

Bond Case Briefs

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Bondholders Allege American Dream Mall Colluded to Cut Value.

Takeaways by Bloomberg AI

- Bondholders alleged that the Borough of East Rutherford and American Dream owners colluded to reduce the assessed value of the mall, jeopardizing repayment of municipal debt.
- The assessed value of the mall was cut to \$1.65 billion, resulting in payments to bondholders shrinking to less than half of the annual interest they're owed.
- The bondholders claimed that American Dream pressured East Rutherford to replace its appraiser with a less experienced one, producing a "dramatically reduced" valuation, and that the borough and American Dream ensured the new appraisal didn't include enough data to withstand trial.

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Bloomberg Markets

By Martin Z Braun

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