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LOAN AGREEMENT

State of Alabama

BACKGROUND:

A. This Loan Agreement (the "Agreement") is entered into as of _____ by and between the following borrowing party (the "Borrower"):

of

and the following lending party (the "Lender"):

of

both of whom agree to be bound by this Agreement.

B. *WHEREAS*, the Borrower owes the Lender \$2 (two US dollars) (the "Loan") with interest on the unpaid Loan at the rate of 50% per annum, on _____.

C. *WHEREAS*, the Borrower is borrowing the money for the following purpose:

D. *WHEREAS*, the Borrower and the Lender desire to enter into an agreement whereby the Borrower shall pay the Lender the sum of the Loan and interest on a payment plan

according to the terms and conditions herein.

NOW, THEREFORE, in consideration of the mutual covenants and promises made by the parties hereto, the Borrower and the Lender (individually, each a "Party" and collectively, the "Parties") covenant and agree as follows.

I. LOAN ACKNOWLEDGEMENT.

1. The Borrower agrees and acknowledges that they owe the Lender an amount of money equal to the Loan as defined above. Nothing in this Agreement is a waiver of any other amounts owed and in the event of any breach of this Agreement by the Borrower, the Lender's rights to the Loan shall not be limited.

II. OWING PARTY REPRESENTATION AND WARRANTY.

2. The Borrower hereby represents and warrants that this Agreement and the payment plan herein have been developed in a manner that the Borrower reasonably believes they can pay the Lender without further interruption notwithstanding an additional change in circumstances.

III. PAYMENT PLAN.

3. By this Agreement, it is agreed that a payment in the amount of \$2 (two US dollars) will be surrendered to the Lender annually on _____ of each year.

4. The Borrower will continue to make payments according to this schedule until _____ (the "Due Date"), at which point the Borrower will be required to pay a balloon payment of \$2 (two US dollars), which constitutes the remaining balance of the Principal and accrued interest due on the Loan.

IV. METHOD OF PAYMENT.

5. Payments shall be made to the Lender in accordance with the Plan via Cash.

6. The Borrower will make payments using this method unless prior written approval from the Lender allows otherwise.

7. Upon receiving the required payment, the Lender will issue the Borrower a written

acknowledgement confirming the receipt of the funds.

V. EARLY PAYOFF.

8. Should the Borrower choose to pay off any remaining amount due, in full, before the Due Date, the Borrower will face an early payment penalty as follows:

VI. SECURITY.

9. This Loan Agreement is secured by the following collateral ("Collateral"):

10. Until this Loan is paid in full, Borrower grants Lender a security interest in the Collateral. Borrower hereby agrees to list Lender as a lender on the title of the Security, regardless of Lender's choice to perfect the security interest.

11. The Borrower and Lender hereby agree that any real estate offered as collateral for this loan shall be properly registered or recorded in accordance with the laws of Alabama. The Borrower shall bear the responsibility for ensuring that all necessary steps are taken to register or record the collateral, including but not limited to executing and filing any required documents with the appropriate government authorities. The Borrower agrees to provide the Lender with proof of registration or recording upon request. Failure to properly register or record the real estate collateral may constitute an event of default under this agreement, subject to remedies available to the Lender under applicable law.

12. If Borrower defaults on this Loan Agreement and does not make payment for seven (7) days after it is demanded by Lender, the Collateral will revert to Lender and all rights in the ownership of such Collateral will belong to Lender.

VII. LATE FEES.

13. If Lender has not received full amount of any installment payment from the Borrower within 7 calendar days after the date it is due, Lender may assess a late charge to Borrower of \$2 (two US dollars) for each day the payment remains outstanding until the Borrower makes the required payment or the Lender agrees in writing to cease charging a late fee.

VIII. DEFAULT.

14. The following events constitute default of this Loan Agreement and upon their occurrence, the entirety of any remaining amount due shall become immediately payable:

- a) Borrower's failure to pay the Principal Sum or any accrued interest when such payments are due;
- b) Borrower's insolvency;
- c) Borrower's death, incompetency, liquidation, or dissolution;
- d) Borrower's making of a general assignment for the benefit of Borrower's creditors;
- e) Borrower's filing of any bankruptcy proceedings;
- f) Any application for the appointment of a receiver for Borrower; or
- g) Borrower's misrepresentation to Lender for the purposes of obtaining this Loan Agreement.

IX.

X. RELEASE AND INDEMNIFICATION.

15. In consideration for agreeing to this Loan Agreement, the Borrower hereby releases any claims against the Lender related to the Loan as of the date of this Agreement. However, nothing in this Agreement is meant to release the Borrower from its obligation to pay the Loan according to the Plan herein or limit the rights of the Lender in collecting said Loan.

XI. ACCELERATION UPON BREACH.

16. In the event that the Borrower fails to make any payments in accordance with the Plan without written approval from the Lender, upon reaching 30 calendar days after the failure to make any such prescribed payment, the Lender can request that the full amount of the Loan shall come immediately due and payable, at the Lender's discretion.

XII. ASSIGNMENT.

17. The Lender may only assign this Agreement with written notice to the Borrower and if the Borrower agrees to the Assignment. In the event of such assignment, the assignee may designate a new method of payment if desired.

XIII. NO MODIFICATION UNLESS IN WRITING.

18. No modification of this Agreement shall be valid unless in writing and agreed upon by both Parties.

XIV. APPLICABLE LAW.

19. This Loan Agreement and the interpretation of its terms shall be governed by and construed in accordance with the laws of the State of Alabama and subject to the exclusive jurisdiction of the federal and state courts located in Alabama.

XV. SEVERABILITY.

20. In the event any provision of this Agreement is held to be invalid, illegal, or unenforceable for any reason, then the Parties agree that such provision shall be deemed to be struck and the remainder of the Agreement shall be enforced as if the struck provision were never included in the Agreement.

IN WITNESS WHEREOF, each of the Parties as executed this Agreement, both Parties by its duly authorized officer, as of _____.

LENDER:

Signature of _____:

BORROWER:

Signature of _____:
