

MAXIMUM LIABILITY OF BORROWER FOR INTEREST BALANCE: At the last Change Date, and at Maturity, or at an earlier payoff of this Note, Borrower's maximum liability for the unpaid amount of negative amortization then represented by the Interest Balance will be limited to the total of 20% of the original purchase price of the real estate given as security for this Note (the "Home") plus any appreciation in value in excess of the original purchase price.

The original purchase price of the Home is \$ 175,000.00 ("Original Purchase Price").

If Borrower at any time during the term of this Note elects to sell the Home and make payment of this Note in full and if the current Interest Balance is less than the total of 20% of the Original Purchase Price of the Home plus any appreciation as determined by using Borrower's then current sales price less the Original Purchase Price, Lender will not have an appraisal of the Home performed and the then-current sales price of the Home will be used to compute the amount of appreciation. Otherwise, the amount of any appreciation above the Original Purchase Price of the Home will be calculated by subtracting the Original Purchase Price from the current appraised value of the Home as determined by a written appraisal performed by an independent appraiser selected by the Lender ("Current Appraised Value"). The Current Appraised Value will be determined at the Lender's expense within the 45 days preceding either the last Change Date or Maturity (or the date of an involuntary sale of the Home through Bankruptcy proceedings; default, acceleration and foreclosure hereunder; or otherwise); or, in the event of an earlier payoff, within 15 days following the Lender's receipt of Borrower's written notice requesting the amount necessary to pay this Note in full (along with an executed original of Borrower's Sales Contract in the case of a sale of the Home so that Lender might determine whether an appraisal is required).

If Borrower disagrees with the Current Appraised Value and furnishes Lender with another written appraisal of the Home which has been prepared at Borrower's expense by an independent, Lender-approved appraiser selected by Borrower within 15 days after notification from Lender of the Current Appraised Value, Lender will use the average of these two appraised values in calculating the amount of any appreciation above the Original Purchase Price of the Home. However, unless Lender waives this requirement, if the difference between the two appraised values equals or exceeds 10% of the Original Purchase Price, the two appraisers will select an independent, third appraiser to perform a written appraisal, and the average of these three written appraised values will be used to calculate the amount of any appreciation above the Original Purchase Price of the Home. The expense of securing the third written appraisal will be divided equally between the Borrower and the Lender. In all events, the appraisal procedure provided for herein will be concluded within thirty (30) days from the date Lender notifies Borrower of the Current Appraised Value.

If any monthly installment under this Note is not paid when due and remains unpaid after a date specified by a notice to Borrower, the entire principal amount outstanding, the unpaid Interest Balance, and all other accrued interest shall at once become due and payable at the option of the noteholder. The date specified shall not be less than thirty (30) days from the date such notice is mailed. The noteholder may exercise this option to accelerate during any default by Borrower regardless of any prior forbearance. If suit is brought to collect this Note, the noteholder shall be entitled to collect all reasonable costs and expenses of suit, including, but not limited to, reasonable attorneys' fees.

Borrower shall pay to the noteholder a late charge of four percent (4%) of any monthly installment not received by the noteholder within fifteen (15) days after the installment is due.

Borrower may prepay the principal amount outstanding in whole or in part. The noteholder may require that any partial prepayments be made on the date monthly installments are due. Any partial prepayment shall be applied first, to unpaid accrued interest and second, against the principal amount outstanding and shall not postpone the due date of any subsequent monthly installments or change the amount of such installments which become due and payable prior to the next Change Date unless the noteholder shall otherwise agree in writing. No prepayment penalty shall be charged.

Presentment, notice of dishonor and protest are hereby waived by all makers, sureties, guarantors and endorsers hereof. This Note shall be the joint and several obligation of all makers, sureties, guarantors and endorsers, and shall be binding upon them and their successors and assigns.

Any notice to Borrower provided for in this Note shall be given by mailing such notice by certified mail addressed to Borrower at the Property Address stated below, or to such other address as Borrower may designate by notice to the noteholder. Any notice to the noteholder shall be given by mailing such notice by certified mail, return receipt requested, to Wachovia Mortgage Company, P.O. Box 3174, Winston-Salem, North Carolina, or at such other address as may have been designated by the noteholder by notice to Borrower.

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2005-11-23