S.B. 147 VETOES

- (A) THE FIXTURES ARE READILY REMOVABLE FACTORY OR OFFICE MACHINES, READILY REMOVABLE EQUIPMENT THAT IS NOT PRIMARILY USED OR LEASED FOR USE IN THE OPERATION OF THE REAL ESTATE, OR READILY REMOVABLE REPLACEMENTS OF DOMESTIC APPLIANCES THAT ARE GOODS SUBJECT TO A CONSUMER LEASE, AND BEFORE THE GOODS BECOME FIXTURES THE LEASE CONTRACT IS ENFORCEABLE; OR
- (B) THE CONFLICTING INTEREST IS A LIEN ON THE REAL ESTATE OBTAINED BY LEGAL OR EQUITABLE PROCEEDINGS AFTER THE LEASE CONTRACT IS ENFORCEABLE: OR
- (C) THE ENCUMBRANCER OR OWNER HAS CONSENTED IN WRITING TO THE LEASE OR HAS DISCLAIMED AN INTEREST IN THE GOODS AS FIXTURES; OR
- (D) THE LESSEE HAS A RIGHT TO REMOVE THE GOODS AS AGAINST THE ENCUMBRANCER OR OWNER. IF THE LESSEE'S RIGHT TO REMOVE TERMINATES, THE PRIORITY OF THE INTEREST OF THE LESSOR CONTINUES FOR A REASONABLE TIME.
- (6) NOTWITHSTANDING PARAGRAPH (A) OF SUBSECTION (4) BUT OTHERWISE SUBJECT TO SUBSECTIONS (4) AND (5), THE INTEREST OF A LESSOR OF FIXTURES INCLUDING THE LESSOR'S RESIDUAL INTEREST IS SUBORDINATE TO THE CONFLICTING INTEREST OF AN ENCUMBRANCER OF THE REAL ESTATE UNDER A CONSTRUCTION MORTGAGE RECORDED BEFORE THE GOODS BECOME FIXTURES IF THE GOODS BECOME FIXTURES BEFORE THE COMPLETION OF THE CONSTRUCTION. TO THE EXTENT GIVEN TO REFINANCE A CONSTRUCTION MORTGAGE, THE CONFLICTING INTEREST OF AN ENCUMBRANCER OF THE REAL ESTATE UNDER A MORTGAGE HAS THIS PRIORITY TO THE SAME EXTENT AS THE ENCUMBRANCER OF THE REAL ESTATE UNDER THE REAL ESTATE UNDER THE REAL ESTATE UNDER THE REAL ESTATE UNDER THE CONSTRUCTION MORTGAGE.
- (7) IN CASES NOT WITHIN THE PRECEDING SUBSECTIONS, PRIORITY BETWEEN THE INTEREST OF A LESSOR OF FIXTURES INCLUDING THE LESSOR'S RESIDUAL INTEREST AND THE CONFLICTING INTEREST OF AN ENCUMBRANCER OR OWNER OF THE REAL ESTATE WHO IS NOT THE LESSEE IS DETERMINED BY THE PRIORITY RULES GOVERNING CONFLICTING INTERESTS IN REAL ESTATE.
- (8) IF THE INTEREST OF A LESSOR OF FIXTURES INCLUDING THE LESSOR'S RESIDUAL INTEREST HAS PRIORITY OVER ALL CONFLICTING INTERESTS OF ALL OWNERS AND ENCUMBRANCERS OF THE REAL ESTATE, THE LESSOR OR THE LESSEE MAY (A) ON DEFAULT, EXPIRATION, TERMINATION, OR CANCELLATION OF THE LEASE AGREEMENT BY THE OTHER PARTY BUT SUBJECT TO THE PROVISIONS OF THE LEASE AGREEMENT AND THIS ARTICLE, OR (B) IF NECESSARY TO ENFORCE THE OTHER RIGHTS AND REMEDIES UNDER THIS ARTICLE, INCLUDING THE LESSOR'S RESIDUAL INTEREST, REMOVE THE GOODS FROM THE REAL ESTATE, FREE AND CLEAR OF ALL CONFLICTING INTERESTS OF ALL OWNERS AND ENCUMBRANCERS OF THE REAL ESTATE, BUT THE LESSOR OR THE LESSEE MUST REIMBURSE ANY ENCUMBRANCER OR OWNER OF THE REAL ESTATE WHO IS NOT THE LESSEE AND WHO HAS NOT OTHERWISE AGREED FOR THE COST OF REPAIR OF ANY PHYSICAL INJURY, BUT NOT FOR ANY DIMINUTION IN VALUE OF THE REAL ESTATE CAUSED BY THE ABSENCE OF THE GOODS REMOVED OR BY ANY NECESSITY OF REPLACING