

10/22/10 10:37:00  
DK T BK 3,231 PG 321  
DESOTO COUNTY, MS  
W.E. DAVIS, CH CLERK

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PREPARED BY AND RETURN TO:  
TAYLOR BUNTIN (MSB #7525)  
5293 GETWELL ROAD  
SOUTHAVEN, MS 38672  
(662) 393-4450

### SUBORDINATION AGREEMENT

This Agreement is made and entered into by and between First Security Bank, Successor Trustee of the William F. McLemore Marital Trust, established May 11, 2002 (Successor Trustee), Dennis M. McLemore (McLemore), and Rutledge Investment Company (Rutledge);

WHEREAS, McLemore is the owner of certain real property located in DeSoto and Tunica Counties, Mississippi. Said real property is known as Green River Farm and is subject to a Deed of Trust dated November 14, 2005 given by Dennis M. McLemore and his then wife, Tammy C. McLemore (the McLemores) to James B. Rutledge as Trustee for the benefit of Rutledge and recorded in Book 201, Page 86 of the Trust Deed Records of the Chancery Clerk of Tunica County, Mississippi and assigned by Rutledge Investment Company to Prudential Insurance Company of America by Assignment recorded in Trust Deed Book 201, Page 571 of the records of said Clerk; said Deed of Trust also being recorded in Book 2,358, Page 358 of the Trust Deed Records of the Chancery Clerk of DeSoto County, Mississippi, said Assignment being recorded in Trust Deed Book 2,367, Page 703 of the records of said Clerk; and

WHEREAS, the McLemores entered into a new loan agreement with Rutledge (New Rutledge Loan) under the terms of which Prudential released approximately 130 acres of Green River Farms and whereby the New Rutledge Loan was secured by a Deed of Trust dated June 23, 2008 given by the McLemores to J. William Pierce, Jr. as Trustee for the benefit of Rutledge and recorded in Book 2,916, Page 445 of the Trust Deed Records of the Chancery Clerk of DeSoto County, Mississippi and Book 221, Page 474 of the Trust Deed Records of the Chancery Clerk of Tunica County, Mississippi. Said Deed of Trust granted Rutledge a first lien as to the 130 acre tract and a second lien as to the remainder of the real property known as Green River Farm, all as described therein; and

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WHEREAS, the said Deed of Trust from the McLemores to Rutledge dated June 23, 2008 was assigned by Rutledge to Magna Bank by Assignment dated June 23, 2008 and recorded in Book 2,922, Page 231 of the Trust Deed Records of the Chancery Clerk of DeSoto County, Mississippi; and

WHEREAS, the New Rutledge Loan and said Deed of Trust were extended and modified by a Modification and Extension Agreement entered into by the parties on July 1, 2009 and recorded in Book 3,054, Page 356 of the Trust Deed Records of DeSoto County, Mississippi; and

WHEREAS, on August 17, 2007 an *Order Denying Petition to Remove Gerald D. McLemore as Executor, for Money Judgments Against the Estate of Colleen McLemore, Dennis McLemore and Shannon McLemore, and For Other Relief* was entered in Cause No. 02-06-0878ML of the Chancery Court of DeSoto County, Mississippi, and on October 11, 2007 an *Order Setting Post-Judgment Interest Rate on Prior Money Judgments Against the Estate of Colleen McLemore, Dennis McLemore, and Shannon McLemore* was entered in the same cause number in the same cause; said Orders creating judgments in favor of the estate of W. F. McLemore against Dennis McLemore (Judgments); and

WHEREAS, all assets of the estate of W. F. McLemore were transferred to the Successor Trustee, including but not limited to, the estate's rights under the Judgments; and

WHEREAS, the Successor Trustee subordinated the Judgments and the liens created by the above orders of the Chancery Court of DeSoto County, Mississippi to the New Rutledge Loan under the terms of a certain Subordination Agreement dated June 19, 2008 and recorded in Book 2,916, Page 435 of the Trust Deed Records of the Chancery Clerk of DeSoto County, Mississippi; and

WHEREAS, on June 23, 2008, in connection with the New Rutledge Loan the McLemores executed an Assignment to the Successor Trustee of any and all rights which they may have in the estate of Colleen H. McLemore and executed a Deed of Trust for the benefit of the Successor Trustee as to their undivided interest in and to certain other real property located in DeSoto County, Mississippi, described as the Elvis Presley Place and the Bank Lot, said Deed of Trust being recorded in Book 2,916, Page 476 of the Trust Deed Records of the Chancery Clerk of DeSoto County, Mississippi; and

WHEREAS, the McLemores were divorced by Decree entered in Cause No. 10-03-0482VC of the Chancery Court of DeSoto County, Mississippi and on April 1, 2010 Tammy C. McLemore executed a Quitclaim Deed to the Green River Farm property, including the 130 acre tract, to Dennis M. McLemore, said deed being recorded in Book 630, Page 408 of the Deed records of the Chancery Clerk of DeSoto County, Mississippi and Book Z6, Page 575 of the Deed records of the Chancery Clerk of Tunica County, Mississippi; and

WHEREAS, McLemore and Rutledge have entered into a Modification and Extension Agreement dated October 12, 2010 under which the terms of the New Rutledge Loan, the Promissory Note from the McLemores to Rutledge, and the Deed of Trust securing the same dated June 23, 2008 are extended and modified, said Modification and Extension

Agreement being recorded in Trust Deed Book 3227, Page 629 of the records of the Chancery Clerk of DeSoto County, Mississippi; and

WHEREAS, the Successor Trustee has agreed to subordinate the judgment and liens created by the orders of the Chancery Court of DeSoto County, Mississippi referenced above to the New Rutledge Loan as now extended and modified by said Modification and Extension Agreement dated October 12, 2010, under the terms and conditions hereafter set forth;

NOW, THEREFORE, FOR AND IN CONSIDERATION, of the mutual covenants and agreements of the parties as set forth herein, which are recognized and accepted by each party as good and valuable consideration, it is agreed by and between the parties as follows:

1. The Successor Trustee hereby subjects and subordinates any and all rights and liens which it has under the Judgments against Dennis McLemore to the full extent of all principal disbursed and interest accrued under the New Rutledge Loan, as extended and modified, together with any and all amounts secured by the Deed of Trust and other loan documents executed by the McLemores in connection with the New Rutledge Loan and the Modification and Extension Agreement dated July 1, 2008, and the Modification and Extension Agreement dated October 12, 2010. Rutledge may exercise any remedies available under said loan documents or available at law without affecting the subordination created hereunder. The Successor Trustee hereby agrees that the New Rutledge Loan, as extended and modified, and any and all claims created thereby in favor of Rutledge shall be prior and superior to any rights and claims now held by the Successor Trustee in and to the property which secures the New Rutledge Loan.

2. In the event that this Subordination Agreement should be held invalid, ineffective, or should be set aside by a Court of competent jurisdiction, then the Assignment and the Deed of Trust executed by the McLemores to, or for the benefit of, the Successor Trustee, in connection with the New Rutledge Loan, as described above, shall likewise be deemed to be invalid, ineffective, and shall be set aside.

3. Nothing contained herein shall be deemed to impair the first lien Deed of Trust, dated November 14, 2005 in favor of Rutledge Investment Company and assigned to Prudential Insurance Company of America, as described above.

4. This Agreement shall be binding upon, and inure to the benefit of, the parties hereto and their respective heirs, personal representatives, successors, and assigns.

5. This Agreement shall not be modified except in writing signed by all parties. This Agreement may be executed in counter-parts and when so executed shall constitute one fully integrated agreement.

6. This Agreement shall be governed by the laws of the State of Mississippi.

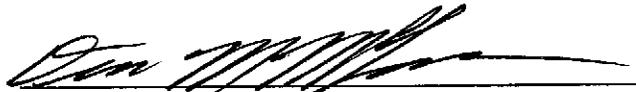
7. This Agreement shall be effective when executed by all parties.



8. Except as specifically modified herein the Subordination Agreement dated June 19, 2008 shall remain in full force and effect.

FIRST SECURITY BANK, Successor Trustee of  
the William F. McLemore Marital Trust Established  
May 11, 2002

By: \_\_\_\_\_  
Print Name: \_\_\_\_\_  
Date: \_\_\_\_\_

  
Dennis M. McLemore  
Date: 10-12-10

STATE OF MISSISSIPPI

COUNTY OF \_\_\_\_\_

~~THIS DAY PERSONALLY appeared before me, the undersigned authority at law in and for the state and county aforesaid, the within named \_\_\_\_\_, who acknowledged that he/she is the \_\_\_\_\_ of First Security Bank, which is the Successor Trustee of the William F. McLemore Marital Trust Establish May 11, 2002, and that for and on behalf of the said First Security Bank as Successor Trustee of the said Trust, and as its act and deed he/she executed the above and foregoing instrument, after first having been duly authorized to do so.~~

~~Given under my hand and official seal this the 12 day of October, 2010.~~

(Seal)

  
Notary Public

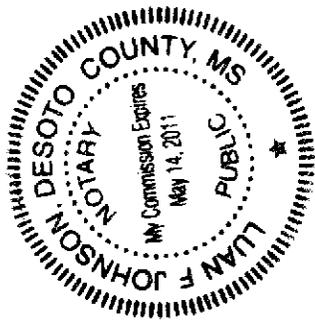
STATE OF MISSISSIPPI

COUNTY OF DESOTO

PERSONALLY appeared before me, the undersigned authority at law in and for the state and county aforementioned, the within named Dennis M. McLemore, who acknowledged that he signed and delivered the above and foregoing instrument on the day and year therein mentioned.

Given under my hand and official seal this the 12 day of October, 2010.

(Seal)



Luan F. Johnson  
Notary Public