

October 10, 2024



Sky Ranch Community Authority Board engages underwriter to refinance 2019 Bonds and Sky Ranch Metropolitan District No. 1, CO, Receives Investment Grade Rating 'BBB' Rating on Series 2024A Limited-Tax Bonds

DENVER, CO / ACCESSWIRE / October 10, 2024 /Pure Cycle Corporation (NASDAQ Capital Market:PCYO) is pleased to announce that Sky Ranch Metropolitan District No. 1, CO (District No. 1), was assigned an investment grade rating 'BBB' long-term rating by S&P Global Ratings for refinancing of its 2019 Bonds. Sky Ranch Metropolitan District No. 1 is a member of the Sky Ranch Community Authority Board (Sky Ranch CAB) which encompasses Pure Cycle's development site known as the Sky Ranch Master Planned Community (Sky Ranch).

District No. 1 is the governmental boundary for the development of Pure Cycle's Phase 1 of Sky Ranch. All development within the district's approximate 151 acres are complete, incorporating 509 completed homes. The S&P Global Rating reflects the district's mature status, the quality of their financial controls, and their stable financial outlook of Sky Ranch CAB.

"We are pleased to receive this highly coveted investment grade rating from the S&P Rating which reiterates our professional stewardship in managing the Sky Ranch CAB and our Sky Ranch Master Planned Community" commented Mark Harding, CEO of Pure Cycle. "An investment rated bond will lower the borrowing cost of District No. 1 and allow for additional net funds to repay Pure Cycle's advances in constructing public improvements at Sky Ranch. The transaction is moving towards completion and is expected to price and close in November, yielding approximately \$10 million (depending on pricing) in additional funds to pay down the Sky Ranch CAB Note Receivable," continued 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. There is no guarantee that we will receive the benefits of the Sky Ranch CAB, or that the transaction will close. 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

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