

NOTE

BOOK 1544 PAGE 927

NOTICE TO BORROWER: THIS NOTE CONTAINS A PROVISION ALLOWING FOR CHANGES IN THE INTEREST RATE. INCREASES IN THE INTEREST RATE WILL RESULT IN HIGHER PAYMENTS. DECREASES IN THE INTEREST RATE WILL RESULT IN LOWER PAYMENTS.

May 22 81 Spartanburg S. C.
City State
202 Stone Ridge Court Greer S. C. 29651
Property Address City State Zip Code

1. BORROWER'S PROMISE TO PAY

In return for a loan that I have received, I promise to pay US \$ 75,000.00 (this amount will be called "principal"), plus interest, to the order of the Lender. The Lender is Piedmont Federal, 1461 E. Main St., Spartanburg, S. C. 29302.

I understand that the Lender may transfer this Note. The Lender or anyone who takes this Note by transfer and who is entitled to receive payments under this Note will be called the "Note Holder".

2. INTEREST

Interest will be charged on that part of principal which has not been paid. Interest will be charged beginning on the date of this Note and continuing until the full amount of principal has been paid.

Starting on the date of this Note, I will pay interest at a yearly rate of 15% (the "Initial Interest Rate"). The interest rate that I will pay will change in accordance with Section 5 of this Note until my loan is paid. Interest rate changes may occur on the 1st day of October in 1984 and on that day in that month every 3 years thereafter (the "Change Date").

The interest rate that I pay will not be changed by more than 1 1/2 percentage points on any Change Date.

The interest rate that I pay may never be increased to more than 20% or decreased to less than 10% during the period I have my loan.

3. THIS NOTE SECURED BY A MORTGAGE

In addition to the protections given to the Note Holder under this Note, a Mortgage, dated May 22, 1981, protects the Note Holder from possible losses which might result if I do not keep the promises which I make in this Note. That Mortgage describes how and under what conditions I may be required to make immediate payment in full of all amounts that I owe under this Note.

4. PAYMENTS

(A) Time and Place of Payments

I will pay principal and interest by making payments every month. I will make my monthly payments on the 10th day of each month beginning on June 10, 1981. I will make my monthly payments at Piedmont Federal Savings & Loan Association, or at a different place if required by the Note Holder. I will make these payments until I have paid all of the principal and interest and any other charges, described below, that I may owe under this Note. I will pay all sums that I owe under this Note no later than May 10, 2011 (the "final payment date").

(B) Borrower's Payments Before They Are Due

I have the right to make payments of principal at any time before they are due. A payment of principal only is known as a "prepayment". When I make a prepayment, I will tell the Note Holder in a letter that I am doing so. I may make a full prepayment or a partial prepayment without paying any penalty. The Note Holder will use all of my prepayments to reduce the amount of principal that I owe under this Note. If I make a partial prepayment, there will be no delays in the due dates of my monthly payments unless the Note Holder agrees in writing to those delays. My partial prepayment will reduce the amount of my monthly payments after the first Change Date following my partial prepayment. However, any reduction due to my partial prepayment may be offset by an interest rate increase.

(C) Amount of Monthly Payments

My initial monthly payments will be in the amount of US \$ 948.34. If the interest rate that I pay changes, the amount of my monthly payments will change. Increases in the interest rate will result in higher payments (unless my prepayments since the last Change Date offset the increases in my monthly payments). Decreases in the interest rate will result in lower payments. The amount of my monthly payments will always be sufficient to repay my loan in full in substantially equal payments by the final payment date. In setting the monthly payment amount on each Change Date, the Note Holder will assume that the Note interest rate will not change again prior to the final payment date.

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