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Farm tenure in Iowa: V. Some legal aspects of landlord-tenant relationships

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Farm Tenure in Iowa

V. Some Legal Aspects of Landlord-Tenant Relationships

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FOREWORD

Many phases of the farm tenure problem have been discussed in recent years, and the growing interest in this question is reflected in the nationwide attention given to the President’s Committee on Farm Tenancy during the winter of 1936-37, in the Bankhead-Jones Tenant Act passed by Congress in the summer of 1937, in the Landlord-Tenant Act passed by the Oklahoma legislature in 1937 and in the appointment of state committees on farm tenancy by the governors of two states, Arkansas and Iowa.

These developments indicate that people are beginning to contemplate possible ways and means to improve farm tenure conditions through some form of legislative action. The policies suggested in this field fall into two main classes: (1) Those encouraging owner-operatorship, and (2) those improving landlord-tenant relationships. It is with this latter problem that the present bulletin is concerned.

Not all tenancy problems can be solved by legislation. Mutual cooperation, education and the development of a sense of responsibility on the part of both tenant and landlord are essential. All that legislation can do is to provide a framework of certain minimum standards in landlord-tenant relationships which will facilitate a clearer understanding of the rights and responsibilities of the two parties and prevent certain practices distinctly detrimental to land and community.

We now have several laws regulating landlord-tenant relationships. Some of them are ill-adapted to farm conditions; others may need to be modified; and the adoption of several new statutes may prove desirable. In making these adjustments, it should be remembered that in the long run the interests of landlord and tenant are mutual. They are not antagonistic. The farming enterprise must be efficiently organized to assure sustained yields and profits, and rural communities must be serviceable and attractive if landlord and tenant are to prosper.

The relationship between the two parties is of vital concern to the state. The present tenants are the future owners of Iowa land. The present owners are the trustees of the land resources for future generations. Both must be willing to fulfill their responsibilities if our soil and the welfare of our rural communities are to be preserved.

If one is to evaluate the possibilities of improving landlord-tenant relationships by legislative means, a knowledge of the existing legal status of landlords and tenants is indispensable. An understanding of the economic and social implications of present laws and statutes will contribute a great deal in arriving at a sound judgment regarding the possibilities and limitations of statutory regulations. It is for this purpose that the present bulletin, the fifth in the series on Farm Tenure in Iowa, is intended. It should prove valuable to farmers, land owners, legislators and the general citizenry of the state.
SUMMARY

The present Iowa laws pertaining to landlord-tenant relationships do not distinguish between urban and agricultural conditions, with only two exceptions: The agricultural landlord's lien and the termination of indefinite agricultural leases. This lien applies to the total crop and to all personal property of the tenant, except to the property exempted from execution. In addition, leases usually contain a provision in which the tenant waives his exemption rights. In periods of excessive price decline or crop failure, and if production credit is sought by the tenant, the landlord's lien may work serious hardship. As a possible corrective, placing of certain limitations on the landlord's lien, and declaring invalid any waivers of exemption rights, might be considered.

An Iowa statute provides that any lease with a fixed date of termination shall expire without notice and that only 1 month's notice is necessary to terminate an indefinite tenancy. The old common law rule provided for a 6 months' period of notice for termination of leases without a definite expiration date. It was changed by legislation in order to accommodate urban tenants and landlords. A statute requiring a 6 months' notice for the termination of any farm lease would be better adapted to agricultural needs.

As a direct attack against excessive moving of tenants, "compensation for disturbance," that is, payment for loss or inconvenience caused by the termination or refusal of renewal of the lease without good cause, might be considered. Any disturbance of a tenancy, except for breach of contract or other specified reasons, involves loss and damage to the disturbed party and to society. If the disturbed party could claim reasonable "compensation for disturbance," much of the moving caused by haphazard decisions or petty quarrels between the parties could be avoided.

Present laws attempt to hold the tenant responsible for any waste occurring to the landlord's property, but there is no reciprocal statute reimbursing him for any improvements he may effect. If the tenant were given the right to claim compensation for unexhausted improvements, it is likely that the landlord would be more adequately protected against
damages. Under Iowa laws the landlord is entitled to collect triple damage for waste, but this provision seldom has been invoked. Several states have enacted a statute providing that the tenant should compensate the landlord for actual rather than triple damages.

The principle of compensation for unexhausted improvements is recognized by mandatory statutes in many countries. Kansas, however, is the only state in this country where compensation for improvements is claimable by tenants under definitely limited circumstances. In Iowa the Occupying Claimant’s Act comes closest to recognizing this principle, although it applies only to a person occupying property under a faulty title. Some landlords and tenants, however, have clauses in their leases providing for compensation for unexhausted improvements, and their experiences with such clauses have, in general, been highly satisfactory.

The development of widely available arbitration facilities specifically devised to assist landlords and tenants in arriving at fair decisions in an amicable, expeditious and inexpensive way, might greatly contribute to the improvement of tenancy conditions, since much ill-feeling and many disputes about minor matters could thus be avoided.
Information regarding the legal relationships between landlord and tenant is not readily available to an Iowa tenant, landlord or interested citizen. He would have to "plow through" numerous statutes and court decisions and study customary practices in local communities before he could obtain a comprehensive picture of the many legal problems involved in renting or leasing a farm. Yet, the laws and statutes are "rules of the game," governing the conduct of people in many important respects, and knowledge of the legal status of landlords and tenants is essential both for the understanding of our present tenancy situation and for the evaluation of the possibilities of improving landlord-tenant relationships.

In the following pages, information on the most important laws concerning the agricultural landlord and tenant is presented for the use of farmers and other citizens of Iowa. The present legal status of landlords and tenants is described and compared with that found in other states. Some of the legal, economic and social consequences of present provisions are briefly outlined, and possible statutory adjustments are discussed.

The various proposals for improving landlord-tenant relationships discussed in the second part of this bulletin are based upon successful experiences of individual landlords and tenants. They may be considered in the light of both legislative enactment and individual lease provisions. The fact that they are being used by some highly competent landlords

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1 Project 375 of the Iowa Agricultural Experiment Station.
2 Mr. Harris is connected with the Division of Land Economics, B. A. E., and Mr. Cotton with the Farm Security Division of the Office of the Solicitor, U. S. D. A. Mr. Schickel is the Land Use Planning Specialist for Iowa, Division of Land Economics, B. A. E. The authors are indebted to John O. Stigall, formerly of the Land Utilization Division of the Farm Security Administration, for assistance in bringing together much of the legal information upon which this bulletin is based.
in Iowa should commend them for consideration as possible desirable standards of leasing practices.

Although it may look as if, in some of these proposals, the landlord is to relinquish some prerogatives and legal rights, it may be found that he gains in reality substantial economic benefits by doing so. Surely as to the terms of the lease the tenant is now at the mercy of the landlord; but as to the maintenance of the farm and the income derived from it, the landlord is at the mercy of the tenant. Any concession in lease terms, therefore, which will encourage the tenant to take greater interest in maintaining the farm and to adopt more profitable farming methods will benefit the landlord.

Landlords, in the long run, cannot prosper without relying upon responsible and progressive tenants who are genuinely interested in the farm and community and are reasonably secure in their tenure. The leasing conditions generally prevailing at present are not conducive to the development of these characteristics and attitudes on the part of the tenants. Landlords, therefore, have as much to gain from the general adoption of certain adequate standards in leasing practices as have tenants.

The number of tenant farms in the state increased from 44,000 in 1880 to 110,000 in 1935. Approximately one-half of the 222,000 farms of the state, therefore, are operated by tenants.
farmers who rent all of their land. Another 10 percent of the farmers rent part of the land they operate. Altogether 20 million acres, or 58 percent, of the farm land of the state is operated by persons who do not own it. This represents an investment of over $1.3 billion dollars.

As long as the proportion of tenancy was small, comprising not more than one-fourth to one-third of the farms, landlord-tenant relationships did not create serious problems of public concern; in most cases the tenant was related to the landlord, or the landlord lived close-by and actively cooperated with the tenant in managing the farm. As tenancy increased, however, the proportion of related tenants and the proportion of landlords actively contributing to the management declined. There were more and more landlords who looked at their farms merely from the viewpoint of an investor, with little knowledge of farming and little interest in the economic and social problems of farm life and rural community; there were more and more tenants who looked at their farms merely from the viewpoint of an exploiter, with little interest in preserving the landlord’s property and maintaining soil fertility. It has been estimated that in Iowa, at the present time, the landlord-tenant relationships on two-thirds to three-fifths of all rented farms are strictly commercial in character, with little personal contact and little mutual human interest between the two parties. It is mainly this lack of mutual correspondence and familiarity between landlord and tenant which renders the legal aspects of their relationships important and seems to call for some standard rules in leasing practices.

PRESENT STATUS OF LANDLORDS AND TENANTS

WRITTEN LEASES

Many of the leases under which the rented farms are operated are nothing more than oral agreements. These oral agreements are entered into for only 1 year at a time. The statute of frauds requires that all contracts transferring any interest in land must be in writing to be enforced, except leases for a term not exceeding 1 year. Under the oral

3 Code of Iowa, Section 11285.
agreement the landlord and tenant usually discuss briefly the cropping and livestock system which should be followed and determine the amount of rent to be paid. In the course of the year it is necessary to adjust the oral agreement in reference to many particulars not previously discussed. This process gives rise to misunderstandings between the two parties. Although many of the misunderstandings pertain to minor aspects of the operation of the farm, they account for a good many failures to renew the lease at the end of the year. These misunderstandings would be less likely under a written lease.

Written leases alone will not solve this problem, for some leases are short and inadequate while others are cumbersome, printed in almost illegibly small letters and couched in highly involved legal terminology. Printed lease forms in common use frequently were drafted by an attorney representing landlords.

Some of these printed forms contain provisions that are intended to circumvent existing state laws. For instance, the tenant is generally required to waive the privilege of property exemption from execution granted under the law. In order to be most valuable, written leases should represent a mutual understanding between the two parties, agreed upon only after a full discussion of each provision. They must be clear, concise and cover the important matters in which both parties are vitally interested.

INSECURITY OF TENANCY

Iowa tenants are highly unstable in the occupancy of their farms. The Census of Agriculture for 1935 indicated that on Jan. 1 of that year over one-third of the tenants of the state had been occupying their farms for less than 2 years. Such a high rate of mobility among tenants prevents the

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4 The following provision is found in a printed lease form frequently used throughout the state: “The second party hereby waives and relinquishes all right from exemption from sale or seizure under distress or execution, that he now has or may hereafter have by virtue of any law of the state exempting personal property from seizure and sale; on execution or distress for rent, said first party shall have, upon the terms of this lease in addition to the lien given him by law, a lien upon all personal property owned by said second party during the term of this lease, whether said property is exempt from execution or not, and said second party hereby gives the first party full power and right to take and seize any personal property, whether exempt by law or not; and sell the same or any part thereof in satisfaction of said rent hereby agreed to be paid.”

5 Code of Iowa, Sections 10261–10269.
development of a permanently productive and conservational system of farming which requires the adoption of longtime rotations and the building up of livestock enterprises over a period of many years. It has a deterrent influence upon the tenant and his family in their participation in community activities. Many of them are slow to associate themselves with the local church, school, lodge and farm organizations because they do not know how long they will remain in the community.

Moving from farm to farm also results in a reduced rate of saving, in loss of livestock and feed, in damage to equipment and household furniture, in high cost of moving and in a considerable loss of time and money in locating a new farm. Serious retardation in the educational progress of the tenant’s children is also associated with frequent moves.

Termination of Leases

This high degree of instability is partly due to the lease provisions and the statutory methods for terminating leases. The statute regarding the termination of agricultural tenancies provides that when an agreement is made fixing the time of the termination of the tenancy, the tenancy shall cease at
the time agreed upon without notice.\textsuperscript{6} An occasional lease is made for a term of years, but most leases are drawn for only 1 year, and the tenant’s interest in the property ceases when the lease expires. A few of these yearly leases are automatically renewed without notice from either party and continue for another year.

In general, therefore, tenants are highly insecure in their tenure. They have little or no assurance that they may operate their farms over a period of years. They have little opportunity to plan their operations far in advance. They cultivate the farm for all it is worth, “for next year they may be somewhere else.” They often cannot afford to expand their livestock enterprises and provide for a sufficient feed supply, as it is extremely costly to move their herds and feed during the winter months. In the long run, this insecurity of the tenant is also detrimental to the landlord, because it invites erosion, fertility depletion and negligence in maintaining the improvements and combating noxious weeds.

Normally the tenant under the annual lease system desires to make his lease for the coming year as soon as possible and would make a lease during the preceding summer for the following year. If he makes such a lease he knows that he can proceed with fall plowing, planting and winter work and that he is secure in his tenancy for the ensuing year at least. If, after making the contract for a new lease, the landlord does not put him in possession for the next year, the tenant can sue the landlord for breach of contract. The reverse, of course, holds equally true.\textsuperscript{7} Some landlords, however, who hold land with the hope of selling it withhold their signature to the lease until Feb. 1 or later, even though they orally agreed to renew the lease several months earlier. As a result of this practice, even the tenant who has been successful in negotiating an agreement for the ensuing year suffers from insecurity of tenure.

Other difficulties are experienced by the tenant upon the

\hspace{1em} \textsuperscript{6} Code of Iowa, Section 10161.

\hspace{1em} \textsuperscript{7} If the tenant fails to occupy the farm after the lease is made, the landlord, provided he gives the tenant notice of his intention to do so, may collect the rent agreed upon, less any amount he may receive from another tenant. In order to receive the full rental, the landlord must show that he was unable to secure another tenant after making reasonable attempts to do so.
sale of the farm. These are due to the provision giving the landlord the right to cancel the lease in the event of a sale. In the absence of such a provision, the lease continues for the period it was to run, with the tenant remaining in possession. The only change which affects him is that he owes his rent to a new landlord.\(^8\) But the courts have upheld leases under which a definite term is given and which also contained a clause that the landlord may terminate the lease in case of sale as valid alternative provisions.\(^9\) These contracts increase the tenant's uncertainty and contribute to exploitive farming.

Under the old common law rule, the courts interpreted most indefinite agricultural leases as year-to-year tenancies requiring a 6 months' notice for termination. This rule was changed by statute in order to accommodate the needs of urban tenants and landlords for whom a 6 months' notice proved too long. The Iowa statute requires that in indefinite leases a 30 days' notice must be served, and a reference to agricultural leases provides that such leases are terminable only on March 1 of any year.\(^10\)

Note that the above mentioned statute, although suiting urban tenancies, puts the agricultural tenants, and in the long-run also the landlords, definitely in a less favorable position than they occupied under the common law.

**Length of Lease Term**

It is conceivable that agricultural tenancies can be too long as well as too short. Under the old feudal system of land tenure familiar to the colonists, the tenure was too inflexible; the "tenant" was bound to the land and dependent upon the "landlord." A stratified society and its concomitant evils developed. The American system of land tenure, however, was designed to prevent the emergence of a similar situation. To this end many of the states enacted laws against agricultural tenancies for extremely long terms. Iowa

\(^8\) Clark v. Strohbeen, 190 Iowa 989, 181 N. W. 430 (1921).
\(^10\) In case of a tenant who rents land for the sole purpose of raising a crop, the notice may call for termination of the lease when the crop is harvested. See Section 10160 of the Iowa Code and Johnson v. Shank, 67 Iowa 115, 24 N. W. 749 (1885).
is one of the states taking this point of view, limiting the term of any lease of agricultural land to 20 years.\textsuperscript{11}

This constitutional provision represents an outstanding example of the power of the state to determine the rights and duties of landlord and tenant with respect to the types of relationships that they may establish. For purely social and economic reasons, it has been recognized by the courts as a reasonable and necessary safeguard since its first adoption in New York in 1846.\textsuperscript{12}

It should be noted that in prohibiting the use of excessively long lease terms, we have leaned backward to an extent which brought upon us the most unstable system of tenancy in the world. After breaking up the undesirable rigidity of old feudal tenure relationships, we have failed to develop a reasonable security of occupancy in our present tenancy system.

\section*{WASTE AND MISMANAGEMENT}

If a tenant abuses the property to the extent that such an abuse constitutes common law waste, under the Iowa statutes, the landlord is entitled to collect three times the damages which have resulted from such waste,\textsuperscript{13} and in addition a judgment of eviction may be obtained if the damages are sufficiently great. This statute is modeled after ancient English statutes.\textsuperscript{14} Some states of the Union have abandoned triple damages and substituted actual damages. While the Iowa statute does not contain a definition of what constitutes waste, it must be shown that the acts of the tenant amount to waste under the common law and in the particular circumstances. The statute specifically mentions the injury of trees as constituting waste, and it also provides that any tenant who fails to use ordinary care to prevent waste shall be held to have committed it. There are many abuses of property by tenants, however, which do not amount to waste under this statute as defined by existing court decisions.

The Iowa law, similar to the law in other states, implies

\begin{footnotes}
\item[11] Iowa Constitution, Article 1, Section 24.
\item[12] N. Y. Constitution, Article 1, Section 14, Stephens v. Reynolds, 6 N. Y. 454 (1852).
\item[13] Code of Iowa, Section 12402.
\item[14] Statute of Marlbridge, 52 Hen. 3rd, Chapter 23, Section 2 (1267) and Statute of Gloucester, 6 Edw. 1st, Chapter 5 (1278).
\end{footnotes}
a covenant on the part of the tenant to cultivate his farm in accordance with the rules of good husbandry. If the tenant does not do so, the landlord may sue for a violation of this implied covenant in the lease. The provision for triple damages for waste and the implied covenant against poor husbandry, however, seldom have been invoked. It appears that the interests of society and the landlord in the preservation of the property would be better protected if the landlord were given a right to recover only actual loss for all deterioration$^{15}$ rather than triple damages for injuries so serious that they constitute legal waste.

The removal of manure from the premises is recognized at common law as waste or bad husbandry upon the theory that it must be returned to the soil to conserve its fertility.$^{16}$ The early decisions establishing this rule recognized the temptation of tenants, who were to be on the land only a short time, to adopt farming practices which were temporarily profitable but ultimately ruinous. Literal “mining of the soil” through removal of sand, gravel, rock or minerals has always been regarded as waste, and figurative “mining of the soil” through sale of manure was denounced by American courts more than a century ago. Except for the rule against removal of manure, however, this attitude has been without concrete result; and a gradual deterioration of rented farms, coupled with serious soil erosion, are accomplished facts.

A specific contract to “cultivate land in a good and husbandlike manner” has been construed as an agreement to make every reasonable effort to keep the land free from noxious weeds and grasses.$^{17}$ Moreover, the tenant is under certain statutory duties to keep down noxious weeds and crop pests,$^{18}$ but these statutes were designed for the protection of the public and adjoining landowners rather than the preservation of the landlord's property.

$^{15}$“Deterioration” includes waste, injuries, dilapidation and any impairment of the property not involving ordinary wear and tear or circumstances beyond the tenant’s control.


$^{17}$ Wheeler v. Schilder, 183 Iowa 623, 167 N. W. 534 (1918).

$^{18}$ Code of Iowa, Sections 4819 and 4062-517.
REPAIRS

Except insofar as repairs may be necessary to prevent waste, in the Iowa statutes there is no obligation on the tenant to repair rented property. Neither is the landlord required to keep the property in repair in the absence of a contract to that effect. In fact, he is not required to put the property in usable condition for the purposes for which it was rented. The tenant takes the property as he finds it and repairs or improves it at his own expense. He cannot claim compensation for the repairs he makes in the absence of a contract even if they actually improve the property, because the common law assumes that he makes them for his own benefit.

There are also no obligations upon the landlord in Iowa with regard to the type of dwelling which he furnishes on a farm. There is not even the requirement which is found in many states that the dwelling be fit for human habitation. This contrasts with the situation of urban landlords in Iowa. They are required to meet specific standards by the provisions of the housing law, which by its terms is not applicable to agricultural properties. There is little reason why adequate standards could not be adapted to rural conditions in an appropriate statute.

REMOVAL OF FIXTURES AND IMPROVEMENTS

The Iowa statutes are silent as to the rights of tenants with regard to improvements they make. Such rights as the tenant may have to remove agricultural fixtures and improvements he makes on a leased farm, exist because of common law rules adopted by the Iowa courts or because of a contract which the tenant has made with his landlord. Under the Iowa decisions the intention of the parties at the time the improvement was made, rather than the manner in which it is affixed, is of primary importance in determining whether an improvement that is physically removable is also legally removable, although the manner in which it is affixed may be of importance in determining the intention. Iowa does

19 Code of Iowa, Chapter 323.
20 Improvements is here used to mean any valuable addition to or modification of any part of the farm, including items such as buildings, fences, fertility, growing crops, soil, erosion control devices and drainage facilities.
21 Speer v. Donald, 201 Iowa 569, 207 N. W. 581 (1926); Cornell College v. Crain, 211 Iowa 1345, 255 N. W. 731 (1931).
not discriminate against tenant farmers, as some states do, since the farm tenant has the same rights to remove fixtures as have other tenants.

Examples of fixtures and improvements which have been held to be removable are of little value since the decision rests upon an intent found by the court in the individual cases; an opposite result might be reached with regard to identical fixtures under other circumstances. In any event, the removal must be made before the termination of the tenancy, a rule that may work serious hardship, since many tenancies terminate in winter when removal is difficult or impossible.

**COMPENSATION FOR REPAIRS AND IMPROVEMENTS**

It is pertinent at this point to inquire into the existing economic and social conditions of tenant farmers owing to their precarious position regarding repairs and improvements to the farm and farm home and to consider the condition of tenant-operated farms under the inadequate statute regarding waste. In the day-to-day operation of the farm, the tenant’s position regarding each of these items is so influential on his action that they warrant detailed consideration.

Under many situations the tenant cannot repair the property without improving it. He does not have a claim on the landlord for any repairs he may make. If the repairs represent a distinct improvement to the property, the tenant still has no right to claim reimbursement for such repairs; neither can he claim compensation for any improvements which he may effect. He is, however, responsible for three times the amount of any waste that he may permit.

Fundamentally, this represents a philosophy to the effect that the tenant must maintain the property in exactly the same condition as it was when he rented it or reimburse the landlord to the extent of any diminution in its value owing to waste or lose to the extent that he has enhanced its value through repairs and improvements. As a result of the paradoxical position in which the tenant finds himself, many tenant-operated farms deteriorate year after year, and many tenants do not have adequately improved farms and farm
homes, and they are not in a position to improve them or to adopt a conservational system of farming.

This condition has been found in several recent surveys, and it is evident from statistical material presented by the Census of Agriculture. Regarding improvements and conveniences in the farm home, the Census for 1930 indicates, for instance, that the proportion of Iowa owner-operators who have supplied themselves with electric lights is almost two and one-half times as large as the proportion of tenants (30 and 13 percent, respectively). Items of this kind are difficult if not impossible to remove when the lease is terminated. On the other hand, practically the same proportion of tenants as of owner-operators have automobiles (92 and 88 percent, respectively), and almost as large a proportion of tenants as of owners have telephones (81 and 87 percent, respectively). It is easy to remove the telephone when the lease is terminated. Thus, tenants acquire those things they can move but hesitate to acquire things they cannot move.

In some individual cases, however, landlords and tenants reach agreements with regard to improvements or fall plowing and planting. Since the tenant has no right to improvements, the landlord who desires definite improvements upon his farm is faced with the necessity for reaching an agreement with the tenant. Difficulties arise, however, where the landlord is unwilling to share the cost of improvements even though they are necessary to the proper operation of the farm or where the tenant has no assurance that he may occupy the farm for a sufficiently long period to reimburse him for the expense of making them. Consequently, many farms gradually deteriorate.

While the parties should be left free to reach their own agreement with regard to many major improvements, it is nevertheless true that many programs, especially those designed to preserve the fertility of the soil and to prevent erosion, are handicapped by the inadequate security of tenant occupancy under our present system. Any adequate program

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for soil conservation and for major repairs and installation of conveniences in buildings requires a more secure occupancy than for 1 year. Thus the tenant’s position regarding repairs and improvements and his insecure tenure are closely interwoven. It lies distinctly in the interest of the landlord to develop leasing practices which will stimulate the tenant’s long-time interest in farm land and improvements, as well as his responsibility toward his obligations to the landlord, the land and the community.

LANDLORD’S LIEN

By statute the Iowa agricultural landlord is given a lien for his rent upon all crops grown upon the leased premises and upon other personal property of the tenant, including livestock and farming equipment which is used or kept on the premises during the term of the lease and which is not exempt from execution. This lien places the landlord in a strong position. Where the lease is made for cash rent, in the event of a decline in prices or of crop failure, the landlord is entitled to seize all of the tenant’s crops, all of his livestock, and all of his farm equipment and household goods except the property exempted by Section 11760 of the Iowa Code. The landlord’s position is further strengthened by the common lease provision in which the tenant waives these exemption rights.

The exemption statute contains many items applicable only to heads of families. The most important of the items exempted from execution are:

- Personal wearing apparel, trunks, books and musical instruments.
- Two cows and two calves.
- Fifty sheep.
- Six stands of bees.
- Five hogs and all pigs under 6 months of age.
- One bedstead and the necessary bedding for every two members of the family.
- Furniture not exceeding $200 in value.
- One sewing machine.
- Necessary provisions and fuel for 6 months for the use of the family and feed for the farm animals (excluding feed produced on the farm) exempt from execution.
- Farming tools.
- A team consisting of not more than two horses and a vehicle with proper harness.
- Poultry to the value of $50.

Code of Iowa, Sections 10261-10269.
Exemptions which are no longer of actual value include two yoke of cattle, a musket, a spinning wheel and cloth not to exceed 100 yards manufactured by the tenant.

The landlord's lien statute has the effect of giving the landlord a priority over the claims of other creditors. It does not, however, give him the right to reach any property of the tenant which he could not reach through regular legal processes without the lien. It does enable him to avoid the possibility that other creditors may reach the property first and in proper cases follow it into the hands of third parties.

Under the crop share lease, the landlord's lien applies to the whole crop only as long as his share has not been delivered. After the landlord has received his share, the tenant's share cannot be attached by the landlord's lien except for such additional cash rent as remains unpaid. Under the cash rent lease, the landlord's lien attaches to the whole crop and property of the tenant until the last dollar of the rent is paid. This legal situation has been a factor in the precipitous decline in the use of cash leases and in the growth in popularity of crop share renting in Iowa during the depression.

The landlord's lien presents another problem. Since it is the first lien against the crop and the property of the tenant, the tenant is in the unfavorable situation of being able to give only a second lien in order to obtain production credit. This second lien usually is unsatisfactory to creditors and results in higher interest rates to the tenant than if he could give a first lien. Both public and private lenders often require that the landlord waive his statutory lien before they will extend credit to the tenant. For instance, the tenant must

24 This statute, although enacted primarily for the debtor's protection, presents some problems of interpretation. It has been held that an automobile is a vehicle, within the meaning of the statute, and is thus exempt when used by a farmer in connection with his farming operation; but it cannot be claimed as exempt in addition to the team and harness named in the same clause (Wertz v. Hale, 212 Iowa 294, 294 N. W. 534 /1931/), nor can a farmer claim a farm truck as a tool and an automobile as a vehicle under different clauses (Farmers Elevator & Livestock Co. v. Satre, 196 Iowa 1076, 195 N. W. 1011 /1928/). Just what constitutes a farming tool is a question of interpretation which often presents difficulty. It has been held that a cream separator is exempt (in re Hemstreet, 139 Fed. 958 /D. C. Iowa 1903/) while a threshing machine is not exempt (Meyer v. Meyer, 23 Iowa 359 /1867/), and it is a question for a jury to decide whether a traction engine comes within the exemption under particular circumstances (Vandeventer v. Nelson, 180 Iowa 705, 163 N. W. 354 /1917/). Many items in common use are not specifically covered by the statute or existing decisions, and it is sometimes difficult to determine in advance of litigation whether they are exempt.

25 Except such liens as are granted to mechanics, threshermen, etc. and chattel mortgages placed on the tenant's personal property before he took possession of the farm.

produce such a waiver before he is eligible for a corn loan under the government corn sealing program. Landlords frequently realize that it is to their advantage in the long run to reduce the tenant's cost of producing the crop and, therefore, execute waivers in order to allow their tenants to obtain more favorable credit terms. The tenant, however, cannot tell whether his landlord will execute such a waiver. The landlord is free to refuse to do so.

Many landlords are not satisfied with the statutory lien because of the exemption provisions and insist upon inserting a clause in their leases whereby the tenant waives the benefit of the exemption statute. When this practice first came before the court, it was contended by a tenant that such a waiver should be held void as against public policy just as a similar waiver of the benefits of the exemption statute in a promissory note had been held to be invalid. The Iowa Supreme Court, however, refused to adopt this view and held that such waivers should be construed as if they were chattel mortgages, and that they were valid.27

The result of this rule is that the tenant who rents all or part of the farm for cash may find in case of crop failure or disastrous decline in prices that the landlord can seize all of his property in order to collect immediately the full cash rental. The decision that the waiver clause is valid because it is to be treated as a chattel mortgage makes it necessary, however, to meet the formal requirements of chattel mortgage law. For example, such a lease must be recorded for the waiver to be valid as against third parties without notice.28 The statute further provides that a chattel mortgage of exempt property must be in writing and signed by the wife to be valid, which applies to waiver clauses in leases since they are construed as chattel mortgages.29

27 Fejavary v. Broesch, 52 Iowa 88, 2 N. W. 963 (1879).
28 Sioux Valley State Bank v. Honnold, 85 Iowa 352, 52 N. W. 244 (1892). It has further been held that the customary use of such waivers in any locality is not sufficient to put third parties on notice and the requirement of recording is insisted upon. Brenton v. Bream, 202 Iowa 575, 210 N. W. 756 (1920).
POSSIBILITIES FOR IMPROVING LANDLORD-TENANT LAWS

It has been shown in the preceding pages that our present laws treat urban and agricultural tenancies alike, with but two exceptions: Separate statutory provisions covering the agricultural landlord’s lien and the termination of indefinite agricultural leases. Moreover, the statutes are often vague in their meaning and do not cover the subject matter adequately. In many respects important issues are completely ignored or merely mentioned. Some statutes are difficult to interpret, and the applicability of common law to particular cases is hard to evaluate, especially since many of the relevant common law decisions date back several generations. As a result of this general situation, farm landlords and tenants are often uninformed as to their legal rights and duties.

The landlord and tenant are at present free to agree to practically any terms which they may wish to substitute for the statutory or common law terms. The state has the power, however, to enact legislation which cannot be set aside by any agreement which the parties may make. The constitutional provision prohibiting leases of agricultural lands for a period of more than 20 years is of this type. The Iowa housing law, which specifically applies only to urban dwellings, is another example of legislation of the type which is enforced regardless of the agreements of the party. No matter how willing the tenant may be to accept accommodations below the standard prescribed by the legislature, either because of low rental or because of a shortage of homes, the landlord is still bound to furnish housing up to the standard specified. The reason for this is that the purpose of the statute is to protect the public health through assuring adequate housing in urban centers. Where the public interest is affected by agricultural conditions, the state has similar power to enact mandatory legislation. Many problems connected with farm tenancy appear to have reached a stage where the public welfare is involved to a point that legislation may well be considered.

Many proposals have been made for the improvement of landlord-tenant legal relationships. Their discussion here
is not intended to promote their immediate adoption but merely to indicate the subject matter with which discussion of the reform of agricultural tenancies has been concerned.

The proposals discussed in the following pages are based upon successful experiences of individual landlords and tenants. They may be considered in the light of both legislative enactment and individual lease provisions.

**REPORT OF THE PRESIDENT'S COMMITTEE**

The most important recommendations with regard to improving landlord-tenant relationships that have been made recently appear in the Report of the President's Committee on Farm Tenancy of February 1937. In this Report the following recommendations were made:

"Although the Federal Government can do much to improve conditions of tenant farmers, some of the most fruitful fields of endeavor are under the jurisdiction of state agencies. Much can be done to better the terms and conditions of leasing. Through regulation and education tenant-operators can be given greater security of tenure and opportunity to develop and improve their farms and participate in community activities.

"It is recommended, therefore, that the several States give consideration to legislation which might well include provisions such as the following: (a) Agricultural leases shall be written; (b) all improvements made by the tenant and capable of removal shall be removable by him at the termination of the lease; (c) the landlord shall compensate the tenant for specified unexhausted improvements, which he does not remove at the time of quitting the holding, provided that for certain types of improvements the prior consent of the landlord be obtained; (d) the tenant shall compensate the landlord for any deterioration or damage due to factors over which the tenant has control, and the landlord shall be empowered to prevent continuance of serious wastage; (e) adequate records shall be kept of outlays for which either party will claim compensation; (f) agricultural leases shall be terminable by either party only after due notice given at least 6 months in advance; (g) after the first year payment shall be made for inconvenience or loss sustained by the other party by reason of termination of the lease without due cause; (h) the landlord's lien shall be limited during emergencies such as a serious crop failure or sudden fall of prices where rental payments are not based upon a sliding scale; (i) renting a farm on which the dwelling does not meet certain minimum housing and sanitary standards shall be a misdemeanor, though such requirements should be extremely moderate and limited to things primarily connected with health and sanitation, such as sanitary outside toilets, screens, tight roofs, and other reasonable stipulations; (j) landlord and tenant differences shall be settled by local
boards of arbitration, composed of reasonable representatives of both landlords and tenants, whose decisions shall be subject to court review when considerable sums of money or problems of legal interpretation are involved."

In the following discussion, some of these proposals will be taken up in detail, and other proposals will be considered more briefly.

**REQUIREMENT OF WRITTEN LEASES**

The difficulties to which the oral lease gives rise seem self-evident, and it is not necessary to elaborate the point that many disputes will be avoided if the lease is put in writing, provided that the topics are covered in sufficient detail. If the points likely to cause disputes are not thoroughly discussed in the beginning and embodied in the lease, they may arise under a written lease just as they do under oral agreements. Some essentials of good farm management and proper care of the premises should be included, especially where the lease is a cash lease and the landlord has little influence on the manner in which the tenant operates the farm. It is particularly important that an agreement should be reached as to the improvements which the tenant may make on the farm and the manner in which he shall be compensated for those he leaves behind. The lease should also contain provisions which assure the tenant a relatively high degree of security of tenure.

It is undoubtedly within the power of the state to require that all agricultural leases be written. The Iowa statute of frauds already requires such a writing where the lease is for a period of more than 1 year.\(^\text{31}\) Difficulties which have arisen in connection with this statute indicate that the requirement of written leases is not sufficient. The parties may inadvertently omit compliance with this requirement and enter into an oral lease, or the landlord may refuse to grant a written lease. Consequently, a statute requiring written leases should contain provisions concerning the positions of the parties if this requirement is ignored. Where the parties act under a

\(^{30}\) For a more detailed discussion of some legal aspects of proposals to improve the tenancy system, see "Regulations of Farm Landlord-Tenant Relationships" by Albert H. Cotton, 4 Law and Contemporary Problems 508 (October, 1937).

\(^{31}\) Code of Iowa, Section 11285.
void or voidable oral lease, the statute should determine in what respects the oral agreement should be enforced.

One solution of the problem may be the adoption of a statute containing most of the general provisions of an agricultural lease and providing that these provisions would be a part of the lease unless the parties adopted a written contract. Such provisions may cover compensation for improvements and deterioration, period of notice for termination and other desirable provisions of general applicability.

Under this statute alone, the landlord and tenant would be left entirely free to make any agreement they chose provided they did so by a written lease contradicting these statutory presumptions.

**INCREASING SECURITY OF OCCUPANCY**

Four major procedures have been suggested to establish a greater security on rented farms: (1) One-year and automatically continuing leases with a long period of notice for termination; (2) compensation for disturbance; (3) long-term leases and (4) cancellable long leases.

A statute may be enacted requiring that all agricultural leases shall continue automatically for another term unless notice is served by either party at least 6 months prior to the end of the current term. This provision would leave the parties as free as they are at present with regard to reasons for termination but would require a period sufficiently long to reduce the undesirable social and economic consequences of the uncertainty of continuation for the next year. In a sense, this would be nothing more than the re-adopting of the old common law requirement that at least 6 months’ notice must be given in order to terminate year-to-year leases, as has been pointed out.

The weakness of this approach lies in the possibility that some landlords would serve notice to their tenants at the stipulated time merely to meet the statutory requirement, yet indicating to them that they intend later in the year to renew the lease. This weakness, however, can be overcome by adopting the principle of “compensation for disturbance.”

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This principle has been used successfully by a number of landlords and tenants in this country and is a mandatory requirement in several other countries.

**Compensation for Disturbance**

The principle of compensation for disturbance represents a direct attack upon the problem of frequent moving by tenants. It may be defined as a payment for damage, loss or inconvenience caused by either party’s termination or refusal to renew the lease without good cause. It is a recognition of the fact that security of tenure is essential to good farming and sound community life and that any disturbance of a tenancy, unless caused by breach of contract or other specified reasons, inevitably involves loss and damage to the disturbed party, either tenant or landlord, and to the community.

Any of the following reasons for terminating leases at the end of the year might well constitute “good causes” requiring no payment of compensation for disturbance:

1. Tenant delinquent in his rent.
2. Tenant permits waste or fails to farm in a good husbandlike manner.
3. Either landlord or tenant is bankrupt or property is foreclosed.
4. Breach of agreement which is not or cannot be remedied after notice.
5. Landlord desires to operate the farm himself.
6. Death of either party.

There are two principal methods which may be used in arriving at the amount of compensation for disturbance.

First, a predetermined fixed amount may be stipulated (a) in the lease or (b) by the statute. This fixed amount may be indicated in terms of a lump sum or in terms of a percentage of the annual rental.

Second, the amount may be based upon the damage or loss incurred in each individual case. This may be determined

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33 A printed lease form used in some parts of Iowa includes the following provision: “That in case of sale of said premises during the occupancy of said second party, and purchaser should desire possession, said second party hereby agrees to give up to the said purchaser said premises at once on payment to him of a fair and reasonable compensation therefor, and if he and purchaser cannot agree as to the amount of such compensation, it shall be left to three disinterested appraisers, of whom said second party shall choose one, the purchaser one, and these two shall choose a third one. Their decision shall be final as to the amount to be paid by purchaser to said second party.”
(a) by mutual agreement; (b) by arbitration or (c) by court decision.

The adjustment that compensation for disturbance would effect in our present tenancy system is, in concise terms, that the landlord asking his tenant to quit without good cause would have to reimburse the tenant for specified losses and costs involved in the move, and the tenant leaving his landlord without good cause would have to pay the landlord's cost involved in the change of tenants.\footnote{For a more detailed discussion of compensation for disturbance, and also for improvements and deterioration, see Marshall Harris, "Compensation as a Means of Improving the Farm Tenancy System." Land Use Planning Publication No. 14, U. S. D. A., Washington, D. C.}

**Long-Term Leases**

Another procedure for increasing the security of occupancy would be the general adoption of long-term leases; for example, through a statute requiring a 3- or 5-year term for all agricultural leases. Although long-term leases seem to constitute the only means of increasing security of occupancy in the minds of some people, many landlords and tenants in this state would be opposed to such a requirement, since they realize that many things may arise making it desirable to terminate the lease before the end of a 5-year period.

**Cancellable Long Leases**

It may be possible, however, to modify a provision for long-term leases so as to avoid this rigidity. It may be required that all agricultural leases be drawn for a minimum period of 5 or 7 years, terminable at the end of any year by either party after due notice, upon payment of compensation for disturbance as outlined. Such payments, of course, would not be made if a lease is terminated with good cause or by mutual consent.

Such a provision would go a long way toward increasing the security of occupancy which is so essential for the adoption of well-planned crop rotations and conservational farming systems. At the same time, however, either party could terminate the lease at the end of any year if the advantages of termination are more valuable than the amount of compensation payable. No compensation would be payable if the lease were not renewed at the end of the term.
RESPONSIBILITIES FOR REPAIRS

As has been previously mentioned, Iowa statutes do not clearly place the responsibility for many important repairs upon either landlord or tenant. The fact that many of the farm properties which have been rented over a period of years are showing serious signs of deterioration may partly be explained by this lack of clearly defined responsibilities. This condition exists even though it is generally agreed that the landlord will furnish materials for repair and that the tenant will contribute the necessary unskilled labor.

Louisiana\(^{35}\) and Georgia\(^{36}\) have adopted the law that the entire burden of repairs is to be borne by the landlord, in the absence of contract, and that the property must be in a suitable condition for the business for which it has been leased. Many states have statutes requiring landlords to furnish habitable dwellings, and where the landlord fails in this duty, the tenant has the right to make repairs and deduct the cost from the rent. Some leases are used in Iowa, however, which require the tenant to carry the total cost of repairs.

For minor repairs, there is a distinct advantage in having the responsibility placed upon the tenant, since he can more easily attend to making small repairs currently. Major repairs, however, particularly those requiring materials and skilled labor, may be more appropriately borne by the landlord since they usually are of a permanent nature.

It may be worthwhile to consider a statute providing that the landlord shall furnish all materials and skilled labor necessary in making repairs and that the tenant shall contribute all unskilled labor. In case either landlord or tenant fails to fulfill his duty, the other party shall be entitled to carry out the necessary repairs and deduct or add the cost to the rent, as the case may be. Such a statute would give definiteness to a custom already established in present leasing practice, and the responsibilities for repairs would be divided clearly between the two parties.

The existing remedies for the tenant where the landlord has agreed to make repairs and fails to do so are inadequate

\(^{35}\) Louisiana Civil Code (Dart, 1932) Sections 2692–2700.
\(^{36}\) Georgia Code (Harrison, 1933) Sections 61–111. By another provision, in the tenancy for years, a usual type of farm tenancy, the obligation to repair is upon the tenant. Georgia Code (Harrison, 1933) Sections 85–805.
in Iowa. In other states, by statute or court decision, adequate remedies have been established, such as giving the tenant the right to make the repairs himself and deduct the cost from the rent. In the absence of contractual provisions, the Iowa tenant remains liable for the full rental even though the premises become untenantable from cause beyond his control. These situations have been changed by statute in at least 18 states. The various types of statutory provisions which have been adopted in both instances and their application and the theories upon which they are based have been discussed by Iowa legal writers.87

RIGHT TO REMOVE FIXTURES AND IMPROVEMENTS

The present law in Iowa regarding the removal of fixtures and improvements, although more adequate than in many states, nevertheless falls short of meeting modern leasing requirements. The rule that the intent of the parties rather than the nature of the improvements governs the right to removal invites misunderstandings, since at the termination of the lease the landlord and tenant are likely to differ as to their intent.

A statute may be considered listing those fixtures and improvements which may be installed upon the farm by the tenant and which may be removed by him at the termination of the lease. It may be well to permit the tenant to remove the fixtures and improvements within a reasonable time after the expiration of the lease, in case weather or other circumstances prevented him from moving them earlier. The tenant's right of removal should not be affected in case the farm is sold or foreclosed. Under such a statute the tenant would be fairly well protected, since he would have the opportunity to sell the fixtures or improvements to the incoming tenant or to his landlord if he did not prefer to remove them.

Another provision may grant the landlord the prior right to purchase the fixtures or improvements from the tenant at a reasonable price. This may prove satisfactory for fixtures and improvements that are not easily removable and are of value to the incoming tenant.

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87 The statutes governing the situation in the absence of contract are discussed in 13 Iowa Law Review 328 (1928), and the methods of enforcing a covenant for repairs are discussed in "Rights and Remedies of a Tenant where the Landlord Fails to Make Repairs," S. S. Faville, 9 Iowa Law Bulletin 250 (1924).
It should, of course, be required that in the removal no damage should be done to the premises, or if slight damage is unavoidable, the tenant should repair such damage at his expense.

Among the results of a statutory right to remove fixtures and improvements would be the encouragement of livestock enterprises and conservational farming. The tenant would feel free to install temporary and removable sheds and other small buildings necessary for certain livestock enterprises, in which the landlord is unwilling to invest. He would also be encouraged to install labor-saving facilities and home conveniences. This alone would not solve the problems regarding improvements, since it is impossible or impractical to remove many of them.

**PRINCIPLE OF COMPENSATION FOR IMPROVEMENTS**

Under the present tenancy system the tenant must leave on the landlord's farm all improvements he makes which are not legally removable. He often does not occupy the farm long enough to repay him for their cost, and the landlord is not required to reimburse him for their unexhausted value. Any farm program to conserve and improve soil resources is thus seriously handicapped, and the tenant cannot provide his family with many of the housing facilities found on owner-operated farms. It has been suggested that this situation could be properly adjusted by requiring that at the termination of the lease the tenant be compensated for unexhausted improvements he has made.

The enactment of a statute may be considered which would embody the principle of compensation for improvements. The improvements which the tenant may make without the consent of the landlord and for which compensation shall be payable may be confined to those which are necessary for the proper operation of the farm, for the conservation of soil resources, for the development of an adequate farm garden and orchard and for the health of the farm family. The landlord should be protected from unwise or highly specialized improvements that the tenant may make, by setting definite limits and specifying the types of improvements for which the tenant may claim compensation.
A list specifying the improvements for which the tenant may claim compensation might include items such as the following:

1. Application of limestone, phosphate, other fertilizers or green manure resulting in a residual benefit to the land.
2. Seedings of alfalfa and other grasses and legumes and establishing temporary meadows or pastures.
3. Plowing, fall seedings of small grain and preparing the land for next year’s crop in excess of what was on the farm at the beginning of the tenancy.
4. Manure appropriately spread which was produced from feedstuff bought by or belonging to the tenant.
5. Establishing perennial garden plants, small fruits and orchard trees not in excess of those adequate for home use.
6. Structural facilities in the farm home.

The tenant should not be permitted to claim compensation for any improvements not included in such a specified list unless he had obtained the consent of the landlord prior to making them. For these types of improvements the relationship between landlord and tenant would be exactly as it is at present, that is, they would be free to make any arrangements they desire.

It might be worthwhile to consider placing a limit on the total amount of compensation claimable by the tenant at the termination of the lease. Such a limit may be expressed in terms of a specified percentage of the total rental paid during the tenancy. This provision may constitute a very effective safeguard.

Another procedure in specifying the improvements for which tenants may claim compensation would be to limit the improvements to those not exceeding a stipulated value per year, for example, $50 to $100 each. For any improvements exceeding the specified value, prior consent of the landlord would be required. The disadvantage of this limitation is that it does not specify the kinds of improvements that may be made and may unduly limit the amount that can be spent for an important improvement. For instance, under a limit of $50, a tenant could not lime more than about 8 to 12 acres during any given year.

The statute may well include the bases upon which the
amount of compensation shall be determined. It seems appropriate to determine the compensation for the improvement in question according to its value to a typical incoming tenant. That is to say, an improvement not adapted to the customary farming in a given community shall not be eligible for compensation.

In any event, the statute should require that the tenant keep an accurate account of the costs involved in making any improvements for which he intends to claim compensation. In many cases such records would prove very serviceable in determining a fair amount of compensation.

These principles regarding compensation for improvements are based upon experiences of individual landlords and tenants using corresponding provisions in their leases, and upon a long and successful experience under mandatory statutes in many countries, notably England and Wales.

In this country, North Carolina and Virginia have laws providing that the tenant shall be compensated for crops he planted but could not harvest due to an unexpected termination of his lease. In Kansas, a statute provides that under certain specific circumstances the landlord must either compensate the tenant for the unexhausted value of improvements made by the tenant or permit him to sell these improvements to the incoming tenant.38

In Iowa, a statute requires that in case a person occupies a farm under a faulty title, the rightful owner upon taking possession of the farm must pay a fair compensation for improvements made by the occupant.39 The rightful owner, however, may deduct the amount of any deterioration of the property permitted by the occupier from the compensation claimable for improvements.

When the tenant is guaranteed compensation for improvements, it will be possible for him to develop a long-time interest in the farm, somewhat comparable to that of an owner-operator. Then he can afford to more adequately conserve the soil and to provide for necessary farm improvements. He also would be protected against outside tenants bidding up the


39 Code of Iowa, Chapter 440, “Occupying Claimant’s Act.”
rent on account of the improvements he had made. At the same time, the landlord would benefit from the increased interest stimulated in the tenant, as well as from the increased returns resulting from the better care and improvement of the property.

A landlord once remarked to the junior author that he prefers his tenant to make certain improvements because he feels that the tenant is apt to utilize them with more care and interest if he puts his own time and money into them, than if the landlord would furnish them, particularly since in the latter case the landlord may legitimately raise the rent. He added that in many cases the tenant knows better what is needed and how to get it most cheaply than does the landlord.

COMPENSATION FOR DETERIORATION

Despite the laws protecting landlords against waste and poor husbandry, many rented farms are gradually deteriorating. One of the reasons why these laws have been ineffective lies in the paradoxical position in which they place the tenant. They attempt to hold him responsible for any waste which may occur to the property, but there is no reciprocal statute reimbursing him for any improvement he may effect.

On the other hand, if the tenant is to be compensated for improvements, it is only fair that the landlord shall be compensated for the deterioration of the property under the tenant’s care. Consequently, the landlord should be given the right to set-off the claim for actual deterioration against the tenant’s claim for compensation for improvements. A provision which would require that the tenant compensate the landlord for any deterioration to the property may well be considered. It would represent a reinforcement of the landlord’s existing rights to damages for waste or breach of the implied agreement to operate the farm according to the rules of good husbandry.

The amount of deterioration could be arrived at in a manner similar to that in which the unexhausted value of improvements is determined. That is to say, the amount of deterioration could be based upon the decrease in the value of the property to an incoming tenant.
As long as the landlord has the right to influence the crop system used on his land, it would seem necessary that a statute providing for compensation for deterioration would exclude any damage that may arise from the use of exploitive crop systems.

To illustrate the conditions under which a landlord may claim compensation for deterioration, the following instances are mentioned:

1. Cutting of trees.
2. Infestation of land with noxious weeds and shrubs.
4. Improper care and use of manure.
5. Plowing up of permanent pasture.
6. Failure to maintain erosion control structures.
7. Negligent care of garden and orchard.
8. Improper use or negligent care of dwelling and household equipment.
9. Improper use or negligent care of barns, fences and farm equipment.

It is easily conceivable that the general adoption of the principle of compensation for improvements and deterioration would be highly effective in clarifying the rights and duties of landlord and tenant regarding the maintenance and progressive development of our agricultural resources. It introduces a distinct relationship of mutuality of interest between the two parties which hitherto has not been recognized. There is a feeling in some quarters that any adjustment in the rights and duties between landlord and tenant would inevitably help the tenant and harm the landlord. This attitude, however, is clearly erroneous, since it assumes that whatever the tenant gains the landlord must lose. In reality, the interests of the two parties are mutual. They are not antagonistic. The success of the joint endeavor and the development of a long-time interest in the farm on the part of the tenant are essential if both landlord and tenant are to prosper.

**ARBITRATION OF DIFFERENCES**

The existing court procedure appears ill-adapted to the settlement of many differences between landlord and tenant.
Generally, such differences involve only small matters which must be settled within a short time and which do not involve sufficient amounts to justify the relatively high costs of court procedure. Consequently, minor differences often become the basis of serious disputes and ill-feelings and result in the two parties failing to renew the lease.

In some individual cases landlord and tenant include a provision in the lease calling for settlement of differences by arbitration. Usually such a clause provides that each party shall select an arbitrator, and the two shall select a third, and the decision of these three shall be final. This method has been widely used and has proved highly successful in the settlement of problems arising under leasing arrangements.

The Iowa statutes contain provisions for voluntary arbitration of differences which may be adopted by landlord and tenant and under which legal process is available to enforce the decision of the arbitrators.\textsuperscript{40} This statute specifically provides, however, that other methods of arbitration are valid. In the case of employer-employee relationship, a public interest in the disputes is recognized, and arbitration procedure has been established under which the state meets part of the expense of the proceeding.\textsuperscript{41} It may be worth while considering the enactment of a statute to meet the special requirement for arbitration between agricultural landlord and tenant. Such a statute might provide that questions in dispute must be submitted to arbitration before they are carried to courts, and the courts' consideration could be limited to questions of statutory interpretation and constitutional rights. In other fields, such as workmen's compensation claims and insurance adjustments, such a preliminary submission of disputes to arbitration has been required with the result that the necessity for litigation has been largely eliminated.

The statute could provide for the selection and certification in each county of qualified arbitrators who are familiar with state law and customary leasing procedure. These arbitrators would soon become experts in assisting landlords and tenants in their problems. They would have at their command information regarding rates of deterioration and the value of different

\textsuperscript{40} Code of Iowa, Chapter 548.
\textsuperscript{41} Code of Iowa, Chapter 74.
types of improvements, particularly limestone, fertilizers and legumes. Through experience they would become familiar with the settlement of questions involving termination of tenancies, removal of fixtures and improvements and the making of repairs. The two parties could select their arbitrators from among those certified. They might soon find that their problem could be adjusted before a single arbitrator in whom both parties have confidence. This would further reduce costs and shorten the time involved. The arbitration process may become commonly used as an amicable way of arriving at decisions, thus preventing disputes and ill-feeling and greatly increasing the security and stability of landlord and tenant relationships.

It would also be well to consider the establishment of a Small Claims Court which would settle agricultural landlord and tenant cases involving certain types of differences and small sums. These cases might be presented to a single judge who would soon become an expert in handling agricultural problems. Such a court would be well adapted to the needs of agricultural landlords and tenants, and their differences could be settled readily and inexpensively.

**ADJUSTMENTS IN THE LANDLORD'S LIEN**

It has already been indicated that the landlord's lien interferes with the obtaining of production credit because of the requirement of governmental and private creditors that they be given a first lien for the capital they furnish. This problem has been met in the state of Wisconsin through a provision in the statutes which in effect abolishes the landlord's lien,\(^{42}\) but does not deprive the landlord of his remedies for collection of rent, whether reserved in his lease or existing by law.\(^{43}\) Under this situation, the landlord is in the same position as other creditors, and the tenant, unless he agrees specifically in his lease to the contrary, is free to give a first lien either for the rent to the landlord or to the party supplying necessary production credit, or he may give a lien on a part of the crops to the landlord for rent and another lien on the remainder for production credit. In any event, the question of who has the

\(^{42}\) Wisconsin Statutes Sec. 234.01.

\(^{43}\) Wisconsin Statutes Sec. 234.10.
first lien on the crop and upon the tenant’s property is left to be negotiated by the parties.

Another method of securing the rights of production creditors is to provide by statute that those who furnish production credit, either generally or in special instances, should have a lien which is prior to the landlord’s lien for rent. A step in this direction was recently taken in Iowa with the enactment of the statute providing for a thresherman’s and cornsheller’s lien which is superior to the landlord’s lien. In states where irrigation is used to increase crop production, it is generally provided that the lien for water charges shall be superior to the landlord’s lien for rent, and such provisions have been approved by the courts. This principle might be extended to protect the rights of those who furnish credit for seed, feed and fertilizers.

The manner in which the landlord has generally required the tenant to waive the benefit of the exemption statute has already been pointed out. Permitting such contracts has resulted in the defeat of the intent of the exemption statute. This intent was that no matter what happens, the tenant would be left with enough property to start over. Contracts in which the tenant waives the benefit of the statute could be outlawed, since it is merely necessary to overrule by statute the court decisions according to which these clauses have been construed as valid chattel mortgages rather than as invalid waivers. The tenant could then mortgage his exempt property only by following the procedure of the chattel mortgage statute.

It might also be well to give consideration to bringing this exemption statute up to date as to the items which are exempt, so the landlord and tenant may clearly understand their position.

A landlord’s lien statute may also be used as a device whereby desirable types of leasing arrangements may be encouraged. In Texas, for example, a statute provides that the landlord’s lien shall exist only where the rent charged by the landlord does not exceed a share of the crop specified by stat-

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44 Code of Iowa, 10269—e1 to 10269—e5.
45 Dunbar v. Texas Irrigation Company, 195 S. W. 614 (Texas Civil Appeals 1917).
Through this device, the state has indirectly discouraged excessive rental charges and cash bonuses for agricultural lands.

Other desirable lease arrangements may be encouraged by a statute limiting the landlord's lien. For example, it might be provided that the landlord should have a lien only where he agrees that in the event of crop failure or disastrous decline in prices he would take a customary share of the crop in lieu of cash rent. In this way it might be possible to obviate some of the undesirable effects of the landlord's lien without abolishing it. Provisions of this kind have been found in leases made voluntarily, and while recognized as unusual, they have been enforced by the courts.

**CODIFICATION OF LANDLORD-TENANT LAWS**

Our present laws pertaining to landlord-tenant relationships fail to adequately recognize the fact that two distinctly different social and economic situations cannot be treated alike without doing injustice to either or both of them. There is, first, the urban situation where leases deal primarily with residential buildings and where security of tenure and long-time planning of the use of the premises do not constitute a problem of major importance. In the agricultural situation, however, the lease deals primarily with land, and the long-time character of the agricultural enterprise and the danger of irreparable destruction of the producing power of the land, renders the security of tenure and the planning ahead of the use of the property a problem of paramount importance. The public welfare is more closely concerned with the conservation of the soil resources than with that of urban buildings, since the latter can be replaced while the former cannot.

In the light of these considerations, the development of separate and distinct statutory provisions pertaining to agricultural landlord-tenant relationships may prove valuable. This would make it possible to bring together existing statutes applicable to agricultural leases; to give legislative recognition to many of the past court decisions and individual leasing experiences establishing good landlord-tenant relationships;

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46 Texas Statutes (Vernon 1936) Article 5222.
47 Wetherill v. Weaver, 185 Iowa 1201, 171 N. W. 686 (1919).
to add any new provisions which would effectively remedy existing maladjustments; and to simplify the law so that the two parties can readily understand their rights and duties.

It may prove worthwhile to give consideration to a provision making it impossible for the landlord and tenant to enter into a contract circumventing the minimum requirements established by statute.

In contemplating the establishment of such “rules of the game,” considerable care should be taken that these rules will result in constructive cooperation of the “players” rather than in restricting their individual initiatives and efforts. Ultimately, the justification for these rules rests upon the fact that society, representing the “spectators,” is vitally interested in the fairness of the game as it furnishes maximum satisfaction to the individuals as well as to the nation.
APPENDIX A

SOME EXPERIENCES OF FOREIGN COUNTRIES IN REGULATING LANDLORD-TENANT RELATIONSHIPS

England and Wales

The English began almost a century ago to improve their farm tenancy system. All students of the tenancy problem agree that today they have the best system that has been developed. Henry Wallace and James Wilson indicated this in the conclusion of the tenancy section of a report they wrote after an extended visit in England studying agricultural conditions. They said:

"Of the wisdom of the legislation that gives the tenant the legal right to unexhausted manures and other forms of fertility, there can be no possible question. . . During these travels we have been constantly impressed with the fact that the United States is traveling in the same direction in which Great Britain has gone in times past; and if we are to retain the fertility of our soil . . . and have a rural population on which America can depend both in war and in peace, we must adopt measures similar to those which Great Britain has adopted with success."

The first major adjustment the English made in their tenancy system was to give the agricultural tenant the right to remove fixtures and improvements erected by him and to return to the farm after his tenancy had ended to harvest any crops he had planted. This Act was a step in the right direction, but it was a quarter of a century later, in 1875, before the first substantial effort to deal generally with the position of the tenant farmer was made. The Act of that year provided that the outgoing tenant should be entitled to claim compensation for improvements effected by him. This act was permissive, making it possible for the landlord to force the tenant to contract out of its provisions. Therefore, in practice, it was inoperative, but it gave statutory recognition to a new principle which was of considerable importance.

In 1883 the English Parliament enacted a statute which made compensation mandatory and which prevented the tenant from contracting away the rights given him under the statutes. This Act was revised from time to time and was added to as experience pointed the way. Between 1883 and 1923 approximately 10 important tenancy laws were enacted.

The Agricultural Holdings Act of 1923, which is the basis of present landlord and tenant law in England and Wales, provides for compensation for improvements, high quality farming, deterioration and waste, disturbance, and damage by game. It also contains special compensation provisions with reference to market gardens. It contains regulations pertaining to crop rotation and disposal of produce, fixtures, rent adjust-

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1 Adapted from "Agricultural Landlord-Tenant Relations in England and Wales" by Marshall Harris, Land Use Planning Publication 4a, Department of Agriculture, Washington, D.C.
2 Wilson, James, and Wallace, Henry. Agricultural Conditions in Great Britain and Ireland, p. 12.
3 Landlord and Tenant Act, 1851.
4 Agricultural Holdings Act, 1875.
ment, the financial responsibility of the landlord and tenant, the right of the landlord to enter the farm, notices to quit, a record of the condition of the farm and arbitration of differences between landlords and tenants.5

Compensation for Improvements

The improvements for which the tenant may claim statutory compensation for the unexhausted value thereof are specifically set forth under three divisions in the First Schedule of the Act. Before the tenant can make improvements and claim compensation he must meet the conditions specified for each division. He must obtain the consent of the landlord for the more permanent ones, for drainage he must give notice to the landlord, while he is free to make the less permanent improvements without giving notice or obtaining the consent of the landlord.

Before the tenant may claim compensation from his landlord for the unexhausted value of any improvement, the tenancy must have terminated and the tenant must have quit the farm. This prevents the tenant from claiming compensation for improvements at the end of a tenancy while he still remains on the farm under a new contract.

The improvements to which the landlord must consent before the tenant can make them include such items as buildings, silos, permanent pasture, roads, bridges, permanent fences, orchards, water supply, removing obstructions to cultivation and works of irrigation. The tenant cannot claim compensation for the unexhausted value of such improvements unless, prior to their execution, he has obtained the written consent of the landlord or his agent. The landlord may give his consent unconditionally or upon such terms as he and the tenant may agree. The compensation need not be cash, but may be some other tangible benefit.

Drainage is the only improvement the tenant can make after sending notice to the landlord. It has been interpreted to mean any work which has as its object the freeing of the soil from water.

The improvements which do not require the consent of or notification to the landlord deal chiefly with those works which are more readily exhaustible. These may be conveniently divided into three classes: (1) Those which improve the soil by adding fertility directly thereto, (2) the seeding of temporary pasture, and (3) the making of major repairs to buildings. The addition of fertility to the soil includes such items as lime, commercial fertilizers, manure produced from purchased feedstuff and manure produced from feedstuff grown on the farm.

The landlord is protected against an unscrupulous tenant who might, during the last year of the tenancy or after he has received or has given notice to quit, undertake improvements for the purpose of increasing his claim for compensation. In respect to all improvements excepting manure, the tenant must obtain the consent of the landlord, either through assent or failure to object, for those improvements which he

5 See excerpts from the Agricultural Holdings Act, 1923 in Appendix B.
proposes to effect during the last year of the tenancy, or after he has received or given a notice to quit.

**Compensation for Deterioration and Waste**

In order to regulate further, in an equitable manner, the relations between the agricultural landlord and tenant, the Act provides that at the termination of a tenancy the landlord may claim compensation from the tenant for any deterioration to the value of the farm which was caused by the failure of the tenant to cultivate it according to the rules of good husbandry, or as provided in the terms of the contract.

Summarizing, the Agricultural Holdings Act of 1923 gives to the tenant the statutory right to claim compensation for the unexhausted value of a specific list of improvements which he may have effected on the farm. It, furthermore, makes it impossible for the tenant to waive this right. To claim such compensation, however, the tenant must have complied with definite rules prescribed by the Act. It also protects the landlord against an unscrupulous tenant who would deteriorate the property.

**Compensation for Disturbance**

In regard to length, leases in England and Wales are of two major types: the year-to-year leases, and leases for a period of 2 years or longer. The 1923 Act provides that the landlord shall not terminate the tenancy at the expiration of the term of the lease, regardless of its provisions, without becoming liable for compensation for disturbance unless certain conditions exist. It does not, however, diminish the right of the landlord to terminate the tenancy at the expiration of the term subject to the compensation provision. Neither does it create in any way a system of dual ownership, nor does it secure to the tenant fixity of tenure. It was designed to make the tenant more stable in his tenure on the farm, to relieve him of the feeling of insecurity, and to provide for just compensation in case he is evicted without good cause. It apparently accomplishes these objectives to a marked degree.

**Rent Adjustment**

The Act also provides a method whereby the landlord and tenant may adjust the amount of rent to be paid for the farm. The adjustment of rent is closely related to the rights and privileges of each party when the lease is terminated. A tenant may claim compensation for disturbance in event the landlord refuses a request that there should be an arbitration in respect to the amount of rent payable, and in consequence the tenant quits the farm. The landlord is not liable for compensation for disturbance if the tenant refuses or fails to agree to a request of the landlord that there should be an arbitration in respect to rent, and in consequence the landlord gives the tenant notice to quit.

**Arbitration**

The Act provides that differences or disputes which arise between the agricultural landlord and tenant are to be settled by the arbitration

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6 These conditions are explained in detail in Section 12 of the Act, Appendix B.
method before a single arbitrator. Where there is no difference or dispute the two parties agree as to the amount of compensation, or they agree to accept the verdict of two valuers. In cases where the arbitration method is not compulsory according to the Act, the difference may be settled through ordinary court procedure.

In retrospect, it is now evident that throughout the long development of legislative activity, Parliament followed the policy of placing the tenant farmer in a position as similar to that of an owner-operator as is reasonably possible. This policy has been carried out by a line of action which was possible only through a growing recognition on the part of national leaders that in order to maintain an equitable economic system and a permanently productive agriculture, society must often exercise control over both landlords and tenants. The English statutory measures have been based upon experience and have been revised as new problems have arisen and as experience has pointed the way. It is significant that each succeeding statute placed enlarged rights as well as duties upon the tenant farmer, either through defining more precisely existing regulations, or by providing regulations which had not been previously the subject of statutory control.

Scotland

The Scottish tenancy system is similar in many respects to the English system. It has been guided in its development by statutes comparable to those discussed above. The tenancies on the poorer farms where numerous social and economic problems exist are regulated in considerable detail. The statutes provided for a Land Court to assist the landlords and tenants in many of their renting problems, and to determine upon application a fair rental for the property. The number of applications for rent adjustment was large when the Court was first established but has steadily declined as the value of equitable rentals has become more generally recognized.

The Land Court is composed of five members appointed by the King. The Chairman of the Court has the same rank and tenure of office as a judge of the Court of Sessions. The other four members are chosen from expert agriculturists with wide experience as practical farmers. Most of the work is done locally, one member and an assessor being a duly constituted division of the Court. Each division makes periodic circuits through particular areas of the country, trying cases, inspecting farms and issuing decisions on cases heard.

Netherlands

On May 31 of 1937, the Netherlands passed the Farm Tenancy Act which regulates in considerable detail landlord and tenant relations. This Act establishes a special court to handle farm tenancy cases. It establishes in each district court a special chamber composed of the district judge as presiding officer and two non-judicial persons who are

7 Adapted from an unpublished manuscript by Jan van der Vate, Farm Security Administration, Department of Agriculture, Washington, D. C.
specialists in matters pertaining to farm tenancy. These are appointed by the Crown with care so that neither the interests of the landlord nor the tenant prevail in the chamber. Cases can be appealed to a central court composed of three councilors and two non-judicial persons.

The Act provides for compensation for improvements which the tenant may have made during the last 10 years of his lease. The tenant receives compensation only when the landlord does not declare himself expressly against the making of the proposed improvements, or after such opposition has been overruled by the Court established by the Act.

The tenant must compensate the landlord for any deterioration to the property resulting through improper or negligent usage, or through doing or not doing everything which a "good tenant" under similar circumstances would do or would not do.

The Act also provides that the landlord must agree to a reduction of the rent when the income from the farm is appreciably less than that expected at the time the lease was made, provided that the lower income was due to catastrophes such as floods or drouths. The rentals to be paid in future years may also be changed upon proper application to the Court.

The outgoing tenant is obliged by law to leave the premises ready for occupancy by the incoming tenant. But the law is necessary for only a few individuals, since it is customary for the tenant to scrub and polish the house so the incoming tenant will find it spotless. Stables and other buildings are often given a fresh coat of whitewash, and the rest of the premises are put in order. To do so is good business and a matter of honor; not to do so is a shame and disgrace and a bad policy, since the culprit would find it difficult, if not impossible, to rent another farm in the same community. Thus, tenants clearly recognize a definite responsibility to the brother tenant who will occupy the farm. They are not negligent just to spite the landlord, since another tenant, and not the landlord, will bear the major burden of their negligence.

**Denmark**

Comprehensive laws equitably setting forth the rights and duties of the landlord and tenant have long been the backbone of the Danish farm tenancy system. Tenancies run for exceptionally long periods in Denmark; therefore, they have not felt the necessity of providing compensation for disturbance. They have, however, provided compensation for improvements and for deterioration.

At first the statute regarding compensation for improvements was stated in vague and general terms. Later it was limited to repairs to buildings and to the erection of new buildings. Finally, it was revised to include all fixed equipment increasing the value of the farm; major soil improvements such as clearing of brush and stones, irrigation and drainage; and minor improvements such as liming and increasing the productive value of the land.

These rights granted the tenant have been balanced by duties placed upon him to prevent any diminution in the productive value of the farm. An impartial committee inspects the farm at the beginning of the lease
and makes a detailed record of its condition. This record is attached to the lease and becomes a part of it. Failure to properly maintain the property in the condition specified in the record makes the tenant liable for damage and fine, and he can be evicted if he persists in his negligence.

The long experience of Danish tenants under their well regulated tenancy system has played a considerable part in fitting many of them for the farm ownership programs which have been developed and which are proving highly successful.

Other Countries

The principle of compensation for improvements, deterioration and disturbance has been used in Belgium and France by leading landlords and tenants for some time. The success of these practices has been so pronounced that Belgium passed a national law providing for compulsory compensation in 1929. France has been considering a similar statute on a national scale.

The Swiss Federal Code and the Civil Code of Portugal provide compensation for the outgoing tenant who has made certain improvements on the farm. Compensation provisions are written into farm leases in parts of Italy and Germany, and the compensation provisions of some methods of leasing farm land in certain districts in India approximate very closely the compensation provision laid down in English law. Also, as provided in the Mexican Civil Code of 1928, the agricultural tenant of Mexico is compensated for improvements made by him.8

APPENDIX B

Excerpts from the Agricultural Holdings Act of England and Wales, 1923

An Act to consolidate certain enactments relating to Agricultural Holdings in England and Wales. (7th June 1923)

Be it enacted by the King's Most Excellent Majesty by and with the advice and consent of the Lords Spiritual and Temporal, and Commons in this present Parliament assembled, and by the authority of the same, as follows:—

COMPENSATION FOR IMPROVEMENTS ON HOLDINGS

1.—(1) Where a tenant of a holding has made thereon any improvement comprised in the First Schedule to this Act he shall, subject as in this Act mentioned, and, in a case where the contract of tenancy was made on or after the first day of January, nineteen hundred and twenty-one, then whether the improvement was or was not an improvement which he was required to make by the terms of his tenancy, be entitled, at the termination of the tenancy, on quitting his holding to obtain from the landlord as compensation for the improvement such sum as fairly represents the value of the improvement to an incoming tenant.

(2) In the ascertainment of the amount of the compensation payable to a tenant under this section there shall be taken into account—

(a) any benefit which the landlord has given or allowed to the tenant in consideration of the tenant executing the improvement, whether expressly stated in the contract of tenancy to be so given or allowed or not; and

(b) as respects manuring as defined by this Act, the value of the manure required by the contract of tenancy or by custom to be returned to the holding in respect of any crops grown on and sold off or removed from the holding within the last two years of the tenancy or other less time for which the tenancy has endured, not exceeding the value of the manure which would have been produced by the consumption on the holding of the crops so sold off or removed.

(3) Nothing in this section shall prejudice the right of a tenant to claim any compensation to which he may be entitled under custom, agreement, or otherwise, in lieu of any compensation provided by this section.

2. Compensation under this Act shall not be payable in respect of any improvement comprised in Part I. of the First Schedule to this Act, unless the landlord of the holding has, previously to the execution of the improvement, consented in writing to the making of the improvement, and any such consent may be given by the landlord unconditionally, or upon such terms as to compensation or otherwise, as may be agreed upon between the landlord and the tenant, and, if any such agreement is made, any compensation payable under the agreement shall be substituted for compensation under this Act.

3. (1) Compensation under this Act shall not be payable in respect of any improvement comprised in Part II. of the First Schedule to this Act, unless the tenant of the holding has, not more than three nor less than two months before beginning to execute the improvement, given to the landlord notice in writing of his intention so to do, and of the manner in which he proposes to do the intended work, and, upon such notice being given, the landlord and the tenant may agree on the terms as to compensation or otherwise on which the improvement is to be executed.

(2) If any such agreement is made, any compensation payable under the agreement shall be substituted for compensation under this Act.

(3) In default of any such agreement, the landlord may, unless the notice of the tenant is previously withdrawn, execute the improvement in any reasonable and proper manner which he thinks fit, and recover from the tenant as rent a sum not exceeding five per cent. per annum on the outlay incurred, or not exceeding such annual sum payable for a period of twenty-five years as will repay that outlay in that period, with interest at the rate of three per cent. per annum:

Provided that, if the landlord fails to execute the improvement within a reasonable time, the tenant may execute the improvement, and shall, in respect thereof, be entitled to compensation under this Act.

The Minister may by regulation substitute such percentages or period
as he thinks fit for the percentages and period mentioned in this sub-
section, having due regard to the current rates of interest.

(4) The landlord and the tenant may, by the contract of tenancy or
otherwise, agree to dispense with any notice under this section, and any
such agreement may provide for anything for which an agreement after
notice under this section may provide, and in such case shall be of the
same validity and effect as such last-mentioned agreement.

4. Where any agreement in writing entered into before the first day
of January, nineteen hundred and twenty-one, secures to the tenant of
a holding for any improvement comprised in Part III. of the First
Schedule to this Act fair and reasonable compensation, having regard
to the circumstances existing at the time of making the agreement, the
compensation so secured shall, as respects that improvement, be sub-
stituted for compensation under this Act.

5. If the tenant of a holding claims to be entitled to compensation,
whether under this Act, or under custom or agreement, or otherwise,
in respect of any improvement comprised in the First Schedule to this
Act, and if the landlord and tenant fail to agree as to the amount and
time and mode of payment of the compensation, the difference shall be
settled by arbitration.

6. Where an incoming tenant of a holding has, with the consent in
writing of his landlord, paid to an outgoing tenant any compensation
payable under or in pursuance of this Act in respect of the whole or part
of any improvement, the incoming tenant shall be entitled on quitting
the holding to claim compensation in respect of the improvement or part
in like manner, if at all, as the outgoing tenant would have been entitled
if he had remained tenant of the holding, and quitted it at the time at
which the incoming tenant quits it.

7. A tenant who has remained in his holding during two or more
tenancies shall not, on quitting his holding, be deprived of his right to
claim compensation under this Act in respect of improvements by reason
only that the improvements were not made during the tenancy on the
termination of which he quits the holding.

8. A tenant of a holding shall not be entitled to compensation under
this Act in respect of any improvement, other than manuring as defined
by this Act, begun by him,—

(a) in the case of a tenant from year to year, within one year
before he quits the holding, or at any time after he has given
or received notice to quit which results in his quitting the
holding; and

(b) in any other case, within one year before the termination
of the tenancy:

Provided that this section shall not apply in the case of any improve-
ment—

(i) where the tenant, previously to beginning the improvement,
has served notice on his landlord of his intention to begin
it, and the landlord has either assented or has failed for a
month after the receipt of the notice to object to the making of the improvement; or
(ii) in the case of a tenant from year to year, where the tenant has begun the improvement during the last year of his tenancy, and, in pursuance of a notice to quit thereafter given by the landlord, quits his holding at the expiration of that year.

COMPENSATION IN RESPECT OF INCREASED OR DIMINISHED VALUE OF HOLDING

9.—(1) Where a tenant on quitting a holding proves to the satisfaction of an arbitrator appointed under this Act that the value of the holding to an incoming tenant has been increased during the tenancy by the continuous adoption of a standard of farming or a system of farming which has been more beneficial to the holding than the standard or system (if any) required by the contract of tenancy, the arbitrator shall award to the tenant such compensation as in his opinion represents the value to an incoming tenant of the adoption of that standard or system:

Provided that—
(a) this section shall not apply in any case unless a record of the condition of the holding has been made under this Act or any enactment repealed by this Act, or in respect of any matter arising before the date of the record so made; and
(b) compensation shall not be payable under this section unless the tenant has, before the termination of the tenancy, given notice in writing to the landlord of his intention to claim such compensation; and
(c) the arbitrator in assessing the value to an incoming tenant shall make due allowance for any compensation agreed or awarded to be paid to the tenant for any improvement specified in the First Schedule to this Act which has caused or contributed to the benefit.

(2) Nothing in this section shall entitle a tenant to recover in respect of an improvement specified in the First Schedule or the Third Schedule to this Act any compensation which he would not have been entitled to recover if this section had not been passed.

(3) The continuous adoption of such a beneficial standard or system of farming as aforesaid shall be treated as an improvement for the purposes of the provisions of this Act relating to the determination of the rent properly payable in respect of a holding.

10. Where a landlord proves, to the satisfaction of an arbitrator appointed under this Act, on the termination of the tenancy of a holding, that the value of the holding has been deteriorated during the tenancy by the failure of the tenant to cultivate the holding according to the rules of good husbandry or the terms of the contract of tenancy, the arbitrator shall award to the landlord such compensation as in his opinion represents the deterioration of the holding due to such failure:

Provided that—
(a) compensation shall not be payable under this section unless
the landlord has, before the termination of the tenancy, given notice in writing to the tenant of his intention to claim such compensation; and

(b) nothing in this section shall prevent a landlord from claiming compensation for dilapidations or for the deterioration of the holding under the contract of tenancy.

**COMPENSATION FOR DISTURBANCE**

12.—(1) Where the tenancy of a holding terminates by reason of a notice to quit given by the landlord, and in consequence of such notice the tenant quits the holding, then, unless the tenant—

(a) was not at the date of the notice cultivating the holding according to the rules of good husbandry; or

(b) had, at the date of the notice, failed to comply within a reasonable time with any notice in writing by the landlord served on him requiring him to pay any rent due in respect of the holding or to remedy any breach being a breach which was capable of being remedied of any term or condition of the tenancy consistent with good husbandry; or

(c) had, at the date of the notice, materially prejudiced the interests of the landlord by committing a breach which was not capable of being remedied of any term or condition of the tenancy consistent with good husbandry; or

(d) was at the date of the notice a person who had become a bankrupt or compounded with his creditors; or

(e) has, on or after the first day of January, nineteen hundred and twenty-one, refused, or within a reasonable time failed, to agree to a demand made to him in writing by the landlord for arbitration under this Act as to the rent to be paid for the holding as from the next ensuing date at which the tenancy could have been terminated by notice to quit given by the landlord at the date of the said demand; or

(f) had, at the date of the notice, unreasonably refused, or within a reasonable time failed, to comply with a demand made to him in writing by the landlord requiring him to execute at the expense of the landlord an agreement setting out the existing terms of the tenancy;

and unless the notice to quit states that it is given for one or more of the reasons aforesaid, compensation for the disturbance shall be payable by the landlord to the tenant in accordance with the provisions of this section:

Provided that—

(i) compensation shall not be payable under this section in any case where the landlord has made to the tenant an offer in writing to withdraw the notice to quit and the tenant has unreasonably refused or failed to accept the offer; and

(ii) this section shall not apply where notice to quit was given
on or before the twentieth day of May, nineteen hundred and twenty; and

(iii) where notice to quit was given after that date but before the first day of January, nineteen hundred and twenty-one, this section shall apply whether or not the notice stated the reason or reasons for which it was given.

(2) The landlord of a holding may at any time apply to the agricultural committee for the area in which the holding is situate for a certificate that the tenant is not cultivating the holding according to the rules of good husbandry, and on any such application being made, the committee, after giving to the landlord and the tenant or their respective representatives an opportunity of being heard, shall, as they think proper, either grant or refuse the certificate within one month after the date of the application.

The landlord or tenant may, within seven days after the notification to him of the refusal or grant by the committee of a certificate, require the question as to whether the holding is being cultivated according to the rules of good husbandry to be referred to an arbitrator who may grant a certificate for the purpose of this subsection or revoke the certificate granted by the committee, and the award of the arbitrator shall be given within twenty-eight days of the date on which the matter is referred to him.

Subject to any such appeal, a certificate granted under this subsection shall be conclusive evidence that the holding is not being cultivated according to the rules of good husbandry.

In the case of a holding situate in a county borough for which an agricultural committee has not been appointed, this subsection shall have effect with the substitution of the Minister for an agricultural committee.

(3) Where the landlord of a holding refuses, or within a reasonable time fails to agree to, a demand made to him in writing by the tenant for arbitration under this Act as to the rent to be paid for the holding as from the next ensuing date at which the tenancy could have been terminated by notice to quit given by the tenant at the date of the said demand, and by reason of the refusal or failure the tenant exercises his power of terminating the tenancy by a notice stating that it is given for that reason, the tenant shall be entitled to compensation in the same manner as if the tenancy had been terminated by notice to quit given by the landlord:

Provided that such compensation shall not be payable if the circumstances are such that a notice to quit could have been given by the landlord for any of the reasons mentioned in paragraphs (a), (b), or (c) of subsection (1) of this section.

(5) (a) Where a demand in writing for an arbitration as to the rent to be paid for the holding has been made for the purposes of this section and has been agreed to, whether in writing or otherwise, the question as to the rent shall be referred to arbitration.

(b) An arbitrator, in determining for the purposes of this section
what rent is properly payable in respect of a holding, shall not take into 
account any increase in the rental value which is due to improvements 
which have been executed thereon so far as they were executed wholly 
or partly by and at the expense of the tenant without any equivalent 
allowance or benefit made or given by the landlord in consideration of 
their execution and have not been executed by him under an obligation 
imposed by the terms of his contract of tenancy, or fix the rent at a 
higher amount than would have been properly payable if those improve­
ments had not been so executed, and shall not fix the rent at a lower 
amount by reason of any dilapidation or deterioration of land or build­
ings made or permitted by the tenant.

(6) The compensation payable under this section shall be a sum 
representing such loss or expense directly attributable to the quitting 
of the holding as the tenant may unavoidably incur upon or in connection 
with the sale or removal of his household goods, implements of hus­
bandry, fixtures, farm produce or farm stock on or used in connection 
with the holding, and shall include any expenses reasonably incurred by 
him in the preparation of his claim for compensation (not being costs 
of an arbitration to determine the amount of the compensation), but for 
the avoidance of disputes, such sum shall, for the purposes of this Act, 
be computed at an amount equal to one year’s rent of the holding, unless 
it is proved that the loss and expenses so incurred exceed an amount 
equal to one year’s rent of the holding, in which case the sum recover­
able shall be such as represents the whole loss and expenses so incurred 
up to a maximum amount equal to two years’ rent of the holding.

(7) Compensation shall not be payable under this section—
(a) in respect of the sale of any goods, implements, fixtures, 
produce or stock unless the tenant has before the sale given 
the landlord a reasonable opportunity of making a valuation 
thereof; or 
(b) unless the tenant has, not less than one month before the 
termination of the tenancy, given notice in writing to the 
landlord of his intention to make a claim for compensation 
under this section; or 
(c) where the tenant with whom the contract of tenancy was 
made has died within three months before the date of the 
notice to quit; or 
(d) if in a case in which the tenant under section twenty-seven 
of this Act accepts a notice to quit part of his holding as a 
notice to quit the entire holding, the part of the holding 
affected by the notice given by the landlord, together with 
y any other part of the holding affected by any previous notice 
given under that section by the landlord to the tenant, is less 
than one-fourth part of the original holding, or the holding 
as proposed to be diminished is reasonably capable of being 
cultivated as a separate holding, except compensation in re­
spect of the part of the holding to which the notice to quit 
related; or
(e) where the holding was let to the tenant by a corporation carrying on a railway, dock, canal, water, or other undertaking, or by a government department or a local authority, and possession of the holding is required by the corporation, department, or authority for the purpose (not being the use of the land for agriculture) for which it was acquired by the corporation, department, or authority, or appropriated under any statutory provision; or

(f) in the case of a permanent pasture which the landlord has been in the habit of letting annually for seasonal grazing, and which has, since the fourth day of August, nineteen hundred and fourteen, and before the first day of January, nineteen hundred and twenty-one, been let to a tenant for a definite and limited period for cultivation as arable land, on the condition that the tenant shall, along with the last or waygoing crop, sow permanent grass seeds; or

(g) where a written contract of tenancy has been entered into (whether before or after the commencement of this Act) for the letting by the landlord to the tenant of a holding, which at the time of the creation of the tenancy had then been for a period of not less than twelve months in the occupation of the landlord, upon the express terms that if the landlord desires to resume that occupation before the expiration of a specified term not exceeding seven years the landlord should be entitled to give notice to quit without becoming liable to pay to the tenant any compensation for disturbance, and the landlord desires to resume occupation within the specified period, and such notice to quit has been given accordingly.

(8) In any case where a tenant holds two or more holdings, whether from the same landlord or different landlords, and receives notice to quit one or more but not all of the holdings, the compensation for disturbance in respect of the holding or holdings shall be reduced by such amount as is shown to the satisfaction of the arbitrator to represent the reduction (if any) of the loss attributable to the notice to quit by reason of the continuance in possession by the tenant of the other holding or holdings.

(9) The landlord shall, on an application made in writing after the thirty-first day of December, nineteen hundred and twenty, by the tenant of a holding to whom a notice to quit has been given which does not state the reasons for which it is given, furnish to the tenant within twenty-eight days after the receipt of the application a statement in writing of the reasons for the giving of the notice, and, if he fails unreasonably so to do, compensation shall be payable under this section as if the notice to quit had not been given for a reason specified in subsection (1) of this section.

(11) Compensation payable under this section shall be in addition to any compensation to which the tenant may be entitled in respect of improvements.
COMPENSATION IN CASE OF TENANCY UNDER MORTGAGOR

15. Where a person occupies a holding under a contract of tenancy with a mortgagor, which is not binding on the mortgagee, then—

(1) the occupier shall, as against the mortgagee who takes possession, be entitled to any compensation which is, or would but for the mortgagee taking possession be, due to the occupier from the mortgagor as respects crops, improvements, tillages, or other matters connected with the holding, whether under this Act or custom or an agreement authorized by this Act;

(2) if the contract of tenancy is for a tenancy from year to year or for a term of years, not exceeding twenty-one, at a rack-rent, the mortgagee shall, before he deprives the occupier of possession otherwise than in accordance with the contract of tenancy, give to the occupier six months' notice in writing of his intention so to do, and, if he so deprives him, compensation shall be due to the occupier for his crops, and for any expenditure upon the land which he has made in the expectation of remaining in the holding for the full term of his contract of tenancy, in so far as any improvement resulting therefrom is not exhausted at the time of his being so deprived;

(3) any sum ascertained to be due to the occupier for compensation, or for any costs connected therewith, may be set off against any rent or other sum due from him in respect of the holding, but unless so set off shall, as against the mortgagee, be charged and recovered in accordance with the provisions of this Act relating to the recovery of compensation due from a landlord who is a trustee.

ARBITRATION

16.—(1) Any question or difference arising out of any claim by the tenant of a holding against the landlord for compensation payable under this Act, or for any sums claimed to be due to the tenant from the landlord for any breach of contract or otherwise in respect of the holding, or out of any claim by the landlord against the tenant for waste wrongly committed or permitted by the tenant, or for any breach of contract or otherwise in respect of the holding, and any other question or difference of any kind whatsoever between the landlord and the tenant of the holding arising out of the termination of the tenancy of the holding or arising, whether during the tenancy or on the termination thereof, as to the construction of the contract of tenancy, and any other question which under this Act is referred to arbitration shall be determined, notwithstanding any agreement under the contract of tenancy or otherwise providing for a different method of arbitration, by a single arbitrator in accordance with the provisions set out in the Second Schedule to this Act.

(2) Any such claim as is mentioned in this section shall cease to be enforceable after the expiration of two months from the termination of the tenancy unless particulars thereof have been given by the landlord.
to the tenant or by the tenant to the landlord, as the case may be before
the expiration of that period.

(3) Where a claim for compensation under this Act has been re­
ferred to arbitration, and the compensation payable under an agreement
is by this Act to be substituted for compensation under this Act, such
compensation as is to be so substituted shall be awarded in respect of
any improvements provided for by the agreement.

(4) If in any arbitration under this Act the arbitrator states a case
for the opinion of the county court on any question of law, the opinion
of the court on any question so stated shall be final unless within the
time and in accordance with the conditions prescribed by Rules of the
Supreme Court either party appeals to the court of appeal, from whose
decision no appeal shall lie.

19. Where any sum agreed or awarded under this Act to be paid for
compensation costs or otherwise by a landlord or tenant of a holding is
not paid within fourteen days after the time when the payment becomes
due, it shall, subject as in this Act provided, be recoverable upon order
made by the county court as money ordered by a county court under its
ordinary jurisdiction to be paid is recoverable.

FIXTURES AND BUILDINGS

22.—(1) Any engine, machinery, fencing, or other fixture affixed to a
holding by a tenant, and any building erected by him thereon for which
he is not under this Act or otherwise entitled to compensation, and which
is not so affixed or erected in pursuance of some obligation in that be­
half or instead of some fixture or building belonging to the landlord, shall
be the property of and be removable by the tenant before or within a
reasonable time after the termination of the tenancy:

Provided that—

(i) before the removal of any fixture or building the tenant shall
pay all rent owing by him, and shall perform or satisfy all
other of his obligations to the landlord in respect of the
holding;

(ii) in the removal of any fixture or building the tenant shall not
do any avoidable damage to any other building or other part
of the holding;

(iii) immediately after the removal of any fixture or building the
tenant shall make good all damage occasioned to any other
building or other part of the holding by the removal:

(iv) the tenant shall not remove any fixture or building without
giving one month's previous notice in writing to the landlord
of his intention to remove it:

(v) at any time before the expiration of the notice of removal
the landlord, by notice in writing given by him to the tenant,
may elect to purchase any fixture or building comprised in
the notice of removal, and any fixture or building thus elected
to be purchased shall be left by the tenant, and shall become the property of the landlord, who shall pay to the tenant the fair value thereof to an incoming tenant of the holding.

EXTENSION OF TENANCIES UNDER LEASES

23—(1) In the case of a tenancy of a holding for a term of two years or upwards, the tenancy shall not terminate on the expiration of the term for which it was granted, unless not less than one year nor more than two years before the date fixed for the expiration of the term a written notice has been given by either party to the other of his intention to terminate the tenancy, and any notice so given shall be deemed to be a notice to quit for the purposes of this Act.

(2) If no such notice is given, the tenancy shall, as from the expiration of the term for which it was granted, continue as a tenancy from year to year, but otherwise so far as applicable on the terms of the original tenancy.

(3) This section shall not apply to any tenancy granted, or agreed to be granted, before the first day of January, nineteen hundred and twenty-one.

(4) In any case to which this section shall apply, it shall apply notwithstanding any agreement to the contrary.

MISCELLANEOUS RIGHTS OF LANDLORD AND TENANT

25.—(1) Notwithstanding any provision in a contract of tenancy to the contrary, a notice to quit a holding shall be invalid if it purports to terminate the tenancy before the expiration of twelve months from the end of the then current year of tenancy; but nothing in this section shall extend to a case where a receiving order in bankruptcy is made against the tenant.

(2) This section shall not apply to—

32. If the landlord or tenant of a holding at any time during the tenancy so requires, a record of the condition of the buildings, fences, gates, roads, drains, ditches and cultivation of the holding, and, if so required by the tenant, a record of any existing improvements executed by the tenant or for which the tenant has with the written consent of his landlord paid compensation to an outgoing tenant and of any fixtures or buildings which under section twenty-two of this Act the tenant is entitled to remove, shall be made by a person to be appointed in default of agreement by the Minister, and in default of agreement the cost of making any such record shall be borne by the landlord and tenant in equal shares.
SCHEDULES

First Schedule

Part I

IMPROVEMENTS TO WHICH CONSENT OF LANDLORD IS REQUIRED

1. Erection, alteration, or enlargement of buildings.
2. Formation of silos.
3. Laying down of permanent pasture.
5. Making of water meadows or works of irrigation.
7. Making or improvement of roads or bridges.
8. Making or improvement of watercourses, ponds, wells, or reservoirs, or of works for the application of water power or for supply of water for agricultural or domestic purposes.
11. Planting of orchards or fruit bushes.
12. Protecting young fruit trees.
14. Warping or weiring of land.
15. Embankments and sluices against floods.
17. Provision of permanent sheep-dipping accommodation.
18. In the case of arable land the removal of bracken, gorse, tree roots, boulders or other like obstructions to cultivation.

(N.B.—This part is subject as to market gardens to the provisions of the Third Schedule.)

Part II

IMPROVEMENT IN RESPECT OF WHICH NOTICE TO LANDLORD IS REQUIRED

19. Drainage.

Part III

IMPROVEMENTS IN RESPECT OF WHICH CONSENT OF OR NOTICE TO LANDLORD IS NOT REQUIRED

20. Chalking of land.
22. Claying of land or spreading blaes upon land.
23. Liming of land.
24. Marling of land.
25. Application to land of purchased artificial or other purchased manure.
26. Consumption on the holding by cattle, sheep, or pigs, or by horses
other than those regularly employed on the holding, of corn, cake, or other feeding stuff not produced on the holding.

(27) Consumption on the holding by cattle, sheep, or pigs, or by horses other than those regularly employed on the holding, of corn proved by satisfactory evidence to have been produced and consumed on the holding.

(28) Laying down temporary pasture with clover, grass, lucerne, sainfoin, or other seeds, sown more than two years prior to the termination of the tenancy in so far as the value of the temporary pasture on the holding at the time of quitting exceeds the value of the temporary pasture on the holding at the commencement of the tenancy for which the tenant did not pay compensation.

(29) Repairs to buildings, being buildings necessary for the proper cultivation or working of the holding, other than repairs which the tenant is himself under an obligation to execute:

Provided that the tenant, before beginning to execute any such repairs, shall give to the landlord notice in writing of his intention, together with particulars of such repairs, and shall not execute the repairs unless the landlord fails to execute them within a reasonable time after receiving such notice.

APPENDIX C

MAJOR IOWA TENANCY STATUTES

IOWA CONSTITUTION, ARTICLE I

24. Agricultural leases. No lease or grant of agricultural lands, reserving any rent, or service of any kind, shall be valid for a longer period than twenty years.

IOWA CODE, CHAPTER 437

CHATTEL MORTGAGES AND CONDITIONAL SALES OF PERSONAL PROPERTY

10013. Exempt property—mortgage by husband and wife—exception. No incumbrance of personal property which may be held exempt from execution by the head of a family, if a resident of this state, shall be of any validity as to such exempt property only, unless the same be by written instrument, and unless the husband and wife, if both be living, concur in and sign the same joint instrument. Incumbrances on the property sold, given to secure the purchase price, need only be signed and acknowledged by the purchaser.

IOWA CODE, CHAPTER 494

11285. Statute of frauds. Except when otherwise specially provided, no evidence of the following enumerated contracts is competent, unless it be in writing and signed by the party charged or by his authorized agent:

3. Those for the creation or transfer of any interest in lands, except leases for a term not exceeding one year.
4. Those that are not to be performed within one year from the making thereof.

IOWA CODE, CHAPTER 442
LANDLORD AND TENANT

10157. Double rental value—liability. A tenant giving notice of his intention to quit leased premises at a time named, and holding over after such time, and a tenant or his assignee wilfully holding over after the term, and after notice to quit, shall pay double the rental value thereof during the time he holds over to the person entitled thereto.

10158. Attornment to stranger. The payment of rent, or delivery of possession of leased premises, to one not the lessor, is void, and shall not affect the rights of such lessor, unless made with his consent, or in pursuance of a judgment or decree of court or judicial sale to which the lessor was a party.

10159. Tenant at will—notice to quit. Any person in the possession of real estate, with the assent of the owner, is presumed to be a tenant at will until the contrary is shown, and thirty days' notice in writing must be given by either party before he can terminate such a tenancy; but when in any case, a rent is reserved payable at intervals of less than thirty days, the length of notice need not be greater than such interval.

10160. Termination of farm tenancies. In case of tenants occupying and cultivating farms, the notice must fix the termination of the tenancy to take place on the first day of March, except in cases of mere croppers, whose leases shall be held to expire when the crop is harvested; if the crop is corn, it shall not be later than the first day of December, unless otherwise agreed upon.

10161. Agreement for termination. Where an agreement is made fixing the time of the termination of the tenancy, whether in writing or not, it shall cease at the time agreed upon, without notice.

10162. Notice—how served. When a tenant cannot be found in the county, the notice above required may be given to any subtenant or other person in possession of the premises, or, if the premises be vacant, by affixing the notice to any outside door of the dwelling house thereon, or other building, if there be no dwelling house, or in some conspicuous position on the premises, if there be no building.

IOWA CODE, CHAPTER 450
LANDLORD'S LIEN

10261. Nature of landlord's lien. A landlord shall have a lien for his 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.

10262. Duration of lien. Such lien shall continue for the period of one year after a year's rent, or the rent of a shorter period, falls due. But in no case shall such lien continue more than six months after the expiration of the term.

10263. Limitation on lien in case of sale under judicial process. In the event that a stock of goods or merchandise, or a part thereof subject
to a landlord's lien, shall be sold under judicial process, order of court, or by an assignee under a general assignment for benefit of creditors, the lien of the landlord shall not be enforceable against said stock or portion thereof, except for rent due for the term already expired, and for rent to be paid for the use of demised premises for a period not exceeding six months after date of sale, any agreement of the parties to the contrary notwithstanding.

10264. Enforcement—proceeding by attachment. The lien may be enforced by the commencement of an action, within the period above prescribed, for the rent alone, in which action the landlord shall be entitled to a writ of attachment, upon filing with the clerk or justice a verified petition, stating that the action is commenced to recover rent accrued within one year previous thereto upon premises described in the petition; and the procedure thereunder shall be the same, as nearly as may be, as in other cases of attachment, except no bond shall be required.

10265. Lien upon additional property. If a lien for rent is given in a written lease or other instrument upon additional property, it may be enforced in the same manner as a landlord's lien and in the same action.

10266. Action by tenant to recover property. An action brought by a tenant, his assignee or undertenant, to recover the possession of specific personal property taken under landlord's attachment, may be against the party who sued out the attachment; and the property claimed in such action may, under the writ therefor, be taken from the officer who seized it, when he has no other claim to hold it than derived from the writ.

10267. Acts sufficient to constitute taking of property. The indorsement of a levy on the property, made upon the process by the officer holding it, shall be a sufficient taking of the property to sustain an action against the party who sued out the writ.

10268. Sale of crops held by landlord's lien. If any tenant of farm lands, with intent to defraud, shall sell, conceal, or in any manner dispose of any of the grain, or other annual products thereof upon which there is a landlord's lien for unpaid rent, without the written consent of the landlord, he shall be guilty of larceny and punished accordingly.

10269. Action barred by payment of rent. The payment of the rent for the lands upon which such grain or other annual products were raised at or before the time the same falls due, shall be a bar to any prosecution under section 10268 and no prosecution shall be commenced until such rent be wholly due.

IOWA CODE, CHAPTER 499

EXEMPTIONS

11760. General exemptions. If the debtor is a resident of this state and the head of a family, he may hold exempt from execution the following property:
1. All wearing apparel of himself and family kept for actual use and suitable to their condition, and the trunks or other receptacles necessary to contain the same.
2. One musket or rifle and shotgun.
3. All private libraries, family bibles, portraits, pictures, musical instruments, and paintings not kept for the purpose of sale.
4. A seat or pew occupied by the debtor or his family in any house of public worship.
5. An interest in a public or private burying ground, not exceeding one acre for any defendant.
6. Two cows and two calves.
7. Fifty sheep and the wool therefrom and the materials manufactured from such wool.
8. Six stands of bees.
9. Five hogs, and all pigs under six months.
10. The necessary food for all animals exempt from execution for six months.
11. One bedstead and the necessary bedding for every two in the family.
12. All cloth manufactured by the defendant, not exceeding one hundred yards in quantity.
13. Household and kitchen furniture, not exceeding two hundred dollars in value.
14. All spinning wheels and looms.
15. One sewing machine and other instruments of domestic labor kept for actual use.
16. The necessary provisions and fuel for the use of the family for six months.
17. The proper tools, instruments, or books of the debtor, if a farmer, mechanic, surveyor, professional engineer, architect, clergyman, lawyer, physician, dentist, teacher, or professor.
18. If the debtor is a physician, public officer, farmer, teamster, or other laborer, a team, consisting of not more than two horses or mules, or two yoke of cattle, and the wagon or other vehicle, with the proper harness or tackle, by the use of which he habitually earns his living, otherwise one horse.
19. If a printer, a printing press and the types, furniture, and material necessary for the use of such printing press and a newspaper office connected therewith, not to exceed in all the value of twelve hundred dollars.
20. Poultry to the value of fifty dollars.
21. If the debtor is a resident of this state and is the head of a family, and does not own one or more of the foregoing items of property, his wife, if she is an actual member of the family, and owns one or more such items, and is the debtor, shall be entitled to hold such items exempt from execution.
22. If the debtor is a resident of this state and a woman other than the head of a family, she may hold exempt from execution one sewing machine, and poultry to the value of fifty dollars.

IOWA CODE, CHAPTER 529
WASTE AND TRESPASS

12402. Treble damages. If a guardian, tenant for life or years, joint tenant, or tenant in common of real property commit waste thereon, he is liable to pay three times the damages which have resulted from such waste, to the person who is entitled to sue therefor.

12403. Forfeiture and eviction. Judgment of forfeiture and eviction may be rendered against the defendant whenever the amount of damages so recovered is more than two-thirds the value of the interest such defendant has in the property injured, when the action is brought by the person entitled to the reversion.

12404. Who deemed to have committed. Any person whose duty it is to prevent waste, and who fails to use reasonable and ordinary care to avert the same, shall be held to have committed it.

12405. Treble damages for injury to trees. For wilfully injuring any timber, tree, or shrub on the land of another, or in the street or highway in front of another's cultivated ground, yard, or town lot, or on the public grounds of any city or town, or any land held by the state for any purpose whatever, the perpetrator shall pay treble damages at the suit of any person entitled to protect or enjoy the property.
IOWA CODE, CHAPTER 548
ARBITRATION

12695. *What controversies.* All controversies which might be the subject of civil action may be submitted to the decision of one or more arbitrators, as hereafter provided.

12696. *Written agreement.* The parties themselves, or those persons who might lawfully have controlled a civil action in their behalf for the same subject matter, must sign and acknowledge a written agreement, specifying particularly what demands are to be submitted, the names of the arbitrators, and court by which the judgment on their award is to be rendered.

12697. *What submitted.* The submission may be of some particular matters or demands, or of all demands which the one party has against the other, or of all mutual demands on both sides.

12698. *Action pending.* A submission to arbitration of the subject matter of an action may also be made by an order of court, upon agreement of parties, after action is commenced.

12699. *Procedure.* All the rules prescribed by law in cases of referees are applicable to arbitrators, except as herein otherwise expressed, or except as otherwise agreed upon by the parties.

12700. *Revocation.* Neither party shall have the power to revoke the submission without the consent of the other.

12701. *Neglect to appear.* If either party neglects to appear before the arbitrators after due notice, except in case of sickness, they may nevertheless proceed to hear and determine the controversy upon the evidence which is produced before them.

12702. *Time for award.* If the time within which the award is to be made is fixed in the submission, one made after that time shall not have any legal effect, unless made upon a recommitment of the matter by the court to which it is reported.

12703. *When time not fixed.* If the time of filing the award is not fixed in the submission, it must be filed within one year from the time the agreement is signed and acknowledged, unless by mutual consent the time is prolonged.

12704. *Award—how made.* The award must be in writing, and shall be delivered by one of the arbitrators to the court designated in the agreement, or it may be inclosed and sealed by them and transmitted to the court, and not opened until the court so orders.

12705. *Hearing in court.* The award shall be entered on the docket of the court at the term to which it is returned, as an action is entered, and shall be called up and acted upon in its order, but the court may require actual notice to be given to either party, when it appears necessary and proper, before proceeding to act on the award.

12706. *Rejection—rehearing.* The award may be rejected by the court for any legal and sufficient reasons, or it may be recommitted for a rehearing to the same arbitrators, or any others agreed upon by the parties, or appointed by the court if they cannot agree.

12707. *Force and effect of award.* When the award has been adopted it shall be filed and entered on the records, and shall have the same force and effect as the verdict of a jury. Judgment may be entered and execution issued accordingly.

12708. *Appeal.* When an appeal is taken from such judgment, copies of the submission and award, together with all affidavits, shall be filed with the clerk of the supreme court.

12709. *Costs.* If there is no provision in the submission respecting costs, the arbitrators may apportion the same.

12710. *Rights saved.* Nothing herein contained shall be construed to affect in any manner the control of the court over the parties, the
arbitrators or their award; nor to impair or affect any action upon an award, or upon any bond or other engagement to abide an award.

12711. Compensation of arbitrators. Arbitrators shall be paid, for each day actually and necessarily engaged in their official duties, two dollars, or such greater sum as the parties to the arbitration agree upon.

12712. Arbitration by agreement. Awards by arbitrators who may have been chosen without complying with the provisions of this chapter shall nevertheless be valid and binding upon the parties thereto, as other contracts, and may be impeached only for fraud or mistake, but such award can only be enforced by an action.

APPENDIX D

TABLE OF CASES

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Munier v. Zachary, 138 Iowa 219, 114 N. W. 525 (1908)
Pearson v. Howell, 184 Iowa 990, 169 N. W. 368 (1918)
Sioux Valley State Bank v. Honnold, 85 Iowa 352, 52 N. W. 244 (1892)
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Iowa Constitution, Article 1, Section 24
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Statute of Marlbridge, 52 Hen. 3rd, Chapter 23, Section 2 (1267)
Landlord and Tenant Act, 1851, 14 and 15 Vict., Chapter 25
Agricultural Holdings Act, 1875, 38 and 39 Vict., Chapter 92
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