

# LOAN AND CHARGING AGREEMENT

THIS AGREEMENT made the \_\_\_\_ day of \_\_\_\_\_, \_\_\_\_\_.

## BETWEEN:

**BORROWER**, a body corporate, carrying on business at \_\_\_\_\_  
(hereinafter referred to as the "Borrower")

**OF THE FIRST PART**

- and -

**LENDER**, a body corporate, carrying on business at \_\_\_\_\_ (hereinafter  
referred to as the "Lender")

**OF THE SECOND PART**

## WHEREAS:

- A. The Lender has agreed to loan the sum of \$\_\_\_\_\_ to the Borrower.
- B. The Borrower has agreed to charge its interest in the parcel of land commonly known as \_\_\_\_\_ and to execute a promissory note for the full amount of the loan.

**NOW THEREFORE THIS AGREEMENT WITNESSES THAT** in consideration of the covenants hereinafter set forth and for other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the parties hereby respectively covenant and agree as follows:

### 1. Principal Amount

The Principal Amount under this Agreement is \$\_\_\_\_\_.

### 2. Interest

The Principal Amount shall bear Interest at the rate of \_\_\_\_\_ (\_\_\_\_%) percent, before as well as after any default, until paid and shall be calculated semi-annually, not in advance.

### 3. Terms of Repayment

The Borrower shall pay in lawful money of Canada on or before \_\_\_\_\_ [insert date] the balance of the Principal Amount, accrued Interest thereon, and any other monies payable hereunder.

### 4. Early Repayment

Notwithstanding anything to the contrary herein stated, the Borrower may repay any portion of the Principal Amount and Interest at any time, without notice, bonus or penalty.

### 5. Collateral Security

The Borrower hereby charges all of its interest in those lands and premises (hereinafter called the "Lands") legally described in Schedule "A" annexed hereto and forming an integral part hereof as continuing and collateral security for payment of the Principal Amount (as to both principal and any and all Interest) and further assigns to the Lender the proceeds of any sale of the Lands, and agree to hold any such proceeds received by the undersigned in trust for the Lender for application in reduction or satisfaction of the Principal Amount and Interest, should the Lender so elect to have such proceeds so applied.

THIS IS A 5-PAGE DOCUMENT.