

SAMPLE MARYLAND CROP-SHARE RENT FARM LEASE

DIRECTIONS:

1. Complete two copies of this lease, one for the landlord and one for the tenant.
2. Cross out or delete any unnecessary clauses.
3. Have both parties sign both copies, or sign one lease and make a copy of the signed lease.
4. This lease is provided to aid landlords and tenants in preparing their own written farm leases.

Disclaimer: This lease sample is intended to provide general information and should not be construed as providing legal advice. Using any lease format creates or alters the legal rights between the two parties and both parties should each consider consulting their respective attorneys for clarification on how any clause in a lease affects their respective legal rights.

This lease is based off a crop-share lease developed by the North Central Farm Management Extension Committee and found at <http://aglease101.org/DocLib/docs/NCFMEC-02A.pdf> modifications have been made to make the lease more Maryland specific.

Sample Maryland Crop-Share Lease

This lease is entered into on _____, 20____, between:

Landowner(s) (hereinafter Lessor):

_____ ,

whose mailing address is

_____ ,

and

Tenant (s) (hereinafter Lessee):

_____ ,

whose mailing address is

_____ .

Property Description

Lessor agrees to rent and lease to Lessee, to occupy and to use for agricultural purposes only, the following real estate located in the County of _____ and the State of _____, and described as follows:

_____ , commonly referred to as the

_____ farm and consisting of approximately _____ acres, together with all buildings and improvements thereon belonging to the Lessor, except

_____ .

Tenure of Lease

The term of this lease shall be from _____, 20____, to _____, 20____. At the end of the term,

Lessee must surrender possession of the property, unless both parties agree to extend the lease through an Extension.

Extension should be in writing and signed by both Lessor and Lessee. If an Extension is not agreed to within _____ months before the end of the term this shall act as constructive notice of the intent to terminate the lease.

No Partnership

It is agreed that this agreement is one of lease and not of partnership, and Lessor shall not be or become responsible for any debts contracted by Lessee.

Modification of Agreement

Any modification of this lease or additional obligation assumed by either party in connection with this agreement shall be binding only if placed in writing and signed by each party or an authorized representative of each party.

Assignment and Sublease

This lease shall inure to the benefit and be binding upon the heirs, executors, successors, and assigns of the parties; provided, however, Lessee shall not sublease all or any part of the leased premises, or assign this lease agreement, without the prior, express, and written consent of Lessor; and if Lessee does sublease the premises or part of the premises or assign this lease agreement, such sublease or assignment shall be void unless Lessor has given their prior, express, and written consent.

Right to Entry

Lessor, as well as agents and employees of Lessor, reserve the right to enter the property at any reasonable time to: a) consult with the Lessee; b) make repairs, improvements, and inspections; c) after notice of termination of the lease is given do tillage, seeding, fertilizing, and any other customary seasonal work, including planting a cover crop, none of which is to interfere with the Lessee in carrying out Lessee's regular farm operations.

Division of Crops

Lessee agrees to pay to Lessor or Lessor's agent or representative for rent the following shares of crops grown:

Crop Grown:	Lessor's Share:

Division of Expenses

Lessor agrees to pay the following share of these expenses:

Expense:	Lessor's Share:

Labor

Lessee shall be solely responsible for all employer obligations on hired labor with respect to safety requirements and social security and workers' compensation contributions, and the Lessor shall have no responsibilities therefore.

Government Programs

Both Lessor and Lessee will agree each crop year on the federal and state farm program payments to participate in and on the appropriate way to split any proceeds and costs incurred from program participation. Government programs can include conservation, commodity, and disaster programs offered by the federal, state, county, or local governments. This agreement will need to be in writing and signed by both parties.

Crop Insurance

Lessor and Lessee agree to split crop insurance premium payments and claims based on their respective share in each crop grown.

Cultivation

Lessee shall cultivate the demised premises according to generally accepted agricultural practices practiced in the County of _____, State of _____.

Noxious Weeds

Lessee agrees to use diligence to prevent noxious weeds from going to seed on the property.

Repairs

Lessor and Lessee agree to the following:

1. Lessee agrees to prevent waste, loss, or damage to the property of Lessor and keep property neat and orderly. Lessee further agrees to keep the building, fences (including hedges), and other improvements in good repair and condition as they are when Lessee takes possession or in as good repair and condition as they may be put by Lessor during the term of the lease – ordinary wear, loss by fire, or unavoidable destruction excepted.
2. Lessor agrees to replace or repair as promptly as possible the dwelling or any other building or equipment regularly used by the operator that may be destroyed or damaged by fire, flood, or other cause beyond the control of the operator or to make rental adjustments in lieu of replacements. Lessor further agrees to furnish materials for all normal maintenance and repairs.

Removal of Improvements

Lessor agrees to let Lessee make minor improvements of a temporary or removable nature, which do not alter the condition or appearance of the property, at the Lessee's expense. Lessor further agrees to let the operator remove such improvements even though they are legally fixtures at any time this lease is in effect or within _____ days thereafter, provided the operator leaves in good condition that part of the property from which such improvements are removed. Lessee shall have no right to compensation for improvements that are not removed except as mutually agreed.

Mineral and Wind/Solar Development

Lessor shall retain the right to enter into agreements for the development of petroleum, wind, solar, or other resources on the property, and may also authorize third parties to enter the property to survey, construct, and/or operate the facilities reasonably necessary to develop those resources. Lessor agrees to reimburse Lessee for any actual damage suffered for crops destroyed by these activities and to release Lessee from obligation under the lease to continue farming this property when and if development of such resources interferes materially with Lessee's opportunity to make a satisfactory return.

Modification of Agreement

Any modification of this agreement or additional obligation assumed by either party in connection with this agreement shall be binding only if placed in writing and signed by each party or an authorized representative of each party.

Insurance

Lessee agrees to carry at a minimum \$ _____ in liability insurance on the property.

Conservation

Both Lessor and Lessee agree to implement as far as possible the best management practices recommended by the Natural Resource Conservation Service and their respective Soil Conservation District with those agencies' soil and water conservation programs.

Environmental Compliance

The Lessee shall conduct all operations on the property in a manner consistent with all applicable local, state, and federal environmental codes, regulations, and statutes and shall bear sole responsibility for any violations thereof. The Lessee shall be solely responsible for securing any permits or approvals necessary for his or her activities on the property. In the event of any legally prohibited release of materials to the environment, the Lessee will indemnify the Lessor for any costs of environmental cleanup and restoration as well as any penalties, fines, judgments or other amounts incurred by Lessor as a result of such release.

Mediation

All claims and disputes arising under or relating to this lease are to be first submitted for mediation through the Maryland Agricultural Conflict Resolution Service. Both parties shall equally share the mediator's costs and fees. This provision maybe enforced by any court of competent jurisdiction and the party seeking enforcement may seek all costs, fees, and expenses associated with enforcing this provision.

Entire Agreement

This lease shall constitute the entire agreement between the parties and any prior understanding or representation of any kind preceding the date of this agreement shall not be binding upon either party except to the extent incorporated in this lease.

Lessor

Date

Lessor

Date

Lessee

Date

Lessee

Date