WEINGARTEN REALTY INVESTORS /TX/
Form 424B5
October 02, 2008
Table of Contents

Filed Pursuant to Rule 424(b)(5)
Registration No. 333-119067

PRELIMINARY PROSPECTUS SUPPLEMENT

(To prospectus dated October 1, 2004)

3,000,000 Shares

Common Shares of Beneficial Interest

Weingarten Realty Investors is offering 3,000,000 common shares with this prospectus supplement and the accompanying prospectus.

Our common shares of beneficial interest are listed on the New York Stock Exchange under the symbol WRI. The last reported sale price of our common shares of beneficial interest on October 1, 2008 was $35.08 per share.

To preserve our status as a real estate investment trust for federal income tax purposes, we impose certain restrictions on ownership of our common and preferred shares. See Restrictions on Ownership in the accompanying prospectus.

Investing in our common shares involves risks. See the Risk Factor section on page S-2 in this prospectus supplement and the Risk Factors section of our Annual Report on Form 10-K for the year ended December 31, 2007, filed with the Securities and Exchange Commission on February 29, 2008.

	Per Share	Total
Public offering price	$34.20	$ 102,600,000
Underwriting discount	$1.4535	$4,360,500
Proceeds, before expenses, to us	$ 32.7465	$98,239,500

Neither the Securities and Exchange Commission nor any state securities commission has approved or disapproved of these securities or determined if this prospectus supplement or the accompanying prospectus is truthful or complete. Any representation to the contrary is a criminal offense.

The underwriters may also purchase up to an additional 450,000 shares from us at the public offering price, less the underwriting discount, within 30 days from the date of this prospectus supplement to cover overallotments.

The shares will be ready for delivery on or about October 7, 2008.

Joint Book-Running Managers

Merrill Lynch & Co. **Morgan Stanley**

Co-Managers

Banc of America Securities LLC **J.P.Morgan** **RBC Capital Markets**

Robert W. Baird & Co.
J.J.B. Hilliard, W.L. Lyons, LLC
Edward Jones
Stifel Nicolaus

The date of this prospectus supplement is October 2, 2008.

Table of Contents

You should rely only on the information contained in or incorporated by reference in this prospectus supplement and the accompanying prospectus. We have not, and the underwriters have not, authorized any other person to provide you with different or additional information. If anyone provides you with different or additional information, you should not rely on it. We are not, and the underwriters are not, making an offer to sell these securities in any jurisdiction where the offer or sale is not permitted. You should assume that the information appearing in this prospectus supplement, the accompanying prospectus and documents incorporated by reference is accurate only as of their respective dates. Our business, financial condition, results of operations and prospects may have changed since those dates.

TABLE OF CONTENTS

Prospectus Supplement

Prospectus

This prospectus supplement and the accompanying prospectus, including documents incorporated by reference, contain forward-looking statements within the meaning of Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, as amended. Forward-looking statements are inherently subject to risk and uncertainties, many of which cannot be predicted with accuracy and some of which might not even be anticipated. Future events and actual results, financial and otherwise, may differ materially from the results discussed in the forward-looking statements. Factors that might cause such a difference include, but are not limited to, those discussed in the Risk Factor section of this prospectus supplement, and in Risk Factors and in Management s Discussion and Analysis of Financial Condition and Results of Operations in our Annual Report on Form 10-K for the year ended December 31, 2007 and our Quarterly Report on Form 10-Q for the periods ended March 31, 2008 and June 30, 2008.

Table of Contents

ABOUT THIS PROSPECTUS SUPPLEMENT

In this prospectus supplement, references to Weingarten, we, us and our are to Weingarten Realty Investors, a Texas real estate investment trust or a REIT, and its subsidiaries.

This prospectus supplement contains the terms of this offering. A description of our common shares of beneficial interest is in the accompanying prospectus under the caption Description of Capital Shares Common Shares. This prospectus supplement, and the information incorporated herein by reference, may add, update or change information in the accompanying prospectus. If information in this prospectus supplement, or the information incorporated herein by reference, is inconsistent with the accompanying prospectus, this prospectus supplement, or the information incorporated herein by reference, will apply and will supersede that information in the accompanying prospectus.

THE COMPANY

We are a REIT organized under the Texas Real Estate Investment Trust Act. Through a predecessor entity, we began the ownership and development of shopping centers and other commercial real estate in 1948. Our primary business is leasing space to tenants in the neighborhood and community shopping centers and industrial properties that we own or lease. We also manage properties for joint ventures in which we hold interests, and for third-party owners for which we charge fees.

At June 30, 2008, we owned or operated under long-term leases, either directly or through our interest in real estate joint ventures or partnerships, a total of 379 developed income-producing properties and 35 properties under various stages of construction and development. The total number of centers includes 334 neighborhood and community shopping centers located in 22 states spanning the country from coast to coast. We also owned 77 industrial projects located in California, Florida, Georgia, Tennessee, Texas and Virginia and three other operating properties located in Arizona and Texas. The portfolio of properties is approximately 73.5 million square feet.

At June 30, 2008, we also owned interests in 19 parcels of unimproved land held for future development that totaled approximately 8.7 million square feet.

This foregoing summary of our Company highlights information contained or incorporated by reference in this prospectus supplement and the accompanying prospectus and may not contain all of the information that is important to you. You should carefully read this entire prospectus supplement and the accompanying prospectus, as well as the documents incorporated by reference in this prospectus supplement and in the accompanying prospectus, before making an investment decision to purchase our common shares.

Our principal executive offices are located at 2600 Citadel Plaza Drive, Houston, Texas 77008, and our phone number is (713) 866-6000. We also have nine regional offices located in various parts of the United States. Our website address is www.weingarten.com. The information contained on our website is not part of this prospectus supplement or the accompanying prospectus.

RECENT DEVELOPMENTS

Hurricane Ike. We have substantially completed a general evaluation of our properties subsequent to Hurricane Ike, both in terms of any damage and the ability of our tenants to resume operations. All of the properties are now open for business with the exception of two shopping centers and a free standing supermarket in Galveston, Texas. Though these three Galveston properties are closed, the supermarket in one of the shopping centers is open. These properties represented less than 0.6% of our total net operating income for the six months ended June 30, 2008.

Table of Contents

The detailed analysis of the total cost of Hurricane Ike and the related insurance deductible to be borne by us remains in process, however we expect that our total out-of-pocket costs will be approximately $1 million to $2 million.

While the operations of some tenants were temporarily disrupted by the storm, increased demand by consumers for the basic necessity-type goods and services that many of our retailers provide resulted in increased sales and profitability for some of our tenants. We could, however, experience a loss of tenants that may not re-open due to the disruption caused by Hurricane Ike.

Letter of Intent. On October 1, 2008, we signed a letter of intent with an institutional investor pursuant to which we intend to contribute 12 of our supermarket-anchored shopping centers, with an agreed upon value of approximately $271.4 million, to a joint venture in which such institutional investor will purchase a 70% interest, and we will hold a 30% interest. Consummation of the transaction contemplated by the letter of intent is subject to negotiation of definitive documentation, customary closing conditions, and no assurance can be given that the transaction will, in fact, be consummated.

RISK FACTOR

Investing in our common shares involves risks. Before deciding to invest in our common shares, you should carefully consider the following risk factor and those incorporated by reference, including in the section entitled Risk Factors in our Annual Report on Form 10-K for the year ended December 31, 2007, as well as other information included or incorporated by reference in this prospectus supplement and the accompanying prospectus. The occurrence of any of these risks could materially and adversely affect our business, prospects, financial condition, results of operations and cash flow, in which case, the trading price of our common shares would decline and you could lose all or part of your investment.

Risks Associated With Our Merchant Development Program

Through our merchant development program, we develop primarily neighborhood and community shopping centers, with the objective of selling the properties (or interests therein) to third parties, as opposed to retaining the properties in our portfolio on a long-term basis. Due to the inherent uncertainty associated with our merchant development program, our funds from operations (FFO) will fluctuate from time to time. Accordingly, fluctuations in the results of our merchant development program could cause us to be unable to meet, or to exceed, our publicly disclosed financial performance outlook, as well as FFO per share estimates of security analysts for any given period. In particular, certain sales in our merchant development program were not completed during the three months ended September 30, 2008, though we expect that those sales will be completed prior to December 31, 2008. We expect that the timing of these sales will cause our FFO per share for the three months ended September 30, 2008 to meet the low end of security analyst estimates for such period. Our expectations with respect to sales in our merchant development program are based on currently available information, and no assurance can be given regarding the timing, terms or consummation of any sale. Failure to meet our publicly disclosed financial performance outlook or security analyst estimates could have a material adverse effect on the trading price of our common shares.

USE OF PROCEEDS

We estimate that the net proceeds from the sale of the common shares offered by this prospectus supplement will be approximately $98.1 million (or $112.8 million if the underwriters exercise their overallotment option in full) after deducting the underwriting discount and other estimated offering expenses.

We intend to use the net proceeds from this offering to reduce amounts outstanding under our revolving credit facilities, which are among the primary sources of financing for our on-going acquisition and new development programs. Any additional net proceeds will be used for general business purposes. At the close of business on September 30, 2008, borrowings under our revolving credit facilities bore interest at the rate of 4.3% per annum and $483.0 million aggregate principal amount was outstanding thereunder.

Table of Contents

Pending application of the net proceeds as described above, we expect to deposit the net proceeds from this offering in interest bearing accounts or purchase certificates of deposit, United States government obligations or other short-term, high-quality debt instruments selected at our discretion.

FEDERAL INCOME TAX CONSEQUENCES

Because the following discussion is a summary that, in conjunction with the discussion contained under the heading Federal Income Tax Consequences in the accompanying prospectus, is intended to address only material federal income tax consequences relating to the ownership and disposition of common shares that will apply to taxable U.S. holders, it may not contain all the information that may be important to you. As you review this discussion, you should keep in mind that:

- the tax consequences to you may vary depending on your particular tax situation;
- special rules that are not discussed below may apply to you if, for example, you are a tax-exempt organization, a broker-dealer, a non-U.S. person, a trust, an estate, a regulated investment company, a financial institution, an insurance company, or otherwise subject to special tax treatment under the Internal Revenue Code (the Code);
- this summary does not address state, local or non-U.S. tax considerations;
- this summary deals only with our shareholders that hold common shares as capital assets, within the meaning of Section 1221 of the Code; and
- this discussion is not intended to be, and should not be construed as, tax advice.

You are urged both to review the following discussion and to consult with your own tax advisor to determine the effect of ownership and disposition of our common shares on your tax situation, including any state, local or non-U.S. tax consequences.

The information in this section is based on the current Code, current, temporary and proposed Treasury regulations, the legislative history of the Code, current administrative interpretations and practices of the Internal Revenue Service, including its practices and policies as reflected in private letter rulings, which are not binding on the Internal Revenue Service except with respect to the taxpayers to whom they are addressed, and court decisions. Future legislation, regulations, administrative interpretations and court decisions could change current law or adversely affect interpretations of current law. Any change could apply retroactively. We have not requested and do not plan to request any rulings from the Internal Revenue Service concerning our tax treatment. It is possible that the Internal Revenue Service could challenge the statements in this discussion, which do not bind the Internal Revenue Service or the courts, and that a court could agree with the Internal Revenue Service.

Taxation of U.S. Shareholders. As used in the remainder of this discussion, the term U.S. shareholder means a beneficial owner of common shares that is, for United States federal income tax purposes:

(1) a citizen or resident, as defined in Section 7701(b) of the Code;

(2) a corporation or other entity treated as a corporation for federal income tax purposes, created or organized under the laws of the United States, any state or the District of Columbia;

(3) an estate the income of which is subject to U.S. federal income taxation regardless of its source; or

(4) in general, a trust subject to the primary supervision of a United States court and the control of one or more United States persons, and a qualifying trust that elects to be treated as a United States trust under applicable Treasury Regulations.

Generally, a non-U.S. shareholder is a holder (other than a partnership or an entity or arrangement treated as a partnership for U.S. federal income tax purposes) that is not a U.S. shareholder. In the case of an entity treated as a partnership for U.S. federal income tax purposes that is a beneficial owner of common shares, the treatment of its partners generally will depend upon the status of the partner and the activities of the

Table of Contents

partnership. Persons that have an indirect interest in common shares through an entity treated as a partnership for U.S. federal income tax purposes are encouraged to consult their tax advisors about the U.S. federal income tax consequences of acquiring, holding and disposing of our common shares.

Distributions. So long as we qualify as a REIT, distributions to our U.S. shareholders out of our current or accumulated earnings and profits that are not designated as capital gain dividends or qualified dividend income will be taxable as ordinary income and will not be eligible for the dividends received deduction generally available for corporations or for the maximum 15% tax rate available for individuals with respect to corporation dividends. Distributions in excess of our current and accumulated earnings and profits will not be taxable to a U.S. shareholder to the extent that the distributions do not exceed the adjusted tax basis of the shareholder s common shares. Rather, such distributions will reduce the adjusted basis of such common shares. Distributions in excess of our current and accumulated earnings and profits that exceed the U.S. shareholder s adjusted basis in its shares will be taxable as capital gains in the amount of such excess if the common shares are held as a capital asset. If we declare a dividend in October, November or December of any year with a record date in one of these months and pay the dividend on or before January 31 of the following year, we will be treated as having paid the dividend, and the shareholder will be treated as having received the dividend, on December 31 of the year in which the dividend was declared.

Capital Gain Distributions. We may elect to designate distributions of our net capital gain as capital gain dividends. Capital gain dividends are taxed to shareholders as gain from the sale or exchange of a capital asset held for more than one year, without regard to how long the U.S. shareholder has held its common shares. Designations made by us only will be effective to the extent that they comply with Revenue Ruling 89-81, which requires that distributions made to different classes of shares be composed proportionately of dividends of a particular type. If we designate any portion of a dividend as a capital gain dividend, a U.S. shareholder will receive an Internal Revenue Service Form 1099-DIV indicating the amount that will be taxable to the shareholder as capital gain. Corporate shareholders, however, may be required to treat up to 20% of capital gain dividends as ordinary income.

Instead of paying capital gain dividends, we may designate all or part of our net capital gain as undistributed capital gain. We will be subject to tax at regular corporate rates on our undistributed capital gain.

A U.S. shareholder:

(1) will include in its income as long-term capital gains its proportionate share of our undistributed capital gains; and

(2) will be deemed to have paid its proportionate share of the tax paid by us on such undistributed capital gains and receive a credit or a refund to the extent that its proportionate share of the tax paid by us exceeds the U.S. shareholder s tax liability on the undistributed capital gain.

A U.S. shareholder will increase the basis in its common shares by the difference between the amount of capital gain included in its income and the amount of tax it is deemed to have paid. Our earnings and profits will be adjusted appropriately.

With respect to shareholders who are taxed at the rates applicable to individuals, we will classify portions of any designated capital gain dividend or undistributed capital gain as either:

(1) a 15% rate gain distribution, which would be taxable to non-corporate U.S. shareholders at a maximum rate of 15%; or

(2) an unrecaptured Section 1250 gain distribution, which would be taxable to non-corporate U.S. shareholders at a maximum rate of 25%, depending upon the source of the capital gain.

Table of Contents

We must determine the maximum amounts that we may designate as 15% and 25% rate capital gain dividends by performing the computation required by the Internal Revenue Code as if the REIT were an individual whose ordinary income were subject to a marginal tax rate of at least 28%.

Recipients of capital gains dividends from us that are taxed at corporate income tax rates will be taxed at the normal corporate income tax rates on those dividends.

Qualified Dividend Income. We may elect to designate a portion of our distributions paid to shareholders as qualified dividend income. A portion of a distribution that is properly designated as qualified dividend income is taxable to non-corporate U.S. shareholders at capital gain rates, provided that the shareholder has held the shares with respect to which the distribution is made for more than 60 days during the 121-day period beginning on the date that is 60 days before the date on which such shares become ex-dividend with respect to the relevant distribution. The maximum amount of our distributions eligible to be designated as qualified dividend income for a taxable year is equal to the sum of:

(1) the qualified dividend income received by us during such taxable year from non-REIT corporations (including any taxable REIT subsidiaries);

(2) the excess of any undistributed REIT taxable income recognized during the immediately preceding year over the federal income tax paid by us with respect to such undistributed REIT taxable income; and

(3) the excess of any income recognized during the immediately preceding year attributable to the sale of a built-in-gain asset that was acquired in a carry-over basis transaction from a C corporation over the federal income tax paid by us with respect to such built-in gain.

Generally, dividends that we receive will be treated as qualified dividend income for purposes of (1) above if the dividends are received from a domestic corporation (other than a REIT or a regulated investment company) or a qualifying foreign corporation and specified holding period requirements and other requirements are met. A foreign corporation (other than a passive foreign investment company) will be a qualifying foreign corporation if it is incorporated in a possession of the United States, the corporation is eligible for benefits of an income tax treaty with the United States that the Secretary of Treasury determines is satisfactory, or the stock of the foreign corporation on which the dividend is paid is readily tradable on an established securities market in the United States. We generally expect that an insignificant portion, if any, of our distributions will consist of qualified dividend income.

Sunset of Reduced Tax Rate Provisions. The applicable provisions of the federal income tax laws relating to the 15% rate of capital gain taxation and the applicability of capital gain rates for designated qualified dividend income of REITs are currently scheduled to sunset or revert back to provisions of prior law effective for taxable years beginning after December 31, 2010. Upon the sunset of the current provisions, all dividend income of REITs and non-REIT corporations would be taxable at ordinary income rates and the maximum capital gain tax rate for gains other than unrecaptured section 1250 gains would be increased (from 15% to 20%). The impact of this reversion is not discussed herein. Consequently, you are urged to consult your tax advisor regarding the effect of the sunset provisions on your investment.

Taxation of Taxable Shareholders; Backup Withholding. In determining the extent to which a distribution on our common shares constitutes a dividend for tax purposes, our earnings and profits will be allocated first to distributions with respect to the various series of our preferred stock in order of their respective rank as to distributions and upon liquidation, and second to distributions with respect to the common shares. The backup withholding rate is currently 28%.

Other Tax Considerations. Distributions made by us and gain arising from the sale or exchange by a U.S. shareholder of our common shares will not be treated as passive activity income and, as a result, U.S.

Table of Contents

shareholders generally will not be able to apply any passive losses against this income or gain. In addition, regular taxable dividends from us generally will be treated as investment income for purposes of the investment interest limitations. In addition, a U.S. shareholder may elect to treat capital gain dividends, capital gains from the disposition of common shares and income designated as qualified dividend income as investment income for purposes of the investment interest limitation, in which case the applicable capital gains will be taxed at ordinary income rates. We will notify shareholders regarding the portions of distributions for each year that constitute ordinary income, return of capital, capital gain, and qualified dividend income. U.S. shareholders may not include in their individual income tax returns any of our net operating losses or capital losses. Our operating or capital losses would be carried over by us for potential offset against future income, subject to applicable limitations.

Sales of Shares. Upon any taxable sale or other disposition of common shares to a party other than us, a U.S. shareholder will recognize gain or loss for federal income tax purposes in an amount equal to the difference between:

(1) the amount of cash and the fair market value of any property received on the sale or other disposition; and

(2) the holder s adjusted basis in the common shares for tax purposes.

This gain or loss will be a capital gain or loss if the common shares have been held by the U.S. shareholder as a capital asset. The applicable tax rate will depend on the shareholder s holding period in the common shares (generally, if the common shares have been held for more than one year the sale will produce long-term capital gain) and the shareholder s tax bracket. The Internal Revenue Service has the authority to prescribe, but has not yet prescribed, regulations that would apply a capital gain tax rate of 25% (which is generally higher than the long-term capital gain tax rates for noncorporate shareholders) to a portion of capital gain realized by a noncorporate shareholder on the sale of REIT shares that would correspond to the REIT s unrecaptured Section 1250 gain. Shareholders are urged to consult with their own tax advisors with respect to their capital gain tax liability. A corporate U.S. shareholder will be subject to tax at a maximum rate of 35% on capital gain from the sale of our common shares held for more than one year. In general, any loss recognized by a U.S. shareholder upon the sale or other disposition of common shares that have been held for six months or less, after applying the holding period rules, will be treated as a long-term capital loss, to the extent of distributions received by the U.S. shareholder from us that were required to be treated as long-term capital gains.

Special Relief Provisions. If we fail to satisfy either the 75% gross income test or the 95% gross income test discussed in the Prospectus, but nonetheless maintain our qualification as a REIT because other requirements are met, we will be subject to a tax equal to the gross income attributable to the greater of either (1) the amount by which 75% of our gross income exceeds the amount of our income qualifying under the 75% test for the taxable year or (2) the amount by which 95% of our gross income exceeds the amount of our income qualifying for the 95% income test for the taxable year, multiplied in either case by a fraction intended to reflect our profitability.

If we fail to satisfy one of the REIT asset tests (other than certain de minimis failures), but nonetheless maintain our qualification as a REIT because other requirements are met, we will be subject to a tax equal to the greater of $50,000 or the amount determined by multiplying the net income generated by the non-qualifying assets during the period of time that the assets were held as non-qualifying assets by the highest rate of tax applicable to corporations.

If we fail to satisfy certain other requirements under the Code the failure of which would result in the loss of our REIT status, and the failure is due to reasonable cause and not willful neglect, we may be required to pay a penalty of $50,000 for each such failure in order to maintain our qualification as a REIT.

Table of Contents

Treatment of Debt Securities. Securities for purposes of the asset tests may include debt securities. However, the Code specifically provides that the following types of debt will not be taken into account for purposes of the 10% value test: (1) certain securities that meet the straight debt safe-harbor; (2) loans to individuals or estates; (3) obligations to pay rent from real property; (4) rental agreements described in Section 467 of the Code; (5) any security issued by other REITs; (6) certain securities issued by a state, the District of Columbia, a foreign government, or a political subdivision of any of the foregoing, or the Commonwealth of Puerto Rico; and (7) any other arrangement as determined by the Internal Revenue Service. In addition, for purposes of the 10% value test only, to the extent we hold debt securities that are not described in the preceding sentence, (a) debt issued by partnerships that derive at least 75% of their gross income from sources that constitute qualifying income for purposes of the 75% gross income test, and (b) debt that is issued by any partnership, to the extent of our interest as a partner in the partnership, are not considered securities. See the discussion under the caption Federal Income Tax Consequences Asset Tests in the Prospectus.

Recent Tax Law Changes. On July 30, 2008, President Bush signed into law The Housing and Economic Recovery Act of 2008 (the Act). The Act contains a number of provisions applicable to REITs and is generally effective for our taxable year beginning on January 1, 2009. As noted below, however, certain provisions are effective after the date of enactment. Some of the provisions address the treatment of foreign currency gains and income from hedging transactions for purposes of the REIT 75% and 95% income tests, while other provisions modify the REIT asset tests and the method for calculating amounts subject to the prohibited transaction penalty tax.

The Act revised the tax treatment of certain foreign currency gains for purposes of the REIT 75% and 95% gross income tests. In general, if foreign currency gain is recognized after July 30, 2008 with respect to income that qualifies for purposes of the 75% gross income test, then such foreign currency gain will not constitute gross income for purposes of the 75% and 95% gross income tests. If foreign currency gain is recognized after July 30, 2008 with respect to income that qualifies for purposes of the 95% gross income test, then such foreign currency gain will not constitute gross income for purposes of the 95% gross income test, but will generally be included in gross income and treated as nonqualifying income for purposes of the 75% gross income test, except to the extent that such foreign currency gain qualifies pursuant to the immediately preceding sentence.

The Act provides that certain hedging income (as described below, qualified hedging income) derived from transactions entered into by us after July 30, 2008 is excluded from both the REIT 75% and 95% income tests. Historically, qualified hedging income included only income derived from transactions that hedged indebtedness incurred or to be incurred by us to acquire or carry real estate assets. Under the Act, qualified hedging income is expanded to include income recognized by us from a transaction primarily entered into to manage the risk of currency fluctuations with respect to any item of income or gain that would be qualifying income under the REIT 75% or 95% income tests. Under both prior law and the Act we are also required to properly identify any such hedges in our books and records.

Under the Act, we may hold up to 25% (as opposed to 20% under prior law) of our assets in the form of securities issued by taxable REIT subsidiaries.

We are subject to a 100% penalty tax on income from prohibited transactions (generally, income derived from the sale of property primarily held for sale to customers in the ordinary course of business). With respect to prohibited transactions occurring after July 30, 2008, any foreign currency gain (as defined in Section 988(b)(1) of the Code) and any foreign currency loss (as defined in Section 988(b)(2) of the Code) will be taken into account in determining the amount of income subject to the 100% penalty tax. The Code provides a safe harbor that, if met, allows us to avoid being treated as engaged in a prohibited transaction. In the case of sales taking place after July 30, 2008, the Act makes it easier to comply with the safe harbor by reducing from 4 years to 2 years the time periods during which certain conditions must be satisfied. In order to meet the safe harbor as

Table of Contents

amended, among other things, (i) we must have held the property for at least 2 (previously 4) years (and, in the case of property which consists of land or improvements not acquired through foreclosure, we must have held the property for 2 (previously 4) years for the production of rental income), (ii) we must not have made aggregate expenditures during the 2- (previously 4-) year period preceding the date of sale that exceed 30% of the net selling price of the property, and (iii) during the taxable year the property is disposed of, we must not have made more than 7 property sales or, alternatively, either the aggregate adjusted basis of all of the properties sold by us during the taxable year must not exceed 10% of the aggregate adjusted basis of all of our assets as of the beginning of the taxable year or the aggregate fair market value of all the properties sold by us during the taxable year must not exceed 10% of the aggregate fair market value of all our assets as of the beginning of the taxable year.

Table of Contents

UNDERWRITING

We intend to offer the common shares through the underwriters. Merrill Lynch, Pierce, Fenner & Smith Incorporated and Morgan Stanley & Co. Incorporated are acting as the representatives of the underwriters named below. Subject to the terms and conditions described in an underwriting agreement and a related pricing agreement, each between us and the underwriters, we have agreed to sell to the underwriters, and the underwriters severally have agreed to purchase from us, the number of common shares listed opposite their names below.

Underwriter	Number of Shares
Merrill Lynch, Pierce, Fenner & Smith Incorporated	982,500
Morgan Stanley & Co. Incorporated	982,500
Banc of America Securities LLC	225,000
J.P. Morgan Securities Inc.	225,000
RBC Capital Markets Corporation	225,000
Robert W. Baird & Co. Incorporated	90,000
J.J.B. Hilliard, W.L. Lyons, LLC	90,000
Edward D. Jones & Co., L.P.	90,000
Stifel, Nicolaus & Company, Incorporated	90,000
Total	3,000,000

The underwriters have agreed to purchase all of the common shares sold under the underwriting agreement and the related pricing agreement if any of the common shares are purchased. If an underwriter defaults, the underwriting agreement provides that the purchase commitments of the nondefaulting underwriters may be increased or the underwriting agreement may be terminated.

We have agreed to indemnify the underwriters against certain liabilities, including liabilities under the Securities Act of 1933, or to contribute to payments the underwriters may be required to make in respect of those liabilities.

The underwriters are offering the common shares, subject to prior sale, when, as and if issued to and accepted by them, subject to approval of legal matters by their counsel, including the validity of the common shares, and other conditions contained in the underwriting agreement, such as the receipt by the underwriters of officers certificates and legal opinions. The underwriters reserve the right to withdraw, cancel or modify offers to the public and to reject orders in whole or in part.

Commissions and Discounts

The underwriters have advised us that they propose initially to offer the common shares to the public at the public offering price on the cover page of this prospectus supplement and to dealers at that price less a concession not to exceed $.8721 per share. The underwriters may allow, and the dealers may reallow, a discount not in excess of $.10 per share to other dealers. After the initial public offering, the public offering price, concessions and discount may be changed.

Table of Contents

The following table shows the public offering price, underwriting discount and proceeds before expenses to us. The information assumes either no exercise or full exercise by the underwriters of their overallotment option.

	Per Share	Without Option	With Option
Public offering price	$34.20	$ 102,600,000	$ 117,990,000
Underwriting discount	$1.4535	$4,360,500	$5,014,575
Proceeds, before expenses, to us	$ 32.7465	$98,239,500	$ 112,975,425

The expenses of the offering, not including the underwriting discount, are estimated to be $130,000 and are payable by us.

Overallotment Option

We have granted an option to the underwriters to purchase up to an additional 450,000 common shares at the public offering price less the underwriting discount. The underwriters may exercise this option for 30 days from the date of this prospectus supplement solely to cover any overallotments. If the underwriters exercise this option, each will be obligated, subject to conditions contained in the underwriting agreement and related pricing agreement, to purchase a number of additional common shares proportionate to that underwriter s initial amount reflected in the above table.

No Sales of Similar Securities

We, our executive officers and our trust managers have agreed for a period of 45 days after the date of this prospectus supplement, with certain exceptions, not to offer, sell, grant any option for the sale of, contract to sell, pledge, make any short sale, or otherwise issue or dispose of any common shares of beneficial interest (except for, as it relates to us, shares of beneficial interest issued pursuant to employee benefit plans, employee and trust manager share option plans or as partial or full payment for properties to be acquired by us or upon conversion of outstanding operating partnership units), or any options or warrants to purchase any common shares of beneficial interest, or any securities convertible into, exchangeable for or that represent the right to receive common shares of beneficial interest, whether or not owned or hereinafter acquired directly or indirectly by us, our executive officers or our trust managers (including holding as a custodian) or with respect to which we, our executive officers or our trust managers have beneficial ownership within the rules and regulations of the SEC, or enter into any swap or any other agreement or any transaction that transfers, in whole or in part, directly or indirectly, the economic consequence of ownership of shares of beneficial interest which are substantially similar to the common shares, whether any such swap, agreement or transaction described above is to be settled by delivery of shares of beneficial interest which are substantially similar to the common shares, in cash or otherwise, without the prior written consent of Merrill Lynch, Pierce, Fenner & Smith Incorporated and Morgan Stanley & Co. Incorporated.

Price Stabilization, Short Positions

Until the distribution of the common shares is completed, SEC rules may limit the underwriters from bidding for and purchasing our common shares. However, the underwriters may engage in transactions that stabilize the price of the common shares, such as bids or purchases to peg, fix or maintain that price.

If the underwriters create a short position in the common shares in connection with the offering, i.e., if they sell more common shares than are listed on the cover of this prospectus supplement, the underwriters may reduce that short position by purchasing common shares in the open market or by exercising their overallotment option. Purchases of the common shares to stabilize the price or to reduce a short position may cause the price of the common shares to be higher than it might be in the absence of such purchases.

Table of Contents

Neither we nor any of the underwriters makes any representation or prediction as to the direction or magnitude of any effect that the transactions described above may have on the price of the common shares. In addition, neither we nor any of the underwriters makes any representation that the underwriters will engage in these transactions or that these transactions, once commenced, will not be discontinued without notice.

Electronic Prospectus Delivery

A prospectus supplement and accompanying prospectus in electronic format may be made available on the websites maintained by one or more of the underwriters or selling group members, if any, participating in the offering. The representatives may agree to allocate a number of our common shares to underwriters for sale to their online brokerage account holders. The representatives will allocate our common shares to underwriters that may make Internet distributions on the same basis as other allocations. Other than the prospectus supplement and the accompanying prospectus in electronic format, the information on any of these websites and any other information contained on a website maintained by an underwriter or selling group member is not part of this prospectus supplement or prospectus.

Other Relationships

Some of the underwriters or their affiliates have engaged in, and may in the future engage in, investment banking, commercial lending and other commercial dealings in the ordinary course of business with us. They have received customary fees and commissions for those transactions. Affiliates of certain of the underwriters are lenders under our revolving credit facilities and will receive a pro rata portion of the net proceeds from this offering used to reduce amounts outstanding under such facilities.

LEGAL MATTERS

Certain legal matters relating to the common shares will be passed upon for us by Locke Lord Bissell & Liddell LLP, Dallas, Texas, and for the underwriters by Sidley Austin LLP, New York, New York, who will rely on the opinion of Locke Lord Bissell & Liddell LLP as to matters of Texas law.

EXPERTS

The consolidated financial statements, the related financial statement schedules, incorporated in this prospectus supplement by reference from Weingarten Realty Investors Annual Report on Form 10-K for the year ended December 31, 2007, and the effectiveness of Weingarten Realty Investors internal control over financial reporting have been audited by Deloitte & Touche LLP, an independent registered public accounting firm, as stated in their reports, which are incorporated herein by reference. Such financial statements and financial statement schedules have been so incorporated in reliance upon the reports of such firm given upon their authority as experts in accounting and auditing.

Table of Contents

PROSPECTUS

Weingarten Realty Investors

$1,500,000,000

Common Shares, Preferred Shares, Depositary Shares, Debt Securities and Warrants

We may offer, from time to time, in one or more series or classes and in amounts, at prices and on terms that we will determine at the time of offering, with an aggregate public offering price of up to $1,500,000,000:

- unsecured debt securities that may be either senior debt securities or subordinated debt securities;
- whole or fractional preferred shares of beneficial interest;
- preferred shares of beneficial interest represented by depositary shares;
- common shares of beneficial interest; or
- warrants to purchase preferred shares of beneficial interest or common shares of beneficial interest.

We will provide the specific terms of these securities in supplements to this prospectus. You should read this prospectus and the supplements carefully before you invest in any of these securities.

We may offer the securities directly, through agents designated from time to time, or to or through underwriters or dealers. If any agents or underwriters are involved in the sale of any of the securities, their names, and any applicable purchase price, fee, commission or discount arrangement between or among them, will be set forth, or will be calculable from the information set forth, in the applicable prospectus supplement. For more information on this topic, please see Plan of Distribution on page 34. No securities may be sold without the delivery of the applicable prospectus supplement describing the method and terms of the offering of such securities.

Our common shares of beneficial interest trade on the New York Stock Exchange under the symbol WRI.

Neither the Securities and Exchange Commission nor any state securities commission has approved or disapproved of these securities or determined if this prospectus is truthful or complete. Any representation to the contrary is a criminal offense.

The date of this prospectus is October 1, 2004.

Table of Contents

You should rely only on the information contained or incorporated by reference in this prospectus and any applicable prospectus supplement. We have not authorized anyone else to provide you with different information. If anyone provides you with different or inconsistent information, you should not rely on it. We will not make an offer to sell these securities in any state where the offer or sale is not permitted. You should assume that the information appearing in this prospectus, as well as the information we previously filed with the Securities and Exchange Commission and incorporated by reference, is accurate only as of the date of the documents containing the information.

TABLE OF CONTENTS

CAUTIONARY STATEMENT CONCERNING FORWARD-LOOKING STATEMENTS

Certain statements contained herein constitute forward-looking statements as such term is defined in Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, as amended. Forward-looking statements are not guarantees of performance. Our future results, financial condition and business may differ materially from those expressed in these forward-looking statements. You can find many of these statements by looking for words such as plans, intends, estimates, anticipates, expects, believes o similar expressions in this prospectus and the applicable prospectus summary. These forward-looking statements are subject to numerous assumptions, risks and uncertainties. Many of the factors that will determine these items are beyond our ability to control or predict.

For these statements, we claim the protection of the safe harbor for forward-looking statements contained in the Private Securities Litigation Reform Act of 1995. You are cautioned not to place undue reliance on our forward-looking statements, which speak only as of the date of this prospectus and the applicable prospectus supplement or the date of any document incorporated by reference. All subsequent written and oral forward-looking statements attributable to us or any person acting on our behalf are expressly qualified in their entirety by the cautionary statements contained or referred to in this section. We do not undertake any obligation to release publicly any revisions to our forward-looking statements to reflect events or circumstances after the date of this prospectus and the applicable prospectus supplement.

Table of Contents

ABOUT THIS PROSPECTUS

This prospectus is part of a shelf registration statement that we filed with the SEC. By using a shelf-registration statement, we may sell, from time to time, in one or more offerings, any combination of the securities described in this prospectus. The total dollar amount of the securities we sell through these offerings will not exceed $1,500,000,000. This prospectus only provides you with a general description of the securities we may offer. Each time we sell securities, we will provide you with a prospectus supplement that contains specific information about the terms of the securities being offered. The prospectus supplement may also add, update or change information contained in this prospectus. You should read both this prospectus and any prospectus supplement together with the additional information described under the heading Where You Can Find More Information on page 36.

THE COMPANY

We are a real estate investment trust based in Houston, Texas. We develop, acquire and own anchored neighborhood community shopping centers. To a lesser degree, we develop, acquire and own industrial real estate. We have engaged in these activities since 1948.

As of June 30, 2004, we owned or had an equity interest in operating properties consisting of approximately 45.6 million square feet of building area. These properties consist of 278 shopping centers generally in the 100,000 to 400,000 square foot range and 62 industrial projects. Our properties are located in 20 states that span the southern half of the United States from coast to coast. Our shopping centers are anchored primarily by supermarkets, drugstores and other retailers that sell basic necessity-type items. As of June 30, 2004, we leased to approximately 5,000 different tenants under 6,800 separate leases. The weighted average occupancy rate of all of our improved properties as of June 30, 2004 was 94.2%.

Our executive offices are located at 2600 Citadel Plaza Drive, Suite 300, Houston, Texas 77008, and our telephone number is (713) 866-6000. Our website address is www.weingarten.com. The information contained on our website is not part of this prospectus.

USE OF PROCEEDS

Unless otherwise described in the applicable prospectus supplement, we intend to use the net proceeds from the sale of the securities for:

- repayment or refinancing of debt;
- acquisition of additional properties or real estate-related securities;
- development of new properties;
- redevelopment of existing properties; and
- working capital and general purposes.

Pending the use thereof, we intend, generally, to invest any net proceeds in short-term, interest-bearing securities.

Table of Contents

RATIOS OF EARNINGS TO COMBINED FIXED CHARGES

AND PREFERRED SHARE DIVIDENDS

The following table sets forth the ratio of earnings to fixed charges and the ratio of earnings to combined fixed charges and preferred share dividends for the periods shown:

	Six Months Ended June 30,		Years Ended December 31,				
	2003	2004	1999	2000	2001	2002	2003
Ratio of earnings to combined fixed charges and preferred share dividends	1.78x	1.97x	2.29x	1.80x	1.92x	2.05x	1.81x
Ratio of funds from operations before interest expense to combined fixed charges and preferred share dividends	2.52x	2.60x	2.79x	2.60x	2.59x	2.65x	2.52x

The ratios of earnings to combined fixed charges and preferred share dividends were computed by dividing earnings by the sum of fixed charges and preferred share dividends. The ratios of funds from operations before interest expense to combined fixed charges and preferred share dividends were computed by dividing funds from operations before interest expense by the sum of fixed charges and preferred share dividends.

For these purposes, earnings consist of income before extraordinary items plus fixed charges (excluding interest costs capitalized) and preferred share dividends. Funds from operations before interest expense consists of net income plus depreciation and amortization of real estate assets, interest on indebtedness and extraordinary charges, less gains and losses on sales of properties and securities.

DESCRIPTION OF CAPITAL SHARES

We are a Texas real estate investment trust. Your rights as a shareholder are governed by the Texas Real Estate Investment Trust Act, our declaration of trust and our bylaws. The following summary of terms, rights and preferences of the shares of beneficial interest is not complete. You should read our declaration of trust and bylaws for more complete information.

Authorized Shares

Our declaration of trust provides that we may issue up to 160,000,000 shares of beneficial interest, consisting of 150,000,000 common shares, par value $0.03 per share, and 10,000,000 preferred shares, par value $.03 per share. At August 31, 2004, 88,846,406 common shares, 3,000,000 depositary shares, each representing one-thirtieth of a 6.75% Series D Cumulative Redeemable Preferred Share, and 2,900,000 depositary shares, each representing one-one hundredth of a share of 6.95% Series E Cumulative Redeemable Preferred Shares were issued and outstanding. In addition, we have 1,880,645 common shares available for issuance upon the exercise of options granted under our employee and trust manager share option plans. Mellon Investor Services, LLC is the transfer agent and registrar of our common shares and preferred shares.

Shareholder Liability

Under Texas law, you will not be personally liable for any obligation of ours solely because you are a shareholder. Under our declaration of trust, our shareholders are not personally liable for our debts or obligations and will not be subject to any personal liability in tort, contract or otherwise, to any person in connection with our property or affairs by reason of being a shareholder.

Table of Contents

Notwithstanding these limitations, common law theories of piercing the corporate veil may be used to impose liability on shareholders in certain instances. Also, to the extent that we conduct operations in another jurisdiction where the law of that jurisdiction (1) does not recognize the limitations of liability afforded by contract, Texas law or our declaration of trust, and (2) does not provide similar limitations of liability applicable to real estate investment trusts or other trusts, a third party could attempt, under limited circumstances, to assert a claim against our shareholders based upon our obligations.

Common Shares

Dividends. Subject to any preferential rights of any outstanding series of preferred shares, the holders of our common shares are entitled to such dividends and distributions as may be declared from time to time by the board of trust managers from funds available