Manulife US REIT

PRESS RELEASE

MUST sells New Jersey property, commences repayment of 2026 debts

- **500 Plaza to be sold for net consideration of ~US$40 million**
- **Net proceeds give MUST early start on paying down debts maturing in 2026**
- **MUST moves closer to recovery and growth amid ongoing divestment discussions**

Singapore, 20 February 2025 – Manulife US Real Estate Investment Trust (MUST) has signed a purchase and sale agreement to divest 500 Plaza, an office building in New Jersey, U.S., for a net consideration of ~US$40 million. Net proceeds of ~US$39 million will be used to pay down ~19% of its 2026 debts. This follows MUST's repayment of its US$130.7 million loans maturing in 2025 in November 2024.

Chief Executive Officer and Chief Investment Officer of the Manager, John Casasante, said: "We are pleased to achieve another milestone in our disposition plan with the sale of 500 Plaza. It has enabled us to get an early start on paying down debts maturing in 2026, and we intend to make a full repayment by 30 June this year. We are currently in divestment discussions on additional properties which will further contribute towards debt repayment. To achieve this, we are taking a disciplined approach to meet our obligations while carefully evaluating interest from potential buyers.

"Upon repayment of our 2026 debts, we will leverage our Sponsor's global real estate platform to focus on growth opportunities through accretive acquisitions to deliver sustained value to unitholders. The Sponsor's on-the-ground transaction expertise, market research capabilities and weekly discussions on the robust pipeline enable us to support the REIT's long-term growth. With these in-house capabilities, we will be able to capitalise on value opportunities in a dislocated U.S. real estate market."

The sale of 500 Plaza is expected to be completed by 1Q 2025. The latest independent valuation of the asset was US$43.7 million as at 31 December 2024.

The Secaucus, New Jersey submarket that 500 Plaza is located in has seen negative net absorption amid rising leasing and capital costs. 500 Plaza will require significant ongoing capital, estimated at more than US$14 million over the next three years, to maintain its Class A condition to continue to attract tenants to lease. The Manager believes that this additional spending will be a further drag on

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the REIT. The disposition would allow the Manager to reallocate capital to improve the operational performance of other assets in its portfolio.

As at 31 December 2024, Plaza is 71.5% leased with a weighted average lease term of 8.2 years. It has a diverse mix of headquarter tenants with a robust amenity offering surrounding the property. Completed in 1985, 500 Plaza is one of the oldest properties in MUST's portfolio.

Assuming that as at 31 December 2024, the 500 Plaza divestment was completed and net sale proceeds were fully used to repay existing loans, MUST's pro forma aggregate leverage is expected to improve to 59.8% from 60.8%. The pro forma weighted average interest cost is expected to reduce to 4.44% from 4.53%, and the weighted average debt maturity will also be extended to 3.0 years from 2.9 years.

The Manager will continue repositioning the portfolio through growth and diversification by pursuing opportunities in other real estate sectors, alternative real estate investments and creative deal structures. It seeks to make accretive investments which will enhance distributions and grow the net asset value of the portfolio. The Sponsor's global real estate platform will be instrumental in supporting MUST's pivot strategy into recovery and growth.

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About Manulife US REIT
Manulife US Real Estate Investment Trust ("Manulife US REIT" or "MUST") is the first pure-play U.S. office REIT listed in Asia. It is a Singapore-listed 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. MUST's portfolio comprises nine freehold office properties in Arizona, California, Georgia, New Jersey, Virginia and Washington D.C. The current portfolio has an aggregate net lettable area of 4.6 million sq. ft and was last independently valued at US$1.1 billion as at 31 December 2024.

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. 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.

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