

COHEN & STEERS QUALITY INCOME REALTY FUND INC
Form N-Q
November 28, 2012

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

FORM N-Q

**QUARTERLY SCHEDULE OF PORTFOLIO HOLDINGS OF REGISTERED
MANAGEMENT INVESTMENT COMPANY**

Investment Company Act file number 811-10481

Cohen & Steers Quality Income Realty Fund, Inc.
(Exact name of registrant as specified in charter)

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

10017
(Zip code)

Tina M. Payne
280 Park Avenue
New York, NY 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: September 30, 2012

Item 1. Schedule of Investments

COHEN & STEERS QUALITY INCOME REALTY FUND, INC.

SCHEDULE OF INVESTMENTS

September 30, 2012 (Unaudited)

	Number of Shares	Value
COMMON STOCK REAL ESTATE 108.2%		
DIVERSIFIED 8.1%		
American Assets Trust(a),(b)	363,105	\$ 9,727,583
BGP Holdings PLC (Australia) (EUR)(c),(d),(e)	3,927,678	0
Vornado Realty Trust(a),(b)	1,074,330	87,074,446
		96,802,029
HEALTH CARE 11.7%		
Brookdale Senior Living(e)	188,463	4,376,111
HCP(a),(b)	1,244,035	55,334,676
Health Care REIT	303,336	17,517,654
Healthcare Realty Trust	732,216	16,877,579
Ventas(a),(b)	716,472	44,600,382
		138,706,402
HOTEL 7.5%		
Chesapeake Lodging Trust(a)	240,569	4,780,106
Hersha Hospitality Trust(a)	2,921,028	14,313,037
Host Hotels & Resorts(a),(b)	1,011,427	16,233,403
Hyatt Hotels Corp., Class A(a),(e)	709,033	28,467,675
Pebblebrook Hotel Trust(a)	307,800	7,199,442
Starwood Hotels & Resorts Worldwide	95,007	5,506,606
Strategic Hotels & Resorts Worldwide(e)	2,013,898	12,103,527
		88,603,796
INDUSTRIALS 7.7%		
DCT Industrial Trust(a)	1,751,357	11,331,280
Prologis(a),(b)	2,283,768	80,000,393
		91,331,673
OFFICE 13.0%		
Alexandria Real Estate Equities(a),(b)	272,666	20,046,404
Boston Properties(a),(b)	302,143	33,420,037
Brookfield Office Properties (Canada)(a)	1,119,418	18,537,562
Corporate Office Properties Trust(a)	395,815	9,487,686
Highwoods Properties(a)	383,100	12,496,722
Hudson Pacific Properties(f)	798,234	14,767,329
Kilroy Realty Corp.(a)	351,712	15,749,664
SL Green Realty Corp.(a),(b)	372,957	29,862,667
		154,368,071

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	Number of Shares	Value
OFFICE/INDUSTRIAL 1.4%		
PS Business Parks	244,514	\$ 16,338,426
RESIDENTIAL 21.5%		
APARTMENT 20.8%		
American Campus Communities(a)	421,685	18,503,538
Apartment Investment & Management Co.(a),(b)	1,113,104	28,929,573
Associated Estates Realty Corp.(a),(b)	736,790	11,169,737
AvalonBay Communities(a),(b)	237,872	32,348,213
Colonial Properties Trust(a)	966,400	20,342,720
Education Realty Trust(a),(b)	451,561	4,922,015
Equity Residential(a),(b)	1,265,002	72,775,565
Essex Property Trust	107,500	15,935,800
Mid-America Apartment Communities	202,229	13,207,576
UDR(a)	1,161,165	28,820,115
		246,954,852
MANUFACTURED HOME 0.7%		
Equity Lifestyle Properties(a)	121,989	8,309,890
TOTAL RESIDENTIAL		255,264,742
SELF STORAGE 6.6%		
CubeSmart(a)	726,538	9,350,544
Public Storage(a),(b)	424,521	59,080,588
Sovran Self Storage	176,667	10,220,186
		78,651,318
SHOPPING CENTERS 27.8%		
COMMUNITY CENTER 9.4%		
Acadia Realty Trust(a),(b)	364,529	9,047,610
DDR Corp.	1,105,300	16,977,408
Federal Realty Investment Trust(a),(b)	293,027	30,855,743
Kimco Realty Corp.(a),(b)	622,949	12,627,176
Ramco-Gershenson Properties Trust	675,829	8,468,137
Regency Centers Corp.(a),(b)	662,152	32,266,667
Retail Properties of America	153,736	1,740,292
		111,983,033
REGIONAL MALL 18.4%		
General Growth Properties(a),(b)	2,224,300	43,329,364
Glimcher Realty Trust	845,900	8,941,163
Simon Property Group(a),(b)	1,037,744	157,539,917

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	Number of Shares	Value
Taubman Centers	108,796	\$ 8,347,917
TOTAL SHOPPING CENTERS		218,158,361
SPECIALTY 2.9%		
Digital Realty Trust(a),(b)	499,591	34,896,431
TOTAL COMMON STOCK (Identified cost \$938,576,697)		1,285,104,282
PREFERRED SECURITIES \$25 PAR VALUE 21.2%		
BANKS 0.5%		
Ally Financial, 7.25%, due 2/7/33	136,500	3,371,550
Countrywide Capital IV, 6.75%, due 4/1/33	110,000	2,750,000
		6,121,550
BANKS FOREIGN 0.3%		
Royal Bank of Scotland Group PLC, 6.40%, Series M	200,000	4,082,000
INSURANCE 1.1%		
MULTI-LINE 0.2%		
Hartford Financial Services Group, 7.875%, due 4/15/42	70,000	1,959,300
MULTI-LINE FOREIGN 0.6%		
ING Groep N.V., 7.05%(a)	165,000	4,128,300
ING Groep N.V., 7.375%	100,000	2,493,000
		6,621,300
REINSURANCE FOREIGN 0.3%		
Axis Capital Holdings Ltd., 6.875%, Series C	51,233	1,378,168
Endurance Specialty Holdings Ltd., 7.50%, Series B	98,500	2,577,745
		3,955,913
TOTAL INSURANCE		12,536,513
REAL ESTATE 19.3%		
DIVERSIFIED 5.5%		
Capital Lease Funding, 8.125%, Series A(a)	105,370	2,634,250
Caplease, 8.375%, Series B	98,400	2,558,400
Colony Financial, 8.50%, Series A(a)	315,000	8,127,000
Cousins Properties, 7.50%, Series B(a)	307,775	7,755,930
DuPont Fabros Technology, 7.875%, Series A(a)	200,000	5,374,000
DuPont Fabros Technology, 7.625%, Series B(a)	230,000	6,196,200
Forest City Enterprises, 7.375%, due 2/1/34	580,000	14,065,000
Lexington Realty Trust, 6.50%, Series C (\$50 Par Value)(a)	76,395	3,746,411

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	Number of Shares	Value
Lexington Realty Trust, 7.55%, Series D(a)	515,025	\$ 12,978,630
Winthrop Realty Trust, 7.75%, due 8/15/22	100,000	2,566,000
		66,001,821
HOTEL 4.5%		
Ashford Hospitality Trust, 9.00%, Series E(a)	405,000	10,882,350
Chesapeake Lodging Trust, 7.75%, Series A	200,000	5,182,000
Hersha Hospitality Trust, 8.00%, Series B(a)	150,000	3,883,500
Hospitality Properties Trust, 7.125%, Series D(f)	99,992	2,690,785
LaSalle Hotel Properties, 7.25%, Series G(a)	331,090	8,323,603
Pebblebrook Hotel Trust, 7.875%, Series A(a)	220,000	5,816,800
Strategic Hotels & Resorts, 8.25%, Series B	200,989	5,022,715
Strategic Hotels & Resorts, 8.25%, Series C	142,381	3,573,763
Sunstone Hotel Investors, 8.00%, Series A(a)	160,450	4,027,295
Sunstone Hotel Investors, 8.00%, Series D	180,000	4,638,600
		54,041,411
INDUSTRIALS 0.9%		
First Potomac Realty Trust, 7.75%, Series A(a)	130,000	3,357,900
Monmouth Real Estate Investment Corp., 7.63%, Series A(c)	200,000	5,174,000
Monmouth Real Estate Investment Corp., 7.875%, Series B(c)	80,000	2,120,000
		10,651,900
OFFICE 2.1%		
BioMed Realty Trust, 7.375%, Series A(a)	174,441	4,409,868
CommonWealth REIT, 6.50%, Series D (Convertible)(a)	173,800	4,082,562
Corporate Office Properties Trust, 7.625%, Series J(a)	263,900	6,729,450
Corporate Office Properties Trust, 7.375%, Series L	160,000	4,123,200
Hudson Pacific Properties, 8.375%, Series B	90,000	2,412,450
SL Green Realty Corp., 7.625%, Series C	108,594	2,719,194
		24,476,724
RESIDENTIAL 0.7%		
APARTMENT 0.5%		
Alexandria Real Estate Equities, 7.00%, Series D(a)	200,000	5,470,000
MANUFACTURED HOME 0.2%		
Equity Lifestyle Properties, 6.75%, Series C	115,994	2,984,526
TOTAL RESIDENTIAL		8,454,526
SHOPPING CENTERS 5.1%		
COMMUNITY CENTER 2.6%		
Cedar Realty Trust, 7.25%, Series B	160,000	3,880,000
Cedar Shopping Centers, 8.875%, Series A	188,456	4,786,782

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	Number of Shares		Value
DDR Corp., 7.375%, Series H(a)	284,331	\$	7,162,298
DDR Corp., 6.50%, Series J	340,000		8,459,200
Kite Realty Group Trust, 8.25%, Series A	140,000		3,631,600
Urstadt Biddle Properties, 8.50%, Series C (\$100 Par Value)(c)	30,000		