IN THE UNITED STATES BANKRUPTCY COURT
FOR THE DISTRICT OF DELAWARE

In re:	Chapter 11
TRUMP ENTERTAINMENT RESORTS, INC., *et al.*,[1]	Case No. 14-12103 (KG)
Debtors.	Jointly Administered
	Ref. Docket Nos. 713, 809, & 817

NOTICE OF FILING OF REVISED LIQUIDATION ANALYSIS TO DEBTORS' DISCLOSURE STATEMENT FOR DEBTORS' THIRD AMENDED JOINT PLAN OF REORGANIZATION UNDER CHAPTER 11 OF THE BANKRUPTCY CODE

PLEASE TAKE NOTICE THAT on January 5, 2015, Trump Entertainment Resorts, Inc. and its above-captioned affiliated debtors and debtors-in-possession (collectively, the "Debtors") filed with the Court the *Disclosure Statement for Debtors' Third Amended Joint Plan of Reorganization Under Chapter 11 of the Bankruptcy Code* [Docket No. 713] (the "Third Amended Disclosure Statement").

PLEASE TAKE FURTHER NOTICE THAT attached thereto as Exhibit 3 was the Liquidation Analysis.

PLEASE TAKE FURTHER NOTICE THAT on January 26, 2015, the Debtors filed the *Notice of Filing of Blackline of Debtors' Disclosure Statement for Debtors' Third Amended Joint Plan of Reorganization Under Chapter 11 of the Bankruptcy Code* [Docket No. 809] showing just the revisions made to the Third Amended Disclosure Statement since it was filed on January 5th.

PLEASE TAKE FURTHER NOTICE THAT on January 26, 2015, the Debtors filed the *Notice of Filing of Full Blackline of Debtors' Disclosure Statement for Debtors' Third Amended Joint Plan of Reorganization Under Chapter 11 of the Bankruptcy Code* [Docket No. 817], which is a full comparison to the Third Amended Disclosure Statement since it was filed on January 5th.

PLEASE TAKE FURTHER NOTICE THAT attached hereto as Exhibit 1 is the Liquidation Analysis as its been revised since it was filed on January 5th.

[1] The Debtors in these chapter 11 cases, along with the last four digits of each Debtor's federal tax identification number, are: Trump Entertainment Resorts, Inc. (8402), Trump Entertainment Resorts Holdings, L.P. (8407), Trump Plaza Associates, LLC (1643), Trump Marina Associates, LLC (8426), Trump Taj Mahal Associates, LLC (6368), Trump Entertainment Resorts Development Company, LLC (2230), TER Development Co., LLC (0425), and TERH LP Inc. (1184). The mailing address for each of the Debtors is 1000 Boardwalk at Virginia Avenue, Atlantic City, NJ 08401.

Dated: January 26, 2015
Wilmington, Delaware

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EXHIBIT 1

Liquidation Analysis

LIQUIDATION ANALYSIS UNDER CHAPTER 7

Section 1129(a)(7) of the Bankruptcy Code requires that each holder of an impaired claim or equity interest receive property on account of such claim or interest with a value not less than the value of the property such holder would receive in a liquidation conducted under chapter 7 of the Bankruptcy Code. The following analysis and computations (the "***Liquidation Analysis***") have been prepared by the Debtors' senior management, with the assistance of Houlihan Lokey, as an estimate of the values which might be realized by all classes of creditors and interest holders in the event the assets of the Debtors were to be liquidated in chapter 7 cases under the Bankruptcy Code.

Under the Plan, Classes 3 (First Lien Credit Agreement Claims), 4 (General Unsecured Claims), 5A-5B (Existing Securities Law and Equitably Subordinated Claims), and 6 (Existing TER Interests) are impaired. The Liquidation Analysis shows that the holders of Claims in Class 3 would receive less value in a liquidation under chapter 7 than they will receive under the Plan. As more specifically set forth in the Plan, a Cash payment of $1 million and the proceeds, if any, of certain Avoidance Actions will be made available to Claims in Class 4 (General Unsecured Claims). The claims and interests in Classes 5A-5B (Existing Securities Law and Equitably Subordinated Claims) and 6 (Existing TER Interests) are impaired because the Plan does not provide any recovery to the holders of claims or interests. The Liquidation Analysis shows that the holders of claims or interests in such classes also would not receive any recovery in a liquidation under chapter 7.

The tables set forth below show the application of the Liquidation Analysis as to each class of claims and interests.

This Liquidation Analysis is hypothetical and based on a number of estimates and assumptions that, although developed and considered reasonable by the Debtors' senior management, are inherently subject to significant uncertainties and contingencies, many of which are beyond the control of the Debtors. Accordingly, while the analysis that follows is necessarily presented with numerical specificity, there can be no assurance that the values estimated would be realized if the Debtors were in fact liquidated.

NO REPRESENTATION OR WARRANTY CAN OR IS BEING MADE WITH RESPECT TO THE ACTUAL PROCEEDS THAT COULD BE RECEIVED IN A CHAPTER 7 LIQUIDATION OF THE DEBTORS. THE LIQUIDATION VALUATIONS HAVE BEEN PREPARED SOLELY FOR PURPOSES OF ESTIMATING PROCEEDS AVAILABLE IN A CHAPTER 7 LIQUIDATION OF THE DEBTORS' ESTATES AND DO NOT REPRESENT VALUES THAT MAY BE APPROPRIATE FOR ANY OTHER PURPOSES. NOTHING CONTAINED IN THESE VALUATIONS IS INTENDED OR MAY CONSTITUTE A CONCESSION OR ADMISSION BY THE DEBTORS FOR ANY OTHER PURPOSE.

<u>Approach</u>

A trustee in a chapter 7 case is charged with liquidating the debtor's assets as expeditiously as possible in order to make distributions to creditors and, if applicable, equity interest holders. A chapter 7 case typically results in additional expenses, including the chapter 7 trustee's compensation and the expenses of its counsel and other advisors. In addition, a "forced" sale in chapter 7 is likely to result in lower net proceeds than a sale under normal circumstances as a consequence of, among other factors, the additional risks assumed by potential buyers due to a shortened diligence process, potentially negative perceptions involved in liquidation sales, the current state of the capital markets, the limited universe of prospective distress buyers for these types of properties, and the "bargain hunting" mentality of liquidation sales.

Related Assets

- Certain Personal Property

The Debtors hold many slot machines and other furniture, fixtures and equipment. As further highlighted in the notes below, in estimating the value of this personal property, it is assumed that the majority of these assets are sold together with the properties.

- Gaming and Alcohol Licenses

The New Jersey gaming licenses are non-transferable.

The Debtors' Atlantic City liquor licenses are issued by the New Jersey Casino Control Commission and are dependent on certain contingencies that potentially invalidate them in a chapter 7 liquidation. Therefore, for the purposes of this Liquidation Analysis, the Atlantic City liquor licenses are assumed to have no value.

- Other Assets

Under a chapter 7 liquidation, it is assumed that the license agreement between the Debtors and Donald J. Trump would be rejected. For purposes of this Liquidation Analysis no separate value was ascribed to that agreement.

Allocation of Proceeds

The Liquidation Analysis necessarily contains estimates of the amounts of Claims that will ultimately become allowed Claims. Estimates for various classes of Claims are based solely upon the evaluation of the Debtors' books and records. No order or finding has been entered by the Court estimating or otherwise fixing the amount of all Claims as set forth in this Liquidation Analysis. Certain Claims such as priority employee Claims, rejection Claims associated with unexpired leases and executory contracts, litigation claims, tax assessments or claims of gaming regulators were not estimated.

Liquidation proceeds are allocated in the following priority: (i) first to the costs, fees and expenses associated with the chapter 7 trustee and liquidation; (ii) second to the secured creditors to the extent of the value of their collateral; (iii) third to any Administrative Claims (other than Administrative Claims allowed to be paid pursuant to the Carve-Out in the Cash Collateral Order), priority Claims and other Claims entitled to priority in payment under the Bankruptcy Code; and (iv) fourth to General Unsecured Claims.

Other Assumptions

This Liquidation Analysis assumes a liquidation of the Debtors' assets over six to twelve months. This time period reflects an estimate of the time required to dispose of the material assets as well as collection of any and all receivables. The Liquidation Analysis is presented on a consolidated basis, notwithstanding that the Plan does not request substantive consolidation.

It is assumed that in a chapter 7 liquidation, the Taj Mahal would be closed and the Plaza would remain closed, and each would be sold on a "closed" as-is basis.

This analysis does not reflect the amount of any superpriority adequate protection claims arising under section 507(b) of the Bankruptcy Code that may be asserted by the First Lien Lenders pursuant to the terms of the Cash Collateral Order.

The Liquidation Analysis further assumes that there are no recoveries from the pursuit of any potential preferences, fraudulent conveyances, or other causes of action and does not include the estimated costs of pursuing such actions.

Conclusion

Based on the assumptions used in this Liquidation Analysis, in a chapter 7 liquidation there would be no recovery for General Unsecured Claims, and the First Lien Credit Agreement Claims would be impaired and receive a lower recovery than under the Plan.

Liquidation Analysis

	Notes Ref.	Book Value as of 11/30/2014 (1)	Asset Recovery Percentage		Hypothetical Liquidation Values	
			Low	High	Low	High
Current Assets						
Cash & Cash Equivalents	**(2)**	$14,702	*100%*	*100%*	$14,702	$14,702
Accounts Receivable, Net	**(3)**	4,972	*50%*	*70%*	2,486	3,480
Accounts Receivable, Other	**(3)**	6,388	*70%*	*80%*	4,472	5,110
Inventories	**(4)**	733	*5%*	*10%*	37	73
Prepaid Expenses and Other	**(5)**	4,377	*5%*	*10%*	219	438
Current Assets		**$31,172**	*70%*	*76%*	**$21,915**	**$23,804**
Property & Equipment						
Taj Mahal Property & Equipment					64,000	80,000
Plaza Property & Equipment					16,000	24,000
Property & Equipment, Net	**(6)**				**$80,000**	**$104,000**
Intangible Assets, Net	**(7)**	**$8,700**	*40%*	*60%*	**$3,480**	**$5,220**
Other Assets						
CRDA Investments, Net		17,143	*0%*	*50%*	-	8,572
Other Assets, Net		18,616	*0%*	*10%*	-	1,862
Other Assets	**(8)**	**$35,759**	*0%*	*29%*	**$0**	**$10,433**
Total Net Proceeds Available for Distribution					**$105,395**	**$143,457**
Wind-Down Costs						
Wind-Down Costs during Chapter 7 process	**(9)**				(10,000)	(20,000)
Professional Fees @ 3%	**(10)**				(2,721)	(3,863)
Trustee fees @ 3%	**(10)**				(2,639)	(3,747)
Disputed Post-petition Property Tax Claims	**(11)**				(16,210)	(16,210)
Pre-termination Cash Collateral Order Administrative Fee Carve-Out					(3,000)	(3,300)
Post-termination Cash Collateral Order Administrative Fee Carve-Out					(500)	(500)
Subtotal Wind-Down Costs					**($35,070)**	**($47,619)**
Net Proceeds Available for Distribution After Windown Costs					**$70,325**	**$95,838**

Recovery Analysis

	Notes Ref.	Estimated Claims	Recovery Percentage in Ch 7		Recovery Values	
			Low	High	Low	High
Class 2: Other Secured Claims	**(12)**	$500	100.0%	100.0%	$500	$500
Class 3: First Lien Credit Agreement Claims	**(12)**	292,257	23.9%	32.6%	69,825	95,338
Chapter 11 Admin / 507(b) Claims (Excluding Carve-Out)	**(12)**	7,000	0.0%	0.0%	0	0
Class 1: Priority Non-Tax Claims	**(12)**	650	0.0%	0.0%	0	0
Disputed Pre-petition Priority Tax Claims	**(11)**	12,218	0.0%	0.0%	0	0
Class 4: General Unsecured Claims	**(12)**	232,000	0.0%	0.0%	0	0
Class 5(a) Existing Securities Law Claims		N/A	0.0%	0.0%	0	0
Class 5(b) Equitably Subordinated Claims		N/A	0.0%	0.0%	0	0
Class 6: Existing TER Interests		N/A	0.0%	0.0%	0	0
Total		**$544,625**			**$70,325**	**$95,838**

LIQUIDATION ANALYSIS NOTES

Note 1 ─ Asset Values

Except for Cash and Cash Equivalents noted in Note 2 below, all asset values use the Debtors' consolidated book values, by asset, as of November 30, 2014, as a proxy for the liquidation values upon liquidation as of January 28, 2015.

Note 2 – Cash and Cash Equivalents

Cash and cash equivalents are presented on a consolidated basis as adjusted for the Company's most recent weekly cash flow projection. The Liquidation Analysis assumes the projected cash balance as of January 28, 2015, including all cash on the casino floor, working capital cash and cash in the internet gaming accounts.

Note 3 ─ Accounts Receivable

The majority of the Debtors' Net Accounts Receivable arise from customer gaming "markers" or lines of credit. Given the significant future uncertainty involved in any sale, the Liquidation Analysis assumes that collection of receivables would be significantly negatively impacted. Other Accounts Receivable consist of items such as credit card receivables and ATM fee receivables. These items are estimated to receive a higher recovery than marker returns.

Note 4 ─ Inventory

Inventory is comprised largely of food, beverage, restaurant tableware and miscellaneous goods from retail outlets. Due to the perishable nature of food and beverage inventory, and certain requirements by gaming regulators to dispose of alcoholic beverages, only the tableware and retail inventory would yield a small recovery.

Note 5 ─ Prepaid and Other Current Assets

Prepaid and Other Current Assets are comprised largely of prepaid insurance and prepaid slot machine licensing fees. It is assumed that a small portion of the unutilized prepaid amounts are collectible; however, insurance premiums for property insurance and other insurance will be difficult or imprudent to attempt to recover.

Note 6 ─ Property and Equipment

Property and equipment are generally comprised of land, buildings and improvements and personal property used in the operation of each of the casino properties. The Liquidation Analysis assumes the property and equipment would be sold property-by-property (i.e., the Taj Mahal and Plaza property are sold separately), and relies primarily on recent sales of shut casinos in the Atlantic City market to estimate a range of recovery values. For purposes of this Liquidation Analysis, the Plaza's property liquidation value has been calculated by starting with the same value of the property and equipment of $20-30 million as contained in the Valuation Analysis, and thereafter applying a 20% decrease in the sale price, as this sale process would occur on a "fire sale" basis. The Taj Mahal's property liquidation value was determined primarily by using the recently announced sale process for Revel (current sale price of $95 million) as a proxy. Revel is currently in the process of being sold as a closed property. The Liquidation Analysis assumes a discount to the Revel sale value, reflecting the difference in property condition and older age of the Taj Mahal, as well as the nature of a "fire sale" liquidation process, partially offset by the fact that the Taj Mahal has more rooms and a larger customer database. These methods collectively result in liquidation value ranges of $64-80 million and $16-24 million for the Taj Mahal and the Plaza, respectively.

As in the Revel sale, slot machines and other furniture, fixtures & equipment are assumed to be sold together with the Taj Mahal. If these assets were to be sold separately, any bid for the properties would likely be reduced by an amount for any buyer to refurnish the properties.

Note 7 ─ Intangible Assets, Net

Intangible Assets consist of the Debtors' trademarks, trade names, customer lists and other data. This Liquidation Analysis is based on the Debtors' estimates of the values obtained in customer lists and other data in the Atlantic Club liquidation in late 2013 and early 2014.

Note 8 – Other Assets

Other Assets are comprised largely of Casino Reinvestment Development Authority ("CRDA") deposits and investments, prepaid rent and retainers to professionals. A material portion of the CRDA-related assets are assumed to be recovered over time, while the other assets are assumed to yield minimal recovery.

Note 9 – Wind-Down Costs

Certain costs and expenses would be required to wind down the property, including utilities, property tax payments, security personnel and other costs. The Liquidation Analysis estimates the wind-down costs would be $10-20 million.

Note 10 ─ Professional Fees and Trustee Fees

Professional fees represent the costs related to attorneys and financial advisors retained by a chapter 7 Trustee. Professional fees are based on 3% of the total proceeds available for distribution (excluding cash and cash equivalents).

In accordance with section 326 of the Bankruptcy Code, the statutory maximum fee allowed to a trustee in a chapter 7 liquidation is 3% of monies disbursed. For the purpose of this Liquidation Analysis, the fee is estimated to be based on 3% of the total proceeds available for distribution less cash and payments to professionals.

Note 11 – Property Taxes

Property taxes prior to conversion of these cases are split in this Liquidation Analysis between (a) pre-petition priority unsecured claims and (b) post-petition administrative claims. The Debtors dispute the Debtors' properties' assessments and associated real property taxes.

Note 12 – Claims and Recoveries

Chapter 11 Administrative Claims consists of post-petition accounts payable and other administrative claims not covered by the Carve-Out in the Cash Collateral Order. The Chapter 11 Administrative Claims exclude any potential superpriority adequate protection claims arising under section 507(b) of the Bankruptcy Code that may be asserted by the First Lien Lenders pursuant to the terms of the Cash Collateral Order. Such amounts would be in addition to those shown in this Liquidation Analysis.

Class 1 – Priority Non-Tax Claims consists primarily of employee claims. These claims would receive zero recovery in a chapter 7 liquidation.

Class 2 – Other Secured Claims consists primarily of Slot Financing arrangements, and PACA claims. The slot vendors would be assumed to either receive their slot machine equipment back or cash recovery for liquidation of such equipment. PACA claims are assumed to be paid in full in cash.

Class 3 – Holders of the secured portion of the First Lien Credit Agreement Claims would receive the remainder of the recovery, as they have a lien on substantially all assets of the estate.

Class 4 – General Unsecured Claims would receive zero recovery under a chapter 7 liquidation given the insufficient value to satisfy the secured portion of the First Lien Credit Agreement Claims in full, as well as Chapter 11 Administrative Claims and Priority Claims.