. **The Patrinely Group** of Houston is also planning a condo development there called **The Residences at 2211 Camelback Road**, which will be 12 stories and have 86 condos.

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