MANULIFE US REAL ESTATE INVESTMENT TRUST (“MUST”)
(Constituted in the Republic of Singapore pursuant to a
Trust Deed dated 27 March 2015 (as amended and restated))

MINUTES OF ANNUAL GENERAL MEETING

PLACE	:	NTUC Auditorium Level 7, NTUC Centre One Marina Boulevard Singapore 018989
DATE	:	Monday, 23 April 2018
TIME	:	10.00 a.m.
PRESENT	:	Please see Attendance List attached hereto.
CHAIRMAN	:	Mr Hsieh Tsun-Yan

QUORUM

As a quorum was present, the Chairman of Manulife US Real Estate Management Pte. Ltd., Manager of MUST (the “**Manager**”) declared the Annual General Meeting of MUST (“**AGM**”) opened at 10.00 a.m. and introduced the Directors and Management who were present at the meeting.

PRESENTATION BY CHIEF EXECUTIVE OFFICER (“CEO”) TO UNITHOLDERS

The CEO of the Manager, Ms Jill Smith, shared a short presentation on MUST to provide unitholders with an overview of the Group’s financial performance for FY2017, in particular the following updates were noted by the unitholders:

- 2 accretive acquisition of the properties known as Plaza and Exchange were completed in June and November 2017;
- MUST’s distribution per unit had outperformed projections in all quarters for FY2017 and its total valuation was US$1,312.8 million. During FY2017, MUST had recorded an increase in the value of its assets under management (“**AUM**”), market capitalisation, total unitholder return and unit price;
- MUST had established a multicurrency debt issuance programme of US$1.0 billion on 13 April 2018 so as to optimize its capital structure and increase financial flexibility;
- MUST’s distribution yield at 7.1% is relatively high compared to Other Investments;
- Overview on MUST’s portfolio of properties, including each property’s value, occupancy rate, weighted average lease expiry and debt maturity profile;
- Overview on the rental cycle in central business district and suburban in United States, including MUST’s diversified and high quality tenants and overall office market supply and vacancy in FY2018;

- Proposed acquisition of 2 new properties known as "1750 Pennsylvania Ave" situated in Washington, D.C. and "Phipps Tower" situated in Atlanta from the Sponsor, The Manufacturers Life Insurance Company; and

- MUST targets to double its AUM from US$1.3 billion to US$2.6 billion within 2 years through accretive acquisitions.

Following the CEO's presentation, the Chairman proceeded with the business of the AGM.

NOTICE

With the consent of the unitholders present, the Notice of AGM convening the meeting was taken as read.

INTRODUCTION

The Chairman informed the meeting that:

(i) he had been appointed as proxy by unitholders and would be voting in accordance with their wishes;

(ii) all the resolutions tabled at the AGM would be voted by way of poll (in accordance with the requirements of the Listing Rules of Singapore Exchange Securities Trading Limited (the "**SGX-ST**"));

(iii) the polling for all the resolutions would be conducted electronically via wireless handset and the voting would take place immediately after each motion had been duly proposed and seconded; and

(iv) the Q&A session would be opened to the floor upon each motion had been proposed and seconded by the unitholders.

ORDINARY BUSINESS:

1. REPORTS AND AUDITED FINANCIAL STATEMENTS – RESOLUTION 1

The Resolution 1 as set out in the Notice of AGM was proposed by the Chairman and seconded by a unitholder/proxy.

After dealing with questions from the unitholders, the motion was put to vote and the results of the poll for Resolution 1 were as follows:

FOR		AGAINST		TOTAL	
No. of Units	As a percentage of total no. of votes for the resolution (%)	No. of Units	As a percentage of total no. of votes against the resolution (%)	Total no. of units represented by votes for and against the resolution	As a percentage of total no. of votes for and against the resolution (%)
220,339,860	99.99	21,600	0.01	220,361,460	100.00

Based on the results of the poll, the motion was declared carried by the Chairman and it was RESOLVED:

"That the Report of DBS Trustee Limited, as trustee of MUST, the Statement by the Manager and the Audited Financial Statements of MUST for the financial year ended 31 December 2017 together with the Auditors' Report thereon be received and adopted."

2. RE-APPOINTMENT OF AUDITORS – RESOLUTION 2

The meeting noted that the Auditors of MUST, Messrs Ernst & Young LLP, had expressed their willingness to continue in office and unitholders were asked to consider and approve their re-appointment.

The Resolution 2 as set out in the Notice of AGM was proposed by the Chairman and seconded by a unitholder/proxy.

After dealing with questions from the unitholders, the motion was put to vote and the results of the poll for Resolution 2 were as follows:

FOR		**AGAINST**		**TOTAL**	
No. of Units	As a percentage of total no. of votes for the resolution (%)	No. of Units	As a percentage of total no. of votes against the resolution (%)	Total no. of units represented by votes for and against the resolution	As a percentage of total no. of votes for and against the resolution (%)
219,591,360	99.89	242,500	0.11	219,833,860	100.00

Based on the results of the poll, the motion was declared carried by the Chairman and it was RESOLVED:

"That Messrs Ernst & Young LLP be re-appointed as Auditors of MUST to hold office until the conclusion of the next Annual General Meeting of MUST, and to authorise the Manager to fix their remuneration."

SPECIAL BUSINESS

3. AUTHORITY TO ISSUE UNITS – RESOLUTION 3

The text of Resolution 3 as set out in the Notice of AGM was proposed by the Chairman and seconded by a unitholder/proxy.

After dealing with questions from the unitholders, the motion was put to vote and the results of the poll for Resolution 3 were as follows:

FOR		AGAINST		TOTAL	
No. of Units	As a percentage of total no. of votes for the resolution (%)	No. of Units	As a percentage of total no. of votes against the resolution (%)	Total no. of units represented by votes for and against the resolution	As a percentage of total no. of votes for and against the resolution (%)
206,114,377	93.68	13,911,332	6.32	220,025,709	100.00

Based on the results of the poll, the motion was declared carried by the Chairman and it was RESOLVED:

*"That pursuant to Clause 5 of the trust deed constituting MUST (as amended and restated) (the "**Trust Deed**") and listing rules of the SGX-ST, the Manager be authorised and empowered to:*

*(a) (i) issue units in MUST ("**Units**") whether by way of rights, bonus or otherwise; and/or*

*(ii) make or grant offers, agreements or options (collectively, "**Instruments**") that might or would require Units to be issued, including but not limited to the creation and issue of (as well as adjustments to) options, warrants, debentures or other instruments convertible into Units,*

at any time and upon such terms and conditions and for such purposes and to such persons as the Manager may in its absolute discretion deem fit; and

(b) issue Units in pursuance of any Instruments made or granted by the Manager while this Resolution was in force (notwithstanding that the authority conferred by this Resolution may have ceased to be in force at the time such Units are issued),

provided that:

(1) the aggregate number of Units to be issued pursuant to this Resolution (including Units to be issued in pursuance of Instruments, made or granted pursuant to this Resolution) shall not exceed fifty per cent (50%) of the total number of issued Units (excluding treasury Units and subsidiary holdings, if any) (as calculated in accordance with sub-paragraph (2) below), of which the aggregate number of Units to be issued other than on a pro rata basis to Unitholders shall not exceed twenty per cent (20%) of the total number of issued Units (excluding treasury Units and subsidiary holdings, if any) (as calculated in accordance with sub-paragraph (2) below);

(2) subject to such manner of calculation as may be prescribed by SGX-ST, for the purpose of determining the aggregate number of Units that may be issued under sub-paragraph (1) above, the total number of issued Units (excluding treasury Units and subsidiary holdings, if any) shall be based on the total number of issued Units (excluding treasury Units and subsidiary holdings, if any) at the time this Resolution is passed, after adjusting for:

(a) any new Units arising from the conversion or exercise of any Instruments which are outstanding at the time this Resolution is passed;

(b) any subsequent bonus issue, consolidation or subdivision of Units;

(3) in exercising the authority conferred by this Resolution, the Manager shall comply with the provisions of the Listing Manual of the SGX-ST for the time being in force (unless such compliance has been waived by the SGX-ST) and the Trust Deed for the time being in force (unless otherwise exempted or waived by the Monetary Authority of Singapore);

(4) unless revoked or varied by the Unitholders in a general meeting of MUST, the authority conferred by this Resolution shall continue in force until (i) the conclusion of the next AGM of MUST or (ii) the date by which the next AGM of MUST is required by applicable laws or regulations to be held, whichever is earlier;

(5) where the terms of the issue of the Instruments provide for adjustment to the number of Instruments or Units into which the Instruments may be converted in the event of rights, bonus or other capitalisation issues or any other events, the Manager is authorised to issue additional Instruments or Units pursuant to such adjustment notwithstanding that the authority conferred by this Resolution may have ceased to be in force at the time the Instruments or Units are issued; and

(6) the Manager and the Trustee be and are hereby severally authorised to complete and do all such acts and things (including executing all such documents as may be required) as the Manager or, as the case may be, the Trustee may consider expedient or necessary or in the interest of MUST to give effect to the authority conferred by this Resolution."

CONCLUSION

There being no other business, the Chairman declared the AGM of MUST closed at 11.00 a.m. and thanked everyone for their attendance.

**CONFIRMED AS TRUE RECORD
OF PROCEEDINGS HELD**

**HSIEH TSUN-YAN
CHAIRMAN**

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ANNUAL GENERAL MEETING

ATTENDANCE LIST
(Directors and Management)

PLACE	:	NTUC Auditorium Level 7, NTUC Centre One Marina Boulevard Singapore 018989
DATE	:	Monday, 23 April 2018
TIME	:	10.00 a.m.

S/No.	**Name**	**Position**
1.	Hsieh Tsun-Yan	Chairman / Non-Executive Director
2.	Lau Chun Wah @ Davy Lau	Independent Non-Executive Director / Lead Independent Director
3.	Ho Chew Thim	Independent Non-Executive Director
4.	Veronica Julia McCann	Independent Non-Executive Director
5.	Dr Choo Kian Koon	Independent Non-Executive Director
6.	Kevin John Eric Adolphe	Non-Executive Director
7.	Michael Floyd Dommermuth	Non-Executive Director
8.	Jill Smith	Chief Executive Officer
9.	Jagjit Obhan	Chief Financial Officer
10.	Jennifer Schillaci	Chief Investment Officer
11.	Caroline Fong	Head of Investors Relations
12.	Choong Chia Yee	Financial Controller
13.	Daphne Chua	Head of Compliance

APPENDIX

MANULIFE US REAL ESTATE INVESTMENT TRUST ("MUST")

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SUMMARY OF QUESTIONS AND ANSWERS DEALT DURING ANNUAL GENERAL MEETING HELD ON MONDAY, 23 APRIL 2018 (the "AGM")

Question 1	**:**	**The net property income disclosed on pages 34 and 35 of the Annual Report for Plaza and Exchange are not annualised figures, since these 2 properties were bought in July 2017 and October 2017, respectively. Can I assume that the net property income ("NPI") yield for Plaza and Exchange (if annualised for FY2017) is approximately 6% to 7%?**
Response (Jagjit Obhan)	:	Yes, the NPI yield for Plaza is 8.2% based on the purchase price of US$115 million. For the Exchange, the NPI yield is 6.5% based on the purchase price of US$315.1 million. The amounts disclosed in our results are only from the acquisition date of the properties till the end of the year.
Question 2	**:**	**Page 4 of the Annual Report states that MUST intend to double its Assets Under Management ("AUM") to US$2.6 billion by 2019. Based on my simple calculation, MUST can only borrow up to maximum US$1.17 billion since the maximum limit for its gearing is 40% and there seems to be some funding gap. Can the unencumbering of the properties fund the gap? Is MUST planning to bridge this gap by way of future rights issuance or issuance of bonds or perpetual securities?**
Response (Jagjit Obhan)	:	MUST's current gearing ratio is 33.7% and this provides headroom of approximately US$150 million from our internal gearing target/limit of 40%. As mentioned by Jill (during the CEO's presentation earlier), MUST had also established the EMTN programme which allows MUST the flexibility to tap on potential investors via issuance of perpetual securities and bond investments. Funding for the additional US$1.3 billion will be determined on a deal-by-deal basis and MUST will maintain an optimum mix of its equity, debt and perpetual securities. We are mindful not to over-extend ourselves and will ensure that MUST's funding mix is accretive to the unitholders.
Comment/ Feedback	:	**The NPI yield for each property is not disclosed in the Annual Report, is it possible to include this going forward?**
Response (Jagjit Obhan)		Thank you, we will take into account your feedback.
Question 3	**:**	**In view of the increasing wages in the US and the rebound in the oil prices, is there any concern that the property expenses will continue to increase going forward? What are MUST's cost-saving initiatives?**
Response (Jagjit Obhan)	:	In terms of property expenses, 4/5 of our properties are triple-net buildings, which means that any increase in costs are passed on to the tenants. In terms of cost-saving initiatives, we have a cap on the property expenses for

Michelson (which is a gross building) and any amount in excess will be passed on to the tenants. MUST has also implemented a Utility/Energy savings programme for Michelson, whereby MUST pays “non-peak” amounts/rates during the “peak” hours. We are very cautious in ensuring that the different operative initiatives are useful to the tenants and generates positive yields.

Question 4 : **What is the proportion of the property costs that can be passed on to the tenants?**

Response (Jagjit Obhan) For the triple-net buildings, all recoverable expenses can be passed on over to the tenants based on the space they occupy. In total, majority of the property expenses can be passed on to the tenants. Based on MUST’s overall occupancy rate of 95.8%, the entire 95.8% can be passed to the tenants. As such, MUST is well protected and this will result in higher NPI yield and distribution to unitholders.

Question 5 : **Are there any changes in the rental structure required by the tenants? Has the market changed recently or is it in line with the overall rental market in the US?**

Response (Jennifer Schillaci) : There have been little or no changes to the actual structure of the rents over majority of market years in the past. MUST’s triple-net properties continue to be triple-net as well as the developmental buildings. We have not seen any changes nor do we expect to see any major changes in the rental structure in the near future.

Question 6 : **Since MUST intends to double the size of its portfolio, are there any specific areas or places where MUST would like to increase its investments?**

Response (Jennifer Schillaci) : We are currently scouring the entire US and what we are looking for are specific attributes of the cities, in particular, young demographics, growing GDP, a well-educated population. We are currently looking at a number of cities across the US, especially the major cities.

Question 7 : **Is there any specific city that MUST is currently looking at?**

Response (Jennifer Schillaci) : The US is a very large country and MUST have a lot of opportunities for acquisitions across the US.

Question 8	:	**With reference to rental cycle (shown during the CEO's presentation earlier), do we have to be concerned that MUST would be making a lot of acquisitions when the market is at peak in general?**
Response (Jennifer Schillaci)	:	The market is one of the factors considered when we're analysing future acquisitions, while the key factor is the actual property itself. The rental clock/cycle (shown during the CEO's presentation earlier) is a very generic version of the general market and it includes all classes of buildings. The rental clock/cycle does not take into account factors such as the structure of the building, buybacks, the tenancy period, credit and lease terms, and occupancy numbers. As such, looking at the specific buildings helps MUST's investment analysis. The rental clock works both ways hence the market will not remain in the same/current phase for multiple years. The leasing clock and investment clock are some of the other factors considered.
Question 9	**:**	**It was stated in the Annual Report that MUST is affected by some of the new legal/tax changes in the US. What is the visibility to unitholders on this, since MUST does not have any withholding tax?**
Response (Jagjit Obhan)	:	The restructuring completed by MUST on 1 January was to address some of the new US tax laws implemented across the industry. MUST is still able to maintain its tax transparency and tax efficiency after the restructuring. Net impact of the incremental tax that MUST have to pay is less than 1% and it is not subject to the 30% tax. As long as unitholders complete and submit their W8 Tax Forms to MUST, the unitholders will get the 30% tax relief.
Question 10	**:**	**With reference to the "Financial Review" on page 22 of the Annual Report, are there any implications on the figures stated as "Before reinstatement of rights issue" and "Restated for rights issue"?**
Response (Jagjit Obhan)	:	The row that states "restated for rights issue" is for fair comparison of actual vs projection and to explain what MUST's distribution per unit ("**DPU**") could have been if the rights issue ("**RI**") had been incorporated in its projection. When there is an RI, the capital base increases and the DPU decreases. It is therefore not appropriate to compare the projection without adjusting for the RI. For example, since MUST's RI was in the second half of the year (no RI in the first half of the year), we had to adjust the DPU of 5.77 US cents per unit for the first half of the year (without RI). After taking into account the enlarged capital base, the DPU (incorporating the RI) is 5.53 US cents per unit. The same adjustment was done for MUST's projection (DPU of 5.87 US cents per unit, before RI and 5.43 US cents per unit, after RI).
Question 11	**:**	**Reference was made to the finance expenses and trust expenses on page 23 of the Annual Report. With regard to the higher finance expenses, is there anything that MUST can work on regarding the tax restructuring costs to help lower the finance cost and move MUST forward?**
Response (Jagjit Obhan)	:	The finance expenses were higher than projection largely because our projection had only included interest expenses for the first 3 properties. Following the acquisition of the 2 properties, Plaza and Exchange in 2017, the finance expenses had since increased representing incremental borrowing. The interest rate secured for Plaza is 3.6%, which is lower than the rate of

3.75% in the proforma. While the interest rate secured for Exchange is 3.48%, which is lower than the proforma rate of 3.5%. Even though market rates have been rising, we are working hard to secure the best rates for the investors.

Question 12 : **With reference to the Sustainability Report on page 54 of the Annual Report, what does GRESB stands for?**

Response (Caroline Fong) : GRESB refers to the Global Real Estate Sustainability Benchmark, which is commonly used in Australia and the US. Since our properties are in the US, MUST have been using this benchmark to assess and rank its properties globally. In Singapore, some foreign REITs are also using this international benchmark for their properties in overseas.

Question 13 : **With reference to the Notes to the Financial Statement regarding the cost of restructuring on page 128 of the Annual Report, do you foresee/anticipate any issues with regard to the US Tax Act which could have been prevented from arising in the future?**

Response (Jagjit Obhan) : When we completed the restructuring of the subsidiaries on 1 January 2018, MUST had met all the US Tax Act requirements. Typically, the US Tax authorities will issue technical guidance in advance. We will have to study the technical guidance (when issued) and determine what the impacts are and address them at that point in time. For now, we have worked with various professionals to address and mitigate the issues arising from the new US Tax Act.

Question 14 : **How does MUST deal with its underperforming assets? There are some assets which seem to be underperforming and I was hoping you could let us have an inside on this.**

Response (Jagjit Obhan) : MUST's IPO portfolio (the initial 3 properties) has actually exceeded its NPI projections by 4.2% in 2018 and was performing very well and above expectations. For our 2 new acquisitions in 2017, Plaza and Exchange, the accretion is higher than anticipated. Overall, all 5 properties have been performing very well.

Question 15 : **Some of our peers in this industry are giving higher DPU (for examples, Cromwell's DPU is around 7%; iReit Global's DPU is 7.3%.), is it possible for unitholders to get higher dividends for the next round since MUST is doing well?**

Response (Jagjit Obhan) : MUST has a very high quality portfolio and our yield represents the true-mark and stability for the US market. We are always looking at acquisitions that will provide an accretion level for our unitholders. We are focused on increasing the distributions to unitholders in a more disciplined and sustainable manner, which will go a long way for unitholders than giving them a one big sum in the beginning.

Question 16	**:**	**Is MUST going to do regular rights issues (to fund its AUM growth), which will dilute unitholders' interest if we can't fork out the additional capital.**
Response (Jagjit Obhan)	:	In terms of how we are going to fund our US$1.3 billion acquisition project, we are very cautious of our internal gearing limit of 40% and it is monitored very closely. We also have implemented the EMTN programme that gives us the flexibility to raise funds through issuance of perpetual securities and as well as through equity. We are always focused making our acquisitions accretive and our acquisitions will be funded by a proper optimal mix of debt and equity.
Question 17		**A lot of MUST's unitholders are Singaporeans receiving DPU in SGD, whereas MUST's income is in USD. Does MUST have any hedging policy for the payment of DPU in SGD?**
Response (Jagjit Obhan)		MUST's functional currency is USD since all its properties, debts and income are denominated in USD. There is very little non-USD need for MUST and it will not be appropriate for MUST to hedge away from our functional currency. We will provide to the unitholders the relevant USD exposure and we feel that unitholders can manage their foreign exchange differences at their end. We do not plan to hedge away from the USD.
Question 18		**When MUST was listed, the USD rate was 1.38 or 1.39 against SGD1. But now, the USD rate is hovering around 1.31 against SGD1. Although MUST is able to maintain the DPU payouts in USD, we unitholders are effectively worse off (receiving the DPU in SGD).**
Response (Jill Smith)		We do understand your concern and we believe over a longer term, the USD will strengthen again. It might be disappointing from (SGD) unitholders' point of view at the moment, but perceiving that most unitholders are long-term investors, we believe that this issue will rectify itself.