

**CHURCHILL 11 REAL ESTATE LIMITED PARTNERSHIP
CHURCHILL 11 DEBENTURE CORP.**

January 15, 2024

Dear Valued Investors,

**Re: Churchill 11 Real Estate Limited Partnership (“Churchill 11”)
2023 – 4th Quarter Update**

Your fourth quarter cash distribution was made to your account electronically on January 15, 2024. This represents the quarterly portion of **an annualized 8% interest payment** on the remaining principal balance (**\$690/unit**) of the Debenture. The distribution was **\$13.91** per Debenture unit.

Consequently, from the three (3) properties previously sold and cash flow from operations, for each **\$1,250** investment in this fund investors have received a total of **\$1,093.04** in payments, representing **87.44%** of your original investment. This amount is a combination of income distributions and a return of capital. In addition, investors have been allocated their proportionate share of tax-deductible expenses from the fund.

Property Operations Update

Ranch Market Shopping Centre, Strathmore, AB

The remaining property in Churchill 11 is Ranch Market Shopping Centre.

The property combined with its shadow anchors, RONA, Walmart and Sobeys grocery store ensures steady traffic to Ranch Market. It is the dominant shopping centre in Strathmore. Some of our more notable tenants are a free-standing Royal Bank with drive thru, Alberta Treasury Bank, Shoppers Drug Mart, Dollarama, Pizza Hut and a bank of Tesla charging stations.

Leasing Update

We are pleased to report we have now completed renewals with the following Tenants since January 2023:

Tenant	Square Footage	1st Year Net Rent
Shoppers Drug Mart	17,015 sq.ft.	\$28.00 psf
First Choice Haircutters	937 sq.ft.	\$25.00 psf
Eminent Liquor Store	3,175 sq.ft.	\$17.25 psf
Smoker’s Haven	1,500 sq.ft.	\$27.00 psf
Warehouse One	2,987 sq.ft.	12% of Gross Sales
Lammles Western Wear	4,778 sq.ft.	\$21.00 psf
Pizza Hut	1,199 sq.ft.	\$20.00 psf
Royal Bank	5,746 sq.ft.	\$35.00 psf
Total	37,337 sq.ft.	

As reported in the last quarter’s reporting letter, JLL’s National Shopping Centre Team have the property listed for sale and are now undertaking their marketing campaign. We received one (1) offer on September 28, 2023 at \$24,000,000. We countered back the Non-Binding Letter of Intent at \$26,880,000 and the potential purchaser raised his offer to \$24,500,000 which management considered too low. However, we continued negotiating with the potential purchaser. We are now under a conditional contract at \$25,280,000. The current date for purchaser’s due diligence and subject removal is February 2, 2024.

The Strathmore Residential Market is still strong with more new homes being developed. However, the current high interest rates are not helping the new or resale residential markets or the commercial property market, hopefully in the next few months they will decrease.

Debenture Maturity Date Extension to December 31, 2025

A Special Meeting was reconvened on November 21, 2023, and there was a majority of 96.74% in favour of the motion to approve the extension of the maturity date of the Series “A” Debentures from December 31, 2023 to December 31, 2025.

Our next update letter is scheduled for April 15, 2024 for the period ended March 31, 2024. In the interim, if you have any questions regarding the property and/or your investment, please do not hesitate to contact us at any time.

Yours sincerely,

CHURCHILL 11 REAL ESTATE LIMITED PARTNERSHIP
BY ITS GENERAL PARTNER, CHURCHILL 11 PARTNERS INC.

Philip Langridge

Philip J. Langridge, FRICS
Chairman & CEO

Email: philip@churchillinvestments.com

Website: www.churchillinvestments.com