



MANULIFE US REAL ESTATE INVESTMENT TRUST

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

COMPLETION OF ACQUISITIONS, PREFERENTIAL OFFERING USE OF PROCEEDS, AND ENTRY INTO MORTGAGE FACILITIES

1. COMPLETION OF ACQUISITIONS

Further to the announcement dated 13 April 2018 in relation to the proposed acquisitions of the office property located at 1750 Pennsylvania Avenue NW, Washington, D.C. (“**Penn**”) and Phipps Tower, the office property located at 3438 Peachtree Road, Atlanta, Georgia (“**Phipps**”, and together with Penn, the “**Properties**”), 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**”) is pleased to announce that the acquisitions of the Properties have been completed.

2. USE OF PROCEEDS

Further to the announcements dated 16 May 2018 (the “**Launch Announcement**”) and 20 June 2018 in relation to the fully underwritten, pro-rata and non-renounceable preferential offering of 227,935,981 new units in Manulife US REIT (the “**Preferential Offering**”), the Manager wishes to announce that the net proceeds raised from the Preferential Offering of approximately US\$192.3 million has been used to partially fund the acquisitions of the Properties. Details of the use of proceeds from the Preferential Offering are as follows:

US\$ million	Intended use of proceeds	Actual use of proceeds	Balance of proceeds
To partially fund the acquisitions of the Properties	191.1	192.3	(1.2)
To pay the estimated fees and expenses, including professional fees and expenses, incurred or to be incurred by Manulife US REIT in connection with the Preferential Offering	6.1	4.9	1.2
Total	197.2	197.2	-

As the fees and expenses relating to the Preferential Offering are less than the estimated fees and expenses relating to the Preferential Offering, the balance of the amount were used to partially fund the acquisitions of the Properties. Save for the redeployment of such amounts to partially fund the acquisitions of the Properties, the use of the gross proceeds

from the Preferential Offering is in accordance with the percentage of the gross proceeds of the Preferential Offering allocated to such use. As at the date of this announcement, the Manager has fully disbursed all of the net proceeds from the Preferential Offering.

3. ENTRY INTO MORTGAGE FACILITIES FOR THE PROPERTIES

Hancock S-REIT DC 1750 LLC and Hancock S-REIT ATL Phipps LLC (the “**U.S. Subs**”), indirect wholly owned subsidiaries of Manulife US REIT, have entered into separate loan agreements with Wells Fargo Bank, National Association as lender (the “**Mortgage Lender**”) of US\$95.5 million and US\$105.0 million respectively (the “**Mortgage Facilities**”). Each Mortgage Facility is secured by, among other collateral, a first mortgage on the Property of the applicable U.S. Sub.

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 encumbrancing, junior financing, mezzanine financing, changing (directly or indirectly) the identity or control of the U.S. Subs and transferring an interest in the Properties without prior consent by the Mortgage Lender, a breach of which may result in, inter alia, an event of default and mandatory prepayment under the Mortgage Facilities (“**Mortgage Facilities Condition**”). Issuances and transfers of ownership interests in Hancock S-REIT Parent Corp. (“**Parent U.S. REIT**”) and any person holding a direct or indirect ownership in Parent U.S. REIT will not be deemed a transfer of an interest in the Properties requiring prior consent by the Mortgage Lender 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 the U.S. Subs’ and Parent U.S. REIT’s boards of directors;
- (iii) Parent U.S. REIT continues to own all of the common ownership and voting interests in the U.S. Subs and Manulife US REIT Alpha (Singapore) Pte. Ltd. continues to own all of the common ownership and voting interests in Parent U.S. REIT; and
- (iv) no unitholder of Manulife US REIT owns 25.0% or more interest in Manulife US REIT.

The aggregate level of facilities which may be affected by a breach of the Mortgage Facilities Condition is US\$957.4 million¹. As at the date of this announcement, there has not been any breach of the Mortgage Facilities Condition. Neither The Manufacturers Life Insurance Company (the “**Sponsor**”), which wholly owns the Manager, 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.

¹ Assuming that all of the existing drawn and undrawn facilities of Manulife US REIT and its subsidiaries and the Mortgage Facilities have been drawn down in full.

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)

25 June 2018

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.

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