

PARITY LIEN BONDS CERTIFICATE

The undersigned hereby certifies pursuant to (i) a bond resolution duly passed and adopted by the Board of Directors (the “**Board**”) of the Arabian Acres Metropolitan District, Teller County, Colorado (the “**District**”) on February 16, 2007 (the “**Series 2007 Bond Resolution**”), authorizing the execution and delivery of the District’s Water Refunding Revenue Bonds, Series 2007 (the “**Series 2007 Bonds**”); (ii) a Loan Contract with the State of Colorado Department of Natural Resources, Colorado Water Conservation Board (the “**CWCB**”), dated as of June 21, 2019, as the same may be amended from time to time (the “**CWCB Loan**”); and (iii) a Loan Agreement between the Colorado Water Resources and Power Development Authority (“**CWRPDA**”) and the District, acting by and through its Water Activity Enterprise, dated July 9, 2019 (the “**2019 CWRPDA Loan**” and together with the Series 2007 Bonds, the CWCB Loan, the “**Prior Parity Obligations**”), and in connection with the execution and delivery by the District, acting by and through its Water Activity Enterprise, of a certain Loan Agreement and Governmental Agency Bond with CWRPDA (the “**Proposed Parity Bond**”), that:

1) The undersigned is the duly elected President of the District.

2) All capitalized terms used herein have the meanings ascribed to them in the Prior Parity Obligations.

3) As of the date hereof, the District is in substantial compliance with all of the covenants of the Series 2007 Bond Resolution, and obligations of the Prior Parity Obligations, and there has not occurred an Event of Default that is continuing as of this date.

4) As of the date hereof, and as of the date of issuance of the Proposed Parity Bond will be, current on the annual payments due under the Prior Parity Obligations and in the accumulation of all amounts required to be accumulated in

the applicable debt service reserve funds, and in the amounts required to be on deposit in the Reserve Account, as required by the Series 2007 Bond Resolution.

5) Based on an analysis of the District's Pledged Revenues, for a period of 12 consecutive months out of the 18 months immediately preceding the date of issuance of the Proposed Parity Bond, the District's Pledged Revenues are sufficient to pay (i) its annual operating and maintenance expenses, (ii) at least 125% of annual debt service on the Prior Parity Obligations and the annual debt service on the Proposed Parity Bond (collectively the "Combined Annual Debt Service"), and (iii) all required deposits to any reserve funds required by the Prior Parity Obligations or by the lenders of any indebtedness having a lien on the Pledged Revenues. No more than 10% of total revenues may originate from tap and/or connection fees.

6) The Pledged Revenues for the 12 consecutive months out of the 18 month period immediately preceding the month in which the Proposed Parity Bond is to be issued were \$266,221.

7) The Combined Annual Debt Service is \$181,017. 125% of the Combined Annual Debt Service is \$226,271.

8) Other than the Proposed Parity Bond, the Prior Parity Obligations will represent the only outstanding obligations with a lien on the Pledged Revenues.

9) All provisions of the Prior Parity Obligations required for the issuance of the Proposed Parity Bond have been satisfied.

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Dated: June 8, 2020.

ARABIAN ACRES
METROPOLITAN DISTRICT,
TELLER COUNTY,
COLORADO

By: *Edith Coffman*

Title: President

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