

Occurred: Ch. 535, Acts of 1994. Correction by the Michie Company in the 1994 Cumulative Supplement of the Commercial Law Article is validated by this Act.

2A-529.

(1) After default by the lessee under the lease contract of the type described in § 2A-523(1) or [2A-523(3)(a)] § 2A-523(3)(A) or, if agreed, after other default by the lessee, if the lessor complies with [subdivision] SUBSECTION (2), the lessor may recover from the lessee as damages:

(a) For goods accepted by the lessee and not repossessed by or tendered to the lessor, and for conforming goods lost or damaged after risk of loss passes to the lessee (§ 2A-219), (i) accrued and unpaid rent as of the date of entry of judgment in favor of the lessor, (ii) the present value as of the same date of the rent for the then remaining lease term of the lease agreement, and (iii) any incidental damages allowed under § 2A-530, less expenses saved in consequence of the lessee's default; and

(b) For goods identified to the lease contract where the lessor has never delivered the goods or has taken possession of them or the lessee has effectively tendered them back to the lessor if the lessor is unable after reasonable effort to dispose of them at a reasonable price or the circumstances reasonably indicate that such an effort will be unavailing, (i) accrued and unpaid rent as of the date of entry of judgment in favor of the lessor, (ii) the present value as of the same date of the rent for the then remaining lease term of the lease agreement, and (iii) any incidental damages allowed under § 2A-530, less expenses saved in consequence of the lessee's default.

(3) The lessor may dispose of the goods at any time before collection of the judgment for damages obtained pursuant to subsection (1). If the disposition is before the end of the remaining lease term of the lease agreement, the lessor's recovery against the lessee for damages is governed by [§ 2A-527 and § 2A-528] §§ 2A-527 AND 2A-528, and the lessor will cause an appropriate credit to be provided against a judgment for damages to the extent that the amount of the judgment exceeds the recovery available pursuant to § 2A-527 or § 2A-528.

(5) After a lessee has wrongfully rejected or revoked acceptance of goods, has failed to pay rent then due, or has repudiated (§ 2A-402), a lessor who is held not entitled to rent under this section must nevertheless be awarded damages for nonacceptance under § 2A-527 or [2A-528] § 2A-528.

DRAFTER'S NOTE:

Error: Stylistic errors in the introductory language of § 2A-529(1) and in (3) and (5) of the Commercial Law Article.

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