

GUARANTY AGREEMENT

THIS GUARANTY AGREEMENT ("Guaranty Agreement") is made this day of _____, 201__ by _____, a _____ ("Guarantor"), as guarantor, in favor of Mississippi Home Corporation (the "MHC").

Recitals

A. Guarantor has entered into a partnership for a blight elimination project with the City of _____ (the "City").

B. MHC has loaned to the City \$_____ (the "RLF Loan"), as evidenced by that certain Promissory Note dated _____, given by Guarantor in favor of the City;

C. Pursuant to that certain Participation Agreement, MHC has agreed, so long as certain conditions are met, to refinance the RLF Loan using Hardest Hit Fund program funds (the "HHF Loan") for the purpose of financing the City's blight elimination relative to certain property owned by Guarantor; and

D. Guarantor, pursuant to the Grantee and Blight Partner Partnership Agreement, has agreed to guarantee the RLF Loan and the HHF Loan and provide as collateral for such guarantee its interest in certain property owned by Guarantor.

NOW, THEREFORE, for good and valuable consideration, the adequacy, sufficiently and receipt of which are hereby acknowledged, Guarantor covenants, undertakes and agrees as follows for the use and benefit of MHC:

1. Guaranty Agreement. Guarantor hereby unconditionally and absolutely guarantees to MHC, as a direct and primary obligor, the full and timely payment of any and all indebtedness of the City to MHC, including, without limitation, the RLF Loan and the HHF Loan and any amounts owed related thereto (the "Guaranteed Obligations").

2. Performance by Guarantor. Guarantor agrees that if any of the Guaranteed Obligations are not fully and timely paid or performed according to the tenor thereof, whether by acceleration or otherwise, Guarantor shall immediately upon receipt of written demand therefore from MHC pay all of the Guaranteed Obligations hereby guaranteed in like manner as if the Guaranteed Obligations constituted the direct and primary obligation of Guarantor. Guarantor shall not, until the Guaranteed Obligations are paid in full, have any right of subrogation as a result of any payment hereunder or any other payment made by Guarantor on account of the Guaranteed Obligations, and Guarantor hereby waives, releases and relinquishes any claim based on any right of subrogation, any claim for unjust enrichment or any other theory that would entitle Guarantor to a claim against the Buyer based on any payment made hereunder or otherwise on account of the Guaranteed Obligations.

3. Interest on Monetary Obligations. Any monetary obligations of Guarantor to MHC arising or accruing under this Guaranty Agreement shall bear interest at the rate of twelve percent (12%) per annum from the date of delivery of written demand for payment by MHC to Guarantor until paid in full.

4. Continuing and Irrevocable Obligations. This Guaranty Agreement and the obligations of the Guarantor hereunder shall be continuing and irrevocable until the Guaranteed Obligations have been satisfied in full or release or cancellation has been made pursuant to the terms thereof. Notwithstanding the foregoing or anything else set forth herein, and in addition thereto, if at any time all or any part of any payment received by MHC from Guarantor under or with respect to this Guaranty Agreement is or must be rescinded or returned for any reason whatsoever (including, but not limited to, determination that said payment was a voidable preference or fraudulent transfer under insolvency, bankruptcy or reorganization laws), then Guarantor's obligations hereunder shall continue to be effective or be reinstated as to such payment, all as though such previous payment to MHC had never been made.

5. Representations and Warranties of Guarantor.

5.1 Organization and Good Standing. Guarantor is a corporation duly incorporated and validly existing under its law of incorporation and is qualified to conduct business and is in good standing in those jurisdictions where necessary to carry out the purposes of this Guaranty Agreement; has all requisite legal rights and full power and authority to own and operate its assets and properties as currently owned and operated and to carry on its business as now being conducted; and is not in default under or in violation of any provision of its organizational documents.

5.2 Capacity and Authorization. Guarantor has the legal right and full power and authority to enter into, deliver and perform this Guaranty Agreement; all corporate and other actions required to be taken in order to permit Guarantor to enter into, deliver and perform this Guaranty Agreement have been properly and validly taken; and all government, shareholder and other consents, if any, currently required to be obtained for such purposes have been obtained and remain in effect.

5.3 No Conflicts. Neither the execution, delivery or performance of this Guaranty Agreement by Guarantor will: (a) contravene, conflict with or result in a violation or breach of any provision of the organizational documents of Guarantor or of any resolution of the board of directors or stockholders of Guarantor; or (b) contravene, conflict with or result in a violation or breach of, or give any governmental body or other person or entity the right to challenge such execution, delivery or performance or to exercise any remedy or obtain any relief under, any existing legal requirements, order, decree or contract to which Guarantor may be subject.

5.4 Consents. Guarantor is not and will not be required to give any notice to or obtain any consent or approval from any person or entity in connection with the execution, delivery and performance of this Guaranty Agreement.

5.5 Valid and Binding Obligations. This Guaranty Agreement has been duly executed and delivered by Guarantor and is valid, binding and enforceable against it in accordance with its terms, except as may be limited by bankruptcy, insolvency, reorganization, moratorium or other similar laws relating to or affecting creditors' rights generally, and except as may be limited by general principles of equity, regardless of whether such enforceability is considered in a proceeding at law or in equity.

6. No Exhaustion. Guarantor hereby waives any legal or equitable requirement that MHC institute any action or exhaust any remedies against Borrower before proceeding under this Guaranty Agreement. Borrower may amend, enlarge or replace this Agreement or any of its obligations thereunder without the consent of the Guarantor and without effect upon the validity of the Note. This Guaranty Agreement shall be binding and enforceable upon the Guarantor, notwithstanding any bankruptcy or similar or related filing or liquidation or dissolution on the part of Borrower.

7. No Modification. No modification, consent, amendment or waiver of any provision of this Guaranty Agreement, and no consent to any departure by Guarantor from this Guaranty Agreement, shall be effective unless the same shall be in writing and signed by MHC and then shall be effective only in the specific instance and for the purpose for which given.

8. No Waiver. No delay or omission by MHC in exercising any power or right under this Guaranty Agreement shall impair any such right or power or be construed as a waiver thereof or any acquiescence in any violation thereof, nor shall any single or partial exercise of any such power preclude other or further exercises thereof, or the exercise of any other right or power under this Guaranty Agreement.

9. No Release or Impairment. The obligations, covenants, agreements and duties of Guarantor under this Guaranty Agreement shall not be released, diminished or impaired in any manner whatsoever without the written consent of MHC, notwithstanding any act, omission or thing which might, but for the provision hereof, otherwise operate as a legal or equitable discharge of Guarantor.

10. Waiver of Notices. Notice to Guarantor of the acceptance of this Guaranty Agreement and of the making, renewing or assignment of the Note or any obligation arising thereunder, and each item thereof, are hereby expressly waived by Guarantor. Guarantor hereby waives all forms of notices and demands, including presentment for payment, notice of nonpayment, protest and notice thereof, notice of dishonor, notice of acceleration, and diligence in bringing suit against any persons liable or potentially liable

for performance of any of the obligations of Borrower arising under the Note, or any part thereof.

11. Cumulative Remedies. All rights and remedies of MHC under this Guaranty Agreement are cumulative of each other and of every other right or remedy that MHC may otherwise have at law or in equity or under any other contract or document. The exercise of one or more rights or remedies shall not prejudice or impair the concurrent or subsequent exercise of other rights or remedies.

12. Notice. Any notice, payment or other communication hereunder shall be given in writing and delivered by hand, by registered airmail, facsimile, or by overnight courier. Any such notice shall be given to Guarantor or MHC at the following addresses:

If the Notice is to Guarantor:

Telephone:
Facsimile:
Attention:

With a copy to:

If the Notice is to MHC:

Mississippi Home Corporation
735 Riverside Drive
Jackson, Mississippi 39202

With a copy to:

Tara P. Ellis
Balch & Bingham LLP
188 E. Capitol Street, Suite 1400
Jackson, MS 39201
Telephone: (601) 965-8165
Facsimile: (866) 811-7317

or to any other addresses that either Guarantor or MHC may at any time designate by written notice to the other.

All notices shall be effective and shall be deemed delivered (i) if by hand, or by overnight courier, on the date of delivery if delivered during normal business hours, and, if not delivered during normal business hours on the next business day following delivery, (ii) if by electronic communication, on the next business day following receipt of electronic communication, and (iii) if by mail, on the next business day after actual receipt.

16. Attorneys' Fees. If Guarantor should breach or fail to perform any provision of this Guaranty Agreement, Guarantor agrees to pay MHC all costs and expenses (including court costs and reasonable attorneys' fees, whether or not suit is commenced) incurred by MHC in the enforcement of this Guaranty Agreement.

17. Governing Law and Venue. This Guaranty Agreement shall be governed by and construed in accordance with the laws of the State of Mississippi, without regard to conflict or choice of law rules or principles.

EXECUTED to be effective as of the date set forth above.

GUARANTOR:

_____ a _____ corporation

By: _____

Name: _____

Title: _____