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**ADJUSTABLE RATE RIDER
(1 YEAR INDEX - INTEREST RATE CAPS)**

THIS ADJUSTABLE RATE RIDER is made this 3rd day of DECEMBER, 19 84, and is incorporated into and shall be deemed to amend and supplement the Mortgage, Deed of Trust, or Security Deed (the "Security Instrument") of the same date given by the undersigned (the "Borrower") to secure Borrower's Adjustable Rate Note to COLONIAL MORTGAGE COMPANY (the "Lender") of the same date (the "Note") and covering the property described in the Security Instrument, and located at:

205 STONE RIDGE ROAD, GREER, SOUTH CAROLINA 29651

[Property Address]

The Note contains provisions allowing for changes in the interest rate every year 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 11.875 %. 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 86, and on that day every 12 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 one year, 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) Calculation of Changes

Before each Change Date, the Note Holder will calculate my new interest rate by adding Two and 625/1000 percentage points (2.625 %) to the Current Index. The Note Holder will then round the result of this addition up to the nearest one-eighth of one 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 that I am expected to owe at 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 principal and interest payment.

(D) Limit on Interest Rate Changes

Any single change in the interest rate on any Change Date shall not exceed Two percentage points (2 %). The interest rate over the life of the Note shall never exceed a rate equal to Five and One-Half percentage points (5.5 %) above, or be less than Five and One-Half percentage points (5.5 %) below the interest rate stated in Paragraph 2 of the Note.

(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.