**Loan Agreement**

This Loan Agreement (the “Agreement”) is entered into and made effective this \_\_\_\_ day of \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_, 20\_\_\_ (the “Effective Date”), by and between **John Doe**, with a mailing address of 1234 Heartland Drive, Anywhere, State 12345 (the “Borrower”) and **Christopher Smith**, with a mailing address of 123 Main Street, Somewhere, State 54321 (the “Lender”). The Borrower and the Lender shall collectively hereinafter be known as the “Parties” or “Party,” as applicable.

The Lender hereby agrees to extend a loan to the Borrower, and the Borrower agrees to accept and repay a loan from the Lender pursuant to the entire terms of this Agreement.

1. **LOAN**. The Lender agrees to loan a principal amount of $\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ *[insert amount – for example, Two Thousand Dollars ($2,000.00)]* to the Borrower, with the addition of interest on the principal in the amount of seven percent (7%) *[or other amount – or no interest at all]*, for a total loan amount of $\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ *[insert amount – for example, Three Thousand Five Hundred Dollars ($3,500.00)]* as of \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ *[insert date when the loan will be given to the Borrower]*.
2. **LOAN DELIVERY.** The Lender shall make the full amount available to the Borrower via \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ *[check, cashier’s check, wire transfer]*. If the Lender is making the funds available via wire transfer, the Borrower shall supply an account number, routing number, and account holder name for Lender’s transfer.
3. **PAYMENTS.** The Borrower agrees to make equal monthly payments *[or other terms]* in the amount of \_\_\_\_\_\_\_\_\_\_\_\_ *[insert payment installation amount]* no later than the 5th calendar day of each month. The Borrower will make \_\_\_\_\_\_\_\_\_\_\_\_\_ *[insert total number of payments]* payments to the Lender in this manner. The initial loan repayment installation shall be due on \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ and shall continue monthly until the final payment due on \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_.
4. **LATE PAYMENT.** Payment shall be considered late if not made by 5:00 p.m. EST *[insert desired time and time zone]* on the 5th calendar day of each month. All late payments shall be subject to a $\_\_\_\_\_\_\_\_\_\_\_\_\_ *[insert amount]* late payment fee. Payments can be made via check to the Lender and mailed via United States Postal Service to the Lender’s address noted above.
5. **NON-PAYMENT PENALTY/DEFAULT**. Should the Borrower default on payment and fail to cure or make payments within a reasonable amount of time, the Lender has the option to declare the entire remaining balance of the principal and interest immediately due and payable within five (5) *[or other term]* business days.
6. **PREPAYMENT**. The Borrower will not be penalized for early payment.
7. **LEGAL FEES**. Both Parties agree that, in the event of a court dispute regarding this Agreement, the prevailing party’s full legal costs, including attorneys’ fees, shall be reimbursed by the non-prevailing party.
8. **SUCCESSORS**. In the event that either Party becomes deceased or otherwise incapacitated, their legal successors shall be fully responsible for upholding the terms of this Agreement.
9. **NOTIFICATIONS**. Any communication or notification related to this Agreement shall be made as follows:

**If to the Lender:**

Christopher Smith

123 Main Street

Somewhere, State 54321

**If to the Borrower:**

John Doe

1234 Heartland Drive

Anywhere, State 12345

1. **ENTIRE AGREEMENT.** The Parties acknowledge and agree that this Agreement represents the entire agreement between the Parties. In the event that the Parties desire to change, add, or otherwise modify any terms, it shall be done so in writing and signed by both Parties.
2. **REPRESENTATIONS AND WARRANTIES.**Both Parties represent that they are fully authorized to enter into this Agreement. The performance and obligations of either Party will not violate or infringe upon the rights of any third party or violate any other agreement between the Parties, individually, and any other person, organization, or business or any law or governmental regulation.
3. **SEVERABILITY.** In the event any provision of this Agreement is deemed invalid or unenforceable, in whole or in part, that part shall be severed from the remainder of the Agreement and all other provisions should continue in full force and effect as valid and enforceable.
4. **WAIVER.** The failure by either Party to exercise any right, power or privilege under the terms of this Agreement will not be construed as a waiver of any subsequent or further exercise of that right, power or privilege or the exercise of any other right, power or privilege.
5. **GOVERNING LAW AND JURISDICTION.**This Agreement shall be construed and governed by the laws of the state of \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ *[insert state of Lender]* without regard to principles of conflicts of law.

**IN WITNESS WHEREOF, the Parties as identified below have executed this Agreement as of the Effective Date of this Agreement.**

 **“BORROWER”**

**JOHN DOE**

 \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

 Signature

 **“LENDER”**

**CHRISTOPHER SMITH**

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 Signature