

Aurora Property Buy-Write Income Trust (ASX.AUP)

Performance ¹	1 month	3 months	FYTD
Aurora Property Buy-Write Income Trust	-7.29%	-10.7%	-15.4%
Benchmark	0.21%	0.63%	2.34%
Outperformance	-7.50%	-11.3%	-17.7%

Investment Objective

The Aurora Property Buy-Write Income Trust (Fund) seeks to provide investors with capital growth and income through owning a portfolio of ASX-listed property securities, and actively selling call options over the portfolio.

Investment Strategy

The Fund seeks to capture returns from investing in a portfolio of Australian ASX listed property securities. Income generated may be supplemented by implementing a call option selling ('writing') strategy. Where a call option strategy is implemented, a proportion of the income received from selling the call options may be used to purchase put options to reduce capital risk.

The Fund will invest in opportunities that are considered to offer attractive risk return characteristics with a focus on potential catalysts that seek to generate a profitable return regardless of the market direction.

Distribution History

Quarter End	Cents per Unit
31 March 2017	\$0.1048
31 December 2016	\$0.1090
30 September 2016	\$0.1138
30 June 2016	\$0.1118

Fund Overview

ASX Code	AUP
NAV per Unit	\$4.5250
Structure	Fund
Investment Universe	Domestic
Inception Date	26 July 2007
Management fee (incl.GST)	1.03%
Performance fee (incl.GST)	10.25%
Buy / sell spread	+/- 0.10%
Entry / Exit fees	Nil
Benchmark	RBA Cash Rate plus 1%
Distributions	2.0% per quarter

Fund performance summary

- The Fund returned -7.29% for the month against its benchmark return of +0.21%, whilst the broader S&P/ASX200 A-REIT Index returned 1.09%.
- The key detractors during the month were mark-to-market falls in the Fund's two key positions, RNY Property Trust (ASX:RNY) (-31.4%) and 360 Capital Total Return Fund (ASX:TOT) (-4.8%).
- Aurora has engaged with the responsible entity of RNY about a range of alternative solutions that are focussed on enhancing unitholder value. Aurora believes that RNY's current unit price is trading materially below its estimates of underlying value, and remains confident of a positive outcome for investors. Short term movements in the unit price, on low liquidity, do not detract from the initial investment thesis.
- The Fund continues to hold a substantial position in TOT. As at the end of the month, TOT share price was trading at \$1.10 versus its underlying NTA of \$1.24 (estimated).

About Aurora

Aurora Funds Management Limited ("Aurora") is the Responsible Entity and Investment Manager of the Fund. Aurora is an Australian based alternative asset manager that specialises in managing absolute-return strategies for high net worth, retail and institutional investors. Aurora utilises a value-orientated approach to select suitable investments that aim to provide investors with positive risk-adjusted returns that are independent of benchmarks or investment cycles.

Aurora is also the Responsible Entity of the:

- Aurora Fortitude Absolute Return Fund (APIR Code: AFM0005AU)
- Aurora Absolute Return Fund (ASX Code: ABW)
- Aurora Dividend Income Trust (Managed Fund) (ASX Code: AOD, APIR Code: AFM0010AU)
- Aurora Global Income Trust (ASX Code: AIB)
- HHY Fund (ASX Code: HHY)

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1. This number represents a cumulative return and assumes reinvestment of distributions and is generated with compounded monthly returns/net of fees.
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