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**From:** Paul Morris [REDACTED]  
**Sent:** 11/4/2015 7:53:57 AM  
**To:** 'Jeffrey Epstein' [jeevacation@gmail.com]  
**Subject:** FW: (BN) The 1% Find Deal From Banks to Match Their Status: 1% Art L [I]

-----Original Message-----

**From:** Kim Shores  
**Sent:** Wednesday, November 04, 2015 07:31 AM Eastern Standard Time  
**To:** Paul Morris  
**Subject:** FW: (BN) The 1% Find Deal From Banks to Match Their Status: 1% Art L [I]

Classification: For internal use only

Paul - It was good to see you too! Following is the Bloomberg article I mentioned about Wynn.

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The 1% Find Deal From Banks to Match Their Status: 1% Art Loans  
2015-10-20 22:02:10.564 GMT

By Miles Weiss and Katya Kazakina

(Bloomberg) -- Being part of the 1 percent just took on new meaning.

That's about the rate at which billionaire Steve Wynn is borrowing against his extensive art collection as wealth management firms push to win business from the world's ultra- rich.

The casino mogul pledged 59 works of art as collateral for a loan from Bank of America Corp., one of several steps he recently took to raise cash, according to interviews and regulatory filings. The 73-year-old founder of Wynn Resorts Ltd. said the arrangements permit him to borrow at less than 1 percent.

"This is a great time to be poised with ample cash," Wynn said in an e-mail through his spokesman.

The favorable terms highlight the increasing competition in the market for art lending, where wealth managers are seeking to win and retain top clients with lower interest rates than ever.

Traditionally dominated by auction houses and banks such as Citigroup Inc., JPMorgan Chase & Co. and Bank of America, record prices for art and a surge in wealth among the world's richest are attracting new players, including one venture backed by private equity firm Carlyle Group LP and Swiss wealth manager Pictet Group.

"We regularly hear from people interested in getting into this field, including private equity firms, commercial banks and individuals who want to fund deals on a one-off basis," said Thomas C. Danziger, managing partner at Danziger, Danziger & Muro who represents major banks and other lenders in structuring and documenting art loans. "My expectation is that it will only grow."

#### Sweetened Terms

Wealth managers traditionally offered art lending as a courtesy service to their wealthiest clients. Some have sweetened the terms, issuing art loans based on a benchmark rate such as the three-month London interbank offered rate plus an additional 125 basis points, according to three people familiar with the typical terms of such loans.

Consumers with more pedestrian levels of wealth pay a multiple of that, depending on their creditworthiness and collateral. The average rate for a \$100,000 home equity floating rate loan is 3.79 percent, according to Bankrate.com.

Pawnbrokers in New York can charge interest at annual rates of up to 48 percent.

Even for a wealthy bank client, Wynn's rate is unusually low. While he didn't disclose how the loan's term, the maximum length for art loans is typically three to five years.

Treasuries due in 2020 yield about 139 basis points, or 1.39 percent.

#### Personal Fortune

Wynn's personal fortune has fallen about 30 percent this year to an estimated \$1.9 billion, according to the Bloomberg Billionaires Index. That largely reflects the plummeting value of his stake in Wynn Resorts, whose shares have lost more than half their value in 2015, ranking the casino company as the fourth-worst performer in the Standard & Poor's 500 Index.

The collateral backing the loan could be valued at \$200 million, said Beverly Schreiber Jacoby, who has done art appraisals for