

Publicly-held Company

CNPJ/MF nº 73.178.600/0001-18

NIRE - 35.300.137.728

MATERIAL FACT

São Paulo, February 17, 2017 – Pursuant to Article 157 of 6.404 Law, dated December, 1976, as amended, and Instruction 358, dated January 3, 2002, of Comissão de Valores Mobiliários (“CVM”), as amended, Cyrela Brazil Realty S.A. Empreendimentos e Participações (“Cyrela” ou “Companhia”), a residential real estate developer, announces to its shareholders and the market in general that:

Aiming to strengthen Cyrela’s Corporate Governance and reinforcing its commitment to transparency, meritocracy and perpetuation through a solid and active Board of Directors, the Board will propose an amendment to Cyrela’s Bylaw in the Annual General Meeting (dated April 28, 2017) in order to create the Co-President of the Board position, which will be held in conjunction with the current Chairman, Mr. Elie Horn.

During a meeting held in February 16, 2017, the Board approved *ad referendum* to the Annual General Meeting mentioned in above, the indication of Mr. Rogério Frota Melzi, who is a member of the Board of Director since 2014, to take over the Cyrela’s Board Co-President position.

Considering its approval and, as a consequence, the ratification of Mr. Rogério Frota Melzi indication to take over the Board Co-President position, Cyrela will take a step further to reach the best practices of management and Corporate Governance.

São Paulo, February 17, 2017.

CYRELA

Material Fact

Paulo Eduardo Gonçalves

Investor Relations Officer