



MANULIFE US REAL ESTATE INVESTMENT TRUST

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

RESTRUCTURING PURSUANT TO U.S. TAX REGULATIONS

Manulife US Real Estate Management Pte. Ltd., as manager of Manulife US Real Estate Investment Trust ("**Manulife US REIT**", and the manager of Manulife US REIT, the "**Manager**"), refers to its announcements dated 2 January 2018 in relation to the initial restructuring of Manulife US REIT due to the enactment of the US Tax Act ("**Initial Restructuring**"), the announcements dated 27 December 2018 and 25 June 2019 in relation to the proposed regulations under Section 267A of the United States Internal Revenue Code of 1986, as amended, ("**Section 267A**") and the announcement dated 13 April 2020 (the "**13 April 2020 Announcement**") in relation to the release of the final regulations under Section 267A (the "**Final 267A Regulations**").

As stated in the 13 April 2020 Announcement, the Final 267A Regulations allow Manulife US REIT to revert to a group structure largely similar to that adopted at the time of its listing on 20 May 2016 ("**IPO Structure**"), prior to the Initial Restructuring.

To effect the above, the following steps have and will be taken ("**Restructuring**"):

- (i) each of Manulife US REIT Beta (Singapore) Pte. Ltd., Manulife US REIT Beta 2 (Singapore) Pte. Ltd., Manulife US REIT Beta 3 (Singapore) Pte. Ltd., Manulife US REIT Beta 4 (Singapore) Pte. Ltd., Manulife US REIT Beta 5 (Singapore) Pte. Ltd., Manulife US REIT Beta 6 (Singapore) Pte. Ltd. and Manulife US REIT Beta 7 (Singapore) Pte. Ltd. (each, a "**Beta Entity**", all of which are wholly owned subsidiaries of Manulife US REIT), has become the holder of a single loan to Hancock S-REIT Parent Corp. in place of the Barbados partnerships, which are indirectly wholly owned by the Beta Entities. The Barbados partnerships and their respective Barbados partner entities will become dormant and will be commencing a voluntary liquidation process to streamline Manulife US REIT's structure in due course; and
- (ii) each of Hancock S-REIT LA Corp., Hancock S-REIT Irvine Corp., Hancock S-REIT ATL LLC, Hancock S-REIT SECA LLC, Hancock S-REIT JCITY LLC, Hancock S-REIT DC 1750 LLC, Hancock S-REIT ATL Phipps LLC, Hancock S-REIT Centerpointe LLC and Hancock S-REIT Sacramento LLC ("**Property Subsidiaries**") will be issuing preferred shares to individuals who are unrelated to Manulife US REIT in order to meet one of the requirements for the Property Subsidiaries to qualify for taxation as real estate investment trusts for U.S. federal income tax purposes. Similar to the IPO Structure, approximately 125 preferred shares are expected to be issued by each Property Subsidiary by the end of 2020. Each preferred share will carry a fixed dividend, does not carry any voting rights, and is redeemable at the option of the issuing Property Subsidiary.

The costs of the Restructuring are not expected to have a material impact on the consolidated net tangible assets or distributions per unit of Manulife US REIT.

Factoring in the Barbados tax payable up to 23 April 2020 and after deducting the required compliance and the restructuring costs for the Restructuring, there will be negligible savings for 2020 financial year (“FY”) as a whole. Thereafter, the Manager estimates that there may be net savings of approximately 0.7% of FY2019 distributable income in FY2021 arising from Barbados tax savings, net of additional compliance costs.

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)

24 April 2020

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.