QUARTERLY REPORT FOR CORAL JUNCTION PUBLIC INFRASTRUCTURE DISTRICT NO. 1 (IN HURRICANE CITY, WASHINGTON COUNTY, UTAH)

$4,435,000
LIMITED TAX
GENERAL OBLIGATION BONDS
SERIES 2022A-1

$5,005,000
SPECIAL ASSESSMENT BONDS
SERIES 2022A-2
(CORAL JUNCTION ASSESSMENT AREA)

Date of Report: November 1, 2024, for the Quarter Ending: September 30, 2024

All capitalized terms used and not otherwise defined in this report shall have the respective meanings assigned in the Continuing Disclosure Agreement ("Agreement") entered into as of June 2, 2022, by and among Coral Junction Public Infrastructure District No. 1, in Hurricane City, Washington County, Utah (the "Issuer"), Pinnacle Commercial Development, LLC, a Utah limited liability company (the "Developer"), and UMB Bank, n.a., Phoenix, Arizona, as trustee ("Trustee") for the above captioned bonds (the "Bonds"). Unless otherwise stated, all information contained herein is the most current information available as of the Date of Report specified above.

Section 1. Development Activity [Developer to complete; to be updated each quarter on and prior to the Annual Report Conversion Date]. The Developer will update the following table.

The RV Resort (19 acres of the subject 42-acre PID Area) has not moved forward due to the difficulty in securing economically viable bank financing. Due to prior inflation and current high interest rates, Banks have either not provided loan approvals or have required higher equity, additional interest reserves, and cash reserve accounts making the financing structure difficult or non-viable. Loosening of the loans terms during the fourth quarter is anticipated now that inflation has stabilized and rates are starting to coming down.

The hotel, office, and retail pads (23 acres of the subject 42-acre PID Area) continue to be listed for-sale and for-lease. A sales contract for a 3-acre entertainment use has been signed and accepted. Processing of their site plan and building plans has taken longer than expected. Closing is now anticipated in January 2025 but the possibility for a closing in the 4th quarter still exists. This use will produce traffic to the site and should produce pad sale and leasing momentum. A letter of intent from a national coffee chain for a pad lease with a build-to-suit drive-thru building is still active. The letter of intent will move to a contract after the closing of the 3-acre entertainment site. A letter of intent for a gas station & convenience store has also been received with preliminary due diligence in process. A previous letter of intent from a hotel developer has been retracted due to the developer's inability to secure viable construction financing. Due to the lack of hotel development during the past two years, as soon as the financial markets loosen, interest in the hotel pads is anticipated to increase.

The 12-month Warranty Escrow will expire in the 4th Quarter. This Escrow is for the Public Roads and represents 10% of the Public Road costs. The Escrow is held by Cache Valley Bank in favor of the City of Hurricane, Utah.

Summary of Anticipated Development

Description	Current Property Owner	Anticipated Owner	Sq. Ft.	Hotel Rooms	RV Pads	Zoning Status	Site Plan Status	Plat Status	Anticipated Years of Construction
Retail (In-Line)	MP 16, LLC			-	-	Zoned – General Commercial	Conceptual Site Plan		
Retail (Drive-Thru)	MP 16, LLC			-	-	Zoned- General Commercial	Conceptual Site Plan		
Office	MP 16, LLC			-	-	Zoned- General Commercial	Conceptual Site Plan		
Hotel A	MP 16, LLC		-		-	Zoned- General Commercial			
Hotel B	MP 16, LLC		-		-	Zoned- General Commercial			
Hotel C	MP 16, LLC		-		-	Zoned- General Commercial			
RV Resort	The Motorcoach Resort at Coral Junction, LLC	The Motorcoach Resort at Coral Junction, LLC			171 pads	Zoned - General Commercial	**Approved**	Approved and Recorded	1.5 years
TOTAL									

Section 2. Fund Balances (Issuer to complete, based upon information received from the Trustee; to be updated each quarter on and prior to the Annual Report Conversion Date, and to be updated annually after the Annual Report Conversion Date).

Attached Exhibit A, Quarterly Financial Statements.

The amount on deposit in each of the following funds for the Series 2022A-1 Bonds is as set forth below:

(a) amount on deposit in the Project Fund is $87,818.72;

(b) amount on deposit in the Bond Fund is $452,754.62;

(c) amount on deposit in the Surplus Fund is $448,785.36; and

The amount on deposit in each of the following funds for the Series 2022A-2 Bonds is as set forth below:

(a) amount on deposit in the Assessment Fund is $166,584.50;

(b) amount on deposit in the Construction Fund is $1,168,765.18;

(c) amount on deposit in the Bond Fund is $21,892.56; and

(d) amount on deposit in the Reserve Fund is $426,263.84.

(e) amount on deposit in the Capitalized Interest Fund is $0.00.

Section 3. Additional Issuer Information to be Updated (Issuer to complete; to be provided annually with the Report due on or before November 15). See Exhibit A

The Issuer shall provide the following information:

(a) annual assessed valuation of taxable property in the District is $11,581,742.00.

(b) total property tax collections are $57,909.00 *(anticipated)*.

[Signature/Certification on Following Page]

The information contained in this Report has been obtained from sources that are deemed to be reliable, but is not guaranteed as to accuracy or completeness. The information contained in this Report is neither intended nor shall be construed as a document updating the Limited Offering Memorandum for the Bonds, and is neither intended to, nor shall it be, used by the owners or beneficial owners of the Bonds for the purpose of making a subsequent investment decision with respect to the Bonds.

Receipt of this Report by any person or entity shall create no obligation or liability of the Issuer, the Developer or the Trustee.

The undersigned hereby certify, respectively, that they are authorized representatives of the Issuer and the Developer, and further certify on behalf of the following entities that the information contained in the foregoing Report (for the Developer, with respect to Section 1 only, and for the Issuer, with respect to Sections 2 and 3 only) is, to their actual knowledge, true, accurate and complete. This Report may be executed below on counterpart signature pages.

CORAL JUNCTION PUBLIC INFRASTRUCTURE DISTRICT NO. 1

By David M Nilsson
Authorized Officer

PINNACLE COMMERCIAL DEVELOPMENT, LLC

By David M Nilsson
Authorized Officer

Exhibit A

utah.gov | Tax Commission | Property taxes

CERTIFIED TAX RATES

View | Data Entry | Reports | Forms | Administration

Tax Year 2024 | County 27_WASHINGTON | Entity 5030_CORAL JUNCTION PID #1 | Accounting Cycle: Calendar Year

Rate Detail

(233b) Auditor Data Entry Completed	(750) Treasurer Data Entry Completed	(233b) BOE Calculated	(750) Collection Rate Calculated	(697) Assessor Data Entry Completed	(693) Proposed Rates Entered	Rates USTC Approved	Rates Finalized

FINAL TAX RATE	FINAL BUDGETED REVENUE
0.005000	$ 57,909

	REAL PROPERTY VALUES					
	2024 Original	2023 Year End	Orig - Year End	% Change	*Value Change*	*% Change*
Real Property (100.00 %)	11,582,900	11,031,200	551,700	5.00 %	*551,700*	*5.00 %*
(-) Incremental Value					*Assessor NG*	*% Change*
(=) Total Adjusted Value Real	11,582,900	11,031,200	551,700	5.00 %		
	CENTRALLY ASSESSED PROPERTY VALUES				**BENCHMARK**	
	2024 Original	2023 Year End	Orig - Year End	% Change		*Value*
Centrally Assessed ( )					*Benchmark (2023)*	
(-) Incremental Value					*(-) 2023 Incremental Value*	
(=) Total Adjusted Value CA					*(=) Adjusted Benchmark*	
	PERSONAL PROPERTY VALUES					
	2023 Year End	2022 Year End	2023YE - 2022YE	% Change		
Personal Property ( )						
(-) Incremental Value						
(-) Semiconductor						
(=) Total Adjusted Value PP						

REAL PROPERTY NEW GROWTH	
	Total Adjusted Value Real
2024 Original	11,582,900
(-) 2023 Year End	11,031,200
(=) Orig - Year End	551,700
(-) Value Change	551,700
(=) Real New Growth	0
CENTRALLY ASSESSED NEW GROWTH	
	Total Adjusted Value CA
2024 Original	
(-) Benchmark	
(=) CA New Growth	0
PROJECT AREA NEW GROWTH	
Real	
(+) Centrally Assessed	
(+) Personal	
(=) Project Area New Growth	0

NEW GROWTH TOTALS	
Real New Growth	
(+) CA New Growth	
(+) Project Area New Growth	
(=) Eligible New Growth	0
(x) 5 Year Avg Collection Rate	99.99 %
(=) Collection Rate Adjusted Eligible New Growth	0

CERTIFIED TAX RATE CALCULATION	
Total Adjusted Value (R+CA+PP)	11,582,900
(-) Board of Equalization (BOE) Adjustment	
(x) 5 Year Average Collection (2024/2023)	99.99 % / 99.99 %
(=) Proposed Tax Rate Value	11,581,742
(-) Collection Rate Adjusted Eligible New Growth	
(=) Certified Tax Rate Value	11,581,742

Budget Code	Budget Name	2023 Year End Budgeted Revenue	2023 Year End Adjusted Budgeted Revenue	Calc. Certified Tax Rate	2023 Year End Final Tax Rate	% Change	Certified Tax Rate Revenue W/O New Growth	New Growth Revenue	Certified Tax Rate Revenue W/ New Growth	Auditor's Certified Tax Rate	Auditor's Certified Rate Revenue	Proposed Tax Rate	Budgeted Revenue	Final Tax Rate	Final Budgeted Revenue
545	Public Infrastructure District LTB	$ 55,150	$ 55,150	0.004762	0.005000	-4.76%	$ 55,152		$ 55,152	0.005000	$ 57,909	0.005000	$ 57,909	0.005000	$ 57,909
	Grand Total	**$ 55,150**	**$ 55,150**	**0.004762**	**0.005000**		**$ 55,152**		**$ 55,152**	**0.005000**	**$ 57,909**	**0.005000**	**$ 57,909**	**0.005000**	**$ 57,909**