

SUBORDINATION AGREEMENT

The lien of that certain Deed of Trust dated December 27, 1995 executed and delivered by Cherokee Development Co., Inc., to James E. Woods, Trustee for Marie Mason, beneficiary, recorded in the office of the Chancery Clerk of DeSoto County, Mississippi in Book 801, Page 623 and re-recorded in Book 804, Page 668 securing an indebtedness in the sum of \$1,449,193.50 is hereby subordinated to that certain Deed of Trust from Cherokee Development Co., Inc., to Ben Barrett Smith, Trustee for FIRST SECURITY BANK, beneficiary, securing an indebtedness in the sum of \$1,000,000.00, executed on July 31, 1998 and recorded in the office of the Chancery Clerk of DeSoto County, Mississippi in Book 1024, Page 748. Said Deed of Trust is secured by the following described property.

Please refer to Exhibit "A" for complete legal description.

WITNESS THE SIGNATURE of the authorized official, this the 30th day of July, 1998.

Marie Mason
MARIE MASON

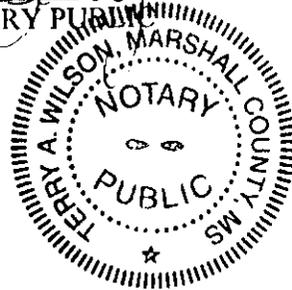
STATE OF MISSISSIPPI
COUNTY OF DESOTO

This day personally appeared before me, the undersigned authority in and for said county and State, this 30th day of July, 1998, within my jurisdiction, the within named MARIE MASON, who acknowledged that he executed the above and foregoing instrument for the purposes therein mentioned.

Terry A. Wilson
NOTARY PUBLIC

MY COMMISSION EXPIRES: 10-1-98

PREPARED BY AND RETURN TO:
WOODS AND SNYDER, L.L.C.
P.O. BOX 456
OLIVE BRANCH, MS 38654
(601) 895-2996



#98497 - Cherokee Development Co., Inc.
Development loan - Cherokee Ridge, Part of Cherokee Valley

STATE MS. - DESOTO CO.
Aug 31 8 20 AM '98

BK 1030 PG 313
W.E. DAVIS CH. CLK.