

# IOWA FARM LEASES: A LEGAL REVIEW

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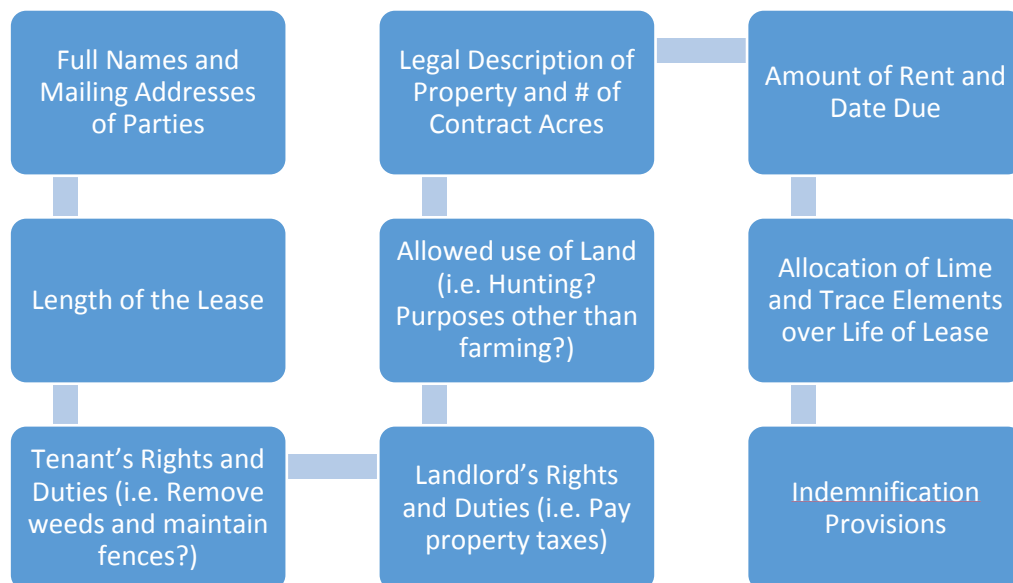
As of 2012, Iowa had 88,637 farms.<sup>ii</sup> Of those, 40 percent were farmed under a cash rent lease, and 7.1 percent were farmed pursuant to a crop share lease.<sup>iii</sup> Given these numbers, it is crucial that Iowa landowners and producers understand the legal implications and requirements of their farmland leases.

## ► Contract Considerations

A lease is a contract under which a right to use and occupy real property is conveyed. A farm lease is a binding legal contract, whether or not that lease is reduced to writing. To ward off disputes over agreed-upon terms, it is very important that those terms be put into writing, signed by both parties. The writing should be definite and certain and should include all of the terms the parties wish to enforce. The parties to the lease should not execute side agreements or additional promises separate and apart from the written lease. These agreements are difficult to prove and can lead to expensive litigation. Likewise, if parties choose to modify their lease, they should always record those modifications in writing.

## Lease Terms

Iowa State University's Ag Decision Maker provides several sample leases and supplementary provisions parties can use to create a farm lease.<sup>iv</sup> It is advisable, however, for landlords and tenants to consult with an experienced agricultural law attorney before entering into any new contract, including a farm lease. At a minimum, a farm lease should always contain the following terms:



## Right to “Aboveground Plant”

The Iowa Legislature enacted Iowa Code §562.5A in 2010 in response to the growing commoditization of corn stalks. Under the statute, *unless otherwise agreed to in writing by a landowner and farm tenant*, a farm tenant may take any part of the *aboveground part of a plant associated with a crop*, at the time of harvest or after the harvest, until the farm tenancy terminates. In other words, if a landlord does not want the tenant to have the right to harvest the corn stover, the written lease must state that the aboveground part of a plant associated with a crop belongs to the landlord. This rule applies to all farm leases, including those entered into before 2010 and continued effective through auto-renewal.<sup>v</sup>

## Oral v. Written Lease

Although a written lease is preferable, oral leases are enforceable contracts. Generally, however, such contracts can only be proven for a one-year period. This is because the statute of frauds applies to a farm lease that is for a term **greater than one year**.<sup>vi</sup> The **statute of frauds** is an evidentiary rule that makes oral proof of contracts to which the statute applies *incompetent*. That means that the statute of frauds will typically bar the admission of evidence required to *prove* the existence of an oral farm lease beyond a one-year term. It does not, however, void such contracts or render them invalid.

## ▶ Recording a Farm Lease

Agricultural leases for a term of greater than five years (with renewals<sup>vii</sup>) **MUST** be recorded with the county recorder within 180 days of execution.<sup>viii</sup> Although the entire lease may be recorded, it is sufficient to record a *memorandum of the lease* containing:

- names and addresses of all parties named in the lease,
- a description of all real property
- length of the contract or initial term of the lease, and a statement as to whether any of the named parties have or are subject to renewal rights
  - if so, the event or condition upon which renewal occurs, the number of renewal terms and the length of each

The failure to record a lease subject to the statute is punishable by a fine not to exceed \$100/day for each day of violation.

## ▶ Leases for More than 20 Years

Article I, § 24 of the Iowa Constitution states that no lease of agricultural lands “shall be valid for a longer period than 20 years.” If a lease violates this constitutional provision, only that portion of the lease beyond 20 years will be unenforceable.<sup>ix</sup> The constitutional provision is not violated by a lease extending beyond the 20-year term only by virtue of Iowa’s statutory auto-renewal provisions. Likewise, parties can agree to renew their farm leases beyond 20 years. The constitutional provision merely prevents a single lease from locking either party into that outcome.

The Iowa Supreme Court recently ruled that Iowa Const. art. I, § 24 was violated by a written lease providing for a five-year term with an “option to renew for four additional five-year terms” unless the tenant elected out.<sup>x</sup> The lease under review by the Court locked the landlord in for 25 years, but allowed the tenant the option to terminate at the end of each five-year period. The tenant argued that purpose of the constitutional provision was to protect *tenants* from oppressive landlords and that it would thus not be thwarted by upholding the renewal provision at issue. The Court rejected the argument, holding that art. I, § 24 was designed to protect *either* party from being locked into an agricultural lease for a period of more than 20 years. As such, the Court ruled that the last five-year extension was unenforceable.

## ► Auto-renewal of Iowa Farm Leases

Iowa Code 562.6 generally provides that Iowa leases for a farm tenancy *automatically renew* for another crop year under the same terms and conditions as the original lease unless *either party* provides written termination notice (in the specific manner directed by statute<sup>xi</sup>) on or before September 1. This provision, which is unique to Iowa, can surprise an unwary landlord or tenant. The auto-renewal provision applies equally to oral leases or written leases. It also applies equally to one-year leases or multi-year leases. Regardless of the length of the term of the original lease, the auto-renewal provision extends the existing lease for just *one* additional year. However, a lease continues to yearly auto-renew under the statute, unless either party issues a notice of termination. In other words, without statutory notice, an automatically renewed lease will renew again.

**Note:** It is important to realize that the auto-renewal provisions apply equally to landlords and tenants. For example, if a tenant does not wish the current lease to automatically renew for the following crop year under the same price and terms, the tenant must send statutory notice to the landlord by September 1.<sup>xii</sup>

Although the auto-renewal statute sometimes impairs contractual terms agreed upon by the parties, the Iowa Supreme Court has ruled that it is constitutional.<sup>xiii</sup> Because this provision is strictly enforced, it is important that all farm landlords and tenants understand the contours of the law.

### Farm Tenancy

The auto-renewal provision applies to a *farm tenancy*, defined as “a leasehold interest in land held by a person who produces crops or provides for the care and feeding of livestock on the land, including by grazing or supplying feed to the livestock.”<sup>xiv</sup> Interestingly, the Iowa Court of Appeals recently ruled that the definition of farm tenancy was broad enough to include a small residential acreage where a single, 38-year-old horse was grazing.<sup>xv</sup> The term *livestock* means “an animal belonging to the bovine, caprine, equine, ovine, or porcine species, ostriches, rheas, emus; farm deer; or poultry.” Consequently, under the reasoning of the recent Iowa Court of Appeals decision, a residential lease where the tenant raises backyard chickens or a pet ostrich could potentially be subject to auto-renewal, absent statutory termination notice.

### Exceptions to Auto-Renewal

The auto-renewal statute does include several *exceptions* to its reach.

#### Written Agreement to Terminate

The statute begins, “If a **written agreement** is made fixing the time of the termination of a tenancy, the tenancy shall terminate at the time agreed upon, without notice.” The Legislature modified this exception to its current form in 2016. Effective July 1, 2016, the provision requires an agreement to terminate a farm tenancy to be *in writing*.<sup>xvi</sup> Before this change, the statute did not require an agreement to terminate to be in writing, although oral termination agreements were rarely enforced in court.

It is important to note that a written agreement to terminate must be separate and subsequent to the actual lease (not part of it).<sup>xvii</sup> A lease providing for a specific termination date, *even stating that the parties wish to terminate the lease on the stated date and waive the right to statutory notice*, will still be subject to the auto-renewal provisions of Iowa Code § 562.6. Thus, parties wishing to execute an agreement to terminate the lease, must execute a separate written contract to accomplish this result. The statute provides that the written agreement will cause the lease to terminate on the *agreed date*. Conversely, a party terminating a lease by issuing termination notice must set the termination date at March 1.<sup>xviii</sup>

### Less than 40-Acre Animal Feeding Operation

The auto-renewal statute specifically states that it does not apply to a farm tenancy with an *acreage of less than 40 acres where an animal feeding operation is the primary use*. Before 2013, the exception included *all* farm tenancies that were less than 40 acres. Under the current law, all farm tenancies less than 40 acres are subject to auto-renewal unless they fall within the narrow *animal feeding operation* exception. An "animal feeding operation" means a lot, yard, corral, building, or other area in which animals are confined and fed and maintained for 45 days or more in any 12-month period, and all structures used for the storage of manure from animals in the operation.<sup>xxix</sup> Under this definition, it would seem that only animal feeding operations such as feedlots and confinements fall under the statutory exception. Landlords or tenants should send statutory notice of termination for the lease of a small pasture if they want to avoid auto-renewal.

### Mere Cropper

The auto-renewal statute also excludes from its reach arrangements involving *mere croppers*. As such, a cropper is not entitled to statutory termination notice. A *cropper* is "one who, having no interest in the land, works it in consideration of receiving a portion of the crop for his labor."<sup>xxx</sup> By contrast, a tenant has an estate in the land for a term, and, consequently, has a right of property in the crop. The question of whether an operator is a tenant or a cropper is a jury question if the case goes to trial.<sup>xxxi</sup>

### Default in Performance

The statute specifically provides that "the tenancy shall not continue because of an absence of notice if there is default in the performance of the existing rental agreement. This means that if a party breaches the terms of the lease and the other party wishes to terminate the lease due to the breach, the auto-renewal provision will not supersede the non-breaching party's right to terminate."<sup>xxii</sup>

## ► Termination Notice Procedures

In order to serve proper statutory termination notice to avoid auto-renewal of a farm lease, the party wishing to terminate the lease must strictly follow the statutory requirements.<sup>xxiii</sup>

### Notice Method

Iowa Code § 562.7 provides three alternative methods for serving statutory notice. Any of the following are acceptable:

- Delivery of the notice, on or before September 1, with acceptance of service to be signed by the party to the lease or a successor of the party.
- Serving the notice, on or before September 1, personally, or if personal service has been tried and cannot be achieved, by publication, on the same conditions, and in the same manner as is provided for the service of process in a lawsuit.
- Mailing notice *before 9/1 by certified mail* to the last known mailing address.

The most common—and usually the most efficient—way to serve statutory notice is option three: mailing the notice by certified mail *before* September 1. Under this method, the service is completed "when the notice is enclosed in a sealed envelope, with the proper postage on the envelope, addressed to the party or a successor of the party at the last known mailing address and deposited in a mail receptacle provided by the United States postal service." The courts construe the notice statute requirements very strictly. Notice will not be sufficient, for example, if it is sent via regular, instead of certified, mail.<sup>xxiv</sup> It does not matter if the intended recipient actually receives the notice and admits to having read it.<sup>xxv</sup> The notice will be

deemed invalid and the lease will auto-renew unless all statutory requirements are followed. The courts have reasoned that, without such an interpretation, the purpose of Legislature would be thwarted, “returning us to jousts between landlords and tenants as to whether notice was in fact given when informal notification was used.”

**Note:** It is important that the sender of the notice retain the certified mailing receipt. Without such receipt, he or she will be unable to prove proper service if a dispute arises.

## Termination Date

The law provides that termination notice “must fix the termination of the farm tenancy to take place on the first day of March.”<sup>xxvi</sup> Where one landlord sent termination notice purporting to terminate the lease on December 31, the court ruled that the notice was still valid.<sup>xxvii</sup> The court, however, ruled that the tenancy terminated on *March 1*, as required by Iowa Code § 562.5, not on December 31 as stated in the notice.

## ► Death of a Party to the Lease

### Tenant

At common law, the death of a crop share tenant resulted in the automatic termination of the lease. That is still the law in some jurisdictions. Because of the auto-renewal statute, however, that common law rule has been changed in Iowa. In Iowa, the death of a tenant—even a crop-share tenant—does not automatically terminate the lease. If a tenant dies on October 1, for example, and termination notice was not given by September 1, the legal representative of the estate of the tenant is entitled to continue to farm the ground the following crop year pursuant to the auto-renewal statute.<sup>xxviii</sup>

### Landlord

Similarly, the death of a landlord does not cause the lease to terminate at the landlord’s death. This is true even where the landlord was only a life tenant. The statute provides that a farm tenancy granted by a life tenant shall continue *until the following March 1* if the landlord dies during the term of the lease. This is true, even though the landlord’s interest in the property legally dies with her. Furthermore, if a landlord who is a life tenant dies *between September 1 and the following March 1* and statutory notice was not given to the tenant, the tenant will have the right to farm the ground for an additional crop year pursuant to the auto-renewal statute. The successor in interest to the life tenant must then serve statutory termination notice on the tenant the following crop year or the lease will again auto-renew. These auto-renewal provisions do not alter the doctrine of emblements, which provides that a life tenant’s estate is entitled to the life tenant’s share of a crop (under a crop-share lease) if the death occurs after the seed was planted.<sup>xxix</sup>

## ► Tenants in Common

Often a parent will die, leaving farmland to his or her children as tenants in common. This presents some unique management challenges. “Ordinarily a lease of the entire estate by one tenant in common is not binding on other tenants in common who have not authorized or ratified it.”<sup>xxx</sup> Thus, unless all tenants in common agree to rent the property, the lease will generally not be enforceable against the tenants in common who make their objections know. However, where a lease is made by one tenant in common and the lessee takes possession and continues to pay rent, it will be presumed that the lease was made with the knowledge and consent of the other tenants in common, absent evidence to the contrary.<sup>xxxi</sup> Because of

this rule, it is important for all tenants in common to monitor their property and immediately object if they observe a non-owner possessing the ground without their permission.

One tenant in common may send termination notice to a lessee and it will generally be enforceable. This result is less certain, however, where the tenants in common disagree as to whether to terminate the lease. Most likely, however, under current Iowa law, one tenant in common—even a minority tenant in common—can send enforceable termination notice to the lessee, even if the other tenants in common disagree.<sup>xxxii</sup>

## ► Ouster and Breach

### Holdover Tenant

If a landlord properly terminated the lease by serving statutory notice before September 1, but the tenant refuses to vacate the property as of March 1, the landlord may evict the holdover tenant. Because of the risks of failing to properly follow the statutory procedure, the landlord should engage legal counsel to complete the eviction. Typically, the landlord must serve a three-day notice to quit upon the holdover tenant<sup>xxxiii</sup> and then file a forcible entry and detainer action.<sup>xxxiv</sup> Once the action is initiated, the court will schedule a hearing to allow both parties an opportunity to be heard.

### Nonpayment of Rent

The Iowa Supreme Court has stated that failing to pay rent when it is due is a default in performance that entitles the landlord to initiate termination proceedings, no matter when that default occurs.<sup>xxxv</sup> Although many leases provide that nonpayment of rent “terminates” the lease, termination in such cases is not automatic, but an option the landlord can exercise.<sup>xxxvi</sup> Any specific written lease terms will govern the landlord’s procedure for terminating a lease for nonpayment. Generally, however, nonpayment of rent will entitle the landlord to terminate the lease and initiate a forcible entry and detainer action.<sup>xxxvii</sup> Because equity abhors a forfeiture, this right is generally subject to a “substantial compliance” exception.<sup>xxxviii</sup> For example, a landlord will not generally be allowed to terminate a lease if a tenant who is able to pay merely misses the deadline by a few days. As such, the landlord should first provide a non-paying tenant with a notice of default and intent to terminate, offering within the notice a reasonable opportunity to cure. If the tenant is unable to pay and refuses to vacate the premises, the landlord may initiate forcible entry and detainer procedures (preceded by a three-day notice to quit).<sup>xxxix</sup> If the landlord is unable to find a tenant willing to pay the amount of rent the non-paying tenant was obligated to pay, the landlord may seek breach of contract damages against the evicted tenant for the difference. Again, it is important for landlords to seek the assistance of an experienced attorney to ensure that ouster and breach procedures are properly followed.

### Breach of Other Provisions

Typically, nonpayment of rent is the clearest breach for which a landlord has the right to immediately terminate the lease. The remedies for other breaches may not be so clear. Even where a material breach exists, a party must ordinarily be given a reasonable opportunity to cure the failure.<sup>xl</sup> If the violation is cured, the lease cannot be terminated. Termination is usually possible, however, where no cure is forthcoming for a material breach.

In such a case, the court will consider the magnitude of the harm caused by the breach and the hardships incurred to the tenant by a potential ouster. A breach that may be sufficient to terminate a multi-year lease at the end of a crop year may not be sufficient to terminate a lease in the middle of a crop year. In a 1963 case, the Iowa Supreme Court allowed a landlord to terminate a three-year lease at the end of the first

year because the tenant had breached (and did not cure) the good husbandry provisions of the lease.<sup>xii</sup> The Court suggested, however, that the same conduct likely would not have been sufficient to terminate the lease in the middle of the crop year. To “oust the tenant with the hardships and difficulties resulting from such action” would have presented a different case. As it was, the Court ruled that “tenant's operations were such that the landlord should not be required to put up with them for two more crop years.”

## ► Financial Protections for the Landlord

The easiest way a landlord can protect his or her right to receive the rent is to require full payment up front. If the tenant doesn't pay, the landlord then has time to terminate the lease and negotiate a lease with a new tenant for the same crop year. When this arrangement is not possible, landlords have several other options to reduce their financial risk.

### Landlord's Lien

Iowa Code § 570.1 provides that a landlord “shall have a lien for the rent upon all crops grown upon the leased premises, and upon any other personal property of the tenant which has been used or kept thereon during the term and which is not exempt from execution.”

This means that a lien automatically *attaches* to the farm products grown on the property by virtue of the landlord leasing the property to a farm tenant. The landlord has a statutory lien by operation of law. This does not mean, however, that the lien is *perfected*. Only a perfected landlord's lien is prioritized ahead of other secured or lien creditors.

To perfect the landlord's lien, the landlord must file a UCC-1 financing statement with the Iowa Secretary of State.<sup>xiii</sup> If that perfection occurs when the tenant takes possession<sup>xiii</sup> of the property or *within 20 days after the tenant takes possession*, the Code gives the landlord's lien a special priority position ahead of previously perfected security interests and ahead of many other previously perfected statutory liens. Specifically, the Code provides that, subject to a few exceptions:

A perfected lien in the farm products has priority over a conflicting security interest or lien, including a security interest or lien that was perfected prior to the creation of the lien under this section.

In other words, if landlord files a UCC-1 within 20 days of possession, the landlord's lien will have priority over a conflicting security interest held by a bank or an agricultural supply dealer's lien perfected before March 1. Under the statute, only a properly perfected harvester's lien<sup>xiv</sup> or a perfected commodity production contract lien<sup>xiv</sup> would have priority over a properly perfected landlord's lien on crops.<sup>xvi</sup> But remember, this special priority is only available if the UCC-1 is filed by the time the tenant takes possession of the property or within 20 days thereafter.

Although a perfected lien does not guarantee that a landlord will recover his payment due (bankruptcy, for example, can throw a wrench into the recovery), it does provide the maximum legal protection available to a landlord. To perfect a landlord's lien, a landlord takes the following steps:

- File a standard financing statement (UCC-1) with the Iowa Secretary of State. Instructions for filing this form online can be found on the Secretary of State's website.<sup>xvii</sup>
- The statement must say that it's "for the purpose of perfecting a landlord's lien."

- It costs just \$10 to file the UCC-1 to perfect the lien. According to Iowa Code §570.1, this financing statement is effective "until the termination statement is filed."
  - Because Iowa Code §554.9515 requires a continuation statement after five years for security interests, however, it may be best practice to file a continuation statement after five years if the landlord's lien remains in place. This may help avoid confusion or disputes.
- No signatures are required to file the landlord's lien.

A landlord's lien continues for one year after rent is due or six months after the end of lease, *whichever is first*.<sup>xlvi</sup>

Within 20 days after a landlord who has filed a financing statement receives a written demand from a tenant, the landlord must file a termination statement if the lien has expired or the tenant is no longer in possession of the property and the tenant has performed all obligations under the lease.<sup>xlix</sup>

Landlords wishing to ensure the protection of the landlord's lien should file the UCC-1 each new crop year, unless the lease is a written, multi-year lease. Even though such filing may not be required to perfect the lien for an auto-renewed lease or a new lease between the same parties, prudence likely dictates yearly filing until Iowa law on this subject becomes clearer.

## Article 9 Security Interest

Although the Iowa Code gives special priority to a landlord's lien, a landlord is not precluded from also seeking a standard consensual security interest in the crops grown on his or her rented ground. This may provide additional protection for the landlord, particularly in the event of a tenant bankruptcy<sup>l</sup> or where the farm products subject to the lien end up in another jurisdiction.<sup>li</sup>

It is important to note, however, that a consensual security interest in farm products is not granted the priority of a landlord's lien. Therefore, it is governed by the general rule of "rank according to priority in time of filing or perfection."<sup>lii</sup> In other words, first to perfect generally wins. To acquire a consensual security interest in the farm products grown or raised on the rented ground, the landlord must have the tenant sign a security agreement, which can be part of the lease. A UCC-1 is then filed to perfect the security interest. To ensure that the security interest is effective against "buyers in the ordinary course," a landlord acquiring a security interest must comply with the Farm Products Rule,<sup>liii</sup> which, in Iowa, requires direct notice to all purchasers of farm products. Without this notice, an elevator, for example, purchases the grain free and clear of the security interest. The holder of a perfected landlord's lien is not required to comply with the requirements of the Farm Products Rule.

## Other Protections

In addition to seeking payment up front and perfecting the landlord's lien and the Article 9 security interest, landlords may also wish to include a few additional protective terms in their leases:

- Require that the tenant won't sell any crops subject to a lien or security interest without the landlord's permission
- Require the tenant to provide a list of potential buyers of the crops
- Require the tenant to include the landlord as a payee on checks if the crops are sold (Note: It is theft for a tenant, with an intent to defraud, to sell grain subject to a landlord's lien for unpaid rent, without the written consent of the landlord.<sup>liiv</sup>)



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- <sup>i</sup> Kristine is an attorney and the Assistant Director of the Center for Agricultural Law & Taxation at Iowa State University.
- <sup>ii</sup> <https://www.extension.iastate.edu/agdm/newsletters/nl2014/nlsept2014.pdf>
- <sup>iii</sup> *Id.*
- <sup>iv</sup> [www.extension.iastate.edu/agdm/wdleasing.html](http://www.extension.iastate.edu/agdm/wdleasing.html)
- <sup>v</sup> *Slach v. Heick*, 864 N.W.2d 553, (Iowa Ct. App. 2015)
- <sup>vi</sup> Iowa Code § 622.32(3)
- <sup>vii</sup> This does not include statutory auto-renewals or voluntary extensions after the termination of the initial lease term.
- <sup>viii</sup> Iowa Code § 558.44
- <sup>ix</sup> *Casey v. Lupkes*, 286 N.W.2d 204 (Iowa 1979).
- <sup>x</sup> *Gansen v. Gansen*, 874 N.W.2d 617 (Iowa 2016)
- <sup>xi</sup> Iowa Code § 562.7.
- <sup>xii</sup> *Pollock v. Pollock*, 72 N.W.2d 483 (Iowa 1955)("The legislature evidently felt that unstable tenure leads to soil exploitation and waste. The amendment aims at security of tenure").
- <sup>xiii</sup> *Benshoter v. Hakes*, 8 N.W.2d 481 (Iowa 1943)
- <sup>xiv</sup> Iowa Code § 562.1A.1.
- <sup>xv</sup> *Porter v. Harden*, 2016 Iowa App. LEXIS 478 (Iowa Ct. App. May 11, 2016)(single horse on residential acreage sufficient to create a farm tenancy)
- <sup>xvi</sup> Iowa HF 2344
- <sup>xvii</sup> *Schmitz v. Sondag*, 334 N.W.2d 362 (Iowa Ct. App. 1983).
- <sup>xviii</sup> Iowa Code 562.5
- <sup>xix</sup> Iowa Code 562.1A(1) provides that "Animal feeding operation" means the same as defined in Iowa Code § 459.102.
- <sup>xx</sup> *Paulson v. Rogis*, 77 N.W.2d 33 (Iowa 1956)
- <sup>xxi</sup> *Dopheide v. Schoeppner*, N.W.2d 360 (Iowa 1968).
- <sup>xxii</sup> *Riggs v. Meka*, 17 N.W.2d 101 (Iowa 1945)
- <sup>xxiii</sup> Ag Decision Maker provides a sample termination notice form: [www.extension.iastate.edu/agdm/wholefarm/pdf/c2-19.pdf](http://www.extension.iastate.edu/agdm/wholefarm/pdf/c2-19.pdf)
- <sup>xxiv</sup> *Dethlefs v. Carrier*, 64 N.W.2d 272 (Iowa 1954).
- <sup>xxv</sup> *Buss v. Gruis*, 320 N.W. 2d 549 (Iowa 1982).
- <sup>xxvi</sup> Iowa Code § 562.5.
- <sup>xxvii</sup> *Foster v. Schwickerath*, 780 N.W.2d 746 (Iowa Ct. App. 2009).
- <sup>xxviii</sup> *Read v. Estate of Mincks*, 176 N.W.2d 192 (Iowa 1970)
- <sup>xxix</sup> Iowa Code § 562.8; *Carson v. Rothfolk*, 838 N.W.2d 868 (Iowa Ct. App. 2013)(Does not abrogate doctrine of emblements...if tenant had crop share lease with life tenant, life tenants estate entitled to share of value of crop if death occurred after seed planted)
- <sup>xxx</sup> *Dethlefs v. Carrier*, 64 N.W.2d 272, 274 (Iowa 1954); *Miller v. Gemricher*, 183 N.W. 503 (Iowa 1921).
- <sup>xxxi</sup> *Dethlefs*, 64 N.W.2d at 274.
- <sup>xxxii</sup> See *McElwee v. De Vault*, 120 N.W.2d 451 (Iowa 1963) and *Van Emmerik v. Vuille*, 88 N.W.2d 47 (Iowa 1958).
- <sup>xxxiii</sup> Iowa Code § 648.1.2
- <sup>xxxiv</sup> Iowa Code § 648.3
- <sup>xxxv</sup> *Riggs v. Meka*, 17 N.W.2d 101 (Iowa 1945).
- <sup>xxxvi</sup> *Vincent v. Kaser Construction Co.*, 125 N.W. 2d 608 (Iowa 1963).
- <sup>xxxvii</sup> Iowa Code § 648.1.
- <sup>xxxviii</sup> *Beck v. Trovato*, 260 Iowa 693, 150 N.W.2d 657, 659 (Iowa 1967)
- <sup>xxxix</sup> Iowa Code § 648.1.2. The landlord must first issue a three-day notice to quit. Iowa Code § 648.3.
- <sup>xl</sup> *Mart v. Mart*, 824 N.W.2d 535 (Iowa Ct. App. 2012).
- <sup>xli</sup> *McElwee v. DeVault*, 120 N.W.2d 451 (Iowa 1963).
- <sup>xlii</sup> Iowa Code § 570.1(2); Iowa Code §554.9310.
- <sup>xliii</sup> Iowa Code § 570.1(2)(b) states that the lien may be perfected "hen the debtor takes possession of the leased premises," suggesting that the lien may be perfected before the debtor takes possession. However, Iowa Code § 554.9509(1)(a) states that a UCC-1 can be filed only for agricultural liens that "have become effective" unless the tenant authorizes the filing in an authenticated record. Consequently, the landlord should file the UCC-1 between March 1 and March 20.
- <sup>xliv</sup> Iowa Code ch. 571.
- <sup>xlv</sup> Iowa Code ch. 579B
- <sup>xlvi</sup> The statute also provides that a Mechanic's Lien, a Customer Cattle Feedlot Lien, and a Veterinarian's Lien have priority over the landlord's lien; these liens would have priority over a landlord's lien in livestock where the landlord, for example, leases a pasture.

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<sup>xlvii</sup> <https://sos.iowa.gov/business/pdf/UCC1.pdf>

<sup>xlviii</sup> Iowa Code § 570.2.

<sup>xlix</sup> Iowa Code § 570.1(4)

<sup>i</sup> A bankruptcy trustee may be able to avoid a landlord's lien under lien avoidance powers applying to statutory liens for the payment of rent. 11 U.S.C. § 545(3).

<sup>ii</sup> Iowa Code § 554.9302 provides that the local law of the jurisdiction in which farm products are located governs perfection. Consequently, if an Iowa tenant stores his grain in Minnesota, the Iowa landlord would be required to also perfect his landlord's lien in Minnesota to retain priority.

<sup>iii</sup> Iowa Code § 554.9322(1)(a)

<sup>iiii</sup> 7 U.S.C. § 1631(e)

<sup>liv</sup> Iowa Code § 570.9.