



MOSES

How to Write a Conservation-Focused Land Rental Agreement

The first step to ensure your land is managed in ways that conserve and protect natural resources is to find a farmer who will use organic practices so chemicals (pesticides, herbicides and fertilizers) won't be used, or a farmer who at least uses conservation practices. Start by placing a free ad on MOSES' Land Link-Up: mosesorganic.org/farming/land-link-up. You can also search the national list of certified organic farms to find a farmer near you who might be looking for additional land to rent. See apps.ams.usda.gov/nop. Another option is to place a classified ad in your local newspaper or on the MOSES website: mosesorganic.org/farming/organic-classifieds. The ads here also run in the *Organic Broadcaster* newspaper, which reaches more than 15,000 readers.

Longer-Term Lease

Organic farmers build up healthy soil by periodically growing a cover crop for part of the year and turning it back into the ground. They have expenses for seed and running equipment to plant and plow under the crop, but they don't earn any money on that crop. They do this step to build soil health for better crop yields in subsequent seasons. By creating a land rental lease with a longer term, you let the farmer reap the benefits of their cover crops,



These contour buffer strips collect and control water running off the fields to reduce soil erosion and filter out sediments and nutrients as the water flows into ponds, streams and rivers.

a multi-year crop rotation, or allow the farmer to implement a rotational grazing system. In turn, your land benefits from organic soil management and avoidance of practices that degrade the natural resources on the farm. To attract a farmer who will manage your land organically, you could consider lowering the rent or helping to pay for soil amendments that improve your land.

Creating the Lease

To use a template to create your land rental agreement, find one through your local Extension office or the websites listed on the next page. It is a good idea to have an attorney review the lease before both parties sign it.

Items to include in your lease:

1. Name, address, phone and email of landowner and farmer, with space to sign. Indicate if the contract will be binding to heirs or if the land is sold.
2. A clear description of the land to be rented with a detailed map showing all field borders.
3. A lease start and end date, and detail about a renewal option. If a crop is still in the ground when the lease ends note if there will be a reimbursement provision. Some states specify when the landowner must notify the farmer of a farm lease termination; for example, in Iowa that date is Sept. 1. If no notification is given, then it is assumed the farmer maintains the right to continue farming that land, even if the land is sold or the lease has expired. Wisconsin does not have a standard date that agricultural leases expire; instead, a year-to-year agricultural lease requires 90 days' notice before the end of the term to terminate the lease, unless otherwise agreed. The first year of a lease does not constitute periodic tenancy, and thus does not require 90 days' notice to terminate. Verify these points with your attorney.
4. A clear notice of the rental amount, and when it is due (at specific times over the year, or in one lump sum).

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5. If the farmer may use farm buildings or field edges for equipment or crop storage, or use a well or stream for livestock or irrigation water.
6. If the landowner and farmer are going to share proceeds from the crop, note how costs and proceeds will be divided and crop insurance will be required.
7. If there is a stream crossing or fencing for livestock, list who is responsible for keeping these in working order. If the farmer takes on some of these responsibilities, note any monetary limit. Note who will be responsible and pay for improvements required before or during the lease.
8. If liability insurance is required, indicate if the farmer is responsible, or if there is a "hold-harmless" agreement so the landowner is not liable for the tenant's activities.
9. If the landowner wants to require that the farmer maintain organic certification status over the term of the lease, note if the producer will pay a penalty if he or she decides to no longer farm organically.
10. Any restrictions on land use, such as not farming an area where pheasants nest so the landowners can hunt.
11. Certified organic farmers must maintain a "buffer zone" around their organic crops to prevent the unintended application of chemicals from adjoining land that is not managed organically. Landowner and farmer should agree on how to handle payment for buffer zones adjoining non-organic fields—either don't include this acreage in your agreement or reduce the rent on this portion if the farmer will harvest it as conventional hay.
12. The landowner should be notified if the farmer sublets this land to another organic producer.
13. Be sure to outline a clear method to solve disputes. It would be ideal to solve a dispute with mediation, moving to binding arbitration, rather than going to court, which is much more expensive.
14. Outline a mechanism for modifying the farm lease contract during the term of the lease.
15. Clarify when the farmer can take possession of the land and use it according to the terms of the contract. If the landowner will allow the farmer to hunt during the year, that should be included in the contract.

Additional Resources:

Farm Rental Agreement Checklist, Ohio State Extension
ohioline.osu.edu/fr-fact/pdf/0003.pdf

Fixed and Flexible Cash Rental Agreements, North Central Regional Extension
waushara.uwex.edu/files/2012/10/lease_Fixedandflex-cashRentalArrang_NCRExt-Pub-25.pdf

Crop Share Rental Arrangements, North Central Regional Extension
www.extension.purdue.edu/extmedia/NCR/NCR-105-W.html

Tips for Farm Leases and Contracts
attra.ncat.org/attra-pub/summaries/summary.php?pub=427

Using leases to Meet Financial and Stewardship Goals, Farmers Legal Action Group
www.flaginc.org/publication/using-leases-to-meet-financial-and-stewardship-goals-2/

Sustainable Farm Lease Website, Drake University
www.sustainablefarmlease.org

Farm Leases, University of Minnesota
www.extension.umn.edu/agriculture/business/taxation/docs/farm-leases-info-sheet.pdf

Adopting Crop Share Agreements for Sustainable and Organic Agriculture, Iowa State
store.extension.iastate.edu/Product/pm1982-pdf



The Midwest Organic and Sustainable Education Service (MOSES) provides education and resources to farmers to encourage organic and sustainable farming practices.

To learn more, please see:

mosesorganic.org