MANULIFE US REAL ESTATE INVESTMENT TRUST ("MUST")
(Constituted in the Republic of Singapore pursuant to a
Trust Deed dated 27 March 2015 (as amended and restated))

MINUTES OF ANNUAL GENERAL MEETING

DETAIL	:	***Held via "live" webcast and audio stream pursuant to the Joint Statement dated 13 April 2020 issued by ACRA, MAS and SGX RegCo***
DATE	:	Monday, 18 May 2020
TIME	:	10.00 a.m.
PRESENT	:	Please see Attendance List attached hereto.
CHAIRMAN	:	Mr Hsieh Tsun-Yan

QUORUM

As a quorum was present, the Chairman of Manulife US Real Estate Management Pte. Ltd., Manager of MUST (the "**Manager**") declared the Annual General Meeting of MUST ("**AGM**") opened at 10.00 a.m. and introduced the Directors and Management who were attending the virtual-AGM by electronic means from different parts of the world.

NOTICE

With the consent of the Unitholders present, the Notice convening the meeting was taken as read.

INTRODUCTION

The Chairman informed the meeting that:

(i) To ensure the safety and health of all Unitholders, and also to adhere to the Government measures on social distancing measures, this year's AGM for MUST was being held via a "live" audio and video webcast.

(ii) All the Directors and key management team were present but due to the viewing capacity of the "live" webcast, three of the Directors, namely, Messrs Michael Dommermuth, Dr Choo Kian Koon and Dr Koh Cher Chiew Francis would be switched from video to audio webcast mode.

(iii) Unitholders would not be able to ask questions in relation to the agenda of the AGM during this "live" AGM webcast and audio-stream and there would not be any "live" voting on the resolutions during the AGM.

(iv) All votes on the resolutions tabled at the AGM would be by proxy and only the Chairman of the meeting may be appointed as a proxy. All resolutions tabled at the AGM would be voted by poll and counted based on the proxy forms that were submitted to MUST at least 72 hours before the AGM by either post or via email.

(v) In accordance with SGX RegCo's guidance issued on 13 April 2020 on the conduct of general meetings during this circuit breaker period, MUST had made an announcement on 30 April 2020 informing all Unitholders to (a) submit to MUST their questions in relation to the agenda of the AGM via the pre-registration website, by post or via email by the submission deadline of 15 May 2020; and (b) submit to MUST their proxy forms appointing the Chairman of the meeting as their proxy to cast votes on their behalf at least 72 hours before the AGM by either post or via email.

(vi) He had been appointed by numerous Unitholders as proxy, in his capacity as Chairman of the meeting, and would be voting in accordance with their instructions.

(vii) Validity of the proxies submitted by the Unitholders by the submission deadline had been reviewed and the votes of all such valid proxies have been counted and verified by DrewCorp Services Pte Ltd, who have been appointed as scrutineers for the poll.

(viii) All the relevant questions received from the Unitholders would be addressed by the CEO during her presentation and through a Question and Answer session with the Directors and Management, which would be conducted after the CEO's presentation. The Head of Investor Relations, Ms Caroline Fong would moderate the questions for the Question and Answer session.

(ix) The Minutes of this AGM would be announced via SGXNet and uploaded on the Company's website

PRESENTATION BY CHIEF EXECUTIVE OFFICER ("CEO") TO UNITHOLDERS

The CEO of the Manager, Ms Jill Smith, shared a presentation on MUST to provide Unitholders with an overview of the Group's financial performance for FY2019 and 1Q2020, including an update on the impact of Covid-19, in particular the following updates were noted by the Unitholders:

(a) <u>About MUST in 2019</u>

- FY2019 was the best year for MUST investors with growth in distribution per unit ("**DPU**") to 5.96 US cents per unit and a Total Shareholder Return of over 42.1%.

- 2 accretive acquisitions of the properties known as Centerpointe in Virginia and Capitol in California's capitol city, Sacramento.

- With a total of 9 top quality, Freehold, Trophy and Class A properties, the value of MUST's assets under management ("**AUM**") had increased to US$2.1 billion and its marker capital had increased to US$1.6 billion as at end of FY2019.

- The mortgage for the Figueroa building in Los Angeles had been refinanced in mid-2019 with a 5 year Trust level loan and two further Trust level loans had provided the debt for MUST's 2 accretive acquisitions during FY2019.

- As of FY2019, 41% of MUST's loans were unencumbered and once over 50% of MUST's loans were unencumbered, MUST would be in a good position to seek credit rating from the international credit rating agencies such as Moody's or S&P which should provide MUST a greater flexibility in terms of alternative sources of funding. The source of financing is key factor for MUST when considering new acquisitions, as well as to fund ongoing capital expenditure projects for MUST's existing portfolio of properties.

- In 2019, MUST benefited from the falling interest rates as political concerns mounted over Brexit and US/China relations and economic fears increased, pushing the US Federal reserve to drop rates. For FY2019, MUST recorded a weighted average interest rate of 3.37%, a gearing level of 37.7% and an Interest Coverage Ratio of 3.8 times. MUST's gearing at the end of FY2019 was more or less at the same level as the start of the year even though MUST had completed 2 accretive acquisitions during FY2019.

- A major highlight for FY2019 was MUST's entry into the prestigious EPRA NAREIT Index, which was achieved as a result of MUST's inorganic growth and higher market capital. Being part of EPRA NAREIT encourages more institutional investors and index funds from all parts of the world to invest in MUST. Approximately 60% of MUST's investors are now institutions and MUST's daily trading volume had significantly increased, currently trading over 4 million units per day based on Bloomberg's 30-day average. An institutionalized investor base promotes unit holder stability and greater agility to grow over the medium to longer term.

- MUST recorded an occupancy level of 95.8%, which is well above the market average of 88% for US Class A office.

- MUST recorded a Weighted Average Lease Expiry ("**WALE**") of 5.9% and Net Property Income ("**NPI**") increased by 22.2% and recorded an increase in DPU of 7.0%. MUST has now recorded 3 fiscal years of responsible growth across a range of metrics and has been able to deliver to its investors.

- During FY2019, MUST had continued to fulfil its responsibilities with regard to the Environment, Sustainability and Governance ("**ESG**") and this was evident by the improvement in MUST's overall score for the Global Real Estate Sustainability Benchmark ("**GRESB**") from 85 in FY2018 to 93 in FY2019. MUST was ranked 3rd out of the 12 listed US office REITs. The Sponsor, Manulife, has been a strong supporter of MUST's ESG activities, being one of the many ways in which the Sponsor had continued to support and assist MUST achieve greater heights.

- MUST had delivered Stellar Total Shareholder Returns of 42.1% for FY2019 compared to other REITs listed in Singapore.

(b) <u>1Q2020 Key Highlights</u>

- MUST had announced on 6 March 2020 that in line with amendments to the SGX listing rules, it would be moving to half yearly reporting and would continue to prepare and announce MUST's quarterly operational updates with financial and property highlights.

- MUST had announced its strong 1Q2020 Operational Updates on 8 May 2020. In view of Covid-19 pandemic, MUST had also followed SGX's further requirement and had provided additional updates on the possible impact from the pandemic on MUST's business and earnings in the 8 May 2020 Announcement.

- MUST's financials remained as robust as at the end of 2019 with gearing at 37.7% and interest cover rate at 3.8 times.

- Following the final outcome of the 2017 US Tax Act debacle, late in the quarter, MUST has been able to revert back to a tax structure similar to that adopted at the time of its listing. Whilst there would be various costs of the restructuring to absorb in 2020, this move is expected to generate savings of approximately 0.7% of FY2019 distributable income in FY2021.

- MUST had received bank commitment to refinance the mortgage for its Peachtree property in Atlanta (due in July 2020) with a 5 year Trust level loan. There is no further refinancing due for the rest of FY2020.

- Global Interest rates have collapsed over the past few months as a result of Covid-19 and the 5-year interest rates is currently well below the 2.46% rate paid at MUST's IPO in 2016. MUST intends to take more advantage of the current low interest rates if possible and is currently working on this with its Banks as well as early negotiation for refinancing mortgages due in FY2021.

- As at end March 2020, MUST had amassed undrawn committed credit facilities of US$95.5 million for capital working purposes and it is believed that this should provide adequate liquidity through the months ahead.

- Overview on MUST's 1Q2020 Operational Updates: Occupancy had increased from 95.8% at the end of FY2019 to 96.5%. 147,000 square feet of leasing had been secured, which was made up of 65% new deals and 35% renewals with a 94% retention rate. Rental reversions were +8.0% and the WALE on this leasing was 7.8 years. These leases included tenants from the strong legal, finance, insurance and real estate sectors.

- A minimal 4.0% of the net lettable area was left to expire in 2020 and this is mainly due in the second half of 2020. It was possible that some tenants might stay and even expand in the latter part of 2020, but being realistic, MUST expect rental reversions to be flat and leasing to be sluggish.

- Overall MUST's portfolio rental rates before the crisis was approximately 5-10% below the market and this could provide MUST some buffer and flexibility in leasing negotiations.

(c) <u>COVID-19 Updates</u>

- Covid-19 hit America far later then in Asia and Europe. It was not until the end of March that the 50 US states went in lockdown and we began to witness disruption to business and the US economy on an unprecedented scale

- MUST's property team had set up a Covid-19 task force in February 2020 and immediately introduced enhanced cleaning and hygiene measures and kept tenants updated, in particularly informing tenants of any cases or close contacts with Covid-19 in the buildings managed by MUST.

- As of Friday, 15 May 2020, none of the US property management team has contracted Covid-19 and only 5 tenants plus 4 external vendors/contractors who only visited the properties had been tested positive.

- As a result of MUST's actions, all 9 of MUST's buildings have been kept open for tenants to use throughout the Covid-19 outbreak and currently physical occupancy by tenants amounts to 10-20%.

- Car parking for April 2020 at many of MUST's buildings had surged as tenants took to the safety of their own vehicles rather than using public transport, but that dwindled as lockdown took hold.

- Amenities at MUST's buildings such as Food & Beverages and gym facilities were early casualties to the lock down. MUST had moved the 9 buildings onto weekend reduced hours and implemented expense reductions with all capital expenditure projects, other than life safety items, brought to a halt.

- A vast majority of MUST's 181 tenants had paid their April rents, which proved the resilience of its tenant base.

- Quite a number of large as well as smaller tenants had sought for deferment, but MUST had requested them to seek help from government schemes, their banks, or to provide us with proof of hardship.

- MUST has started working with its tenants on prospects for May and June's rents.

- Since the beginning of May 2020, States, Counties and Cities in USA have begun to reopen and had gathered considerable momentum over the recent weeks.

- MUST's task force has now pivoted to focus its attentions on the "Return to Office" strategy. With the return to office now underway, MUST expects building occupancy to gradually increase. It is difficult to gauge exactly how quickly tenants would really return but overall the signs are encouraging.

- MUST is taking no chances with its staff and tenants health, and has engaged a leading office buildings health Doctor from the Harvard T.H. Chan School of Public Health and additional experts. MUST is also implementing further cleaning and hygiene protocols, arranging for additional special HVAC air filters (MERV 13), regulating humidity and air circulation and looking into new UV cleaning machines such as the ones that are being used in countries such as Germany.

- MUST is conscious of the operating costs in implementing the additional health and hygiene measures. Many of MUST's leases allows it to pass such costs on to tenants.

- Leasing activities have been on pause with our virtual tour service attracting very limited viewings.

- ESG is as important to MUST both in the bad as well as in the good times. In the US, MUST have been looking at ways to reallocate event funds and have been contributing to food banks and Relief Funds. In Singapore employees have been keen to show support for the elderly in these worrying times and have commissioned cakes and masks from the social enterprises that MUST regularly supports to show that they are far from forgotten.

(d) <u>Looking Ahead</u>

- MUST's strategy to fortify its portfolio through owning top quality buildings is paying off. With over 60% of MUST's tenants in solid and reliable trade sectors such as government, legal and finance blended with companies from the fast growing technology and health sectors, MUST's portfolio is proving resilient.

- Most MUST's tenants have paid their April 2020 rents and MUST had only provided deferment to 2% of tenants. That figure may increase nearer to 10% in May and June 2020. Even though the US is moving to a "Return to Office" phase, some sectors may take longer to recover then others.

- On the financial side, MUST was working hard to conserve cash and has standby facilities at hand. Although the rental situation remains fluid, MUST's preference is to pay out 100% of distributions to investors.

- In terms of the US economy, the headline statistics look dire with the sharp increase in weekly jobless claims, Aprils drop in industrial production and retail sales and 2Q2020 GDP expected to plummet.

- The US dollar remains strong for now which helps MUST's local investors, but is neutral for many of its institutional investors.

- Management's attention is currently focused on sustaining NPI/DPU and keeping an eye on catalysts or opportunities for future growth.

- The MAS had recently increased the gearing level for REITs from 45% to 50%. This gives MUST additional debt headroom for acquisitions. Such low interest rates are also tantalizing. However, US sellers have retreated and there is no price discovery as there are no deals and capital markets are not conducive to fund raising.

- During this crisis, Members of our Board have purchased units in MUST demonstrating their commitment.

- MUST aims to protect its portfolio, preserve NPI/DPU, emerge stronger and wiser and be ready to seize significant opportunities.

QUESTION AND ANSWER SESSION

The Head of Investor Relations, Ms Caroline Fong informed the meeting that:

(i) A total of 67 questions had been received from the Unitholders in relation to the agenda of the AGM and for transparency, a list of all questions received had been announced together with the AGM presentation slides via SGXNet on 18 May 2020 before trading commenced.

(ii) Whilst most of the relevant questions had already been addressed by the CEO during her AGM presentation, the remaining questions have been grouped-together according to their area of focus in the interest of the time and would be dealt with during the Question and Answer session with the Directors and Management.

The summarised questions and the responses as set out in the attached Appendix were noted by the Unitholders.

Following the Question and Answer session, the Chairman proceeded with the business of the AGM.

ORDINARY BUSINESS:

1. REPORTS AND AUDITED FINANCIAL STATEMENTS – ORDINARY RESOLUTION 1

The Ordinary Resolution 1 as set out in the Notice of AGM was proposed by the Chairman, the motion was put to vote and the results of the poll for Ordinary Resolution 1 were as follows:

FOR		AGAINST		TOTAL	
No. of Units	As a percentage of total no. of votes for the resolution (%)	No. of Units	As a percentage of total no. of votes against the resolution (%)	Total no. of units represented by votes for and against the resolution	As a percentage of total no. of votes for and against the resolution (%)
623,054,764	99.97	163,410	0.03	623,218,174	100

Based on the results of the poll, the motion was declared carried by the Chairman and it was RESOLVED:

"That the Report of DBS Trustee Limited, as trustee of MUST, the Statement by the Manager and the Audited Financial Statements of MUST for the financial year ended 31 December 2019 together with the Auditors' Report be received and adopted."

2. RE-APPOINTMENT OF AUDITORS – ORDINARY RESOLUTION 2

The meeting noted that the Auditors of MUST, Messrs Ernst & Young LLP, had expressed their willingness to continue in office and Unitholders were asked to consider and approve their re-appointment.

The Ordinary Resolution 2 as set out in the Notice of AGM was proposed by the Chairman, the motion was put to vote and the results of the poll for Ordinary Resolution 2 were as follows:

FOR		AGAINST		TOTAL	
No. of Units	As a percentage of total no. of votes for the resolution (%)	No. of Units	As a percentage of total no. of votes against the resolution (%)	Total no. of units represented by votes for and against the resolution	As a percentage of total no. of votes for and against the resolution (%)
617,561,633	99.97	163,410	0.03	617,725,043	100

Based on the results of the poll, the motion was declared carried by the Chairman and it was RESOLVED:

"That Messrs Ernst & Young LLP be re-appointed as Auditors of MUST to hold office until the conclusion of the next Annual General Meeting of MUST, and to authorise the Manager to fix their remuneration."

SPECIAL BUSINESS

3. AUTHORITY TO ISSUE UNITS – ORDINARY RESOLUTION 3

The text of Ordinary Resolution 3 as set out in the Notice of AGM was proposed by the Chairman, the motion was put to vote and the results of the poll for Ordinary Resolution 3 were as follows:

FOR		AGAINST		TOTAL	
No. of Units	As a percentage of total no. of votes for the resolution (%)	No. of Units	As a percentage of total no. of votes against the resolution (%)	Total no. of units represented by votes for and against the resolution	As a percentage of total no. of votes for and against the resolution (%)
586,769,903	95.15	29,915,540	4.85	616,685,443	100

Based on the results of the poll, the motion was declared carried by the Chairman and it was RESOLVED:

*"That pursuant to Clause 5 of the trust deed constituting Manulife US REIT (as amended and restated) (the "**Trust Deed**") and listing rules of the Singapore Exchange Securities Trading Limited ("**SGX-ST**"), the Manager be authorised and empowered to:*

*(a) (i) issue units in Manulife US REIT ("**Units**") whether by way of rights, bonus or otherwise; and/or*

*(ii) make or grant offers, agreements or options (collectively, "**Instruments**") that might or would require Units to be issued, including but not limited to the creation and issue of (as well as adjustments to) options, warrants, debentures or other instruments convertible into Units,*

at any time and upon such terms and conditions and for such purposes and to such persons as the Manager may in its absolute discretion deem fit; and

(b) issue Units in pursuance of any Instruments made or granted by the Manager while this Resolution was in force (notwithstanding that the authority conferred by this Resolution may have ceased to be in force at the time such Units are issued),

provided that:

(1) the aggregate number of Units to be issued pursuant to this Resolution (including Units to be issued in pursuance of Instruments, made or granted pursuant to this Resolution) shall not exceed fifty per cent (50%) of the total number of issued Units (excluding treasury Units and subsidiary holdings, if any) (as calculated in accordance with sub-paragraph (2) below), of which the aggregate number of Units to be issued other than on a pro rata basis to Unitholders shall not exceed twenty per cent (20%) of the total number of issued Units (excluding treasury Units and subsidiary holdings, if any) (as calculated in accordance with sub-paragraph (2) below);

(2) subject to such manner of calculation as may be prescribed by SGX-ST, for the purpose of determining the aggregate number of Units that may be issued under sub-paragraph (1) above, the total number of issued Units (excluding treasury Units and subsidiary holdings, if any) shall be based on the total number of issued Units (excluding treasury Units and subsidiary holdings, if any) at the time this Resolution is passed, after adjusting for:

(a) any new Units arising from the conversion or exercise of any Instruments which are outstanding at the time this Resolution is passed;

(b) any subsequent bonus issue, consolidation or subdivision of Units;

(3) in exercising the authority conferred by this Resolution, the Manager shall comply with the provisions of the Listing Manual of the SGX-ST for the time being in force (unless such compliance has been waived by the SGX-ST) and the Trust Deed for the time being in force (unless otherwise exempted or waived by the Monetary Authority of Singapore);

(4) unless revoked or varied by the Unitholders in a general meeting of Manulife US REIT, the authority conferred by this Resolution shall continue in force until (i) the conclusion of the next AGM of Manulife US REIT or (ii) the date by which the next AGM of Manulife US REIT is required by applicable laws or regulations to be held, whichever is earlier;

(5) where the terms of the issue of the Instruments provide for adjustment to the number of Instruments or Units into which the Instruments may be converted in the event of rights, bonus or other capitalisation issues or any other events, the Manager is authorised to issue additional Instruments or Units pursuant to such adjustment notwithstanding that the authority conferred by this Resolution may have ceased to be in force at the time the Instruments or Units are issued; and

(6) the Manager and the Trustee be and are hereby severally authorised to complete and do all such acts and things (including executing all such documents as may be required) as the Manager or, as the case may be, the Trustee may consider expedient or necessary or in the interest of Manulife US REIT to give effect to the authority conferred by this Resolution."

4. PROPOSED UNIT BUY-BACK MANDATE – ORDINARY RESOLUTION 4

The Ordinary Resolution 4 as set out in the Notice of AGM was proposed by the Chairman, the motion was put to vote and the results of the poll for Ordinary Resolution 4 were as follows:

FOR		AGAINST		TOTAL	
No. of Units	As a percentage of total no. of votes for the resolution (%)	No. of Units	As a percentage of total no. of votes against the resolution (%)	Total no. of units represented by votes for and against the resolution	As a percentage of total no. of votes for and against the resolution (%)
617,380,958	99.97	163,410	0.03	617,544,368	100

Based on the results of the poll, the motion was declared carried by the Chairman and it was RESOLVED:

"That pursuant to Clause 7 of the Trust Deed:

(a) the exercise of all the powers of the Manager to repurchase issued Units for and on behalf of Manulife US REIT not exceeding in aggregate the Maximum Limit (as hereafter defined), at such price or prices as may be determined by the Manager from time to time up to the Maximum Price (as hereafter defined), whether by way of:

(i) market repurchase(s) on the SGX-ST and/or as the case may be, such other stock exchange for the time being on which the Units may be listed and quoted; and/or

(ii) off-market repurchase(s) (which are not market repurchase(s)) in accordance with any equal access scheme(s) as may be determined or formulated by the Manager as it considers fit in accordance with the Trust Deed,

*and otherwise in accordance with all applicable laws and regulations including the rules of the SGX-ST or, as the case may be, such other stock exchange for the time being on which the Units may be listed and quoted, be and is hereby authorised and approved generally and unconditionally (the "**Unit Buy-Back Mandate**");*

(b) (unless revoked or varied by the Unitholders in a general meeting) the authority conferred on the Manager pursuant to the Unit-Buy-Back Mandate may be exercised by the Manager at any time and from time to time during the period commencing from the date of the passing of this Resolution and expiring on the earliest of:

(i) the date on which the next AGM of Manulife US REIT is held;

(ii) the date by which the next AGM of Manulife US REIT is required by applicable laws and regulations or the Trust Deed to be held; or

(iii) the date on which repurchases of Units pursuant to the Unit Buy-Back Mandate are carried out to the full extent mandated;

(c) in this Resolution:

*"**Average Closing Price**" means the average of the closing market prices of the Units over the last five Market Days, on which transactions in the Units were recorded, immediately preceding the date of the market repurchase or, as the case may be, the date of the making of the offer pursuant to the off-market repurchase, and deemed to be adjusted for any corporate action that occurs during the relevant five Market Days*

and the date on which the market purchase(s) or, as the case may be, the date on which the offer pursuant to the off-market purchase(s), is made;

*"**date of the making of the offer**" means the date on which the Manager makes an offer for an off-market repurchase, stating therein the repurchase price (which shall not be more than the Maximum Price for an off-market repurchase) for each Unit and the relevant terms of the equal access scheme for effecting the off-market repurchase;*

*"**Market Day**" means a day on which the SGX-ST and/or, as the case may be, such other stock exchange for the time being on which the Units may be listed and quoted, is open for trading in securities;*

*"**Maximum Limit**" means that number of Units representing 2.5% of the total number of issued Units as at the date of the passing of this Resolution; and*

*"**Maximum Price**" in relation to a Unit to be repurchased, means the repurchase price (excluding brokerage, stamp duty, commission, applicable goods and services tax and other related expenses) which shall not exceed 105.0% of the Average Closing Price of the Units for both a market repurchase and an off-market repurchase; and*

(d) the Manager and the Trustee be and are hereby severally authorised to complete and do all such acts and things (including executing all such documents as may be required) as the Manager or, as the case may be, the Trustee may consider expedient or necessary or in the interests of Manulife US REIT to give effect to the transactions contemplated and/or authorised by this Resolution.

CONCLUSION

There being no other business, the Chairman declared the AGM of MUST closed at 11.00 a.m. and thanked everyone for their attendance.

**CONFIRMED AS TRUE RECORD
OF PROCEEDINGS HELD**

**HSIEH TSUN-YAN
CHAIRMAN**

MANULIFE US REAL ESTATE INVESTMENT TRUST ("MUST")
(Constituted in the Republic of Singapore pursuant to a
Trust Deed dated 27 March 2015 (as amended and restated))

ANNUAL GENERAL MEETING

ATTENDANCE LIST
(Directors and Management)

DETAIL	:	*Held via "live" webcast and audio stream pursuant to the Joint Statement dated 13 April 2020 issued by ACRA, MAS and SGX RegCo*
DATE	:	Monday, 18 May 2020
TIME	:	10.00 a.m.

S/No.	Name	Position
1.	Hsieh Tsun-Yan	Chairman / Non-Executive Director
2.	Lau Chun Wah @ Davy Lau	Independent Non-Executive Director / Lead Independent Director
3.	Veronica Julia McCann	Independent Non-Executive Director
4.	Dr Choo Kian Koon	Independent Non-Executive Director
5.	Dr Koh Cher Chiew Francis	Independent Non-Executive Director
6.	Michael Floyd Dommermuth	Non-Executive Director
7.	Stephen James Blewitt	Non-Executive Director
8.	Jill Smith	Chief Executive Officer
9.	Robert Wong Teck Ling	Chief Financial Officer
10.	Jennifer Schillaci	Chief Investment Officer
11.	Caroline Fong	Head of Investors Relations
12.	Choong Chia Yee	Financial Controller
13.	Daphne Chua	Head of Compliance

APPENDIX

MANULIFE US REAL ESTATE INVESTMENT TRUST ("MUST")

(Constituted in the Republic of Singapore pursuant to a
Trust Deed dated 27 March 2015 (as amended and restated))

SUMMARY OF QUESTIONS AND ANSWERS DURING ANNUAL GENERAL MEETING HELD ON MONDAY, 18 MAY 2020 (the "AGM")

Question 1	**:**	**In view of the COVID situation, is the REIT having any cash flow problem? Will there be any plans to refinance debt to reduce interest rate? If yes, what is the estimated savings in interest expense?**
Response (Robert Wong)	:	To date, the REIT has collected more than 90% of its April 2020 rent. MUST has currently undrawn committed credit facilities of about US$95 million for capital working purposes, providing us with an adequate liquidity buffer. As for the refinancing plan, MUST has received commitment from one local bank to refinance the loan for the Peachtree property, which is due in July 2020. MUST is in advance documentation stage and would be making the announcement in this regard shortly. Based on negotiated credit spread and the current low interest rate environment, there will be some savings as compared to the existing mortgage loan interest of 2.46% for the Peachtree property.
Question 2	**:**	**Can you help unitholders understand the breakdown of the operating expenses and the reasons for the increase despite the REIT enjoying economies of scale? How would the Manager be better controlling the operating expenses?**
Response (Robert Wong)	:	Property operating expense ratios vary from property to property and state to state depending on the types of buildings, locations and whether the property is in an unionised state. MUST's acquisition accretion is based on meeting a certain net property income ("**NPI**") yield hurdle. As such, a property that has higher operating expenses would require a higher gross revenue to provide that desired NPI yield. In MUST's FY2019 results, total operating expenses as a percentage of the net asset value ("**NAV**") had risen mainly due to 2 reasons: (i) higher property expenses ratio for the newly acquired Centerpointe and Capitol properties in May 2019 and September 2019, respectively, and this was compensated by a higher NPI yield accorded to these properties; and (ii) a first time performance fee paid in FY2019. Notwithstanding the higher expense ratio, MUST has been growing its portfolio prudently and accretively, evidenced from the increasing distribution per unit ("**DPU**") over the years.

Question 3 : **Many Singapore REITs have been cutting their distributions due to cash flow issue. As an investor, nothing matters more to me than the distributions that I will be paid. Will MUST be paying less than 100% of your distributions and deferring the payment for the next few quarters?**

Response (Jill Smith) : MUST is very much aware of its responsibilities to unitholders and especially the importance to you all of paying out distributions.

MUST's preference is to pay out 100% of distributions.

So far for this year, MUST has recorded a solid 1Q2020 and the vast majority of its tenants have paid their April rent.

Whilst the outlook for the next few months remains fluid, MUST is encouraged by the reopening of businesses in many parts of the US. The return to work will also encourage those who had stopped looking for space, or wanting to stay and expand, resume such leasing activities.

In addition, it is important to note that, unlike Singapore REITs, MUST is obliged under the terms of its Trust Deed to pay out a minimum of 90% of its income, and is not permitted to defer its distributions for the next 12 months.

Question 4 : **In relation to the ordinary resolution 4, would the Management consider buying back units under the Unit buy-back mandate? As the REIT trades at over 8% dividend yield and below its NAV, this would be DPU accretive?**

Response (Jill Smith) : Firstly, a buy back of units by MUST should not be confused with the purchase of units by the Sponsor.

In any buy back, MUST would be required to use its own capital reserves.

MUST had first sort approval for its buy back scheme at last year's AGM. This was because MUST's unit price had been sharply depressed in the latter part of 2018 following the US Tax Act debacle and MUST wanted to create flexibility to buy back units if the need arises.

Buy back schemes must be renewed annually subject to unitholders' approval at the AGM, and that is why ordinary resolution 4 had been included in the agenda for this year's AGM.

When considering the use of a buy back scheme, MUST needs to ensure that it would be in the best use of its capital reserves. Currently, MUST is preserving capital because of the possible impact of Covid-19. The current market conditions are also too volatile.

As such, Management is of the view that MUST should not use the buy back scheme in the short term, and the buy back scheme is being tabled for unitholders' approval and renewed at this AGM for MUST's use, if needs be , in the future.

Question 5 : **Despite acquiring 6 properties in the last 3 years and increasing your AUM by more than 2.5 times, the NAV and DPU have largely remained flat. Can you elaborate how the REIT's growth and acquisition strategy has led to value creation for unitholders?**

Response (Jill Smith) : MUST has been adding accretive acquisitions over the years, however one should be cognizant that there are other dynamic at play within the portfolio that would have influences on the overall returns (both DPU & NAV). For example, prolonged downtime for certain leases, renewals at market rent lower than previous rental rate, front loaded incentives provided to tenants would reduce distribution in the initial year.

MUST also has continued to deliver in terms of DPU over the past four years and in 2019, MUST's Total Shareholder Returns ("**TSR**") was 42.1%.

Question 6 : **Will there be any opportunities to scoop up some distress assets and grow the REIT during this crisis?**

Response (Jennifer Schillaci) : No, since most office owners are not under stress at the moment and no one will bring a building to market in a downturn unless they absolutely have to.

The real estate market is in much better shape this time around compared to the GFC – there is little overbuilding, leverage is lower and approximately 90% of office leases are greater than two years.

What MUST is currently seeing is a frozen market – no seller is willing to sell for anything less than a pre-Covid price and no buyer is willing to buy for anything more than a Covid discounted price. As a result, nothing trades. As seen in the previous downturns, most investors will take a wait and see attitude, pausing until there is some more certainty on the economic outlook and clarity on underwriting assumptions.

Management expects the market to return once there is some confidence on the duration and severity of the current situation. Consensus believes that due to massive fiscal and monetary stimulus, and since this is not a banking/financial crisis and apparently there is an economic bounce back by China, there is reason for optimism that the US would bounce back much sooner than the 9/11 or GFC comparable periods, which lasted years.

Over the medium to longer term, MUST expects to see continued flows of capital into real estate. As such, the yield impact of Covid-19 is predicted to be minimal over the long-term.

As for valuations of MUST's portfolio, we may see some near-term impact, however as mentioned above, there has been no price discovery (i.e. deals traded) in the market. In addition, the impact will depend on the quality of the asset, length of the leases and credit quality. The next valuation date for MUST's properties is 30 June 2020 and the valuation would reflect the market at that time. Management expects any impact to be temporary and reverse when market normalizes depending on the length of the impact and any rebound in cases.

MUST has strong teams on the ground with experience in economic cycles, while its Sponsor, Manulife, has been managing real estate for 80 years and has built robust processes and controls to mitigate risk and take advantage of opportunities. MUST also maintains solid relationships with the key players in the investment market, which control most transactions of our size/quality, and is seeing all deals in the market. MUST would continue to work with brokers and contacts to root out opportunities but do not expect much movement until the market unfreezes. However, if the slowdown continues then Management would expect to see distress sellers appear, and that could lead to opportunity for MUST.

Question 7 : **What is the impact of COVID on your business? Which are the tenants that are most affected by this crisis? In other words, how resilient is your Class A/Trophy portfolio as compared to your peers?**

Response (Jill Smith) : Every company and business in the US have been impacted by Covid-19. Almost no one is immune so, it's the degree to which you are impacted that counts.

Over the past four years since MUST's IPO, MUST has been working to build a top quality portfolio that reflects its strong belief that Trophy and Class A assets provide strong income in up cycles and remain resilient during market turmoil as compared to Class B and lower Class Business Park assets. For example, in previous crisis, it was observed that Class B tenants that survived would try to move to Class A buildings taking advantage of the more affordable rents thereby creating more leasing demand in the higher quality properties.

Furthermore, MUST fortified its portfolio by choosing locations that have a pathway to growth and are well sort after by tenants as they have appeal from a live, work play perspective.

MUST has deliberately sought credit tenants from a wide range of trade sectors. Diversification has been important to reducing risk to NPI. As a result, MUST had already been able to deliver on its promises to unitholders over the past four years. Management believes that its approach has set MUST apart from its Peers.

So far in this pandemic, MUST has been fortunate that few of its tenants are from sectors that have been badly affected by the Covid-19 shut down. MUST has minimal exposure to travel, hospitality, leisure, transport and airlines and less than 0.5% exposure to oil and gas, all of these sectors felt the immediate impact of the pandemic. Otherwise, even MUST's co-working tenants had paid their rent for April 2020.

Management understands from market data that its experience with tenants in April 2020 has been as good as, if not a little better, than that for others in the office real estate sector.

Now that the US is reopening and the outlook is beginning to improve, MUST could have a better outcome in June 2020 and through the 3rd quarter then had been predicted just a week or two ago. And when this undoubtedly difficult period has passed, Management believes that strong and growing businesses will want to locate in superior buildings such as MUST's. This is where capital expenditures spent on lobby and other renovations in MUST's properties over recent years will make a difference in attracting and retaining tenants.

Question 8	**:**	**If you have a crystal ball, how do you see the future of office post this crisis? Will people still require office space and will there be a shift in your strategy for MUST?**
Response (Jill Smith)	:	Globally Covid-19 has caused unprecedented disruption to office real estate with millions of employees from all types and sizes of companies forced to work from home. As the weeks have passed opinion has become divided on the future of office in the post pandemic world.

Work From Home ("**WFH**") is a relatively new concept in Asia, but in the US, flexible working including WFH has been a norm for a decade or more. This has been particularly popular with certain types of companies such as media, arts and technology that thrive on the flexibility that WFH gives its staff.
The truth is that the outcome is unknown – it's too early to tell. Much will probably depend on the existing design of an office and the corporate practices of various trade sectors.

Location is important – that is to avoid the densely populated Central Business Districts ("**CBDs**") and head for Urban and Suburban areas. Such locations often offer more competitive rents then the CBDs and this trend has already driven companies away from gateway cities as firms with large office workforces curb costs. All of MUST's 9 buildings are in less dense but still prestigious City, urban and suburban locations.

Over recent years there has been a shortage of well-educated and talented office workers in the US and this has been translated in to the live work, play theme whereby older and younger workers alike no longer want long commutes preferring instead to live close to their workplace with the convenience of walking or driving short distances to work with a full range of shopping, sporting and other recreational amenities on their door step.

There are questions about efficiency and productivity for WFH. By comparison being at home working from the kitchen table with the children screaming around you is not as productive or congenial as running to work and brainstorming with colleagues. Chats around the water cooler whilst safe distancing still have their place.

For many firms face to face contact to seal a deal will continue, and it's a brave CEO who does not need some sort of HQ from which to command and operate their business.

Before the Covid-19 crisis, there was limited supply of quality Class A and Trophy space in many popular locations but, no one will dare to build a new office tower immediately post this pandemic. There is an additional school of thought that companies will actually need more space post the crisis to meet the social distancing needs. So, a supply shortage in Class A and Trophy buildings could be good for office rentals.

There are also the practicalities of companies being contractually bound through the USs long leases of 5 /10 /15 years with no break clauses and where there are early terminations there are often severe financial penalties that can run in to millions of dollars. So, MUST will be watching what trends emerge post Covid and be prepared to shift its strategy to ensure the best future for the REIT and its investors.

Question 9	**:**	**Manulife has been rather aggressive raising equity in the past years. Will you be doing a rights issue soon?**
Response (Caroline Fong)	:	In the last 4 years, MUST has grown from 3 to 9 properties raising close to $722.4 million. MUST had only issued one rights issue in 2017 when the acquisition was more than half our market cap of approximately US$530 million. Having grown its market capitalisation to approximately US$1.1 billion, a 20% placement now allows MUST to raise close to US$220 million. MUST's preference would always be placement, preferential offering and lastly rights issue in that order. The reason being that rights issues carries the largest discount, causing huge dilution and exposes us to market volatility and price movement of close to 2 months. MUST would only resort to rights issues for mega acquisitions and definitely not to hoard cash on its balance sheet.