☐

(30) days until the balance is paid.

☐

Other \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

st

All payments made by the Borrower are to be applied first (1

) to any accrued interest and

then to the principal balance. The total amount of the loan shall be due and payable on the

\_\_\_\_ day of \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_, 20\_\_\_\_.

**III. INTEREST.** The Note shall

Bear interest at a rate of \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ percent (\_\_\_\_\_\_\_\_%) compounded

annually. The rate must be equal to or less than the usury rate in the State of the Borrower.

☐

Not bear interest.

**IV. PREPAYMENT.** The Borrower has the right to pay back the loan in-full or make

additional payments at anytime without penalty.

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of \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_, State of \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_, (the “Lender”).

**FAMILY LOAN AGREEMENT**

**Loan Amount** \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ Dollars ($\_\_\_\_\_\_\_\_\_\_\_\_)

**Date** \_\_\_\_\_\_\_\_\_\_\_\_\_\_, 20\_\_\_\_

**I. THE PARTIES**. For the above value received by \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ with a

mailing address of \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_, City of \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_,

State of \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_, (the “Borrower”), agrees to pay

\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ with a mailing address of \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_, City

a.

Family Relation. The Borrower is the \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ to the Lender.

**II. PAYMENT.** This agreement, (the “Note”), shall be due and payable, including the

principal and any accrued interest, in one of the following ways:

☐

Once per week beginning on \_\_\_\_\_\_\_\_\_\_\_\_\_\_, 20\_\_\_\_ and to continue every seven (7)

days until the balance is paid.

☐

Once per month beginning on \_\_\_\_\_\_\_\_\_\_\_\_\_\_, 20\_\_\_\_ and payment is due every thirty

subordinated to all indebtedness, if any, of the Borrower, to any unrelated third party lender

to the extent such indebtedness is outstanding on the date of this Note and such

subordination is required under the loan documents providing for such indebtedness.

**IX. WAIVERS BY BORROWER.** All parties to this Note including the Borrower and any

sureties, endorsers, and guarantors hereby waive protest, presentment, notice of dishonor,

and notice of acceleration of maturity and agree to continue to remain bound for the

payment of principal, interest and all other sums due under this Note notwithstanding any

**VIII. SUBORDINATION**. The Borrower’s obligations under this Promissory Note are

change or changes by way of release, surrender, exchange, modification or substitution of

any security for this Note or by way of any extension or extensions of time for the payment

of principal and interest; and all such parties waive all and every kind of notice of such

change or changes and agree that the same may be made without notice or consent of any

of them.

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**V. REMEDIES.** No delay or omission on part of the holder of this Note in exercising any

right hereunder shall operate as a waiver of any such right or of any other right of such

holder, nor shall any delay, omission or waiver on any one occasion be deemed a bar to or

waiver of the same or any other right on any future occasion. The rights and remedies of

the Lender shall be cumulative and may be pursued singly, successively, or together, in the

sole discretion of the Lender.

**VI. EVENTS OF ACCELERATION.** The occurrence of any of the following shall constitute

an "Event of Acceleration" by the Lender under this Note:

(a) Borrower’s failure to pay any part of the principal or interest as and when

due under this Note; or

(b) Borrower’s becoming insolvent or not paying its debts as they become due.

**VII. ACCELERATION.** Upon the occurrence of an Event of Acceleration under this Note,

and in addition to any other rights and remedies that Lender’s may have, Lender shall have

the right, at its sole and exclusive option, to declare this Note immediately due and

payable.

consent of the holder of this Note.

**IN WITNESS WHEREOF,** Borrower has executed this Promissory Note as of the

day and year first above written.

**Borrower’s Signature:\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_** Print:\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

**Lender’s Signature:\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_** Print:\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

assign any of its rights or delegate any of its obligations hereunder without the prior written

**Witness’s Signature:\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_** Print:\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

**Witness’s Signature:\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_** Print:\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

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exercising any of its rights and remedies upon default.

**X. EXPENSES.** In the event any payment under this Note is not paid when due, the

Borrower agrees to pay, in addition to the principal and interest hereunder, reasonable

attorneys' fees not exceeding a sum equal to the maximum usury rate of \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

percent (\_\_\_\_\_\_\_\_%) in the State of \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ of the then outstanding

balance owing on the Note, plus all other reasonable expenses incurred by Lender in

**XI. GOVERNING LAW.** This Note shall be governed by, and construed in accordance with,

the laws of the State of \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ (STATE NAME).

**XII. SUCCESSORS.** All of the foregoing is the promise of Borrower and shall bind Borrower

and Borrower’s successors, heirs and assigns; provided, however, that Lender may not