

JUNE 30, 2015

NICOLA CROSBY

SPIRE US LIMITED PARTNERSHIP

Performance

	YTD	1 Year	3 Year	5 Year
Total Return ⁺	6.4%	14.7%	11.6%	10.6%
12 Month Trailing Distribution Yield	5.6%			

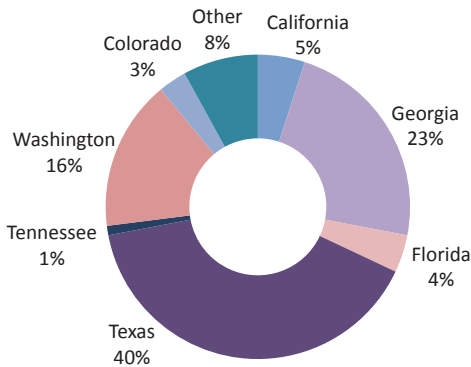
Past performance is not indicative of future results.

Investment Activity - Second Quarter

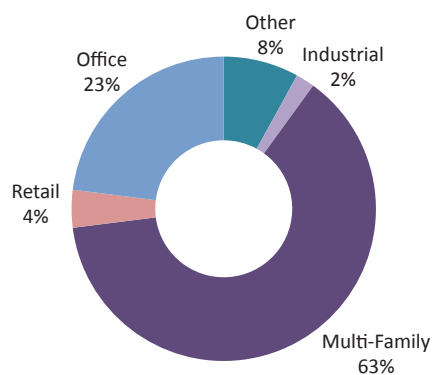
	NUMBER OF PROPERTIES	GROSS PURCHASE / SALE PRICE*
Acquisitions	3	\$77.70M
Dispositions	-	-
Acquisitions Under Contract	1	\$28.60M
Dispositions Under Contract	-	-

*Reflects our percentage of ownership

Gross Asset Value by Location



Gross Asset Value by Type




SPIRE US LP Overview

The SPIRE US LP (SPIRE US) portfolio is focused on acquiring, through direct investment, commercial properties primarily in major markets in the Western US and multi-family properties in the South and South Eastern US. Through its diversified portfolio, SPIRE US aims to provide consistent long-term wealth creation based on **property rental income, debt amortization, value-add and market appreciation**. In 2010, SPIRE US was opened to individual investors with units denominated in US currency. Distributions to unit-holders are currently 5.8%.

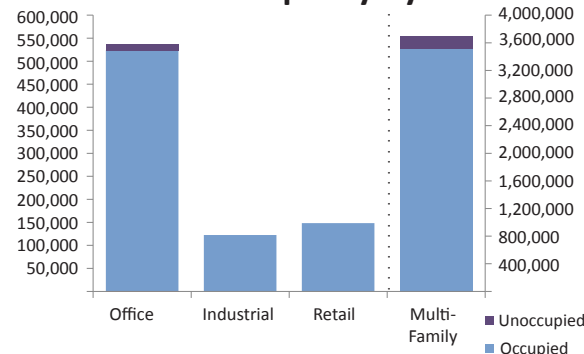
SPIRE US offers the clients of Nicola Wealth Management (NWM) an opportunity to invest in direct real estate with an experienced management team. Since the inception of SPIRE US, the management of Nicola Crosby have invested and continue to invest their own capital alongside NWM clients.

Key Statistics



Total Asset Value	\$666.6 million
Net Asset Value	\$285.4 million
Structure	Limited Partnership
Inception Date*	July 2007
NAV Per Unit*	\$126.49
Number of Units	2,256,386
Debt Leverage Ratio	55%
Number of Assets	54
Total Square Feet	4,511,407
Portfolio Occupancy	96%
Average Cap Rate	5.9%
Average Cost of Debt	4.1%

Portfolio Occupancy by SF



NICOLA CROSBY
REAL ESTATE

A Subsidiary of Nicola Wealth Management Ltd.

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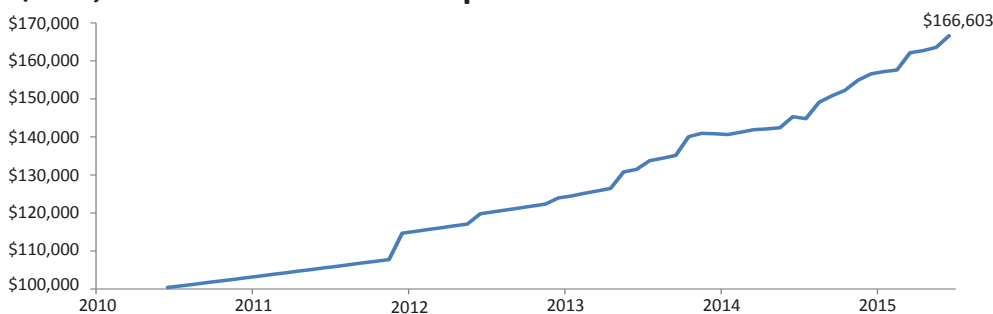
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NICOLA CROSBY

Quarter Highlights

- Q2 2015 was very active as we completed three acquisitions, which are summarized as follows:
 - **Mason Creek Office Center, Houston, Texas** – a Class A office building situated in the Katy Freeway West submarket in Houston. Mason Creek Office Center was constructed in 2013 and consists of a two-storey, certified LEED Silver Core and Shell office building comprising 135,716 sf on a 10.8-acre site that includes a generous parking ratio. The property is 100% leased by Government Employees Insurance Company (GEICO), the second largest private passenger automobile insurance company in the US and a wholly-owned subsidiary of Berkshire Hathaway. This is SPIRE US LP’s first commercial acquisition in Houston and features a long-term lease with contractual annual rental increases. *Acquisition Price: \$38.50 Million*
 - **Ventana Apartment Homes, San Antonio, Texas** – a 390-unit Class A apartment community, acquired in partnership with Venterra Realty. The property was constructed in 1994 and is located along the I-10 corridor, approximately 12 miles northwest of downtown San Antonio. Ventana Apartment Homes benefits from being located in one of the most sought after neighbourhoods in San Antonio, within walking distance of Huebner Oaks Shopping Center and in very close proximity to two of San Antonio’s major employers – the South Texas Medical Center and USAA. *Acquisition Price: \$40.00 Million (SPIRE US acquired a 50% interest)*
 - **The Preserve at Colony Lakes, Stafford (Houston) Texas** – a 420-unit Class A apartment community, acquired in partnership with Venterra Realty. The property was constructed in 2004 and is located within Fort Bend County, approximately 20 miles from downtown Houston. The property is located in close proximity to three other assets owned in partnership with Venterra. *Acquisition Price: \$49.25 Million (SPIRE US acquired a 39% interest)*
- With the completion of four lease transactions comprising 96,221 sf, eight of the ten commercial properties are now 100% leased, and total portfolio occupancy has increased to 96%. San Francisco’s office leasing market remains very strong, with two recently completed lease transactions resulting in rental rate increases in excess of 30% over previous rates.
- A thorough review of our property insurance program was completed as part of our portfolio’s annual policy renewal. As a result of a very minimal three-year loss ratio, premiums for the SPIRE US LP portfolio will decrease by 5.6%, and the savings will be passed along to our tenants.
- We have now completed our first commercial acquisitions in Denver (Q1) and Houston (Q2). Our strategy is to continue acquiring assets in Denver and Houston, as well as other major markets such as Chicago and Los Angeles, to complement our existing portfolio in Seattle and San Francisco.

\$100,000 Invested Since Inception*



*SPIRE US was set up in July 2007 but opened to investors in June 2010. All returns are calculated from June 2010.
NICOLA CROSBY REAL ESTATE

Investment Criteria

- Clear focus on hard asset, cash flowing real estate where the primary revenue source comes from tenant rents.
- Our investment strategy has expanded to concentrate on identifying acquisition opportunities in new major markets such as Chicago, Houston, Denver and Los Angeles to complement our existing commercial portfolio in Seattle and San Francisco. We also are targeting newer, high quality multi-family assets in major US growth markets with our strategic partner (Venterra Realty).
- Leverage on assets is dependent on asset type with a tolerance for higher leverage on multi-family assets in the 60-70% range. For commercial assets, we seek a lower debt ratio of 60-65% leverage.
- Return on equity targeted at 8% - 10% over a minimum 5-10 year hold.
- Focus on capital preservation while underwriting potential risks to minimize possible loss of capital and/or income through property, tenant covenant, cap rate and interest rate fluctuations.
- Investment opportunities are sourced through third party vendors ensuring no conflicts of interest, and all properties are appraised on an annual basis by independent appraisers, confirming accurate market based valuations.

Disclaimer

- Nicola Crosby is a subsidiary of Nicola Wealth Management
- Past performance is not indicative of future results.
- Returns are net of LP expenses.
- This investment is only available for sale to residents of Canada who are accredited investors. Please read the Limited Partnership Agreement and subscription documents for additional details and important disclosure information.
- This does not constitute an offer of sale.
- Please speak with a Nicola Wealth Management advisor to discuss if this investment is right for you.
- *NAV per unit is effective July 31, 2015.
- +Returns are calculated on a monthly basis and may differ from client returns which are updated with a 1 month lag.
- •Reflects our percentage of ownership