

STATE MS.-DESOTO CO.  
FILED

INDEXING INSTRUCTIONS:

SE ¼ of SE ¼ of Section 16,  
Township 1 South, Range 8 West,  
DeSoto County, Mississippi

OCT 31 9 41 AM '00

BK. 87 PG 207  
W.J. [unclear] CLK.

PREPARED BY:

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Attorney At Law  
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Jackson, MS 39202  
Post Office Box 3623  
Jackson, MS 39207  
(601) 355-4013

**SECOND AMENDMENT TO MEMORANDUM OF OPTION AGREEMENT**

This Second Amendment to Memorandum of Option Agreement is made and entered into as of the 25 day of October, 2000, by and between CITY OF SOUTHAVEN, MISSISSIPPI, an incorporated municipality in DeSoto County, Mississippi, referred to as ("Owner") and COGENTRIX ENERGY, INC., a North Carolina corporation hereinafter referred to as ("Buyer").

WITNESSETH:

WHEREAS, Owner and Buyer entered in the Option Agreement dated as of the 21<sup>st</sup> day of May, 1999;

WHEREAS, Owner and Buyer caused that certain Memorandum of Option Agreement dated as of May 21, 1999 ("Memorandum") to be recorded in Book 86, Page 203 of the Land Records of the Chancery Clerk of DeSoto County, the "Memorandum"; and

WHEREAS, Owner and Buyer amended the Memorandum of Option Agreement with the First Amendment to Memorandum of Option Agreement ("First Amendment") which is recorded in Book 86, Page 304 of the Land Records of the Chancery Clerk of DeSoto County; and

WHEREAS, Owner and Buyer desire to place notice upon the public records of the Second Amendment to said Option Agreement which amended the description of "Property" and extended the Term of the Option.

NOW, THEREFORE, the parties agree that the summary of certain material terms and conditions of said Option set forth in the Memorandum is amended as follows:

1. Paragraph No. 1 of the Memorandum is amended to add the following sentences: The Option may be extended again for an additional time from November 21, 2000 until December 29, 2000. The Option may be extended again for an additional six months from December 30, 2000 until June 30, 2001.

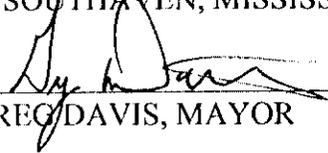
2. The description of the "Property" in Exhibit "A" to the Memorandum of Option Agreement is amended (i) to except out the property added in Exhibit "A" of the First Amendment; (ii) to add the property described in Exhibit "A" to this Second Amendment to Memorandum of Option Agreement and (iii) to except out the property described in Exhibit "B" to this Second Amendment to Memorandum of Option Agreement.

IN WITNESS WHEREOF the parties have affixed their signatures on the date first written above.

OWNER:

CITY OF SOUTHAVEN, MISSISSIPPI

BY: \_\_\_\_\_

  
GREG DAVIS, MAYOR

BUYER:

COGENTRIX ENERGY, INC.

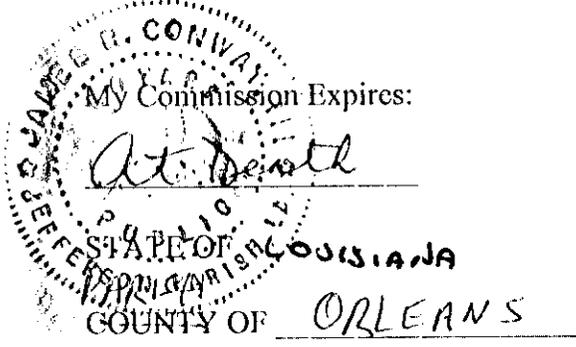
BY: \_\_\_\_\_

TITLE: Vice President

STATE OF LOUISIANA  
COUNTY OF PARISH OF ORLEANS

Personally appeared before me, the undersigned authority in and for the jurisdiction aforesaid, Greg Davis, who acknowledged to me that he is the Mayor of the City of Southaven, Mississippi (the "OWNER"), and that for and on behalf of the OWNER and as its act and deed, he signed, sealed and delivered the above and foregoing instrument on the day and in the year therein mentioned, he being first duly authorized so to do by the OWNER.

(SEAL)



James R. Conway III  
NOTARY PUBLIC

Personally appeared before me, the undersigned authority in and for said county and state, on this the 25 day of October, 2000, within my jurisdiction, the within named GERARD B. MACK, who acknowledged that he is Vice President of Cogentrix Energy, Inc. a North Carolina corporation, as its act and deed he executed the above and foregoing instrument, after first having been duly authorized by said corporation so to do.



James R. Conway III  
Notary Public

EXHIBIT "A"

A portion of the Southeast Quarter of the Southeast Quarter of Section 16, Township 1 South, Range 8 West, DeSoto County, Mississippi and being more particularly described as follows:

Parcel No. 4

Commencing at the southeast corner of Section 16, Township 1 South, Range 8 West; thence along the east line of said section N 00°16'18" W, 1159.14 feet to a point on the accepted Tennessee-Mississippi State line; thence along said line S 89°51'16" W, 53.00 feet to a point in the west right-of-way line of Tulane Road and the "Point of Beginning" for the property as described herein; thence along said west line S 00°16'18" E, 105.00 feet to a point; thence S 89°51'16" W, 368.70 feet to a point; thence N 00°16'18" W, 105.00 feet to a point in the accepted Tennessee-Mississippi State Line; thence along said line N 89°51'16" E, 368.70 feet to the "Point of Beginning and containing 0.88 acres more or less.

EXHIBIT "B"

A part or parcel of the Southeast One-Quarter of the Southeast One-Quarter of Section 16, Township 1 South, Range 8 West, DeSoto County, Mississippi and being more particularly described as follows:

COMMENCING at a cotton picker spindle in the intersection of State Line Road and Tulane Road marking the Southeast corner of said Section 16; thence run South 89 degrees 51 minutes 45 seconds West along the South line of said Section 16, a distance of 909.58 feet to a cotton picker spindle in said State Line Road and the point of beginning of the herein described parcel; thence run North 00 degrees 08 minutes 15 seconds East a distance of 53.00 feet to a point; thence run North 89 degrees 51 minutes 45 seconds West a distance of 207.53 feet to a point; thence run South 00 degrees 08 minutes 15 seconds West a distance of 53.00 feet to a point in State Line Road on the South line of said Section 16; thence run along said section line, South 89 degrees 51 minutes 45 seconds East a distance of 207.53 feet to the point of beginning.

The herein described parcel containing 0.25 acre more or less.