



CPT Manager Limited
Responsible Entity
ABN 37 054 494 307

Centro MCS™
DIRECT PROPERTY

Centro MCS Manager Limited
Responsible Entry
ABN 69 051 908 984

13 November 2009

Dear Investor

Centro MCS 8 – Distribution Update

I write to you on behalf of Centro MCS Manager Limited, the Responsible Entity (RE) of Centro MCS 8 (the Syndicate) to advise of a reduction in the FY10 forecast distribution rate from 14.00% to 12.00% per annum, effective from the December quarter distribution.

As part of our annual business planning process we complete a syndicate budget which is then used to determine the forecast of the annual syndicate distribution rate to be paid to investors. One of the main factors impacting the forecast distribution rate is the assumption related to the cost of debt for the financial year. For syndicates with floating interest rates, such as Centro MCS 8, we forecast the cost of debt based on the 90 day forward interest rate curve determined by the financial markets. This curve simply represents the financial market's forecast of interest rate movements for the future.






As you will no doubt be aware, the Australian economy has shown signs of a return to growth in recent months and the Reserve Bank of Australia has increased official interest rates causing speculation of further interest rate rises in the near future. Although our 90 day forward interest rate curve assumption included the provision for some interest rate rises in the 2010 financial year, we are now forecasting the quantum of increases to be greater and at a more rapid pace than initially forecast.

The impact on Centro MCS 8 is that the cost of debt is now forecast to increase by \$600,000 for FY10, resulting in a decrease in the Syndicate earnings, and we therefore consider it prudent to revise the FY10 forecast distribution rate from 14.00% to 12.00% per annum, effective from the December quarter distribution (to be paid in January 2010). We expect to maintain a distribution rate of 12.00% per annum through FY11 on the basis of the Syndicate rolling over for a further investment term from 31 May 2010, however, interest rate movements outside of our current forecast could impact Syndicate earnings in the future.

Investor Communication

We will be providing further information later this month regarding the upcoming Syndicate rollover opportunity.

Please do not hesitate to contact Centro MCS Investor Services for any queries or further clarification on the above.

Centro Investor Services		
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Yours faithfully

Gerard Condon
General Manager – Syndicate Funds Management