

LOAN AGREEMENT

This Loan Agreement ("Agreement") is made and entered into on August 1, 2024, by and between:

- Lender:** Horizon Bank
Address: 123 Finance Avenue, Madison, WI 53703
Contact Number: (555) 123-4567
Email: lending@horizonbank.com
- Borrower:** Jane Elizabeth Smith
Customer ID: 100002
Address: 456 Oak Avenue, Unit 10, Madison, WI 53703
Contact Number: (555) 234-5678
Email: jane.smith90@example.com

1. Loan Amount and Purpose

1.1 Loan Amount: The Lender agrees to loan the Borrower the principal sum of **\$30,000.00** (thirty thousand dollars), referred to as the "Loan."

1.2 Purpose of Loan: The Loan shall be used exclusively for the purchase of a vehicle, specifically a 2022 Toyota Camry.

2. Interest Rate

2.1 Interest Rate: The Loan shall bear interest at an annual fixed rate of **5.5%**.

2.2 Accrual: Interest shall begin to accrue on the Loan from the date the funds are disbursed to the Borrower.

3. Loan Term

3.1 Term: The term of this Loan shall be **5 years** (60 months), commencing on August 1, 2024, and ending on August 1, 2029.

4. Repayment

4.1 Monthly Payments: The Borrower agrees to make monthly payments of **\$573.99**, which includes both principal and interest, starting on September 1, 2024, and continuing on the first day of each month thereafter until the Loan is fully repaid.

4.2 Prepayment: The Borrower may prepay the Loan in whole or in part at any time without penalty. Any prepayment will be applied first to accrued interest, then to the principal.

4.3 Late Payments: If any payment is not received within 10 days of the due date, the Borrower shall be charged a late fee of **\$25.00**.

5. Security

5.1 Collateral: The Loan is secured by the vehicle purchased with the Loan proceeds, specifically a 2022 Toyota Camry. The Borrower grants the Lender a security interest in the vehicle.

5.2 Title and Insurance: The Borrower agrees to maintain full insurance coverage on the vehicle and to name the Lender as the loss payee on the insurance policy. The Borrower shall provide proof of insurance to the Lender within 30 days of the Loan disbursement.

6. Default

6.1 Events of Default: The following events shall constitute an event of default under this Agreement:

- Failure to make any payment when due.
- Breach of any term or condition of this Agreement.
- Bankruptcy or insolvency of the Borrower.
- Sale or transfer of the collateral without the Lender's consent.

6.2 Remedies: Upon the occurrence of an event of default, the Lender may declare the entire unpaid principal and accrued interest immediately due and payable. The Lender may also repossess the collateral or pursue any other remedy available at law or in equity.

7. Miscellaneous

7.1 Governing Law: This Agreement shall be governed by and construed in accordance with the laws of the State of Wisconsin.

7.2 Amendments: No amendment or modification of this Agreement shall be effective unless in writing and signed by both parties.

7.3 Severability: If any provision of this Agreement is found to be invalid or unenforceable, the remaining provisions shall continue in full force and effect.

7.4 Entire Agreement: This Agreement constitutes the entire understanding between the parties regarding the Loan and supersedes all prior discussions, agreements, or understandings of any kind.

8. Signatures

IN WITNESS WHEREOF, the parties have executed this Loan Agreement as of the day and year first above written.

Lender:

Horizon Bank

By: _____

Name: Michael Grant

Title: Loan Officer

Date: August 1, 2024

Borrower:

By: _____

Jane Elizabeth Smith

Customer ID: 100002

Date: August 1, 2024