

Appraisal Research Counselors

400 E Randolph Street, Suite 715
Chicago, Illinois 60601-7388

T: 312-565-0977
F: 312-565-3436

[Click here to view AppraisalResearch.com](http://AppraisalResearch.com)



Professional Service Since 1968

Appraisal Research Counselors®

[skip to main content](#)

[skip to main menu](#)

Filed under [Commercial real estate](#), [Construction](#), [Development](#), [Hotels](#), [Housing](#), [Litigation](#), [Real estate](#)

Deal extends \$600M construction loan on Trump Tower

By [Mary Ellen Podmolik](#) | Posted today at 3:47 p.m.

Donald Trump and his lenders have inked a new loan agreement that resolves long-standing litigation related to the development of his Trump International Hotel & Tower in Chicago.

Trump and his lenders, led by Deutsche Bank Trust Co. Americas and Fortress Credit Corp., last week agreed to extend the term on an approximate \$600 million construction loan for five years. So, all litigation between the parties has been dismissed.

The dispute and resulting flurry of lawsuits began in late 2008, when Trump defaulted on a \$640 million construction loan for the 92-story skyscraper that now vies for attention along Chicago's skyline.

Trump sought to excuse a \$330 million repayment due Nov. 7, 2008, and extend the loan indefinitely because the global economic crisis had created a "once-in-a-lifetime credit tsunami," he said in the lawsuit. Trump also sought \$3 billion in damages from Deutsche. The lender fired back, claiming the hard-charging developer personally owed it \$40 million because of the default.

In March 2009, the parties agreed to temporarily shelve the lawsuits while they tried to negotiate a settlement. A spokesman for Deutsche Bank did not immediately return a phone call for comment.

Altogether, about 60 percent of the 486 residential condo units and 336 hotel condo units have been sold, up only very modestly from a year ago. The building's marketing began in September 2003. Still, Trump said he is pleased with the building's performance.

"I'm amazed [at the 60 percent level,] Trump said Tuesday "That's one of the reasons I'm getting a long-term extension of financing. We have sold that many units in a depression."

Prices on some of the remaining units, which include some of the largest ones, have been cut to be "commensurate with the time," Trump said.

During the second quarter, the average selling price of the 20 residential condo units sold was \$741 a square foot, compared with a listing price average starting at \$1,000 a square foot, according to Appraisal Research Counselors.

"We're going to have virtually the only building that's financed and complete," Trump said in a not-too veiled reference to the stalled Chicago Spire and Waterview Tower.

Read more about the topics in this post: [Donald Trump](#), [Trump Tower](#)

You may also like

Be the first to rate this [?]

You might be interested in

[30 Things Every Woman Should Quit Doing By 30](#) *(The Frisky)*

[Kraft, others hope to supersize trucks | Chicago Breaking Business](#) *(Chicago Breaking Business)*

[Spot the hottie: Acne is officially cute in Japan](#) *(CNN Go)*