**Promissory Note**

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| --- | --- | --- | --- |
| **Borrower Information:** | | | |
| **Name:** |  | **Date:** |  |
| **Street Address:** |  | **Date of Birth:** |  |
| **City:** |  | **Telephone number:** |  |
| **State:** |  | **Driver’s License Number:** |  |
| **Zip:** |  | **Social Security Number:** |  |
| **Lender Information:** | | | |
| **Name:** | Area code/Telephone number: | | |
| **Street Address:** | If paying by check, make check payable to:    Send payments to: | | |
| **City:** |
| **State:** |
| **Zip:** |
| **Loan Information:** | | | |
| **Loan Amount:** | Loan Period: | | |
| **Interest Rate:** | Payment Schedule: | | |

1. **Promise to Pay.**

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

**2. Installments.**

* Borrower will pay \_\_\_\_\_\_ payments of $\_\_\_\_\_ each at monthly/yearly/\_\_\_\_\_\_\_\_\_ intervals on the \_\_\_\_\_ day of the month.
* Borrower will pay one lump payment on \_\_\_\_\_\_\_\_\_\_\_\_\_\_ date.
* Borrower will pay \_\_\_\_\_\_ payments of $\_\_\_\_\_ each at monthly/yearly/\_\_\_\_\_\_\_\_\_ intervals with a final balloon payment of \_\_\_\_\_\_\_\_\_\_\_\_ at the end of the loan term on \_\_\_\_\_\_\_\_\_ date.

1. **Application of Payments.**

Payments will be applied first to interest and then to principal.

1. **Prepayment**.

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

1. **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.

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7. **Security**

* This is an unsecured note.
* Borrower agrees that until the principal and interest owed under this promissory note are paid in full, this note will be secured by a security agreement and Uniform Commercial Code Financing statement giving Lender a security interest in the equipment, fixtures, inventory and accounts receivable of the business known as \_\_\_\_.
* Borrower agrees that until the principal and interest owed under this promissory note are paid in full, this note will be secured by the
* Mortgage
* deed of trust covering the real estate commonly known as \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_  
  and more fully described as follows: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

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**8. Collection Costs.**

If Lender prevails in a lawsuit to collect on this note, Borrower will pay Lender's costs and lawyer's fees in an amount the court finds to be reasonable.

Witnessed: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ Date: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

Witnessed: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ Date: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

Borrower: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ Date: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

Borrower: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ Date: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_