COURT OF APPEALS OF IOWA

Chad Michael Reed v. Dean Edward Anderson

Reed v. Anderson · No. 24-1340 · Decided April 1, 2026

SUMMARY

The Iowa Court of Appeals affirmed a district court order interpreting a prior specific-performance judgment concerning the sale of farmland. The court held that the buyer owed only the remaining purchase-price balance and that the seller could not treat the buyer's continued use of the property as cash rent or deduct it from the earnest-money payment. The court also held that the seller failed to preserve claims for interest and property-tax reimbursement by raising them for the first time in a posttrial motion.

CASE DETAILS

COURT	Court of Appeals of Iowa
WRITING FOR THE COURT	Ahlers, J.; Tabor, C.J.; Langholz, J.
JURISDICTION	Iowa Court of Appeals
DECIDED	April 1, 2026
DOCKET	24-1340
DISPOSITION	affirmed
PROCEDURAL POSTURE	Anderson appealed from the Iowa District Court's order denying his Iowa Rule of Civil Procedure 1.904(2) motion and rejecting his requests for rent, interest, and property-tax reimbursement arising from a farmland purchase contract and the court's prior specific-performance order.
STANDARD OF REVIEW	The court reviewed the interpretation of the district court's prior order and the purchase contract for legal error. Findings of fact carried the force of a special verdict and were binding if supported by substantial evidence, but the appellate court was not bound by the district court's legal conclusions. The court also applied Iowa's error-preservation rule concerning new arguments raised for the first time in a posttrial motion.
PRECEDENTIAL VALUE	Published
PARTIES	Dean Edward Anderson v. Chad Michael Reed

TOPICS

specific performance real estate · contract interpretation · preservation of error · appellate procedure · civil procedure

PRACTICE AREAS

contracts · real estate · remedies · civil procedure · appellate procedure

QUESTIONS PRESENTED

1. Whether the 2020 specific-performance order and its reference to an amortization exhibit allowed Anderson to deduct annual cash rent from Reed's $50,000 earnest-money payment and require Reed to pay the deducted amount again toward the purchase price.
2. Whether Anderson preserved his claims for interest on the unpaid purchase-price balance and reimbursement of property taxes by raising them for the first time in a Rule 1.904(2) posttrial motion.

HOLDINGS

1. The prior order did not permit Anderson to deduct annual rent from Reed's $50,000 earnest-money payment or to increase the amount Reed had to pay to complete the sale. The only remaining purchase-price balance was $115,200.
2. Anderson failed to preserve his claims for interest and property-tax reimbursement because he raised them for the first time in a Rule 1.904(2) posttrial motion.

KEY QUOTATIONS

> *"When interpreting a court order, we interpret it "like any other written instrument," and we look to the entirety of the order to determine the court's intent."* (at 3)

> *"It was never intended that Anderson could delay the sale for years, devaluing the earnest money payment under the schedule, and then seek payment of that money again to complete the sale."* (at 4)

> *"Parties cannot raise an issue for the first time in a rule 1.904(2) motion, and doing so does not preserve error on that issue."* (at 5)

FACTUAL BACKGROUND

Reed and Anderson entered a contract for Reed to purchase farmland that Reed had been renting from Anderson for $165,200, with Reed paying $50,000 in earnest money. A title opinion disclosed multiple liens, and Anderson did not clear them or tender the required warranty deed. In 2020, the district court ordered specific performance and permitted Reed to continue farming pending closing or cancellation, with the original order referencing an amortization exhibit. Anderson later argued that the exhibit allowed him to treat unpaid rent as reducing the earnest-money credit and separately sought interest and property-tax reimbursement.

PROCEDURAL HISTORY

In 2016, Reed and Anderson entered a contract for Reed's purchase of farmland, and Reed paid $50,000 in earnest money. After liens prevented Anderson from tendering marketable title, Reed obtained a 2020 order for specific performance requiring Anderson to attempt to clear the liens and deliver a warranty deed, while allowing Reed to continue farming under specified terms. In 2024, Anderson sought a declaratory ruling that Reed owed rent and that the alleged rent should reduce the earnest-money credit; the district court rejected that theory. Anderson then raised interest and tax-reimbursement claims in a Rule 1.904(2) motion, which the court denied. The Court of Appeals affirmed.

DISPOSITION

affirmed

CASES CITED

- Van Sloun v. Agans Bros., Inc., 778 N.W.2d 174, 178-79 (Iowa 2010)
- Waters v. State, 784 N.W.2d 24, 27-28 (Iowa 2010)
- TSB Holdings, L.L.C. v. Bd. of Adjustment, 913 N.W.2d 1, 16 (Iowa 2018)
- Winger Contracting Co. v. Cargill, Inc., 926 N.W.2d 526, 543 (Iowa 2019)
- Mitchell v. Cedar Rapids Cmty. Sch. Dist., 832 N.W.2d 689, 695 (Iowa 2013)
