

**IN THE IOWA DISTRICT COURT IN AND FOR JOHNSON COUNTY**

<b>Sophie Borer,</b>	)	
	)	
<b>Plaintiff/Appellee,</b>	)	
	)	<b>No. SCSC081695</b>
<b>vs.</b>	)	
	)	<b>RULING</b>
<b>Apartments Downtown, L.L.C., et al.,</b>	)	
	)	
<b>Defendants/Appellants.</b>	)	

Hearing took place on March 24, 2014 on the Notice of Appeal filed by the Defendants/Appellants (hereinafter collectively referred to as the Defendants). Appearances were made by Attorney Christopher Warnock on behalf of the Plaintiff/Appellee (hereinafter Plaintiff), and by Attorney Robert Hogg on behalf of Defendant. The parties waived a formal record of proceedings. Having considered the file, relevant case law, and written and oral arguments of counsel, the Court hereby enters the following ruling:

**STANDARD OF REVIEW**

This Court hears an appeal from a small claims decision upon the record filed without further evidence. Iowa Code § 631.13(4) (2013). The appeal is a de novo review of the record. Sunset Mobile Home Park v. Parsons, 324 N.W.2d 452, 454 (Iowa 1982). The Court gives weight to the fact findings of the trial court, especially when considering the credibility of witnesses, but is not bound by them. Jack Moritz Co. Management v. Walker, 429 N.W.2d 127, 128 (Iowa 1988). This Court, after examining the court file and the record made by Magistrate Karen Egerton, finds such record adequate for rendering a final judgment on appeal.

**FINDINGS OF FACT**

On March 27, 2012, Plaintiff an Original Notice (Action for Money Judgment), demanding from Defendants “the sum of \$5,000 individually and/or as a manager participating in tortious conduct and/or under the doctrine of respondeat superior for charging an unlawful penalty and excessive liquidated damages, violating Iowa Code Chapter 562A, for abuse of process and for violations of the Iowa consumer credit and debt collection statutes, Iowa Code §§ 537.5201(1)(y) and 537.7103(4)(e), for willfully using a rental agreement with known prohibited provisions, plus punitive damages and attorney fees.”

Trial was held before Magistrate Karen Egerton on September 14, 2012. Magistrate Egerton entered Findings of Fact, Conclusions of Law and Judgment on September 2, 2013 (file-stamped September 3, 2013). Magistrate Egerton included the following in her findings of fact:

Pursuant to a written lease agreement, the Plaintiff and two other tenants, Elizabeth Orr and Kathryn Meltzer, rented a three bedroom apartment/residence from the Defendant located at 412 South Dodge Street, Apt. #7, in Iowa City, Johnson County, Iowa. The tenancy period ran from August 5, 2011 to July 29, 2012. Pursuant to the rental

agreement, the Plaintiffs provided a \$1,349.00 security deposit (one month's rent). The written lease agreement was three pages long but held 70 paragraphs of lease provisions in extremely small type. The lease was signed by Sophie Borer and a guarantor Anita Meltzer on December 17, 2010; by Elizabeth Orr and Kathryn Meltzer on August 24, 2011; and by a representative of Apartments Near Campus, as landlord, on December 17<sup>th</sup> (year illegible). The Plaintiff and the other tenants moved into the property, paid the required security deposit, and paid monthly rent throughout the rental period.

During the rental period, on or about October 24, 2011, the Plaintiff's father came to visit the Plaintiff at her apartment, which is the subject of this matter. The Plaintiff is a college student. The Plaintiff and her father went grocery shopping and, when they returned from shopping, the Plaintiff's father brought the family dog (small white dog) into the apartment for a brief period of time. After the brief visit, the Plaintiff's father left, taking the family dog with him. No damage to the apartment was caused by the family dog's brief visit. The Plaintiff immediately received a phone call from her landlord advising her that she had violated the pet prohibitions in her lease and that she would be assessed the pet fee. The Plaintiff was advised that the pet had to be removed and that the fine would be assessed. The Plaintiff called her father for assistance regarding the fine for having the family dog visit her apartment. The Plaintiff's father, outraged, then contacted Apartments Near Campus. Mr. Mark Borer, the Plaintiff's father, explained that he was aware that no dog would be allowed to live there, but that he did not understand that no pet could visit there. Mark Borer was advised by someone at Apartments Near Campus that, if the Plaintiff paid \$300.00 before December 1, 2011, the matter would be resolved. A few days later, the Plaintiff received a written notice from Apartments Near Campus, which is essentially owned and operated by Joseph Clark and James Clark, and is associated with Apartments Downtown, N-1, L.L.C., Gilbert Manor L.L.C., and Iowa City Maintenance, the required maintenance company for the properties. In the letter dated November 8, 2011, the Plaintiff was advised:

**LEASE CHARGE FOR A PET VIOLATION.  
PET VIOLATION FEE (1 dog) \$600.00**

The statement set forth that "*Random checks of your unit will be made regarding this violation*" and further stated:

**See your lease SECTION:**

**54. No animals are allowed in the building or on the premises. If pets are on the property a penalty of \$600.00 per pet plus \$20.00 per day will be charged for each violation.**

The Plaintiff refused to pay the \$600.00 fine and was then assessed \$40.00 per month late fee for the non-payment of the fine or penalty for her father's visit with the family dog. On February 27, 2012, Mark Borer, on behalf of the Plaintiff, wrote a letter to Apartment Near Downtown and emailed it on the same day. Mr. Borer set forth that he was protesting the fine levied against his daughter and the other tenants. Mr. Borer set forth that his daughter, the Plaintiff, was a college student and had asked him to bring their dog

on his visit so she could see the dog. Mr. Borer additionally set forth that, “*regardless of the lease terms, a fine of that magnitude, for what occurred, was ridiculous. It would be one thing if the dog was living in the apartment, but the dog did not and has never lived there. Furthermore, there was no damage to the unit of any kind.*” Mr. Borer asked the owners of the property to remove the fine and the fees associated with the fine because of the circumstances of the incident.

Apparently in response to Mr. Borer’s letter, Apartments Near Campus, sent a letter to the Plaintiff and the other tenants on March 7, 2012. The letter, which was unsigned and the author unidentified, indicated that an offer to reduce the fine had not been acted upon and therefore the \$600.00 plus account fees was due by April 1, 2012. The letter went on to warn, “*Please understand that if you are found in violation of a pet in your apartment or in the premises again you will be fined \$600.00 per occurrence.*”

On or about April 6, 2012, the Plaintiff and the other tenants received a notice of the account balance due. The Plaintiff was advised that the balance owed was \$727.00 and that the account transactions to date showed a monthly \$40.00 late charge for January 2012, February 2012, March 2012, and April 2012, as well as \$40.00 late fees for 3-day notice to quit dated January 20, 2012 and February 21, 2012. The transaction listing of all amounts assessed and amounts paid from January 16, 2011 through March 5, 2012, showed that all but thirty dollars in late fees had been assessed after the December 9, 2011 pet fee of \$600.00 was assessed. Rent in the amount of \$1,349.00 was paid each month, with an additional payment of \$113.00 paid by the tenants on April 2, 2012.

By May 2012, the Plaintiff wished to sublease the apartment so that she could go home for the summer. The Plaintiff was advised that she would not be allowed to sublease the apartment unless her account was paid in full. The Plaintiff had refused to pay the \$600.00 fee from October 2011 through April of 2012. The Plaintiff had also received eviction notices that had been mailed to her but never posted on her door. The Plaintiff was not evicted and no forcible entry or detainer action was initiated by the landlord. The Plaintiff was assessed a \$40.00 fee for each three-day notice to quit but was not evicted so long as she continued to pay her rent.

When the Plaintiff learned that she would not be able to sublease her apartment, the Plaintiff’s father paid the account balance on her behalf and sent a letter to the landlord, setting forth that the payment was being made under protest because the landlord would not allow her to sublease unless the pet fee, the subsequent late fees, and three day notice fees were paid. On March 27, 2012, the Plaintiff filed her money claim.

The Plaintiff testified that she had never rented an apartment before, had read the lease for the apartment she was renting, and knew that she was bound by its terms. The lease she signed set forth the following relevant provisions:

54. *No animals are allowed in the building or on the premises. If pets are on the property a penalty of \$600.00 per pet plus \$20.00 per day will be charged for each violation.*

*57c. Only apartment whose rental agreements are in good standing may sublease. All rent/fees on the account must be paid before Landlord consents to a sublease.*

The Plaintiff testified that she was also provided a written “Helpful Hints for Tenants,” which directed that, unless otherwise specified in the lease, ABSOLUTELY NO PETS allowed visiting or living in the building at any time! A fee of \$600 + \$20 per day will be assessed per finding of any pet in any unit at any time. NO EXCEPTIONS!

See Judgment, pp. 2-4. At the time of trial, Megan Clabaugh, a manager for Apartments Downtown and Apartments Near Campus, testified that she was aware of a letter written to Plaintiff on March 7, 2012, and that a dog had been seen in the unit and that a \$600.00 pet fee had been assessed. Ms. Clabaugh also testified that Plaintiff paid the pet fee and the late fees associated with the unpaid pet fee. Ms. Clabaugh’s job is to make sure that tenants follow the requirements of leases and to make sure that rent is paid according to the leases. Ms. Clabaugh was unaware whether anyone ever had been evicted for an unpaid pet fee, but three-day notices are sent for the purpose of the landlord being able to proceed with the eviction process.

Rockne Cole, an attorney in Iowa City, testified that in October, 2011, he had a conversation with a manager from Apartments Downtown regarding a three-day notice sent to a client who had been charged with a criminal offense. Attorney Cole contacted Amanda Scott, another manager for Apartments Downtown, and Ms. Scott told Attorney Cole that Apartments Downtown had no intention of evicting the tenant but had only sent the notice to get his attention. The tenant did not pay the fine and was not evicted.

Gregory “Joseph” Clark is the business manager for Apartments Downtown, L.L.C. and helps out with the day to day duties of Apartments Downtown. Mr. Clark testified regarding the various Apartments Downtown entities involved in the apartment rental business. During the rental year of 2011-2012, Mr. Clark received help from legal counsel, Attorney Joseph Holland, to review the leases used by the various business entities. Mr. Clark believes the lease signed by Plaintiff was commonly used, and Mr. Clark was unaware of ever having a provision in one of his leases being found invalid. Mr. Clark testified that the dog provision had never been determined to be invalid, and the law allows him to put provisions in his leases that are not specifically prohibited. According to Mr. Clark, Apartments Downtown provides a three-day notice because it is required in the event that Apartments Downtown chooses to move forward with the eviction process, but Apartments Downtown tries to work with the tenant to keep the tenant in the apartment. With respect to the pet policy, Mr. Clark believes it is the responsibility of the tenants to know that pets are not allowed. Mr. Clark testified that it is the duty of the landlord to keep the building in good shape, and Defendants do not want smells, sounds, or signs of a pet, and the \$600.00 fee was decided on as Defendants tried to figure out the cost of replacement flooring. Mr. Clark believes the cost of replacing the flooring at this particular unit would be around \$5,000.00, and a dog could have caused damage to the drywall, baseboards, etc. Even if the pet fee of \$600.00 was charged, if the damages were higher those additional charges would be added to the tenant’s obligations.

Plaintiff stated the following claims for damages: (1) that the pet fee is an illegal penalty, an excessive liquidated damage, a violation of the Landlord-Tenant Act, and is unconscionable; (2) Defendants have engaged in an abuse of process and have violated the Iowa Debt Collection statute; (3) Defendants have willfully used a rental agreement containing provisions known by the landlord to be prohibited; and (4) Mr. Clark is personally liable for any illegal or tortious conduct in which he personally participated.

Defendants argued that the parties are free to contract on essentially any terms and conditions within a lease and that, once the tenant has accepted the terms and conditions of the contract, the tenant should be liable for any breach and the payment of any damages owed the landlord from the breach.

Magistrate Egerton concluded that Plaintiff had not sustained her burden of showing that the individually named Defendants should be held personally liable for any illegal conduct in this matter, or that Defendants engaged in a violation of the Debt Collection Act or in an abuse of process. However, Magistrate Egerton found that the business entities included a “pet/animal penalty provision within the rental agreement that was harsh, unreasonable, inequitable, unconscionable and illegal, in violation of the Iowa Uniform Landlord Tenant Act, and the Iowa Civil Rights Act of 1965.” Magistrate Egerton concluded the evidence was clear that the \$600.00 pet fee clause was not a liquidated damages clause but instead was a penalty, and the assessment of “a \$600.00 penalty due to the brief visit of the family dog to a college student’s apartment, resulting in no damage whatsoever, is outrageous, unreasonable, and unconscionably disproportionate to the offense. It bears no correlation to any actual damages likely to be caused by the breach caused by a visiting animal.” See Judgment, p. 8. Magistrate Egerton went on to find:

The Defendant’s coercive intent regarding the penalty is further reflective in the notice provided to the Plaintiff, After having determined that the Plaintiff’s family dog had been in her apartment, the Defendant then informed the Plaintiff of the landlord’s intentions to make “*random checks of your unit*,” in violation of § 562A.19. Such intrusions, if utilized by the Defendant, would be illegal. The coercive nature of the threat can only be considered willful in its use....

The Defendant’s lease in this matter could have reasonably restricted the tenant’s ability to have a pet *living* in her property (with potential damages recoverable from the tenant’s security deposit). Instead, the provision set forth in paragraph 54 of the lease results in unreasonable discrimination against others with disabilities who require service animals. The Defendant makes NO EXCEPTIONS for persons with such disabilities and therefore the lease provision is in violation of the Iowa Civil Rights Act.

See Judgment, pp. 8-9. Magistrate Egerton entered further conclusions regarding the potential for Defendants’ lease to violate a person’s civil rights at pages 9 and 10 of her Judgment.

Magistrate Egerton found the pet penalty provision to be illegal, in violation of the Iowa Uniform Residential Landlord and Tenant Act, and the Iowa Civil Rights Act, and she declared the provision unenforceable and unconscionable. Magistrate Egerton further found the provision

was willfully used by Defendants. Magistrate Egerton entered judgment in favor of Plaintiff in the amount of \$840.00 (pet penalty plus associated fees), \$4,047.00 (damages in the amount of three months' rent due to the willful use of a rental agreement containing provisions Defendants knew to be prohibited), for a total of \$4,887.00. Magistrate Egerton also awarded attorney fees in the amount of \$1,300.00 to Attorney Christine Boyer, who has worked on Plaintiff's case, and in the amount of \$4,250.00 to Attorney Warnock.

Defendants have appealed, first arguing that the Small Claims Court erred in holding that the \$600 charge for violation of the no-pet policy was facially illegal. Defendants argue there is nothing in the Landlord-Tenant Act that prohibits no-pet policies, and the prohibition on pets is exactly the type of rule contemplated by the Act for the promotion of the convenience, safety, and welfare of the tenants. Defendants further argue that issues relating to the Iowa Civil Rights Act were not raised at trial or in the parties' briefs, and it was error for the trial court to rule that the no-pet policy violates the Iowa Civil Rights Act. Defendants assert that there could be implications to the civil rights of individuals with severe allergies to have housing free from exposure to pets, and the trial court ignored these interests. Defendants further assert that the trial ruling was in error because nothing in the Landlord-Tenant Act prohibits the use of liquidated damages provisions, and the \$600 administrative charge was reasonably related to the damage anticipated by the presence of a pet in violation of the pet prohibition.

Defendants' next argument is that the trial court erred in finding the pet provisions unconscionable under the facts and circumstances of this case. Defendants argue that Plaintiff admitted that she signed the lease agreement, had an opportunity to read it, and read it "somewhat." Defendants further argue that Plaintiff admitted she understood that the lease prohibited animals in the apartment, and she understood the fees associated with having an animal in the apartment. Defendants contend there was no unfair surprise, Plaintiff had notice, and Plaintiff had actual knowledge about the pet provisions.

Defendants next argue that the trial court erred in finding Apartments Downtown willfully used pet provisions while knowing they were prohibited. Defendants assert that Iowa Code § 562A.11 does not include prohibitions on pets or penalties, and Joe Clark testified that no court has held that the no-pet policy or penalty was prohibited. Defendants further assert the lease got the "seal of approval" from Attorney Holland, and in these types of circumstances, the no-pet policy and administrative charge are justified by the need to protect tenants, workers, and property from damage that animals can cause.

Finally, with respect to attorney fees, Defendants argue that the trial court exceeded its jurisdiction in awarding damages and attorney fees in excess of \$5,000, and an award of \$5,500 for attorney fees is not reasonable.

Plaintiff has filed a Brief in response to the appeal arguments made by Defendant. Plaintiff argues that the \$600 pet penalty was not liquidated damages, and clearly was a penalty under the provisions of the lease. Plaintiff further argues that the Landlord-Tenant Act prohibits the use of liquidated damages provisions and requires that landlords charge only for the actual damages they have incurred to the property. Plaintiff contends that allowing liquidated damages will give a "green light" to the landlord to continue to abuse tenants with penalties and excessive

charges, and under the Landlord-Tenant Act, landlords are forbidden from charging anything but their actual, proven damages, with liquidated damages excluded.

Plaintiff also makes the argument that a residential lease cannot ban all animals, and inclusion of such a clause in the lease renders the lease illegal. Plaintiff further argues that the landlord used a lease with known prohibited provisions, in that the violation of the Landlord-Tenant Act was clear and knowledge on the part of the landlord can be presumed. Plaintiff contends the landlord in this case is part of a large, experienced and sophisticated rental property group, and Joe Clark has testified he has intimate familiarity with the Landlord-Tenant Act.

Finally, Plaintiff argues that the trial court's award of attorney fees was appropriate because attorney fees are costs and are not part of the jurisdictional limit for the small claims court, the attorney fee award was reasonable, and an attorney fee award is appropriate even when the prevailing party had pro bono representation.

Defendant has filed a reply brief, first arguing that Plaintiff has failed to show that Iowa law prohibits the no-pet policy that Plaintiff knowingly violated. Defendant next argues that Plaintiff has failed to show that Iowa's landlord-tenant law prohibits liquidated damages. Defendant also argues that Plaintiff has failed to show that Defendants willfully used any provisions known to be prohibited. Finally, Defendant argues that Plaintiff has failed to show that attorney fees can be awarded that increase a judgment to an amount greater than \$5,000.

Plaintiff has filed notices of additional authority, which the Court has considered in their entirety.

## CONCLUSIONS OF LAW

The Court first considers Defendant's argument that the Small Claims Court erred by holding that the \$600 charge for violation of the no-pet policy was facially illegal. The Court has reviewed the Landlord-Tenant Act, and finds that there is no specific provision therein that prohibits the use of a "no-pet policy" type of clause in a residential lease. The Court further finds that the trial court erred in relying on provisions of the Iowa Civil Rights Act in ruling on the trial issues, in that none of the parties raised this argument at trial, and there are no facts in this case to support a finding that any person's civil rights have been affected as a result of the application of the no-pet clause in this case. Rather than depending on findings that the no-pet policy was facially illegal or on provisions of the Iowa Civil Rights Act, the Court concludes that resolution of the parties' dispute turns on the question of whether the no-pet clause in the lease is unconscionable.

With respect to unconscionability, the Iowa Supreme Court has held:

"A contract is unconscionable where no person in his or her right senses would make it on the one hand, and no honest and fair person would accept it on the other hand." *C & J Vantage*, 795 N.W.2d at 80. In determining whether a contract is unconscionable, we examine factors of "assent, unfair surprise, notice, disparity of bargaining power, and substantive unfairness." *Id.* (quoting *C & J Fertilizer, Inc. v. Allied Mut. Ins. Co.*, 227

N.W.2d 169, 181 (Iowa 1975)). “However, the doctrine of unconscionability does not exist to rescue parties from bad bargains.” *Id.*; *see also Home Fed. Sav. & Loan Ass'n of Algona v. Campney*, 357 N.W.2d 613, 619 (1984) (quoting comment 1 to this section of the UCC, which provides that “[t]he principle is one of the prevention of oppression and unfair surprise ... and not ... disturbance of allocation of risks because of superior bargaining power”).

There are two generally recognized components of unconscionability: procedural and substantive. The former includes the existence of factors such as “sharp practices[,] the use of fine print and convoluted language, as well as a lack of understanding and an inequality of bargaining power.” *In re Marriage of Shanks*, 758 N.W.2d 506, 515 (Iowa 2008) (citation and internal quotation marks omitted). The latter includes “harsh, oppressive, and one-sided terms.” *Id.* (internal quotation marks and citation omitted). Whether an agreement is unconscionable must be determined at the time it was made. *See Iowa Code § 554.2302(1)*; *see also C & J Vantage*, 795 N.W.2d at 81.

*Bartlett Grain Co., LP v. Sheeder*, 829 N.W.2d 18, 27 (Iowa 2013).

The no-pet provision at issue in this matter automatically imposes on tenants certain fees for having a pet in Defendants’ apartments regardless of whether the pet causes any damage to the apartment, and without giving regard to the specific facts and circumstances that led to the pet’s presence in the apartment. Iowa Code § 562A.12(3) requires a landlord to provide the tenant with a specific reason for withholding any of the rental deposit, and also requires the landlord to prove, by a preponderance of the evidence, the reason for withholding any of the rental deposit, with ordinary wear and tear excepted. When the Court gives weight to the credibility determinations made by Magistrate Egerton as to the testimony presented at trial regarding the no-pet clause, the Court concludes the automatic \$600 charge is an illegal provision because it does not require the landlord to prove any specific damage to the apartment as a result of the tenant having a pet present in the apartment. The landlord simply is permitted to collect the \$600 fee regardless of actual damage. The Iowa Supreme Court has held that a landlord is not entitled to recover if no evidence substantiates that actual damage has been sustained. *D.R. Mobile Home Rentals v. Frost*, 545 N.W.2d 302, 306 (Iowa 1996). Magistrate Egerton correctly found that the \$600 fee for a pet violation was a penalty that “bears no correlation to any actual damages likely to be caused by the breach caused by a visiting animal.” *See Ruling*, p. 8. The no-pet clause is in violation of the Landlord-Tenant Act on this ground. Therefore, Magistrate Egerton’s judgment should be affirmed because the pet provisions in Defendants’ leases are unconscionable. Defendants did not prove any actual damages as a result of the pet’s presence in the apartment in this case. The judgment amount of \$840.00 for the pet penalty plus associated fees should be upheld on appeal.

The Court next considers whether the trial court erred by finding that Apartments Downtown willfully used pet provisions while knowing they were prohibited. Iowa Code § 562A.11 provides:

1. A rental agreement shall not provide that the tenant or landlord:

- a. Agrees to waive or to forego rights or remedies under this chapter provided that this restriction shall not apply to rental agreements covering single family residences on land assessed as agricultural land and located in an unincorporated area;
  - b. Authorizes a person to confess judgment on a claim arising out of the rental agreement;
  - c. Agrees to pay the other party's attorney fees; or
  - d. Agrees to the exculpation or limitation of any liability of the other party arising under law or to indemnify the other party for that liability or the costs connected therewith.
2. A provision prohibited by subsection 1 included in a rental agreement is unenforceable. If a landlord willfully uses a rental agreement containing provisions known by the landlord to be prohibited, a tenant may recover actual damages sustained by the tenant and not more than three months' periodic rent and reasonable attorney fees.

Iowa Code § 562A.11 (2013).

The Court concludes Magistrate Egerton's judgment should be reversed on this issue. As the Court previously has found, there is no provision in the Landlord-Tenant Act that specifically prohibits the use of a no-pet clause in a residential lease. While the clause is unconscionable in that it assesses a \$600 administrative fee regardless of the damage caused by the presence of a pet in the apartment, and the clause does not require the landlord to prove actual damages, the Court cannot conclude that Apartments Downtown willfully used the pet provisions knowing they were prohibited. Joe Clark testified that he did not believe a court previously has held that the no-pet provision is illegal, and Defendants retained the services of legal counsel to review the standard lease forms. The Court concludes this is not a "willful" use of a prohibited provision, and finds that Magistrate Egerton's judgment for \$4,047.00 (damages in the amount of three months' rent due to the willful use of a rental agreement containing provisions Defendants knew to be prohibited) should be reversed.

Finally, the Court considers Plaintiff's request for attorney fees. Iowa Code § 562A.12(8) provides that the Court may, in any action on a rental agreement, award reasonable attorney fees to the prevailing party. Plaintiff has prevailed on part of her claim, in that the no-pet provision is unconscionable, but Plaintiff has not prevailed on her claim that there was a willful inclusion of a prohibited provision by Defendants. There is no doubt that Plaintiff's counsel have put in many hours of work on these types of cases, and there is no easy way for the Court to parse out the attorney fees charged for each specific issue argued by Plaintiff's attorneys, particularly when counsels' attorney fee affidavits do not include such specification. There are many issues presented by this case that overlap with work the Court is aware of Plaintiff's counsel performing in other cases. Further, this is not your run of the mill small claims case, in that there are substantial and difficult legal issues involved and this case, and cases like it, and these cases have taken up substantial amounts of both this Court's and the small claims court's resources. This is particularly evidenced by the thorough ruling entered by Magistrate Egerton. Having considered all of the issues, as well as the outcome the Court has found should be reached in this case, the Court concludes that Plaintiff should be entitled to

attorney fees of \$500 for the work performed by Attorney Boyer, and \$2,000.00 for the work performed by Attorney Warnock. These attorney fee awards shall be entered as part of the judgment against Defendants.

**RULING**

**IT IS THEREFORE ORDERED** that judgment is entered in favor of Plaintiff and against Defendants in the amount of \$840.00, plus attorney fees in the amount of \$2,500.00. Costs are assessed one-half to Plaintiff and one-half to Defendants, since both sides were partially successful on appeal. If an appeal bond was posted, it shall be returned to Defendants.

Dated this 27th day of May, 2014.

Clerk to notify.  
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**PAUL D. MILLER, JUDGE**  
**Sixth Judicial District of Iowa**