

Mega-Mall Operator CBL the Latest to File for Bankruptcy

The retail nightmare of 2020 continues.

November 2, 2020 2 min read

The fall of the mall is very real in 2020.

Big-time shopping-center operator CBL Properties has filed for Chapter 11 bankruptcy protection, making it the latest casualty of shopping mall closures throughout the U.S.

The pandemic has wreaked havoc on retail, particularly malls. As many as 25,000 U.S. stores could close permanently this year, according to Coresight Research, with 55 percent to 60 percent located within big shopping center. The demise of malls has become so rampant, there is even a website dedicated to chronicling their demise.

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Part of a disturbing trend

Tennessee-based CBL manages shopping-center properties, which has been a lucrative business ever since malls first appeared in the 1950s. But times have changed. Thanks to Covid and competition from online companies such as Amazon and Instacart, many of CBL's best tenants have filed for bankruptcy or liquidation in 2020, including such staples as JCPenney, J. Crew, Pier 1 Imports and Papyrus.

Despite CBL's stock dropping 85.6 percent year-to-date through

Friday, CEO Stephen Lebovitz said in a statement the company will return to “business as usual” during the bankruptcy, adding, “After months of discussions and consideration of a number of alternatives, CBL’s management and the board of directors firmly believe that implementing the comprehensive restructuring as outlined in the RSA through a Chapter 11 voluntary bankruptcy filing will provide CBL with the best plan to emerge as a stronger and more stable company.”

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