



**DBS-SGX-REITAS  
Conference**

Empty offices or  
"zoom-fatigue" setting in?  
– A global perspective

14 June 2021

# Important notice

This presentation 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. The past performance of Manulife US REIT is not necessarily indicative of the future performance of Manulife US REIT.

This presentation may contain forward-looking statements that involve risks and uncertainties. Actual future performance, outcomes and results may differ materially from those expressed in forward-looking statements as a result of a number of risks, uncertainties and assumptions. These forward-looking statements speak only as at the date of this presentation. No assurance can be given that future events will occur, that projections will be achieved, or that assumptions are correct. Representative examples of these factors include (without limitation) general industry and economic conditions, interest rate trends, cost of capital and capital availability, competition from similar developments, shifts in expected levels of office rental revenue, changes in operating expenses, property expenses, governmental and public policy changes and the continued availability of financing in the amounts and the terms necessary to support future business.

Investors are cautioned not to place undue reliance on these forward-looking statements, which are based on current view of management on future events.

Holder of Units (“Unitholder”) 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.

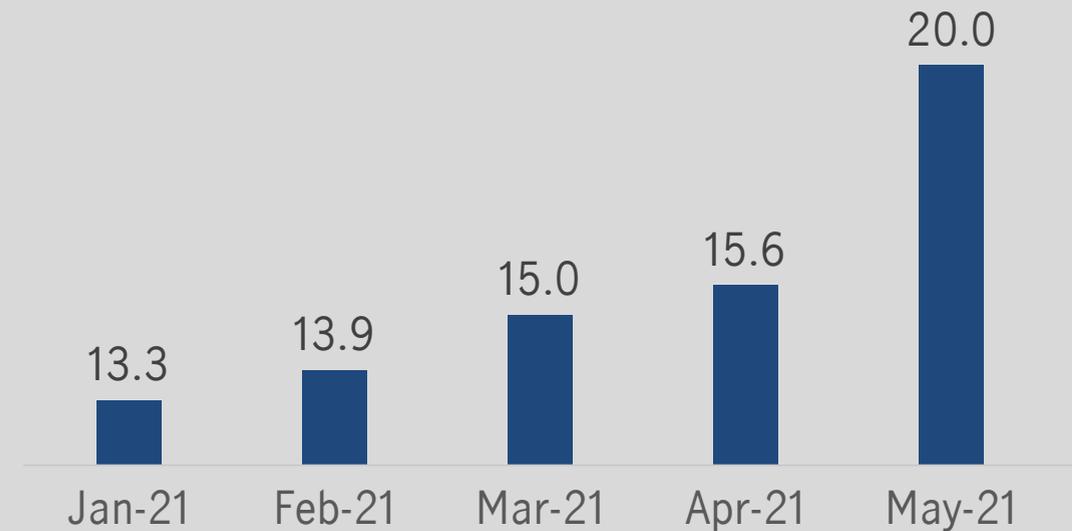
# Resilient portfolio built to withstand COVID-19 impact

## Key locations with strong growth factors



## Tenants' gradual return to the office

### MUST portfolio physical occupancy (%)



**US\$2.0b<sup>1</sup>**

AUM

**4.7m sq ft<sup>1</sup>**

NLA

**92%**

Occupancy

**5.3 years**

WALE

**5.8%**

Leases executed  
by portfolio NLA

**4.3%**

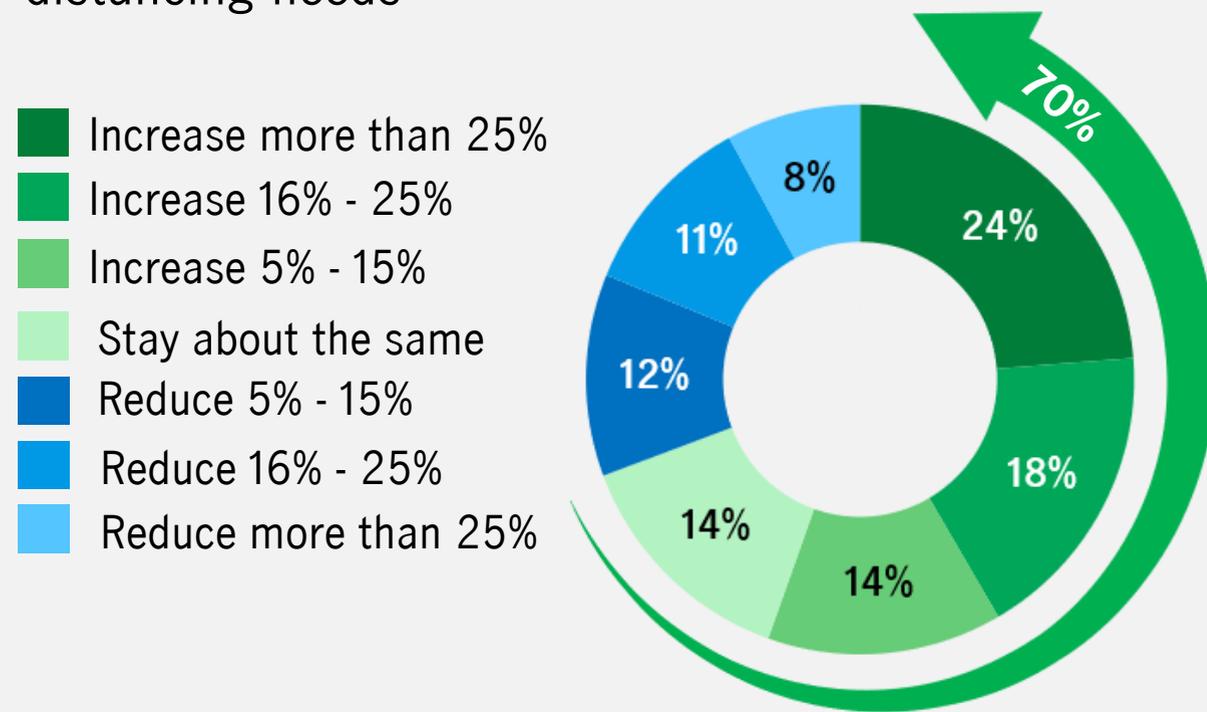
Minimal 2021  
expiries

# Majority of employers require same or *more* office space post COVID-19

## Offices remain relevant, hybrid model, gather and scatter

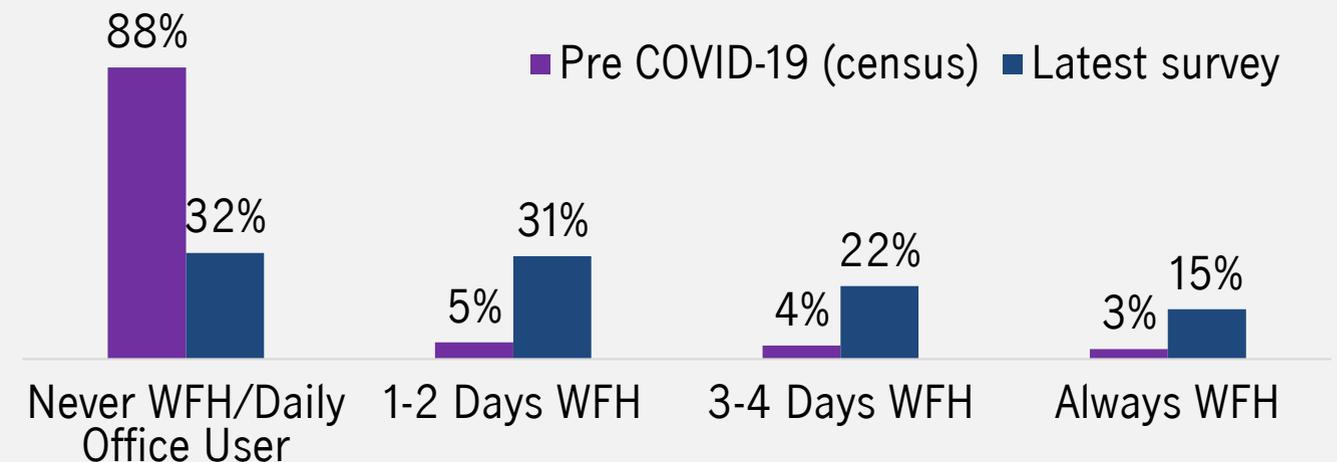
### Physical office remains in demand<sup>1</sup>

- Demand due to rising headcount & social distancing needs



### Office remains preferred choice<sup>2</sup>

- Employees expected to average 3.6 days a week in office post COVID-19



*Amazon said its plan is to return to an office-centric culture, as this enables employees to better invent, collaborate, and learn effectively. It does not plan to return any existing office space.*

Note: Amounts may not sum to 100.0% due to rounding

(1) PwC's U.S. Remote Work Survey 2021. PwC surveyed 133 U.S. executives (chairman, CEO, Exec Directors, VPs) and 1,200 employees (36% were already working in a flexible arrangement pre COVID-19)

(2) Green Street Office Sector Update as at 24 May 2021

# U.S. economy picking up, route to *future* growth

**U.S. 1Q 2021 GDP growth +6.4%<sup>1</sup>,  
but leasing results still bear 2020 scars**



## Office headwinds

Tenants' market - free rent and tenant improvement allowances in U.S. on the rise



## U.S. economy tailwinds

Masks no longer required for the vaccinated in most states, restrictions lifted and most states back to business as usual

## Sun belt markets lead in recovery

### 12 month rent forecast (%)<sup>2</sup>



### 5 year rent forecast (%)<sup>2</sup>



### Expected annual job growth (%)<sup>3</sup>



Sources: JLL and Green Street Office Update. Gateway markets include NY, Chicago, Boston, LA, SF and DC; Sun belt markets include Austin, Charlotte, Nashville, Raleigh and Orlando

(1) U.S. Department of Commerce, Bureau of Economic Analysis as at 29 Apr 2021, annualised rate

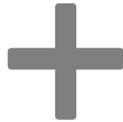
(2) CoStar Office Market Reports as at 15 Apr 2021

(3) Green Street Office Market Snapshots as at 24 Mar 2021

# Post COVID-19 themes to provide *uplift* for MUST

## MUST's investment criteria

- 01** Key Locations and Strong Fundamentals
- 02** Trophy and Class A Assets
- 03** Long WALE and High Occupancy
- 04** Live, Work, Play Environment



## Post COVID-19 themes

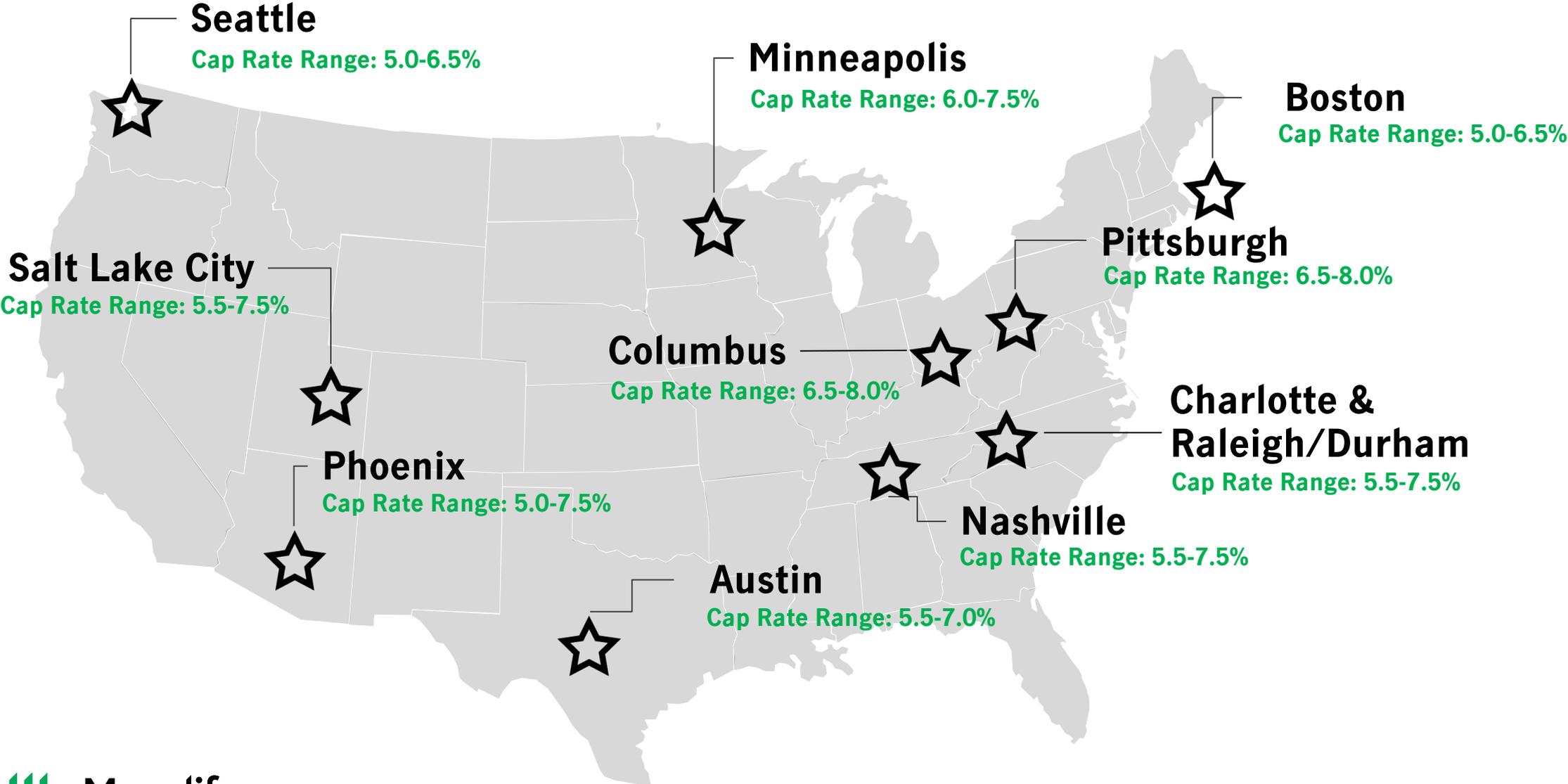
- 01** Acceleration of Population and Company Migration
- 02** Growing Tech Sector
- 03** Strong Demand for Health Care
- 04** Fast Developing Knowledge Economy



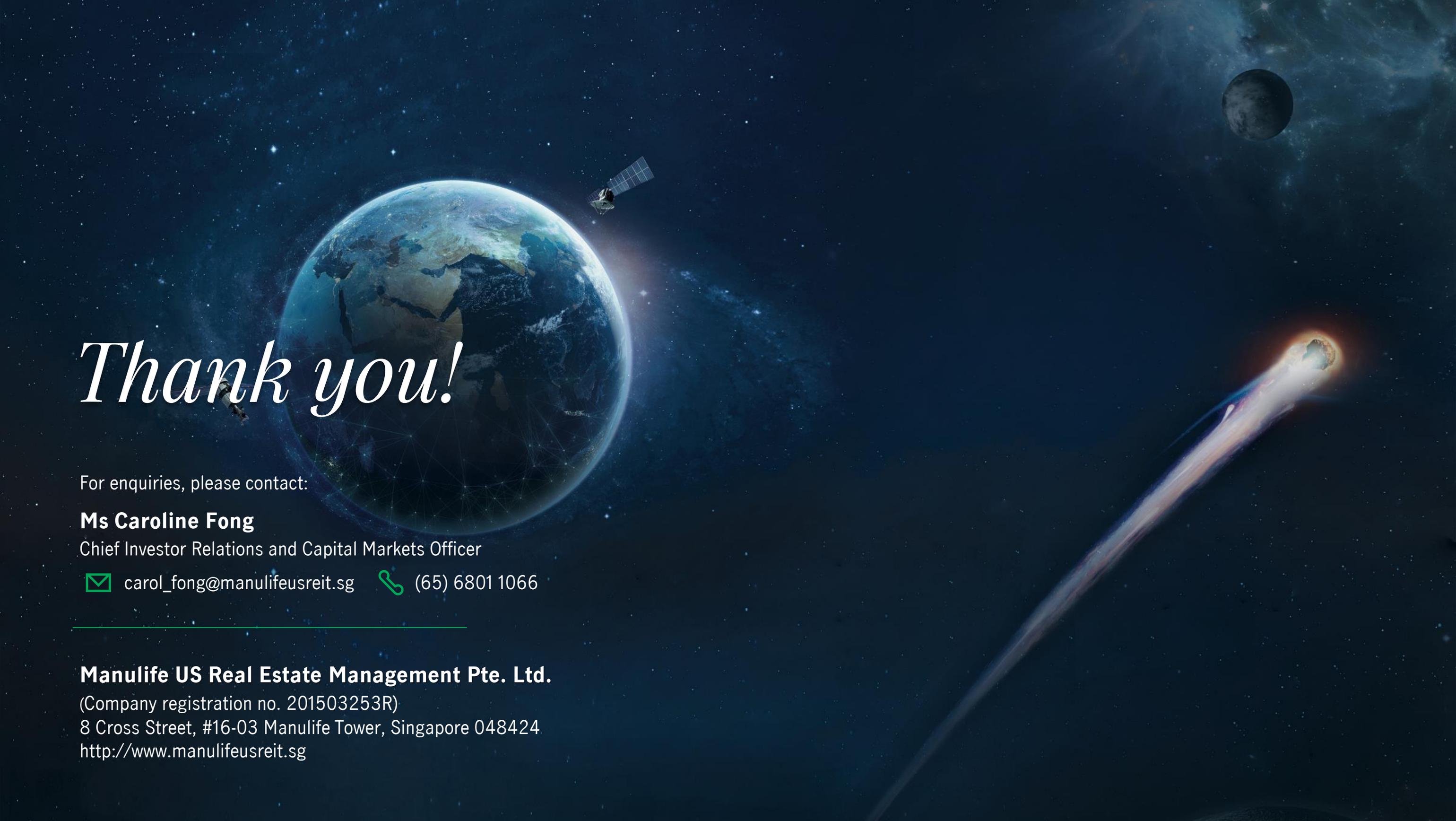
**Stronger  
MUST**

# MUST's next leg of *growth*

Target magnet cities with growing tech tenant presence, robust population growth, business friendly/corporate in-migration and lower cost of living



Ability to acquire accretive deals in markets with cap rates ranging from 6.5% to 7.5%



*Thank you!*

For enquiries, please contact:

**Ms Caroline Fong**

Chief Investor Relations and Capital Markets Officer

✉ [carol\\_fong@manulifeusreit.sg](mailto:carol_fong@manulifeusreit.sg) ☎ (65) 6801 1066

---

**Manulife US Real Estate Management Pte. Ltd.**

(Company registration no. 201503253R)

8 Cross Street, #16-03 Manulife Tower, Singapore 048424

<http://www.manulifeusreit.sg>