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GreatAmerica Leasing Corp. v. Titan Recycling Inc. 2002 WL 482537 (E.D.Mich. Mar. 11, 2002)

GreatAmerica Leasing Corp. ("GreatAmerica") was assigned a couple of leases between Equipment Leasing Specialists, as lessor, and Stanley Metal Associates, as lessee ("Stanley Metal"). Stanley Metal later assigned its rights in the leases to Titan Recycling Inc. ("Titan"). As a condition to the assignment, Titan's owner (the "Owner") personally guaranteed Titan's obligations under the assigned leases.

When Titan defaulted under the leases, GreatAmerica filed suit against Titan and the Owner alleging that Titan breached the lease agreement by failing to make payments and that the Owner was liable for the unpaid lease payments pursuant to the personal guaranty. The district court, noting that assignees assume the assignor's rights and responsibilities provided in the lease agreement, granted GreatAmerica's motion for summary judgment on both the claim against Titan and the claim against the Owner. According to the court, there were no genuine issues of material fact regarding whether Titan failed to make payments pursuant to the lease agreement or whether the Owner failed to comply with his obligations under the guaranty.

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