

# **EXHIBIT 21**



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August 4, 2011

Jason D. Greenblatt, Esquire  
Executive Vice President and General Counsel  
Trump Organization  
725 Fifth Avenue, 26<sup>th</sup> Floor  
New York, NY 10022  
Via U.S. Mail, Postage Pre-Paid and Email to [jgreenblatt@trumporg.com](mailto:jgreenblatt@trumporg.com)

Trump Virginia Acquisitions, LLC  
725 Fifth Avenue, 26th Floor  
New York, NY 10022  
Via Certified Mail, Postage Pre-paid

Re: 9.904 acre parcel (Part of Tax Map 102, Parcel 35), Albemarle County, Va.  
("Property")  
Street address: 355 Albemarle House Drive, Charlottesville, Va.  
Right of First Refusal claimed by Trump Virginia Acquisitions, LLC  
("Trump Acquisitions")

Dear Mr. Greenblatt:

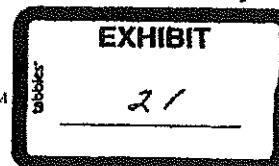
This law firm represents Quality Properties Asset Management Company ("Quality Properties"), a wholly owned affiliate of Bank of America, N.A. ("BOA"). Quality Properties owns the Property referenced above. It is part of a larger, 97.98-acre parcel owned by Quality Properties, now known as Tax Map 102, Parcel 35 ("TMP 102-35").

The purpose of this letter is to respond to your letter dated February 2, 2011 to Jonathan Hauser and Eric Trump's June 3, 2011 letter to Michael Kramer.

These letters asserted that Trump Acquisitions has a right of first refusal ("ROFR") to acquire the Property. The asserted ROFR arises out of a Quitclaim Deed, dated June 13, 1990 from JWK Properties, Inc. ("JWK") to Patricia M. Kluge ("Kluge"). That Quitclaim Deed conveyed a 9.904 acre tract to Kluge and defined that tract as the "Property." It also defined another tract of land, then shown as Parcel 35A on the Albemarle County tax map, as the "Burdened Land." (The Burdened Land was burdened by various easements benefitting the Property.) The ROFR was exercisable by "the then current owner of the Burdened Land."

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There currently is no single owner of the Burdened Land; it has multiple owners. A review of the chain of title to the Burdened Land indicates that the Burdened Land is now owned in part by three entities: Quality Properties, Trump Acquisitions and Trump Vineyard Estates, LLC. ("Trump Vineyard").

Kluge acquired the Property as part of the 1990 divorce settlement with her late husband, John Kluge. At that time the Property was the site of a mansion, which served as the manor house and centerpiece of a 1000-acre estate owned by an entity controlled by John Kluge. The object of the ROFR was to give the owner of the Burdened Land an opportunity to bring the Property back into the larger estate if Kluge decided to sell the Property. That purpose has ceased to exist due to subsequent subdivisions of the Burdened Land.

As of the year 2000, the Burdened Land appears to have consisted of the following parcels, in whole or in part: N, U, Y and Z.

In 2000, JWK re-conveyed Parcel N to John Kluge. He then re-conveyed the land to Patricia Kluge, Trustee of the John W. Kluge, Jr. Trust. Parcel N is now part of Tax Map 102, Parcel 35C ("TMP 102-35C") and is owned by Trump Acquisitions.

Also in 2000, JWK re-conveyed Parcels U and Y to John Kluge. He then reconveyed this land to Home and Garden Company, LLC, which later merged into Kluge Estate Winery and Vineyard, LLC. As a result of the 2005 subdivision, Parcel U and a portion of Parcel Y became part of TMP 102-35, which Kluge Estate Winery and Vineyard, LLC deeded to Patricia Kluge, and which is now owned by Quality Properties. Another portion of Parcel Y is now part of Tax Map 102, Parcel 35A ("TMP 102-35A") and is owned by Trump Vineyard.

In 2001, JWK conveyed Parcel Z to the University of Virginia Real Estate Foundation, which merged into the University of Virginia Foundation. In 2004, the University of Virginia Foundation conveyed Parcel Z to William Moses and Patricia Kluge. Mr. Moses gifted his interest to Patricia Kluge and she later deeded the land to Kluge Estate Winery and Vineyard, LLC. This land is now known as Tax Map 103, Parcel 1B ("TMP 103-1B") and is owned by Trump Vineyard.

As a result of the subdivisions, there is no longer a single, large estate for which the Property could serve as a manor house; for example, the Burdened Land is now part of four different tax parcels, one portion of the Burdened Land is a vineyard, another portion is a golf course, and another portion is owned by Quality Properties. If the ROFR still existed, there is no single owner of the Burdened Land who could enforce the ROFR. The ROFR would be unenforceable by someone who owned only part of the Burdened Land.



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Even if the foregoing events did not extinguish the ROFR, other events would have done this. The ROFR applied so long as Kluge was the owner of the Property, and also provided that the ROFR did not apply to "any conveyance of the Property as security for any indebtedness of Kluge." On November 6, 2007, Kluge mortgaged TMP 102-35 (which included the Property) to secure a loan from BOA. At that time, she owned or controlled the Property and all properties which formerly constituted the Burdened Land.

That mortgage was foreclosed on February 16, 2011, and BOA was the high bidder at the foreclosure sale. BOA assigned the right to acquire TMP 102-35 to the current owner, Quality Properties. Thus, the ROFR has terminated because Kluge no longer owns the Property. The ROFR did not apply to the foreclosure sale because of the prior subdivisions and also because Kluge's right to mortgage the Property implies the right to convey marketable title to the mortgage lender.

Your assertion that the ROFR survived the foreclosure sale is untenable for an additional reason. If the ROFR did not terminate when Kluge ceased to own the Property, there would be no measuring life to limit the time during which the ROFR could be exercised. This would cause the ROFR to violate the rule against perpetuities. *Lake of the Woods Ass'n, Inc. v. McHugh*, 238 Va. 1, 380 S.E.2d 872 (1989).

If the ROFR existed at the date of the foreclosure sale and applied to the sale, then the owner of the ROFR's legal remedy would be limited to an action in ejectment against Quality Properties. *Fairfax County v. Riekse*, 281 Va. 441, 707 S.E.2d 826 (2011). Under *Riekse*, the owner of the Burdened Land would have no right of first refusal as to a subsequent re-sale of the Property by Quality Properties.

As discussed above, there was no owner of the ROFR at the foreclosure sale date because the Burdened Land had been subdivided in 2000, and the subdivided parcels were then assigned to multiple owners. Thus, to be clear, neither Trump Acquisitions nor anyone else has any right of first refusal over the Property. However, while reserving all rights in this matter, Quality Properties will offer Trump Acquisitions, or as it may assign to another entity affiliated with Donald J. Trump, an opportunity to acquire TMP 102-35 on the terms set forth in the right of first refusal. The terms are as follows: (1) the purchase price is \$15.26 million (the foreclosure sale price); (2) Trump Acquisitions must provide written notice of its intent to accept this offer within 15 business days of receipt of this letter; and (3) Trump Acquisitions must agree to close on the Property within a reasonable time.

This offer is subject to the additional condition that all of the owners of the Burdened Land must consent to Trump Acquisitions' exercise of the ROFR and release any claims they may have against Quality Properties arising out of the ROFR. Quality Properties would provide its consent and release. Trump Acquisitions would be required to obtain such consents and releases from the other



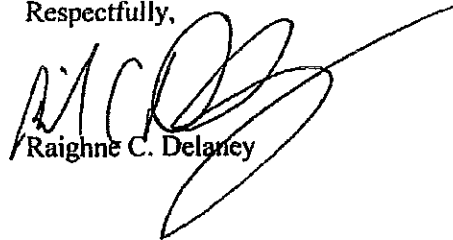
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owner of part of the Burdened Land, Trump Vineyard. As this entity is Trump-related, this condition should not present an obstacle to Trump Acquisitions' purchase of the Property.

If Trump Acquisitions does not accept these terms, Quality Properties demands that Trump Acquisitions deliver a release of the ROFR, in recordable form, within 15 days. If that is not done, Quality Properties intends to take legal action to establish that the ROFR no longer affects the title to the Property. A draft complaint, with exhibits, is enclosed for your review. Quality Properties may re-draft the Complaint, if it learns of additional facts relevant to this case.

If you believe there are any inaccuracies in this letter, or in Quality Properties' legal position, please let us know what those might be. I look forward to your reply.

Respectfully,



Raighne C. Delaney

RCD/mh

Enclosure