Form

Unknown document format

t> (286) (4,189) (4,475)

Balance, December 31, 2007

8 2,565 (41) 1,485,496 31,639 (15,475) 96,885 1,601,077

Net income

145,652 8,943 154,595

Issuance of Series F preferred shares

2 116,949 883 117,834

Redemption of Series G preferred shares

(2) (193,548) (1,850) (195,400)

Shares issued in exchange for non-controlling interests (4)

1 1,093 (1,094) -

Issuance of common shares

90 97,971 98,061

Shares issued under benefit plans

9 8,703 8,712

Dividends declared – common shares (1)

(177,975) (177,975)

Dividends declared – preferred shares (2)

(35,594) (35,594)

Sale of properties with noncontrolling interests

116,541 116,541

Treasury shares cancelled (3)

(41) 41 -

Purchase and cancellation of convertible senior unsecured notes

(3,926) (3,926)

Distributions to noncontrolling interests

(9,962) (9,962)

Contributions from noncontrolling interests

634 634

Other comprehensive loss

(14,201) (14,201)

Other, net (4)

1 2,202 (7,916) (5,713)

Balance, December 31, 2008

8 2,625 - 1,514,940 (37,245) (29,676) 204,031 1,654,683

Net income

171,102 4,174 175,276

Shares issued in exchange for noncontrolling interests

15 14,236 (14,251) -

Issuance of common shares

966 438,089 439,055

Shares issued under benefit plans

9 5,147 5,156

Dividends declared – common shares (1)

(135,731) (135,731)

Dividends declared – preferred shares (5)

(32,852) (32,852)

Sale of properties with noncontrolling interests
23,521 23,521
Distributions to noncontrolling interests
(16,368) (16,368)
Contributions from noncontrolling interests
4,518 4,518
Purchase and cancellation of convertible senior unsecured notes
(16,110) (16,110)
Other comprehensive income
5,718 5,718
Other, net
2,673 (2,624) (259) (210)
Balance, December 31, 2009
$8 $3,615 $- $1,958,975 $(37,350) $(23,958) $205,366 $2,106,656

(1) Common dividend per share was $1.275, $2.10 and $1.98 for the year ended December 31, 2009, 2008 and 2007, respectively.
(2) Series D, E, F and G preferred dividend per share was $50.63, $173.75, $162.50 and $73.73, respectively, for the year ended December 31, 2008, and $50.63, $173.75, $142.64 and $34.88, respectively, for the year ended December 31, 2007.
(3) A total of 1.4 million common shares of beneficial interest were purchased in 2007 and subsequently retired on January 11, 2008.
(4) Certain amounts have been reclassified to conform to the current year presentation.
(5) Series D, E and F preferred dividend per share was $50.63, $173.75 and $162.50 for the year ended December 31, 2009.

See Notes to Consolidated Financial Statements

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

Note 1. Summary of Significant Accounting Policies

Business
Weingarten Realty Investors is a real estate investment trust ("REIT") organized under the Texas Real Estate Investment Trust Act. Effective January 1, 2010, the Texas Real Estate Investment Trust Act was replaced by the Texas Business Organizations Code. We, and our predecessor entity, 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 shopping and industrial centers we own or lease. We also manage centers for joint ventures in which we are partners or for other outside owners for which we charge fees.

We operate a portfolio of properties that include neighborhood and community shopping centers and industrial properties of approximately 70.0 million square feet. We have a diversified tenant base with our largest tenant comprising only 2.6% of total rental revenues during 2009.

We currently operate, and intend to operate in the future, as a REIT.

Basis of Presentation
Our consolidated financial statements include the accounts of our subsidiaries and certain partially owned real estate joint ventures or partnerships which meet the guidelines for consolidation. All intercompany balances and transactions have been eliminated.

Our financial statements are prepared in accordance with accounting principles generally accepted in the United States ("GAAP"). Such statements require management to make estimates and assumptions that affect the reported amounts on our consolidated financial statements. Actual results could differ from these estimates.

Revenue Recognition
Rental revenue is generally recognized on a straight-line basis over the term of the lease, which begins the date the leasehold improvements are substantially complete, if owned by us, or the date the tenant takes control of the space, if the leasehold improvements are owned by the tenant. Revenue from tenant reimbursements of taxes, maintenance expenses and insurance is subject to our interpretation of lease provisions and is recognized in the period the related expense is recognized. Revenue based on a percentage of tenants' sales is recognized only after the tenant exceeds their sales breakpoint. In addition, in circumstances where we provide a tenant improvement allowance for improvements that are owned by the tenant, we recognize the allowance as a reduction of rental revenue on a straight-line basis over the term of the lease. Other revenue is income from contractual agreements with third parties, tenants or partially owned real estate joint ventures or partnerships, which is recognized as the related services are performed under the respective agreements.

Real Estate Joint Ventures and Partnerships
To determine the method of accounting for partially owned real estate joint ventures and partnerships, we apply the guidelines as set forth in GAAP. Entities identified as variable interest entities are consolidated if we are determined to be the primary beneficiary of the partially owned real estate joint venture or partnership.

Partially owned real estate joint ventures and partnerships over which we exercise financial and operating control are consolidated in our financial statements. In determining if we exercise financial and operating control, we consider factors such as ownership interest, authority to make decisions, kick-out rights and substantive participating rights. Partially owned real estate joint ventures and partnerships where we have the ability to exercise significant influence, but do not exercise financial and operating control, are accounted for using the equity method.

55

Property

Real estate assets are stated at cost less accumulated depreciation. Depreciation is computed using the straight-line method, generally over estimated useful lives of 18-40 years for buildings and 10-20 years for parking lot surfacing and equipment. Major replacements where the betterment extends the useful life of the asset are capitalized and the replaced asset and corresponding accumulated depreciation are removed from the accounts. All other maintenance and repair items are charged to expense as incurred.

Acquisitions of properties are accounted for utilizing the acquisition method and, accordingly, the results of operations of an acquired property are included in our results of operations from the date of acquisition. Estimates of fair values are based upon future cash flows and other valuation techniques in accordance with our fair value measurements policy, which are used to record the purchase price of acquired property among land, buildings on an "as if vacant" basis, tenant improvements, other identifiable intangibles and any goodwill or gain on purchase. Other identifiable intangible assets and liabilities include the effect of out-of-market leases, the value of having leases in place (“as is” versus “as if vacant” and absorption costs), out-of-market assumed mortgages and tenant relationships. Depreciation and amortization is computed using the straight-line method, generally over estimated useful lives of 40 years for buildings and over the lease term which includes bargain renewal options for other identifiable intangible assets. Effective 2009, acquisition costs are expensed as incurred.

Property also includes costs incurred in the development of new operating properties and properties in our merchant development program. Merchant development is a program in which we develop a project with the objective of selling all or part of it, instead of retaining it in our portfolio on a long-term basis. Also, disposition of land parcels and non-operating properties are included in this program. These properties are carried at cost and no depreciation is recorded on these assets until the commencement of rental revenue or no later than one year from the completion of major construction. These costs include preacquisition costs directly identifiable with the specific project, development and construction costs, interest and real estate taxes. Indirect development costs, including salaries and benefits, travel and other related costs that are directly attributable to the development of the property, are also capitalized. The capitalization of such costs ceases at the earlier of one year from the completion of major construction or when the property, or any completed portion, becomes available for occupancy.

Property also includes costs for tenant improvements paid by us, including reimbursements to tenants for improvements that are owned by us and will remain our property after the lease expires.

Some of our properties are held in single purpose entities. A single purpose entity is a legal entity typically established at the request of a lender solely for the purpose of owning a property or group of properties subject to a mortgage. There may be restrictions limiting the entity’s ability to engage in an activity other than owning or operating the property, assuming or guaranteeing the debt of any other entity, or dissolving itself or declaring bankruptcy before the debt has been repaid. Most of our single purpose entities are 100% owned by us and are consolidated in our financial statements.

Impairment

Our properties are reviewed for impairment, if events or changes in circumstances indicate that the carrying amount of the property, including any identifiable intangible assets (including site costs and capitalized interest), may not be recoverable.

If such an event occurs for our properties, a comparison is made of the current and projected operating cash flows of each such property into the foreseeable future on an undiscounted basis to the carrying amount of such property. Our carrying amounts are adjusted, if necessary, to the estimated fair value to reflect impairment in the value of the asset. Fair values are determined by management utilizing cash flow models and market discount rates, or by obtaining third-party broker or appraisal estimates in accordance with our fair value measurements policy.

56

Due to our analysis of current economic considerations at each reporting period, including the effects of tenant bankruptcies, lack of credit available to retailers, the suspension of tenant expansion plans for new development projects and declines in real estate values, plans related to our new development properties including land held for development changed, and resulted in an impairment charge. Impairments, primarily related to undeveloped land at our new development properties, of $38.8 million and $52.5 million were recognized for the year ended December 31, 2009 and 2008, respectively. No impairment was recorded for the year ended December 31, 2007. Determining whether a property is impaired and, if impaired, the amount of required write-down to fair value requires a significant amount of judgment by management and is based on the best information available to management at the time of evaluation. If market conditions continue to deteriorate or management's plans for certain properties change, additional write-downs could be required in the future.

Our investments in partially owned real estate joint ventures and partnerships are reviewed for impairment, if events or circumstances change indicating that the carrying amount of an investment may not be recoverable. The ultimate realization is dependent on a number of factors, including the performance of each investment and market conditions. We will record an impairment charge if we determine that a decline in the value of an investment is other than temporary. Based on our analysis of the facts and circumstances at each reporting period, no impairment on these investments was recorded for the year ended December 31, 2009, 2008 and 2007. However, due to the current credit and real estate market conditions, there is no certainty that impairments would not occur in the future.

Interest Capitalization

Interest is capitalized on land under development and buildings under construction based on rates applicable to borrowings outstanding during the period and the weighted average balance of qualified assets under development/construction during the period.

Fair Value Measurements

Certain financial instruments, estimates and transactions are required to be calculated, reported and/or recorded at fair value. The estimated fair values of such financial items, including: debt instruments, impairments, acquisitions, investment securities and derivatives, have been determined using a market-based measurement. This measurement is determined based on the assumptions that management believes market participants would use in pricing an asset or liability. As a basis for considering market participant assumptions in fair value measurements, GAAP establishes a fair value hierarchy that distinguishes between market participant assumptions based on market data obtained from sources independent of the reporting entity (observable inputs that are classified within Levels 1 and 2 of the hierarchy) and the reporting entity's own assumptions about market participant assumptions (unobservable inputs classified within Level 3 of the hierarchy).

Level 1 inputs utilize quoted prices (unadjusted) in active markets for identical assets or liabilities that we have the ability to access. Level 2 inputs are inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly or indirectly. Level 2 inputs may include quoted prices for similar assets and liabilities in active markets, as well as inputs that are observable for the asset or liability (other than quoted prices), such as interest rates and yield curves that are observable at commonly quoted intervals. Level 3 inputs are unobservable inputs for the asset or liability, which is typically based on an entity's own assumptions, as there is little, if any, related market activity. In instances where the determination of the fair value measurement is based on inputs from different levels of the fair value hierarchy, the level in the fair value hierarchy within which the entire fair value measurement falls is based on the lowest level input that is significant to the fair value measurement in its entirety. Our assessment of the significance of a particular input to the fair value measurement in its entirety requires judgment, and considers factors specific to the asset or liability. The fair value of such financial instruments estimates and transactions was determined using available market information and appropriate valuation methodologies as prescribed by GAAP.

Deferred Charges

Debt financing costs are amortized primarily on a straight-line basis, which approximates the effective interest method, over the terms of the debt. Lease costs represent the initial direct costs incurred in origination, negotiation and processing of a lease agreement. Such costs include outside broker commissions and other independent third party costs, as well as salaries and benefits, travel and other internal costs directly related to completing a lease and are amortized over the life of the lease on a straight-line basis. Costs related to supervision, administration, unsuccessful origination efforts and other activities not directly related to completed lease agreements are charged to expense as incurred.

Sales of Real Estate

Sales of real estate include the sale of shopping center pads, property adjacent to shopping centers, shopping center properties, merchant development properties, investments in real estate joint ventures and partnerships and partial sales to real estate joint ventures and partnerships in which we participate.

Profits on sales of real estate, including merchant development sales are not recognized until (a) a sale is consummated; (b) the buyer’s initial and continuing investments are adequate to demonstrate a commitment to pay; (c) the seller’s receivable is not subject to future subordination; and (d) we have transferred to the buyer the usual risks and rewards of ownership in the transaction, and we do not have a substantial continuing involvement with the property.

We recognize gains on the sale of real estate to joint ventures and partnerships in which we participate to the extent we receive cash from the joint venture or partnership, if it meets the sales criteria in accordance with GAAP and we do not have a commitment to support the operations of the real estate joint venture or partnership to an extent greater than our proportionate interest in the real estate joint venture or partnership.

Accrued Rent and Accounts Receivable, net

Receivable balances outstanding include base rents, tenant reimbursements and receivables attributable to the straight-lining of rental commitments. An allowance for the uncollectible portion of accrued rents and accounts receivable is determined based upon an analysis of balances outstanding, historical bad debt levels, tenant credit worthiness and current economic trends. Additionally, estimates of the expected recovery of pre-petition and post-petition claims with respect to tenants in bankruptcy are considered in assessing the collectibility of the related receivables. Management’s estimate of the collectibility of accrued rents and accounts receivable is based on the best information available to management at the time of evaluation.

Restricted Deposits and Mortgage Escrows

Restricted deposits and mortgage escrows consist of escrow deposits held by lenders primarily for property taxes, insurance and replacement reserves and restricted cash that is held for a specific use or in a qualified escrow account for the purposes of completing like-kind exchange transactions. At December 31, 2009 and 2008, we had $1.6 million and $22.5 million of restricted cash, respectively, and $11.1 million and $10.8 million held in escrow related to our mortgages, respectively.

Other Assets, net

Other assets in our consolidated financial statements include investments held in grantor trusts, prepaid expenses, the value of above-market leases and the related accumulated amortization, deferred tax assets and other miscellaneous receivables. Investments held in grantor trusts are adjusted to fair value at each period end with changes included in our Statements of Consolidated Income and Comprehensive Income. Above-market leases are amortized as adjustments to rental revenues over terms of the acquired leases.

Per Share Data

Earnings per common share – basic is computed using net income attributable to common shareholders and the weighted average shares outstanding. Earnings per common share – diluted include the effect of potentially dilutive securities. Income from continuing operations attributable to common shareholders includes gain on sale of property in accordance with SEC guidelines. Earnings per common share – basic and diluted components for the periods indicated are as follows (in thousands):

	Year Ended December 31,		
	2009	2008	2007
Numerator:			
Net income attributable to common shareholders – basic	$135,626	$109,091	$204,726
Income attributable to operating partnership units			4,407
Net income attributable to common shareholders – diluted	$135,626	$109,091	$209,133
Denominator:			
Weighted average shares outstanding – basic	109,546	84,474	85,504
Effect of dilutive securities:			
Share options and awards	632	443	891
Operating partnership units			2,498
Weighted average shares outstanding – diluted	110,178	84,917	88,893

Options to purchase common shares of beneficial interest (“common shares”) of 3.1 million in 2009, 2.4 million in 2008 and .5 million in 2007, were not included in the calculation of net income per common share - diluted as the exercise prices were greater than the average market price for the year. For the year ended December 31, 2009 and 2008, 2.0 million and 2.4 million, respectively, of operating partnership units were not included in the calculation of net income per common share – diluted because these units had an anti-dilutive effect.

Income Taxes

We have elected to be treated as a REIT under the Internal Revenue Code of 1986, as amended. As a REIT, we generally will not be subject to corporate level federal income tax on taxable income we distribute to our shareholders. To be taxed as a REIT, we must meet a number of requirements including defined percentage tests concerning the amount of our assets and revenues that come from, or are attributable to, real estate operations. As long as we distribute at least 90% of the taxable income of the REIT (without regard to capital gains or the dividends paid deduction) to our shareholders as dividends, we will not be taxed on the portion of our income we distribute as dividends unless we have ineligible transactions.

The Tax Relief Extension Act of 1999 gave REITs the ability to conduct activities which a REIT was previously precluded from doing as long as such activities are performed in entities which have elected to be treated as taxable REIT subsidiaries under the IRS code. These activities include buying or developing properties with the express purpose of selling them. We conduct certain of these activities in taxable REIT subsidiaries that we have created. We calculate and record income taxes in our consolidated financial statements based on the activities in those entities. Deferred tax assets and liabilities are recognized for the estimated future tax consequences attributable to differences between our carrying amounts of existing assets and liabilities and their respective tax bases and operating loss and tax credit carry-forwards. These are measured using enacted tax rates in effect for the year in which those temporary differences are expected to be recovered or settled. A valuation allowance for deferred tax assets is established for those assets we do not consider the realization of such assets to be more likely than not.

Additionally, GAAP prescribes a recognition threshold and measurement attribute for the financial statement recognition of a tax position taken, or expected to be taken, in a tax return. A tax position may only be recognized in the financial statements if it is more likely than not that the tax position will be sustained upon examination. We believe it is more likely than not that our tax positions will be sustained in any tax examinations.

Cash and Cash Equivalents

All highly liquid investments with original maturities of three months or less are considered cash equivalents. Cash and cash equivalents are primarily held at major financial institutions in the United States. At December 31, 2009 and 2008, we had cash and cash equivalents in certain financial institutions in excess of federally insured levels. We have diversified our cash and cash equivalents amongst several banking institutions in an attempt to minimize exposure to any one of these entities. We believe we are not exposed to any significant credit risk and regularly monitor the financial stability of these financial institutions.

Cash Flow Information

We issued common shares valued at $14.3 million, $2.3 million and $13.6 million during 2009, 2008 and 2007, respectively, in exchange for interests in real estate joint ventures and partnerships, which had been formed to acquire properties. We also accrued $10.7 million, $25.8 million and $15.5 million during 2009, 2008 and 2007, respectively, associated with the construction of property. Cash payments for interest on debt, net of amounts capitalized, of $156.5 million, $154.8 million and $153.2 million were made during 2009, 2008 and 2007, respectively. Cash payments of $3.1 million, $5.1 million and $.8 million for income taxes were made during 2009, 2008 and 2007, respectively.

In connection with the sale of improved properties, we received notes receivable totaling $.2 million and a mortgage of $9.1 million was assumed by the purchaser during 2009. In connection with the sale of an 80% interest in four properties, we retained a 20% unconsolidated investment of $19.1 million. Also, our investment in real estate joint ventures and a non-cash contingent liability was reduced by $41 million as result of the cash settlement associated with a lawsuit in 2009.

In association with property acquisitions and investments in unconsolidated real estate joint ventures, items assumed were as follows (in thousands):

	Year Ended December 31,		
	2009	2008	2007
Debt	$	$	$99,428
Obligations Under Capital Leases			12,888
Noncontrolling Interest		634	27,932
Net Assets and Liabilities		8,450	14,322

In connection with the sale of improved properties, we received notes receivable totaling $6.0 million during 2008. Net assets and liabilities were reduced by $68.3 million during 2008 from the reorganization of four joint ventures, which were previously consolidated. In addition, we recorded a $41 million non-cash contingent liability as an increase to our investment in real estate joint ventures and partnerships and accrued $8.5 million for property damages associated with Hurricane Ike.

In conjunction with the disposition of properties completed during 2007, we defeased three mortgage loans totaling $22.2 million and transferred marketable securities totaling $22.5 million in connection with the legal defeasance of these three loans. Also, we settled a $12.9 million capital lease obligation. Net assets and liabilities were reduced by $59.8 million during 2007 from the reorganization of three joint ventures, two of which were previously consolidated, to tenancy-in-common arrangements where we have a 50% interest. This net reduction from the reorganization of three joint ventures was offset by the assumption of debt totaling $33.2 million.

Accumulated Other Comprehensive Loss

As of December 31, 2009, the balance in accumulated other comprehensive loss relating to derivatives and our retirement liability was $14.4 million and $9.6 million, respectively. As of December 31, 2008, the balance in accumulated other comprehensive loss relating to derivatives and our retirement liability was $16.9 million and $12.8 million, respectively.

Reclassifications
The reclassification of prior years' operating results for certain properties to discontinued operations was made to conform to the current year presentation. We also reclassified in our Consolidated Statement of Cash Flows prior years' amortization of deferred financing costs from changes in other assets, net to amortization of deferred financing costs and debt discount to conform to the current year presentation. Also for conformity, the activity of the unsecured revolving credit facility was reclassified from debt proceeds and principal payments of debt to changes in unsecured revolving credit facility. These reclassifications had no impact on previously reported net income, earnings per share, the consolidated balance sheet or cash flows from operating or financing activities.

Retrospective Application of Accounting Principles
The retrospective application of adopting new accounting principles on prior years' consolidated financial statements was made to conform to the current year presentation. The impact of these changes is described in Note 2.

Subsequent Events
We have evaluated the effect of subsequent events to our consolidated financial statements.

Note 2. Newly Issued Accounting Pronouncements

The Financial Accounting Standards Board ("FASB") issued Accounting Standards Codification ("ASC") update to ASC 820, "Fair Value Measurements and Disclosures", which deferred the provisions of implementation of fair value reporting relating to nonfinancial assets and liabilities, and delayed implementation by us until January 1, 2009. Adoption of the update to this codification has not materially affected our consolidated financial statements.

In December 2007, the FASB issued an update to ASC 805, "Business Combinations." The update expands the original guidance's definition of a business. It broadens the fair value measurement and recognition to all assets acquired, liabilities assumed and interests transferred as a result of business combinations. The revision requires expanded disclosures to improve the ability to evaluate the nature and financial effects of business combinations. The update is effective for us for business combinations made on or after January 1, 2009. Due to current economic conditions, we did not have any acquisitions in 2009, thereby upon adoption, there was no material effect. However, this update could have a material effect on our accounting for the future acquisition of properties.

In December 2007, the FASB issued an update to ASC 810, "Consolidation." The update requires that, in most cases, a noncontrolling interest in a consolidated entity be reported as equity and any losses in excess of a consolidated entity's equity interest be recorded to the noncontrolling interest. The statement requires fair value measurement of any noncontrolling equity investment retained in a deconsolidation. This update was effective for us on January 1, 2009, and many provisions required retrospective application, which had a significant impact on previously reported amounts. The adoption has resulted in an increase to equity in the Consolidated Balance Sheet as of December 31, 2008 of $204.0 million for the reclassification of minority interest to equity for noncontrolling interest in consolidated entities. Net income in the Statements of Consolidated Income and Comprehensive Income for the year ended December 31, 2008 and 2007 has increased by $8.9 million and $10.2 million, respectively, for the reclassification of income allocated to minority interests; however, net income attributable to common shareholders and earnings per common share – basic and diluted were not affected by this reclassification. Additional disclosures due to the implementation are included in Note 21.

In March 2008, the FASB issued an update to ASC 815, "Derivative and Hedging." The update requires enhanced disclosures about an entity's derivative and hedging activities. The update was effective for us on January 1, 2009. Implementation has resulted in additional disclosures included in Note 4.

61

In May 2008, the FASB issued updates to ASC 470 "Debt" and ASC 505 "Equity." The updates require that the initial debt proceeds from the sale of our convertible and exchangeable senior debentures be allocated between a liability component and an equity component in a manner that will reflect our effective nonconvertible borrowing rate. The resulting debt discount will be amortized using the effective interest method over the period the debt is expected to be outstanding as additional interest expense. The updates were effective for us on January 1, 2009 and required retroactive application, which had a significant impact on previously reported amounts. Upon adoption, the Consolidated Balance Sheet as of December 31, 2008 was adjusted to reflect a reduction in net unamortized debt and lease costs of $.5 million, a reduction in debt of approximately $22.9 million for the unamortized debt discount; accumulated additional paid-in capital increased by approximately $39.5 million; and net income less than accumulated dividends increased by approximately $17.1 million. The Statements of Consolidated Income and Comprehensive Income for the year ended December 31, 2008 and 2007 were adjusted for incremental interest expense of $8.3 million and $7.9 million, respectively. Also, the Statement of Consolidated Income and Comprehensive Income for the year ended December 31, 2008 was adjusted for an incremental gain on redemption of convertible senior unsecured notes of $2.3 million. Earnings per common share – basic for the year ended December 31, 2008 and 2007 were reduced by approximately $.07 and $.10, respectively, while earnings per common share – diluted for the year ended December 31, 2008 and 2007 were reduced by approximately $.08 and $.09, respectively.

In May 2009, the FASB issued an update to ASC 855, "Subsequent Events," which establishes general standards of accounting and disclosure for events that occur subsequent to the balance sheet date but before financial statements are issued or are available to be issued. Implementation has resulted in an additional disclosure included in Note 1.

In June 2009, the FASB issued Accounting Standards Update No. 2009-17 ("ASU 2009-17"), "Improvements to Financial Reporting by Enterprises Involved with Variable Interest Entities." ASU 2009-17 updated ASC 810, "Consolidations" and was intended to improve an organization's variable interest entity reporting. It will require a change in the analysis used to determine whether an entity has a controlling financial interest in a variable interest entity. The analysis will be used to identify the primary beneficiary of a variable interest entity. The holder of the variable interest will be defined as the primary beneficiary if it has both the power to influence the entity's significant economic activities and the obligation to absorb potentially significant losses or receive potentially significant benefits. ASU 2009-17 also requires additional disclosures about an entity's variable interest entities. The update is effective for us on January 1, 2010. We expect the adoption of this update to the codification will not materially impact our consolidated financial statements.

In August 2009, the FASB issued Accounting Standards Update No. 2009-05 ("ASU 2009-05"), "Measuring Liabilities at Fair Value." ASU 2009-05 provides clarification for valuing liabilities in which a quoted market price in an active market for an identical liability is not available. The guidance also provides required techniques to determine a liability's fair value in this circumstance. The update was effective for us beginning October 1, 2009, and adoption of ASU 2009-05 did not materially impact our consolidated financial statements.

In January 2010, the FASB issued Accounting Standards Update No. 2010-06 ("ASU 2010-06"), "Improving Disclosures about Fair Value Measurements." ASU 2010-06 provides for new disclosures as well as, clarification of existing disclosures on fair value measurements including employers' disclosures about postretirement benefit plan assets. The update is effective for us beginning January 1, 2010, and we do not expect the adoption of ASU 2010-06 to materially impact our consolidated financial statements.

Note 3. Variable Interest Entities

Management determines whether an entity is a variable interest entity ("VIE") and, if so, determines which party is the primary beneficiary by analyzing which party absorbs a majority of the expected losses or a majority of the expected residual returns of the VIE, or both. Significant judgments and assumptions inherent in this analysis include the design of the entity structure, the nature of the entity's operations, future cash flow projections, the entity's financing and capital structure, and contractual relationships and terms. We consolidate a VIE when we have determined that we are the primary beneficiary. Assets held by VIEs which are currently consolidated approximate $291.6 million and $241.9 million at December 31, 2009 and 2008, respectively. Entities for which we are the primary beneficiary and we consolidate are described below.

In March 2008, we contributed 18 neighborhood/community shopping centers located in Texas with an aggregate value of approximately $227.5 million, and aggregating more than 2.1 million square feet, to a joint venture. The activities of this venture principally consist of owning and operating these shopping centers. We sold an 85% interest in this joint venture to AEW Capital Management on behalf of one of its institutional clients and received proceeds of approximately $216.1 million. Financing totaling $154.3 million was placed on the properties and guaranteed solely by us for tax planning purposes. This venture is deemed to be a variable interest entity and, due to our guaranty of the debt, we are the primary beneficiary and have consolidated this joint venture. Our maximum exposure to loss associated with this joint venture is primarily limited to our guaranty of the debt, which was approximately $95.1 million at December 31, 2009.

We also contributed eight neighborhood/community shopping centers with an aggregate value of approximately $205.1 million, and aggregating approximately 1.1 million square feet, to a joint venture in November 2008. Four of these shopping centers are located in Texas, two in Tennessee and one each in Florida and Georgia. The activities of this venture principally consist of owning and operating these shopping centers. We sold a 70% interest in this joint venture to Hines REIT Retail Holdings, LLC and received proceeds of approximately $121.8 million. Financing totaling $100.0 million was placed on the properties and guaranteed solely by us for tax planning purposes.

During the first quarter of 2009, we contributed the final four properties to the joint venture with Hines REIT Retail Holdings, LLC with an aggregate fair value of approximately $66.8 million, and aggregating approximately 0.4 million square feet. These four shopping centers are located one each in Florida and North Carolina and two in Georgia, and we received net proceeds of approximately $20.6 million. These contributions included loan assumptions on each of the properties, which transferred secured debt totaling approximately $34.6 million to the joint venture and guaranteed solely by us. This venture is deemed to be a VIE and, due to our guaranty of the debt, we are the primary beneficiary and have consolidated this joint venture. Our maximum exposure to loss associated with this joint venture is primarily limited to our guaranty of the debt, which was approximately $113.9 million at December 31, 2009.

Restrictions on the use of these assets are significant because they are secured as collateral for their debt, and we would be required to obtain our partners’ approval in accordance with the partnership agreements on any major transactions. The impact of these transactions on our consolidated financial statements has been limited to changes in noncontrolling interest and reductions in debt from our partners’ contributions.

In addition, we have an unconsolidated joint venture with an interest in an entity which is deemed to be a VIE. In July 2008, a 47.75%-owned unconsolidated real estate joint venture acquired an 83.34% interest in a joint venture owning a 919,000 square foot new development property to be constructed in Aurora, Colorado. The unconsolidated joint venture provided a guaranty on debt obtained by the acquired joint venture. The unconsolidated joint venture’s maximum exposure to loss is limited to the guaranty of the debt, which was approximately $44.3 million at December 31, 2009.

In December 2009, an unconsolidated joint venture became a VIE through the issuance of a secured loan since the lender has the ability to make decisions that could have a significant impact on the success of the entity. Our maximum exposure to loss is limited to the outstanding debt of the venture, of which the total is approximately $68.7 million at December 31, 2009.

Note 4. Derivatives and Hedging

Our policy is to manage interest cost using a mixture of fixed-rate and variable-rate debt. To manage our interest rate risk, we occasionally hedge the future cash flows of our debt transactions, as well as changes in the fair value of our debt instruments, principally through interest rate swaps with major financial institutions. Interest rate swaps that meet specific criteria are accounted for as either assets or liabilities as a fair value or cash flow hedge. We have designated our current interest rate swaps as fair value hedges of fixed rate borrowings. Changes in the fair value of interest rate swap contracts designated as fair value hedges, as well as changes in the fair value of the related debt being hedged, are recorded in earnings each reporting period. For the year ended December 31, 2009, 2008 and 2007, these changes in fair value offset.

In December 2009, we entered into 11 interest rate swap contracts with a total notional amount of $302.6 million, which have various maturities scheduled through February 2014. These contracts have been designated as fair value hedges, and we have determined that they are highly effective in limiting our risk of changes in the fair value of fixed-rate notes attributable to changes in variable interest rates. In February 2010, we settled $7 million of these swaps in conjunction with the repurchase of the related debt, which is not anticipated to have a material impact to our consolidated financial results.

As of December 31, 2009, we had 13 interest rate swap contracts designated as fair value hedges with an aggregate notional amount of $352.6 million that convert fixed interest payments at rates ranging from 4.2% to 7.5% to variable interest payments ranging from .3% to 6.1%. At December 31, 2008, we had two interest rate swap contracts designated as fair value hedges with an aggregate notional amount of $50.0 million that convert fixed interest payments at rates of 4.2% to variable interest payments of 2.0%. We have determined that they are highly effective in limiting our risk of changes in the fair value of fixed-rate notes attributable to changes in variable interest rates.

A summary of the offsetting loss or gain on the interest rate swaps is as follows (in thousands):

Income Statement Classification	Gain (Loss) on Swaps	Gain (Loss) on Borrowings
Year Ended December 31, 2009:		
Interest expense, net	$(5,642)	$ 5,642
Year Ended December 31, 2008:		
Interest expense, net	$5,427	$ (5,427)
Year Ended December 31, 2007:		
Interest expense, net	$2,373	$ (2,373)

The interest rate swap contacts at December 31, 2009 and 2008 were reported at their fair values as follows (in thousands):

	Assets		Liabilities	
Period	Balance Sheet Location	Amount	Balance Sheet Location	Amount
December 31, 2009	Other Assets, net	$ 2,601	Other Liabilities, net	$ 4,634
December 31, 2008	Other Assets, net	$ 4,625		

As of December 31, 2009 and 2008, the balance in accumulated other comprehensive loss relating to settled cash flow interest rate contracts was $14.4 million and $16.9 million, respectively. Amounts amortized to net interest expense were $2.5 million in 2009, $2.1 million in 2008 and $.9 million in 2007. Within the next 12 months, approximately $2.5 million of the balance in accumulated other comprehensive loss is expected to be amortized to net interest expense.

The interest rate swaps decreased net interest expense and increased net income by $2.1 million and decreased the average interest rate of our debt by .08% in 2009. The interest rate swaps decreased net interest expense and increased net income by $.8 million and decreased the average interest rate of our debt by .03% in 2008. In 2007, the interest rates swaps increased net interest expense and decreased net income by $.6 million and increased the average rate of our debt by .02%. We could be exposed to losses in the event of nonperformance by the counter-parties; however, management believes such nonperformance is unlikely.

A summary of our derivatives is as follows (in thousands):

Derivatives Hedging Relationships	Location of Gain (Loss) Reclassified from Accumulated Other Comprehensive Loss into Income	Amount of Gain (Loss) Reclassified from Accumulated Other Comprehensive Loss into Income (Effective Portion)	Location of Gain (Loss) Recognized in Income on Derivative	Amount of Gain (Loss) Recognized in Income on Derivative
Year Ended December 31, 2009:				
Cash Flow Interest Rate Contracts	Interest expense, net	$ (2,481)		
Fair Value Interest Rate Contracts			Interest expense, net	$ (5,642)
Year Ended December 31, 2008:				
Cash Flow Interest Rate Contracts	Interest expense, net	$ (2,095)		
Fair Value Interest Rate Contracts			Interest expense, net	$ 5,427
Year Ended December 31, 2007:				
Cash Flow Interest Rate Contracts	Interest expense, net	$ (878)		
Fair Value Interest Rate Contracts			Interest expense, net	$ 2,373

On March 20, 2008, the cash flow hedge was completed through the issuance of $154.3 million of fixed-rate long-term debt issued by a joint venture that is consolidated by us. A loss of $12.8 million was recorded in accumulated other comprehensive loss based on the fair value of the interest rate swap contracts on that date. On March 27, 2008, the interest rate swap contracts were settled resulting in a loss of $10.0 million. For the period between the completion of the cash flow hedge and the settlement of the swap contracts, a gain of $2.8 million was recognized as a reduction of net interest expense.

Note 5. Debt

Our debt consists of the following (in thousands):

	December 31, 2009	2008

Debt payable to 2030 at 4.5% to 8.8%	$2,506,069	$2,732,574
Unsecured notes payable under revolving credit agreements		383,000
Obligations under capital leases	23,115	29,725
Industrial revenue bonds payable to 2015 at 0.3% to 2.4%	2,663	3,337
Total	$2,531,847	$3,148,636

65

The grouping of total debt between fixed and variable-rate as well as between secured and unsecured is summarized below (in thousands):

	December 31, 2009	2008
As to interest rate (including the effects of interest rate swaps):		
Fixed-rate debt	$2,146,133	$2,699,609
Variable-rate debt	385,714	449,027
Total	$2,531,847	$3,148,636
As to collateralization:		
Unsecured debt	$1,306,802	$2,116,491
Secured debt	1,225,045	1,032,145
Total	$2,531,847	$3,148,636

We had a $575 million unsecured revolving credit facility held by a syndicate of banks, which was amended and restated in February 2010 as discussed below. The $575 million unsecured revolving credit facility provided a one-year extension option available at our request. Borrowing rates float at a margin over LIBOR, plus a facility fee. The borrowing margin and facility fee were priced off a grid that was tied to our senior unsecured credit ratings, which were 50.0 and 15.0 basis points. This facility had a competitive bid feature that allowed us to request bids for amounts up to $287.5 million from each of the syndicate banks.

In February 2010, we entered into an amended and restated $500 million unsecured revolving credit facility. The $500 million unsecured revolving credit facility expires in February 2013 and provides borrowing rates that float at a margin over LIBOR plus a facility fee. The borrowing margin and facility fee are priced off a grid that is tied to our senior unsecured credit ratings, which are currently 275.0 and 50.0 basis points, respectively. The facility also contains a competitive bid feature that will allow us to request bids for up to $250 million. Additionally, an accordion feature allows us to increase the new facility amount up to $700 million.

At December 31, 2009, no amounts under our revolving credit facility were outstanding. At December 31, 2008, the balance outstanding under the revolving credit facility was $383.0 million at a variable interest rate of 1.6%. Also at December 30, 2008, we had an agreement for a $30 million unsecured and uncommitted overnight facility with a bank that we used for cash management purposes, of which no amounts were outstanding at December 31, 2008. Letters of credit totaling $7.2 million and $10.1 million were outstanding under the revolving credit facility at December 31, 2009 and 2008, respectively. The available balance under our revolving credit agreement was $567.8 million and $181.9 million at December 31, 2009 and 2008, respectively. During 2009, the maximum balance and weighted average balance outstanding under both facilities combined were $423.0 million and $168.7 million, respectively, at a weighted average interest rate of 1.5%. During 2008, the maximum balance and weighted average balance outstanding under both facilities combined were $503.0 million and $362.0 million, respectively, at a weighted average interest rate of 3.4%.

In May 2009, we entered into a $103 million secured loan from a major life insurance company. The loan is approximately 8.5 years at a fixed interest rate of 7.49% and is collateralized by four properties. The net proceeds received were invested in short-term investments and subsequently used to settle the June tender offer discussed below.

In July 2009, we entered into a $70.8 million secured loan from a major life insurance company. The loan is for seven years at a fixed interest rate of 7.4% and is collateralized by five properties. In September 2009, we entered into a $57.5 million secured loan from a major life insurance company. The loan is for 10 years at a fixed interest rate of 7.0% and is collateralized by 10 properties. The net proceeds received from both transactions were used to reduce amounts outstanding under our revolving credit facility.

In August 2009, we sold $100 million of unsecured senior notes with a coupon of 8.1% which will mature September 15, 2019. We may redeem the notes, in whole or in part, on or after September 15, 2014, at our option, at a redemption price equal to 100% of their principal amount, plus accrued and unpaid interest. The net proceeds of $97.5 million were used to reduce amounts outstanding under our revolving credit facility.

In the second quarter of 2009, we repurchased and retired $82.3 million face value of our 3.95% convertible senior unsecured notes for $70.4 million, including accrued interest. Also in 2009, we completed a cash tender offer for $422.6 million face value on a series of unsecured notes and our convertible senior unsecured notes. We purchased at par $20.6 million of unsecured fixed rate medium term notes, with a weighted average interest rate of 7.54% and a weighted average maturity of 1.6 years, and $82.3 million of 7% senior unsecured notes due in 2011. In addition, we purchased $319.7 million face value of our 3.95% convertible senior unsecured notes for $311.1 million, including accrued interest and expenses. The repurchases of our 3.95% convertible senior unsecured notes resulted in gains of $25.3 million in 2009.

In October 2009, we entered into a $26.6 million secured loan from a major bank. The loan is for a four year term with a one year extension option at a floating interest rate of 375 basis points over LIBOR with a 1.50% LIBOR floor. This loan is collateralized by two properties.

At December 31, 2009 and 2008, we have $135.2 million and $537.2 million face value of 3.95% convertible senior unsecured notes outstanding due 2026, respectively. These bonds are recorded at a discount of $3.4 million and $22.9 million as of December 31, 2009 and 2008, respectively, resulting in an effective rate for both periods of 5.75%, which will be amortized through 2011. Interest is payable semi-annually in arrears on February 1 and August 1 of each year. The debentures are convertible under certain circumstances for our common shares at an initial conversion rate of 20.3770 common shares per $1,000 of principal amount of debentures (an initial conversion price of $49.075). In addition, the conversion rate may be adjusted if certain change in control transactions or other specified events occur on or prior to August 4, 2011. Upon the conversion of debentures, we will deliver cash for the principal return, as defined, and cash or common shares, at our option, for the excess of the conversion value, as defined, over the principal return. The debentures are redeemable for cash at our option beginning in 2011 for the principal amount plus accrued and unpaid interest. Holders of the debentures have the right to require us to repurchase their debentures for cash equal to the principal of the debentures plus accrued and unpaid interest in 2011, 2016 and 2021 and in the event of a change in control. Net interest expense associated with this debt for the year ended December 31, 2009, 2008 and 2007 totaled $19.5 million, $33.3 million and $33.1 million, respectively, which includes the amortization of the discount totaling $5.0 million, $8.5 million and $8.1 million for the year ended December 31, 2009, 2008 and 2007, respectively. The carrying value of the equity component as of December 31, 2009 and 2008 was $23.4 million and $39.5 million, respectively.

In November 2008, we contributed assets to a joint venture with Hines REIT Retail Holdings, LLC. In conjunction with this transaction, the joint venture issued $100.0 million of fixed-rate secured long-term debt with a five year term at a rate of 6.0% that we guaranteed. The net proceeds received from the issuance of this debt were distributed to us and used to reduce amounts outstanding under our revolving credit facility.

In March 2008, we contributed assets to a joint venture with AEW Capital Management on behalf of one of its institutional clients. In conjunction with this transaction, the joint venture issued $154.3 million of fixed-rate secured long-term debt with an average life of 7.3 years at an average rate of 5.4% that we guaranteed. We received all of the proceeds from the issuance of this debt and such proceeds were used to reduce amounts outstanding under our revolving credit facility.

In January 2008, we elected to repay at par a fixed-rate 8.33% mortgage totaling $121.8 million that was collateralized by 19 supermarket-anchored shopping centers in California.

Various leases and properties, and current and future rentals from those lease and properties, collateralize certain debt. At December 31, 2009 and 2008, the carrying value of such property aggregated $2.0 billion and $1.8 billion, respectively.

67

Scheduled principal payments on our debt (excluding $21.0 million of certain capital leases, ($2.0) million fair value of interest rate swaps, ($6.0) million discount on bonds, and $19.6 million of non-cash debt-related items) are due during the following years (in thousands):

2010	$108,644
2011	219,918
2012	340,657
2013	443,777
2014	384,475
2015	253,992
2016	215,850
2017	119,005
2018	55,040
2019	53,962
Thereafter	303,970
Total	$2,499,290

Our various debt agreements contain restrictive covenants, including minimum interest and fixed charge coverage ratios, minimum unencumbered interest coverage ratios, minimum net worth requirements and maximum total debt levels. We believe we were in compliance with all restrictive covenants as of December 31, 2009.

Note 6. Preferred Shares

In June and July of 2008, we redeemed $120 million and $80 million of depositary shares, respectively, retiring all of the Series G Cumulative Redeemable Preferred Shares. Each depositary share represented one-hundredth of a Series G Cumulative Redeemable Preferred Share. These depositary shares were redeemed, at our option, at a redemption price of $25 multiplied by a graded rate per depositary share based on the date of redemption plus any accrued and unpaid dividends thereon. Upon the redemption of these shares, the related original issuance costs of $1.9 million were reported as a deduction in arriving at net income attributable to common shareholders. The Series G Preferred Shares paid a variable-rate quarterly dividend through July 2008 calculated on the period's three-month LIBOR rate plus a percentage determined by the number of days outstanding.

We issued $150 million and $200 million of depositary shares on June 6, 2008 and January 30, 2007, respectively. Each depositary share represents one-hundredth of a Series F Cumulative Redeemable Preferred Share. The depositary shares are redeemable, in whole or in part, on or after January 30, 2012 at our option, at a redemption price of $25 per depositary share, plus any accrued and unpaid dividends thereon. The depositary shares are not convertible or exchangeable for any of our other property or securities. The Series F Preferred Shares pay a 6.5% annual dividend and have a liquidation value of $2,500 per share. Series F Preferred Shares issued in June 2008 were issued at a discount, resulting in an effective rate of 8.25%. Net proceeds of $117.8 million and $194.0 million from the issuance in June 2008 and January 2007, respectively, were used to repay amounts outstanding under our revolving credit facilities and for other general corporate purposes. Subsequent to the 2008 issuance, our revolving credit facilities were used to finance the partial redemption of the Series G Cumulative Redeemable Preferred Shares as described above.

In July 2004, we issued $72.5 million of depositary shares with each share representing one-hundredth of a Series E Cumulative Redeemable Preferred Share. The depositary shares are redeemable at our option, in whole or in part, for cash at a redemption price of $25 per depositary share, plus any accrued and unpaid dividends thereon. The depositary shares are not convertible or exchangeable for any of our other property or securities. The Series E preferred shares pay a 6.95% annual dividend and have a liquidation value of $2,500 per share.

In April 2003, $75 million of depositary shares were issued with each share representing one-thirtieth of a Series D Cumulative Redeemable Preferred Share. The depositary shares are currently redeemable at our option, in whole or in part, for cash at a redemption price of $25 per depositary share, plus any accrued and unpaid dividends thereon. The depositary shares are not convertible or exchangeable for any of our property or securities. The Series D preferred shares pay a 6.75% annual dividend and have a liquidation value of $750 per share.

Currently, we do not anticipate redeeming either the Series E or Series D preferred shares due to current market conditions; however, no assurance can be given if conditions change.

Note 7. Common Shares of Beneficial Interest

In April 2009, we issued 32.2 million common shares at $14.25 per share. Net proceeds from this offering were $439.1 million and were used to repay indebtedness outstanding under our revolving credit facilities and for other general corporate purposes.

In April 2009, our Board of Trust Managers authorized a reduction of our quarterly dividend rate per share of $.525 to $.25 commencing with the second quarter 2009 distribution. Subsequent to December 31, 2009, our Board of Trust Managers approved an increase to our quarterly dividend rate to $.26 per share.

In October 2008, we sold 3.0 million common shares at $34.20 per share. Net proceeds from this offering were $98.1 million and were used to repay indebtedness outstanding under our revolving credit facilities and for other general corporate purposes.

In July 2007, our Board of Trust Managers authorized a common share repurchase program as part of our ongoing investment strategy. Under the terms of the program, we could purchase up to a maximum value of $300 million of our common shares during the following two years. This program expired in July 2009, and no additional shares were repurchased during 2009.

Note 8. Property

Our property consisted of the following (in thousands):

	December 31,	
	2009	2008
Land	$896,010	$964,982
Land held for development	182,586	118,078
Land under development	32,709	101,587
Buildings and improvements	3,437,578	3,488,385
Construction in-progress	109,513	242,440
Total	$4,658,396	$4,915,472

The following carrying charges were capitalized (in thousands):

	Year Ended December 31,		
	2009	2008	2007
Interest	$8,716	$20,290	$25,025
Ad valorem taxes	1,428	2,730	1,985
Total	$10,144	$23,020	$27,010

During 2009, we invested $42.6 million in new development projects, and we sold 12 shopping centers, five industrial properties and 11 retail buildings at seven operating properties. Gross sales proceeds from these dispositions totaled $209.4 million and generated gains of $70.9 million.

An impairment charge, as described in Note 1, of $38.8 million and $52.5 million was recognized for the year ended December 31, 2009 and 2008, respectively, and none for 2007.

In October 2009, we entered into an agreement to contribute six retail properties, located in Florida and Georgia, valued at approximately $160.8 million to an unconsolidated joint venture in which we will retain a 20% ownership interest. In 2009, we closed on four Florida properties with a total value of $114.3 million, aggregating 0.8 million square feet and received net proceeds of approximately $85.9 million. Subsequent to December 31, 2009, two additional properties were contributed to the unconsolidated joint venture for $47.3 million, which included loan assumptions of $28.1 million.

Note 9. Discontinued Operations

During 2009, we sold 12 shopping centers and five industrial properties, of which 11 were located in Texas and two each in Arizona, New Mexico and North Carolina. In 2008, we sold one industrial center located in Texas and nine shopping centers, five of which were located in Texas, one in California and three in Louisiana. The operating results of these properties, as well as any gains on the respective disposition, have been reclassified and reported as discontinued operations in the Statements of Consolidated Income and Comprehensive Income. Revenues recorded in operating income from discontinued operations totaled $16.9 million in 2009, $30.0 million in 2008 and $48.8 million in 2007. Included in the Consolidated Balance Sheet at December 31, 2008 were $144.5 million of property and $49.5 million of accumulated depreciation related to properties sold during 2009.

In 2009, one sold property had outstanding debt of $9.1 million, which was assumed by the purchaser, and discontinued operations reported in 2008 had no debt that was required to be repaid upon any disposition. In 2007, we incurred a net loss of $.4 million on the defeasance of three loans totaling $22.2 million that were required to be settled upon the disposition of the related properties. These defeasance costs were recognized as net interest expense and have been reclassified and reported as discontinued operations.

We do not allocate other consolidated interest to discontinued operations because the interest savings to be realized from the proceeds of the sale of these operations was not material.

An impairment loss of $3.8 million relating to four properties was reported in discontinued operations for the year ended December 31, 2009. No impairment was recognized in 2008 and 2007.

Note 10. Notes Receivable from Real Estate Joint Ventures and Partnerships

We have ownership interests in a number of real estate joint ventures and partnerships. Notes receivable from these entities bear interest ranging from 2.1% to 12.0% at December 31, 2009 and 2.8% to 10.0% at December 31, 2008. These notes are due at various dates through 2012 and are generally secured by real estate assets. We believe these notes are fully collectible, and no allowance has been recorded at December 31, 2009 and 2008. We recognized interest income on these notes as follows, in millions: $4.8 in 2009, $4.0 in 2008 and $1.5 in 2007.

Note 11. Related Parties

Through our management activities and transactions with our real estate joint venture and partnerships, we had accounts receivable of $4.3 million and $2.0 million outstanding as of December 31, 2009 and 2008, respectively. We also had accounts payable and accrued expenses of $10.5 million and $10.2 million outstanding as of December 31, 2009 and 2008, respectively. For the year ended December 31, 2009, 2008 and 2007, we recorded joint venture fee income of $5.7 million, $5.9 million and $5.0 million, respectively.

In October 2009, we entered into an agreement to contribute six retail properties, located in Florida and Georgia, valued at approximately $160.8 million to an unconsolidated joint venture in which we will retain a 20% ownership interest. We closed on four properties with a total value of $114.3 million, aggregating 0.8 million square feet and received net proceeds of approximately $85.9 million. We sold an 80% interest in this joint venture to an institutional investor, and realized a gain of $10.1 million. Subsequent to December 31, 2009, two additional properties were contributed to the unconsolidated joint venture for $47.3 million, which included loan assumptions of $28.1 million and net proceeds of $14.0 million.

In 2007, we sold a 12.6% interest in a shopping center located in Lafayette, Louisiana to our outside partner. Sales proceeds and the gain generated totaled $4.4 million and $.8 million, respectively.

70

Note 12. Investment in Real Estate Joint Ventures and Partnerships

We own interests in real estate joint ventures or limited partnerships and have tenancy-in-common interests in which we exercise significant influence, but do not have financial and operating control. We account for these investments using the equity method, and our interests range from 7.8% to 75%. Combined condensed financial information of these ventures (at 100%) is summarized as follows (in thousands):

	December 31,	
	2009	2008
Combined Condensed Balance Sheets		
Property	$2,082,316	$1,951,771
Accumulated depreciation	(191,478)	(129,227)
Property, net	1,890,838	1,822,544
Other assets, net	240,387	256,688
Total	$2,131,225	$2,079,232
Debt, net (primarily mortgages payable)	$505,462	$472,486
Amounts payable to Weingarten Realty Investors	335,622	248,969
Other liabilities, net	88,913	149,265
Total	929,997	870,720
Accumulated equity	1,201,228	1,208,512
Total	$2,131,225	$2,079,232

	Year Ended December 31,		
	2009	2008	2007
Combined Condensed Statements of Income			
Revenues, net	$174,595	$162,737	$146,642
Expenses:			
Depreciation and amortization	56,018	41,146	38,574
Interest, net	31,017	20,424	23,093
Operating	33,385	37,592	22,396
Ad valorem taxes, net	21,213	18,739	15,767
General and administrative	5,357	6,055	1,243
Impairment loss	6,923	5,151	
Total	153,913	129,107	101,073
Gain on merchant development sales		933	1,295
Gain on sale of property	11	13	5,422

Net income	$20,693	$34,576	$52,286

Our investment in real estate joint ventures and partnerships, as reported on our Consolidated Balance Sheets, differs from our proportionate share of the entities' underlying net assets due to basis differentials, which arose upon the transfer of assets to the joint ventures. The basis differentials, which totaled $11.8 million and $12.1 million at December 31, 2009 and 2008, respectively, are generally amortized over the useful lives of the related assets.

Our real estate joint ventures and partnerships determined that the carrying amount of certain properties was not recoverable and that the properties should be written down to fair value. Our unconsolidated real estate joint ventures and partnerships recorded an impairment charge of $6.9 million and $5.2 million related to undeveloped land at new development properties for the year ended December 31, 2009 and 2008, respectively, and no impairment was recorded for the year ended December 31, 2007.

Fees earned by us for the management of these real estate joint ventures and partnerships totaled $5.7 million in 2009, $5.9 million in 2008 and $5.0 million in 2007.

In April 2009, we sold an unconsolidated joint venture interest in a property located in Colorado with gross sales proceeds of approximately $15.0 million, which were reduced by the release of a debt obligation of $11.7 million.

In October 2009, we entered into an agreement to contribute six retail properties, located in Florida and Georgia, valued at approximately $160.8 million to an unconsolidated joint venture in which we will retain a 20% ownership interest. We closed on four properties with a total value of $114.3 million, aggregating 0.8 million square feet. In December 2009, this joint venture entered into a $68.7 million secured loan, and subsequent to December 31, 2009, two additional properties were contributed to the unconsolidated joint venture for $47.3 million, which included loan assumptions of $28.1 million.

During 2008, a 25%-owned unconsolidated real estate joint venture acquired a 4,000 square foot building located in Port Charlotte, Florida. A 50%-owned unconsolidated real estate joint venture was formed for the purposes of developing an industrial building in Houston, Texas, while a 32%-owned unconsolidated real estate joint venture commenced construction of a retail property in Salt Lake City, Utah.

In July 2008, a 47.75%-owned unconsolidated real estate joint venture acquired an 83.34% interest in a joint venture owning a 919,000 square foot new development to be constructed in Aurora, Colorado.

In August 2008, we executed a real estate limited partnership with a foreign institutional investor to purchase up to $250 million of retail properties in various states. Our ownership in this unconsolidated real estate limited partnership is 20.1%. As of December 31, 2009, no properties have been purchased.

In December 2008, a 50%-owned real estate joint venture was executed related to the redevelopment project in Sheridan, Colorado. The joint venture entered into a financing arrangement totaling $6.7 million, which matures in December 2038 and is secured by its property.

Effective December 31, 2008, four previously consolidated joint venture agreements were amended, which triggered a reconsideration event and resulted in the deconsolidation of these entities from our consolidated financial statements.

Note 13. Federal Income Tax Considerations

We qualify as a REIT under the provisions of the Internal Revenue Code, and therefore, no tax is imposed on our taxable income distributed to shareholders. To maintain our REIT status, we must distribute at least 90% of our ordinary taxable income to our shareholders and meet certain income source and investment restriction requirements. Our shareholders must report their share of income distributed in the form of dividends.

Taxable income differs from net income for financial reporting purposes principally because of differences in the timing of recognition of depreciation, rental revenue, compensation expense, impairment losses and gain from sales of property. As a result of these differences, the book value of our net fixed assets exceeds the tax basis by $119 million at December 31, 2009 and $220 million at December 31, 2008.

72

The following table reconciles net income to REIT taxable income for the year ended December 31, 2009, 2008 and 2007 (in thousands):

	2009	2008	2007
Net income adjusted for noncontrolling interests	$171,102	$145,652	$230,101
Net loss (income) of taxable REIT subsidiaries included above	8,966	34,803	(6,352)
Net income from REIT operations	180,068	180,455	223,749
Book depreciation and amortization including discontinued operations	151,888	157,893	134,676
Tax depreciation and amortization	(133,537)	(144,816)	(98,238)
Book/tax difference on gains/losses from capital transactions	(6,137)	35,891	(76,054)
Deferred/prepaid/above and below market rents, net	(12,489)	(20,113)	(7,349)
Impairment loss from REIT operations	21,862	31,461	
Other book/tax differences, net (1)	28,097	(25,238)	17,963
REIT taxable income	229,752	215,533	194,747
Dividends paid deduction	(229,752)	(215,533)	(194,747)
Dividends paid in excess of taxable income	$-	$-	$-

(1) Certain amounts in prior periods have been restated to conform to the current year presentation.

The dividends paid deduction in 2009, 2008 and 2007 includes designated dividends of $61.2 million from 2010, $4.7 million from 2009 and $10.9 million from 2008, respectively.

For federal income tax purposes, the cash dividends distributed to common shareholders are characterized as follows:

	2009	2008	2007
Ordinary income	68.1 %	45.5 %	85.6 %
Capital gain distributions	31.9 %	54.5 %	14.4 %
Total	100.0 %	100.0 %	100.0 %

Our taxable REIT subsidiary is subject to federal, state and local income taxes. We have recorded a federal income tax provision (benefit) of $4.4 million, $(12.1) million and $2.1 million for the year ended December 31, 2009, 2008 and 2007, respectively. Also, a current tax receivable of $2.8 million and a current tax obligation of $.6 million have been recorded at December 31, 2009 and 2008, respectively, in association with this tax.

Our deferred tax assets and liabilities, including a valuation allowance, consisted of the following (in thousands):

	December 31, 2009	2008
Deferred tax assets:		
Impairment loss	$13,945	$9,936
Allowance on other assets	1,428	1,363
Interest expense	3,643	861
Other	1,956	174
Total deferred tax assets	20,972	12,334

Valuation allowance	(9,605)	
Total deferred tax assets, net of allowance	$11,367	$12,334
Deferred tax liabilities:		
Straight-line rentals	$506	$152
Book-tax basis differential	6,346	
Total deferred tax liabilities	$6,852	$152

73

We have recorded a net deferred tax asset of $11.4 million; including the benefit of $13.9 million of impairment losses, which will not be recognized until the related properties are sold. Realization is dependent on generating sufficient taxable income in the year the property is sold. Management believes it is more likely than not that a portion of this impairment loss deferred tax asset will not be realized and in 2009 established a valuation allowance of $9.6 million. However, the amount of the deferred tax asset considered realizable could be reduced if estimates of future taxable income are reduced.

In addition, we are subject to the State of Texas business tax ("Texas Franchise Tax"), which is determined by applying a tax rate to a base that considers both revenues and expenses. Therefore, the Texas Franchise Tax is considered an income tax and is accounted accordingly.

For the year ended December 31, 2009, 2008 and 2007, we recorded a provision for the Texas Franchise Tax of $1.9 million, $2.2 million and $2.0 million, respectively. The deferred tax assets associated with this tax each totaled $.1 million as of December 31, 2009 and 2008, and the deferred tax liabilities totaled $.1 million and $.2 million as of December 31, 2009 and 2008, respectively. Also, a current tax obligation of $2.1 million and $2.4 million has been recorded at December 31, 2009 and 2008, respectively, in association with this tax.

Note 14. Leasing Operations

The terms of our leases range from less than one year for smaller tenant spaces to over 25 years for larger tenant spaces. In addition to minimum lease payments, most of the leases provide for contingent rentals (payments for taxes, maintenance and insurance by lessees and an amount based on a percentage of the tenants' sales). Future minimum rental income from non-cancelable tenant leases at December 31, 2009, in millions, is: $400.2 in 2010; $337.0 in 2011; $277.5 in 2012; $219.9 in 2013; $163.2 in 2014; and $608.2 thereafter. The future minimum rental amounts do not include estimates for contingent rentals. Such contingent rentals, in millions, aggregated $119.5 in 2009, $131.7 in 2008 and $126.3 in 2007.

Note 15. Commitments and Contingencies

We are engaged in the operation of shopping centers, which are either owned or, with respect to certain shopping centers, operated under long-term ground leases. These ground leases expire at various dates through 2069, with renewal options. Space in our shopping centers is leased to tenants pursuant to agreements that provide for terms ranging generally from one month to 25 years and, in some cases, for annual rentals subject to upward adjustments based on operating expense levels, sales volume, or contractual increases as defined in the lease agreements.

Scheduled minimum rental payments under the terms of all non-cancelable operating leases in which we are the lessee, principally for shopping center ground leases, for the subsequent five years and thereafter ending December 31, are as follows (in thousands):

2010	$3,586
2011	3,570
2012	3,382
2013	3,352
2014	3,118
Thereafter	126,761
Total	$143,769

Rental expense (including insignificant amounts for contingent rentals) for operating leases was, in millions: $5.0 in 2009; $4.0 in 2008 and $3.4 in 2007.

74

The scheduled future minimum revenues under subleases, applicable to the ground lease rentals above, under the terms of all non-cancelable tenant leases, assuming no new or renegotiated leases or option extensions for the subsequent five years and thereafter ending December 31, are as follows (in thousands):

2010	$35,212
2011	31,327
2012	27,743
2013	24,253
2014	19,178
Thereafter	93,107
Total	$230,820

Property under capital leases that is included in buildings and improvements consisted of three shopping centers totaling $19.1 million at December 31, 2009 and four shopping centers totaling $29.1 million at December 31, 2008. Amortization of property under capital leases is included in depreciation and amortization expense, and the balance of accumulated depreciation associated with these capital leases at December 31, 2009 and 2008 was $11.0 million and $15.4 million, respectively. Future minimum lease payments under these capital leases total $39.6 million, with annual payments due, in millions, $1.8 in each of 2010, 2011 and 2012; $1.9 in each of 2013 and 2014; and $30.4 thereafter. The amount of these total payments representing interest is $16.5 million. Accordingly, the present value of the net minimum lease payments was $23.1 million at December 31, 2009.

We participate in six real estate ventures structured as DownREIT partnerships that have properties in Arkansas, California, Georgia, North Carolina, Texas and Utah. As a general partner, we have operating and financial control over these ventures and consolidate their operations in our consolidated financial statements. These ventures allow the outside limited partners to put their interest to the partnership for our common shares or an equivalent amount in cash. We may acquire any limited partnership interests that are put to the partnership, and we have the option to redeem the interest in cash or a fixed number of our common shares, at our discretion. We also participate in a real estate venture that has a property in Texas that allows its outside partner to put operating partnership units to us. We have the option to redeem these units in cash or a fixed number of our common shares, at our discretion. In 2009 and 2008, we issued common shares valued at $14.3 million and $2.3 million, respectively, in exchange for certain of these limited partnership interests or operating partnership units. The aggregate redemption value of the operating partnership units was approximately $33 million and $46 million as of December 31, 2009 and 2008, respectively.

In January 2007, we acquired two retail properties in Arizona. This purchase transaction includes an earnout provision of approximately $29 million that is contingent upon the subsequent development of space by the property seller. This contingency agreement expires in 2010. We have an estimated obligation of $4.7 million and $3.9 million recorded as of December 31, 2009 and 2008, respectively. Since inception of this obligation, $12.5 million has been paid. Amounts paid or accrued under such earnouts are treated as additional purchase price and capitalized to the related property.

We are subject to numerous federal, state and local environmental laws, ordinances and regulations in the areas where we own or operate properties. We are not aware of any material contamination, which may have been caused by us or any of our tenants that would have a material effect on our consolidated financial statements.

As part of our risk management activities, we have applied and been accepted into state sponsored environmental programs which will limit our expenses if contaminants need to be remediated. We also have an environmental insurance policy that covers us against third party liabilities and remediation costs.

While we believe that we do not have any material exposure to environmental remediation costs, we cannot give absolute assurance that changes in the law or new discoveries of contamination will not result in increased liabilities to us.

Related to our investment in a redevelopment project in Sheridan, Colorado that is held in an unconsolidated real estate joint venture, we, our joint venture partner and the joint venture have each provided a guaranty for the payment of any debt service shortfalls on bonds issued in connection with the project. The Sheridan Redevelopment Agency ("Agency") issued $97 million of Series A bonds used for an urban renewal project. The bonds are to be repaid with incremental sales and property taxes and a public improvement fee ("PIF") to be assessed on current and future retail sales, and, to the extent necessary, any amounts we may have to provide under a guaranty. The incremental taxes and PIF are to remain intact until the earlier of the bond liability has been paid in full or 2030 (unless such date is otherwise extended by the Agency). At inception on February 27, 2007, we evaluated and determined that the fair value of the guaranty was nominal to us as the guarantor. However, a liability was recorded by the joint venture equal to net amounts funded under the bonds.

In connection with the above project, we and our joint venture partner were also signatories to a completion guaranty that required, among other things, certain infrastructure to be substantially completed and occupants of 75% of the retail space to be open for regular business as of December 31, 2008. Under specified circumstances, the completion guaranty allowed for extension of the completion date until June 30, 2009. At inception on February 27, 2007, we evaluated the guaranty and determined that its then fair value was nominal. By a letter dated December 1, 2008, the guarantors requested extension of the completion date pursuant to the terms of the guaranty. On December 16, 2008, one of the parties benefited by the guaranty filed a lawsuit against us alleging that we were not entitled to the extension and was seeking $97 million in liquidated damages together with other relief. In July 2009, we settled the lawsuit. Among the obligations performed or to be performed by us under the terms of the settlement are to cause the joint venture to purchase a portion of the bonds in the amount of $51.3 million at par plus accrued and unpaid interest to the date of such purchase, and to the extent that the outstanding letter of credit supporting additional bonds totaling $45.7 million with a current term of 20 months is not replaced by an alternate letter of credit issued by another qualified provider on or before July 21, 2010, we will be obligated to provide up to 103% of the outstanding stated amount of the letter of credit as additional collateral in the form of either cash or a back-to-back letter of credit.

On July 22, 2009, as part of the settlement agreement, among other things, the lawsuit was dismissed with prejudice; we loaned $52.0 million including accrued interest and fees to the joint venture, which then purchased the bonds; and the completion guaranty was terminated. This increased our notes receivable from real estate joint ventures and partnerships and reduced both our investment in real estate joint ventures and partnerships and the contingent liability of $41 million recorded at December 31, 2008.

Also in connection with the Sheridan, Colorado joint venture and the issuance of the related Series A bonds, we, our joint venture partner and the joint venture have also provided a performance guaranty on behalf of the Sheridan Redevelopment Agency for the satisfaction of all obligations arising from two interest rate swap agreements for the combined notional amount of $97 million that matures in December 2029. We evaluated and determined that the fair value of the guaranty both at inception and December 31, 2008 was nominal.

We have evaluated the remaining outstanding guaranties and have determined that the fair value of these guaranties is nominal.

We are also involved in various matters of litigation arising in the normal course of business. While we are unable to predict with certainty the amounts involved, our management and counsel are of the opinion that, when such litigation is resolved, any additional liability, if any, will not have a material effect on our consolidated financial statements.

Note 16. Identified Intangible Assets and Liabilities

Identified intangible assets and liabilities associated with our property acquisitions are as follows (in thousands):

	December 31, 2009	December 31, 2008
Identified Intangible Assets:		
Above-Market Leases (included in Other Assets, net)	$17,278	$17,921
Above-Market Leases – Accumulated Amortization	(11,471)	(9,771)
Below-Market Assumed Mortgages (included in Debt, net)	2,072	2,072
Below-Market Assumed Mortgages – Accumulated Amortization	(805)	(525)
Valuation of In Place Leases (included in Unamortized Debt and Lease Cost, net)	57,610	64,027
Valuation of In Place Leases – Accumulated Amortization	(32,361)	(29,104)
	$32,323	$44,620
Identified Intangible Liabilities:		
Below-Market Leases (included in Other Liabilities, net)	$36,951	$38,712
Below-Market Leases – Accumulated Amortization	(21,794)	(18,265)
Above-Market Assumed Mortgages (included in Debt, net)	52,171	53,895
Above-Market Assumed Mortgages – Accumulated Amortization	(31,329)	(28,284)
	$35,999	$46,058

These identified intangible assets and liabilities are amortized over the applicable lease terms or the remaining lives of the assumed mortgages, as applicable.

The net amortization of above-market and below-market leases increased rental revenues by $2.5 million, $3.5 million and $3.2 million in 2009, 2008 and 2007, respectively. The estimated net amortization of these intangible assets and liabilities will increase rental revenues for each of the next five years as follows (in thousands):

2010	$1,859
2011	1,359
2012	1,115
2013	926
2014	788

The amortization of the in place lease intangible assets recorded in depreciation and amortization, was $8.2 million, $8.5 million and $8.3 million in 2009, 2008 and 2007, respectively. The estimated amortization of this intangible asset will increase depreciation and amortization for each of the next five years as follows (in thousands):

2010	$5,447
2011	4,251
2012	3,412
2013	2,627
2014	2,138

77

The amortization of above-market and below-market assumed mortgages decreased net interest expense by $4.4 million, $8.0 million and $6.7 million in 2009, 2008 and 2007, respectively. The estimated amortization of these intangible assets and liabilities will decrease net interest expense for each of the next five years as follows (in thousands):

2010	$3,561
2011	2,416
2012	1,242
2013	798
2014	826

Note 17. Fair Value Measurements

Recurring Fair Value Measurements:
Investments held in grantor trusts
These assets are valued based on publicly quoted market prices for identical assets.

Derivative instruments
We use interest rate swaps with major financial institutions to manage our interest rate risk. The valuation of these instruments is determined based on assumptions that management believes market participants would use in pricing, using widely accepted valuation techniques including discounted cash flow analysis on the expected cash flows of each derivative. This analysis reflects the contractual terms of the derivatives, including the period to maturity, and uses observable market-based inputs, including interest rate curves and implied volatilities. The fair values of our interest rate swaps have been determined using the market standard methodology of netting the discounted future fixed cash receipts (or payments) and the discounted expected variable cash payments (or receipts). The variable cash payments (or receipts) are based on an expectation of future interest rates (forward curves) derived from observable market interest rate curves.

We incorporate credit valuation adjustments to appropriately reflect both our own nonperformance risk and the respective counter-party's nonperformance risk in the fair value measurements. In adjusting the fair value of our derivative contracts for the effect of nonperformance risk, we have considered the impact of netting and any applicable credit enhancements, such as collateral, thresholds and guarantees.

Although we have determined that the majority of the inputs used to value our derivatives fall within Level 2 of the fair value hierarchy, the credit valuation adjustments associated with our derivatives utilize Level 3 inputs, such as estimates of current credit spreads to evaluate the likelihood of default by ourselves and our counter-parties. However, as of December 31, 2009 and 2008, we have assessed the significance of the impact of the credit valuation adjustments on the overall valuation of our derivative positions and have determined that the credit valuation adjustments are not significant to the overall valuation of our derivatives. As a result, we have determined that the derivative valuations in their entirety are classified in Level 2 of the fair value hierarchy.

Assets and liabilities measured at fair value on a recurring basis as of December 31, 2009 and 2008, aggregated by the level in the fair value hierarchy in which those measurements fall, are as follows (in thousands):

	Quoted Prices in Active Markets for Identical Assets and Liabilities (Level	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)	Fair Value at December 31, 2009

	1)			
Assets:				
Derivative instruments		$ 2,601		$ 2,601
Investments in grantor trusts	$ 13,894			13,894
Total	$ 13,894	$ 2,601		$ 16,495
Liabilities:				
Derivative instruments		$ 4,634		$ 4,634
Deferred compensation plan obligations	$ 13,894			13,894
Total	$ 13,894	$ 4,634		$ 18,528

	Quoted Prices in Active Markets for Identical Assets and Liabilities (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)	Fair Value at December 31, 2008
Assets:				
Derivative instruments		$ 4,625		$ 4,625
Investments in grantor trusts	$ 25,595			25,595
Total	$ 25,595	$ 4,625		$ 30,220
Liabilities:				
Deferred compensation plan obligations	$ 11,172			$ 11,172

Nonrecurring Fair Value Measurements:

Property Impairments

Property is reviewed for impairment if events or changes in circumstances indicate that the carrying amount of the property, including any identifiable intangible assets, site costs and capitalized interest, may not be recoverable. In such an event, a comparison is made of the current and projected operating cash flows of each such property into the foreseeable future on an undiscounted basis to the carrying amount of such property. Fair values are determined by management utilizing cash flow models and market discount rates, or by obtaining third-party broker valuation estimates, appraisals, bona fide purchase offers or the expected sales price of an executed sales agreement in accordance with our fair value measurements policy.

Assets measured at fair value on a nonrecurring basis during 2009, aggregated by the level in the fair value hierarchy in which those measurements fall, are as follows (in thousands):

	Quoted Prices in Active Markets for Identical Assets and Liabilities (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Input (Level 3)	Fair Value	Total Gains (Losses)
Property		$49,200	$ 101,826	$151,026	$(34,983)

In accordance with our policy of evaluating and recording impairments on the disposal of long-lived assets, property with a carrying amount of $184.8 million was written down to its fair value of $151.0 million, less $1.2 million of costs associated with the anticipated contribution of two properties to an unconsolidated retail joint venture, resulting in a loss of $35.0 million, which was included in earnings for the period.

Fair Value Disclosures:

Unless otherwise described below, all other financial instruments are carried at amounts which approximate their fair values.

Debt

The fair values of our financial instruments approximate their carrying value in our financial statements except for debt. We estimated the fair value of our debt based on quoted market prices for publicly-traded debt and on the discounted estimated future cash payments to be made for other debt. The discount rates used approximate current lending rates for loans or groups of loans with similar maturities and credit quality, assumes the debt is outstanding through maturity and considers the debt's collateral (if applicable). We have utilized market information as available or present value techniques to estimate the amounts required to be disclosed. Since such amounts are estimates that are based on limited available market information for similar transactions, there can be no assurance that the disclosed value of any financial instrument could be realized by immediate settlement of the instrument. Fixed-rate debt with carrying values of $2.1 billion and $2.7 billion at December 31, 2009 and 2008, respectively, has fair values of approximately $2.0 billion and $2.3 billion, respectively. Variable-rate debt with carrying values of $385.7 million and $449.0 million as of December 31, 2009 and 2008, respectively, has fair values of approximately $373.4 million and $432.1 million, respectively.

Note 18. Share Options and Awards

We had an Employee Share Option Plan that granted options to purchase 100 common shares to every employee, excluding officers, upon completion of each five-year interval of service. This plan was terminated effective January 1, 2008, and ..01 million awards remain outstanding as of December 31, 2009. Options granted under this plan were exercisable immediately.

We also had an Incentive Share Option Plan that provided for the issuance of up to 3.9 million common shares, either in the form of restricted shares or share options. This plan expired in 2002, and .9 million awards remain outstanding as of December 31, 2009. The share options granted to non-officers vest over a three-year period beginning after the grant date, and for officers vest over a seven-year period beginning two years after the grant date.

We have a Long-Term Incentive Plan for the issuance of options and share awards. In 2006, the maximum number of common shares issuable under this plan was increased to 4.8 million common shares, of which .4 million is available for the future grant of options or awards at December 31, 2009. This plan expires in 2011. The share options granted to non-officers vest over a three-year period beginning after the grant date, and share options and restricted shares for officers vest over a five-year period after the grant date. Restricted shares granted to trust managers and options or awards granted to retirement eligible employees are expensed immediately.

The grant price for the Employee Share Option Plan was equal to the closing price of our common shares on the date of grant. The grant price of the Long-Term Incentive Plan is calculated as an average of the high and low of the quoted fair value of our common shares on the date of grant. In both plans, these options expire upon the earlier of termination of employment or 10 years from the date of grant. In the Long-Term Incentive Plan, restricted shares for officers and trust managers are granted at no purchase price. Our policy is to recognize compensation expense for equity awards ratably over the vesting period, except for retirement eligible amounts. Compensation expense, net of forfeitures, associated with share options and restricted shares totaled $4.2 million in 2009, $4.9 million in 2008 and $5.1 million in 2007, of which $1.2 million was capitalized in 2009 and $1.3 million was capitalized in both 2008 and 2007.

The fair value of share options and restricted shares is estimated on the date of grant using the Black-Scholes option pricing method based on the expected weighted average assumptions in the following table. The dividend yield is an average of the historical yields at each record date over the estimated expected life. We estimate volatility using our historical volatility data for a period of 10 years, and the expected life is based on historical data from an option valuation model of employee exercises and terminations. The risk-free rate is based on the U.S. Treasury yield curve. The fair value and weighted average assumptions are as follows:

	Year Ended December 31,		
	2009	2008	2007
Fair value per share option	$1.99	$3.07	$4.29
Dividend yield	5.2 %	5.1 %	5.5 %
Expected volatility	31.3 %	18.8 %	18.1 %
Expected life (in years)	6.2	6.2	6.0
Risk-free interest rate	1.7 %	2.8 %	4.1 %

Following is a summary of the option activity for the three years ended December 31, 2009:

	Shares Under Option	Weighted Average Exercise Price
Outstanding, January 1, 2007	3,147,153	$31.99
Granted	7,821	42.63
Forfeited or expired	(73,156)	35.78
Exercised	(241,528)	23.24
Outstanding, December 31, 2007	2,840,290	32.66
Granted	832,106	32.22
Forfeited or expired	(174,376)	35.85
Exercised	(180,365)	21.99
Outstanding, December 31, 2008	3,317,655	32.96
Granted	1,182,252	11.85
Forfeited or expired	(54,364)	26.90
Exercised	(9,400)	18.05
Outstanding, December 31, 2009	4,436,143	$27.44

The total intrinsic value of options exercised was $.02 million in 2009, $2.2 million in 2008 and $5.0 million in 2007. As of December 31, 2009 and 2008, there was approximately $3.2 million and $3.4 million, respectively, of total unrecognized compensation cost related to unvested share options, which is expected to be amortized over a weighted average of 2.5 years and 1.7 years, respectively.

The following table summarizes information about share options outstanding and exercisable at December 31, 2009:

	Outstanding				Exercisable			
Range of Exercise Prices	Number	Weighted Average Remaining Contractual Life	Weighted Average Exercise Price	Aggregate Intrinsic Value (000's)	Number	Weighted Average Exercise Price	Weighted Average Remaining Contractual Life	Aggregate Intrinsic Value (000's)
11.85 - $$17.78	1,160,530	9.2 years	$11.85					
17.79 - $$26.69	873,517	2.0 years	$22.16		873,517	$22.16	2.0 years	
26.70 - $$40.05	1,920,208	6.3 years	$34.25		1,245,421	$35.03	5.4 years	
40.06 - $$49.62	481,888	6.9 years	$47.46		314,227	$47.46	6.9 years	
Total	4,436,143	6.3 years	$27.44	$-	2,433,165	$32.01	4.4 years	$-

81

A summary of the status of unvested restricted shares for the year ended December 31, 2009 is as follows:

	Unvested Restricted Share Awards	Weighted Average Grant Date Fair Value
Outstanding, January 1, 2009	167,402	$36.54
Granted	292,519	12.29
Vested	(91,297)	28.07
Forfeited	(5,388)	19.52
Outstanding, December 31, 2009	363,236	$19.40

As of December 31, 2009 and 2008, there was approximately $4.6 million and $4.1 million, respectively, of total unrecognized compensation cost related to unvested restricted shares, which is expected to be amortized over a weighted average of 2.7 years and 2.3 years, respectively.

Note 19. Employee Benefit Plans

We have a Savings and Investment Plan pursuant to which eligible employees may elect to contribute from 1% of their salaries to the maximum amount established annually by the Internal Revenue Service. Employee contributions are matched by us at the rate of $.50 per $1.00 for the first 6% of the employee's salary. The employees vest in the employer contributions ratably over a five year period. Compensation expense related to the plan was $.8 million in 2009 and $1.0 million in both 2008 and 2007.

We also have an Employee Share Purchase Plan under which 562,500 of our common shares have been authorized. These shares, as well as common shares purchased by us on the open market, are made available for sale to employees at a discount of 15% from the quoted market price as defined by the plan. Shares purchased by the employee under the plan are restricted from being sold for two years from the earlier of the date of purchase or until termination of employment. A total of 61,783, 36,116 and 30,437 common shares were purchased for the employees at an average per share price of $10.98, $24.52 and $33.49 during 2009, 2008 and 2007, respectively.

Effective April 1, 2002, we converted a noncontributory pension plan to a noncontributory cash balance retirement plan ("Retirement Plan") under which each participant received an actuarially determined opening balance. Annual additions to each participant's account include a service credit ranging from 3-5% of compensation, depending on years of service, and an interest credit based on the ten-year US Treasury Bill rate not to be less than 2.05%. Vesting generally occurs after three years of service. Certain participants were grandfathered under the prior pension plan formula. In addition to the plan described above, effective September 1, 2002, we established two separate and independent nonqualified supplemental retirement plans ("SRP") for certain employees. These unfunded plans provide benefits in excess of the statutory limits of our noncontributory cash balance retirement plan. Annual additions to each participant's account include a service credit ranging from 3-5% of compensation, depending on years of service, and an interest credit of 7.5%. Vesting generally occurs after three years of service. We have elected to use the actuarial present value of the vested benefits to which the participant is entitled if the participant separates immediately from the SRP, as permitted by GAAP.

The estimated net loss, prior service cost, and transition obligation that will be amortized from accumulated other comprehensive income into net periodic benefit cost over the next fiscal year are $703,000, ($117,000) and zero, respectively.

The following tables summarize changes in the benefit obligation, the plan assets and the funded status of our pension plans as well as the components of net periodic benefit costs, including key assumptions. The measurement dates for plan assets and obligations were December 31, 2009 and 2008.

	Fiscal Year End	
	2009	2008
Change in Projected Benefit Obligation:		
Benefit obligation at beginning of year	$46,148	$41,083
Service cost	3,571	2,414
Interest cost	2,931	2,639
Actuarial loss	422	1,093
Benefit payments	(1,739)	(1,081)
Benefit obligation at end of year	$51,333	$46,148
Change in Plan Assets:		
Fair value of plan assets at beginning of year	$15,472	$20,434
Actual return on plan assets	4,219	(5,946)
Employer contributions	5,557	2,065
Benefit payments	(1,739)	(1,081)
Fair value of plan assets at end of year	$23,509	$15,472
Unfunded Status at End of Year:	$27,824	$30,676
Accumulated benefit obligation	$50,732	$45,052
Amounts recognized in accumulated other comprehensive loss consist of:		
Net loss	$9,908	$13,262
Prior service credit	(352)	(470)
Total amount recognized	$9,556	$12,792

The following is the required information for other changes in plan assets and benefit obligations recognized in other comprehensive income:

	2009	2008	2007
Net (gain) loss	$(2,407)	$9,231	$(925)
Amortization of net gain	(947)	(256)	(353)
Amortization of prior service cost	117	117	117
Total recognized in other comprehensive income	$(3,237)	$9,092	$(1,161)
Total recognized in net periodic benefit costs and other comprehensive income	$2,705	$12,093	$3,511

The following is the required information for plans with an accumulated benefit obligation in excess of plan assets at each year end:

	2009	2008

Projected benefit obligation	$51,333	$46,148
Accumulated benefit obligation	50,732	45,052
Fair value of plan assets	23,509	15,472

83

At December 31, 2009 and 2008, the Retirement Plan was underfunded by $4.6 million and $10.7 million, respectively, and is included in accounts payable and accrued expenses. The SRP was underfunded by $23.2 million and $20.0 million, respectively, and is included in other net liabilities.

The components of net periodic benefit cost for both plans are as follows (in thousands):

	2009	2008	2007
Service cost	$3,571	$2,414	$3,846
Interest cost	2,931	2,639	2,175
Expected return on plan assets	(1,391)	(1,832)	(1,500)
Prior service cost	(117)	(117)	(117)
Recognized loss (gain)	947	(104)	269
Total	$5,941	$3,000	$4,673

The assumptions used to develop periodic expense for both plans are shown below:

	2009	2008	2007
Discount rate – Retirement Plan and SRP	6.00 %	6.25 %	5.75 %
Salary scale increases – Retirement Plan	4.00 %	4.00 %	4.00 %
Salary scale increases – SRP	5.00 %	5.00 %	5.00 %
Long-term rate of return on assets – Retirement Plan	8.00 %	8.50 %	8.50 %

The selection of the discount rate is made annually after comparison to yields based on high quality fixed-income investments. The salary scale is the composite rate which reflects anticipated inflation, merit increases, and promotions for the group of covered participants. The long-term rate of return is a composite rate for the trust. It is derived as the sum of the percentages invested in each principal asset class included in the portfolio multiplied by their respective expected rates of return. We considered the historical returns and the future expectations for returns for each asset class, as well as the target asset allocation of the pension portfolio. This analysis resulted in the selection of 8.00% as the long-term rate of return assumption for 2009.

The assumptions used to develop the actuarial present value of the benefit obligations at year-end for both plans are shown below:

	2009	2008	2007
Discount rate – Retirement Plan and SRP	5.82 %	6.00 %	6.25 %
Salary scale increases – Retirement Plan	4.00 %	4.00 %	4.00 %
Salary scale increases – SRP	5.00 %	5.00 %	5.00 %

The expected contribution to be paid for the Retirement plan by us during 2010 is approximately $.7 million. The expected benefit payments for the next ten years for both plans are as follows, in millions: $1.8 in 2010, $1.9 in 2011; $4.6 in 2012; $2.1 in 2013, $2.8 in 2014 and $21.4 in 2015 through 2019.

The participant data used in determining the liabilities and costs for the Retirement Plan was collected as of January 1, 2009, and no significant changes have occurred through December 31, 2009. The participant data used in determining the liabilities and costs for the SRP was collected as of December 31, 2009.

Our investment policy for our plan assets has been to set forth to determine the objectives for structuring a retirement savings program suitable to the long-term needs and risk tolerances of participants, to select appropriate investments to be offered by the plan and to establish procedures for monitoring and evaluating the performance of the investments of the plan. Our overall plan objectives for selecting and monitoring investment options are to promote and optimize retirement wealth accumulation; to provide a full range of asset classes and investment options that are intended to help diversify the portfolio to maximize return within reasonable and prudent levels of risk; to control costs of administering the plan; and to manage the investments held by the plan.

The selection of investment options is determined using criteria based on the following characteristics: fund history, relative performance, investment style, portfolio structure, manager tenure, minimum assets, expenses and operation considerations. Investment options selected for use in the plan are reviewed on at least a semi-annual basis in order to evaluate material changes from the selection criteria. Asset allocation is used to determine how the investment portfolio should be split between stocks, bonds and cash. The asset allocation decision is influenced by time horizon; risk tolerance and investment return objectives. The primary factor for consideration of asset allocation is demographics of the plan, including, attained age and future service. The allocation is based on a broad market diversification model and the percentage allocation to each investment category will vary depending upon market conditions. Rebalancing of the allocation of plan assets occurs semi-annually.

At December 31, 2009, our investment asset allocation compared to our benchmarking allocation model was as follows:

	Portfolio %		Benchmark %	
Cash	8	%	13	%
US Stocks	37	%	52	%
Non-US Stocks	21	%	9	%
Bonds	33	%	26	%
Other	1	%		
Total	100	%	100	%

The fair value of plan assets was determined based on publicly quoted market prices for identical assets which are classified as Level 1 observable inputs. The allocation of the fair value of plan assets was as follows (in thousands):

	December 31, 2009		2008	
Cash and short-term investments	3	%	4	%
Mutual funds – equity	61	%	61	%
Mutual funds – fixed income	36	%	35	%
Total	100	%	100	%

Concentrations of risk within our equity portfolio are investments classified within the financial services sector and the healthcare sector representing approximately 17% and 13% of total equity investments, respectively.

We also have a deferred compensation plan for eligible employees allowing them to defer portions of their current cash salary or share-based compensation. Deferred amounts are deposited in a grantor trust, which are included in other net assets, and are reported as compensation expense in the year service is rendered. Cash deferrals are invested based on the employee's investment selections from a mix of assets based on a broad market diversification model. Deferred share-based compensation cannot be diversified, and distributions from this plan are made in the same form as the original deferral. See Note 17 for the disclosures associated with the fair value of the deferred compensation plan.

Note 20. Segment Information

The reportable segments presented are the segments for which separate financial information is available, and for which operating performance is evaluated regularly by senior management in deciding how to allocate resources and in assessing performance. We evaluate the performance of the reportable segments based on net operating income, defined as total revenues less operating expenses and ad valorem taxes. Management does not consider the effect of gains or losses from the sale of property in evaluating segment operating performance.

The shopping center segment is engaged in the acquisition, development and management of real estate, primarily anchored neighborhood and community shopping centers located in Arizona, Arkansas, California, Colorado, Florida, Georgia, Illinois, Kansas, Kentucky, Louisiana, Maine, Missouri, Nevada, New Mexico, North Carolina, Oklahoma, Oregon, South Carolina, Tennessee, Texas, Utah and Washington. The customer base includes supermarkets, discount retailers, drugstores and other retailers who generally sell basic necessity-type commodities. The industrial segment is engaged in the acquisition, development and management of bulk warehouses and office/service centers. Its properties are located in California, Florida, Georgia, Tennessee, Texas and Virginia, and the customer base is diverse. Included in "Other" are corporate-related items, insignificant operations and costs that are not allocated to the reportable segments.

Information concerning our reportable segments is as follows (in thousands):

	Shopping Center	Industrial	Other	Total
Year Ended December 31, 2009:				
Revenues	$511,541	$53,070	$7,497	$572,108
Net Operating Income (Loss)	362,145	36,917	(598)	398,464
Equity in Earnings (Loss) of Real Estate Joint Ventures and Partnerships, net	4,949	967	(368)	5,548
Capital Expenditures	84,252	9,388	3,917	97,557
Year Ended December 31, 2008:				
Revenues	$529,628	$54,314	$8,806	$592,748
Net Operating Income (Loss)	370,169	38,611	(143)	408,637
Equity in Earnings (Loss) of Real Estate Joint Ventures and Partnerships, net	15,012	1,428	(4,244)	12,196
Capital Expenditures	247,723	22,315	29,052	299,090
Year Ended December 31, 2007:				
Revenues	$500,151	$50,165	$10,884	$561,200
Net Operating Income	357,817	34,886	4,533	397,236
Equity in Earnings of Real Estate Joint Ventures and Partnerships, net	18,309	1,348	196	19,853
Capital Expenditures	771,590	91,881	24,874	888,345
As of December 31, 2009:				
Investment in Real Estate Joint Ventures and Partnerships, net	$277,130	$38,118	$-	$315,248
Total Assets	3,335,198	353,736	1,201,451	4,890,385
As of December 31, 2008:				
Investment in Real Estate Joint Ventures and Partnerships, net	$318,003	$39,631	$-	$357,634
Total Assets	3,747,037	348,691	1,018,484	5,114,212

Net operating income reconciles to income from continuing operations as shown on the Statements of Consolidated Income and Comprehensive Income as follows (in thousands):

	2009	2008	2007
Total Segment Net Operating Income	$398,464	$408,637	$397,236
Depreciation and Amortization	(147,895)	(149,812)	(122,245)
Impairment Loss	(34,983)	(52,539)	-
General and Administrative	(25,930)	(25,761)	(26,979)
Interest Expense, net	(153,207)	(156,318)	(156,248)
Interest and Other Income, net	11,427	4,333	8,483
Gain on Redemption of Convertible Senior Unsecured Notes	25,311	12,961	-
Equity in Earnings of Real Estate Joint Ventures and Partnerships, net	5,548	12,196	19,853
Gain on Merchant Development Sales	18,688	8,342	16,385
(Provision) Benefit for Income Taxes	(6,338)	10,219	(4,073)
Income from Continuing Operations	$91,085	$72,258	$132,412

Note 21. Noncontrolling Interests

The following table summarizes the effect of changes in our ownership interest in subsidiaries on the equity attributable to us as follows (in thousands):

	Year Ended December 31,		
	2009	2008	2007
Net income adjusted for noncontrolling interests	$171,102	$145,652	$230,101
Transfers from the noncontrolling interests:			
Increase in equity for operating partnership units	14,251	1,094	13,865
Change from net income adjusted for noncontrolling interests and transfers from the noncontrolling interests	$185,353	$146,746	$243,966

Note 22. Quarterly Financial Data (Unaudited)

Summarized quarterly financial data is as follows (in thousands):

	First	Second	Third	Fourth
2009:				
Revenues (3)	$ 144,382	$ 142,437	$ 143,098	$ 142,191
Net income (loss) attributable to common shareholders	33,146	39,238	(9,384)(2)	72,626 (1)
Earnings per common share – basic	0.38	0.35	(0.08)(2)	0.61 (1)
Earnings per common share – diluted	0.38	0.35	(0.08)(2)	0.60 (1)
2008:				
Revenues (3)	$ 146,512	$ 148,130	$ 152,444	$ 145,662
Net income (loss) attributable to common shareholders	26,718	64,921 (1)	26,936	(9,484)(2)
Earnings per common share – basic	0.32	0.78 (1)	0.32	(0.11)(2)
Earnings per common share – diluted	0.32	0.76 (1)	0.32	(0.11)(2)

(1) The quarter results include significant gains on the sale of properties.
(2) The quarter results include significant impairment charges.
(3) Revenues from the sale of operating properties have been reclassified and reported in discontinued operations for all periods presented.

ITEM 9. Changes in and Disagreements with Accountants on Accounting and Financial Disclosure

Not applicable.

88

ITEM 9A. Controls and Procedures

Under the supervision and with the participation of our principal executive officer and principal financial officer, management has evaluated the effectiveness of the design and operation of our disclosure controls and procedures (as defined in Rule 13a-15(e) and 15d-15(e) of the Securities Exchange Act of 1934) as of December 31, 2009. Based on that evaluation, our principal executive officer and our principal financial officer have concluded that our disclosure controls and procedures were effective as of December 31, 2009.

There has been no change to our internal control over financial reporting during the quarter ended December 31, 2009 that has materially affected, or is reasonably likely to materially affect, our internal control over financial reporting.

MANAGEMENT'S REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING

Weingarten Realty Investors and its subsidiaries ("WRI") maintain a system of internal control over financial reporting, as defined in Rules 13a-15(f) and 15d-15(f) under the Securities Exchange Act, which is a process designed under the supervision of WRI's principal executive officer and principal financial officer and effected by WRI's Board of Trust Managers, management and other personnel, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles.

WRI's internal control over financial reporting includes those policies and procedures that:

§ Pertain to the maintenance of records that in reasonable detail accurately and fairly reflect the transactions and dispositions of WRI's assets;

§ Provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of WRI are being made only in accordance with authorizations of management and trust managers of WRI; and

§ Provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use or disposition of WRI's assets that could have a material effect on the financial statements.

WRI's management has responsibility for establishing and maintaining adequate internal control over financial reporting for WRI. Management, with the participation of WRI's Chief Executive Officer and Chief Financial Officer, conducted an evaluation of the effectiveness of WRI's internal control over financial reporting as of December 31, 2009 based on the framework in Internal Control—Integrated Framework issued by the Committee of Sponsoring Organizations of the Treadway Commission.

Based on their evaluation of WRI's internal control over financial reporting, WRI's management along with the Chief Executive and Chief Financial Officers believe that WRI's internal control over financial reporting is effective as of December 31, 2009.

Deloitte & Touche LLP, WRI's independent registered public accounting firm that audited the consolidated financial statements and financial statement schedules included in this Form 10-K, has issued an attestation report on the effectiveness of WRI's internal control over financial reporting.

March 1, 2010

89

REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

To the Board of Trust Managers and Shareholders of
Weingarten Realty Investors
Houston, Texas

We have audited the internal control over financial reporting of Weingarten Realty Investors and subsidiaries (the "Company") as of December 31, 2009, based on criteria established in Internal Control — Integrated Framework issued by the Committee of Sponsoring Organizations of the Treadway Commission. The Company's management is responsible for maintaining effective internal control over financial reporting and for its assessment of the effectiveness of internal control over financial reporting, included in the accompanying Management's Report On Internal Control Over Financial Reporting. Our responsibility is to express an opinion on the Company's internal control over financial reporting based on our audit.

We conducted our audit in accordance with the standards of the Public Company Accounting Oversight Board (United States). Those standards require that we plan and perform the audit to obtain reasonable assurance about whether effective internal control over financial reporting was maintained in all material respects. Our audit included obtaining an understanding of internal control over financial reporting, assessing the risk that a material weakness exists, testing and evaluating the design and operating effectiveness of internal control based on the assessed risk, and performing such other procedures as we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion.

A company's internal control over financial reporting is a process designed by, or under the supervision of, the company's principal executive and principal financial officers, or persons performing similar functions, and effected by the company's board of trust managers, management, and other personnel to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and trust managers of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Because of the inherent limitations of internal control over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may not be prevented or detected on a timely basis. Also, projections of any evaluation of the effectiveness of the internal control over financial reporting to future periods are subject to the risk that the controls may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

In our opinion, the Company maintained, in all material respects, effective internal control over financial reporting as of December 31, 2009, based on the criteria established in Internal Control — Integrated Framework issued by the Committee of Sponsoring Organizations of the Treadway Commission.

We have also audited, in accordance with the standards of the Public Company Accounting Oversight Board (United States), the consolidated financial statements as of and for the year ended December 31, 2009, of the Company and our report dated March 1, 2010, expressed an unqualified opinion on those financial statements and included an explanatory paragraph regarding the Company's adoption of two new accounting standards.

/s/Deloitte & Touche LLP

Houston, Texas
March 1, 2010

ITEMOther Information
9B.

Not applicable.

PART III

ITEMTrust Managers, Executive Officers and Corporate Governance
10.

Information with respect to our trust managers and executive officers is incorporated herein by reference to the "Proposal One - Election of Trust Managers - Nominees," "Executive Officers" and “Share Ownership of Certain Beneficial Owners and Management—Section 16(a) Beneficial Ownership Reporting Compliance” sections of our definitive Proxy Statement for the Annual Meeting of Shareholders to be held May 6, 2010.

Code of Ethics

We have adopted a code of business and ethics for trust managers, officers and employees, known as the Code of Conduct and Ethics. The Code of Conduct and Ethics is available on our website at www.weingarten.com. Shareholders may request a free copy of the Code of Conduct and Ethics from:

Weingarten Realty Investors
Attention: Investor Relations
2600 Citadel Plaza Drive, Suite 125
Houston, Texas 77008
(713) 866-6000
www.weingarten.com

We have also adopted a Code of Conduct for Financial Managers setting forth a code of ethics applicable to our principal executive officer, principal financial officer and financial managers, which is available on our website at www.weingarten.com. Shareholders may request a free copy of the Code of Conduct for Financial Managers from the address and phone number set forth above.

Governance Guidelines

We have adopted Trust Managers Governance Guidelines, which are available on our website at www.weingarten.com. Shareholders may request a free copy of the Trust Managers Governance Guidelines from the address and phone number set forth above under "Code of Conduct and Ethics."

ITEMExecutive Compensation
11.

Information with respect to executive compensation is incorporated herein by reference to the “Executive Compensation,” “Proposal One - Election of Trust Managers,” “Compensation Committee Report,” “Summary Compensation Table” and “Trust Manager Compensation Table” sections of our definitive Proxy Statement for the Annual Meeting of Shareholders to be held May 6, 2010.

91

ITEM 12. Security Ownership of Certain Beneficial Owners and Management and Related Shareholder Matters

The "Share Ownership of Certain Beneficial Owners and Management" section of our definitive Proxy Statement for the Annual Meeting of Shareholders to be held May 6, 2010 is incorporated herein by reference.

The following table summarizes the equity compensation plans under which our common shares of beneficial interest may be issued as of December 31, 2009:

Plan category	Number of shares to be issued upon exercise of outstanding options, warrants and rights	Weighted average exercise price of outstanding options, warrants and rights	Number of shares remaining available for future issuance
Equity compensation plans approved by shareholders	4,436,143	$27.44	408,429
Equity compensation plans not approved by shareholders			
Total	4,436,143	$27.44	408,429

ITEM 13. Certain Relationships and Related Transactions, and Trust Manager Independence

The “Governance of Our Company,” “Compensation Committee Interlocks and Insider Participation" and “Certain Transactions” sections of our definitive Proxy Statement for the Annual Meeting of Shareholders to be held May 6, 2010 are incorporated herein by reference.

ITEM 14. Principal Accounting Fees and Services

The "Independent Registered Public Accounting Firm Fees" section within “Proposal Four – Ratification of Independent Registered Public Accounting Firm” of our definitive Proxy Statement for the Annual Meeting of Shareholders to be held May 6, 2010 is incorporated herein by reference.

PART IV

ITEM 15. Exhibits and Financial Statement Schedules

All other schedules are omitted since the required information is not present or is not present in amounts sufficient to require submission of the schedule or because the information required is included in the consolidated financial statements and notes thereto.

(b)		Exhibits:
3.1	—	Restated Declaration of Trust (filed as Exhibit 3.1 to WRI's Form 8-A dated January 19, 1999 and incorporated herein by reference).
3.2	—	Amendment of the Restated Declaration of Trust (filed as Exhibit 3.2 to WRI's Form 8-A dated January 19, 1999 and incorporated herein by reference).
3.3	—	Second Amendment of the Restated Declaration of Trust (filed as Exhibit 3.3 to WRI's Form 8-A dated January 19, 1999 and incorporated herein by reference).
3.4	—	Third Amendment of the Restated Declaration of Trust (filed as Exhibit 3.4 to WRI's Form 8-A dated January 19, 1999 and incorporated herein by reference).
3.5	—	Fourth Amendment of the Restated Declaration of Trust dated April 28, 1999 (filed as Exhibit 3.5 to WRI's Annual Report on Form 10-K for the year ended December 31, 2001 and incorporated herein by reference).
3.6	—	

		Fifth Amendment of the Restated Declaration of Trust dated April 20, 2001 (filed as Exhibit 3.6 to WRI's Annual Report on Form 10-K for the year ended December 31, 2001 and incorporated herein by reference).
3.7	—	Amended and Restated Bylaws of WRI (filed as Exhibit 99.2 to WRI's Form 8-A dated February 23, 1998 and incorporated herein by reference).
3.8	—	Amendment of Bylaws-Direct Registration System, Section 7.2(a) dated May 3, 2007 (filed as Exhibit 3.8 to WRI’s Form 10-Q for the quarter ended June 30, 2007 and incorporated herein by reference).
3.9	—	Second Amended and Restated Bylaws of Weingarten Realty Investors (filed as Exhibit 3.1 to WRI’s Form 8-K on February 26, 2010 and incorporated herein by reference).

4.1	—	Form of Indenture between Weingarten Realty Investors and The Bank of New York Mellon Trust Company, N.A. (successor in interest to JPMorgan Chase Bank, National Association, formerly Texas Commerce Bank National Association) (filed as Exhibit 4(a) to WRI's Registration Statement on Form S-3 (No. 33-57659) dated February 10, 1995 and incorporated herein by reference).
4.2	—	Form of Indenture between Weingarten Realty Investors and The Bank of New York Mellon Trust Company, N.A. (successor in interest to JPMorgan Chase Bank, National Association, formerly Texas Commerce Bank National Association) (filed as Exhibit 4(b) to WRI's Registration Statement on Form S-3 (No. 33-57659) and incorporated herein by reference).
4.3	—	Form of Fixed Rate Senior Medium Term Note (filed as Exhibit 4.19 to WRI’s Annual Report on Form 10-K for the year ended December 31, 1998 and incorporated herein by reference).
4.4	—	Form of Floating Rate Senior Medium Term Note (filed as Exhibit 4.20 to WRI’s Annual Report on Form 10-K for the year ended December 31, 1998 and incorporated herein by reference).
4.5	—	Form of Fixed Rate Subordinated Medium Term Note (filed as Exhibit 4.21 to WRI’s Annual Report on Form 10-K for the year ended December 31, 1998 and incorporated herein by reference).
4.6	—	Form of Floating Rate Subordinated Medium Term Note (filed as Exhibit 4.22 to WRI’s Annual Report on Form 10-K for the year ended December 31, 1998 and incorporated herein by reference).
4.7	—	Statement of Designation of 6.75% Series D Cumulative Redeemable Preferred Shares (filed as Exhibit 3.1 to WRI’s Form 8-A dated April 17, 2003 and incorporated herein by reference).
4.8	—	Statement of Designation of 6.95% Series E Cumulative Redeemable Preferred Shares (filed as Exhibit 3.1 to WRI’s Form 8-A dated July 8, 2004 and incorporated herein by reference).
4.9	—	Statement of Designation of 6.50% Series F Cumulative Redeemable Preferred Shares (filed as Exhibit 3.1 to WRI’s Form 8-A dated January 29, 2007 and incorporated herein by reference).
4.10	—	6.75% Series D Cumulative Redeemable Preferred Share Certificate (filed as Exhibit 4.2 to WRI’s Form 8-A dated April 17, 2003 and incorporated herein by reference).
4.11	—	6.95% Series E Cumulative Redeemable Preferred Share Certificate (filed as Exhibit 4.2 to WRI’s Form 8-A dated July 8, 2004 and incorporated herein by reference).
4.12	—	6.50% Series F Cumulative Redeemable Preferred Share Certificate (filed as Exhibit 4.2 to WRI’s Form 8-A dated January 29, 2007 and incorporated herein by reference).
4.13	—	Form of Receipt for Depositary Shares, each representing 1/30 of a share of 6.75% Series D Cumulative Redeemable Preferred Shares, par value $.03 per share (filed as Exhibit 4.3 to WRI’s Form 8-A dated April 17, 2003 and incorporated herein by reference).
4.14	—	Form of Receipt for Depositary Shares, each representing 1/100 of a share of 6.95% Series E Cumulative Redeemable Preferred Shares, par value $.03 per share (filed as Exhibit 4.3 to WRI’s Form 8-A dated July 8, 2004 and incorporated herein by reference).
4.15	—	Form of Receipt for Depositary Shares, each representing 1/100 of a share of 6.50% Series F Cumulative Redeemable Preferred Shares, par value $.03 per share (filed as Exhibit 4.3 to WRI’s Form 8-A dated January 29, 2007 and incorporated herein by reference).
4.16	—	Form of 7% Notes due 2011 (filed as Exhibit 4.17 to WRI’s Annual Report on Form 10-K for the year ended December 31, 2001 and incorporated herein by reference).
4.17	—	Form of 3.95% Convertible Senior Notes due 2026 (filed as Exhibit 4.2 to WRI’s Form 8-K on August 2, 2006 and incorporated herein by reference).
4.18	—	Form of 8.10% Note due 2019 (filed as Exhibit 4.1 to WRI’s Current Report on Form 8-K dated August 14, 2009 and incorporated herein by reference).
10.1†	—	The 1993 Incentive Share Plan of WRI (filed as Exhibit 4.1 to WRI’s Registration Statement on Form S-8 (No. 33-52473) and incorporated herein by reference).
10.2†	—	1999 WRI Employee Share Purchase Plan (filed as Exhibit 10.6 to WRI’s Annual Report on Form 10-K for the year ended December 31, 1999 and incorporated herein by reference).
10.3†	—	

2001 Long Term Incentive Plan (filed as Exhibit 10.7 to WRI's Annual Report on Form 10-K for the year ended December 31, 2001 and incorporated herein by reference).

94

10.4	—	Master Promissory Note in the amount of $20,000,000 between WRI, as payee, and Chase Bank of Texas, National Association (formerly, Texas Commerce Bank National Association), as maker, effective December 30, 1998 (filed as Exhibit 4.15 to WRI's Annual Report on Form 10-K for the year ended December 31, 1999 and incorporated herein by reference).
10.5†	—	Weingarten Realty Retirement Plan restated effective April 1, 2002 (filed as Exhibit 10.29 on WRI's Annual Report on Form 10-K for the year ended December 31, 2005 and incorporated herein by reference).
10.6†	—	First Amendment to the Weingarten Realty Retirement Plan, dated December 31, 2003 (filed as Exhibit 10.33 on WRI's Annual Report on Form 10-K for the year ended December 31, 2005 and incorporated herein by reference).
10.7†	—	First Amendment to the Weingarten Realty Pension Plan, dated August 1, 2005 (filed as Exhibit 10.27 on WRI's Form 10-Q for the quarter ended September 30, 2005 and incorporated herein by reference).
10.8†	—	Mandatory Distribution Amendment for the Weingarten Realty Retirement Plan dated August 1, 2005 (filed as Exhibit 10.28 on WRI's Form 10-Q for the quarter ended September 30, 2005 and incorporated herein by reference).
10.9†	—	Weingarten Realty Investors Supplemental Executive Retirement Plan amended and restated effective September 1, 2002 (filed as Exhibit 10.10 on WRI's Form 10-Q for the quarter ended June 30, 2005 and incorporated herein by reference).
10.10†	—	First Amendment to the Weingarten Realty Investors Supplemental Executive Retirement Plan amended on November 3, 2003 (filed as Exhibit 10.11 on WRI's Form 10-Q for the quarter ended June 30, 2005 and incorporated herein by reference).
10.11†	—	Second Amendment to the Weingarten Realty Investors Supplemental Executive Retirement Plan amended October 22, 2004 (filed as Exhibit 10.12 on WRI's Form 10-Q for the quarter ended June 30, 2005 and incorporated herein by reference).
10.12†	—	Third Amendment to the Weingarten Realty Investors Supplemental Executive Retirement Plan amended October 22, 2004 (filed as Exhibit 10.13 on WRI's Form 10-Q for the quarter ended June 30, 2005 and incorporated herein by reference).
10.13†	—	Weingarten Realty Investors Retirement Benefit Restoration Plan adopted effective September 1, 2002 (filed as Exhibit 10.14 on WRI's Form 10-Q for the quarter ended June 30, 2005 and incorporated herein by reference).
10.14†	—	First Amendment to the Weingarten Realty Investors Retirement Benefit Restoration Plan amended on November 3, 2003 (filed as Exhibit 10.15 on WRI's Form 10-Q for the quarter ended June 30, 2005 and incorporated herein by reference).
10.15†	—	Second Amendment to the Weingarten Realty Investors Retirement Benefit Restoration Plan amended October 22, 2004 (filed as Exhibit 10.16 on WRI's Form 10-Q for the quarter ended June 30, 2005 and incorporated herein by reference).
10.16†	—	Third Amendment to the Weingarten Realty Pension Plan dated December 23, 2005 (filed as Exhibit 10.30 on WRI's Annual Report on Form 10-K for the year ended December 31, 2005 and incorporated herein by reference).
10.17†	—	Weingarten Realty Investors Deferred Compensation Plan amended and restated as a separate and independent plan effective September 1, 2002 (filed as Exhibit 10.17 on WRI's Form 10-Q for the quarter ended June 30, 2005 and incorporated herein by reference).
10.18†	—	Supplement to the Weingarten Realty Investors Deferred Compensation Plan amended on April 25, 2003 (filed as Exhibit 10.18 on WRI's Form 10-Q for the quarter ended June 30, 2005 and incorporated herein by reference).
10.19†	—	First Amendment to the Weingarten Realty Investors Deferred Compensation Plan amended on November 3, 2003 (filed as Exhibit 10.19 on WRI's Form 10-Q for the quarter ended June 30, 2005 and incorporated herein by reference).

10.20† — Second Amendment to the Weingarten Realty Investors Deferred Compensation Plan, as amended, dated October 13, 2005 (filed as Exhibit 10.29 on WRI's Form 10-Q for the quarter ended September 30, 2005 and incorporated herein by reference).

10.21† — Trust Under the Weingarten Realty Investors Deferred Compensation Plan amended and restated effective October 21, 2003 (filed as Exhibit 10.21 on WRI's Form 10-Q for the quarter ended June 30, 2005 and incorporated herein by reference).

95

10.22†	—	Fourth Amendment to the Weingarten Realty Investors Deferred Compensation Plan, dated December 23, 2005 (filed as Exhibit 10.31 on WRI's Annual Report on Form 10-K for the year ended December 31, 2005 and incorporated herein by reference).
10.23†	—	Trust Under the Weingarten Realty Investors Retirement Benefit Restoration Plan amended and restated effective October 21, 2003 (filed as Exhibit 10.22 on WRI's Form 10-Q for the quarter ended June 30, 2005 and incorporated herein by reference).
10.24†	—	Trust Under the Weingarten Realty Investors Supplemental Executive Retirement Plan amended and restated effective October 21, 2003 (filed as Exhibit 10.23 on WRI's Form 10-Q for the quarter ended June 30, 2005 and incorporated herein by reference).
10.25†	—	First Amendment to the Trust Under the Weingarten Realty Investors Deferred Compensation Plan, Supplemental Executive Retirement Plan, and Retirement Benefit Restoration Plan amended on March 16, 2004 (filed as Exhibit 10.24 on WRI's Form 10-Q for the quarter ended June 30, 2005 and incorporated herein by reference).
10.26†	—	Third Amendment to the Weingarten Realty Investors Deferred Compensation Plan dated August 1, 2005 (filed as Exhibit 10.30 on WRI's Form 10-Q for the quarter ended September 30, 2005 and incorporated herein by reference).
10.27	—	Amended and Restated Credit Agreement dated February 22, 2006 among Weingarten Realty Investors, the Lenders Party Thereto and JPMorgan Chase Bank, N.A., as Administrative Agent (filed as Exhibit 10.32 on WRI's Form 10-K for the year ended December 31, 2005 and incorporated herein by reference).
10.28	—	Amendment Agreement dated November 7, 2007 to the Amended and Restated Credit Agreement (filed as Exhibit 10.34 on WRI's Form 10-Q for the quarter ended September 30, 2007 and incorporated herein by reference).
10.29†	—	Fifth Amendment to the Weingarten Realty Investors Deferred Compensation Plan (filed as Exhibit 10.34 to WRI's Form 10-Q for quarter ended June 30, 2006 and incorporated herein by reference).
10.30†	—	Restatement of the Weingarten Realty Investors Supplemental Executive Retirement Plan dated August 4, 2006 (filed as Exhibit 10.35 to WRI's Form 10-Q for the quarter ended September 30, 2006 and incorporated herein by reference).
10.31†	—	Restatement of the Weingarten Realty Investors Deferred Compensation Plan dated August 4, 2006 (filed as Exhibit 10.36 to WRI's Form 10-Q for the quarter ended September 30, 2006 and incorporated herein by reference).
10.32†	—	Restatement of the Weingarten Realty Investors Retirement Benefit Restoration Plan dated August 4, 2006 (filed as Exhibit 10.37 to WRI's Form 10-Q for the quarter ended September 30, 2006 and incorporated herein by reference).
10.33†	—	Amendment No. 1 to the Weingarten Realty Investors Supplemental Executive Retirement Plan dated December 15, 2006 (filed as Exhibit 10.38 on WRI's Form 10-K for the year ended December 31, 2006 and incorporated herein by reference).
10.34†	—	Amendment No. 1 to the Weingarten Realty Investors Retirement Benefit Restoration Plan dated December 15, 2006 (filed as Exhibit 10.39 on WRI's Form 10-K for the year ended December 31, 2006 and incorporated herein by reference).
10.35†	—	Amendment No. 1 to the Weingarten Realty Investors Deferred Compensation Plan dated December 15, 2006 (filed as Exhibit 10.40 on WRI's Form 10-K for the year ended December 31, 2006 and incorporated herein by reference).
10.36†	—	Amendment No. 2 to the Weingarten Realty Investors Retirement Benefit Restoration Plan dated November 9, 2007 (filed as Exhibit 10.43 on WRI's Form 10-K for the year ended December 31, 2007 and incorporated herein by reference).
10.37†	—	Amendment No. 2 to the Weingarten Realty Investors Deferred Compensation Plan dated November 9, 2007 (filed as Exhibit 10.44 on WRI's Form 10-K for the year ended December 31, 2007 and incorporated herein by reference).

10.38†	—	Amendment No. 2 to the Weingarten Realty Investors Supplemental Executive Retirement Plan dated November 9, 2007 (filed as Exhibit 10.45 on WRI's Form 10-K for the year ended December 31, 2007 and incorporated herein by reference).
10.39†	—	Severance Benefit and Stay Pay Bonus Plan dated September 20, 2007 (filed as Exhibit 10.46 on WRI's Form 10-K for the year ended December 31, 2007 and incorporated herein by reference).

10.40†	—	2007 Reduction in Force Severance Pay Plan dated November 6, 2007 (filed as Exhibit 10.47 on WRI's Form 10-K for the year ended December 31, 2007 and incorporated herein by reference).
10.41†	—	Fifth Amendment to the Weingarten Realty Retirement Plan, dated August 1, 2008 (filed as Exhibit 10.48 on WRI's Form 10-Q for the quarter ended September 30, 2008 and incorporated herein by reference).
10.42†	—	Amendment No. 3 to the Weingarten Realty Investors Retirement Benefit Restoration Plan dated November 17, 2008 (filed as Exhibit 10.1 on WRI's Form 8-K on December 4, 2008 and incorporated herein by reference).
10.43†	—	Amendment No. 3 to the Weingarten Realty Investors Deferred Compensation Plan dated November 17, 2008 (filed as Exhibit 10.2 on WRI's Form 8-K on December 4, 2008 and incorporated herein by reference).
10.44†	—	Amendment No. 3 to the Weingarten Realty Investors Supplemental Executive Retirement Plan dated November 17, 2008 (filed as Exhibit 10.3 on WRI's Form 8-K on December 4, 2008 and incorporated herein by reference).
10.45†	—	Amendment No. 1 to the Weingarten Realty Investors 2001 Long Term Incentive Plan dated November 17, 2008 (filed as Exhibit 10.4 on WRI's Form 8-K on December 4, 2008 and incorporated herein by reference).
10.46†	—	Severance and Change to Control Agreement for Johnny Hendrix dated November 11, 1998 (filed as Exhibit 10.54 on WRI's Form 10-K for the year ended December 31, 2008 and incorporated herein by reference).
10.47†	—	Severance and Change to Control Agreement for Steven C. Richter dated November 11, 1998 (filed as Exhibit 10.54 on WRI's Form 10-K for the year ended December 31, 2008 and incorporated herein by reference).
10.48†	—	Amendment No. 1 to Severance and Change to Control Agreement for Johnny Hendrix dated December 20, 2008 (filed as Exhibit 10.54 on WRI's Form 10-K for the year ended December 31, 2008 and incorporated herein by reference).
10.49†	—	Amendment No. 1 to Severance and Change to Control Agreement for Steven Richter dated December 31, 2008 (filed as Exhibit 10.54 on WRI's Form 10-K for the year ended December 31, 2008 and incorporated herein by reference).
10.50†	—	Promissory Note with Reliance Trust Company, Trustee of the Trust under the Weingarten Realty Investors Deferred Compensation Plan, Supplemental Executive Retirement Plan and Retirement Benefit Restoration Plan dated March 12, 2009 (filed as Exhibit 10.57 on WRI's Form 10-Q for the quarter ended March 31, 2009 and incorporated herein by reference).
10.51†*	—	First Amendment to the Weingarten Realty Retirement Plan, amended and restated, dated December 2, 2009.
10.52	—	Amended and Restated Credit Agreement dated February 11, 2010 among Weingarten Realty Investors, the Lenders Party Thereto and JPMorgan Chase Bank, N.A., as Administrative Agent (filed as Exhibit 10.1 on WRI's Form 8-K on February 16, 2010 and incorporated herein by reference).
10.53†*	—	First Amendment to the Master Nonqualified Plan Trust Agreement dated March 12, 2009.
10.54†*	—	Second Amendment to the Master Nonqualified Plan Trust Agreement dated August 4, 2009.
10.55†*	—	Non-Qualified Plan Trust Agreement for Recordkept Plans dated September 1, 2009.
12.1*	—	Computation of Ratios of Earnings to Combined Fixed Charges and Preferred Dividends.
14.1	—	Code of Ethical Conduct for Senior Financial Officers – Andrew M. Alexander (filed as Exhibit 14.1 to WRI's Annual Report on Form 10-K for the year ended December 31, 2003 and incorporated herein by reference).
14.2	—	Code of Ethical Conduct for Senior Financial Officers – Stephen C. Richter (filed as Exhibit 14.2 to WRI's Annual Report on Form 10-K for the year ended December 31, 2003 and incorporated herein by reference).
14.3	—	

		Code of Ethical Conduct for Senior Financial Officers – Joe D. Shafer (filed as Exhibit 14.3 to WRI's Annual Report on Form 10-K for the year ended December 31, 2003 and incorporated herein by reference).
21.1*	—	Listing of Subsidiaries of the Registrant.
23.1*	—	Consent of Deloitte & Touche LLP.
31.1*	—	Certification pursuant to Section 302(a) of the Sarbanes-Oxley Act of 2002 (Chief Executive Officer).
31.2*	—	Certification pursuant to Section 302(a) of the Sarbanes-Oxley Act of 2002 (Chief Financial Officer).
32.1**	—	Certification pursuant to 18 U.S.C. Sec. 1350, as adopted pursuant to Sec. 906 of the Sarbanes-Oxley Act of 2002 (Chief Executive Officer).
32.2**	—	Certification pursuant to 18 U.S.C. Sec. 1350, as adopted pursuant to Sec. 906 of the Sarbanes-Oxley Act of 2002 (Chief Financial Officer).

---

* Filed with this report.

** Furnished with this report.

† Management contract or compensation plan or arrangement.

SIGNATURES

Pursuant to the requirements of Section 13 or 15(d) of the Securities and Exchange Act of 1934, the Registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

WEINGARTEN REALTY INVESTORS

By: /s/ Andrew M. Alexander
Andrew M. Alexander
Chief Executive Officer

Date: March 1, 2010

POWER OF ATTORNEY

KNOW ALL MEN BY THESE PRESENTS that each of Weingarten Realty Investors, a real estate investment trust organized under the Texas Business Organizations Code, and the undersigned trust managers and officers of Weingarten Realty Investors hereby constitute and appoint Andrew M. Alexander, Stanford Alexander, Stephen C. Richter and Joe D. Shafer or any one of them, its or his true and lawful attorney-in-fact and agent, for it or him and in its or his name, place and stead, in any and all capacities, with full power to act alone, to sign any and all amendments to this Report, and to file each such amendment to the Report, with all exhibits thereto, and any and all other documents in connection therewith, with the Securities and Exchange Commission, hereby granting unto said attorney-in-fact and agent full power and authority to do and perform any and all acts and things requisite and necessary to be done in and about the premises as fully to all intents and purposes as it or he might or could do in person, hereby ratifying and confirming all that said attorney-in-fact and agent may lawfully do or cause to be done by virtue hereof.

Pursuant to the requirement of the Securities and Exchange Act of 1934, this report has been signed below by the following persons on behalf of the Registrant and in the capacities and on the dates indicated:

Signature	Title	Date
By: /s/ Stanford Alexander Stanford Alexander	Chairman and Trust Manager	March 1, 2010
By: /s/ Andrew M. Alexander Andrew M. Alexander	Chief Executive Officer, President and Trust Manager	March 1, 2010
By: /s/ James W. Crownover James W. Crownover	Trust Manager	March 1, 2010
By: /s/ Robert J. Cruikshank Robert J. Cruikshank	Trust Manager	March 1, 2010

By: /s/ Melvin Dow Melvin Dow	Trust Manager	March 1, 2010
By: /s/ Stephen A. Lasher Stephen A. Lasher	Trust Manager	March 1, 2010
By: /s/ Stephen C. Richter Stephen C. Richter	Executive Vice President and Chief Financial Officer	March 1, 2010

By:	/s/ Douglas W. Schnitzer Douglas W. Schnitzer	Trust Manager	March 1, 2010
By:	/s/ Joe D. Shafer Joe D. Shafer	Senior Vice President/Chief Accounting Officer (Principal Accounting Officer)	March 1, 2010
By:	/s/ C. Park Shaper C. Park Shaper	Trust Manager	March 1, 2010
By:	/s/ Marc J. Shapiro Marc J. Shapiro	Trust Manager	March 1, 2010

99

REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

To the Board of Trust Managers and Shareholders of
Weingarten Realty Investors
Houston, Texas

We have audited the consolidated financial statements of Weingarten Realty Investors and subsidiaries (the "Company") as of December 31, 2009 and 2008, and for each of the three years in the period ended December 31, 2009, and the Company's internal control over financial reporting as of December 31, 2009, and have issued our reports thereon dated March 1, 2010 (which report expresses an unqualified opinion and includes an explanatory paragraph concerning the adoption of two new accounting principles in 2009); such reports are included elsewhere in this Form 10-K. Our audits also included the consolidated financial statement schedules of the Company listed in Item 15. These consolidated financial statement schedules are the responsibility of the Company's management. Our responsibility is to express an opinion based on our audits. In our opinion, such consolidated financial statement schedules, when considered in relation to the basic consolidated financial statements taken as a whole, present fairly, in all material respects, the information set forth therein.

/s/Deloitte & Touche LLP

Houston, Texas
March 1, 2010

Schedule II

WEINGARTEN REALTY INVESTORS
VALUATION AND QUALIFYING ACCOUNTS
December 31, 2009, 2008, and 2007

(Amounts in thousands)

Description	Balance at beginning of period	Charged to costs and expenses	Deductions (A)	Balance at end of period
2009				
Allowance for Doubtful Accounts	$12,412	$8,553	$10,585	$10,380
Tax Valuation Allowance		$9,605		$9,605
2008				
Allowance for Doubtful Accounts	$8,721	$11,441	$7,750	$12,412
2007				
Allowance for Doubtful Accounts	$5,995	$5,929	$3,203	$8,721

Note A - Write-offs of accounts receivable previously reserved.

Schedule III

WEINGARTEN REALTY INVESTORS
REAL ESTATE AND ACCUMULATED DEPRECIATION
DECEMBER 31, 2009

(Amounts in thousands)

	Initial Cost to Company			Gross Amounts at Close of Period						
Description	Land	Building and Improvements	Cost Capitalized Subsequent to Acquisition	Land	Building and Improvements	Total (G)	Accumulated Depreciation	Total Costs, Net of Accumulated Depreciation	Encumbrances(A)	Date of Acquisition / Construction
Shopping Center:										
10-Federal Shopping Center	$1,791	$7,470	$150	$1,791	$7,620	$9,411	$(5,157)	$4,254	$- B	03/20/2008
580 Market Place	3,892	15,570	632	3,889	16,205	20,094	(3,643)	16,451	-	04/02/2001
Academy Place	1,537	6,168	1,160	1,532	7,333	8,865	(2,601)	6,264	-	10/22/1997
Alabama Shepherd Shopping Ctr	637	2,026	5,868	1,062	7,469	8,531	(2,960)	5,571	-	04/30/2004
Angelina Village	200	1,777	9,883	1,127	10,733	11,860	(5,366)	6,494	-	04/30/1991
Arcade Square	1,497	5,986	765	1,495	6,753	8,248	(1,582)	6,666	-	04/02/2001
Argyle Village Shopping Center	4,524	18,103	1,619	4,526	19,720	24,246	(4,215)	20,031	-	11/30/2001
Arrowhead Festival S/C	1,294	154	2,600	1,366	2,682	4,048	(998)	3,050	-	12/31/2000
Avent Ferry Shopping Center	1,952	7,814	1,059	1,952	8,873	10,825	(2,051)	8,774	(949)	04/04/2002
Ballwin Plaza	2,988	12,039	1,928	3,017	13,938	16,955	(3,796)	13,159	-	10/01/1999
Bartlett Towne Center	3,479	14,210	829	3,443	15,075	18,518	(3,683)	14,835	(6,127)	05/15/2001

Bashas Valley Plaza	1,414	5,818	3,065	1,422	8,875	10,297	(2,861)	7,436	-		12/31/1997
Bayshore Plaza	728	1,452	887	728	2,339	3,067	(1,935)	1,132	-		08/21/1981
Baywood Shopping Center	-	3	5	-	8	8	(8)	-	-		01/04/1990
Bell Plaza	1,322	7,151	103	1,322	7,254	8,576	(2,525)	6,051	-	B	03/20/2008
Bellaire Blvd Shopping Center	124	37	-	124	37	161	(37)	124	-	C	11/13/2008
Best in the West	13,191	77,159	3,337	13,194	80,493	93,687	(9,630)	84,057	(35,665)		04/28/2005
Boca Lyons Plaza	3,676	14,706	448	3,651	15,179	18,830	(3,224)	15,606	-		08/17/2001
Boswell Towne Center	1,488	-	1,775	615	2,648	3,263	(1,080)	2,183	-		12/31/2003
Boulevard Market Place	340	1,430	406	340	1,836	2,176	(980)	1,196	-		09/01/1990
Braeswood Square Shopping Ctr.	-	1,421	1,133	-	2,554	2,554	(2,117)	437	-		05/28/1969
Broadway & Ellsworth	152	-	1,132	356	928	1,284	(362)	922	-		12/31/2002
Broadway Marketplace	898	3,637	819	906	4,448	5,354	(1,964)	3,390	-		12/16/1993
Broadway Shopping Center	234	3,166	58	235	3,223	3,458	(2,264)	1,194	-	B	03/20/2008
Brookwood Marketplace	7,050	15,134	6,708	7,511	21,381	28,892	(1,563)	27,329	(19,508)		08/22/2006
Brookwood Square Shopping Ctr	4,008	19,753	962	4,008	20,715	24,723	(3,228)	21,495	-		12/16/2003
Brownsville Commons	1,333	5,536	5	1,333	5,541	6,874	(511)	6,363	-		05/22/2006
Buena Vista Marketplace	1,958	7,832	550	1,956	8,384	10,340	(2,007)	8,333	-		04/02/2001
Bull City Market	930	6,651	38	930	6,689	7,619	(762)	6,857	-		06/10/2005
Burbank Station	20,366	28,832	432	20,378	29,252	49,630	(1,807)	47,823	-		07/03/2007
Calder Shopping Center	134	278	367	134	645	779	(554)	225	-		03/31/1965
Camelback Village	-	8,720	525	-	9,245	9,245	(3,624)	5,621	-		09/30/1994

Square											
Camp Creek Mktpl II	6,169	32,036	871	4,697	34,379	39,076	(2,967)	36,109	(22,411)		08/22/2006
Capital Square	1,852	7,406	1,003	1,852	8,409	10,261	(1,806)	8,455	-		04/04/2002
Cedar Bayou Shopping Center	63	307	79	63	386	449	(354)	95	-		09/20/1977
Centerwood Plaza	915	3,659	1,440	914	5,100	6,014	(1,025)	4,989	-		04/02/2001
Central Plaza	1,710	6,900	2,340	1,710	9,240	10,950	(3,327)	7,623	(9,632)		03/03/1998
Centre at Post Oak	13,731	115	21,960	17,874	17,932	35,806	(10,109)	25,697	-		12/31/1996
Champions Village	7,205	36,579	(41)	7,205	36,538	43,743	(11,169)	32,574	-	C	11/13/2008
Charleston Commons SC	23,230	36,877	1,143	23,210	38,040	61,250	(2,962)	58,288	(31,059)		12/20/2006
Cherokee Plaza	22,219	9,718	-	22,219	9,718	31,937	(865)	31,072	-	C	11/13/2008
Chino Hills Marketplace	7,218	28,872	9,068	7,234	37,924	45,158	(8,234)	36,924	(22,934)		08/20/2002
College Park Shopping Center	2,201	8,845	4,662	2,641	13,067	15,708	(6,193)	9,515	(11,004)		11/16/1998
Colonial Plaza	10,806	43,234	8,405	10,813	51,632	62,445	(11,431)	51,014	-		02/21/2001

Schedule III
(Continued)

Description	Initial Cost to Company: Land	Initial Cost to Company: Building and Improvements	Cost Capitalized Subsequent to Acquisition	Gross Amounts at Close of Period: Land	Gross Amounts at Close of Period: Building and Improvements	Total (G)	Accumulated Depreciation	Total Costs, Net of Accumulated Depreciation	Encumbrances(A)		Date Acquisit Construc
Commons at Dexter Lake I	$2,923	$12,007	$-	$2,923	$12,007	$14,930	$(2,711)	$12,219	$-	C	11/13/2
Commons at Dexter Lake II	2,023	6,940	45	2,023	6,985	9,008	(736)	8,272	-	C	11/13/2
Coronado Shopping Center	246	1,009	621	246	1,630	1,876	(1,028)	848	-		01/03/1
Countryside Centre	13,908	26,387	570	13,943	26,922	40,865	(1,691)	39,174	(26,553)		07/06/2
Countryside Centre-Albertson's	1,616	3,432	-	1,616	3,432	5,048	(214)	4,834	-		07/06/2
Creekside Center	1,732	6,929	977	1,730	7,908	9,638	(1,781)	7,857	(8,189)		04/02/2
Crossroads Shopping Center	-	2,083	1,428	-	3,511	3,511	(3,174)	337	-		05/11/1
Cullen Place	-	-	264	-	264	264	(179)	85	-		02/17/1
Cullen Plaza Shopping Center	106	2,841	153	106	2,994	3,100	(2,429)	671	-	B	03/20/2
Custer Park Shopping Center	503	2,005	8,133	2,017	8,624	10,641	(3,495)	7,146	-		03/31/2
Cypress Pointe	3,468	8,700	631	3,468	9,331	12,799	(4,845)	7,954	-		04/04/2
Cypress Station Square	3,736	8,374	(249)	2,389	9,472	11,861	(8,264)	3,597	-		12/06/1
Dallas Commons Shopping Center	1,582	4,969	38	1,582	5,007	6,589	(422)	6,167	-		09/14/2
Danville Plaza Shopping Center	-	3,360	1,753	-	5,113	5,113	(4,761)	352	-		09/30/1
Discovery Plaza	2,193	8,772	230	2,191	9,004	11,195	(2,021)	9,174	-		04/02/2
Eastdale Shopping Center	1,423	5,809	1,630	1,417	7,445	8,862	(2,687)	6,175	-		12/31/1
Eastern Horizon	10,282	16	(490)	1,569	8,239	9,808	(3,133)	6,675	-		12/31/2
Eastpark Shopping Center	634	3,392	(3,968)	47	11	58	-	58	-		12/31/1
Edgebrook Shopping Center	183	1,914	80	183	1,994	2,177	(1,613)	564	-	B	03/20/2
El Camino Shopping Center	4,431	20,557	3,963	4,429	24,522	28,951	(2,858)	26,093	(11,618)		05/21/2
Embassy Lakes Shopping Center	2,803	11,268	249	2,803	11,517	14,320	(2,086)	12,234	-		12/18/2
	6,041	10,511	785	6,115	11,222	17,337	(810)	16,527	-		01/22/2

Entrada de Oro Plaza SC											
Epic Village St. Augustine	2,263	1,171	4,387	3,265	4,556	7,821	(49)	7,772	-		09/30/2
Falls Pointe Shopping Center	3,535	14,289	107	3,522	14,409	17,931	(2,702)	15,229	(10,778)		12/17/2
Festival on Jefferson Court	5,041	13,983	1,760	5,022	15,762	20,784	(2,152)	18,632	-		12/22/2
Fiesta Center	-	4,730	538	-	5,268	5,268	(3,121)	2,147	-		12/31/1
Fiesta Market Place	137	429	-	137	429	566	(429)	137	-	B	03/20/2
Fiesta Trails	8,825	32,790	2,167	8,825	34,957	43,782	(5,961)	37,821	(23,643)		09/30/2
Flamingo Pines Shopping Center	10,403	35,014	(18,603)	5,335	21,479	26,814	(2,665)	24,149	-		01/28/2
Food King Place	140	212	559	115	796	911	(424)	487	-		06/01/1
Fountain Plaza	1,319	5,276	332	1,095	5,832	6,927	(2,510)	4,417	-		03/10/1
Francisco Center	1,999	7,997	3,879	2,403	11,472	13,875	(5,321)	8,554	(9,996)		11/16/1
Freedom Centre	2,929	15,302	4,717	6,944	16,004	22,948	(1,420)	21,528	(1,978)		06/23/2
Galleria Shopping Center	10,795	10,339	8,179	10,804	18,509	29,313	(1,426)	27,887	(20,138)		12/11/2
Galveston Place	2,713	5,522	6,162	3,279	11,118	14,397	(7,104)	7,293	(2,213)		11/30/1
Gateway Plaza	4,812	19,249	1,494	4,808	20,747	25,555	(4,742)	20,813	-	F	04/02/2
Gateway Station	1,622	3	8,362	1,921	8,066	9,987	(303)	9,684	-		09/30/2
Gillham Circle	36	201	236	36	437	473	(325)	148	-		05/04/1
Glenbrook Square Shopping Ctr	632	3,576	(15)	632	3,561	4,193	(1,560)	2,633	-	B	03/20/2
Grayson Commons	3,180	9,023	72	3,163	9,112	12,275	(1,176)	11,099	(6,754)		11/09/2
Greenhouse Marketplace	992	4,901	160	992	5,061	6,053	(816)	5,237	-		01/28/2
Greenhouse Marketplace	3,615	17,870	898	3,668	18,715	22,383	(2,894)	19,489	(12,164)		01/28/2
Griggs Road Shopping Center	257	2,303	55	257	2,358	2,615	(2,118)	497	-	B	03/20/2
Hallmark Town Center	1,368	5,472	722	1,367	6,195	7,562	(1,510)	6,052	-		04/02/2
Harrisburg Plaza	1,278	3,924	417	1,278	4,341	5,619	(3,680)	1,939	-	B	03/20/2
Harrison Pointe Center	7,173	13,493	1,060	7,153	14,573	21,726	(2,450)	19,276	-		01/30/2

Schedule III
(Continued)

	Initial Cost to Company			Gross Amounts at Close of Period							
Description	Land	Building and Improvements	Cost Capitalized Subsequent to Acquisition	Land	Building and Improvements	Total (G)	Accumulated Depreciation	Total Costs, Net of Accumulated Depreciation	Encumbrances(A)		Date of Acquisition Constructio
Heights Plaza Shopping Center	$58	$699	$1,830	$612	$1,975	$2,587	$(1,092)	$1,495	$-		06/30/199
Heritage Station	6,253	3,989	(290)	6,139	3,813	9,952	(567)	9,385	(6,000)		12/15/200
High House Crossing	2,576	10,305	389	2,576	10,694	13,270	(2,135)	11,135	(8,546)		04/04/200
Highland Square	-	-	1,887	-	1,887	1,887	(241)	1,646	-		10/06/195
Hollywood Hills Plaza	966	3,865	(198)	1,400	3,233	4,633	(545)	4,088	-		04/29/200
Hollywood Hills Plaza	6,997	27,990	3,508	5,937	32,558	38,495	(5,486)	33,009	(20,360)		04/29/200
Humblewood Shopping Center	2,215	4,724	2,779	1,166	8,552	9,718	(7,733)	1,985	(13,463)		03/09/197
I45/Telephone Rd.	678	11,182	452	678	11,634	12,312	(3,884)	8,428	-	B	03/20/200
Independence Plaza	2,006	8,318	3,482	1,995	11,811	13,806	(3,379)	10,427	-		12/31/199
Johnston Road Plaza	3,671	11,829	44	3,673	11,871	15,544	(1,365)	14,179	(9,750)		06/10/200
Killeen Marketplace	2,262	9,048	464	2,275	9,499	11,774	(2,255)	9,519	-		12/21/200
Kohl's Shopping Center	2,298	9,193	95	2,298	9,288	11,586	(2,269)	9,317	-	E	04/24/200
Kroger/Fondren Square	1,383	2,810	718	1,387	3,524	4,911	(3,054)	1,857	-		09/30/198
Lake Pointe Market	1,404	-	4,122	1,960	3,566	5,526	(1,725)	3,801	-		12/31/200
Lake Washington Square	1,232	4,928	783	1,235	5,708	6,943	(1,083)	5,860	-		06/28/200
Lakeside Marketplace	6,064	22,989	1,234	6,150	24,137	30,287	(2,158)	28,129	(18,515)		08/22/200
Largo Mall	10,817	40,906	1,359	10,810	42,272	53,082	(6,307)	46,775	-		03/01/200
	1,190	-	4,627	1,006	4,811	5,817	(1,439)	4,378	-		08/15/200

Laveen Village Marketplace											
Lawndale Shopping Center	82	927	447	82	1,374	1,456	(909)	547	-	B	03/20/200
League City Plaza	1,918	7,592	61	1,918	7,653	9,571	(3,324)	6,247	-	B	03/20/200
Leesville Towne Centre	7,183	17,162	377	7,183	17,539	24,722	(2,654)	22,068	(9,890)		01/30/200
Little Brier Creek	942	3,393	339	1,433	3,241	4,674	(336)	4,338	-		07/10/200
Little York Plaza Shopping Ctr	342	5,170	523	342	5,693	6,035	(4,201)	1,834	-	B	03/20/200
Lone Star Pavilion	2,186	10,341	58	2,221	10,364	12,585	(2,658)	9,927	(5,500)		04/30/200
Lyons Avenue Shopping Center	249	1,183	34	249	1,217	1,466	(1,003)	463	-	B	03/20/200
Madera Village Shopping Center	3,788	13,507	779	3,816	14,258	18,074	(1,021)	17,053	(9,658)		03/13/200
Manhattan Plaza	4,645	-	18,026	4,009	18,662	22,671	(5,612)	17,059	-		12/31/200
Market at Southside	953	3,813	843	958	4,651	5,609	(1,394)	4,215	-		08/28/200
Market at Town Center-Sgrlnd	8,600	26,627	17,916	8,600	44,543	53,143	(13,576)	39,567	-		12/23/199
Market at Westchase SC	1,199	5,821	2,454	1,415	8,059	9,474	(4,586)	4,888	-		02/15/199
Market Street Shopping Center	424	1,271	1,320	424	2,591	3,015	(1,496)	1,519	-		04/26/197
Marketplace at Seminole Towne	15,067	53,743	1,769	21,734	48,845	70,579	(4,103)	66,476	(44,155)		08/21/200
Markham Square Shopping Center	1,236	3,075	2,049	1,139	5,221	6,360	(4,171)	2,189	-		06/18/197
Markham West Shopping Center	2,694	10,777	3,779	2,696	14,554	17,250	(4,649)	12,601	-		09/18/199
Marshall's Plaza	1,802	12,315	485	1,804	12,798	14,602	(1,544)	13,058	(6,442)		06/01/200
Mendenhall Commons	2,655	9,165	47	2,655	9,212	11,867	(855)	11,012	-	C	11/13/200
Menifee Town Center	1,827	7,307	4,356	1,824	11,666	13,490	(2,371)	11,119	-		04/02/200
Millpond Center	3,155	9,706	1,452	3,161	11,152	14,313	(1,378)	12,935	-		07/28/200

Mineral Springs Village	794	3,175	194	794	3,369	4,163	(739)	3,424	-	04/04/2002
Mission Center	1,237	4,949	5,962	2,120	10,028	12,148	(3,947)	8,201	-	12/18/1993
Mktplace at Seminole Outparcel	1,000	-	46	1,041	5	1,046	-	1,046	-	08/21/2006
Mohave Crossroads	5,033	63	39,487	7,928	36,655	44,583	(2,233)	42,350	-	12/31/2009
Monte Vista Village Center	1,485	58	4,895	755	5,683	6,438	(1,981)	4,457	-	12/31/2004
Montgomery Plaza Shopping Ctr.	2,500	9,961	9,226	2,884	18,803	21,687	(8,331)	13,356	-	06/09/1993
Moore Plaza	6,445	26,140	6,496	6,487	32,594	39,081	(11,095)	27,986	-	03/20/1998
North Creek Plaza	6,915	25,625	908	6,954	26,494	33,448	(3,708)	29,740	(3,179)	08/19/2004

104

Schedule III
(Continued)

Description	Initial Cost to Company Land	Initial Cost to Company Building and Improvements	Cost Capitalized Subsequent to Acquisition	Gross Amounts at Close of Period Land	Gross Amounts at Close of Period Building and Improvements	Total (G)	Accumulated Depreciation	Total Costs, Net of Accumulated Depreciation	Encumbrances(A)		Dat Acquis Constr
North Main Place	$68	$53	$522	$68	$575	$643	$(299)	$344	$-		06/29
North Oaks Shopping Center	3,644	22,040	2,407	3,644	24,447	28,091	(16,495)	11,596	-	B	03/20
North Towne Plaza	960	3,928	6,015	879	10,024	10,903	(5,515)	5,388	(10,600)		02/15
North Triangle Shops	-	431	261	15	677	692	(384)	308	-		01/15
Northbrook Shopping Center	1,629	4,489	2,936	1,713	7,341	9,054	(6,289)	2,765	(9,623)		11/06
Northwoods Shopping Center	1,768	7,071	163	1,772	7,230	9,002	(1,469)	7,533	-		04/04
Oak Forest Shopping Center	760	2,726	3,877	748	6,615	7,363	(4,288)	3,075	-		12/30
Oak Grove Market Center	5,758	10,508	(307)	5,861	10,098	15,959	(723)	15,236	(7,358)		06/15
Oak Park Village	678	3,332	-	678	3,332	4,010	(1,421)	2,589	-	C	11/13
Oracle Crossings	4,614	18,274	24,780	10,582	37,086	47,668	(2,215)	45,453	-		01/22
Oracle Wetmore Shopping Center	24,686	26,878	(3,304)	13,813	34,447	48,260	(2,617)	45,643	-		01/22
Orchard Green Shopping Center	777	1,477	1,834	786	3,302	4,088	(2,126)	1,962	-		10/11
Orleans Station	165	-	(35)	93	37	130	(37)	93	-		06/29
Overton Park Plaza	9,266	37,789	879	9,264	38,670	47,934	(6,131)	41,803	-	E	10/24
Palmer Plaza	765	3,081	2,329	827	5,348	6,175	(3,197)	2,978	-		07/31
Palmilla Center	1,258	-	12,683	3,280	10,661	13,941	(4,947)	8,994	-		12/31
Paradise Marketplace	2,153	8,612	(2,186)	1,298	7,281	8,579	(2,924)	5,655	-		07/20
Park Plaza Shopping Center	257	7,815	917	314	8,675	8,989	(7,873)	1,116	-		01/24
Parkway Pointe	1,252	5,010	649	1,260	5,651	6,911	(1,394)	5,517	(1,430)		06/29
Parliament Square II	2	10	1,175	3	1,184	1,187	(258)	929	-		06/24
Parliament Square Shopping Ctr	443	1,959	1,048	443	3,007	3,450	(1,730)	1,720	-		03/18
Pavilions at San Mateo	3,272	26,215	1,029	5,181	25,335	30,516	(5,969)	24,547	(14,000)		04/30
Perimeter Village	29,701	42,337	(1,873)	34,404	35,761	70,165	(2,437)	67,728	(27,612)		07/03
Phelan West Shopping Center	401	-	1,222	414	1,209	1,623	(561)	1,062	-		06/03
Phillips Crossing	-	1	27,029	872	26,158	27,030	(1,524)	25,506	-		09/30

Pinecrest Plaza Shopping Ctr	5,837	19,166	878	5,837	20,044	25,881	(2,542)	23,339	(10,736)		04/06
Pitman Corners	2,686	10,745	1,599	2,693	12,337	15,030	(2,812)	12,218	-		04/08
Plantation Centre	3,463	14,821	331	3,471	15,144	18,615	(2,052)	16,563	(3,908)		08/19
Prien Lake Plaza	63	960	104	41	1,086	1,127	(77)	1,050	-		07/26
Promenade Shopping Center	1,058	4,248	527	941	4,892	5,833	(1,179)	4,654	(3,770)		03/18
Prospector's Plaza	3,746	14,985	828	3,716	15,843	19,559	(3,534)	16,025	-		04/02
Publix at Laguna Isles	2,913	9,554	103	2,914	9,656	12,570	(1,536)	11,034	(7,651)		10/31
Publix at Princeton Lakes	2,740	10,519	(1,459)	324	11,476	11,800	(983)	10,817	(7,794)		08/22
Pueblo Anozira Shopping Center	2,750	11,000	3,738	2,768	14,720	17,488	(5,884)	11,604	(11,686)		06/16
Rainbow Plaza	6,059	24,234	1,407	6,081	25,619	31,700	(8,193)	23,507	-		10/22
Rainbow Plaza I	3,883	15,540	476	3,896	16,003	19,899	(3,789)	16,110	-		12/28
Rancho Encanto	957	3,829	4,304	962	8,128	9,090	(1,968)	7,122	-		04/28
Rancho San Marcos Village	3,533	14,138	3,780	3,887	17,564	21,451	(3,151)	18,300	-		02/26
Rancho Towne & Country	1,161	4,647	320	1,166	4,962	6,128	(1,925)	4,203	-		10/16
Randalls Center/Kings Crossing	3,570	8,147	67	3,570	8,214	11,784	(4,112)	7,672	-	C	11/13
Randall's/Norchester Village	1,852	4,510	1,353	1,904	5,811	7,715	(3,959)	3,756	-		09/30
Ravenstone Commons	2,616	7,986	(180)	2,580	7,842	10,422	(954)	9,468	(5,941)		03/22
Red Mountain Gateway	2,166	89	9,213	2,737	8,731	11,468	(2,967)	8,501	-		12/31
Regency Centre	3,791	15,390	839	2,180	17,840	20,020	(1,655)	18,365	(9,531)		07/28
Regency Panera Tract	1,825	3,126	65	1,400	3,616	5,016	(309)	4,707	-		07/28

105

Schedule III
(Continued)

	Initial Cost to Company			Gross Amounts at Close of Period							
Description	Land	Building and Improvements	Cost Capitalized Subsequent to Acquisition	Land	Building and Improvements	Total (G)	Accumulated Depreciation	Total Costs, Net of Accumulated Depreciation	Encumbrances(A)		Date of Acquisition / Construction
Reynolds Crossing	$4,276	$9,186	$40	$4,276	$9,226	$13,502	$(791)	$12,711	$-		09/14/2006
Richmond Square	1,993	953	1,685	2,966	1,665	4,631	(970)	3,661	-		12/31/1996
River Oaks Shopping Center	1,354	1,946	371	1,363	2,308	3,671	(1,894)	1,777	-		12/04/1992
River Oaks Shopping Center	3,534	17,741	30,123	4,194	47,204	51,398	(14,651)	36,747	-		12/04/1992
Rockwall Market Center	5,344	22,700	273	5,341	22,976	28,317	(5,311)	23,006	(12,500)		04/30/2004
Rose-Rich Shopping Center	502	2,738	2,700	502	5,438	5,940	(4,753)	1,187	-		03/01/1982
Roswell Corners	5,835	20,465	873	5,835	21,338	27,173	(3,124)	24,049	(10,082)		06/24/2004
Roswell Corners	301	982	-	301	982	1,283	(140)	1,143	-		06/24/2004
San Marcos Plaza	1,360	5,439	184	1,358	5,625	6,983	(1,297)	5,686	-		04/02/2001
Sandy Plains Exchange	2,468	7,549	247	2,469	7,795	10,264	(1,294)	8,970	-	C	10/17/2003
Scottsdale Horizon	-	3,241	18	1	3,258	3,259	(239)	3,020	-		01/22/2007
Shasta Crossroads	2,844	11,377	273	2,842	11,652	14,494	(2,607)	11,887	-		04/02/2001
Shawnee Village S/C	1,470	5,881	2,248	1,333	8,266	9,599	(3,030)	6,569	-		04/19/1996
Sheldon Forest Shopping Center	374	635	324	354	979	1,333	(753)	580	-		05/14/1970
Sheldon Forest Shopping Center	629	1,955	801	629	2,756	3,385	(2,587)	798	-		05/14/1970

Shoppes at Bears Path	3,252	5,503	470	3,290	5,935	9,225	(441)	8,784	(3,318)		03/13/2007
Shoppes of Parkland	5,413	16,726	882	9,506	13,515	23,021	(1,330)	21,691	(15,473)		05/31/2006
Shoppes of South Semoran	4,283	9,785	(86)	5,508	8,474	13,982	(544)	13,438	(9,708)		08/31/2007
Shops at Kirby Drive	1,201	945	67	1,202	1,011	2,213	(40)	2,173	-		05/27/2008
Shops at Three Corners	6,215	9,303	5,507	6,224	14,801	21,025	(7,215)	13,810	-		12/31/1989
Silver Creek Plaza	3,231	12,924	2,716	3,228	15,643	18,871	(3,821)	15,050	-		04/02/2001
Six Forks Shopping Center	6,678	26,759	2,921	6,728	29,630	36,358	(6,225)	30,133	-		04/04/2002
South Semoran - Pad	1,056	-	21	1,077	-	1,077	-	1,077	-		09/06/2007
Southampton Center	4,337	17,349	971	4,333	18,324	22,657	(4,172)	18,485	-	F	04/02/2001
Southgate Shopping Center	127	116	84	127	200	327	(169)	158	-		10/15/1948
Southgate Shopping Center	571	3,402	4,547	531	7,989	8,520	(6,030)	2,490	-		03/26/1958
Southgate Shopping Center	232	8,389	269	232	8,658	8,890	(4,867)	4,023	-	B	03/20/2008
Spring Plaza Shopping Center	863	2,288	456	863	2,744	3,607	(2,100)	1,507	-	B	03/20/2008
Squaw Peak Plaza	816	3,266	1,142	818	4,406	5,224	(1,478)	3,746	-		12/20/1994
Steele Creek Crossing	310	11,774	3,245	3,281	12,048	15,329	(1,496)	13,833	(7,598)		06/10/2005
Stella Link Shopping Center	227	423	1,489	294	1,845	2,139	(1,518)	621	-		07/10/1970
Stella Link Shopping Center	2,602	1,418	(131)	2,602	1,287	3,889	(76)	3,813	-		08/21/2007
Stonehenge Market	4,740	19,001	1,130	4,740	20,131	24,871	(4,322)	20,549	(6,790)		04/04/2002
Stony Point Plaza	3,489	13,957	925	3,453	14,918	18,371	(3,331)	15,040	-		04/02/2001
Studewood Shopping Center	261	552	-	261	552	813	(552)	261	-		05/25/1984

Summer Center	2,379	8,343	3,760	2,396	12,086	14,482	(2,779)	11,703	-	05/15/2001
Summerhill Plaza	1,945	7,781	1,703	1,943	9,486	11,429	(2,411)	9,018	-	04/02/2001
Sunset 19 Shopping Center	5,519	22,076	511	5,547	22,559	28,106	(4,684)	23,422	-	10/29/2001
Sunset Shopping Center	1,121	4,484	900	1,120	5,385	6,505	(1,373)	5,132	-	04/02/2001
Tates Creek Centre	4,802	25,366	2,081	6,302	25,947	32,249	(3,951)	28,298	-	03/01/2004
Taylorsville Town Center	2,179	9,718	618	2,180	10,335	12,515	(1,746)	10,769	-	12/19/2003
Texas City Plaza	143	117	(117)	143	-	143	-	143	-	05/04/1948
The Shoppes at Parkwood Ranch	5,605	52	9,894	3,829	11,722	15,551	(643)	14,908	-	12/31/2009
The Village Arcade	-	6,657	564	-	7,221	7,221	(4,291)	2,930	-	12/31/1992
Thompson Bridge Commons	3,045	9,264	3,549	3,016	12,842	15,858	(1,356)	14,502	(6,323)	04/26/2005

Schedule III
(Continued)

	Initial Cost to Company			Gross Amounts at Close of Period					
Description	Land	Building and Improvements	Cost Capitalized Subsequent to Acquisition	Land	Building and Improvements	Total (G)	Accumulated Depreciation	Total Costs, Net of Accumulated Depreciation	Encumbrances
Thousand Oaks Shopping Center	$2,973	$13,142	$11	$2,973	$13,153	$16,126	$(2,376)	$13,750	$-
TJ Maxx Plaza	3,400	19,283	872	3,430	20,125	23,555	(3,041)	20,514	-
Town & Country Shopping Center	-	3,891	4,459	-	8,350	8,350	(4,351)	3,999	-
Town and Country - Hammond, LA	1,030	7,404	582	1,029	7,987	9,016	(4,166)	4,850	-
Tropicana Beltway Center	13,947	42,186	79	13,949	42,263	56,212	(5,724)	50,488	(34,443
Tropicana Marketplace	2,118	8,477	(2,171)	1,266	7,158	8,424	(2,876)	5,548	-
Tyler Shopping Center	5	21	3,662	300	3,388	3,688	(1,826)	1,862	-
Uintah Gardens	2,209	13,051	2,169	2,205	15,224	17,429	(1,781)	15,648	-
University Palms Shopping Ctr	2,765	10,181	21	2,765	10,202	12,967	(1,681)	11,286	-
University Place	500	85	789	500	874	1,374	(78)	1,296	-
Valley Shopping Center	4,293	13,736	526	8,170	10,385	18,555	(999)	17,556	-
Valley View Shopping Center	1,006	3,980	2,414	1,006	6,394	7,400	(2,445)	4,955	-
Venice Pines Shopping Center	1,432	5,730	(55)	1,077	6,030	7,107	(1,412)	5,695	-
	-	16	15,300	-	15,316	15,316	(7,228)	8,088	-

Village Arcade II Phase III									
Village Arcade-Phase II	-	787	134	-	921	921	(546)	375	-
Vizcaya Square Shopping Center	3,044	12,226	236	3,044	12,462	15,506	(2,255)	13,251	-
West Jordan Town Center	4,306	17,776	1,569	4,308	19,343	23,651	(2,940)	20,711	(14,105
Westchase Shopping Center	3,085	7,920	6,183	3,189	13,999	17,188	(10,910)	6,278	(12,301
Westgate Shopping Center	245	1,425	379	245	1,804	2,049	(1,611)	438	-
Westhill Village Shopping Ctr.	408	3,002	4,415	437	7,388	7,825	(4,664)	3,161	-
Westland Fair	6,715	10,506	418	4,357	13,282	17,639	(3,818)	13,821	-
Westland Fair	20,847	-	(10,866)	7,863	2,118	9,981	(1,167)	8,814	-
Westland Terrace Plaza	1,649	6,768	2,586	2,520	8,483	11,003	(1,106)	9,897	-
Westminster Center	11,215	44,871	5,251	11,204	50,133	61,337	(11,330)	50,007	-
Westminster Plaza	1,759	7,036	387	1,759	7,423	9,182	(1,422)	7,760	(6,309
Westwood Village Shopping Ctr.	-	6,968	1,823	-	8,791	8,791	(7,525)	1,266	(2,115
Whitehall Commons	2,529	6,901	73	2,522	6,981	9,503	(792)	8,711	(4,789
Winter Park Corners	2,159	8,636	374	2,159	9,010	11,169	(1,920)	9,249	-
Wyoming Mall	1,919	7,678	2,452	598	11,451	12,049	(1,086)	10,963	-
	809,209	2,424,445	542,942	812,209	2,964,387	3,776,596	(733,807)	3,042,789	(726,265
Industrial:									
1625 Diplomat Drive	506	3,107	122	508	3,227	3,735	(332)	3,403	-
1801 Massaro	865	3,461	(76)	671	3,579	4,250	(605)	3,645	-
3500 Atlanta Industrial Pkwy	770	795	28	770	823	1,593	(108)	1,485	-
3550 Southside	449	1,666	-	449	1,666	2,115	(242)	1,873	-

Industrial Pkwy										
610 and 11th Street Warehouses	253	3,593	(882	)	76	2,888	2,964	(1,902	)	1,062	-
Atlanta Industrial Park	1,946	7,785	1,889		2,078	9,542	11,620	(1,834	)	9,786	(450
Atlanta Industrial Park	657	2,626	200		479	3,004	3,483	(606	)	2,877	-
Beltway 8 at West Bellfort	674	-	8,748		784	8,638	9,422	(4,300	)	5,122	-
Blankenship Distribution Cntr.	271	1,097	642		273	1,737	2,010	(714	)	1,296	-
Braker 2 Business Center	394	1,574	417		394	1,991	2,385	(567	)	1,818	-
Brookhollow Business Center	734	2,938	2,108		736	5,044	5,780	(2,476	)	3,304	-
Central Plano Business Park	1,343	5,578	885		1,344	6,462	7,806	(809	)	6,997	-

Schedule III
(Continued)

Description	Initial Cost to Company: Land	Initial Cost to Company: Building and Improvements	Cost Capitalized Subsequent to Acquisition	Gross Amounts at Close of Period: Land	Gross Amounts at Close of Period: Building and Improvements	Total (G)	Accumulated Depreciation	Total Costs, Net of Accumulated Depreciation	Encumbrances(A)		Date of Acquisition / Construction
Corporate Center Park	$1,027	$4,114	$2,652	$1,027	$6,766	$7,793	$(2,772)	$5,021	$-		05/23/1997
Crestview	7,424	555	(7,132)	206	641	847	(543)	304	-		11/10/1980
Crosspoint Warehouse	441	1,762	195	441	1,957	2,398	(544)	1,854	-		12/23/1998
Enterchange at Northlake A	4,051	7,804	99	1,624	10,330	11,954	(708)	11,246	-	D	04/20/2007
Enterchange at Walthall D	3,190	7,618	7,330	2,374	15,764	18,138	(1,229)	16,909	-	D	04/20/2007
Freeport Business Center	3,196	10,032	1,425	3,203	11,450	14,653	(1,290)	13,363	-	D	07/22/2005
Freeport Commerce Center	598	2,918	698	1,536	2,678	4,214	(350)	3,864	-		11/29/2006
Hopewell Industrial Center	926	8,074	129	2,740	6,389	9,129	(507)	8,622	(3,958)		11/03/2006
Houston Cold Storage Warehouse	1,087	4,347	1,912	1,072	6,274	7,346	(1,965)	5,381	-		06/12/1998
Interwest Business Park	1,449	5,795	1,509	1,461	7,292	8,753	(2,091)	6,662	-		12/22/2000
ISOM Business Center	2,661	6,699	596	2,662	7,294	9,956	(896)	9,060	-		10/24/2005
Jupiter Business Center	588	2,353	935	588	3,288	3,876	(1,244)	2,632	-		07/27/1999
Kempwood Industrial Park	734	3,044	55	129	3,704	3,833	(1,267)	2,566	-	D	08/27/1996
Kennesaw 75	3,012	7,659	451	3,007	8,115	11,122	(1,016)	10,106	-	D	02/23/2005

Lakeland Industrial Center	3,265	13,059	1,827	3,266	14,885	18,151	(3,950)	14,201	-	D	12/06/2001
Lakeland Interstate Bus. Park	1,526	9,077	(271)	547	9,785	10,332	(783)	9,549	(5,167)		01/11/2007
Manana / 35 Business Center	1,323	5,293	2,035	1,315	7,336	8,651	(2,622)	6,029	-		07/27/1999
McGraw Hill Distribution Ctr	3,155	18,906	2	3,157	18,906	22,063	(1,851)	20,212	-		02/14/2006
Midpoint I-20 Distrib. Center	1,254	7,070	4,438	2,820	9,942	12,762	(769)	11,993	-		10/13/2006
Midway Business Center	1,078	4,313	1,923	1,078	6,236	7,314	(2,438)	4,876	-		07/27/1999
Newkirk Business Center	686	2,745	908	686	3,653	4,339	(1,400)	2,939	-		07/27/1999
Northeast Crossing	392	1,568	1,028	350	2,638	2,988	(1,135)	1,853	-		07/27/1999
Oak Hill Business Park	1,294	5,279	1,103	1,299	6,377	7,676	(1,936)	5,740	-		10/18/2001
O'Connor Road Business Park	1,028	4,110	1,012	1,029	5,121	6,150	(1,394)	4,756	-		12/22/2000
Railwood	7,072	7,965	(1,421)	2,870	10,746	13,616	(4,256)	9,360	-	D	12/31/1975
Randol Mill Place	371	1,513	719	372	2,231	2,603	(974)	1,629	-		12/31/1998
Red Bird	406	1,622	232	406	1,854	2,260	(645)	1,615	-		09/29/1998
Regal Distribution Center	801	3,208	1,673	806	4,876	5,682	(1,571)	4,111	-		04/17/1998
Riverview Distribution Center	1,518	9,613	257	1,521	9,867	11,388	(644)	10,744	-	D	08/10/2007
Rutland 10 Business Center	738	2,951	530	739	3,480	4,219	(971)	3,248	-		09/28/2000
Sherman Plaza Business Park	705	2,829	2,070	710	4,894	5,604	(2,242)	3,362	-		04/01/1999
South Loop Business Park	168	575	100	168	675	843	(652)	191	-		12/04/1975

Southpark 3075	1,251	8,385	(40)	1,213	8,383	9,596	(485)	9,111	-		10/03/2007
Southpark A, B, C	1,079	4,375	743	1,080	5,117	6,197	(1,403)	4,794	-		09/28/2000
Southpoint	4,167	10,967	1,353	4,168	12,319	16,487	(1,193)	15,294	-		12/29/2005
Southpoint Business Center	597	2,392	1,065	600	3,454	4,054	(1,149)	2,905	-		05/20/1999
Southport Business Park 5	562	2,172	1,279	562	3,451	4,013	(1,112)	2,901	-	D	12/23/1998
Space Center Industrial Park	1,036	4,143	1,443	1,025	5,597	6,622	(1,861)	4,761	-		05/29/1998
Stonecrest Business Center	601	2,439	1,589	601	4,028	4,629	(1,750)	2,879	-		06/03/1997
Tampa East Ind. Portfolio	5,424	18,155	1,246	5,409	19,416	24,825	(2,116)	22,709	-		11/21/2005
Town and Country Commerce Ctr	4,188	9,628	(577)	4,311	8,928	13,239	(512)	12,727	-	D	06/29/2007
West Loop Commerce Center	2,203	1,672	(821)	536	2,518	3,054	(2,401)	653	-		12/14/1981
West-10 Business Center	-	3,125	1,685	-	4,810	4,810	(3,840)	970	-		08/28/1992
West-10 Business Center II	414	1,662	731	389	2,418	2,807	(1,246)	1,561	-		08/20/1997
Westgate Business Center	1,472	3,471	2,034	1,470	5,507	6,977	(1,453)	5,524	-		12/12/2003

Schedule III
(Continued)

	Initial Cost to Company			Gross Amounts at Close of Period						
Description	Land	Building and Improvements	Cost Capitalized Subsequent to Acquisition	Land	Building and Improvements	Total (G)	Accumulated Depreciation	Total Costs, Net of Accumulated Depreciation	Encumbrances(A)	Date Acquisit Constru
Westlake 125	$1,174	$6,630	$219	$1,066	$6,957	$8,023	$(406)	$7,617	$-	10/03/2
Wirt Road & I10	1,003	-	45	1,048	-	1,048	-	1,048	-	05/24/2
	91,197	287,906	55,094	77,249	356,948	434,197	(82,077)	352,120	(9,575)	
Other:										
1919 North Loop West	1,334	8,451	10,577	1,337	19,025	20,362	(2,029)	18,333	-	12/05/2
Citadel Building	3,236	6,168	7,191	534	16,061	16,595	(11,728)	4,867	-	12/30/1
Phoenix Office Building	1,696	3,255	924	1,773	4,102	5,875	(375)	5,500	-	01/31/2
	6,266	17,874	18,692	3,644	39,188	42,832	(14,132)	28,700	-	
Land Held/Under Development:										
Ambassador Parcel D	98	-	-	98	-	98	-	98	-	10/26/2
Citadel Drive at Loop 610	3,747	-	(239)	3,508	-	3,508	-	3,508	-	12/30/1
ClayPoint Distribution Park	2,413	3,117	10,619	1,554	14,595	16,149	(2,593)	13,556	-	06/23/1
Colonial Landing	1,813	14,577	11,552	-	27,942	27,942	(3,389)	24,553	-	04/26/2
Crabtree Towne Center	18,810	54	(8,783)	10,072	9	10,081	-	10,081	-	01/31/2
Cullen Blvd. at East Orem	172	-	3	175	-	175	-	175	-	02/24/1
Curry Ford Road	1,878	7	(36)	1,848	1	1,849	-	1,849	-	10/05/2
Decatur 215	32,525	8,200	(21,508)	17,432	1,785	19,217	-	19,217	-	12/26/2

Festival Plaza	751	6	141	897	1	898	-	898	-	12/08/2
Gladden Farms	1,619	4	372	1,884	111	1,995	-	1,995	-	08/21/2
Harrison Pointe Pad	1,057	-	-	1,057	-	1,057	-	1,057	-	05/01/2
Horne Street Market	4,239	37	7,350	4,446	7,180	11,626	(254)	11,372	-	06/22/2
Lockwood Drive	313	-	(319)	(6)	-	(6)	-	(6)	-	11/14/1
Mainland Mall-Tracts 1 & 2	321	-	69	390	-	390	-	390	-	11/29/1
North Towne Plaza JV	6,646	99	7,610	10,027	4,328	14,355	-	14,355	-	12/27/2
NW Freeway at Gessner	5,052	-	(3,808)	1,264	(20)	1,244	-	1,244	-	11/16/1
Palm Coast Landing Outparcels	1,302	149	(223)	811	417	1,228	-	1,228	-	04/30/2
Phillips Landing	1,521	1,625	10,320	1,819	11,647	13,466	(1,016)	12,450	-	12/14/2
Raintree Ranch Center	11,442	595	16,474	10,983	17,528	28,511	(2,292)	26,219	-	06/15/2
Ridgeway Trace	26,629	544	3,860	15,930	15,103	31,033	-	31,033	-	11/09/2
River Pointe Venture	2,874	-	(2,063)	811	-	811	-	811	-	08/04/2
Rock Prarie Marketplace	2,364	-	10,911	13,268	7	13,275	-	13,275	-	05/15/2
Shreveport	356	-	130	486	-	486	-	486	-	05/22/1
South Fulton Crossing	14,373	154	(7,380)	6,226	921	7,147	-	7,147	-	01/10/2
Southern Pines Place	8,046	73	(1,875)	6,227	17	6,244	-	6,244	-	02/09/2
Stanford Court	693	-	21	714	-	714	-	714	-	04/20/1
Stevens Ranch	36,939	46	873	37,853	5	37,858	-	37,858	-	05/16/2
Surf City Crossing	3,220	52	3,698	6,754	216	6,970	-	6,970	-	12/06/2
The Shoppes @ Wilderness Oaks	11,081	50	1,420	12,545	6	12,551	-	12,551	-	06/19/2
The Shoppes at Caveness Farms	7,235	135	1,202	8,340	232	8,572	-	8,572	-	01/17/2
Thompson Bridge Commons	604	-	(56)	525	23	548	-	548	-	07/28/2
Tomball Marketplace	9,616	262	14,995	12,155	12,718	24,873	(115)	24,758	-	04/12/2

Schedule III
(Continued)

	Initial Cost to Company			Gross Amounts at Close of Period				
Description	Land	Building and Improvements	Cost Capitalized Subsequent to Acquisition	Land	Building and Improvements	Total (G)	Accumulated Depreciation	Total Costs, N of Accumula Depreciat
Village Shopping Center	$64	$714	$(689)	$89	$-	$89	$-	$89
Waterford Village	5,830	-	9,641	6,207	9,264	15,471	(648)	14,823
West 11th @ Loop 610	1,667	-	8	1,675	-	1,675	-	1,675
Westover Square	4,435	20	(478)	3,977	-	3,977	-	3,977
Westwood Center	10,497	36	5,995	6,878	9,650	16,528	(14)	16,514
Wilcrest/Bissonnet-Alief Tr1-4	7,228	-	(6,309)	919	-	919	-	919
York Plaza	162	-	(45)	117	-	117	-	117
	249,632	30,556	63,453	209,955	133,686	343,641	(10,321)	333,320
Balance of Portfolio (not to exceed 5% of total)	55,256	189,383	(183,509)	8,248	52,882	61,130	(15,944)	45,186
Total of Portfolio	$1,211,560	$2,950,164	$496,672	$1,111,305	$3,547,091	$4,658,396	$(856,281)	$3,802,1

Depreciation is computed using the straight-line method, generally over estimated useful lives of 18-40 years for buildings and 10-20 years for parking lot surfacing and equipment. Tenant and leasehold improvements are depreciated over the remaining life of the lease or the useful life whichever is shorter.

Note A - Encumbrances do not include $39.8 million outstanding under fixed-rate mortgage debt associated with five properties each held in a tenancy-in-common arrangement and $19.6 million of non-cash debt related items.

Note B - Property is collateral for a $154.3 million fixed-rate mortgage.

Note C - Property is collateral for $100.0 million fixed-rate mortgage.

Note D - Property is collateral for $57.4 million fixed-rate mortgage.

Note E - Property is collateral for $26.6 million fixed-rate mortgage.

Note F - Property is collateral for $91.6 million fixed-rate mortgage.

Note G - The book value of our net fixed asset exceeds the tax basis by approximately $119 million at December 31, 2009.

Schedule III
(Continued)

The changes in total cost of the properties for the year ended December 31, 2009, 2008 and 2007 were as follows:

	2009	2008	2007
Balance at beginning of year	$4,915,472	$4,972,344	$4,445,888
Additions at cost	97,557	299,090	888,345
Retirements or sales	(316,910)	(303,423)	(361,889)
Impairment loss	(37,723)	(52,539)	
Balance at end of year	$4,658,396	$4,915,472	$4,972,344

The changes in accumulated depreciation for the year ended December 31, 2009, 2008 and 2007 were as follows:

	2009	2008	2007
Balance at beginning of year	$812,323	$774,321	$707,005
Additions at cost	123,062	118,160	114,956
Retirements or sales	(79,104)	(80,158)	(47,640)
Balance at end of year	$856,281	$812,323	$774,321

Schedule IV

WEINGARTEN REALTY INVESTORS
MORTGAGE LOANS ON REAL ESTATE
DECEMBER 31, 2009

(Amounts in thousands)

	State	Interest Rate		Final Maturity Date	Periodic Payment Terms	Face Amount of Mortgages	Carrying Amount of Mortgages (A)
SHOPPING CENTERS:							
FIRST MORTGAGES:							
363-410 Burma, LLC	TN	6.50	%	06-01-11	$212 Annual P&I	$2,465	$2,465
WRI-SRP Cole Park Plaza, LLC	NC	5.66	%	02-01-12	At Maturity	6,200	6,200
SHOPPING CENTERS:							
CONSTRUCTION LOANS:							
Palm Coast Center, LLC	FL	2.06	%	04-13-10	At Maturity	27,302	27,302
WRI Alliance Riley Venture	CA	10.50	%	11-20-10	At Maturity	26,134	26,134
WRI Alliance Riley Venture III	CA	2.85	%	11-20-10	At Maturity	33,265	33,265
WRI Alliance Riley Venture III	CA	12.00	%	11-20-10	At Maturity	1,809	1,809
Weingarten I-4 Clermont Landing, LLC	FL	2.75	%	06-14-10	At Maturity	24,552	24,552
Weingarten Miller Buckingham, LLC	CO	2.75	%	07-09-11	At Maturity	16,857	16,857
Weingarten Miller Equiwest Salt Lake, LLC	UT	2.75	%	03-24-12	At Maturity	12,930	12,930
Weingarten Miller MDH Buckingham, LLC	CO	2.75	%	07-09-11	At Maturity	44,321	44,321
Weingarten Sheridan, LLC	CO	2.75	%	12-15-10	At Maturity	71,387	71,387
TOTAL MORTGAGE LOANS ON REAL ESTATE						$267,222	$267,222

Note A - The aggregate cost at December 31, 2009 for federal income tax purposes is $267,222.

Changes in mortgage loans for the year ended December 31, 2009, 2008 and 2007 are summarized below.

	2009	2008	2007

Balance, Beginning of Year	$236,743	$79,898	$5,308
Additions to Existing Loans	54,007	201,803	155,855
Collections/Reductions of Principal	(23,528)	(44,958)	(81,265)
Balance, End of Year	$267,222	$236,743	$79,898

112