

Loan Agreement

Lender: [Lender name] **Borrower:** [Borrower name] **Date:** [Date]

1. Loan Amount

Lender agrees to lend Borrower the principal sum of [Principal] ("Loan"), received by Borrower on the date above.

2. Interest

[If interest-free: "This Loan is interest-free." If not: "Interest accrues on the outstanding balance at [Rate, e.g., 5]% per year."] Interest rate limits vary by state (usury laws) — confirm the rate above is permitted where this Loan is made.

3. Repayment Schedule

The full amount is due by [Repayment date]. [If paid in installments instead: list installment amount, frequency, and due dates, or attach a schedule, and delete the previous sentence.]

4. Prepayment

Borrower may repay all or part of the Loan early without penalty, unless the parties agree otherwise above.

5. Default

If Borrower fails to make a payment within [Number, e.g., 10] days of its due date, the full remaining balance becomes due immediately at Lender's option, and Borrower is responsible for Lender's reasonable costs of collection.

6. No Security Interest

[If unsecured: "This Loan is unsecured." If secured by collateral, describe the collateral and any separate security agreement here instead.]

7. Governing Law

This agreement is governed by the laws of the State of [State].

Signatures

By signing below, each party agrees to these terms.

[Lender name] ("Lender")

Signature: _____ Printed name: _____ Date: _____

[Borrower name] ("Borrower")

Signature: _____ Printed name: _____ Date: _____

This template is a general starting point, not legal advice — customize it and have it reviewed for your situation.