COHEN & STEERS REIT & PREFERRED INCOME FUND INC
Form N-CSRS
September 07, 2017

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)

Francis C. Poli

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, 2017

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, 2017. The net asset value (NAV) at that date was $22.75 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 market price was $20.78.

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

	Six Months Ended June 30, 2017
Cohen & Steers REIT and Preferred Income Fund at NAV[a]	8.53%
Cohen & Steers REIT and Preferred Income Fund at Market Value[a]	12.80%
FTSE NAREIT Equity REIT Index[b]	2.70%
BofA Merrill Lynch Fixed-Rate Preferred Securities Index[b]	8.73%
Blended Benchmark 50% FTSE NAREIT Equity REIT Index/50% BofA Merrill Lynch Fixed-Rate Preferred Securities Index[b]	5.70%
S&P 500 Index[b]	9.34%

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 makes regular monthly 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 net realized gains. This

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

[b] The FTSE NAREIT Equity REIT Index contains all tax-qualified REITs except timber and infrastructure REITs with more than 50% of total assets in qualifying real estate assets other than mortgages secured by real property that also meet minimum size and liquidity criteria. 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 S&P 500 Index is an unmanaged index of 500 large-capitalization stocks that is frequently used as a general measure of U.S. stock market performance. Benchmark returns are shown for comparative purposes only and may not be representative of the Fund's portfolio. The Fund's benchmarks do not include below-investment-grade securities.

1

COHEN & STEERS REIT AND PREFERRED INCOME FUND, INC.

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.

Market Review

The U.S. stock market advanced strongly in the first half of 2017, aided by improving economic data, expectations of business-friendly government initiatives and generally positive year-ahead corporate guidance. Stocks, including real estate securities, also drew support from a benign interest-rate backdrop. While the Federal Reserve raised short-term interest rates by a total of 0.50% during the period in response to an improving economy, U.S. bond yields declined as inflation expectations dropped along with retreating oil prices. The yield on the 10-year Treasury fell from 2.5% at the start of the period to 2.3% at the end of the period.

Real estate investment trusts (REITs) had a positive overall return in this environment, although they trailed broad equity indexes, with strong gains in sectors such as data centers and industrial largely countered by declines in retail landlords. The disparity in returns partly reflected the differing effects of the rise of e-commerce on various property types. For example, the growth of online retail has led to increasing demand for the logistics services provided by industrial REITs, especially those that own warehouses located near densely populated areas. At the same time, online retail has been a growing source of competition for brick and mortar retailers, a factor behind a recent rise in store closings.

Preferred securities had a strong showing in the period, outperforming most segments of the fixed-income market. The group benefited from the decline in bond yields as well as a favorable technical dynamic, with continued light issuance relative to demand for preferreds' above-average income. In addition, the financial health of banks, which are the primary issuers of preferred securities, continued to improve. Notably, the Federal Reserve announced the results of its annual supervisory bank stress tests near the end of the period. For the first time, all 34 participating U.S. bank holding companies passed, maintaining adequate common equity Tier 1 capital ratios in the most severe hypothetical stress scenario.

Fund Performance

The Fund had a positive total return in the period and outperformed its blended benchmark on both a NAV and market price basis. Relative performance benefited from our underweights in regional mall and shopping center REITs, which were among the poorest performing sectors with significant declines. Retail landlords in general struggled amid ongoing news of store closings and concerns regarding the expansion of e-commerce, trends that could weigh on a number of these companies' operating fundamentals for an extended period.

COHEN & STEERS REIT AND PREFERRED INCOME FUND, INC.

An overweight and favorable stock selection in data center REITs was additionally beneficial, with a significant contribution from our overweight in DuPont Fabros Technology (DuPont). The stock rallied after Digital Realty announced that it would acquire the company at a premium to DuPont's stock price at the time of the news.

Factors that detracted from relative performance included the Fund's underweight in health care property landlords. The sector was aided by a decline in interest rates, which increased the appeal of its above-average dividend yield. The underweight allocation was based on our view that health care REITs have relatively modest growth prospects. Stock selection in the diversified sector hindered performance as well.

The Fund's allocation to preferred securities had a positive absolute return and outperformed the broad preferreds universe as measured by the BofA Merrill Lynch Fixed-Rate Preferred Securities Index. Favorable security selection in the banking sector aided performance. Top contributors included certain out-of-index issues from European banks that had sizable returns amid improving economic growth and easing political concerns in the region. Security selection in the insurance sector helped performance as well. Security selection in the Fund's allocation to preferreds from utilities modestly detracted from relative performance.

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 for the six-month period ended June 30, 2017.

Impact of Derivatives on Fund Performance

The Fund used derivatives in the form of forward foreign currency exchange contracts for managing currency risk on certain Fund positions denominated in foreign currencies. These contracts did not have a material effect on the Fund's total return for the six-month period ended June 30, 2017.

COHEN & STEERS REIT AND PREFERRED INCOME FUND, INC.

Sincerely,

THOMAS N. BOHJALIAN *Portfolio Manager*	WILLIAM F. SCAPELL *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 the report. 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 including real estate securities, listed infrastructure, commodities and natural resource equities, as well as preferred securities and other income solutions.

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 net income available for shareholders. As of June 30, 2017, leverage represented 24% 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 expiring in 2020, 2021 and 2022[a] (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[b,c]

Leverage (as a % of managed assets)	24%
% Fixed Rate	85%
% Variable Rate	15%
Weighted Average Rate on Financing	2.0%[a]
Weighted Average Term on Financing	4.0 years[a]

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 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 shareholders. On the other hand, to the extent that the total cost of leverage exceeds the incremental income gained from employing such leverage, 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 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 shareholders. There can be no assurance that a leveraging strategy will be successful during any period in which it is employed.

[a] On February 24, 2015, the Fund amended its credit agreement to extend the fixed rate financing terms, originally expiring in 2017, 2018 and 2019, by three years, now expiring in 2020, 2021 and 2022. The weighted average rate on financing does not include the three year extension and will increase as the extended fixed-rate tranches become effective. The weighted average term on financing includes the three year extension.

[b] Data as of June 30, 2017. Information is subject to change.

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

COHEN & STEERS REIT AND PREFERRED INCOME FUND, INC.

June 30, 2017
Top Ten Holdings[a]
(Unaudited)

Security	Value	% of Managed Assets
Simon Property Group	$44,667,274	3.1
Prologis	37,413,258	2.6
Equinix	36,039,569	2.5
Equity Residential	31,939,202	2.2
Essex Property Trust	28,616,656	2.0
Extra Space Storage	26,622,726	1.9
UDR	26,231,954	1.8
SL Green Realty Corp.	23,955,765	1.7
American Campus Communities	22,576,101	1.6
HCP	21,777,288	1.5

[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, 2017 (Unaudited)

		Number of Shares	Value
COMMON STOCK	63.3%		
COMMUNICATIONS TOWERS	0.7%		
Crown Castle International Corp.		78,025	$ 7,816,544
REAL ESTATE	62.6%		
DIVERSIFIED	1.6%		
American Assets Trust[a,b]		181,011	7,130,023
Washington REIT		318,761	10,168,476
			17,298,499
HEALTH CARE	5.4%		
HCP[a,b]		681,392	21,777,288
Healthcare Trust of America, Class A[a,b]		689,491	21,450,065
Physicians Realty Trust[a,b]		740,460	14,912,865
			58,140,218
HOTEL	3.5%		
Host Hotels & Resorts[a,b]		952,766	17,407,035
Pebblebrook Hotel Trust[a,b]		219,895	7,089,415
Sunstone Hotel Investors[a,b]		856,730	13,810,487
			38,306,937
INDUSTRIALS	3.5%		
Prologis[a,b]		638,016	37,413,258
NET LEASE	2.6%		
Four Corners Property Trust		214,456	5,384,990
Gaming and Leisure Properties		264,452	9,961,907
Gramercy Property Trust[a,b]		426,267	12,664,393
			28,011,290
OFFICE	10.8%		
Alexandria Real Estate Equities[a,b]		125,046	15,064,292
Boston Properties		62,842	7,730,823
Douglas Emmett[a,b]		308,082	11,771,813
Highwoods Properties[a,b]		269,384	13,660,463
Hudson Pacific Properties		238,800	8,164,572
Kilroy Realty Corp.[a,b]		241,457	18,145,493
SL Green Realty Corp.[a,b]		226,425	23,955,765
Vornado Realty Trust[a,b]		194,861	18,297,448
			116,790,669

See accompanying notes to financial statements.

COHEN & STEERS REIT AND PREFERRED INCOME FUND, INC.

SCHEDULE OF INVESTMENTS (Continued)

June 30, 2017 (Unaudited)

		Number of Shares	Value
RESIDENTIAL	16.1%		
APARTMENT	10.9%		
Apartment Investment & Management Co.[a,b]		231,507	$ 9,947,856
Equity Residential[a,b]		485,177	31,939,202
Essex Property Trust[a,b]		111,232	28,616,656
Mid-America Apartment Communities[a,b]		196,053	20,660,065
UDR[a,b]		673,132	26,231,954
			117,395,733
MANUFACTURED HOME	1.7%		
Sun Communities[a,b]		213,633	18,733,478
SINGLE FAMILY	1.4%		
Colony Starwood Homes[a,b]		452,044	15,509,630
STUDENT HOUSING	2.1%		
American Campus Communities[a]		477,296	22,576,101
TOTAL RESIDENTIAL			174,214,942
SELF STORAGE	3.1%		
CubeSmart[a]		281,601	6,769,688
Extra Space Storage[a,b]		341,317	26,622,726
			33,392,414
SHOPPING CENTERS	7.1%		
COMMUNITY CENTER	2.1%		
Brixmor Property Group[a,b]		584,432	10,449,644
Kimco Realty Corp.		166,174	3,049,293
Regency Centers Corp.[a,b]		156,608	9,809,925
			23,308,862
REGIONAL MALL	5.0%		
GGP[a,b]		386,838	9,113,903
Simon Property Group[a,b]		276,133	44,667,274
			53,781,177
TOTAL SHOPPING CENTERS			77,090,039

See accompanying notes to financial statements.

COHEN & STEERS REIT AND PREFERRED INCOME FUND, INC.

SCHEDULE OF INVESTMENTS (Continued)

June 30, 2017 (Unaudited)

		Number of Shares	Value
SPECIALTY	8.9%		
CoreCivic		206,790	$ 5,703,268
CyrusOne[a,b]		163,314	9,104,756
Digital Realty Trust		73,999	8,358,187
DuPont Fabros Technology[a,b]		251,756	15,397,397
Equinix[a,b]		83,977	36,039,569
Lamar Advertising Co., Class A		108,307	7,968,146
QTS Realty Trust, Class A[a,b]		274,096	14,343,444
			96,914,767
TOTAL REAL ESTATE			677,573,033
TOTAL COMMON STOCK (Identified cost $489,067,573)			685,389,577
PREFERRED SECURITIES $25 PAR VALUE	20.8%		
BANKS	5.3%		
Bank of America Corp., 6.20%, Series CC[a,c]		134,575	3,607,956
Bank of America Corp., 6.00%, Series EE[c]		153,877	4,108,516
Bank of America Corp., 6.50%, Series Y[a,c]		113,268	3,049,175
Citigroup, 6.30%, Series S[a,c]		139,006	3,711,460
GMAC Capital Trust I, 6.967%, due 2/15/40, Series 2 (TruPS) (FRN) (3 Mo. US LIBOR + 5.785%)[a,b,d]		324,847	8,510,991
Huntington Bancshares, 6.25%, Series D[a,c]		158,430	4,352,072
JPMorgan Chase & Co., 6.10%, Series AA[a,c]		43,750	1,186,937
JPMorgan Chase & Co., 6.15%, Series BB[a,c]		78,600	2,154,426
JPMorgan Chase & Co., 6.125%, Series Y[c]		90,000	2,425,500
New York Community Bancorp, 6.375%, Series A[c]		160,000	4,576,000
People's United Financial, 5.625%, Series A[a,c]		104,699	2,923,196
Regions Financial Corp., 6.375%, Series B[c]		113,497	3,305,033
Wells Fargo & Co., 5.85%[a,c]		192,386	5,321,397
		117,835	3,051,926

Wells Fargo & Co., 5.70%, Series W[a,c]		
Wells Fargo & Co., 5.625%, Series Y[c]	184,825	4,751,851
		57,036,436

See accompanying notes to financial statements.

COHEN & STEERS REIT AND PREFERRED INCOME FUND, INC.

SCHEDULE OF INVESTMENTS (Continued)

June 30, 2017 (Unaudited)

		Number of Shares	Value
BANKS FOREIGN	0.9%		
Barclays Bank PLC, 8.125%, Series 5 (United Kingdom)[a,c]		276,655	$ 7,356,257
National Westminster Bank PLC, 7.763%, Series C (United Kingdom)[a,c]		89,392	2,346,540
			9,702,797
ELECTRIC	1.3%		
INTEGRATED ELECTRIC	0.7%		
DTE Energy Co., 5.375%, due 6/1/76, Series B		116,388	2,945,781
Integrys Holdings, 6.00%, due 8/1/73		162,977	4,402,416
			7,348,197
REGULATED ELECTRIC	0.6%		
Southern Co./The, 6.25%, due 10/15/75		238,165	6,516,194
TOTAL ELECTRIC			13,864,391
FINANCIAL	2.9%		
DIVERSIFIED FINANCIAL SERVICES	0.7%		
KKR & Co. LP, 6.75%, Series A[c]		140,000	3,820,600
State Street Corp., 5.35%, Series G[c]		126,525	3,470,581
			7,291,181
INVESTMENT ADVISORY SERVICES	0.3%		
Ares Management LP, 7.00%, Series A[c]		136,000	3,628,480
INVESTMENT BANKER/BROKER	1.9%		
Charles Schwab Corp./The, 5.95%, Series D[c]		122,400	3,337,848
Morgan Stanley, 6.875%[a,c]		254,714	7,460,573
Morgan Stanley, 6.375%, Series I[a,c]		164,338	4,690,206
Morgan Stanley, 5.85%, Series K[c]		166,775	4,556,293
			20,044,920
TOTAL FINANCIAL			30,964,581
INDUSTRIALS CHEMICALS	1.1%		

CHS, 6.75%[a,c]	130,453	3,689,211
CHS, 7.50%, Series 4[c]	74,495	2,152,161
CHS, 7.10%, Series II[a,b,c]	193,453	5,691,387
		11,532,759

See accompanying notes to financial statements.

10

COHEN & STEERS REIT AND PREFERRED INCOME FUND, INC.

SCHEDULE OF INVESTMENTS (Continued)

June 30, 2017 (Unaudited)

		Number of Shares	Value
INSURANCE	3.0%		
LIFE/HEALTH INSURANCE FOREIGN	0.1%		
Aegon NV, 6.50% (Netherlands)[c]		41,743	$ 1,093,249
MULTI-LINE	1.1%		
American Financial Group, 6.00%, due 11/15/55		99,000	2,717,550
American Financial Group, 6.25%, due 9/30/54		139,041	3,748,545
Hanover Insurance Group/The, 6.35%, due 3/30/53		78,400	2,026,640
WR Berkley Corp., 5.75%, due 6/1/56		139,375	3,664,169
			12,156,904
MULTI-LINE FOREIGN	0.2%		
PartnerRe Ltd., 6.50%, Series G (Bermuda)[c]		74,903	2,040,358
PROPERTY CASUALTY FOREIGN	0.6%		
Axis Capital Holdings Ltd., 5.50%, Series E (Bermuda)[c]		160,000	3,985,600
Validus Holdings Ltd., 5.80% (Bermuda)[c]		111,038	2,813,703
			6,799,303
REINSURANCE	0.4%		
Reinsurance Group of America, 5.75%, due 6/15/56[a]		138,000	4,007,520
REINSURANCE FOREIGN	0.6%		
Arch Capital Group Ltd., 5.25%, Series E (Bermuda)[c]		241,762	5,891,740
Aspen Insurance Holdings Ltd., 5.95% (Bermuda)[c]		30,324	852,104