

ADJUSTABLE RATE NOTE

NOTICE TO BORROWER: THIS NOTE CONTAINS A PROVISION ALLOWING FOR CHANGES IN THE INTEREST RATE. INCREASES IN THE INTEREST RATE WILL RESULT IN HIGHER PAYMENTS. DECREASES IN THE INTEREST RATE WILL RESULT IN LOWER PAYMENTS.

September 4th, 1981 Anderson S. C.
City State

..... Lots 57 & 58 Monticello Estates Piedmont SC 29673
Property Address City State Zip Code

1. BORROWER'S PROMISE TO PAY

In return for a loan that I have received, I promise to pay U.S. \$. 44,000.00 (this amount will be called "principal"), plus interest, to the order of the Lender. The Lender is Home Savings and Loan Association of the Piedmont

I understand that the Lender may transfer this Note. The Lender or anyone who takes this Note by transfer and who is entitled to receive payments under this Note will be called the "Note Holder".

2. INTEREST

Interest will be charged on that part of outstanding principal which has not been paid. Interest will be charged beginning on the date I receive principal and continuing until the full amount of principal I receive has been paid.

Beginning on the date of this Note, I will pay interest at a yearly rate of 16 3/4 % (the "Initial Interest Rate"). The interest rate that I will pay will change in accordance with Section 4 of this Note until my loan is paid. Interest rate changes may occur on the 1st day of the month beginning on September 1, 1982 and on the 1st day of March, 1983 and on the 1st day of March and September thereafter for the life of the loan. Each date on which the rate of interest may change will be called a "Change Date".

3. PAYMENTS

(A) Time and Place of Payments

I will pay principal and interest by making payments every month. I will make my monthly payments on the 1st day of each month beginning on April 1, 1982. I will make these payments until I have paid all of the principal and interest and any other charges, described below, that I may owe under this Note. I will pay all sums that I owe under this Note no later than 25 years from date. (the "final payment date").

I will make my monthly payments at 208 East First Avenue, Easley, S. C. or Home Savings & Loan Association Offices or at a different place if required by the Note Holder.

(B) Borrower's Payments Before They Are Due

I have the right to make payments of principal at any time before they are due. A payment of principal only is known as a "prepayment". When I make a prepayment, I will tell the Note Holder in writing that I am doing so. I may make a full prepayment or a partial prepayment without paying any penalty. The Note Holder will use all of my prepayments to reduce the amount of principal that I owe under this Note. If I make a partial prepayment, there will be no delays in the due dates of my monthly payments unless the Note Holder agrees in writing to those delays. My partial prepayment will reduce the amount of my monthly payments after the first Change Date following my partial prepayment. However, any reduction due to my partial prepayment may be offset by an interest rate increase.

(C) Amount of Monthly Payments

My initial monthly payments will be in the amount of U.S. \$. 623.92 If the interest rate that I pay changes, the amount of my monthly payments will change. Increases in the interest rate will result in higher payments (unless my prepayments since the last Change Date offset the increases in my monthly payments). Decreases in the interest rate will result in lower payments. The maximum payment change will be 10% annually of the present monthly payment. (Note: See Section D Below) In setting the monthly payment amount on each Change Date, the Note Holder will assume that the Note interest rate will not change again prior to the final payment date.

(D) Adjustments to the Principal Loan Balance:

In the event of an increase in the interest rate that could not be added to the payment because of the maximum 10% annual change, the overage would be added to the principal loan balance creating negative amortization. In the event of negative amortization, adjustments to the loan payment will be made at least every five years sufficient to amortize the current outstanding loan balance at the then existing interest rate over the remaining term of the loan. These adjustments will be made without regard to the 10% maximum annual payment change provision.

HOME SAVINGS—ADJUSTABLE RATE LOAN RIDER—PLAN A