336.2A-523 LESSOR'S REMEDIES.

(1) If a lessee wrongfully rejects or revokes acceptance of goods or fails to make a payment when due or repudiates with respect to a part or the whole, then, with respect to any goods involved, and with respect to all of the goods if under an installment lease contract the value of the whole lease contract is substantially impaired (section 336.2A-510), the lessee is in default under the lease contract and the lessor may pursue any or all of the following remedies:

(a) cancel the lease contract (section 336.2A-505(1));

(b) proceed respecting goods not identified to the lease contract (section 336.2A-524);

(c) withhold delivery of the goods and take possession of goods previously delivered (section 336.2A-525);

(d) stop delivery of the goods by any bailee (section 336.2A-526);

(e) dispose of the goods and recover damages (section 336.2A-527), or retain the goods and recover damages (section 336.2A-528), or in a proper case recover rent (section 336.2A-529);

(f) exercise any other rights or pursue any other remedies provided in the lease contract.

(2) If a lessor does not fully exercise a right or obtain a remedy to which the lessor is entitled under subsection (1), the lessor may recover the loss resulting in the ordinary course of events from the lessee's default as determined in any reasonable manner, together with incidental damages, less expenses saved in consequence of the lessee's default.

(3) If a lessee is otherwise in default under a lease contract, the lessor may exercise the rights and pursue the remedies provided in the lease agreement, which may include a right to cancel the lease. In addition, unless otherwise provided in the lease contract:

(a) if the default substantially impairs the value of the lease contract to the lessor, the lessor may exercise the rights and pursue the remedies provided in subsection (1) or (2); or

(b) if the default does not substantially impair the value of the lease contract to the lessor, the lessor may recover as provided in subsection (2).

History: *1989 c 232 art 1 s 2A-523; 1991 c 171 art 1 s 17*