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Bondholder Committee On Behalf of Owners of Quad Cities Regional Economic Development Authority First Mortgage Revenue Bonds Series 2013A v. Sauk Valley Student Housing, LLC

United States District Court, D. New Jersey - January 29, 2020 - Slip Copy - 2020 WL 473636

Bondholder Committee on behalf of the Owners of Quad Cities Regional Economic Development Authority First Mortgage Revenue Bonds Series 2013A (“Plaintiff”) brought action against BMO and BOKF (“Defendants”) arising out of the allegedly fraudulent sale and improper management of Series A bonds used to fund a student housing project in Illinois. Defendants BMO was alleged to have participated in the creation of a fraudulent offering statement and defendant BOKF was alleged to have violated the terms of a Trust Indenture and Continuing Disclosure Agreement while carrying out its duties as trustee.

Defendants moved to dismiss, contending that Plaintiff lacked standing.

Plaintiff alleged associational standing as a representative of its individual members where the individual members themselves had standing to bring the same claims.

The District Court dismissed the complaint, holding that the nature of the claims brought, as well as the relief sought, would require Plaintiff’s members to provide provide individualized evidence regarding their damages.