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a tendency to stand up and make my opinions known in a very forceful way. The difference now is that I like to use my brain instead of my fists. I was always something of a leader in my neighborhood. Much the way it is today, people either liked me a lot, or they didn't like me at all. In my own crowd I was very well liked, and I tended to be the kid that others followed.

My father was also an unbelievably demanding taskmaster. Every morning at six, he'd be there at the site and he would just pound and pound and pound. He was almost a one man show. If a guy wasn't doing his job the way my father thought it should be done - and I mean any job, because he could do them all - he'd jump in and take over. It was always amusing to watch a certain scenario repeat itself. My father would start a building in, say Flatbush at the same time that two competitors began putting up their own buildings nearby. Invariably, my father would finish his building three or four months before his competitors did.

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THE CINCINNATI KID.

prudence pays.

In College while my friends were ~~for~~ reading the Comics and the sports pages of newspapers, I was reading the Listings FHA foreclosures. It might seem a bit abnormal to study lists of federally financed housing projects in foreclosure, but that's what I did. And that's how I found out about Swifton Village. It was a job that I bought with my father, while I was in College, and it was my first big deal.

Swifton Village was 1,200-unit apartment development in Cincinnati, Ohio, and it was a very troubled place. There were 800 vacant apartments, the developers had gone under, the government had foreclosed and the whole deal was a disaster.

But from our perspective that was great, because it gave us a terrific opportunity. A lot of times, when you are dealing with a government agency on a foreclosure, they just want to get out of it as quickly as possible. They aren't equipped to manage it. In this case, things had deteriorated so badly that no one else was even bidding.

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Today you'll find the same thing if you go out to the Sun Belt; where they built all that housing during the Oil boom. Now you have huge development with 30 and 40 percent vacancy rates. Developers are suicidal because banks are foreclosing on them. It is a great time for a smart buyer, because you can get unbelievable deals.

My father and I put in a very minimal bid for Swifton, and it was accepted. We ended up paying less than \$6 million for a job which had cost twice that much to build just two years earlier. We were also immediately able to get a mortgage for what we paid, plus about \$100,000, which we put toward fixing the place up. In other words, we got the project without putting down any money of our own. All we had to do was go and run it. And if we did even a halfway decent job, we could easily cover our mortgage from the proceeds of the rent. After we negotiated the deal, success became a matter of management and marketing. They crammed into one room and two-room apartments, and their children went wild. They would just destroy the apartment and wreck havoc on the property.

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After we got rid of the bad tenants, we set about fixing the place up to attract a better element. That required a substantial investment, almost \$800,000 by the time we were done, which was a lot of money in those days. But it was more than worth it. In New York the laws prevent you from getting fair increases even when you make improvements, but in Conncnati we were immediately able to charge and get much higher rents for the apartments at Swifton Village. The first thing we did was invest in beautiful white shutters for the windows. That may not sound like a big deal, but what the shutters did was give a bunch of cold red brick buildings a feeling a warmth and coziness, which was important. It was also much more expensive than you'd guess, because you're about 1,200 units, each of which has eight to ten windows. The next thing we did was rip out the cheap, horrible aluminum front doors on the apartments and put up beautiful Colonial white doors. I made sure the whole complex was very clean and very well maintained. As I said earlier, I've always had a personal thing

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about cleanliness, but I also believe it is a very good investment.

One day I walked into the office, and one of the girls who worked there was crying. It turned out that there was something they called a funeral fund, to which they all contributed in order to buy flowers for anyone they knew who'd died. They had about \$80 in the fund. When I asked the girl what she was crying about she said Oh, that Irving, he stole our funeral fund. I went to Irving and I said, Irving didn't did you steal their money? Of course he just denied it. He swore he'd get those girls, and he ranted and raved for half an hour. But I always assumed the girls were telling the truth. Irving was a classic. He had problems, but he was a classic. Early on, I'd become particularly friendly with one of the newer tenants at Swifton. He was Jewish, an older man who'd been in a concentration camp in Poland. He'd started off in America as a butcher, then bought the shop, and by the time I met him, he owned perhaps fourteen butchers shops. He and his wife had taken two apartments

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in Swifton and put them together and they had a great place, and they were very happy there. He had a lot of respect for his guy because he had Street Smarts, he'd been around, and he was obviously a true Survivor.

The buyer was the prudent Real Estate Investment Trust. Those were the go-go days when real estate investment trusts - partnerships that invested in real estate - were very hot. The banks were loaning money to any REIT.

In the case of prudent, they sent a young man out to inspect and evaluate the property prior to making a final decision on whether to go forward with the sale. This kid was about my age, but he looked like a teenager. Frankly, I was surprised they entrusted such a big decision to him.

Frankly, the prudent people should have been more prudent. As I said, the REITs were hot to trot, and they couldn't make deals fast enough. In the end, of course, it never pays to be in too much hurry. On the day we closed, there were dozens of vacant apartments.

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THE MOVE TO MANHATTAN.

I had my eyes on Manhattan from the time I graduated from Wharton in 1968 - But at that point, the market in the City was very hot, the prices seemed very high, and I was unable to find a deal I liked - meaning a good piece of property at a price I found affordable. My father had done very well for himself, but he didn't believe in giving his children huge trust funds. When I graduated from College, I had a net worth of perhaps \$200,000, and most of it was held up in buildings in Brooklyn and Queens. So I waited - I went to work helping to run my father's business and I continued to spend as much time as possible in Manhattan.

The ^{turning} point came in 1971, when I decided to rent a Manhattan apartment. It was a Studio n & building on Third Avenue and 75th Street, and I looked out on the water tank in the courtyard of the adjacent building. I jokingly referred to my apartment as a penthouse, because it did happen to be near the top floor of the building.

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I also tried to divide it up so that it would seem bigger. But no matter what I did, it was still a dark, dingy little apartment. Even so I loved it. Moving into that apartment was probably more exciting for me than moving, fifteen years later, into the top three floors of Trump Tower on Fifth Avenue and 57th Street overlooking Central Park. You have to understand I was a kid from Queens who worked in Brooklyn, and suddenly I had an apartment on the Upper East Side.

One of the first things I did was join Le Club, which at the time was the hottest club in the city and perhaps the most exclusive - like Studio 54 at its height. It was located on East 54th Street, and its membership included some of the most successful men and the most beautiful women in the world. It was the sort of place where you were likely to see a wealthy

Seventy five years old guy walk in with three blondes from Sweden. I'll never forget how I became a member. One day I called up Le Club and I said, my name Donald Trump and I'd like to join your club.

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The guy on the other end of the just laughed and said "You've got to be kidding. Nobody, of course, had heard of me. The next day I got another idea, and I called back and I said to the guy, "Listen, could I have a list of your members? I may know someone who is a member." And he said "I'm sorry, we don't do that and he hung up."

The next day I called again and said "I need to reach the president of the club. I want to send him something. For some reason, the guy gave me the president's name and his business number, and I called him up. I introduced myself. I said very politely, "My name is Donald Trump and I'd like to join the club." And he said "Do you have any friends or family in the club?" and I said "No, I don't know anybody there."

He said "Well, what makes you think you should be admitted as a member?" I just kept talking and talking, and finally his fellow said to me, "I'll tell you what you sound like a nice young man and maybe it would be good to have some younger members, so why don't you meet me

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for a drink at Twenty One? The next day we met for a drink. There was just one small problem, I don't drink and I'm not very big on sitting around. My host, on the other hand, liked to drink, and he had brought along a friend who also liked to drink. For the next two hours we sat there as they drank and I didn't until finally I said, Listen fellas can I help you get home? and they said No let's just have one more. Anyway, I promised. I was admitted to the club and it turned out to be a great move for me, socially and professionally. I met a lot of beautiful young single women, and I went out almost every night. Actually, I never got involved with any of them very seriously. There were beautiful women, but many of them couldn't carry on a normal conversation. Some were vain, some were crazy, some were wild, and many of them were phonies. For example I quickly found out that I couldn't take these girls back to my apartment because of their standards what I had was a disaster, and in their world appearances were everything. When I finally did get married

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I married a very beautiful woman, but a woman who also happens to be a rock, just like my mother and father. During that same period, I also met a lot of very successful, very wealthy men at the club. I had a good time when I went out at night, but I was also working.

I learned a lot about Roy during that period. He was a great lawyer, when he wanted to be. He could go into a case without any notes. He had a photographic memory and could argue the facts from his head. When he was prepared, he was brilliant that he could sometimes get away with it. Unfortunately, he could be a disaster, and so I would always question Roy very closely before a court date. If he wasn't prepared, I'd push for a postponement. I don't kid myself about Roy. He was no Boy Scout.

The other thing I promoted was our relationship with politicians, such as Abraham Beame, who was elected mayor of New York in November 1973. My father did belong to the same Democratic Club that Abe Beame came out of, and they did know each other. Like all developers, my father and I contributed money to Beame, and to other politicians.

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Palmer, in turn, helped give me credibility with the press. When he was asked by a reporter from Barrons why he chose Trump over others, he said those properties were nothing but a black hole of undefinable risk. We interviewed all kinds of people who were interested in them, none of ~~them~~ would be necessary. Until this young guy Trump came along. He's almost a throwback to the nineteenth century as a promoter. He's larger than life. At one point, when I was hyping my plans to the press but in reality getting nowhere, a big New York real estate guy told me one of my friends "Trump has a great line of SWF but where are the bricks and mortar? I'm the first to admit that I am very competitive and that I'll do nearly anything within legal bounds to win. Sometimes, part of making a deal is denigrating your competition. In this case I happened to genuinely believe that the Starrett bid wasn't legitimate, that the company would never close the deal and would not be able to successfully develop the site even if the deal did go through. I was very serious and very committed.