



MANULIFE US REAL ESTATE INVESTMENT TRUST

(a real estate investment trust constituted on 27 March 2015 under the laws of the Republic of Singapore)

ENTRY INTO LOAN FACILITIES

DBS Bank Ltd. is the Sole Financial Adviser and Issue Manager for the Offering (the “**Sole Financial Adviser and Issue Manager**”). DBS Bank Ltd., China International Capital Corporation (Singapore) Pte. Limited, Credit Suisse (Singapore) Limited and Deutsche Bank AG, Singapore Branch are the Joint Bookrunners and Underwriters for the initial public offering of Manulife US REIT (collectively, the “**Joint Bookrunners**”).

Mortgage Facilities

Manulife US Real Estate Management Pte. Ltd., as manager of Manulife US Real Estate Investment Trust (“**Manulife US REIT**” and as manager of Manulife US REIT, the “**Manager**”), refers to the prospectus of Manulife US REIT dated 12 May 2016 and registered by the Monetary Authority of Singapore on 12 May 2016 and wishes to announce that each of Hancock S-REIT LA Corp., Hancock S-REIT Irvine Corp. and Hancock S-REIT ATL Corp. (each, a “**Sub-U.S. REIT**”), which are indirect wholly-owned subsidiaries of Manulife US REIT, has entered into separate loan agreements with Wells Fargo Bank, National Association and Royal Bank of Canada as lenders (the “**Mortgage Lenders**”) for an aggregate principal amount of up to US\$327.8 million (the “**Mortgage Facilities**”) consisting of an initial funding of US\$296.0 million as well as good news facilities of up to US\$31.8 million for Manulife US REIT’s future budgeted capital and leasing costs (the “**Good News Facilities**”). The Mortgage Facilities will be used, *inter alia*, to (i) fully refinance the bridge loan facilities which had been obtained by the Sub-U.S. REITs from John Hancock Life Insurance Company (U.S.A.), through its commercial mortgage lending division in the United States, to partially finance the acquisition of the initial portfolio of Manulife US REIT (the “**Bridge Loan Facilities**”) and (ii) to fund future capital and leasing costs over the terms of the loans.

The key terms of each Mortgage Facility is set out in the table below:

Borrower	Property	Principal Amount (US\$ million)	Term	Interest Rate⁽¹⁾ (%)
Hancock S-REIT LA Corp.	Figuroa	118.0 (initial funding amount of 108.0)	3 years (with options to extend to up to 5 years subject to the conditions in the relevant Mortgage Facility)	2.390%
Hancock S-REIT ATL Corp.	Peachtree	73.7 (initial funding amount of 67.0)	4 years (with option to extend to up to 5 years subject to the conditions in the relevant Mortgage Facility)	2.456%
Hancock S-REIT Irvine Corp.	Michelson	136.1 (initial funding amount of 121.0)	5 years	2.522%
=	-	Total Principal Amount: 327.8 (initial funding amount of 296.0)	-	Weighted Average Interest Rate: 2.459%

Note:

(1) The Good News Facilities will be provided at the prevailing market interest rates at the time of funding.

An aggregate of US\$296.0 million has been drawn down from the Mortgage Facilities to fully refinance the Bridge Loan Facilities.

Each of the Mortgage Facilities is secured by, among other collateral:

- (i) a first mortgage on Figuroa, Michelson and Peachtree, respectively (the “**Properties**”);
- (ii) an assignment of each of the Sub-U.S. REIT’s rights, title and interest in present and future leases, subleases, licenses and all other agreements relating to the management, leasing and operation of the respective Property; and
- (iii) an assignment of each of the Sub-U.S. REIT’s rights to all goods, building and other materials, supplies, inventory, equipment, machinery, fixtures, furniture and other personal property, together with all payments and other rents and security deposits in respect of the respective Property.

In addition, Hancock S-REIT Parent Corp., which directly holds each of the Sub-U.S. REITs, has granted a limited guarantee to the Mortgage Lenders in respect of certain obligations of the Sub-U.S. REITs under the Mortgage Facilities as well as a hazardous materials indemnity agreement.

Each of the Mortgage Facilities includes customary representations, warranties and covenants (including due-on-sale and due-on-encumbrance provisions) by the Sub-U.S. REITs in favour of the Mortgage Lenders. Each of the Mortgage Facilities is not cross-defaulted or cross-collateralised with the other Mortgage Facilities.

Revolving Credit Facility

The Manager also wishes to announce that DBS Trustee Limited, in its capacity as trustee of Manulife US REIT (the "**Trustee**"), has entered into the facility agreement for the three-year US\$10.0 million revolving credit facility (the "**RCF**") with DBS Bank Ltd. (the "**RCF Lender**"). The RCF is secured by:

- (i) the shares of the wholly-owned Singapore subsidiaries of Manulife US REIT, being Manulife US REIT Alpha (Singapore) Pte. Ltd. ("**Singapore Sub 1**") and Manulife US REIT Beta (Singapore) Pte. Ltd. ("**Singapore Sub 2**");
- (ii) an assignment of all inter-company loans from the Trustee and from Singapore Sub 2 to any other subsidiaries of Manulife US REIT; and
- (iii) an assignment of certain bank accounts by the Trustee.

Disclosures Pursuant to Rule 704(31) of the Listing Manual

Pursuant to Rule 704(31) of the Listing Manual of Singapore Exchange Securities Trading Limited (the "**SGX-ST**"), the Mortgage Facilities contain provisions that prohibit the further encumbering, junior financing, mezzanine financing, changing (directly or indirectly) the identity or control of the Sub-U.S. REITs and transferring an interest in any of the Properties without prior consent by the Mortgage Lenders, a breach of which may result in, *inter alia*, an event of default and mandatory prepayment under the respective Mortgage Facility ("**Mortgage Facilities Condition**"). Issuances and transfers of ownership interests in Parent U.S. REIT and any person holding a direct or indirect ownership in the Parent U.S. REIT will not be deemed a transfer of an interest in a Property requiring prior consent by the Mortgage Lenders provided that, among others conditions:

- (i) Manulife Financial Corporation or an affiliate of Manulife Financial Corporation remains as the manager of Manulife US REIT;
- (ii) employees of Manulife Financial Corporation or its affiliates hold a majority of the seats on such Sub-U.S. REIT's and Parent US REIT's boards of directors;
- (iii) Parent U.S. REIT continues to own all of the ownership interests in each of the Sub-U.S. REITs and Singapore Sub 1 continues to own all of the ownership interests in Parent U.S. REIT; and

(iv) no unitholder of Manulife US REIT owns 25.0% or more interest in Manulife US REIT.

In addition, the RCF contains a provision that states that it would be an event of default if any of the Manager, the property manager of Manulife US REIT and the U.S. asset manager is not or ceases to be directly or indirectly wholly-owned by The Manufacturers Life Insurance Company (the “**Sponsor**”) (the “**RCF Condition**”).

The aggregate level of facilities which may be affected by a breach of the Mortgage Facilities Condition (assuming a breach in respect of all the Mortgage Facilities) and the RCF Condition is US\$337.8 million¹.

As at the date of this announcement, there has not been any breach of the Mortgage Facilities Condition or the RCF Condition. Neither the Sponsor nor Manulife Financial Corporation, the parent corporation of the Sponsor, has entered into any share pledging arrangements in relation to the shareholding interest in the Manager or the unitholding interest in Manulife US REIT.

By Order of the Board
Jill Smith
Chief Executive Officer

Manulife US Real Estate Management Pte. Ltd.
(Company Registration No. 201503253R)
As manager of Manulife US Real Estate Investment Trust

15 July 2016

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About Manulife US REIT

Manulife US Real Estate Investment Trust (“**Manulife US REIT**”) 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\$799² million, has an aggregate Net Lettable Area of 1.8 million sq ft and an occupancy rate of 96.5% as at 31 December 2015.

¹ Assuming that all of the Mortgage Facilities and Good News Facilities and the RCF have been drawn down in full.

² Based on the independent valuation conducted by Colliers, as at 15 December 2015.

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 US\$697 billion as at 31 March 2016. 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.

IMPORTANT NOTICE

This announcement is for information purposes only and does not constitute or form part of an offer, invitation or solicitation of any offer to purchase or subscribe for any securities of Manulife US REIT in Singapore or any other jurisdiction nor should it or any part of it form the basis of, or be relied upon in connection with, any contract or commitment whatsoever.

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.