

ADJUSTABLE RATE RIDER
(Interest Rate Limits)

THIS ADJUSTABLE RATE RIDER is made this 21st day of December, 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 First 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:

Unit 45 Holly Towne, Simpsonville, S. C. 29681

(Property Address)

The Note contains provisions allowing for changes in the interest rate every three years subject to the limits stated in the Note. 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 12.875%. 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 interest rate I will pay may change on the first day of January, 19 88 and on that day every 36 months thereafter. Each date on which my interest rate could change is called a "Change Date."

(B) The Index

Beginning with the first 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 3 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.

The first index figure for this note is 11.050%. It is called the "Original Index."

The Original Index plus a margin of 2.750% (after rounding the result up to the nearest 1/8 of 1%) is called the "Adjustment Base Rate."

(C) Calculation of Changes

Before each change date, the Note Holder will calculate my new interest rate by calculating the difference, if any, between the Current Index and Original Index. If the Current Index is higher than the Original Index, the Note Holder will add the difference to the Adjustment Base Rate. If the Current Index is lower than the Original Index, the Note Holder will subtract the difference from the Adjustment Base Rate. The Note Holder will then round the result of this addition to the nearest 1/8 of 1 percentage point (0.125). Subject to the limits stated in Section 4 (D) below, this rounded amount will be my new interest rate 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 I am expected to owe on the Change Date in full on the maturity date at my new interest rate in substantially equal payments. The result of this calculation will be the new amount of my monthly payments.

(D) Limits on Interest Rate Changes

The rate of interest I am required to pay shall never be increased or decreased on any single Change Date by more than two percentage points (2.00%) from the rate of interest I have been paying for the preceding twelve months.

Additionally, my interest rate shall never be greater than five percent (5%) above or below the "Initial Interest Rate."

(E) Effective Date of Changes

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

(F) 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