

**CAPPED ONE-YEAR ARM RIDER TO THE MORTGAGE/DEED OF TRUST/DEED TO SECURE DEBT**

NOTICE: THIS SECURITY INSTRUMENT SECURES A NOTE WHICH CONTAINS A PROVISION ALLOWING FOR CHANGES IN THE INTEREST RATE. INCREASES IN THE INTEREST RATE MAY RESULT IN HIGHER PAYMENTS. DECREASES IN THE INTEREST RATE MAY RESULT IN LOWER PAYMENTS.

This Rider is made this 18th day of May, 19 84, 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 Note to First Citizens Bank and Trust Company of South Carolina (the "Note Holder") of the same date (the "Note") and covering the property described in the Security Instrument and located at 4649 Old Spartanburg Rd., Unit 86, Jamestown Commons, Taylors, S.C.  
(Property Address)

MODIFICATIONS. In addition to the covenants and agreements made in the Security Instrument, Borrower and Note Holder further covenant and agree as follows:

**A. INTEREST RATE AND MONTHLY PAYMENT CHANGES**

The Note has an initial interest rate of 9.875%. The interest rate may be increased or decreased every 12th month on each "Change Date," as described in the Note. Changes in the interest rate are governed by changes in the Index as defined in the Note. The Index is the weekly average yield on United States Treasury securities adjusted to a constant maturity of one year, as published by the Federal Reserve Board. The maximum change in the interest rate at any one time is 2 percentage points. The maximum interest rate variation over the life of the loan is 5.75 percentage points over or under the initial interest rate.

The monthly payment amount may be adjusted every 12th month to take effect on the month following each Change Date as described in the Note. The new monthly payment amount is based on the interest rate in effect on the Change Date and will remain in effect until the month following the next succeeding Change Date.

**B. LOAN CHARGES**

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

**C. CONVERSION FEATURE**

- (i) Borrower may, at Borrower's option and provided Borrower has been current on the loan each month for twelve months prior to the applicable Change Date, modify the repayment terms of the indebtedness secured hereby prior to the first, second, third, or fourth Change Date. At that time, Borrower may convert the adjustable rate loan evidenced by the Note into a fixed interest rate loan to be fully repaid in equal monthly payments of principal and interest over the remaining term of the loan (i.e. 29, 28, 27, or 26 years, depending on the conversion date selected).
- (ii) Note holder's "Notice of Periodic Adjustment" to Borrower pursuant to paragraph 4(a) of the Note given prior to the first, second, third, or fourth Change Date shall contain the following information pertaining to Borrower's option to convert:
  - (a) the approximate fixed interest rate payable by Borrower if Borrower converts into a fixed interest rate loan (the actual rate will be the rate in effect on the date the conversion is registered);
  - (b) the approximate amount of Borrower's new monthly payment at the fixed rate of interest; and
  - (c) a date, at least 15 days from the date the Notice is given, by which Borrower must "lock in" an interest rate by telephoning a number provided and registering the conversion with the Note Holder, and a subsequent date (no later than the applicable Change Date) by which the Borrower must complete, execute and deliver to Note Holder a document in the form required by Note Holder evidencing the modification of the Note to provide a fixed interest rate.
- (iii) The fixed rate of interest payable by Borrower will be based on Residential Funding Corporation's market rate for 45 day registration of 30 year fixed rate, level payment, fully amortized loans on the date the conversion is registered. The new fixed interest rate will become effective on the applicable Change Date. Borrower's monthly payments at the new fixed interest rate will begin as of the first monthly payment after the applicable Change Date. The monthly payment will be the amount that is necessary to repay in full the principal Borrower will owe (assuming timely payment of all amounts due prior to that date) on the Change Date in substantially equal payments by the maturity date set forth in the Note at the fixed interest rate.
- (iv) Borrower must register the loan for conversion and must complete, execute and deliver to Note Holder the document evidencing the modification of the Note prior to the applicable dates set forth in Note Holder's Notice of Periodic Adjustment as provided above. If Borrower fails to do so within the specified time frames, Borrower can no longer exercise the option to convert and in this case, the terms of the Note will continue in effect without any change.
- (v) Upon Borrower's timely delivery of the executed modification to the Note, paragraph A above shall cease to be effective.

**D. TRANSFER OF THE PROPERTY**

Paragraph 17 of the Security Instrument is amended to read as follows:

Transfer of the Property or a Beneficial Interest in Borrower. If all or any part of the Property or an interest therein is sold or transferred (or if a beneficial interest in Borrower is sold or transferred and Borrower is not a natural person) without Note Holder's prior written consent, Note Holder may, at Note Holder's option, declare all the sums secured by this Security Instrument to be immediately due and payable. However, this option shall not be exercised by Note Holder if exercise is not authorized by Federal Law.