Pure Cycle Corporation Announces Receipt of $10.1 Million From Sky Ranch Community Authority Board Bond Refinancing Offering

DENVER, CO / ACCESSWIRE / October 30, 2024 / Pure Cycle Corporation (NASDAQ Capital Market:PCYO) is pleased to announce that Sky Ranch Community Authority Board (Sky Ranch CAB) successfully closed its municipal bond refinancing totaling $21.9 million, which netted the Sky Ranch CAB $10.1 million after repayment of their 2019 Bonds, fees, capitalized interest, and expenses. After the closing, the Sky Ranch CAB repaid Pure Cycle $10.1 million in public improvement reimbursables and associated interest.

The Sky Ranch CAB, a political subdivision and a public corporation of the State of Colorado responsible for the construction, design and financing of the public improvements at Pure Cycle's development site known as the Sky Ranch Master Planned Community (Sky Ranch). The Sky Ranch CAB engaged underwriter DA Davidson to refinance their 2019 Bonds within Sky Ranch Metropolitan District No. 1. The Sky Ranch CAB successfully sold tax-exempt, fixed rate, investment grade senior bonds in the aggregate principal amount of $18,585,000 and tax-exempt, fixed-rate subordinate bonds in the aggregate principal amount of $3,307,000 (collectively, the "2024 Bonds"). Upon the issuance of the 2024 Bonds, the Company received $10.1 million as partial reimbursement of the Company's Note Receivable from the Sky Ranch CAB for advances the Company made to the Sky Ranch CAB to fund the construction of public improvements to the Sky Ranch property.

"The CAB's underwriter successfully placed the bonds in a fluctuating bond market at competitively low rates. This bond offering brings the total municipal bonds issued by the Sky Ranch CAB, net of refinance amounts, to $51.4 million, which is indicative of the strength and success of our Sky Ranch Master Planned Community" commented Mark Harding, CEO of Pure Cycle. "We continue to finish lots, and our home builders continue to enjoy strong demand for entry level houses at Sky Ranch. We are actively developing three phases as we accelerate the pace of development at Sky Ranch to match demand for our lots," concluded Mr. Harding.

Company Information

Pure Cycle continues to grow and strengthen its operations, grow its balance sheet, and drive recurring revenues. We operate in three distinct business segments, each of which complements the other. At our core, we are an innovative and vertically integrated wholesale water and wastewater service provider. In 2017, we launched our land development segment which develops master planned communities on land we own and to which we provide water and wastewater services. In 2021, we launched our newest line of business, the rental of single-family homes located at Sky Ranch, which provides long-term recurring revenues, furthers our land development operations, and adds more customers to our water resource segment.

Additional information, including our recent press releases and SEC filings, is available at www.purecyclewater.com, or you may contact our President, Mark W. Harding, or our CFO, Marc Spezialy, at 303-292-3456 or info@purecyclewater.com.

Forward-Looking Statements

This press release contains forward-looking statements within the meaning of Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, as amended. Forward-looking statements are all statements, other than statements of historical facts, included in this press release that address activities, events or developments that we expect or anticipate will or may occur in the future, such as statements about the following: our positioning to continue to grow through this market cycle; the completion and delivery of our rental units; timing of development at Sky Ranch; future tap sales and revenues; future home sales by our home builder customers; the affordability of our products; the strength of the Sky Ranch market; forecasts about our fiscal 2024 sales of water to oil and gas operators; our sales of lots; and our expected financial results. The words “anticipate,” “likely,” “may,” “should,” “could,” “will,” “believe,” “estimate,” “expect,” “plan,” “intend” and similar expressions are intended to identify forward-looking statements. Investors are cautioned that forward-looking statements are inherently uncertain and involve risks and uncertainties that could cause actual results to differ materially. Factors that could cause actual results to differ from projected results include, without limitation: home mortgage interest rates, inflation, and other factors impacting the housing market and home sales; the risk factors discussed in Part I, Item 1A of our most recent Annual Report on Form 10-K for the fiscal year ended August 31, 2023; and those factors discussed from time to time in our press releases, public statement and documents filed or furnished with the U.S. Securities and Exchange Commission. Except as required by law, we disclaim any obligation to update publicly any forward-looking statements, whether because of new information, future events or otherwise.

SOURCE: Pure Cycle Corporation

View the original press release on accesswire.com