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AEW REAL ESTATE INCOME FUND  
Form N-Q/A  
December 27, 2005

UNITED STATES  
SECURITIES AND EXCHANGE COMMISSION  
Washington, DC 20549

FORM N-Q/A  
QUARTERLY SCHEDULE OF PORTFOLIO HOLDINGS OF REGISTERED  
MANAGEMENT INVESTMENT COMPANIES

Investment Company Act file number: 811-21206

AEW Real Estate Income Fund

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(Exact name of registrant as specified in charter)

399 Boylston Street, Boston, Massachusetts 02116

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(Address of principal executive offices) (Zip code)

Coleen Downs Dinneen, Esq.  
IXIS Asset Management Distributors, L.P.  
399 Boylston Street  
Boston, Massachusetts 02116

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(Name and address of agent for service)

Registrant's telephone number, including area code: (617) 449-2810

Date of fiscal year end: January 31

Date of reporting period: April 30, 2005

This Form N-Q/A amends and restates the Registrant's Form N-Q filed on June 28, 2005 (Accession No. 0001127563-05-000169) (the "Original N-Q"). The filing is being revised to include Item 1-Schedule of Investments and Item 3-Exhibits, which were inadvertently left out of the version of the Original N-Q filed on the Commission's EDGAR system.

ITEM I SCHEDULE OF INVESTMENTS

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AEW REAL ESTATE INCOME FUND -- SCHEDULE OF INVESTMENTS  
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Investments as of April 30, 2005 -- (unaudited)

Shares	Description	Value (a) (c)
	Common Stocks -- 96.0% of Total Net Assets	
	REAL ESTATE -- 1.3%	
	Apartments -- 1.3%	
41,500	Municipal Mortgage & Equity LLC	\$ 997,660

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	REAL ESTATE INVESTMENT TRUSTS -- 94.7%	
	REITs - Apartments -- 12.8%	
44,000	Archstone Smith Trust	1,582,679
82,500	Camden Property Trust	4,207,500
78,500	Gables Residential Trust	2,877,025
40,000	Mid-America Apartment Communities, Inc.	1,529,200
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		10,196,404
		-----
	REITs - Diversified -- 6.3%	
85,000	iStar Financial, Inc.	3,386,400
70,000	Lexington Corporate Properties Trust	1,608,600
		-----
		4,995,000
		-----
	REITs - Factory Outlets -- 1.2%	
40,000	Tanger Factory Outlet Centers, Inc.	926,400
		-----
	REITs - Healthcare -- 15.1%	
65,000	Health Care Property Investors, Inc.	1,666,600
121,000	Healthcare Realty Trust, Inc.	4,671,810
31,900	Omega Healthcare Investors, Inc.	357,918
100,000	Provident Senior Living Trust, 144A	2,000,000
190,500	Senior Housing Properties Trust	3,295,650
		-----
		11,991,978
		-----
	REITs - Industrial -- 6.4%	
25,000	EastGroup Properties, Inc.	937,500
62,400	First Potomac Realty Trust	1,398,384
68,100	Liberty Property Trust	2,712,423
		-----
		5,048,307
		-----
	REITs - Lodging/Resorts -- 4.0%	
55,000	Eagle Hospitality Properties Trust, Inc.	507,650
63,000	Hospitality Properties Trust	2,632,140
		-----
		3,139,790
		-----
	REITs - Office -- 27.4%	
77,000	Arden Realty, Inc.	2,748,130
32,500	Brandywine Realty Trust, Inc.	919,750
65,000	CarrAmerica Realty Corp.	2,147,600
77,000	Glenborough Realty Trust, Inc.	1,581,580
90,000	Highwoods Properties, Inc.	2,531,700
311,300	HRPT Properties Trust	3,657,775
43,000	Kilroy Realty Corp.	1,876,090
68,000	Mack-Cali Realty Corp.	2,991,320
30,000	Maguire Properties, Inc.	765,000
76,500	Prentiss Properties Trust	2,541,330
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		21,760,275
		-----
	REITs - Regional Malls -- 6.6%	
150,000	Borealis Retail	1,584,100
62,000	Glimcher Realty Trust	1,560,540
35,000	Macerich Co. (The)	2,110,500
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		5,255,140
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	REITS - Shopping Centers -- 13.0%	
125,000	Cedar Shopping Centers, Inc.	1,725,000
100,000	Commercial Net Lease Realty, Inc.	1,898,000
30,000	Equity One, Inc.	628,200
94,000	Heritage Property Investment Trust	2,895,200
39,000	Inland Real Estate Corp.	598,650
12,000	New Plan Excel Realty Trust	309,720
39,000	Ramco-Gershenson Properties Trust	1,079,910
49,200	Realty Income Corp.	1,186,212
		-----
		10,320,892
		-----
	REITs - Specialty -- 1.9%	
20,500	Correctional Properties Trust	
22,000	Entertainment Properties Trust	
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	Total Real Estate Investment Trusts	7
		-----
	Total Common Stocks (Identified Cost \$53,983,831)	7
		-----
Preferred Stocks -- 37.6%		
	REAL ESTATE INVESTMENT TRUSTS -- 37.6%	
	REITs - Apartments -- 5.4%	
50,000	Apartment Investment & Management Co., Series G	
29,400	Apartment Investment & Management Co., Series R	
42,000	Apartment Investment & Management Co., Series U	
45,000	Apartment Investment & Management Co., Series Y	
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	REITs - Diversified -- 1.8%	
54,800	Crescent Real Estate Equities Co., Series B	
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	REITs - Factory Outlets -- 2.0%	
35,500	Mills Corp. (The), Series B	
25,000	Mills Corp. (The), Series E	
		-----
	REITs - Healthcare -- 3.7%	
50,000	Health Care Property Investors, Inc., Class F	
65,400	Omega Healthcare Investors, Inc., Series D	
		-----
	REITs - Lodging/Resorts -- 6.4%	
75,000	Boykin Lodging Co., Series A	
25,000	Felcor Lodging Trust Inc., Series C	
71,900	Hospitality Properties Trust, Series B	
15,000	LaSalle Hotel Properties, Series A	
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	REITs - Office -- 8.2%	
30,000	Bedford Property Investors, Inc., Series A, 144A	
100,000	CarrAmerica Realty Corp., Series E	
90,400	HRPT Properties Trust, Series B	
	REITs - Regional Malls -- 2.5%	
75,000	Glimcher Realty Trust, Series F	
	REITs - Shopping Centers -- 7.6%	
27,000	Cedar Shopping Centers, Inc., Series A	
42,200	Developers Diversified Realty Corp., Series F	
21,300	Developers Diversified Realty Corp., Series G	
13,000	Federal Realty Investment Trust, Series B	
6,700	Ramco-Gershenson Properties Trust, Series B	
9,000	Realty Income Corp., Series D	
27,000	Urstadt Biddle Properties, Inc., Series C	
	Total Preferred Stocks - Real Estate Investment Trusts (Identified Cost \$28,743,578)	2
Principal Amount		
	Short Term Investment -- 0.4%	
\$ 337,619	Repurchase Agreement with Investors Bank & Trust Co. dated 4/29/2005 at 2.01% to be repurchased at \$337,676 on 5/02/2005, collateralized by \$328,462 Small Business Administration Bond, 5.775%, due 1/25/2027 valued at \$354,500 (d)	\$
	Total Short Term Investment (Identified Cost \$337,619)	
	Total Investments -- 134.0% (Identified Cost \$83,065,028) (b)	106
	Auction Market Preferred Shares plus cumulative unpaid dividends (35.3%)	(28
	Other assets less liabilities -- 1.3%	1
	Total Net Assets -- 100%	\$ 79
		=====

- (a) Equity securities for which market quotations are readily available are valued at market price on the basis of valuations furnished to the Fund by a pricing service which has been authorized by the Board of Trustees. The pricing service provides the last reported sale price for securities listed on an applicable securities exchange or, if no sale was reported and in the case of over-the-counter securities not so listed, the last

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reported bid price. Securities traded on the NASDAQ National Market are valued at the NASDAQ Official Closing Price ("NOCP"), or if lacking an NOCP, at the most recent bid quotation on the NASDAQ National Market. Debt securities for which market quotations are readily available (other than short-term obligations with a remaining maturity of less than sixty days) are generally valued at market price on the basis of valuations furnished by a pricing service authorized by the Board of Trustees, which service determines valuations for normal, institutional-size trading units of such securities using market information, transactions for comparable securities and various relationships between securities which are generally recognized by institutional traders. Short-term obligations with a remaining maturity of less than sixty days are stated at amortized cost, which approximates market value. All other securities and assets are valued at fair value as determined in good faith by the Fund's investment adviser, pursuant to the procedures approved by the Board of Trustees. Security transactions are accounted for on trade date.

- (b) Federal Tax Information (Amounts exclude certain adjustments made at the end of the Fund's fiscal year for tax purposes. Such adjustments are primarily due to wash sales and return of capital included in dividends received from the Fund's investments in REITs):

At April 30, 2005, the net unrealized appreciation on investments based on cost of \$83,065,028 for federal income tax purposes was as follows:  
 Aggregate gross unrealized appreciation for all investments in which there is an excess of value over tax cost  
 Aggregate gross unrealized depreciation for all investments in which there is an excess of tax cost over value

\$ 23  
 -----  
 \$ 23  
 =====

Net unrealized appreciation

- (c) The books and records of the Fund are maintained in U.S. dollars. The value of securities, currencies and other assets and liabilities denominated in currencies other than U.S. dollars are translated into U.S. dollars based upon foreign exchange rates prevailing at the end of the period.
- (d) The Fund, through its custodian, receives delivery of the underlying securities collateralizing repurchase agreements. It is the Fund's policy that the market value of the collateral be at least equal to 102% of the repurchase price, including interest. The Fund's investment adviser is responsible for determining that the value of the collateral is at all times at least equal to 102% of the repurchase price, including interest. Repurchase agreements could involve certain risks in the event of default or insolvency of the counterparty including possible delays or restrictions upon the Fund's ability to dispose of the underlying securities.

REITs Real Estate Investment Trusts

144A Securities exempt from registration under Rule 144A of the Securities Act of 1933. These securities may be resold in

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transactions exempt from registrations, normally to qualified institutional buyers. At the period end, the value of these amounted to \$3,486,875 or 4.4% of net assets.

### ITEM 2. CONTROLS AND PROCEDURES.

The registrant's principal executive officer and principal financial officer have concluded that the registrant's disclosure controls and procedures are sufficient to ensure that information required to be disclosed by the registrant in this Form N-Q was recorded, processed, summarized and reported within the time periods specified in the Securities and Exchange Commission's rules and forms, based upon such officers' evaluation of these controls and procedures as of a date within 90 days of the filing date of the report. In reaching this conclusion, such officers considered both the error which resulted in the omission of Items 1 and 3 from the version of the Original N-Q filed on the Commission's EDGAR system and the measures that have been taken to correct such error and to prevent such error from occurring in the future.

There were no changes in the registrant's internal control over financial reporting that occurred during the registrant's last fiscal quarter that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting.

### ITEM 3. EXHIBITS

(a) (1) Certification for the principal executive officer as required by Rule 30a-2(a) of the Investment Company Act of 1940, as amended (the "Act"), filed herewith.

(a) (2) Certification for the principal financial officer as required by Rule 30a-2(a) of the Act filed herewith.

### SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934 and the Investment Company Act of 1940, the registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

AEW Real Estate Income Fund

By: /s/ John T. Hailer

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Name: John T. Hailer  
Title: President and Chief Executive Officer  
Date: December 20, 2005

Pursuant to the requirements of the Securities Exchange Act of 1934 and the Investment Company Act of 1940, this report has been signed by the following persons on behalf of the registrant and in the capacities and on the dates indicated.

AEW Real Estate Income Fund

By: /s/ John T. Hailer

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Name: John T. Hailer  
Title: President and Chief Executive Officer  
Date: December 20, 2005

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By: /s/ Michael C. Kardok

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Name: Michael C. Kardok

Title: Treasurer

Date: December 20, 2005