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Wanted: new owner for the Providence Place mall

Following receivership, judge grants permission to list property for sale and send profits back to creditors

BY: **NANCY LAVIN** - AUGUST 12, 2025 1:18 PM



The Providence Place mall is expected to hit the market in mid-September, after a Superior Court judge granted permission for its sale. (Photo by Michael Salerno/Rhode Island Current)

Time to start shopping for a buyer with the cash and creativity to make over the Providence Place mall.

A [July 28 order](#) by Providence County Superior Court Judge Brian Stern lets court-appointed receivers list the mall property for sale, redirecting profits to private lenders owed more than \$250 million in principal and interest from a 2011 mortgage loan. The listing expected to hit the market in September also offers a chance to revive the sprawling shopping destination in the heart of downtown Providence — either as a mall, or something else entirely.

Once the symbol of the capital city's renaissance, the 25-year-old mall has lost its luster amid losses in flagship tenants and changes

to consumer shopping habits. Its future was put in further jeopardy after it was placed in court-appointed receivership last fall. Private lenders in a petition filed [on Oct. 29](#) in Providence County Superior Court alleged former mall owner and operator Brookfield Properties owed them \$259 million in principal and interest from a loan taken out in 2011, which was backed by nearly all of its 1.3-million-square-foot footprint.

John Dorsey Jr. and Mark Russo, the pair of West Warwick lawyers named permanent receivers, spent the last eight months readying the property for sale, [bringing in a new management company](#) to oversee daily operations and investing [nearly \\$100,000](#) in repairs and improvements to the shopping center and adjacent parking garage. The receivers also implemented a new code of conduct in March, including a provision that visitors under 18 be accompanied by an adult after 5 p.m.

The protocol was met with public criticism, but has received positive feedback from tenants and security officers, Dorsey and Russo wrote in a [June 17 status](#) update to the court. They also touted improved tenant sales, extensions to existing leases and \$800,000 in property insurance premium savings as examples of the turnaround under their watch.

Upcoming improvements include a parking garage maintenance and repair plan, a survey of the mall's heating and cooling systems and a new housekeeping vendor. These costs helped to shape a final operational budget, which was submitted to Stern, but not made available for public viewing.

But positive changes to mall operations and infrastructure can't erase the financial troubles of its past. Brookfield, which has owned Providence Place since it acquired prior mall owner GGP Inc. in 2018, still owed \$258.5 million in April to the U.S. National Bank Association, the primary creditor for the \$305 million loan granted in 2011, [according to court filings](#). The loan matured in May 2024; every extra day the balance goes unpaid comes with an extra \$39,000 in interest owed.



📷 The Providence Place mall was put in jeopardy after it was placed in court-appointed receivership last fall. (Photo by Michael Salerno/Rhode Island Current)

Stern's latest order affirms the request of local bankruptcy attorney Joseph DiOrio, who represents U.S. National Bank Association, to direct any proceeds from the sale of the mall or its assets to its creditors to repay what they are owed.

DiOrio declined to comment on Tuesday.

With Stern's permission, the receivers inked a deal with Chicago-based firm Jones Lang LaSalle (JLL) to serve as broker for the property sale. The agreement was submitted to Stern, but also not available for public view.

Dorsey [was removed](#) from the receivership case on Aug. 5 after being tapped to serve as [a federal bankruptcy judge](#).

The mall is expected to go to market in mid-September after JLL finishes its "due diligence" and analysis, Mark Russo, now the sole receiver in the case, confirmed via email Tuesday.

"As for the process moving forward, JLL will lead a robust marketing effort to identify the highest and best offer for the property," Russo said.

Rating agency KBRA estimated the appraised value of the property at \$240 million in May 2021, down from a \$558 million value when the mortgage loan was secured in 2011. Russo did not immediately respond to questions Tuesday regarding whether there will be a new appraisal prior to the listing.

The mall opened in 1999 after a series of delays and changes to financing and development terms. The final funding package for the

\$460 million project featured a state bond and a tax treaty with the city of Providence. The state deal used mall sales tax revenue to repay the debt on the bond that paid for construction. The state made its final, \$73 million payment on the bond in 2019.

A separate, 30-year tax treaty with the city of Providence is set to end in 2028. Under the agreement, the mall pays \$500,000 a year in city property taxes. If taxed at fiscal 2026 city commercial rates, the property would be paying nearly \$24.9 million in taxes.

Providence Mayor Brett Smiley is eyeing the upcoming sale with interest and the hopes that a new long-term owner is secured, Anthony Vega, a spokesperson for the mayor's office, said.

"Mayor Smiley recognizes that Providence Place Mall remains a central destination in our Downtown, playing a vital role in our city's commercial and community life," Vega said in an emailed response. "The Mayor looks forward to partnering with the new owner to see Providence Place Mall continue to contribute to the vitality of Downtown for years to come."

Updated to include responses from Providence Mayor Brett Smiley's office and Joseph DiOrio.



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