

MARKS & WEINBERG, P.C.

Computed Imaging Service v. Fayette Memorial Hospital

2001 WL 23188 (TEX. APP. 1/11/01)

Lessor provided medical diagnostic equipment on a "per scan" basis to lessee Hospital. Hospital violated the provision which prohibited it from using other similar equipment and lessor declared the lease in default. The appellate court upheld a lower court finding that lessor failed to mitigate damages by leaving the equipment on-site for an extended period of time and by not arranging a re-lease to a third party hospital. Remember: Case law in many states and UCC Article 2A require mitigation of damages and a well-drafted lease can limit or eliminate this duty.

Marks & Weinberg, PC is a law firm with significant experience in dealing with virtually every type of equipment and facility lease financing. The lawyers of the firm have participated in leasing financings for more than a billion dollars of equipment and are recognized throughout the industry. If you would like more cases or articles on leasing, or have any questions or comments about this Article or other leasing issues, please visit leaselawyer.com or contact Barry Marks at 205.251.8303 or Ken Weinberg at 205.251.8307.

