



REAL ESTATE DIVERSIFIED  
INCOME FUND

managed by a C-III Capital Partners company

# A Professionally Managed, Diversified Interval Fund Strategy



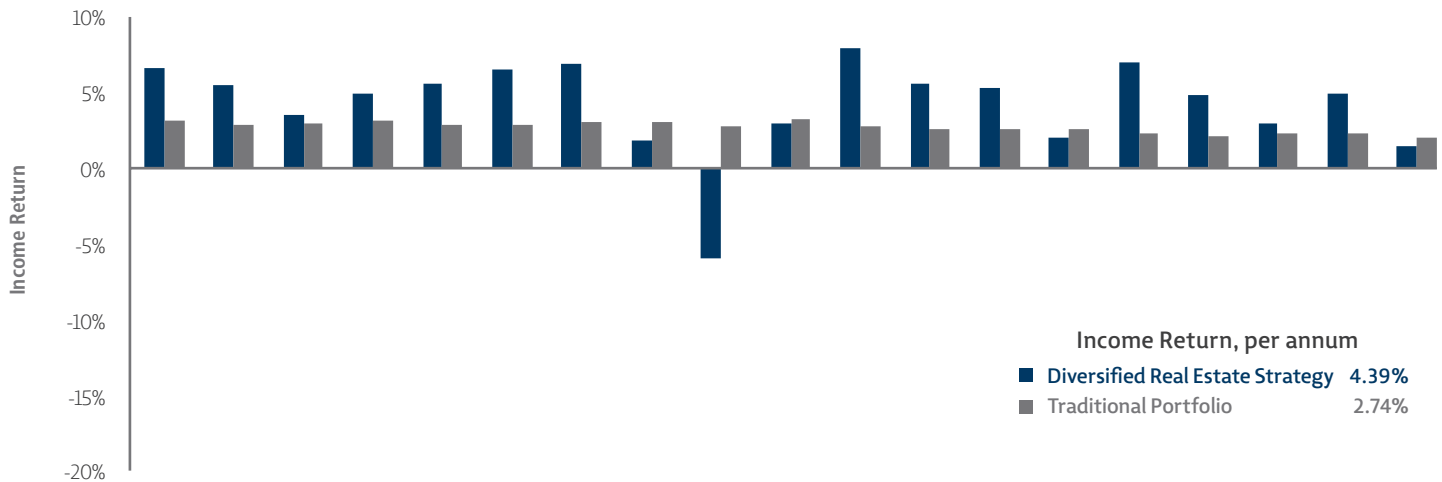
# A Turnkey Strategy Focused on Potential Income and Diversification

The Resource Real Estate Diversified Income Fund (the “Fund”) is a professionally managed, closed-end interval fund that blends multiple real estate investment types across multiple sectors to offer a risk-adjusted income strategy.

## A diversified real estate strategy for income

The traditional avenues for income have been historically volatile, which may make it more difficult to achieve yield over time. We believe a diversified real estate strategy\* that incorporates public and private real estate assets as well as real estate debt may deliver more consistent income.

Historical Income Return (2000–2018)\*



\* Income returns are net of credit deterioration/credit loss. The above Diversified Real Estate Strategy is a hypothetical portfolio allocation. The percentage noted is to illustrate the hypothetical income return possibility of the Diversified Real Estate Strategy versus a traditional 60/40 portfolio. It is not intended to represent Resource Real Estate Diversified Income Fund's or a traditional portfolio's total return. Further, the income return noted does not represent past or future performance. The Fund's performance will differ. Diversified Real Estate Strategy incorporates equal allocations to public real estate, private real estate, and real estate debt. The analysis assumes that the Diversified Real Estate Strategy is rebalanced amongst the three sectors of public real estate, private real estate, and real estate debt on a quarterly basis. Bloomberg, FTSE NAREIT EPRA/NAREIT Global Developed Index (Public Real Estate), NCREIF Property Index (Private Real Estate), Wells Fargo Hybrid and Preferred Securities REIT Index (Real Estate Debt). 12/31/00-12/31/18.

The Traditional Portfolio contains 60 percent equities and 40 percent Treasury bonds and is derived from the following indices. Bloomberg, S&P 500 Total Return Index (Equities), Bank of America Merrill Lynch U.S. Treasury Index (Bonds). 12/31/00-12/31/18. Treasury bonds typically produce less income than traditional investment grade corporate bonds, which will result in lower total income returns.

Past performance does not guarantee future results.

## Access to nationwide properties in a single investment



**Clarion Lion Properties Fund, LP**  
100 Fifth Avenue  
New York, NY

**Clarion Lion Industrial Trust**  
Amazon Fulfillment Center  
Coppell, TX

**Park Hotels & Resorts, Inc.**  
Casa Marina  
Key West, FL

**EPR Properties**  
Topgolf  
Nationwide

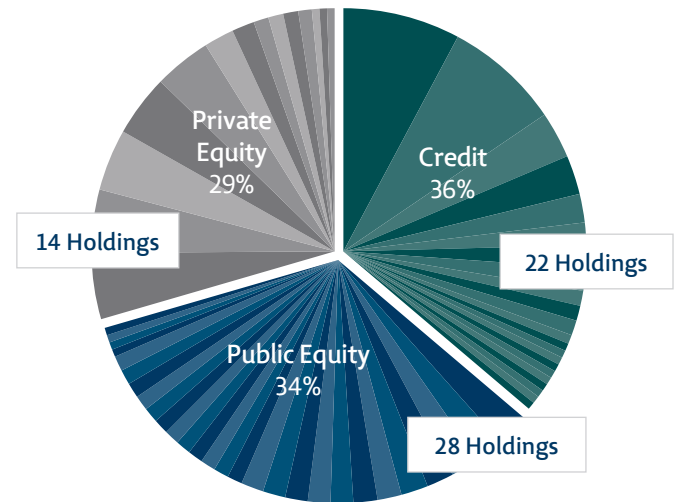
The properties pictured are owned by third-party funds. Each fund is part of the Resource Real Estate Diversified Income Fund's portfolio as of 12/31/18. Holdings are subject to change without notice.

## True diversification

The Fund offers broad diversification by investing in:

- Multiple sectors
- Multiple investment types
- Multiple investments, which includes many managers and strategies

The Fund is truly diversified as the majority of its individual holdings are less than 5% of the total assets.



Holdings data as of 12/31/18. Holdings are subject to change without notice. Diversification does not ensure profit or prevent losses.

## Top holdings

### Credit

Heitman Core Real Estate Debt Income Trust	8%
PGIM Real Estate US Debt Fund	8%
Metlife Commercial Mortgage Income Fund	3%
Brookfield Real Estate Finance V	3%
Clarion Partners Debt Investment Fund, LP	2%

### Public equity

Blackstone Mortgage Trust, Inc.	2%
Ladder Capital Corp.	2%
Granite Point Mortgage Trust, Inc.	2%
iShares U.S. Real Estate ETF	2%
KKR Real Estate Finance Trust, Inc.	2%

### Private equity

Broadstone Net Lease, Inc.	4%
Clarion Lion Industrial Trust	4%
Clarion Lion Properties Fund, LP	4%
GRE U.S. Property Fund, LP	4%
Clarion Ventures 4, LP	4%

### Annualized Distribution (Class A) Paid in Quarterly Increments

Mar. 2016	6.3%	Sept. 2016	5.9%	Mar. 2017	5.9%	Sept. 2017	5.9%	Mar. 2018	6.1%	Sept. 2018	5.8%
June 2016	6.0%	Dec. 2016	6.0%	June 2017	5.9%	Dec. 2017	5.9%	June 2018	5.8%	Dec. 2018	6.0%

The above annualized distributions are not quarterly returns, rather they are reflective of actual quarterly dividends that are annualized. To calculate annualized quarterly distributions, the Fund's management will take the income received from the Fund's portfolio, subtract expenses and divide the result by the total number of shares the Fund's investors own. The annualized quarterly distribution represents a single distribution from the Fund and does not represent the total returns of the Fund. A portion of our distribution has been comprised of a return of capital because certain Fund investments have included preferred and common equity investments, which may include a return of capital. Distributions are not guaranteed.

### Performance, as of December 31, 2018

	1 YR	3 YR	5 YR	Since Inception 3/12/13, per annum
Diversified Income Fund	4.64%	6.95%	7.88%	6.11%
NAREIT	-4.04%	4.24%	8.32%	6.57%
S&P 500	-4.38%	9.26%	8.49%	10.90%

ALPS Fund Services, Inc. Resource Real Estate Diversified Income Fund Class A shares; Bloomberg, FTSE NAREIT All Equity REITs Index, S&P 500 Total Return Index. You cannot invest directly in an index.

Performance data quoted represents past performance. Past performance is no guarantee of future results and investment returns and principal value of the Fund will fluctuate so that shares, when redeemed, may be worth more or less than their original cost. Current performance may be higher or lower than the performance data quoted above. For performance information current to the most recent month-end, please call toll-free (866) 773-4120 or visit [www.ResourceAlts.com](http://www.ResourceAlts.com).

Performance information is reported net of the Fund's fees and expense, but does not include the Fund's maximum sales charge of 5.75% for Class A shares. Performance would have been lower if the maximum sales load had been reflected above.

Class A gross expenses are 2.97% and net expenses are 2.76%. Net fees are based on a contractual fee waiver and reimbursement agreement by the Adviser to waive its fees and absorb the ordinary annual operating expenses of the Fund to the extent they exceed 1.99% per annum of daily net assets of Class A through at least January 31, 2021.

To learn more, visit  
[www.ResourceAlts.com](http://www.ResourceAlts.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. Through the interval structure, the Fund offers a Liquidity Feature of quarterly redemptions at NAV of no less than 5 percent of the shares outstanding made available, 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.

The **NCREIF Property Index** is a quarterly time series composite total rate of return measure of investment performance of a very large pool of individual commercial real estate properties acquired in the private market for investment purposes only.

The **Wells Fargo Preferred REIT Index** is designed to track the performance of preferred securities issued in the US market by Real Estate Investment Trusts. The index is composed exclusively of preferred shares and depositary shares (collectively, the "Preferred Securities").

The **S&P 500 Total Return Index** is an index of 500 stocks chosen for market size, liquidity, and industry grouping, among other factors. The S&P 500 is designed to be a leading indicator of U.S. equities and is meant to reflect the risk/return characteristics of the large cap universe. Companies included in the index are selected by the S&P Index Committee, a team of analysts and economists at Standard & Poor's. The S&P 500 is a market value weighted index — each stock's weight is proportionate to its market value.

## 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.ResourceAlts.com](http://www.ResourceAlts.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, LLC (the Fund's adviser), its affiliates, 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. Shares of the Fund will not be listed on any securities exchange, which makes them inherently illiquid. An investment in the Fund's shares is not suitable for investors who cannot tolerate risk of loss or who require liquidity, other than liquidity provided through the Fund's repurchase policy. Limited liquidity is provided to shareholders only through the Fund's quarterly repurchase offers, regardless of how the Fund performs. A portion of the Fund's distribution has been comprised of a return of capital because certain Fund investments have included preferred and common equity investments, which may include a return of capital. Any invested capital that is returned to the shareholder will be reduced by the Fund's fees and expenses, as well as the applicable sales load. 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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