

## **PRESS RELEASE**

### **SUBJECT:**

URBI, DESARROLLOS URBANOS, S.A.B. DE C.V., ANNOUNCES THAT LAST NIGHT, IT FILED A PRE-PACKAGED CONCURSO MERCANTIL PETITION WITH A PROPOSED RESTRUCTURING PLAN PREVIOUSLY AGREED, TOGETHER WITH MOST OF ITS CREDITORS.

### **PRESS RELEASE:**

- ✓ The Company has maintained its business on an on-going basis and has consolidated its operational structure.
- ✓ The Company has developed a Business Plan for 2014-2020 that forecasts the development and sale of approximately 10,000 homes during the 12 months after emerging from the Concurso Mercantil process.
- ✓ The agreement with its creditors will allow the Company to have the funding required to support its Business Plan.

Mexicali, B. C., December 02, 2014.- Urbi, Desarrollos Urbanos, S.A.B. de C.V. (the “Company”), a housing developer with more than 33 years in the market, announces that last night, it filed a pre-packaged Concurso Mercantil petition with a proposed restructuring plan previously agreed of its current debt and other obligations, together with most of its creditors.

The financial institutions that signed the proposed restructuring plan include Banco Mercantil del Norte, SA, Institution de Banca Multiple, Grupo Financiero Banorte and certain of its affiliates or subsidiaries, certain investment funds or accounts managed or advised by Prudential Real Estate Investors, certain investment funds or accounts managed or advised by Ashmore Investment Management Limited or its affiliates and certain investment funds, accounts and other entities managed or advised by BlueBay Asset Management LLP.

The proposed restructuring plan contemplates: (i) the potential reactivation of bridge loans to be provided by the Company’s major bank creditors; (ii) the provision of funding through new money investments to finance the Business Plan of the Company; and (iii) material changes to the terms of the existing secured and unsecured debt of the Company.

The restructuring is expected to be executed through a pre-packaged Concurso Mercantil with a Restructuring Plan previously agreed, for which the Company has obtained the support of a majority of creditors that is required by law, in order to bind all unsecured creditors as provided in the Restructuring Plan.

In addition, the Company discloses its audited financial statements as of December 31, 2013 as well as its internal financial statements as of September 30, 2014, that can be viewed through the Investor Relations website at [www.urbi.com](http://www.urbi.com) (the "Company's website").

Also, the Company and the group of creditors that support the Restructuring Plan agreed a Business Plan for the 2014-2020 period. This plan is based on four main considerations: (i) the suitability of the products and services of the Company to the current market, (ii) strengthening the operational capabilities of the Company, (iii) the use of the vast experience and talent of its human capital and (iv) creating a solid and feasible financial restructuring plan.

The Business Plan assumes a gradual growth in housing sales. During the 12 months after emerging from Concurso Mercantil, the Business Plan contemplates sales of approximately 10,000 houses and estimates sales of more than 29,000 houses in 2020.

Urbi believes the Business Plan is aligned with the National Housing Policy, which has promoted conditions aimed at sustainable growth in the Mexican housing market for the coming years, promoting the development of sustainable communities that emphasize quality of life. The Business Plan is available on the Company's website.

Additionally, the Company and certain parties agreed a provision of financing upon emergence from Concurso Mercantil, subject to certain terms and conditions.

The creditors party that signed the proposed restructuring plan hold in the aggregate approximately MXN\$21.9 billion in claims which represent 53.32% of the total claims as estimated by the Company.

The Company continues to have a situation of constrained liquidity to manage its operations and meet its obligations. The Company and its major creditors are working to design and eventually authorize, additional financing during the Concurso Mercantil process, as well as the reactivation of bridge loans provided by the Company's major bank creditors.

In the coming hours, fifteen subsidiaries controlled by the Company will file its Concurso Mercantil petition to be accumulated to the Company's petition.

The Company will keep the public informed on the progress of the Concurso Mercantil process and its financial restructuring. For further information regarding the Restructuring Plan, please refer to the Company's website.