

EXHIBIT J-1

**MISSISSIPPI HOME CORPORATION
MORTGAGE ADDENDUM
FOR FHA INSURED LOAN ONLY**

THIS TAX-EXEMPT FINANCING RIDER is made this _____ day of _____, 20____, and is incorporated into and shall be deemed to amend and supplement the Mortgage, Deed of Trust, Deed to Secure Debt or Security Deed ("Security Instrument") of the same date given by the undersigned ("Borrower") to secure Borrower's Note to _____ ("Lender") of the same date and covering the property described in the Security Instrument and located at:

In addition to the covenants and agreements made in the Security Instrument, Borrower and Lender further covenant and agree as follows:

Lender, or such of its successors or assigns as may by separate instrument assume responsibility for assuring compliance by the Borrower with the provisions of this Tax Exempt Financing Rider, may require immediate payment in full of all sums secured by this Security Instrument if:

- (a) All or part of the Property is sold or otherwise transferred (other than by devise, descent or operation of law) by Borrower to a purchaser or other transferee:
 - (1) Who cannot reasonably be expected to occupy the property as a principal resident within a reasonable time after the sale or transfer, all as provided in Section 143 (c) and (i) (2) of the Internal Revenue Code; or
 - (2) Who has had a present ownership interest in a principal residence during any part of the three year period ending on the date of the sale or transfer, all as provided in Section 143 (d) and (i) (2) of the Internal Revenue Code (except that "100 percent" shall be substituted for "95 percent or more" where the latter appears in Section 143 (d)(1); or
 - (3) At an acquisition cost which is greater than 90 percent of the average area purchase price (greater than 110 percent for targeted area residences), all as provided in Section 143 (e) and (i) (2) of the Internal Revenue Code; or
 - (4) Who has a gross monthly income in excess of 115 percent of the applicable median income (140 percent of the applicable median family income for a purchaser or transferee of a residence in a targeted area), except that 100 percent and 120 percent shall be substituted for 115 percent and 140 percent, respectively, if the purchaser or other transferee has a family of fewer than three (3) individuals, all as provided in Sections 143 (f) and (i) (2) of the Internal Revenue Code; or
- (b) Borrower fails to occupy the property described in the Security Instrument without prior written consent of Lender or its successors or assigns described at the beginning of this Tax Exempt Financing Rider; or
- (c) Borrower omits or misrepresents a fact that is material with respect to the provisions of Section 143 of the Internal Revenue Code in an application for the loan secured by this Security Instrument.

References are to the Internal Revenue Code of 1986 as in effect of the date of execution of the Security Instrument and are deemed to include the implementing regulations.

BY SIGNING BELOW, Borrower accepts and agrees to the terms and provisions in this Tax Exempt Financing Rider.

Witness

Borrower

Co-Borrower

Sworn and subscribed before me this _____ day of _____, 20____.

Notary Public

Seal

My Commission Expires