

RETAIL

## Valentino hit with \$207M lawsuit after breaking lease

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Valentino shuttered its Fifth Avenue flagship in December 2020. Image credit: Google Maps

By LUXURY DAILY NEWS SERVICE

Italian fashion house Valentino is facing a \$207 million lawsuit after breaking the lease for its Fifth Avenue flagship.

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The landlord, 693 Fifth Owner LLC, argues that Valentino owes all the rent due through July 2029, when the lease was set to expire, after the brand closed the store in December. With in-store shopping severely hit by the ongoing COVID-19 pandemic, many luxury labels are reevaluating their physical footprints.

### Lease disputes

The lawsuit against Valentino was filed in Manhattan Supreme Court last week. The landlord is suing for an additional \$12.9 million to repair store damage.

In late January, Valentino's lawsuit to terminate its 16-year lease at the store was dismissed, per Reuters paving the way for the landlord to seek rent payments.

Valentino, which closed its Fifth Avenue boutique on Dec. 20, still operates a store on Madison Avenue. The brand operates less than 20 boutiques in the United States.



*Valentino still has an outpost on Madison Avenue, about a mile from its closed Fifth Avenue store. Image credit: Valentino*

The pandemic has put landlords at odds with brands and retailers, who continue to face store closures and diminished foot traffic.

In September, U.S. department store chain Saks Fifth Avenue has sued Florida shopping center Bal Harbour Shops. The countersuit comes as Bal Harbour Shops commenced eviction proceedings for Saks Fifth Avenue's failure to pay rent during the pandemic period ([see story](#)).

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