

[Your Name]
[Your Address]
[City, State, Zip Code]
[Email Address]
[Phone Number]
[Date]

[Recipient's Name]
[Recipient's Address]
[City, State, Zip Code]

Subject: Installment Loan Agreement

Dear [Recipient's Name],

This letter serves as a formal agreement for an installment loan between [Lender's Name] (the "Lender") and [Borrower's Name] (the "Borrower").

1. ****Loan Amount****: The Lender agrees to loan the Borrower the amount of \$[Loan Amount].

2. ****Interest Rate****: The interest rate for this loan shall be [Interest Rate]% per annum.

3. ****Loan Term****: The term of the loan will be [Loan Term] months, commencing on [Start Date] and concluding on [End Date].

4. ****Monthly Payments****: The Borrower agrees to make monthly payments of \$[Monthly Payment Amount] due on the [Due Date] of each month.

5. ****Payment Method****: Payments shall be made via [Payment Method] to [Payment Address or Account Details].

6. ****Late Payments****: In the event of a late payment, a late fee of \$[Late Fee Amount] will be incurred after [Grace Period].

7. ****Prepayment****: The Borrower may prepay the loan without penalty. Both parties agree to the terms outlined above, and by signing below, both parties acknowledge their acceptance of this installment loan agreement.

Sincerely,

[Lender's Name]
[Lender's Signature]
[Date]

[Borrower's Name]
[Borrower's Signature]
[Date]

Enclosures: Loan Terms and Conditions, Payment Schedule (if applicable)