RESOURCE

REAL ESTATE DIVERSIFIED INCOME FUND

Structure: Registered 1940 Act interval fund

www.RREDIF.com

(866) 773-4120

Access to Respected Investment Opportunities

The Resource Real Estate Diversified Income Fund (the "Fund") offers access to a unique and diverse portfolio of attractive real estate assets. The Fund allows investors to acquire a stake in a range of leading real estate funds with a single investment. The Fund pursues three investment strategies. Below are examples of the Fund's holdings within each strategy. Holdings and data are as of 3/31/17.

Global traded REIT equity strategy

Blackstone Mortgage Trust

Blackstone Mortgage Trust

A real estate finance company with over $10 billion in assets under management that originates and acquires commercial mortgage loans—1.80% of portfolio

Why we like it: Historically stable dividend, access to capital, floating rate exposure, acquisition track record

Uniti

Uniti Group

The first REIT focused on the acquisition and leasing of communication distribution systems, valued at over $4 billion —1.88% of portfolio

Why we like it: Fragmented market favorable for mergers and acquisitions, high barriers to entry, under the radar with investors

Private real estate equity strategy

BARINGS

Barings Core Property Fund

An actively managed core real estate portfolio with a gross asset value of over $4 billion—1.94% of portfolio

Why we like it: 12-year track record, relatively low leverage, well-diversified portfolio

CLARION PARTNERS

Clarion Ventures IV, LP

A new, actively managed portfolio of repositioned and newly developed properties, with a gross asset value of over $400 million —0.63% of portfolio

Why we like it: Experienced management team, access to opportunistic real estate strategy, attractive total return

Real estate credit strategy

SOTHERLY HOTELS

Sotherly Hotels

Preferred stock in lodging REIT focused on acquiring, renovating, and repositioning upscale hotel properties in the Mid-Atlantic and Southern U.S.—1.26% of portfolio

Why we like it: Value-add operating strategy differentiates it from other publicly listed hotel REITs and corporations

UBS

UBS Trumbull Property Income Fund, LP

A limited partnership that invests in core income-oriented real estate, primarily participating mortgage loans, with $3 billion in asset value—1.89% of portfolio

Why we like it: 35-year track record in credit analysis, access to institutional-grade real estate, no leverage

Past performance does not guarantee future results.

To learn more, **visit www.RREDIF.com or call (866) 773-4120.**

Definitions

A **floating rate** is an interest rate that is allowed to move up and down with the rest of the market or along with an index. This contrasts with a fixed interest rate, in which the interest rate of a debt obligation stays constant for the duration of the agreement.

An **equity cushion** exists when the debtor has a low total debt to total equity ratio.

A property is considered to be **institutional-grade real estate** if it attracts the attention of large institutional buyers, such as insurance companies, private equity firms or real estate investment trusts (REITs). Such properties tend to have more income-generating opportunities than smaller properties.

Risk disclosures

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 Real Estate, Inc. 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.

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