



An Agricultural Law Research Article

Agricultural Law—When a Landlord’s Interest, as Contract Vendee, Has Been Forfeited by the Vendor, A Farm Tenant is Entitled to Possession of Leased Farmland for the Subsequent Crop Year If he Does Not Receive Notice of Lease Termination as Required by Iowa Code Section 562.6 (1985). –*Ganzer v. Pfab* (Iowa 1985)

by

Richard T. Anderson

Originally published in DRAKE LAW REVIEW
35 DRAKE L. REV. 679 (1986)

AGRICULTURAL LAW—WHEN A LANDLORD'S INTEREST, AS CONTRACT VENDEE, HAS BEEN FORFEITED BY THE VENDOR, A FARM TENANT IS ENTITLED TO POSSESSION OF LEASED FARMLAND FOR THE SUBSEQUENT CROP YEAR IF HE DOES NOT RECEIVE NOTICE OF LEASE TERMINATION AS REQUIRED BY IOWA CODE SECTION 562.6 (1985).—*Ganzer v. Pfab* (Iowa 1985).

Plaintiff Lonny Ganzer sold a tract of farmland to Duane R. and LaVonne M. Hueneke by real estate contract in February 1980.¹ Defendant Clifford Pfab entered into a crop share lease with the Huenekes for the March 1, 1982—February 28, 1983 crop year.² The Huenekes and Pfab contracted for participation in the United States Department of Agriculture Payment-in-Kind (PIK) farm program³ for the March 1, 1983—February 1984 crop year and renewed the lease.⁴

On March 8, 1983, Ganzer served written notice of forfeiture of the real estate contract on the Huenekes, subsequent to their default, as required by Iowa Code section 656.2.⁵ Pfab, as the party in possession, was also served

1. *Ganzer v. Pfab*, 360 N.W.2d 754, 754 (Iowa 1985).

2. *Id.* "In case of [farm] tenants . . . the notice must fix the termination of the tenancy to take place on the first day of March . . ." IOWA CODE § 562.5 (1985).

3. *Ganzer v. Pfab*, 360 N.W.2d at 754. The Payment-in-Kind Program allowed farm operators and producers to enter into a contract with the Department of Agriculture whereby the operator or producer agrees to "reduce the acreage normally planted to a [specified commodity] and devote an equivalent acreage to an approved conserving use in return for compensation in the form of the commodity for which the planted acreage is reduced." USDA Special Programs of Payment-in-Kind, 7 C.F.R. § 770.1 (1985).

4. *Ganzer v. Pfab*, 360 N.W.2d at 754.

5. *Id.* at 755. Section 656.2 states:

1. The forfeiture shall be initiated by the vendor by serving on the vendee a written notice which shall:

- a. Reasonably identify the contract and accurately describe the real estate covered.
- b. Specify the terms of the contract with which the vendee has not complied.
- c. State that unless, within thirty days after the completed service of the notice, the vendee performs the terms in default and pays the reasonable costs of serving the notice, the contract will be forfeited.
- d. Specify the amount of attorney fees claimed by the vendee pursuant to section 656.7 and state that payment of the attorney fees is not required to comply with the notice and prevent forfeiture.

2. The vendor shall also serve a copy of the notice required in subsection 1 on the person in possession of the real estate, if different than the vendee, and on all mortgagees of record.

3. As used in this section, the terms "vendor" and "vendee" include a successor in interest.

IOWA CODE § 656.2 (1985). The stipulation of facts did not state the contract terms in default. Stipulation of Facts, *Ganzer v. Pfab*, No. 21390 (Jackson Co., Iowa Dist. Ct. filed Sept. 13, 1983).

with a similar notice in accordance with Iowa Code chapter 656.⁶ Since the terms of the real estate contract were not performed within thirty days of notice of forfeiture, Ganzer filed affidavits with the county recorder in support of forfeiture.⁷ No written notice of termination of the farm tenancy was ever served on Pfab however, as required by Iowa Code section 562.6.⁸ That section states in part:

In the case of farm tenants, except mere croppers, occupying and cultivating an acreage of forty acres or more, the tenancy shall continue beyond the agreed term for the following crop year and otherwise upon the same terms and conditions as the original lease unless written notice for termination is served upon either party or a successor of the party in the manner provided in section 562.7, whereupon the tenancy shall terminate March 1 following. However, the tenancy shall not continue because of absence of notice if there is default in the performance of the existing rental agreement.⁹

Upon Pfab's refusal to terminate his tenancy, Ganzer brought a declaratory judgment action against Pfab contending that Ganzer was entitled to exclusive possession of the land and to all the PIK payments.¹⁰ Ganzer alleged that the completed forfeiture extinguished Pfab's tenancy rights.¹¹ Ganzer also asserted that Iowa Code chapter 656 requires only service of notice of forfeiture and not notice of termination of tenancy.¹²

Pfab argued that according to Iowa Code section 562.6 he must receive written notice of the farm tenancy termination.¹³ In addition, Pfab pointed out that Iowa public policy favoring secure farm tenancies intended to give farmers certainty in planning their soil, crop and livestock needs for the subsequent year.¹⁴ He therefore asserted the necessity of receiving that writ-

6. Ganzer v. Pfab, 360 N.W.2d at 755. See *supra* note 5.

7. Ganzer v. Pfab, 360 N.W.2d at 755. Ganzer acted pursuant to Iowa Code section 656.5, which states:

If the terms and conditions as to which there is default are not performed within said thirty days, the party serving said notice or causing the same to be served, may file for record in the office of the county recorder a copy of the notice aforesaid with proofs of service attached or endorsed thereon (and, in case of service by publication, a personal affidavit that personal service could not be made within this state), and when so filed and recorded, the said record shall be constructive notice to all parties of the due forfeiture and cancellation of said contract.

IOWA CODE § 656.5 (1985).

8. Ganzer v. Pfab, 360 N.W.2d at 755.

9. IOWA CODE § 562.6 (1985).

10. Ganzer v. Pfab, 360 N.W.2d at 755.

11. Brief for Plaintiff at 2, Ganzer v. Pfab, No. 21390 (Jackson Co. Iowa Dist. Ct. filed Nov. 7, 1983). See *infra* note 28 and accompanying text.

12. *Id.* See *supra* note 5.

13. Brief for Defendant at 2, Ganzer v. Pfab, No. 21390 (Jackson Co. Iowa Dist. Ct. filed Nov. 7, 1983). See *supra* note 9 and accompanying text.

14. *Id.*

ten notice on or before September 1 as required by section 562.7.¹⁵

The district court judge relied on *Johnson v. Siedel*,¹⁶ in which a contract seller who had forfeited a contract took the property back subject to a lease created by the defaulting purchaser.¹⁷ The lessee became liable to the contract seller (new owner) for rent subsequently accruing.¹⁸ Accordingly the district court in *Ganzer* found that Ganzer took the property back subject to the lease with Pfab.¹⁹ The court held that Pfab was entitled to possession for the March 1, 1983-February 29, 1984 crop year and that Ganzer and Pfab were each entitled to one-half of the PIK payments.²⁰

On appeal to the Iowa Supreme Court, Ganzer contended that chapter 656 controlled since it was enacted after chapter 562.²¹ Hence, after a completed forfeiture pursuant to chapter 656,²² all interests created by the vendee are extinguished.²³

Conversely, Pfab argued that the legislature, with the enactment of Iowa Code chapter 562, expressed a policy which favored secure farm tenancies and thereby changed the common law.²⁴ He also asserted that no excep-

15. *Id.* Section 562.7 provides as follows:

Written notice shall be served upon either party or a successor of the party by using one of the following methods:

1. By delivery of the notice, on or before September 1, with acceptance of service to be signed by the party to the lease or a successor of the party, receiving the notice.
2. By serving the notice, on or before September 1, personally, or if personal service has been tried and cannot be achieved, by publication, on the same conditions, and in the same manner as is provided for the service of original notices, except that when the notice is served by publication no affidavit is required. Service by publication is completed on the day of the last publication.
3. By mailing the notice before September 1 by certified mail. Notice served by certified mail is made and completed when the notice is enclosed in a sealed envelope, with the proper postage on the envelope, addressed to the party or a successor of the party at the last known mailing address and deposited in a mail receptacle provided by the United States postal service.

IOWA CODE § 562.7 (1985).

16. 178 Iowa 244, 159 N.W. 677 (1916).

17. Ruling on Declaratory Judgement, *Ganzer v. Pfab*, No. 21390 (Jackson Co. Iowa Dist. Ct. filed Nov. 1, 1983).

18. *Id.*

19. *Id.*

20. *Id.*

21. Brief for Appellant at 2-3, *Ganzer v. Pfab* 360 N.W.2d 754 (Iowa 1985). Ganzer argued that since the current chapter 656 was initially enacted in 1897 and chapter 562 was initially enacted in 1851, the later statute should control. See IOWA CODE ANN. §§ 562, 656 (West 1950). See also *Llewellyn v. Iowa State Commerce Comm'n*, 200 N.W.2d 881 (Iowa 1972) (holding that in construing statutes that may conflict, the most recent one controls).

22. See *supra* notes 5-7.

23. Brief for Appellant at 3, *Ganzer v. Pfab*, 360 N.W.2d 754 (Iowa 1985). See *infra* notes 26-28 and accompanying text.

24. Brief for Appellee at 6, *Ganzer v. Pfab*, 360 N.W.2d 754 (Iowa 1985). See *supra* note 9 and accompanying text and *infra* note 42 and accompanying text.

tions should be read into chapter 562 and that it is the exclusive remedy for terminating farm tenancies.²⁵

The Iowa Supreme Court *held*, affirmed.²⁶ When a landlord's interest as contract vendee has been forfeited by the vendor, a farm tenant is entitled to possession of leased farmland for the subsequent crop year if he does not receive notice of lease termination as required by Iowa Code section 562.6 (1985). *Ganzer v. Pfab*, 360 N.W.2d 754 (Iowa 1985).

The *Ganzer* decision is a significant departure from the established rules at common law that a tenant can have no greater interest in property than his landlord²⁷ and that a tenant takes subject to all claims of paramount title enforceable against the landlord.²⁸ The *Ganzer* opinion was also contrary to the common law rule that once a contract vendee's interest was properly forfeited, the vendee's tenant's interest was then cut off.²⁹ In *Ganzer*, the Iowa Supreme Court applied Iowa Code Sections 562.6—7 and "carve[d] out an exception to the established [common law] rule in the case of farm tenancies."³⁰ The fact that this was a farm tenancy was central to the court's decision.³¹ The court stated that the farm tenancy provisions of Chapter 562 were "clearly designed to supercede the common law."³²

The court in *Ganzer* began its analysis by discussing two changes in the common law which were effectuated by chapter 562.³³ First, the court recognized that at common law, the rights of a farm tenant were extinguished when a landlord's life estate terminated.³⁴ The court noted that section 562.8 specifically changed this common law rule and clearly imposed the requirement of notice of termination of a tenancy when a landlord's life estate

25. Brief for Appellee at 7-8, *Ganzer v. Pfab*, 360 N.W.2d 754 (Iowa 1985). See *infra* note 48 and accompanying text.

26. *Ganzer v. Pfab*, 360 N.W.2d at 757.

27. *Deseret Salt Co. v. Tarpey*, 142 U.S. 241, 245 (1891). The Iowa Supreme Court has recognized that "[T]he possession of the lessee was not regarded as in his own right, but as the possession of the lessor, and the destruction of the freehold was attended with the destruction of the lease." *Cohen v. Hayden*, 180 Iowa 232, 247, 163 N.W. 238, 238 (1917).

28. *Shrunk v. Andres*, 221 Minn. 465, —, 22 N.W.2d 548, 551 (1946). See also RESTATEMENT (SECOND) OF PROPERTY, LANDLORD AND TENANT § 4.1(1) (1977) (a legal interest held by a third party in the leased property not terminable at the will of the landlord is paramount to the tenant's interest).

29. G. MADSEN, MARSHALL'S IOWA TITLE OPINIONS AND STANDARDS 462 (2d ed. 1978). "Junior lienors, tenants, judgment creditors, etc. have no rights that rise above the rights of the vendee, and if the vendee and parties in possession are properly served, their rights are cut off by the forfeiture and no further service need be made." *Id.* Cf. *Parris—West Maytag Corp. v. Continental Amusement Corp.*, 168 N.W.2d 735, 739 (Iowa 1969) (the landlord is entitled to possession as against a sublessee when the lessee forfeits because of breach).

30. *Ganzer v. Pfab*, 360 N.W.2d at 758. (Carter, J., dissenting).

31. *Id.* at 756.

32. *Id.*

33. *Id.*

34. *Id.* See *Egbert v. Duck*, 239 Iowa 646, 32 N.W.2d 404 (1948); *Sanders v. Sutlive Bros.*, 187 Iowa 300, 174 N.W. 267 (1919).

terminated.³⁵

The second common law rule change addressed by the court was that a crop share lease did not survive the tenant's death, as such a lease was considered personal between the landlord and the tenant.³⁶ This rule was held inapplicable since sections 562.6³⁷ and 562.7³⁸ controlled, requiring statutory notice of termination.³⁹ The court concluded that the *Ganzer* facts presented another example in which the "common-law rule must yield to the legislative provision for security of farm tenancies."⁴⁰

Even though the *Ganzer* decision creates an exception to the established common law rule in the case of farm tenancies, the court's ruling extending the lease for the next crop year was "consistent with both the language and the spirit of section 562.6 and [their] decisions thereunder."⁴¹ The Iowa legislature expressed the public policy favoring secure farm tenancies by enacting the relevant sections of chapter 562⁴² to "correct the evils of an ever increasing farm tenancy situation to the end that the public welfare and prosperity would be promoted."⁴³

35. *Ganzer v. Pfab*, 360 N.W.2d at 756. Iowa Code section 562.8 states in part: Upon the termination of a life estate, a farm tenancy granted by the life tenant shall continue until the following March 1 except that if the life estate terminates between September 1 and the following March 1 inclusively, then the farm tenancy shall continue for that year as provided by section 562.6 and continue until the holder of the successor interest serves notice of termination of the interest in the manner provided by section 562.7.

IOWA CODE 562.8 (1985).

36. *Ganzer v. Pfab*, 360 N.W.2d at 756. See also *In re Estate of Grooms*, 204 Iowa 746, 216 N.W. 78 (1927).

37. See *supra* note 9 and accompanying text.

38. See *supra* note 15.

39. *Ganzer v. Pfab*, 360 N.W.2d at 756 (citing *Read v. Estate of Mincks*, 176 N.W.2d 192, 193 (Iowa 1970)).

40. *Ganzer v. Pfab*, 360 N.W.2d at 756.

41. *Id.*

42. See IOWA CODE §§ 562.5-.8, .10 (1985). See *supra* notes 2, 9, 15, 34 and *infra* note 74.

43. *Benschoter v. Hakes*, 232 Iowa 1354, 1363, 8 N.W.2d 481, 486 (1943). The history and purpose of section 562.6 are discussed in Note, *Termination of Agricultural Tenancies*, 26 IOWA L. REV. 366, 369-70 (1941), which states:

Since crop production entails extended operation, including soil preparation, planting, the growing period, and the harvesting, it is only reasonable that the tenant be certain of continued possession long enough to complete the production process. Furthermore, in order that the tenant may be able to plan a crop program for following years in line with modern farming methods of crop rotation and soil conservation a reasonable security of tenure from year to year is essential.

Id.

In 1982 there were 115,413 farmers in Iowa, of which 62,479 rented all or part of their land. BUREAU OF CENSUS, U.S. DEPT. OF COMMERCE, 1982 CENSUS OF AGRICULTURE, pt. 15, at 3 (1984). Of these 24,052 were solely tenants while 38,427 were part owners—part renters. *Id.* "In 1935, approximately 50 percent of Iowa's farm population were tenants . . ." *Termination of Agricultural Tenancies*, 26 IOWA L. REV. at 367 (citing REPORT OF THE PRESIDENT'S COMMITTEE ON FARM TENANCY, H.R. DOC. NO. 149, 75th Cong., 1st Sess. (1937)).

In addition to the policy favoring secure farm tenancies, there is strong judicial support for the statutory notice requirement and liberal construction in the application of the statute.⁴⁴ In fact, the Iowa Supreme Court, after noting that the statute was enacted for the benefit of the tenant⁴⁵ and that the statute was aimed at the security of tenure,⁴⁶ concluded that it was their duty to construe the statutes liberally.⁴⁷ The court did interpret the statute narrowly once and the legislature responded with an amendment that overruled the narrow interpretation.⁴⁸ The court also noted that the broad protection of the statute should not be subjected to a judicial exception without clear legislative intent.⁴⁹

The court was concerned with the equities of the result and was of the opinion that the balance favored the tenant.⁵⁰ Had the court reversed the district court in *Ganzer*, the farm tenant would "be expelled by the vendor

44. For a history of the judicial interpretation of section 562.6-.7, see Hamilton, *Legal Aspects of Farm Tenancy in Iowa*, 34 *DRAKE L. REV.* 267, 281-313 (1984). See also *Benschoter v. Hakes*, 232 Iowa 1354, 1358, 8 N.W.2d 481, 484 (1943) (statutory notice is required in both tenancies at will and tenancies for a term not withstanding agreements fixing times of termination); *In re Estate of Franzkowiak*, 290 N.W.2d 1, 5 (Iowa 1980) (where there was a death of the landlord holding fee absolute with the property in the hands of heirs, executors or trustees required statutory notice of termination); *Denton v. Moser*, 241 N.W.2d 28, 29-32 (Iowa 1976) (the 1973 amendment to section 562.7 changing the notice date from November 1 to September 1 was applied retroactively to continue a lease for another crop year when the landlord gave notice on September 8 in accordance with the contract terms and prior to the November 1 date); *Read v. Estate of Mincks*, 176 N.W.2d 192, 193-94 (Iowa 1970) (the death of a tenant in a crop share lease also required statutory notice to the tenants heirs); *Pollock v. Pollock*, 247 Iowa 20, 23, 72 N.W.2d 483, 485 (1955) (statute was declared to be binding on both parties requiring the tenant to also provide notice of termination); *Leise v. Schiebel*, 246 Iowa 64, 66, 67 N.W.2d 25, 26 (1954) (statute deemed mandatory and not merely directory).

The rationale for this liberal construction is implied in *Benschoter v. Hakes*, 232 Iowa 1354, 8 N.W.2d 481 (1943). The Iowa Supreme Court held that owners and operators of farmland bear a responsibility to society because of their control over the nation's food source. *Id.* at 1363-64, 8 N.W.2d at 487. This responsibility and the public concern over it result in the owners and operators being subjected to "reasonable regulations and prohibitions by a lawful exercise of police power." *Id.* at 1362, 8 N.W.2d at 486. The statutory notice of termination is such a regulation. *Id.* at 1363-64, 8 N.W.2d at 487.

45. *Smith v. Coutant*, 232 Iowa 887, 895, 6 N.W.2d 421, 426 (1942).

46. *Benschoter v. Hakes*, 232 Iowa at 1364, 8 N.W.2d at 487.

47. *Dethlefs v. Carrier*, 245 Iowa 786, 790, 64 N.W.2d 272, 275 (1954).

48. *Buss v. Gruis*, 320 N.W.2d 549 (Iowa 1982). In *Buss v. Gruis*, a landlord used certified mail for the notice instead of the "restricted certified mail" required by the statute. *Id.* at 550. The court held that the notice had not complied with the terms of the statute and the lease continued for another crop year. *Id.* at 552. The legislature subsequently amended section 562.7(3) by allowing service by certified mail. Act of May 26, 1983, 1983 Iowa Legis. Serv. 63 (West).

49. *Buss v. Gruis*, 320 N.W.2d at 552. See also *Read v. Estate of Mincks*, 176 N.W.2d at 194 (not requiring statutory notice would read into the code an exception, proviso, condition or meaning not there expressed); *Bergeson v. Pesch*, 254 Iowa 223, 227, 117 N.W.2d 431, 433 (1962) (courts cannot extend, enlarge nor change the statutory terms).

50. *Ganzer v. Pfab*, 360 N.W.2d at 756.

from possession in mid-crop year without effective or equitable recourse."⁵¹ The court stated that the vendor is not burdened with a great hardship as "[h]e is not saddled with an extensive lease entered into by the vendee with the tenant, because section 562.6 operates only to extend the tenancy . . . through the next crop year."⁵² The vendor is now entitled to all rent subsequently accruing and half of the PIK payments.⁵³

In the dissent, Justice Carter argued that *Ganzer* was not a lease termination case, but rather a "forfeiture case involving the rights of one not a party to the lease, whose title is paramount to that of both the landlord and the tenant."⁵⁴ The dissent stated that the statute dealt only with "procedural matters concerning the sufficiency of notice" between the parties to the lease and that the substantive rights of the vendor's paramount title were not affected.⁵⁵ The dissent considered recording acts as the means of protection of farm tenants in situations like *Ganzer*.⁵⁶

The dissenting opinion favoring possession by the vendor as a result of the forfeiture does find support in the common law.⁵⁷ The dissent in fact cites cases that could support their position.⁵⁸ This support, however, is all prior to the amendment requiring notice for all farm tenancy terminations⁵⁹ and prior to the history of judicial support for the security of these tenancies and liberal application of the statute.⁶⁰

In support of the dissent's opinion, the Iowa Supreme Court has previously said that the section delineating how and when notice is served deals only with procedure and "in no way alters or destroys the substantive provisions of the contract"⁶¹ Through the *Ganzer* decision, the court has in

51. *Id.* Since the statute requires all farm tenancies to terminate on March 1, situations as in *Ganzer*, where forfeiture was filed on April 27, preclude the tenant from finding suitable tillable land because the crop season is well underway. *Id.*

52. *Id.* As the court noted, the plaintiff must give notice of termination on or before September 1 or section 562.6 "will again operate to extend the tenancy." *Id.* (citing *Pollock v. Pollock*, 247 Iowa 20, 25, 72 N.W.2d 483, 486-87 (1955)) (failure to give statutory notice resulted in a continuation of the tenancy).

53. *Ganzer v. Pfab*, 360 N.W.2d at 756. After a landlord loses his interest in the land, the tenant becomes liable to the landlord's successor for rent accruing. *Johnson v. Siedel*, 178 Iowa 244, 247-48, 159 N.W. 677, 678 (1916).

54. *Ganzer v. Pfab*, 360 N.W.2d at 758 (Carter, J., dissenting).

55. *Id.*

56. *Id.*

57. See *supra* notes 26-28 and accompanying text.

58. See e.g., *Nolan v. Wick*, 218 Iowa 660, 254 N.W. 80 (1934) (mechanic's lien made with vendor's knowledge at request of vendee does not survive contract forfeiture); *O'Bryon v. Weatherly*, 201 Iowa 190, 206 N.W. 828 (1926) (chattel mortgage on improvements erected by vendee does not survive contract forfeiture); *Sullivan v. Sullivan*, 139 Iowa 679, 117 N.W. 1086 (1908) (dower interest of vendee's spouse does not survive contract forfeiture).

59. The amendment requiring notice in the case of all farm tenancies was enacted in 1939. IOWA CODE § 562.6 (1985).

60. See *supra* notes 43-47 and accompanying text.

61. *Denton v. Moser*, 241 N.W.2d 28, 32 (Iowa 1976).

effect added a substantive component as well. The court has now stated that section 562.7 goes beyond the sufficiency of notice and affects the substantive rights of a contract vendor.

The dissent was correct in stating that the vendor was not a party to the lease, thus raising questions of the applicability of the statute.⁶² Section 562.6 clearly states the "tenancy shall continue . . . unless written notice for termination is served upon either party or a successor of the party . . ." ⁶³ The method of serving notice of termination also refers only to the parties of the lease agreement.⁶⁴ The legislature clearly indicated its intention to require those holding succeeding interests in a landlord's life estate to provide statutory notice of termination.⁶⁵ The legislature did not impose such an obligation on contract vendors who had properly executed a forfeiture of the vendee-landlord's interest. In light of the plain language used and standard rules of statutory construction⁶⁶ it would seem reasonable that the legislature was considering only the parties to the lease, and not the third-party vendor, when they imposed the requirement of termination notice.

While the court has held the notice requirements to be mandatory,⁶⁷ the requirements need not be complied with in all cases to effectuate a farm lease termination.⁶⁸ If any one of the following four specific situations exist then the statute does not apply: (1) where the farmer is a mere cropper; (2) where the tenant is not occupying and cultivating the land; (3) where the lease involves less than forty acres; and (4) where there is "default in the performance of the existing rental agreement."⁶⁹

The first, third, and fourth exceptions do not apply here. The second exception, however, might. The court addressed this exception in *Morling v. Schmidt*.⁷⁰ The Iowa Supreme Court held in *Morling* that notice under section 562.5 is required only when land is "both occupied and under cultivation."⁷¹ The land in *Morling* was not cultivated; rather it was used only for grazing.⁷² Thus, the notice requirements of section 562.6 did not apply.⁷³ Some of the land in the *Ganzer* case was also not cultivated, but rather was

62. *Ganzer v. Pfab*, 360 N.W.2d at 758.

63. IOWA CODE § 562.6 (1985) (emphasis added). See *supra* note 9.

64. IOWA CODE § 562.7 (1985). See *supra* note 15.

65. IOWA CODE § 562.8 (1985). See *supra* note 34.

66. Pursuant to the rules of statutory construction, the court is to give the language used its usual and ordinary meaning unless defined by the legislature. *State v. White*, 319 N.W.2d 213, 215 (Iowa 1982).

67. *Leise v. Schiebel*, 246 Iowa 64, 66, 67 N.W.2d 25, 26 (1954).

68. Hamilton, *Legal Aspects of Farm Tenancy in Iowa*, 34 DRAKE L. REV. 267, 289 (1984).

69. See IOWA CODE § 562.6 (1985). See *supra* note 9.

70. 299 N.W.2d 480 (Iowa 1980). The trial court in *Morling* held that notice requirements of section 562.5 were not applicable as the land was not cultivated. *Id.* at 481. The Iowa Supreme Court agreed. *Id.*

71. *Id.* (emphasis added).

72. *Id.*

73. *Id.*

withheld from crop production pursuant to the PIK program.⁷⁴ The *Morling* case indicates that those individuals who do not cultivate leased land are not automatically entitled to notice.⁷⁵ Since some of the *Ganzer* land was not under cultivation, perhaps the tenant there was not entitled to notice nor possession of that land withheld from cultivation.

One concern created by the *Ganzer* decision involves rental value similar to that facing a holder of the interest succeeding a landlord's life estate.⁷⁶ Since the vendor is bound by "the same terms and conditions" of the original lease, and if those terms and conditions were inequitable, he would no doubt be entitled to the "prevailing fair market rental amount in the area."⁷⁷

Since *Ganzer*, a new problem area has arisen in which a lease was entered after the September 1 notice deadline and the landlord forfeited out on March 1.⁷⁸ In addressing this problem the Iowa District Court of Davis County further refined *Ganzer*, holding that section 562.6 applied only in situations where the tenant had farmed the ground the previous crop year and not received notice.⁷⁹ As a result of this interpretation, the forfeiture defeated the tenant's right to possession.⁸⁰ This decision departs from the strong support favoring secure farm tenancies and leaves the tenant without land for the impending season. It is not, however, inconsistent with *Morling*, as the land was not yet under cultivation by the tenant.⁸¹

In light of the public policy favoring secure farm tenancies, and the strong judicial support for the liberal construction of Iowa Code sections 562.5-.7, the Iowa Supreme Court was probably justified in their decision in *Ganzer v. Pfab*. The court's application of section 562.6 is not inconsistent with their previous interpretation of the statute. It seems unlikely that the legislature will intervene and change the statute in response to *Ganzer*. It remains clear therefore, that statutory notice of termination must be given in the termination of farm tenancies.

Richard T. Anderson

74. *Ganzer v. Pfab*, 360 N.W.2d at 754.

75. *Morling v. Schmidt*, 299 N.W.2d at 481.

76. IOWA CODE § 562.10 (1985). "The holder of the interest succeeding a life estate who is required by section 562.8 or 562.9 to continue a tenancy shall be entitled to a rental amount equal to the prevailing fair market rental amount in the area." *Id.*

77. IOWA CODE § 562.10 (1985).

78. Ruling on Declaratory Judgment Petition, *Thompson v. Knapp*, No. — (Davis Co., Iowa Dist. Ct. filed May 2, 1985).

79. *Id.*

80. *Id.*

81. See *supra* notes 69-73 and accompanying text.