Typical Dairy Facility Lease Rates

There frequently are questions asked about fair and equitable arrangements regarding leasing dairy barns, equipment, and feed and manure storage structures. The following rates are based on experience and surveys of farms that have done leases on facilities. Owners and renters should carefully examine contracts/agreements before entering into them. Seeking the advise of legal services is recommended.

**Barn stall rents:** Freestall – $12-20/stall/month Tie Stall – $7-11/stall/month

**OVERSTOCKING:** Renter is free to overstock by no more than 10-20% (negotiable)

Ranges of stall rent depend on condition of facility and what is included in the stall rent. Some stall rent agreements include feed storage.

**Dry Cow barns** - $2/stall/month **Heifer Sheds** - $1-2/hd/month

**Electric Bill** – Renter pays full amount (meter should be installed on rented facilities)

Damages to facilities from use (ie: door damage, gates) renter pays full amount.

If bulk tank or vacuum pump fails to work from normal use, renter pays first $500 – 1000 and owner pays the balance. This also applies to take-offs, milk pump, manure pump, washers, and milkers. The higher end of the rate is for the most expensive equipment.

**Insurance:** renter provides own insurance for cattle and their equipment. Owner insures building and appropriate infrastructure.

**Manure:** Renter must negotiate manure handling and application. Typical Minnesota agreements should benefit both parties. In the past the many dairies split the costs with land owners between 1/3 to ½ the cost manure handling.

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