

ADJUSTABLE RATE RIDER VOL 1696 PAGE 476
(Interest Rate Limits)

THIS ADJUSTABLE RATE RIDER is made this 28th day of December 1984 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 The Palmetto Bank, 306 E. North Street, Greenville, South Carolina 29602 (the "Lender") of the same date (the "Note") and covering the property described in the Security Instrument and located at:

Lot 151, Circle Drive, Greenbrier, Greenville County, South Carolina 29662
[Property Address]

The Note contains provisions allowing for changes in the interest rate every year subject to the limits stated in the Note. 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.

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 11.375%. 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, 1986, 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.

The Initial Index value of this Note is 9.63%.

(C) Calculation of Changes

Before each Change Date, the Note Holder will calculate my new interest rate by adding 2.50 percentage points (2.50%) 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%). Subject to the limits stated in Section 4(D) below, 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 will be the new amount of my monthly payment.

(D) Limit on Interest Rate Changes

The rate of interest I am required to pay shall not be increased or decreased on the first Change Date by more than two percentage points (2.0%) from the rate of interest I have been paying for the preceding twelve months. The rate of interest I am required to pay shall never be increased or decreased on any subsequent single Change Date by more than one percentage point (1.0%) from the rate of interest I have been paying for the preceding twelve months. My interest rate also shall never be greater than 16.375%.

(E) Effective Date of Change

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.

(F) Notice of Changes

The Note Holder will mail or deliver to me a notice of any changes in the amount of my monthly payment before the effective date of any change. The notice will include information required by law to be given me and also the title and telephone number of a person who will answer any question I may have regarding the notice."

B. LOAN CHARGES

If the loan secured by the Security Instrument is subject to a law which sets maximum loan charges, and that law is finally interpreted so that the interest or other loan charges collected or to be collected in connection with the loan exceed permitted limits, then: (1) any such loan charge shall be reduced by the amount necessary to reduce the charge to the permitted limit; and (2) any sums already collected from Borrower which exceeded permitted limits will be refunded to Borrower. Lender may choose to make this refund by reducing the principal owed under the Note or by making a direct payment to Borrower. If a refund reduces principal, the reduction will be treated as a partial prepayment under the Note.

5
7
0

4328-NV-2