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payments for a \$1.4 billion commercial mortgage-backed security, the latest sign of the devastating impact of pandemic-related shutdowns on the retail industry.

May. 21, 2020

The Mall of America, the largest U.S. shopping center, missed two months of payments for a \$1.4 billion commercial mortgage-backed security, the latest sign of the devastating impact of pandemic-related shutdowns on the retail industry.

“The loan is currently due for the April and May payments,” according to a report filed by the trustee of the debt, Wells Fargo & Co., which is also the master servicer for the loan. “Borrower has notified master servicer of Covid-19 related hardships.”

Retailers and their landlords, hurt by competition from online stores before coronavirus-spurred shutdowns made things worse, are struggling to make rent and mortgage payments. Mall owners reported rock-bottom April rent collections, including about 12% for Tanger Factory Outlet Centers Inc., roughly 20% for Brookfield Property Partners LP and 26% for Macerich Co.

A Wells Fargo spokesperson confirmed the Mall of America delinquency, declining to comment further. Representatives for the Mall of America, in Bloomington, Minnesota, didn't respond to requests for comment on the missed payments.

The 5.6 million-square-foot (520,000-square-meter) mall was ordered closed on March 17, and has announced plans to begin reopening on June 1, starting with retailers, followed later by food services and attractions, such as the mega-mall's aquarium, cinema, miniature golf course and indoor theme park.

“Reopening a building the size of Mall of America is no small task, but we are confident taking the necessary time to reopen will help us create the safest environment possible,” the mall said in a statement on its website.

The Mall of America is owned by members of the Ghermezian family, whose

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