

Donald J. Trump, 38, heads a billion-dollar empire which includes hotels, condominiums, shopping centers, more than 25,000 apartments, a sports team and investments. He and his father, Fred, are estimated to have a fortune of \$400 million. One of his earliest real estate projects was a senior citizens housing project in East Orange; today, he owns half of the newly opened Harrah's at Trump Plaza, the Generals U.S.F.L. team at the Meadowlands and is eyeing New Jersey for other investments. Here's a closeup look at this high roller:

Donald J. Trump

**By Bill Glovin,
Assistant Editor**

THE crunch is on to catch a glimpse of the rich and famous seated on a podium outside Harrah's at Trump Plaza in Atlantic City. Although Governor Thomas Kean, a slew of politicians, dignitaries, family members and beauty queens are all on hand for ribbon-cutting ceremonies, the huge crowd has saved its enthusiasm for the man it came to see: Donald J. Trump.

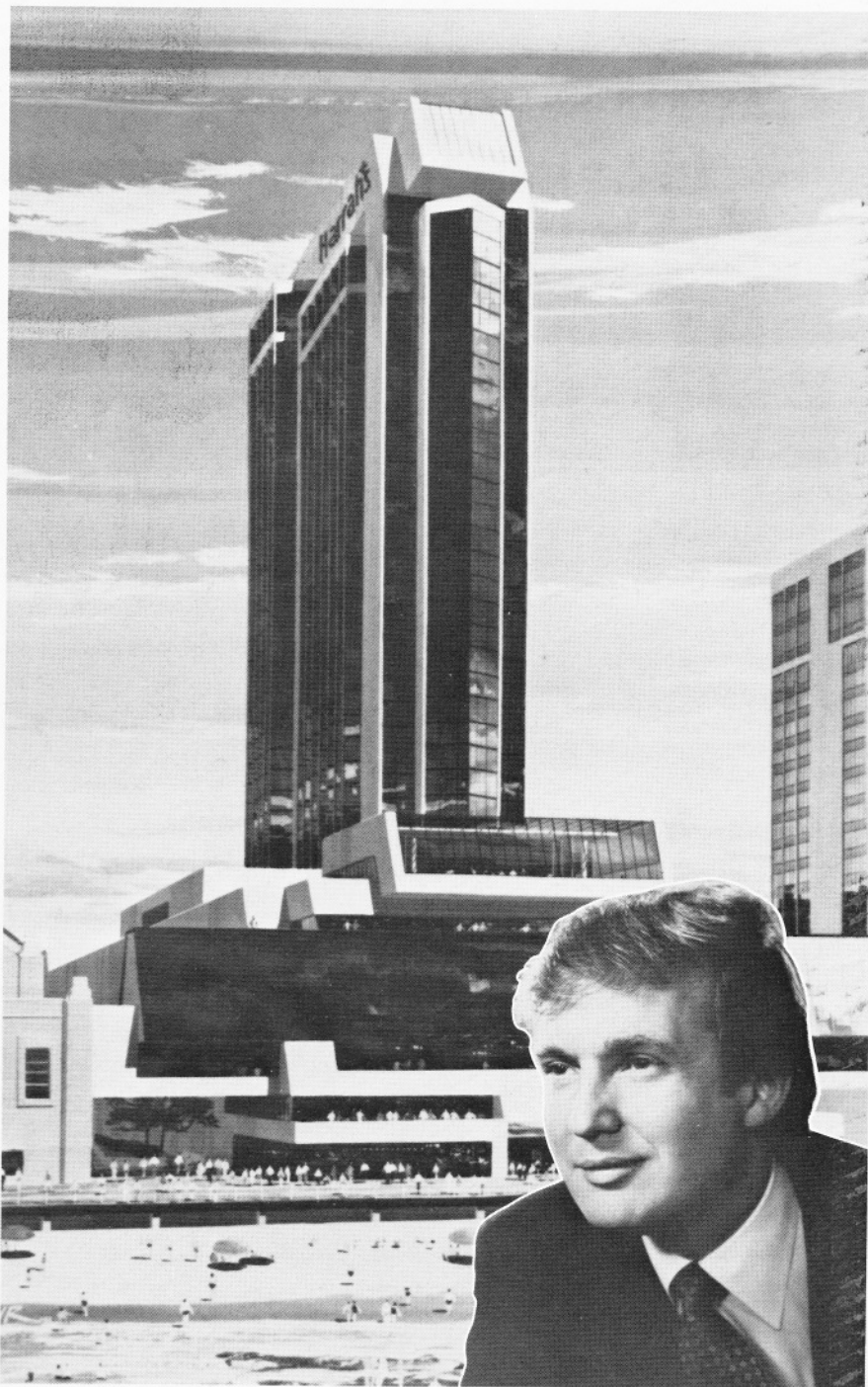
Trump, who is finally introduced, glides to the podium as quiet descends for the first time on the boardwalk. The fact that he hasn't prepared any notes or a speech pleases the crowd and he charms with an ease that would impress even the most polished politician. Those who follow will feel the pressure to be half as good. Clearly, the crowd is won over and delighted to finally see closeup the charismatic, young multimillionaire its heard so much about.

A few hours earlier, Trump, 38, was being swarmed by well-wishers, public relations people and the media following a get-acquainted-with-the-brass press conference inside the new \$220-million casino hotel.

And so it goes for Donald Trump, the high profile, new wave developer who everyone wants a piece of. Although he and his people have used the press to their advantage as well as anyone ever has, Trump, at least on this day, seems especially weary of what is now an ever-present, increasingly bright spotlight. Those summoned to a private meeting feel like apologizing for having to ask still more questions.

"Sometimes I'm surprised by it all, if you must know the truth," he says when asked about all the attention. "It's not something I personally enjoy. It's just something that happens."

Dressed in a dark blue suit with longish sandy-colored hair curled up in



Donald Trump and the \$220-million Harrah's at Trump Plaza.

the back, Trump looks like he could just as easily be an agent for a rock'n roll band. From the outset, you realize he's also an extraordinary salesman and that he'd rather talk facts than philosophy. Asked if there's anyone he especially admires, the usually upbeat and optimistic Trump seems just slightly annoyed: "I don't like to get into admire. You respect people because of what they've done or what they stand for; individual people at individual times. People go up and down in my estimation."

For most, Trump personifies the chic, upwardly mobile, jetset world of Manhattan. People wonder if he's really going to build a domed stadium in the Bronx or Queens or the world's tallest building in Manhattan. But these days, Trump is having more of an impact on New Jersey than ever before. Not only does he own a professional football team in the Meadowlands and half of the largest casino in Atlantic City, he claims he's "very interested" in future investments in the resort city and rumors persist that he's eyeing the state for upcoming projects.

"I'm very fond of New Jersey," says Trump. "I think they do a great job in the Meadowlands. I like the people I meet in Atlantic City. Governor Kean is a tremendous asset and I think New Jersey has some excellent politicians. Like everywhere else, I'm sure there are plenty of politicians who aren't so good, but overall, I feel very positive about the whole state."

Unbeknownst to many, one of Trump's first projects was in East Orange some 12 years ago when he built a subsidized housing project for senior citizens on Prospect Street. Soon after, he built another building nearby which was eventually donated to United Cerebral Palsy and is presently used to house many of its clients.

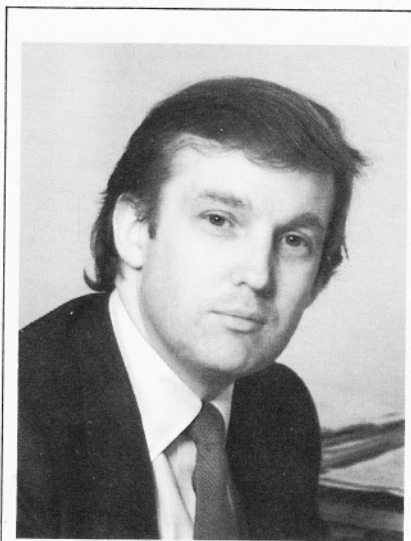
"A lot of people think of me in terms of New York, but I've built in other places too," he says. "After I got out of college, my first major job was renovating a big housing project in Cincinnati. There were 1,200 units, 1,100 of which were vacant. I scraped together the funds and bought it at a relatively low price. If that didn't work out, I might not be here today."

Presently, Trump's empire includes hotels, condominiums, shopping centers and more than 25,000 apartments. When he was a youngster growing up as the fourth of five children in Jamaica Estates in Queens, his favorite toys were building blocks and erector sets. At 12, his parents, who are of Swedish-German descent, sent him to the New York Military Academy in Cornwall-on-the-Hudson. After graduating, he went to Fordham University for two years before transferring to the

Wharton School at the University of Pennsylvania, where his extracurricular activities included making money reconditioning buildings in Philadelphia.

His father, Fred Trump, 78, a carpenter's helper who developed Brooklyn and Queens housing projects in the depression, once said of his son: "Building is in his genes." *Forbes* magazine estimated last year that Donald and his father have a combined fortune worth \$400 million. Asked about the key to his success, Trump answers modestly: "Let's not kid ourselves; timing is everything and timing is largely luck."

He first caught the public eye in New York when he surprised fellow realtors by joining forces with the Hyatt Corporation to buy the bankrupt Commodore Hotel from Penn Central.



"... timing is everything and timing is largely luck."

They turned it into the Grand Hyatt, now one of the Manhattan's more popular luxury hotels where it costs an average of \$150 a night to stay. Because he convinced the city that the hotel would help rejuvenate East 42nd Street, he got a 40-year tax abatement now valued at \$150 million.

His most publicized project to date is Trump Tower, a \$200-million glitzy residential office/residential/retail building on Fifth Avenue and 56th Street. Built in partnership with Equitable Life, its 68 stories include a six-story waterfall and 263 condominiums that cost from \$600,000 to \$10 million each. Despite critics who think the interior too plush and the costumed guards at the doors tacky, it's one of the most talked about buildings in the world. Among those with apartments are Sophia Loren, Johnny

Carson, Steven Spielberg, Paul Anka and the British Royal family. Trump, his Czechoslovakian-born wife Ivana, and their three children, live in a three-story penthouse on the premises.

Most recently, he developed the \$125-million Trump Plaza luxury cooperative apartment building at Third Avenue and 61st Street. He's also director of a subsidiary of the state Urban Development Corporation formed to do a \$1.2-million study on the feasibility of a new sports complex that would attract professional teams back to New York.

Trump, who's success is as fundamental as buying properties when prices are low, renovating lavishly and turning them into moneymakers by selling or renting to high income tenants, may have pulled off the biggest coup of all in Atlantic City.

Before the referendum on gambling was passed in 1976, Trump invested \$1 million in land, sending 14 different people to purchase 15 parcels of land and keeping his name out of it. He remembers coming to Atlantic City on a freezing cold day in 1980 when the city's casino's weren't doing well and thinking about the city's potential and that it would eventually emerge from the doldrums.

By 1981, his \$1 million investment was worth at least \$20 million. "I looked at Atlantic City a long time ago, in the beginning of the first wave," he says. "I saw hotels being built for three and four times what they were projected. I thought it would be a good idea to hold off and find out why."

To cover his tracks, Trump sold half his interest in the casino hotel project to Holiday Inns for \$50 million, more than doubling his money before the facility was even built. Harrah's which is owned by Holiday Inns, agreed to operate the 39-story casino hotel without paying itself a management fee, put up an additional \$170 million in financing and guaranteed him no financial losses in any year.

Harrah's at Trump Plaza is Atlantic City's geographic centerpiece, located adjacent to Convention Hall and smack in the middle of the eight other casino hotels on the Boardwalk. With huge bronze letters T-T in the lobby and the Trump name everywhere, it doesn't seem like half Harrah's at all.

The 1.25 million square-foot facility features dark reflective glass and a white precast concrete facade. Each of the 614 guest rooms in the tower features a view of the ocean. At the top, a section of hotel juts out and Trump says, "I might live there or I might not. I don't need things like that. I'm very satisfied with just having a room."

From the street, one enters a huge hall and is taken by escalator to the third level casino floor, the largest in

the city with 123 gaming tables and 1,734 slot machines. Trump says that the casino hotel will "cater to all spectators, but we will concentrate on the high roller because of this facility." He boasts about completing the project a month ahead of schedule and on budget. He says that "It's ultimately great" that the facility will employ about 4,400 people and 1,000 to 1,100 Atlantic City residents.

"You never really know about a facility until it opens," explains Trump. "Its happened to me on smaller projects where I've worried about whether we used the right bronze, the right wallpaper, the right marble and after you open the building, it just doesn't look right. I've been watching people as they come through the lobby and they seem to love it. Modestly or immodestly, I don't think there's anything that competes with it as a facility. Phase two is going to be the way it's run and managed.

"Initially, people questioned me about entering the gaming industry, but let's face it, it's become very big business. I think the regulations are stringent, but I think that's good because people will perceive Atlantic City as a proper place. I think the Casino Control Commission has done a very good job and the credibility of the commission as a group and as individuals is so good that, ultimately, the problems of red tape for us aren't nearly as significant as what's good for the city.

"Atlantic City still has a long way to go. You have these bastions of money and a few blocks away you're in a different world. The people who were originally going to be the big beneficiaries of casino gambling haven't benefited to the extent to which they should have. Some residents were forced out and others weren't treated right.

"I believe you'll really see something in Atlantic City in five years, something even more special than it is now, and as time goes by, I think it's going to be unparalleled."

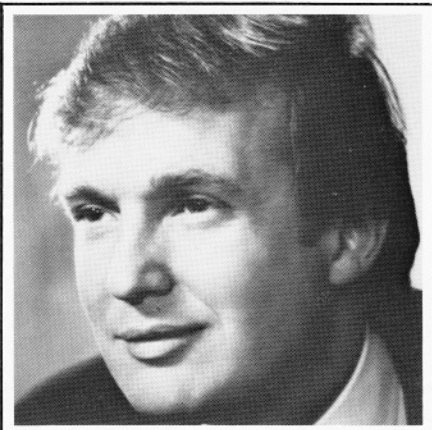
It's not surprising that Trump elected to buy a sports franchise in the upstart United States Football League rather than an established NFL franchise. Instead of being just another sports team owner, Trump would attract massive headlines by signing the most prolific college football star in the country and offering other NFL stars and coaches enormous contracts to jump to his league.

Not unlike developing, Trump would create something from nothing. "I enjoy being involved with something that hasn't been established for 68 years like the NFL," he says. "I think we've shaken a lot of people up and it will be very interesting to see what

happens not only sports wise, but as an investment."

Trump, who plays an occasional game of golf and tennis, especially lights up when the conversation turns to sports. When a New York newspaper sponsored a sports forum in December featuring George Steinbrenner, Sonny Werblin, Fred Wilpon of the Mets and newcomer Trump, it was Trump who walked away with most of the headlines.

Trump doesn't like to talk about his deals publicly, but you get the feeling he isn't thrilled with the idea of spring football and doesn't like losing money at anything. Although there hasn't been much indication from fellow owners, including new coach and general manager Howard Schnellenberger of the new Miami franchise, that the league will switch to a fall schedule to



Ivana and Donald Trump. She, executive vice president, handles design and decor, among other duties.

compete directly with the NFL, Trump thinks it will.

"I believe that within the next three or four years, we have to switch to the fall," he claims. "It can never work when it's 72 degrees and people are outside playing tennis and golf. When 50,000 or 60,000 fans show up at the gate, that's great; but, it pays the salary of a half a player nowadays because of the bidding war.

"The money is in TV revenues," he continues, "and you're obviously going to have five to six times the amount of people watching TV when it's snowing or cold and people are sitting around for lack of anything better to do. I also look at the psychology of football and it's a game that has always been played in the fall. This isn't based on surveys or statistics as much as it is on instinct.

"I've relied on instinct a long time and I believe the league has a chance of being very successful if it moves to the fall. Originally, the spring was picked because there wasn't much happening. I'd like to eventually challenge the Jets and Giants to games "But if they build a domed stadium in New York, I'm not going to kid any-

and have the best team from both leagues compete in the Superbowl."

Trump's negotiating and public relations skills were evident in contract proceedings involving Giant's all-pro linebacker Lawrence Taylor. After signing Taylor to a Generals contract beginning in 1988, Giant fans became outraged at the thought of losing one of the team's only positives. Trump allowed Taylor's agent to buy out of the contract for \$750,000 in cash so Taylor could re-sign with the Giants. Not only did Trump gain the \$750,000 and millions in free publicity for the team and USFL, but he enhanced his image as someone who is flexible and sensitive to the feelings of the fans.

Would Trump consider leaving the Meadowlands for New York? "My loyalty is to New Jersey, and the fans in the state have been great," he says,

one—there would always be options."

Would he ever consider running for political office? "Absolutely not," he says firmly.

New Jersey's waterfront development is also a topic which interests him. "In the long term it really will be great for Manhattan," he predicts. "In the short term it will be very negative. You're going to have a lot of your back offices moving out to New Jersey, which is going to create great job markets for the state. At the same time, it's going to allow people to stay in Manhattan who might have had to leave the area completely. Right now, I have no true stake either way. But it's going to be a tremendous battle for the next number of years, I can tell you that."

People who have followed Trump's career wouldn't be surprised to someday find him right in the middle of the action. There's the elements of risk and challenge. Shrewd intuition is required. Lots of inevitable ink about allegiance and the man in the middle. And last, but certainly not least, is millions of dollars to be made. Sounds like the kind of situation tailor-made for Donald Trump. ■