



SUBJECT: Buyer Information Notice - Current Status Update

To our valued clients,

We want to speak to you directly and clearly about what is happening.

By now, many of you have seen the reports online and in the news. We understand why this has caused concern, and we believe it's better to address this head-on rather than speak around it.

On the administrative review

We received a Notice of Violation from the Environmental Management Bureau as part of their ongoing review. This is an administrative process.

We have already submitted our formal explanation and documentation, outlining why we believe there were no violations and showing that the development was undertaken with the required approvals and safeguards in place. This process allows both sides to present their findings before any conclusion is made.

At this point, no Environmental Compliance Certificate has been suspended or cancelled, and there is no blanket action affecting the Monterrazas development as a whole.

On the criminal case mentioned in the news

We have also seen reports stating that a criminal case has been filed in connection with earlier site activities related to a specific component of the development.

As of today, we have not received any formal summons. That said, we are fully prepared to face this process if and when it formally proceeds. We are confident in our position and believe the facts will show that we did not commit the acts being alleged.



It is important to understand that criminal cases of this nature relate to alleged past acts and are handled separately from the administrative processes that govern project approvals and permits.

What this means for the community

- There has been no action affecting ownership, titles, or existing approvals.
- These matters are being addressed at the developer level through proper legal and regulatory channels.
- Any action affecting permits would require a separate process and formal notice.

We also recognize the broader context. In times of public anger and grief, especially after a major disaster, it is often easier to point to a visible name or project rather than confront the deeper, systemic causes. While we respect the public's emotions, we are confident that the facts, when properly examined, will speak for themselves.

We remain committed to transparency, compliance, and doing this the right way.

If you have questions or would like to talk through any concerns, we encourage you to reach out to your Mont representative. We would rather address questions directly than leave room for speculation.

Together with this letter, we have attached a few pointers to give further clarity.

Thank you for your continued trust.

Sincerely,
The Mont Property Group, Inc.



Points of Clarification – Current Situation

1. What is currently happening at Monterrazas?

There are two separate matters being addressed through formal government processes:

- An administrative review by the Environmental Management Bureau (EMB).
- A criminal case referenced in the news, related to alleged past site activities connected to a specific component of the development.

These are distinct processes and are being handled independently through the proper channels.

2. What is the outlook, and how long do these processes usually take?

It would not be responsible to give specific timelines, as both administrative reviews and court processes follow procedures set by the agencies involved. What we can share is that these matters are moving through the expected stages.

Mont has already submitted the documentation and explanations requested as part of the administrative review and continues to respond promptly to any clarifications needed, allowing the evaluation process to move forward. Administrative reviews typically progress ahead of court proceedings, which follow a separate track.

3. What is the administrative review about?

The EMB issued a Notice of Violation as part of its review process. Mont has already submitted its formal explanation and supporting documentation, outlining why it believes there were no violations and showing that the development was undertaken with the required approvals and safeguards.



This process allows both the regulator and the developer to present their findings before any conclusion is reached.

4. Has any permit or Environmental Compliance Certificate (ECC) been suspended or cancelled?

No. At this time, no ECC has been suspended or cancelled, and there is no blanket action affecting the Monterrazas development as a whole.

5. What is the criminal case mentioned in the news?

Media reports have referred to a criminal case connected to earlier site activities related to a specific component of the development.

As of today, no formal summons has been received. If and when the process formally proceeds, Mont is prepared to face it and is confident that the facts will be properly examined through due process.

6. Does the criminal case affect project permits or approvals?

The criminal case mentioned in the news relates to allegations about specific past site activities and is directed at the developer. It looks at whether any individuals or entities may have violated forestry laws in the past.

Importantly, this type of criminal case is separate from project permits and approvals.

7. Is there a work stoppage, and what does it mean in practical terms?

Certain developer-led activities are temporarily paused as part of the EMB's administrative review. This is a standard part of the evaluation process while documentation and clarifications are being reviewed.

Private residential works within Monterrazas continue under the usual local permitting and construction processes, subject to standard city and agency requirements.

8. Does this affect buyers, homeowners, or property ownership?

There has been no action affecting ownership, titles, or existing approvals. Buyers and homeowners are not parties to these proceedings, which are being addressed at the developer level.

9. Is the project still moving forward?

Yes. The developer remains committed to completing the project responsibly and in full compliance with regulatory requirements. The processes currently underway are part of how large developments address questions and move forward within the system.

10. Did Monterrazas cause the major flooding in Cotcot, Bacayan, Mandaue, or Talisay?

The areas that experienced the most severe flooding are simply too far from Monterrazas and lie in different locations and drainage areas. They are not within the immediate vicinity of the development. Contrary to what is being portrayed in the media, Monterrazas de Cebu did not cause flooding in Cotcot, Bacayan, Mandaue, or Talisay.

11. What is Mont doing to address the situation?

Mont is:

- Cooperating fully with regulatory reviews
- Submitting required explanations and documentation
- Engaging environmental, engineering, and legal professionals
- Responding promptly to clarifications requested by regulators

The focus is on resolving these matters responsibly and transparently.



12. How will updates be shared?

If there are material developments, they will be communicated through appropriate official channels. Buyers who have specific concerns are encouraged to reach out to their Mont representative for clarification.

Final note

We understand that uncertainty can be unsettling. These matters are being addressed through established processes, and our priority remains the long-term integrity of the Monterrazas community.