

25 February 2020

Company Announcements  
ASX Limited  
Level 6, Exchange Centre  
20 Bridge Street  
SYDNEY NSW 2000

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**HHY Fund announces \$3.25 million capital raising**

Aurora Funds Management Limited (Aurora), in its capacity as Responsible Entity for the HHY Fund (Fund or ASX: HHY) is pleased to announce that it is undertaking a 1-for-1 non-renounceable entitlement offer to raise up to \$3.25 million ('Entitlement Offer'). The Entitlement Offer comprises an institutional component (Institutional Entitlement Offer) and a retail component (Retail Entitlement Offer). The Entitlement Offer is not underwritten, however there will be a shortfall facility.

The Offer Price under the Entitlement Offer is 4.0 cents per New Unit, representing a discount of approximately 4.2% to the 90-day VWAP; and a 30.8% discount to the 31 January 2020 pro forma net tangible assets per Unit of 5.78 cents.

New Units issued under the Entitlement Offer will rank equally with existing Units on issue from allotment

**Use of Funds**

Proceeds from the Entitlement Offer will be used to provide debt financing to entities within the RNY Property Trust (ASX: RNY) group. It is proposed that a material portion of these funds will subsequently be provided to RNY Australia Operating Company LLC, a US entity within the RNY group, on identical terms. Aurora is the Investment Manager and Asset Manager of RNY and its underlying US entities.

The key terms of the proposed debt financing are as follows:

- Term: 5 years
- Interest Rate: 15.0% (capitalising with bullet repayment)
- Security: subordinated to senior lenders to RNY

**About RNY**

RNY is an Australian listed property trust (ASX:RNY) that holds a 75% indirect interest in a portfolio of 5 commercial office properties (Portfolio) located in the New York Tri-State area. RNY's primary strategy is investing into the real estate markets of the New York Tri-State area in the United States (US), comprising five key sub-markets, which include New York City, Westchester County (New York), Fairfield County (Connecticut), Long Island (New York) and Northern New Jersey. Huntley Management Limited (Huntley) is the responsible entity of RNY.

## RNY's Portfolio overview:

Address	Market	Rentable Area (Square Feet, sqf)	Occupancy (% of sqf)	Valuation (USD)
55 Charles Lindbergh Boulevard	Long Island	214,622	100.0%	\$25,6000,000
6900 Jericho Turnpike	Long Island	102,168	86.9%	\$12,4000,000
6800 Jericho Turnpike	Long Island	213,583	72.8%	\$21,300,000
580 White Plains Road	Westchester County	174,406	53.6%	\$13,700,000
560 White Plains Road	Westchester County	129,693	45.3%	\$6,800,000
Total		834,472	73.2%	\$79,800,000

*Note: Occupancy rates are based on unaudited internal management reports and the values are based on external valuations as at 30 June 2019*

Aurora, as Investment Manager and Asset Manager, is currently executing a capital improvement plan across the Portfolio as agreed between it and RNY's US financier (ACORE Capital). RNY's capital improvement plan is centered on refreshing the Portfolio's base building infrastructure and building amenities, with a view to increasing Portfolio occupancy. To date, Aurora's increased management focus and capital improvements have resulted in material uplift in leasing activity which has created the need for additional capital to fund market-based tenant incentives (TI) provided to new and renewing lessees. Whilst RNY's US financier has agreed to fully-fund approved capital improvement items, it will only provide debt funding for TI dollars up to a scheduled amount per tenancy. Thus, RNY's recent tenancy growth has resulted in an unfunded TI amount for which a major of the Entitlement Offer funds will be directed.

### Entitlement Offer

The Entitlement Offer will give Eligible Unitholders the opportunity to acquire 1 New Unit for every 1 Existing Unit held at 7.00pm (AEST) on 27 February 2020 ('Entitlements').

The Entitlement Offer will raise up to \$3.25 million at 4.0 cents per Unit. The institutional component of the Entitlement Offer will be accelerated and will open on Tuesday 25 February 2020 and settle on Thursday 5 March 2020. Further details regarding the timetable for the Entitlement Offer are included in the Appendix to this announcement.

The Entitlement Offer is non-renounceable and entitlements will not be tradeable on ASX or otherwise transferable. Unitholders who do not take up all, or any part, of their Entitlements will not receive any payment or value in respect of those Entitlements not taken up and their equity interest in the Fund will therefore be diluted. Any shortfall will be dealt with in accordance with a Shortfall facility.

New Units issued under the Entitlement Offer will rank equally with existing Fund Units on issue from allotment.

It is the responsibility of Unitholders to inform themselves of the eligibility criteria for the exercise of their Entitlements. Further details on eligibility criteria to exercise Entitlements will be included in the Entitlement Offer Booklet to be lodged with ASX and sent to Eligible Unitholders on 3 March 2020.

Eligible Unitholders are encouraged to carefully read the Entitlement Offer Booklet for further details relating to the Entitlement Offer. If Unitholders would like to obtain more information in the interim, please call the Aurora Information Line on 1300 553 431 (within Australia) between the hours of 8.30am and 5.00pm Monday to Friday (ADST) (excluding public holidays).

The Entitlement Offer Booklet may be also be accessed on the ASX web site under the Fund's announcement under ASX code HHY once available.

**Recommendation of trading**

The Responsible Entity expects ASX to lift the trading halt on 27 February 2020 and for HHY's Units to recommence trading on ASX from market open on 28 February 2020.

Yours faithfully,  
**Aurora Funds Management Limited**

A handwritten signature in black ink, appearing to read 'M Briglia', is positioned above a horizontal line.

Mark Briglia  
**Company Secretary**

## Indicative Dates for Entitlement Offer

Activity	Date
Announcement of the Entitlement Offer	25 February 2020
Institutional Entitlement Offer opens	25 February 2020
Institutional Entitlement Offer closes	27 February 2020
Shares recommence trading / Announcement of results of Institutional Entitlement Offer	27 February 2020
Record Date	27 February 2020
<b>Retail Entitlement Offer Open Date</b>	<b>3 March 2020</b>
<b>Offer Booklet and Entitlement and Acceptance Form despatched</b>	<b>3 March 2020</b>
Settlement of the Institutional Entitlement Offer	<b>5 March 2020</b>
Allotment and commencement of trading of New Shares under the Institutional Entitlement Offer	<b>5 March 2020</b>
<b>Retail Entitlement Offer closes (5:00pm AEST)</b>	<b>12 March 2020</b>
Settlement of the Retail Entitlement Offer	19 March 2020
Commencement of trading of New Units issued under the Retail Entitlement Offer and despatch of holding statements for New Units issued under the Retail Entitlement Offer	20 March 2020

### About Aurora

Aurora is an independent and experienced investment manager that also provides responsible entity services for investors in a number of other managed investment schemes. Aurora oversees all of the operations of the Fund and provides the investment management services for, and is responsible for selecting and managing the assets of, the Fund.

### Issued by

This announcement has been prepared by Aurora Funds Management Limited (Aurora) as responsible entity for the HHY Fund (the Fund) in connection with a non-renounceable entitlement offer (Entitlement Offer) of Units in the Fund (New Units). The Entitlement Offer is being made without the release of a prospectus or product disclosure statement, in accordance with section 1012DAA of the Corporations Act. Prospective investors should have regard to the Fund's periodic and continuous disclosure announcements to ASX in addition to this and any other announcement made in connection with the Entitlement Offer.

### Disclaimer

This announcement contains summary information about the Fund and its activities and has been prepared in accordance with information available to Aurora as at 24 February 2020. The information in the announcement has been prepared in good faith and with due care but no representation or warranty, express or implied, is provided in relation to the currency, accuracy, reliability or completeness of this information. The announcement should be read in conjunction with the Fund's other periodic and continuous disclosure announcements to ASX in addition to this and any other announcement made in connection with the Entitlement Offer.

### Not financial product advice

The information contained in this announcement is not financial product advice. This announcement and the associated offer documentation have been prepared without reference to your investment objectives, financial situation and particular needs. It is important you read this announcement and the accompanying offer documentation in their entirety, together with the Fund's periodic and continuous disclosure announcements to ASX, before making a decision whether to invest. If you are in any doubt, you should consult your broker or financial or other professional adviser.

### Investment risk

An investment in the Fund's Units is subject to investment and other known and unknown risks, some of which are beyond the control of the Fund. Aurora and the Fund do not guarantee any particular rate of return or the performance of the Fund. Persons should have regard to the risks outlined in this announcement and the associated offer documentation.

### Not an offer

This announcement does not constitute an offer, invitation or recommendation to subscribe for or purchase any Stapled Units and neither



this announcement nor anything contained in it will form the basis of any contract or commitment.

**Financial information**

All financial and operational information contained in the announcement and the associated offer documentation is stated as at the date of this announcement, unless otherwise specified. Currency amounts are in Australian dollars.

**Entitlement Offer restrictions**

The Entitlement Offer will be conducted in accordance with the requirements of the laws of Australia. No New Units are being offered to any person whose registered address is outside Australia or New Zealand. No action has been taken to register New Units or otherwise permit a public offering of New Units in any jurisdiction outside of Australia or New Zealand. This announcement and the related offer documents do not constitute an offer or invitation in any place in which, or to any person to whom, it would not be lawful to make such an offer or invitation. The distribution of the announcement and associated offer documentation in jurisdictions outside Australia or New Zealand may be restricted by law and persons who come into possession of it who are not in Australia or New Zealand should seek advice on and observe any such restrictions. Any failure to comply with such restrictions may constitute a violation of applicable securities laws.

**Governing law**

This announcement, the Entitlement Offer and any contracts made in connection with the acceptance of the Entitlement Offer are governed by the laws of Victoria, Australia. Each person who applies for New Units submits to the jurisdiction of the courts of Victoria.

**Forward looking statements**

This announcement and the associated offer documentation contain forward looking statements which are subject to known and unknown risks, uncertainties and other factors that could cause the actual results, performance or achievements of the Fund to vary materially from those expressed or implied in such forward looking statements. Some of the risk factors that impact on forward looking statements are set out in the Risks section of the associated offer documentation.

**Past performance**

Past performance is not a reliable indicator of future performance.