



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

21 December 2009

Dear Investor

Centro MCS 17 – Property Sale & Financing Update

I write to you on behalf of Centro MCS Manager Limited, the Responsible Entity (RE) of Centro MCS 17 (the Syndicate).

Sale of Five Hotels for \$31.75 million

Further to our letter dated 5 September 2009 advising of potential hotel sales, we have settled five of the eight hotel outlets for a combined sale price of \$31.75 million as detailed below. The sales were completed during November and December 2009 and on average the prices achieved were 10.8% above their combined 30 June 2009 book value of \$28.65 million. All sale proceeds were used to retire Syndicate debt in order to assist refinancing.

Hotel	Sale Price	Sales Price compared to 30 June 2009 Book Value	Settlement Date
Morayfield Tavern	\$10,025,000	6.6% above	9 December 2009
Browns Plains Hotel	\$8,800,000	6.0% above	30 November 2009
The Sands Tavern	\$5,600,000	21.7% above	12 November 2009
Newnham Hotel	\$5,500,000	10.0% above	12 November 2009
Aspley Hotel	\$1,824,500	35.1% above	30 November 2009
Total	\$31,749,500	10.8% above	

Following these sales the total Syndicate debt has been reduced to approximately \$38.8 million and the gearing (calculated as total debt over 30 June 2009 book valuations for the remaining Syndicate properties) has been reduced from 49.7% to approximately 35.5%.

We will continue to keep you informed regarding sale negotiations for the remaining three hotels, namely Runaway Bay Tavern, Koala Tavern and Wallaby Hotel which are still progressing. These properties will only be sold if favourable sale prices can be achieved.

Syndicate Refinancing Completed

We are pleased to advise you that the Syndicate has successfully extended its debt facility with its current financier for a further one year period to 20 December 2010. The 12 month extension provides an opportunity to potentially refinance the loan facility on more favourable terms next year, if debt market conditions continue to improve.

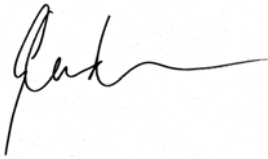
The current distribution forecast of 6.0% on original equity has been maintained for the 2010 financial year.

Investor Communication

Please do not hesitate to contact Centro MCS Investor Services if you have any queries or require further clarification on the above.

Centro Investor Services		
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Yours faithfully



Gerard Condon
General Manager – Syndicate Funds Management