

[21385001]

A group including Gene E. Phillips , former chairman of Southmark Corp. , and William S. Friedman , former vice chairman of Southmark , lowered its stake in the Dallas real estate concern to 7.7 % , according to a filing with the Securities and Exchange Commission .

[21385002]

The group said it sold 455,410 Southmark common shares from Sept. 5 to Oct. 5 for 18.75 cents to 25 cents a share .

[21385003]

The filing said the group continues to hold 3,481,887 remaining shares .