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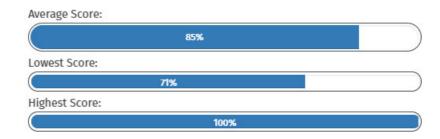
Chapter 3

Contracts - Chapters | Assigned: August 05, 2019 | Ends: August 06, 2019 at 10:00 AM EDT

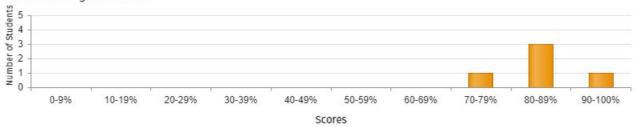
In progress: 5/5 Submissions

Average Time Spent:





Overall Performance



Topic Performance

Basic Remedies in Contract



Collapse question breakdown

- 6 Owner has a piece of land he wants cleared of trees and graded so that the property can be...
- **4** 80.0%
- 7 Teacher signed a one-year contract with School to teach for the academic year for \$60,000 a...



84%

Collapse question breakdown

- After looking to purchase his "dream home" for years, Buyer located what was "almost the p...
- **80.0%**
- Company plans to build a new factory that is critically important to its business. If the facto...
- 100.0%
- In February, a cotton distributor entered into contracts with a number of cotton farmers to ...
- 80.0%
- 4 In his will, Uncle left \$1 million to Niece. Additionally, Uncle left his antique car to Nephew. The antique car was worth about \$10,000. The antique car had a great deal of sentimental value to Niece. Uncle would take both Niece and Nephew out for a drive on Sundays while the two siblings were growing up. While Niece loved those Sunday rides, Nephew was indifferent. Nephew was also a little angry since his sister received a large amount of money and all he received was an old car that he did not like. When Nephew said that he was going to sell the car, Niece offered to buy it for \$20,000—twice the value. The two parties contracted to complete the transaction through a series of signed emails, with the closing date to be on the anniversary of their Uncle's death. Just before the closing. Nephew says that he will not sell the car to her unless she gives him \$500,000—half of Niece's \$1 million inheritance. Because of Nephew's actions. Niece experiences severe emotional distress and has to visit a psychiatrist incurring large medical bills. If Niece wins a breach of contract case against
- 60.0%

(A) Niece would receive emotional distress damages to compensate for the harm caused by Nephew's bad faith breach.

0.0%

(B) Niece would receive market damages of \$10,000 as the difference between the contract price and the fair market value.

40.0%

(C) Niece would receive a mandatory injunction compelling Nephew to transfer the car to Niece in return for \$10,000.

60.0%

(D) Niece would only receive nominal damages since the fair market value of the car is less than the contract price.

0.0%

Rationale:

The correct answer is (C).

Nephew, what would be the most likely remedy?

UCC §2-716 provides that "Specific performance may be decreed where the goods are unique or "in other proper circumstances." Normally, courts consider "unique goods" to be works of art, family heirlooms, etc. Uncle's car is considered unique because it has sentimental value and is considered unique; therefore, Niece should be able to get a court order for specific performance.

Answer **A** is incorrect since emotional distress damages are not available under these circumstances. There is no tort associated with Nephew's breach, and this is not the type of contract breach that would result in emotional distress damages.

Answer B is also incorrect. Market damages would only be available to Niece if the fair market value was higher than the contract price. In any case, that is not what Niece wants.

Answer D is wrong since nominal damages are not the best remedy for Niece. In any case, Niece should be able to get specific performance based on these facts.

Recommended Reading:

Pages 163-172 of Barnett, Contracts: Cases and Doctrine, Sixth Edition

