Diamond Resorts Owner Trust 2015-1

$170.00 Million Asset Backed Securities

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KBRA KROLL BOND RATING AGENCY

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Executive Summary

This presale report is based on information regarding the underlying timeshare loans and the terms of the securitization as of July 16, 2015. The ratings shown are preliminary and subsequent information may result in the assignment of final ratings that differ from the preliminary ratings. This report does not constitute a recommendation to buy, hold, or sell securities.

Rated Notes					
Class	Initial Amount ($)	Interest Rate	Stated Maturity Date	Initial Credit Enhancement (%)	Preliminary KBRA Rating
Class A	158,490,000	TBD	July 20, 2027	11.50%	AA-(sf)
Class B	11,510,000	TBD	July 20, 2027	5.00%	A(sf)
Total	170,000,000				

Transaction Overview

This transaction is Diamond Resorts Corporation's ("DRC") first securitization of 2015 and its sixth term securitization since 2009. DRC is a wholly owned subsidiary of Diamond Resorts International, Inc. ("DRII"). DRII and its affiliates, including DRC (collectively, "Diamond" or the "Company"), operate in the hospitality and vacation ownership industry. Diamond issued one ABS transaction in 2009, one in 2011, two in 2013 and one in 2014.

Transaction Parties	
Issuer	Diamond Resorts Owner Trust 2015-1 ("DROT 2015-1")
Seller	Diamond Resorts Seller 2015-1, LLC
Servicer & Administrator	Diamond Resorts Financial Services, Inc.
Indenture Trustee, Custodian & Back-Up Servicer	Wells Fargo Bank, National Association
Owner Trustee	U.S. Bank Trust National Association

Key Credit Considerations

Consideration	
Experienced Timeshare Operator, Originator and Servicer with a Stable Management Team Diamond is a leading global hospitality and vacation ownership interest company. The Company, through its predecessors, has been managing and operating timeshare resorts since 1996. The Company was originally incorporated in May 1996 as KGK Resorts, Inc. and it acquired and merged into Sunterra Corporation ("Sunterra") in 2007. The majority of the management team has over 25 years of industry experience and the CEO and CFO have been with Diamond in various capacities for over eight years. Senior leadership has an approximately 35% equity stake in the Company. On July 24, 2013, Diamond sold over 17.8 million shares of the Company's common stock to the public through an initial public offering. In March 2015, an additional 7.5 million shares were offered by certain stockholders in a secondary offering of which Diamond purchased approximately 1.5 million shares for $50 million. The Company is listed on the NYSE under the ticker symbol "DRII". The Company is currently second only to Wyndham in terms of total owner-families and number of managed resorts. While originations have been high over the past two years when compared to historical levels, Diamond has maintained consistently high FICO scores with the average FICO score on loans originated since October 2008 of 758. Also, the Company is in the process of reviewing its underwriting standards which they believe will help improve performance of their future originations.	+
Transaction Structure The transaction has initial credit enhancement levels ranging from 11.50% for the Class A notes and 5.00% for the Class B notes, which build to 15.50% and 9.00% for the Class A and Class B notes, respectively, over time. Credit enhancement is comprised of overcollateralization, a cash reserve account, excess spread and, in the case of the Class A notes, subordination of the junior note class. The credit enhancement may increase if the average of the delinquency levels (i.e. the balance of all timeshare loans that are 61 or more days delinquent divided by the aggregate timeshare loan balance) for the previous three months is greater than or equal to 7.00%. The credit enhancement levels for each class are sufficient to cover KBRA's corresponding stressed cash flow assumptions for each rated note class. The transaction is structured to de-lever as enhancement builds to a target level and the transaction goes into rapid amortization if the rapid amortization trigger is breached, thereby increasing the level of credit enhancement, which is beneficial to the maintenance of the note ratings.	+
Company's Improving Operating Performance The Company has experienced improved operating performance with total revenue increasing 9% from $181.2 million for 1Q 2014 to $197.5 million for 1Q 2015. This was driven by a 15.7% increase in vacation interest sales net revenue and 6.9% decrease in hospitality and management services revenue. The Company's adjusted consolidated EBITDA (including the one-time charge related to the Hospitality Management and Consulting Service, LLC contract termination) increased 3.5% to $69.3 million for the first three months of 2015 compared to the same period in 2014. In addition, 1Q 2015 YTD pretax income was $45.5 million compared to $26.1 million for 2014.	+

As a result of the improved operating performance and debt profile of the Company, in April 2015, both S&P and Moody's upgraded their corporate ratings to B+ and B1 from B and B2, respectively, and both have issued stable outlooks on the Company. Diamond announced a $100 million common stock repurchase program in 4Q 2014. In March 2015, there was a secondary public offering of the common stock of certain stockholders with Diamond purchasing $50 million from the underwriter. As of March 31, 2015, the Company has repurchased over 2.5 million shares of its common stock for a total of $77.2 million.	
Growth through Acquisitions Diamond has grown considerably having made six acquisitions from 2010 to 2013 which added 34 resorts and approximately 170,000 owner families. Diamond has been able to integrate each of these acquisitions into its network and has benefited from a larger resort network. It has also increased its originations on a quarterly basis. Over the last eight quarters, originations have been over $80 million with 4Q 2014 being the highest origination quarter in the Company's history at $161 million. Prior to this period, originations remained relatively steady and averaged approximately $44 million since 1Q 2001. While originations have increased, the Company's average borrower profile remains strong, with the weighted average FICO score of borrowers since October 2008 at 758. Wells Fargo Bank, National Association will act as the warm back-up servicer in this transaction should the Company experience deterioration in performance and be terminated as Servicer.	+/-
Optional Repurchase and Substitution of Defaulted Loans As with most timeshare transactions, the Seller has the option to repurchase a defaulted loan or substitute a qualified loan for a defaulted loan and pay any shortfall amount. This repurchase and substitution option is limited to 15% and 20%, respectively, of the aggregate closing date collateral balance less the total balance of loans previously repurchased or substituted. Even though most timeshare issuers including Diamond have historically utilized these options in their securitizations, KBRA did not give any credit for this when determining our base case cumulative default range.	+
Focus on Customer Satisfaction and Technology Platform Diamond focuses on its customers' experience from the initial booking process through their resort stay. The Company spends nearly half of its capital expenditures on technology every year and operates a proprietary system that it uses worldwide. This system enables its members to access a website that can service nearly all of their vacation needs. Upon a guest's departure, Diamond asks them to fill out a survey containing certain questions relating to the resorts condition and staff performance. The results from these surveys help management rank the resorts, identify areas that need improvement and determine a portion of the resort manager's compensation. Each week the resort managers receive the survey results and are able to determine where their specific resort ranks.	+

Transaction Summary

The chart below summarizes the collateral characteristics of the initial collateral pool and credit enhancement structure of the DROT 2015-1 transaction as compared to the Company's three most recent transactions. This transaction includes the lowest weighted average seasoning, weighted average coupon and percentage of foreign obligors than its prior three transactions. It has a higher average loan balance as the average loan balance has increased considerably in each of the last two deals a result of Diamond targeting stronger obligors and incentivizing existing customers to upgrade into higher points programs. The weighted average obligor equity percentage is below the average of the previous deals. The credit enhancement is lower for the Class A and the same for the Class B when compared to the previous deal.

Deal Name	DROT 2015-1	DROT 2014-1	DROT 2013-2	DROT 2013-1
Transaction Date	7/29/2015*	11/20/2014	11/20/2013	1/23/2013
Collateral Stratification				
Pool Balance**	$177,083,633	$216,839,913	$181,398,935	$98,488,484
Avg Loan Balance	$24,732	$19,897	$11,841	$11,546
Wtd Avg Coupon	14.15%	14.37%	14.74%	16.01%
Wtd Avg FICO	735	725	727	720
Wtd Avg Obligor Equity	32.34%	31.41%	36.57%	29.50%
Wtd Avg Original Term (mths)	120	120	121	120
Wtd Avg Remaining Term (mths)	114	113	98	110
Wtd Avg Seasoning	6	7	23	10
Domestic Obligors	99.15%***	95.35%	94.92%	93.67%
Foreign Obligors	0.85%	4.65%	5.08%	6.33%
FICO Distribution				
Not Available	1.05%	2.05%	2.85%	3.92%
550-599	1.26%	3.17%	0.84%	2.39%
600-649	6.98%	8.55%	8.85%	11.56%
650-699	18.89%	21.44%	22.00%	21.86%
700-749	26.94%	26.04%	27.31%	25.32%
750-799	31.83%	28.28%	27.97%	25.67%
800-850	13.05%	10.48%	10.17%	9.28%
Origination Program				
Mortgage Loans	0.00%	0.00%	3.27%	0.12%
Points-Based Loans	100.00%	100.00%	96.73%	99.88%
Geographic Concentration of Domestic Obligors^				
State 1	CA: 33.43%	CA: 35.68%	CA: 30.79%	CA: 30.12%
State 2	AZ: 8.21%	AZ: 8.83%	AZ: 8.78%	AZ: 9.69%
State 3	FL: 4.87%	FL: 5.08%	FL: 4.54%	FL: 4.14%
Note Balance				
Class A	$158,490,000	$235,630,000	$213,150,000	$88,640,000
Class B	$11,510,000	$24,370,000	$11,850,000	$4,920,000
Class C				
Class D				
Total	$170,000,000	$260,000,000	$225,000,000	$93,560,000
% Credit Enhancement^^				
Initial O/C	4.00%	4.00%	5.00%	5.00%
Target O/C (after stepdown date)	8.00%	8.00%	10.00%	10.00%
O/C Floor	1.00%	1.00%	1.00%	1.00%
Reserve Account	1.00%	1.00%	1.00%	1.00%
Subordination				
Class A	6.50%	9.00%	5.00%	5.00%
Class B	0.00%	0.00%	0.00%	0.00%
Class C				
Class D				
Total Initial Credit Enhancement				
Class A	11.50%	14.00%	11.00%	11.00%
Class B	5.00%	5.00%	6.00%	6.00%
Class C				
Class D				
Target Credit Enhancement Following Build				
Class A	15.50%	18.00%	16.00%	16.00%
Class B	9.00%	9.00%	11.00%	11.00%
Class C				
Class D				
KBRA Base Case				
Cumulative Gross Loss Range	11.70%-12.70%	12.29%-13.29%	NA	NA

* Expected Closing Date. Statistical Collateral Stratification for DROT 2015-1 based on June 30, 2015 data.
** As of Statistical Cut-Off Date
*** DROT 2015-1 includes obligors from Canada as domestic obligors.
^ Domestic obligors only.

^^For DROT 2015-1, on the closing date, the required overcollateralization ("O/C") is based on a percentage of the aggregate closing date collateral balance. The target O/C on or after the Stepdown Date if no Cash Accumulation Event occurred is the greater of (a) 1% of the aggregate closing date collateral balance and (b) the product of (i) the Target O/C percentage (8%) and (ii) the aggregate collateral balance as of the end of the related due period. The Stepdown Date occurs in the payment date on which the aggregate collateral balance is less than 50% of the aggregate closing date collateral balance.

^^For DROT 2015-1, on the closing date, the reserve account required amount will be 1% of the aggregate closing date collateral balance, so long as no Cash Accumulation Event has occurred, of timeshare loans. Thereafter it will be 1% of the ending aggregate collateral balance for the due period.

Key changes from Diamond Resorts Owner Trust 2014-1

Since the DROT 2014-1 transaction, there have been some changes within the company, as well as the composition of the DROT 2015-1 collateral pool as compared to DROT 2014-1.

Company	
Underwriting Updates	Diamond is in the process of reviewing its underwriting standards with a focus on tier three of their underwriting matrix because actual loan performance was lower than initially expected for this FICO band. The change may include requiring a higher initial down payment from the customer. Also, the Company has been analyzing adding an affordability measure such as debt to income criteria into its matrix. While the deal collateral will be completely funded at closing, subsequent loans that are substituted in for defaulted receivables will be originated under any updated standards.
Changes in Liquidity Profile and Interest Hedging	On February 5, 2015, Diamond increased the size of their conduit facility by $25 million to $200 million and extended the maturity date to April 2017. As of March 31, 2015, the facility has approximately $136.8 million of funding availability. Also, on March 20, 2015, as required by the conduit facility, the Company entered into a ten year, $56.9 million interest rate swap to manage its exposure to interest rate fluctuations.
Joint Venture	On February 12, 2015, Diamond signed an agreement forming a joint venture with China Travel International Investment Hong Kong Ltd. ("China Travel") and Dorsett Hospitality International Limited ("Dorsett") to create, market, sell and service vacation packages and associated benefits to customers in Asia. Pursuant to the joint venture, China Travel will hold a 40% interest with Diamond and Dorsett holding 30% interests, respectively. Each company will have equal governance of the venture and board representation.
Stock Repurchase Program	In October 2014, Diamond announced a $100 million common stock repurchase program. In March 2015, the Company had a secondary public offering of the common stock of certain stockholders with Diamond purchasing $50 million from the underwriter. As of March 31, 2015, the Company has repurchased over 2.5 million shares of its common stock for a total of $77.2 million.
Elimination of External Management Structure	Effective January 1, 2015, Diamond acquired Hospitality Management and Consulting Service, LLC ("HM&C") in order to eliminate its external management structure with them and create a more transparent management structure. The company also agreed with its founder and chairman Stephen Cloobeck, who was the controlling owner of HM&C, to buy out the remaining term of his services agreement with HM&C and to acquire from him marketing rights in a retail complex next to the Company's Polo Towers resort in Las Vegas. Diamond paid Mr. Cloobeck $16.5 million in total and extended his term as Diamond's chairman of the board at least through December 31, 2017.
Ratings Updates	In April 2015, both S&P and Moody's upgraded their corporate ratings to B+ and B1 from B and B2, respectively, and both have issued stable outlooks on the Company. The rating actions were a result of continued growth in revenue and improved debt to EBITDA. Also upgraded to these levels were the $445 million senior secured term loan (paid down to $424.67 million in 1Q 2015) and a $25 million senior secured revolver which were issued in May 2014. KBRA does not currently have a corporate rating on Diamond.

Collateral	
Newer Originations/ Higher Loan Balances	DROT 2015-1 collateral has a weighted average seasoning of six months which is approximately one month less than in the DROT 2014-1 deal. In DROT 2015-1, almost 93% of the loans in this deal have seasoning of twelve months or less. The average loan balance continues to increase as a result of Diamond targeting stronger obligors and incentivizing existing customers to upgrade into higher points programs.
Pool Composition/ Prefunding	DROT 2015-1 consists of 99.1% of domestic obligors verses 95.4% in the prior transaction and has a weighted average FICO of 735 compared to 725 for DROT 2014-1. In addition, unlike DROT 2014-1, this transaction will not include a prefunding period. As a result of the improvement in the collateral mix, KBRA's base case loss expectation has declined to 11.70%-12.70% from 12.29%-13.29% in the DROT 2014-1 deal.
Transaction Documents/Legal Structure	
Enhancement Levels	DROT 2015-1 is structured with a lower subordination level of 6.50% on the Class A note compared to 9% in DROT 2014-1. The reserve account level of 1% and the initial and target overcollateralization levels of 4% and 8%, respectively, remain the same as the prior deal. As a result, in DROT 2015-1, overall target enhancement has decreased for the Class A note to 15.50% compared to 18% and remains the same for the Class B note at 9% when compared to DROT 2014-1. The drop in credit enhancement also reflects the improved collateral mix in the deal.

Performance of previous Diamond deals rated by KBRA

KBRA rated Diamond's previous securitization, DROT 2014-1 which closed November 20, 2014. The deal completed its prefunding in January 2015 and is currently seven months seasoned. DROT 2014-1 has experienced some defaults; however, Diamond has utilized their option of substituting a qualified loan for a defaulted loan, therefore reported defaults are zero. As of May 31, 2014, the deal is in compliance with all of its triggers, with the three month average 60+ delinquency ratio at 5.37% compared to the 7.00% cash accumulation event trigger.

KBRA Process

KBRA analyzed the transaction using the **U.S. Timeshare ABS Rating Methodology** published on October 10, 2012. KBRA's timeshare methodology incorporates an analysis of: (1) the quality and expected performance of the underlying collateral, (2) the originator and servicer's business model and operational strength and (3) the transaction terms, including capital structure, credit enhancement and legal structure.

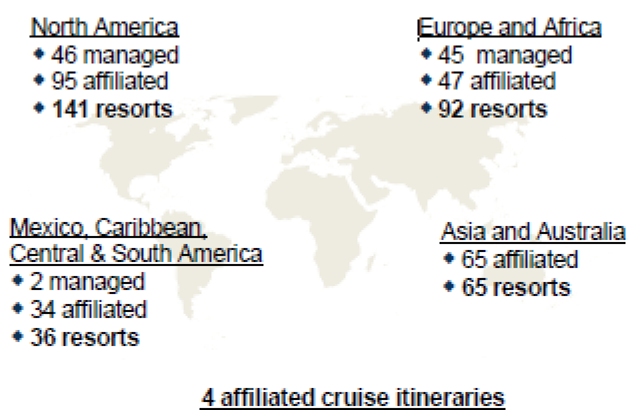
In applying the methodology, KBRA generally analyzes the underlying collateral pool, as well as the originator's historical static pool and managed portfolio performance data. KBRA also conducted an on-site operational review of Diamond at its Las Vegas, NV office in September 2014 and toured a Las Vegas resort property. KBRA will review the operative agreements and legal opinions for the transaction prior to closing.

Diamond Resorts

Diamond is a leading global hospitality and vacation ownership interests company with its principal offices located in Las Vegas, Nevada and servicing operations split between Las Vegas and Orlando, Florida. The Company was originally incorporated in May 1996 as KGK Resorts, Inc. and in June 1996 changed its corporate name to Signature Resorts, Inc. In August 1996, they completed an initial public offering and became known as Sunterra Corporation ("Sunterra") in the second quarter of 1998. Sunterra filed for Chapter 11 protection in May 2000 due to defaults on its notes and credit facilities. Sunterra emerged from Chapter 11 in July 2002. In April 2007, Diamond acquired and merged into Sunterra and changed its name to Diamond Resorts Corporation.

On July 24, 2013, Diamond sold over 17.8 million shares of the Company's common stock to the public through an initial public offering and an additional 7.5 million shares were offered by certain stockholders in a secondary offering in March 2015. The Company is listed on the NYSE under the ticker symbol "DRII". The Company announced a common stock repurchase program in 4Q 2014 and as of March 31, 2015, has repurchased over 2.5 million shares for a total of $77.2 million.

From 2010 to 2013, the Company made six acquisitions that added approximately 170,000 owner-families and 34 resorts. As of May 31, 2015, Diamond has more than 515,000 owner families and members who have access to destinations around the world. Diamond's network consists of 93 resort properties which they manage, 241 affiliated properties and four cruise itineraries. Diamond operates these 93 managed resort properties through seven multi-resort trusts and one single-resort trust ("Collections"). The affiliated properties and cruise itineraries are part of the Company's network however do not carry the Company brand. Diamond also operates an internal vacation ownership interest exchange which is called THE Club and several affiliated organizations (collectively, the "Clubs"). Through this internal exchange program, members may exchange their points or points equivalent within the Diamond network including these affiliated properties and cruise itineraries.



The Company's business is broken out into two segments: (1) the hospitality and management service business which manages its 93 resort properties and operates its Clubs and (2) the vacation interest sales and financing which does the marketing, sales and financing of vacation ownership interests. Diamond's target customers are baby boomers with the majority of the owners being between 45 and 65 years old. The annual maintenance fees charged to customers covers the operating costs of the resorts. New customers tend to stay in the Diamond extensive resort network and existing owners provide an excellent source of additional sales. Diamond continues to build brand recognition by focusing on service and hospitality and adding addition resorts to their network. The average FICO score on loans originated since October 2008 is 758.

Diamond also provides various services for the 93 resorts and Collections that they manage. These services include providing an online reservation and customer service system, rental services, accounting and budgeting, and communications and IT services. In addition, they operate the front desks, provide housekeeping, manage human resources, conduct property maintenance, and operate or outsource amenities including retail shops, food and beverage venues and golf courses. Also, Diamond manages its Clubs which provide members with access to other resorts in the Company's network. The Clubs provide members the opportunity to purchase home appliances, insurance products and various other products and services as an added benefit for which Diamond earns a commission. All new owners, aside from those in Florida and Mexico, are automatically enrolled in THE Club with average Club fees ranging from $225 to $280 per year.

Financial Condition

For FY2014, Diamond generated pretax income of $109.7 million versus a pretax income of $3.25 million for FY2013. Cash and cash equivalents increased $206.5 million with $118.1 million being generated from operating activities. Total revenue was $844.6 for FY2014 which was an increase of $114.8 million from FY2013. This increase was mainly a result of $67.4 million or a 14.5% increase in Vacation Interest Sales net, primarily due to an increase in the number of tours and increase in their volume per guest (revenue divided by number of tours). For FY2014, adjusted consolidated EBITDA was $319.5 million versus $220.2 million for FY2013, a 45.1% increase.

For 1Q 2015 YTD, total revenue increased 9% from $181.2 million in 2014 to $197.5 million in 2015. This was driven by a 15.7% increase in vacation interest sales net revenue and 6.9% decrease in hospitality and management services revenue compared to 1Q 2014 YTD. The Company's adjusted consolidated EBITDA (including the one-time charge related to the HM&C contract termination) increased 3.5% to $69.3 million for the first three months of 2015 compared to the same period in 2014. In addition, 1Q 2015 YTD pretax income was $45.5 million compared to $26.1 million for 2014.

Income Statement ($000)			
Period Ending	FY2013	FY2014	1Q2015 YTD*
Vacation Interest Sales	464,613	532,006	122,566
Management and member services	131,238	152,201	40,639
Consolidated resort operations	35,512	38,406	3,209
Interest Income	57,044	68,398	18,802
Other Income	41,381	53,555	12,304
Total Revenue	729,788	844,566	197,520
Management and member services	37,907	33,184	8,081
Consolidated resort operations	34,333	35,409	3,701
Vacation Interest cost of sales	56,695	63,499	1,138
Interest Expense	129,973	92,438	21,972
Operating Expenses	454,298	463,563	117,157
Loss on extinguishment of debt	15,604	46,807	-
Other Expenses	(2,274)	(25)	(29)
Income before Income Taxes	3,252	109,691	45,500
Income Taxes	5,777	50,234	19,525
Net Income	(2,525)	59,457	25,975
*Unaudited			

Balance Sheet ($000)			
Period Ending	FY2013	FY2014	1Q2015 YTD*
Mortgages and contracts receivable	405,454	498,662	509,001
Cash and cash equivalents	35,945	242,486	183,093
Restricted Cash	92,231	80,914	90,049
Unsold vacation interests	298,110	262,172	283,926
Other Receivables	54,588	59,821	36,511
Due from related parties	46,262	51,651	61,668
Property and Equipment	60,396	70,871	70,617
Prepaid expenses and other assets	68,258	86,439	161,111
Income tax receivable	25	467	472
Deferred tax asset	-	423	613
Assets held for Sale	10,662	14,452	1,177
Goodwill	30,632	30,632	30,642
Other intangible assets	198,632	178,786	182,606
Total Assets	1,301,195	1,577,776	1,611,486
Senior Credit Facility	-	440,720	422,690
Senior Secured Notes and Notes Payabl	391,042	4,612	10,364
Securitization Notes and Funding Faciliti	391,267	509,208	508,983
Derivative Liabilities	-	-	258
Total Other Liabilities	311,073	355,887	434,734
Total Shareholder's Equity	207,813	267,349	234,457
Total Liabilities & Shareholder's Equity	1,301,195	1,577,776	1,611,486

Liquidity

Diamond had $183.1 million in cash and cash equivalents as of March 31, 2015. In May 2014, the Company established a senior credit facility for a total of $470 million consisting of a seven year $445 million term loan (paid down to $424.67 million in 1Q 2015) and a five year $25 million revolving line of credit. On

February 5, 2015, Diamond increased the size of their conduit facility by $25 million to $200 million and extended the maturity date to April 2017. As of March 31, 2015, the available amounts under the revolving line of credit and conduit facility were $25 million $136.8 million, respectively. Also, on March 20, 2015, as required by the conduit facility, the Company entered into a ten year, $56.9 million interest rate swap to manage its exposure to interest rate fluctuations.

Corporate Ratings

DRII is not rated by KBRA but is rated by S&P and Moody's. In April 2015, both S&P and Moody's upgraded their corporate ratings to B+ and B1 from B and B2, respectively, and both have issued stable outlooks on the Company. The rating actions were a result of continued growth in revenue and improved debt to EBITDA. Also upgraded to these levels were the $445 million senior secured term loan (paid down to $424.67 million in 1Q 2015) and a $25 million senior secured revolver which were issued in May 2014.

Management

David F. Palmer, President & Chief Executive Officer

Mr. Palmer has been with Diamond for over eight years and has served as President and Chief Executive Officer of Diamond since January 2013. Previously he served as Chief Financial Officer from April 2007 through December 2012, Executive Vice President from April 2007 to September 2010 and President from September 2010 until January 2013. Prior to Diamond, he co-founded Trivergance, LLC, a private equity and venture capital firm, in June 2006 and was a managing director until July 2010. Prior to that, he worked at Onyx Capital Ventures, LLC from 2002 to 2006. From 1996-2002, he was a founder of Velocity Capital, LLC and principal of Vision Capital Partners, LLC.

C. Alan Bentley, Executive Vice President & Chief Financial Officer

Mr. Bentley has been with Diamond and its predecessor company Sunterra for over 11 years. He has served as Chief Financial Officer of Diamond since January 2013 and Executive Vice President and a director of certain subsidiaries of Diamond since September 2008. In addition, up until December 31, 2014, he was a partner in the financial advisory firm, Mackinac Partners, LLC which has been providing services to Diamond since 2007. Prior to joining Mackinac Partners, LLC, he worked at KPMG LLP and Arthur Anderson & Co. and was Executive Vice President and CFO of Swifty Serve Corporation and Pic N' Save, Inc.

Howard S. Lanznar, Executive Vice President & Chief Administrative Officer

Mr. Lanznar joined Diamond in September 2012 as Executive Vice President and Chief Administrative Officer. Prior to joining Diamond, he was a partner of Katten Muchin Rosenman LLP for more than 20 years and served as the chair of the firm's National Corporate Practice. He also has worked at Fruit of the Loom, Inc. where he was their general counsel.

Stephen J. Cloobeck, Chairman of the Board

Mr. Cloobeck founded DRII and has served as Diamond's Chairman of the Board since April 2007. He also served as Chief Executive Officer of Diamond from April 2007 through December 2012. Mr. Cloobeck was appointed by the United States Secretary of Commerce as a director to the Corporation for Travel Promotion for the United States in September 2010 and was elected chairman of the board in October 2010. He has over 30 years of experience in the vacation ownership industry.

Michael Flaskey, Executive Vice President of Sales & Marketing

Mr. Flaskey has been with Diamond for four years and is its Executive Vice President in charge of Sales and Marketing. He has over 20 years of industry experience and has worked previously for Starwood Resorts & Hotels and Wyndham Vacation Ownership.

Ronan O'Gorman, Senior Vice President of Resort Operations

Mr. O'Gorman joined Diamond three years ago and is responsible for U.S. resort operations. He previously has worked for Four Seasons Hotels, Bally's & Paris Casino & Hotels and Station Casino's & Hotels and has over 30 year of industry experience.

Managed Resorts

Diamond's managed resorts are operated by a homeowners association ("HOA") and administered by an elected board of directors. Through Diamond's ownership of the intervals at the resorts and role of developer, Diamond is entitled to the voting rights for each of its directors. The directors hire Diamond to provide services at the resorts.

Diamond receives management fees of 10%-15% which is calculated based on the costs incurred by the HOA of each resort. Each HOA and the board of directors for each resort provide an annual budget which estimates the resorts costs for the year including Diamond's management fees and determines the annual owner maintenance fees. As a result, Diamond's management fees are not impacted by changes in a resort's occupancy level or average daily rates. Diamond also maintains full insurance coverage on all properties with the cost being allocated to the individual resort. Once the budget is approved, typically in September/October, fees are billed in November and due by January. Diamond provides the HOA with billing and collection of the annual maintenance fees as part of their services. Since a majority of the fees are collected in advance, they are deposited in separate HOA accounts managed by Diamond for the HOA.

The HOA management contracts usually have terms of three to five years, contain automatic renewals and generally may be terminated only by a vote of the HOA owners prior to the renewal period. In addition, Diamond can usually terminate a HOA contract at any time with notice to the HOA. Over the past five years, no HOA has terminated a management contract and Diamond has terminated one and sold two HOA contracts.

Diamond's resort network is broken down into regions with each region assigned a director based on geographic location and 10 to 12 general managers. All resort personnel receive support and training and must be 100% compliant. Upon departure from the resorts, guests are asked to fill out a survey containing certain metrics used by the Company to rank resorts condition and staff performance. Each week the resort managers receive the survey results and are able to determine where their specific resort ranks. A significant portion of the resort manager's bonus is tied to the survey results.

Originations

Diamond generates sales through its 52 sales centers, 46 of them located at managed resorts, four located at affiliated resorts and two located offsite. The Company also has in-house sales and marketing teams which are located in 36 of these sales centers. Diamond utilizes independent sales organizations in the remaining 16 centers. It also uses call centers which generate a small portion of sales. Since 2007, the Company has focused on the sale of vacation ownership interests in the form of points rather than a deeded interest in a specific property.

The sales teams use various programs to generate sales including presentations at resorts to existing members and current guests, mailings, telemarketing, overnight mini-vacation packages and other location specific excursions. The Company focuses on Diamond's existing members, member referrals, participants in ownership exchange programs who stay at one of Diamond's managed resorts, other guests staying at their managed resorts and targeted as potential customers. Sales representatives receive a base salary as well as variable compensation based on performance.

Sales are primarily generated by tours at the resort sale centers which provide detailed information about Diamond, the benefits of membership and the resort network. The tour typically lasts an hour and a half and includes a tour of the property and explanation of the vacation ownership interest system. In order to increase tour attendance they can offer incentives including tickets to local attractions, free meals and hotel stays. Diamond has been focusing on selling the larger point packages to customers.

Diamond's target customers are baby boomers and those who are seeking flexible vacation plans. Sales to existing owners made up about 67% of their total transactions showing their satisfaction with the resort network and services. YTD, approximately 22.3% of the customers pay cash with the remaining 77.7% financing their purchase after an average down payment of 20%. Diamond offers five programs starting at the standard program and ending at the platinum program, each one offering different benefits.

The Company's inventory mainly comes from the inventory that was reacquired via the inventory recovery agreements they have established with a majority of their managed resorts and multi-resort trusts. Additionally, some inventory is acquired in connection with the acquisitions that the Company completes.

Underwriting

Diamond utilizes a FICO based evaluation model in order to risk rank potential loans per their seven tier underwriting matrix. The process is automated, utilizes the internet and allows for automatic approval for loans which are above a specific FICO level. Maximum loan terms are generally ten years across all tiers.

Diamond is in the process of reviewing its underwriting standards with a focus on tier three of their underwriting matrix because actual loan performance was lower than initially expected for this FICO band. The change may include requiring a higher initial down payment from the customer. Also, the Company has been analyzing adding an affordability measure such as debt to income criteria into its matrix. While the deal collateral will be completely funded at closing, subsequent loans that are substituted in for defaulted receivables will be originated under any updated standards.

Once a decision to buy has been made at the sale center, a sales worksheet is filled out with the applicant's and spouse's information (if applicable) and sent via fax/email to a centralized underwriting location in Las Vegas, NV. The information is put through the credit decision model and the underwriting staff receives and reviews the complete credit report that is pulled. This process takes about nine minutes to complete. Diamond considers exceptions on a case by case basis and may only be approved by a senior manager at Diamond and cannot be approved by the sales team. An exception is usually only made to current owners and is usually approved with an increase in the down payment.

The underwriting department consists of approximately 22 employees and is open seven days a week. The underwriting department receives the full credit report for each applicant but the resort sales team is only able to view which tier the customer has been approved for. Before the contract is finalized a quality assurance employee goes over the contract with the customer and confirms the terms of the loan and sales contract. Quality assurance employees do not report to the sales team and are compensated based on non-rescissions. The completed original contract is then shipped to Las Vegas. Diamond plans to begin originating a portion of its loans in electronic form before year end. They anticipate that they will move to full electronic contracts in the near future.

Servicing

Diamond performs its collection activities in their Las Vegas, NV and Orlando, FL locations. The Company has approximately 90 full-time collectors who are able to take inbound and make outbound calls on the delinquent loans, maintenance fees and Club dues. Diamond begins the collection process when a customer becomes 5 days past due and places approximately 100,000 calls per month via a dialer in addition to receiving an average of 17,000 inbound calls. Collectors are given goals and standards that are monitored and recorded by an automated quality control system. Approximately 74% of the payments are made using the statement received monthly while 26% of customers automatically have payments paid directly via a credit card (13%) or ACH (13%). Diamond provides collectors with ongoing training in order to ensure compliance.

Once an account becomes 10 days delinquent, auto generated past due letters are sent and will continue at 30 through 120 days delinquent. The Company has a late stage collection team that does an analysis and reviews on individual accounts for possible payment plans and other loss mitigation strategies. The Company does not make any modifications or deferments on Diamond originated loans. In addition, Diamond performs skip tracing and uses an outside law firm for bankrupt accounts. If Diamond is not able to collect on an account it will terminate the underlying contract, and recover on the customer's vacation interest and remarket it.

Diamond has 24/7 customer service call centers located across the U.S. and Europe with team members able to handle loans as well as take a reservation. The training includes a five week program that educates team members on the Diamond brand and includes E-Learning and cross training. The centers are fully integrated into Diamond's phone systems and have access to customer account information allowing members access to certain automated services 24/7.

Servicing Policies	
Charge-off Policy	Diamond's charge-off policy requires loans to be charged-off on the earliest of: ▪ Customer's account over 180 days delinquent; ▪ Initiation of cancellation or foreclosure proceedings or receiving mutual release agreement, assignment or deed in lieu of foreclosure; or ▪ Determination by Diamond that a delinquent loan should be fully written off.

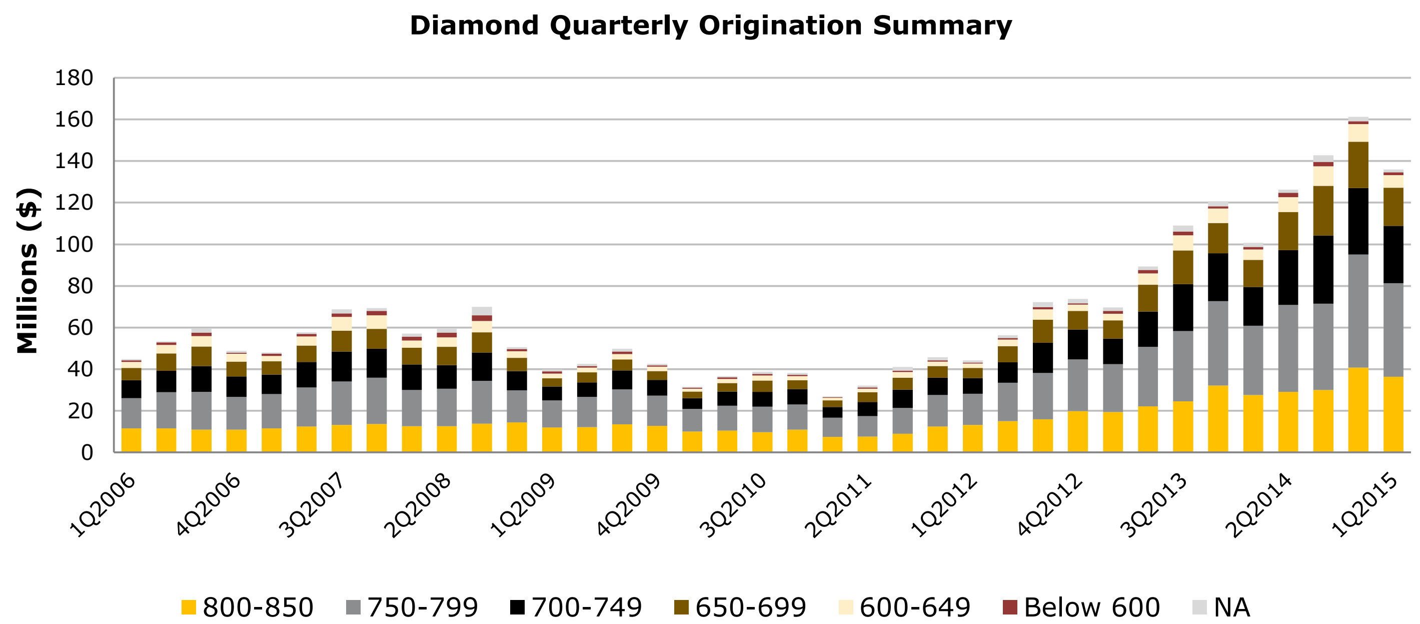
Quality Control, Internal Audit & Information Systems

Diamond has an independent internal audit team that reports directly to the audit committee. The committee contains three independent board members who meet at a minimum quarterly and also speak frequently over the phone. The team operates a risk-based audit approach completing over 100 audits a year including financial, operational, compliance and technology. Diamond's disclosure also ensures quality control through its disclosure committee who review disclosures, presentations and key external filings.

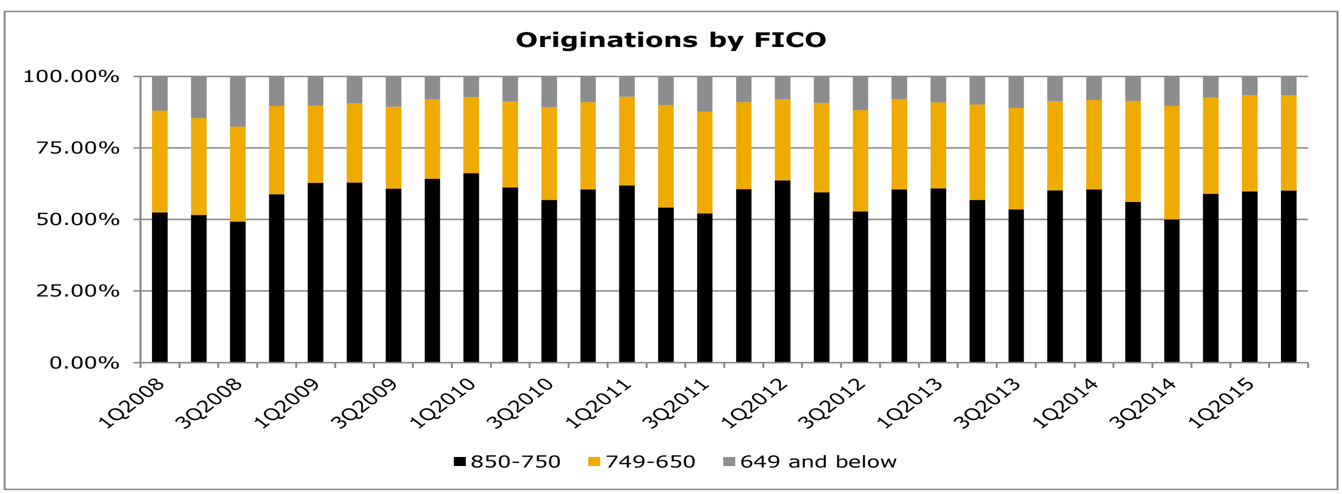
The Company maintains a technology focus and spends nearly half of its capital expenditures on technology every year. It operates a proprietary system that it uses worldwide enabling member's access to a website that can service nearly all of their needs. They have a detailed disaster recovery plan with redundant data centers in Las Vegas, NV and Orlando, FL.

Historical Performance

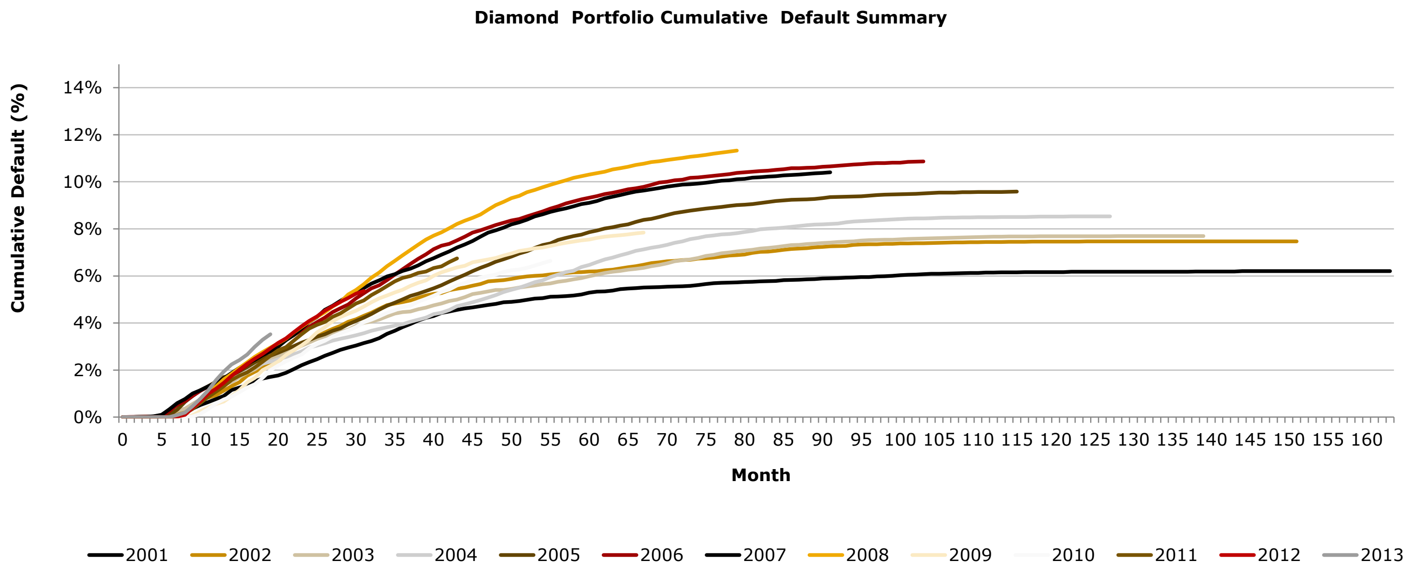
Below is a graph that depicts Diamond's quarterly originations by FICO score since 2006. Originations have remained over 80 million a quarter since 2Q 2013 with 4Q 2014 having the highest historical originations.



Since 2009, the first and fourth quarter's originations have had a higher concentration of loans with FICOs 750 or over at approximately 60% of total originations while the second and third quarters percentage averages around 55%. While quarterly originations over the past two years have been high when compared to historical levels, the Company has maintained a high quality of borrower with the average FICO score on loans originated since October 2008 at 758.



KBRA analyzed Diamond's historical loan portfolio in the aggregate and based on FICO. The graphs below depict the Company's aggregate annual cumulative defaults since 2001:



As illustrated in the above graphs, Diamond's portfolio experienced some variability over the years particularly in 2006 through 2008 vintages as a result of the financial crisis. The 2009 through 2012 vintages have shown modest improvement however the 2013 vintage has experienced higher losses than previous vintages. In response to these higher losses, Diamond is in the process of reviewing its underwriting standards on tier three of their underwriting matrix which has been performing worse than expected. This change to underwriting will include requiring a higher initial down payment from the customer.

Collateral Analysis

The statistical collateral pool in the DROT 2015-1 deal includes approximately $177.1 million of loans, as of June 30, 2015. The weighted average original term for the collateral pool is approximately 120 months and since the pool has an average seasoning of six months, the weighted average remaining contract term is approximately 114 months. The weighted average FICO score is 735 and the weighted average coupon is 14.15%. As of June 30, 2015, the pool contains 1.05% of loans that do not contain a FICO score.

DROT 2015-1 Statistical Pool Summary Statistics (As of June 30, 2015)								
FICO	Not Available	550-599	600-649	650-699	700-749	750-799	800-850	Total
Aggregate Current Principal Balance	$1,866,861	$2,230,088	$12,355,625	$33,446,539	$47,700,239	$56,370,189	$23,114,091	$177,083,633
Percent of Principal Balance	1.05%	1.26%	6.98%	18.89%	26.94%	31.83%	13.05%	100.00%
Number of Contracts	88	154	570	1,390	1,799	2,130	1,029	7,160
Avg Current Loan Size	$21,214	$14,481	$21,677	$24,062	$26,515	$26,465	$22,463	$24,732
Weighted Average Interest Rate	17.45%	17.85%	15.61%	14.80%	14.12%	13.55%	13.36%	14.15%
Weighted Average Original Term (Months)	120	120	120	120	120	120	120	120
Weighted Average Remaining Term (Months)	115	115	116	116	116	113	112	114
Weighted Average Seasoning (Months)	5	5	4	4	4	7	8	6
Weighted Average FICO	NA	578	629	677	724	775	815	735
Weighted Average Obligor Equity	34.02%	28.53%	28.21%	28.92%	31.92%	34.42%	35.53%	32.34%

Diamond Peer Comparison

The chart below compares the pool characteristics and transaction structure of the DROT 2015-1 deal against recent transactions completed by Wyndham (Sierra), Welk, Marriot (MVW), and Hilton. The weighted average FICO score is higher than the competitor deals except Hilton and the weighted average coupon is at the highest level. Also, DROT 2015-1 contains the second lowest amount of seasoning and amount of foreign obligors. The deal is more heavily concentrated in the top three states for domestic obligors than the other deals except Welk.

Deal Name	Diamond Resort Owner Trust 2015-1	Sierra Timeshare 2015-1 Receivables Funding LLC	Welk Resort 2015-A	MVW Owner Trust 2014-1	Hilton Grand Vacations Trust 2014-A
Transaction Date	7/29/2015*	1/31/2015	6/10/2015	10/9/2014	6/18/2014
Collateral Stratification					
Pool Balance (as of cutoff date)	$177,083,633	$388,899,730	$105,986,102	$200,509,318	$357,142,082
Avg Loan Balance	$24,732	$21,759	$18,000	$18,600	$19,032
Wtd Avg Coupon	14.15%	13.52%	13.77%	12.72%	12.07%
Wtd Avg FICO	735	721	724	717	743
Wtd Avg Obligor Equity	32.34%	40.91%	20.16%	24.63%	35.87%
Wtd Avg Original Term (mths)	120	121	115	130	118
Wtd Avg Remaining Term (mths	114	116	108	106	88
Wtd Avg Seasoning (mths)	6	5	7	24	31
Domestic Obligors	99.15%**	99.95%	99.00%	81.42%	85.31%
Domestic Obligors	99.15%**	99.95%	99.00%	81.42%	85.31%
FICO Distribution					
Not Available	1.05%	--	1.40%	21.55%	16.32%
550-599	1.26%	--	0.00%	3.66%	--
600-649	6.98%	11.77%	12.50%	8.31%	5.58%
650-699	18.89%	26.21%	23.00%	17.81%	13.01%
700-749	26.94%	26.82%	24.80%	20.01%	21.79%
750-799	31.83%	27.96%	26.90%	750 & higher: 28.66%	31.51%
800-850	13.05%	7.24%	11.40%	--	11.79%
Geographic Concentration					
State 1	CA: 33.43%	CA: 20.31%	CA: 79.1%	CA: 15.69%	CA: 15.72%
State 2	AZ: 8.21%	WA: 6.77%	MO: 3.70%	NY: 6.43%	FL: 6.67%
State 3	FL: 4.87%	TX: 5.81%	AZ: 2.00%	TX: 5.16%	TX: 6.52%
Note Balance					
AA Class	--	--	--	--	$303,570,000
AA- Class	$158,490,000	--	--	--	--
A+ Class	--	--	--	$216,250,000	--
A Class	$11,510,000	$276,100,000	$117,788,000	--	$46,430,000
BBB+ Class	--	--	$11,812,000	--	--
BBB Class	--	$73,900,000	--	$23,750,000	--
% Total Initial Credit Enhancement					
AA Class	--	--	--	--	16.00%
AA- Class	11.50%	--	--	--	--
A+ Class	--	--	--	14.00%	--
A Class	5.00%	29.00%	15.25%	--	3.00%
BBB+ Class	--	--	6.50%	--	--
BBB Class	--	10.00%	--	4.50%	--
KBRA Base Case Cumulative Gross Loss Expectation					
KBRA Base Case Loss Range	11.70%-12.70%	Not Rated by KBRA	11.15% - 13.15%	Not Rated by KBRA	Not Rated by KBRA

Source: KBRA, transaction documents

* Expected Closing Date. Statistical Collateral Stratification for DROT 2015-1 based on June 30, 2015 data.

** DROT 2015-1 includes obligors from Canada as domestic obligors.

To download the peer comparison, please click **here**.

KBRA Loss Expectation

KBRA analyzed Diamond's historical static pool gross loss data broken out by FICO score in order to develop a base case loss expectation as per KBRA's **U.S. Timeshare ABS Rating Methodology**. The table below summarizes the characteristics of the loan pool as well as KBRA's base case expected loss percentage. Since the deal is only approximately six months seasoned, KBRA did not provide any seasoning credit for the loans funded at closing. KBRA's weighted average base case cumulative gross loss range is 11.70%-12.70% with a mid-point of approximately 12.20% as shown below based on the loans in the collateral pool as of June 30, 2015.

Base Case Cumulative Gross Loss					
Distribution	Interest Rate	Original Term	Remaining Term	FICO	KBRA Base Case CGL
100.00%	14.15%	120	114	735	12.20%

Diamond has the option to repurchase a defaulted loan or substitute a qualified loan for a defaulted loan and pay any shortfall amount. This repurchase and substitution option is limited to 15% and 20%, respectively, of the aggregate closing collateral balance less the total balance of loans previously repurchased or substituted. Diamond has historically utilized these options resulting in no defaults on their securitizations.

Cash Flow Modeling

KBRA performed cash flow modeling on the DROT 2015-1 transaction to determine whether the proposed enhancement levels are sufficient to warrant the requested ratings for each of the rated classes. KBRA performed multiple cash flow scenarios including sensitivities to prepayment speeds as well as loss timing. KBRA's cash flow stresses included the following:

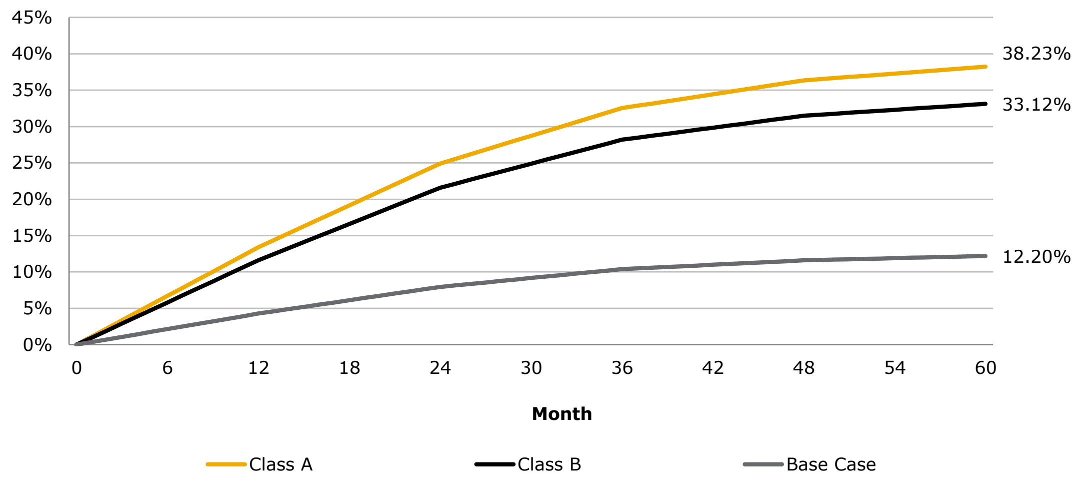
Cash Flow Modeling Inputs	
Item	Input
Recovery Rate	0%
Recovery Lag	NA
CPR	10.00%
Front-loaded Loss Timing Curve	35/30/20/10/5%

Cash Flow Modeling Results				
Class	Preliminary Rating	KBRA Timeshare CGL Multiple Range	Breakeven CGL	Breakeven CGL Multiple
Class A	AA-	2.25 - 3.50x	38.23%	3.13
Class B	A	2.00 - 3.00x	33.12%	2.71

The DROT 2015-1 transaction is able to withstand a 3.13x multiple for the Class A notes and a 2.71x multiple for the Class B notes based on a 10% CPR speed and front-loaded loss timing curve. These loss multiples are at the middle to higher end of the ranges for KBRA's timeshare loss multiples.

The graph below compares breakeven cumulative gross losses incurred in each stress case scenario against the expected base case cumulative gross losses for the transaction.

DROT 2015-1 Cumulative Gross Loss Coverage



Scenario/Sensitivity Analysis

The ratings assigned to DROT 2015-1 will be monitored through the life of the transaction. If loss levels differ meaningfully from the expected loss levels, KBRA may consider making a rating change.

The table below illustrates the potential for downgrade of each rated class if the expected cumulative gross loss levels exceed initial expectations. 'Stable' means a downgrade is highly unlikely. 'Moderate' means a potential transition of up to one rating category is possible. 'Severe' indicates a multi-category downgrade is possible. In addition to providing insight into the risk of rating migration, the table also indicates which scenarios may cause particular classes of notes to default. Any scenario that indicates 'Default' for a class of notes means that our cash flow projection indicated a default in the payment of principal under that scenario.

		Class & Initial Rating	
CNL Multiple	CNL %	Class A	Class B
		AA-(sf)	A(sf)
1.20	14.64%	Stable	Stable
1.40	17.08%	Stable	Stable
1.60	19.52%	Moderate	Moderate
1.80	21.96%	Severe	Moderate
2.00	24.40%	Severe	Severe
2.20	26.84%	Severe	Severe
2.40	29.28%	Severe	Severe

There are many factors, including economic stress, origination and servicing operations that can impact the performance of the loan pool and influence rating decisions, both positively and negatively. To the decree that the pool performance meets or exceeds expectations for an extended period, rating stability or likelihood of an upgrade can improve over time. Conversely, the emergence of compelling evidence that the pool will likely underperform could warrant downward rating action. If there is the need for any change in the rating of any class of notes, KBRA will provide a detailed explanation as to the rationale for such change in rating and the likelihood and factors surrounding any further potential rating changes.

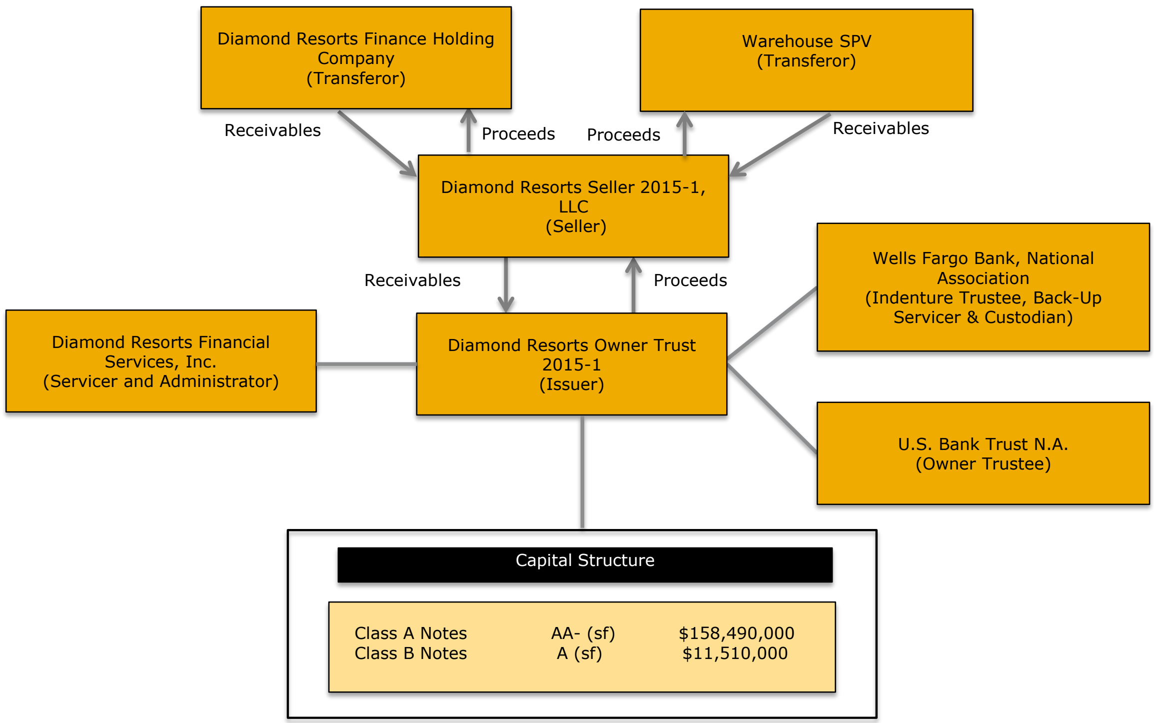
KBRA KROLL BOND RATING AGENCY

Transaction Structure

Legal Structure

Transaction Structure

The Diamond Resorts Owner Trust 2015-1 notes are newly issued asset-backed securities collateralized by a pool of timeshare loan receivables. The following diagram illustrates the basic securitization structure:



Credit Enhancement

The credit enhancement provides protection for the notes against losses and delays in payment on the receivables or other shortfalls of cash flow. The credit enhancement for the notes will consist of the reserve account, overcollateralization, the excess interest on the receivables, subordination of classes of notes with a lower payment priority, and subordination of certain payments as described below.

The table below summarizes the transaction structure and credit enhancement for each class of notes:

						Initial CE					
Class	Principal Balance	KBRA Rating	Interest Rate	Average Life (to call)	% of Total Collateral	Subordination	O/C(1)	Reserve Account (2)	Initial Hard CE	Target Hard CE	Proj. Excess Spread
Class A	158,490,000	AA-(sf)	TBD	3.22	89.50%	6.50%	4.00%	1.00%	11.50%	15.50%	10.10%
Class B	11,510,000	A(sf)	TBD	3.22	6.50%	0.00%	4.00%	1.00%	5.00%	9.00%	10.10%
Total	170,000,000				96.00%						

*Per annum

Overcollateralization	
Target	8.00%
Floor (% of Initial)	1.00%

Notes:

(1) The initial overcollateralization and the target overcollateralization prior to the Stepdown Date (i.e. the date on which the collateral balance as of the end of the related due period is less than 50% of the closing date collateral balance) will be 4% of the closing date collateral balance. On or after the Stepdown Date, the target overcollateralization will equal the greater of (a) 1% of the closing date collateral balance and

	(b) the product of 8% and the collateral balance as of the end of the related due period; provided that in the event the average delinquency level over the last three due periods is greater than or equal to 7% (Cash Accumulation Event), the target overcollateralization amount will be equal to the target overcollateralization amount for the previous payment date. (2) The initial reserve account deposit will be in an amount equal to 1% of the closing date collateral balance. Thereafter, so long as no Rapid Amortization Period has commenced, the reserve account will be replenished with available collections as provided in the Priority of Payments below up to an amount equal to 1% of the collateral balance as of the last day of the due period, unless a Cash Accumulation Event occurs, in which case the replenishment will be up to an amount equal to the product of (x) the collateral balance as of the last day of the due period and (y) the greater of (i) 15% and (ii) the product of two and the delinquency level for such due period. During a Rapid Amortization Period, the amount required to be deposited in the reserve account pursuant to the Priority of Payments will equal the lesser of 0.25% of the initial note balance and 50% of the outstanding note balance.
Priority of Payments Prior to an Event of Default	Prior to any Acceleration Event and Event of Default, on each payment date, distributions will be made from available funds in the following order of priority:

A) Current Indenture Trustee and Custodial fees plus accrued and unpaid fees from prior Payment Dates and B) certain expenses and indemnities incurred for the related Due Period, up to a specified cap

Current Back-Up Servicing fee plus any accrued and unpaid fees from prior Payment Dates and any indemnities and transition expenses incurred for the related Due Period in connection with a servicing transfer up to a specified cap

A) On the July Payment Date, Owner Trustee Fee plus accrued and unpaid fees and B) on each Payment Date, certain expenses and indemnities incurred for the related Due Period, up to a specified cap

A) On the January Payment Date, the Administrator Fee and B) on each Payment Date, expenses incurred and charged by the Administrator during the related Due Period with respect to taxes owed by the Issuer

Current Servicing Fee plus any accrued and unpaid servicing fees

Class A Interest Distribution

Class B Interest Distribution

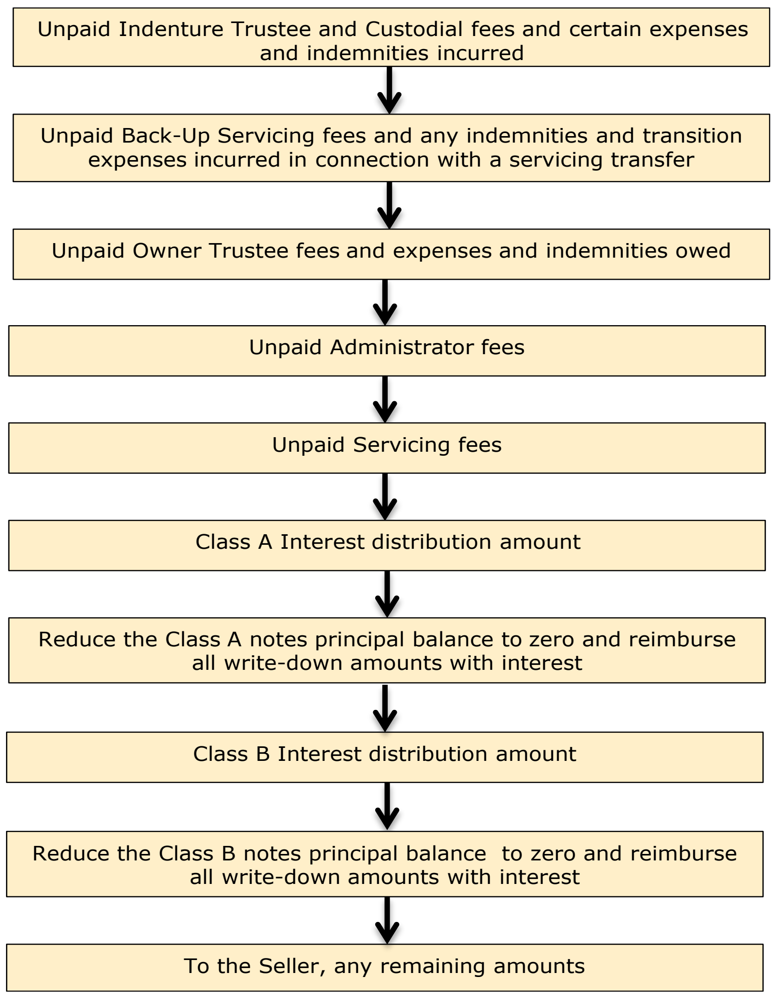
A) During Non-Rapid Amortization Period, pro rata principal amount to the Class A and Class B noteholders based on Percentage Interest and B) during Rapid Amortization Period, principal paid sequential to the Class A and then Class B

During Non-Rapid Amortization Period, pro rata to the Class A and Class B Noteholders, the Extra Principal Distribution Amount based on Percentage Interests

To the Reserve Account until amounts on deposit equal the Reserve Account Required Balance

To the Class A and then the Class B noteholders, reimbursement of unreimbursed Note Balance Write-down Amounts plus Deferred Interest Amount for such class

	Indenture Trustee and Custodian expenses and indemnities not previously paid ↓ Back-Up Servicer indemnities and expenses not previously paid ↓ Owner Trustee indemnities and expenses not previously paid ↓ Administrator expenses not previously paid ↓ To the Seller, any remaining amounts
Events of Default	The occurrence of any one of the following events will be an "Event of Default" under the indenture: 1) Failure to pay interest on the notes within two business days after it becomes due and payable; 2) Failure to pay principal on the notes in full and to reimburse all write-down and deferred interest amounts at the stated maturity; 3) Default in the performance or breach of any other covenant or warranty by the Issuer and continuation of such default for 30 days after notice; provided if the Issuer shall have disposed any portion of the collateral or claimed any deduction from the principal or interest of any of the notes by reason of any taxes levied upon any portion of the collateral, there will be no cure period; 4) Failure by the Seller to cure, repurchase or substitute for a defective loan as required by the transaction documents; 5) The Issuer becomes subject to registration as an "investment company" under the Investment Company Act of 1940; 6) Certain insolvency events occur with respect to the Issuer; and 7) Impairment of any security interest of the Indenture Trustee in the collateral except as permitted or the creation of a material encumbrance on the collateral not otherwise permitted which is not stayed or released within 10 days of the Issuer obtaining knowledge.
Rapid Amortization Period	The occurrence of any one of the following events will commence a "Rapid Amortization Period": 1) The average of the Default Levels (i.e. the aggregate loan balance of all timeshare loans that defaulted and were not repurchased by the Seller during such due period minus any recoveries or remarketing proceeds received during such time period) for the last three due periods is greater than or equal to 0.75%; 2) The Recovery Ratio (i.e. a percentage equivalent equal to the sum of the loan balances of all defaulted timeshare loans that were repurchased by the Seller in a three month period plus all recoveries and remarketing proceeds received on defaulted timeshare loans in such three month period divided by the aggregate loan balance of all timeshare loans that defaulted in such three month period) is less than 25%; 3) The Cumulative Default Level (i.e. the sum of the aggregate loan balance of all timeshare loans that became defaulted loans since the closing date that have

	not been repurchased by the Seller minus all recoveries and remarketing proceeds received in respect of such defaulted loans divided by the closing date collateral balance (expressed as a percentage) is greater than 20%; and 4) The overcollateralization amount is less than the required overcollateralization amount for the two immediately preceding payment dates. Events listed in 1 and 4 can be cured in the period that they fall below the rapid amortization level. Event 2 can be cured when the Recovery Ratio is greater than or equal to the 25% for three consecutive determination dates. Event 3 cannot be cured.
Priority of Payments following an Event of Default	Following acceleration of the notes after the occurrence of an "Event of Default" money collected shall be applied in the following order of priority: 
Servicer Event of Default	The occurrence of any one of the following events will be a "Servicer Event of Default" under the servicing agreement: 1) Failure by the Servicer to make any required payment, transfer or deposit within three business days of when required; 2) Failure by the Servicer to provide any required report within five business days of when required;

	3) Failure by the Servicer to observe or perform any other covenant or agreement which has an adverse effect on the noteholders; 4) Any representation or warranty of the Servicer proves to be incorrect in any material respect when made subject to specific grace periods; 5) Certain insolvency events occur with respect to the Servicer.
Representations & Warranties	For more detailed information regarding the representations, warranties and enforcement mechanisms available under the transaction documents, please see KBRA's DROT 2015-1 Representations and Warranties Disclosure, which is being published contemporaneously with this Presale Report. The Representations and Warranties Disclosure is available at the following link: **Diamond Resorts Owner Trust 2015-1 Representations and Warranties Disclosure**

Appendix A: Transaction Synopsis

Rated Notes					
Class	Initial Amount ($)	Interest Rate	Stated Maturity Date	Initial Credit Enhancement (%)	Preliminary KBRA Rating
Class A	158,490,000	TBD	July 20, 2027	11.50%	AA-(sf)
Class B	11,510,000	TBD	July 20, 2027	5.00%	A(sf)
Total	170,000,000				

Collateral Summary*	
Collateral Strats	
Pool Balance	$177,083,633
Avg Loan Balance	$24,732
Wtd Avg Coupon	14.15%
Wtd Avg FICO	735
Wtd Avg Obligor Equity	32.34%
Wtd Avg Original Term (mths)	120
Wtd Avg Remaining Term (mths)	114
Wtd Avg Seasoning	6
% Domestic Obligors	99.15%**
% Foreign Obligors	0.85%
FICO Distribution	
Not Available	1.05%
550-599	1.26%
600-649	6.98%
650-699	18.89%
700-749	26.94%
750-799	31.83%
800 and higher	13.05%
Geographic Concentration	
California	33.43%
Arizona	8.21%
Florida	4.87%
KBRA Base Case	
Cumulative Gross Loss Range	11.70%-12.70%

*As of June 30, 2015.

** DROT 2015-1 includes obligors from Canada as domestic obligors.

Transaction Parties	
Issuer	Diamond Resorts Owner Trust 2015-1
Seller	Diamond Resorts Seller 2015-1 LLC
Servicer & Administrator	Diamond Resorts Financial Services, Inc.
Indenture Trustee, Custodian & Back-Up Servicer	Wells Fargo Bank, National Association
Owner Trustee	U.S. Bank Trust National Association