11-1-1962

Livestock - Share Contract 2/3 and 1/2

Purdue University Cooperative Extension Service
LIVESTOCK-SHARE CONTRACT 2/3 and 1/3

This contract requires less capital to be furnished by the renter than the 50-50 Livestock-Share Contract.

As the landowner retains a large part of the supervision of the farm he assumes less risk in taking the renter's note for one-third ownership in the working capital than a banker would take whose only security is the mortgage on such capital.

This contract gives the honest, industrious, capable tenant a chance to rent a well equipped farm. If he does well the landowner will also.

DEPARTMENT OF AGRICULTURAL ECONOMICS

LIVESTOCK-SHARE CONTRACT - 2/3 and 1/3

This agreement made_______19____ between________________ of __________landowner, and_____________ of________________ renter, witnesseth: that said landowner has leased to said renter his farm of ___ acres located and described as follows:__________________________

____________________________________________________

This contract is for one year beginning ______19____, but it becomes automatically renewed from year to year unless either party notifies the other in writing six months previous to any _______ of its termination on that date.

The farm will be operated according to the conditions hereinafter set forth.

1. To be furnished by landowner

Landowner shall furnish the ownership of the farm, and the working capital; such as, machinery, other farm power, two-thirds of the livestock, feed and supplies needed to operate the farm. He will pay for all the spray material for orchard; all cash improvements and repairs to buildings, fences and tile; and his proportionate share of the repairs and depreciation of machinery, taxes and insurance on working capital; pay his proportionate share of expense for each of the following: feed, grain seed, fertilizer, twine, machine charge for threshing and combining; hulling, baling, silo filling, and shredding; horseshoeing, veterinary and breeding fees; fuel and oil for farm machinery and other farm operating expenses except those paid for entirely by the renter as provided in the following paragraph.

2. To be furnished by renter

Renter shall furnish all labor for operating farm and for repairing buildings and fences and machinery (except skilled labor);
one-third of all items of which the landowner furnished two-thirds as provided in the preceding paragraph, pay for the telephone on the farm, and shall deliver landowner's share as directed by the landowner free of charge.

3. Receipts by Each Party

Landowner shall receive two-thirds and renter one-third of receipts from sale of crops, livestock and livestock products, and renter shall be allowed a reasonable amount of poultry, eggs and milk for family consumption on his farm.

4. Starting the Partnership

The renter shall, at the beginning of this contract, purchase a one-third interest in all the livestock, feed, etc., belonging to the landowner, which this contract provides shall be owned jointly and which it is agreed shall be retained on the farm.

The renter may give a note for his one-third share of this property payable in ___ months with interest at ___%. This note shall constitute a prior lien on the renter's share of the jointly owned property.

5. House and Garden and Fuel

The renter shall have free use of the house and reasonable garden space for raising products for home consumption. He may use dead or down timber for fuel, but not any rails, sawn timber, or logs suitable for saw timber.

6. Crops and Soil Treatment

The crops to be grown and soil treatment to be given on each field of the farm during the continuance of this lease shall be mutually agreed upon by the landowner and renter.

Weeds shall be cut and manure hauled out by the renter according to good practice.
7. Farm Records

The renter shall keep an accurate record of all financial transactions pertaining to the farm business, using for this purpose the Indiana Farm Account Book unless he prefers some other book approved by the landowner. Such records shall at all times be open to inspection by the landowner.

8. Dissolving the Partnership

Upon the termination of this contract the farm capital jointly owned shall be appraised and one party's interest purchased by the other, or all sold at public auction or private sale to the best interest of both parties.