

MISSISSIPPI HOME CORPORATION
MORTGAGE ADDENDUM
FOR VA OR USDA/RD GUARANTEED LOANS

The rights and obligations of the parties to the attached Deed to Secure Debt and the Note that is secured by the Deed to Secure Debt are expressly made subject to this Rider. In the event of any conflict between the provisions of this Rider and the provisions of the Deed to Secure Debt or Note, the provisions of this Rider shall control.

1. The Borrower agrees that the Lender or its assignee may at any time without prior notice accelerate all payments under the Deed to Secure Debt and Note and exercise any other remedy allowed by law, including foreclosure, for breach of the Deed to Secure Debt or Note, and it is hereby agreed to be a breach of the Deed to Secure Debt and Note if;

- a. The Borrower rents the property without the prior written approval of Mississippi Home Corporation (MHC), and then only for the time period prescribed by MHC or, for a period of more than six (6) months, fails to occupy the property; or
b. The Borrower fails to abide by the agreements contained in the Mortgagors Affidavit, or if the Lender or MHC finds any statement contained in the Affidavit to be untrue when made; or
c. The Borrower sells, assigns or transfers the property or interest therein (including, without limitation, land contracts, wrap around financing and assumptions) without the Lenders and MHC prior written consent. Lender and MHC shall not consent to any transaction in which the Note, and Deed to Secure Debt and this Rider are to be assumed by the Buyer(s) where the Buyer(s) does not meet the eligibility requirements of MHC then in effect for an Eligible Borrower under its Home Loan Program, including, but not limited to, any applicable income limitations or requirements that the Assumptor not have owned an interest in a principal residence during the prior three (3) years, unless the property is located in a "targeted area", as defined by the Internal Revenue Code, where the property sold, assigned, or transferred does not meet the then applicable sales or purchase price limitations of MHC Program, or where the property is not intended to be occupied by the Assumptor as his or her principal residence.

2. The Borrower understands that this loan has been made from funds obtained for public purposes and that the agreements and statements of fact contained in the Mortgagors Affidavit and the conditions set forth in paragraph 1. above are necessary conditions for the granting of this loan.

3. The Borrower agrees that the Lender or its assignee may impose a late charge in the amount of four (4%) of each monthly payment of principal and interest which is more than fifteen (15) days delinquent provided, however, that such late charge may be collected only one (1) time on a specific installment and no late charge may be collected on a partial payment resulting from the deduction of a late charge from a regular scheduled payment.

4. The Borrower agrees that no future advances will be made under the Deed to Secure Debt or the Note without the consent of MHC.

NOTICE TO BORROWER

This document substantially modifies the terms of the Note and the Deed to Secure Debt for this loan. Do not sign it unless you read and understand it.

I hereby consent to the modification of the terms of the Deed to Secure Debt and the Note, which are contained in this Rider.

Dated this _____ day of _____, 20____.

Borrower Co-Borrower

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

Notary Public

Seal

My Commission Expires _____