

Estimated Fund Equity: March 2015*

Month/Year	February 2015	March 2015
Estimated Value of Fund	\$59,366,000	\$61,750,000
Third Party Debt	\$29,100,000	\$30,375,000
Estimated Total Equity of Fund	\$30,266,000	\$31,375,000
Members' Invested Capital (1A, 1B, 1C)	\$15,866,000	\$16,596,000

*As of March 30, 2015



For access to more
exclusive content, follow
us on Facebook!
facebook.com/strategicholdings



STRATEGIC UPDATE

Dear Investors,

This month we would like to introduce your management team. Your principals have over 25+ years of experience across all areas of real estate—lending, investment, development, and asset management. We leverage this experience to gain an advantage in an otherwise competitive sector. Your team has extensive knowledge in real estate investments, with substantial experience in underwriting, servicing, repositioning, selling, etc.

Scott Woodside, Director of Asset Management; Scott is responsible for the repositioning of REO assets and property management.

Raul Gamino, Senior Investment Analyst; Raul is tasked with the underwriting of potential acquisitions, evaluating potential legal issues, and reviewing operational income and expense reports.

Jackie Trojanowsky, Chief Credit Officer; Jackie uses her CMBS experience to establish underwriting policy and underwrites every deal we pursue.

John Gaiser, Co-Head of Acquisitions; John's duties include sourcing potential investment opportunities, performing pre-acquisition due diligence, and advising the credit committee regarding underwriting and acquisition guidelines. Post-acquisition, John assists with negotiations with current borrowers, and provides guidance regarding disposition strategies.

Jim Backner, President and Co-head of Acquisitions; Jim supervises the sourcing of potential investment opportunities while performing due diligence and facilitating acquisitions. Post-acquisition, Jim is involved with

Meet the management team!

repositioning, property management, and eventual sale of all acquired assets.

Patty Franklin, Vice President of Investor Relations; Patty is the main liaison for Investors.

Brian Alonge, Chief Financial Officer; Brian is responsible for all tax and accounting matters of the company as well as leading the company's efforts in securing loans on many of the properties.

Most of you know our CEO, Barry Levenson from one of our seminars.

We are extremely proud of this impressive team and invite you to call your management team at any time with any questions, concerns, or compliments.



25% Increase in Occupancy—Now 97.2%!

An Update on the Red Apple Apartments in MS

The Red Apple Apartment complex was acquired as a non-performing note on November 8, 2013, in the amount of \$1,378,390. At the time of acquisition the property was 72.7% occupied. The owner was mismanaging the property and failed to make the necessary capital improvements to keep the property at market occupancy of 94%. Strategic Holdings acquired title to the property by completing a Deed in Lieu of Foreclosure with the previous owner in January 2014.

The Red Apple Apartments are located 4.6 miles from downtown Jackson, Mississippi. Jackson has a population of 173,514. Some of the city's major employers include State of Mississippi, University of Mississippi Medical Center, United States Government, Jackson Public School System, Nissan (\$930 million automobile plant), Rankin County School District, Baptist Health Systems, Wal-Mart, Jackson State University, AT&T, River Oaks Health Systems, Kroger, and many others. The city is also a

leader in agricultural commodities. In fact, agriculture represents a \$180 million business in the region. Cattle, cotton, grains, poultry, and timber are among the most profitable commodities.

Since obtaining title, Strategic Holdings invested an additional \$800,000 into the property to finish a number of capital improvements that include exterior building repairs and paint, foundation repairs, rain gutters, landscaping, and renovation of several of the units. The onsite property management has received new office equipment, ongoing training, and new policy and procedures. All of these changes and improvements have increased the property's occupancy to 97.2%. The property's current estimated value is \$3.266 million based on increased occupancy and cash flow.

Many of you have referred your friends and family to us.

We thank you for your trust, and want you to

know we offer

\$500 as a

token of

our appreciation.

Meet Diane



*Diane Rangel,
Investor Relations Associate*

We are happy to introduce our Investor Relations Associate Diane Rangel. She has a background in sales and real estate. Diane has been an integral part of Strategic Holdings, first as a transaction manager and later as an administrator in the Human Resources department. Now, she assists Patty Franklin and the investor relations department with service and operational duties. Diane is happy to assist you with any questions about your account, forms, or service issues. You can reach her at 805-410-4624, or diane.rangel@strategicholdings.com. If you have direct investment fund questions, please do not hesitate to contact Patty Franklin at 805-764-5128, or pfranklin@strategicholdings.com.

This is not an Offer to Purchase or Sell Securities. This overview is for informational purposes and is not an offer to sell or a solicitation of an offer to buy any securities in the Private Placement Memorandum (PPM) of Strategic Diversified Real Estate Holdings, LLC. and may not be relied upon in connection with the purchase or sale of any security. Interests in the PPM, if offered, will only be available to parties who are "accredited investors" (as defined in Rule 501 promulgated pursuant to the Securities Act of 1933, as amended) and who are interested in investing in the PPM on their own behalf. Any offering or solicitation will be made only to qualified prospective investors pursuant to a confidential offering memorandum, and the subscription documents, all of which should be read in their entirety.