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American Dream Mall Lenders Owed $389 Million Can Collect, Judge Says

- **A judge granted summary judgment in lenders' suit on Monday**
- **Suit's plaintiff is linked to Western Asset, Nonghyup Bank**

A group of junior lenders to the troubled American Dream mall won the right to collect on at least $389 million of defaulted debt after a judge ruled in their favor on Monday.

Judge Andrew Borrok granted the lenders' request for summary judgment against an entity used to finance the $5 billion mall and entertainment complex in New Jersey's Meadowlands, according to a court order. The lawsuit, filed in New York Supreme Court in February, was brought by an entity that serves as an administrative agent for firms linked to Western Asset and South Korea's Nonghyup Bank, court documents show. The complaint demanded payment of "no less than" $389.2 million with interest at "the minimum contractual default rate of 13.75%" as well as other costs.

The New Jersey mall, which broke ground in 2004 and ultimately opened in 2019, has struggled under a series of owners and fallen behind on its debt payments amid construction delays, cost overruns and the pandemic shutdown. Last year, it received an extension on some of its debt from lenders led by JPMorgan Chase & Co., part of a deal that stripped the junior lenders of their collateral.

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By Erin Hudson, Elise Young and Martin Z Braun

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