Pasture Lease
Revised 1997

This form can provide the landlord and tenant with a guide for developing an agreement to fit their individual situation. This form is not intended to take the place of legal advice pertaining to contractual relationships between the two parties. Because of the possibility that an operating agreement may be legally considered a partnership under certain conditions, seeking proper legal advice is recommended when developing such an agreement.

For additional information see NCR-149, Pasture Rental Arrangements for your Farm.

This lease entered into this __________ day of __________, 20________, between

pasture owner ____________________________

pasture owner’s spouse ____________________________

hereafter known as “the landlord,” and

livestock owner ____________________________

livestock owner’s spouse ____________________________

hereafter known as “the tenant.”

I. Property Description

The landlord hereby leases to the tenant, to occupy and use for pasture 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 (2).

(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. If a definite term is desired, use (2) and strike out paragraph (1). No notice of termination is necessary if paragraph (2) is used.

(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:
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.)

<table>
<thead>
<tr>
<th>Stocking Rate</th>
<th>Number Head</th>
<th>Number Animal Units</th>
</tr>
</thead>
<tbody>
<tr>
<td>Bulls</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Cows</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Yearling Steers</td>
<td></td>
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<tr>
<td>Yearling Heifers</td>
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<tr>
<td>Calves, 6 to 12 months</td>
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<td>Calves, 3 to 6 months</td>
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<tr>
<td>Other</td>
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</tbody>
</table>

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:

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:

<table>
<thead>
<tr>
<th></th>
<th>Landlord</th>
<th>Tenant</th>
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</thead>
<tbody>
<tr>
<td>Inspect fences not less than once per ________</td>
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<tr>
<td>Furnish labor for repair of fences.</td>
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<td></td>
</tr>
<tr>
<td>Furnish materials for repair of fences.</td>
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<tr>
<td>Supervise supply of water to livestock.</td>
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<tr>
<td>Furnish labor for repair of water system.</td>
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<td></td>
</tr>
<tr>
<td>Provide materials for repair of water system.</td>
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<tr>
<td>Furnish salt and mineral.</td>
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</tbody>
</table>

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 use of the property described in paragraph 1. Total rent of $______ shall be paid as follows:

- $______ on or before ______ day or ______ (month)
- $______ on or before ______ day or ______ (month)
- $______ on or before ______ day or ______ (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:

Method II

The livestock owner agrees to pay the rates outlined in Table 1 (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 $______ (from Table 1) shall be paid as follows:

- $______ on or before ______ day or ______ (month)
- $______ on or before ______ day or ______ (month)
- $______ on or before ______ day or ______ (month)
Method II continued
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:


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


Table 1. Rental rates.

<table>
<thead>
<tr>
<th></th>
<th>Number</th>
<th>Rental Rate per Period</th>
<th>Total Rent per Period</th>
</tr>
</thead>
<tbody>
<tr>
<td>Bulls</td>
<td></td>
<td>$</td>
<td>$</td>
</tr>
<tr>
<td>Cows</td>
<td></td>
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<tr>
<td>Other</td>
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<tr>
<td>Total Rent</td>
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<td>$</td>
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</tbody>
</table>

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:

Tenant/livestock owner

Tenant/livestock 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 ____________________________, 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