

Edgar Filing: REAL ESTATE INCOME FUND INC - Form SC 13D/A

REAL ESTATE INCOME FUND INC
Form SC 13D/A
May 18, 2006

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

SCHEDULE 13D
(Rule 13d-101)

Under the Securities Exchange Act of 1934
(Amendment No. 4)*

Real Estate Income Fund Inc.

(Name of Issuer)

Common Stock, par value \$0.001 per share

(Title of Class of Securities)

755881109

(CUSIP Number)

Arthur D. Lipson
Western Investment L L C
2855 East Cottonwood Parkway, Ste. 110
Salt Lake City, UT 84121

(Name, Address and Telephone Number of Person
Authorized to Receive Notices and Communications)

May 17, 2006

(Date of Event which Requires Filing of this Statement)

If the filing person has previously filed a statement on Schedule 13G to report the acquisition which is the subject of this Schedule 13D, and is filing this schedule because of Rule 13d-1(e), (f) or (g), check the following box [].

Note. Schedules filed in paper format shall include a signed original and five copies of the schedule, including all exhibits. See Rule 13d-7 for other parties to whom copies are to be sent.

(Continued on following pages)

Edgar Filing: REAL ESTATE INCOME FUND INC - Form SC 13D/A

CUSIP No. - 755881109

- 1 NAMES OF REPORTING PERSONS.
I.R.S. IDENTIFICATION NOS. OF ABOVE PERSONS (ENTITIES ONLY).
WESTERN INVESTMENT L L C
- 2 CHECK THE APPROPRIATE BOX IF A MEMBER OF A GROUP*
(a) ☐
(b) ☐
- 3 SEC USE ONLY
- 4 SOURCE OF FUNDS* (See Item 3)
OO
- 5 CHECK BOX IF DISCLOSURE OF LEGAL PROCEEDINGS IS REQUIRED PURSUANT TO
ITEMS 2(d) ☐
OR 2(e) ☐
- 6 CITIZENSHIP OR PLACE OF ORGANIZATION
INCORPORATED IN DELAWARE

NUMBER OF	7	SOLE VOTING POWER (See Item 5)
SHARES		652,700 shares
BENEFICIALLY	8	SHARED VOTING POWER (See Item 5)
OWNED BY		0 shares
EACH	9	SOLE DISPOSITIVE POWER
REPORTING		652,700 shares
PERSON	10	SHARED DISPOSITIVE POWER
WITH		0 shares

- 11 AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH REPORTING PERSON
(See Item 5) 652,700 shares
- 12 CHECK BOX IF THE AGGREGATE AMOUNT IN ROW (11) EXCLUDES CERTAIN
SHARES* ☐
- 13 PERCENT OF CLASS REPRESENTED BY AMOUNT IN ROW (11)
5.9%
- 14 TYPE OF REPORTING PERSON*
OO

- 1 NAME OF REPORTING PERSONS
I.R.S. IDENTIFICATION NOS. OF ABOVE PERSONS (ENTITIES ONLY)
ARTHUR D. LIPSON

Edgar Filing: REAL ESTATE INCOME FUND INC - Form SC 13D/A

- 2 CHECK THE APPROPRIATE BOX IF A MEMBER OF A GROUP*
 (a) ☐
 (b) ☐
 3 SEC USE ONLY
 4 SOURCE OF FUNDS*
 OO,PF
 5 CHECK BOX IF DISCLOSURE OF LEGAL PROCEEDINGS IS REQUIRED PURSUANT TO
 ITEMS 2(d) ☐
 OR 2(e) ☐
 6 CITIZENSHIP OR PLACE OF ORGANIZATION
 USA

NUMBER OF	7	SOLE VOTING POWER
SHARES		653,700
BENEFICIALLY	8	SHARED VOTING POWER
OWNED BY		0
EACH	9	SOLE DISPOSITIVE POWER
REPORTING		653,700
PERSON WITH	10	SHARED DISPOSITIVE POWER
		0

- 11 AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH REPORTING PERSON
 (See Item 5) 653,700
 12 CHECK BOX IF THE AGGREGATE AMOUNT IN ROW (11) EXCLUDES CERTAIN
 SHARES* ☐
 13 PERCENT OF CLASS REPRESENTED BY AMOUNT IN ROW (11)
 5.9%
 14 TYPE OF REPORTING PERSON*
 IN

- 1 NAME OF REPORTING PERSONS
 I.R.S. IDENTIFICATION NOS. OF ABOVE PERSONS (ENTITIES ONLY)
 WESTERN INVESTMENT HEDGED PARTNERS LP
 2 CHECK THE APPROPRIATE BOX IF A MEMBER OF A GROUP*
 (a) ☐
 (b) ☐
 3 SEC USE ONLY
 4 SOURCE OF FUNDS*
 WC
 5 CHECK BOX IF DISCLOSURE OF LEGAL PROCEEDINGS IS REQUIRED PURSUANT TO
 ITEMS 2(d) ☐
 OR 2(e) ☐

Edgar Filing: REAL ESTATE INCOME FUND INC - Form SC 13D/A

OR 2(e) ☐

6 CITIZENSHIP OR PLACE OF ORGANIZATION
DELAWARE

NUMBER OF	7	SOLE VOTING POWER
SHARES		326,500
BENEFICIALLY	8	SHARED VOTING POWER
OWNED BY		0
EACH	9	SOLE DISPOSITIVE POWER
REPORTING		326,500
PERSON WITH	10	SHARED DISPOSITIVE POWER
		0

11 AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH REPORTING PERSON
(See Item 5) 326,500

12 CHECK BOX IF THE AGGREGATE AMOUNT IN ROW (11) EXCLUDES CERTAIN
SHARES* ☐

13 PERCENT OF CLASS REPRESENTED BY AMOUNT IN ROW (11)
3.0%

14 TYPE OF REPORTING PERSON*
PN

1 NAME OF REPORTING PERSONS
I.R.S. IDENTIFICATION NOS. OF ABOVE PERSONS (ENTITIES ONLY)
WESTERN INVESTMENT ACTIVISM PARTNERS L L C

2 CHECK THE APPROPRIATE BOX IF A MEMBER OF A GROUP*
(a) ☐
(b) ☐

3 SEC USE ONLY

4 SOURCE OF FUNDS*
WC

5 CHECK BOX IF DISCLOSURE OF LEGAL PROCEEDINGS IS REQUIRED PURSUANT TO
ITEMS 2(d) ☐
OR 2(e) ☐

6 CITIZENSHIP OR PLACE OF ORGANIZATION
INCORPORATED IN DELAWARE

NUMBER OF	7	SOLE VOTING POWER
SHARES		326,200
BENEFICIALLY	8	SHARED VOTING POWER
OWNED BY		0
EACH	9	SOLE DISPOSITIVE POWER
REPORTING		326,200

Edgar Filing: REAL ESTATE INCOME FUND INC - Form SC 13D/A

PERSON WITH 10 SHARED DISPOSITIVE POWER
0

- 11 AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH REPORTING PERSON
(See Item 5) 326,200
- 12 CHECK BOX IF THE AGGREGATE AMOUNT IN ROW (11) EXCLUDES CERTAIN
SHARES* []
- 13 PERCENT OF CLASS REPRESENTED BY AMOUNT IN ROW (11)
2.9%
- 14 TYPE OF REPORTING PERSON*
OO

- 1 NAME OF REPORTING PERSONS
I.R.S. IDENTIFICATION NOS. OF ABOVE PERSONS (ENTITIES ONLY)
BENCHMARK PLUS INSTITUTIONAL PARTNERS, L.L.C.
- 2 CHECK THE APPROPRIATE BOX IF A MEMBER OF A GROUP*
(a) []
(b) []
- 3 SEC USE ONLY
- 4 SOURCE OF FUNDS*
WC
- 5 CHECK BOX IF DISCLOSURE OF LEGAL PROCEEDINGS IS REQUIRED PURSUANT TO
ITEMS 2(d) []
OR 2(e) []
- 6 CITIZENSHIP OR PLACE OF ORGANIZATION
INCORPORATED IN DELAWARE

NUMBER OF 7 SOLE VOTING POWER
SHARES 308,700

BENEFICIALLY 8 SHARED VOTING POWER
OWNED BY 0

EACH 9 SOLE DISPOSITIVE POWER
REPORTING 308,700

PERSON WITH 10 SHARED DISPOSITIVE POWER
0

- 11 AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH REPORTING PERSON
(See Item 5) 308,700
- 12 CHECK BOX IF THE AGGREGATE AMOUNT IN ROW (11) EXCLUDES CERTAIN
SHARES* []
- 13 PERCENT OF CLASS REPRESENTED BY AMOUNT IN ROW (11)
2.8%

Edgar Filing: REAL ESTATE INCOME FUND INC - Form SC 13D/A

14 TYPE OF REPORTING PERSON*
OO

1 NAME OF REPORTING PERSONS
I.R.S. IDENTIFICATION NOS. OF ABOVE PERSONS (ENTITIES ONLY)
BENCHMARK PLUS PARTNERS, L.L.C.

2 CHECK THE APPROPRIATE BOX IF A MEMBER OF A GROUP*
(a) ☐
(b) ☐

3 SEC USE ONLY

4 SOURCE OF FUNDS*
WC

5 CHECK BOX IF DISCLOSURE OF LEGAL PROCEEDINGS IS REQUIRED PURSUANT TO
ITEMS 2(d) ☐
OR 2(e) ☐

6 CITIZENSHIP OR PLACE OF ORGANIZATION
INCORPORATED IN DELAWARE

NUMBER OF	7	SOLE VOTING POWER
SHARES		77,500
BENEFICIALLY	8	SHARED VOTING POWER
OWNED BY		0
EACH	9	SOLE DISPOSITIVE POWER
REPORTING		77,500
PERSON WITH	10	SHARED DISPOSITIVE POWER
		0

11 AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH REPORTING PERSON
(See Item 5) 77,500

12 CHECK BOX IF THE AGGREGATE AMOUNT IN ROW (11) EXCLUDES CERTAIN
SHARES* ☐

13 PERCENT OF CLASS REPRESENTED BY AMOUNT IN ROW (11)
0.7%

14 TYPE OF REPORTING PERSON*
OO

Edgar Filing: REAL ESTATE INCOME FUND INC - Form SC 13D/A

1 NAME OF REPORTING PERSONS
I.R.S. IDENTIFICATION NOS. OF ABOVE PERSONS (ENTITIES ONLY)
BENCHMARK PLUS MANAGEMENT, L.L.C.

2 CHECK THE APPROPRIATE BOX IF A MEMBER OF A GROUP*
(a) ☐
(b) ☐

3 SEC USE ONLY

4 SOURCE OF FUNDS*
OO

5 CHECK BOX IF DISCLOSURE OF LEGAL PROCEEDINGS IS REQUIRED PURSUANT TO
ITEMS 2(d) ☐
OR 2(e) ☐

6 CITIZENSHIP OR PLACE OF ORGANIZATION
INCORPORATED IN DELAWARE

NUMBER OF	7	SOLE VOTING POWER
SHARES		308,700
BENEFICIALLY	8	SHARED VOTING POWER
OWNED BY		0
EACH	9	SOLE DISPOSITIVE POWER
REPORTING		308,700
PERSON WITH	10	SHARED DISPOSITIVE POWER
		0

11 AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH REPORTING PERSON
(See Item 5) 308,700

12 CHECK BOX IF THE AGGREGATE AMOUNT IN ROW (11) EXCLUDES CERTAIN
SHARES* ☐

13 PERCENT OF CLASS REPRESENTED BY AMOUNT IN ROW (11)
2.8%

14 TYPE OF REPORTING PERSON*
OO

1 NAME OF REPORTING PERSONS
I.R.S. IDENTIFICATION NOS. OF ABOVE PERSONS (ENTITIES ONLY)
ROBERT FERGUSON

2 CHECK THE APPROPRIATE BOX IF A MEMBER OF A GROUP*
(a) ☐
(b) ☐

Edgar Filing: REAL ESTATE INCOME FUND INC - Form SC 13D/A

3 SEC USE ONLY

4 SOURCE OF FUNDS*
OO

5 CHECK BOX IF DISCLOSURE OF LEGAL PROCEEDINGS IS REQUIRED PURSUANT TO
ITEMS 2(d) ☐ ☐
OR 2(e) ☐ ☐

6 CITIZENSHIP OR PLACE OF ORGANIZATION
USA

NUMBER OF	7	SOLE VOTING POWER
SHARES		386,200
BENEFICIALLY	8	SHARED VOTING POWER
OWNED BY		0
EACH	9	SOLE DISPOSITIVE POWER
REPORTING		386,200
PERSON WITH	10	SHARED DISPOSITIVE POWER
		0

11 AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH REPORTING PERSON
(See Item 5) 386,200

12 CHECK BOX IF THE AGGREGATE AMOUNT IN ROW (11) EXCLUDES CERTAIN
SHARES* ☐ ☐

13 PERCENT OF CLASS REPRESENTED BY AMOUNT IN ROW (11)
3.5%

14 TYPE OF REPORTING PERSON*
IN

1 NAME OF REPORTING PERSONS
I.R.S. IDENTIFICATION NOS. OF ABOVE PERSONS (ENTITIES ONLY)
PARADIGM PARTNERS, N.W., INC.

2 CHECK THE APPROPRIATE BOX IF A MEMBER OF A GROUP*
(a) ☐ ☐
(b) ☐ ☐

3 SEC USE ONLY

4 SOURCE OF FUNDS*
OO

5 CHECK BOX IF DISCLOSURE OF LEGAL PROCEEDINGS IS REQUIRED PURSUANT TO
ITEMS 2(d) ☐ ☐
OR 2(e) ☐ ☐

6 CITIZENSHIP OR PLACE OF ORGANIZATION
WASHINGTON

Edgar Filing: REAL ESTATE INCOME FUND INC - Form SC 13D/A

NUMBER OF	7	SOLE VOTING POWER
SHARES		77,500
BENEFICIALLY	8	SHARED VOTING POWER
OWNED BY		0
EACH	9	SOLE DISPOSITIVE POWER
REPORTING		77,500
PERSON WITH	10	SHARED DISPOSITIVE POWER
		0

11 AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH REPORTING PERSON
(See Item 5) 77,500

12 CHECK BOX IF THE AGGREGATE AMOUNT IN ROW (11) EXCLUDES CERTAIN
SHARES* []

13 PERCENT OF CLASS REPRESENTED BY AMOUNT IN ROW (11)
0.7%

14 TYPE OF REPORTING PERSON*
CO

1 NAME OF REPORTING PERSONS
I.R.S. IDENTIFICATION NOS. OF ABOVE PERSONS (ENTITIES ONLY)
SCOTT FRANZBLAU

2 CHECK THE APPROPRIATE BOX IF A MEMBER OF A GROUP*
(a) []
(b) []

3 SEC USE ONLY

4 SOURCE OF FUNDS*
OO

5 CHECK BOX IF DISCLOSURE OF LEGAL PROCEEDINGS IS REQUIRED PURSUANT TO
ITEMS 2(d) []
OR 2(e) []

6 CITIZENSHIP OR PLACE OF ORGANIZATION
USA

NUMBER OF	7	SOLE VOTING POWER
SHARES		308,700
BENEFICIALLY	8	SHARED VOTING POWER
OWNED BY		0
EACH	9	SOLE DISPOSITIVE POWER
REPORTING		308,700
PERSON WITH	10	SHARED DISPOSITIVE POWER
		0

11 AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH REPORTING PERSON

Edgar Filing: REAL ESTATE INCOME FUND INC - Form SC 13D/A

(See Item 5) 308,700

12 CHECK BOX IF THE AGGREGATE AMOUNT IN ROW (11) EXCLUDES CERTAIN
SHARES* []

13 PERCENT OF CLASS REPRESENTED BY AMOUNT IN ROW (11)
2.8%

14 TYPE OF REPORTING PERSON*
IN

1 NAME OF REPORTING PERSONS
I.R.S. IDENTIFICATION NOS. OF ABOVE PERSONS (ENTITIES ONLY)
MICHAEL DUNMIRE

2 CHECK THE APPROPRIATE BOX IF A MEMBER OF A GROUP*
(a) []
(b) []

3 SEC USE ONLY

4 SOURCE OF FUNDS*
OO

5 CHECK BOX IF DISCLOSURE OF LEGAL PROCEEDINGS IS REQUIRED PURSUANT TO
ITEMS 2(d) []
OR 2(e) []

6 CITIZENSHIP OR PLACE OF ORGANIZATION
USA

NUMBER OF	7	SOLE VOTING POWER
SHARES		386,200
BENEFICIALLY	8	SHARED VOTING POWER
OWNED BY		0
EACH	9	SOLE DISPOSITIVE POWER
REPORTING		386,200
PERSON WITH	10	SHARED DISPOSITIVE POWER
		0

11 AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH REPORTING PERSON
(See Item 5) 386,200

12 CHECK BOX IF THE AGGREGATE AMOUNT IN ROW (11) EXCLUDES CERTAIN
SHARES* []

13 PERCENT OF CLASS REPRESENTED BY AMOUNT IN ROW (11)
3.5%

14 TYPE OF REPORTING PERSON*
IN

Edgar Filing: REAL ESTATE INCOME FUND INC - Form SC 13D/A

The following constitutes Amendment No. 3 ("Amendment No. 4") to the Schedule 13D filed by the undersigned. This Amendment No. 4 amends the Schedule 13D as specifically set forth.

Item 2 is hereby amended and restated to read as follows:

ITEM 2: IDENTITY AND BACKGROUND

(a) This statement is filed by Western Investment LLC, a Delaware limited liability company ("WILLC"), Arthur D. Lipson, Western Investment Hedged Partners L.P., a Delaware limited partnership ("WIHP"), Western Investment Activism Partners LLC, a Delaware limited liability company ("WIAP"), Benchmark Plus Institutional Partners, L.L.C., a Delaware limited liability company ("BPIP"), Benchmark Plus Management, L.L.C., a Delaware limited liability company ("BPM"), Benchmark Plus Partners, L.L.C., a Delaware limited liability company ("BPP"), Paradigm Partners, N.W., Inc., a Washington corporation ("PPNW"), Scott Franzblau, Robert Ferguson and Michael Dunmire. Each of the foregoing is referred to as a "Reporting Person" and collectively as the "Reporting Persons." Each of WILLC, Mr. Lipson, WIHP, and WIAP disclaim beneficial ownership of the Shares held by BPIP, BPM, BPP, PPNW, Mr. Franzblau, Mr. Ferguson and Mr. Dunmire. Each of BPIP, BPM, BPP, PPNW, Mr. Franzblau, Mr. Ferguson and Mr. Dunmire disclaim beneficial ownership of the Shares held by WILLC, Mr. Lipson, WIHP and WIAP.

WILLC has sole voting and investment power over WIHP's and WIAP's security holdings and Mr. Lipson, in his role as the managing member of WILLC, controls WILLC's voting and investment decisions. BPM is the managing member of BPIP and Messrs. Franzblau, Ferguson and Dunmire in their role as managing members of BPM, have sole voting and investment control over BPIP's security holdings. PPNW is the managing member of BPP and Messrs. Ferguson and Dunmire, in their role as officers of BPP, have sole voting and investment control over BPP's security holdings. Neither WILLC, Mr. Lipson, WIHP nor WIAP has voting or dispositive control over the Shares held by BPIP, BPM, BPP, PPNW, Mr. Franzblau, Mr. Ferguson and Mr. Dunmire. Neither BPIP, BPM, BPP, PPNW, Mr. Franzblau, Mr. Ferguson nor Mr. Dunmire has voting or dispositive control over the Shares held by WILLC, Mr. Lipson, WIHP and WIAP.

(b) The principal business address of WILLC, Mr. Lipson, WIHP and WIAP is 2855 East Cottonwood Parkway, Suite 110, Salt Lake City, Utah 84121.

The principal business address of BPIP, BPM, BPP, PPNW, Mr. Franzblau, Mr. Ferguson and Mr. Dunmire is 820 A Street, Suite 700, Tacoma, WA 98402.

(c) The principal business of WILLC is acting as the general partner and managing member, as the case may be, of WIHP and WIAP. The principal occupation of Mr. Lipson is acting as managing member of WILLC. The principal business of WIHP and WIAP is the business of acquiring, holding and disposing of investments in various companies.

Edgar Filing: REAL ESTATE INCOME FUND INC - Form SC 13D/A

The principal business of BPIP is the business of acquiring, holding and disposing of investments in various companies. The principal business of BPM is acting as the managing member of BPIP.

The principal business of BPP is the business of acquiring, holding and disposing of investments in various companies. The principal business of PPNW is acting as the managing member of BPP.

The principal occupation of Scott Franzblau is acting as a managing member of BPM. The principal occupation of Robert Ferguson is acting as a managing member of BPM and as the President and Director of PPNW. The principal occupation of Michael Dunmire is acting as a managing member of BPM and as the Chairman of the Board of PPNW.

(d) No Reporting Person has, during the last five years, been convicted in a criminal proceeding (excluding traffic violations or similar misdemeanors).

(e) No Reporting Person has, during the last five years, been party to a civil proceeding of a judicial or administrative body of competent jurisdiction and as a result of such proceeding was or is subject to a judgment, decree or final order enjoining future violations of, or prohibiting or mandating activities subject to, federal or state securities laws or finding any violation with respect to such laws.

(f) Messrs. Lipson, Franzblau, Ferguson and Dunmire are citizens of the United States of America.

Item 3 is hereby amended and restated as follows:

ITEM 3: SOURCE AND AMOUNT OF FUNDS OR OTHER CONSIDERATION

The aggregate purchase price of the 652,700 Shares beneficially owned by WILLC is approximately \$12,314,683. The Shares beneficially owned by WILLC were acquired with the working capital of each of WIHP and WIAP. The aggregate purchase price of the 308,700 Shares beneficially owned by BPM is approximately \$5,647,230. The Shares beneficially owned by BPM were acquired with the working capital of BPIP. The aggregate purchase price of the 77,500 Shares beneficially owned by PPNW is approximately \$1,435,183. The Shares beneficially owned by PPNW were acquired with the working capital of BPP. The aggregate purchase price of the 1,000 additional Shares owned by Mr. Lipson is approximately \$18,610. The Shares owned by Mr. Lipson were acquired with personal funds.

ITEM 5(a) is hereby amended and restated as follows:

(a) The aggregate percentage of Shares reported owned by each person named herein is based upon 11,069,242.453 Shares outstanding as of February 28, 2006, as reported in the Issuer's Form DEF 14A filed with the Securities and Exchange Commission on March 14, 2006. An affiliate of WILLC, Western Investment Institutional Partners LLC (WIIP), acquired shares of RIT prior to 09/24/2005, and on 04/10/2006, sold all shares to WIHP and WIAP, as noted in Schedule A.

As of the close of business on May 17, 2006, WIHP, WIAP, BPIP, and BPP

Edgar Filing: REAL ESTATE INCOME FUND INC - Form SC 13D/A

beneficially owned 326,500, 326,200, 308,700, and 77,500 Shares, respectively, representing 3.0%, 2.9%, 2.8%, and 0.7%, respectively, of the Shares outstanding. As the general partner or managing member, as the case may be, of WIHP and WIAP, WILLC may be deemed to beneficially own the 652,700 Shares, constituting approximately 5.9% of the Shares outstanding. As the managing member of WILLC, Mr. Lipson may be deemed to beneficially own the 652,700 Shares beneficially owned by WILLC, in addition to the 1,000 Shares personally owned by Mr. Lipson, constituting approximately 5.9% of the Shares outstanding.

As the managing member of BPIP, BPM may be deemed to beneficially own the 308,700 Shares beneficially owned by BPIP, constituting approximately 2.8% of the Shares outstanding. As the managing members of BPM, Messrs. Franzblau, Ferguson and Dunmire may be deemed to beneficially own the 308,700 Shares owned by BPM. As the managing member of BPP, PPNW may be deemed to beneficially own the 77,500 Shares beneficially owned by BPP, constituting approximately 0.7% of the Shares outstanding. As the officers of PPNW, Messrs. Ferguson and Dunmire may be deemed to beneficially own the 77,500 Shares beneficially owned by PPNW.

ITEM 5(c) is hereby amended to add the following:

(c) Schedule A annexed hereto lists all transactions by the Reporting Persons in the Issuer's Common Stock effected since the filing of Amendment No. 3 to Schedule 13D. All of such transactions were effected in the open market.

SIGNATURES

After reasonable inquiry and to the best of my knowledge and belief, I certify that the information set forth in this statement is true, complete and correct.

Date: May 18, 2006

WESTERN INVESTMENT L L C

By: /s/ Arthur D. Lipson, Sole Member

WESTERN INVESTMENT HEDGED PARTNERS LP

By: Western Investment L L C,
its General Partner

By: /s/ Arthur D. Lipson, Managing Member

WESTERN INVESTMENT ACTIVISM PARTNERS LLC

By: Western Investment L L C,
its Managing Member

By: /s/ Arthur D. Lipson, Managing Member

By: /s/ Arthur D. Lipson

ARTHUR D. LIPSON

Edgar Filing: REAL ESTATE INCOME FUND INC - Form SC 13D/A

BENCHMARK PLUS INSTITUTIONAL PARTNERS, L.L.C.

By: Benchmark Plus Management, L.L.C.,
its Managing Member

By: /s/ Scott Franzblau, Managing Member

By: /s/ Robert Ferguson, Managing Member

By: /s/ Michael Dunmire, Managing Member

BENCHMARK PLUS MANAGEMENT, L.L.C.

By: /s/ Scott Franzblau, Managing Member

By: /s/ Robert Ferguson, Managing Member

By: /s/ Michael Dunmire, Managing Member

By: /s/ Scott Franzblau

SCOTT FRANZBLAU

By: /s/ Robert Ferguson

ROBERT FERGUSON

By: /s/ Michael Dunmire

MICHAEL DUNMIRE

BENCHMARK PLUS PARTNERS, L.L.C.

By: Paradigm Partners, N.W., Inc.,
its Managing Member

By: /s/ Robert Ferguson, Principal

By: /s/ Michael Dunmire, Principal

PARADIGM PARTNERS, N.W. INC.

By: /s/ Robert Ferguson, Principal

By: /s/ Michael Dunmire, Principal

By: /s/ Robert Ferguson

ROBERT FERGUSON

By: /s/ Michael Dunmire

MICHAEL DUNMIRE

Edgar Filing: REAL ESTATE INCOME FUND INC - Form SC 13D/A

SCHEDULE A

	Transaction Code	Quantity	Trade Date	Price
WIHP	Buy*	92,100	04/10/2006	\$19.2507
	Buy	6,600	04/12/2006	\$18.8700
	Buy	2,400	04/13/2006	\$18.6350
	Buy	7,400	04/17/2006	\$18.6331
	Buy	2,100	04/24/2006	\$19.0476
	Buy	200	05/03/2006	\$18.7029
	Buy	18,600	05/12/2006	\$18.4301
	Buy	12,200	05/15/2006	\$18.5089
	Buy	1,000	05/15/2006	\$18.5850
	Buy	2,300	05/16/2006	\$18.5902
	Buy	35,000	05/17/2006	\$18.3555
WIIP	Sell*	25,800	04/10/2006	\$19.1521
	Sell*	9,600	04/10/2006	\$19.2458
	Sell*	148,800	04/10/2006	\$19.2509
WIAP	Buy	200	02/10/2006	\$18.7300
	Buy	3,600	02/13/2006	\$18.7228
	Buy	2,200	02/16/2006	\$18.9600
	Buy	500	02/17/2006	\$19.1220
	Buy	2,900	02/21/2006	\$19.2138
	Buy	3,500	02/21/2006	\$19.1179
	Buy	1,300	03/22/2006	\$19.7400
	Buy	3,800	03/23/2006	\$19.7942
	Buy	3,100	03/24/2006	\$19.7097
	Buy	1,000	03/29/2006	\$19.9600
	Buy	1,300	03/31/2006	\$19.8269
	Buy	2,800	04/05/2006	\$19.4964
	Buy	700	04/07/2006	\$19.1429
	Buy*	92,100	04/10/2006	\$19.2507
BPP	Buy	2,300	02/07/2006	\$18.7793
	Buy	3,500	02/07/2006	\$18.7363
	Buy	3,800	02/09/2006	\$18.7489
	Buy	5,100	05/17/2006	\$18.3571
BPIP	NONE			
WILLC	NONE			
BPM	NONE			
PPNW	NONE			
Mr. Lipson	NONE			

Edgar Filing: REAL ESTATE INCOME FUND INC - Form SC 13D/A

Mr. Franzblau NONE

Mr. Dunmire NONE

Mr. Ferguson NONE

* The transactions on 04/10/2006 were cross trades between affiliates.