

JUNE 30, 2015

NICOLA CROSBY

SPIRE REAL ESTATE LIMITED PARTNERSHIP

Performance

	YTD	1 Year	3 Year	5 Year	Since Inception
Total Return*	4.0%	7.3%	8.8%	10.2%	9.6%
12 Month Trailing Distribution Yield	6.5%				

Past performance is not indicative of future results.

Investment Activity - Second Quarter

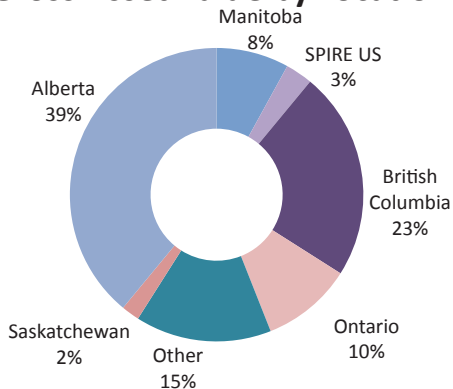
	NUMBER OF PROPERTIES	GROSS PURCHASE / SALE PRICE
Acquisitions	-	-
Dispositions	1	\$2.02M
Acquisitions Under Contract	-	-
Dispositions Under Contract	-	-

Key Statistics

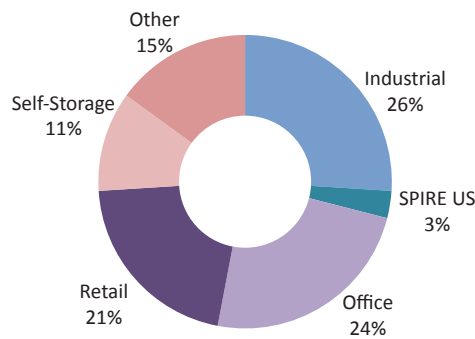
Total Asset Value	\$632.7 million
Net Asset Value	\$332.1 million
Structure	Limited Partnership
Inception Date	December 2005
NAV Per Unit*	\$116.16
Number of Units	2,858,678
Debt Leverage Ratio	42%
Number of Assets	26
Total Square Feet	2,942,385
Portfolio Occupancy	93%
Average Cap Rate	6.3%
Average Cost of Debt	3.9%



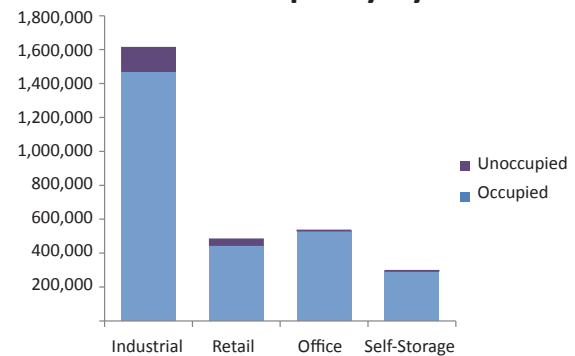
Gross Asset Value by Location



Gross Asset Value by Type



Portfolio Occupancy by SF



SPIRE REAL ESTATE LP Overview

SPIRE REAL ESTATE LP (SPIRE) consists of a diversified portfolio of income-producing real estate with a focus on longer term holds of assets primarily in Canada's larger urban markets. SPIRE has an emphasis on delivering consistent wealth creation through a focus on property fundamentals: **rental income, debt amortization, value-add and market appreciation**. SPIRE's diversified mix of real estate holdings include retail, office, industrial, self-storage and multi-family (through an investment in SPIRE US LP). Distributions to unit-holders are currently 5.9%.

SPIRE 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, the management of Nicola Crosby continue to invest their own capital alongside the clients of NWM.

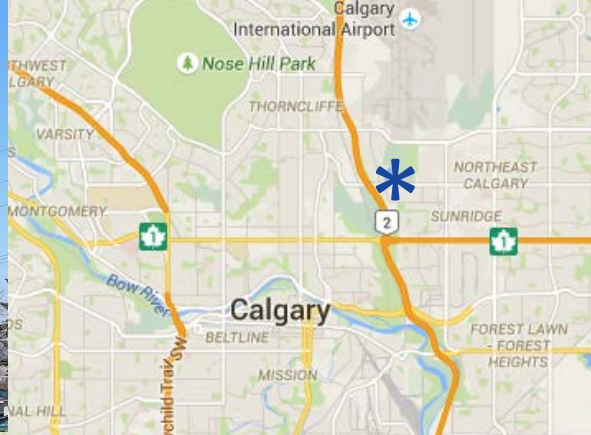


NICOLA CROSBY
REAL ESTATE

A Subsidiary of Nicola Wealth Management Ltd.

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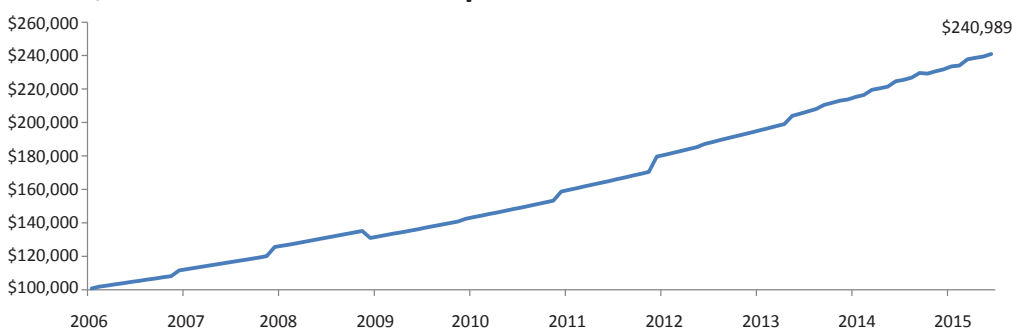
Quarter Highlights

- A number of significant leasing transactions were completed at **Lougheed Super Centre** in **Coquitlam, BC**, which were driven by the expansion of the existing HomeSense into a combined Winners & Homesense. As a result of this expansion, Bowring was relocated and a new lease was also finalized with the Bombay Company, securing both of these tenancies for an additional ten years. The property is now 100% leased and Winners is anticipated to open in the spring of 2016. The addition of Winners will greatly enhance the asset's long-term value and create another draw to the shopping centre.
- The sale of **2709-2735 Rena Road** in **Mississauga, ON** closed in May for \$2.02 Million. This 21,354 sf property was acquired as part of the Aero Industrial Portfolio (416,018 sf) in 2013. Strong demand from owner-occupiers presented a favourable opportunity to divest of this non-core holding and achieve a premium over the asset's appraised value of \$1.73 Million.
- The plans for a re-glazing project at **Deerfoot Junction 3** in **Calgary, AB** were finalized this quarter. The original glazing system will be replaced at a cost of approximately \$1.5 Million with the work expected to commence in the third quarter. A credit was received for the cost of this project from the previous owner when we originally acquired the property. The completion of this project is critical for tenant retention and will demonstrate to tenants that the building continues to be managed in a first-class manner.
- The upgrade of the professional building at **Brae Centre** in **Calgary, AB** was completed this quarter to accommodate the opening of Kids U Inc., an Alberta-based childcare centre. Kids U Inc. will complement the centre's tenant mix and brings occupancy to over 95%. As a result of our ongoing asset management strategies, the overall appeal of the shopping centre has been greatly enhanced since we originally acquired it, and occupancy has reached an all-time high.
- 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 Real Estate LP portfolio will decrease by 8.9%, and the savings will be passed along to our tenants.
- Acquisitions in 2015 have been limited by a lack of quality assets available for sale in major markets that meet our investment criteria. However, we have a **number of quality assets** in our acquisition pipeline which we hope to announce in our 3rd and 4th quarter reports.

Investment Criteria

- Clear focus on hard asset, cash flowing real estate where the primary revenue source comes from tenant rents.
- Emphasis on procuring assets in major markets in Canada such as Toronto, Calgary, Edmonton, and Vancouver. We will consider assets in strong secondary markets provided they feature strong demographics and deal metrics.
- Return on equity targeted at 8% - 10% over a minimum 5-10 year hold.
- Continued low tolerance for risk as evidenced by a targeted portfolio leverage of 50% or below, and individual investment's minimum 200 basis point spread between cap rate and cost of capital.
- 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, ensuring accurate market-based valuations.

\$100,000 Invested Since Inception



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.