

RMR F.I.R.E. Fund  
Form N-Q  
January 09, 2007

**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)

Thomas M. O Brien, President  
RMR F.I.R.E. Fund  
400 Centre Street  
Newton, Massachusetts 02458  
(Name and address of agent for service)

Copy to:

Hugh Carter  
State Street Bank and Trust Company  
2 Avenue De Lafayette, 6<sup>th</sup> Floor  
Boston, Massachusetts 02111

Thomas Reyes, 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: September 30, 2006

**Item 1. Schedule of Investments.****RMR F.I.R.E. Fund**

Portfolio of Investments September 30, 2006 (unaudited)

| Company   | Shares | Value      |
|---|--------|------------|
| <i>Common Stocks 86.9%</i>                          |        |            |
| <i>Financial Services 26.8%</i>                     |        |            |
| <i>Banks 7.4%</i>                                   |        |            |
| Farmers Capital Bank Corp.                          | 3,035  | \$ 102,796 |
| First Commonwealth Financial Corp.                  | 28,000 | 364,840    |
| First Horizon National Corp.                        | 11,400 | 433,314    |
| Firstmerit Corp.                                    | 12,800 | 296,576    |
| FNB Corp.   | 28,500 | 474,810    |
| National City Corp.                                 | 17,400 | 636,840    |
| Trustco Bank Corp. NY                               | 23,400 | 253,656    |
|   |        | 2,562,832  |
| <i>Thriffs 7.2%</i>                                 |        |            |
| Beverly Hills Bancorp, Inc.                         | 58     | 473        |
| Capitol Federal Financial                           | 17,400 | 618,744    |
| Flagstar Bancorp, Inc.                              | 25,000 | 363,750    |
| New York Community Bancorp, Inc.                    | 82,200 | 1,346,436  |
| Washington Mutual, Inc.                             | 4,000  | 173,880    |
|   |        | 2,503,283  |
| <i>Other Financial Services 12.2%</i>               |        |            |
| American Capital Strategies, Ltd.                   | 36,000 | 1,420,920  |
| CharterMac  | 44,200 | 882,232    |
| Fannie Mae  | 13,000 | 726,830    |
| Friedman Billings Ramsey Group, Inc. *              | 54,000 | 433,620    |
| MCG Capital Corp.                                   | 46,500 | 759,345    |
|   |        | 4,222,947  |
| <i>Total Financial Services (Cost \$10,744,396)</i> |        | 9,289,062  |
| <i>Real Estate 57.6%</i>                            |        |            |
| <i>Apartments 0.4%</i>                              |        |            |
| Home Properties, Inc. *                             | 300    | 17,148     |
| United Dominion Realty Trust, Inc. *                | 4,000  | 120,800    |
|   |        | 137,948    |
| <i>Diversified 15.0%</i>                            |        |            |
| Centracore Properties Trust *                       | 9,600  | 304,800    |
| Cousins Properties, Inc. *                          | 6,900  | 236,049    |
| Crescent Real Estate Equities Co. *                 | 90,900 | 1,982,529  |
| iStar Financial, Inc. *                             | 17,000 | 708,900    |
| Lexington Corporate Properties Trust *              | 42,000 | 889,560    |
| Liberty Property Trust *                            | 1,900  | 90,801     |
| National Retail Properties, Inc. *                  | 38,350 | 828,360    |
| Newkirk Realty Trust, Inc. *                        | 8,000  | 131,840    |
|   |        | 5,172,839  |
| <i>Health Care 8.7%</i>                             |        |            |
| Health Care Property Investors, Inc. *              | 16,850 | 523,193    |
| Health Care REIT, Inc. *                            | 28,650 | 1,146,286  |
| Healthcare Realty Trust, Inc. *                     | 13,500 | 518,535    |
| Nationwide Health Properties, Inc. *                | 26,400 | 705,936    |

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|                                     |       |           |
|-------------------------------------|-------|-----------|
| OMEGA Healthcare Investors, Inc. *  | 2,000 | 30,020    |
| Windrose Medical Properties Trust * | 5,000 | 88,400    |
|                                     |       | 3,012,370 |

*See notes to portfolio of investments.*

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| Company   | Shares  | Value      |
|---|---------|------------|
| <i>Common Stocks continued</i>                    |         |            |
| <i>Real Estate continued</i>                      |         |            |
| <i>Hospitality 1.1%</i>                           |         |            |
| Eagle Hospitality Properties Trust, Inc. *        | 36,500  | \$ 339,450 |
| Hersha Hospitality Trust *                        | 3,000   | 28,800     |
|   |         | 368,250    |
| <i>Industrial 4.9%</i>                            |         |            |
| First Industrial Realty Trust, Inc. *             | 38,700  | 1,702,800  |
| <i>Manufactured Homes 2.3%</i>                    |         |            |
| Sun Communities, Inc. *                           | 25,000  | 799,000    |
| <i>Mortgage 5.0%</i>                              |         |            |
| American Mortgage Acceptance Co. *                | 8,100   | 146,124    |
| Crystal River Capital, Inc. *(a)                  | 4,000   | 91,520     |
| KKR Financial Corp. *                             | 2,000   | 49,080     |
| New Century Financial Corp. *                     | 5,000   | 196,550    |
| Newcastle Investment Corp. *                      | 22,500  | 616,725    |
| NovaStar Financial, Inc. *                        | 22,000  | 642,180    |
|   |         | 1,742,179  |
| <i>Office 0.6%</i>                                |         |            |
| American Financial Realty Trust *                 | 5,000   | 55,800     |
| Maguire Properties, Inc. *                        | 4,000   | 162,960    |
|   |         | 218,760    |
| <i>Retail 11.6%</i>                               |         |            |
| CBL & Associates Properties, Inc. *               | 13,000  | 544,830    |
| Glimcher Realty Trust *                           | 55,300  | 1,370,334  |
| Heritage Property Investment Trust *              | 10,300  | 375,538    |
| New Plan Excel Realty Trust *                     | 40,650  | 1,099,582  |
| Realty Income Corp. *                             | 3,200   | 79,072     |
| Taubman Centers, Inc. *                           | 2,000   | 88,840     |
| The Mills Corp. *                                 | 28,100  | 469,551    |
|   |         | 4,027,747  |
| <i>Specialty 8.0%</i>                             |         |            |
| Alesco Financial Trust *(b)                       | 150,000 | 1,650,000  |
| Getty Realty Corp. *                              | 4,000   | 117,120    |
| Trustreet Properties, Inc. *                      | 79,300  | 992,043    |
|   |         | 2,759,163  |
| <i>Total Real Estate (Cost \$19,986,991)</i>      |         | 19,941,056 |
| <i>Other 2.5%</i>                                 |         |            |
| Iowa Telecommunication Services, Inc.             | 42,500  | 841,075    |
| <i>Total Other (Cost \$721,192)</i>               |         | 841,075    |
| <i>Total Common Stocks (Cost \$31,452,579)</i>    |         | 30,071,193 |
| <i>Preferred Stocks 63.8%</i>                     |         |            |
| <i>Real Estate 60.9%</i>                          |         |            |
| <i>Apartments 10.5%</i>                           |         |            |
| Apartment Investment & Management Co., Series U * | 32,500  | 824,525    |
| Apartment Investment & Management Co., Series V * | 27,700  | 705,796    |
| Apartment Investment & Management Co., Series Y * | 65,000  | 1,644,500  |
| Home Properties, Inc., Series F *                 | 18,800  | 480,058    |
|   |         | 3,654,879  |

See notes to portfolio of investments.

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| Company  | Shares | Value         |
|--|--------|---------------|
| <i>Preferred Stocks continued</i>                          |        |               |
| <i>Real Estate continued</i>                               |        |               |
| <i>Diversified 5.4%</i>                                    |        |               |
| Cousins Properties, Inc., Series B *                       | 20,000 | \$ 508,400    |
| Digital Realty Trust, Inc., Series A *                     | 20,000 | 519,000       |
| LBA Realty LLC, Series B *                                 | 45,000 | 840,150       |
|  |        | 1,867,550     |
| <i>Health Care 3.4%</i>                                    |        |               |
| Health Care REIT, Inc., Series F *                         | 26,900 | 691,599       |
| OMEGA Healthcare Investors Inc., Series D *                | 19,000 | 497,420       |
|  |        | 1,189,019     |
| <i>Hospitality 17.5%</i>                                   |        |               |
| Eagle Hospitality Properties Trust, Inc., Series A *       | 14,000 | 359,240       |
| Entertainment Properties Trust, Series B *                 | 40,000 | 996,800       |
| Equity Inns, Inc., Series B *                              | 50,000 | 1,305,000     |
| FelCor Lodging Trust, Inc., Series C *                     | 64,000 | 1,594,240     |
| Host Marriott Corp., Series E *                            | 10,000 | 264,700       |
| LaSalle Hotel Properties, Series A *                       | 36,000 | 922,320       |
| Strategic Hotels & Resorts, Inc., Series B *               | 13,700 | 356,885       |
| Winston Hotels, Inc., Series B *                           | 10,900 | 273,699       |
|  |        | 6,072,884     |
| <i>Manufactured Homes 0.5%</i>                             |        |               |
| Affordable Residential Communities, Series A *             | 6,900  | 164,048       |
| <i>Mortgage 10.4%</i>                                      |        |               |
| HomeBanc Corp., Series A *                                 | 10,000 | 252,600       |
| MFA Mortgage Investments, Inc., Series A *                 | 13,800 | 339,894       |
| New Century Financial Corp., Series A *                    | 20,000 | 490,000       |
| RAIT Investment Trust, Series B *                          | 59,000 | 1,507,450     |
| Thornburg Mortgage, Inc., Series C *                       | 40,000 | 1,002,400     |
|  |        | 3,592,344     |
| <i>Office 2.4%</i>   |        |               |
| Alexandria Real Estate Equities, Inc., Series C *          | 31,600 | 827,920       |
| <i>Retail 10.8%</i>  |        |               |
| CBL & Associates Properties, Inc., Series D *              | 10,000 | 252,000       |
| Glimcher Realty Trust, Series F *                          | 26,500 | 672,040       |
| Glimcher Realty Trust, Series G *                          | 41,000 | 1,028,690     |
| Ramco-Gershenson Properties Trust, Series B *              | 36,000 | 963,540       |
| Taubman Centers, Inc., Series G *                          | 15,000 | 399,450       |
| The Mills Corp., Series E *                                | 9,500  | 197,030       |
| The Mills Corp., Series G *                                | 11,500 | 223,215       |
|  |        | 3,735,965     |
| <i>Total Real Estate (Cost \$21,602,672)</i>               |        | 21,104,609    |
| <i>Financial Services 2.9%</i>                             |        |               |
| Corts-UNUM Provident Financial Trust                       | 38,000 | 992,750       |
| <i>Total Financial Services (Cost \$982,300)</i>           |        | 992,750       |
| <i>Total Preferred Stocks (Cost \$22,584,972)</i>          |        | 22,097,359    |
| <i>Short-Term Investments 0.1%</i>                         |        |               |
| <i>Other Investment Companies 0.1%</i>                     |        |               |
| SSgA Money Market Fund, 4.95% (c) (Cost \$46,163)          | 46,163 | 46,163        |
| <i>Total Investments 150.8% (Cost \$54,083,714) (d)</i>    |        | 52,214,715    |
| <i>Other assets less liabilities 7.0%</i>                  |        | 2,413,265     |
| <i>Preferred Shares, at liquidation preference (57.8)%</i> |        | (20,000,000)  |
| <i>Net Assets applicable to common shareholders 100%</i>   |        | \$ 34,627,980 |

See notes to portfolio of investments.



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**Notes to Portfolio of Investments**

- \* Real estate investment trust, or REIT.
- (a) Non-income producing security as first dividend paid subsequent to September 30, 2006.
- (b) 144A securities. Securities restricted for resale to Qualified Institutional Buyers. On October 6, 2006, Alesco Financial Trust merged with Sunset Financial Resources to form Alesco Financial, Inc and the security ceased to be a restricted 144A security.
- (c) Rate reflects 7 day yield as of September 30, 2006.
- (d) Although subject to adjustments to the extent 2006 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 September 30, 2006, are as follows:

|                               |    |             |
|-------------------------------|----|-------------|
| Cost                          | \$ | 54,083,714  |
| Gross unrealized appreciation | \$ | 1,804,349   |
| Gross unrealized depreciation |    | (3,673,348) |
| Net unrealized depreciation   | \$ | (1,868,999) |

Reference should be made to the Fund's financial statements for the year ended December 31, 2005, and six months ended June 30, 2006, for further information concerning the income tax characterization of the Fund's investment income and distributions.

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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/ Thomas M. O Brien  
Thomas M. O Brien  
President

Date: November 16, 2006

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/ Thomas M. O Brien  
Thomas M. O Brien  
President

Date: November 16, 2006

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

Date: November 16, 2006

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