

Pasture Lease Provisions

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Grazing Season

- Length of pasture lease: 5 months
 - May 15 to October 15
 - June 1 to November 1
- Verbal Leases or Handshake Agreements are only in effect during that time
 - Terminated at the end of the grazing season

Lease Provision

- Have all leases in writing
 - If verbal – end that – get it in writing!
- Start and ending date of lease (length of lease)
- Holdover clauses?
- When will lease be negotiated? (for the next term)
- When is payment due?
- Termination – how much notice is needed?
- Subleases

Pasture Lease Provisions

- **Stocking Rate**
 - Animal Unit Months or head/acre
- **Early In & Late Out Penalty**
 - Fee? Reduced stocking rate?
- **Rent: how to calculate**
 - per cow/calf pair, per acre, per day, per month, entire season,

Who is responsible?

- Tenant:
 - Fertilizer
 - Noxious weed control
- Landlord:
 - Volunteer tree control, most notably control of eastern red cedars
 - Fences & infrastructure



- Both
 - Maintain Grass

Everything is negotiable

Pasture Leases Vary on Who Does What and Rental Rates are Adjusted Accordingly

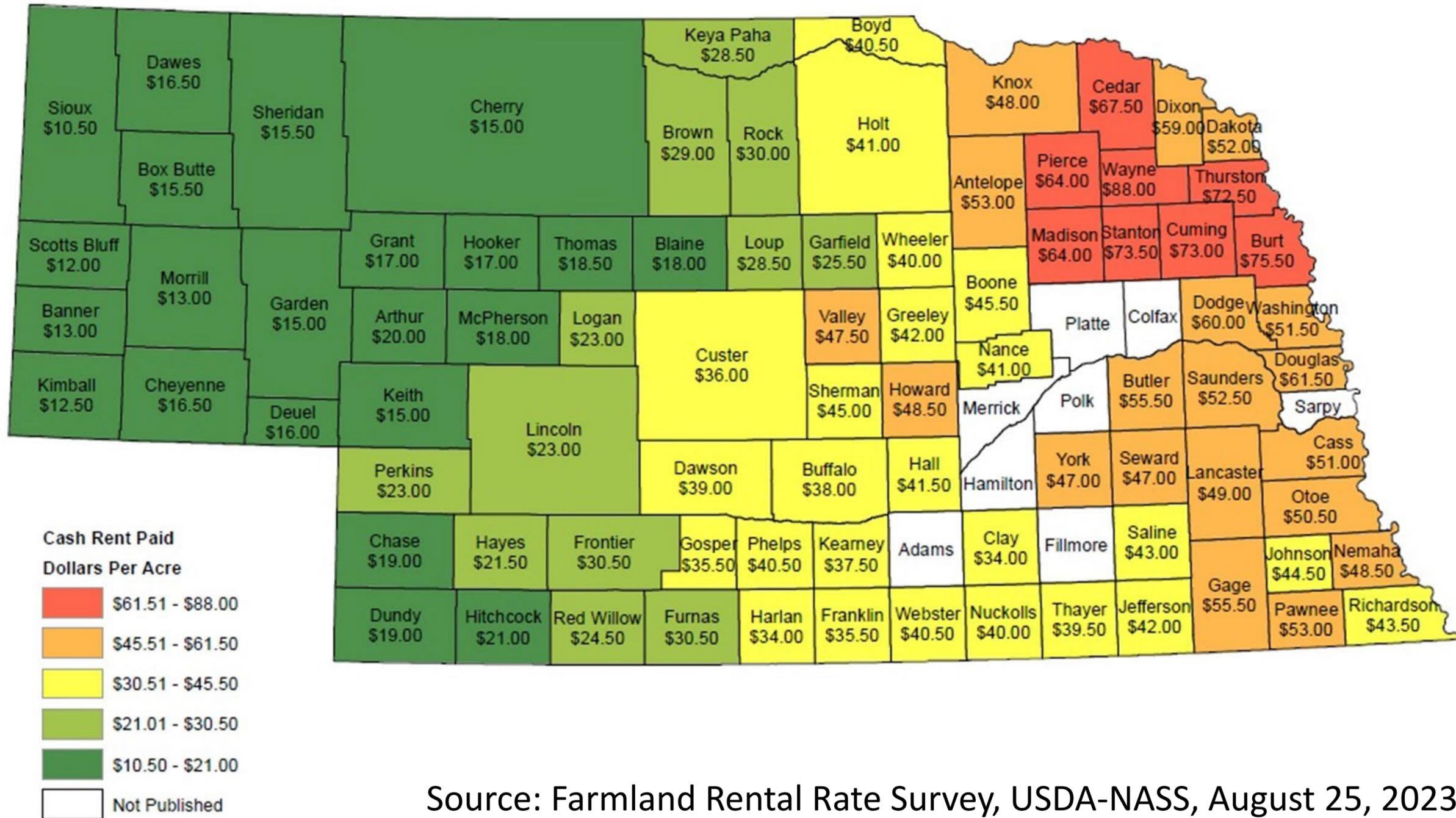
- Cattle Care
- Minor Repairs
- Tree Control
- Fixing Fence
- Weed Control
- Banking Tanks
- Other

Lease Provision

- Know what happens for the Big 3 Disasters!
 - Fire, Hail, or Drought
 - How much notice?
 - Will there be a discount?
- Hunting & Fishing rights
 - Nebraska recreational use law



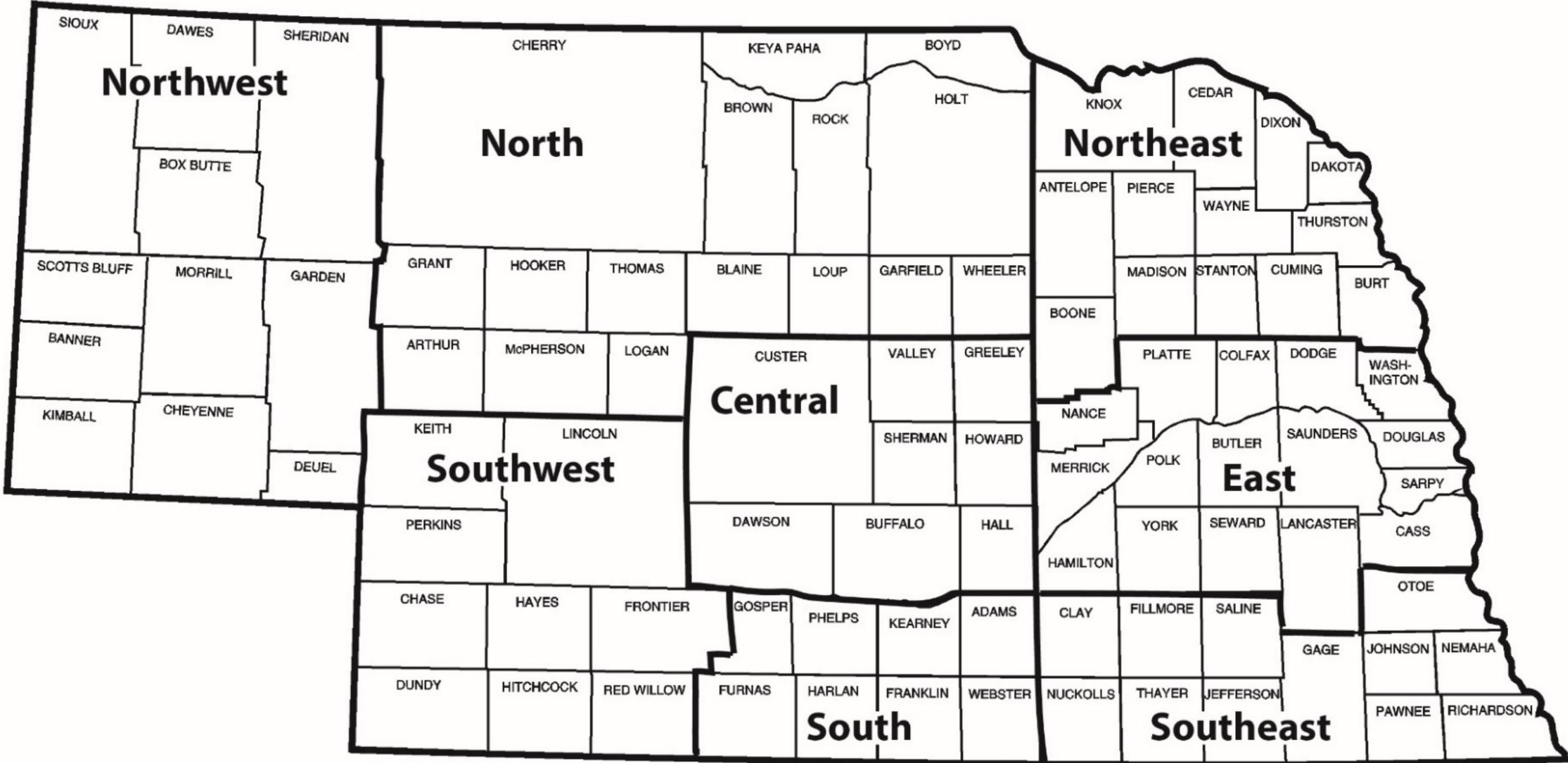
Pasture per Acre Rental Rates – 2023 Season



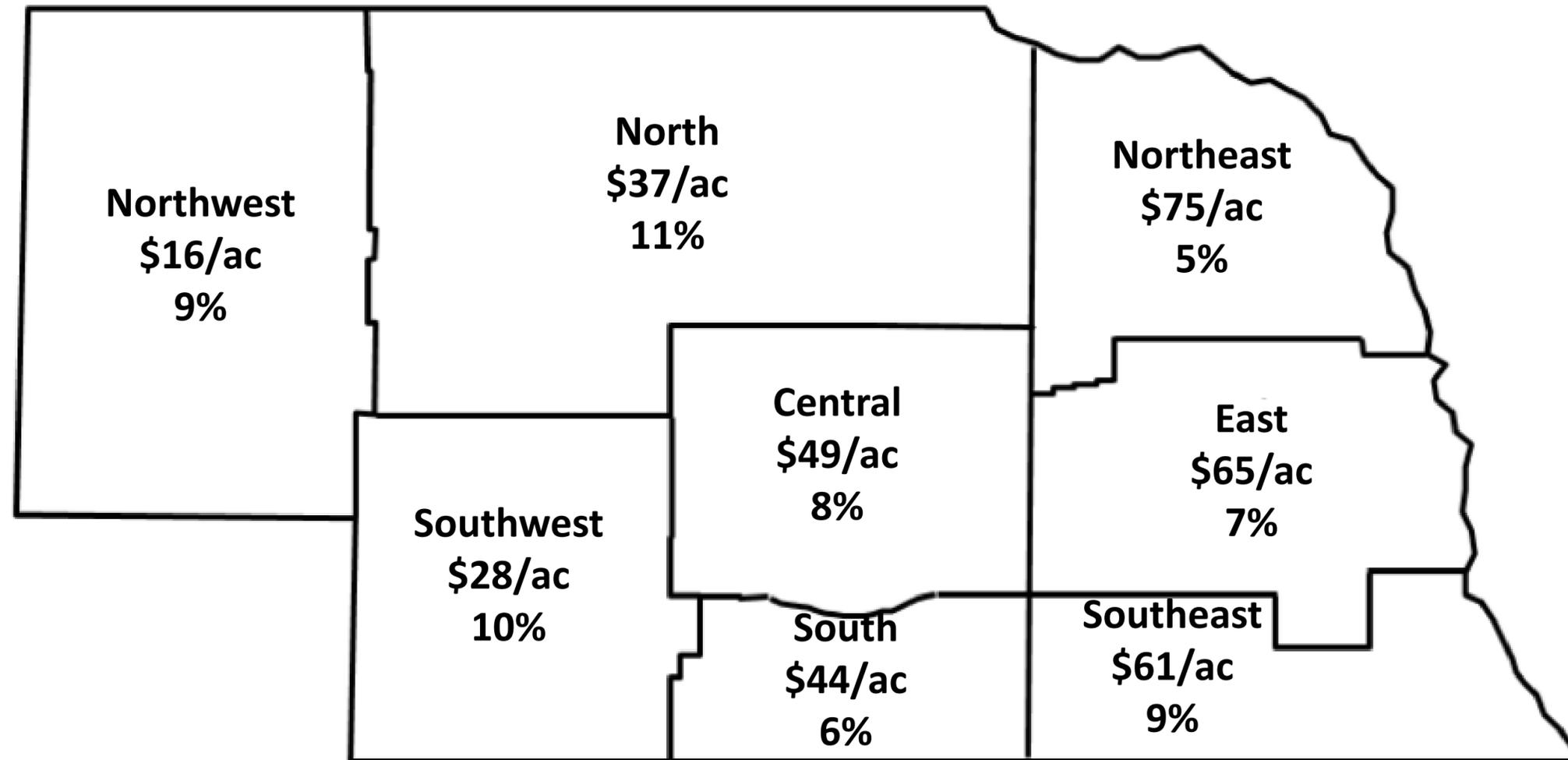
Source: Farmland Rental Rate Survey, USDA-NASS, August 25, 2023



Nebraska Agricultural Statistics Districts



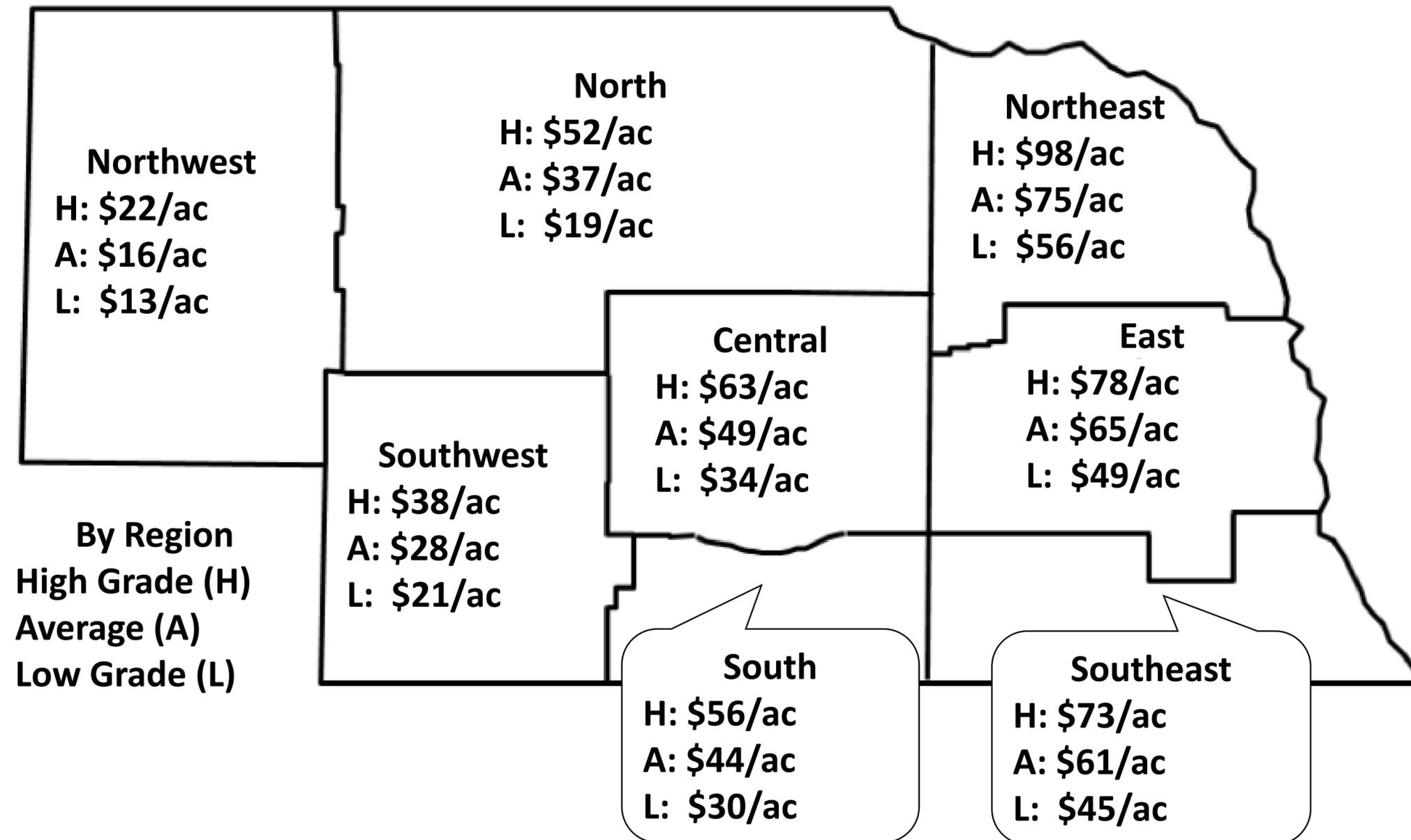
Pasture per Acre Average Rental Rates – 2024 Season



Source: Nebraska Farm Real Estate Market Development Survey, 2024.



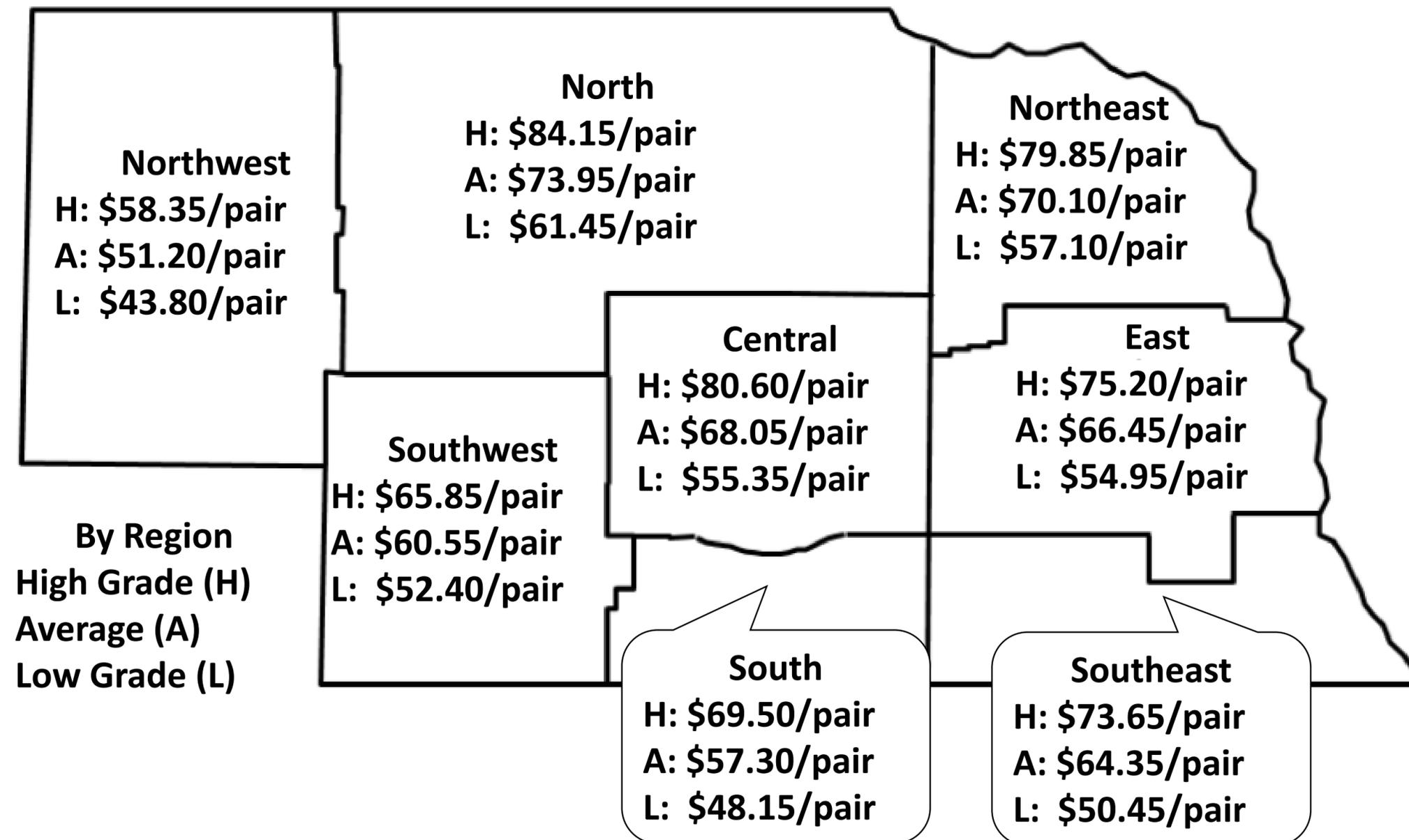
Pasture per Acre Rental Rate Ranges – 2024 Season



Source: Nebraska Farm Real Estate Market Development Survey, 2024.



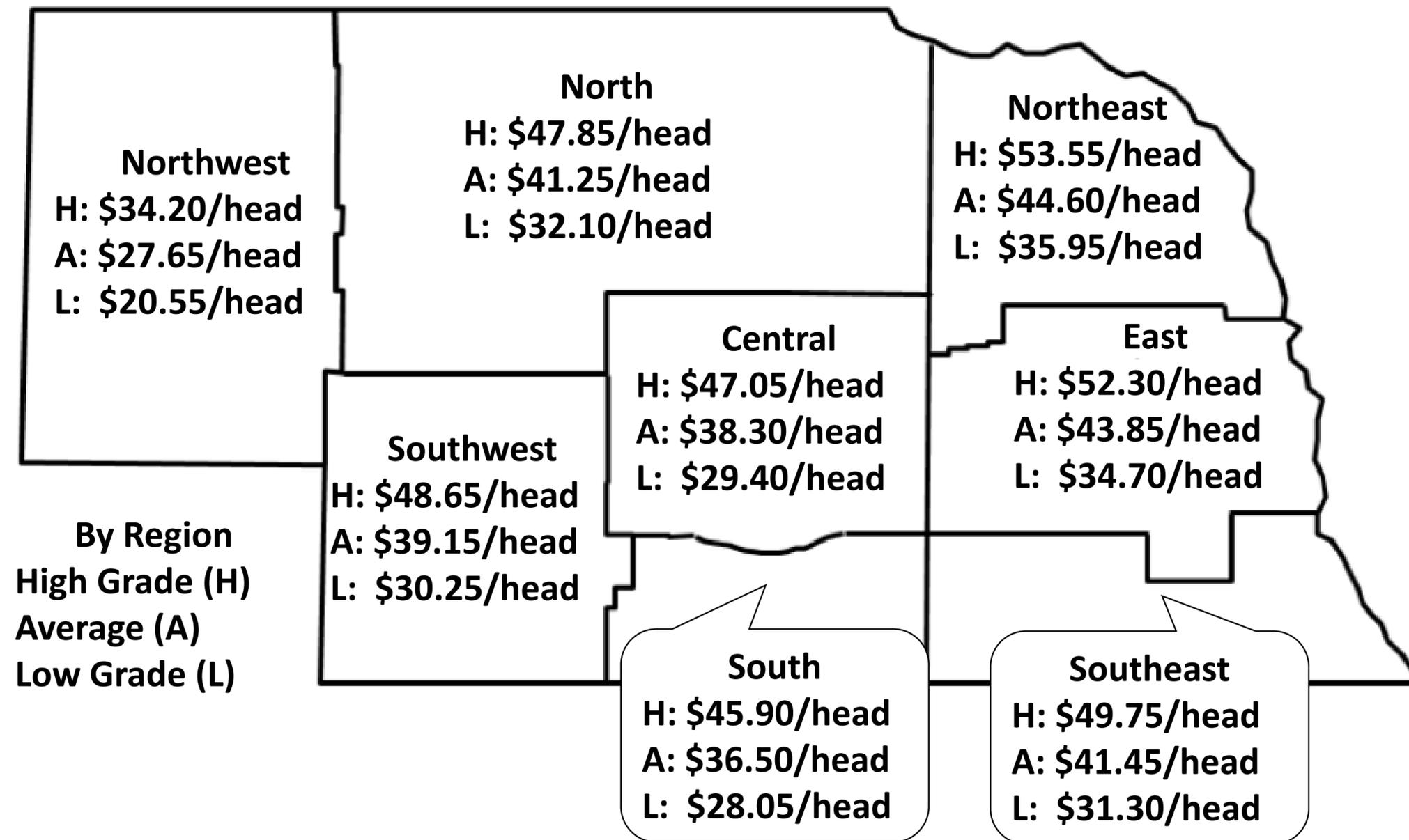
Cow-Calf Pairs Rental Rate Ranges – 2024 Monthly



Source: Nebraska Farm Real Estate Market Development Survey, 2024.



Stocker (500-600 lb.) Rental Rate Ranges – 2023 Monthly



Source: Nebraska Farm Real Estate Market Development Survey, 2023.



Livestock Forage Disaster Program (LFP)

- FSA program that compensates livestock producers that have suffered grazing losses for eligible livestock and due to drought.
- FSA's Livestock Forage Program (LFP) requires a monthly or seasonal rate to be eligible
 - If a producer de-stocks a pasture early, they must still pay for the full grazing season to remain eligible
 - Visit with local FSA office staff to make sure lease agreements will meet LFP requirements if eligibility to receive disaster payments is desired
- https://www.fsa.usda.gov/Assets/USDA-FSA-Public/usdfiles/FactSheets/fsa_lfp_livestockforageprogramfactsheet_2022.pdf

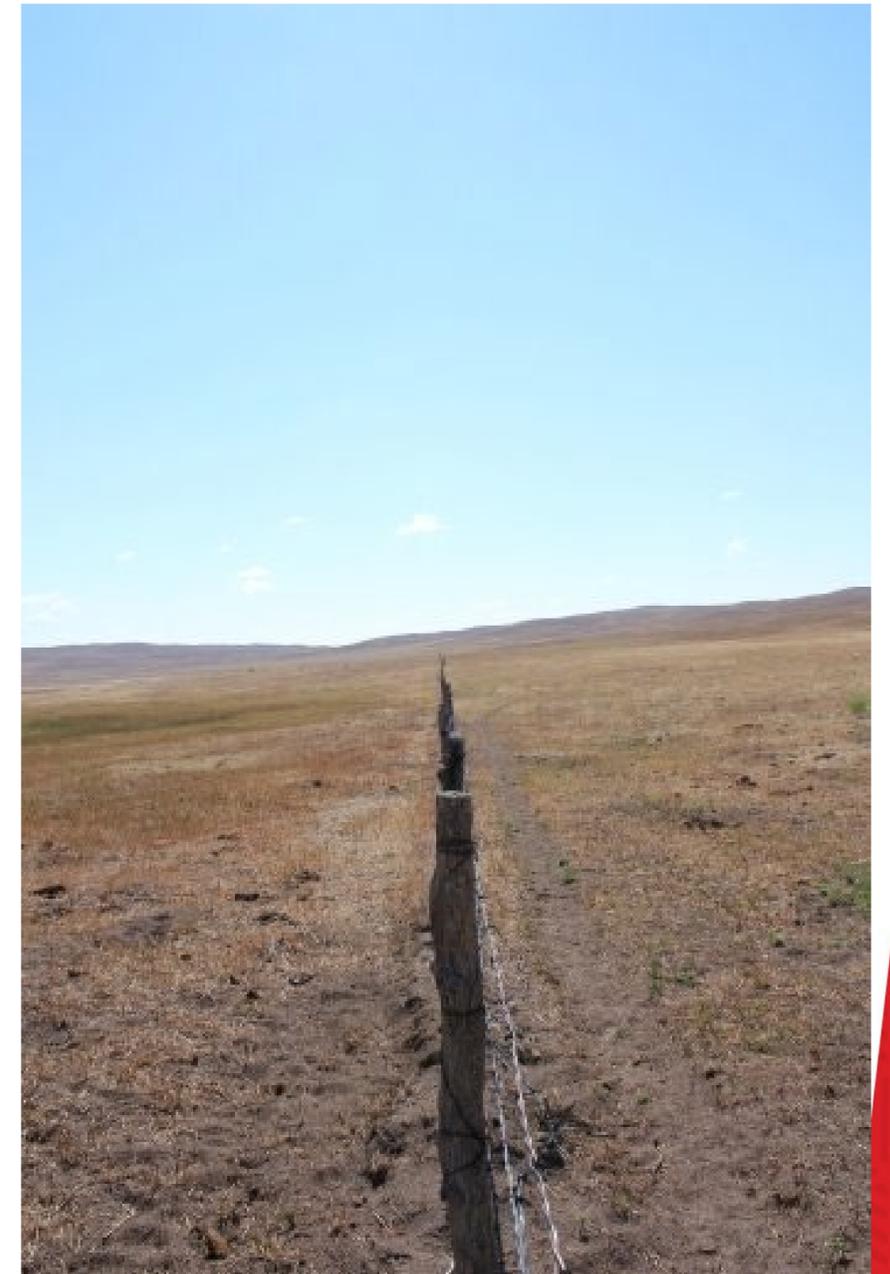


Liability Insurance

- The cattle owner should carry liability insurance on cattle grazing.
- The landowner should carry liability insurance on the land.

Fence Law

- Nebraska landowners are required to equally split the cost of establishing and maintaining a fence to divide their properties if either of the parties would like to establish the boundary
- Right Hand Rule: meet in the middle of the boundary and each individual looks to their right to identify their responsible portion.
- Current fence laws define the types of fences



Communication

- Communications should happen more often than at lease negotiation time (both landlords and tenants)
- Landlord or tenants should not be shocked when asked to remove animals if forage is limited



Fillable PDF Leases – AgLease101.org

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Lease Publications

-  [Fixed and Flexible Cash Rental Arrangements for Your Farm](#)
(NCFMEC-01)
-  [Crop Share Rental Arrangements For Your Farm](#)
(NCFMEC-02)
-  [Pasture Rental Arrangements For Your Farm](#)
(NCFMEC-03)
-  [Rental Agreements For Farm Buildings and Livestock Facilities](#)
(NCFMEC-04)
-  [Purchasing and Leasing Farm Equipment](#)
(NCFMEC-05)
-  [Beef Cow Rental Arrangements For Your Farm](#)
(NCFMEC-06)
-  [Farm Building Rental Rate Survey](#)
(NCFMEC-07)

Lease Forms

-  [Cash Farm Lease](#)
(NCFMEC-01A)
-  [Crop Share Farm Lease Cash Farm Lease Cash Farm Lease](#)
(NCFMEC-02A)
-  [Pasture Lease](#)
(NCFMEC-03A)
-  [Farm Building or Livestock Facility Lease](#)
(NCFMEC-04A)
-  [Farm Machinery Lease for Non-commercial Transactions](#)
(NCFMEC-05A)
-  [Livestock Rental Lease](#)
(NCFMEC-06A)

Lease Publications

Fillable PDF Forms



Pasture Leases

Beef Cow Share Arrangements



Beef Cow Share Lease Agreements

- A share lease divides the calf crop between the operator and owner based on what each person contributes to the production of the weaned calves.
- The operator typically supplies land, labor, some of the management, and other inputs.

Beef Cow Share Lease Agreements

- These lease agreements differ as to which person bears risk.
- In a share lease agreement, the cattle owner receives a share of the calf crop and therefore shares both the production and price risk with the operator.
- In a cash lease, the operator is usually bearing the production risk.

Advantages of a Cattle Share Lease for Cattle Owners (Lessor)

- Continued investment in a cow herd versus selling
- Retained ownership in a cow herd with reduced labor, management and price risk
- Opportunity for transfer of cow herd ownership over an extended period of time

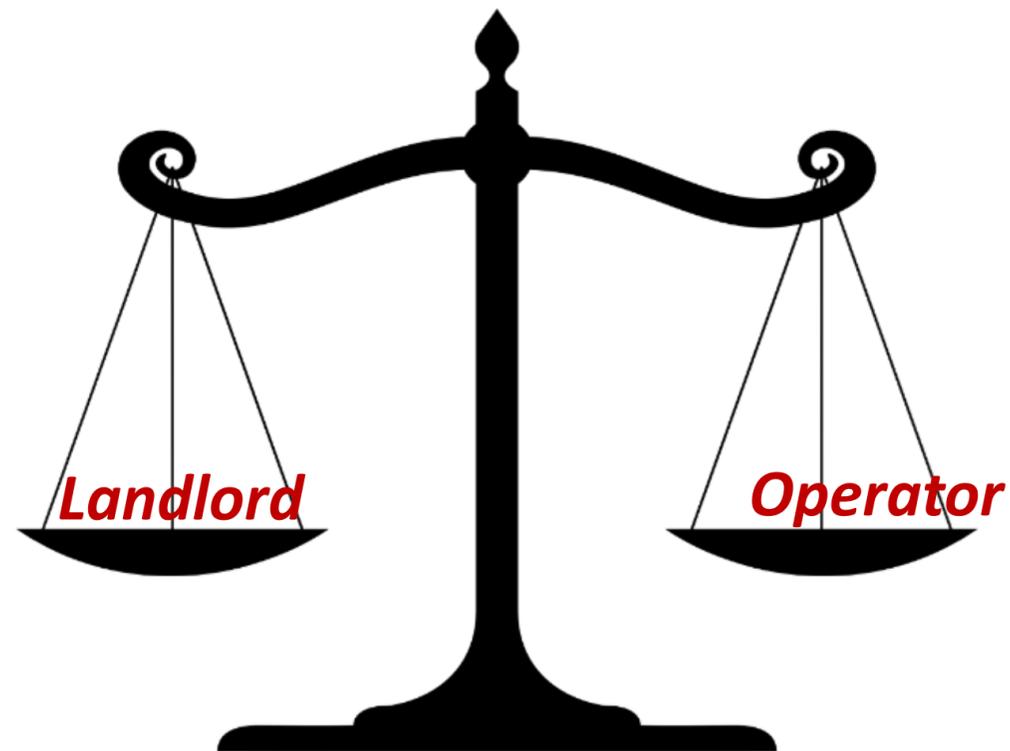
Advantages of a Cattle Share Lease for Cattle Operators (Lessee)

- Reduced capital investment (beginning operator wanting to expand)
- Shared production, price risk and management with the opportunity to gain experience
- Opportunity for gradually acquiring ownership of the cow herd

What are Typical Shares?

- Differ based on inputs
- Cow-calf Share Lease Cow-Q-Lator Decision Aid

<https://extension.unl.edu/statewide/westcentral/ag-economics/>



Commonly Asked Questions

Question: What happens when cattle get on a public roadway and an accident occurs? Does the cattle owner bear all liability?

Answer: According to current Nebraska law, in the event a producer faces a civil lawsuit from cattle getting out on a roadway and causing personal injury or property damage, the burden of proof in the case rests upon the individual initiating the suit (the plaintiff).

- In this case the plaintiff must prove the owner of the cattle (the defendant) is responsible for or negligent in allowing their cattle be out on the roadway.
- Significantly, the fact that the cattle were on the highway is not in itself evidence of negligence.



Commonly Asked Questions

Question: What happens when cattle get on a public roadway and an accident occurs? Does the cattle owner bear all liability?

Answer: Examples where producers might be found negligent in this kind of case include:

- If the fences were not being maintained,
- A gate was being left open,
- Or a prior history had been established about cattle continually getting out on the public roadways and not doing anything to correct the problem.
- Producers in all areas of Nebraska are encouraged to properly maintain their fences along public roadways.
- Cattle producers are also encouraged to carry a general farm liability insurance policy for protection against lawsuits resulting from accidents involving agricultural property.

Nebraska Farm Real Estate Survey

- 2024 Preliminary Data published March 13, 2024
- More information available upcoming webinars: cap.unl.edu/land24
- March 27
 - Central & Western Nebraska Land Management & Leasing Considerations
 - 9:00 am – 11:30 am
- March 28
 - Eastern Nebraska Land Management & Leasing Consideration
 - Noon – 2:30 pm



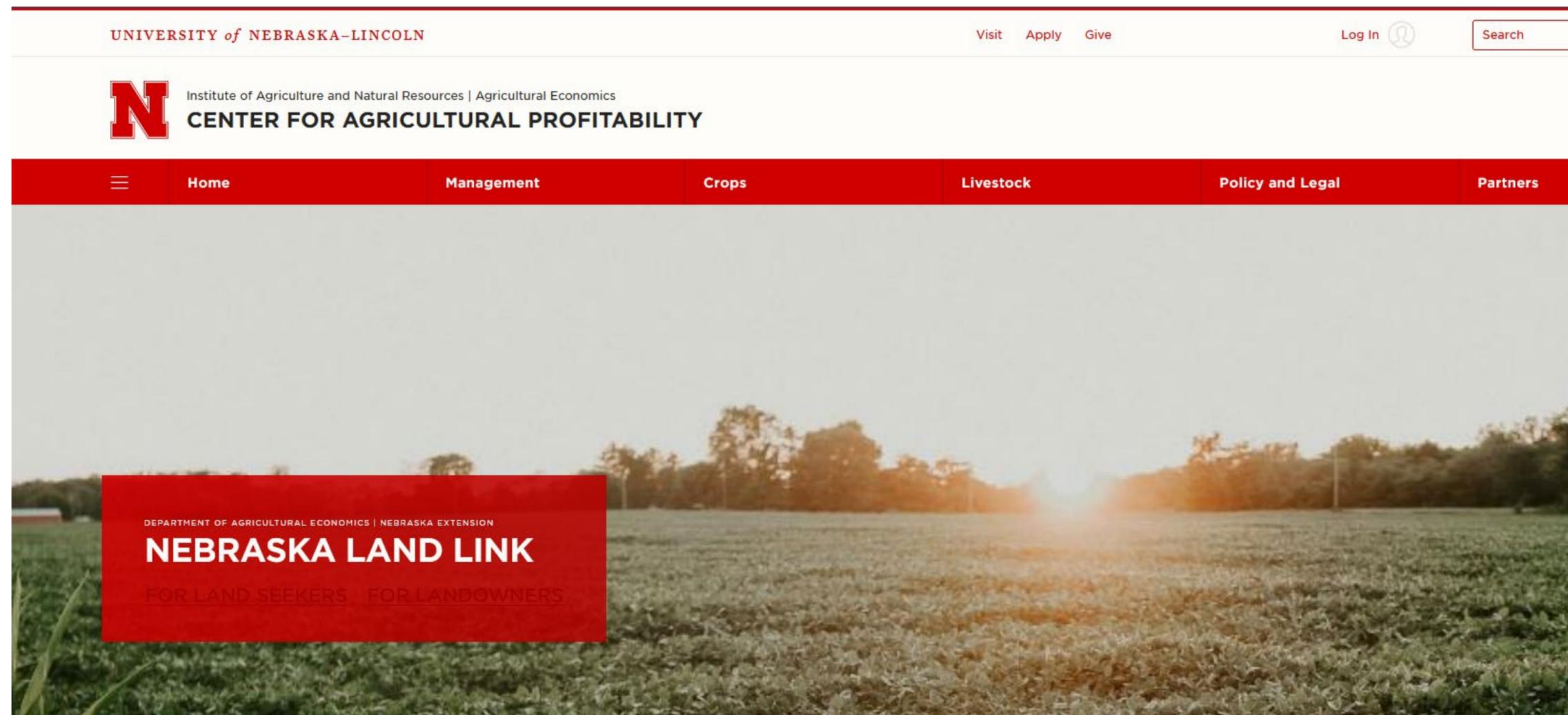
Nebraska Land Link: <https://cap.unl.edu/landlink>

- Started February 1, 2021
- Problem – two-fold
 - Land seekers don't have access to land so they can farm/ranch
 - Older generation does not have succession path (their children are not farming/ranching)
- Matches Land Seekers with Landowners
- Applications will be used with both groups
- All applications will be reviewed – follow-up phone interviews will be completed
 - Possible land seeker matches will be shared with landowners to decide who they want to interview



Nebraska Land Link: <https://cap.unl.edu/landlink>

- Online information and application is at this website



Questions?

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