



**CASE STUDY** 

# Lightfoot PRESERVES National Department Store Chain's LEASE RIGHTS Amid Redevelopment Dispute

#### **Anchor Tenant's Lease Rights Threatened by** \$16 Million Mall Redevelopment



After nearly five decades as an anchor tenant at an Alabama mall, a national department store faced a serious threat to its long-standing presence. A \$16 million redevelopment plan between the mall's new landlord and the city called for demolishing the corridor connecting the retailer's store to the rest of the mall.

The store's lease, which had been amended nine times since it opened in 1970, gave it the right to approve such changes. But rather than seek consent, the landlord argued that a prior amendment had shortened the lease's term from 2014 to 2019 and had eliminated the retailer's approval rights altogether.

With 15 years of lease revenue and operational control at stake, the retailer turned to Lightfoot's commercial litigation team, led by partner <a href="David">David "Chips"</a> <a href="Pruet">Pruet</a>, for decisive action.



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## GASE-BUILDING DETAIL



Lightfoot acted quickly to file suit for breach of contract in federal court, launching a complex two-year litigation effort.

The team conducted extensive discovery and depositions to secure a partial summary judgment win on the lease's term.

When the landlord later claimed the federal court lacked jurisdiction due to a newly "discovered" non-diverse downstream member, Lightfoot uncovered a pivotal detail: the landlord had deployed this same tactic in another case nearly two years earlier.

This critical finding allowed the court to retain jurisdiction long enough to impose sanctions and order the landlord to pay the retailer approximately \$63,000.

Lacking jurisdiction, the federal court vacated its earlier rulings, which required Lightfoot to refile the case in Alabama state court. There, the team secured a complete summary judgment for the retailer on all issues, including the lease term and approval rights.

The landlord appealed to the Alabama Supreme Court, which affirmed the decision and delivered another clear victory for the client.

In 2024, the Eleventh Circuit "emphatically" affirmed the bad faith sanctions, delivering a final victory for the client.



David "Chips" Pruet Partner

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#### THE RESULT

### Four Straight Court Victories Secure Retailer's Lease Rights

Lightfoot delivered three consecutive wins for the department store across three courts, culminating in a fourth decisive Eleventh Circuit ruling.

This case showcases Lightfoot's ability to guide clients through prolonged, high-stakes disputes with a steady hand.

By anticipating and countering complex legal maneuvers, the team preserved the retailer's lease rights and reinforced why businesses trust Lightfoot when the stakes are highest.



### VALUE OF EXPERIENCE

#### About Lightfoot, Franklin & White LLC

Trusted by clients and respected by opponents, Lightfoot is a leading national litigation firm. True to its "Trial Tough, Solution Savvy" philosophy, Lightfoot has been named a "Top 20 Trial Law Firm" in the U.S. by Benchmark Litigation since 2019. Working from offices in Birmingham and Houston, the firm's 60+ lawyers are known for their work involving complex, bet-the-company litigation; internal and government investigations; risk management; and compliance counsel, including NCAA matters, for clients across the country and around the world. For more information, visit <a href="lightfootlaw.com">lightfootlaw.com</a> and connect with us on <a href="Facebook">Facebook</a>, <a href="LinkedIn">LinkedIn</a> and <a href="LinkedIn">X</a>.



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