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December 24, 2001

ROBERT M. C. ROSE OF COUNSEL

Ms. Blanca S. Bayo, Clerk Florida Public Service Commission 2540 Shumard Oak Boulevard Tallahassee, Florida 32399-0850

Re:

Docket No. 001551-WS; Highlands Ridge Utilities, LLC; Purchase of Highlands

Ridge Associates, Inc. Our File No. 35078.01

Dear Ms. Bayo:

The Closing on the transfer of the utility assets of Highlands Ridge Associates, Inc. to Highlands Ridge Utilities, LLC was closed on December 21, 2001. In accordance with Public Service Commission Order No. PSC-01-2349-PCO-WS, enclosed is a copy of the executed Warranty Deed conveying to Highlands Ridge Utilities, LLC the land upon which the utility's facilities are located.

Should you have any questions regarding the enclosed, please do not hesitate to contact me.

Very truly yours,

Martin S. Friedman

For the Firm

MSF/brm Enclosure

cc: Mr. Michael T. Dick

Ms. Alice Crosby Ms. Cheryl Johnson 01 0EC 27 AM 9: 03

BATHER THEM THE BUTTON CENTER

16097 DEC 27 =

EDSC-COMMISSION CLERK



Upon recording, this instrument should be returned to:
Larry B. Alexander, Esquire
505 S. Flagler Drive, Suite 1110
West Palm Beach, Florida 33402-3475

This instrument was prepared by: John S. Inglis, Esquire Shumaker, Loop & Kendrick, LLP 101 E. Kennedy Boulevard, Suite 2800 Tampa, Florida 33602

SPECIAL WARRANTY DEED

THIS INDENTURE, made effective as of 21st day of December, 2001, by HIGHLANDS RIDGE ASSOCIATES, INC., a Florida corporation (the "Grantor"), whose post office address is Post Office Box 768, Sebring, Florida 338/1-0768, to HIGHLANDS RIDGE UTILITIES, LLC, a Florida limited liability company (the "Grantee"), whose post office address is 1275 Lake Honthrow Lane, Henthrow, Florida 37746

[Whenever used herein the terms "Grantor" and "Grantee" include all the parties in this instrument and the heirs, legal representatives and assigns of individuals, and the successors and assigns of corporations and companies]

WITNESSETII: That the Grantor, for and in consideration of the sum of Ten and 00/100 Dollars (\$10.00) and other valuable considerations, receipt whereof is hereby acknowledged, hereby grants, bargains, sells, conveys, remises, releases, and transfers unto the Grantee, all that certain parcel of land situate in Highlands County, Florida, to-wit:

[For legal description, see Exhibit "A" attached hereto and made a part hereof]

Property Appraiser Parcel Identification Nos. C083429-05000D00000 and C083429-05000E00000

TOGETHER WITH all tenements, hereditaments, easements, rights-of-way, privileges, reversions, remainders and other rights and appurtenances belonging or in any manner appertaining thereto, including all reversionary interests in and to any adjoining or abutting rights-of-way, and all buildings and improvements thereon.

TO HAVE AND TO HOLD unto the Grantee the same in fee simple forever.

DOCUMENT NUMBER - DATE

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AND THE GRANTOR does hereby specially warrant the title to said land, and will defend the same against the lawful claims of all persons arising by, through or under the Grantor, but against none other, and except zoning and other governmental resolutions and ordinances; real estate taxes and assessments for the year 2002 and thereafter; and those matters set forth on Schedule D-II of Chicago Title Insurance Company Commitment No. 10-2169-20673.

IN WITNESS WHEREOF, the Grantor has caused this Indenture to be executed by its duly authorized officer effective as of the date first above written.

Signed and acknowledged in the presence of:

MALLO CVAR

190,000

Amint Name: JUDITIT L. PENCE

HIGHLANDS RIDGE ASSOCIATES, INC.,

a Florida corporation

Judson Smith Vice President

[corporate seal]

STATE OF OHIO) COUNTY OF CUYAHOGA)

The foregoing instrument was acknowledged before me this 18 day of December, 2001, by Judson Smith, the Vice President of HIGHLANDS RIDGE ASSOCIATES, INC., a Florida corporation, on behalf of the corporation. He is personally known to me or did produce as identification.

NOTARY PUBLIC

Print Name: Anneca

My Commission Expires:

PAMELA SUE ALEXOVICH Notary Public, State of Onto My Commission Expires Nov. 17, 2004

F:\B224\JSI\Highlands Ridge\Highlands Ridge Utilities LLC\Special Warranty Deed.doc

Water Plant Site

Lot labeled WATER PLANT SITE and a portion of TRACT "J", said portion being more particularly described as follows: Commence at the northwest corner of said Tract "J" for a point of heginning; thence S54°52'04"E, along the northerly line of said Tract "J", for 60.00 feet; thence S35°07'56"W for 46.17 feet to the intersection of a curve concave to the south; thence along a curve to the left having as it's elements a radius of 1400.00 feet, central angle of 02°24'20", chord bearing of N63°47'20"W, chord length of 58.77 feet, along the arc for 50.00 feet to the Point of Beginning.

Together with

WASTE WATER PLANT

That Tract labeled as WASTE WATER PLANT, HIGHLANDS RIDGE ON LAKE BONNET, PHASE II, as recorded in Plat Book 15, Page 73, of the Public Records of Highlands County, Florida, LESS the following described portion of said Waste Water Plant Tract: Regin at the northwest corner of said Waste Water Plant Tract; thence \$89°24'20"E, along the north line of said Tract, for 21.09 feet; thence \$00°42'16"W for 223.42 feet; thence \$42°22'50"E for 43.84 feet; thence \$61°09'07"W for 33.64 feet; thence \$00°31'14"W for 163.52 feet to the south line of said Waste Water Plant Tract; thence \$89°24'20"W, along the south line of said Tract, for 21.04 feet to the southwest corner of said Tract; thence \$00°35'40"E for 450.00 feet to the Point of Beginning.

Beth sites part of HICHLANDS MADER THE HARD III an enumbed in Plat Book 15, Page 73 of the Public Records of Highlands County, Florida.