

CPI AEROSTRUCTURES INC
 Form 4
 August 31, 2006

FORM 4

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

OMB APPROVAL

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Check this box if no longer subject to Section 16. Form 4 or Form 5 obligations may continue. See Instruction 1(b).

STATEMENT OF CHANGES IN BENEFICIAL OWNERSHIP OF SECURITIES

Filed pursuant to Section 16(a) of the Securities Exchange Act of 1934, Section 17(a) of the Public Utility Holding Company Act of 1935 or Section 30(h) of the Investment Company Act of 1940

(Print or Type Responses)

1. Name and Address of Reporting Person *
**MIDWOOD CAPITAL
 MANAGEMENT LLC**

2. Issuer Name and Ticker or Trading Symbol
**CPI AEROSTRUCTURES INC
 [CVU]**

5. Relationship of Reporting Person(s) to Issuer
 (Check all applicable)

(Last) (First) (Middle)
575 BOYLSTON ST., 4TH FLOOR
 (Street)

3. Date of Earliest Transaction
 (Month/Day/Year)
08/29/2006

___ Director ___X___ 10% Owner
 ___ Officer (give title below) ___ Other (specify below)

BOSTON, MA 02116
 (City) (State) (Zip)

4. If Amendment, Date Original Filed(Month/Day/Year)

6. Individual or Joint/Group Filing(Check Applicable Line)
 ___ Form filed by One Reporting Person
 ___X___ Form filed by More than One Reporting Person

Table I - Non-Derivative Securities Acquired, Disposed of, or Beneficially Owned

1. Title of Security (Instr. 3)	2. Transaction Date (Month/Day/Year)	2A. Deemed Execution Date, if any (Month/Day/Year)	3. Transaction Code (Instr. 8)	4. Securities Acquired (A) or Disposed of (D) (Instr. 3, 4 and 5)	5. Amount of Securities Beneficially Owned Following Reported Transaction(s) (Instr. 3 and 4)	6. Ownership Form: Direct (D) or Indirect (I) (Instr. 4)	7. Nature of Ownership (Instr. 4)	
			Code	V	Amount	(A) or (D)	Price	
Common Stock	08/29/2006		S		1,600	D	\$ 4.4 610,749	I see footnote (1) ⁽¹⁾
Common Stock	08/29/2006		S		400	D	\$ 4.4 610,349	I see footnote (2) ⁽²⁾
Common Stock	08/29/2006		S		200	D	\$ 4.4 610,149	I see footnote (3) ⁽³⁾
Common Stock	08/29/2006		S		2,100	D	\$ 4.38 608,049	I see footnote

Common Stock	08/30/2006	S	100	D	\$ 4.42	607,949	I	(4) ⁽⁴⁾ see footnote (5) ⁽⁵⁾
Common Stock	08/30/2006	S	1,000	D	\$ 4.41	606,949	I	see footnote (6) ⁽⁶⁾
Common Stock	08/30/2006	S	200	D	\$ 4.4	606,749	I	see footnote (7) ⁽⁷⁾

Reminder: Report on a separate line for each class of securities beneficially owned directly or indirectly.

Persons who respond to the collection of information contained in this form are not required to respond unless the form displays a currently valid OMB control number.

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(9-02)

Table II - Derivative Securities Acquired, Disposed of, or Beneficially Owned
(e.g., puts, calls, warrants, options, convertible securities)

1. Title of Derivative Security (Instr. 3)	2. Conversion or Exercise Price of Derivative Security	3. Transaction Date (Month/Day/Year)	3A. Deemed Execution Date, if any (Month/Day/Year)	4. Transaction Code (Instr. 8)	5. Number of Derivative Securities Acquired (A) or Disposed of (D) (Instr. 3, 4, and 5)	6. Date Exercisable and Expiration Date (Month/Day/Year)	7. Title and Amount of Underlying Securities (Instr. 3 and 4)	8. Price of Derivative Security (Instr. 5)	9. Number of Derivative Securities Owned Beneficially (Instr. 6)
				Code	V (A) (D)	Date Exercisable	Expiration Date	Title	Amount or Number of Shares

Reporting Owners

Reporting Owner Name / Address	Relationships			
	Director	10% Owner	Officer	Other
MIDWOOD CAPITAL MANAGEMENT LLC 575 BOYLSTON ST. 4TH FLOOR BOSTON, MA 02116		X		
MIDWOOD CAPITAL PARTNERS LP 575 BOYLSTON ST. 4TH FLOOR BOSTON, MA 02116		X		

MIDWOOD CAPITAL PARTNERS QP LP 575 BOYLSTON ST. 4TH FLOOR BOSTON, MA 02116	X
Cohen David E 575 BOYLSTON ST. 4TH FLOOR BOSTON, MA 02116	X
DeMont Ross D 575 BOYLSTON ST. 4TH FLOOR BOSTON, MA 02116	X

Signatures

/s/ David E. Cohen, Managing Member of Midwood Capital Management LLC	08/31/2006
__Signature of Reporting Person	Date
/s/ David E. Cohen, Managing Member of Midwood Capital Management LLC, General Partner of Midwood Capital Partners, LP	08/31/2006
__Signature of Reporting Person	Date
/s/ David E. Cohen, Managing Member of Midwood Capital Management LLC, General Partner of Midwood Capital Partners QP, LP	08/31/2006
__Signature of Reporting Person	Date
/s/ David E. Cohen	08/31/2006
__Signature of Reporting Person	Date
/s/ Ross D. DeMont	08/31/2006
__Signature of Reporting Person	Date

Explanation of Responses:

- * If the form is filed by more than one reporting person, *see* Instruction 4(b)(v).
- ** Intentional misstatements or omissions of facts constitute Federal Criminal Violations. *See* 18 U.S.C. 1001 and 15 U.S.C. 78ff(a).
 - Represents 711 shares sold by Midwood Capital Partners, LP ("LP") and 889 shares sold by Midwood Capital Partners QP, LP ("QP").
 - (1) All such shares sold by LP and QP were also indirectly held by Midwood Capital Management LLC, General Partner of LP and QP, and by David E. Cohen and Ross D. DeMont, managing members of the General Partner
 - (2) Represents 178 shares sold by LP and 222 shares sold by QP
 - (3) Represents 89 shares sold by LP and 111 shares sold by QP
 - (4) Represents 932 shares sold by LP and 1168 shares sold by QP
 - (5) Represents 44 shares sold by LP and 56 shares sold by QP
 - (6) Represents 444 shares sold by LP and 556 shares sold by QP
 - (7) Represents 89 shares sold by LP and 111 shares sold by QP

Remarks:

Exhibit 99.2 Confirming Statement of Ross D. DeMont

Note: File three copies of this Form, one of which must be manually signed. If space is insufficient, *see* Instruction 6 for procedure. Potential persons who are to respond to the collection of information contained in this form are not required to respond unless the form displays a currently valid OMB number.