

SECURITY FEDERAL SAVINGS AND LOAN ASSOCIATION
OF SOUTH CAROLINA

ADJUSTABLE RATE RIDER
(INTEREST RATE AND LIMITED PAYMENT CAP)
(Scheduled Negative Amortization)

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This ADJUSTABLE RATE RIDER is made this 31st 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 Adjustable Rate Note to Security Federal Savings and Loan Association of South Carolina (the "Lender") of the same date (the "Note") and covering the property described in the Security Instrument and located at:

Rt. 8, Box 872, Tax map T 9.3 - 1 - 2, Greer, South Carolina
(Property Address)

This Rider contains provisions allowing for changes in my interest rate, and monthly payments.

If my interest rate increases, my monthly payments will be higher. If my interest rate decreases, my monthly payments will be lower. I will be able to limit my monthly payment increases to 7½% each year if the provisions of this Note permit me to do so. My interest rate shall never exceed 16.00% per annum.

The principal amount I must repay will be larger than the amount I originally borrowed, but not more than 125% of the original amount.

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 12.95%. Sections 2 through 9 of the Note provide for changes in the interest rate and the monthly payments, as follows:

"2. INTEREST

(A) Interest Owed

Interest will be charged on that part of the principal which has not been paid, beginning on the date I receive principal and continuing until the full amount of principal has been paid.

Beginning on the date I receive principal, I will pay interest at a yearly rate of 12.95%. The rate of interest I will pay will change in accordance with Section 4(A) of this Note on the first day of June, 1989 and on that day every 60th month thereafter, provided that my interest rate shall never exceed 16.00% per annum. Each date on which my interest rate could change is called an "Interest Change Date."

(B) The Index

Beginning with the first Interest 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 5 years, 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) Interest After Default

The interest rate required by this Section 2 and Section 4(A) below is the rate I will pay both before and after any default described in Section 12(B) below.

3. TIME AND PLACE OF PAYMENTS

I will pay principal and interest by making payments every month. My monthly payment will be applied to interest before principal.