

## 5. BORROWER'S RIGHT TO LIMIT AMOUNT OF REMAINING MONTHLY PAYMENTS

## (A) Calculation of Limited Monthly Payment Amount

I may choose to limit the amount of my new monthly payment following a Change Date if my new interest rate would cause the monthly payment I have been paying to increase by more than seven and one-half percent (7.5%). If I choose to limit the amount of my monthly payment, I must give the Note Holder notice that I am doing so at least 15 days before my first new monthly payment is due. When I do so, on the first monthly after the Change Date I will begin paying a new monthly payment which will be equal to the amount I have been paying each month for the preceding twelve months multiplied by the number 1.075. Thereafter, on each of the first four anniversaries of the new monthly payment date, my monthly payment will again increase by an amount equal to the amount I have been paying each month for the preceding twelve months multiplied by the number 1.075.

Even if I have chosen to limit my monthly payment, Sections 5(B), 5(C) and 6 below may require me to pay a different amount.

## (B) Reduced Monthly Payment Amount

My limited monthly payment calculated under Section 5(A) above could be greater than the amount of a monthly payment which then would be sufficient to repay my unpaid principal balance in full on the maturity date at my current interest rate in substantially equal payments. If so, on the date my paying a limited monthly payment would cause me to pay more than the lower amount, I will instead then begin paying the lower amount as my monthly payment until the next Change Date.

## (C) Increased Monthly Payment Amount

My paying a limited monthly payment calculated under Section 5(A) above could cause my unpaid principal balance to exceed the limit stated in Section 7(B) below. If so, on the date that my paying a monthly payment would cause me to exceed that limit, I will instead begin paying a new monthly payment until the next Change Date. The new monthly payment will be in an amount which would be sufficient to repay my then unpaid principal balance in full on the maturity date at my current interest rate in substantially equal payments.

## 6. FINAL MONTHLY PAYMENTS

Beginning with the first monthly payment after the last Change Date, I will pay the full Payment Amount as my monthly payment.

## 7. INCREASES IN THE PRINCIPAL AMOUNT TO BE PAID

## (A) Additions to My Unpaid Principal Balance

If I choose to pay a limited monthly payment calculated under Section 5(A) above, my monthly payment could be less than the amount of the interest portion of a monthly payment which then would be sufficient to repay my unpaid principal balance in full on the maturity date at my current interest rate in substantially equal payments. If so, each month that the amount of my monthly payment is less than the interest portion, the Note Holder will subtract the amount of my monthly payment from the amount of the interest portion and will add the difference to my unpaid principal balance. The Note Holder will also add interest on the amount of this difference to my unpaid principal balance each month. The interest rate on the interest added to principal will be the rate required by Section 4(C) above.

## (B) Limit on My Unpaid Principal Balance

My unpaid principal balance can never exceed a maximum amount equal to one hundred twenty-five percent (125%) of the principal amount I originally borrowed.