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**LEASE ARRANGEMENTS**  
**IN**  
**WEST CENTRAL MINNESOTA**

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UNIVERSITY OF MINNESOTA  
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And  
Vocational Division  
Minnesota Department of Education  
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--- O ---

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# A STUDY OF THE LEASE ARRANGEMENTS OF BEGINNING FARMERS IN WEST CENTRAL MINNESOTA

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## INTRODUCTION

Tenant operation of farms serves as a process whereby a young man acquires the capital and experience needed before he can safely assume farm ownership. At the present time about one out of every five farms in Minnesota is tenant operated. In West Central Minnesota one out of every three farms is tenant operated. It is the purpose of this study to present information about recent changes in the amount of farm tenancy in this West Central area and pertinent information on the types and terms of leases commonly used. Such items as size of farm, length and security of tenure, relationship of tenant to landlord, and methods of sharing farm expenses and farm receipts are covered. Most of the data presented in this report were obtained from a questionnaire study of farm leases made in 1951. A total of 448 completed questionnaires were received from tenants through the co-operation of the instructors of veterans taking on-the-farm training in 18 public schools in West Central Minnesota, Type-of-Farming Area IV. <sup>1</sup>Additional information was obtained from the State and Federal Farm Census reports.

Data from the Federal Farm census are presented in Table 1. These data show the changes in the percent of full-owner, part owner, and tenant operated farms since 1910 in the State and in West Central Minnesota. The percent of tenant operated farms in West Central Minnesota has been declining since 1940, but the percent of tenancy in this area is still well above the state average.

Table 1. Percentage Distribution of Farm Operators  
in Minnesota and West Central Minnesota.\*

Year	Minnesota			West Central Minnesota		
	Full- owners	Part- owners percent	Tenants	Full- owners	Part- owners percent	Tenants
1910	65	14	21	53	17	30
1920	64	11	25	48	13	39
1930	54	15	31	37	17	46
1935	50	16	34	37	16	47
1940	53	15	32	36	16	48
1945	56	18	26	43	18	39
1950	60	19	21	46	20	34

\*Data from U. S. Census of Agriculture

<sup>1/</sup> See map inside front cover.

## CLASSIFICATION OF LEASES

The principal types of leases in West Central Minnesota are (1) crop-share cash (2) crop-share (3) cash (4) crop and livestock share and (5) partnership agreements. Under a crop-share cash lease the landlord commonly receives a share of the crops on a part of the land and a cash payment for the use of the remainder of the farm. It is most common to find the grain crops on a share basis and the hay, pasture and building area on a cash basis. Under a crop share lease the landlord receives a share of the crops raised. This share covers the rental of the land on which the crop was raised as well as all other land in the farm. Under a cash lease the landlord receives a specified cash payment either in a lump sum payment for the whole farm or on a per acre basis. Under a crop and livestock share lease the landlord normally shares the ownership of the livestock and receives a share of the receipts from the sale of livestock and livestock products as well as a share of receipts from the crop sales. The partnership agreement is essentially a profit sharing arrangement based on the contributions of each partner to the farm business. It is used most commonly to enable a junior partner with little or no capital to share in the farm income.

## DISTRIBUTION OF LEASES BY TYPES

The preliminary report of the 1950 U. S. Census of Agriculture shows tenants operating rented farms under five different types of lease agreements. These are as follows: share cash, crop-share tenant and cropper, cash, livestock-share, and other and unspecified. The partnership agreements are not reported as such in the Federal Census. The distribution of leases by type for the State and for the area covered by this report is shown in table 2. Both the census and survey distribution of leases are shown for West Central Minnesota. A comparison of these two distributions gives some idea of the representativeness of the data presented in this report.

Table 2. Distribution of Leases by Type in Minnesota  
and in West Central Minnesota, 1950

Lease type	Minnesota	West Central Minnesota	
	Census*	Census*	Survey
	percent	percent	percent
Crop-share cash	39	59	58
Crop share	13	19	20
Cash	25	11	5
Crop and livestock share	15	6	8
Partnership			9
Other and unspecified	8	5	
Total	100	100	100

\*Preliminary report, 1950 Federal Farm Census

## MAJOR CONTRIBUTIONS FURNISHED BY LANDLORD AND TENANT

The usual shares of the major contributions of capital and expense borne by landlord and tenant on the farms studied is shown in table 3. These shares are the same under crop-share cash, crop share, and cash leases. The crop and livestock share lease and the partnership agreement differ in the share of labor, livestock and machinery furnished by the tenant. The tenant usually furnishes all of the labor and machinery when renting under a crop and livestock share lease. A partnership agreement is most often between a father who is an established farmer and a son who wishes to get started in farming. In this case the son, or junior partner, usually supplies one-half or more of the labor and a variable amount of machinery, livestock and feed.

Table 3. Customary Contribution Made  
by Landlord and Tenant with Various Types of Leases

	Type of lease									
	Crop-share cash		Crop share		Cash		Crop and livestock share		Partnership	
	Land-lord	Tenant	Land-lord	Tenant	Land-lord	Tenant	Land-lord	Tenant	Senior partner	Junior partner
	percent									
Farm	100	0	100	0	100	0	100	0	100	0
Machinery	0	100	0	100	0	100	0	100	variable	
Livestock	0	100	0	100	0	100	50	50	variable	
Feed	0	100	0	100	0	100	50	50	variable	
Labor	0	100	0	100	0	100	0	100	50	50

## DESCRIPTION OF LEASES IN WEST CENTRAL MINNESOTA

Descriptive information common to all types of leases studied from West Central Minnesota is presented in table 4. Additional information peculiar to each type of lease is presented in more detail in the later sections of this report. 84% of the leases studied were written. In a study made in 1936 79% of all leases in this area were written. (2) The 1936 study reported renewal clauses in 20% of all leases as compared with 63% at the present time.

2. Pond, G. A., Farm Tenancy in Minnesota. Minn. Agric. Exp. Sta. Bul. 353.

Table 4. Summary of Descriptive Data for Leases in West Central Minnesota by Type of Lease

Descriptive data	Lease Type					
	All types	Crop-share cash	Crop share	Cash	Crop live-stock share	Partnership
Number of leases	448	258	91	23	35	40
Ave. size in acres	213	222	180	183	230	231
Ave. tillable acres	172	181	149	127	169	180
Written leases, per cent	84	88	72	83	89	85
Contain renewal clause, per cent	63	57	58	43	69	79
Choice of crops: (per cent)						
Made by tenant	62	68	62	100	37	27
Made jointly	36	29	38	0	57	73
Made by landlord	2	3	0	0	6	0
Occupation of landlord: (per cent)						
Retired individual	38	42	38	39	48	0
Local non-farmer	28	33	23	26	34	0
Local farmer	28	19	31	17	11	100
Institutions and others	6	6	8	17	6	0
Relationship of tenant to landlord: (per cent)						
Son	26	19	18	17	31	93
Other relationship	16	13	23	9	31	7
Unrelated	58	68	59	74	38	0
Use of farm residence: (per cent)						
Tenant has full use	86	91	87	96	83	37
Tenant shares or has no use	14	9	13	4	17	63

#### CROP-SHARE CASH AND CROP SHARE LEASES

Since corn is the most important crop grown in West Central Minnesota, the crop-share cash and crop share leases have been classified on the basis of the amount of rent received by the landlord for cropland in corn. When the 258 crop-share cash leases were classified on this basis, it was found that 40% of the landlords received one-third of the corn raised, 38% received two-fifths, 15% received one-half, 5% received a cash payment, and 2% received some other amount as rent. Of the 91 crop share rental agreements 37% of the landlords received one-third of the corn raised, 25% received two-fifths, 31% received one-half and 7% received some other amount as rent.

The share of other crops and of farm receipt items received by the landlord under each of these classifications are shown in tables 5 and 6. This comparison indicates that the share of other crops received by the landlord generally followed the share of corn received. The landlord paid a larger share of operating expenses in cases where he received  $\frac{1}{2}$  of the corn crop as rent than in those cases in which he received either a smaller share of the crop or a cash rental. In all types of leases the landlord paid the major portion of expenses incurred for building and real estate improvements (tables 7, 8, and 9). In addition he paid the insurance on farm buildings and the real estate taxes.

Table 5. Share of Grain Crops and Agricultural Conservation Payments Received as Rent by Landlord, Under Crop-share Cash and Crop Share Leases

Item	Rental for corn land under crop-share cash lease				Rental for corn land under crop share lease		
	1/3	2/5	1/2	Cash rent*	1/3	2/5	1/2
Number receiving specified share or rent for corn	103	98	39	14	34	23	28
Number farms raising oats	100	98	35	14	30	23	25
No. of landlords receiving:							
1/3 of crop	90**	12	1	7	27	2	-
2/5 of crop	3**	84	-	2	-	21	-
1/2 of crop	6**	2	34	5	3	-	25
Number of farms raising flax	81	74	33	10	26	19	21
No. of landlords receiving:							
1/3 of crop	72	9	-	5	23	2	1
2/5 of crop	2	62	-	2	-	17	-
1/2 of crop	7	3	33	3	3	-	19
Number of farms raising soybeans	79	89	28	7***	19	18	21
No. of landlords receiving:							
1/3 of crop	72	8	-	2	18	2	1
2/5 of crop	1	79	-	-	-	16	-
1/2 of crop	5	2	28	1	1	-	20
Number farms raising wheat	71	39	20	9	21	9	12
No. of landlords receiving:							
1/3 of crop	63	2	-	5	18	2	-
2/5 of crop	1	35	-	1	-	7	-
1/2 of crop	5	2	20	3	3	-	12
Farms receiving agri. cons. payment	64	53	32	8	19	16	8
No. of landlords receiving:							
None of payment	26	14	3	5	9	6	2
1/3 of "	20	5	-	-	6	-	1
2/5 of "	-	25	-	-	-	7	-
1/2 of "	14	4	14	3	4	-	4
All of "	4	5	5	-	-	3	1

\* Cash rent ranged from \$4.00 to \$6.00 per acre

\*\* In this and the following tables minor classifications, in which the number is too small to be significant, are sometimes omitted and in such cases the sum of the subdivisions does not equal the total number of cases indicated. For example 100 farmers reported raising oats on farms giving 1/3 of the corn as rent but one was omitted because he was the only one reporting his particular rental system.

\*\*\* 4 farms reported a cash payment of \$4.00 to \$5.00 per acre for soybean land

Table 6. Cash or Share Rent Received by Landlords for Legumes, Grasses and Farmstead under Crop-share Cash and Crop Share Leases

Item	Rental for corn land under crop-share cash lease				Rental for corn land under crop-share lease		
	1/3	2/5	1/2	cash	1/3	2/5	1/2
Legume hay, no. raising	66	72	26	10	8	8	10
No. of landlords receiving:							
\$3.00 - \$4.74 per acre	21	7	6	5			
4.75 - 6.74 " "	25	33	8	4			
6.75 and over	4	29	5	-			
1/3 of crop	2	-	-	-	4	3	1
1/2 " "	6	1	7	1	1	2	7
Other tame hay, no. raising	24	29	18	2	4	5	6
No. of landlords receiving:							
\$3.00 - \$4.74 per acre	12	6	6	1			
4.75 - 6.74 " "	6	16	4	1			
6.75 and over	-	5	2	-			
1/3 of crop	2	-	-	-	2	2	-
1/2 of crop	1	1	3	-	2	1	5
Wild hay, no. raising	41	31	13	9	8	7	11
No. of landlords receiving:							
Under \$3.00 per acre	15	1	4	3			
\$3.00 - 4.74 per acre	18	12	6	2			
4.75 - 6.74 " "	2	13	1	2			
1/3 of crop	2	-	-	-	4	3	-
1/2 of crop	2	-	2	1	3	2	7
Legume seed, No. raising	26	20	3	4	3	4	2
No. of landlords receiving:							
None of crop	2	4	2	-			
1/3 of crop	11	2	-	-	2	1	-
1/2 " "	4	5	1	3	1	1	2
All " "	5	4	-	-			
Grass seed, no. raising	19	16	2	1	3	7	3
No. of landlords receiving:							
None of crop	3	1	2	-	1	-	-
1/3 of crop	7	2	-	-	1	4	-
1/2 " "	1	4	-	1	1	1	3
All " "	4	3	-	-			
Cash payment*	4	4	-	-			
Pasture, No. renting for cash	76	81	28	12			
No. of landlords receiving:							
Under \$3.00 per acre	23	3	6	4			
\$3.00 - 4.74 " "	41	18	9	6			
4.75 - 6.74 " "	11	48	11	2			
6.75 and over per acre	1	13	2	-			
Farmstead, No. renting for cash	21	13	7	1			
No. of landlords receiving:							
Under \$50.00	6	8	1	1			
\$50.00 - \$74.00	5	2	1	-			
75.00 - 99.00	4	-	1	-			
\$100.00 and over	6	3	4	-			

\*Payments ranged from \$2.00 to \$7.00 per acre.



Table 7. Share of Fertilizer, Spraying, Harvesting, and Marketing  
Costs Paid by the Landlord Under Crop-share Cash  
and Crop Share Rental Agreements

Item	Rental for corn land under crop-share cash lease				Rental for corn land under crop-share lease		
	1/3	2/5	1/2	cash	1/3	2/5	1/2
Commercial fertilizer, no. farms	67	60	23	9	15	14	13
No. of landlords paying:							
None of cost	16	11	1	4	9	-	2
1/3 " "	26	8	1	1	1	-	-
2/5 " "	-	13	-	1	-	3	-
1/2 " "	15	18	8	3	2	4	3
All " "	8	4	13	-	3	5	7
Weed spraying, no. farms	65	72	26	9	26	20	20
No. of landlords paying:							
None of cost	40	56	10	6	20	15	11
1/3 " "	10	3	-	-	2	-	-
1/2 " "	10	7	10	2	4	4	3
All " "	5	3	6	-	-	1	6
Airplane dusting, no. cases	8	10	4	1	5	4	4
No. of landlords paying:							
None of cost	6	9	2	-	4	3	-
1/2 " "	1	1	2	-	-	1	4
Chemical spray material, no. buying	67	79	27	5	24	17	19
No. of landlords paying:							
None of cost	29	29	2	3	15	9	3
1/3 " "	17	6	-	-	4	-	-
1/2 " "	11	11	6	2	2	3	6
All " "	9	24	19	-	3	4	10
Combining small grain, no. farms	82	70	32	10	26	22	19
No. of landlords paying:							
None of cost	75	70	5	7	22	19	3
1/2 " "	7	-	27	2	4	2	15
Combining soybeans, no. farms	78	80	33	6	20	20	21
No. of landlords paying:							
None of cost	70	79	5	5	18	17	3
1/2 " "	7	1	28	1	2	2	18
Threshing, no. farms	46	53	19	8	13	12	16
No. of landlords paying:							
None of cost	40	52	1	4	9	10	1
1/2 " "	4	1	18	3	4	1	15
Twine, no. buying	57	59	20	9	18	13	14
No. of landlords paying:							
None of cost	55	59	11	7	16	13	6
1/2 " "	1	-	8	2	2	-	8
Delivering grain to market, cases	91	90	33	11	33	21	25
No. of landlords paying:							
None of cost	85	87	16	11	29	20	12
All " "	5	2	17	-	4	1	9

Table 8. Share of Fencing, Building and Labor Expense Paid by the Landlord under Crop-share Cash and Crop-Share Rental Agreements

Item	Rental for corn land under crop-share cash lease				Rental for corn land under crop-share lease		
	1/3	2/5	1/2	Cash	1/3	2/5	1/2
Fencing material, no. farms	86	85	36	11	20	17	20
No. of landlords paying:							
None of cost	12	15	5	-	4	-	4
All of "	68	65	31	11	14	17	15
Build. repair material, no. farms	81	82	34	10	14	15	21
No. of landlords paying:							
None of cost	9	5	2	1	3	1	2
All " "	71	75	32	9	11	14	19
Labor on new fencing, no. farms	84	84	36	12	19	15	19
No. of landlords paying:							
None of cost	77	77	29	12	13	13	11
All " "	3	6	2	-	4	-	7
Labor on fencing upkeep, no. farms	88	86	35	12	20	15	20
No. of landlords paying:							
None of cost	86	82	34	12	16	15	14
All " "	1	3	1	-	4	-	6
Labor on building repair, no. farms	81	80	33	9	16	15	22
No. of landlords paying:							
None of cost	31	25	14	4	8	3	5
All " "	49	48	17	4	7	11	16
Labor on tiling, no. farms	35	41	20	2	6	11	13
No. of landlords paying:							
None of cost	8	3	2	1	1	1	1
All " "	27	35	18	1	4	10	12
Labor on grass waterways, no. farms	24	20	6	1	6	4	9
No. of landlords paying:							
None of cost	13	13	1	1	3	2	4
All " "	11	6	4	-	3	2	5
Labor on terraces, no. farms	20	13	8	-	3	3	3
No. of landlords paying:							
None of cost	11	6	5	-	-	2	-
All " "	9	6	2	-	2	1	3

Table 9. Share of Seed Costs Paid by the Landlord under Crop-share Cash and Crop Share Rental Agreements

Item	Rental for corn land under crop-share cash lease				Rental for corn land under crop-share lease		
	1/3	2/5	1/2	cash	1/3	2/5	1/2
Small grain seed, no. farms	93	92	39	12	33	23	25
No. of landlords paying:							
None of cost	84	91	7	9	28	23	1
All " "	7	1	32	3	4	-	23
Seed corn, no. farms	91	93	37	14	33	23	26
No. of landlords paying:							
None of cost	90	93	5	14	32	23	-
All " "	-	-	30	-	-	-	24
Legume seed, no. farms	62	75	30	9	20	15	13
No. of landlords paying:							
None of cost	27	20	6	5	10	4	1
All of cost	31	35	23	2	7	7	11
Grass seed, no. farms	51	70	24	7	12	11	13
No. of landlords paying:							
None of cost	22	25	4	4	4	4	1
All " "	21	28	20	1	6	6	12

#### THE CROP AND LIVESTOCK SHARE LEASE AND THE PARTNERSHIP AGREEMENT

The crop and livestock share lease and partnership agreements have been classified on the basis of the share of income from crops and livestock received by the landlord or senior partner. When the 35 crop and livestock share leases were classified on this basis, it was found that 88% (31) of the landlords received one-half of the income. The remaining 12% (4) received anywhere from one-fifth to three-fourths of the income. Classification of the 40 partnership agreements on this basis showed that 25% (10) of the senior partners (landlords) received two-thirds of the income, 52% (21) received one-half, and 23% (9) received other shares of the income.

The division of ownership of livestock and equipment under each of these classifications are shown in tables 10 and 11. The tabulation shows that the ownership of livestock generally followed the same pattern as the division of income. The ownership of equipment varied considerably under each classification and depended to quite an extent on the type of equipment.

The division of income under each of the classifications is presented in tables 12 and 13. The larger income items were shared as stated previously, but some smaller items like poultry and egg sales and custom work were divided differently in many cases.

The landlord or senior partner usually paid a greater share of the fertilizer and seed expense (table 14). Other crop expenses were most often shared on the basis of income division although there were variations in all cases (table 15). Gas, oil and equipment expense was generally paid by the tenant or junior partner while the livestock marketing expense was shared (tables 16, 17).

The ownership of livestock on the nine farms reporting a division of ownership other than 1/3 - 2/3 or 50-50 corresponded in general to the division of income on those farms. As the share of income received by the landlord or senior partner increased above one-half, he provided more of the equipment and paid a greater share of the related expenses as well as more of the other expense items.

Table 10. Ownership of Livestock on Farms Operated Under Crop and Livestock Share Leases and Partnership Agreements

Item	Crop and live-stock share leases	Partnership agreements	
		1/3*	1/2
No. of farms operating under specified type of agreement	31	10	21
Dairy cows, no. farms reporting	26	9	16
Owned on 50-50 basis	14	1	10
Landlord owned all**	2	3	5
Tenant owned 1/3 ***	-	2	-
Tenant owned all	8	-	-
Herd sire, no. farms reporting	18	3	9
Owned on 50-50 basis	10	1	5
Landlord owned all	6	-	3
Tenant owned "	1	1	1
Dairy young stock, no farms reporting	11	5	14
Owned on 50-50 basis	7	-	12
Landlord owned all	1	2	-
Tenant " "	2	-	2
Beef cows, no. farms reporting	8	1	3
Owned on 50-50 basis	7	-	1
Landlord owned all	1	-	1
Tenant owned all	-	-	1
Beef young stock, number farms reporting	16	3	9
Owned on 50-50 basis	14	-	6
Tenant owned all	1	-	3
Feeder cattle, no. farms reporting	7	2	2
Owned on 50-50 basis	6	-	2
Landlord owned all	-	1	-
Hogs, no. farms reporting	30	8	16
Owned on 50-50 basis	26	2	14
Tenant owned 1/3	-	4	-
Tenant owned all	2	-	1
Sheep, farm flock, no. farms reporting	5	1	3
Owned on a 50-50 basis	4	-	2
Landlord owned all	1	-	1
Chickens, No. farms reporting	27	5	18
Owned on a 50-50 basis	10	3	11
Landlord owned all	1	2	4
Tenant " "	15	-	3
Horses, no. farms reporting	12	3	9
Owned on a 50-50 basis	1	-	6
Landlord owned all	5	3	2
Tenant " "	6	-	1

\* junior partner's share is 1/3

\*\* landlord or senior partner

\*\*\* tenant or junior partner

Table 11. Ownership of Power, crop, and Livestock Equipment on Farms Operated Under Crop and Livestock Share Leases and Partnership Agreements

Item	Crop and live- stock share leases	Partnership agreements	
		1/3	1/2
Tractor, number farms reporting	31	10	21
Owned on 50-50 basis	6	2	10
Landlord owned all	3	4	2
Tenant owned 1/3	-	3	-
Tenant owned all	20	-	8
Truck, number farms reporting	9	5	9
Owned on 50-50 basis	-	-	2
Landlord owned all	2	3	5
Tenant owned 1/3	-	1	-
Tenant owned all	7	1	2
Electric motor, number farms reporting	23	9	17
Owned on 50-50 basis	3	-	9
Landlord owned all	7	8	4
Tenant owned 1/3	2	1	2
Tenant owned all	7	-	1
Gas engine, number farms reporting	11	4	4
Owned on 50-50 basis	1	-	4
Landlord owned all	5	2	-
Tenant owned 1/3	-	1	-
Tenant owned all	6	1	-
Cornpicker, number farms reporting	16	5	16
Owned on 50-50 basis	4	2	7
Landlord owned all	4	3	2
Tenant " "	6	-	7
Combine, number farms reporting	11	3	12
Owned on 50-50 basis	2	1	4
Landlord owned all	2	1	3
Tenant " "	7	-	4
Manure spreader, number farms reporting	26	7	20
Owned on 50-50 basis	4	-	7
Landlord owned all	9	6	6
Tenant " "	13	-	7
Milking machine, number farms reporting	10	5	11
Owned on 50-50 basis	2	1	4
Landlord owned all	3	3	2
Tenant " "	5	-	5
Feed grinder, number farms reporting	15	4	16
Owned on 50-50 basis	2	-	7
Landlord owned all	4	2	5
Tenant " "	9	1	4
Portable hog house, number farms reporting	7	4	7
Owned on 50-50 basis	1	-	4
Landlord owned all	5	4	3
Tenant " "	1	-	-
Portable brooder house, no. farms reporting	15	4	11
Owned on 50-50 basis	1	1	4
Landlord owned all	10	2	5
Tenant " "	4	-	2

Table 12. Division of Receipts from Sale of Livestock or Livestock Products under Crop and Livestock Share Leases and Partnership Agreements

Item	Crop and livestock share leases	Partnership agreements	
		1/3	1/2
Dairy cattle sales, no. farms reporting	19	9	16
Shared on 50-50 basis	13	1	13
Landlord received all	2	3	3
Tenant received 1/3	-	5	-
Tenant received all	4	-	-
Other dairy cattle sales, no. farms reporting	15	4	13
Shared on 50-50 basis	13	-	11
Landlord received all	-	-	2
Tenant received 1/3	-	3	-
Tenant received all	2	-	-
Beef breeding stock sales, no. farms reporting	8	-	4
Shared on 50-50 basis	7	-	3
Feeder cattle sales, no. farms reporting	15	3	6
Shared on 50-50 basis	15	-	3
Tenant received 1/3	-	3	-
Tenant received all	-	-	3
Hog sales, no. farms reporting	31	9	18
Shared on 50-50 basis	28	1	15
Tenant received 1/3	-	6	-
Tenant received all	3	1	2
Native sheep sales, no. farms reporting	5	1	3
Shared on 50-50 basis	4	-	2
Tenant received all	-	1	-
Poultry sales, no. farms reporting	26	5	17
Shared on 50-50 basis	12	3	11
Landlord received all	-	1	5
Tenant       "       "	14	-	1
Milk or cream sales, no. farms reporting	25	10	18
Shared on 50-50 basis	19	-	14
Landlord received all	-	2	4
Tenant received 1/3	-	8	-
Tenant received all	6	-	-
Egg sales, no. farms reporting	24	5	17
Shared on 50-50 basis	12	2	11
Tenant received 1/3	-	2	-
Tenant received all	12	-	1

Table 13. Division of Harvested Crops, Legume Hay, Agricultural Conservation Payment, and Income from Custom Work Under Crop and Livestock Share Leases and Partnership Agreements

Item	Crop and livestock share leases	Partnership agreements	
		1/3	1/2
Corn, number farms reporting	31	10	21
Shared on 50-50 basis	29	-	21
Tenant received 1/3	-	10	-
Wheat, number farms reporting	10	9	16
Shared on 50-50 basis	9	-	16
Tenant received 1/3	-	9	-
Flax, number farms reporting	16	10	14
Shared on 50-50 basis	15	-	14
Tenant received 1/3	-	10	-
Soybeans, number farms reporting	24	8	15
Shared on 50-50 basis	22	-	15
Tenant received 1/3	-	8	-
Oats, number farms reporting	31	10	21
Shared on 50-50 basis	29	-	21
Tenant received 1/3	-	10	-
Legume hay, number farms reporting	26	9	20
Shared on 50-50 basis	26	-	20
Tenant received 1/3	-	9	-
Conservation payment, no. farms receiving	20	5	17
Shared on 50-50 basis	15	-	14
Tenant received 1/3	-	4	-
Tenant received all	4	1	3
Custom work, no. doing	13	5	11
Shared on 50-50 basis	2	1	4
Tenant received 1/3	-	3	-
Tenant received all	10	1	7

Table 14. Division of Spraying, Harvesting and Silo Filling Expense Under Crop and Livestock Share Leases and Partnership Agreements

Item	Crop and livestock share leases	Partnership agreements	
		1/3	1/2
Weed spraying, no. farms reporting	24	7	16
Shared on 50-50 basis	14	-	11
Landlord paid all	5	-	2
Tenant paid 1/3	-	7	-
Tenant paid all	5	-	3
Chemical spray material, no. farms reporting	22	8	14
Shared on 50-50 basis	14	-	10
Landlord paid all	8	2	3
Tenant paid 1/3	-	6	-
Combining small grain, no. farms reporting	20	6	9
Shared on 50-50 basis	18	-	6
Tenant paid 1/3	-	6	-
Tenant paid all	2	-	3
Combining soybeans, no. farms reporting	24	6	10
Shared on 50-50 basis	22	-	8
Tenant paid 1/3	-	6	-
Tenant paid all	2	-	2
Threshing, no. farms reporting	15	6	9
Shared on 50-50 basis	14	-	8
Tenant paid 1/3	-	6	-
Baling, hay, no. farms reporting	26	7	15
Shared on 50-50 basis	23	-	14
Tenant paid 1/3	-	6	-
Corn picking, no. farms reporting	25	7	15
Shared on 50-50 basis	18	1	10
Tenant paid 1/3	-	5	-
Tenant paid all	7	-	5
Silo filling, no. farms reporting	23	8	11
Shared on 50-50 basis	18	-	10
Tenant paid 1/3	-	6	-
Tenant paid all	5	-	1



Table 15. Division of Fertilizer and Seed Expense Under Crop and Livestock Share Leases and Partnership Agreements

Item	Crop and livestock share leases	Partnership agreements	
		1/3	1/2
Commercial fertilizer expense, no. farms reporting	23	7	14
Shared on 50-50 basis	14	-	10
Landlord paid all	8	1	3
Tenant paid 1/3	-	6	-
Legume seed expense, no. farms reporting	25	8	18
Shared on 50-50 basis	11	-	11
Landlord paid all	13	1	7
Tenant paid 1/3	-	7	-
Grass seed expense, farms reporting	23	5	16
Shared on 50-50 basis	9	-	10
Landlord paid all	13	1	6
Tenant paid 1/3	-	4	-
Seed corn expense, no. farms reporting	29	10	19
Shared on 50-50 basis	16	1	9
Landlord paid all	13	1	10
Tenant paid 1/3	-	8	-
Small grain seed expense, no. farms reporting	29	9	19
Shared on 50-50 basis	16	-	9
Landlord paid all	13	1	10
Tenant paid 1/3	-	8	-

Table 16. Division of Power, Crop Machinery Expense and Farm Electricity Expense under Crop and Livestock Share Leases and Partnership Agreements

Item	Crop and livestock share leases	Partnership agreements	
		1/3	1/2
Tractor repair expense, no. farms reporting	30	9	19
Shared on 50-50 basis	5	1	8
Tenant paid 1/3	-	7	-
Tenant paid all	25	-	11
Truck repair expense, no. farms reporting	11	4	10
Shared on 50-50 basis	1	1	3
Tenant paid 1/3	-	2	-
Tenant paid all	10	1	4
Gas & oil expense, no. farms reporting	31	9	19
Shared on 50-50 basis	11	1	9
Tenant paid 1/3	-	8	-
Tenant paid all	19	-	10
Crop machinery expense, no. farms reporting	29	9	19
Shared on 50-50 basis	5	1	10
Tenant paid 1/3	-	7	-
Tenant paid all	24	-	9
Farm electricity expense, no. farms reporting	31	8	19
Shared on 50-50 basis	13	1	11
Tenant paid 1/3	-	5	-
Tenant paid all	18	-	3

Table 17. Division of Livestock Marketing and Livestock Equipment Expense  
Under Crop and Livestock Share Leases & Partnership Agreements

Item	Crop and livestock share leases	Partnership agreements	
		1/3	1/2
Feed expense, no. farms reporting	31	8	19
Shared on 50-50 basis	26	-	17
Tenant paid 1/3	-	8	-
Tenant paid all	4	-	2
Veterinary expense, no. farms reporting	30	8	19
Shared on 50-50 basis	27	-	15
Tenant paid 1/3	-	8	-
Tenant paid all	3	-	4
C.T.A. expense, no. farms reporting	13	5	5
Shared on 50-50 basis	8	-	5
Tenant paid 1/3	-	5	-
Tenant paid all	5	-	-
Breeding fee expense, no. farms reporting	20	7	11
Shared on 50-50 basis	15	1	9
Tenant paid 1/3	-	5	-
Tenant paid all	5	-	1
Trucking livestock, no. farms reporting	29	7	16
Shared on 50-50 basis	24	-	15
Tenant paid 1/3	-	7	-
Tenant paid all	5	-	1
Milk or cream hauling, no. farms reporting	16	6	13
Shared on 50-50 basis	9	-	8
Tenant paid 1/3	-	4	-
Tenant paid all	7	-	3
Livestock equipment expense, no. farms report- ing	28	8	18
Shared on 50-50 basis	13	-	13
Tenant paid 1/3	-	6	-
Tenant paid all	13	-	3

Table 18. Division of Fencing, Building & Labor and Insurance Expense Under Crop and Livestock Share Leases and Partnership Agreements

Item	Crop and livestock share leases	Partnership agreements	
		1/3	1/2
Fencing material, no. farms reporting	30	9	20
Shared on 50-50 basis	-	-	6
Landlord paid all	30	5	14
Tenant paid 1/3	-	4	-
Building repair expense, no. farms reporting	31	8	20
Shared on 50-50 basis	-	-	6
Landlord paid all	31	5	14
Tenant paid 1/3	-	3	-
Board for hired labor, no. farms reporting	28	6	17
Shared on 50-50 basis	4	1	8
Landlord paid all	-	4	2
Tenant " "	24	-	7
Wages for hired farm labor, no. farms report- ing	28	8	17
Shared on 50-50 basis	8	2	8
Tenant paid 1/3	-	5	-
Tenant paid all	19	1	9
Labor expense on new fencing, no. farms report- ing	28	6	17
Share on 50-50 basis	7	2	8
Tenant paid all	15	2	8
Labor expense, fence upkeep, no. farms report- ing	28	7	18
Shared on 50-50 basis	4	3	9
Tenant paid 1/3	-	4	1
Tenant paid all	22	-	8
Labor on building repair, no. farms reporting	30	7	17
Shared on 50-50 basis	1	1	6
Landlord paid all	25	3	7
Tenant paid 1/3	-	3	1
Labor on tile repairs, no. farms reporting	17	5	13
Shared on 50-50 basis	2	1	6
Landlord paid all	14	3	6
Fire insurance expense, no. farms reporting	24	7	15
Shared on 50-50 basis	15	-	10
Tenant paid 1/3	-	4	-
Tenant paid all	8	-	2

### CASH LEASES

Cash leases comprise a minor proportion of the total leases in use in West Central Minnesota. Crop-share cash and crop share leases predominate largely because of the type of farming that prevails in the area. Cash leases are found largely on farms with a small acreage of crop land. The average cash rental rate was \$5.75 per acre and ranged from \$2.40 to \$9.00. On 13 of the 23 cash rented farms the rent was paid in two installments. October and March were the months in which these rental payments most commonly were due.

Under a cash lease the landlord pays none of the current operating expenses on the farm. He does, however, pay the insurance on buildings, real estate, taxes, and the cost of real estate improvements.