

**SUBORDINATION AGREEMENT**

WHEREAS, on the 14th day of December, 1998, DOGWOOD PROPERTIES, LLC, a Tennessee Limited Liability Company, doing business in the State of Mississippi as DOGWOOD INVESTMENTS (hereinafter referred to as DOGWOOD) executed two deeds of trust, which said deeds of trust are more particularly described as follows:

1) Deed of trust dated December 14, 1998, in the principal amount of \$12,500.00, executed by DOGWOOD PROPERTIES, LLC, a Tennessee Limited Liability Company, doing business in the State of Mississippi as DOGWOOD INVESTMENTS, to John S. Bomar, as Trustee for MUNFORD UNION BANK, which deed of trust was filed of record in Book 1073, Page 262, in the Chancery Court Clerk's Office of DeSoto County, Mississippi; and

2) Deed of trust dated December 14, 1998, in the principal amount of \$88,000.00, executed by DOGWOOD PROPERTIES, LLC, a Tennessee Limited Liability Company, doing business in the State of Mississippi as DOGWOOD INVESTMENTS, to John S. Bomar, as Trustee for MUNFORD UNION BANK, which deed of trust was filed of record in Book 1073, Page 266, in the Chancery Court Clerk's Office of DeSoto County, Mississippi; and

WHEREAS, said deeds of trust encumber the following described real property located in the County of DeSoto, State of Mississippi, which real property is located particularly described as follows:

Lot 30, BELL CREEK SUBDIVISION, situated in Section 34, Township 1 South, Range 6 West, City of Olive Branch, DeSoto County, Mississippi, as per plat of record in Plat Book 51, Page 25, in the Office of the Chancery Court Clerk of DeSoto County, Mississippi, reference to which plat is hereby made for a more particular description of said property; and

WHEREAS, said deed of trust of record in Book 1073, Page 262 in favor of MUNFORD UNION BANK is, at this time, a first lien deed of trust on said real property, and said deed of trust of record in Book 1073, Page 266 in favor of MUNFORD UNION BANK is a second lien deed of trust on said real property; and

WHEREAS, both MUNFORD UNION BANK and DOGWOOD intended that the deed of trust for \$88,000.00 of record in Book 1073, Page 266, was to be the first mortgage lien and the deed of trust for \$12,500.00 of record in Book 1073, page 262, was to have been the second mortgage lien; and

WHEREAS, MUNFORD UNION BANK and DOGWOOD have agreed to subordinate the lien of the deed of trust of record in Book 1073, Page 262, to the lien of the deed of trust for \$88,000.00 of record in Book 1073, Page 266, in said Chancery Court Clerk's Office;

NOW THEREFORE, in consideration of the premises, and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the undersigned parties do hereby agree that the deed of trust in favor of MUNFORD UNION BANK in the principal amount of \$88,000.00 of record in Book 1073, Page 266 recorded in said Chancery Court Clerk's Office, shall be from this date and at all times thereafter, a lien paramount and superior to the lien of the deed of trust for \$12,500.00 of record in Book 1073, Page 262 in favor of MUNFORD UNION BANK, and that said \$12,500.00 deed of trust of record in Book 1073, Page 262 shall be, and is hereby agreed to be subordinate to the lien of said \$88,000.00 deed of trust of record in Book 1073, Page 266 in favor of MUNFORD UNION BANK.

DOGWOOD PROPERTIES, LLC, a Tennessee Limited Liability Company, doing business in the State of Mississippi as DOGWOOD INVESTMENTS, warrants that it is the owner of said real property and that same is unencumbered except for the liens of the two existing deeds of trust herein mentioned and MUNFORD UNION BANK warrants that it is the sole owner and holder of both of said deeds of trust mentioned herein.

This Agreement shall be binding upon, and shall inure to the benefit of, the heirs, successors and assigns of the parties hereto.

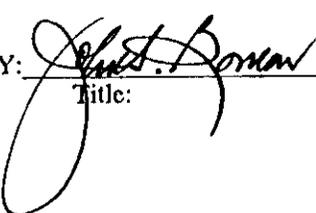
IT WITNESS WHEREOF, the undersigned have executed this agreement, or caused same to be executed by and through their officers duly authorized so to do this 17<sup>th</sup> day of February, 1999.

DOGWOOD PROPERTIES, LLC

MUNFORD UNION BANK

BY: 

Stanley Holmes, Chief Manager

BY: 

Title:

STATE MS.-DESOTO CO.  
FILED

*OK*  
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BK 1094 PG 598  
W.E. DAVIS CH. CLK.

STATE OF TENNESSEE  
COUNTY OF SHELBY

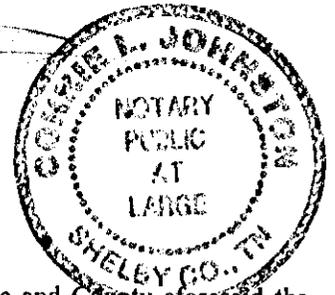
This day personally appeared before me, the undersigned authority in and for the State and County aforesaid the within named STANLEY HOLMES, known to me to be the Chief Manager of DOGWOOD PROPERTIES, LLC a Limited Liability Company, who acknowledged that he signed and delivered the foregoing instrument on the day and year therein mentioned, for the purpose herein set forth, and in the capacity therein stated, for and on behalf of DOGWOOD PROPERTIES, LLC, after being duly authorized so to do.

Given under my hand and official seal of office, this the 17<sup>th</sup> day of February, 1999.

My commission expires:

March 14, 2000

\_\_\_\_\_  
NOTARY PUBLIC



STATE OF TENNESSEE  
COUNTY OF Tipton

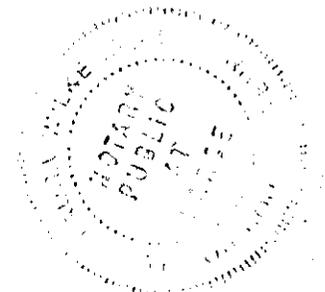
This day personally appeared before me, the undersigned authority in and for the State and County aforesaid the within named John S. Bomar, known to me to be the President of MUNFORD UNION BANK, a corporation, who acknowledged that he signed and delivered the foregoing instrument on the day and year therein mentioned, for the purpose herein set forth, and in the capacity therein stated, for and on behalf of MUNFORD UNION BANK, after being duly authorized so to do.

Given under my hand and official seal of office, this the 17<sup>th</sup> day of February, 1999.

My commission expires:

4-16-2000

Laura Wilkerson  
NOTARY PUBLIC



MD&W FILE NO.: 982174

PROPERTY ADDRESS: 6890 Valerie Drive  
Olive Branch, MS 38654

THIS INSTRUMENT PREPARED BY AND  
RETURN TO:

J. MICHAEL MURPHY, ATTORNEY  
6389 QUAIL HOLLOW ROAD, SUITE 102  
MEMPHIS, TN 38120