STARBOARD DIAGONAL DST
EXECUTIVE SUMMARY

STARBOARD

DIAGONAL MARKETPLACE 980-1100 Ken Pratt Blvd, Longmont, CO

TOTAL EQUITY
$5,350,000

PROJECTED DISTRIBUTIONS
6.0%-7.9% annualized

MINIMUM INVESTMENT
$25,000-Cash investments
$100,000-1031 exchange

INVESTMENT TERM
7-10 Years

LOAN
$6,500,000
4.65% Fixed
10 Year Term
54.85% LTV

INVESTOR REPORTING
Monthly Reports
Monthly Distributions

INVESTMENT OVERVIEW

Starboard Diagonal DST acquired Diagonal Marketplace Shopping Center in Longmont, Colorado ("Diagonal") for $11,850,000 on April 10, 2015. Starboard Realty Advisors ("Starboard"), the sponsor/manager is offering up to $5,350,000 of equity interests. This offering is designed to qualify as a 1031 exchange replacement property. Tenants include FedEx Office, Starbucks, Chipotle, Three Rivers Liquor & Wine, GNC and others. Starboard acquires anchored multi-tenant neighborhood centers for diversification of income and rent growth opportunities. Starboard Diagonal MT master leases the property from Starboard Diagonal DST.

INVESTMENT OPPORTUNITY

- Invest in a property with projected annual tenant rent growth
- Invest in a community with a growing population and jobs
- Professionally managed by experienced sponsor principals
- Diagonal Marketplace benefits from its location in the center of the Longmont Retail Corridor
- Annual rent increases in 8 of 11 tenant leases representing 73% of tenants
- 66% Credit and National Chain tenants including Fed Ex/Kinkos, Starbucks, GNC, Chipotle Restaurant, Safeway (for CAM)

PROPERTY DESCRIPTION

- Shopping center* in Longmont, CO
- 36,080 Square Feet
- 3 Buildings
- 3 Parcels on 3.08 Acres
- 14 tenant spaces
- 88.67% occupied
- Built in 1996
- Triple Net Leases
- Shadow-anchored by Safeway Grocery Store Fuel Center*
- Safeway primarily responsible for common area maintenance expenses.*

* Safeway grocery store is not a part of this purchase

STARBOARD REALTY ADVISORS, LLC 19600 Fairchild Rd, Ste. 125, Irvine, CA
(949) 420-9300 I www.starboard-realty.com

DIAGONAL MARKETPLACE 980-1100 Ken Pratt Blvd, Longmont, CO

LONGMONT DEMOGRAPHICS

The City of Longmont has a workforce of 46,3661 employees with 3,456[1] licensed businesses. Within that workforce, 38.7%[2] of the people who work in Longmont also live in Longmont, and Longmont leads the Boulder and Broomfield counties with the most jobs held by local residents. Within three miles of the subject property there are more than 73,660[3] full time residents with a 2014 average household income of $80,967. The five mile radius demographics are 100,705 people with an average household income $85,136. The three and five mile radius demographics are projected to grow by seven (7%) and eight (8%) percentage points respectively over the next 5 years. Seventy-six (76%) percent of the Colorado Biotech companies' employees come from Boulder County, which boasts the highest per-capita concentration of software employment in the United States.[4]

TRAFFIC COUNT

According to a 2013 Colorado Department of Transportation report, 36,700 vehicles pass by this location per day on Ken Pratt Blvd.

MASTER TENANT BUSINESS PLAN*

- Invest strategically for investors to generate cash flow and asset value appreciation, while maintaining a risk-mitigating investment philosophy
- Make monthly rent payments to the Diagonal DST
- Maximize tenant rents through renewals and lease up
- Maximize occupancy and lease vacant space at market rates
- Competitively bid and reduce operating costs
- Maximize net operating income
- Upgrade the center monument signs and landscaping
- Position the property for sale at the appropriate time.

*There are no guarantees that the business plan will be achieved.

RISK FACTORS

- There are risks associated with investing in commercial real estate which are more fully described in the PPM, including general economic conditions, interest rate fluctuations, lease expirations, tax law changes, fluctuations in operating expenses and innumerable other risks beyond the direct control of management.
- No public market exists for the investment beneficial interests and it is highly unlikely that any such market will ever develop.

NOTE: 1.) 2013 U.S. Census Estimate 2.) Labor Migration Profile by the Boulder Regional Business Partnership 3.) 2014 U.S. Census Estimate 4.) Longmont Area Economic Council

DIAGONAL MARKETPLACE SITE PLAN

STARBOARD DIAGONAL DST

STARBOARD

STARBOARD DIAGONAL DST & MASTER TENANT PROJECTIONS

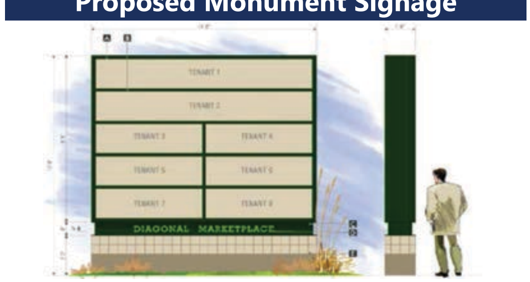
Year	1	2	3	4	5	6	7	8	9	10
Effective Gross Revenue	$901,302	$976,355	$1,026,406	$1,046,438	$1,060,995	$1,096,948	$1,126,237	$1,164,209	$1,200,279	$1,228,161
Total Operating Expenses	-$257,843	-$287,824	-$297,289	-$305,779	-$314,279	-$323,872	-$333,444	-$343,616	-$353,970	-$364,261
Net Operating Income	$643,459	$688,531	$729,117	$740,659	$746,716	$773,076	$792,793	$820,593	$846,309	$863,900
Investor Distribution Rent %	6.00%	6.21%	6.93%	7.10%	7.18%	6.55%	6.63%	6.83%	7.27%	7.57%
Principle Reduction as a % of Equity	-	-	-	-	-	1.87%	1.96%	2.05%	2.14%	2.22%
Distributions from Equity and Pay Down	6.00%	6.21%	6.93%	7.10%	7.18%	8.42%	8.59%	8.88%	9.41%	9.80%

LONGMONT AREA GROCERY ANCHORED SHOPPING CENTERS

SUITE	TENANT	SF	RENT/SF	LEASE TERM	OPTIONS
	BUILDING 980				
A	Snappy Nails	1,357	$21.00	8/1/04-7/31/19	None
B	FedEx	8,000	$17.00	8/1/95-6/30/17	Two (2) 5-year options to renew
	BUILDING 1020				
A	Three Rivers Wine	8,834	$22.00	7/1/13-8/31/18	Three (3) 5-year options to renew
B	Select Staffing	1,595	$17.50	10/1/14-9/30/19	One (1) 3-year option to renew
C	Little Caesars	1,664	$16.50	10/1/09-1/31/17	Two (2) 5-year options to renew
D	Vacant	1,664	$0.00		
E	Batteries Plus	1,546	$20.08	6/1/06-5/31/19	None
F	Vacant	1,316	$0.00		
G	Vacant	1,107	$0.00		
	BUILDING 1100				
A	Starbucks	1,500	$20.00	7/1/97-7/31/17	None
B	Chipotle	2,400	$24.04	11/1/97-10/31/17	One (1) 5-year option to renew
C	GNC	1,500	$22.50	5/1/13-6/30/18	Two (2) 5-year options to renew
D	Great Harvest Bred Co.	1,497	$24.26	5/1/03-4/30/18	None
E	Kory J. Wallin DDS	2,100	$25.00	1/1/15-8/31/25	Two (2) 5-year options to renew

Current Monument Signage

Proposed Monument Signage



MAJOR TENANTS

FEDEX OFFICE

Formerly Kinko's, FedEx Office is the 7th largest printing and shipping retailer in North America with annual revenue exceeding $2 billion. With over 1,800 locations and 14,000 employees, FedEx Office is fiscally strong tenant. Unlike its main competitor, The UPS Store, all FedEx office locations are corporate-owned.

THREE RIVERS LIQUOR & WINE

Three Rivers Liquor & Wine is a privately owned and operated liquor store that occupies approximately 8,834 Square Feet. With 2014 gross profits of approx. $700,000, Three Rivers Liquor & Wine is the closest alternative for liquor sales in the shopping center. The state of Colorado does not allow for grocery stores to sell liquor and does not allow any liquor stores or liquor-licensed drug stores to own more than one location.

STARBUCKS

Starbucks is the largest coffeehouse company in the world, ahead of UK rival Costa Coffee, with 21,536 locations in 64 countries and 182,000 employees. 2014 revenue exceeded $14 billion. The Starbucks at this location has filed for a beer and wine license.

CHIPOTLE

Founded in 1993, Chipotle Mexican Grill now has more than 1,600 locations and 45,000 employees. 2014 revenues exceeded $1 billion, an increase of 28.6% from the previous year.

GNC

GNC has over 6,000 stores and 13,000 employees in the United States. The retail locations are a combination of corporate-owned and franchised stores. GNC's 2013 revenue was $2.63 billion.

SHADOW ANCHOR

SAFEWAY (NAP)

Safeway is not being purchased, but separately pays 74.68% of common area maintenance and manages the common area. With its recent acquisition by Albertson's, Safeway now has more than 2,200 stores and over 250,000 employees, making it the second largest supermarket chain in North America. Based on 2009 revenue, Safeway is the 11th largest retailer in the United States.

STARBOARD INVESTMENT STRATEGY

Multi-Tenant Retail Neighborhood centers

Starboard offers multi-tenant neighborhood centers with a diversification of regional and national tenants. Neighborhood centers provide customers with life's essentials such as food and personal services which are typically difficult to purchase on the internet. Typical neighborhood center tenants have annual rent increases which facilitates the growth of net operating income and property cash flows. When interest rates increase and inflation returns, commercial real estate with rent growth has proven to be a good hedge to rising interest and capitalization rates and its negative impact on real estate values.

DELAWARE STATUTORY TRUST ("DST") INVESTMENT STRATEGY

Starboard has a unique investment strategy for DST's to respond to investor objectives and the changing real estate cycle fundamentals that will impact investor returns in the future.

Historically, a ½ of 1% increase in the 10 Year Treasury Bill will generally cause a 1% increase in cap rates. Since 2008, real estate values have increased largely through cap rate compression, while many asset classes were not performing well. Going forward, value will be created through property performance, revenue growth and increasing the net operating income ("NOI"). It is likely that NOI growth will be needed to offset the rising cap rates resulting from higher interest rates.

Starboard's DST strategy is to acquire multi-tenant retail shopping centers in primary and secondary markets which historically have three to ten year lease terms and annual rent increases in the tenant leases. The DST will not own the anchor because it usually represents 40-60% of the centers' income. When an anchor owns its own store, it is more committed to the location and will invest more capital in the store than if it was leased. This acquisition strategy is preferred by Starboard to single or portfolio net lease properties because as market rents increase during the current real estate cycle, tenants can be renewed or replaced at the higher rents.

THE COMPANY'S MANAGING PARTNERS,

Bill Winn & Steve Carlton

Starboard Realty Advisors is active in many aspects of the real estate industry including development, financing, re-capitalization of distressed real estate projects, investment structuring and consulting.

Mr. Winn is CEO of Starboard and brings 25 years experience acquiring, managing and developing retail, multi-family, office and industrial properties and 15 years experience structuring, funding and managing investments for over 4,000 investors. Mr. Winn has raised capital through the independent broker dealer community for real estate programs for 15 years. He was previously President and partner of Passco Companies, LLC for 10 years and President of REISA now ADISA) in 2009. His start in the real estate industry was 10 years as property manager, and VP/Regional Manager of the Charles Dunn Company in Los Angeles. Mr. Winn is a CSM (Certified Shopping Center Manager, from ICSC) and a CPM (Certified Property Manager, from IREM). He graduated from Cal Poly University with Bachelor of Science in Business Administration and Pepperdine University with an MBA.

Mr. Carlton is COO/VP Asset Management of Starboard and brings over 10 years asset management and development experience in primarily the retail shopping centers. Previously, he was Director of Asset Management of Value Rock Realty Partners. The company owns 24 retail shopping centers in southern California and Hawaii. During Mr. Carlton's tenure, the company purchased 27 properties and sold 19. Mr. Carlton was Asset Manager for The Wilder Companies based in Boston. He oversaw 17 shopping centers comprising 1.3 million SF located in New England area as well as two ground-up developments in Florida. Mr. Carlton graduated from the University of Colorado with a Bachelor of Arts Degree in Economics. He is an active member ICSC.

WHY MULTI-TENANT NEIGHBORHOOD CENTERS?

- Diversification of internet resistant tenants
- Rent and NOI growth annually due to fixed rent and increases in tenant leases
- Credit and regional tenants
- Historically high occupancy
- Tenants pay property operating expenses, not the owners
- Tenant improvement costs are lowest of commercial property types
- Hedge against inflation, future interest rate and cap rate increases
- Stabilized assets ideal for DST and value added ideal for LLC

ACQUISITION SOURCING
DUE DILIGENCE
FINANCING

ASSET MANAGEMENT
PROPERTY MANAGEMENT
LEASING
CONSTRUCTION
DEVELOPMENT
INVESTOR SERVICES

DEDICATED STAFF
30 YEARS EXPERIENCE
AUDITED FINANCIALS
MONTHLY REPORTING

LOAN WORKOUTS
DISCOUNTED PAYOFFS
RECAPITALIZATIONS

STARBOARD

STARBOARD REALTY ADVISORS, LLC 19600 Fairchild Rd, Ste. 125, Irvine, CA
(949) 420-9300 I www.starboard-realty.com