



Intrinsic Real Estate Value for Income-Producing Property

Effective gross income

(potential gross income less bad debt and less vacancy allowance)

Less

Variable and fixed expenses

(utilities, repairs, payroll, supplies, real estate taxes, insurance)

Equals

Net Operating Income (NOI)

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CAP Rate

(Cap rate is NOI divided by property's market price)

Equals

Value of Property

Summary:
Income - Expenses = NOI
NOI/Cap Rate = Value

DISTRIBUTIONS for the PERIOD ENDING DEC. 31, 2006

1 month	-	0.8%
3 month	-	2.4%
6 month	-	4.8%
1 Year	-	9.6%

Strategic Portfolio Investment Real Estate



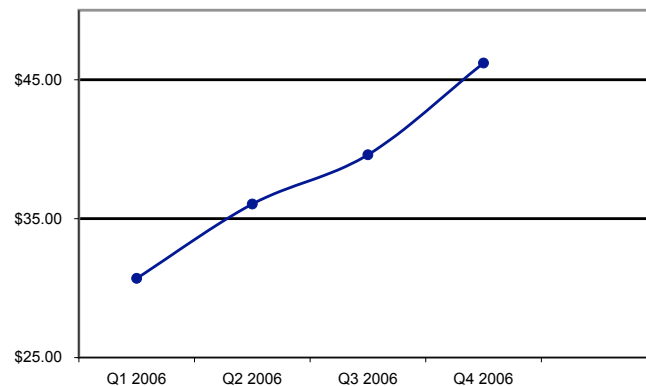
Spire is a limited partnership managed by Nicola Crosby Real Estate Asset Management Ltd. with an objective to generate reliable and consistent monthly income with moderate volatility by investing in income-producing commercial real estate. Spire currently holds multiple properties including retail shopping centres in Nanaimo, BC, Edmonton, AB, Steinbach, MB and is also invested in short-term commercial mortgages.

With the intention of mitigating potential market risk factors associated with real estate, particular attention has been given to the selection of properties, which are diversified by product, tenant and location. Numerous factors including location risk, price and income volatility are considered and analyzed in detail with a goal to maintain low to moderate risk exposure for the investor.

Real estate related investments typically account for 20-40% of a client's portfolio at Nicola Wealth Management. Real estate and mortgages carry similar risks and the Nicola Wealth planning and portfolio management teams work collaboratively to determine what percentage of an investor's unique portfolio will benefit from the real estate investment.

Spire accepts investments from accredited investors for initial minimum investments of \$100,000.00 and sophisticated investors for initial minimum investments of \$150,000.00, with monthly opportunities for subsequent purchases in increments of \$50,000.00. As the nature of the investment is to provide cash flow and capital gains, a long-term holding (five to ten years) will provide maximum exposure and benefit to the investor.

Spire Equity per Quarter 2006



To access more detailed information, please visit the Nicola-Crosby website:

www.nicolacrosby.com.
username: nicola
password: crosby



Capitalization Rates for Current Spire Holdings

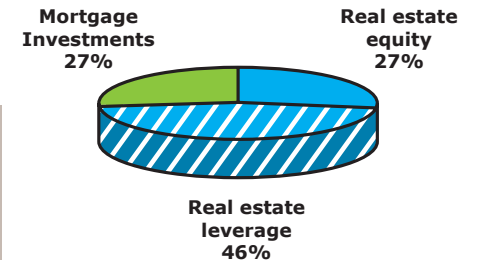
	Retail
British Columbia	7.25 - 7.75%
Alberta	7.25 - 7.75%
Manitoba	8.75 - 9.25%

Top Holdings as at Dec 31, 2006

Property	Total
White Oaks	\$27,300,000.00
Clearspring	\$19,374,000.00
Dover Pointe Mortgage Investments	\$17,500,000.00
	\$23,393,647.00

Cap Rate

A company looking to *buy* an income-producing property will negotiate the *highest* possible Cap Rate.



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