Sample 1 – Loan Agreement Letter Between Friends

Sarah Brown (borrower)  
Tammy Smith (lender)  
Original Loan Date: March 25, 2019  
Entire Repayment Due: March 25, 2021  
Total Amount of Loan: $2,500

TERMS OF LOAN AGREEMENT LETTER:

I, Sarah Brown, borrowed $2,500 from Tammy Smith on March 25, 2019. Tammy Smith and I both agree that the loan will be repaid using a series of scheduled financial payments.

I, Sarah Brown, will submit a monthly payment due on the 1st of every month using a personal check in the amount of $104.20 to Tammy Smith. The first payment will be made on April 25, 2019 and the last payment will be made on March 25, 2021.

I, Sarah Brown, agree to a $5 late charge per day for any payments that are late until the entire loan is paid in full on March 25, 2021.

Both parties agree to the terms surrounding the said loan.

Signed and dated today on March 25, 2019.

(Sarah Brown’s signature)  
Sarah Brown

(Tammy Smith’s signature)  
Tammy Smith

Sarah Brown  
2130 Lucky Rd.  
Dixon, MD 20009  
sarahbrown@gmail.com  
(454) 815-8444

Tammy Smith  
1908 Morris Rd.  
Dixon, MD 20008  
tammysmith@gmail.com  
(454) 805-7523

Mary Benson (third-party witness)  
Trust and Loan Bank representative  
428 South Ave.  
Dixon, MD 20007  
(604) 895-4147