

# LOAN AGREEMENT

**THIS LOAN AGREEMENT (this “Agreement”) dated this date June 1<sup>st</sup> 2022.**

**BETWEEN:**

John Doe  
(the “Lender”)

**OF THE FIRST PART**

**AND**

John Smith , and Greater Akron Home Buyers  
(the “Borrower”)

**OF THE SECOND PART**

**IN CONSIDERATION OF** the Lender loaning certain monies (the “Loan”) to the Borrower, and the Borrower repaying the Loan to the Lender, both parties agree to keep, perform and fulfill the promises and conditions set out in this Agreement:

## **Loan Amount & Interest**

1. The Lender promises to loan \$100,000.00 USD to the Borrower and the Borrower promises to repay this principal amount to the Lender, with interest payable on the unpaid principal at the rate of 8.5 percent per annum, calculated monthly not in advance, beginning on July 1<sup>st</sup> 2022.

## **Payment**

2. This Loan will be repaid in monthly installments of interest only (\$850.00) on the first day of each month commencing the month following execution of this Agreement and continuing until the property (the “Security”) is sold or refinanced with the principal balance of \$100,000.00 then owing under this Agreement being paid at that time.

3. At any time while not in default under this Agreement the Borrower may pay the outstanding balance then owing under this Agreement to the Lender without further bonus or penalty.

4. All interest and principal payments will be made to the Lender, directly from the Borrower.

Borrower Initials \_\_\_\_\_

Lender Initials \_\_\_\_\_

**Default**

5. Notwithstanding anything to the contrary in this Agreement, if the Borrower defaults in the performance of any obligation under this Agreement, then the Lender may declare the principal amount owing and interest due under this Agreement at that time to be immediately due and payable.

**Call Provision**

6. The Lender reserves the right to “call” on this loan after 90 days of this signed agreement. The Borrower then has 90 days to remit payment of all interest and principal due on said date.

7. The Lender will forfeit all future interest payments after the call provision has been satisfied. All interest due and principal paid at call date will be considered as paid in full according to the terms within this agreement.

**Security**

8. The loan will be secured by the following real estate property (the “Security”) and the personal guarantee of John Smith.

Parcel Number: 6184971

Property Address: 1234 Main St. Anytown, OH 44313

9. This Loan Agreement is made in connection with the purchase of the Security by the Borrower. The Lender will hold the 1<sup>st</sup> lien on the Security until payment of the full amount of the Loan is made by the Borrower.

**Governing Law**

10. The Agreement will be construed in accordance with and governed by the laws of the State of Ohio.

**Costs**

11. All costs, expenses and expenditures including, without limitation, the complete legal costs incurred by enforcing this Agreement as a result of any default by the Borrower, will be added to the principal then outstanding and will immediately be paid by the Borrower.

**Binding Effect**

12. This Agreement will pass to the benefit of and be binding upon the respective heirs, executors, administrators, successors and permitted assigns of the Borrower and Lender. The Borrower waives presentment for payment, notice of non-payment, protest, and notice of protest.

**Amendments**

13. This Agreement may only be amended or modified by a written instrument executed by both the Borrower and the Lender.

Borrower Initials \_\_\_\_\_

Lender Initials \_\_\_\_\_

**Severability**

14. The clauses and paragraphs contained in this Agreement are intended to be read and construed independently of each other. If any term, covenant, condition or provision of this Agreement is held by a court of competent jurisdiction to be invalid, void or unenforceable, it is the parties' intent that such provision be reduced in scope by the court only to the extent deemed necessary by that court to render the provision reasonable and enforceable and the remainder of the provisions of this Agreement will in no way be affected, impaired or invalidated as a result.

**General Provisions**

15. Headings are inserted for the convenience of the parties only and are not to be considered when interpreting this Agreement. Words in the singular mean and include the plural and vice versa. Words in the masculine mean and include the feminine and vice versa.

**Entire Agreement**

16. The Agreement constitutes the entire agreement between the parties and there are no further items or provisions, either oral or otherwise.

Borrower Initials \_\_\_\_\_

Lender Initials \_\_\_\_\_

**IN WITNESS WHEREOF**, the parties have duly affixed their signatures under hand and seal on this date June 1<sup>st</sup> 2022.

**SIGNED**

June 1<sup>st</sup> 2022.

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John Doe, Lender

**SIGNED**

June 1<sup>st</sup> 2022.

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John Smith, Borrower, member, Greater Akron Home Buyers

**SIGNED**

June 1<sup>st</sup> 2022.

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John Smith, Individually