Loan Agreement Template

A personal or business loan agreement between lender and borrower

Agreement date: _____ **Effective date:** _____

This general loan form records the principal, disbursement, repayment, interest choice, security, and default terms. Lending laws, interest limits, disclosure duties, and security formalities vary; obtain local legal and financial review.

1. PARTIES

Lender full legal name / entity: _____
Address and contact: _____

Borrower full legal name / entity: _____
Address and contact: _____

2. KEY DETAILS

Principal amount and currency: _____

Disbursement date and method: _____

Interest rate and type (fixed / variable / none): _____

Loan term and maturity date: _____

Repayment frequency and installment: _____

First payment date: _____

Collateral / guarantor (if any): _____

3. PROMISE TO REPAY

The Lender agrees to advance the principal amount stated above to the Borrower, and the Borrower promises to repay the amount actually advanced in accordance with this Agreement. The purpose of the loan is: _____.

The funds will be disbursed by _____ on or about _____. The parties will retain evidence of the transfer or receipt. If the full amount is not advanced, the repayment obligation will be based on the amount actually disbursed unless the parties agree otherwise in writing.

4. INTEREST AND CHARGES

Interest will accrue at the rate and on the basis stated above, beginning on _____. Day-count convention and compounding frequency: _____. If no interest applies, write “0% / no interest.”

Any origination fee, administration charge, or other cost is: _____. All rates and charges must comply with applicable lending, consumer credit, usury, disclosure, and licensing laws.

5. REPAYMENT SCHEDULE

The Borrower will make payments according to the attached amortization or repayment schedule. If no schedule is attached, the agreed installment amount is _____ due every _____ beginning _____, with the final balance due on the maturity date.

Payments must be made to the account or address designated by the Lender in writing. The Lender will provide an updated balance or payment receipt upon reasonable request.

6. PREPAYMENT AND PAYMENT ALLOCATION

The Borrower may prepay all or part of the loan as follows: _____. Any prepayment charge or minimum notice must be lawful and clearly stated.

Payments will be applied in this order: _____. If a payment is insufficient to cover all amounts due, the unpaid balance will continue to be owed subject to this Agreement and applicable law.

7. SECURITY AND GUARANTEES

The loan is: ■ unsecured ■ secured by the collateral described here: _____. The collateral owner, description, location, estimated value, and existing liens are: _____.

Any security interest, pledge, mortgage, registration, guarantee, or perfection step must be documented separately and completed in the form required by local law. Guarantor details and guarantee terms, if any: _____.

8. BORROWER STATEMENTS AND OBLIGATIONS

The Borrower confirms that the information provided to the Lender for this loan is accurate to the best of the Borrower's knowledge and that the Borrower has authority to enter this Agreement.

The Borrower will use the loan for the stated purpose, if applicable, and will notify the Lender of material changes that affect repayment ability or collateral. Any additional covenants are: _____.

9. DEFAULT AND REMEDIES

Events of default include failure to pay an amount when due, a material false statement, insolvency where legally relevant, or breach of a material obligation that remains uncured after any required notice period. Cure period and notice method: _____.

Upon default, the Lender may pursue remedies available under this Agreement and applicable law, which may include demanding overdue amounts, enforcing valid security, or seeking a court remedy. Acceleration of the full balance and recovery of reasonable costs are available only where lawful.

10. NOTICES, AMENDMENTS AND DISPUTES

Formal notices will be delivered to the addresses above by: _____. A party must promptly notify the other of changed contact details.

Any amendment or waiver must be in writing and signed by the party against whom it is enforced. Governing law: _____. Dispute resolution and venue: _____.

11. ENTIRE AGREEMENT AND SEVERABILITY

This Agreement, the repayment schedule, and any properly executed security or guarantee documents form the entire understanding concerning this loan. If a provision is invalid, it will be limited or severed to the minimum extent necessary, and the remaining terms will continue where permitted.

No delay in enforcing a right is a waiver of that right. This Agreement may be signed in counterparts and electronically where permitted by law.

SIGNATURES

By signing below, each party confirms that they have read this Agreement, understand its terms, and agree to be bound by it to the extent permitted by applicable law.

PARTY 1	PARTY 2

Name: _____ Signature: _____ Date: _____	Name: _____ Signature: _____ Date: _____
Witness (if required): _____ Signature: _____	Witness (if required): _____ Signature: _____

Template notice: This sample is provided for general informational use. It is not legal advice and has not been reviewed for the laws of your jurisdiction. Laws and mandatory terms vary by location and transaction. Have a qualified local lawyer review and adapt it before use, especially for regulated, high-value, employment, lending, property, or construction matters.