

MARKS & WEINBERG, P.C.

Comdisco v. Home Insurance

1996 WL 14438 (S.D.N.Y., 1996)

When Lessee exercised its option to purchase equipment, Comdisco attempted to exercise its option to substitute similar equipment. Lessee showed that the substitution would cause a hardship.

The court found that Lessee properly exercised its purchase option and that Comdisco could not require Lessee to consent to substitution as a pre-condition to the exercise of the option. The court refused to allow Comdisco to retain rents paid after the exercise of the option, despite the "hell or high water clause" and the lessee's continued possession of the equipment.

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