LMP REAL ESTATE INCOME FUND INC. Form N-Q May 29, 2012

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 811-21098

LMP Real Estate Income Fund Inc. (Exact name of registrant as specified in charter)

620 Eighth Avenue, 49th Floor, New York, NY (Address of principal executive offices)

10018 (Zip code)

Robert I. Frenkel, Esq.

Legg Mason & Co., LLC

100 First Stamford Place

Stamford, CT 06902 (Name and address of agent for service)

Registrant s telephone number, including area code: (888) 777-0102

Date of fiscal year December 31

end:

Date of reporting period: March 31, 2012

ITEM 1. SCHEDULE OF INVESTMENTS.

LMP REAL ESTATE INCOME FUND INC.

FORM N-Q

MARCH 31, 2012

LMP REAL ESTATE INCOME FUND INC.

Schedule of investments (unaudited)

March 31, 2012

SECURITY	SHARES	VALUE
COMMON STOCKS 83.5%		
Apartments 2.7%		
Campus Crest Communities Inc.	308,220	\$ 3,593,845(a)
Diversified 14.6%		+ -,-,-,-,-(u)
Digital Realty Trust Inc.	45,000	3,328,650(a)
Dundee Real Estate Investment Trust	125,000	4,411,249
Entertainment Properties Trust	112,000	5,194,560(a)
Liberty Property Trust	176,000	6,286,720(a)
Total Diversified	•	19,221,179
Health Care 15.0%		
HCP Inc.	119,800	4,727,308(a)
Health Care REIT Inc.	83,000	4,561,680(a)
OMEGA Healthcare Investors Inc.	300,000	6,378,000(a)
Senior Housing Properties Trust	190,000	4,189,500(a)
Total Health Care	•	19,856,488
Industrial 6.3%		
DCT Industrial Trust Inc.	557,830	3,291,197(a)
First Potomac Realty Trust	410,000	4,956,900(a)
Total Industrial	,	8,248,097
Lodging/Resorts 3.3%		
Hospitality Properties Trust	166,000	4,394,020(a)
Mortgage 3.6%	,	1,2 × 1,2 = 2 (a)
Annaly Capital Management Inc.	80,000	1,265,600
Starwood Property Trust Inc.	168,000	3,531,360
Total Mortgage	100,000	4,796,960
Office 13.1%		1,770,700
BioMed Realty Trust Inc.	130,000	2,467,400(a)
CommonWealth REIT	100,000	1,862,000(a)
Highwoods Properties Inc.	82,000	2,732,240(a)
Kilroy Realty Corp.	146,700	6,837,687(a)
Mack-Cali Realty Corp.	120,000	3,458,400(a)
Total Office	•	17,357,727
Regional Malls 5.5%		
Macerich Co.	125,000	7,218,750(a)
Shopping Centers 19.4%	-,	., ., .,
Excel Trust Inc.	192,000	2,319,360(a)
Inland Real Estate Corp.	480,000	4,257,600(a)
Kite Realty Group Trust	264,000	1,391,280
Primaris Retail Real Estate Investment Trust	196,000	4,252,283(a)
Ramco-Gershenson Properties Trust	247,620	3,025,916(a)
Regency Centers Corp.	85,000	3,780,800(a)
Urstadt Biddle Properties, Class A Shares	33,000	651,420
Westfield Group	650,000	5,945,260
Total Shopping Centers		25,623,919

TOTAL COMMON STOCKS (Cost \$87,519,333)			110,310,985
	RATE		
PREFERRED STOCKS 41.2%			
Apartments 2.5% Apartment Investment & Management Co.	7.000%	135,000	3,348,000
Diversified 3.7% Digital Realty Trust Inc., Cumulative, Series F	6.625%	70,000	1,734,600*

See Notes to Schedule of Investments.

LMP REAL ESTATE INCOME FUND INC.

Schedule of investments (unaudited) (continued)

March 31, 2012

Diversified continued LBA Realty Fund LP. Cumulative Redeemable 8.750% 90,000 \$ 3,166.875% 100 100 1,056.910 1	SECURITY	RATE	SHARES	VALUE
Total Diversified	Diversified continued			
Lodging/Resorts 11.1%		8.750%	90,000 \$	
Ashford Hospitality Trust	Total Diversified			4,901,475
Hersha Hospitality Trust 8,000% 67,000 1,656,910 1,656,910 1,635,910 1,635,910 1,635,910 1,635,910 1,635,910 1,635,910 1,635,910 1,635,910 1,635,910 1,635,910 1,635,910 1,635,910 1,635,910 1,635,910 1,635,910 1,038,702 1,038,702 1,038,702 1,038,702 1,038,702 1,039,000 1,038,702 1,039,000 1,038,702 1,039,000 1,038,302 1,060,235 1,060,235 1,003,000 1,038,303 1,039,000 1,060,235 1,003,331 1,003,000 1,038,303 1,039,303 1,039,331 1,039,3	Lodging/Resorts 11.1%			
LaSalle Hotel Properties, Cumulative Redeemable, Series G	Ashford Hospitality Trust	9.000%	97,000	2,463,800(a)
LaSalle Hotel Properties, Cumulative Redeemable, Series G 7.250% 41,600 1,038,702 Pebblebrook Hotel Trust, Series A 7.875% 80,000 2,072,000 Strategic Hotels Capital Inc., Series B 8.250% 94,300 2,864,362° (a) 5,000% 67,325 1,660,235 5,000% 103,900 2,552,044(a) 1,662,355 5,000% 103,900 2,552,044(a) 1,657,331 1,657,3	Hersha Hospitality Trust	8.000%	67,000	1,656,910
Redeemable, Series G 7.250% 41,600 1,038,702 Pebblebrook Hotel Trust, Series A 7.875% 80,000 2,072,000 Strategic Hotels Capital Inc., Series B 8.250% 94,300 2,864,362*(a) Sunstone Hotel Investors Inc. 8.000% 103,900 2,552,044(a) Sunstone Hotel Investors Inc., Cumulative 8.000% 103,900 2,552,044(a) Redeemable, Series A 8.000% 103,900 2,552,044(a) Total Lodging/Resorts 7.375% 65,761 1,653,889 Goffice 2.0% 40,000 1,008,400(a) BioMed Realty Trust Inc., Series A 7.375% 65,761 1,653,889 Corporate Office Properties Trust, Cumulative 2,662,289 40,000 1,008,400(a) 2,662,289 Regional Malls 4.9% 60,000 1,500,000(a) 3,386,640 Taubman Centers Inc., Cumulative Redeemable, Series A 7,625% 61,359 1,555,604 Total Regional Malls 8.125% 61,359 1,555,604 Total Retail - Free Standing 3.0% 85,000 2,159,000°	LaSalle Hotel Properties	7.500%	13,800	349,278
Pebblebrook Hotel Trust, Series A 7,875% 80,000 2,072,000 Strategic Hotels Capital Inc., Series B 8,250% 94,300 2,864,362°(a) Sunstone Hotel Investors Inc. 8,000% 67,325 1,660,235 Sunstone Hotel Investors Inc., Cumulative 8,000% 103,900 2,552,044(a) Redeemable, Series A 8,000% 103,900 2,552,044(a) Total Lodging/Resorts 8,000% 65,761 1,653,889 Office 2,0% 40,000 1,008,400(a) BioMed Realty Trust Inc., Series A 7,625% 40,000 1,008,400(a) Total Office 7,625% 40,000 1,500,000(a) Redeemable, Series J 7,375% 60,000 1,500,000(a) Total Office 7,375% 60,000 1,500,000(a) Regional Malls 4,9% 61,359 1,555,604 CBL & Associates Properties Inc. 7,625% 61,359 1,555,604 Total Regional Malls 7,625% 85,000 2,159,000° Series H 7,500 85,000 2,159,000°	LaSalle Hotel Properties, Cumulative			
Strategic Hotels Capital Inc., Series B 8.250% 94,300 2,864,362*(a) Sunstone Hotel Investors Inc. 8.000% 67,325 1,660,235 Sunstone Hotel Investors Inc., Cumulative 8.000% 103,900 2,552,044(a) Redeemable, Series A 8.000% 103,900 2,552,044(a) Total Lodging/Resorts 7.375% 65,761 1,653,889 Corporate Office Properties Trust, Cumulative 8.000% 40,000 1,008,400(a) Redeemable, Series J 7.625% 40,000 1,008,400(a) Total Office 7.375% 60,000 1,500,000(a) Regional Malls 4.9% 137,000 3,386,640 Taubman Centers Inc., Cumulative Redeemable, 8.125% 137,000 3,386,640 Total Regional Malls 7.625% 61,359 1,555,604 Total Regional Malls 6.625% 85,000 2,159,000* Restil Free Standing 3.0% 3,912,500 National Retail Properties Inc. 6.625% 85,000 2,159,000* Realty Income Corp., Cumulative Redeemable, 8.875% <	Redeemable, Series G	7.250%	41,600	1,038,702
Sunstone Hote Investors Inc. 8.000% 67,325 1,660,235 Sunstone Hote Investors Inc., Cumulative 8.000% 103,900 2,552,044(a) Redeemable, Series A 8.000% 103,900 2,552,044(a) Total Lodging/Resorts 7.375% 65,761 1,653,889 BioMed Realty Trust Inc., Series A 7.625% 40,000 1,008,400(a) Redeemable, Series I 7.625% 40,000 1,008,400(a) Total Office 2 2,662,289 Regional Malls 4.9% 60,000 1,500,000(a) CBL & Associates Properties Inc. 7.375% 60,000 1,500,000(a) Glimcher Realty Trust 8.125% 137,000 3,386,640 Taubman Centers Inc., Cumulative Redeemable, 61,359 1,555,604 Series H 7.625% 61,359 1,555,604 Total Regional Malls 8 85,000 2,159,000* Reatil - Free Standing 3.0% 85,000 2,159,000* Reatil - Free Standing 6.625% 85,000 2,509,000(a) Stories E 6,750%	Pebblebrook Hotel Trust, Series A	7.875%	80,000	2,072,000
Sunstone Hotel Investors Inc., Cumulative 8.000% 67,325 1,660,235 Runstone Hotel Investors Inc., Cumulative 8.000% 103,900 2,552,044(a) Redeemable, Series A 8.000% 103,900 2,552,044(a) Total Lodging/Resorts 7.375% 65,761 1,653,889 BioMed Realty Trust Inc., Series A 7.375% 65,761 1,653,889 Corporate Office Properties Trust, Cumulative 40,000 1,008,400(a) Redeemable, Series J 7.625% 40,000 1,008,400(a) Total Office 7.375% 60,000 1,500,000(a) CBL & Associates Properties Inc. 7.375% 60,000 1,500,000(a) Glimcher Realty Trust 8.125% 137,000 3,386,640 Taubman Centers Inc., Cumulative Redeemable, 61,359 1,555,604 Series H 7.625% 85,000 2,159,000* Realty Income Corp., Cumulative Redeemable, 85,000 2,159,000* Series E 6,750% 70,000 1,753,500(a) Total Retail Free Standing 8 88,500 2,509,000(a) </td <td>Strategic Hotels Capital Inc., Series B</td> <td>8.250%</td> <td>94,300</td> <td>2,864,362*(a)</td>	Strategic Hotels Capital Inc., Series B	8.250%	94,300	2,864,362*(a)
Redeemable, Series A 8.000% 103,900 2,552,044(a) Total Lodging/Resorts 14,657,331 14,657,331 Office 2.0% 5 BioMed Realty Trust Inc., Series A 7.375% 65,761 1,653,889 Corporate Office Properties Trust, Cumulative Redeemable, Series J 7.625% 40,000 1,008,400(a) Total Office 2,662,289 Regional Malls 4.9% 60,000 1,500,000(a) CBL & Associates Properties Inc. 7.375% 60,000 1,500,000(a) Glimcher Realty Trust 8.125% 137,000 3,386,640 Taubman Centers Inc., Cumulative Redeemable, 8.125% 61,359 1,555,604 Total Regional Malls 7.625% 61,359 1,555,604 Total Regional Malls 8.500 2,159,000* Reatil - Free Standing 3.0% 85,000 2,159,000* Reatil - Free Standing 6.625% 85,000 2,159,000* Reatil - Free Standing 70,000 1,753,500(a) 3,912,500 Shopping Centers 13.2% 100,000 2,509,000		8.000%	67,325	
Total Lodging/Resorts 14,657,331 Office 2.0% BioMed Realty Trust Inc., Series A 7.375% 65,761 1,653,889 Corporate Office Properties Trust, Cumulative 7.625% 40,000 1,008,400(a) Redeemable, Series J 7.625% 40,000 1,008,400(a) Total Office 8.026% 40,000 1,500,000(a) Regional Malls 4.9% 60,000 1,500,000(a) CBL & Associates Properties Inc. 7.375% 60,000 1,500,000(a) Glimcher Realty Trust 8.125% 137,000 3,386,640 Taubman Centers Inc., Cumulative Redeemable, 6.625% 61,359 1,555,604 Gries H 7.625% 61,359 1,555,604 6,442,244 Retail - Free Standing 3.0% 85,000 2,159,000* Realty Income Corp., Cumulative Redeemable, 85,000 70,000 1,753,500(a) Series E 6.750% 70,000 1,753,500(a) Total Retail - Free Standing 8.875% 100,000 2,509,000(a) Series E <t< td=""><td>Sunstone Hotel Investors Inc., Cumulative</td><td></td><td></td><td></td></t<>	Sunstone Hotel Investors Inc., Cumulative			
Total Lodging/Resorts 14,657,331 Office 2.0% BioMed Realty Trust Inc., Series A 7.375% 65,761 1,653,889 Corporate Office Properties Trust, Cumulative 7.625% 40,000 1,008,400(a) Redeemable, Series J 7.625% 40,000 1,008,400(a) Total Office 7.375% 60,000 1,500,000(a) Regional Malls 4.9% 137,000 3,386,640 CBL & Associates Properties Inc. 7.375% 60,000 1,500,000(a) Glimcher Realty Trust 8.125% 137,000 3,386,640 Taubman Centers Inc., Cumulative Redeemable, 6.625% 61,359 1,555,604 Gries H 7.625% 61,359 1,555,604 6,442,244 Retail - Free Standing 3.0% 85,000 2,159,000* Realty Income Corp., Cumulative Redeemable, 85,000 70,000 1,753,500(a) Series E 6.750% 70,000 1,753,500(a) Total Retail - Free Standing 8.875% 100,000 2,509,000(a) Series E	Redeemable, Series A	8.000%	103,900	2,552,044(a)
Diffice 2.0% BioMed Realty Trust Inc., Series A 7.375% 65,761 1,653,889			·	14,657,331
BioMed Realty Trust Inc., Series A 7.375% 65,761 1,653,889 Corporate Office Properties Trust, Cumulative Redeemable, Series J 7.625% 40,000 1,008,400(a) Total Office 2,662,289 Regional Malls 4.9% 60,000 1,500,000(a) CBL & Associates Properties Inc. 7.375% 60,000 1,500,000(a) Glimcher Realty Trust 8.125% 137,000 3,386,640 Taubman Centers Inc., Cumulative Redeemable, 8.125% 61,359 1,555,604 Total Regional Malls 7.625% 61,359 1,555,604 Total Regional Properties Inc. 6.625% 85,000 2,159,000* Realty Income Corp., Cumulative Redeemable, 85,000 1,753,500(a) 3,912,500 Realty Income Corp., Cumulative Redeemable, 85,000 1,753,500(a) 3,912,500 Series E 6,750% 70,000 1,753,500(a) 3,912,500 Shopping Centers Inc., Cumulative 8.875% 100,000 2,509,000(a) 85,200 Redeemable, Series A 8.875% 100,000 2,509,000(a) 83,1270				, ,
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Redeemable, Series J 7.625% 40,000 1,008,400(a) Total Office 2,662,289 Regional Malls 4.9%		1.31370	03,701	1,055,009
Total Office 2,662,289 Regional Malls 4.9%	•	7 625%	40,000	1 009 400(a)
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CBL & Associates Properties Inc. 7.375% 60,000 1,500,000(a) Glimcher Realty Trust 8.125% 137,000 3,386,640 Taubman Centers Inc., Cumulative Redeemable, Series H 7.625% 61,359 1,555,604 Total Regional Malls Retail - Free Standing 3.0% National Retail Properties Inc. 6.625% 85,000 2,159,000* Realty Income Corp., Cumulative Redeemable, Series E 6.750% 70,000 1,753,500(a) Scries E 6.750% 70,000 1,753,500(a) Shopping Centers 13.2% Cedar Shopping Centers Inc., Cumulative Redeemable, Series A 8.875% 100,000 2,509,000(a) Excel Trust Inc. 8.125% 33,000 831,270 Kimco Realty Corp., Series G 7.750% 209,100 5,311,140(a) Kite Realty Group Trust, Series A 8.250% 100,019 2,511,477(a) Urstadt Biddle Properties Inc., Cumulative, Series C 8.500% 59,900 6,311,364 Total Shopping Centers Storage 0.8% CubeSmart, Cumulative, Series A 7.750% 42,196 1				2,002,289
Glimcher Realty Trust 8.125% 137,000 3,386,640 Taubman Centers Inc., Cumulative Redeemable, 7.625% 61,359 1,555,604 Series H 7.625% 61,359 1,555,604 Total Regional Malls 85,000 2,159,000* Retail - Free Standing 3.0% 85,000 2,159,000* National Retail Properties Inc. 6.625% 85,000 2,159,000* Realty Income Corp., Cumulative Redeemable, 70,000 1,753,500(a) 3,912,500 Stories E 6.750% 70,000 1,753,500(a) 3,912,500 Shopping Centers 13.2% 50 50 2,509,000(a) 2,509,000(a) Sexies Series A 8.875% 100,000 2,509,000(a) 831,270 Kimco Realty Corp., Series G 7.750% 209,100 5,311,140(a) Kite Realty Group Trust, Series A 8.250% 100,019 2,511,477(a) Urstadt Biddle Properties Inc., Cumulative, 59,900 6,311,364 Total Shopping Centers 17,474,251 17,474,251 Storage 0.8% 10,011,356 1,071,356	Č .			
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Series H 7.625% 61,359 1,555,604 Total Regional Malls 6,442,244 Retail - Free Standing 3.0% 3.0% 2,159,000* National Retail Properties Inc. 6.625% 85,000 2,159,000* Realty Income Corp., Cumulative Redeemable, 85,000 1,753,500(a) 1,753,500(a) 3,912,500 Shopping Centers 13.2% 50,000 2,509,000(a) 2,511,470(a) 2,509,000(a) 2,509,000(a) <td>•</td> <td>8.125%</td> <td>137,000</td> <td>3,386,640</td>	•	8.125%	137,000	3,386,640
Total Regional Malls 6,442,244 Retail - Free Standing 3.0% National Retail Properties Inc. 6.625% 85,000 2,159,000* Realty Income Corp., Cumulative Redeemable, Series E 6.750% 70,000 1,753,500(a) Series E 6.750% 70,000 1,753,500(a) Shopping Centers 13.2% Cedar Shopping Centers Inc., Cumulative Redeemable, Series A 8.875% 100,000 2,509,000(a) Excel Trust Inc. 8.125% 33,000 831,270 Kimco Realty Corp., Series G 8.125% 33,000 831,270 Kite Realty Group Trust, Series A 8.250% 100,019 2,511,477(a) Urstadt Biddle Properties Inc., Cumulative, 59,900 6,311,364 Total Shopping Centers 8.50% 59,900 6,311,364 Total Shopping Centers 8.50% 59,900 6,311,364	Taubman Centers Inc., Cumulative Redeemable,			
Retail - Free Standing 3.0% 85,000 2,159,000* National Retail Properties Inc. 6.625% 85,000 2,159,000* Realty Income Corp., Cumulative Redeemable, 70,000 1,753,500(a) Series E 6.750% 70,000 1,753,500(a) Total Retail - Free Standing 3,912,500 Shopping Centers 13.2% 50,000 2,509,000(a) Cedar Shopping Centers Inc., Cumulative 8.875% 100,000 2,509,000(a) Redeemable, Series A 8.125% 33,000 831,270 Kimco Realty Corp., Series G 7.750% 209,100 5,311,140(a) Kite Realty Group Trust, Series A 8.250% 100,019 2,511,477(a) Urstadt Biddle Properties Inc., Cumulative, 8.500% 59,900 6,311,364 Total Shopping Centers 17,474,251 17,474,251 Storage 0.8% 0.8% 42,196 1,071,356		7.625%	61,359	
National Retail Properties Inc. 6.625% 85,000 2,159,000* Realty Income Corp., Cumulative Redeemable, 6.750% 70,000 1,753,500(a) Series E 6.750% 70,000 1,753,500(a) Total Retail - Free Standing 3,912,500 Shopping Centers 13.2% 50,000 5,000,000 (a) Cedar Shopping Centers Inc., Cumulative 8.875% 100,000 2,509,000 (a) Rexeel Trust Inc. 8.125% 33,000 831,270 Kimco Realty Corp., Series G 7.750% 209,100 5,311,140(a) Kite Realty Group Trust, Series A 8.250% 100,019 2,511,477(a) Urstadt Biddle Properties Inc., Cumulative, 8.500% 59,900 6,311,364 Total Shopping Centers 17,474,251 17,474,251 Storage 0.8% 0.8% 42,196 1,071,356	Total Regional Malls			6,442,244
Realty Income Corp., Cumulative Redeemable, 6.750% 70,000 1,753,500(a) Series E 6.750% 70,000 1,753,500(a) Total Retail - Free Standing 3,912,500 Shopping Centers 13.2% 32.00 30.00 Cedar Shopping Centers Inc., Cumulative 8.875% 100,000 2,509,000(a) Redeemable, Series A 8.125% 33,000 831,270 Kinco Realty Corp., Series G 7.750% 209,100 5,311,140(a) Kite Realty Group Trust, Series A 8.250% 100,019 2,511,477(a) Urstadt Biddle Properties Inc., Cumulative, 8.500% 59,900 6,311,364 Total Shopping Centers 17,474,251 Storage 0.8% CubeSmart, Cumulative, Series A 7.750% 42,196 1,071,356	Retail - Free Standing 3.0%			
Realty Income Corp., Cumulative Redeemable, 6.750% 70,000 1,753,500(a) Series E 6.750% 70,000 1,753,500(a) Total Retail - Free Standing 3,912,500 Shopping Centers 13.2% 32.00 2,509,000(a) Cedar Shopping Centers Inc., Cumulative 8.875% 100,000 2,509,000(a) Excel Trust Inc. 8.125% 33,000 831,270 Kinco Realty Corp., Series G 7.750% 209,100 5,311,140(a) Kite Realty Group Trust, Series A 8.250% 100,019 2,511,477(a) Urstadt Biddle Properties Inc., Cumulative, 8.500% 59,900 6,311,364 Total Shopping Centers 17,474,251 Storage 0.8% 0.8% 42,196 1,071,356	National Retail Properties Inc.	6.625%	85,000	2,159,000*
Series E 6.750% 70,000 1,753,500(a) Total Retail - Free Standing 3,912,500 Shopping Centers 13.2% Cedar Shopping Centers Inc., Cumulative Redeemable, Series A 8.875% 100,000 2,509,000(a) Excel Trust Inc. 8.125% 33,000 831,270 Kimco Realty Corp., Series G 7.750% 209,100 5,311,140(a) Kite Realty Group Trust, Series A 8.250% 100,019 2,511,477(a) Urstadt Biddle Properties Inc., Cumulative, 59,900 6,311,364 Total Shopping Centers 8.500% 59,900 6,311,364 Total Shopping Centers 17,474,251 Storage 0.8% 42,196 1,071,356			·	, ,
Total Retail - Free Standing 3,912,500 Shopping Centers 13.2% Cedar Shopping Centers Inc., Cumulative Redeemable, Series A 8.875% 100,000 2,509,000(a) Excel Trust Inc. 8.125% 33,000 831,270 Kimco Realty Corp., Series G 7.750% 209,100 5,311,140(a) Kite Realty Group Trust, Series A 8.250% 100,019 2,511,477(a) Urstadt Biddle Properties Inc., Cumulative, 8.500% 59,900 6,311,364 Total Shopping Centers 17,474,251 Storage 0.8% CubeSmart, Cumulative, Series A 7.750% 42,196 1,071,356	•	6.750%	70,000	1,753,500(a)
Shopping Centers 13.2% Cedar Shopping Centers Inc., Cumulative Redeemable, Series A 8.875% 100,000 2,509,000(a) Excel Trust Inc. 8.125% 33,000 831,270 Kimco Realty Corp., Series G 7.750% 209,100 5,311,140(a) Kite Realty Group Trust, Series A 8.250% 100,019 2,511,477(a) Urstadt Biddle Properties Inc., Cumulative, 8.500% 59,900 6,311,364 Total Shopping Centers 8.500% 59,900 6,311,364 Total Shopping Centers 17,474,251 Storage 0.8% 7.750% 42,196 1,071,356	Total Retail - Free Standing		·	3,912,500
Cedar Shopping Centers Inc., Cumulative Redeemable, Series A 8.875% 100,000 2,509,000(a) Excel Trust Inc. 8.125% 33,000 831,270 Kimco Realty Corp., Series G 7.750% 209,100 5,311,140(a) Kite Realty Group Trust, Series A 8.250% 100,019 2,511,477(a) Urstadt Biddle Properties Inc., Cumulative, 8.500% 59,900 6,311,364 Total Shopping Centers 17,474,251 Storage 0.8% CubeSmart, Cumulative, Series A 7.750% 42,196 1,071,356	e			
Redeemable, Series A 8.875% 100,000 2,509,000(a) Excel Trust Inc. 8.125% 33,000 831,270 Kimco Realty Corp., Series G 7.750% 209,100 5,311,140(a) Kite Realty Group Trust, Series A 8.250% 100,019 2,511,477(a) Urstadt Biddle Properties Inc., Cumulative, Series C 8.500% 59,900 6,311,364 Total Shopping Centers 17,474,251 Storage 0.8% CubeSmart, Cumulative, Series A 7.750% 42,196 1,071,356				
Excel Trust Inc. 8.125% 33,000 831,270 Kimco Realty Corp., Series G 7.750% 209,100 5,311,140(a) Kite Realty Group Trust, Series A 8.250% 100,019 2,511,477(a) Urstadt Biddle Properties Inc., Cumulative, 8.500% 59,900 6,311,364 Total Shopping Centers 17,474,251 Storage 0.8% 0.8% CubeSmart, Cumulative, Series A 7.750% 42,196 1,071,356	** *	8 875 <i>0</i> 7	100,000	2.500.000(a)
Kimco Realty Corp., Series G 7.750% 209,100 5,311,140(a) Kite Realty Group Trust, Series A 8.250% 100,019 2,511,477(a) Urstadt Biddle Properties Inc., Cumulative, Series C 8.500% 59,900 6,311,364 Total Shopping Centers Storage 0.8% CubeSmart, Cumulative, Series A 7.750% 42,196 1,071,356			· ·	, , , , ,
Kite Realty Group Trust, Series A 8.250% 100,019 2,511,477(a) Urstadt Biddle Properties Inc., Cumulative, 8.500% 59,900 6,311,364 Total Shopping Centers 17,474,251 Storage 0.8% 0.8% 42,196 1,071,356 CubeSmart, Cumulative, Series A 7.750% 42,196 1,071,356			· ·	*
Urstadt Biddle Properties Inc., Cumulative, Series C 8.500% 59,900 6,311,364 Total Shopping Centers 17,474,251 Storage 0.8% 0.8% CubeSmart, Cumulative, Series A 7.750% 42,196 1,071,356			,	
Series C 8.500% 59,900 6,311,364 Total Shopping Centers 17,474,251 Storage 0.8% 0.8% 42,196 1,071,356 CubeSmart, Cumulative, Series A 7.750% 42,196 1,071,356		8.230%	100,019	2,311,477(a)
Total Shopping Centers 17,474,251 Storage 0.8% 0.8% CubeSmart, Cumulative, Series A 7.750% 42,196 1,071,356	-	9.5000	50,000	6 211 264
Storage 0.8% CubeSmart, Cumulative, Series A 7.750% 42,196 1,071,356		8.300%	39,900	
CubeSmart, Cumulative, Series A 7.750% 42,196 1,071,356				17,474,231
	<u>c</u>			
TOTAL PREFERRED STOCKS (Cost \$54,118,773) 54,469,446		7.750%	42,196	
	TOTAL PREFERRED STOCKS (Cost \$54,118,773)			54,469,446

See Notes to Schedule of Investments.

LMP REAL ESTATE INCOME FUND INC.

Schedule of investments (unaudited) (continued)

March 31, 2012

	MATURITY		FACE		
RATE	DATE	I	AMOUNT		VALUE
M INVESTMENTS (Cost	\$141,638,106)			\$	164,780,431
0.070%	4/2/12	\$	6,580,000		6,580,000
,218,106#)					171,360,431
					(39,284,562)
	M INVESTMENTS (Cost 0.070%	M INVESTMENTS (Cost \$141,638,106) 0.070% 4/2/12	RATE DATE M INVESTMENTS (Cost \$141,638,106) 0.070% 4/2/12 \$	RATE DATE AMOUNT M INVESTMENTS (Cost \$141,638,106) 0.070% 4/2/12 \$ 6,580,000	RATE DATE AMOUNT M INVESTMENTS (Cost \$141,638,106) \$ 0.070% 4/2/12 \$ 6,580,000