



**Manulife**

US REIT

FIRST PURE-PLAY  
**USA**  
U.S. DOLLAR  
OFFICE REIT IN ASIA



**2Q 2017 Financial Results**  
**(1 Apr 2017 to 30 Jun 2017)**  
8 August 2017

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This presentation shall be read in conjunction with Manulife US REIT's financial results announcement dated 8 August 2017 published on SGX Net.

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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.

DBS Bank Ltd. was the Sole Financial Adviser and Issue Manager for the initial public offering of Manulife US Real Estate Investment Trust ("**Offering**"). DBS Bank Ltd., China International Capital Corporation (Singapore) Pte. Limited, Credit Suisse (Singapore) Limited and Deutsche Bank AG, Singapore Branch were the Joint Bookrunners and Underwriters for the Offering.

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*Peachtree, Atlanta, Georgia*



# Key Highlights



# Key Highlights of 1H 2017<sup>1</sup>

## Yield Accretive Acquisition of Plaza

*for the purchase price of*

**US\$115.0 million**

## Net Property Income

*outperformed projection<sup>2</sup> by 3.2%*

**US\$25.6 million**

## Distribution per Unit

*outperformed projection<sup>2</sup> by 8.0%*

**3.23 US cents**

## Occupancy Rate

**95.9%**

## WALE

**5.3  
Years**

## Gearing

**30.4%**

## Net Asset Value

**US\$0.84  
per Unit**

## Valuation

**US\$857.5  
million**

(1) 1H 2017 is defined as the period from 1 Jan 2017 to 30 Jun 2017

(2) The Prospectus disclosed a profit forecast for 2017. Forecast results for the financial period from 1 Apr 2017 to 30 Jun 2017 (2Q 2017) and from 1 Jan 2017 to 30 Jun 2017 (1H 2017) were derived by pro-rating the forecast figures for 2017 as disclosed in the Prospectus



Plaza, Secaucus, New Jersey



# Financial Highlights

# 1H 2017 DPU Exceeded Projection<sup>1</sup> by 8.0%

	2Q 2017 Actual (US\$'000)	2Q 2017 Projection <sup>1</sup> (US\$'000)	2Q 2017 Change (%)	1H 2017 Actual (US\$'000)	1H 2017 Projection <sup>1</sup> (US\$'000)	1H 2017 Change (%)
<b>Gross Revenue<sup>2</sup></b>	<b>19,906</b>	<b>19,970</b>	<b>(0.3)</b>	<b>39,739</b>	<b>40,060</b>	<b>▼ (0.8)</b>
• Rental and Other Income	14,721	14,459	1.8	29,384	28,972	1.4
• Recovery Revenue	5,185	5,511	(5.9)	10,355	11,088	(6.6)
<b>Property Operating Expenses</b>	<b>(7,117)</b>	<b>(7,633)</b>	<b>(6.8)</b>	<b>(14,187)</b>	<b>(15,292)</b>	<b>▼ (7.2)</b>
<b>Net Property Income</b>	<b>12,789</b>	<b>12,337</b>	<b>3.7</b>	<b>25,552</b>	<b>24,768</b>	<b>▲ 3.2</b>
<b>Net Income<sup>3</sup></b>	<b>21,245</b>	<b>7,434</b>	<b>&gt;100</b>	<b>29,750</b>	<b>15,191</b>	<b>▲ 95.8</b>
<b>Distributable Income</b>	<b>9,987</b>	<b>9,346</b>	<b>6.9</b>	<b>20,400</b>	<b>19,049</b>	<b>▲ 7.1</b>
<b>Distribution per Unit (cents)</b>	<b>1.58</b>	<b>1.47</b>	<b>7.5</b>	<b>3.23</b>	<b>2.99</b>	<b>▲ 8.0</b>

(1) The Prospectus disclosed a profit forecast for 2017. Forecast results for the financial period from 1 Apr 2017 to 30 Jun 2017 (2Q 2017) and from 1 Jan 2017 to 30 Jun 2017 (1H 2017) were derived by pro-rating the forecast figures for 2017 as disclosed in the Prospectus

(2) The gross revenue was below forecast due to lower recovery revenues. Recovery revenues from tenants are recognised when applicable recoverable property operating expenses are incurred. Since the recoverable property operating expenses were lower than forecast, the recovery revenues were also lower

(3) Net Income is higher than forecast largely due to fair value gains of US\$20.2 million for 2Q 2017 and US\$19.6 million for 1H 2017 recognised in income

# Distribution Schedule

## Advanced Distribution of 3.20 US Cents per Unit Post Plaza Acquisition

<b>Total Distribution per Unit</b>	<b>3.23 US cents</b> <i>For 1H 2017</i>
<b>Advanced Distribution per Unit<sup>1</sup></b> - Ex-Distribution Date: 23 June 2017 - Books Closure Date: 28 June 2017	<b>3.20 US cents</b> <i>For period 1 January 2017 to 28 June 2017</i>
<b>Distribution per Unit</b>	<b>0.03 US cents</b> <i>For period 29 June 2017 to 30 June 2017</i>
<b>Advanced Distribution Payment Date</b>	<b>31 August 2017</b>

(1) Manulife US REIT has announced an Advanced Distribution on 19 Jun 2017 for the distribution period from 1 Jan 2017 to 28 Jun 2017. The next distribution following the Advanced Distribution will comprise Manulife US REIT's distributable income for the period 29 Jun 2017 to 31 Dec 2017. Semi-annual distributions will resume thereafter



# Portfolio Valuation Increased by 2.8% since 31 Dec 2016

Valuation Increases Underpinned by Positive Property Fundamentals

Change in Portfolio Value as at 30 Jun 2017

Property	Acquisition Price as at 20 May 2016 (US\$ million)	Valuation as at 31 Dec 2016 (US\$ million)	Valuation as at 30 Jun 2017 (US\$ million)	Change since 20 May 2016 (%)	Change since 31 Dec 2016 (%)	Current Cap Rate <sup>1</sup> (%)
<b>Figueroa</b>	284.7	312.5	<b>325.0</b>	14.2	4.0	4.8
<b>Michelson</b>	317.8	334.6	<b>342.0</b>	7.6	2.2	5.6
<b>Peachtree</b>	175.0	186.7	<b>190.5</b>	8.9	2.0	5.8
<b>Total/ Weighted Average</b>	777.5	833.8	<b>857.5</b>	10.3	2.8	5.3

(1) As at 30 Jun 2017 by CBRE

# Robust Balance Sheet

	As at 31 Dec 2016 (US\$'000)	As at 30 Jun 2017 (US\$'000)
<b>Investment Properties</b>	833,800	857,500
<b>Total Assets</b>	875,223	974,670 <sup>1</sup>
<b>Borrowings</b>	294,186 <sup>2</sup>	294,407 <sup>3</sup>
<b>Total Liabilities</b>	328,218	358,712 <sup>4</sup>
<b>Net Asset Attributable to Unitholders</b>	547,005	615,958
<b>NAV per Unit (US\$ per unit)</b>	0.87	0.84
<b>Adjusted NAV per unit<sup>5</sup></b>	0.83	0.84

(1) Including cash proceeds from private placement that have not been deployed as at 30 Jun 2017

(2) Net of upfront debt related unamortised transaction costs of US\$1.8 million

(3) Net of upfront debt related unamortised transaction costs of US\$1.6 million

(4) Including distribution payable as at 30 Jun 2017 for Advanced Distribution announced on 19 Jun 2017

(5) Excluding distributable income

# Proactive Capital Management

100% Fixed Rate Loans with No Near-term Refinancing  
Gearing Ratio Reduced Increasing Debt Head Room

	As at 1Q 2017	As at 2Q 2017
<b>Gross Borrowings</b>	US\$296.0 million	US\$296.0 million
<b>Gearing Ratio<sup>1</sup></b>	34.2%	30.4% <sup>2</sup> Adjusted Gearing Ratio of 33.1%
<b>Weighted Average Interest Rate</b>	2.46% p.a.	2.46% p.a.
<b>Debt Maturity (weighted average)</b>	3.3 years	3.1 years
<b>Interest Coverage</b>	5.8 times <sup>3</sup>	5.8 times <sup>3</sup>

(1) Based on gross borrowings as percentage of total assets

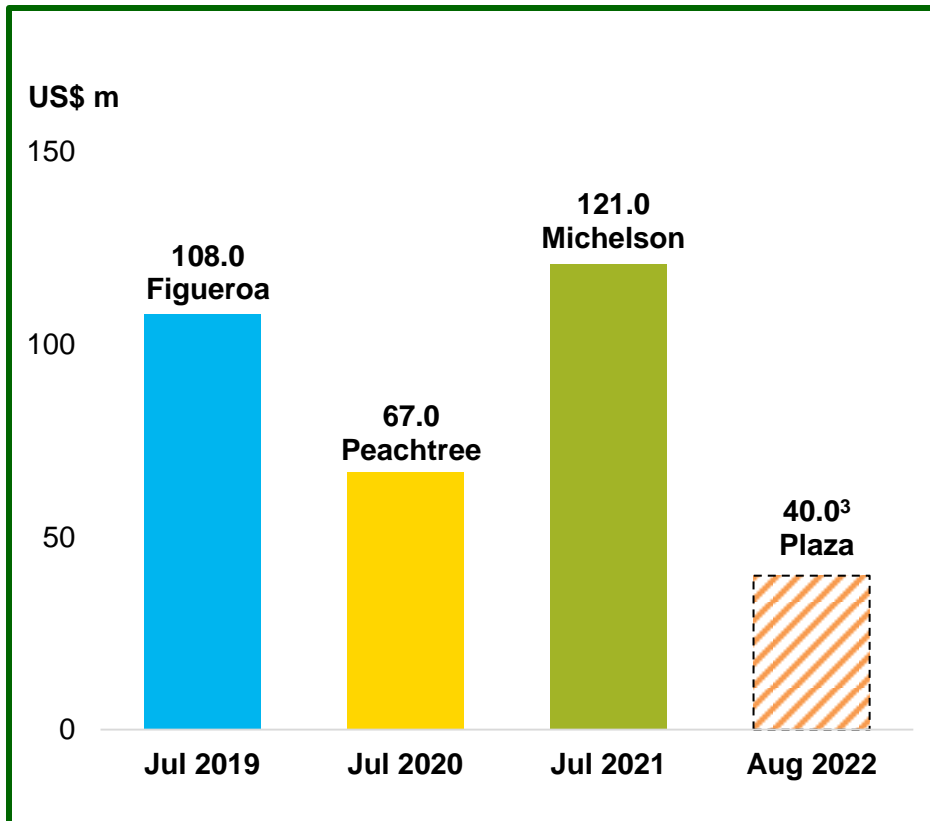
(2) The leverage ratio decreased to 30.4% as the cash proceeds of US\$80.5 million raised for Plaza have not been deployed as at 30 Jun 2017. Assuming that the Plaza acquisition was completed by 30 Jun 2017 (including securing US\$40.0 million mortgage), the leverage ratio would have been 33.1%

(3) Based on net income before finance expenses, taxes, fair value gain on properties and amortisation, over finance expenses. Including fair value gain on investment properties, the interest coverage would be 15.8 times for 2Q 2017 and 10.7 times for 1H 2017

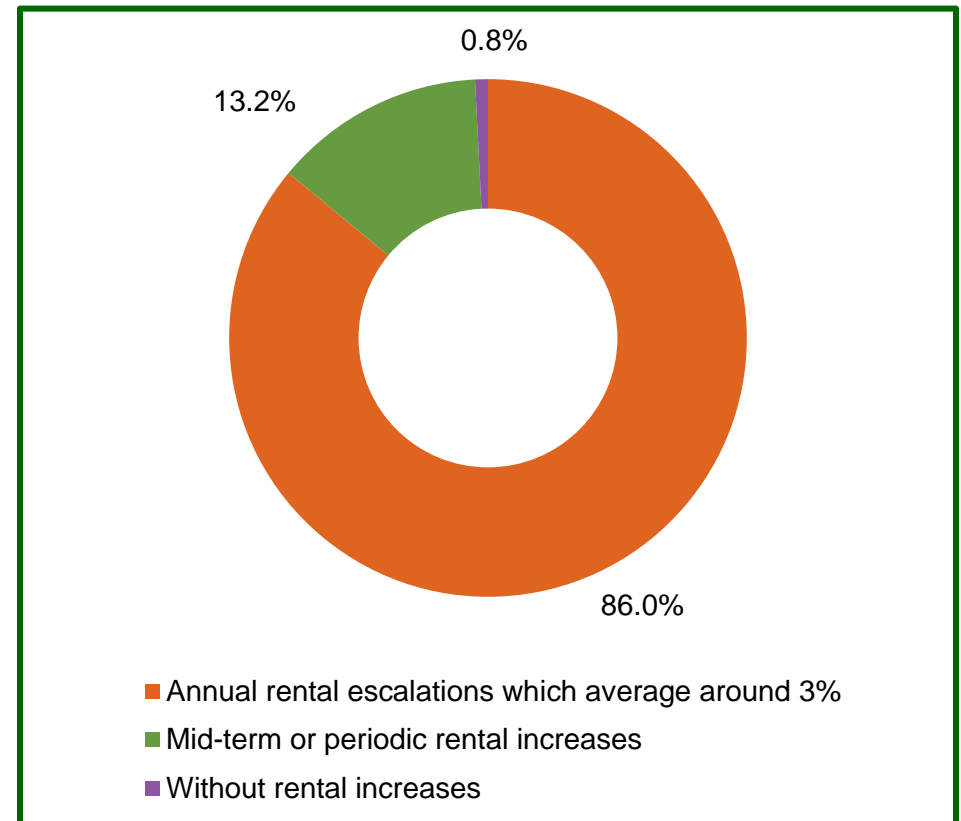


# Resilient Portfolio with Visible Growth

## Debt Maturity Profile<sup>1</sup>



## 99.2%<sup>2</sup> of Leases have Rental Escalations



(1) No refinancing required until 2019. Excludes Good News Facility of US\$43.4 million (includes Plaza) and US\$130.0 million Revolving Credit Facility, both of which have not been drawn down

(2) As at 30 Jun 2017

(3) Refer to the SGX Announcement on "Entry into Mortgage Facility for 500 Plaza Drive" for the financing of Plaza on 8 Aug 2017



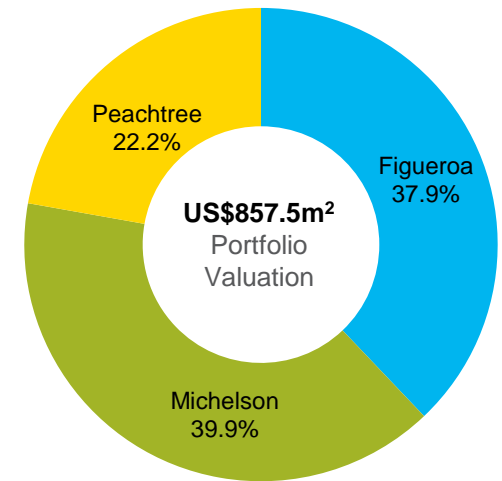
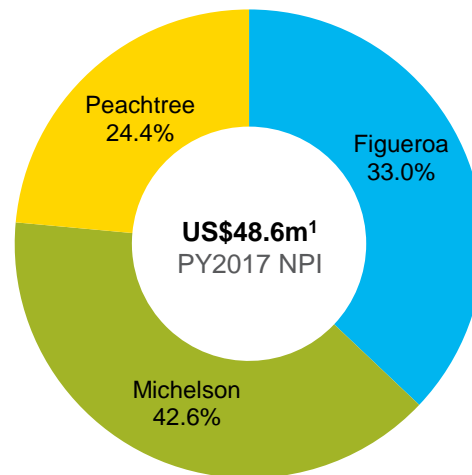
# Portfolio Performance

# Existing Portfolio



## Portfolio Summary as at 30 Jun 2017

<b>Total NLA</b>	1,786,774 sq ft
<b>WALE by (NLA)</b>	5.3 years
<b>Occupancy</b>	95.9 %
<b>Land Tenure</b>	100% freehold
<b>No. of Tenants</b>	71



(1) Based on projected Net Property Income (NPI) as disclosed in the Prospectus for Projection Year 2017  
 (2) Based on CBRE appraisal as at 30 Jun 2017



# Increase in Passing Rents

Positive 12.4% Rental Reversion across Portfolio<sup>1</sup>

Average Property Gross Rent (US\$ psf per year)

Property	As at 31 Mar 2017 (US\$)	As at 30 Jun 2017 (US\$)	Change (%)
Figueroa	38.63	39.16	1.4
Michelson	50.20	50.41	0.4
Peachtree	31.53	31.58	0.2
<b>Weighted Average</b>	<b>40.01</b>	<b>40.33</b>	<b>0.8</b>

(1) Based on new leases signed from 1 Jan 2017 to 30 Jun 2017 with a total NLA of 8,382 sq ft

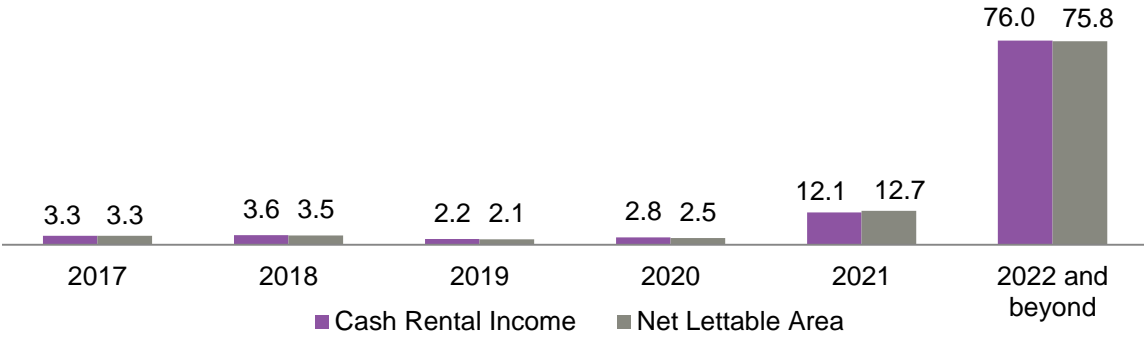
# Figueroa: Located in the Heart of Downtown LA (DTLA)

Influx of Millennials has Transformed DTLA into a Live, Work, Play Destination

As at 30 Jun 2017	
NLA	698,249 sq ft
Property Value	US\$325.0 m
Occupancy Rate	95.3%
WALE (by NLA)	5.3 Years



## Lease Expiry Profile as at 30 Jun 2017 (%)<sup>1</sup>



(1) Amounts may not sum to 100% due to rounding

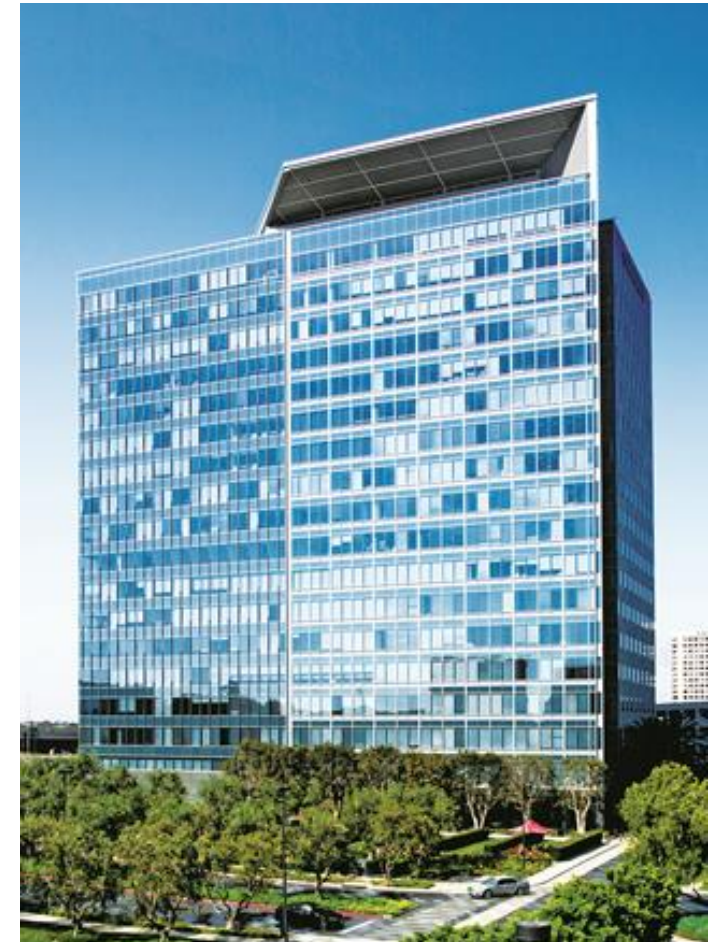
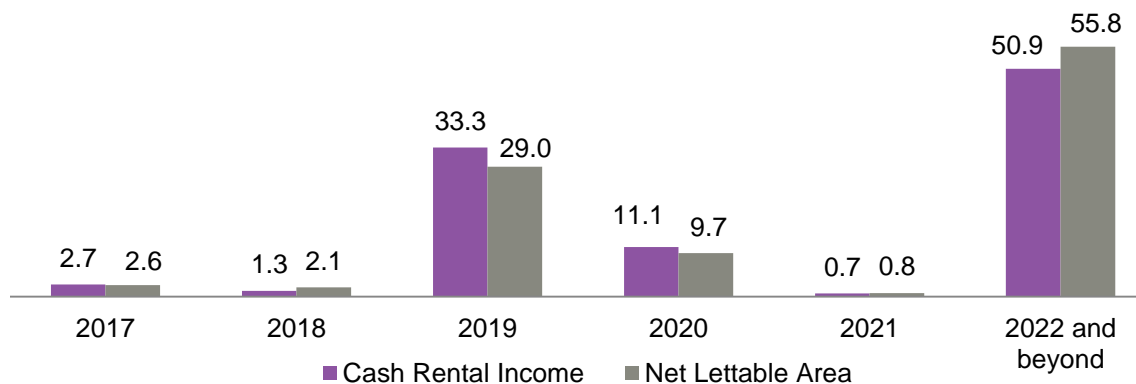
# Michelson: State-of-the-Art Trophy Building

## Irvine – Abundant Amenities Available in the Vicinity

As at 30 Jun 2017

NLA	532,603 sq ft
Property Value	US\$342.0 m
Occupancy Rate	99.1%
WALE (by NLA)	4.9 Years

### Lease Expiry Profile as at 30 Jun 2017 (%)





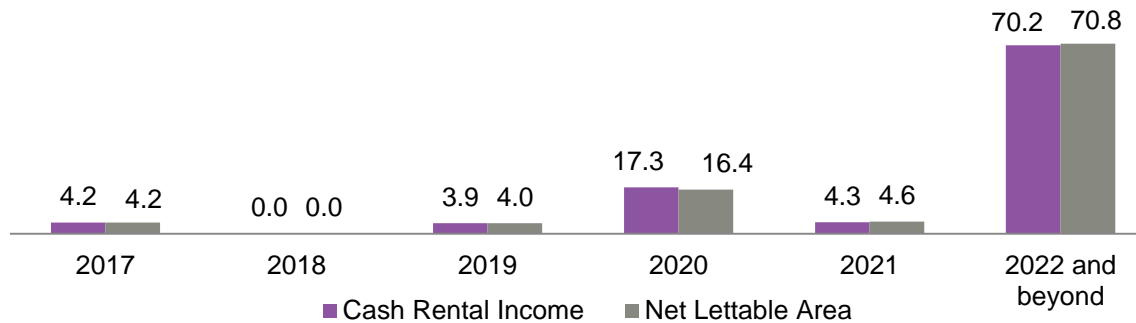
# Peachtree: Prominent Building in International Gateway Market

Atlanta – Headquarters for 18 Fortune 500 firms including Coca Cola, Delta Air Lines, Home Depot and UPS

## As at 30 Jun 2017

NLA	555,922 sq ft
Property Value	US\$190.5 m
Occupancy Rate	93.4%
WALE (by NLA)	5.8 Years

## Lease Expiry Profile as at 30 Jun 2017 (%)<sup>1</sup>



(1) Amounts may not sum to 100% due to rounding



# Office Market Overview

Limited Supply and Strong Rental Growth for the Three Cities in 2017

Class A Statistics as at 2Q 2017

Market	RBA <sup>1</sup> (mil sq ft)	Vacancy (%)	Gross Asking Rent	Net Absorption (‘000 sq ft)	12 Month Rent Growth <sup>2</sup> (%)	New Properties Under Construction (‘000 sq ft)	Property Name	Delivery Year
Downtown Los Angeles	39.6	14.7	US\$42.85	359	5.8	370	Office Plaza at Wilshire Grand	2017
Irvine, Orange County	13.7	12.7	US\$34.20	(1)	3.5	537	The Boardwalk	2017
Midtown Atlanta	17.8	10.6	US\$32.95	5	4.7	485	NCR Corp Headquarters	2018
						760	Coda	2019

(1) Rentable building area- Class A inventory

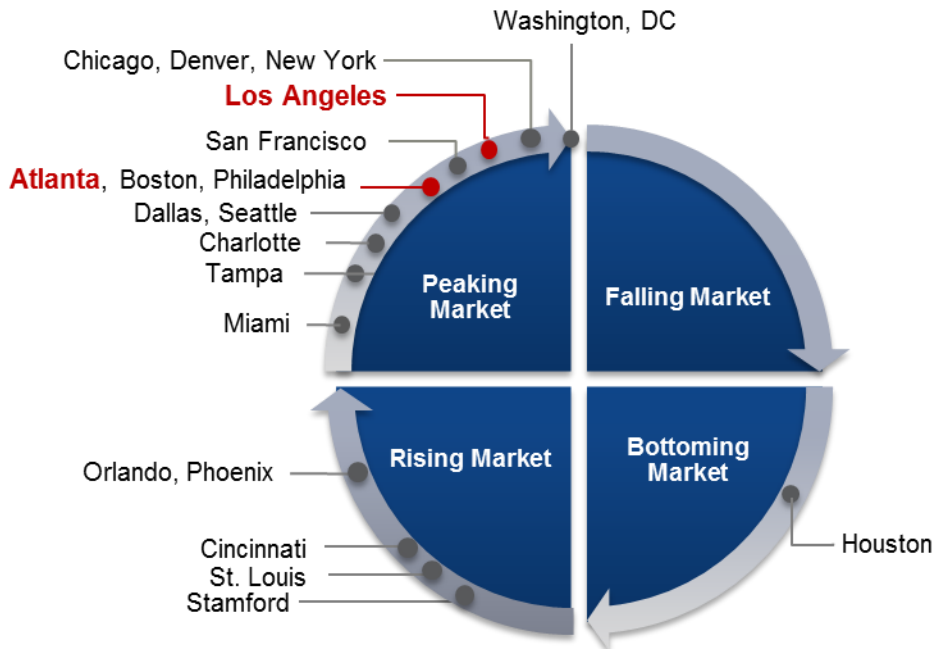
(2) All building classes

Source: CoStar Market Analysis & Forecast – 23 July 2017

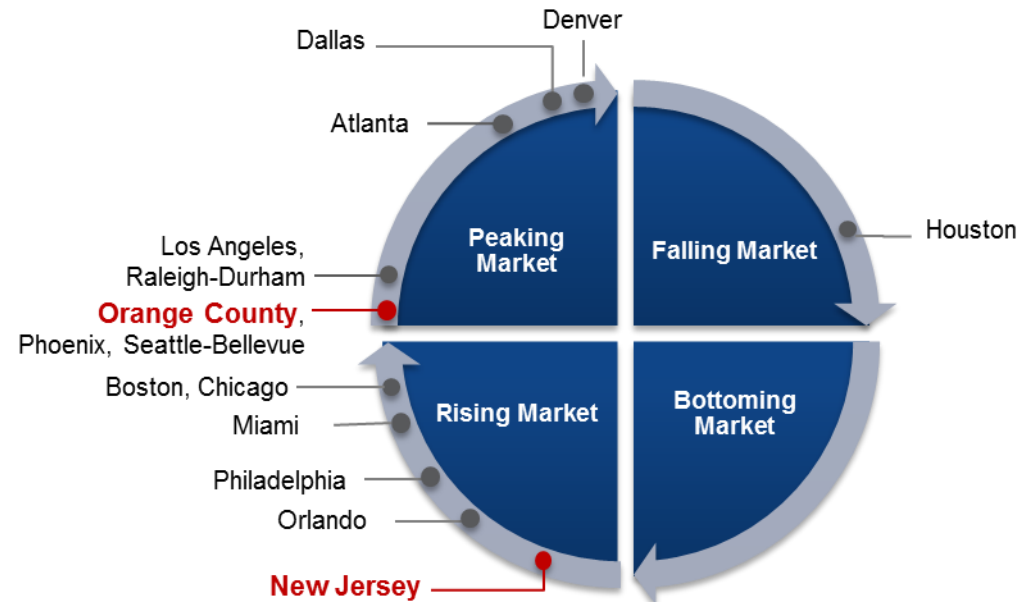
# Strategically Located in Key U.S. Cities

## Portfolio Markets Progressing Steadily

### Rental Cycle, CBD U.S. Markets <sup>1</sup>



### Rental Cycle, Suburban U.S. Markets <sup>1</sup>



(1) Source: JLL as at 2Q 2017. Retrieved from <http://www.us.jll.com/united-states/en-us/research/office>



# Acquisition of Plaza



# Acquisition of Prime Property in New Jersey

## Rationale and Key Benefits

- 1 Expand Geographic Footprint via Best-in-Class Office Building Minutes from New York City
- 2 Freehold Property with High Occupancy, Long WALE and High Quality Tenants
- 3 Strengthen Manulife US REIT's Overall Portfolio
- 4 Capitalise on Growth Opportunities in line with Long Term Strategy
- 5 Add Value to Unitholders through DPU Accretion



Enlarged Portfolio <sup>1</sup>	
Total NLA	: 2.25 million sq ft
WALE (by NLA)	: 6.1 years
Occupancy	: 96.5%
Land Tenure	: 100% freehold
No. of Tenants	: 78
Total Value <sup>2,3</sup>	: US\$973.5 million

(1) As at 30 Jun 2017

(2) Existing portfolio property values based on independent valuations by CBRE as at 30 Jun 2017

(3) Plaza property value based on independent valuation by Cushman & Wakefield as at 2 Jun 2017

# Plaza: Best-In-Class Asset Located in Secaucus

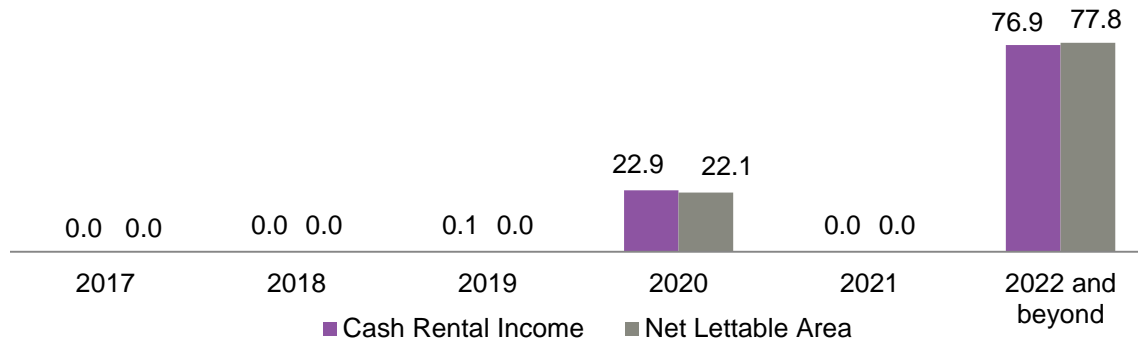
Excellent Regional Connectivity via Public Transportation and Interstate Highways

As at 30 Jun 2017

NLA	461,525 sq ft
Property Value	US\$116.0 m
Occupancy Rate	98.9%
WALE (by NLA)	8.9 Years



## Lease Expiry Profile as at 30 Jun 2017 (%)<sup>1</sup>



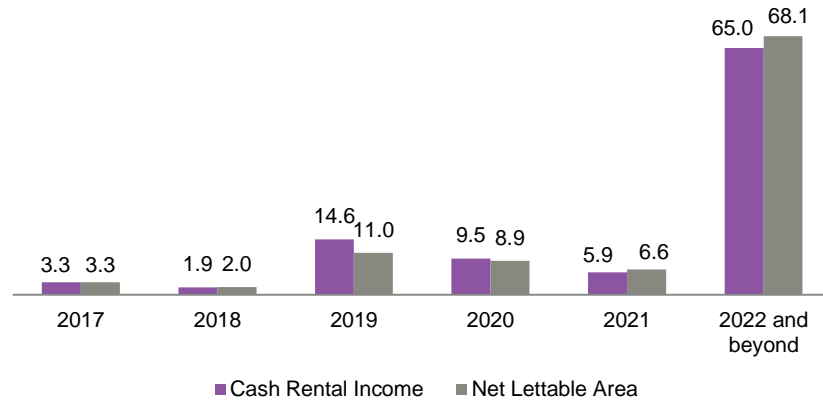
(1) Amounts may not sum to 100% due to rounding



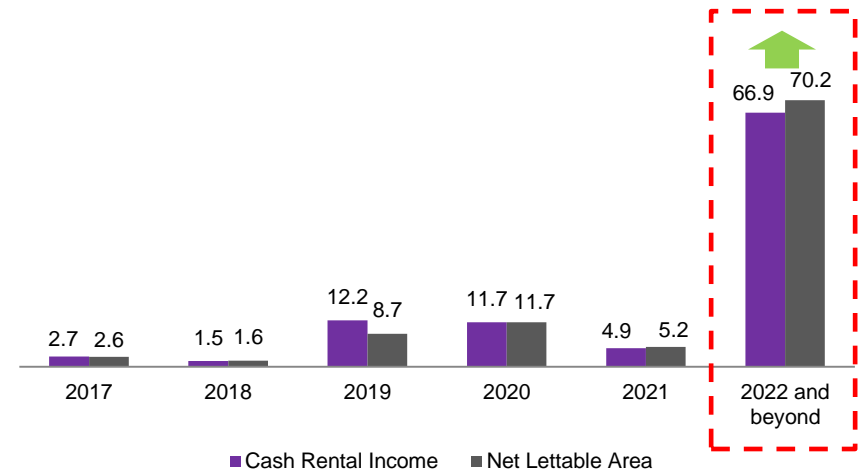
# Enhances Overall Portfolio's Income Stability and Organic Growth

	Before: Current Portfolio <sup>1</sup>	After: Enlarged Portfolio <sup>1</sup>
WALE by NLA	5.3 years	6.1 years
Tenants	71	78
Occupancy	95.9%	96.5%

Current Portfolio: Lease Expiry Profile<sup>1</sup> (%)



Enlarged Portfolio: Lease Expiry Profile<sup>1</sup> (%)

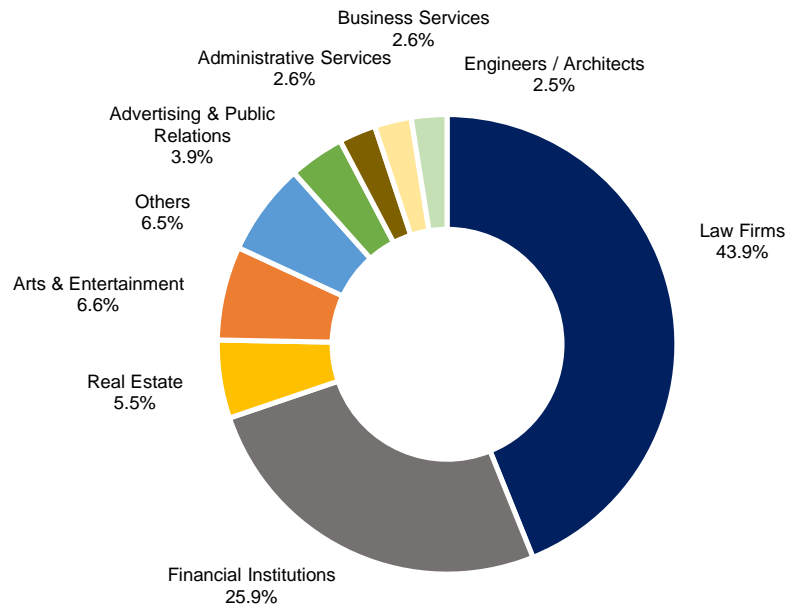


(1) As at 30 Jun 2017. Amounts may not sum to 100% due to rounding

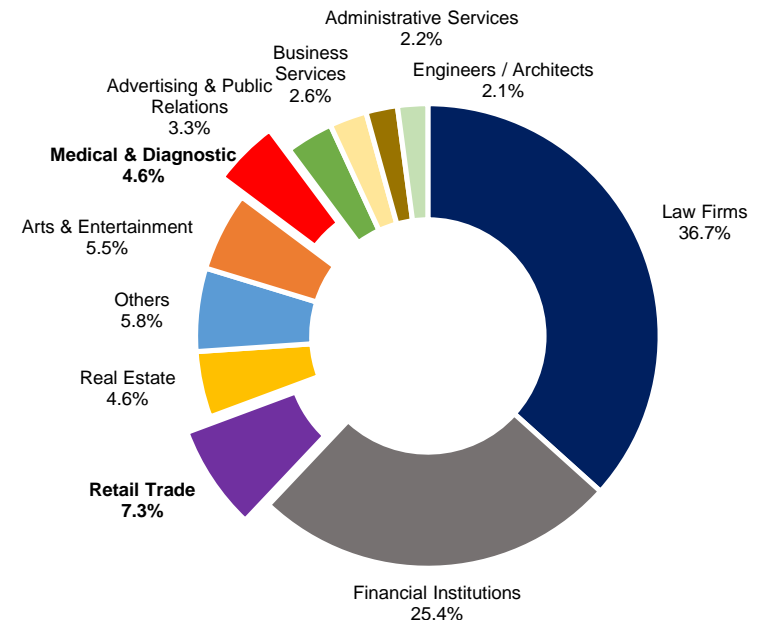
# Improved Diversification by Tenant Industry

Further Diversification of Tenant Base from Exposure to Two Sectors:  
(1) Medical & Diagnostics and (2) Retail Trade

**Current Portfolio: Cash Rental Income by Trade Sector<sup>1</sup>**



**Enlarged Portfolio: Cash Rental Income by Trade Sector<sup>1,2</sup>**



(1) As at 30 Jun 2017

(2) Amounts may not sum to 100% due to rounding



# Top 10 Tenants by Cash Rental Income (CRI)

## Current Portfolio<sup>1</sup>

Tenant <sup>1</sup>	Sector	Leased Area (sq ft)	% of CRI <sup>1</sup>
Kilpatrick	Law Firms	227,134	10.6%
TCW	Financial Institutions	188,835	10.1%
Hyundai Capital	Financial Institutions	96,921	8.9%
Quinn Emanuel	Law Firms	146,432	8.2%
Gibson, Dunn	Law Firms	87,305	7.1%
LA Fitness	Personal Services	91,023	4.8%
Bryan Cave	Law Firms	47,824	4.1%
Jones Day	Law Firms	53,013	3.7%
Greenberg Traurig	Law Firms	38,207	3.4%
Allen Matkins	Law Firms	51,413	3.1%
<b>Total Top 10 Tenants</b>		<b>1,028,107</b>	<b>63.9%</b>

## Enlarged Portfolio<sup>1</sup>

Tenant <sup>1</sup>	Sector	Leased Area (sq ft)	% of CRI <sup>1</sup>
Kilpatrick	Law Firms	227,134	8.8%
TCW	Financial Institutions	188,835	8.4%
Hyundai Capital	Financial Institutions	96,921	7.4%
The Children's Place	Retail Trade	197,949	7.1%
Quinn Emanuel	Law Firms	146,432	6.8%
Gibson, Dunn	Law Firms	87,305	5.9%
Quest Diagnostics	Medical & Diagnostic	131,612	4.6%
LA Fitness	Personal Services	91,023	4.0%
AXA Equitable	Financial Institutions	100,993	3.8%
Bryan Cave	Law Firms	47,824	3.4%
<b>Total Top 10 Tenants</b>		<b>1,316,028</b>	<b>60.4%</b>

(1) As at 30 Jun 2017. Amounts may not sum up due to rounding



*Michelson, Irvine, California*

# Moving Forward

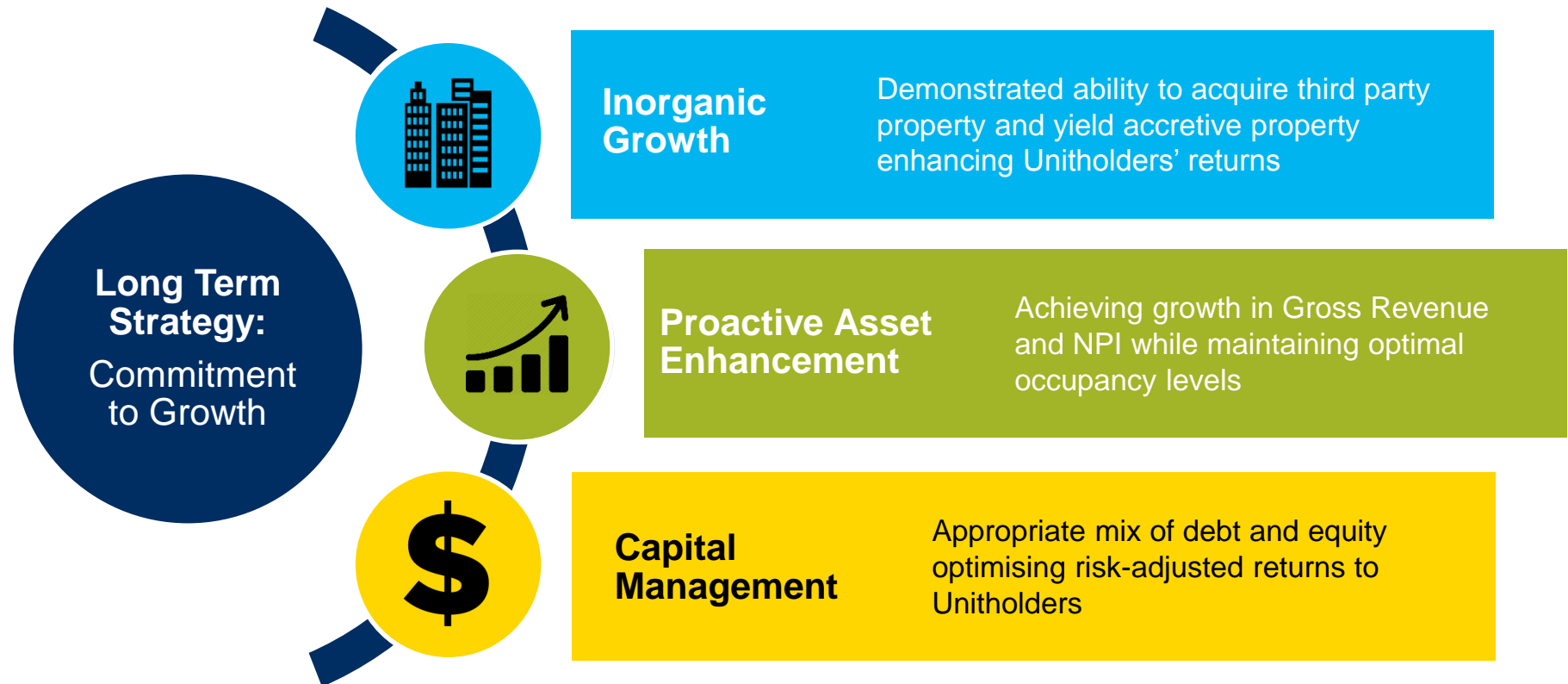






# Moving Forward

## U.S.A. Still Growing, Business Confidence Remains Strong





Manulife

US REIT

FIRST PURE-PLAY  
**USA**  
U.S. DOLLAR  
OFFICE REIT IN ASIA



Thank You

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*Peachtree, Atlanta, Georgia*



# Appendix



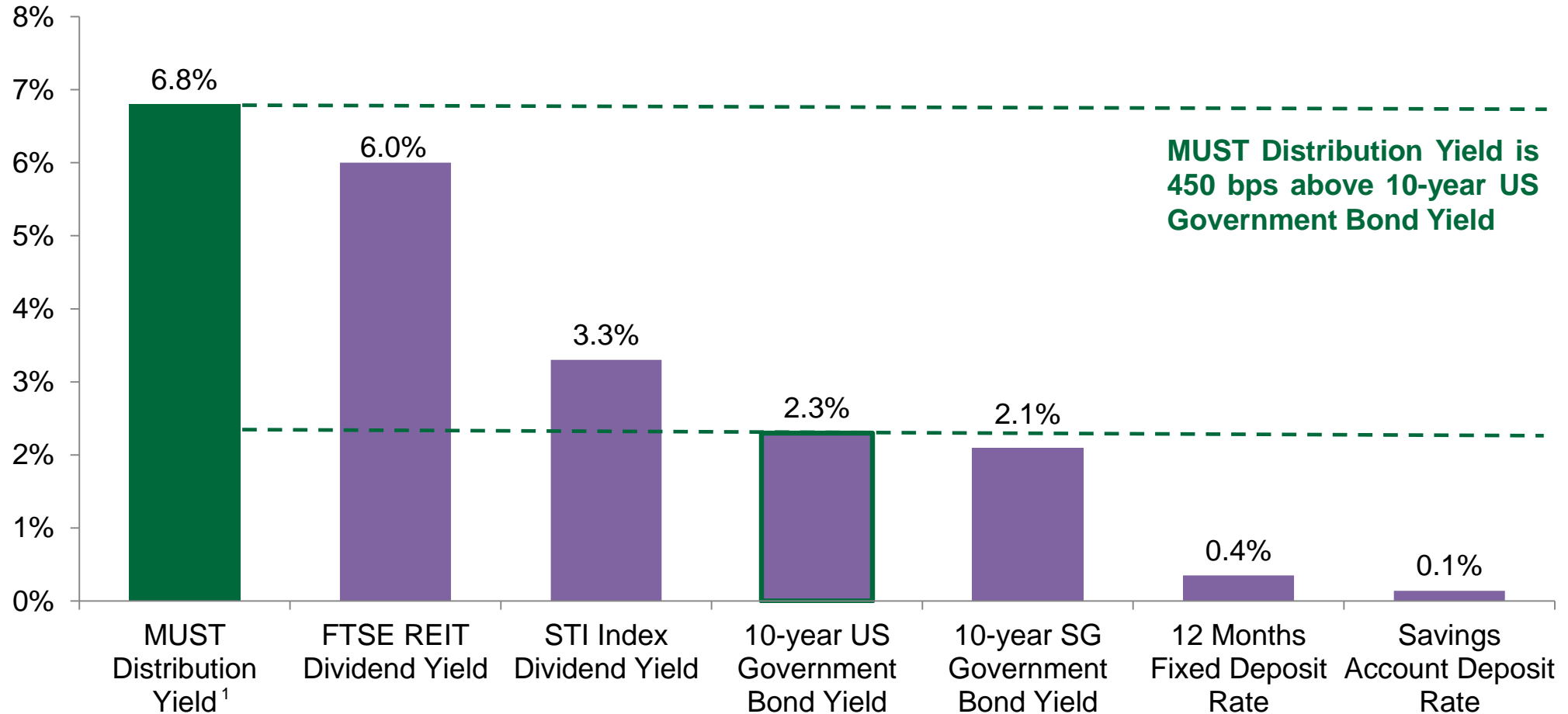
# Portfolio Overview



	<b>Figueroa</b>	<b>Michelson</b>	<b>Peachtree</b>	<b>Plaza</b>	<b>Portfolio<sup>3</sup></b>
<b>Location</b>	Los Angeles	Irvine	Atlanta	Secaucus	
<b>Property Type</b>	Class A	Trophy	Class A	Class A	
<b>Completion Date</b>	1991	2007	1991	1985	
<b>Last Refurbishment</b>	2015	-	2015	2016	
<b>Property Value<sup>1,2</sup></b>	US\$325.0 million	US\$342.0 million	US\$190.5 million	US\$116.0 million	US\$973.5 million
<b>Occupancy (%)</b>	95.3%	99.1%	93.4%	98.9%	96.5%
<b>NLA (sq ft)</b>	698,249	532,603	555,922	461,525	2,248,299
<b>WALE (by NLA)</b>	5.3 years	4.9 years	5.8 years	8.9 years	6.1 years
<b>Land Tenure</b>	Freehold	Freehold	Freehold	Freehold	100% Freehold
<b>No. of Tenants</b>	30	16	25	7	78

- (1) Existing portfolio property values based on independent valuations by CBRE as at 30 Jun 2017  
 (2) Plaza property value based on independent valuation by Cushman & Wakefield as at 2 Jun 2017  
 (3) As at 30 Jun 2017

# Distribution Yield of MUST vs. Other Investments



(1) Manulife US REIT FY2017 distribution yield is based on Bloomberg analyst consensus over unit price of US\$0.925 as at 28 Jul 2017  
Source: Bloomberg as at 28 Jul 2017

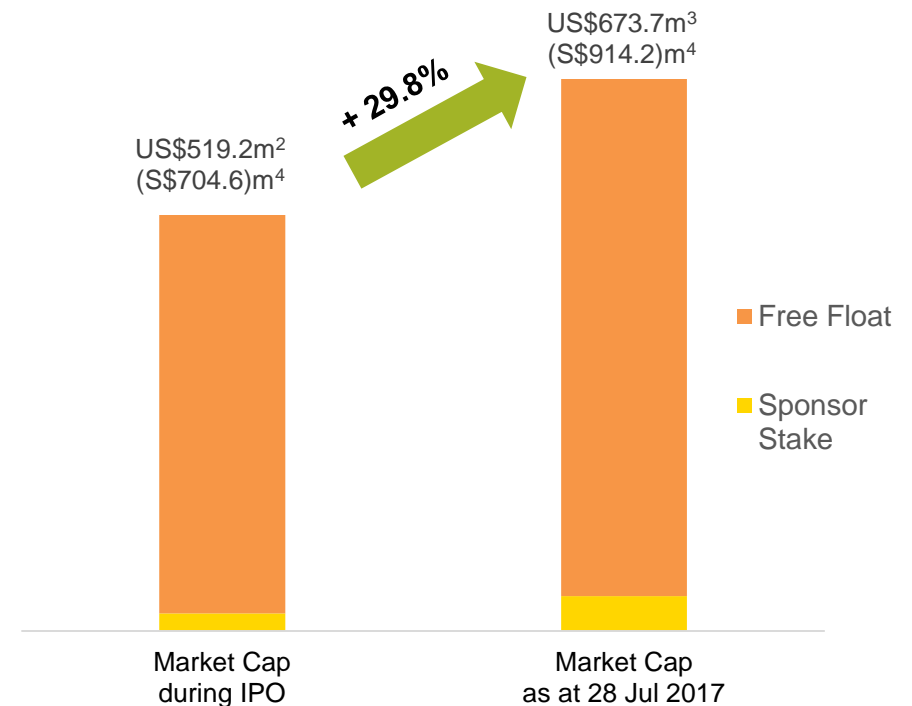
# Performance of Manulife US REIT

Market Cap Grew by 29.8% since IPO

## USD/SGD Exchange Rate



## Increase in Market Cap and Free Float Liquidity Post Plaza Acquisition



(1) As at 28 Jul 2017

(2) Based on 625.5 million Units in issue and the offering price of US\$0.83 per Unit on 20 May 2017

(3) Based on 728.4 million Units in issue and the unit price of US\$0.925 per Unit as at 28 Jul 2017

(4) Based on an exchange rate of 1 USD : 1.357 SGD as at 28 Jul 2017

Source: Bloomberg as at 28 Jul 2017

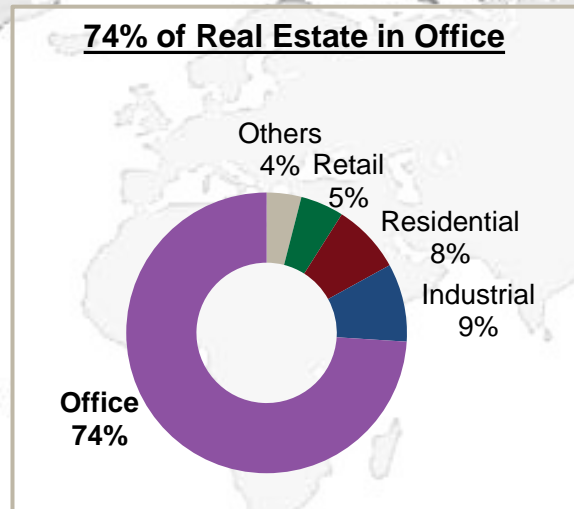
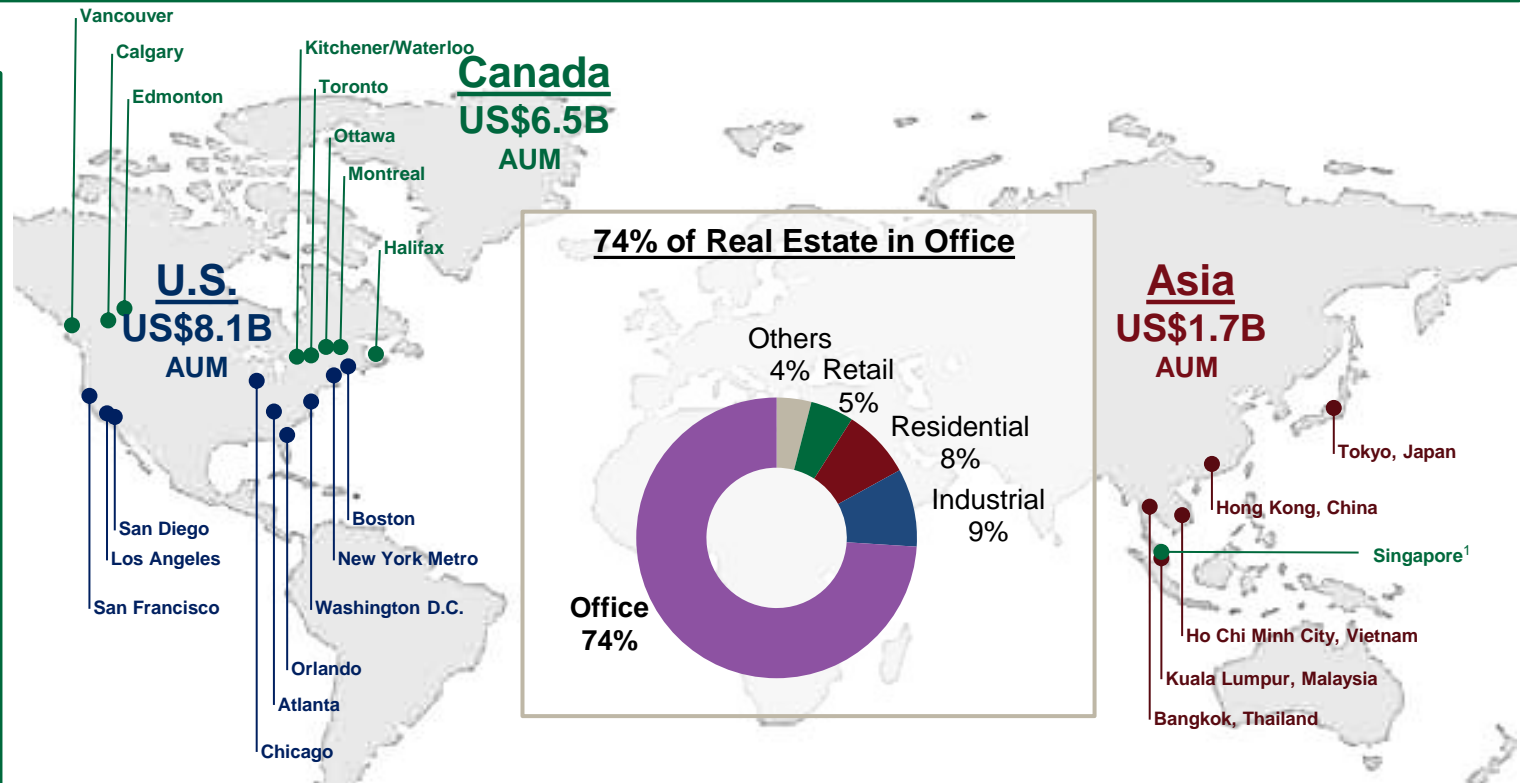


# Reputable Sponsor

## Proven Property Management Track Record

Vertically-Integrated Real Estate Platform: Global Real Estate AUM of US\$16.2b

### Sponsor



Note: All AUM in fair value basis as at 31 Mar 2017  
 (1) Acquired 8 Cross Street on 11 Apr 2017

# Tax Efficient Structure of Manulife US REIT

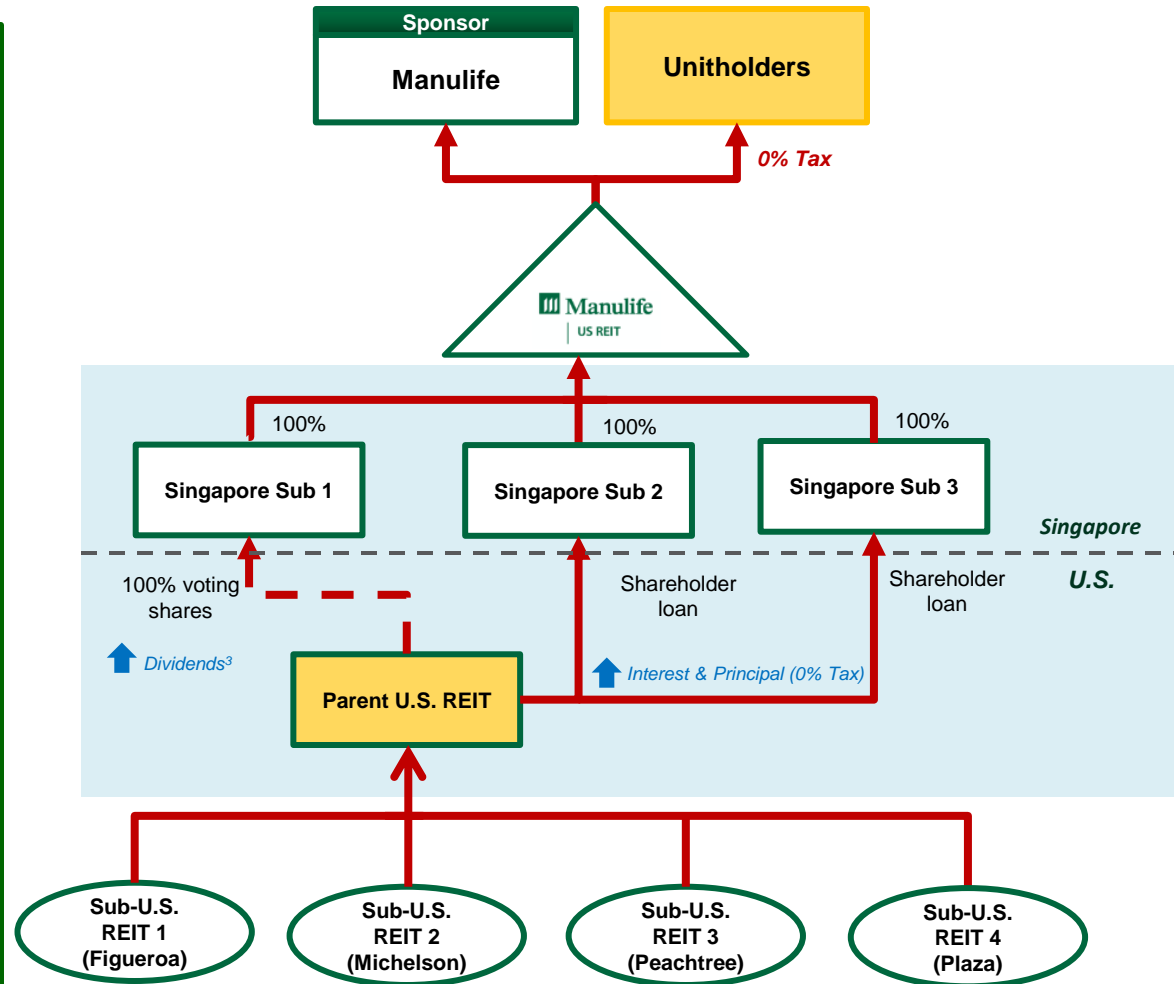
No 30%<sup>1</sup> withholding tax on interest and principal on shareholder's loan - **US Portfolio Interest Exemption Rule**

Zero tax in Singapore - **Foreign sourced income not subject to tax**

Distribution from US to Singapore through combination of dividends, and/or interest payments and principal repayments on shareholder loans

No single investor to hold more than 9.8% (including the sponsor) - 'Widely Held'<sup>2</sup> rule for REITs in US

Manager will actively manage to minimise or pay no dividends from Parent U.S. REIT to Singapore Sub 1



- (1) For U.S. and non U.S. persons filing valid tax forms
- (2) No less than 5 persons holding 50% of company
- (3) Subject to 30% withholding tax



*Michelson, Irvine, California*



**U.S. Outlook**



# Overall U.S. Outlook

## 1 Steady Economic Growth

- GDP growth rate was 2.6%<sup>1</sup> in 2Q 2017 versus 1.4%<sup>1</sup> for 1Q 2017 and 1.6%<sup>1</sup> for calendar year 2016
- The U.S. economy created 222,000 non-farm jobs in Jun, exceeding the 188,000 per month average year to date in 2017
- Unemployment rate in Jun 2017 decreased by 10 bps to 4.4%<sup>2</sup> versus 4.5%<sup>2</sup> in Mar 2017
- U.S. likely to remain safe haven of choice for foreign investment due to global economic challenges
- President Trump's policies expected to lead to stronger economic growth

## 2 U.S. Office Trends

- U.S. office occupancy rate declined in 2Q 2017 by 0.1% to 85.2%, as 8.8 million sq ft of net absorption was recorded alongside 11.7 million sq ft of new completions<sup>3</sup>
- Asking rents increased 0.8% in 2Q 2017 and by 3.2% over the last 12 months. Year over year rent growth was 3.7% for Class A CBD space<sup>3</sup>
- Demand for office space mainly driven by Technology, Advertising, Media and Information (TAMI) sectors
- Investors moving into secondary markets in search of yield as gateway markets reach peak pricing
- Construction completions increasing substantially in 2017 in concentrated locations

(1) Source: U.S. Department of Commerce, Bureau of Economic Analysis

(2) Source: U.S. Department of Labor, Bureau of Labor Statistics (Jun 2017)

(3) As at 30 Jun 2017: Source: JLL U.S. Office Outlook Q2 2017



# Downtown Los Angeles

## Boom in Residential Development Creates Live, Work, Play Environment



<b>Population</b>	10.2 million <sup>1</sup>
<b>Median household income</b>	US\$56,196 <sup>2</sup>

12,303 residential units under construction with an additional 29,383 units currently proposed<sup>3</sup>

Current residential inventory is 37,991 units<sup>3</sup>

Holds one of the highest concentrations of working millennials in LA<sup>4</sup>

More than 50% of workforce are millennials (37%) and baby boomers (18%)<sup>4</sup>

Companies have been relocating to DTLA to be near millennials; tenant base in DTLA more diversified as a result

- (1) Total population of Los Angeles County; Source: U.S. Census Population Estimate (as at 1 Jul 2015)
- (2) Source: U.S. Census Bureau and American Community Survey, 2015 5-year Estimates
- (3) Source: Downtown Center Business Improvement District "Downtown LA Market Report Q12017"
- (4) Source: JLL Research – 3Q 2016

# Greater Downtown Los Angeles – Market Overview

## Limited New Supply Supports Rising Rental Rates

### Class A Statistics as at 2Q 2017

RBA <sup>1</sup> (mil sq ft)	Vacancy	Gross Asking Rent	Availability	Net Absorption (‘000 sq ft)	Net Delivery (‘000 sq ft)	Under Construction (‘000 sq ft)
39.6	14.7%	US\$42.85	22.3%	359	0	2,072

Vacancy rate down by 70 bps since last quarter

### All Building Classes Statistics as at 2Q 2017

12 Month Deliveries (‘000 sq ft)	12 Month Net Absorption (‘000 sq ft)	Vacancy	12 Month Rent Growth
859	483	12.4%	5.8%

Strong net absorption over past 12 months. Note: ‘Greater Downtown’ includes peripheral areas that do not compete with Downtown proper

### Projects Under Construction

Property Name	Address	Stories	‘000 Sq Ft	Start Year	Delivery Year	Owner/ Developer
Office Plaza at Wilshire Grand	900 Wilshire Blvd	30	370	2014	2017	Korean Airlines AC Martin Partners

Office Plaza is first addition to Class A office supply in DTLA since 1992

(1) Rentable building area  
Source: CoStar Market Analysis & Forecast – 23 July 2017

# Figueroa: No New Class A Office Space in Past 23 Years and None Until 2017

## Excellent Location and Amenities

Located in the **South Park** submarket

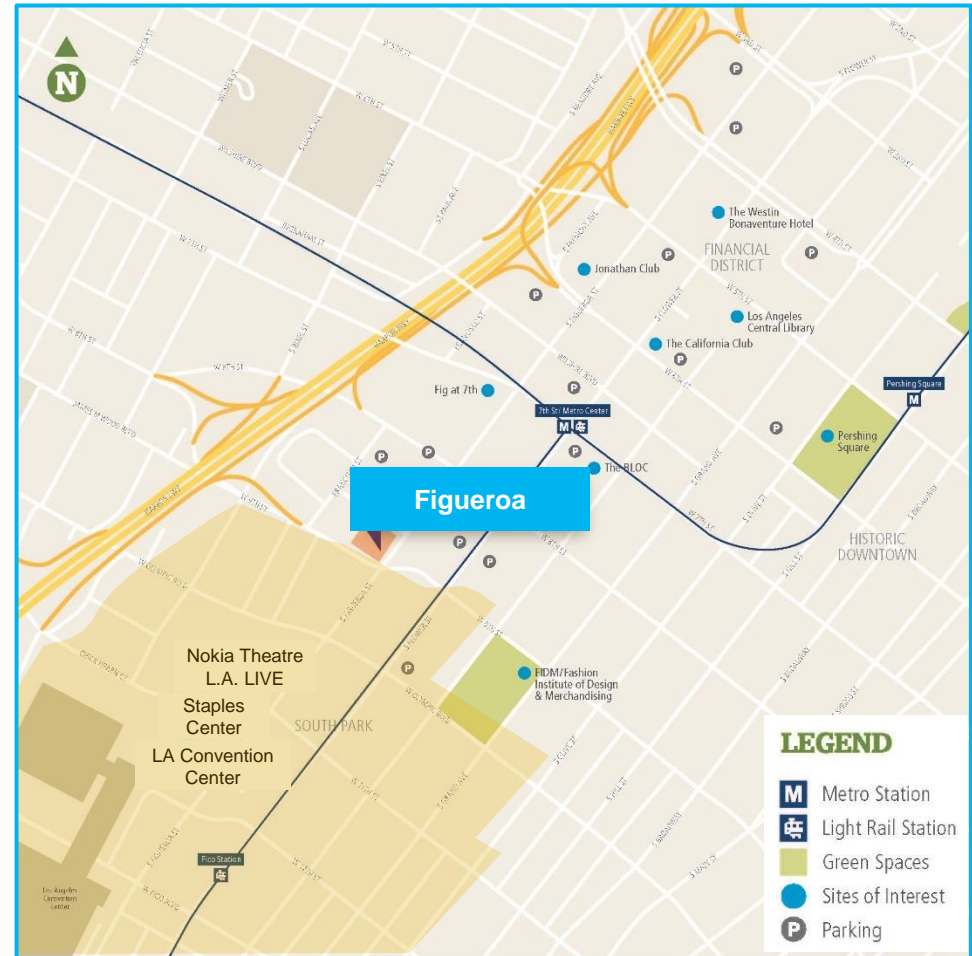
Excellent access to the **LA freeway system**

Close proximity to **7<sup>th</sup> Street Metro Station**

**Free shuttle** to surrounding areas of Downtown LA

Entertainment venues: **Staples Center, the LA Convention Center and LA Live**

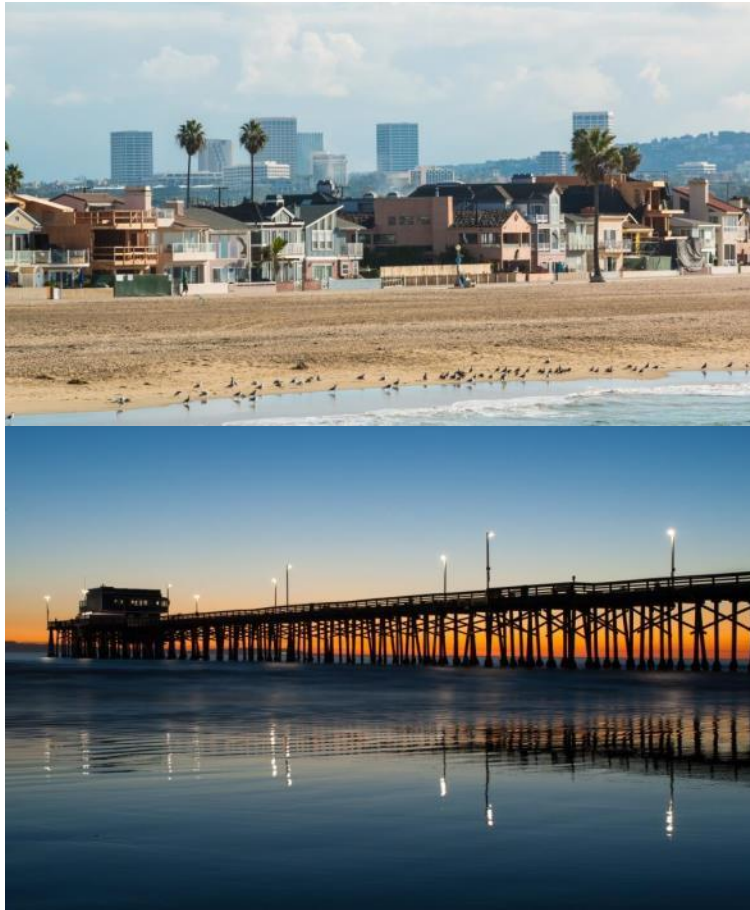
**High parking ratio** of 1.22 spaces per 1,000 sq ft compared to market average of 1.0 space per 1,000 sq ft





# Irvine, Orange County

## Attractive Corporate Location with Diversified Economy



<b>Population</b>	3.2 million <sup>1</sup>
<b>Median household income</b>	US\$76,509 <sup>2</sup>

Irvine is considered the “CBD” of Orange County

Strong labour pool with senior executives, middle managers and administrative personnel all living within Orange County

Financial and business services and technology industries have expanded, providing stability that was not present in last market cycle

John Wayne International Airport is nearby and provides a convenient alternative to Los Angeles Airport (LAX)

Rapidly growing population; University of California at Irvine produces highly educated workforce

Scores of technology companies headquartered here, including: Google, Blizzard Entertainment, Broadcom and Vizio

(1) Source: U.S. Census Population Estimate (as at 1 Jul 2015)

(2) Source: U.S. Census Bureau and American Community Survey, 2015 5-year Estimates

# Irvine, Orange County – Market Overview

## Strong Rent Growth Continues in Irvine

### Class A Statistics as at 2Q 2017

RBA <sup>1</sup> (mil sq ft)	Vacancy	Gross Asking Rent	Availability	Net Absorption (‘000 sq ft)	Net Delivery	Under Construction (‘000 sq ft)
13.7	12.7%	US\$34.20	21.8%	(1)	0	537

Availability rate down 210 bps since last quarter

### All Building Classes Statistics as at 2Q 2017

12 Months Deliveries (‘000 sq ft)	12 Months Net Absorption (‘000 sq ft)	Vacancy	12 Months Rent Growth
0	(275)	10.1%	3.5%

Strong rent growth over past 12 months despite negative net absorption

### Projects Under Construction

Property Name	Address	Stories	‘000 Sq Ft	Start Year	Delivery Year	Owner/ Developer
The Boardwalk	Jamboree & Dupont Dr	9	537	2016	2017	Trammell Crow Company

Only one building under construction in the market

(1) Rentable building area  
Source: CoStar Market Analysis & Forecast – 23 July 2017

# Michelson: Best Building in a Highly Amenitised Office Park

## Excellent Location and Amenities

Near the **405 San Diego freeway**

4 km away from international airport, **John Wayne Airport**

Surrounded by **hotel developments, high-end condominiums and apartments, restaurants and a wide range of retail offerings**

**Above average parking ratio of 5.1 spaces per 1,000 sq ft**





# Atlanta

## Attractive Corporate Location Leads to Superior Job Growth



<b>Population</b>	5.7 million <sup>1</sup>
<b>Median household income</b>	US\$57,000 <sup>2</sup>
Ranked #2 <sup>2</sup> city in US by percentage job growth; 175,500 jobs added over the last two years	
Home to 18 Fortune 500 companies, including: Coca Cola, Delta Airlines, Home Depot, UPS	
Mercedes Benz, Porsche and State Farm Insurance have recently moved headquarters to Atlanta	
Extremely diversified economy	
Universities such as Georgia Tech and Emory provide educated work force	
Pro-business climate with no labour unions	
Lower cost of living than many other major cities	
Superior infrastructure system with world's busiest airport; located at the conflux of three interstate highways	

(1) Source: U.S. Census Population Estimate (as at 1 Jul 2015)

(2) Source: U.S. Census Bureau and American Community Survey, 2015 5-year Estimates

# Midtown Atlanta – Market Overview

**Strong Demand is Reducing Vacancy and Increasing Rental Rates**

## Class A Statistics as at 2Q 2017

RBA <sup>1</sup> (mil sq ft)	Vacancy	Gross Asking Rent	Availability	Net Absorption (‘000 sq ft)	Net Delivery	Under Construction (‘000 sq ft)
17.8	10.6%	US\$32.95	14.8%	5	0	1,245

Vacancy rate down 160 bps since last quarter

## All Building Classes Statistics as at 2Q 2017

12 Months Deliveries (‘000 sq ft)	12 Months Net Absorption (‘000 sq ft)	Vacancy	12 Months Rent Growth
(27)	244	9.2%	4.7%

Strong net absorption and rent growth over last 12 months

## Projects Under Construction

Property Name	Address	Stories	‘000 Sq Ft	Start Year	Delivery Year	Owner/ Developer
NCR Corp Headquarters	864 Spring St	22	485	2016	2018	Cousins Properties Inc
Coda	Spring St. 771	21	760	2016	2019	Portman Holdings

NCR is a build to suit and Coda is more than 50% pre-leased to Georgia Tech

(1) Rentable building area  
Source: CoStar Market Analysis & Forecast – 23 July 2017

# Peachtree: Located in Atlanta; World's Busiest Airport (Hartsfield-Jackson International)

## Excellent Location and Amenities

Easily accessible to business district via two freeways – Interstate 75 and Interstate 85

Close proximity to **Midtown** and **Arts Center Metro Stations**

20 minutes from **Atlanta Hartsfield-Jackson International Airport** – the busiest airport in the world

Located along “**Midtown Mile**” – stretch of mixed-used office, retail and multi-family properties

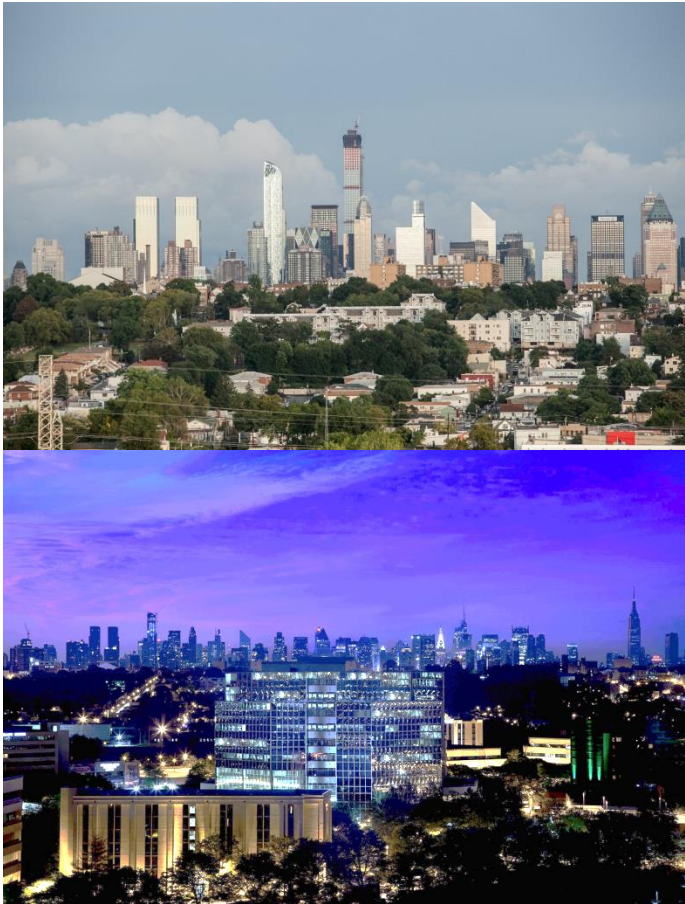
Surrounded by **high-end condominiums, luxury apartments and numerous dining options**





# Secaucus, Northern New Jersey

## Affordable Manhattan Alternative Attracts Major Corporations



<b>Population</b>	3.7 million <sup>1</sup>
<b>Median household income</b>	US\$72,010 <sup>2</sup>

Excellent regional connectivity through public transportation infrastructure and interstate highways

Affordable office location just across the Hudson River from Manhattan, New York City

Many major U.S. firms with significant presence, such as Citi, E&Y, NBA, Polo Ralph Lauren, AXA

Over 60% of population in Secaucus has bachelor's degree or higher

(1) Source: U.S. Census Population Estimate (as at 1 Jul 2016)

(2) Source: U.S. Census Bureau and American Community Survey, 2015 5-year Estimates, average of Northern New Jersey counties weighted by population

# Secaucus, Northern New Jersey – Market Overview

## Top Tier Buildings Outperform Overall Market

### Class A Statistics as at 2Q 2017

RBA <sup>1</sup> (mil sq ft)	Vacancy	Gross Asking Rent	Availability	Net Absorption (‘000 sq ft)	Net Delivery	Under Construction (‘000 sq ft)
37.1	22.1%	US\$32.28	46.3%	15	0	750

Vacancy and availability include old and uncomparable buildings. Plaza’s competitive set has vacancy rate of only 6%

### All Building Classes Statistics as at 2Q 2017

12 Months Deliveries (‘000 sq ft)	12 Months Net Absorption (‘000 sq ft)	Vacancy	12 Months Rent Growth
0	40	15.4%	-0.5%

Rent growth slightly negative in broader market

### Projects Under Construction

Property Name	Address	Stories	‘000 Sq Ft	Start Year	Delivery Year	Owner/ Developer
Building 54	101 Campus Dr.	1	500	2016	2018	Hugo Neu Corp.
Building 100	31 Eastern Rd.	1	250	2016	2018	Hugo Neu Corp.

New construction not comparative to Plaza

(1) Rentable building area  
Source: CoStar Market Analysis & Forecast – 20 July 2017

# Plaza: Best-In-Class Asset Located in Secaucus

## Excellent Location and Amenities

Located in Secaucus, Northern New Jersey within Hudson County office market and Meadowlands office submarket

3 miles from Manhattan, New York City via Lincoln Tunnel with easy accessibility to the interstate highways

Less than 10 miles from Newark Liberty International Airport

Direct connectivity to Midtown Manhattan via New Jersey Transit bus and shuttle service to Secaucus Junction Train Station

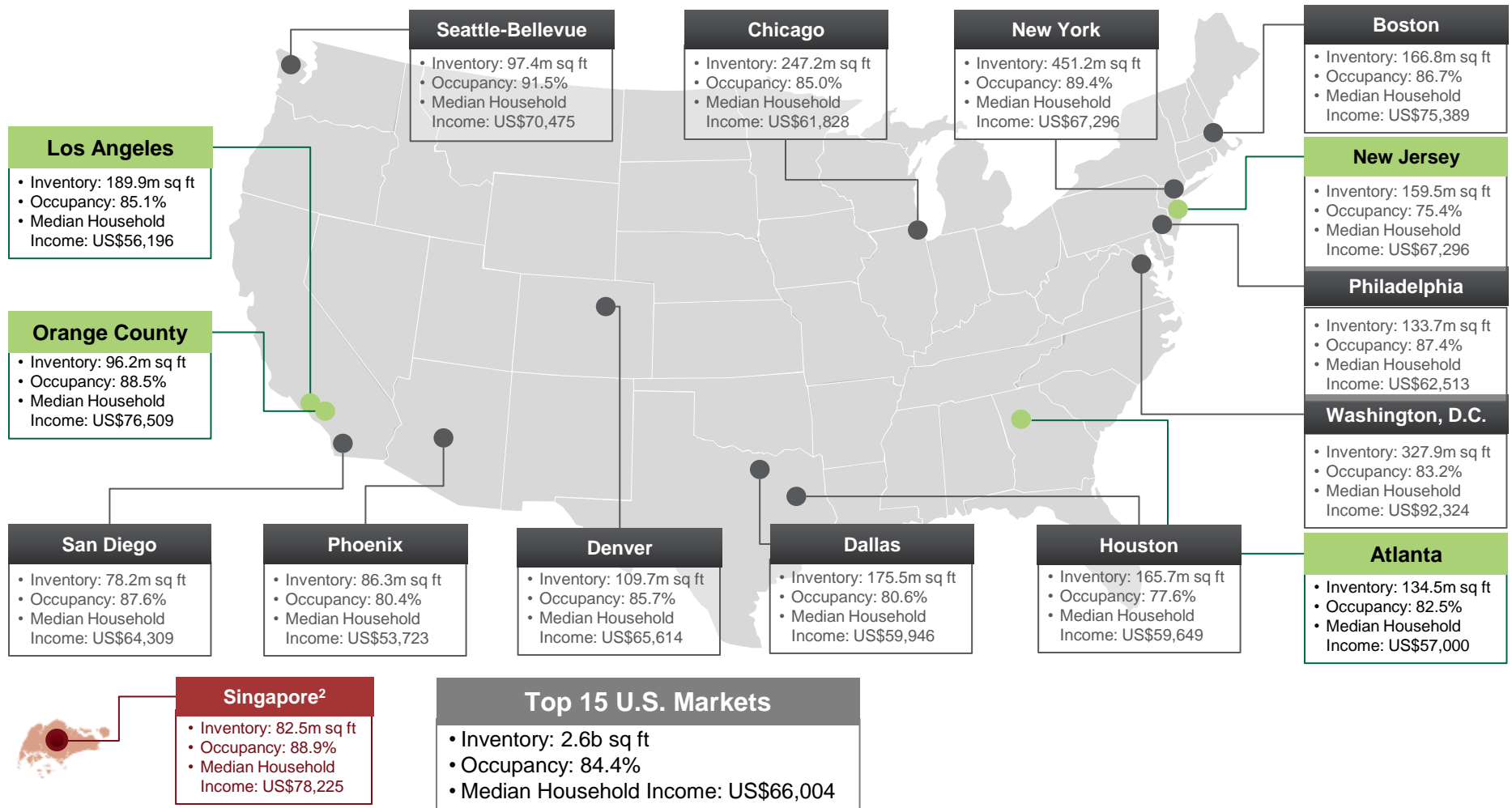
Surrounded by 1 million sq ft of retail space - 25 restaurants, 7 hotels, leisure and sports facilities, a cinema, with a hotel and residential apartments under construction

High parking ratio of 3.2 spaces per 1,000 sq ft





# Depth of Top 15<sup>1</sup> U.S. Office Markets



(1) By office inventory

Source for office inventory and occupancy data: JLL's Office Statistics (United States, Q2 2017). Retrieved from <http://www.us.jll.com/united-states/en-us/research/office>

Source for median household income: U.S. Census Bureau and American Community Survey, 2015 5-year Estimates

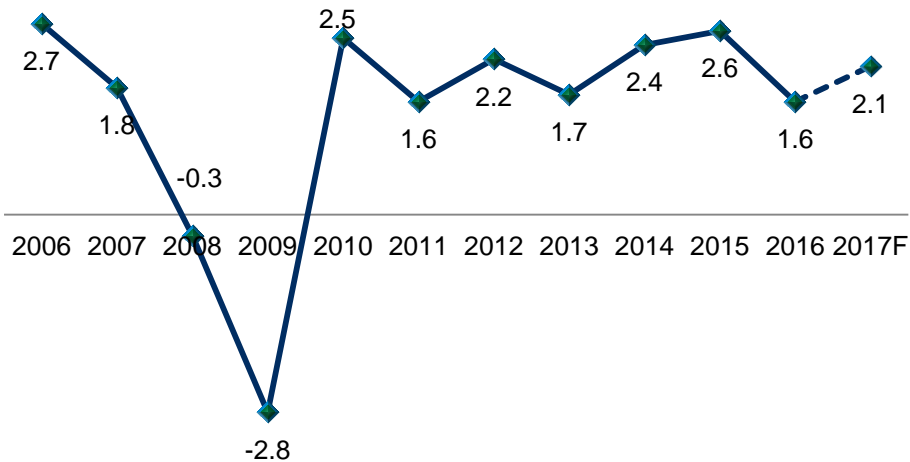
(2) Source for Singapore inventory and occupancy data: Urban Redevelopment Authority; Source for median household income: Department of Statistics, Singapore: Key Household Income Trends, 2016. Retrieved from [https://www.singstat.gov.sg/docs/default-source/default-document-library/publications/publications\\_and\\_papers/household\\_income\\_and\\_expenditure/pp-s23.pdf](https://www.singstat.gov.sg/docs/default-source/default-document-library/publications/publications_and_papers/household_income_and_expenditure/pp-s23.pdf)

Translations of S\$ to US\$ are based on 28 Jul 2017 exchange rate of S\$1.357: US\$1.00

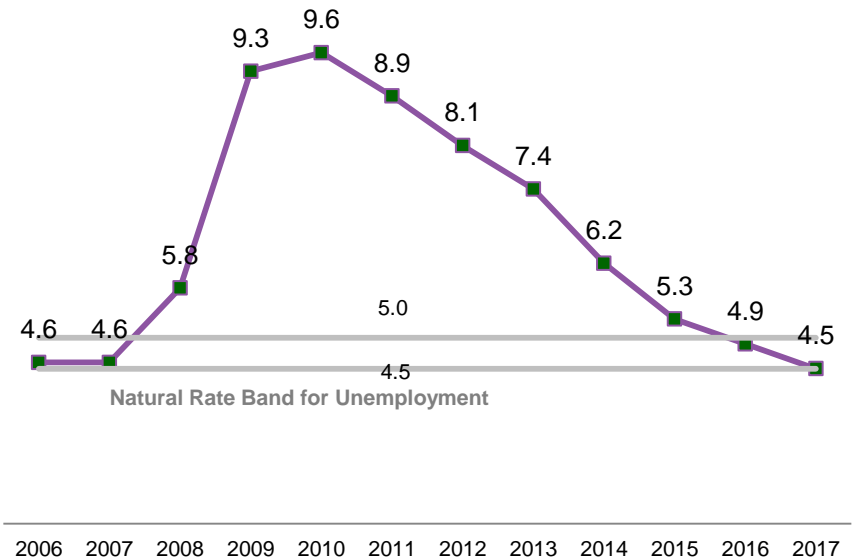
# Benefitting from the Growth of the World's Largest Economy

## Exposure to Growth of U.S. Economy and USD

### U.S. GDP Growth (y-o-y %)<sup>1</sup>



### U.S. Unemployment (%)<sup>2</sup>

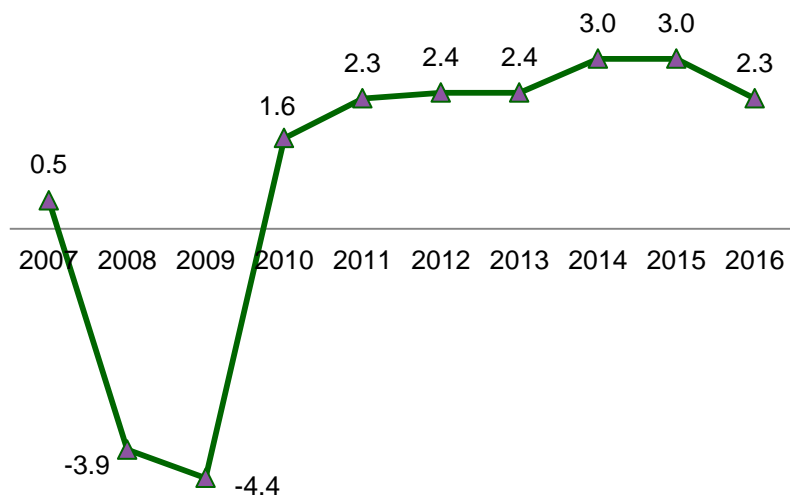


(1) GDP Growth Rate Source: U.S. Department of Commerce, Bureau of Economic Analysis;  
 Projected GDP Growth Rate Source (2016, 2017): IMF Forecasts, World Economic Outlook, July 2017  
 (2) Unemployment Rate Source: U.S. Department of Labor, Bureau of Labor Statistics as at Jun 2017

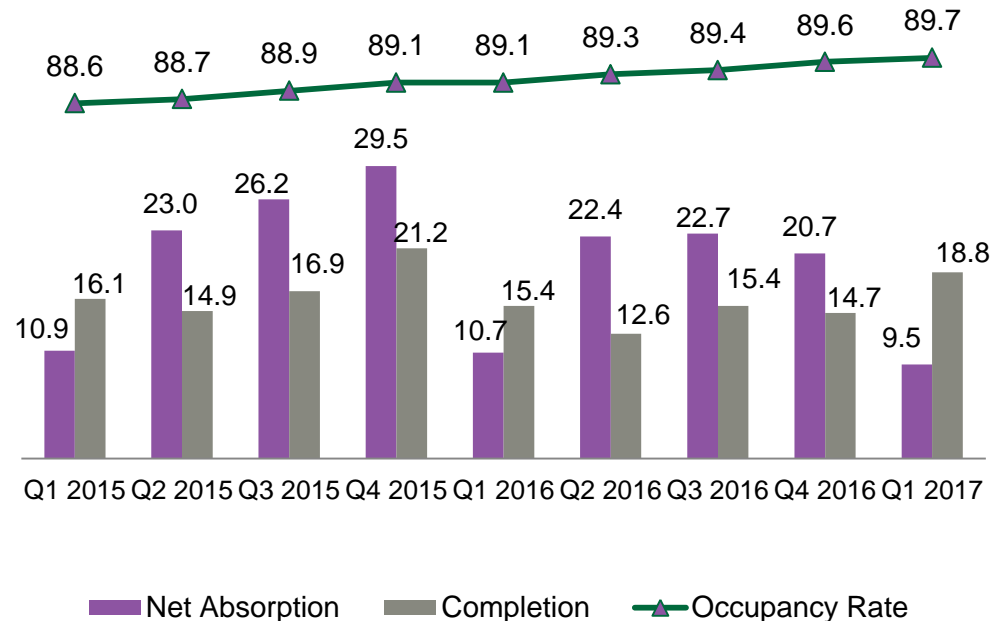
# Favourable U.S. Real Estate Outlook

## Demand for Office Space Driven by Technology and Other Creative Sectors

### U.S. Office Employment<sup>1</sup> (y-o-y %)



### U.S. Office Net Absorption (m sq ft) and Occupancy Rate (%)<sup>2</sup>



(1) Office employment includes the professional and business services, financial activities and information services sectors; Source: U.S. Bureau of Labour Statistics  
 (2) Source: CoStar Market Analysis & Forecast Reports



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