

## Instructions For FSA 1940-53

### **CASH FARM LEASE**

This form is used by tenant borrowers to establish a Cash Farm Lease with or without a subordination agreement.

Submit the original of the completed form in hard copy or facsimile to the appropriate FSA servicing office with copies retained by the Tenant and Landlord.

**Producers must complete Items 1 through 76.**

#### *Items 1-76*

<b>Fld Name / Item No.</b>	<b>Instruction</b>
(1) Day	Enter the day the landlord and tenant enter into the lease.
(2) Month	Enter the month the landlord and tenant enter into the lease.
(3) Year	Enter the year the landlord and tenant enter into the lease.
(4) Landlord	Enter the name of the landlord.
(5) Landlord Address	Enter the landlord's address.
(6) Tenant	Enter the name of the tenant.
(7) Tenant Address	Enter the tenant's address.
(8) County	Enter the county in which the farm is located.
(9) State	Enter the state in which the farm is located.
(10) Farm Name	Enter the common name for the farm. This can be a name or a number that will be used to refer to the farm.
(11) Supplement -ary Information	Enter any supplementary information with regard to the description of the property.
(12)	Enter the number of acres in the property.

<b>Fld Name / Item No.</b>	<b>Instruction</b>
Acres	
(13) Additional Agreements	Enter any Additional agreements regarding property rights.
(14) Use of Land	Enter the use of land. Example: Native Pasture
(15) Acres	Enter the number of acres that will be used for the purpose in item14.
(16) Fields	Enter the identifying numbers of the fields that will be used for the purpose in item14.
(17) Kind of Livestock	Enter the kind of livestock that will be produced by the tenant.
(18) Maximum Numbers	Enter the maximum numbers of livestock that will be produced on the land described in item 14.
(19) Totals	Enter the total acres for entries in Item 15.
(20) Manure and Crop Residue	Enter any agreements between the tenant and landlord regarding the spreading of manure and crop residue.
(21) Noxious Weeds	Enter the agreement between the tenant and landlord regarding the cost and treatment of noxious weeds.
(22) Materials and Labor	Enter and addition agreements regarding materials and labor.
(23) Purchase of Materials	Enter the dollar amount of materials that the tenant may purchase for normal maintenance and repairs that will be reimbursed by the landlord.
(24) Material Credit	Enter the agreement regarding the reimbursement of costs for normal maintenance and repair.
(25) Cons. Practice, Measure, or other improvements	Enter any conservation practices, measures, or other improvements that have been agreed to be the tenant and the landlord.
(26)	Enter the date the action in item 25 is to be completed.

<b>Fld Name / Item No.</b>	<b>Instruction</b>
Date to be Completed	
(27) Estimated Cost	Enter the estimated cost of the action in item 25.
(28) Percent to be Furnished by Landlord and Tenant	Enter percentage of Materials, Labor, and Machinery that will be furnished by the Landlord (L) and Tenant (T) for the action in item 25.
(29) Value Placed on Tenants Contribution (Dollars)	Enter the value agreed to on the tenant's contribution to the Action in item 25. The tenant will be reimbursed by the landlord when the practice measure or improvement is completed, or the tenant will be compensated for it's unexhausted value when leaving the farm.
(30) Rate of Annual Depreciation (Percent)	Enter the rate of annual depreciation agreed to on the tenant's contribution to the action in item 25. This is used to determine the unexhausted value of the action in item 25. The tenant will be compensated for it's unexhausted value when leaving the farm.
(31) Conservation And Improvements	Enter any additional agreements regarding conservation and improvements.
(32) and (35) Prepared or Seeded	Enter the land that was prepared and seeded at the beginning of the lease.
(33) and (36) Acres at Beginning	Enter the acres of the land in items (32) and (35) that are prepared or seeded.
(34) and (37) Rate per Acre	Enter the rate per acre of compensation if the amount of prepared or seeded land at the end of the lease differs from the amount at the beginning of the lease.

<b>Fld Name / Item No.</b>	<b>Instruction</b>
(38) Straight Cash Rent- Kind of Land	Enter the kind of land that is to be leased.
(39) Straight Cash Rent- Acres	Enter the acres of the type of land described in item 38.
(40) Straight Cash Rent- Acres	Enter the per acre rental rate for the land described in item 38.
(41) Straight Cash Rent- Amount	Enter the total cash rent for the type of land described in item 38. (item 39 X item 40 = item 41)
(42) Flexible Cash Rent- Commodity	Enter the commodity that is to be produced.
(43) Flexible Cash Rent- Quality	Enter the quality of the commodity listed in item 42.
(44) Flexible Cash Rent- Quantity	Enter the quantity of the commodity listed in item 42.
(45) Flexible Cash Rent- Price	Enter the price expected for the commodity listed in item 42.
(46) Flexible Cash Rent- Amount	Enter the amount of rent that will be paid based on the quality, quantity, and price expected for the commodity listed in item 42.
(47) Variations for Price	Enter the method used to determine the price in item 45.
(48)	Enter the yield as reported by the State Crop Reporting Service.

<b>Fld Name / Item No.</b>	<b>Instruction</b>
Yield	
(49) Percentage	Enter the percentage above or below the County Average Yield.
(50) Years	Enter the number of years that the county average yield will be reviewed.
(51) Adjustment	Enter the Adjustment that will be used from the item numbers 48, 49, and 50.
(52) Amount Due	Enter the rental amount due in the first due date.
(53) Date Amount is Due	Enter the date the first lease payment is due.
(54) Amount Due	Enter the rental amount due in the second due date.
(55) Date Amount is Due	Enter the date the second lease payment is due.
(56) Location	Enter the location at which the lease payment will be made.
(57) Additional Agreements with Regard to Rental Rates	Enter any additional agreements with regard to rental rates.
(58), (60) and (62) Expenses Furnished by Landlord	Enter any expenses furnished by the landlord.
(59), (61) and (63) Amount of Expense	Enter the amount of the expense in item 54.
(64) Additional Agreements	Enter any additional agreements relative to the expenses.
(65)	Enter the term of the lease in years.

<b>Fld Name / Item No.</b>	<b>Instruction</b>
Term of Lease	
(66) Month and Day	Enter the month and day the lease will begin.
(67) Year	Enter the year the lease will begin.
(68) Month and Day	Enter the month and day the lease will end.
(69) Year	Enter the year the lease will end.
(70) Months	Enter the number of months prior to the expiration date that either party must be given notice by the other party that they will not renew the lease.
(71) Review of lease	Enter the number of days prior to the final date for giving notice to terminate the lease that a request for a general review of the lease may be made.
(72) Government Programs	Enter the government programs that will be complied with in the operation of the farm.
(73) Additional Agreements	Enter any additional agreements between the tenant and landlord.
(74) Witnesses	Enter the signature of the witnesses to the execution of this document.
(75) Landlord	Enter the landlord's signature.
(76) Tenant	Enter the tenant's signature.