

GRADUATED PAYMENT RIDER
(With Interest Rate Changes Every 5 Years)

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THIS GRADUATED PAYMENT RIDER is made this 18th day of November 19 83 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 Graduated Payment Note to Perpetual Federal Savings and Loan Association (the "Lender") of the same date (the "Note") and covering the property described in the Security Instrument and located at

Lots 51, 52 and 53, Crestview Drive, Avalon Estates, Greenville, South Carolina
[Property Address]

The Note contains provisions allowing for changes in the interest rate and monthly payments.

The Borrower's monthly payment will increase by 7½% each year during the first five years of the Note. The remaining monthly payments also could increase or decrease, depending on changes in the interest rate. The Borrower also may be able to limit monthly payment increases to 7½% each year.

The principal amount the Borrower must repay will be larger than the amount 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 13.50%. 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 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 owe interest at a yearly rate of 13.50%. The interest rate I will pay will change in accordance with Section 4 (A) of this Note on the first day of March, 19 89 and on that day every 60th month thereafter. 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 Interest 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 payments will be applied to interest before principal.

I will make my monthly payments on the first day of each month beginning on January 1, 19 84. I will make these payments every month until I have paid all the principal and interest and any other charges described below that I may owe under this Note. If, on December 1, 20 13, I still owe amounts under this Note, I will pay those amounts in full on that date, which is called the "maturity date."

I will make my monthly payments at 927 North Main Street, Anderson, South Carolina--

or at a different place if required by the Note Holder

4. INTEREST RATE CHANGES AND FULL PAYMENT AMOUNT

(A) Calculation of New Interest Rate and Full Payment Amount

Each of my first 60 monthly payments could be less than a Full Payment Amount. A "Full Payment Amount" is the monthly amount sufficient to repay the amount I originally borrowed, or the unpaid principal balance of my loan as of an Interest Change Date, in full on the maturity date at the interest rate I am required to pay by Section 2 above or this Section 4 (A) in substantially equal payments. Beginning on the date of this Note, my first Full Payment Amount will be U.S. \$ 634.11 until the first Interest Change Date.

Before each Interest Change Date, the Note Holder will determine a new Full Payment Amount for my loan. The Note Holder will first calculate my new interest rate by adding 2 1/2 percentage points (2.50%) to the Current Index. The Note Holder will then round the result of this addition to the nearest one-eighth of one percentage point (0.125%). This rounded amount will be my new interest rate until the next Interest 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