

LIVESTOCK-SHARE FARM LEASE

THIS LEASE is entered into this _____ day of _____, 19_____

between _____, landlord, of _____ (Address)

and _____, tenant, of _____ (Address)

A. PROPERTY RIGHTS.—The landlord hereby leases to the tenant, to occupy and use for agricultural and related purposes, the following-described property, hereinafter referred to as the "farm," located in _____ County, State of _____, and commonly known as the _____ farm:

and consisting of _____ acres, more or less, together with all buildings and improvements thereon and all rights thereto except as specified below.

1. Right of entry.—The landlord reserves the right of himself, his agents, his employees, or his assigns to enter the farm at any reasonable time for purposes (a) of consultation with the tenant; (b) of making repairs, improvements, and inspections; (c) of developing mineral resources; and (d) after notice of termination of the lease is given, of plowing, seeding, fertilizing, and such customary seasonal work, none of which is to interfere with the tenant in carrying out regular farm operations.

2. No right to sublease.—The landlord does not convey to the tenant the right to lease or sublet any part of the farm or to assign the lease to any person or persons whomsoever.

3. Transfer of farm.—If the landlord should sell or otherwise transfer title to the farm, he will do so subject to the provisions of this lease.

4. Heirs and successors.—The terms of this lease shall be binding upon the heirs, executors, administrators, and successors, of both landlord and tenant in like manner as upon the original parties. However, in event the lease is for more than one year, the heirs or successors of either party shall have the option to give written notice of termination effective at the end of the lease year in which death occurs.

5. Right to lease.—The landlord warrants that he has the right to lease the farm, and will defend the tenant's possession against any and all persons whomsoever.

6. Rent additional land.—The tenant will not, unless he shall first have obtained written consent of the landlord, farm more than _____ acres of additional land and will not enter into any other business, occupation, or sideline.

7. Additional agreements regarding property rights:

B. LAND USE AND LIVESTOCK PRODUCTION

1. Land use.—The agreed-upon use of the land is outlined in the following table:

Table with 5 columns: USE OF LAND, ACRES, FIELDS, SEED VARIETY, KIND AND AMOUNT OF FERTILIZER PER ACRE. Rows include FOR FAMILY LIVING, WOODLAND, FARMSTEAD AND LOTS, and TOTAL.

2. Livestock production.—The two parties will engage in the following production of livestock:

Table with 5 columns: KIND OF LIVESTOCK, NUMBER, BREED, SHARE OWNED BY LANDLORD, SPECIAL HEALTH, SANITATION, OR FEEDING PRACTICES.

3. Acres and numbers.—The acres of crops and the fields on which grown and numbers of livestock shown above are those planned for the first year of this lease. They may be adjusted within the year or from year to year by mutual agreement.

4. Crop and livestock adjustments.—If it is impracticable in any year, from causes beyond the tenant's control, to grow the crops and to keep the livestock according to the plan shown, appropriate adjustments will be made by mutual agreement between the two parties.

5. Restriction on livestock.—Neither the owner nor the tenant shall bring livestock that is not covered by this agreement on the

farm during the period of the lease without express permission of the other party.

6. Home use.—The tenant and landlord may take for home use the following kinds and quantities of jointly owned crops, livestock and/or livestock products:

7. **Buying and selling.**—The tenant shall consult with the landlord regarding time, price, sales agency, and similar matters regarding the purchase and sale of livestock, feed, and crops whenever the transaction exceeds \$_____ in value. Additional agreements are as follows:

8. **Division of property.**—At the termination of this lease, all jointly owned livestock or other property will be divided or disposed of as follows:

C. IMPROVING, CONSERVING, AND MAINTAINING THE FARM.—To improve the farm, conserve its resources, and maintain it in a high state of cultivation, the two parties agree as follows:

1. **General maintenance.**—The tenant will maintain the farm during his tenancy in as good condition as at the beginning, normal wear and depreciation and damage from causes beyond the tenant's control excepted.

2. **Good husbandry.**—The tenant will operate the farm in an efficient and husbandlike way, will do the plowing, seeding, cultivating, and harvesting in a manner that will conserve the landlord's property.

3. **Cropping practices.**—The tenant will *not*, without oral consent of the landlord, (a) plow permanent pasture or meadowland, (b) cut live trees for sale or personal uses, but will take for fuel or use on the farm only dead or unmarketable timber designated by the landlord, (c) allow livestock other than his own or jointly owned on stalkfields or stubblefields, (d) burn or remove cornstalks, corncobs, straw, or other crop residues grown on the farm, (e) pasture new seedings of legumes or grasses in the year they are seeded, and (f) plant legumes on land not known to be thoroughly inoculated without first inoculating the seed.

4. **Livestock practices.**—The tenant will care for the livestock so as to maximize production, will do the breeding, feeding, and watering at the proper time and in the proper manner, and will follow health and sanitation measures and guard against disease.

5. **Manure and crop residue.**—The tenant will spread the manure, straw, or other crop residues on the farm as soon as practicable on fields agreed upon by the two parties, except as follows:

6. **Pasturing.**—The tenant will prevent tramping of fields by stock and rooting by hogs when injury to the farm will be done.

7. **Waste.**—The tenant will not commit waste on, or damage to, the farm and will use due care to prevent others from so doing.

8. **Fire protection.**—The tenant will *not*, without written consent of the landlord, house automobiles, motortrucks, or tractors in barns, or otherwise violate restrictions in the landlord's insurance policy, which restrictions the landlord shall make known to the tenant.

9. **Replace losses.**—The landlord will replace or repair as promptly as possible the dwelling or any other building that may be destroyed or damaged by fire, flood, or other cause beyond the control of the tenant or make rental adjustments in lieu of replacements.

10. **Noxious weeds.**—The tenant will use diligence to prevent noxious weeds from going to seed on the farm and will destroy the same, and will keep the weeds and grass cut or destroyed on the fields, farmstead, roadside, and fence rows. Treatment of weed infestation and cost thereof shall be handled as follows:

11. **Maintenance of improvements.**—The tenant will keep the buildings, fences, and other improvements on the farm in as good repair and condition as they are when he takes possession, and in as good repair and condition as they may be put during the term of the lease, ordinary wear and tear, loss by fire, or unavoidable depreciation or destruction excepted.

12. **Materials and labor.**—The landlord will furnish materials and the tenant will perform labor for normal maintenance and repairs, except that skilled labor which the tenant himself is unable to perform satisfactorily will be furnished by the landlord. Additional agreements regarding materials and labor:

13. **Purchase of materials.**—The tenant may buy, without further authorization, materials for normal maintenance and repairs in a total amount not to exceed \$_____ within each year, and the landlord will credit or reimburse the tenant for such expenditures as follows:

14. **Add improvements.**—The tenant will *not*, without written consent of the landlord, (a) erect or permit to be erected on the farm any nonremovable structure or building, or (b) incur any expense to the landlord for such purpose, or (c) add electrical wiring, plumbing, or heating to any buildings, and, if consent is given, he will make such additions meet standards and requirements of power and insurance companies.

15. **Conservation practices.**—The tenant will control soil erosion as completely as practicable by stripcropping and contouring, and by filling in or otherwise controlling small washes or ditches that may form.

16. **Conservation structures.**—The tenant will keep in good repair all terraces, open ditches, and inlets and outlets of tile drains, preserve all established watercourses or ditches, including grass waterways when seed and fertilizer are furnished by the landlord, and refrain from any operation or practice that will injure them.

17. **Compensation for improvements.**—The two parties will carry out new conservation practices and measures and make other improvements, and share contributions and costs necessary for completion of such practices and improvements as set forth below. The tenant will be reimbursed by the landlord when the practice, measure, or improvement is completed, or the tenant will be compensated for its unexhausted value when he leaves the farm, according to the schedule below:

17 (Cont'd). Compensation for Improvements Table.

CONSERVATION PRACTICE, MEASURE, OR OTHER IMPROVEMENT	DATE TO BE COMPLETED	ESTIMATED COST (DOLLARS)	PERCENT TO BE FURNISHED BY LANDLORD AND BY TENANT						VALUE PLACED ON TENANT'S CONTRIBUTION (DOLLARS)	RATE OF ANNUAL DEPRECIATION (PERCENT)
			MATERIALS		LABOR		MACHINERY			
			L	T	L	T	L	T		

18. **Additional agreements relative to conservation and improvements:**

19. **Review of conservation program.**—A new schedule covering conservation practices and improvements will be prepared each year on an appropriate form which will become a part of this lease when signed by the two parties.

20. Preparing or seeding land.—When the tenant leaves the farm, if the total acreages of prepared or seeded land are greater than at the beginning of his tenancy, he will be compensated by the landlord on the basis of the value of such excess acreages. If such total acreages are less than at the beginning of his tenancy, the tenant will

compensate the landlord on the basis of the value of such deficiency, provided that the deficiency is not due to drought, flood, or other causes beyond the control of the tenant. The acreages at the beginning of this tenancy and the basis of payment are as follows:

PREPARED OR SEEDED	ACRES AT BEGINNING	RATE PER ACRE	PREPARED OR SEEDED	ACRES AT BEGINNING	RATE PER ACRE

21. Removable improvements.—Minor improvements of a temporary or removable nature, not provided for in item 17 of this section, which do not mar the condition or appearance of the farm may be made by the tenant at his own expense. The tenant may at any time this lease is in effect, or within a reasonable time thereafter, remove such improvements, provided he leaves in good condition that part of the farm from which they are removed.

22. Compensation for damages.—When the tenant leaves the farm he will pay the landlord reasonable compensation for any damages to the farm for which the tenant is responsible, except ordinary wear and depreciation and damages beyond the tenant's control.

D. SHARING COSTS AND RETURNS.—All costs and returns shall be divided between landlord and tenant as provided below, unless otherwise specifically stated elsewhere in this lease.

1. Rental rates.—The tenant agrees to pay as rent the shares or quantities of crops and livestock as indicated below:

CROPS, LIVESTOCK, AND IMPROVEMENTS	SHARE OR AMOUNT PAID AS RENT				PLACE OF SALE OR DELIVERY	DATE OF SALE DELIVERY OR PAYMENT
	CROPS OR CASH	OFFSPRING OR INCREASE IN LIVESTOCK HERD	LIVESTOCK SALES	SALES OF LIVESTOCK PRODUCTS		
DWELLING		XXXXXXXXXXXX	XXXXXXXXXXXX	XXXXXXXXXXXX		

2. Additional agreements in regard to rental rates:

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3. Expenses.—Expenses, including investments in personal property, shall be supplied by the landlord and tenant as follows, except as indicated in section C:

INVESTMENTS IN PERSONAL PROPERTY	FURNISHED BY		EXPENSES	FURNISHED BY		EXPENSES	FURNISHED BY		
	L	T		L	T		L	T	
TRACTOR			LABOR			LIMING MATERIAL			
WORKSTOCK			MAINTENANCE—BUILDINGS			FERTILIZER			
MACHINERY AND EQUIPMENT			MAINTENANCE—FENCES						
			MACHINE REPAIRS						
			FUEL—TRACTOR						SEED
			FUEL—TRUCK						
			FUEL—OTHER						
			CUSTOM WORK AND HAULING						
			ELECTRICITY						
			TELEPHONE						
			VETERINARY FEES						INSURANCE—BUILDINGS
			BREEDING FEES						INSURANCE—CORPS
BEEF CATTLE						TAXES—REAL ESTATE			
FEEDER CATTLE			WEED CONTROL MATERIAL			TAXES—PERSONAL			
HOGS			INSECTICIDES						
SHEEP									
DAIRY			FEED PURCHASED OR SUPPLIED						

4. Additional agreements relative to expenses:

E. TERM OF LEASE

1. Term.—The term of this lease shall be _____ year(s) from _____, 19____, to _____, 19____, and this lease shall continue in effect from year to year thereafter until written notice of termination is given by either party to the other at least _____ months before expiration of this lease or any renewal.

2. Continuous occupancy.—The tenant agrees that he or his agent will possess and occupy the farm continuously during the term of the lease.

3. Surrender of possession.—The tenant agrees to surrender possession and occupancy of the premises peaceably at the termination of the lease.

4. Review of lease.—A request for general review of the lease may be made at least _____ days prior to the final date for giving notice to terminate this lease. Amendments and alterations to this lease shall be made in writing.

F. MISCELLANEOUS PROVISIONS

1. No partnership created.—This lease shall not be deemed to give rise to a partnership relation, and neither party shall have authority to obligate the other without written consent, except as specifically provided in this lease.

2. Government programs.—The farm will be operated in compliance with Government programs as follows:

3. Debts and accidents.—Each party agrees that the other party shall in no way be responsible for the debts of, or liabilities for accidents or damages caused by, the other party.

4. Willful neglect.—Willful neglect, failure, or refusal by either party to carry out any substantial provision of this lease shall give the other party the benefits of any proceedings provided by law.

5. Farm records.—The tenant shall keep a complete financial and production record of the entire farm business, which shall include a complete inventory of all property used in the farm business and a complete record of all purchases and sales related to the farm business. Such records are to be kept on mutually acceptable forms and shall be of such nature as to be usable by landlord and tenant in studying the farm business, in making financial and property settlements, and for purposes related to social security and income tax. Such records shall include appropriate sales statements, receipts, checks, and similar evidence and shall be accessible to the landlord at all times. Accounts between the two parties shall be settled on or about _____.

6. Arbitration of differences.—Any differences between the parties as to their several rights and obligations under this lease that are not settled by mutual agreement after thorough discussion, shall be submitted for arbitration to a committee of three disinterested persons, one selected by each party hereto and the third by the two thus selected; and the committee's decision shall be accepted by both parties.

7. Additional agreements:

IN WITNESS WHEREOF, the parties have signed this lease on the date first above written.

Witnesses:

(Landlord) [SEAL]

[SEAL]

(Tenant) [SEAL]

(Acknowledgment in appropriate form to be attached.)

FARM LEASE
Between

(Landlord)

(Tenant)

USE OF THE FARM LEASE FORM

This form contains suggested provisions for a live-stock-share farm lease. Whether particular provisions should be included or modified in your lease depends on the agreements between the parties and whether the provisions are appropriate under the laws of your State. Spaces are provided for writing in particular details or special arrangements that a landlord or a tenant may want. By using the Annual Supplement to Farm Lease (Form AD 564), details of the lease can be changed from year to year without preparing a new lease.

Additional copies of this form or forms for crop-share-cash or cash-renting, and publications that contain suggestions for filling out the lease forms, may be obtained from the County Agricultural Agent or from the U.S. Department of Agriculture, Washington 25, D.C.

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