

# ADJUSTABLE RATE RIDER

(Payment Cap)

THIS ADJUSTABLE RATE RIDER (the "Rider") is made this 23rd day of December, 1983, and is incorporated into and shall be deemed to amend and supplement the Mortgage, Deed of Trust, or Deed to Secure Debt (the "Security Instrument") of the same date given by the undersigned (the "Borrower") to secure Borrower's Adjustable Rate Note to Cameron-Brown Company (the "Lender") of the same date (the "Note") and covering the property described in the Security Instrument and located at:

209 Oakwood Court Greenville, SC 29607

(Property Address)

The Note contains provisions allowing for changes in the interest rate every year. If the interest rate increases, the Borrower's monthly payments will be higher. If the interest rate decreases, the Borrower's monthly payments will be lower. The Borrower also may be able to limit monthly payment increases to 7½% each year.

**ADDITIONAL COVENANTS.** In addition to the covenants and agreements made in the Security Instrument, Borrower and Lender further covenant and agree as follows:

## A. INTEREST RATE AND MONTHLY PAYMENT CHANGES

The Note provides for an initial interest rate of 11.5%. Section 4 of the Note provides for changes in the interest rate and the monthly payments, as follows:

### "4. INTEREST RATE AND MONTHLY PAYMENT CHANGES

#### (A) Change Dates

The interest rate I will pay may change on the first day of January 1, 1985, and on that day every 12th month thereafter. Each date on which my interest rate could change is called a "Change Date."

#### (B) The Index

Beginning with the first Change Date, my interest rate will be based on an Index. The "Index" is the weekly average yield on United States Treasury securities adjusted to a constant maturity of 1 year, as made available by the Federal Reserve Board. The most recent Index figure available as of the date 45 days before each Change Date is called the "Current Index."

If the Index is no longer available, the Note Holder will choose a new index which is based upon comparable information. The Note Holder will give me notice of this choice.

#### (C) Calculation of Changes

Before each Change Date, the Note Holder will calculate my new interest rate by adding 1.6 percentage points (1.6%) to the Current Index. The Note Holder will then round the result of this addition to the nearest one-eighth of one percentage point (0.125%). This rounded amount will be my new interest rate until the next Change Date.

The Note Holder will then determine the amount of the monthly payment that would be sufficient to repay the unpaid principal balance of my loan I am expected to owe on the Change Date in full on the maturity date at my new interest rate in substantially equal payments. The result of this calculation is called the "Full Payment Amount", and it will be the new amount of my monthly payment unless I choose the amount permitted by Section 4(D) below.

#### (D) Borrower's Right to Limited Payment Amount

Unless Sections 4(F) and 4(G) below will not permit me to do so, I may choose to limit the amount of my new monthly payment following a Change Date to the amount I have been paying multiplied by the number 1.075. This amount is called the "Limited Payment Amount." If I choose the Limited Payment Amount, I must give the Note Holder notice that I am doing so at least 15 days before my first new monthly payment is due.

#### (E) Additions to My Unpaid Principal Balance

If I choose the Limited Payment Amount, my monthly payment could be less than the amount of the interest portion of a monthly payment which then would be sufficient to repay my unpaid principal balance in full on the maturity date at my current interest rate in substantially equal payments. If so, each month that the Limited Payment Amount is less than the interest portion, the Note Holder will subtract the Limited Payment Amount from the amount of the interest portion and will add the difference to my unpaid principal balance. The Note Holder will also add interest on the amount of this difference to my unpaid principal balance each month. The interest rate on the interest added to principal will be the rate required by Section 4(C) above.

#### (F) Limit on Unpaid Principal Balance; Increased Monthly Payment Amount

My unpaid principal balance can never exceed a maximum amount equal to one hundred twenty-five percent (125%) of the principal amount I originally borrowed. My paying a Limited Payment Amount after any Change Date could cause my unpaid principal balance to exceed that maximum amount. If so, on the date that my paying a Limited Payment Amount would cause me to exceed that limit, I will instead begin paying a new monthly payment until the next Change Date. The new monthly payment will be in an amount which would be sufficient to repay my then unpaid principal balance in full on the maturity date at my current interest rate in substantially equal payments.

#### (G) Required Full Payment Amount

Beginning with the first monthly payment after the last Change Date, I will pay the Full Payment Amount as my monthly payment.

#### (H) Effective Date of Changes

My new interest rate will become effective on each Change Date. I will pay the amount of my new monthly payment beginning on the first monthly payment date after the Change Date until the amount of my monthly payment changes again.

VOL 1341 PAGE 615

1985

1985