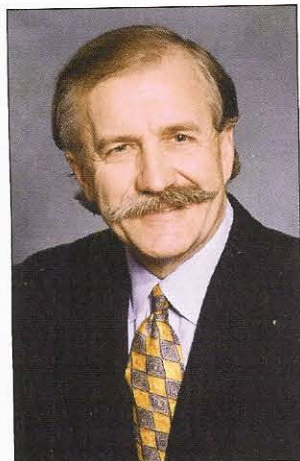


# leasing liabilities



By Mati Jarve  
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**Y**OU JUST LEASED YOUR HIGH POWERED SHOW HORSE TO A PERSON WITH excellent credentials. You even went to the trouble of getting a signed lease. You are confident that you are fully protected and need only to sit back and collect the monthly payments. Wrong! Nine months into the lease and after several missed payments, you get served with a lawsuit filed by the trainer of the horse because he hasn't been paid his training and boarding bills. You also find out that the person that you leased the horse to (known as the "lessee") hasn't paid for necessary veterinary care and farrier services. You are understandably upset, but you figure that those bills weren't incurred by you and the lessee is responsible for the unpaid bills, not you. After all, you haven't received your lease payments for several months either. Why should you be held responsible? All you want at this point is to get your horse back. Let the trainer, veterinarian and farrier get their money from the deadbeat lessee. Then you get the worst news of all. The lessee has filed for bankruptcy. Can you really be held responsible for all these bills? The answer, at least in part, is dependent on the version of a law commonly referred to as the "Stableman's Lien Act" in effect in the state that has jurisdiction of this claim. A "Stableman's Lien Act" gives a stablekeeper a lien on animals left in his care for amounts due him until they are paid. A "Stablekeeper" is often defined to include a proprietor of a stable, a trainer, veterinarian, farrier, or sometimes "any other person who has a financial relationship with the owner of the horse." Many people are familiar with the concept of a "mechanics lien" that may attach in favor of an auto mechanic for services provided in repairing an automobile, or a carpenter that provides services or repair of a house. The principal is the same as these more modern statutes. The theory behind the stableman's lien law is that trainers, veterinarians, farriers and boarding facilities enhance or at least preserve the value of the horse and without the care and services provided, the owner would have nothing of value. Typically, the law requires some sort of legal proceeding to allow the horse to be sold at public auction to satisfy the lien. If there is an excess after associated costs and fees, the balance would be turned over to the owner. On the other hand, if there is a shortfall, the owner is not usually held personally responsible. Moreover, complaining to the breed association will not usually help because they are required to comply with any lawful transfer of ownership, whether voluntary or by court action.

When leasing a horse, it is best to get it in writing. It is even better to have a well crafted lease prepared by an experienced equine practitioner to minimize the risks and provide for adequate remedies in case of default.

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