

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

FORM 10-Q

Quarterly Report Pursuant to Section 13 or 15(d) of  
the Securities Exchange Act of 1934

For the quarter ended September 30, 1995 Commission file number 0-14510

CEDAR INCOME FUND, LTD.  
(Exact name of registrant as specified in its charter)

Iowa 42-1241468  
(State or other jurisdiction of (I.R.S. Employer  
incorporation or organization) Identification No.)

4333 Edgewood Road N.E., Cedar 52499  
Rapids, IA (Zip Code)  
(Address of principal executive  
offices)

Registrant's telephone number, including area code: (319) 398-8975

N/A  
(Former name, address and fiscal year, if changed since last  
report)

Indicate by check-mark whether the registrant (1) has filed  
all reports required to be filed by Section 13 or 15(d) of  
the Securities Exchange Act of 1934 during the preceding 12  
months (or for such shorter period that the registrant was  
required to file such reports), and (2) has been subject to  
such filing requirements for the past 90 days. Yes X  
No

The number of shares of common stock outstanding at November  
13, 1995 was 2,245,411.

PART I FINANCIAL INFORMATION

Item 1. Financial Statements.

<TABLE>  
CEDAR INCOME FUND, Ltd.  
Balance Sheets  
(unaudited)  
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	September 30 1995	1994	December 31, 1994
ASSETS			
Real estate			
Land	4,126,044	4,126,044	4,126,044
Buildings and improvements	14,200,539	14,200,539	14,200,539
Total real estate	18,326,583	18,326,583	18,326,583
Less accumulated depreciation	(3,209,210)	(2,772,856)	(2,881,997)

Total net real estate	15,117,373	15,553,727	15,444,586
Mortgage loan receivable	584,849	592,745	590,834
Total real estate and mortgage participation	15,702,222	16,146,472	16,035,420
Cash and cash equivalents	754,957	438,504	447,015
Rent and other receivables	86,503	95,212	62,543
Interest receivable	4,021	5,708	6,103
Prepaid expenses	34,722	45,620	53,583
Deferred lease commissions	134,353	184,753	171,264
Taxes held in escrow	50,933	48,243	10,304
TOTAL ASSETS	16,767,711	16,964,512	16,786,232
LIABILITIES AND SHAREHOLDERS' EQUITY			
Liabilities			
Mortgage loan payable	1,449,643	1,468,473	1,463,929
Accounts payable and accrued expenses	206,553	206,200	86,059
Due to affiliates	34,588	51,236	29,062
Security deposits	67,870	66,999	68,127
Advance rents	30,270	52,311	48,884
TOTAL LIABILITIES	1,788,924	1,845,219	1,696,061
Shareholders' equity			
Common stock, \$1 par value, 5,020,000 shares authorized	2,245,411	2,245,411	2,245,411
Additional paid-in capital	12,733,376	12,873,882	12,844,760
TOTAL SHAREHOLDERS' EQUITY	14,978,787	15,119,293	15,090,171
TOTAL LIABILITIES AND SHAREHOLDERS EQUITY	16,767,711	16,964,512	16,786,232

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CEDAR INCOME FUND, Ltd.  
Statements of Operations  
(unaudited)

	Three Months Ended September 30,		Nine Months Ended September 30,	
	1995	1994	1995	1994
REVENUE				
Rents	607,355	600,079	1,807,266	1,739,566
Interest	22,125	17,641	63,363	48,908
Total revenue	629,480	617,720	1,870,629	1,788,474
EXPENSES				
Property expenses:				
Real estate taxes	63,857	61,111	179,760	193,384
Wages and salaries	5,320	10,814	15,179	32,597
Repairs and maintenance	59,743	98,140	257,506	243,484
Utilities	43,644	41,638	99,894	97,986
Management fee	30,367	30,005	90,362	86,979
Insurance	5,093	2,571	12,407	11,742
Other	22,205	25,705	67,700	67,566
Total property expenses, excluding depreciation	230,229	269,984	722,808	733,738
Depreciation	109,062	109,140	327,213	327,421
Total property expenses	339,291	379,124	1,050,021	1,061,159
Interest	34,969	35,404	105,242	106,516
Administrative fees	24,912	24,735	74,542	74,099
Directors' fees and expenses	10,044	12,359	32,524	38,073
Other administrative	14,554	12,390	46,061	44,493
Total expenses	423,770	464,012	1,308,390	1,324,340
Net earnings	205,710	153,708	562,239	464,134
Net earnings per share	.09	.07	.25	.21
Dividends to shareholders	224,541	224,541	673,623	673,623
Dividends to shareholders per share	.10	.10	.30	.30
Average number of shares outstanding	2,245,411	2,245,411	2,245,411	2,245,411

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CEDAR INCOME FUND, Ltd.  
 Statements of Cash Flows  
 (unaudited)

	Nine Months Ended September 30,	
	1995	1994
Cash flows from operating activities:		
Rents collected	1,750,592	1,695,715
Interest received	65,445	48,037
Payments for operating expenses	(723,422)	(744,723)
Interest paid	(102,492)	(103,766)
Net cash provided by operating activities	990,123	895,263
Cash flows from investing activities:		
Principal portion of scheduled mortgage loan collections	5,985	5,499
Security deposits collected, net	(257)	2,670
Net cash provided by investing activities	5,728	8,169
Cash flows from financing activities:		
Principal portion of scheduled mortgage loan payments	(14,286)	(13,013)
Dividends paid to shareholders	(673,623)	(673,623)
Net cash used by financing activities	(687,909)	(686,636)
Net increase in cash and cash equivalents.	307,942	216,796
Cash and cash equivalents at beginning of period	447,015	221,708
Cash and cash equivalents at end of period	754,957	438,504
Reconciliation of net earnings to net cash provided by operating activities:		
Net earnings	562,239	464,134
Add (deduct) reconciling adjustments:		
Depreciation	327,213	327,421
Amortization	2,750	2,750
Increase in rent and other receivables	(64,589)	(70,770)
Decrease (increase) in interest receivable	2,082	(871)
Decrease in prepaid expenses	16,111	12,485
Decrease in deferred lease commissions	36,911	2,702
Increase in operating accounts payable, accrued expenses and due to affiliates	126,020	147,306
Increase (decrease) in advance rents	(18,614)	10,106
Net cash provided by operating activities	990,123	895,263

NOTES TO FINANCIAL STATEMENTS

Note 1: Interim financial statements are prepared in accordance with generally accepted accounting principles and include all adjustments of a normal recurring nature necessary for a fair presentation of the financial position and quarterly results. Interim reports should be read in conjunction with the audited financial statements and related notes included in the 1994 Annual Report.

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Note 2: Shareholders' equity, December 31, 1994	15,090,171
Net earnings	562,239
Dividends to shareholders	(673,623)
Shareholders' equity, September 30, 1995	14,978,787

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Item 2. Management's Discussion and Analysis of Financial Condition and Results of Operations.

We are pleased to present the third quarter report for Cedar Income Fund, Ltd. Net earnings for the three months ended September 30, 1995 were \$205,710 (\$.09 per share) compared to \$153,708 (\$.07 per share) for the same period in 1994, representing a 34% increase. Net earnings for the nine months ended September 30, 1995 were \$562,239 (\$.25 per share) compared to \$464,134 (\$.21 per share) for the same period in 1994, representing a 21% increase. Funds from operations (earning from operations plus depreciation) were \$889,452 for the nine months ended September 30, 1995 compared to \$791,555 for the same period in 1994.

The increases in net earnings and funds from operations were primarily the result of higher revenues. Rental income for the nine months ended September 30, 1995 increased to

\$1,807,266 from \$1,739,566 during the same period in 1994, a gain of 4%. Rents increased at Southpoint Parkway Center in Jacksonville, Florida and Broadbent Business Park in Salt Lake City, Utah due primarily to higher rental rates. As of September 30, 1995, the Company's real estate portfolio had an overall occupancy rate of 98%. Interest income for the nine months ended September 30, 1995 increased \$14,455 over the same period in 1994 due to increased funds available for investment and higher interest rates on investable funds.

Total property expenses, excluding depreciation, decreased from \$733,738 for the first nine months of 1994 to \$722,808 for the same period in 1995, representing 42% and 40% of rental income, respectively. Property expenses declined due primarily to lower real estate taxes resulting from a partial refund of 1994 taxes on Germantown Square Shopping Center in Louisville, Kentucky. Wages and salaries were also reduced due to a reduction in property management personnel at Broadbent.

Hewlett Packard Corporation did not renew its lease for 20,400 square feet of space at Corporate Center East when it expired on September 30, 1995, but has exercised an option to extend the current lease until November 30, 1995. This lease represented 11% of the Company's revenue for the nine months ended September 30, 1995. The Company has begun marketing efforts to secure one or more replacement tenants for this space.

The Company's capital resources consist of its current equity in real estate investments (current value less mortgage indebtedness) and a mortgage loan receivable. The Company maintains its real estate in good condition and provides adequate insurance coverage. The Company's liquidity at September 30, 1995, is represented by cash and cash equivalents of \$754,957, a mortgage loan participation of \$584,849, and cash flow from operating activities. This liquidity is considered sufficient to meet current obligations.

On October 25, 1995, the Board of Directors declared a dividend of \$.10 per share payable November 20, 1995 to shareholders of record on November 7, 1995. The Board of Directors will continue to consider leasing activity, operating results and financial condition of the Company in determining future dividends.

SIGNATURE

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned thereunto duly authorized.

CEDAR INCOME FUND, LTD.

/s/ Alan F. Fletcher  
Alan F. Fletcher  
Vice President and Treasurer  
(principal financial officer)

/s/ Edward J. Kittleson  
Edward J. Kittleson  
Controller  
(principal accounting officer)

Dated: November 13, 1995

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