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Series C Preferred Stock (valued between the parties at \$3.00 per share) and a two-year promissory note in the principal amount of approximately \$155,000 bearing interest at an annual rate of 7%. The principal amount of the note is payable \$50,000 at the six month anniversary, \$50,000 at the 12 month anniversary and the remainder at maturity. Denver Fund I paid \$675,000 in cash from a 1031 exchange and assigned a note receivable in the principal amount of \$225,000 secured by real property in Reno, Nevada.

The Company then entered into a Tenants in Common Agreement with Denver Fund I pursuant to which the Company will have a 51% interest in the property and Denver Fund I will have a 49% interest. Denver Fund I will be entitled to a preferred return of 8% on its total investment of \$900,000, of which the Company has agreed to guarantee 6%. Thus, in the event that cash flow from the property is less than \$54,000 per year, the Company will pay Denver Fund I the difference. The parties also agreed to grant mutual rights of first refusal. If either party desires to sell its interest in the property, then it must first offer the interest to the other party.

Item 7. Financial Statements and Exhibits.

- 2.1 Lease Agreement between Secured Diversified Investment, Denver Fund I and Iomega Investments, LLC dated April 28, 2004.
 - 2.2 Option Agreement between Secured Diversified Investment, Denver Fund I and Iomega Investments, LLC dated April 28, 2004.
 - 2.3 Escrow Instructions
 - 2.4 Tenants in Common Agreement between Secured Diversified Investments and Denver Fund I dated May 5, 2004.
- 99.1 Press Release

SIGNATURE

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

Date: May 24, 2004

SECURED DIVERSIFIED INVESTMENT, LTD.

By: /s/CLIFFORD L. STRAND

Clifford L. Strand, Chief Executive Officer

EXHIBIT INDEX

- | Exhibit Number | Description |
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