

Installment Promissory Note with Balloon Payment

Full Names _____

Address _____

Full Names _____

Address _____

(Hereinafter referred to as the Borrower/s)

Full Names _____

Address _____

(Hereinafter referred to as the Lender)

For value received, the Borrower hereby unconditionally promises to pay to the order of Lender the sum of _____ (\$_____) together with interest accrued at the rate of _____ percent (____ %) per year on any unpaid balance.

Payment Terms

Borrower will pay _____ payments of \$ _____ (_____ dollars) each at uninterrupted monthly intervals on the _____ day of each month, starting on the _____ day of _____ 20__. A single final balloon payment for the entire outstanding Principal amount and interest accrued will be paid on or before the _____ day of _____ 20__. All payments shall first be applied to outstanding late fees, then to interest and the balance to the Principal amount.

Lender shall provide Borrower with a final written statement of monies due prior to the due date of the balloon payment.

Place of Payment

Payment shall be made at the above stated address of the Lender or at such place as may be designated from time to time in writing by the Lender or holder of this Note. For ease of payment the Borrower may exercise the option to effect payment by direct deposit or electronic transfer of funds into the account of Lender as specified in writing.

Prepayment

The Borrower may prepay this Note in full or in part at any time without premium or penalty. All prepayments shall first be applied to outstanding late fees, then to accrued interest and thereafter to the principal loan amount.

Late Payment Fees

If payment is not made within ____ days as stipulated in the payment terms the Borrower shall pay an additional late fee in the amount of \$ ____.

Acceleration of Debt upon Default

If the Borrower fails to make any payment when due for whatever reason and the Lender provides notice of such failure, the Borrower must effect payment of the amount due within ____ days, failing which the Lender can demand immediate payment of the entire outstanding Principal amount and accrued interest.

Collection Fees

In the event of default this Note may be turned over for collection and the Borrower agrees to pay all reasonable legal fees, collection and enforcement charges to the extent permissible by law, in addition to other amounts due.

Security

This Note is secured by a Security Agreement which will remain in full force and effect until this Note and the Security Agreement are released in writing by the Lender.

Transfer

The Lender may transfer this Note to another holder without notice to the Borrower and the Borrower agrees to remain bound to any subsequent holder of this Note under the terms of this Note.

Replacement of Note

The Borrower agrees to execute a new Note with the same terms and conditions and remaining value in the event that this Note is lost, stolen or mutilated. The Lender shall release the Borrower of all obligations under the lost, stolen or mutilated Note in lieu of a replacement new Note.

Joint and Several Liability

All Borrowers or Co-signors identified in this Note shall be equally liable for the repayment of the debt described in this Note.

Borrower's Waiver

The Borrower waives demand and presentment for payment, notice of non-payment, off-set, protest and notice of protest and agrees to remain fully bound until this Note is paid in full.

Lender's Indulgence

No relaxation, indulgence, waiver, release or concession of any terms of this Note by the Lender on one occasion shall be binding unless in writing and if granted shall not be applicable to any other or future occasion.

Binding Effect

The terms of this Note shall be binding upon the Borrower's successors and shall accrue to the benefit and be enforceable by the Lender and his/her successors, legal representatives and assigns.

Jurisdiction

This Note shall be construed, interpreted and governed in accordance with the laws of the State of _____ and should any provision of this Note be judged by an appropriate court of law as invalid, it shall not affect any of the remaining provisions whatsoever.

General

Where appropriate words signifying one gender shall include the others and words signifying the singular shall include the plural and vice versa.

Paragraph headings are for convenience of reference only and are not intended to have any effect in the interpretation or determining of rights or obligations under this Note.

Signed at _____ on this _____ day of _____, 20__.

Signed in the presence of:

(1) Borrowers Name _____

(1) Borrower's Signature _____

(2) Borrowers Name _____

(2) Borrower's Signature _____

Signed in the presence of:

(1) Witness Name _____

(1) Witness Signature _____

(2) Witness Name _____

(2) Witness Signature _____