

Control Number: 45026



Item Number: 19

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Water Necessities, Inc. **PO Box 62** Vidor, Texas 77670 409-769-9030 **800-261-2110 Toll Free** 409-769-1176 Fax

March 15, 2016

All customer deposits held by T. Johnson Industries, Inc. were transferred from T. Johnson Industries, Inc. to Water Necessities Inc. on October 1, 2005

Kelly Brewer

NOTICE OF CONFIDENTIALITY RIGHTS: IF YOU ARE A NATURAL PERSON, YOU MAY REMOVE OR STRIKE ANY OR ALL OF THE FOLLOWING INFORMATION FROM ANY INSTRUMENT THAT TRANSFERS AN INTEREST IN REAL PROPERTY BEFORE IT IS FILED FOR RECORD IN THE PUBLIC RECORDS: YOUR SOCIAL SECURITY NUMBER OR YOUR DRIVER'S LICENSE NUMBER.

Special Warranty Deed

Date:

March 9, 2016

Grantor:

T. Johnson Industries, Inc., a Texas corporation

Grantor's Mailing Address:

T. Johnson Industries, Inc.

P. O. Box 8009

Lumberton, Texas 77657

Grantee:

Water Necessities, Inc., a Texas corporation

Grantee's Mailing Address:

Water Necessities, Inc. P. O. Box 62 Vidor, TX 77662

Consideration:

Cash and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, and in fulfillment of that instrument entitled CONTRACT FOR DEED dated October 1, 2005, naming as Seller T. Johnson Industries, Inc., a Texas Corporation, P. O. Box 8009, Lumberton, Hardin County, Texas 77657, and as Buyer Water Necessities, Inc., P. O. Box 62, Vidor, Orange County, Texas 77670, recorded in Book 1638, Page 335, Official Public Records of Real Property of Hardin County, Texas.

Property (including any improvements):

All that personal and real property situate in Hardin County, Texas, described in that instrument entitled CONTRACT FOR DEED dated October 1, 2005, naming as Seller T. Johnson Industries, Inc., a Texas Corporation, P. O. Box 8009, Lumberton, Hardin County, Texas 77657, and as Buyer Water Necessities, Inc., P. O. Box 62, Vidor, Orange County, Texas 77670, recorded in Book 1638, Page 335, Official Public Records of Real Property of Hardin County, Texas, covering certain property described in the instrument as follows:

Tract I.

The surface estate of, and all water, in, on and under, Lot No. Twelve (12) in Breakway Trails, a subdivision in Beaumont Colony, located in Hardin County, Texas, according to the map or plat thereof recorded in Volume 3, Page 157 of the Plat Records of Hardin County, Texas, together with the water system, and all wells, water tanks,

pumps, pressure tanks, fences, utility poles, driveways, rights of way, chemicals and other items used to operate the water system and all easements being utilized for distributions by the water system, and all rights to operate the water system and all water line easements and water lines and any and all other assets of the water system in said subdivision, including real or personal property.

Tract II.

A 0.333 acre tract of land in B.B.B. & C. R.R. Company Survey, Section 1, Abstract 124, Hardin County, Texas, together with the water system, and all wells, pumps, pressure tanks, fences, utility poles, rights of way, chemicals and other equipment and accessories thereon used in connection therewith and/or used to operate the water system located in the North Woods Subdivision described in the deed recorded in Volume 748, Page 749, of the Hardin County Deed Records, and all easements being utilized for distributions by the water system, and all rights to operate the water system at North Woods, and all water line easements and water lines and any and all other assets of the water system in said subdivision sections one and two, including real or personal property, said 0.333 acre tract described as follows:

Being 0.333 of an acre tract in the NORTH WOODS Subdivision in the B.B.B. & C.R.R. Company Survey, Section No. I Abstract No. 124, Hardin County, Texas, as shown by the plat recorded in Volume 2, page 173-A, Plat Records of Hardin County, Texas, said 0.333 acre tract being described as follows:

BEGINNING at an iron rod in the South line of said Subdivision, at its intersection with the West edge of Holly Drive;

THENCE South 88' 51' 32" West along and with the said South line, 190.00 feet to a point for corner in the Southeast edge of a graded road;

THENCE along and with the Southeast edge of said Road, as follows:

- 1. North 48' 40' East 150.00 feet;
- 2. North 60' 39' 30" East 85.00 feet to a point for corner in the West-edge of the said Holly Drive;

THENCE South 01' 52' 30" East along and with the West edge of Holly Drive 138.00 feet to the PLACE OF BEGINNING, containing 0.333 of an acre of land.

Reservations from Conveyance:

None

Exceptions to Conveyance and Warranty:

Validly existing easements, rights-of-way, and prescriptive rights, whether of record or not; all presently recorded and validly existing restrictions, reservations, covenants, conditions, oil and gas leases, mineral interests, and water interests outstanding in persons other than Grantor, and other instruments, other than conveyances of the surface fee estate, that affect the Property; validly existing rights of adjoining owners in any walls and fences situated on a

common boundary; any discrepancies, conflicts, or shortages in area or boundary lines; any encroachments or overlapping of improvements; and taxes for 2015, which Grantee assumes and agrees to pay, and subsequent assessments for that and prior years due to change in land usage, ownership, or both, the payment of which Grantee assumes.

Grantor, for the Consideration and subject to the Reservations from Conveyance and the Exceptions to Conveyance and Warranty, grants, sells, and conveys to Grantee the Property, together with all and singular the rights and appurtenances thereto in any way belonging, to have and to hold it to Grantee and Grantee's heirs, successors, and assigns forever. Grantor binds Grantor and Grantor's heirs and successors to warrant and forever defend all and singular the Property to Grantee and Grantee's heirs, successors, and assigns against every person whomsoever lawfully claiming or to claim the same or any part thereof when the claim is by, through, or under Grantor but not otherwise, except as to the Reservations from Conveyance and the Exceptions to Conveyance and Warranty.

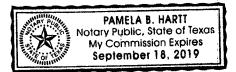
T. Johnson Industries, Inc., a Texas corporation, by:

Terry L. Johnson, President

STATE OF TEXAS

COUNTY OF HardIN

This instrument was acknowledged before me on March 9, 2016 by Terry L. Johnson, as the President of T. Johnson Industries, Inc., a Texas corporation, on behalf of said corporation.



Notary Public, State of Texas

PREPARED IN THE OFFICE OF:

Rodney Price Attorney at Law P. O. Box 310 Vidor, Texas 77670 (409) 769-6325 FAX (409) 783-0441

AFTER RECORDING RETURN TO: Water Necessities, Inc. P. O. Box 62 Vidor, TX 77662

DOCKET NO. 45026

APPLICATION OF T. JOHNSON INDUSTRIES AND WATER NECESSITIES, INC. FOR SALE, TRANSFER, OR MERGER OF FACILITIES AND CERTIFICATE RIGHTS IN HARDIN COUNTY	PUBLIC UTILITY COMMISSION OF TEXAUSLIC UTILITY COMMISSION FILING CLERK
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ORDER NO. 5 APPROVING SALE AND TRANSFER TRANSACTION TO PROCEED

On August 6, 2015, T. Johnson Industries (TJI) and Water Necessities, Inc. (WNI) (collectively, Applicants) filed an application for the sale, transfer, or merger of facilities in Hardin County. Specifically, WNI seeks approval to acquire all the water assets of TJI. TJI's water certificate of convenience and necessity (CCN) No. 12647 and assets will be transferred to WNI.

On February 19, 2016, Public Utility Commission of Texas (Commission) Staff filed its Final Recommendation.

The sale/transfer transaction between TJI and WNI may proceed and be consummated. As soon as possible after the effective date of the transaction, but not later than 30 days after the effective date of the transaction, Applicants shall file proof that the sale/transfer has been consummated and customer deposits addressed. Applicants have one year to complete the transaction. Pursuant to 16 Tex. Admin. Code § 24.112(e), if the transaction is not consummated within this period, or an extension granted, this approval is void and Applicants will have to reapply for approval of the sale. Applicants are advised that the water facilities of TJI will continue to be held by TJI until the sale and transfer transaction is complete in accordance with the Commission's rules.

Beginning March 25, 2016, and continuing monthly thereafter, Applicants shall file monthly updates regarding the status of the sale/transfer.

Within 30 days following the filing of Applicants' proof that the sale/transfer has been consummated and customer deposits (if any) have been addressed, Commission Staff shall file a recommendation regarding the sufficiency of the documents and propose a schedule for the continued processing of this docket.