

# VIRGINIA PROMISSORY NOTE (SECURED)

ON THIS \_\_\_\_ DAY OF \_\_\_\_\_, 20\_\_\_\_,  
\_\_\_\_\_  
\_\_\_\_\_ [Name of Borrower], of  
\_\_\_\_\_ [Address of Borrower], hereinafter known as the  
“Borrower” promises to pay to \_\_\_\_\_ [Name of  
Lender], of \_\_\_\_\_ [Address of Lender], hereinafter known as the  
“Lender”, the principal sum of \_\_\_\_\_ Dollars  
(\$\_\_\_\_\_), with interest accruing on the unpaid balance at a rate of  
\_\_\_\_\_ percent (\_\_\_\_%) per annum in accordance with § VA ST § 6.2-303  
(Interest and Usury) of the Virginia Statutes.

**1. PAYMENTS:** Borrower shall pay (check the applicable box)

- **NO INSTALLMENTS.** Payment in full of principal and interest accrued shall be payable on the due date.
- **INSTALLMENTS** of principal and interest in the amount of \_\_\_\_\_ Dollars (\$\_\_\_\_\_)
- **INTEREST ONLY PAYMENTS** on the outstanding principal balance.

If installments or interest only payments are checked above, such installment payment shall be due and payable on the (check the applicable box)

- \_\_\_\_ day of every **month** beginning on the \_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_.
- Every **week** beginning on the \_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_.

**2. DUE DATE:** The full balance on this Note, including any accrued interest and late fees, is due and payable on the \_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_.

**3. INTEREST DUE IN THE EVENT OF DEFAULT:** In the event that the Borrower fails to pay the note in full on the due date or has failed to make an installment payment due within 15 days of the due date, unpaid principal shall accrue

interest at the rate of \_\_\_\_\_ percent (\_\_\_\_%) per annum OR the maximum rate allowed by law, whichever is less, until the Borrower is no longer in default.

4. **ALLOCATION OF PAYMENTS:** Payments shall be first credited any late fees due, then to interest due and any remainder will be credited to principal.
5. **PREPAYMENT:** Borrower may pre-pay this Note without penalty.
6. **LATE FEES:** If the Lender receives any installment payment more than \_\_\_\_\_ days after the date that it is due, then a late payment fee of \_\_\_\_\_, shall be payable with the scheduled installment payment along with any default interest due.
7. **DUE ON SALE:** This Note is secured by a security instrument described in Section 17 securing repayment of this Note, the property described in such security instrument may not be sold or transferred without the Lender's consent. If Borrower breaches this provision, Lender may declare all sums due under this Note immediately due and payable, unless prohibited by applicable law.
8. **ACCELERATION:** If the Borrower is in default under this Note or is in default under the security instrument securing repayment of this Note, and such default is not cured within \_\_\_\_\_ days after written notice of such default, then Lender may, at its option, declare all outstanding sums owed on this Note to be immediately due and payable, in addition to any other rights or remedies that Lender may have under the security instrument or state and federal law.
9. **ATTORNEYS' FEES AND COSTS:** Borrower shall pay all costs incurred by Lender in collecting sums due under this Note after a default, including reasonable attorneys' fees. If Lender or Borrower sues to enforce this Note or obtain a declaration of its rights hereunder, the prevailing party in any such proceeding shall be entitled to recover its reasonable attorneys' fees and costs incurred in the proceeding (including those incurred in any bankruptcy proceeding or appeal) from the non-prevailing party.
10. **WAIVER OF PRESENTMENTS:** Borrower waives presentment for payment, notice of dishonor, protest and notice of protest.
11. **NON-WAIVER:** No failure or delay by Lender in exercising Lender's rights under this Note shall be considered a waiver of such rights.
12. **SEVERABILITY:** In the event that any provision herein is determined to be void or unenforceable for any reason, such determination shall not affect the validity or enforceability of any other provision, all of which shall remain in full force and effect.

**13. INTEGRATION:** There are no verbal or other agreements which modify or affect the terms of this Note. This Note may not be modified or amended except by written agreement signed by Borrower and Lender.

**14. CONFLICTING TERMS:** In the event of any conflict between the terms of this Note and the terms of any security instrument securing payment of this Note, the terms of this Note shall prevail.

**15. NOTICE:** Any notices required or permitted to be given hereunder shall be given in writing and shall be delivered (a) in person, (b) by certified mail, postage prepaid, return receipt requested, (c) by facsimile, or (d) by a commercial overnight courier that guarantees next day delivery and provides a receipt, and such notices shall be made to the parties at the addresses listed below.

**16. EXECUTION:** The Borrower executes this Note as a principal and not as a surety. If there is more than one Borrower, each Borrower shall be jointly and severally liable under this Note.

**17. SECURITY: THIS NOTE IS SECURED BY THE FOLLOWING:**

---

**SIGNATURE AREA**

This agreement was signed the \_\_\_\_ day of \_\_\_\_\_, 20\_\_ by the following:

\_\_\_\_\_  
**Lender's Signature**

\_\_\_\_\_  
**Borrower's Signature**

\_\_\_\_\_  
**Lender's Printed Name**

\_\_\_\_\_  
**Borrower's Printed Name**

\_\_\_\_\_  
**Witness's Signature**

\_\_\_\_\_  
**Witness's Signature**

\_\_\_\_\_  
**Witness's Printed Name**

\_\_\_\_\_  
**Witness's Printed Name**