Farmland Leasing Workshop Agenda

1:00 pm Doors open and registration

1:30-2:30 pm Planning for Successful Farmland Leasing:
   Keynote address with Kathy Ruhf, Senior Program Director of
   Land For Good.

15 minute break

2:45-3:45 pm Legalities of Leasing Arrangements:
   Mark Botkin of BotkinRose will provide information on the
   legalities of farmland leasing.

15 minute break

4:00-5:00 pm Farmer and Landowner Panel:
   Virginia Farm Link and the Certified Farm Seeker Program will
   provide information on leasing resources available to Virginians, and
   local farmers and landowners will share experiences in land leasing.

5:00-6:30 pm Networking Social Hour:
   Wrap up the workshop with an opportunity to meet
   landowners and land seekers! Catered appetizers, beer and wine will be
   provided.
Speaker Bios

Kathy Ruhf
Sr. Program Director and Massachusetts & Rhode Island Field Agent for Land For Good
Kathy Ruhf began Land For Good’s work on farmland access, tenure and transfer in 2004, when there was scarcely any recognition or regional resources on these topics. Over the ensuing decade, land access became an issue of priority concern among all farm and food system stakeholders in New England and nationally. Kathy is a nationally recognized leader in farm entry, succession and tenure. She has co-authored guidebooks, managed projects, led workshops and worked closely with farm families on these topics. She served as co-director of the New England Small Farm Institute for 17 years, and on the USDA Advisory Committee on Beginning Farmers and Ranchers for six years, and chair for two. Kathy coordinated a regional network, the Northeast Sustainable Agriculture Working Group (NESAWG) from its founding in 1992 until late 2012. She continues to work and write on farm and food policy as a NESAWG Senior Fellow.

Mark Botkin
Attorney specializing in Agriculture Law, Business, Tax Planning, Conservation Easements, Education Law, Real Estate, Wills, Trusts & Estates
Mark Botkin serves as general counsel to many closely held businesses, often from their inception. This includes advising on choice of entity and structure as well as providing advice on federal and state taxation issues. Mr. Botkin has substantial experience in estate planning and pension and employee benefits. Having been raised on a farm in the beautiful Shenandoah Valley, Mr. Botkin enjoys helping farm families preserve their farmland for future generations through the use of such techniques as conservation easements.

Andy Sorrell
Virginia Farm Link Program Coordinator
The Virginia Farm Link program is designed to help farmers and landowners who are facing retirement and want to see their businesses continue and their land stay in production and beginning and expanding farmers who are in search of business arrangements through which they can acquire land, equipment, experience and access to the knowledge of seasoned producers. The Farm Link program offers an online linking database, the Certified Farm Seeker program and farm transition resources.

Heather Coiner and Ben Stowe
Farmers and Owners of Little Hat Creek Farm, Nelson County

Laura Farrell
Landowner Temple Hill Farm, Albemarle County
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Steve Price
Attorney, McCandlish & Lillard PC
Steve Prince is a principal in the Leesburg office of McCandlish & Lillard, P.C. and serves as general counsel to the Land Trust of Virginia. Price’s practice focuses on real estate matters including adverse possession, easement and covenant disputes, partition, quieting of title, and condemnation, as well as trust and estate litigation. He is a Commissioner in Chancery for the Circuit Court of Loudoun County and has sat as a Judge pro tempore. He is a member of the council for the Virginia Bar Association’s Real Estate Section, previously serving on the VBA’s Board of Governors and chairing the Civil Litigation Section.
Mr. Price serves on the board of the Mosby Heritage Area Association and was previously president of the George C. Marshall International Center in Leesburg.
A Distinguished Graduate of Virginia Military Institute with a B.A. in History with Honors, he took his J.D. from the University of Virginia and an LL.M. from the University of Cambridge (Queens’ College.)

Katie Meyer
Certified Farm Seeker Program Coordinator
The CFS program uses the five curriculum modules (whole farm planning introduction, business, land acquisition and tenure, marketing, and on-farm experience) developed by the Virginia Beginning Farmer and Rancher Coalition Project (BFRCP) and will help farm seekers develop a farm business plan and resume, as well as demonstrate on-farm experience. The program is designed to help all levels of beginning and experienced young farmers who are looking to farm or to expand their farm.
Chip Planck
Chip Planck, with his wife, Susan, of Wheatland Vegetable Farms, were full-time vegetable growers in Northern Virginia from 1973 through 2010. The Plancks used ecological methods exclusively on their more than 20 acres of crops, selling at numerous Washington, DC metro area producer-only farmers markets. They hired college and post-college students as seasonal workers. Today, 25 of their 250 former workers are now full-time vegetable farmers.

From 2006 to 2010, as the Plancks reduced their own farming, they leased land, equipment, and infrastructure to independent vegetable farmers. In 2007, the Plancks put 58 of their 60 acres under conservation easement, and have recently sold 50 of those acres to two separate vegetable and fruit farmers.

Chip has served on the boards of various sustainable farming and land preservation groups, including the Loudoun Purchase of Development Rights committee, the Piedmont Environmental Council, the Virginia State Board of Agriculture, FreshFarm Markets, and, currently, the Chesapeake Alliance for Sustainable Agriculture.

Jim Hilleary
*Extension Agent, Virginia Cooperative Extension (VCE)*

Jim Hilleary is Loudoun County’s Virginia Cooperative Extension (VCE) Unit Coordinator and Extension Agent for Agriculture and Natural Resources (Animal & Crop Science). In this capacity, Jim also serves as:

- Department Director, Loudoun County Department of Extension Services
- Board Member, Loudoun Soil & Water Conservation District Board
- Board Advisor to: Blue Ridge Cattleman’s Association, Loudoun County Farm Bureau, and Loudoun Valley Sheep Producer’s Association.

Jim is a retired military veteran. Prior to his work with VCE, he served as Coordinator, Fauquier Education Farm where he oversaw farm operations and administered the Northern Piedmont Beginning Farmer Program. Jim also worked for Virginia Tech’s College of Agriculture and Life Sciences supporting the Virginia Farm Mentor Network.

A life-long learner, he earned an Associate of Science degree from Northern Virginia Community College, a Bachelor of Science degree from Virginia Tech, a Master of Military Art and Science degree from the United States Army Command & General Staff College and a Master of Agriculture Extension Education from Colorado State University. He and his wife Susan, an agriculture and horticulture teacher at Fauquier High School, live near Marshall where they raise goats for meat and fiber, hogs, and poultry. They have four adult children and five granddaughters.

Jim supports the agricultural community in Fauquier County as a member of the Fauquier County Farm Bureau Board of Directors. He is also a life-member of the US Veterans of Foreign Wars.
ELEMENTS OF A GOOD FARM LEASE

1. **The Parties** – Be clear about the identities of the landlord and the tenant. The lease should specify whether the party is an individual, LLC, corporation, or some other entity.

2. **Description of the Property** – The description should be sufficient to allow a stranger to identify the location of the property. The description should include the address, a map, and relevant specifics about the parcels being leased. A description of the initial condition of the property, including any structures, should be included. Typically, a dwelling should be leased separately, with the property immediately surrounding it as part of the residential lease.

3. **Duration of the Lease** – The start and end dates, and options for extension or renewal. The lease should also state whether it stays with the property if ownership transfers. FILE at REGISTRY.

4. **Rent** – Payment (known as the “consideration”) must be specified, even if it is no cost. There are various ways to calculate the rent. In a non-cash agreement, the type and frequency of services or the crop-share amount should be specified. If there are penalties (e.g., interest) for a late payment, those should be specified as well.

5. **Taxes** – Responsibility for property and any other tax payments should be specified.

6. **Utilities** – The lease should specify who is responsible for utility bills and what entity will be named on each utility account.

7. **Permitted and Prohibited Uses** – This is an important section. The lease should clearly define the permitted and prohibited uses of the property. What kinds of farming will be allowed? What counts as agriculture? Does a cordwood operation qualify as agriculture? Commercial composting? A corn maze? Aquaculture? Definitions and perceptions of farming evolve, so it’s important to be both clear and flexible. Address whether farm-related education or non-agricultural uses such as recreation will be permitted. A landowner may also prohibit certain activities, e.g., removing trees or gravel.

   Landowners may want to specify whether the land is to be limited to certain types of production, for example, only pasture or hay land, or to other restrictions or requirements regarding uses appropriate to the soils or topography of the farm. A map indicating where certain practices are allowed or prohibited is useful. It’s recommended to include a process for the tenant to request permission or clarification regarding uses. For example, the lease may say that removing trees is prohibited except as approved by the landowner in response to a written request by the tenant.

8. **Entry** – The lease should specify whether the landowner has permission to enter the property, and if there are limitations to such entry. For example, requiring the landowner to give 24 hours notice about a visit. Can landlord’s family members walk or picnic on the leased property?
9. **Maintenance and Repairs** – The lease should specify who is responsible for maintaining and making repairs to the land and any structures included in the lease, such as fences, buildings, storage structures, roads and irrigation systems. Repairs and maintenance are fertile areas for disagreements and disappointments between landowner and farm tenant. The distinctions among maintenance, repairs and improvements should be spelled out as clearly as possible. Typically the tenant is responsible for basic maintenance and routine repairs. The landlord is usually responsible for major repairs, rehabilitation, and replacement of farm structures or systems. A process spelled out in the lease for the parties to decide when there is some question can save miscommunication and tension down the road.

10. **Alterations and Improvements** – The lease should specify who is responsible for improvements such as new structures or major alterations, along with the process for approval, and who bears the cost. It should specify whether such improvements are considered permanent fixtures and become the property of the landowner (compensating the tenant or not) or whether they may be removed by the tenant at the end of the term.

11. **Stewardship and Conservation** – In this clause, the parties can specify what practices may be required or encouraged. Often it’s good to reference a separate stewardship plan as an attachment to the lease. The plan can be reviewed and revised annually. A lease may specifically encourage or require the development of a conservation management plan, a waste management plan, or a grassland habitat management plan.

12. **Subletting** – The lease may specify whether subletting is permitted and under what conditions. Farm leases typically do not allow subletting without some controls by the landowner such as prior review and approval of the sublease terms and sub-tenant.

13. **Termination** – The lease should indicate the procedure for either party to terminate the lease. Tenants should always have a reasonable exit option. The lease should specify if and when notice must be given. On longer-term leases, the ability of the landlord to terminate without just cause should be limited, otherwise the long-term nature of the lease is undermined.

14. **Default** – The lease should specify what constitutes default by tenant or landowner. Default means that one of the parties to the lease has violated a term by failing to do something or by doing something not permitted by the lease. The lease should allow for the party to remedy the default, such as to pay the late rent or clean up a pile of trash, and address any damages resulting from the default.

15. **Monitoring and Reporting** – The lease should specify how monitoring will be handled, whether there will be reporting between the farmer and landowner and what form such reporting would take. There may be a schedule of monitoring visits. The landowner may want someone familiar with farming to do the monitoring—a farming friend or a professional, for example.

16. **Insurance and Liability** – The lease should require the tenant to carry liability insurance, typically indemnifying the landowner. The landowner may carry casualty insurance on the structures. The lease should specify what will happen in the event the property is condemned or destroyed by fire or other casualty.

17. **Dispute resolution** – A lease also may include a dispute resolution process, from a mutual commitment to engage in a facilitated conflict management process, to shared cost of formal mediation.
CHAPTER X

Landowner Checklist

From the time you first consider leasing your land for agricultural use to the time you sign a lease with a farmer, there are many important details to consider. These details are compiled in a convenient list format here, to help you keep track of each step on your way to a successful contract.

Assessing Your Land
Identify your parcel(s) available and suitable for agriculture. Be creative! Land for farming can have diverse characteristics. Maybe a property is well suited for bee hives. Maybe it is a forest that would provide the perfect location for a mushroom grower to place cultivation logs. The following points will help you identify your land’s valuable agricultural features:

A. What is the suitability of the property you are considering leasing?

- Soils (prime farmland with no or few constraints, or soils with significant constraints such as wetlands, drainage problems, stoniness, ledge)
- Topography (level, moderate or steep slopes)
- Land orientation and micro-climates, such as frost pockets
- Current management (open fields mowed, recently tilled, hay, pasture, orchard, tree farm, forested)
- Invasive species or other aggressive vegetation that creates management issues
- Water source (existing supply, spring or creek that could be developed)
- Existing fences and stone walls
- Existing buildings and their condition (barn, house, storage facility)
- Access for the farmer (good road, driveway, unimpeded, or with constraints)
- Neighbors (farmers or suburban residents, how many, how supportive of agriculture)
- History of public access
- Non-agricultural resources (wildlife habitat, wetlands, vernal pools, drinking water supplies) and their compatibility with agriculture
- Other land uses such as hiking, biking, skiing, hunting, swimming

B. Are there legal constraints to leasing your property for agriculture?

- Conservation easement that restricts some uses and activities
- Zoning limitations and restrictions
- Liens, rights-of-way, easements

Identifying Your Interests, Purposes and Goals
Just as you need to determine your land’s potential agricultural uses, you also need to decide what you and your family want from the land and from a potential farm operation on the property. Considering the following common landowner goals should help you establish your reasons for and interests in leasing your land. Some blank spaces are available at the bottom for you to name some of your own unique goals and interests.

- Addressing stewardship for your property
- Regular flow of income from your land
- Protecting the environment, including water quality, natural habitat, etc.
- Protecting or improving the scenic character of your property
- Partnering with a well-established, knowledgeable farmer with a good reputation so as to minimize potential problems

A. What level of agricultural activity do you want on your property?

Agriculture is a diverse industry and various crops require land with different characteristics. Intensity of agricultural management or cultivation varies from minimal to significant and has correspondingly diverse impacts on land and the visual landscape. For example, mature forest may provide the shade needed for a mushroom farmer who locates cultivation logs on your property; fields of wildflowers...
provide locations for honeybee farmers to sit their hives; long-term and perennial crops such as nut trees and highbush blueberries may require minimal cultivation once they are planted; fields may be used for pasture or hay; vegetables and row crops require annual tilling and continuous cultivation until harvest; and farmers can extend their growing season with high tunnels or hoop houses that permit cultivation earlier and later in the year than would be possible in an unprotected field.

- Decide what level of cultivation and intensity of agricultural management and activity you want on your property.

- Are you willing to permit a farmer to raise animals on your property? If so, what types (e.g. chickens, turkeys, sheep, cattle, pigs, etc.) and how many?

- What is your perspective or preference for organic farming practices, including the use of fertilizers and pesticides?

- Can the farmer bring the public onto your property as part of a CSA, pick-your-own operation or farmstand?

B. Can the farmer improve the property?

You also should consider the extent to which you are comfortable allowing a tenant farmer to use, improve or change your property. Below are some important points to keep in mind.

- Fencing to keep animals in and/or to protect crops from predators or wildlife damage

- Water (well, spring development, other)

- Temporary structures, including hoop houses, high tunnels to extend the growing season, or animal shelters such as chicken coops

- Planting perennial or long lifecycle crops (nut trees, fruit trees, berries)

- Soil improvements (fertilizer, lime, other)

- Drainage improvements

- Are you able and willing to share the costs of improvements?

- Do you want to provide the farmer with some equity if he or she makes improvements to your property?

C. What role do you want to play in the farming operation?

There are many variations and options, including:

- Leasing the land to a farmer and remaining uninvolved in the farming operation

- Establishing a community farm or community gardens

- Hiring a farmer and working with him or her on the farming operation

D. What compensation do you want for leasing the farmland?

- Cash payment

- Share of produce

- In-kind exchange for stewardship activities such as mowing fields, maintaining fences, managing invasive species or conducting programs for the public

E. What is the length of term for the lease?

- Annual renewal

- Short-term, two to five years with provisions for renewal

- Rolling lease

- Long-term ___ years

- Very long-term ground lease

F. How will you find and select a farmer for your property?

- Initial search by word-of-mouth and contact with land linking organizations.

- Selection criteria clearly established

- Opportunity for prospective farmers to visit the property and ask questions

- Follow-up meeting with top prospects. Do you understand the farmer’s perspective? What are his or her needs, interests and plans for farming?

G. Draft a written lease that is reviewed and signed by both parties.

A comprehensive list of important items to consider including in your lease is available in the Elements of a Good Lease section, starting on page 13 of this handbook.
For Landowners

Leasing your private or public farmland helps meet your stewardship goals and increases farming opportunity.

**LEARN** about the issues.

**MONITOR** the relationship.

**NEGOTIATE** the agreement.

**MAKE YOUR LAND AVAILABLE FOR FARMING.**

**ASSESS** your situation, land and needs.

**EXPLORE** your options.

**FIND** a farmer.

**SET** your terms.

39 Central Square, Suite 306, Keene, NH 03431 • 603.357.1600 • landforgood.org
I. Oral Versus Written

A. To be enforceable, a lease for more than one year must be in writing. Va. Code § 11-2.6.

B. Even if for less than a year, the lease should be in writing in order to memorialize the terms.

C. Make sure that the written lease reflects the business realities of the transaction.

II. Should the Lease be Recorded?

A. The tenant may want to ensure that a buyer of the land will be bound by the terms of the lease.

B. Instead of recording the lease, the parties will usually record a memorandum of lease.

C. A reason that many leases are not recorded is because the parties do not want to pay the recordation tax.

III. Basic Terms of the Lease

A. The names of the Landlord and the Tenant.

B. Description of the Property.

C. The Length of the Term.

1. If the tenant will be making capital improvements, the tenant will usually want a longer term to recover its investment. The length of the term is also important if the tenant will be paying to fertilize the land and/or build fences.

2. This can be a very important issue for wineries leasing land to install a vineyard.
D. Rental Rates

1. Cash lease. This is the most common arrangement and is usually a flat dollar amount per acre or a lump sum for all of the acreage. If the property has both pasture and crop land, there may be different rental rates. In general, there is a substantial difference in rental rates between crop land and pasture land.

2. Crop-share lease. In this situation, the landowner and the tenant each receives a portion of the crop. The percentage that each is to receive will usually depend on whether the landlord will contribute more than just the land.

E. Improvements, Maintenance, and Repairs

1. The lease should address the responsibility of the parties regarding the costs of maintenance, repairs, and improvements.

2. If the tenant will be making significant improvements, as mentioned earlier the tenant will want to ensure that the term of the lease is long enough to justify the costs of the improvements. If the initial term of the lease is not for a period that is long enough for a tenant to recover its investment in tenant constructed improvements, then the lease should likely provide for the tenant to be compensated for the improvements. The lease should also specify the party that will take the depreciation deduction on its income tax return.

F. Responsibility for Insurance. Who bears the responsibility for keeping the improvements insured for casualty loss and who has the responsibility for obtaining and paying for liability insurance? The landlord should be named as an additional insured if the tenant is responsible for maintaining insurance.

G. What Approval Rights Does the Landlord Reserve?

1. Converting land to another use (for example, pasture to crops).

2. Use of chemical fertilizers or herbicides.

3. Type and number of livestock.

H. Environmental Issues

1. The landlord wants to ensure that the tenant does not cause environmental damage to the property and create liability for the landlord.
2. The tenant should ensure that the landlord has not already created environmental problems that the tenant could be accused of creating.

I. Property Taxes

1. Usually the landlord pays the real estate taxes and personal property taxes on the landlord’s personal property.

2. The tenant usually pays personal property taxes on the tenant’s personal property.

J. Tenant’s Right to Harvest Crops. The lease should address the tenant’s right to harvest crops that are planted before the lease terms ends.

IV. Termination

A. A written lease will normally specify the termination date of the lease.

B. What if no written lease?

1. If the lease is year to year, then three (3) months’ written notice is required.

2. If the lease is month to month, then thirty (30) days written notice is required.
Farmland Leasing Workshop

November 5, 2015

Middleburg Community Center
300 West Washington Street
Middleburg, Virginia 20117

LEGAL CONSIDERATIONS OF FARMLAND LEASES
PRESENTED BY STEPHEN C. PRICE
Landowner Objectives:

- Regular income;
- Increased local food production;
- Keeping property in production;
- Keeping property well maintained;
- Qualifying for land-use taxation;
- Affording an opportunity to a new farmer and their family.

New Farmer Concerns:

- Existing infrastructure:
  - fencing, barns, sheds, irrigation lines;
  - responsibility for maintenance.

- Equipment:
  - can landlord provide, and, if so, maintenance responsibility;
  - storage availability.

- Housing

Types of Farming and Needs:

- Animal Production
  - shelter;
  - fencing;
  - water.

- Hay and Grain Production
level ground;
- weed free;
- regular lime and manure.

- Vegetable and Flower Production
  - excellent soil;
  - fencing for protection.

- Trees, Grapes and Perennial Production
  - long-term arrangement;
  - fencing for protection.

- Greenhouse Production
  - greenhouse

(Dairy has very expensive infrastructure and a dairy farm lease is very unlikely in the Piedmont.)

**Good Landowner-Farmer Relations:**

- Ongoing communication;

- Remain open to modification.

**Basic Lease Terms:**

Lease should be written and, if for more than 5 years, MUST be recorded in the land records.

- Correctly identify Landowner and Farmer;
- Carefully identify property being leased;
- Duration of lease;
- Amount of rent and when payment is due; security deposit;
• Taxes – which party is responsible;
• Utilities – which party responsible;
• Uses of property – clearly define;
• Right to unharvested crops at end of lease (doctrine of emblements);
• Maintenance and repairs – which party responsible;
• Capital improvements – which party responsible;
• Stewardship guidelines;
• Limits on farm practices:
  . types of crops and production methods;
  . application of fertilizers, herbicides and pesticides;
  . limits on livestock numbers.
• Termination and default provisions;
• Insurance.

Determining Rent:
• Local market data;
• USDA county averages;
• Landowner’s carry costs:
  . taxes
  . insurance
  . interest
  . repairs
  . depreciation
• Cost of Production;
• Sliding scales;
- Share cropping;
- In-kind rent;
- Taxation treatment for landowner.
Sample Lease Provisions:

PREMISES

Landlord agrees to lease to Tenant the hereinafter described premises solely for the purpose or purposes specified herein, and subject to the terms and conditions herein set forth for a term of five (5) years, to commence on the _____ day of ____________, 20__, and to end on the _____ day of ____________, 20__: [here describe premises]

RENT

In addition to the obligations and covenants contained herein, the Tenant agrees to pay to the Landlord the sum of ___________ Thousand Dollars ($ ___________), without notice, demand or offset, as annual rental by the last Friday of November in each year.

RIGHT OF ENTRY

The Landlord reserves the right for themselves, their agents, employees, and assigns to enter upon the premises at any reasonable time to consult with the Tenant; to make repairs, improvements, and inspections; to show the premises to prospective purchasers, tenants, mortgagees, workmen and contractors; for access to any animals belonging to the Landlord as hereinafter provided; and, after notice of termination of this lease has been given, to plow, seed, fertilize, or perform such customary seasonal work, none of which shall interfere with the Tenant's farming operations.

CONTINUOUS OCCUPANCY

The Tenant agrees that he or his agent will possess and occupy the farm continuously during the term of this lease.

CROP AND LIVESTOCK ADJUSTMENTS

If it is impracticable in any year, from causes beyond Tenant's control, to grow the crops and to keep as a minimum the number of livestock shown on Schedule "A," a copy of which is attached hereto and made a part hereof, appropriate adjustments to the provisions of this lease, including the provisions regarding rental, will be made by mutual agreement of the parties.
hereto, which agreement shall be in writing.

TRANSFER OF PREMISES

If the Landlord should sell, devise, or otherwise transfer the title to the premises, such transfer shall be subject to the provisions of this lease. However, in the event this lease is for a term of more than one (1) year, the Landlord's heirs or successors in title shall have the option to give written notice of termination effective at the end of the lease year in which the title is transferred.

LAND USE

Except when otherwise agreed by the parties in writing, the land use and cropping plan shall be as follows and the number of each kind of livestock shall not exceed the numbers specified:

1. "Low grounds" as shown on attached Schedule A, which are expressly made a part of this lease agreement, shall be grazed by not more than seventy-five (75) head of cattle. Hay may be cut from the "low grounds," but the Tenant shall not plow, till or cultivate the "low grounds." Tenant may lime the "low grounds," but shall not use any other fertilizer without Landlord's consent.

2. "Crop land" as shown on attached Schedule A shall only be used for the production of the following crops: [here list permitted crops].

3. The "rental house lot" as shown on attached Schedule A shall be used for the production of hay only.

4. "Garden plot" as shown on the attached Schedule A is reserved for the use of the Landlord.

5. "Water sources" for livestock shall be limited to the creek and the existing pond. No water shall be drawn for livestock or irrigation from the well or other water sources. All livestock shall be watered from tanks and shall not be allowed access to any streams or ponds.

LAND USE TAXATION

Farming of the demised premises qualifies it for "land-use" taxation. The Tenant agrees
to keep detailed records of animal / crop production for this purpose, and to cooperate with the Landlord in signing and submitting all necessary paperwork to receive such tax treatment.

HUNTING AND FISHING PRIVILEGES

Tenant shall not permit the hunting of any dove, turkey, ducks, geese, deer or other animals, or the discharge of any firearms on the premises without the Landlord's prior written consent. Tenant shall maintain "No Hunting, No Trespassing" signs around the perimeter of the property. Tenant shall not permit anyone, including Tenant, to fish in any of the ponds on the property, without the Landlord's prior specific written consent.

GENERAL MAINTENANCE

Tenant shall maintain the premises in as good condition as the same are now, normal wear and tear and depreciation and damage from causes beyond the Tenant's control excepted.

SPECIFIC MAINTENANCE

The Tenant shall keep all culverts, ditches, banks and fence rows, and the road sides adjoining the premises free and clear of weeds and brush. The Tenant agrees to mow the ditch banks, fence rows, and road sides once in June and once between August 15 and September 1, and as may be further necessary to keep the premises free and clear of weeds; and Tenant agrees to keep all weeds from growing and maturing in the pastures and in cultivated crops.

The Tenant agrees to replace and repair all board fencing on the holding lot and other places on the premises where necessary within the first two (2) months of this lease. Any replacement boards shall be identical in size and kind, and any replaced boards and posts shall be treated with identical wood preservative as the existing fence. The Tenant further agrees to keep all fencing in good and substantial repair.

HUSBANDRY

The Tenant shall cultivate, fertilize, and manage the farm and premises in a good husbandlike manner, according to the most recently approved course of husbandry in order to conserve the premises.

CROPPING PRACTICES

The Tenant shall NOT, without the prior written consent of the Landlord, do any of the
following:

1. Plow permanent pasture or meadowland.
2. Cut live trees for sale or personal uses, but will take for personal use only the dead or unmarketable timber designated by the Landlord.
3. Allow livestock other than his own on the premises.
4. Bum or remove cornstalks, corncobs, or other residue, or manure from the premises.
5. Plant legumes on the premises that are not properly inoculated.

PASTURING

The Tenant shall prevent trampling of fields by livestock when injury would occur to the premises; all hogs will be properly wired to prevent their damaging the premises by rooting.

No hogs will be permitted in the following areas: [here specify areas].

LIVESTOCK PRACTICES

In caring for his livestock, the Tenant will follow good husband-like health and sanitation measures, inoculate all livestock according to veterinary recommendations for the geographic area and livestock's use, and guard against disease. The Tenant will notify the Landlord promptly of any diseases found in Tenant's livestock. All diseased livestock shall be quarantined or disposed of according to the advice and recommendations of a licensed veterinarian, which veterinarian shall be approved by Landlord.

No dead livestock shall be buried or otherwise disposed of on the premises without Landlord's prior consent.

CONSERVATION PRACTICES

The Tenant will control soil erosion as completely as practicable by stripcropping and contouring, by using no-till planting procedures and by filling in or otherwise controlling small washes or ditches that may form.

CONSERVATION STRUCTURES

The Tenant will keep in good repair all terraces, open ditches, and inlets and outlets of tile drains, preserve all established watercourses or ditches, including grass waterways, and the
Tenant shall further refrain from any operation or practice that will injure them. The Tenant will keep in good repair all ponds and pond dams.

REVIEW OF CONSERVATION PROGRAM

A new schedule covering conservation practices and improvements will be prepared each year on an appropriate form, which, when signed by both parties, shall become part of this lease.

PESTICIDES AND HAZARDOUS MATERIALS

The Tenant shall follow all Environmental Protection Agency and other applicable governmental regulations and guidelines, as to the labeling, use, storage and disposal of fungicides, herbicides, pesticides, and fertilizers. The Tenant shall not allow any hazardous waste, including, but not limited to, petroleum waste products, to be stored, used, or placed on or in the premises or in or near any adjoining waterways. The Tenant shall immediately notify the Landlord in the event of spillage or leakage of any fungicide, herbicide, pesticide, fertilizer, petroleum product, or hazardous substance, material, or waste on the premises. The Tenant shall not place any underground or above-ground storage tanks or containments on the property.

In the event of the spillage or leakage of any fungicides, herbicides, pesticides, fertilizers, petroleum products, or hazardous materials, sub- stances, or waste on the property caused by the Tenant or the Tenant's employees, agents, or invitees, the Tenant shall immediately cleanup said spillage or leakage and restore the premises to its prior condition at his own expense.

GOVERNMENT PROGRAMS

The farm will be operated in compliance with the following state and federal government programs: [here list all Agricultural Stabilization and Conservation County Committee and other programs, including Soil Conservation Service programs and the Chesapeake Bay Preservation Act, as well as local county ordinances.]

GOVERNMENT RULES AND REGULATIONS

The Tenant shall comply with all applicable local, state, and federal laws and rules and regulations governing livestock and farming operations. The Tenant shall not permit the premises to be used for any illegal activities, including, but not limited to, the unlawful or improper use, possession, sale or distribution of any illegal drugs or controlled substances as
prohibited by federal, state or local law, including, but not limited to, the unlawful or improper use, possession, sale or distribution of any illegal drugs or controlled substances as prohibited by federal, state or local law.

FIRE PROTECTION

The Tenant shall not house any tractors, automobiles, or trucks in any of the barns without the prior written consent of the Landlord. No abandoned or inoperable motor vehicles shall be brought to or stored upon the premises. All combustible materials will be properly stored by the Tenant.

MATERIAL AND LABOR

Unless otherwise specified herein, all expenses for materials and/or labor incurred in the farming of the premises and the fulfillment of the terms of this lease shall be the sole responsibility of the Tenant.

LIENS

The Tenant shall keep the crops grown on the premises during the term of this lease free from all liens and encumbrances with the exception of the following: to secure the purchase of seed sown on the premises and fertilizers and herbicides applied thereto; the purchase by the Tenant of livestock to be kept upon the premises; and those running in favor of the Landlord.

ASSIGNMENT AND SUBLETTING

This lease shall not be sold, assigned, or in any manner transferred or encumbered by the Tenant, nor shall the premises or any part thereof be sublet, without the Landlord's prior written consent.

INSURANCE

The Tenant shall obtain and keep in force the following insurance, which insurance shall be written with a company and in an amount acceptable to the Landlord: (1) on all equipment and outbuildings; (2) comprehensive general liability insurance; (3) worker's compensation; (4) comprehensive automobile liability insurance. In the event of loss, the Landlord shall not be obligated to repair or rebuild, but the rent may be prorated accordingly. Tenant shall also obtain and keep in force mortality insurance on the following livestock [here specify] in the
ever of death by lightening, provided such insurance is reasonably available and cost effective. Tenant shall provide Landlord with proof of insurance upon Landlord's request.

DEFAULT

The Tenant agrees that if he fails to observe or perform any of the conditions or covenants on his part to be observed or performed, and such default continues for ____ (____) days after the receipt of a written notice from the Landlord, such written notice to be mailed by registered mail to [Tenant's address], the Landlord shall have the right to declare this lease terminated, and upon so declaring the Landlord shall have the right to immediately enter and possess the premises.

[or]

Willful neglect, failure, or refusal by the Tenant to perform any material provision of this lease shall give the Landlord the right to terminate this lease, in addition to damages and all other remedies provided by law. Such termination shall become effective ____ (____) days after written notice of termination specifying the delinquency has been served upon the Tenant by registered mail, unless during the ____ (____) day period the Tenant has made up the delinquency.

TAXES

The Landlord shall pay all real estate taxes due on the premises and such personal property taxes as may be levied against Landlord's personal property located on the premises. Tenant shall be responsible for the payment of all taxes on Tenant's personal property, including but not limited to, Tenant's livestock, crops and machinery, located at any time on the premises.

NO PARTNERSHIP

This lease agreement shall not be deemed to give rise to any partnership or joint venture between the parties, and neither party shall have the authority to obligate the other without the other's prior written consent.

TERMINATION

Except as otherwise provided herein, the Landlord shall have the right to terminate this lease at any time upon six (6) months' written notice to the Tenant. In the event that such
termination is to take effect prior to the harvesting of a crop growing at the time of giving notice, the Tenant shall have the right to re-enter and tend and harvest such crop.

RETURN OF LAND TO CONDITION

Upon the termination of this lease for any reason whatsoever, the Tenant shall return the land to its original condition, including, but not limited to, where necessary, liming, fertilizing, and sowing in small grain or hay as the Landlord may require, and the Tenant shall restore the soil to the conditions set forth in the attached soil sample report dated the ____ day of ________________, 20__ and made a part hereof.

RENEWAL

Any renewal of this lease agreement must be upon prior application of the Tenant made in writing to the Landlord not later than six (6) months before the date of termination. The terms of any renewal lease shall be subject to renegotiation and the terms of this lease shall not carry-over to any renewal unless expressly so provided. Failure of the Tenant to apply for renewal shall be deemed notice of intent to vacate at the end of the lease term.

INDEMNIFICATION

The Tenant shall assume all liability for any injury or damage to persons or property which may arise on or about the premises cause by, arising from or as a result of Tenant's lease, use or occupancy of the premises; or which is caused by or arising from any animal escaping from the premises; or which is due to the breach of any of the terms or conditions of this lease by the Tenant, or otherwise, including, but not limited to, the acts, omissions or negligence of the Tenant or his employees, agents, or subcontractors.

Tenant shall be responsible for all liability within the demised premises, and shall indemnify and hold the Landlord harmless from and against any and all liabilities, claims, demands, actions, costs, attorneys' fees and expenses of any kind and nature whatsoever which may be sustained by Landlord by reason of Tenant's occupancy of the Premises, and Tenant shall carry Landlord as a [co-insured] under his insurance policies.

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201 Loudoun Street, SE, Suite 201, Leesburg, Virginia 20175
Phone: 703.934.1134  •  Fax: 703.737.0165  •  E-mail: sprice@mccandlishlawyers.com
RESERVATIONS
The Landlord reserves the right to pasture five (5) horses and ten (10) head of cattle on the premises, the feed and care of which shall be the Landlord's sole responsibility.

LEASE SUBORDINATE TO DEEDS OF TRUST
This Lease shall at all times be subject to and subordinate to the lien of any deeds of trust or other encumbrances now on the leased Premises, or on the lands of which the leased Premises are a part, and to all advances made or hereafter to be made upon the security thereof, and shall further be subject to and subordinate to the lien of any deed of trust which at any time hereafter may be made a lien upon the leased Premises or the land of which the leased Premises are a part. Tenant shall, upon the written demand from Landlord, execute and deliver such other and further instruments and assurances subordinating this Lease to the lien of any such deed of trust, as shall be desired by any mortgagee or proposed mortgagee, lien holder or proposed lien holder. Tenant hereby irrevocably appoints Landlord as his attorney-in- fact to execute and deliver any such instruments or assurances for Tenant.

Stephen C. Price is a principal in the Leesburg office of McCANDLISH & LILLARD, P.C. and serves as general counsel to the Land Trust of Virginia. Price’s practice focuses on real estate matters including adverse possession, easement and covenant disputes, partition, quieting of title, and condemnation, as well as trust and estate litigation. He is a Commissioner in Chancery for the Circuit Court of Loudoun County and has sat as a Judge pro tempore. He is a member of the council for the Virginia Bar Association’s Real Estate Section, previously serving on the VBA’s Board of Governors and chairing the Civil Litigation Section.

Mr. Price serves on the board of the Mosby Heritage Area Association and was previously president of the George C. Marshall International Center in Leesburg.

A Distinguished Graduate of Virginia Military Institute with a B.A. in History with Honors, he took his J.D. from the University of Virginia and an LL.M. from the University of Cambridge (Queens’ College.)

He lives in Philomont with his wife, Dianna.

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What is the Virginia Farm Link Program?

The Virginia Farm Link program is designed to help two important segments of the farm community:

- Those facing retirement who want to see their farm businesses continue and their farmland stay in production; and
- Beginning and expanding farmers who are in search of business arrangements through which they can acquire land, equipment, experience and access to the knowledge of seasoned producers.

The various components of the Virginia Farm Link program are described below.

**Virginia Farm Link Database**

Looking for land to farm? Have land to transition to the next generation? The Virginia Farm Link database is an online database designed to link farm owners interested in exiting agriculture with those seeking farms and farm businesses.

The database can be accessed by visiting: [https://farmlink.vdacs.com/](https://farmlink.vdacs.com/)

**Certified Farm Seeker Program**

The CFS program uses five curriculum modules (whole farm planning introduction, business, land acquisition and tenure, marketing, and on-farm experience) developed by the Virginia Beginning Farmer and Rancher Coalition Project to help farm seekers develop a farm business plan and resume, as well as demonstrate on-farm experience. The program is designed to assist all levels of beginning and experienced young farmers interested in farming or expanding an existing farm operation.

Those who earn the title “certified farm seeker” are understood by landowners to be individuals who are serious about establishing a farm enterprise and have completed the planning necessary for long-term success.

More information on the CFS program can be found here: [http://www.vdacs.virginia.gov/preservation/seeker_shimi](http://www.vdacs.virginia.gov/preservation/seeker_shimi)
# Certified Farm Seekers Program

## What is the Certified Farm Seekers Program?

The Certified Farm Seekers Program strives to provide individuals seeking farming opportunities with the tools needed to successfully demonstrate their farming commitment and vision to interested landowners. Looking for land to farm? The Virginia Farm Link database is an online database designed to link farm owners interested in exiting agriculture with those seeking farms and farm businesses.

Those who earn the title, “certified farm seeker”, are understood by landowners to be individuals who are serious about establishing a farm enterprise and have completed the planning necessary for long-term success.

The program is designed for farmers at all levels: **Beginning, Established**, and **Transitioning**.

## How do you become a Certified Farm Seeker?

The CFS Program is designed around helping interested farmers produce a **business plan and resume**, as well as demonstrate **on-farm experience**. Five Whole Farm Planning Modules (pictured on right) are available as resources to guide you through this process. Each module contains objectives, questions, and possible activities to help you reach your goals. The curriculum is designed to be flexible and can be applied to farmers at every experience level.

### What do you gain from completing the CFS program?

<table>
<thead>
<tr>
<th>Matching Assistance</th>
<th>Elevation in Farm Link</th>
<th>Networking Opportunities</th>
<th>Farm Planning Tool</th>
</tr>
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<tbody>
<tr>
<td>Participants in the CFS program will receive landowner matching facilitation, to help them find farming opportunities</td>
<td>Participants in the CFS program will be given priority in the Virginia Farm Link database, increasing their chance of being contacted by a landowner.</td>
<td>Participants in the CFS program will be invited to numerous networking and social opportunities to interact with other farmers and landowners.</td>
<td>Participants in the CFS program will receive cost-share funds for 75% of a farm planning tool or service, up to $500.</td>
</tr>
</tbody>
</table>

Certified Farm Seekers Program is a partnership between Virginia Farm Bureau Young Farmers and Virginia Department of Agriculture and Consumer Services, made possible by Virginia Beginning Farmer and Rancher Coalition Project through Virginia Tech, and the Virginia Agriculture License plate. The CFS program does not teach participants how to farm nor does it guarantee land acquisition.

This is an equal opportunity project.
How did you hear about Certified Farm Seekers?

Do you have a business plan? __________
Resume? __________
On-farm experience? __________

If you answered "yes" to on-farm experience, please describe your farming skills, knowledge, and experience in greater detail in the space provided on page 2. (2-3 paragraphs)

Do you have any ties to Farm Bureau? __________

Which of the following best classifies you as a farmer?
Beginning __________
Established __________
Transitioning __________

Reason for joining Certified Farm Seekers: __________

Other/Comments: __________

Certified Farm Seekers Program is a partnership between Virginia Farm Bureau Young Farmers and Virginia Department of Agriculture and Consumer Services, made possible by Virginia Beginning Farmer and Rancher Coalition Project through Virginia Tech, and the Virginia Agriculture license plate. The CPS program does not teach participants how to farm nor does it guarantee land acquisition.

This is an equal opportunity project.
On-Farm Experience: Please write 2-3 brief paragraphs detailing your farming experience, skills, and knowledge. This information will help determine your next steps in the Certified Farm Seekers Program.

CFS Contact Information:

Mrs. Katie Myer  
Certified Farm Seeker Program Coordinator  
804.357.6303  
certifiedfarmseekers@gmail.com

Ron Saacke  
Virginia Farm Bureau Young Farmers  
804.514.4202  
ron.saacke@vafb.c

Andy Sorrell  
VDACS Office of Farmland Preservation  
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Certified Farm Seeker Program
Katie Meyer
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certifiedfarmseekers@gmail.com

Online Resources
Piedmont Environmental Council: www.pecva.org
Land For Good Toolbox: www.landforgood.org/resources/toolbox/leasing/
Virginia Farm Link: www.vdacs.virginia.gov/preservation/farmlink.shtml
Sustainable Food Trust: www.sustainablefoodtrust.org/articles/affording-land/
PASA Helpful Resources section: www.pasafarming.org/resources/farm-lease-connection
National Young Farmers Coalition: www.youngfarmers.org/land-and-jobs/
Drake University Agricultural Law Center: http://sustainablefarmlease.org/