

Fibra Inn Announces the Acquisition of the Holiday Inn Reynosa Industrial Poniente Hotel & Hampton Inn by Hilton Hermosillo Hotel

Monterrey, Mexico, June 1, 2015 - Deutsche Bank Mexico, S.A., Banking institution, Trust Division F/1616 or Fibra Inn (BMV: FINN13) ("Fibra Inn" or "the Company"), a Mexican real estate investment trust specializing in the hotel industry serving the business traveler, announced today the formalization of the acquisition of the Holiday Inn Reynosa Industrial Poniente hotel, located in the state of Tamaulipas and the Hampton Inn by Hilton Hermosillo, located in the state of Sonora.

Holiday Inn Reynosa Industrial Poniente

The acquisition price was Ps. 103.6 million, Ps. 11.0 million was used towards the purchase of an adjoining land lot and Ps. 26.2 million for taxes and acquisition-related expenses. Additionally, Ps. 81.9 million will be invested in a 100-room expansion. The total investment is Ps. 222.7 million and the projected cap rate equals to 10.55%. The payment was made using funds from the CBFII issuance carried out during November 2014.

The hotel currently has 95 rooms, operates in the full-service segment and is operated by Fibra Inn. The annual operating indicators for the hotel during 2014 show 65% occupancy levels, an average daily rate of Ps. 1,010 and RevPar of Ps. 656.5.

The business fundamentals employed by Fibra Inn for the acquisition of this hotel are the following:

- **Diversified Industry:** The hotel is located in a region with diverse industries, with an important presence of electronic and automotive companies such as LG, Panasonic, Motorola, Nokia, Lear, Delphi, Monroe, TRW, and others. The city of Reynosa has significant activity from the energy sector in Mexico and is part of the Cuenca de Burgos. This market is considered part of the Gulf of Mexico corridor, despite being located in continental territory. Some of the main companies in the energy sector include Weatherford, Halliburton, Dupont, Pemex and Schlumberger, among others.
- **Leadership:** Fibra Inn also owns the Hampton Inn by Hilton Reynosa Industrial Poniente hotel, located in front of the Holiday Inn Reynosa Industrial Poniente; via which the Company has 2 leading hotels in this location.
- **Position:** The hotel is positioned as one of the leaders in the area, operating under a global brand, in an area where there are currently 34 hotel offerings, most of which are independently-owned.
- **Location:** This hotel is strategically located, surrounded by major industrial parks, which generate important demand in this city.
- **Synergies:** There are significant synergies considered, aimed at lowering operating costs and improving revenue margins, since Fibra Inn owns the two hotels.
- **Expansion Potential:** The hotel currently has 95 rooms and the land lot purchased allows the possibility of increasing revenues via the construction of 100 additional rooms, thereby further diluting operating costs.



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Façade



Rooms



Common Areas



Hampton Inn by Hilton Hermosillo

The acquisition price was Ps. 175.0 million plus Ps. 12.7 million for taxes and acquisition-related expenses. An additional Ps. 27.3 million is destined towards a 56-room expansion, for a total investment of Ps. 215.0 million. The projected stabilized cap rate is equal to 10.2%. The payment was made using funds from the CBFi issuance carried out during November 2014.

The hotel currently has 151 rooms, is in the select-service segment and is operated by Fibra Inn. This property initiated operations six months ago; therefore, its performance indicators are in the stabilization state.

The business fundamentals for the acquisition of this hotel are the following:

- **Diversified Industry:** The hotel is located in a region with diverse industries, with an important presence of the automotive sector. Companies located in the region include Ford Motors, Delphi, Bosch, Tyco



Electronics, Bachoco, Bimbo, Thermadyne, Magna, Lear and BASF. Recently, the mining industry experienced a comeback, with companies such as Grupo Mexico, Cementos Apasco, Cementos Portland, Minería Pilares, among others. In addition, the U.S. Consulate centralized its visa operations in this location to serve the Northwestern region of Mexico.

- **Leadership Potential:** The hotel has the potential to become a leader in the region, as it operates under a globally-renowned brand, and is in a market with a hotel offering that includes 34 mostly independent properties.
- **Location:** The hotel is strategically located, as it is surrounded by the main industrial parks of the city, which generate an important demand.
- **Expansion Potential:** The hotel currently has 151 rooms and the construction of 56 additional rooms will maximize income and dilute operating costs.

Façade



Rooms



Common Areas



With these acquisitions, Fibra Inn has a portfolio of 33 hotels, plus two hotels under development, with a total of 5,940 rooms; 621 of these are currently under construction.

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. Headquartered in Monterrey, Fibra Inn has a portfolio of high-quality real estate properties aimed at the business traveler and that are geographically diversified throughout Mexican territory. The Company has signed Franchise Agreements with IHG to operate its global brands, including: Holiday Inn, Holiday Inn Express, Holiday Inn & Suites, Holiday Inn Express & Suites and Crowne Plaza; with Wyndham Hotel Group to operate its global brands Wyndham Garden and Microtel Inn & Suites by Wyndham. Additionally, it has licensing agreements and brand usage agreements with Hilton to operate its brand Hampton Inn by Hilton and with Starwood Hotels & Resorts Worldwide to operate the Aloft brand. The Company has properties that operate with domestic brands like Camino Real and Casa Grande. Additionally, Fibra Inn has agreements with IHG, Marriott International, Wyndham Hotel Group and Hoteles City Express for development of properties. These hotels enjoy some of the industry's top loyalty programs. Fibra Inn recently listed its Real Estate Certificates (Certificados Bursátiles Fiduciarios Inmobiliarios or "CBFIs") on the Mexican Stock Exchange and trades under the ticker symbol "FINN13".

For more information, please visit our *new* website: 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.