

RMR F.I.R.E. Fund  
Form N-Q  
May 28, 2008

**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

811-21616

**RMR F.I.R.E. FUND**  
(Exact name of registrant as specified in charter)

400 CENTRE STREET  
NEWTON, MASSACHUSETTS  
(Address of principal executive offices)

02458  
(Zip code)

Adam D. Portnoy, President  
RMR F.I.R.E. Fund  
400 Centre Street  
Newton, Massachusetts 02458  
(Name and address of agent for service)

Copy to:

Brian D. O. Sullivan  
State Street Bank and Trust Company  
801 Pennsylvania Avenue, Tower II, 4<sup>th</sup> Floor  
Kansas City, Missouri 64102

Elizabeth Watson, Esq.  
State Street Bank and Trust Company  
2 Avenue De Lafayette, 6<sup>th</sup> Floor  
Boston, Massachusetts 02111

Registrant's telephone number, including area code:

(617) 332-9530

Date of fiscal year end: December 31

Date of reporting period: March 31, 2008

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**RMR F.I.R.E. Fund**

**Portfolio of Investments**    March 31, 2008 (unaudited)

| <b>Company</b> | <b>Shares</b> | <b>Value</b> |
|----------------|---------------|--------------|
|----------------|---------------|--------------|

*Common Stocks* 95.2%



*Financial Services* 26.6%

*Banks* 11.7%



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Bank of America Corp.

10,000 \$

379,100

Fifth Third Bancorp

3,000

62,760



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First Commonwealth Financial Corp.

28,000

324,520



First Horizon National Corp.

11,400

159,714



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Firstmerit Corp.

12,800

264,448

FNB Corp.

28,500

444,885



---

KeyCorp

7,000

153,650

National City Corp.

12,400

123,380



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Regions Financial Corp.

4,000

79,000

Trustco Bank Corp. NY

23,400

208,026



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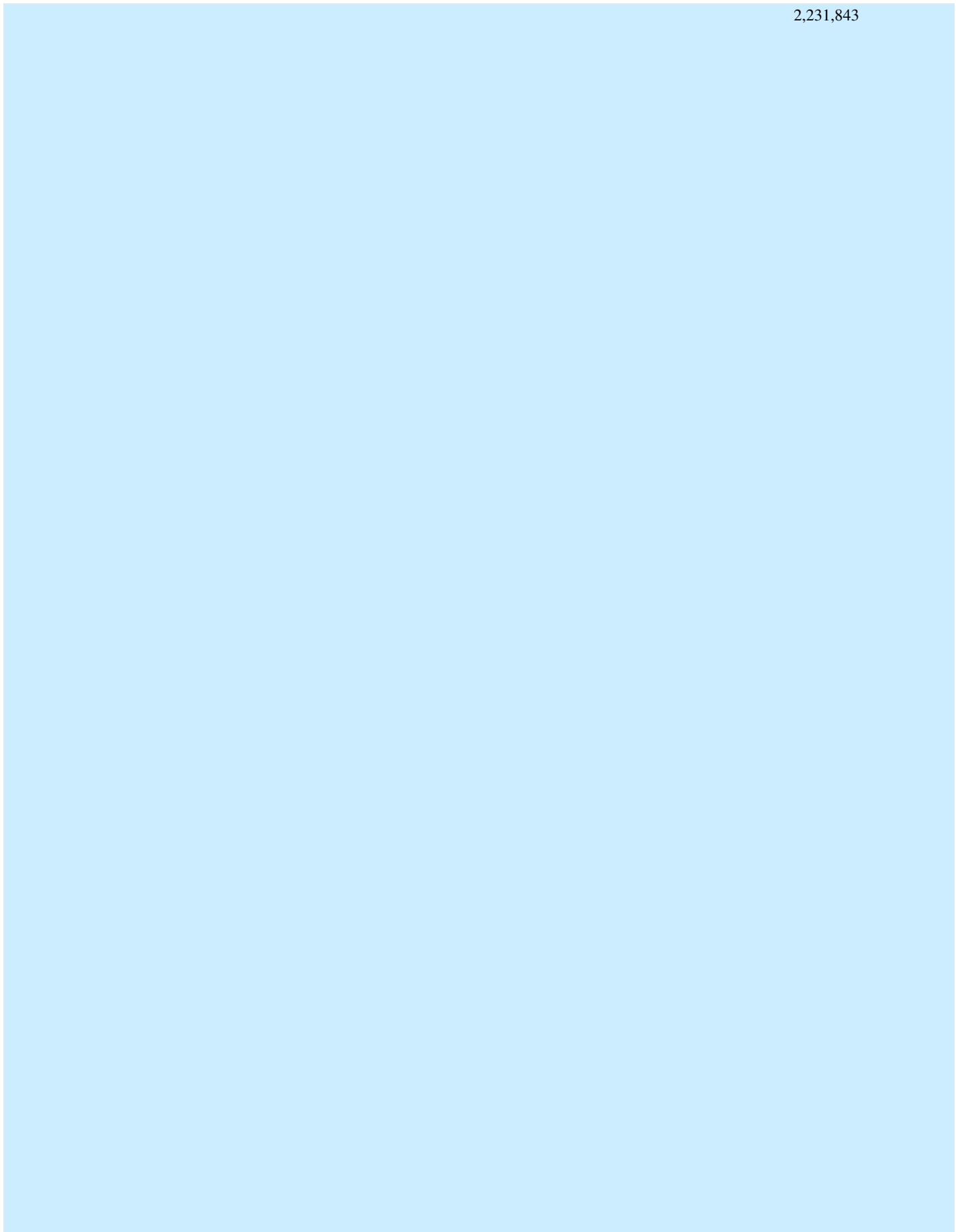
U.S. Bancorp

1,000

32,360



2,231,843



*Thriffs* 9.8%



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Capitol Federal Financial

9,605

359,995

Flagstar Bancorp, Inc.

25,000

180,500



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IndyMac Bancorp, Inc.

5,500

27,280

New York Community Bancorp, Inc.

72,200

1,315,484





*Other Financial Services* 5.1%



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American Capital Strategies, Ltd.

2,000

68,320

Centerline Holding Co.

44,200

179,452



---

Fannie Mae

13,000

342,160

Friedman Billings Ramsey Group, Inc. \*

54,000

91,800

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MCG Capital Corp.

32,000

290,880

972,612



*Total Financial Services (Cost \$9,654,252)*

5,087,861

*Real Estate 62.0%*





*Apartments* 6.2%

AvalonBay Communities, Inc. \*

3,000

289,560

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BRE Properties, Inc. \*

4,000

182,240

Home Properties, Inc. \*

300

14,397



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Mid-America Apartment Communities, Inc. \*

9,600

478,464

UDR, Inc. \*


9,000

220,680





*Diversified* 9.4%





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CapLease, Inc. \*

15,000

116,550

Colonial Properties Trust \*

15,780

379,509



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Cousins Properties, Inc. \*

6,900

170,499

DuPont Fabros Technology, Inc. \*

2,500

41,225

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Franklin Street Properties Corp. \*

3,000

42,960

iStar Financial, Inc. \*

16,000

224,480

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Lexington Corporate Properties Trust \*

56,400

812,724

National Retail Properties, Inc. \*

143

3,153







*Health Care* 13.9%



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Care Investment Trust, Inc. \*

8,550

90,203

HCP, Inc. \*

8,850

299,218



Health Care REIT, Inc. \*

11,904

537,228

Healthcare Realty Trust, Inc. \*

18,500

483,775

Medical Properties Trust, Inc. \*

24,365

275,812

Nationwide Health Properties, Inc. \*

26,400

891,000





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OMEGA Healthcare Investors, Inc. \*

5,000

86,800

2,664,036



*See notes to portfolio of investments*

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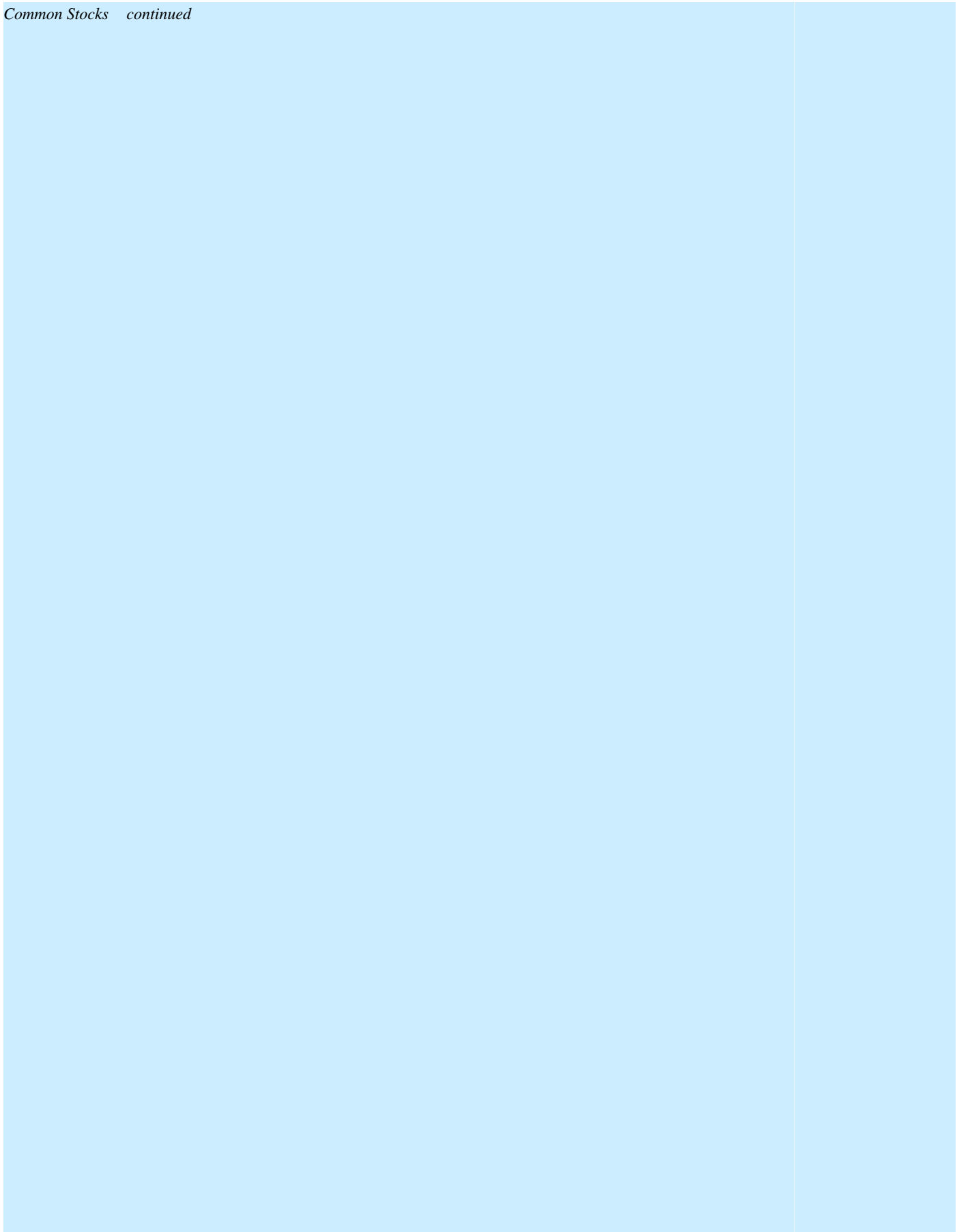
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**Company**

**Shares**

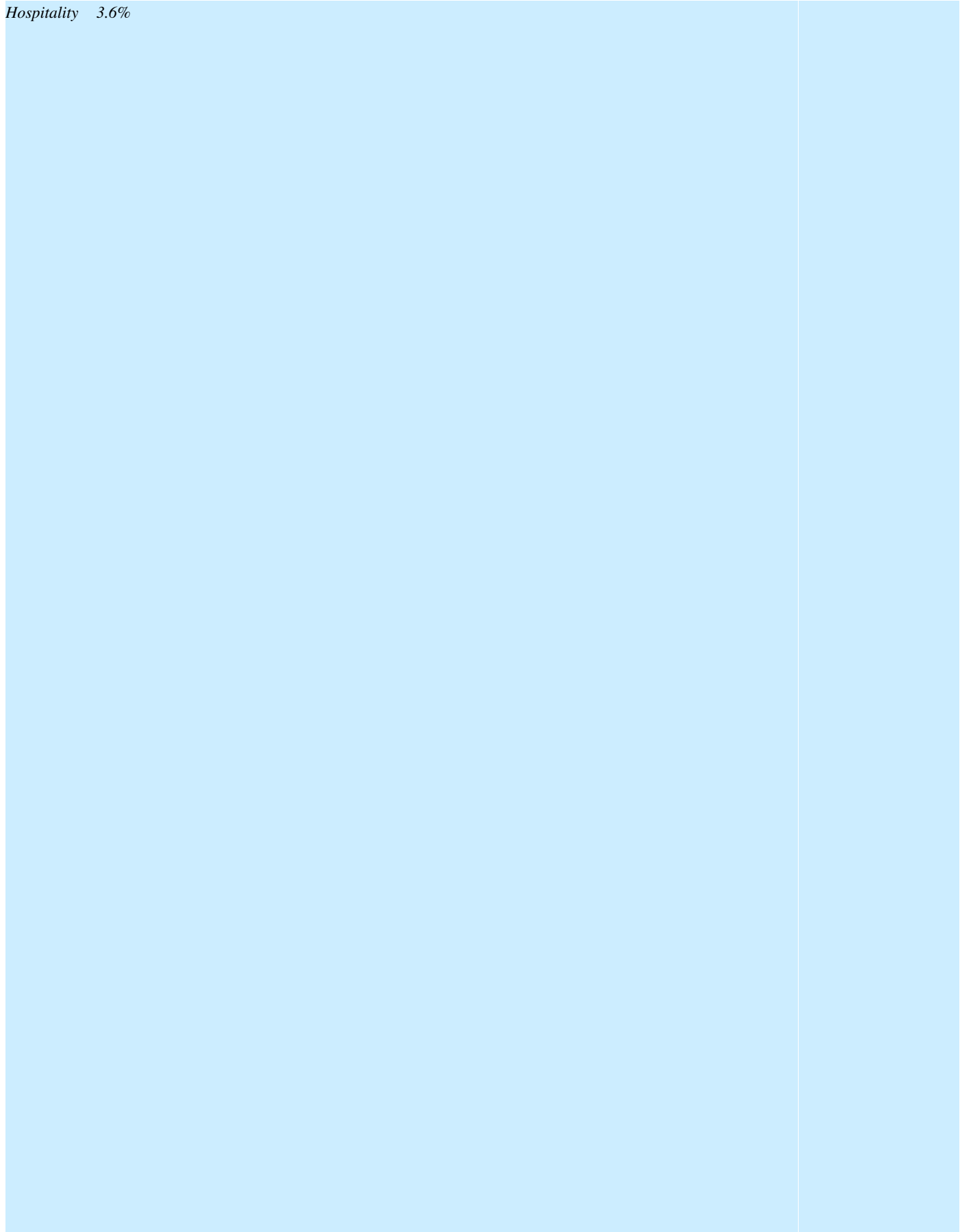
**Value**

*Common Stocks continued*

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*Real Estate continued*

*Hospitality* 3.6%



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Ashford Hospitality Trust, Inc. \*

51,000 \$

289,680



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|                               |        |         |
|-------------------------------|--------|---------|
| Host Hotels & Resorts, Inc. * | 10,000 | 159,200 |
|-------------------------------|--------|---------|

LaSalle Hotel Properties \*

5,400

155,142

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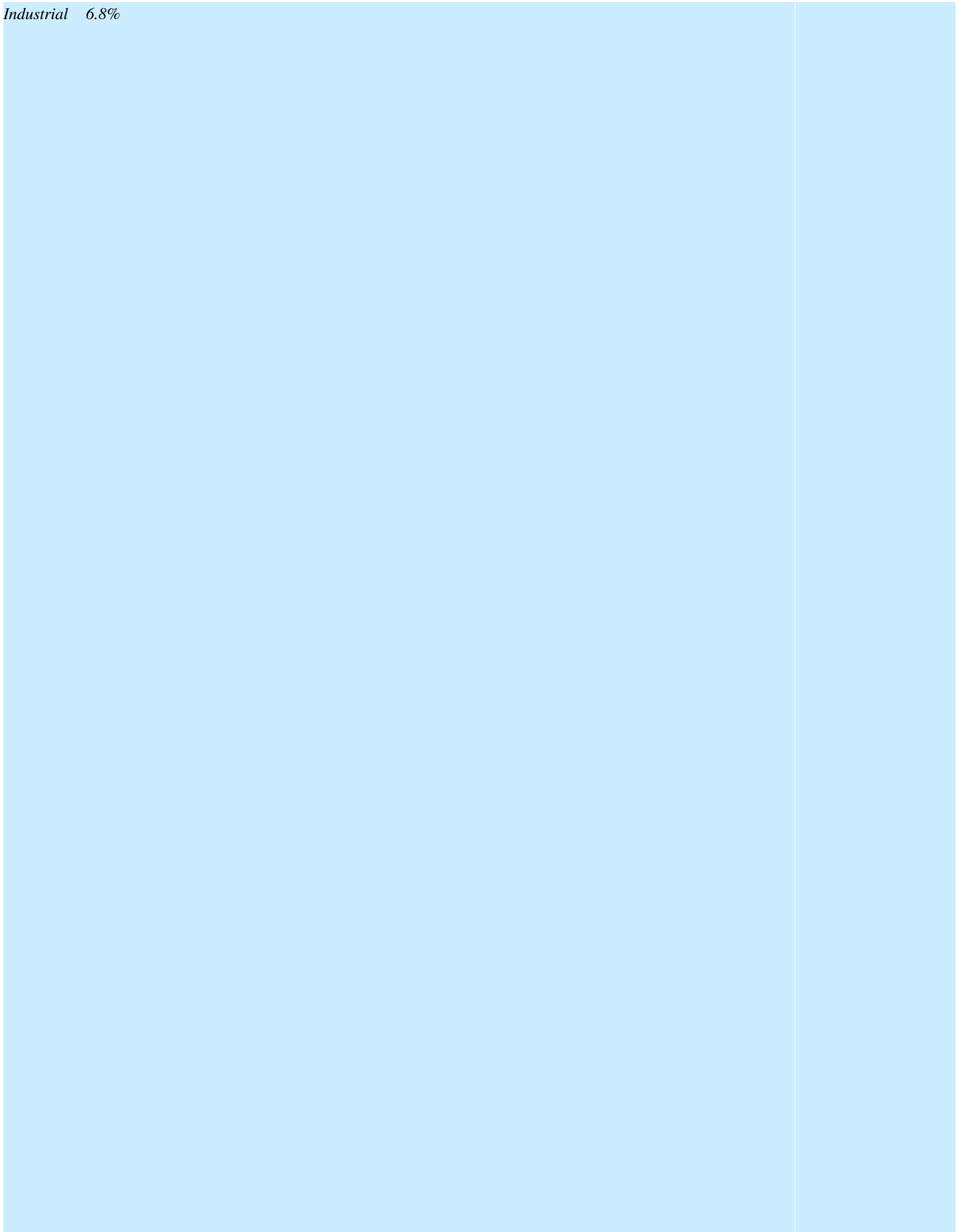
Sunstone Hotel Investors, Inc. \*

5,000

80,050



*Industrial* 6.8%



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DCT Industrial Trust, Inc. \*

5,200

51,792

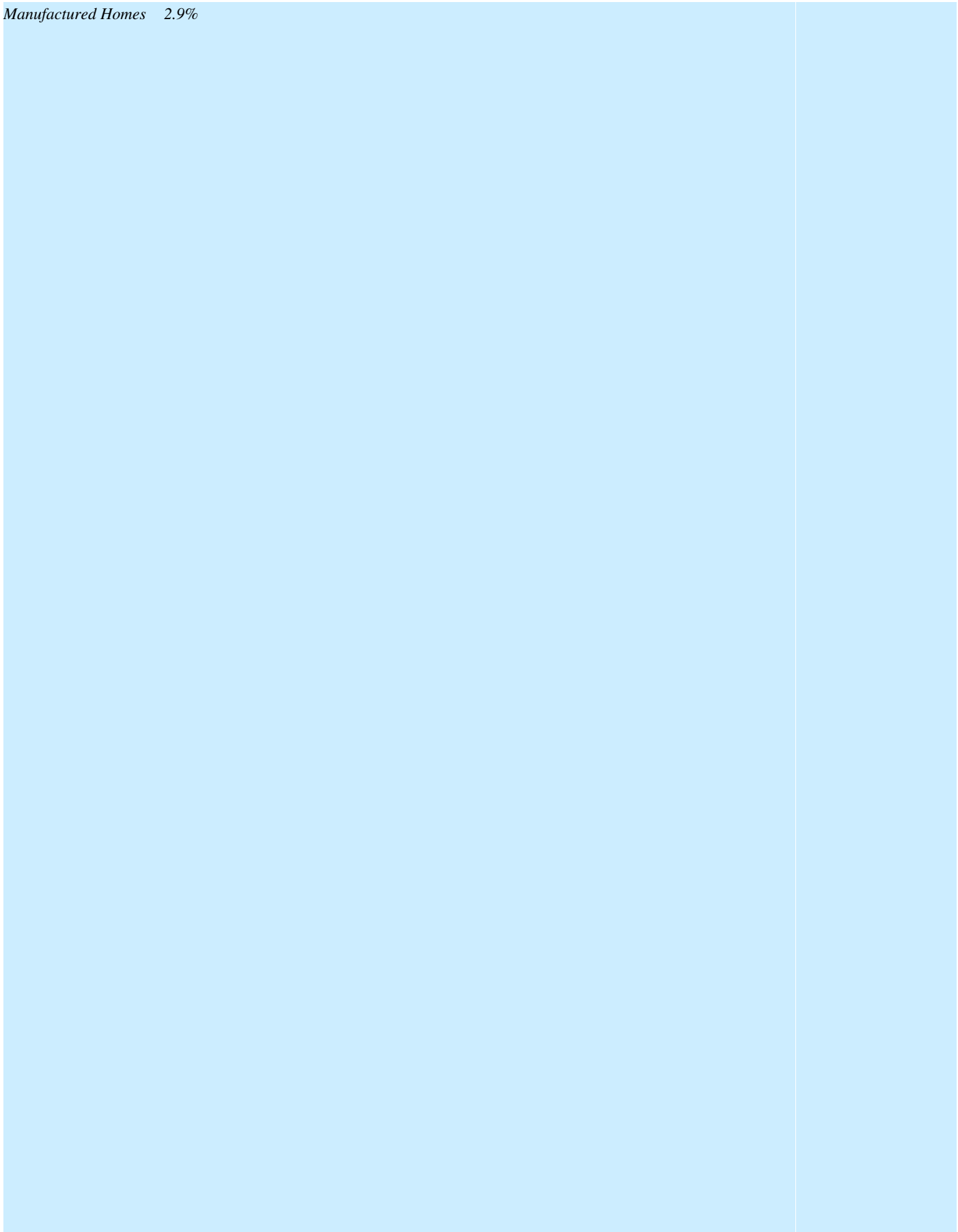
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|                                       |        |           |
|---------------------------------------|--------|-----------|
| First Industrial Realty Trust, Inc. * | 40,200 | 1,241,778 |
|---------------------------------------|--------|-----------|





*Manufactured Homes* 2.9%



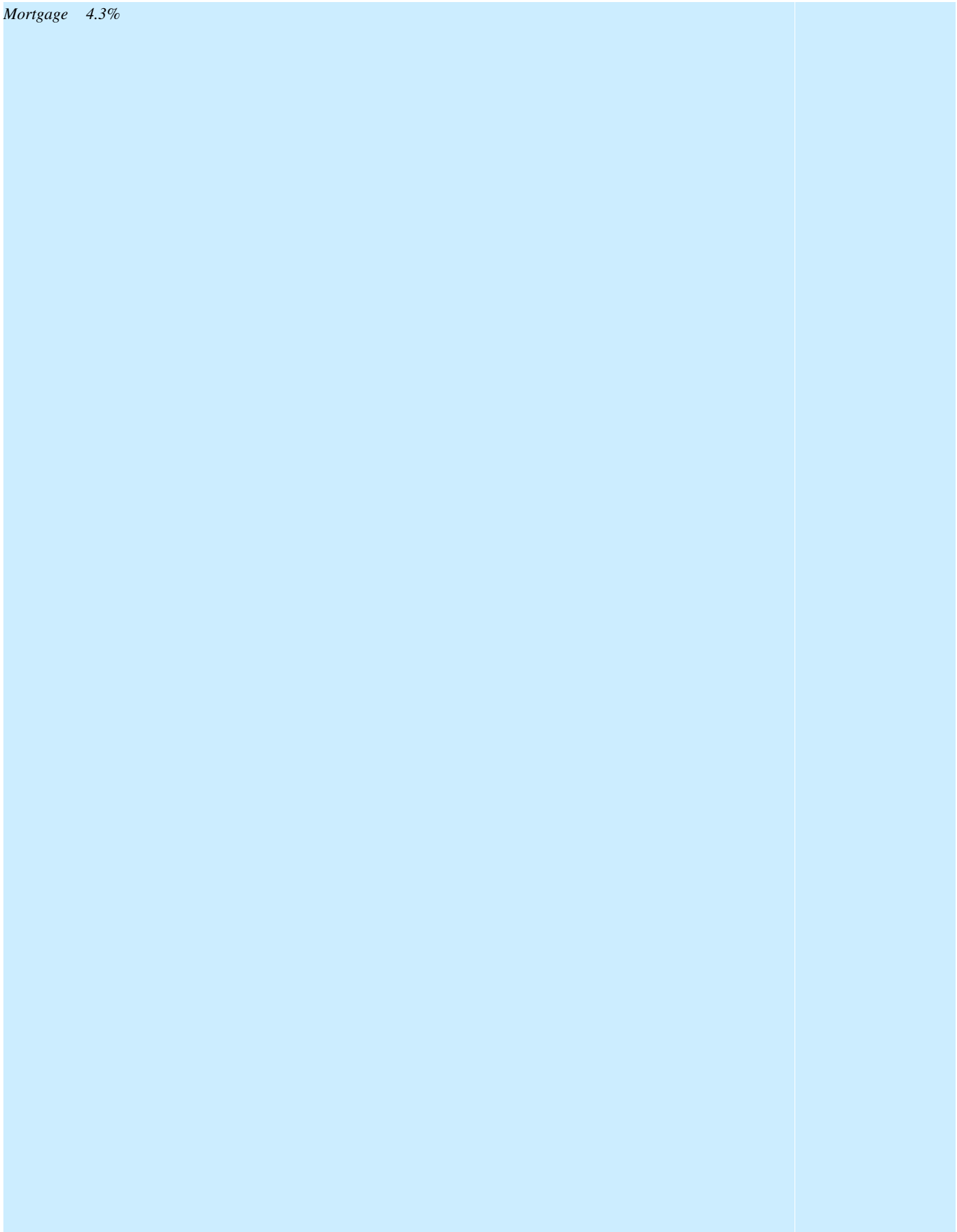
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Sun Communities, Inc. \*

27,000

553,500

*Mortgage* 4.3%



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Alesco Financial, Inc. \*

142,400

410,112

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|                            |        |        |
|----------------------------|--------|--------|
| Anthracite Capital, Inc. * | 15,000 | 99,000 |
|----------------------------|--------|--------|

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JER Investors Trust, Inc. \*

10,000

84,800

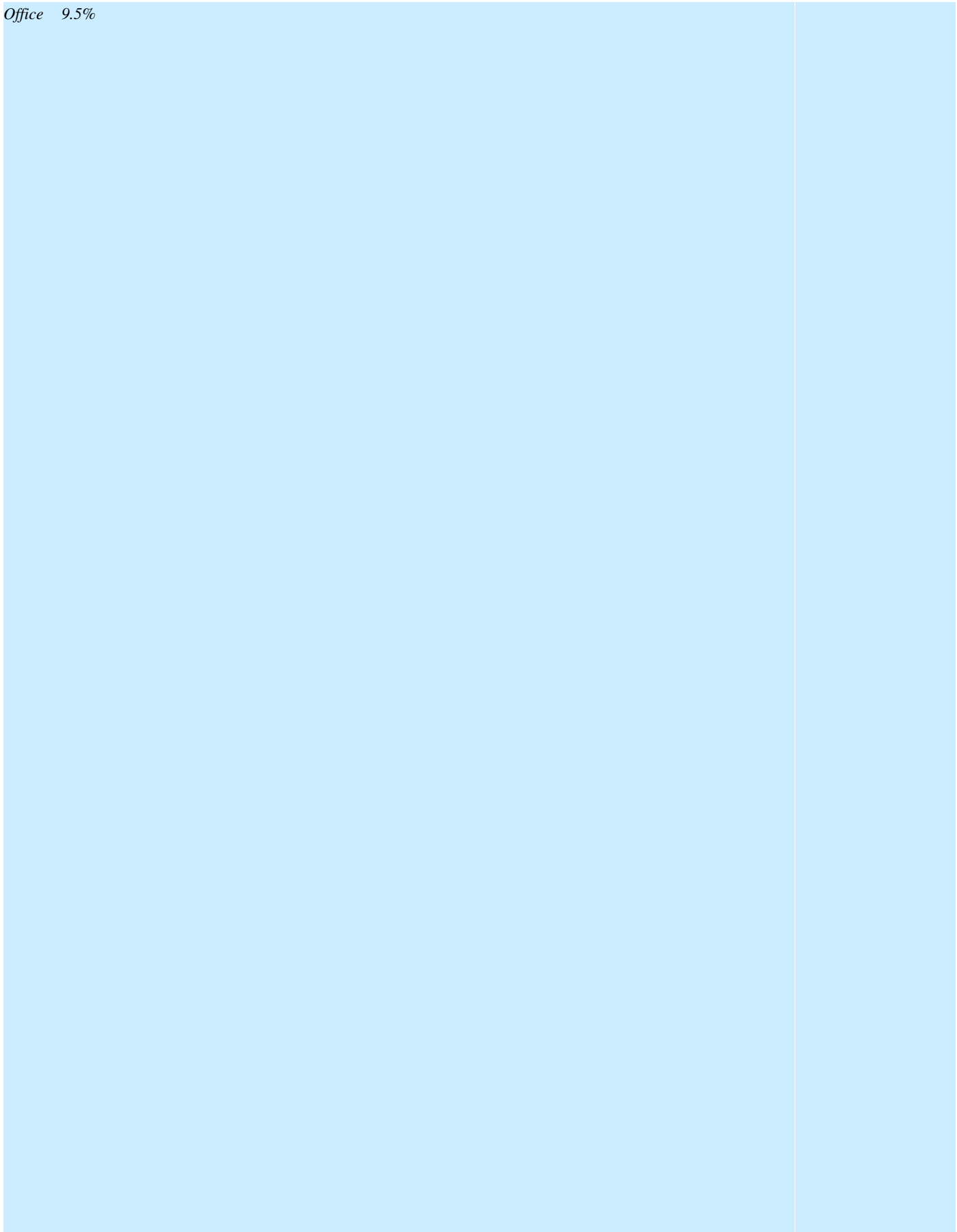
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|                              |        |         |
|------------------------------|--------|---------|
| Newcastle Investment Corp. * | 26,500 | 218,890 |
|------------------------------|--------|---------|





Office 9.5%



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American Financial Realty Trust \*

119,000

944,860

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|                           |       |         |
|---------------------------|-------|---------|
| Boston Properties, Inc. * | 2,000 | 184,140 |
|---------------------------|-------|---------|

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Brookfield Properties Corp.

5,000

96,550

Parkway Properties, Inc. \*

300

11,088

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SL Green Realty Corp. \*

7,000

570,290

1,806,928

*Retail* 4.0%



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CBL & Associates Properties, Inc. \*

3,000

70,590

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|                                       |       |         |
|---------------------------------------|-------|---------|
| Developers Diversified Realty Corp. * | 3,000 | 125,640 |
|---------------------------------------|-------|---------|

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Equity One, Inc. \*

3,000

71,910

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Glimcher Realty Trust \*

19,300

230,828

Realty Income Corp. \*

200

5,124

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Simon Property Group, Inc. \*

2,000

185,820

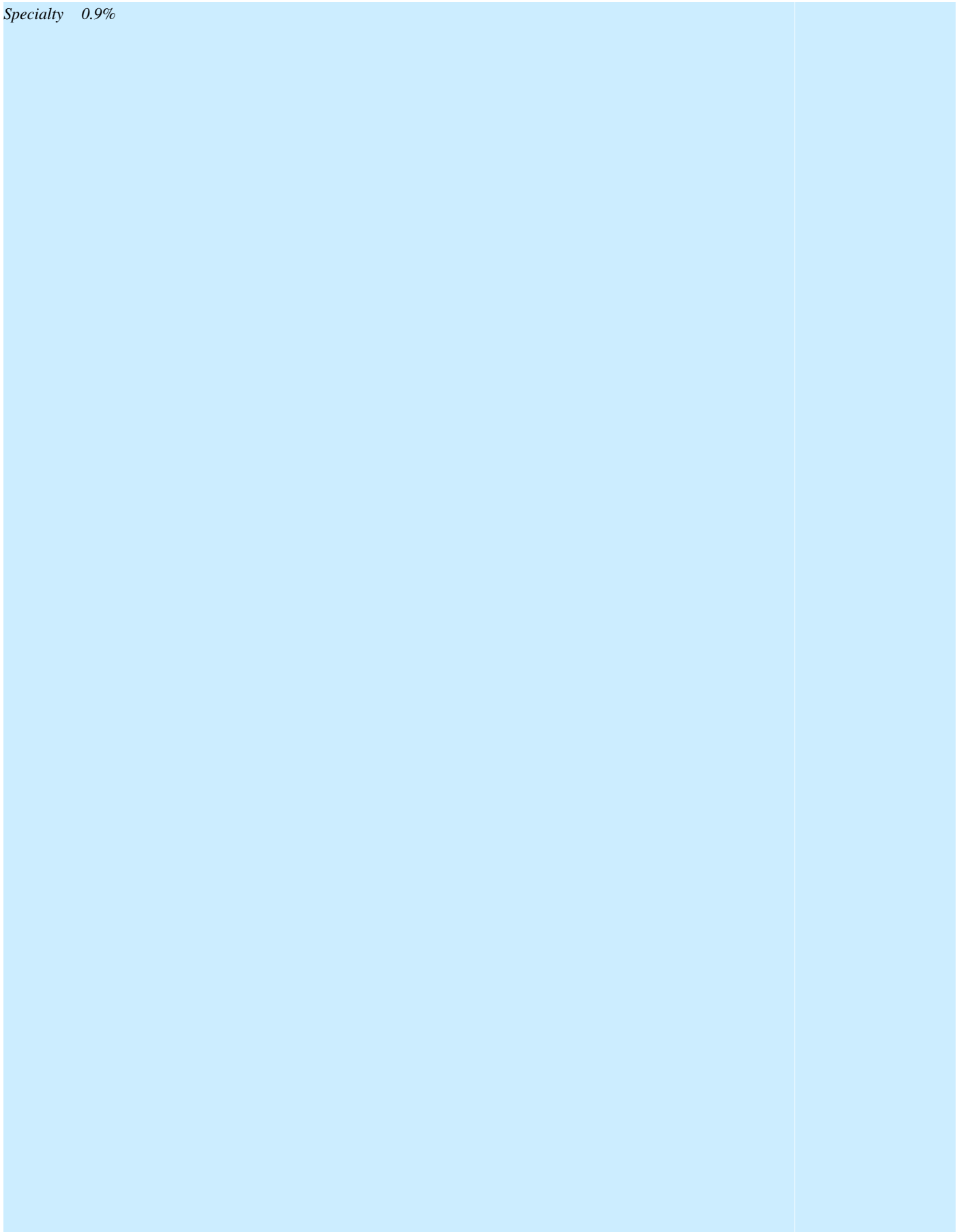
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|                                       |       |        |
|---------------------------------------|-------|--------|
| Tanger Factory Outlet Centers, Inc. * | 2,000 | 76,940 |
|---------------------------------------|-------|--------|





*Specialty* 0.9%



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Getty Realty Corp. \*

4,000

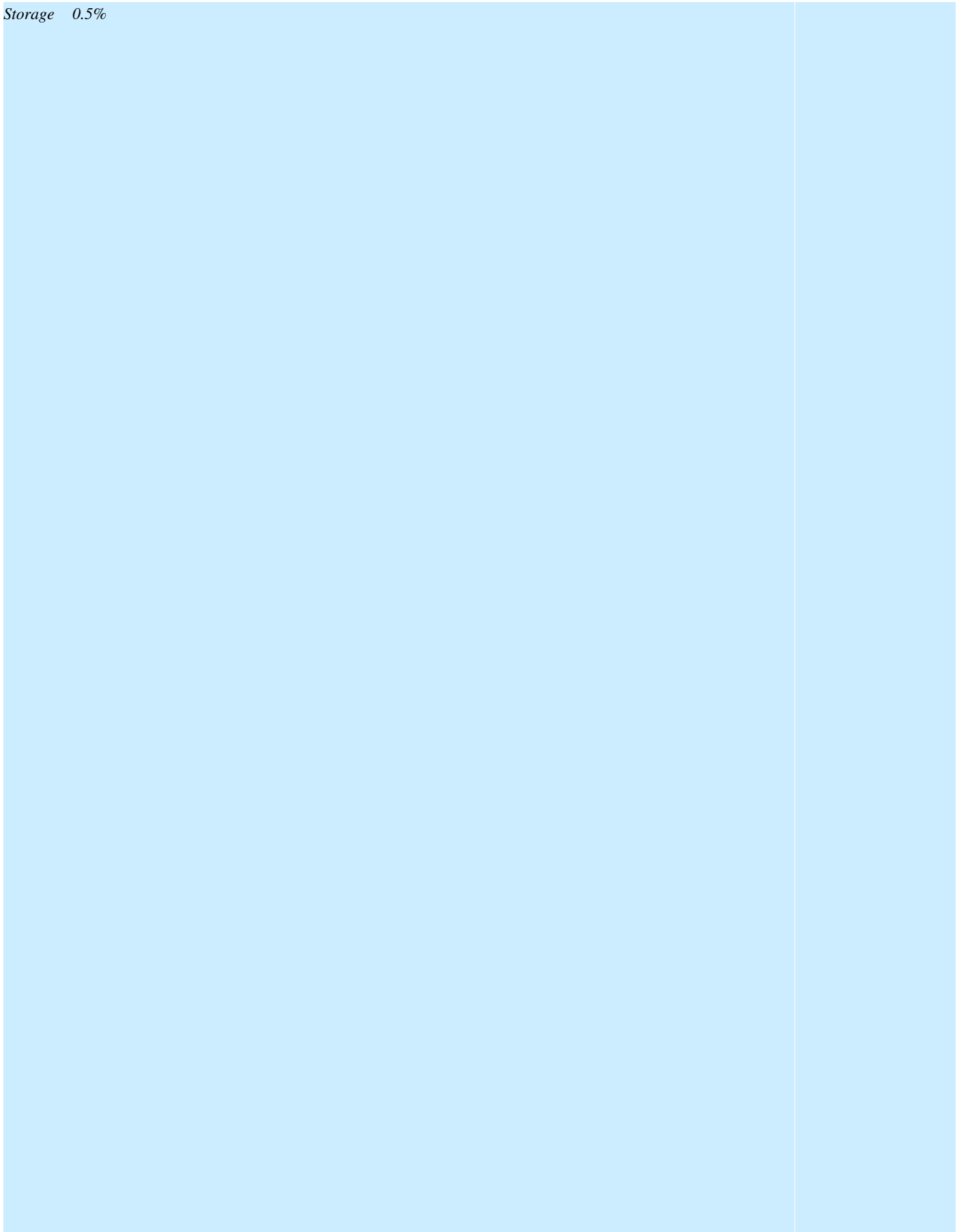
63,720

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|                          |        |         |
|--------------------------|--------|---------|
| Resource Capital Corp. * | 15,588 | 118,001 |
|--------------------------|--------|---------|



*Storage* 0.5%



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U-Store-It Trust \*

8,900

100,837

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*Total Real Estate (Cost \$16,486,087)*  
*Other 6.6%*

11,840,759

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|                               |         |         |
|-------------------------------|---------|---------|
| Abingdon Investment, Ltd. (a) | 100,000 | 604,000 |
|-------------------------------|---------|---------|



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Iowa Telecommunication Services, Inc.

37,500

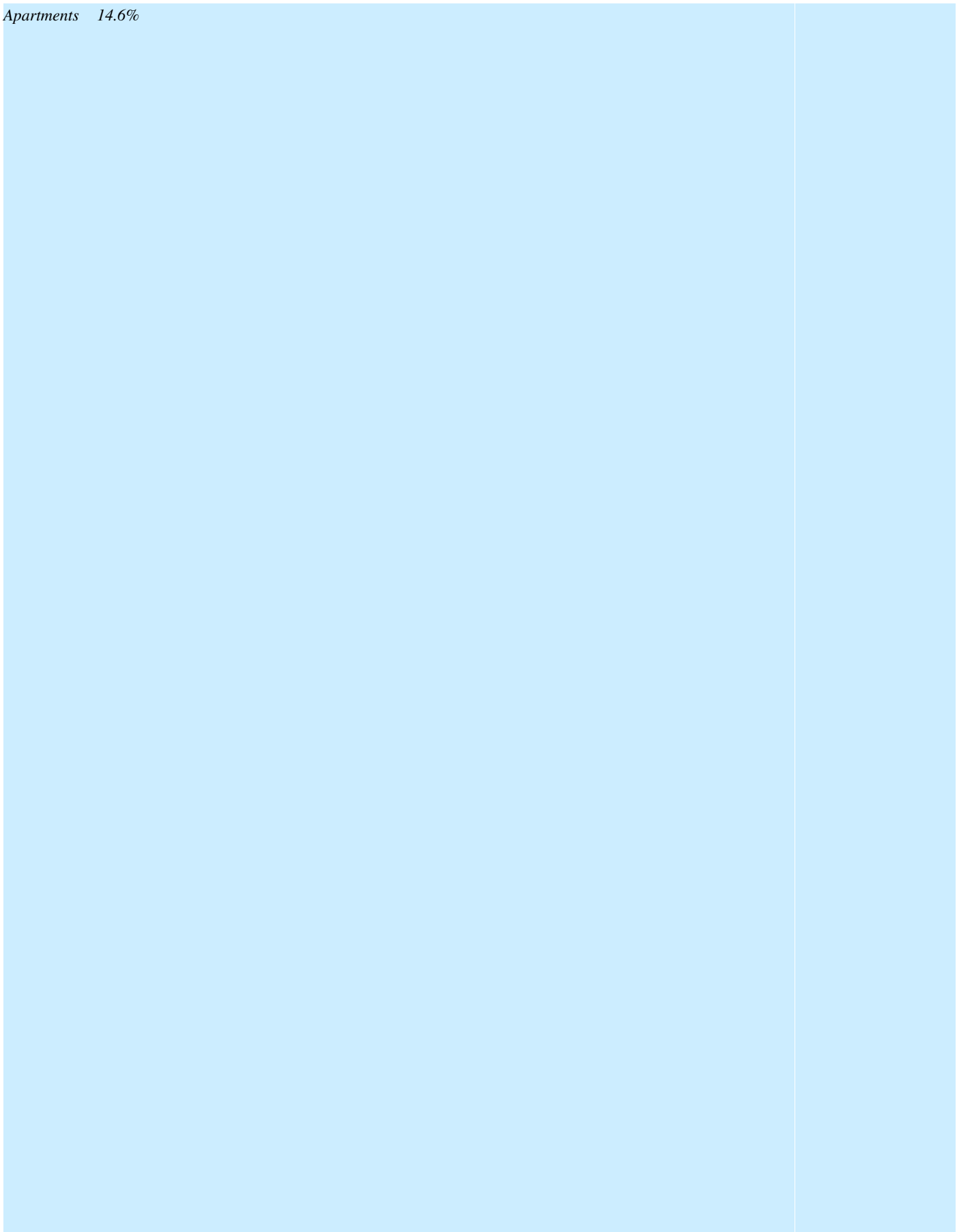
664,875

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|  |            |
|--|------------|
| <i>Total Other (Cost \$1,631,150)</i>          | 1,268,875  |
| <i>Total Common Stocks (Cost \$27,771,489)</i> | 18,197,495 |
| <i>Preferred Stocks 75.2%</i>                  |            |

*Real Estate* 70.3%

*Apartments* 14.6%



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Apartment Investment & Management Co., Series U \*

32,500

735,475

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|   |        |         |
|---|--------|---------|
| Apartment Investment & Management Co., Series V * | 27,700 | 621,865 |
|---|--------|---------|

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|   |        |           |
|---|--------|-----------|
| Apartment Investment & Management Co., Series Y * | 65,000 | 1,442,350 |
|---|--------|-----------|

2,799,690



*See notes to portfolio of investments*

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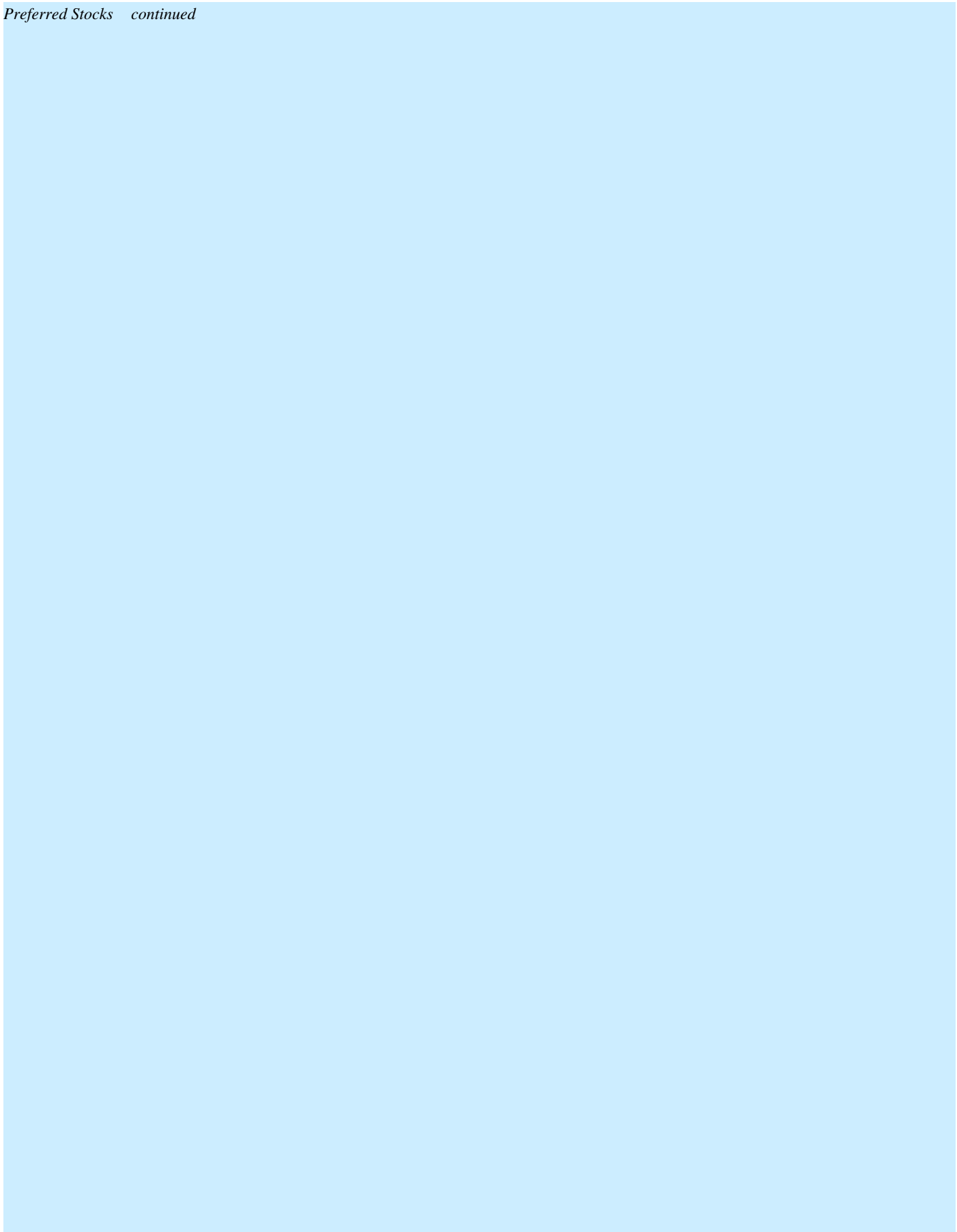
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**Company**

**Shares**


**Value**

*Preferred Stocks continued*



*Real Estate continued*

*Diversified* 9.3%



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Cousins Properties, Inc., Series B \*

20,000 \$

409,000

Digital Realty Trust, Inc., Series A \*

20,000

459,800

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Duke Realty Corp., Series O \*

4,000

98,400




LBA Realty LLC, Series B \*

45,000

811,350



*Health Care* 5.9%



Health Care REIT, Inc., Series F \*

26,900

645,331

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OMEGA Healthcare Investors Inc., Series D \*

19,000

475,000



*Hospitality* 21.4%



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Ashford Hospitality Trust, Series D \*

32,000

582,400



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|  |        |         |
|--|--------|---------|
| Eagle Hospitality Properties Trust, Inc., Series A * | 14,000 | 140,000 |
|--|--------|---------|

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Entertainment Properties Trust, Series B \*

40,000

900,000

FelCor Lodging Trust, Inc., Series C \*

64,000

1,257,600

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Grace Acquisition I, Inc., Series B \*

50,000

500,000

Host Marriott Corp., Series E \*

10,000

251,500

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Strategic Hotels & Resorts, Inc., Series A \*

10,000

188,500

Strategic Hotels & Resorts, Inc., Series B \*

13,700

263,588







*Manufactured Homes* 0.7%




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Hilltop Holdings, Inc., Series A

6,900

145,176

*Mortgage* 5.1%



---

Anthracite Capital, Inc., Series D \*

6,000

79,500

Gramercy Capital Corp., Series A \*

20,000

365,000

---

HomeBanc Corp., Series A \*

10,000

300

MFA Mortgage Investments, Inc., Series A \*

13,800

289,800



RAIT Investment Trust, Series B \*

20,300

237,510



972,110



*Office* 4.2%


Alexandria Real Estate Equities, Inc., Series C \*

31,600

805,168



Retail 9.1%



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CBL & Associates Properties, Inc., Series D \*

10,000

196,500

Glimcher Realty Trust, Series F \*

26,500

496,345



Glimcher Realty Trust, Series G \*

41,000

698,230

Taubman Centers, Inc., Series G \*

15,000

348,450





*Total Real Estate (Cost \$16,810,673)*

13,444,138

*Financial Services 4.9%*

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|   |        |            |
|---|--------|------------|
| Corts-UNUM Provident Financial Trust              | 38,000 | 929,480    |
| <i>Total Financial Services (Cost \$982,300)</i>  |        | 929,480    |
| <i>Total Preferred Stocks (Cost \$17,792,973)</i> |        | 14,373,618 |
| <i>Other Investment Companies 11.5%</i>           |        |            |

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Alpine Total Dynamic Dividend Fund

29,960

482,356

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Cohen & Steers Premium Income Realty Fund, Inc.

13,350

206,391

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Cohen & Steers REIT and Preferred Income Fund, Inc.

8,000

155,200

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Cornerstone Strategic Value Fund, Inc.

32,528

189,638

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Eaton Vance Enhanced Equity Income Fund II

13,100

223,355



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LMP Real Estate Income Fund, Inc.

12,411

182,318

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Neuberger Berman Real Estate Securities Income Fund, Inc.

45,507

471,907



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The Zweig Total Return Fund, Inc.

60,850

282,344

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|  |           |
|--|-----------|
| <i>Total Other Investment Companies (Cost \$2,878,561)</i> | 2,193,509 |
| <i>Rights 0.0%</i>   |           |

Centerline Holding Co., expiring 04/04/2008 (b)

44,200

0

MCG Capital Corp expiring 04/18/2008 (b)

4,571

4,891

*Total Rights (Cost \$0)*

4,891

*See notes to portfolio of investments*






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**Company**

**Shares**

**Value**

*Short-Term Investments* 0.7%



*Other Investment Companies* 0.7%

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|   |         |    |         |
|---|---------|----|---------|
| Dreyfus Cash Management, Institutional Shares, 3.32% (c) (Cost \$128,410) | 128,410 | \$ | 128,410 |
|---|---------|----|---------|

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|  |                                |               |
|--|--------------------------------|---------------|
| Total Investments                            | 182.6% (Cost \$48,571,433) (d) | 34,897,923    |
| Other assets less liabilities                | 1.1%                           | 216,392       |
| Preferred Shares, at liquidation preference  | (83.7)%                        | (16,000,000)  |
| Net Assets applicable to common shareholders | 100%                           | \$ 19,114,315 |

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### Notes to Portfolio of Investments

- \* Real Estate Investment Trust, or REIT
- (a) 144A securities. Securities restricted for resale to Qualified Institutional Buyers (3.2% of net assets).
- (b) As of March 31, 2008, this security had not paid a distribution.
- (c) Rate reflects 7 day yield as of March 31, 2008.
- (d) Although subject to adjustments to the extent 2008 distributions by the issuers of the Fund's investments are characterized as return of capital, the cost, gross unrealized appreciation and gross unrealized depreciation of the Fund's investments for federal income tax purposes, as of March 31, 2008, are as follows:

|                               |    |              |
|-------------------------------|----|--------------|
| Cost                          | \$ | 48,571,433   |
| Gross unrealized appreciation | \$ | 531,921      |
| Gross unrealized depreciation |    | (14,205,431) |
| Net unrealized depreciation   | \$ | (13,673,510) |

Reference should be made to the Fund's financial statements for the year ended December 31, 2007, for further information concerning the income tax characterization of the Fund's investment income and distributions.

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**Information regarding FAS 157**

The Fund has adopted the provisions of Financial Accounting Standards Board Statement of Financial Accounting Standards No. 157, Fair Value Measurements, or FAS 157, effective January 1, 2008. In accordance with FAS 157, fair value is defined as the price that the Fund would receive upon selling an investment in a timely transaction to an independent buyer in the principal or most advantageous market of the investment. FAS 157 established a three tier hierarchy to maximize the use of observable market data and minimize the use of unobservable inputs and to establish classification of fair value measurements for disclosure purposes. Inputs refer broadly to the assumptions that market participants would use in pricing the asset or liability, including assumptions about risk, for example, the risk inherent in a particular valuation technique used to measure fair value including such a pricing model and/or the risk inherent in the inputs to the valuation technique. Inputs may be observable or unobservable. Observable inputs are inputs that reflect the assumptions market participants would use in pricing the asset or liability developed based on market data obtained from sources independent of the reporting entity. Unobservable inputs are inputs that reflect the reporting entity's own assumptions about the assumptions market participants would use in pricing the asset or liability developed based on the best information available in the circumstances. The three tier hierarchy of inputs is summarized in the three broad levels listed 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)

The valuation techniques used by the Fund to measure fair value during the three months ended March 31, 2008, maximized the use of observable inputs and minimized the use of unobservable inputs. The Fund utilized broker quotes, company financial information and other market indicators to value the securities whose prices were not readily available.

The following is a summary of the inputs used as of March 31, 2008, in valuing the Fund's investments carried at value:

| Valuation Inputs                              | Investments in<br>Securities |
|---|------------------------------|
| Level 1 - Quoted prices                       | \$ 33,653,923                |
| Level 2 - Other significant observable inputs | 640,000                      |
| Level 3 - Significant unobservable inputs     | 604,000                      |
| Total   | \$ 34,897,923                |

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

|                            | Investments in<br>Securities<br>Characterized<br>as Level 3 |
|----------------------------|---|
| Balance as of 12/31/07     | \$ 796,000  |
| Accrued discounts/premiums | (192,000)   |

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|   |    |           |
|---|----|-----------|
| Realized gain/loss and change in unrealized appreciation/depreciation                         |    |           |
| Net purchases/sales   |    |           |
| Net transfers in and/or out of Level 3  |    |           |
| Balance, as of 03/31/08   | \$ | 604,000   |
| Net change in unrealized appreciation/depreciation from investments still held as of 03/31/08 | \$ | (192,000) |

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**Item 2. Controls and Procedures.**

(a) The registrant's principal executive officer and principal financial officer have concluded that the registrant's disclosure controls and procedures (as defined in Rule 30a-3(c) under the Investment Company Act of 1940, as amended (the "1940 Act")), are effective, as of a date within 90 days of the filing date of this report, based on their evaluation of these controls and procedures required by Rule 30a-3(b) under the 1940 Act and Rules 13a-15(b) or 15d-15(b) under the Securities Exchange Act of 1934, as amended.

(b) There were no changes in the registrant's internal control over financial reporting (as defined in Rule 30a-3(d) under the 1940 Act) that occurred during the registrant's last fiscal quarter that have materially affected, or are reasonably likely to materially affect, the registrant's internal control over financial reporting.

**Item 3. Exhibits.**

(a)(1) Certification of Principal Executive Officer, as required by Rule 30a-2(a) under the 1940 Act.

(a)(2) Certification of Principal Financial Officer, as required by Rule 30a-2(a) under the 1940 Act.

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**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.

RMR F.I.R.E. FUND

By: /s/ Adam D. Portnoy  
Adam D. Portnoy  
President

Date: May 27, 2008

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

By: /s/ Adam D. Portnoy  
Adam D. Portnoy  
President

Date: May 27, 2008

By: /s/ Mark L. Kleifges  
Mark L. Kleifges  
Treasurer

Date: May 27, 2008

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