COHEN & STEERS REIT & PREFERRED INCOME FUND INC
Form N-CSRS
September 05, 2014

UNITED STATES

SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

FORM N-CSR

CERTIFIED SHAREHOLDER REPORT OF REGISTERED MANAGEMENT INVESTMENT COMPANIES

Investment Company Act file number 811-21326

Cohen & Steers REIT and Preferred Income Fund, Inc.
(Exact name of registrant as specified in charter)

280 Park Avenue, New York, NY	10017
(Address of principal executive offices)	(Zip code)

Tina M. Payne

Cohen & Steers Capital Management, Inc.

280 Park Avenue

New York, New York 10017
(Name and address of agent for service)

Registrant s telephone number, including area code: (212) 832-3232

Date of fiscal year end: December 31

Date of reporting period: June 30, 2014

Item 1. Reports to Stockholders.

COHEN & STEERS REIT AND PREFERRED INCOME FUND, INC.

To Our Shareholders:

We would like to share with you our report for the six months ended June 30, 2014. The net asset value (NAV) at that date was $20.63 per common share. The Fund's common stock is traded on the New York Stock Exchange (NYSE) and its share price can differ from its NAV; at period end, the Fund's closing price on the NYSE was $18.03.

The total returns, including income, for the Fund and its comparative benchmarks were:

	Six Months Ended June 30, 2014
Cohen & Steers REIT and Preferred Income Fund at NAV[a]	19.56%
Cohen & Steers REIT and Preferred Income Fund at Market Value[a]	19.00%
FTSE NAREIT Equity REIT Index[b]	17.66%
BofA Merrill Lynch Fixed-Rate Preferred Securities Index[b]	12.04%
Blended Benchmark 50% FTSE NAREIT Equity REIT Index/ 50% BofA Merrill Lynch Fixed-Rate Preferred Securities Index[b]	14.83%
S&P 500 Index[b]	7.14%

The performance data quoted represent past performance. Past performance is no guarantee of future results. The investment return and the principal value of an investment will fluctuate and shares, if sold, may be worth more or less than their original cost. Current performance may be lower or higher than the performance data quoted. Performance results reflect the effects of leverage, resulting from borrowings under a credit agreement. Current total returns of the Fund can be obtained by visiting our website at cohenandsteers.com. The Fund's returns assume the reinvestment of all dividends and distributions at prices obtained under the Fund's dividend reinvestment plan. Index performance does not reflect the deduction of any fees, taxes or expenses. An investor cannot invest directly in an index. Performance figures for periods shorter than one year are not annualized.

The Fund implements fair value pricing when the daily change in a specific U.S. market index exceeds a predetermined percentage. Fair value pricing adjusts the valuation of certain non-U.S. equity holdings to account for such index change following the close of foreign markets. This standard practice has been adopted by a majority of the fund industry. In the event fair value pricing is implemented on the first and/or last day of a performance measurement period, the Fund's return may diverge from the relative performance of its benchmark, which does not use fair value pricing.

[a] As a closed-end investment company, the price of the Fund's NYSE-traded shares will be set by market forces and at times may deviate from the NAV per share of the Fund.

[b] The FTSE NAREIT Equity REIT Index is an unmanaged, market-capitalization-weighted index of all publicly traded REITs that invest predominantly in the equity ownership of real estate. The index is designed to reflect the performance of all publicly traded equity REITs as a whole. The BofA Merrill Lynch Fixed-Rate Preferred Securities Index tracks the performance of fixed-rate U.S. dollar denominated preferred securities issued in the U.S. domestic market. The Standard & Poor's 500 Composite Stock Index (S&P 500 Index) is an unmanaged index of 500 large capitalization, publicly traded stocks representing a variety of industries that is frequently used as a general measure of stock market performance.

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COHEN & STEERS REIT AND PREFERRED INCOME FUND, INC.

The Fund makes regular quarterly distributions at a level rate (the Policy). Distributions paid by the Fund are subject to recharacterization for tax purposes and are taxable up to the amount of the Fund's investment company taxable income and net realized gains. As a result of the Policy, the Fund may pay distributions in excess of the Fund's investment company taxable income and realized gains. This excess would be a "return of capital" distributed from the Fund's assets. Distributions of capital decrease the Fund's total assets and, therefore, could have the effect of increasing the Fund's expense ratio. In addition, in order to make these distributions, the Fund may have to sell portfolio securities at a less than opportune time.

Investment Review

After widely underperforming U.S. stocks in 2013, real estate investment trusts (REITs) rebounded in the first half of 2014, with the FTSE NAREIT Equity REIT Index gaining 17.7% compared with 7.1% for the S&P 500 Index. The period began with an easing in long-term bond yields amid signs that economic activity was being negatively impacted by unusually harsh weather. However, in the second quarter, strong job growth and accelerating industrial production painted a more upbeat picture of the economy, lifting investors' confidence that the recovery had sufficient momentum as the Federal Reserve continued to taper its bond purchases. At the same time, bond yields continued their downward trend amid a combination of an accommodative outlook for U.S. monetary policy and aggressive liquidity measures by the European Central Bank (ECB).

Fundamentals continued to improve for all types of real estate, driving solid returns across the REIT landscape. Apartment REITs (23.6% total return[c]) performed well despite continued pressures of new supply. Many companies exhibited better-than-expected cash flow growth, as continued demand for rental housing enabled them to raise rents on existing tenants, even in markets where new tenants were being signed at lower rates. Revenues at self storage REITs (18.1%) also continued to improve amid rising rents and occupancy rates.

The regional mall (16.4%) and shopping center (16.7%) sectors benefited from growing retail sales and improving tenant demand for in-line storefronts in prime locations. Managements also were relatively successful in improving the productivity of lower-performing assets through redevelopment. In the office sector (17.8%), asset values and rent-growth expectations continued to improve, particularly in New York City and San Francisco. Industrial REITs (13.1%) also saw evidence of strengthening demand and higher rents. However, with developers ramping up construction to meet the demand for built-to-suit multipurpose facilities, investors showed increasing sensitivity to the potential impact of new supply in select markets.

In the preferred securities market, the BofA Merrill Lynch Fixed-Rate Preferred Securities Index gained 12.0% in the first half of 2014, supported by tightening credit spreads and a decline in 10-year Treasury yields from 3.0% to 2.5%. REIT preferred securities, many of which are longer-duration issues, were among the top performers in the first half of the year, following particularly poor returns in 2013. Preferreds issued by financial institutions, which are by far the largest issuers of preferred securities, also performed well. In particular, securities from U.K. and European banks had solid gains, driven by

[c] Sectors in U.S. dollars as represented by the FTSE NAREIT Equity REIT Index.

COHEN & STEERS REIT AND PREFERRED INCOME FUND, INC.

expectations of additional ECB stimulus and further improvements in bank credit fundamentals. Most major U.S. and European banks continued to bolster their balance sheets in the face of new, more stringent regulatory capital requirements, which had a positive effect on their creditworthiness.

There was a significant volume of new preferred securities issuance during the period. Issuance was driven by regulatory changes following the financial crisis that require new preferred structures. However, the pace of issuance picked up as issuers took advantage of the improving backdrop for fixed income, seeing demand for higher-income securities amid low Treasury yields and tightening spreads across credit markets. The added supply had little impact on prices for the broader preferreds market due to the continued demand for income, although select securities were revalued based on the new issues.

Fund Performance

The Fund had a positive total return for the period and outperformed its blended benchmark on a NAV and market value basis. Security selection within the preferred securities portion of the Fund detracted from relative performance. Amid declining long-term rates, the small universe of longer-duration investment-grade REIT preferreds represented in the benchmark outperformed the Fund's preferred securities holdings. The Fund invested largely in higher-yielding, lower-rated securities that we believe are more defensive with respect to interest-rate risk. Contributors to relative performance included stock selection in the diversified REIT sector (15.9% return in the index), as well as in the office and apartment sectors.

Impact of Derivatives on Fund Performance

The Fund used derivatives in the form of forward foreign currency exchange contracts in order to manage currency risk on certain Fund positions denominated in foreign currencies. These contracts did not have a material effect on the Fund's total return during the six-month period ended June 30, 2014.

Impact of Leverage on Fund Performance

The Fund employs leverage as part of a yield-enhancement strategy. Leverage, which can increase total return in rising markets (just as it can have the opposite effect in declining markets), significantly contributed to the Fund's performance during the six-month period ended June 30, 2014 compared to its blended benchmark, which is not leveraged.

Investment Outlook

We expect further improvement in U.S. economic growth and a modest rebound in inflation from historically low levels. We recognize that slower growth trajectories and easy monetary policy conditions in foreign economies, as well as geopolitical uncertainties, may continue to place downward pressure on U.S. bond yields. Nonetheless, we look for bond yields to resume their gradual upward trend over time. We view this as a favorable backdrop for REITs, as the potential for higher asset values and cash flows should outweigh the impact of higher Treasury yields. We also believe that REITs' modest premiums

COHEN & STEERS REIT AND PREFERRED INCOME FUND, INC.

relative to the net value of their underlying properties are justified given the environment of improving real estate fundamentals and continued job growth.

Our positive outlook for the U.S. economy leads us to prefer cyclically sensitive names, although we have balanced these positions with attractively valued noncyclical assets that may perform better if tepid growth continues. We continue to favor New York City offices given the continued strengthening in fundamentals. We have also begun to take targeted positions in suburban office companies trading at discounts to their underlying property values. We continue to see attractive value in high-quality regional mall and shopping center landlords, as well as some owners of Class-B assets that we believe offer potential for attractive risk-adjusted returns. Within the self storage sector, we expect further upside to cash flow growth amid strong demand and limited new supply.

Within the preferred securities market, we believe the cushions provided by high income and wide credit spreads may help to soften the impact of rising interest rates if Treasury yields revert to more normal historical levels in the coming year. Furthermore, we believe preferreds are more attractively priced than other markets such as high yield bonds, particularly given the powerful credit tailwind of exceptionally strong bank regulation.

Following the run-up in prices of many preferreds year to date, we believe the disparity in valuations across the preferreds market underscores the importance of security selection. We continue to focus on preferreds that we believe offer attractive risk-adjusted returns, emphasizing securities with high income rates that provide a more defensive posture relative to interest-rate risk. These may include below-investment-grade and non-rated securities. Additionally, we generally favor lower-duration securities, including those with fixed-to-float or floating-rate structures.

COHEN & STEERS REIT AND PREFERRED INCOME FUND, INC.

Sincerely,

ROBERT H. STEERS *Chairman*	JOSEPH M. HARVEY *Portfolio Manager*
WILLIAM F. SCAPELL *Portfolio Manager*	THOMAS N. BOHJALIAN *Portfolio Manager*

JASON YABLON

Portfolio Manager

The views and opinions in the preceding commentary are subject to change without notice and are as of the date of publication. There is no guarantee that any market forecast set forth in the commentary will be realized. This material represents an assessment of the market environment at a specific point in time, should not be relied upon as investment advice and is not intended to predict or depict performance of any investment.

Visit Cohen & Steers online at cohenandsteers.com

For more information about the Cohen & Steers family of mutual funds, visit cohenandsteers.com. Here you will find fund net asset values, fund fact sheets and portfolio highlights, as well as educational resources and timely market updates.

Our website also provides comprehensive information about Cohen & Steers, including our most recent press releases, profiles of our senior investment professionals and their investment approach to each asset class. The Cohen & Steers family of mutual funds invests in major real asset categories focused on global listed real estate, commodities, global listed infrastructure & MLPs, as well as preferred securities and large cap value equities.

COHEN & STEERS REIT AND PREFERRED INCOME FUND, INC.

Our Leverage Strategy
(Unaudited)

Our current leverage strategy utilizes borrowings up to the maximum permitted by the Investment Company Act of 1940 to provide additional capital for the Fund, with an objective of increasing the net income available for shareholders. As of June 30, 2014, leverage represented 26% of the Fund's managed assets.

Through a combination of variable and fixed rate financing, the Fund has locked in interest rates on a significant portion of this additional capital for periods of five, six and seven years (where we effectively reduce our variable rate obligation and lock in our fixed rate obligation over various terms). Locking in a significant portion of our leveraging costs is designed to protect the dividend-paying ability of the Fund. The use of leverage increases the volatility of the Fund's net asset value in both up and down markets. However, we believe that locking in portions of the Fund's leveraging costs for the various terms partially protects the Fund's expenses from an increase in short-term interest rates.

Leverage Facts[a,b]

Leverage (as a % of managed assets)	26%
% Fixed Rate	85%
% Variable Rate	15%
Weighted Average Rate on Financing	1.9%
Weighted Average Term on Financing	4.0 years

The Fund seeks to enhance its dividend yield through leverage. The use of leverage is a speculative technique and there are special risks and costs associated with leverage. The net asset value of the Fund's common shares may be reduced by the issuance and ongoing costs of leverage. So long as the Fund is able to invest in securities that produce an investment yield that is greater than the total cost of leverage, the leverage strategy will produce higher current net investment income for the common shareholders. On the other hand, to the extent that the total cost of leverage exceeds the incremental income gained from employing such leverage, the common shareholders would realize lower net investment income. In addition to the impact on net income, the use of leverage will have an effect of magnifying capital appreciation or depreciation for common shareholders. Specifically, in an up market, leverage will typically generate greater capital appreciation than if the Fund were not employing leverage. Conversely, in down markets, the use of leverage will generally result in greater capital depreciation than if the Fund had been unlevered. To the extent that the Fund is required or elects to reduce its leverage, the Fund may need to liquidate investments, including under adverse economic conditions which may result in capital losses potentially reducing returns to common shareholders. There can be no assurance that a leveraging strategy will be successful during any period in which it is employed.

[a] Data as of June 30, 2014. Information is subject to change.

[b] See Note 7 in Notes to Financial Statements.

COHEN & STEERS REIT AND PREFERRED INCOME FUND, INC.

June 30, 2014
Top Ten Holdings[a]
(Unaudited)

Security	Value	% of Managed Assets
Simon Property Group	$48,927,724	3.7
Equity Residential	40,925,115	3.1
Ventas	38,504,037	2.9
Prologis	38,025,385	2.8
Public Storage	28,239,851	2.1
Vornado Realty Trust	25,364,705	1.9
SL Green Realty Corp.	23,151,813	1.7
General Growth Properties	19,981,990	1.5
Kimco Realty Corp.	18,597,507	1.4
JPMorgan Chase & Co., 7.90%, Series I	18,521,250	1.4

[a] Top ten holdings are determined on the basis of the value of individual securities held. The Fund may also hold positions in other types of securities issued by the companies listed above. See the Schedule of Investments for additional details on such other positions.

Sector Breakdown

(Based on Managed Assets)
(Unaudited)

COHEN & STEERS REIT AND PREFERRED INCOME FUND, INC.

SCHEDULE OF INVESTMENTS

June 30, 2014 (Unaudited)

		Number of Shares	Value
COMMON STOCK REAL ESTATE	67.7%		
DIVERSIFIED	5.8%		
American Assets Trust[a]		175,367	$ 6,058,930
American Realty Capital Properties[a,b]		1,027,571	12,875,465
Cousins Properties[a]		674,083	8,392,333
Forest City Enterprises, Class A[a,b,c]		235,858	4,686,498
Vornado Realty Trust[a,b]		237,653	25,364,705
			57,377,931
HEALTH CARE	6.9%		
Aviv REIT[a,b]		287,625	8,102,396
Brookdale Senior Living[c]		85,714	2,857,705
Health Care REIT[a]		154,872	9,705,828
Omega Healthcare Investors		247,989	9,140,875
Ventas[a,b]		600,687	38,504,037
			68,310,841
HOTEL	6.8%		
Belmond Ltd., Class A (Bermuda)[c]		206,487	3,002,321
Hersha Hospitality Trust[a,b]		986,964	6,622,529
Hilton Worldwide Holdings[c]		251,681	5,864,167
Host Hotels & Resorts[a,b]		779,369	17,153,912
La Quinta Holdings[c]		301,514	5,770,978
Strategic Hotels & Resorts[a,c]		1,229,556	14,398,101
Sunstone Hotel Investors[a]		913,025	13,631,463
			66,443,471
INDUSTRIALS	5.3%		
First Industrial Realty Trust[a,b]		174,616	3,289,765
Gramercy Property Trust		725,502	4,389,287
Prologis[a,b]		925,417	38,025,385
STAG Industrial		279,672	6,714,925
			52,419,362

See accompanying notes to financial statements.

COHEN & STEERS REIT AND PREFERRED INCOME FUND, INC.

SCHEDULE OF INVESTMENTS (Continued)

June 30, 2014 (Unaudited)

		Number of Shares	Value
OFFICE	10.7%		
BioMed Realty Trust		437,478	$ 9,550,145
Boston Properties[a,b]		73,652	8,704,193
Corporate Office Properties Trust[a,b]		243,644	6,775,740
Douglas Emmett[a]		382,532	10,795,053
Empire State Realty Trust, Class A[a]		435,908	7,192,482
Hudson Pacific Properties[a,b]		291,826	7,394,871
Kilroy Realty Corp.		209,873	13,070,890
Mack-Cali Realty Corp.		128,090	2,751,373
Parkway Properties[a]		620,448	12,812,251
PS Business Parks[a]		39,311	3,282,075
SL Green Realty Corp.[a,b]		211,606	23,151,813
			105,480,886
RESIDENTIAL APARTMENT	9.7%		
Apartment Investment & Management Co.[a,b]		264,535	8,536,544
AvalonBay Communities[a]		65,019	9,245,052
Equity Residential[a,b]		649,605	40,925,115
Essex Property Trust[a]		81,664	15,100,490
Home Properties		131,837	8,432,295
UDR[a,b]		457,764	13,105,783
			95,345,279
SELF STORAGE	5.3%		
CubeSmart[a,b]		327,876	6,006,688
Extra Space Storage[a]		154,860	8,246,295
Public Storage[a,b]		164,808	28,239,851
Sovran Self Storage[a]		131,376	10,148,796
			52,641,630
SHOPPING CENTERS	16.7%		
COMMUNITY CENTER	6.4%		
Brixmor Property Group		349,818	8,028,323
Kimco Realty Corp.[a,b]		809,291	18,597,507
Ramco-Gershenson Properties Trust[a,b]		557,383	9,263,706
Regency Centers Corp.[a,b]		249,571	13,896,113
Washington Prime Group[a,b,c]		154,520	2,895,705
Weingarten Realty Investors[a,b]		317,235	10,417,997
			63,099,351

See accompanying notes to financial statements.

COHEN & STEERS REIT AND PREFERRED INCOME FUND, INC.

SCHEDULE OF INVESTMENTS (Continued)

June 30, 2014 (Unaudited)

		Number of Shares	Value
FREE STANDING	0.6%		
Realty Income Corp.[a,b]		120,429	$ 5,349,456
REGIONAL MALL	9.7%		
General Growth Properties[a,b]		848,132	19,981,990
Glimcher Realty Trust[a]		831,850	9,008,935
Macerich Co. (The)[a,b]		265,189	17,701,366
Pennsylvania REIT		20,772	390,929
Simon Property Group[a,b]		294,249	48,927,724
			96,010,944
TOTAL SHOPPING CENTERS			164,459,751
SPECIALTY	0.5%		
CyrusOne		203,388	5,064,361
TOTAL COMMON STOCK (Identified cost $468,471,186)			667,543,512
PREFERRED SECURITIES $25 PAR VALUE	23.9%		
BANKS	7.7%		
AgriBank FCB, 6.875%, ($100 Par Value)		38,000	4,017,314
Citigroup, 6.875%, Series K		151,050	4,099,497
CoBank ACB, 6.25%, 144A ($100 Par Value)[a,d]		33,000	3,435,095
CoBank ACB, 6.125%, Series G ($100 Par Value)		46,500	4,176,281
Countrywide Capital IV, 6.75%, due 4/1/33[a,b]		238,687	6,096,066
Countrywide Capital V, 7.00%, due 11/1/36[a]		262,112	6,814,912
Farm Credit Bank of Texas, 6.75%, 144A[d]		63,000	6,609,097
Fifth Third Bancorp, 6.625%, Series I		194,842	5,217,869
Huntington Bancshares, 8.50%, Series A ($1,000 Par Value)(Convertible)[a]		4,156	5,537,745
PNC Financial Services Group, 6.125%, Series P[a]		192,500	5,286,050
Regions Financial Corp., 6.375%, Series B		226,532	5,830,934
US Bancorp, 6.50%, Series F[a]		78,991	2,232,286
Wells Fargo & Co., 5.85%		339,617	8,809,665
Wells Fargo & Co., 6.625%		46,774	1,305,930

Zions Bancorp, 7.90%, Series F[a]	160,354	4,504,344
Zions Bancorp, 6.30%, Series G	85,441	2,206,941
		76,180,026

See accompanying notes to financial statements.

COHEN & STEERS REIT AND PREFERRED INCOME FUND, INC.

SCHEDULE OF INVESTMENTS (Continued)

June 30, 2014 (Unaudited)

		Number of Shares	Value
BANKS FOREIGN	1.4%		
Barclays Bank PLC, 7.75%, Series IV (United Kingdom)		100,000	$ 2,577,000
Barclays Bank PLC, 8.125%, Series V (United Kingdom)		250,000	6,465,000
National Westminster Bank PLC, 7.76%, Series C (United Kingdom)[a]		172,192	4,523,484
			13,565,484
DIVERSIFIED FINANCIAL SERVICES	0.2%		
State Street Corp., 5.90%, Series D		77,730	2,036,526
ELECTRIC INTEGRATED	0.5%		
Integrys Energy Group, 6.00%, due 8/1/73[e]		181,652	4,779,264
FINANCE INVESTMENT BANKER/BROKER	1.4%		
Goldman Sachs Group, 5.95%, Series I		100,000	2,457,000
Goldman Sachs Group, 6.375%, Series K		200,425	5,275,186
Morgan Stanley, 6.875%		234,598	6,374,028
			14,106,214
INDUSTRIALS CHEMICALS	0.7%		
CHS, 7.10%, Series II[a]		260,000	7,061,600
INSURANCE	4.1%		
LIFE/HEALTH INSURANCE	0.2%		
Principal Financial Group, 6.518%, Series B (FRN)		72,226	1,838,874
MULTI-LINE	1.4%		
Hanover Insurance Group/The, 6.35%, due 3/30/53		78,400	1,928,640
Hartford Financial Services Group, 7.875%, due 4/15/42[a]		213,052	6,378,777
Kemper Corp., 7.375%, due 2/27/54		114,350	2,982,248
		132,737	3,086,135

WR Berkley Corp., 5.625%, due 4/30/53			
			14,375,800
MULTI-LINE FOREIGN	1.2%		
ING Groep N.V., 7.05% (Netherlands)		149,060	3,823,389
ING Groep N.V., 7.375% (Netherlands)[a]		294,873	7,619,518
			11,442,907

See accompanying notes to financial statements.

COHEN & STEERS REIT AND PREFERRED INCOME FUND, INC.

SCHEDULE OF INVESTMENTS (Continued)

June 30, 2014 (Unaudited)

		Number of Shares	Value
REINSURANCE	0.4%		
Reinsurance Group of America, 6.20%, due 9/15/42		140,000	$ 3,841,600
REINSURANCE FOREIGN	0.9%		
Aspen Insurance Holdings Ltd., 5.95% (Bermuda)		131,339	3,270,341
Aspen Insurance Holdings Ltd., 7.25% (Bermuda)		106,000	2,771,900
Axis Capital Holdings Ltd., 6.875%, Series C (Bermuda)		55,284	1,446,782
Endurance Specialty Holdings Ltd., 7.50%, Series B (Bermuda)		60,769	1,600,048
			9,089,071
TOTAL INSURANCE			40,588,252
INTEGRATED TELECOMMUNICATIONS SERVICES	0.4%		
Qwest Corp., 6.125%, due 6/1/53[a]		80,000	1,862,400
Qwest Corp., 7.00%, due 4/1/52		78,395	2,031,215
Telephone & Data Systems, 6.875%, due 11/15/59		7,386	187,087
			4,080,702
REAL ESTATE	6.7%		
DIVERSIFIED	1.7%		
Coresite Realty Corp., 7.25%, Series A		79,200	1,991,880
Gramercy Property Trust, 8.125%, Series A		203,584	5,120,138
Lexington Realty Trust, 6.50%, Series C ($50 Par Value)[a]		96,586	4,708,568
National Retail Properties, 5.70%		73,266	1,673,395
NorthStar Realty Finance Corp., 8.50%, Series D		119,300	3,031,413
			16,525,394
HOTEL	0.9%		
Hersha Hospitality Trust, 6.875%, Series C		134,345	3,368,029

Hospitality Properties Trust, 7.125%, Series D		95,000	2,420,600
Pebblebrook Hotel Trust, 7.875%, Series A[a,b]		100,000	2,635,000
			8,423,629
INDUSTRIALS	0.2%		
Monmouth Real Estate Investment Corp., 7.875%, Series B[f]		87,500	2,292,500

See accompanying notes to financial statements.

COHEN & STEERS REIT AND PREFERRED INCOME FUND, INC.

SCHEDULE OF INVESTMENTS (Continued)

June 30, 2014 (Unaudited)

		Number of Shares	Value
OFFICE	1.0%		
American Realty Capital Properties, 6.70%, Series F[a]		323,710	$ 7,584,525
Corporate Office Properties Trust, 7.375%, Series L[a,b]		100,000	2,560,000
			10,144,525
RESIDENTIAL MANUFACTURED HOME	0.5%		
Campus Crest Communities, 8.00%, Series A		119,068	3,042,188
Equity Lifestyle Properties, 6.75%, Series C		60,843	1,528,680
			4,570,868
SHOPPING CENTERS	2.4%		
COMMUNITY CENTER	1.6%		
Cedar Realty Trust, 7.25%, Series B[a]		219,000	5,584,500
DDR Corp., 6.50%, Series J		60,000	1,489,800
Inland Real Estate Corp., 8.125%, Series A		135,000	3,593,700
Saul Centers, 6.875%, Series C		79,140	1,998,285
Weingarten Realty Investors, 6.50%, Series F[a,b]		101,803	2,557,291
			15,223,576
REGIONAL MALL	0.8%		
CBL & Associates Properties, 7.375%, Series D[a]		324,982	8,238,294
TOTAL SHOPPING CENTERS			23,461,870
TOTAL REAL ESTATE			65,418,786
TRANSPORT MARINE FOREIGN	0.5%		
Seaspan Corp., 6.375%, due 4/30/19 (Hong Kong)		62,325	1,592,403
Seaspan Corp., 9.50%, Series C (Hong Kong)[a]		56,054	1,552,696
Teekay Offshore Partners LP, 7.25%, Series A (Marshall Islands)		60,000	1,572,600
			4,717,699
UTILITIES	0.3%		
SCE Trust III, 5.75%		112,175	2,961,420

TOTAL PREFERRED SECURITIES $25 PAR VALUE (Identified cost $217,713,207)	235,495,973

See accompanying notes to financial statements.

COHEN & STEERS REIT AND PREFERRED INCOME FUND, INC.

SCHEDULE OF INVESTMENTS (Continued)

June 30, 2014 (Unaudited)

		Number of Shares	Value
PREFERRED SECURITIES CAPITAL SECURITIES	41.6%		
BANKS	7.6%		
Citigroup Capital III, 7.625%, due 12/1/36[a]		4,700,000	$ 5,829,763
Farm Credit Bank of Texas, 10.00%, Series I[a]		6,000	7,280,625
Fifth Third Bancorp, 4.90%, Series J		1,500,000	1,500,000
Goldman Sachs Capital I, 6.345%, due 2/15/34[a]		3,250,000	3,723,697
Goldman Sachs Capital II, 4.00%, (FRN)[a]		4,340,000	3,493,700
JPMorgan Chase & Co., 7.90%, Series I[a,b]		16,500,000	18,521,250
JPMorgan Chase & Co., 6.75%, Series S		5,900,000	6,379,375
JPMorgan Chase & Co., 6.125%, Series U		1,900,000	1,950,730
PNC Financial Services Group, 6.75%[a,b]		4,000,000	4,480,628
Wells Fargo & Co, 5.90%, Series S		2,255,000	2,397,629
Wells Fargo & Co., 7.98%, Series K[a,b]		13,475,000	15,395,187
Zions Bancorp, 7.20%, Series J		3,997,000	4,256,805
			75,209,389
BANKS FOREIGN	16.2%		
Baggot Securities Ltd., 10.24%, 144A (EUR) (Ireland)[d]		2,474,000	3,734,883
Banco Bilbao Vizcaya Argentaria SA, 7.00% (Spain)		2,600,000	3,768,451
Banco Bilbao Vizcaya Argentaria SA, 9.00% (Spain)		5,400,000	6,068,250
Banco do Brasil SA/Cayman, 9.00%, 144A (Brazil)[d]		5,950,000	5,897,937
Banco do Brasil SA/Cayman, 9.25%,		2,150,000	2,235,355

144A (Brazil)[a,d]		
Banco Santander SA, 6.375%, Series REGS (Spain)	2,200,000	2,216,500
Barclays Bank PLC, 7.625%, due 11/21/22 (United Kingdom)[a,b]	3,375,000	3,861,000
Barclays Bank PLC, 6.86%, 144A (United Kingdom)[a,d]	4,300,000	4,869,750
Barclays PLC, 8.00% (United Kingdom) (EUR)	2,050,000	3,070,930
Barclays PLC, 8.25% (United Kingdom)[a]	6,520,000	6,924,240
BBVA Bancomer SA Texas, 6.75%, due 9/30/22, 144A (Mexico)[d]	2,800,000	3,213,000
BNP Paribas, 7.195%, 144A (France)[a,d,g]	3,200,000	3,728,000

See accompanying notes to financial statements.

COHEN & STEERS REIT AND PREFERRED INCOME FUND, INC.

SCHEDULE OF INVESTMENTS (Continued)

June 30, 2014 (Unaudited)

	Number of Shares	Value
Commerzbank AG, 8.125%, due 9/19/23, 144A (Germany)[a,d]	6,400,000	$ 7,792,730
Coventry Building Society, 6.375% (United Kingdom)	2,000,000	3,418,521
Credit Agricole SA, 7.875%, 144A (France)[d]	3,109,000	3,400,469
Credit Agricole SA, 8.125%, due 9/19/33, 144A (France)[a,d]	3,200,000	3,651,040
Credit Suisse AG, 6.50%, due 8/8/23, 144A (Switzerland)[d]	2,800,000	3,115,000
Credit Suisse Group AG, 7.50%, 144A (Switzerland)[d]	4,005,000	4,443,147
Deutsche Bank AG, 7.125% (Germany) (GBP)	2,000,000	3,437,774
Dresdner Funding Trust I, 8.151%, due 6/30/31, 144A (Germany)[a,d]	7,640,000	9,320,800
HBOS Capital Funding LP, 6.85% (United Kingdom)	3,300,000	3,340,013
HSBC Capital Funding LP, 10.176%, 144A (United Kingdom)[d]	8,442,000	12,641,895
Intesa Sanpaolo SpA, 5.017%, due 6/26/24, 144A (Italy)[d]	2,800,000	2,838,612
Itau Unibanco Holding SA/Cayman Island, 5.50%, due 8/6/22, 144A (Brazil)[d]	1,800,000	1,852,560
Lloyds Banking Group PLC, 7.50% (United Kingdom)	6,366,000	6,789,339
Nationwide Building Society, 10.25%, (United Kingdom)[g]	3,790,000	8,415,851
Nationwide Building Society, 6.875%, Series EMTN (United Kingdom)	2,150,000	3,772,417
Rabobank Nederland, 8.40% (Netherlands)	4,000,000	4,520,000
Rabobank Nederland, 11.00%, 144A (Netherlands)[a,d]	4,800,000	6,456,912
Royal Bank of Scotland Group PLC, 7.648% (United Kingdom)[a]	4,791,000	5,821,065
SMFG Preferred Capital, 9.50%, 144A (FRN) (Cayman Islands)[a,d]	2,500,000	3,143,875
Societe Generale SA, 7.875%, 144A (France)[d]	3,400,000	3,626,100

See accompanying notes to financial statements.

COHEN & STEERS REIT AND PREFERRED INCOME FUND, INC.

SCHEDULE OF INVESTMENTS (Continued)

June 30, 2014 (Unaudited)

		Number of Shares	Value
Standard Chartered PLC, 7.014%, 144A (United Kingdom)[a,d]		2,250,000	$ 2,569,948
UBS AG, 7.625%, due 8/17/22 (Switzerland)[a]		5,000,000	6,029,780
			159,986,144
FINANCE	2.8%		
DIVERSIFIED FINANCIAL SERVICES	2.2%		
General Electric Capital Corp., 7.125%, Series A[a,b]		11,800,000	13,948,060
General Electric Capital Corp., 6.25%, Series B[a,b]		7,000,000	7,800,450
			21,748,510
INVESTMENT BANKER/BROKER	0.6%		
Goldman Sachs Group, 5.70%, Series L		2,750,000	2,855,006
Morgan Stanley, 5.45%, Series H		2,770,000	2,823,987
TOTAL INVESTMENT BANKER/BROKER			5,678,993
TOTAL FINANCE			27,427,503
FOOD	0.8%		
Dairy Farmers of America, 7.875%, 144A[d,f]		68,100	7,337,775
INSURANCE	9.7%		
LIFE/HEALTH INSURANCE	2.3%		
AIG Life Holdings, 7.57%, due 12/1/45, 144A[d]		2,500,000	3,312,500
AIG Life Holdings, 8.125%, due 3/15/46, 144A[d]		1,975,000	2,743,759
Great-West Life & Annuity Insurance Co., 7.153%, due 5/16/46, 144A[a,d]		2,700,000	2,808,000
MetLife Capital Trust X, 9.25%, due 4/8/38, 144A[a,b,d]		9,315,000	13,273,875
			22,138,134
LIFE/HEALTH INSURANCE FOREIGN	1.7%		
Aviva PLC, 3.875%, due 7/3/44, Series EMTN		800,000	1,089,703

(United Kingdom) (EUR)		
Groupama SA, 6.375% (France)	2,800,000	3,977,817
La Mondiale Vie, 7.625% (France)	6,700,000	7,512,375
Sumitomo Life Insurance Co, 6.50%, due 9/20/73, 144A (Japan)[a,d]	3,800,000	4,485,965
		17,065,860

See accompanying notes to financial statements.

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COHEN & STEERS REIT AND PREFERRED INCOME FUND, INC.

SCHEDULE OF INVESTMENTS (Continued)

June 30, 2014 (Unaudited)

		Number of Shares	Value
MULTI-LINE	1.5%		
American International Group, 8.175%, due 5/15/58, (FRN)[a]		7,223,000	$ 9,985,798
MetLife, 10.75%, due 8/1/69[a]		3,000,000	4,781,250
			14,767,048
MULTI-LINE FOREIGN	0.9%		
Aviva PLC, 8.25% (United Kingdom)		2,700,000	3,060,631
AXA SA, 8.60%, due 12/15/30 (France)[a]		1,800,000	2,423,250
AXA SA, 6.463%, 144A (France)[a,d]		3,050,000	3,282,562
			8,766,443
PROPERTY CASUALTY	0.7%		
Liberty Mutual Group, 7.80%, due 3/15/37, 144A[a,d]		6,000,000	7,110,000
PROPERTY CASUALTY FOREIGN	0.9%		
Mitsui Sumitomo Insurance Co., Ltd., 7.00%, due 3/15/72, 144A (Japan)[a,d]		3,750,000	4,453,125
RL Finance Bonds No. 2 PLC, 6.125%, due 11/30/43 (United Kingdom)		2,650,000	4,746,024
			9,199,149
REINSURANCE FOREIGN	1.7%		
Aquarius + Investments PLC, 8.25% (Switzerland)		6,000,000	6,737,640
Catlin Insurance Co., 7.249%, 144A (Bermuda)[a,d]		5,800,000	6,017,500
QBE Capital Funding III Ltd., 7.25%, due 5/24/41, 144A (Australia)[a,d]		3,800,000	4,100,079
			16,855,219
TOTAL INSURANCE			95,901,853
INTEGRATED TELECOMMUNICATIONS SERVICES	1.0%		
Centaur Funding Corp., 9.08%, due 4/21/20, 144A (Cayman)[a,d]		6,254	7,831,181

Embarq Corp., 7.995%, due 6/1/36	2,000,000	2,195,000
		10,026,181

See accompanying notes to financial statements.

COHEN & STEERS REIT AND PREFERRED INCOME FUND, INC.

SCHEDULE OF INVESTMENTS (Continued)

June 30, 2014 (Unaudited)

		Number of Shares	Value
PIPELINES	1.6%		
Enbridge Energy Partners LP, 8.05%, due 10/1/37[a]		8,500,000	$ 9,617,750
Enterprise Products Operating LLC, 7.034%, due 1/15/68, Series B[a]		2,150,000	2,455,956
Enterprise Products Operating LP, 8.375%, due 8/1/66[a]		3,210,000	3,614,928
			15,688,634
UTILITIES	1.9%		
ELECTRIC UTILITIES	0.6%		
FPL Group Capital, 7.30%, due 9/1/67, Series D[a]		5,200,000	5,737,077
ELECTRIC UTILITIES FOREIGN	0.5%		
Enel SpA, 8.75%, due 9/24/73, 144A (Italy)[d]		4,630,000	5,463,400
MULTI-UTILITIES	0.8%		
Dominion Resources, 7.50%, due 6/30/66, Series A[a,b]		4,184,000	4,541,732
PPL Capital Funding, 6.70%, due 3/30/67, Series A		3,000,000	3,061,899
			7,603,631
TOTAL UTILITIES			18,804,108
TOTAL PREFERRED SECURITIES CAPITAL SECURITIES (Identified cost $357,199,544)			410,381,587
		Principal Amount	
CORPORATE BONDS	1.0%		
INSURANCE PROPERTY CASUALTY	0.6%		
Liberty Mutual Insurance, 7.697%, due 10/15/97, 144A[a,d]		$ 5,250,000	5,965,864
INTEGRATED TELECOMMUNICATIONS SERVICES	0.4%		
Frontier Communications Corp., 9.00%,		3,000,000	3,247,500

due 8/15/31[a]	
TOTAL CORPORATE BONDS (Identified cost $7,778,865)	9,213,364

See accompanying notes to financial statements.

COHEN & STEERS REIT AND PREFERRED INCOME FUND, INC.

SCHEDULE OF INVESTMENTS (Continued)

June 30, 2014 (Unaudited)

		Number of Shares	Value
SHORT-TERM INVESTMENTS	0.8%		
MONEY MARKET FUNDS			
State Street Institutional Treasury Money Market Fund, 0.00%[h]		7,600,000	$ 7,600,000
TOTAL SHORT-TERM INVESTMENTS (Identified cost $7,600,000)			7,600,000
TOTAL INVESTMENTS (Identified cost $1,058,762,802)	135.0%		1,330,234,436
LIABILITIES IN EXCESS OF OTHER ASSETS	(35.0)		(344,517,278)
NET ASSETS (Equivalent to $20.63 per share based on 47,769,767 shares of common stock outstanding)	100.0%		$ 985,717,158

Note: Percentages indicated are based on the net assets of the Fund.

[a] All or a portion of the security is pledged as collateral in connection with the Fund's revolving credit agreement. $705,363,551 in aggregate has been pledged as collateral.

[b] A portion of the security has been rehypothecated in connection with the Fund's revolving credit agreement. $317,797,229 in aggregate has been rehypothecated.

[c] Non-income producing security.

[d] Resale is restricted to qualified institutional investors. Aggregate holdings equal 17.9% of the net assets of the Fund, of which 0.7% are illiquid.

[e] A portion of the security is segregated as collateral for open forward foreign currency exchange contracts. $1,052,400 in aggregate has been segregated as collateral.

[f] Illiquid security. Aggregate holdings equal 1.0% of the net assets of the Fund.

[g] Fair valued security. This security has been valued at its fair value as determined in good faith under procedures established by and under the general supervision of the Fund's Board of Directors. Aggregate fair valued securities represent 1.2% of the net assets of the Fund.

[h] Rate quoted represents the seven-day yield of the Fund.

See accompanying notes to financial statements.

COHEN & STEERS REIT AND PREFERRED INCOME FUND, INC.

SCHEDULE OF INVESTMENTS (Continued)

June 30, 2014 (Unaudited)

Forward foreign currency exchange contracts outstanding at June 30, 2014 were as follows:

Counterparty	Contracts to Deliver	In Exchange For	Settlement Date	Unrealized Appreciation (Depreciation)
Brown Brothers Harriman	EUR 11,629,030	USD 15,861,613	7/2/14	$ (62,021)
Brown Brothers Harriman	GBP 11,853,552	USD 19,867,324	7/2/14	(418,843)
Brown Brothers Harriman	USD 15,918,700	EUR 11,629,030	7/2/14	4,934
Brown Brothers Harriman	USD 20,271,850	GBP 11,853,552	7/2/14	14,317
Brown Brothers Harriman	GBP 2,133,368	USD 3,626,598	8/4/14	(23,509)
Brown Brothers Harriman	GBP 11,805,639	USD 20,182,696	8/4/14	(16,278)
Brown Brothers Harriman	EUR 11,455,017	USD 15,680,819	8/5/14	(6,546)
				$ (507,946)

Glossary of Portfolio Abbreviations

EUR Euro Currency

FRN Floating Rate Note

GBP Great British Pound

REIT Real Estate Investment Trust

USD United States Dollar

See accompanying notes to financial statements.

COHEN & STEERS REIT AND PREFERRED INCOME FUND, INC.

STATEMENT OF ASSETS AND LIABILITIES

June 30, 2014 (Unaudited)

ASSETS:	
Investments in securities, at value (Identified cost $1,058,762,802)	$1,330,234,436
Cash	9,315,141
Receivable for:	
Dividends and interest	8,225,616
Investment securities sold	6,377,374
Unrealized appreciation on forward foreign currency exchange contracts	19,251
Other assets	72,204
Total Assets	1,354,244,022
LIABILITIES:	
Unrealized depreciation on forward foreign currency exchange contracts	527,197
Payable for:	
Revolving credit agreement	350,000,000
Investment securities purchased	16,194,045
Dividends declared on common shares	739,524
Investment management fees	715,249
Interest expense	71,891
Administration fees	60,454
Directors' fees	3,718
Other liabilities	214,786
Total Liabilities	368,526,864
NET ASSETS	$ 985,717,158
NET ASSETS consist of:	
Paid-in capital	$ 852,404,758
Dividends in excess of net investment income	(8,424,903)
Accumulated net realized loss	(129,228,697)
Net unrealized appreciation	270,966,000
	$ 985,717,158
NET ASSET VALUE PER COMMON SHARE:	
($985,717,158 ÷ 47,769,767 shares outstanding)	$ 20.63
MARKET PRICE PER COMMON SHARE	$ 18.03
MARKET PRICE DISCOUNT TO NET ASSET VALUE PER COMMON SHARE	(12.60)%

See accompanying notes to financial statements.

COHEN & STEERS REIT AND PREFERRED INCOME FUND, INC.

STATEMENT OF OPERATIONS

For the Six Months Ended June 30, 2014 (Unaudited)

Investment Income:	
Dividend income	$ 17,317,072
Interest income (net of $14,659 of foreign withholding tax)	12,553,229
Rehypothecation income	38,876
Total Investment Income	29,909,177
Expenses:	
Investment management fees	4,140,406
Interest expense	3,253,522
Administration fees	443,232
Custodian fees and expenses	73,341
Shareholder reporting expenses	64,465
Professional fees	43,138
Directors' fees and expenses	26,283
Transfer agent fees and expenses	10,116
Miscellaneous	19,420
Total Expenses	8,073,923
Net Investment Income	21,835,254
Net Realized and Unrealized Gain (Loss):	
Net realized gain (loss) on:	
Investments	41,193,221
Options	57,682
Foreign currency transactions	(320,574)
Net realized gain	40,930,329
Net change in unrealized appreciation (depreciation) on:	
Investments	99,037,252
Options	29,657
Foreign currency translations	(290,137)
Net change in unrealized appreciation (depreciation)	98,776,772
Net realized and unrealized gain	139,707,101
Net Increase in Net Assets Resulting from Operations	$ 161,542,355

See accompanying notes to financial statements.

COHEN & STEERS REIT AND PREFERRED INCOME FUND, INC.

STATEMENT OF CHANGES IN NET ASSETS (Unaudited)

	For the Six Months Ended June 30, 2014	For the Year Ended December 31, 2013
Change in Net Assets Applicable to Common Shares:		
From Operations:		
Net investment income	$ 21,835,254	$ 39,816,974
Net realized gain	40,930,329	54,614,968
Net change in unrealized appreciation (depreciation)	98,776,772	(60,783,577)
Net increase in net assets resulting from operations	161,542,355	33,648,365
Dividends to Common Shareholders from Net Investment Income	(30,094,953)	(57,622,528)
Capital Stock Transactions:		
Decrease in net assets from Fund share transactions		(4,871,290)
Total increase (decrease) in net assets applicable to common shares	131,447,402	(28,845,453)
Net Assets Applicable to Common Shares:		
Beginning of period	854,269,756	883,115,209
End of period[a]	$ 985,717,158	$ 854,269,756

[a] Includes dividends in excess of net investment income and accumulated undistributed net investment income of $8,424,903 and $165,204, respectively.

See accompanying notes to financial statements.

COHEN & STEERS REIT AND PREFERRED INCOME FUND, INC.

STATEMENT OF CASH FLOWS

For the Six Months Ended June 30, 2014 (Unaudited)

Increase in Cash:	
Cash Flows from Operating Activities:	
Net increase in net assets resulting from operations	$ 161,542,355
Adjustments to reconcile net increase in net assets resulting from operations to net cash provided by operating activities:	
Purchases of long-term investments	(330,741,152)
Net purchases, sales and maturities of short-term investments	(1,600,000)
Net amortization of premium	299,031
Proceeds from sales and maturities of long-term investments	342,024,181
Net decrease in dividends and interest receivable and other assets	822,326
Net increase in interest expense payable, accrued expenses and other liabilities	91,213
Decrease in premiums received from options	(57,682)
Net change in unrealized appreciation on options	(29,657)
Net change in unrealized appreciation on investments	(99,037,252)
Net change in unrealized depreciation on forward foreign currency exchange contracts	280,781
Net realized loss on investments	(41,193,221)
Cash provided by operating activities	32,400,923
Cash Flows from Financing Activities:	
Distributions paid on common shares	(30,098,715)
Increase in cash	2,302,208
Cash at beginning of period	7,012,933
Cash at end of period	$ 9,315,141
Supplemental Disclosure of Cash Flow Information:	

During the six months ended June 30, 2014, interest paid was $3,217,625.

See accompanying notes to financial statements.

COHEN & STEERS REIT AND PREFERRED INCOME FUND, INC.

FINANCIAL HIGHLIGHTS (Unaudited)

The following table includes selected data for a common share outstanding throughout each period and other performance information derived from the financial statements. It should be read in conjunction with the financial statements and notes thereto.

Per Share Operating Performance:	For the Six Months Ended June 30, 2014	For the Year Ended December 31, 2013	2012	2011	2010	2009
Net asset value per common share, beginning of period	$ 17.88	$ 18.37	$ 15.34	$ 15.63	$ 12.83	$ 8.51
Income (loss) from investment operations:						
Net investment income	0.46[a]	0.83[a]	0.95[a]	1.21	1.02	0.73
Net realized and unrealized gain (loss)	2.92	(0.13)[b]	3.28	(0.30)	2.76	4.46
Total from investment operations	3.38	0.70	4.23	0.91	3.78	5.19
Less dividends and distributions to preferred shareholders from:						
Net investment income						(0.03)
Total dividends and distributions to preferred shareholders						(0.03)
Total from investment operations applicable to common shares	3.38	0.70	4.23	0.91	3.78	5.16

Less dividends and distributions to common shareholders from:						
Net investment income	(0.63)	(1.20)	(1.20)	(1.20)	(1.00)	(0.71)
Tax return of capital						(0.13)
Total dividends and distributions to common shareholders	(0.63)	(1.20)	(1.20)	(1.20)	(1.00)	(0.84)
Anti-dilutive effect from the issuance of reinvested common shares				0.00[c]		
Anti-dilutive effect from the purchase of common shares		0.01			0.02	
Net increase (decrease) in net asset value per common share	2.75	(0.49)	3.03	(0.29)	2.80	4.32
Net asset value, per common share, end of period	$ 20.63	$ 17.88	$ 18.37	$ 15.34	$ 15.63	$ 12.83
Market value, per common share, end of period	$ 18.03	$ 15.70	$ 16.99	$ 14.15	$ 14.29	$ 10.35
Total net asset value return[d]	19.56%[e]	4.48%	28.45%	6.46%	31.63%	69.85%
Total market value return[d]	19.00%[e]	0.80%	28.79%	7.41%	49.18%	87.76%

See accompanying notes to financial statements.

COHEN & STEERS REIT AND PREFERRED INCOME FUND, INC.

FINANCIAL HIGHLIGHTS (Unaudited) (Continued)

Ratios/Supplemental Data:	For the Six Months Ended June 30, 2014	For the Year Ended December 31, 2013	2012	2011	2010	2009
Net assets applicable to common shares, end of period (in millions)	$ 985.7	$ 854.3	$ 883.1	$ 737.7	$ 750.9	$ 620.3
Ratio of expenses to average daily net assets applicable to common shares	1.74%[f]	1.82%	1.63%	1.72%	1.87%	2.62%[g]
Ratio of expenses to average daily net assets applicable to common shares (excluding interest expense)	1.04%[f]	1.10%	1.10%	1.13%	1.22%	2.06%[g]
Ratio of net investment income to average daily net assets applicable to common shares	4.71%[f]	4.38%	5.45%	5.62%	6.08%	9.02%[g]
Ratio of expenses to average daily managed assets[h]	1.27%[f]	1.31%	1.15%	1.18%	1.26%	1.56%[g]

Portfolio turnover rate	27%[e]	51%	49%	52%	66%	81%
Preferred Shares/Revolving Credit Agreement:						
Asset coverage ratio for revolving credit agreement	382%	344%	352%	311%	315%[i]	286%[i]
Asset coverage per $1,000 for revolving credit agreement	$ 3,816	$3,441	$3,523	$3,108	$3,145	$2,862

[a] Calculation based on average shares outstanding.

[b] Includes gains resulting from class action litigation payments on securities owned in prior years. Without these gains, the net realized and unrealized gains (losses) on investments per share would have been $(0.17) and the total return on an NAV basis would have been 4.33%.

[c] Amount is less than $0.005.

[d] Total net asset value return measures the change in net asset value per share over the period indicated. Total market value return is computed based upon the Fund's NYSE market price per share and excludes the effects of brokerage commissions. Dividends and distributions are assumed, for purposes of these calculations, to be reinvested at prices obtained under the Fund's dividend reinvestment plan.

[e] Not annualized.

[f] Annualized.

[g] Ratios do not reflect dividend payments to preferred shareholders, where applicable.

[h] Average daily managed assets represent net assets applicable to common shares plus liquidation preference of preferred shares and/or the outstanding balance of the revolving credit agreement.

[i] For the period June 1, 2009 through June 15, 2010, the Fund utilized temporary relief from the Securities and Exchange Commission permitting the Fund to maintain 200% asset coverage.

See accompanying notes to financial statements.

COHEN & STEERS REIT AND PREFERRED INCOME FUND, INC.

NOTES TO FINANCIAL STATEMENTS (Unaudited)

Note 1. Organization and Significant Accounting Policies

Cohen & Steers REIT and Preferred Income Fund, Inc. (the Fund) was incorporated under the laws of the State of Maryland on March 25, 2003 and is registered under the Investment Company Act of 1940, as amended (the 1940 Act), as a diversified, closed-end management investment company. The Fund's investment objective is high current income.

The following is a summary of significant accounting policies consistently followed by the Fund in the preparation of its financial statements. The policies are in conformity with accounting principles generally accepted in the United States of America (GAAP). The preparation of the financial statements in accordance with GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements and the reported amounts of income and expenses during the reporting period. Actual results could differ from those estimates.

Portfolio Valuation: Investments in securities that are listed on the NYSE are valued, except as indicated below, at the last sale price reflected at the close of the NYSE on the business day as of which such value is being determined. If there has been no sale on such day, the securities are valued at the mean of the closing bid and ask prices on such day or, if no ask price is available, at the bid price. Exchange traded options are valued at their last sale price as of the close of options trading on applicable exchanges on the valuation date. In the absence of a sale on such day, options are valued at the average of the quoted bid and ask prices as of the close of business. Over-the-counter options are valued based upon prices provided by the respective counterparty. Forward contracts are valued daily at the prevailing forward exchange rate.

Securities not listed on the NYSE but listed on other domestic or foreign securities exchanges are valued in a similar manner. Securities traded on more than one securities exchange are valued at the last sale price reflected at the close of the exchange representing the principal market for such securities on the business day as of which such value is being determined. If after the close of a foreign market, but prior to the close of business on the day the securities are being valued, market conditions change significantly, certain non-U.S. equity holdings may be fair valued pursuant to procedures established by the Board of Directors.

Readily marketable securities traded in the over-the-counter market, including listed securities whose primary market is believed by Cohen & Steers Capital Management, Inc. (the investment manager) to be over-the-counter, are valued at the last sale price on the valuation date as reported by sources deemed appropriate by the Board of Directors to reflect their fair market value. If there has been no sale on such day, the securities are valued at the mean of the closing bid and ask prices on such day or, if no ask price is available, at the bid price. However, certain fixed-income securities may be valued on the basis of prices provided by a pricing service when such prices are believed by the investment manager, pursuant to delegation by the Board of Directors, to reflect the fair market value of such securities.

COHEN & STEERS REIT AND PREFERRED INCOME FUND, INC.

NOTES TO FINANCIAL STATEMENTS (Unaudited) (Continued)

Short-term debt securities with a maturity date of 60 days or less are valued at amortized cost, which approximates fair value. Investments in open-end mutual funds are valued at their closing net asset value.

The policies and procedures approved by the Fund's Board of Directors delegate authority to make fair value determinations to the investment manager, subject to the oversight of the Board of Directors. The investment manager has established a valuation committee (Valuation Committee) to administer, implement and oversee the fair valuation process according to the policies and procedures approved annually by the Board of Directors. Among other things, these procedures allow the Fund to utilize independent pricing services, quotations from securities and financial instrument dealers and other market sources to determine fair value.

Securities for which market prices are unavailable, or securities for which the investment manager determines that the bid and/or ask price or a counterparty valuation does not reflect market value, will be valued at fair value, as determined in good faith by the Valuation Committee, pursuant to procedures approved by the Fund's Board of Directors. Circumstances in which market prices may be unavailable include, but are not limited to, when trading in a security is suspended, the exchange on which the security is traded is subject to an unscheduled close or disruption or material events occur after the close of the exchange on which the security is principally traded. In these circumstances, the Fund determines fair value in a manner that fairly reflects the market value of the security on the valuation date based on consideration of any information or factors it deems appropriate. These may include, but are not limited to, recent transactions in comparable securities, information relating to the specific security and developments in the markets.

Foreign equity fair value pricing procedures utilized by the Fund may cause certain non-U.S. equity holdings to be fair valued on the basis of fair value factors provided by a pricing service to reflect any significant market movements between the time the Fund values such securities and the earlier closing of foreign markets.

The Fund's use of fair value pricing may cause the net asset value of Fund shares to differ from the net asset value that would be calculated using market quotations. Fair value pricing involves subjective judgments and it is possible that the fair value determined for a security may be materially different than the value that could be realized upon the sale of that security.

Fair value is defined as the price that the Fund would expect to receive upon the sale of an investment or expect to pay to transfer a liability in an orderly transaction with an independent buyer in the principal market or, in the absence of a principal market, the most advantageous market for the investment or liability. The hierarchy of inputs that are used in determining the fair value of the Fund's investments is summarized below.

- Level 1 quoted prices in active markets for identical investments

- Level 2 other significant observable inputs (including quoted prices for similar investments, interest rates, credit risk, etc.)

- Level 3 significant unobservable inputs (including the Fund's own assumptions in determining the fair value of investments)

COHEN & STEERS REIT AND PREFERRED INCOME FUND, INC.

NOTES TO FINANCIAL STATEMENTS (Unaudited) (Continued)

The inputs or methodology used for valuing securities are not necessarily an indication of the risk associated with investing in those securities.

For movements between the levels within the fair value hierarchy, the Fund has adopted a policy of recognizing the transfer at the end of the period in which the underlying event causing the movement occurred. Changes in valuation techniques may result in transfers into or out of an assigned level within the disclosure hierarchy. There were no transfers between Level 1 and Level 2 securities as of June 30, 2014.

The following is a summary of the inputs used as of June 30, 2014 in valuing the Fund's investments carried at value:

	Total	Quoted Prices In Active Markets for Identical Investments (Level 1)	Other Significant Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)[a]
Common Stock	$ 667,543,512	$ 667,543,512	$	$
Preferred Securities $25 Par Value Banks	76,180,026	57,942,239	11,628,690	6,609,097[b]
Preferred Securities $25 Par Value Other Industries	159,315,947	159,315,947		
Preferred Securities Capital Securities Banks Foreign	159,986,144		156,567,623	3,418,521[c]
Preferred Securities Capital Securities Food	7,337,775			7,337,775[b]
Preferred Securities Capital Securities Other Industries	243,057,668		243,057,668	
Corporate Bonds	9,213,364		9,213,364	
Money Market Funds	7,600,000		7,600,000	
Total Investments[d]	$1,330,234,436	$ 884,801,698	$428,067,345	$ 17,365,393

COHEN & STEERS REIT AND PREFERRED INCOME FUND, INC.

NOTES TO FINANCIAL STATEMENTS (Unaudited) (Continued)

	Total	Quoted Prices In Active Markets for Identical Investments (Level 1)	Other Significant Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)[a]
Forward foreign currency exchange contracts	$ 19,251	$	$ 19,251	$
Total Appreciation in Other Financial Instruments[d]	$ 19,251	$	$ 19,251	$
Forward foreign currency exchange contracts	$ (527,197)	$	$ (527,197)	$
Total Depreciation in Other Financial Instruments[d]	$ (527,197)	$	$ (527,197)	$

[a] Certain of the Fund's investments are categorized as Level 3 and were valued utilizing third party pricing information without adjustment. Such valuations are based on significant unobservable inputs. A change in the significant unobservable inputs could result in a significantly lower or higher value in such Level 3 investments.

[b] Valued by a pricing service utilizing independent broker quotes.

[c] Valued utilizing independent broker quotes.

[d] Portfolio holdings are disclosed individually on the Schedule of Investments.

COHEN & STEERS REIT AND PREFERRED INCOME FUND, INC.

NOTES TO FINANCIAL STATEMENTS (Unaudited) (Continued)

Following is a reconciliation of investments for which significant unobservable inputs (Level 3) were used in determining fair value:

	Total Investments in Securities	Common Stock Real Estate Industrials	Preferred Securities $25 Par Value Banks	Preferred Securities Capital Securities Banks Foreign	Preferred Securities Capital Securities Food
Balance as of December 31, 2013	$20,824,973	$3,866,999	$5,329,812	$4,418,074	$7,210,088
Purchases	7,378,827		1,018,750	6,360,077	
Amortization	(59)			(59)	