RESOURCE

REAL ESTATE DIVERSIFIED INCOME FUND

Structure: Registered 1940 Act continuously offered closed-end interval fund

www.RREDIF.com

(866) 773-4120

Credit: A Key Differentiator Offering More

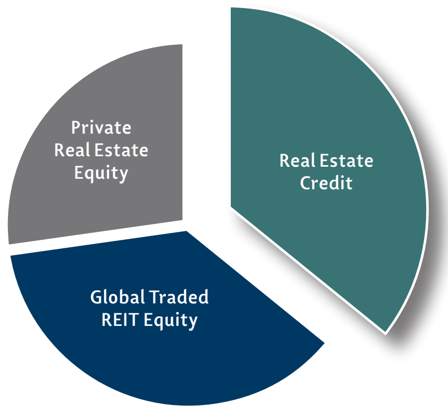
The Resource Real Estate Diversified Income Fund (the "Fund") is an interval fund that offers true diversification across multiple types of real estate holdings. And through the Fund's unique credit allocation, it seeks to offer investors additional benefits.

Why real estate credit is valuable

The Fund's portfolio management team believes that real estate credit offers important diversification benefits. The team invests one-third of the portfolio in public, private, and institutional real-estate-based credit.

Category	Description	Duration
Commercial Mortgages	Securities backed by commercial mortgages (CMBS)	Short term (typically less than 2 years)
Structured Credit	Securities backed by commercial mortgages, including international exposures	Short – medium term
Mortgage REITs	Publicly traded REITs that primarily invest in commercial mortgages	Underlying mortgages are medium duration but floating rate
REIT Preferreds	Fixed coupon preferred securities that are issued by publicly traded REITs	Longer duration
Other	Opportunistic non-real estate credit investments	Short – medium term

The Fund's Portfolio



There are four key potential benefits:

- **Lower Correlation** to the equity markets due to the fixed income nature of the securities
- **Lower Volatility** through greater seniority in the capital structure
- **Increased Income** through allocations to longer duration securities such as REIT Preferreds
- **Hedge Against Inflation** through allocations to shorter duration and floating-rate securities

Proven credit experience

With more than a decade of experience investing in the credit markets, including structured credit, middle-market lending, trust preferreds, and global credit securities, Resource and its affiliates have a long-standing, extensive understanding of credit investments and their potential benefits for investors.

To learn more about the Fund and the potential benefits and value of a credit allocation, **visit www.RREDIF.com or call (866) 773-4120.**

Definitions

An **Interval Fund** is a continuously offered, closed-end fund that periodically offers to repurchase its shares from shareholders. It allows the Fund greater opportunities to invest in fewer liquid assets, which may result in higher risk-adjusted returns.

Through the interval structure, the Fund offers a Liquidity Feature of quarterly redemptions at NAV of no less than 5 percent of the total shares outstanding, redeeming more frequently than other real estate and private equity investments. Regardless of how the Fund performs, there is no guarantee that shareholders will be able to sell all of the shares they desire in a quarterly repurchase offer.

Private Real Estate Equity consists of actively managed real estate equity investments in an unlisted format, typically through a fund or trust. This includes private equity real estate funds and investments in non-traded REITs.

Global Traded REIT Equity is a common stock investments in a publicly traded REIT that owns and operates income producing real estate. REIT Equity is traded on stock exchanges and has voting rights.

Real Estate Credit is an investment in a real estate company through a loan obligation, which typically includes instruments such as commercial mortgage-backed securities, preferred equity and bonds. This investment may benefit from a higher claim on the assets and earnings of a company than common equity, does not have voting rights, and pays a fixed dividend with a yield usually above that of a common equity.

REIT Preferred Equity is a class of ownership in a corporation that has a higher claim on the assets and earnings than common stock. Preferred stock generally has a dividend that must be paid out before dividends to common stockholders and the shares usually do not have voting rights. The precise details as to the structure of preferred stock is specific to each corporation.

Duration is a measure of the sensitivity of the price (the value of principal) of a fixed-income investment to a change in interest rates. Duration is expressed as a number of years.

Risk disclosures

There is no guarantee that the Fund will achieve its objectives, generate profits, or avoid losses. Diversification does not ensure profit or prevent losses.

An investor should consider the investment objectives, risks, charges, and expenses of the Fund carefully before investing. To obtain a prospectus containing this and other information, please call (866) 773-4120 or download the file from www.RREDIF.com. Read the prospectus carefully before you invest.

The Fund is distributed by ALPS Distributors, Inc. (ALPS Distributors, Inc. 1290 Broadway, Suite 1100, Denver, CO 80203). Resource Alternative Advisor, LLC and ALPS Distributors, Inc. are not affiliated.

Investing involves risk. Investment return and principal value of an investment will fluctuate, and an investor's shares, when redeemed, may be worth more or less than their original cost. Alternative investment funds, ETFs, interval funds, and closed-end funds are subject to management and other expenses, which will be indirectly paid by the Fund. Preferred securities are subject to credit risk and interest rate risk. Convertible securities are typically issued as bonds or preferred shares with the option to convert to equities. As a result, convertible securities are hybrids that have characteristics of both bonds and common stocks and are subject to risks associated with both debt securities and equity securities. Issuers of debt securities may not make scheduled interest and principal payments, resulting in losses to the Fund. Typically, a rise in interest rates causes a decline in the value of fixed income securities. The use of leverage, such as borrowing money to purchase securities, will cause the Fund to incur additional expenses and magnify the Fund's gains or losses.

There currently is no secondary market for the Fund's shares and the Fund expects that no secondary market will develop. Limited liquidity is provided to shareholders only through the Fund's quarterly repurchase offers, regardless of how the Fund performs. Investments in lesser-known, small and medium capitalization companies may be more vulnerable than larger, more established organizations. The Fund will not invest in real estate directly, but because the Fund will concentrate its investments in securities of REITs, its portfolio will be significantly impacted by the performance of the real estate market. There are risks associated with REITs. Risks include declines from deteriorating economic conditions, changes in the value of the underlying property, and defaults by borrowers. The sales of securities to fund repurchases could reduce the market price of those securities, which in turn would reduce the Fund's NAV.