ADJUSTABLE RATE RIDER

22nd August 1622 271

THIS ADJUSTABLE [illegible] and shall be deemed to amend and supplement the Mortgage [illegible] Note [illegible] Borrower's Note to AUGUST KOHN AND COMPANY, INC. [illegible] the "Lender" of the same date [illegible] Note and covering the property described in the Security Instrument and located at

5 Cane Creek Court (Lot 87 Gray Fox Run, Section One), Taylors, SC 29687
(Property Address)

The Note contains provisions allowing for changes in the interest rate every 5 years. 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 12.75 %. 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 rate of interest I will pay may change on the first day of September, 1988, and on that day every 60th month thereafter. Each date on which my rate of interest could change is called a "Change Date."

(B) The Index

Any changes in my rate of interest will be based on changes in the Index. The "Index" is the weekly average yield on United States Treasury securities adjusted to a constant maturity of [illegible] years, as made available by the Federal Reserve Board. The most recently available Index figure 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 rate of interest by adding One and Nine-Tenths percentage points (1.90 %) 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 rate of interest 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 as of a Change Date in full on the maturity date at my new rate of interest in substantially equal payments. The result of this calculation will be the new amount of my monthly payment.

(D) Effective Date of Changes

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

(E) 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. CHARGES; LIENS

Uniform Covenant 4 of the Security Instrument is amended to read as follows:

4. Charges; Liens. Borrower shall pay all taxes, assessments, and other charges, fines and impositions attributable to the Property which may attain a priority over this Security Instrument, and leasehold payments or ground rents, if any, in the manner provided under paragraph 2 hereof or, if not paid in such manner, by Borrower making payment, when due, directly to the payee thereof. Borrower shall promptly furnish to Lender all notices of amounts due under this paragraph, and in the event Borrower shall make payment directly, Borrower shall promptly furnish to Lender receipts evidencing such payments. Borrower shall promptly discharge any lien which has priority over this Security Instrument, provided, that Borrower shall not be required to discharge any such lien so long as Borrower (a) shall agree in writing to the payment of the obligation secured by such lien in a manner acceptable to Lender, (b) shall in good faith contest such lien by, or defend against enforcement of such lien in, legal proceedings which in the opinion of Lender operate to prevent the enforcement of the lien or forfeiture of the Property or any part thereof, or (c) shall secure from the holder of such lien an agreement in a form satisfactory to Lender subordinating such lien to this Security Instrument.

If Lender determines that all or any part of the Property is subject to a lien which may attain a priority over this Security Instrument, Lender shall send Borrower a notice identifying such lien. Borrower shall satisfy such lien or take one or more of the actions set forth above within ten days of the giving of notice.

C. NOTICE

[illegible] Security Instrument [illegible] read as follows:

[illegible] Notices. Except [illegible] any notice to [illegible] in this manner, (a) any notice to [illegible] by mailing it by first class mail [illegible] Lender or [illegible]