

CLOSED END FUND REVIEW

INVESTMENT OBJECTIVE

Our primary investment objective is to provide high current income through investment in real estate securities. Capital appreciation is a secondary investment objective. We intend to invest at least 90% of the total assets in common stocks, preferred stocks and other equity securities issued by real estate companies, primarily "real estate investment trusts" (REITs).

INVESTMENT OVERVIEW *(as of December 31, 2002)*

For the third year in a row, REITs produced positive absolute returns in a financial market environment that most equity investors found both challenging and discouraging. The year's best performing REIT sectors included the regional mall, shopping center and industrial sectors. The worst performers were the office and apartment sectors. While REIT share prices escaped the throes of the equity bear market for the year as a whole, their earnings growth slowed throughout the year. Despite this cyclical downturn, REIT dividends appear to remain well covered, and we believe that our portfolio companies are extremely well capitalized, well managed and well positioned for a cyclical recovery.

We believe that economic growth will continue at a moderate pace over the coming quarters. Based on current valuation levels it appears to us that any concerns about the economy that investors may have are already discounted in REIT share prices. Looking forward, we expect economic and job growth to translate into improving health for real estate markets. Just as there was a decline in demand for space in the past two years, we expect to see an improvement in demand as the economic recovery continues to unfold. Because the supply of new space has been relatively low for many property types, our expectation is that as the year progresses we will see sequential improvement in occupancy rates, rental rates and profits for just about every sector of the REIT industry.

PERFORMANCE *(as of December 31, 2002)*

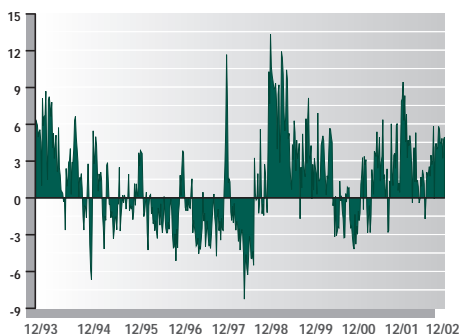
Average Annual Returns

	4Q 2002	1 Year	Since Inception*
RLF Market Price	-5.51%	4.16%	4.63%
RLF NAV	-1.93%	6.64%	6.27%
NAREIT Equity	0.41%	3.82%	7.63%
S&P 500	8.43%	-22.10%	-18.88%

*Inception Date 5/31/01

TRADING HISTORY

Premium/(Discount) to NAV

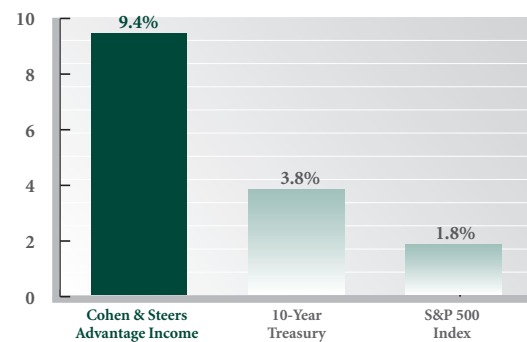


December 31, 2002	RLF
Market Price	\$14.02
NAV	\$13.70
Premium/(Discount)	+2.34%
Average Premium/(Discount) Since Inception	+5.10%

PORTFOLIO HIGHLIGHTS

Symbol/Listing	RLF/NYSE
Number of Holdings	78
REIT Common/REIT Preferred	73-27%
Total Assets	\$525.0 Million
Market Price	\$14.02
Net Asset Value	\$13.70
Premium/(Discount) to NAV	2.34%
52 Week Market Price Range	\$16.40 – \$13.49
Dividend Yield	9.42%
Monthly Distribution Rate	\$0.11
Inception Date	May 31, 2001

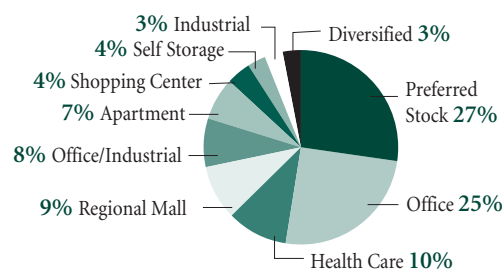
CURRENT YIELDS *(as of December 31, 2002)*



Dividends Paid Monthly

SECTOR ALLOCATION

(as of December 31, 2002)



TOP 10 HOLDINGS *(as of December 31, 2002)*

Name	Sector	% of Managed Assets
Apartment Inv. & Mgmt. Pr. R	Preferred Stock	4.6%
Macerich Co.	Regional Mall	4.1
Public Storage—Series A	Self Storage	4.1
PS Business Parks Pr. D	Preferred Stock	4.0
Liberty Property Trust	Office/Industrial	3.9
Mack-Cali Realty Corp.	Office	3.8
Highwoods Properties Pr. A	Preferred Stock	3.4
Highwoods Properties	Office	3.2
Prentiss Properties	Office	3.1
Vornado Realty Trust	Office	3.1
TOTAL		37.3%

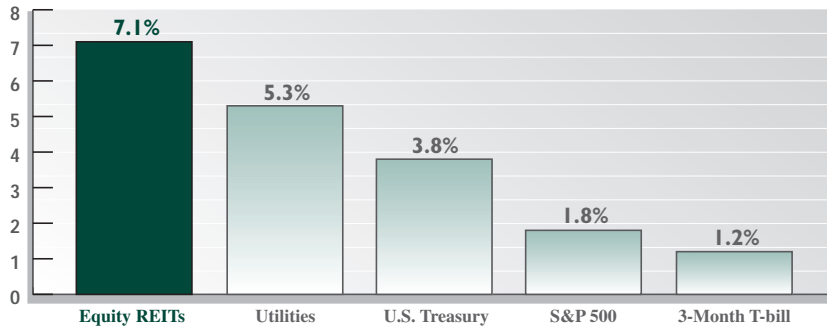
CLOSED END FUND REVIEW

WHY CONSIDER REITs NOW?

INCOME POTENTIAL

REITs offer attractive dividend yields.

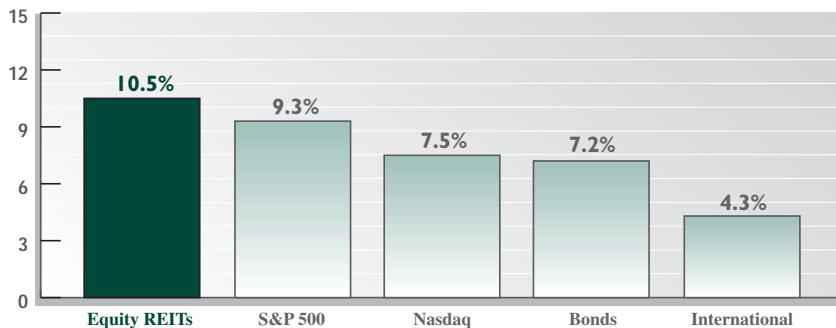
Current Yield (as of December 31, 2002)



TOTAL RETURN POTENTIAL

REITs have provided solid total returns.

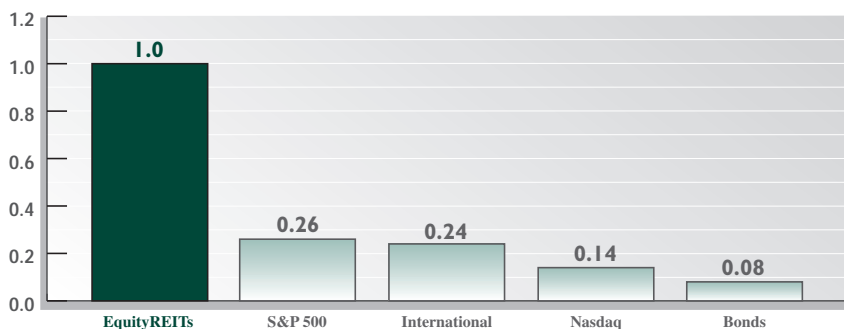
Total Return (10 Years Ended as of December 31, 2002)



PORTFOLIO DIVERSIFICATION POTENTIAL

REITs have a low correlation with other asset classes.

Correlation (10 Years Ended December 31, 2002)



THE REIT ADVANTAGE

REITs own, develop, acquire and manage income-producing properties.

REITs seek to provide attractive dividend yields and potential for dividend growth.

REITs have delivered solid returns through various economic and market cycles.

REITs can provide portfolio diversification as they have historically demonstrated a low correlation to price movements of stock and bond indices.

REITs are required to pay out substantially all of their taxable income in the form of dividends.

REITs do not pay corporate taxes and generally trade on a major stock exchange such as the NYSE or AMEX.

ABOUT COHEN & STEERS

Cohen & Steers, established in 1986, was the first U.S. investment firm to focus exclusively on real estate securities. Today it is considered among the leading firms dedicated to this area of investing. In addition to managing separate account portfolios for institutional investors, including some of the world's largest pension funds and endowments, Cohen & Steers manages the nation's largest open-end and closed-end real estate mutual funds.

Returns are historical and include change in share price and reinvestment of dividends and capital gains. REITs are represented by the National Association of Real Estate Investment Trusts ("NAREIT") Equity REIT Index, an unmanaged portfolio representing the Equity REIT market. This is not the fund's performance and the fund will not seek to replicate any index. You cannot invest directly in an index. There is no guarantee that fund performance will equal or exceed Equity REIT Index performance. The Standard and Poor's 500 Composite Index ("S&P 500") is an unmanaged index of 500 large capitalization, publicly traded stocks representing a variety of industries. The Composite Index measures all 4,000 domestic and non-U.S. based common stocks listed on the stock market. The Index is market-value weighted. International is represented by the MSCI EAFE Index (Morgan Stanley Capital International, Europe, Australia, Far East) which is a market value-weighted average of the performance of more than 900 securities listed on the stock exchanges of countries in Europe, Australia and the Far East. Bonds represent the Salomon Brothers Broad Investment Grade Bond Index (BIG) which is designed to cover the investment grade universe of bonds issued in the United States. The Dow Jones Utilities Average is a price-weighted average of 15 utility companies that are listed on the New York Stock Exchange and are involved in the production of electrical energy. The BIG index includes institutionally traded U.S. Treasury, Government-sponsored (U.S. agency and supra-national), mortgage and corporate securities, and provides a reliable and fair benchmark for the investment grade bond portfolio manager. Treasury securities are backed by the full faith and credit of the U.S. Government, while real estate securities are not. Correlation coefficients are based on monthly return data. Past performance is no guarantee of future results. This fact sheet is provided for informational purposes and is not an offer to purchase or sell fund shares.