

Manulife US REIT Completes Acquisition of 500 Plaza Drive in New Jersey, U.S.

- Freehold office building to diversify the REIT's portfolio geographically
- High occupancy of 98.9% and long WALE of 9.2 years
- Yield accretive acquisition with purchase price of US\$115 million

Singapore, 20 July 2017 – Manulife US Real Estate Investment Trust ("Manulife US REIT" or the "REIT"), the first pure-play U.S. office REIT listed in Asia, today announced the completion of its maiden acquisition in the United States ("U.S."), **500 Plaza Drive** ("Plaza"), boosting the REIT's total portfolio valuation by 13.9% to US\$950.2 million¹.

Located in Secaucus, New Jersey, Plaza is connected to Midtown Manhattan via bus and train and is approximately three miles to New York City via Lincoln Tunnel. This 11-storey Class A office building joins the ranks of the REIT's initial portfolio of high quality income-producing assets, [Figueroa in Downtown Los Angeles](#), [Michelson in Orange County](#) and [Peachtree in Midtown Atlanta](#), producing strong and visible income growth for the REIT. With 461,525 sq ft of net lettable area ("NLA"), Plaza has also significantly increases the REIT's NLA by approximately 25.9% to 2,245,473 sq ft.

Plaza underwent major refurbishment in 2015 and 2016 at a cost in excess of US\$16 million, with improvements made to the amenities and substantial upgrades to the finishes and grounds. Onsite amenities include a 5-storey atrium lobby, a café and lounge, executive conference centre, high-end fitness centre and building-wide Wi-Fi connectivity.

The acquisition of Plaza was partly funded by a private placement of 97,003,000 new units in Manulife US REIT at an issue price of US\$0.83 per new unit, representing a 3.5% discount to the adjusted volume weighted average price ("VWAP")² of US\$0.8597 per unit. The private placement was over-subscribed with strong participation from new and existing

1 Reported book values as at 31 March 2017, based on 31 December 2016 appraised values after capitalisation of capital expenditures, tenant improvement allowances and leasing costs. The value of Plaza is based on independent valuation by Cushman & Wakefield as at 2 June 2017.

2 The Adjusted VWAP is computed based on the VWAP of all trades in the Units on the SGX-ST for the Market Day on 19 June 2017 (being the Market Day on which the Placement Agreement was signed) and subtracting 3.2 US cents per Unit (which represents the mid-point of the range of the Advanced Distribution (as defined in the Announcement)). This amount is only an estimate based on information currently available to the Manager and the Manager's estimate of Manulife US REIT's revenue and expenses (including estimated and pro-rated performance fees payable to the Manager), and the actual Advanced Distribution may differ.

DBS Bank Ltd. was the Sole Financial Adviser and Issue Manager for the initial public offering of Manulife US Real Estate Investment Trust (" Offering "). DBS Bank Ltd., China International Capital Corporation (Singapore) Pte. Limited, Credit Suisse (Singapore) Limited and Deutsche Bank AG, Singapore Branch were the Joint Bookrunners and Underwriters for the Offering.

investors and the upside option was exercised, increasing the issue size from US\$60.1 million to US\$80.5 million. Demand was dominated by long-only institutional investors, which took up over three-quarters of the private placement, with the balance placed to private wealth clients and multi-strategy funds. With the issue and listing of the new units, Manulife US REIT had a total number of 728,368,359 Units and a market capitalisation of US\$670.1 million as at 19 July 2017.

Post completion, Plaza's contribution will be reflected in the REIT's financial results for the quarter ending 30 September 2017 ("3Q2017").



Rationale and Key Highlights of Plaza

- Expands the REIT's geographic footprint via best-in-class office building minutes away from New York City
- A high quality and cost effective alternative location to Manhattan's office submarket and home to many corporate headquarters and Fortune 500 companies
- Freehold property with high occupancy of 98.9%, and a long weighted average lease expiry ("WALE") of 9.2 years based on committed leases as at 31 March 2017
- Increases overall portfolio's income, as well as enhances diversification of tenant base, reducing risk across property cycles in the U.S.
- Adds value to the REIT's unitholders through accretion in distribution per unit ("DPU") - pro forma DPU for the financial period ended 31 December 2016 ("FY2016") would increase by 2.3% from 3.55 US cents to 3.63 US cents post-acquisition
- Capitalises on growth opportunities in line with the REIT's long term strategy

Overall Portfolio Overview

	Figueroa	Michelson	Peachtree	Plaza	Portfolio
Location	Los Angeles	Irvine	Atlanta	Secaucus	-
Property Type	Class A	Trophy	Class A	Class A	-
Completion Date	1991	2007	1991	1985	-
Last Refurbishment	2015	-	2015	2016	-
Property Value²	US\$312.9M	US\$334.6M	US\$186.7M	US\$116.0M	US\$950.2M
Occupancy⁴ (%)	98.0%	99.1%	94.4%	98.9%	97.6%
NLA (sq ft)	695,403	532,603	555,942	461,525	2,245,473
WALE⁴ (by NLA)	5.5 years	5.1 years	6.0 years	9.2 years	6.3 years
Land Tenure	Freehold	Freehold	Freehold	Freehold	Freehold
No. of Tenants⁴	30	16	25	7	78

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NOTE: This Press Release is to be read in conjunction with the SGXNET Announcement released by Manulife US REIT on 19 June 2017.

About Manulife US REIT

Manulife US Real Estate Investment Trust (“Manulife US REIT”) is the first pure-play U.S. office REIT listed in Asia. It is a Singapore REIT established with the investment strategy principally to invest, directly or indirectly, in a portfolio of income-producing office real estate in key markets in the United States (“U.S.”), as well as real estate-related assets.

Manulife US REIT’s initial portfolio (“IPO Portfolio”) comprises three prime, freehold and Class A or Trophy quality office properties strategically located in Los Angeles; Irvine, Orange County; and Atlanta. The IPO Portfolio, valued at US\$834.2 million⁵, has an aggregate Net Lettable Area of 1.8 million sq ft and an occupancy rate of 97.2% as at 31 March 2017.

3 Reported book values as at 31 March 2017, based on 31 December 2016 appraised values after capitalisation of capital expenditures, tenant improvement allowances and leasing costs. The value of Plaza is based on independent valuation by Cushman & Wakefield as at 2 June 2017.

4 As at 31 March 2017.

5 Based on 31 December 2016 appraised values after capitalisation of capital expenditures, tenant improvement allowances and leasing costs.

About the Sponsor – The Manufacturers Life Insurance Company (“Manulife”)

Manulife is part of a leading Canada-based financial services group with principal operations in Asia, Canada and the United States. The Sponsor operates as John Hancock in the U.S. and as Manulife in other parts of the world, providing a wide range of financial protection and wealth management products, such as life and health insurance, group retirement products, mutual funds and banking products. The Sponsor also provides asset management services to institutional customers. Assets under management and administration by Manulife and its subsidiaries were approximately US\$754 billion as at 31 March 2017. Manulife Financial Corporation is listed on the Toronto Stock Exchange, the New York Stock Exchange, the Hong Kong Stock Exchange and the Philippine Stock Exchange.

About the Manager – Manulife US Real Estate Management Pte. Ltd.

The Manager is Manulife US Real Estate Management Pte. Ltd., an indirect wholly-owned subsidiary of the Sponsor. The Manager’s key objectives are to provide Unitholders with regular and stable distributions and to achieve long-term growth in DPU and NAV per Unit, while maintaining an appropriate capital structure.

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The value of units in Manulife US REIT (“Units”) and the income derived from them may fall as well as rise. The Units are not obligations of, deposits in, or guaranteed by the Manager, DBS Trustee Limited (as trustee of Manulife US REIT) or any of their respective affiliates.

An investment in the Units is subject to investment risks, including the possible loss of the principal amount invested. Holders of Units (“Unitholders”) have no right to request that the Manager redeem or purchase their Units while the Units are listed. It is intended that Unitholders may only deal in their Units through trading on Singapore Exchange Securities Trading Limited (the “SGX-ST”). Listing of the Units on the SGX-ST does not guarantee a liquid market for the Units. The past performance of Manulife US REIT is not necessarily indicative of the future performance of Manulife US REIT.