

Fibra Inn Signs Binding Agreement to Acquire Casa Grande Ciudad Juarez Hotel

Monterrey, Mexico, March 15, 2016 – Deutsche Bank Mexico, S.A., Banking institution, Trust Division F/1616 or Fibra Inn (BMV: FINN13, ADR OTC: DFBRY) (“Fibra Inn” or “the Company”), the Mexican real estate investment trust specializing in the hotel industry serving the business traveler with global brands, announced the binding agreement to acquire Casa Grande Ciudad Juarez, located in the state of Chihuahua. The hotel currently has 145 rooms and operates in the full-service segment.

Fibra’s Inn corporate governance bodies approved the amount agreed to acquire up to Ps. 115.0 million plus taxes, acquisition-related expenses and corresponding VAT expenses. The strategy to maximize the return of this property focuses on the following:

- (i) The addition of 50 rooms for which Ps. 57.2 million will be allocated; and it is estimated that it will generate revenues by the end of 2017; and
- (ii) The rebranding of the hotel to an international brand, for which Ps. 110.4 million will be invested. The work related to this brand conversion is expected to conclude during 2017.

The total amount of Ps. 291.4 million will be made using the resources from the bank credit line. A stabilized cap rate of approximately 10.71% is expected and projected for the 2018 period, following the expansion and the rebranding. The hotel will be operated by Grupo Hotelero Fibra Inn, seeking important synergies at this location. The cap rate derived from efficiencies and improvements in the operation prior to the expansion and brand conversion is expected to be 9.26% at the end of 2016.

The business fundamentals employed by Fibra Inn to sign this agreement are the following:

- **United States Consulate:** Ciudad Juarez is the location of the largest consulate Latin America offices, with activity that attracts temporary visitors, for the carrying out of visa procedures, to investors involved in bilateral agreements through the consulate. The activity from this consulate office is estimated to represent 90% of the hotel income in this city.
- **Strength of the Industrial Sector:** Economic activity in Ciudad Juarez is mainly geared towards the *maquila* industry. As a result, there are 23 industrial parks and 15 industrial areas that comprise 459 companies.
- **Diversified Industry:** The economic sectors that drive the region are the electronic, automotive and medical. The main companies located in the city are: Lear Corporation, Delphi, Foxconn, Continental and Johnson & Johnson, among others.
- **Congresses and Conventions:** The *Conventions and Visitors Office* of Ciudad Juarez has worked to increase activity in this segment. During the first 11 months of 2015, an income of Ps. 112 million was generated, and approximately 41,000 room nights were generated.

This property is located in the heart of the city, and is 1.1 km from the Central Park and 2.4 kms from the United States Consulate. The property registered an occupancy of 72%, an average daily rate of Ps. 626 and a RevPar of Ps. 450 during 2015.



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As of today, Fibra Inn has a total portfolio of 43 properties; of which 40 hotels are in operation, two are under a binding agreement and one is under development. The total is 7,277 rooms, of which 623 are currently under construction.

Casa Grande Ciudad Juárez

Av. Tecnológico 3620, Colonia Partido Iglesias, Ciudad Juárez, Chihuahua, CP 32617.

Façade



Rooms



Common Areas



About the Company

Fibra Inn is a Mexican trust formed primarily to acquire, develop, operate and rent a broad range of hotel properties in Mexico aimed at the business traveler. The Company has signed franchise, license and brand usage agreements with international hotel brands for the operation of global brands as well as the operation of national brands. Additionally, the Company has development agreements. These hotels enjoy some of the industry's top loyalty programs. Fibra Inn trades its Real Estate Certificates (Certificados Bursátiles Fiduciarios Inmobiliarios or "CBFIs") on the Mexican Stock Exchange under the ticker symbol "FINN13"; its ADR trades on the OTC market in the U.S. under the ticker symbol "DFBRY".

For more information, please visit: www.fibrainn.mx

Note on Forward-Looking Statements

This press release may contain forward-looking statements. These statements are statements that are not historical facts, and are based on management's current view and estimates of future economic circumstances, industry conditions, Company performance and financial results. Also, certain reclassifications have been made to make figures comparable for the periods. The words "anticipates", "believes", "estimates", "expects", "plans" and similar expressions, as they relate to the Company, are intended to identify forward-looking statements. Statements regarding the declaration or payment of dividends, the implementation of principal operating and financing strategies and capital expenditure plans, the direction of future operations and the factors or trends affecting financial condition, liquidity or results of operations are examples of forward-looking statements. Such statements reflect the current views of management and are subject to a number of risks and uncertainties. There is no guarantee that the expected events, trends or results will actually occur. The statements are based on many assumptions and factors, including general economic and market conditions, industry conditions, and operating factors. Any changes in such assumptions or factors could cause actual results to differ materially from current expectations.