

OK AUG 12 3 32 PM '04

Parcel No.: 3074-1710.0-00001.00 (HSA 27)

Prepared by:
Butler, Snow, O'Mara, Stevens & Cannada, PLLC
Attn: Kelly P. Bridgforth
6075 Poplar Avenue, Suite 500
Memphis, Tennessee 38119
(901) 680-7200

2048 PG 218
CH. CLK.

To the Chancery Clerk of Desoto County, Mississippi: The real property described herein is situated in the Southwest Quarter (SW-1/4) of the Northwest Quarter (NW-1/4) of Section 17, Township 3 South, Range 7 West of DeSoto County.

SUBORDINATION

THIS SUBORDINATION is hereby executed by Senatobia Bank (collectively the "Lender").

WHEREAS, Lender holds certain deeds of trust given by John N. Covington, III and Patricia Covington Miller and recorded in the land records of DeSoto County, Mississippi in: Book 1506 at Page 737 (the "Deed of Trust") encumbering certain real property owned by John N. Covington, III and Patricia Covington Miller (hereinafter "Borrower");

WHEREAS, Borrower has agreed to grant unto the DeSoto County Regional Utility Authority a variable width permanent utility easement and a variable width temporary construction easement over and across a portion of the property subject to the lien of the Deed of Trust (collectively the "Easements"), said property being encumbered by such Easements being more particularly described on Exhibit A attached hereto (the "Property");

WHEREAS, Lender has agreed to subordinate its Deeds of Trust liens on the Property to the Easements.

NOW, THEREFORE, FOR AND IN CONSIDERATION of Ten Dollars (\$10.00) and other good and valuable consideration, the receipt, adequacy and sufficiency of which is hereby

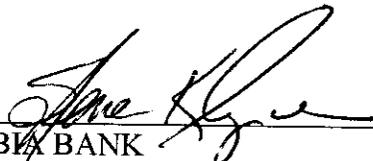
acknowledged, the Lender, by its duly authorized officer, does hereby subordinate its liens on the Property to the Easements.

This Subordination constitutes a subordination of only the Lender's liens on the Property, the remainder of the property described in the Deed of Trust to remain subject to the terms of the Deeds of Trust as described therein.

The Chancery Clerk of DeSoto County, Mississippi, is hereby named the agent and attorney of the Lender to make a notation of this Subordination on the margin of the Deed of Trust and upon the appropriate sectional/subdivision indices.

IN WITNESS WHEREOF, the Lender has executed this Subordination as of this the 29th day of July, 2004.

LENDER:



SENATOBIA BANK
BY: STEVE KLYCE
SENIOR VICE PRESIDENT

STATE OF MS
COUNTY OF Tate

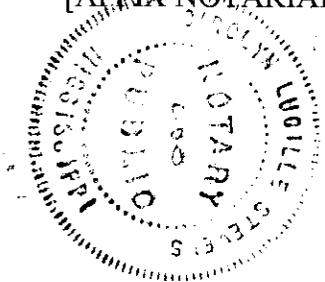
Personally appeared before me, the undersigned authority in and for the said County and State, on this 29 day of July, 2004, within my jurisdiction, the within named STEVE KLYCE, who acknowledged that he is Senior Vice President of Senatobia Bank, a state chartered bank, and that for and on behalf of the said bank, and as its act and deed, he executed the above and foregoing instrument, after first having been duly authorized by said bank so to do.

Carol Lucille Stevens
NOTARY PUBLIC

My Commission Expires:

My Commission Expires on May 20, 2007

[AFFIX NOTARIAL SEAL]



PARCEL NO. HSA-27
PIN: 307417100 0000100

**A PROPOSED VARIABLE WIDTH PERMANENT UTILITY EASEMENT AND A
PROPOSED VARIABLE WIDTH TEMPORARY CONSTRUCTION EASEMENT
FOR THE
DESOTO COUNTY REGIONAL UTILITY AUTHORITY**

**JOHN N. COVINGTON, III AND PATRICIA COVINGTON MILLER
(DB. 418, PG. 572)**

Being a proposed variable width permanent utility easement and a proposed variable width temporary construction easement lying in the Southwest Quarter (SW1/4) of the Northwest Quarter (NW1/4) of Section 17, Township 3 South, Range 7 West, DeSoto County, Mississippi and being out of and a part of that certain tract of land conveyed to John N. Covington, III and Patricia Covington Miller, as described in Deed Book 418, Page 572 within the Chancery Clerk's Office of DeSoto County, Mississippi.

A PROPOSED VARIABLE WIDTH PERMANENT UTILITY EASEMENT

COMMENCING for reference at a found iron post marking the Southeast corner of Lot 70, of Acree Place Subdivision, as recorded in Plat Book 8, Page 35-36 within the Chancery Clerk's Office of Desoto County, Mississippi;

THENCE run East, 3,574.25 feet;

THENCE run North, 3,704.30 feet to the Southwest corner of the aforementioned "Covington" tract and being on the East right-of-way line of McIngvale Road, as it exists this date (October, 2003), same being the POINT OF BEGINNING of the herein described proposed variable width permanent utility easement;

THENCE run North 02° 33' 23" East, along said East right-of-way line, 145.68 feet;

THENCE leaving said East right-of-way line, run South 01° 23' 26" East, 145.49 feet to a point on the South line of aforesaid "Covington" tract;

THENCE along said South line, run South 89° 29' 25" West, 10.03 feet to the POINT OF BEGINNING, containing 0.017 Acres (729 Square Feet), more or less.

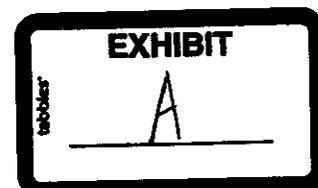
A PROPOSED VARIABLE WIDTH TEMPORARY CONSTRUCTION EASEMENT

COMMENCING for reference at a found iron post marking the Southeast corner of Lot 70, of Acree Place Subdivision, as recorded in Plat Book 8, Page 35-36 within the Chancery Clerk's Office of Desoto County, Mississippi;

THENCE run East, 3,574.25 feet;

THENCE run North, 3,704.30 feet to the Southwest corner of the aforementioned "Covington" tract and being on the East right-of-way line of McIngvale Road, as it exists this date (October, 2003);

THENCE run North 89° 29' 25" East, along the South line of said "Covington" tract, 10.03 feet to the POINT OF BEGINNING of the herein described proposed variable width temporary construction easement;



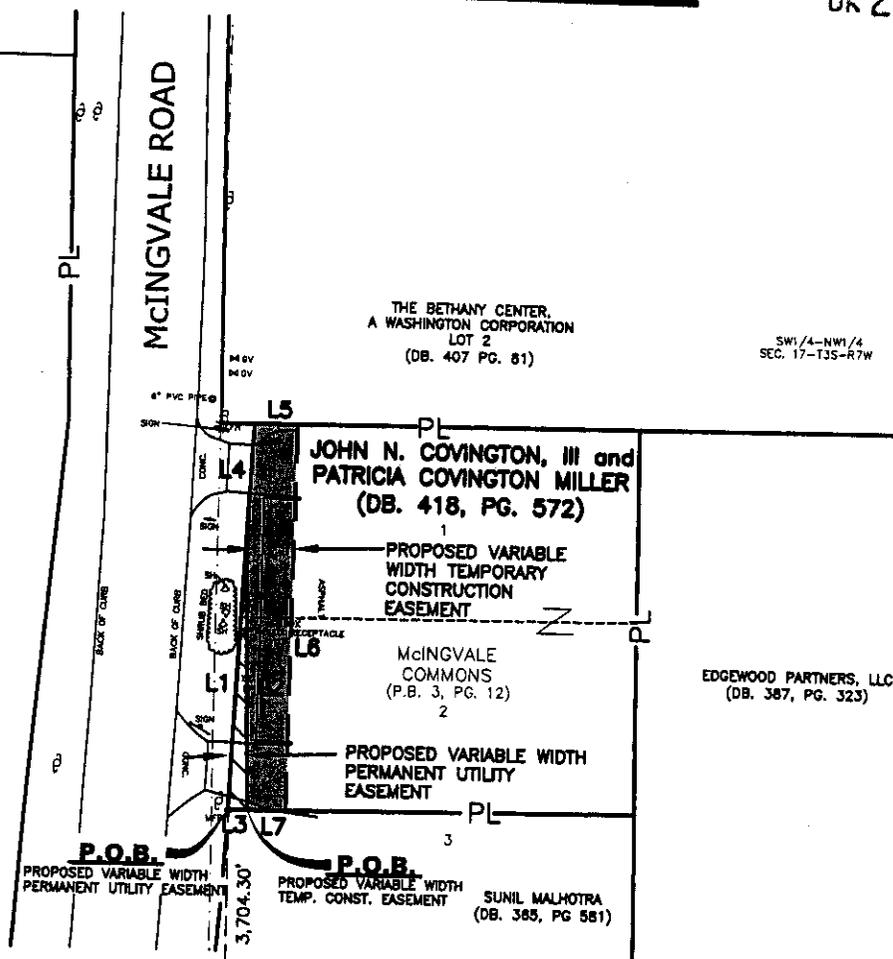
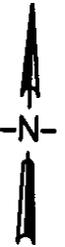
THENCE run North 01° 23' 26" West, along the East line of the above described proposed variable width permanent utility easement, 145.49 feet to a point on the West line of aforesaid "Covington" tract, same being the East right-of-way line of McIngvale Road, as it exists this date (October, 2003);

THENCE continuing along said East right-of-way line, run North 02° 32' 49" East, 54.61 feet to the Northwest corner of said "Covington" tract;

THENCE along the North line of said "Covington" tract, run North 89° 29' 39" East, 22.76 feet;

THENCE leaving said North line, run South 00° 27' 29" West, 200.03 feet to a point on the South line of said "Covington" tract;

THENCE run South 89° 29' 25" West, along said South line, 20.06 feet to the POINT OF BEGINNING, containing 0.105 Acres (4,555 Square Feet), more or less.



LINE TABLE		
LINE	LENGTH	BEARING
L1	145.68'	N02°33'23"E
L2	145.49'	S01°23'26"E
L3	10.03'	S89°29'25"W
L4	54.61'	N02°32'49"E
L5	22.76'	N89°29'39"E
L6	200.03'	S00°27'29"W
L7	20.06'	S89°29'25"W

POINT OF COMMENCEMENT EAST 3,574.25'
 FOUND IRON POST MARKING THE SOUTHEAST CORNER OF LOT 70 OF ACREE PLACE SUBDIVISION AS RECORDED IN PLAT BOOK 8, PAGE 35-36 WITHIN THE CHANCERY CLERK'S OFFICE OF DESOTO COUNTY, MISSISSIPPI

- DENOTES PROPOSED PERMANENT UTILITY EASEMENT
- DENOTES PROPOSED TEMPORARY CONSTRUCTION EASEMENT
- DENOTES FOUND IRON PIN
- DENOTES APPROXIMATE SECTION LINE LOCATION
- DENOTES FENCE LINE
- DENOTES UTILITY POLE
- DENOTES STREET LIGHT
- DENOTES METAL FENCE POST
- DENOTES GAS VALVE

JAMES W. MILLIS, L.S. 02483
 Mississippi Registered Land Surveyor

Proposed Variable Width Permanent Utility Easement Required- 0.017 Acres (729 Sq. Ft.)
 Proposed Variable Width Temp. Const. Easement Required- 0.105 Acres (4,555 Sq. Ft.)

Survey Class " B "

Bearings shown on this drawing are Grid, based on GPS observations and using the Mississippi Transverse Mercator Projection, West Zone, (NAD 83)

Said parcel may be subject to recorded, unrecorded or mis-indexed instruments or facts which would be revealed by a current title examination of said parcel.

PIN: 307417100 0000100
 PARCEL NO. HSA-27

JOHN N. COVINGTON, III AND PATRICIA COVINGTON MILLER		
A PROPOSED VARIABLE WIDTH PERMANENT UTILITY EASEMENT AND A PROPOSED VARIABLE WIDTH TEMPORARY CONSTRUCTION EASEMENT FOR THE DESOTO COUNTY REGIONAL UTILITY AUTHORITY		
HERNANDO SOUTH ALIGNMENT-FORCE MAIN		
Sited in the SW 1/4 of the NW 1/4 of Section 17, Township 3 South, Range 7 West, DeSoto County, Mississippi		
EAI/WEI, LLC Consulting Engineers 143-A LeFleurs Square - Jackson, Mississippi 39211 - (601)355-9526		
DRAWN BY: R.H.	DATE: 12/9/03	SHEET NUMBER 1 OF 1
REVIEWED BY: J.W.M.	SCALE: 1" = 100'	