

**NOTICE TO BORROWER:** This Note contains provisions for changes in the interest rate every three (3) months and in the amount of the monthly payments every sixty (60) months over the term of this Note. Interest will be calculated on unpaid principal and on unpaid accrued interest.

US \$ 128,000.00 Greenville, South Carolina  
August 2 City, 19 82

FOR VALUE RECEIVED, the undersigned ("Borrower") promise(s) to pay WACHOVIA MORTGAGE COMPANY ("Lender"), or order, the principal sum of One Hundred Twenty-eight Thousand and No/100 Dollars, with interest (computed on the basis of a three hundred and sixty [360] day year composed of twelve [12] months of thirty [30] days each) on the unpaid principal balance from the date of this Note and on accrued interest which remains unpaid for a term exceeding one (1) calendar month (as represented by the unpaid accrued interest account balance ["Interest Balance"]), at the initial rate of Fifteen and Five Eighth percent (15.625 %) per annum, which rate shall be changed during the term of this Note as provided for hereinafter. Principal and interest shall be payable at the offices of Wachovia Mortgage Company, Winston-Salem, N.C., or such other place as the noteholder may designate, in 360 consecutive monthly installments payable on the first day of each month. The first sixty (60) monthly installments shall be in the amount of One Thousand Five Hundred Sixteen and 65/100 Dollars (US \$ 1,516.65) beginning October 1, 19 82 and continuing thereafter until the first sixty (60) monthly installments have become due and payable (hereinafter collectively referred to as "Initial Monthly Installments"). In the event the rate of interest shall have been changed prior to the due date of the sixty-first (61st) monthly installment or at any time thereafter during the term of this Note, the monthly installments will be changed at such times and in such amounts as provided for hereinafter. Monthly installments, as may be subsequently changed in amount, shall continue until the entire indebtedness evidenced by this Note is fully paid, except that any remaining indebtedness, if not sooner paid, shall be due and payable in a Balloon Payment on September 1, 2012 ("Maturity").

**CHANGES IN INTEREST RATE:** The interest rate will be changed on the first day of each January, April, July and October of each calendar year (hereinafter collectively referred to as "Calendar Quarters" and singularly referred to as "Calendar Quarter") during the term of this Note beginning on the first day of October, 19 82. The interest rate for each such Calendar Quarter, will be Three percent (3.0 %) above the average of the rate (auction average on an annualized discount basis) for United States Treasury Bills with maturities of thirteen (13) weeks established at the third or the next to the last auction (whichever occurs first) held in the second Calendar Month of the immediately preceding Calendar Quarter (February, May, August and November) (such auction being hereinafter referred to as the "Auction Date") and the rates for United States Treasury Bills with maturities of thirteen (13) weeks established at each of the twelve auctions immediately preceding the Auction Date. In the event the change in the interest rate from one Calendar Quarter to the next Calendar Quarter is less than one-eighth (1/8) of one (1) percentage point, the noteholder will not make any change in the interest rate for the next Calendar Quarter. All interest rate adjustments will be made to the nearest one-eighth (1/8) of one (1) percentage point.

**CHANGES IN MONTHLY INSTALLMENTS:** The monthly installments provided for hereinabove will be changed in amount every sixty (60) months in the event that the monthly installments, if unchanged, will not repay in full in substantially equal monthly installments the remaining unpaid principal balance, the Interest Balance and all interest to be earned in the future over the remaining term of the Note. The first monthly installment change, if necessary, will occur on the first day of October 1, 19 87, and subsequent monthly installment changes will occur on that anniversary date each succeeding fifth (5th) year. (Each date on which the amount of subsequent monthly installments will be subject to change is referred to herein as the "Change Date"). Subject to the limitations on the change in the amount of the monthly installments set out below, the amount of the monthly installments will be adjusted on each Change Date to an amount which will repay in full in substantially equal installments over the remaining term of the Note: (i) the remaining unpaid principal balance, (ii) the Interest Balance, and (iii) all interest to be earned in the future over the remainder of the term of the Note at an interest rate equal to the average of the interest rate established for the Calendar Quarter in which the Change Date occurs and the interest rates established pursuant hereto for each of the previous seven Calendar Quarters. In no event shall any change (except on the last Change Date) increase or decrease the amount of the monthly installment in excess of twenty-five percent (25%) of the amount of the monthly installment that last became due and payable immediately prior to the Change Date.

**MAXIMUM LIABILITY OF BORROWER FOR INTEREST BALANCE:** At the last Change Date, and at Maturity, or at an earlier payoff of this Note, Borrower's maximum liability for the unpaid amount of negative amortization then represented by the Interest Balance will be limited to the total of 20% of the original purchase price of the real estate given as security for this Note (the "Home") plus any appreciation in value in excess of the original purchase price.

The original purchase price of the Home is \$ 188,000.00 ("Original Purchase Price").

If Borrower at any time during the term of this Note elects to sell the Home and make payment of this Note in full and if the current Interest Balance is less than the total of 20% of the Original Purchase Price of the Home plus any appreciation as determined by using Borrower's then current sales price less the Original Purchase Price, Lender will not have an appraisal of the Home performed and the then-current sales price of the Home will be used to compute the amount of appreciation. Otherwise, the amount of any appreciation above the Original Purchase Price of the Home will be calculated by subtracting the Original Purchase Price from the current appraised value of

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