**Security Agreement**

This AGREEMENT is made on this [Insert Date Here], between [Insert Name of Borrower Here] of [Insert Address of Borrower Here, hereinafter Debtor and [Insert Name of Lender Here] of [Insert Address of Lender Here, hereinafter Secured Party.

The Parties to this Agreement agree to the following:

**1. Creation of Security Interest**

The Secured Party shall secure the payment and performance of Debtor's promissory note in the principal amount of $[Insert Amount Here] and the payment and performance of all other liabilities and obligations of Debtor to Secured Party of every kind and description, direct or indirect, absolute or contingent, due or to become due now existing or hereafter arising.

In addition, Debtor hereby grants to Secured Party a security interest in the Collateral described in Paragraph 2 to secure the performance or payment of the Obligations of Debtor to Secured Party under Paragraph 4.

**2. Collateral**

The Collateral of this Security Agreement is as follows:

[Insert List of Properties Being Offered as Collateral Here]

**3. Security Interest**

Debtor grants to Secured Party a security interest in the Collateral as described in Paragraph 2 now or hereafter placed upon the premises located at [Insert Address Where Collateral is Kept].

**4. Warrants and Covenants**

Debtor hereby warrants and covenants that:

The Debtor shall pay to Secured Party the sum or sums evidenced by the promissory note or notes executed pursuant to this Security Agreement in accordance with the terms of the note or notes. The collateral will not be removed from the Premises other than in the ordinary course of business. The Debtor will immediately notify Secured Party in writing of any change in Debtor's address. The Debtor will not sell, dispose, or otherwise transfer the collateral or any interest therein without the prior written consent of the Secured Party, and the Debtor shall keep the collateral free from unpaid charges, taxes, and liens. the Debtorshall maintain insurance at all times with respect to all collateral against risks of fire, theft, and other such risks and in such amounts as Secured Party may require. The Debtor shall make all repairs, replacements, additions, and improvements necessary to maintain any Collateral in good working order and condition.

**5. Default**

The Debtor shall be in default under this Agreement upon any non-compliance with or non-performance of the Debtor's obligations under this Agreement. Upon default and at any time thereafter, Secured Party may declare all obligations secured hereby immediately due and payable and shall have the remedies of a Secured Party under the law.

**6. Waiver**

No waiver by Secured Party of any default shall operate as a waiver of any other default or of the same default on a future occasion.

**7. Notices**

Any notices required to be given under this Agreement by either party to the other may be effected by personal delivery in writing or by registered or certified mail, postage prepaid, return receipt requested. Notice shall be deemed communicated as of the time of delivery if personally delivered, or as of the time of mailing. The address of the Debtor for the purpose of receiving the notice shall be [Insert Address of Borrower Here]. The address of the Secured Party for this purpose shall be [Insert Address of Lender Here]. Either party may change its address for the purpose of receiving notice by giving the other party written notice of the change.

**8. Governing Law**

This Agreement shall be construed under and in accordance with the laws of [Insert State Here] and all obligations of the parties created under this Agreement are performable in [Insert State Here].

**9. Parties Bound**

This Agreement shall be binding on and inure to the benefit of the parties to this Agreement and their respective heirs, executors, administrators, legal representatives, successors and assigns as permitted by this Agreement.

**10. Legal Construction**

In the event, any one or more of the provisions contained in this Agreement shall for any reason be held invalid, illegal, or unenforceable in any respect, that invalidity, illegality, or unenforceability shall not affect any other provision. This Agreement shall be construed as if the invalid, illegal, or unenforceable provision had never been contained in it.

**11. Prior Agreements Superseded**

This Agreement constitutes the sole and only agreement of the parties and supersedes any prior understandings or written or oral agreements between the parties respecting the subject matter of this Agreement.

**12. Amendments**

This Agreement may be amended by the parties only by a written agreement.

**13. Attorney's Fees**

If any action at law or in equity is brought to enforce or interpret the provisions of this Agreement, the prevailing party will be entitled to reasonable attorneys' fees in addition to any other relief to which that party may be entitled.

**14. Signatories**

This Agreement shall be signed on behalf of [Insert Name of Borrower Here] by [Insert Name Here], its [Insert Title Here], and on behalf of [Insert Name of Lender Here] by [Insert Name Here], its [Insert Title Here], and shall be effective as of the date first written above.

[Insert Name of Borrower Here]

By: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ Date: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_  
[Insert Name Here], [Insert Title Here]

[Insert Name of Lender Here]

By: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ Date: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_  
[Insert Name Here], [Insert Title Here]