

# Installment Payment Contract

## 1. Parties

**Lender:** John Doe

Address: 123 Main Avenue, Springfield, XY 54321

**Borrower:** Jane Smith

Address: 987 Elm Street, Springfield, XY 54321

## 2. Loan Details

**Principal Amount:** \$5,000.00

**Interest Rate:** 5% per annum, fixed

**Loan Term:** 12 months

## 3. Repayment Schedule

The Borrower agrees to repay the principal amount in monthly installments as set forth below:

Installment No.	Due Date	Principal	Interest	Total Payment
1	2024-07-01	\$416.67	\$20.83	\$437.50
2	2024-08-01	\$416.67	\$18.06	\$434.73
3	2024-09-01	\$416.67	\$15.28	\$431.95
<b>...and so on for remaining installments...</b>				

## 4. Late Payment

Payments not received within 5 days of the due date shall be subject to a late fee of \$25 per missed installment.

## 5. Prepayment

The Borrower may prepay the remaining balance at any time without penalty.

## 6. Default

Failure to pay two consecutive installments constitutes an event of default. The Lender may declare the remaining unpaid balance immediately due and payable.

## 7. Governing Law

This contract will be governed by the laws of the State of XY.

Lender Signature & Date

Borrower Signature & Date

### **Important Notes**

- Carefully review all terms and clarify payment due dates before signing.
- Retain a copy of the signed contract for your records.
- Ensure both parties fill and sign all fields; unsigned documents may not be enforceable.
- Legal advice is recommended if contract values are significant.
- Contact the lender immediately if experiencing trouble making payments.