

FSA-1940-53

(06-11-02)

U.S. DEPARTMENT OF AGRICULTURE

Farm Service Agency

CASH FARM LEASE

(See Page 7 for Privacy Act and Public Burden Statements.)

THIS LEASE is entered into this (1) _____ day of (2) _____, 20 (3) _____

between (4) _____, landlord, of (5) _____ (Address of Landlord)

and (6) _____, tenant, of (7) _____ (Address of Tenant)

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 (8) _____

County, State of (9) _____, and commonly known as the (10) _____

farm: (11) _____

and consisting of (12) _____ 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 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. This right is also reserved to the landlord's agents, employees, and assigns.
- 2. **Transfer of farm.** If the landlord should sell or otherwise transfer title to the farm, such sale or transfer will be subject to the provisions of this lease.
- 3. **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 the event the lease is for more than one year, the heirs or successors of the tenant shall have the option to give written notice of termination effective at the end of the lease year in which death occurs.
- 4. **Right to lease.** The landlord has the right to lease the farm, and so warrants to the tenant. Further the landlord will defend the tenant's possession against any and all persons whomsoever.
- 5. **Additional agreements regarding property rights:** (13) _____

The U.S. Department of Agriculture (USDA) prohibits discrimination in all its programs and activities on the basis of race, color, national origin, gender, religion, age, disability, political beliefs, sexual orientation, and marital or family status. (Not all prohibited bases apply to all programs.) Persons with disabilities who require alternative means for communication of program information (Braille, large print, audiotape, etc.) should contact USDA's TARGET Center at (202) 720-2600 (voice and TDD). To file a complaint of discrimination, write USDA, Director, Office of Civil Rights, Room 326-W, Whitten Building, 1400 Independence Avenue, SW, Washington, D.C. 20250-9410 or call (202) 720-5964 (voice or TDD). USDA is an equal opportunity provider and employer.

2. **Variations for price (for method 2).** The prices to be used in Column (45) will be determined as follows: (47) _____

3. **Variations for production conditions.** The total amount of rent for the entire farm as shown in either Column 4 or as calculated for Column 9 shall be adjusted for any year in which the yield of (48) _____ as reported by the State Crop Reporting Service is (49) _____ percent above or below the county average yield for the previous (50) _____ years, as follows: (51) _____

4. **Rental payment.** The annual rental due shall be paid as follows: (52) \$ _____ on (53) _____ and (54) \$ _____ on (55) _____, and the payments shall be made at (56) _____

5. **Additional agreements in regard to rental rates:**
 (57) _____

6. **Expenses:** Expenses shall be supplied by the tenant except as included in Section C and except as follows:

EXPENSES

(58) EXPENSES	(59) FURNISHED BY LANDLORD \$	(60) EXPENSES	(61) FURNISHED BY LANDLORD \$	(62) EXPENSES	(63) FURNISHED BY LANDLORD \$
LABOR		CROP EXPENSES		ELECTRICITY	
MAINTENANCE-BUILDINGS				TELEPHONE	
MAINTENANCE-FENCES		SEED		INSURANCE--BUILDINGS	
MACHINE REPAIRS				INSURANCE-CROPS	
FUEL-TRACTOR		INSECTICIDES			
FUEL-TRUCK		WEED CONTROL MATERIAL			
FUEL-OTHER		LIMING MATERIAL		TAXES-REAL ESTATE	
CUSTOM WORK AND HAULING		FERTILIZER		TAXES -PERSONAL	
FEED PURCHASED OR SUPPLIED					
LIVESTOCK EXPENSES					

7. **Record of expenses.** The tenant will keep a record of expenses furnished by the landlord, and settlement will be made by mutual agreement or at the time that final rent payment is due.

8. **Additional agreements relative to expenses:** (64) _____

E. TERM OF LEASE

- 1. **Term.** The term of this lease shall be (65) _____ year(s) from (66) _____, 20 (67) _____ to (68) _____, 20 (69) _____ 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 (70) _____ months before expiration of this lease or any renewal.
- 2. **Continuous occupancy.** The farm will be possessed and occupied continuously during the term of the lease by the tenant or the tenant's agent.
- 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 (71) _____ 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:

(72) _____

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. **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.

6. **Landlord subordination.** In consideration of loan(s) to be made by the Farm Service Agency (FSA) the landlord hereby subordinates in favor of the FSA any lien the landlord now has or may acquire in or on: (a) the livestock and farm equipment purchased or refinanced by the tenant with FSA loan(s); (b) the crops, livestock increase and livestock products of the tenant (except a lien on such property produced in any year for that year's rent); (c) any other livestock and farm equipment owned by the tenant to the extent such lien is to secure advances to be made or supplies to be furnished by the landlord.

7. **Additional agreements:**

(73) _____

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

Witness: (74) _____ (75) _____ [SEAL]

_____ [SEAL]

_____ (76) _____ [SEAL]

NOTE: *The following statements are made in accordance with the Privacy Act of 1974 (5 USC 552a): the Farm Service Agency (FSA) is authorized by the Consolidated Farm and Rural Development Act, as amended (7 USC 1921 et seq., or other Acts, and the regulations promulgated thereunder, to solicit the information requested on its application forms. The information requested is necessary for FSA to determine eligibility for credit or other financial assistance, service your loan, and conduct statistical analyses. Supplied information may be furnished to other Department of Agriculture agencies, the Internal Revenue Service, the Department of Justice or other law enforcement agencies, the Department of Defense, the Department of Housing and Urban Development, the Department of Labor, the United States Postal Service, or other Federal, State, or local agencies as required or permitted by law. In addition, information may be referred to interested parties under the Freedom of Information Act (FOIA), to financial consultants, advisors, lending institutions, packagers, agents, and private or commercial credit sources, to collection or servicing contractors, to credit reporting agencies, to private attorneys under contract with FSA or the Department of Justice, to business firms in the trade area that buy chattel or crops or sell them for commission, to Members of Congress or Congressional staff members, or to courts or adjudicative bodies. Disclosure of the information requested is voluntary. However, failure to disclose certain items of information requested, including your Social Security Number or Federal Tax identification Number, may result in a delay in the processing of an application or its rejection.*

According to the Paperwork Reduction Act of 1995, an agency may not conduct or sponsor, and a person is not required to respond to, a collection of information unless it displays a valid OMB control number. The valid OMB control number for this information collection is 0560-0162. The time required to complete this information collection is estimated to average 30 minutes per response, including the time for reviewing instructions, searching existing data sources, gathering and maintaining the data needed, and completing and reviewing the collection of information. RETURN THIS COMPLETED FORM TO YOUR COUNTY FSA OFFICE.

(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 livestock-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 FSA 1940-56). Details of the lease can be changed from year to year without preparing a new lease.

Prepared and issued by
U.S. DEPARTMENT OF AGRICULTURE