

# PERSONAL LOAN REPAYMENT AGREEMENT

*Friendly or family loan with clear repayment terms*

**About this template:** Even for loans between family members or friends, putting the arrangement in writing helps avoid disputes. Some jurisdictions have usury laws or imputed-interest rules that apply even to personal loans — keep any interest rate modest and seek advice if the amount is large.

This Personal Loan Repayment Agreement (the “Agreement”) is made on \_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_ (the “Effective Date”), by and between:

## LENDER

<b>Full Legal Name</b>	
<b>Address</b>	
<b>Email</b>	
<b>Telephone</b>	

## BORROWER

<b>Full Legal Name</b>	
<b>Address</b>	
<b>Email</b>	
<b>Telephone</b>	

The Lender and Borrower are referred to individually as a “Party” and collectively as the “Parties.”

### 1. Loan

The Lender has loaned, or shall loan on or before \_\_\_\_\_, the principal sum of \$\_\_\_\_\_ (\_\_\_\_\_ dollars) to the Borrower (the “Loan”).

### 2. Purpose (Optional)

The Borrower will use the Loan for the following purpose:

\_\_\_\_\_.

### 3. Interest

(Select one and delete the other.)

Option A — No Interest: The Loan is provided interest-free.

Option B — Interest: Interest shall accrue on the unpaid balance at \_\_\_\_\_% per annum, simple. This rate is below any applicable usury limit.

**4. Repayment**

The Borrower shall repay the Loan as follows:

Payment #	Due Date	Amount
1		
2		
3		
4		
5		
	<b>TOTAL</b>	

Alternatively, the Borrower may repay the entire balance in a single payment on or before \_\_\_\_\_.

**5. Payment Method**

Payments shall be made by \_\_\_\_\_ (e.g., bank transfer, cash with receipt, electronic transfer) to the Lender.

**6. Late Payment**

If a payment is more than \_\_\_\_\_ (\_\_\_\_) days late, the Parties agree to discuss a revised plan in good faith. A late fee of \$\_\_\_\_\_ may apply if both Parties consent in writing.

**7. Prepayment**

The Borrower may repay the Loan in full or in part at any time without penalty.

**8. Death or Hardship**

In the event of the Borrower’s death, serious illness, or significant financial hardship, the Parties shall in good faith renegotiate the terms of repayment. The Lender may, in writing, forgive all or part of the remaining balance.

**9. Default**

If the Borrower fails to make payments after a \_\_\_\_\_ (\_\_\_\_) day cure period following written notice, the Lender may declare the unpaid balance immediately due. The Parties agree to first attempt to resolve any dispute through good-faith discussion and, if needed, mediation, before pursuing legal action.

**10. Governing Law and Entire Agreement**

This Agreement is governed by the laws of \_\_\_\_\_. It is the entire agreement between the Parties on the Loan and may only be amended in writing signed by both Parties.

*IN WITNESS WHEREOF, the parties have executed this Agreement as of the Effective Date.*

<p><b>LENDER</b></p>  <hr/> <p>Signature</p> <p><b>Name:</b> _____</p> <p><b>Date:</b> _____</p>	<p><b>BORROWER</b></p>  <hr/> <p>Signature</p> <p><b>Name:</b> _____</p> <p><b>Date:</b> _____</p>
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— END OF AGREEMENT —

*This template is for general informational purposes only and is not legal advice. Consult a qualified attorney before use.*