**Family Loan Agreement**

1. **Promise to Pay**. For value received, \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_, (the ‘Borrower’) promises to pay \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ (the ‘Lender’) $\_\_\_\_\_\_\_\_\_\_ and interest at the yearly rate of \_\_\_\_\_\_% on the unpaid balance as specified below.

2. **Monthly Installments**. Borrower will pay \_\_\_\_ monthly installments of $\_\_\_\_\_\_\_ each.

3. **Date of Installment Payments**. Borrower will make an installment payment on the \_\_\_\_th day of each month beginning \_\_\_\_\_\_\_\_\_\_\_\_, 20\_\_\_ until the principal and interest have been paid in full.

4. **Application of Payments**. Payments will be applied first to interest and then to principal.

5. **Prepayment**. Borrower may prepay all or any part of the principal without penalty.

6. **Loan Acceleration**. If Borrower is more than \_\_\_\_ days late in making any payment, Lender may declare that the entire balance of unpaid principal is due immediately, together with the interest that has accrued.

7. **Security**. This is an unsecured note.

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This agreement was signed and dated on the \_\_\_\_ day of \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_, 20\_\_\_\_\_

Signed and dated by both parties; each party receives a signed original)

**Borrower**

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

Signature

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

Printed Name

**Lender**

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

Signature

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

Printed Name

**Witness**

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

Signature

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

Printed Name