CYRELA BRAZIL REALTY S/A EMPREENDIMENTOS E PARTICIPAÇÕES

Corporate Taxpayer's ID (CNPJ/MF): 73.178.600/0001-18
Corporate Registration Number (NIRE) 35.300.137.728

Minutes of the Meeting of the Board of Directors

DATE, TIME AND VENUE: on September 30, 2016, at 11:00 a.m., at the Company's headquarters, located at Avenida Engenheiro Roberto Zuccolo, 555, 1st floor, Room 1001, Postal Code 05307-190, Vila Leopoldina, in the City and State of São Paulo.

ROLL CALL: Roll call was waived since all the members of the Board of Directors were present.

ATTENDANCE: All the members of the Company's Board of Directors, namely: Elie Horn, Rogério Jonas Zylbersztajn, George Zausner, Rafael Novellino, Fernando Goldsztein, João César de Queiroz Tourinho and Rogério Frota Melzi ("Directors").

PRESIDING BOARD: Chairman (Rafael Novellino; Secretary – George Zausner.

AGENDA: To deliberate on: **(i)** making the seventh (7th) issue of simple unsecured non-convertible Company debentures in a single series, totaling one hundred fifty million reais (R$150,000,000.00), for private placement; and **(ii)** authorizing the Company's Executive Board to take any and all the steps needed to implement the aforementioned resolution formally.

RESOLUTIONS: After examination and discussion, the Directors unanimously decided to:

(I) Approved, under the terms of Section 59, Paragraph 1, of Law 6404, dated December 15, 1976, as amended ("Brazilian Corporations Law"), making the Seventh (7th) Issue of Simple Unsecured Non-Convertible Debentures in a single series, totaling one hundred fifty million reais (R$150,000,000.00) ("Issue" and "Debentures" respectively), for private placement ("Private Placement"), with the following features and under the following conditions:

(a) Total Amount and the Date of Issue: The Issue shall total one hundred fifty million reais (R$150,000,000.00) on September 30, 2016 ("Date of Issue");

(b) Number of Debentures: One hundred fifty thousand (150,000) Debentures shall be issued;

(c) Unit Par Value: The unit par value of the Debentures shall be one thousand reais (R$1,000.00) on the Date of Issue ("Unit Par Value");

(d) Series: This Issue shall have a single series;

(e) Form, Type and Convertibility: The Company shall simple non-convertible registered book-entry Debentures with no certificates;

(f) Security: The Debentures shall be unsecured and grant their holders no special or general privileges. There shall be no charge on any Company assets in particular to secure the Debentures should the Company's obligations connected therewith have to be enforced in or out of court;

(g) Tenure and Date of Maturity: The Debentures shall have a tenure of seven hundred ninety-five (795) days from the Date of Issue and mature on December 4, 2018 ("Date of Maturity");

(h) Placement: The Debentures shall be placed privately, pursuant to Section 52 et seq. of the Brazilian Corporations Law; as such, they do not have to be registered with CVM or ANBIMA [Associação Brasileira das Entidades dos Mercados Financeiro e de Capitais, or the Brazilian Association of Financial and Capital Markets Entities];

(I) Registration for Placement and Trading: The Debentures shall be placed privately exclusively for **CYBRA DE INVESTIMENTO IMOBILIÁRIO LTDA.** ("Debentureholder"), with no intermediation of any institution, whether or not from the distribution system of securities, nor any type of sale to the general public. The Debentures shall not be traded publicly, on any securities exchange or over the counter, yet may be traded privately. The Debentures shall not be registered to be distributed on the primary market, traded on the secondary market or placed on any type of electronic custody, whether on securities exchanges or on the organized over-the-counter market;

(j) Subscription Price and Payment Form: The Debentures shall be paid for at their Unit Par Value plus Interest, from the first Date of Payment (inclusive) to each Date of Payment (exclusive). The Debentures shall be subscribed by the Debentureholder upon the formal issuance of the Indenture, the proper registration of ownership, and the signature of the

subscription form. Under the terms to be stipulated in the assignment contract, the Debentureholder shall assign all of the Debentures to **BRAZIL REALTY COMPANHIA SECURITIZADORA DE CRÉDITOS IMOBILIÁRIOS**, a publicly-held corporation registered with CVM [Comissão de Valores Mobiliários, or Brazilian Securities Commission], headquartered at Avenida Presidente Juscelino Kubitschek, 1455, 4th floor, Postal Code 04543-011, enrolled in the Brazilian Ministry of Finance's Corporate Taxpayers' Registry (CNPJ/MF) under number 07.119.838/0001-48 ("Securitization Company"), including the obligation of payment, on the same date on which it subscribes such Debentures, which shall be paid for partially or in their entirety in local currency as the MBSs are paid for (with any date on which the Debentures are paid for partially or in their entirety considered a "Date of Payment");

(k) Interest Rate: The Debentures shall bear interest, from the first Date of Payment, at a rate of ninety-eight percent (98%) of the accrued variance of the daily average one-day DI (Depósitos Interfinanceiros, or Interbank Deposit) rates, "over extra-group", as a percentage per year, based on two hundred fifty-two (252) Business Days) calculated and announced by CETIP S.A. – Mercados Organizados in the daily report, available on (www.cetip.com.br), ("DI Rate" and "Interest Rate" respectively). The Interest Rate shall be calculated in an exponential and cumulative manner *pro rata temporis*, considering the number of Business Days elapsed, applied to the Unit Par Value of the Debentures remaining unpaid from the first Date of Payment of the Debentures to the date of its effective repayment based on the formula set forth in the Indenture;

(l) Interest Payments and Amortization: The first Interest payment shall be made on June 2, 2017, the remaining payments semi-annually thereafter, and the last payment on the Date of Maturity ("Date of Interest Payment");

(m) Early Maturity: The Company's obligations set forth the Indenture shall become immediately due, with or without a judicial notification, subject to the provisions of the Indenture, in case of any of the following events:

Automatic Early Maturity: (1) should the Company default on any of its pecuniary obligations, regarding the time and form of payment, set forth in the Debentures for over one (1) Business Day after such payments fall due; **(2)** should the Company go bankrupt; (Ii) should the Company file for bankruptcy; (Iii) should the Company fail to defeat any bankruptcy petition filed by third parties within the legal time limits; (Iv) should the Company

file for judicial or out-of-court reorganization, regardless of whether such petition is approved; (V) should the Company be liquidated, dissolved or terminated; or (vi) should any event characterizing the Company's insolvency, under applicable law, occur; **(3)** should the Company reduce its capital stock for any purpose other than the absorption of losses, unless previously authorized by the Debentureholders; **(4)** in case of default on, or early maturity of, any financial obligations of the Company and/or its subsidiaries, in the Brazilian or international market, in an individual or aggregate amount over and above one point five percent (1.5%) of the Company's Shareholders' Equity as shown in its quarterly balance sheet published most recently, considering the time limits to settle such obligations set forth in the respective contracts or instruments; **(5)** should the Company's financial obligations established in the Indenture are no longer at least in pari passu conditions with the Company's other unsecured debts, except for the obligations that have a preference by force of law; **(6)** in case of legitimate protests against the Company, in an individual or joint amount over and above one point five percent (1.5%) of the Company's Shareholder's Equity as shown in its quarterly balanced sheet published most recently, should the Company be responsible for paying the respective negotiable instrument and fails to pay it, or should such payments be deemed illegitimate or proven to have been wrongly made within 10 (ten) business days from the date on which the Company is notified of such event or is sued in connection therewith and fails to provide security therefor or fails to settle the debt within the time limit stipulated by the court or by means attached property, or should the Company default on obligations in financial transactions the amount of which is equal to or greater than the amount specified herein; except for protests filed erroneously or in bad faith by third parties provided that the Company provides valid proof of such event within the aforementioned time limit; **(7)** should the Company fail to comply with any final and unappealable court decisions or judgments against it in an individual or aggregate amount over and above one point five percent (1.5%) of the Company's Shareholder's Equity as shown in its quarterly balanced sheet published most recently, or the corresponding amount in other currencies within ten (10) days from the date stipulated for payment; **(8)** in case of a spin-off, consolidation, merger (whether or not by means of a stock-for-stock transaction) or any other type of corporate restructuring involving the Company and resulting in a change of the Company's control, except upon prior written consent from the Debentureholder, approved by a Meeting of the MBS Holders, or if the Debenture is granted the right of

redemption, in accordance with the decision of the MBS holders desiring to grant it, under the terms of Section 231 of the Brazilian Corporations Law; **(9)** should the Company become a Brazilian limited liability company under Sections 220 to 222 of the Brazilian Corporations Law; **(10)** should the Company assign or promise to assign to third parties its obligations under the Indenture, without the prior consent of the Debentureholder approved at a Special Meeting of the MBS Holders;

Non-Automatic Early Maturity: (1) should the Company or any of its subsidiaries default on any non-pecuniary obligation, regarding the time and manner of performance, connected with the Debentures and set forth in Indenture, including the obligation to submit a Quarterly Report on the use of proceeds from the Debentures, within thirty (30) days after notified of such default; (i) by the Company to the Debentureholder, or (ii) by the Debentureholder or any third party to the Company, whichever occurs first, considering such time limit does not apply to the obligations for which a specific deadline has been stipulated; **(2)** should any representations or warranties provided by the Company in the Indenture be proven false or incorrect or misleading in any material respect; **(3)** should the Company pay dividends, interest on equity or any other amounts to shareholders while it is in default on any of the pecuniary or non-pecuniary obligations established in the Indenture, subject to the time limits set forth in items (a) and (b) hereinabove, with the exception, however, of the payment of the mandatory minimum dividend provided for in Section 220 of the Brazilian Corporations Law; **(4)** should any authorizations, concessions, subsidies, permits or licenses, including environmental permits, required by the regular activities of the Company not be renewed, or be cancelled, revoked or suspended, unless the Company proves, within thirty (30) days from the date of the aforementioned non-renewal, cancellation, revoking or suspension, the existence of a judicial act authorizing the regular continuity of the Company's activities until the said permit or authorization is renewed or obtained. **(5)** should any significant assets of the Company, including shares in subsidiaries, be sold, assigned or expropriated provided that the Company's risk rating is, as a result, downgraded by two (2) or more levels from its national risk rating immediately prior to such assignment of assets; **(6)** should there be any changes in the Company's business purpose that have a material impact on its current activities or that add new business activities that prevail over, or may represent material departure from, the activities it currently develops; **(7)** should the proceeds from the Issue be used for purpose other than that described in Article 3.5 of the Indenture; **(8)** should the

Company fails to comply with any of the financial ratios listed hereinbelow, to be calculated on a quarterly basis by the Company based on its audited consolidated financial statements for the quarters ended March, June, September and December of each year, and checked by the Securitization Company up to five (5) days after receipt of the calculation submitted by the Company ("Financial Ratios"): i. the ratio of (A) the sum of Net Debt and Unpaid Real Estate; to (B) Shareholders' Equity; shall always be equal to or lower than eighty cents (0.80); ii. the ratio of (A) the sum of Net Debt and Unpaid Real Estate; to (B) Shareholders' Equity; shall always be equal to or lower than eighty cents (0.80); and iii. the ratio of (A) EBIT to (B) Net Financial Expenses shall always be equal to or greater than one and a half (1.5) or lower than zero (0), and, in any situation, EBIT shall always be positive; where:

"Net Debt" is the sum of onerous debts as stated in the Company's consolidated balance sheet, minus cash and cash equivalents (sum of cash and short-term investments) minus the SFH [Sistema Financeiro de Habitação, or Financial Housing System] Debt and FGTS [Fundo de Garantia por Tempo de Serviço, or Workers' Severance Pay Fund] Debts;

"Unpaid Real Estate" is the sum of accounts payable connected with real estate acquired and the provision for costs budgeted to be incurred in the Company's consolidated balance sheet;

"Costs and Expenses to Be Recognized" is described in the Explanatory Notes to the Company's Consolidated Financial Statement.

"Net Financial Expenses" is the difference between financial expenses and financial income for the last twelve (12) months, as in the Company's Consolidated Income Statement;

"EBIT" is gross profit, minus selling expenses, general and administrative expenses, plus other net operating revenue for the last twelve (12) months, as shown in the Company's Consolidated Income Statement;

"SFH Debt" is the sum of all the Company's loan agreements on a consolidated basis: (i) the funds for which come from the Financial Housing System (including loan agreements of subsidiaries, accounted for proportionally to the Company's interest in each of them); and (ii) contracts of the "Plano Empresário" [Entrepreneur Plan] type;

"FGTS Debt" is any funds raised from the FGTS, under the terms of Caixa Econômica Federal Circular Letter 465, dated April 1, 2009 (or any other regulation that may replace it from time to time) as stated in the Company's consolidated balance sheet;

"Shareholders' Equity" is the Company's consolidated Shareholders' Equity, not including the amounts booked under the revaluation reserve, if any;
"Total Receivables" is the sum of all amounts to be received from the Company's customers in the short- and long term, stated or not in the Company's consolidated financial statements, as indicated in the Notes to the Company's Consolidated Financial Statements, based on the accounting practice approved by Conselho Federal de Contabilidade [Brazilian Federal Accounting Council] Resolution 963/03;
"Marketable Real Estate" is the amount in the Marketable Real Estate account in the Company's consolidated balance sheet;

(n) Early Redemption: The Company may, at its own discretion and at any time and upon approval of the Board of Directors, offer optional early redemption of all of the Debentures to be held by the Debentureholder under the terms to be established by the Indenture;
(o) Special Optional Early Redemption: The Company may, at its own discretion and at any time and upon approval of the Board of Directors, offer optional early amortization of the Debentures to be held by the Debentureholder under the terms to be established by the Indenture;
(p) Optional Acquisition: The Company may, at any time, acquire outstanding Debentures, subject to the provisions of Paragraph 2, of Section 55, of the Brazilian Corporations Law and the regulations issued by CVM provided that such acquisition is included in the Company's Management Report and Financial Statements. The Debentures acquired by the Company under this provision may be canceled, remain in the Company's treasury, or be traded privately;
(q) Use of Proceeds: The net proceeds raised by the Company shall be invested directly or indirectly through Special Purpose Entities controlled by the Company and dedicated to real estate projects, as described in the Indenture;
(r) Place of Payment: The payments owed by the Company in connection with the Issue shall be made through direct deposits to the checking account(s) to be indicated by the Debentureholder by written notice delivered to the Company at least fifteen (15) Business Days prior to the Date of Payment;

(II) the Company's Executive Board is hereby authorized to perform all the acts required by the Issue and the Private Placement, including but not limited to**:** (b) hiring the other service providers needed for the Issue, such as the mandatory bank, bookrunner, Fiduciary Agent and legal advisors among others; (c) negotiating the final terms and conditions of the Restricted Offer documents, including the Company's obligations, default events and the conditions for the early maturity of the Debentures; and (c) signing all the instruments and performing all the acts needed to hold the Issue and the Private Placement, including, but not limited to, the Indenture, the assignment contract and all the other Private Placement documents, as well as any amendments thereto. All the acts relating to the resolutions herein approved that may have been performed by the Executive Board prior to the date of this Meeting are hereby expressly confirmed and ratified as well.

ADJOURNMENT: There being no further business to be addressed, the Chairman adjourned the meeting. These minutes were then drafted, read out, approved and signed by all attendees. Signatures: Presiding Board: Rafael Novellino – Chairman; George Zausner – Secretary. Directors: Elie Horn, Rogério Jonas Zylbersztajn, George Zausner, Rafael Novellino, Fernando Goldsztein, João Cesar de Queiroz Tourinho and Rogério Frota Melzi. São Paulo, September 30, 2016.

This is an English translation of the original drafted in the proper book.

RAFAEL NOVELLINO	**GEORGE ZAUSNER**
Chairman	**Secretary**