

This instrument prepared by:

STATE MS.-DE SOTO CO.
FILED
OCT 9 4 27 PM '01

Indexing Instructions:

Ted J. Dale
Blackwell Sanders Peper Martin LLP
2300 Main Street, Suite 1000
Kansas City, Missouri 64108

BK 91 PG 436
W. S. ... BK.

This form reviewed and approved by:

James E. Woods
Watkins Ludlam Winter & Stennis, P.A.
P.O. Box 1456
Olive Branch, MS 38654

10835

SUBORDINATION, NONDISTURBANCE AND
ATTORNMEN T AGREEMENT

THIS SUBORDINATION, NONDISTURBANCE AND ATTORNMEN T AGREEMENT (this "Agreement") is made and entered into as of the 13 day of August, 2001, among MIDSOUTH COMPANIES D/B/A MIDSOUTH LIVING ("Tenant"), MARK D. UTLEY ("Borrower"), and BUSINESS MEN'S ASSURANCE COMPANY OF AMERICA, a Missouri corporation, as lender (hereinafter referred to, together with its successors and assigns, as "Lender").

Introductory Statements

(A) Under that certain lease dated as of January 1, 2001 (together with any amendments, modifications, renewals or extensions thereof, whether now or hereafter existing, the "Lease"), Borrower demised to Tenant the premises described in the Lease and located on the real estate legally described in Exhibit A attached hereto and made a part hereof. Such real estate and the improvements located thereon are herein referred to as the "Premises".

(B) Lender has made a loan to Borrower (the "Loan") which is evidenced by that certain Promissory Note dated ~~September~~ October 9, 2001 (the "Note"), executed by Borrower in favor of Lender, and secured, in part, by that certain Deed of Trust, Assignment of Leases and Rents, Security Agreement and Financing Statement dated the date of the Note (the "Mortgage") entitling Lender to certain rights regarding all or part of the Premises. All of the rights, titles and interests of Lender with respect to the Premises, whether under the Mortgage or any other document evidencing or securing the Loan are collectively referred to herein as "Lien Rights".

(C) Lender, Borrower and Tenant desire to enter into this Agreement in connection with the Loan.

Agreement

In consideration of the mutual covenants and agreements herein contained and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties do hereby covenant and agree as follows:

1. Tenant hereby agrees that all of Tenant's right, title and interest in and under the Lease are and shall at all times continue to be subject and subordinate to the Lien Rights of Lender, including renewals, modifications, consolidations, replacements and extensions of such Lien Rights, in the same manner and to the same extent as if the Lease were executed subsequent to the execution, delivery and recording of the Mortgage and the creation of the Lien Rights.

2. Tenant hereby warrants and represents to Lender that there has been no assignment of Tenant's rights or interests under the Lease to any party.

3. (a) If Lender forecloses on the Premises, Tenant shall be bound and obligated, and agrees to recognize and attorn, to the purchaser at such foreclosure as "landlord" or "lessor" under the Lease, and such purchaser shall succeed to the rights and obligations of Borrower under the Lease.

(b) Likewise, if Lender receives and accepts a conveyance of the Premises in lieu of foreclosure or otherwise, Tenant shall be bound and obligated, and agrees to recognize and attorn, to Lender as landlord or lessor under the Lease, and Lender shall succeed to the rights and obligations of Borrower under the Lease.

(c) Upon the occurrence of events described in paragraphs 3(a) or 3(b) above or the other exercise of Lender's Lien Rights, and provided that Tenant shall not then be in default under the Lease beyond the period, if any, provided therein for the cure of such default, all rights and obligations of Tenant under the Lease shall continue in full force and effect and be enforceable against Tenant by Lender or such purchaser, as the case may be, with the same force and effect as if the Lease had been originally made and entered into directly by and between Lender or such purchaser, as landlord or lessor thereunder, and Tenant. Additionally, Tenant shall be permitted to remain in possession of the Leased Premises and exercise all of its rights under the Lease so long as the Lease is not terminated or Tenant's right to possession of the Leased Premises is not terminated in accordance with the Lease on account of any default of Tenant under the Lease.

(d) Nothing herein contained shall impose any obligation upon Lender to perform any of the obligations of Borrower under the Lease unless and until Lender shall become an owner or mortgagee in possession of the Premises. In no event shall the Lender be liable for any act or omission of any prior lessor or landlord, and Tenant shall have no right of setoff for any prior acts of such landlord or lessor.

(e) After Lender shall have conveyed the Premises and ceased to collect rent from Tenant, Lender shall not be liable for any unperformed covenant, duty or obligations of lessor or landlord thereafter accruing, but Lender shall not thereby be discharged from any unperformed covenant, duty or obligation of lessor or landlord that accrued during the period when Lender held (or was deemed to have held) the position of lessor or landlord.

4. Nothing in this Agreement shall in any way impair or affect the lien created by the Mortgage or the other Lien Rights.

5. Tenant acknowledges and agrees that the Lease and the rental and other payments thereunder have been assigned to Lender by Borrower as security for its obligations under, and secured by, the Mortgage. Tenant agrees that, upon receipt of written notice from Lender that a default exists under the Mortgage, or any instrument or document collateral thereto, Tenant shall make all rental and other payments required pursuant to the Lease to Lender or as otherwise directed by Lender, and Tenant shall thereby be properly credited with an offset and credit for such payments as against the rental payments then due under the Lease.

6. Borrower acknowledges and agrees that Lender shall be entitled to collect and receive rents pursuant to the Lease as provided herein, and Tenant is authorized and hereby directed to make all such payments of rent to Lender upon receipt of the notice of default provided for herein, or as otherwise directed by Lender, and Tenant shall be under no duty or obligation to make further inquiry until authorized and directed in writing by Lender and Borrower.

7. Any terms or conditions of the Lease notwithstanding, Tenant agrees that it will not make any addition, alteration, improvement, demolition or change in or to the Premises or any structure or improvement thereon or subject to the Mortgage that diminishes the value, utility or current usefulness of the Premises, nor shall it further modify or amend the Lease payments, term or other provisions materially affecting the economic benefits of the Lease without the prior written consent of Lender, such consent not to be unreasonably withheld.

8. This Agreement may be modified or amended only in writing signed by all of the parties hereto or their respective heirs, successors or permitted assigns in interest. This Agreement shall be binding upon and inure to the benefit of the parties hereto and their heirs, successors and permitted assigns.

9. The terms and provisions of this Agreement among the parties shall terminate upon the release and discharge of the Mortgage.

10. All notices hereunder shall be in writing and shall be deemed to have been given if sent by hand delivery, overnight courier or certified mail, postage prepaid, addressed to the following addresses:

If to Tenant: Midsouth Companies d/b/a MidSouth living
6933 Crumpler Blvd., Ste E
Olive Branch, MS 38654
Attention: Kristi Rowan

If to Lender: Business Men's Assurance Company of America
c/o The Latham Company
1779 Kirby Parkway, Suite 5A
Memphis, Tennessee 38138
Attention: Davant Latham

If to Borrower: Mark D. Utley
P. O. Box 866
Olive Branch, Mississippi 38654

Tenant, Lender or Borrower may at any time change its address for such notices by delivering to the other, as aforesaid, a notice of such change.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement the day and year first above written.

TENANT:

By: Krista Rowan

BY: Brian Rowan

Name: MIDSOUTH COMPANIES D/B/A MIDSOUTH LIVING

Title: Owner

Title: Owner

PREPARED BY & RETURN TO:
WATKINS LUDLAM WINTERS & STENNIS, P.A.
P. O. BOX 1456
OLIVE BRANCH, MS 38654
(662) 895-2996

BORROWER:

Mark D. Utley
Mark D. Utley

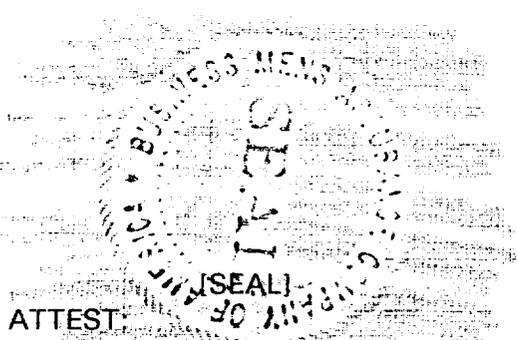
LENDER:

BUSINESS MEN'S ASSURANCE COMPANY OF AMERICA, a Missouri corporation

By: Kevin Ellis

Name: Kevin Ellis

Title: Vice President



By: Barbara Bertmann
Asst Secretary

Approved for execution BB

STATE OF Mississippi)
) ss.
COUNTY OF Desoto)

Personally appeared before me, the undersigned authority in and for the said County and State, on this 13th day of August, 2001, within my jurisdiction, the within named Kristi Rowan and Brian Rowan, who acknowledged that they are the President and Owner Secretary of MidSouth Companies d/b/a MidSouth Living corporation, and that for and on behalf of the said corporation, and as its act and deed, they executed the above and foregoing instrument, after first having been duly authorized by said corporation so to do.

[SEAL]

My commission expires:

MISSISSIPPI STATEWIDE NOTARY PUBLIC
MY COMMISSION EXPIRES OCT. 4, 2002
BONDED THRU STATE NOTARY SERVICE

Janice V. Anthony
Notary Public
Name: JANICE V. ANTHONY

STATE OF Mississippi)
) ss.
COUNTY OF Desoto)

Personally appeared before me, the undersigned authority in and for the said county and state, on this 13th day of August, 2001, within my jurisdiction, the within named Mark D. Utley, who acknowledged that he executed the above and foregoing instrument.

[SEAL]

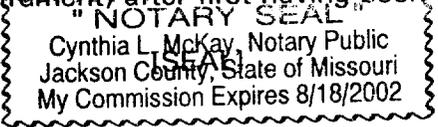
My commission expires:

MISSISSIPPI STATEWIDE NOTARY PUBLIC
MY COMMISSION EXPIRES OCT. 4, 2002
BONDED THRU STATE NOTARY SERVICE

Janice V. Anthony
Notary Public
Name: JANICE V. ANTHONY

STATE OF Missouri)
) ss.
COUNTY OF Jackson)

Personally appeared before me, the undersigned authority in and for the said County and State, on this 29th day of August, 2001, within my jurisdiction, the within named Kevin Ellis, LLC and Barbara Bartmann, who acknowledged that they are the President and Asst Secretary of Business Men's Assurance Company of America, a Missouri corporation, and that for and on behalf of the said corporation, and as its act and deed, they executed the above and foregoing instrument, after first having been duly authorized by said corporation so to do.



Cynthia L. McKay
Notary Public

Name: Cynthia L. McKay

My commission expires:
8/18/2002

EXHIBIT A

Legal Description

Lot 18, Phase II, Section B, Professional Village at Crumpler Place situated in Section 32, Township 1 South, Range 6 West, City of Olive Branch, DeSoto County, Mississippi as per plat recorded in Plat Book 51, Page 11, Chancery Clerk's Office, DeSoto County, Mississippi.

Together with Joint and Reciprocal Driveway Easement, which is evidenced by that certain agreement recorded October 2, 2001 in Book 400 at Page 356 of the Land Deed Records, Chancery Clerk's Office, DeSoto County, Mississippi, which is twenty-four (24) feet in width and located twelve (12) feet on the North and South side of a line dividing Lots 18 and 19, Phase II, Section B, Professional Village at Crumpler Place situated in Section 32, Township 1 South, Range 6 West, City of Olive Branch, DeSoto County, Mississippi as per plat recorded in Plat Book 51, Page 11, Chancery Clerk's Office, DeSoto County, Mississippi.