

578A.7 Enforcement of lien.

1. If an occupant is in default for a period of at least thirty days, the operator may enforce the lien granted in [section 578A.5](#) by selling the occupant's personal property. Sale of the occupant's personal property may be by public or private proceedings. Such personal property may be sold as a unit or in parcels, by way of one or more contracts, at any time or place, and on any terms as long as the sale is commercially reasonable. The operator may otherwise dispose of any property that has no commercial value.

2. Before conducting a sale under [this section](#), the operator shall do all of the following:

a. Send notice of default to the occupant by hand mail, verified mail, or electronic mail pursuant to [subsection 7](#). The notice of default shall include all of the following:

(1) A statement of the operator's claim showing that the amount due at the time of the notice and the date when the amount became due.

(2) A brief and general description of the personal property subject to the lien. The description shall be reasonably adequate to permit the occupant to identify the property, except that any container including a trunk, valise, or box that is locked, fastened, sealed, or tied in a manner which deters immediate access to the container's contents shall be described as such and shall omit a description of the contents.

(3) A demand for payment of the charges due within a specified time, which shall not be less than fourteen days after the date of the notice.

(4) A statement that unless the claim is paid within the time stated, the contents of the occupant's leased space will be sold or otherwise disposed of after a specified time.

(5) The name, street address, and telephone number of the operator or a designated agent whom the occupant may contact to respond to the notice.

b. Notify all persons who claim a security interest in the personal property of whom the operator has actual knowledge. An operator shall conduct a search to determine whether there is a security interest in property subject to sale if the property is registered under [chapter 321](#) or [462A](#). At least seven days before the sale, the operator shall also advertise the time, place, and terms of the sale in a commercially reasonable manner. The manner of advertisement is deemed commercially reasonable if it is likely to attract at least three independent bidders to attend or view the sale in person or online at the time and place advertised. The operator may buy the occupant's personal property at any public sale held pursuant to [this section](#).

3. If the personal property subject to the operator's lien is a vehicle, watercraft, or trailer, and rent or other charges remain due and unpaid for thirty days, the operator may have the vehicle, watercraft, or trailer towed from the self-service storage facility. The operator shall not be liable for any damages to the vehicle, watercraft, or trailer once the tower takes possession of the property. Removal of any vehicle, watercraft, or trailer from the self-service storage facility shall not release the operator's lien.

4. At any time before a sale is held under [this section](#) or before a vehicle, watercraft, or trailer is towed under [this section](#), the occupant may pay the amount necessary to satisfy the lien and redeem the occupant's personal property.

5. In the event of a sale under [this section](#), the operator may satisfy the lien from the proceeds of the sale, but shall hold the balance, if any, for a period of ninety days for delivery on demand to the occupant. If the occupant does not claim the balance within ninety days, the balance shall be paid to the county treasurer in the county where the self-service storage facility is located. The county treasurer shall hold the funds for a period of two years. If a claim is not made by the occupant for the funds, then the funds shall become the property of the county. There shall be no further recourse by any person against the operator for an action pursuant to [this section](#).

6. A purchaser in good faith of any personal property sold to satisfy a lien under [this chapter](#) takes the property free of any rights of persons against whom the lien was valid, despite noncompliance by the operator with the requirements of [this chapter](#). The purchaser of a motor vehicle shall apply for a new title to the vehicle by the procedures outlined in [section 321.47](#). For all other property which has a written title, the purchaser shall follow the applicable procedures for the property for the transfer of title by operation of law.

7. Notice to the occupant under [subsection 2](#), paragraph “a”, shall be sent to the occupant’s last-known address by hand delivery, verified mail, or electronic mail. Notices sent by hand delivery shall be deemed delivered when the occupant has signed an acknowledgment of delivery. Notices sent by verified mail shall be deemed delivered when deposited with the United States postal service or private delivery service if the notices are properly addressed with postage prepaid. Notices sent by electronic mail shall be deemed delivered when an electronic mail is sent to the last-known address provided by the occupant. If the operator sends notice by electronic mail and receives an automated message stating that the electronic mail cannot be delivered, the operator shall send notice by hand delivery or by verified mail to the occupant’s last-known address with postage prepaid.

8. If the operator complies with the requirements of [this section](#), the operator’s liability:

a. To the occupant, shall be limited to the net proceeds received from the sale of the occupant’s personal property less any proceeds paid to the holders of any lien or security interest of record on the personal property being sold.

b. To the holders of any lien or security interest of record on the personal property being sold, shall be limited to the net proceeds received from the sale of the personal property subject to the holder’s lien or security interest.

[2019 Acts, ch 50, §7; 2020 Acts, ch 1063, §318, 319](#)

Referred to in [§321.20, 321.20A, 321.23, 321.47, 462A.77, 462A.82, 578A.8](#)

Subsection 2, paragraph b amended

Subsection 5 amended