

Edgar Filing: Principal Real Estate Income Fund - Form N-Q

Principal Real Estate Income Fund
Form N-Q
March 25, 2015

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

FORM N-Q

QUARTERLY SCHEDULE OF PORTFOLIO HOLDINGS OF REGISTERED
MANAGEMENT INVESTMENT COMPANY

Investment Company Act file number: 811-22742

PRINCIPAL REAL ESTATE INCOME FUND
(Exact name of registrant as specified in charter)

1290 Broadway, Suite 1100, Denver, Colorado 80203
(Address of principal executive offices) (Zip code)

David T. Buhler
Principal Real Estate Income Fund
1290 Broadway, Suite 1100
Denver, Colorado 80203
(Name and address of agent for service)

Registrant's telephone number, including area code: (303) 623-2577

Date of fiscal year end: October 31

Date of reporting period: November 1, 2014 – January 31, 2015

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Item 1 – Schedule of Investments.

PRINCIPAL REAL ESTATE INCOME FUND

STATEMENT OF INVESTMENTS

January 31, 2015 (Unaudited)

Description	Shares	Value (Note 2)
COMMON STOCKS (49.47%)		
Leisure & Recreation/Games (0.16%)		
Ardent Leisure Group	110,581	\$ 239,323
Real Estate Management/Services (2.33%)		
Atrium European Real Estate, Ltd.	96,100	448,489
Citycon OYJ	209,885	712,933
Fabege AB	50,700	693,631
Hyprop Investments, Ltd., REIT	89,000	808,604
Sponda OYJ	175,000	806,820
		3,470,477
Real Estate Operating/Development (2.00%)		
Agile Property Holdings, Ltd.	668,194	407,693
Croesus Retail Trust	2,035,000	1,421,552
New World Development Co., Ltd.	480,000	573,352
Shimao Property Holdings, Ltd.	110,000	232,138
Urban & Civic PLC ^(a)	83,089	343,846
		2,978,581
REITS-Apartments (1.77%)		
Advance Residence Investment Corp.	269	690,654
Camden Property Trust	5,200	400,660
Campus Crest Communities, Inc.	223,200	1,537,848
		2,629,162
REITS-Diversified (19.80%)		
Altarea SCA	11,000	1,870,715
Digital Realty Trust, Inc.	36,400	2,655,016
Dream Office Real Estate Investment Trust	92,000	1,966,412
EPR Properties	45,200	2,940,712
Frasers Commercial Trust	1,415,000	1,553,278
The Geo Group, Inc.	51,000	2,219,520
Kenedix Office Investment Corp.	175	1,041,685
Klepierre	10,000	472,453
Land Securities Group PLC	26,100	500,833
Liberty Property Trust	52,200	2,103,660
Londonmetric Property PLC	450,000	1,081,076
Mirvac Group	508,000	763,273
NewRiver Retail, Ltd. ^(b)	100,000	442,070
Nomura Real Estate Master Fund, Inc.	330	415,064
Pure Industrial Real Estate Trust	140,000	533,249
Sekisui House REIT, Inc. ^(a)	267	325,138
Spring Real Estate Investment Trust	4,164,000	2,008,870
STAG Industrial, Inc.	37,037	970,369
Stockland	670,100	2,284,928

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STORE Capital Corp.	28,381	651,628
Wereldhave N.V.	36,988	2,666,194
		29,466,143
REITS-Health Care (3.84%)		
Assura Group, Ltd.	1,040,140	853,829
Medical Properties Trust, Inc.	135,500	2,082,635
Primary Health Properties PLC	202,200	1,143,600
Sabra Health Care REIT, Inc.	50,000	1,635,000
		5,715,064
REITS-Hotels (2.63%)		
Hospitality Properties Trust	70,100	2,284,559

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Description	Shares	Value (Note 2)
REITS-Hotels (2.63%) (continued)		
Summit Hotel Properties, Inc.	127,500	\$1,634,550 3,919,109
REITS-Manufactured Homes (1.61%)		
Sun Communities, Inc.	35,500	2,404,415
REITS-Mortgage (0.37%)		
CYS Investments, Inc.	63,100	557,804
REITS-Office Property (4.03%)		
American Realty Capital Properties, Inc.	100,870	934,561
Brandywine Realty Trust	71,100	1,180,971
Daiwa Office Investment Corp.	75	436,217
Highwoods Properties, Inc.	41,500	1,950,500
ICADE	5,000	437,084
Keppel REIT	258,000	235,534
Paramount Group, Inc. ^(a)	8,494	164,359
Workspace Group PLC	55,100	655,634 5,994,860
REITS-Regional Malls (0.73%)		
CBL & Associates Properties, Inc.	53,000	1,092,860
REITS-Shopping Centers (8.41%)		
CapitaMall Trust	300,000	463,483
Charter Hall Retail REIT	564,500	1,929,245
Federation Centres, Ltd.	906,900	2,139,247
Fortune Real Estate Investment Trust	1,217,000	1,343,797
Hammerson PLC	68,500	710,358
Kite Realty Group Trust	22,325	682,252
Ramco-Gershenson Properties Trust	73,400	1,436,438
RioCan Real Estate Investment Trust	38,400	889,664
Starhill Global REIT	1,389,000	852,210
Vastned Retail N.V.	41,600	2,065,766 12,512,460
REITS-Single Tenant (1.20%)		
Agree Realty Corp.	51,500	1,783,960
REITS-Storage/Warehousing (0.44%)		
Safestore Holdings PLC	161,000	652,320
REITS-Warehouse/Industrials (0.15%)		
AIMS AMP Capital Industrial REIT	200,000	217,327
TOTAL COMMON STOCKS (Cost \$66,098,026)		73,633,865
PREFERRED STOCKS (1.24%)		
REITS-Apartments (0.05%)		

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Apartment Investment & Management Co., Series Z, 7.000%	3,012	78,462
REITS-Hotels (0.49%)		
Hersha Hospitality Trust, Series B, 8.000%	27,400	725,826
REITS-Office Property (0.29%)		
SL Green Realty Corp., Series I, 6.500%	16,300	427,875

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Description	Shares	Value (Note 2)
REITS-Regional Malls (0.29%)		
Pennsylvania Real Estate Investment Trust, Series B, 7.375%	16,200	\$429,300
REITS-Shopping Centers (0.12%)		
WP GLIMCHER, Inc., Series G, 8.125%	7,241	183,342
TOTAL PREFERRED STOCKS		
(Cost \$1,755,079)		1,844,805

	Rate	Maturity Date	Principal Amount	Value (Note 2)
COMMERCIAL MORTGAGE BACKED SECURITIES (88.60%)				
Commercial Mortgage Backed Securities-Other (59.67%)				
Bank of America Commercial Mortgage Trust, Series 2008-1 ^(c)	6.268 %	01/10/18	\$2,500,000	\$2,690,792
CD Commercial Mortgage Trust, Series 2007-CD4 ^(c)	5.398 %	12/11/49	12,500,000	10,463,250
Credit Suisse Commercial Mortgage Trust, Series 2006-C4 ^(c)	5.538 %	09/15/16	10,000,000	10,079,490
Credit Suisse Commercial Mortgage Trust, Series 2007-C1	5.416 %	02/15/40	10,000,000	10,351,810
FHLMC Multifamily Structured Pass Through Certificates, Series 2011-KAIV ^{(c)(d)}	3.615 %	06/25/41	9,000,000	1,797,399
FHLMC Multifamily Structured Pass Through Certificates, Series 2012-K706 ^{(c)(d)}	1.903 %	12/25/18	28,580,000	1,881,793
FHLMC Multifamily Structured Pass Through Certificates, Series 2012-K707 ^{(c)(d)}	1.806 %	01/25/19	27,555,000	1,789,008
FHLMC Multifamily Structured Pass Through Certificates, Series 2012-K709 ^{(c)(d)}	1.700 %	04/25/40	30,601,130	1,971,080
FHLMC Multifamily Structured Pass Through Certificates, Series 2012-K710 ^{(c)(d)}	1.660 %	06/25/42	27,830,000	1,815,824
Greenwich Capital Commercial Funding Corp. Commercial Mortgage Trust, Series 2007-GG9 ^(c)	5.505 %	02/10/17	7,500,000	6,733,688
JPMorgan Chase Commercial Mortgage Securities Trust, Series 2006-CIBC16	5.623 %	05/12/45	7,500,000	7,716,188
JPMorgan Chase Commercial Mortgage Securities Trust, Series 2006-CIBC17 ^(c)	5.489 %	12/12/43	3,899,000	2,787,785
JPMorgan Chase Commercial Mortgage Securities Trust, Series 2007-CIBC19 ^(c)	5.698 %	05/12/17	3,500,000	3,173,198
LB-UBS Commercial Mortgage Trust, Series 2006-C7	5.407 %	11/15/16	5,000,000	4,593,045
Morgan Stanley Bank of America Merrill Lynch Trust, Series 2015-C20 ^{(c)(d)(e)}	1.612 %	02/15/25	23,967,000	2,686,102
Wachovia Bank Commercial Mortgage Trust, Series 2006-C29 ^(c)	5.368 %	11/15/48	13,000,000	13,137,748
Wachovia Bank Commercial Mortgage Trust, Series 2007-C30 ^(c)	5.413 %	12/15/43	5,000,000	5,139,050
				88,807,250

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	Rate	Maturity Date	Principal Amount	Value (Note 2)
Commercial Mortgage Backed Securities-Subordinated (28.93%)				
Bank of America Commercial Mortgage Trust, Series 2006-6	5.480%	10/10/45	\$3,000,000	\$3,026,973
Commercial Mortgage Trust, Series 2013-CR11 ^{(c)(e)}	4.371%	10/10/23	5,108,000	4,562,936
Commercial Mortgage Trust, Series 2014-CR14 ^{(c)(e)}	3.496%	01/10/24	2,000,000	1,572,932
Goldman Sachs Mortgage Securities Trust, Series 2013-GC13 ^{(c)(e)}	4.071%	07/10/23	3,000,000	2,885,976
Goldman Sachs Mortgage Securities Trust, Series 2013-GC16 ^{(c)(e)}	5.315%	11/10/46	2,342,405	2,436,572
JPMorgan Chase Commercial Mortgage Securities Trust, Series 2006-CIBC14 ^(c)	5.483%	12/12/44	7,560,000	7,504,328
JPMorgan Chase Commercial Mortgage Securities Trust, Series 2013-C16 ^{(c)(e)}	5.009%	11/15/23	2,117,483	2,172,078
Merrill Lynch Mortgage Trust, Series 2005-CIP1 ^(c)	5.236%	08/12/15	5,000,000	4,936,175
Merrill Lynch Mortgage Trust, Series 2006-C1 ^(c)	5.686%	05/12/39	9,000,000	7,145,856
Merrill Lynch-CFC Commercial Mortgage Trust, Series 2006-2 ^{(c)(e)}	5.877%	06/12/46	2,000,000	1,986,612
Merrill Lynch-CFC Commercial Mortgage Trust, Series 2006-3 ^(c)	5.554%	09/12/16	2,500,000	1,884,722
Morgan Stanley Bank of America Merrill Lynch Trust, Series 2013-C8 ^{(c)(e)}	4.171%	02/15/23	3,000,000	2,936,889
				43,052,049
TOTAL COMMERCIAL MORTGAGE BACKED SECURITIES (Cost \$123,436,048)				131,859,299
	7-Day Yield	Shares	Value (Note 2)	
SHORT TERM INVESTMENTS (0.51%)				
State Street Institutional Liquid Reserves Fund, Institutional Class	0.089%	757,545	757,545	
TOTAL SHORT TERM INVESTMENTS				
(Cost \$757,545)				757,545
TOTAL INVESTMENTS (139.82%) (Cost \$192,046,698)				\$ 208,095,514
Liabilities in Excess of Other Assets (-39.82%)				(59,261,337)
NET ASSETS (100.00%)				\$ 148,834,177

(a) Non-income producing security.