

GUARANTY OF LEASE

This Guaranty is made as of the _____ day of _____, 20__ by _____ whose address is _____ ("Guarantor"), in favor of _____ ("Landlord"), whose address is _____ (the "Guaranty").

1. *Lease.* The "Lease" shall mean that certain Apartment Lease Agreement dated _____, by and between Landlord and _____ ("Tenant") for the property known as Apartment _____ in _____ Apartment Complex, _____, North Carolina, and all extensions, renewals, amendments, supplements or modifications thereto.

2. *Purpose and Consideration.* The execution and delivery of this Guaranty by Guarantor is a condition to Landlord's entering into the Lease with Tenant and is made to induce Landlord to enter into the Lease.

3. *Guaranty.* Guarantor hereby absolutely, unconditionally and irrevocably, guarantees the compliance with and performance by Tenant of each of the provisions, covenants, agreements and conditions applicable to Tenant contained in the Lease and guarantees the full and prompt payment by Tenant of all Rent and other amount payable by Tenant under the Lease, as and when the same become due, whether by acceleration or otherwise. This is a Guaranty of payment and not of collection.

4. *Guaranty as Independent.* The obligations of Guarantor hereunder are independent of the obligations of Tenant, and Guarantor expressly agrees that a separate action or actions may be brought and prosecuted against Guarantor whether or not any action is brought against Tenant and whether or not Tenant is joined in any action against Guarantor and that Landlord may pursue any rights or remedies it has under the Lease and under this Guaranty in any order or simultaneously or in any other manner.

5. *Authorizations to Landlord.* Guarantor authorizes Landlord, without notice or demand and without affecting Guarantor's liability hereunder, from time to time to (i) change, amend, modify or alter any of the terms, covenants, agreements, or conditions contained in the Lease; (ii) extend or renew the Lease; (iii) change, renew, compromise, extend, accelerate or otherwise change the time for payment of any amounts payable under the Lease; (iv) consent to any assignment, sublease, pledge or transfer of the Lease by Tenant or of Tenant's interest in the Premises; (v) release Tenant and substitute any one or more parties as Tenants or sublessees under the Lease; (vi) waive or fail to take action with respect to any default by Tenant under the Lease; and (vii) waive or fail to take action with respect to any remedy under the Lease.

6. *Application of Payments Received by Landlord.* Any sums of money that Landlord receives from or on behalf of Tenant may be applied by Landlord to reduce any obligation of Tenant to Landlord, as Landlord, in its sole discretion, deems appropriate.

7. *Waiver by Guarantor.* Guarantor hereby waives (i) any right to require Landlord to proceed against, give notice to or make demand upon Tenant; (ii) any right to require Landlord to pursue any remedy of Landlord; (iii) any right to participate in or to direct the application of any security held by Landlord; (iv) any defense arising out of any disability or other defense of Tenant, including cessation, impairment, modification, or limitation, from any cause, of liability of Tenant or of any remedy for the enforcement of such liability; and (v) any rights under *N.C.G.S. 26-7 et seq.*

8. *Subordination by Guarantors.* Guarantor hereby agrees that any indebtedness of Tenant to Guarantor, whether now existing or hereafter created, shall be subordinated to any indebtedness of Tenant to Landlord.

9. *Notices and Demands.* All notices and demands under this Guaranty shall be in writing and shall be deemed properly given and received when actually given and received three (3) business days after mailing, (i) if sent by registered or certified United States mail, postage prepaid, return receipt requested, addressed to the party to receive the notice or demand at the address set forth for such party in the first paragraph of this Guaranty or at such other address as either party may notify the other in writing or (ii) delivered to a nationally recognized overnight courier service for next business day delivery, to its addressee at such party's address as set forth above.

10. *Payment of Costs of Enforcement.* In the event any action or proceeding is brought to enforce this Guaranty and if Landlord is held entitled to recovery against Guarantor, Guarantor agrees to pay all costs and expenses of Landlord in connection with such action or proceeding, including reasonable attorneys' fees.

11. *Binding Effect.* This Guaranty shall be binding upon Guarantor and its heirs, personal representatives, successors and assigns and shall inure to the benefit of Landlord and its successors and assigns.

12. *Severability.* If any provision of this Guaranty shall be held invalid or unenforceable, the remainder of this Guaranty shall not be affected thereby and there shall be deemed substituted for the affected provision, a valid and enforceable provision as similar as possible to the affected provision.

13. *Governing Law.* This Guaranty shall be interpreted under and enforced according to the laws of the State of North Carolina.

14. *Captions for Convenience.* The headings and captions hereof are for convenience only and shall be not considered in interpreting the provisions hereof.

15. Unless otherwise defined herein, all capitalized terms shall have the same meaning as set forth in the Lease.

IN WITNESS WHEREOF, Guarantor has caused this Guaranty to be executed under seal the day and year first above written.

GUARANTOR: _____

CO-GUARANTOR (SPOUSE): _____