

(Reviewed 2011)

For additional information see NCFMEC-03 (Pasture Rental Arrangements for your Farm).

This lease entered into this \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_, between

\_\_\_\_\_, owner, of \_\_\_\_\_

Address

\_\_\_\_\_, spouse, of \_\_\_\_\_

Address

hereafter known as “the landlord,” and

\_\_\_\_\_, operator, of \_\_\_\_\_

Address

\_\_\_\_\_, spouse, of \_\_\_\_\_

Address

hereafter known as “the tenant.”

**I. Property Description**

The landowner hereby leases to the operator, to occupy and use for agricultural and related purposes, the following described property:

\_\_\_\_\_  
\_\_\_\_\_

\_\_\_\_\_ consisting of approximately \_\_\_\_\_  
acres situated in \_\_\_\_\_ County (Counties), \_\_\_\_\_ (State) and on any other land that the  
landlord may designate by mutual written agreement.

**II. General Terms of Lease**

**A. Term.** If a continuing lease is desired, use paragraph 1 and strike out paragraph 2. If a definite term is desired, use paragraph 2 and strike out paragraph 1. No notice of termination is necessary if paragraph 2 is used.

**1. Continuing Lease.** The term of the lease shall be \_\_\_\_\_ year(s), commencing on the \_\_\_\_\_ day of 20\_\_\_\_\_, and shall continue in effect from year to year thereafter (as an annual lease) unless written notice of termination is given by either party to the other at least \_\_\_\_\_ days prior to expiration of this lease or the end of any year of continuation. (Note: State laws differ on the duration of agricultural leases.)

**2. Annual Lease.** The term of this lease shall be \_\_\_\_\_ year(s), commencing on the \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_\_, and ending on the \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_\_.

**B. Review of Lease.** A request for general review of the lease may be made by either party at least \_\_\_\_\_ days prior to the final date for giving notice to terminate the lease.

**C. Amendments.** Amendments and alterations to this lease shall be in writing and shall be signed by both the landlord and tenant.

**D. 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.

**E. Binding on heirs.** 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, except as provided by mutual written agreement otherwise.

**F. Transfer of property.** If the landlord should sell or otherwise transfer title to the farm, such action will be done subject to the provisions of this lease.

**G. Right of entry.** The landlord, as well as agents and employees of the landlord, reserve the right to enter the farm at any reasonable time for purposes: a) of consultation with the tenant; b) of making repairs, improvements, and inspections; and c) after notice of termination of the lease is given, of performing customary seasonal work, none of which is to interfere with the tenant in carrying out regular operations. Landlord also may request right of entry to hunt and fish.

**H. Additional agreements regarding terms of lease:**

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**I. Animal Units** (maximum allowable). Not more than animal units shall be kept in the pasture at any one time without the express written consent of the landlord. Deliberate violation of this provision shall constitute grounds for termination of this lease. (In general each 1,000 pounds of average weight shall be one animal unit. If the pasture owner and the owner of the livestock prefer, they can use the following basis for calculating animal units: one bull, 1.25 animal units; one 1,000-pound cow, 1 animal unit; one yearling steer or heifer, 0.75 animal unit; calf 6 months to 1 year, 0.5 animal unit; 3 to 6 months, 0.3 animal unit; sheep, 5 per animal unit; horse, 1.25 animal unit.)

STOCKING RATE	NUMBER HEAD	NUMBER OF ANIMAL UNITS
Bulls	_____	_____
Cows	_____	_____
Yearling Steers	_____	_____
Yearling Heifers	_____	_____
Calves, 6 to 12 months	_____	_____
Calves, 3 to 6 months	_____	_____
Other: _____	_____	_____
Other: _____	_____	_____
Other: _____	_____	_____

### III. Operation and Maintenance

#### A. The livestock owner agrees:

1. Not to pasture livestock that continue to break through fences. Should any animal be found outside that pasture on at least three occasions, the pasture owner may request its removal.
2. Not to assign rights and duties under this lease without the written consent of the pasture owner.
3. Not to put any cattle in pasture without getting specific approval from the pasture owner in advance regarding number, health, sex, breed, and age.

4. To furnish health certificates as follows:

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**B. Both Agree:**

**1. Not to obligate the other party.** Neither party hereto shall pledge the credit of the other party hereto for any purpose whatsoever without the consent of the other party. Neither party shall be responsible for the debts or liabilities incurred or for damages caused by the other party.

**2. Responsibilities.** Additional responsibilities for each party shall be divided as follows:

	Landlord	Tenant
Inspect fences not less than once per _____	_____	_____
Furnish labor for repair of fences	_____	_____
Furnish materials for repair of fences	_____	_____
Supervise supply of water to livestock	_____	_____
Furnish labor for repair of water system	_____	_____
Provide materials for repair of water system	_____	_____
Furnish salt and mineral	_____	_____
Count livestock not less than once per _____	_____	_____
Return stray animals to pasture	_____	_____
Call veterinarian in case of emergency	_____	_____
Pay veterinary expenses	_____	_____
Provide loading and unloading facilities	_____	_____
Furnish supplementary feed, if needed	_____	_____
Notify other party of shortage in count	_____	_____
Provide facilities for fly control	_____	_____
Keep fly-control facilities in working order	_____	_____
Liability insurance	_____	_____

**3. Additional agreements:**

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**IV. Rental Calculations and Payment Schedule**

Use Method I, II, or III and strike out the two methods not used.

**Method I**

The tenant agrees to pay \$\_\_\_\_\_ per acre for the use of the property described in Part I. Total rent of \$\_\_\_\_\_ shall be paid as follows:

- \$\_\_\_\_\_ on or before \_\_\_\_ day of \_\_\_\_\_ (Month)
- \$\_\_\_\_\_ on or before \_\_\_\_ day of \_\_\_\_\_ (Month)
- \$\_\_\_\_\_ on or before \_\_\_\_ day of \_\_\_\_\_ (Month)
- \$\_\_\_\_\_ on or before \_\_\_\_ day of \_\_\_\_\_ (Month)

If rent is not paid when due, the tenant agrees to pay interest on the amount of unpaid rent at the rate of \_\_\_\_\_ percent per annum from the due date until paid.

Rental Adjustment. Additional rental payment agreements:

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**Method II**

The livestock owner agrees to pay the following rates, as outlined:

	Number	×	Rental Rate per period <sup>†</sup>	=	Total Rent per period <sup>†</sup>
Cows	_____		\$ _____		\$ _____
Yearling Steers	_____		\$ _____		\$ _____
Yearling Heifers	_____		\$ _____		\$ _____
Calves, 6 to 12 months	_____		\$ _____		\$ _____
Calves, 3 to 6 months	_____		\$ _____		\$ _____
Other: _____	_____		\$ _____		\$ _____
Other: _____	_____		\$ _____		\$ _____
Other: _____	_____		\$ _____		\$ _____
<b>Total Rent (A)</b>					\$ _____

<sup>†</sup>The period may be a month, pasture season, or year.

Minimum rent shall be \$\_\_\_\_\_. Such rent shall be required regardless of whether or not livestock are being pastured. The total rent of \$\_\_\_\_\_ (A) shall be paid as follows:

- \$\_\_\_\_\_ on or before \_\_\_\_\_ day of \_\_\_\_\_ (Month)
- \$\_\_\_\_\_ on or before \_\_\_\_\_ day of \_\_\_\_\_ (Month)
- \$\_\_\_\_\_ on or before \_\_\_\_\_ day of \_\_\_\_\_ (Month)
- \$\_\_\_\_\_ on or before \_\_\_\_\_ day of \_\_\_\_\_ (Month)

If rent is not paid when due, the tenant agrees to pay interest on the amount of unpaid rent at the rate of \_\_\_\_\_ percent per annum from the due date until paid.

Rental Adjustment. Additional rental payment agreements:

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**Method III**

Other rental arrangements (share-of-gain, etc.):

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**V. Arbitration of Differences**

Any differences between the parties as to their several rights or 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. The committee's decision shall be accepted by both parties.

Executed in duplicate on the date first above written:

_____	_____
Operator	Owner
_____	_____
Operator's spouse	Owner's spouse

State of \_\_\_\_\_

County of \_\_\_\_\_

On this \_\_\_\_\_ day of \_\_\_\_\_, A.D. 20\_\_\_\_\_, before me, the undersigned, a Notary Public in said State, personally appeared \_\_\_\_\_, \_\_\_\_\_, \_\_\_\_\_, and \_\_\_\_\_ to me known to be the identical persons named in and who executed the foregoing instrument, and acknowledged that they executed the same as their voluntary act and deed.

\_\_\_\_\_  
Notary Public