

LOAN MODIFICATION AGREEMENT

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This Loan Modification Agreement (this "**Agreement**") is entered into as of [EFFECTIVE DATE] (the "**Effective Date**") by and between:

[LENDER LEGAL NAME], a [STATE] [ENTITY TYPE / individual] with its principal place of business or residence at [LENDER ADDRESS] (the "**Lender**"); and

[BORROWER LEGAL NAME], a [STATE] [ENTITY TYPE / individual] with its principal place of business or residence at [BORROWER ADDRESS] (the "**Borrower**").

The Lender and the Borrower are each a "**Party**" and together the "**Parties**."

Recitals. The Parties are parties to a [promissory note / loan agreement] dated [ORIGINAL LOAN DATE] in the original principal amount of [AMOUNT] (the "**Original Loan**"), which may have been amended previously as noted on **Schedule A**. The Parties now wish to modify certain terms of the Original Loan as set out below, while keeping the Original Loan otherwise in full force and effect. In consideration of the mutual promises below, the Parties agree as follows.

1. Existing Loan and Acknowledgment of Balance

1.1 The Original Loan. The Original Loan, together with all prior amendments listed on **Schedule A**, is referred to as the "**Loan**." Except as expressly modified by this Agreement, all terms of the Loan remain in full force and effect.

1.2 Outstanding balance. The Parties acknowledge and agree that, as of [DATE], the outstanding balance of the Loan is [AMOUNT], consisting of [PRINCIPAL AMOUNT] in principal and [ACCRUED INTEREST AND FEES] in accrued interest and fees (the "**Outstanding Balance**").

1.3 No novation. This Agreement modifies the Loan and does not create a new loan, extinguish the existing debt, or constitute a novation, unless the Parties expressly state otherwise. All collateral, guarantees, and security continue to secure the Loan as modified, as confirmed in Section 5.

2. Modified Terms

2.1 Modified terms. Effective on the Effective Date (or such later date as stated below), the Loan is modified as follows, with each modified term replacing the corresponding term of the Loan:

2.2 Interest rate. The interest rate is changed to [NEW RATE] per annum, [fixed / variable as described on Schedule B], effective [DATE]. The modified rate must not exceed the maximum rate permitted by applicable law, and any excess will be applied or refunded as required by law.

2.3 Payment amount and schedule. The Borrower will repay the Loan as modified in payments of [NEW PAYMENT AMOUNT] payable [MONTHLY / OTHER] beginning on [FIRST MODIFIED PAYMENT DATE], as

detailed on **Schedule B**.

2.4 **Maturity date.** The maturity date of the Loan is **[changed to [NEW MATURITY DATE] / unchanged]**.

2.5 **Deferral or forbearance.** If applicable, the Parties agree to the following deferral or forbearance:
[DESCRIBE, e.g. payments deferred for [NUMBER] months, with deferred amounts added to principal or due at maturity as stated on Schedule B].

2.6 **Capitalization.** Any accrued and unpaid interest or fees that the Parties agree to capitalize are **[added to principal / waived / payable as stated on Schedule B]**, as detailed on **Schedule B**.

3. Unmodified Terms

3.1 **Continuing terms.** Except as expressly modified by Section 2, all other terms of the Loan, including default provisions, late charges, prepayment terms, and remedies, remain unchanged and in full force and effect.

3.2 **Order of precedence.** If a conflict exists between this Agreement and the Loan, this Agreement controls as to the modified terms, and the Loan controls as to all other terms.

4. Borrower Representations and Acknowledgments

4.1 **Validity.** The Borrower acknowledges that the Loan is valid and enforceable, that the Outstanding Balance is correctly stated, and that the Borrower has no defenses, setoffs, or counterclaims against the Loan except as disclosed on **Schedule C**.

4.2 **Authority.** The Borrower has full power and authority to enter into and perform this Agreement, and this Agreement is a valid and binding obligation of the Borrower.

4.3 **No reliance on oral terms.** The Borrower acknowledges that the modified terms are limited to those stated in this Agreement and that no oral promises by the Lender modify the Loan.

4.4 **Financial information.** Any financial information the Borrower provided to support this modification is true and complete in all material respects as of the date provided.

5. Confirmation of Collateral and Guaranties

5.1 **Collateral.** All liens, mortgages, and security interests securing the Loan continue to secure the Loan as modified, and the Borrower will execute any documents reasonably necessary to confirm or maintain their priority.

5.2 **Guaranties.** Each guarantor of the Loan, by signing the guarantor acknowledgment below, consents to this modification and confirms that its guaranty remains in full force and effect as to the Loan as modified.

6. Conditions to Effectiveness

6.1 **Conditions.** This Agreement becomes effective when (a) both Parties have signed; (b) any required guarantor acknowledgments are signed; and (c) the Borrower has paid any modification fee or other amounts stated on **Schedule B**.

6.2 **Modification fee.** The Borrower will pay a modification fee of **[AMOUNT OR N/A]**, payable on or before the Effective Date.

7. No Waiver and Reservation of Rights

7.1 **No waiver of defaults.** Except as expressly stated, this Agreement does not waive any existing or future default, or any of the Lender's rights or remedies under the Loan.

7.2 Reservation of rights. The Lender reserves all rights and remedies under the Loan as modified and under applicable law, and the Lender's agreement to this modification does not establish a course of dealing requiring future modifications.

8. General Provisions

8.1 Governing law and venue. This Agreement is governed by the laws of the State of [STATE], without regard to its conflict-of-laws rules. The Parties submit to the exclusive jurisdiction of the state and federal courts located in [COUNTY, STATE].

8.2 Dispute resolution. Before filing suit, the Parties will attempt in good faith to resolve any dispute through discussion within [NUMBER] days of written notice. [OPTIONAL: arbitration clause — discuss with counsel.]

8.3 Notices. Notices must be in writing and sent to the addresses above (or as updated in writing) and are effective on receipt.

8.4 Assignment. The Lender may assign its rights under the Loan and this Agreement. The Borrower may not assign its obligations without the Lender's prior written consent.

8.5 Entire agreement; amendment. This Agreement, together with the Loan and its Schedules, is the entire agreement between the Parties on its subject and supersedes prior discussions about the modification. It may be amended only by a writing signed by both Parties.

8.6 Severability and waiver. If any provision is unenforceable, the rest remains in effect. A waiver is effective only if in writing and signed by the waiving Party.

8.7 Counterparts and electronic signature. This Agreement may be signed in counterparts and by electronic signature, each of which is an original and all of which together form one agreement.

IN WITNESS WHEREOF, the Parties have executed this Agreement as of the Effective Date.

LENDER

BORROWER

Signature: _____

Signature: _____

Printed name: [NAME]

Printed name: [NAME]

Title: [TITLE / N/A]

Title: [TITLE / N/A]

Date: _____

Date: _____

Guarantor acknowledgment (if applicable). The undersigned guarantor consents to the modification above and confirms its guaranty remains in full force and effect as to the Loan as modified.

GUARANTOR

Signature: _____

Printed name: [NAME]

Title: **[TITLE / N/A]**

Date: _____

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