

ADJUSTABLE RATE RIDER
(Interest Rate and Limited Payment Cap)

This ADJUSTABLE RATE RIDER is made this 16 day of August 1984, 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:

Lot 73, Sheffort Court, Silverleaf S/D, Greer, S.C. 29651
(Property Address)

The Note Contains Provisions Allowing for Changes in the Interest Rate every five years. 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. The Borrower also may be able to limit monthly payment increases to 7½% each year, except after the last adjustment date. The interest rate can never exceed 16.00% per annum.

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 4 through 8 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 the month of September, 1989, and on that day every 60th month thereafter. Each date on which the rate of interest 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 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) Calculation of Changes

Before each Change Date, the Note Holder will calculate my new interest rate by adding 2.60 percentage points (2.60%) 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 Change Date, provided that the new interest rate shall never exceed 16.00% per annum.

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 results of this calculation is called the "Full Payment Amount", and it will be the new amount of my monthly payment unless I choose the amount permitted by Section 5(a) below.

(D) 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.

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