

WEINGARTEN REALTY INVESTORS /TX/
Form 424B3
December 26, 2006
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Filed Pursuant to Rule 424(b)(3)

Registration No. 333-138336

PROSPECTUS

\$575,000,000

(aggregate principal amount)

Weingarten Realty Investors

3.95% Convertible Senior Notes due 2026 and

the Common Shares Issuable Upon Conversion of the Notes

We issued the notes in a private placement in August 2006. This prospectus will be used by selling securityholders to resell their notes and the common shares issuable upon conversion of their notes. We will not receive any proceeds from this offering.

Our notes bear interest at the rate of 3.95% per year, payable on February 1 and August 1 of each year, beginning February 1, 2007. The notes will mature on August 1, 2026. However, on or after August 4, 2011, we may redeem the notes in whole or in part for cash at 100% of the principal amount of the notes to be redeemed plus accrued and unpaid interest (including additional interest, if any). We may not redeem the notes prior to August 4, 2011 except to the extent necessary to preserve our status as a real estate investment trust. On August 1, 2011, August 1, 2016 and August 1, 2021, as well as following the occurrence of certain change in control transactions on or prior to August 4, 2011, holders may require us to repurchase notes in whole or in part for cash at 100% of the principal amount of the notes to be repurchased plus accrued and unpaid interest (including additional interest, if any) accrued to the repurchase date.

The notes are convertible into our common shares of beneficial interest, par value \$0.03 per share, which we refer to as our common shares, prior to the close of business on the second business day prior to the stated maturity date at any time on or after August 1, 2025 and also under the following circumstances: (i) if the closing sale price of our common shares reaches a specified threshold over a specified time period; (ii) if the trading price of the notes is below a specified threshold for a specified time period; (iii) if the notes have been called for redemption; (iv) upon the occurrence of the specified transactions described in this prospectus; or (v) if our common shares cease to be listed on a U.S. national or regional securities exchange or quoted on the Nasdaq National Market for 30 consecutive trading days. Upon conversion of notes, we will deliver cash and common shares, if any, with an aggregate value, which we refer to as the conversion value, equal to the conversion rate multiplied by the average price (as defined in this prospectus) of our common shares as follows: (i) an amount in cash, which we refer to as the principal return, equal to the lesser of (a) the principal amount of the converted notes and (b) the conversion value; and (ii) if the conversion value is greater than the principal return, an amount with a value equal to the difference between the conversion value and the principal return, which we refer to as the net amount. The net amount may be paid, at our option, in cash, common shares or a combination of cash and common shares.

The initial conversion rate for each \$1,000 principal amount of notes is 20.3770 of our common shares. This is equivalent to an initial conversion price of approximately \$49.075 per common share. For a discussion of the circumstances in which the conversion rate will be subject to adjustment, see Description of Notes Conversion Rate Adjustments in this prospectus. In addition, if certain change in control transactions occur on or prior to August 4, 2011 and a holder elects to convert notes in connection with any such transaction, we will increase the conversion rate in connection with such conversion. This prospectus covers the resale of all such shares issued upon conversion. Our common shares are listed on the New York Stock Exchange under the symbol WRI. On November 17, 2006, the last reported sales price for our common shares on the NYSE was \$45.18.

The notes will be our senior unsecured obligations and rank equally with all of our other senior unsecured indebtedness and be effectively subordinated to our secured indebtedness and to all liabilities and preferred equity of our subsidiaries.

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We do not intend to apply for listing of the notes on any securities exchange or for inclusion of the notes in any automated quotation system, although the notes are eligible for trading in The PORTAL^(SM) Market of the National Association of Securities Dealers, Inc. However, the notes resold pursuant to this prospectus are not eligible for trading on The PORTAL^(SM) Market.

Interest on the notes will accrue from August 2, 2006.

Investing in the notes and our common shares issuable upon conversion of the notes involves risks. See Risk Factors beginning on page 6 of this prospectus, as well as the risk factors relating to our business that are incorporated by reference in this prospectus from our Annual Report on Form 10-K for the year ended December 31, 2005.

Neither the Securities and Exchange Commission nor any state securities commission has approved or disapproved of these securities or passed upon the adequacy or accuracy of this prospectus. Any representation to the contrary is a criminal offense.

The date of this prospectus is November 20, 2006.

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

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WHERE YOU CAN FIND MORE INFORMATION

We file annual, quarterly and current reports, proxy statements and other information with the SEC. You may read and copy any document we file at the SEC's public reference room at 100 F Street, N.E., Washington, D.C. 20549. You can request copies of these documents by writing to the SEC and paying a fee for the copying cost. Please call the SEC at 1-800-SEC-0330 for more information about the operation of the public reference room. Our SEC filings are also available to the public at the SEC's web site at <http://www.sec.gov>. In addition, you may read and copy our SEC filings at the offices of the NYSE, 20 Broad Street, New York, New York 10005. Our website address is <http://www.weingarten.com>.

The information incorporated herein by reference is an important part of this prospectus. Any statement contained in a document which is incorporated by reference in this prospectus is automatically updated and superseded if information contained in this prospectus, or information that we later file with the SEC prior to the termination of this offering, modifies or replaces this information. The following documents filed with the SEC are incorporated by reference in this prospectus:

Annual Report on Form 10-K for the year ended December 31, 2005.

Quarterly Report on Form 10-Q for the quarters ended March 31, 2006, June 30, 2006, and September 30, 2006.

Current Report on Form 8-K filed on June 8, 2006, August 2, 2006, September 14, 2006, October 31, 2006, and November 2, 2006.

Proxy Statement on Schedule 14A filed on March 20, 2006.

The description of our common shares of beneficial interest contained in our registration statement on Form 8-A filed March 17, 1988.

All documents we file with the SEC pursuant to Sections 13(a), 13(c), 14 or 15(d) of the Securities Exchange Act of 1934, as amended (the Exchange Act) (other than current reports furnished under Item 2.02 or 9.01 of Form 8-K) after the date of this prospectus and prior to the termination of this offering.

You may request copies of these filings at no cost by writing or telephoning our Investor Relations Department at the following address and telephone number:

Weingarten Realty Investors

2600 Citadel Plaza Drive Suite 300

Houston, Texas 77008

(713) 866-6000.

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CAUTIONARY STATEMENT CONCERNING FORWARD-LOOKING STATEMENTS

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

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

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PROSPECTUS SUMMARY

The information below is only a summary of more detailed information included elsewhere in this prospectus or the documents incorporated herein by reference. This summary does not contain all the information that is important to you or that you should consider before investing in the notes and common shares into which the notes, in certain circumstances, are convertible. As a result, you should read this entire prospectus, including the Risk Factors section beginning on page 6, as well as the information incorporated herein by reference, including the Risk Factors section of our Annual Report on Form 10-K for the year ended December 31, 2005, carefully.

As used in this prospectus, unless the context otherwise requires, the terms we, us and our refer to Weingarten Realty Investors and its subsidiaries.

The Company

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

As of September 30, 2006, we owned or had an equity interest in operating properties consisting of approximately 47.5 million square feet of building area. These properties consist of 309 shopping centers generally in the 100,000 to 400,000 square foot range and 64 industrial projects. Our properties are located in 21 states that span the southern half of the United States from coast to coast. Our shopping centers are anchored primarily by supermarkets, drugstores and other retailers that sell basic necessity-type items. As of September 30, 2006, we leased to approximately 5,400 different tenants under approximately 7,300 separate leases. The weighted average occupancy rate of all of our improved properties as of September 30, 2006 was 94.0%.

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

Terms of the Notes

This prospectus covers the resale of \$575,000,000 aggregate principal amount of the notes and 14,645,940 of our common shares, plus an additional number of common shares that may be issued from time to time upon conversion of the notes as a result of a stock split, stock dividend, recapitalization or other event described in this prospectus.

We issued and sold \$575,000,000 aggregate principal amount of the notes on August 2, 2006, in a private offering to Citigroup Global Markets, Inc., JPMorgan Securities Inc., and Morgan Stanley Co. Incorporated (the Initial Purchasers). We were told by the Initial Purchasers that the notes were resold in transactions which were exempt from the registration requirements of the Securities Act to persons reasonably believed by the Initial Purchasers to be qualified institutional buyers (as defined in Rule 144A under the Securities Act).

The common shares may be offered by the selling securityholders following the conversion of the notes.

The following is a brief summary of the terms of the notes. For a more complete description of the notes, see the section entitled Description of the Notes in this prospectus.

In this portion of the summary, the terms we, us and our refer only to Weingarten Realty Investors and not to any of our subsidiaries.

Issuer	Weingarten Realty Investors.
Notes Offered	\$575 million aggregate principal amount.

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Ranking of Notes	The notes are our senior unsecured obligations and rank equally with all of our other senior unsecured indebtedness. However, the notes are effectively subordinated to all of our secured indebtedness (to the extent of the collateral securing the same) and to all liabilities and preferred equity of our subsidiaries.
Interest	The notes bear interest at a rate of 3.95% per year. Interest is payable semi-annually in arrears on February 1 and August 1 of each year, beginning February 1, 2007.
Maturity	The notes will mature on August 1, 2026 unless previously redeemed, repurchased or converted in accordance with their terms prior to such date.
Redemption of Notes at Our Option	Prior to August 4, 2011, we may not redeem the notes except to preserve our status as a real estate investment trust for U.S. federal income tax purposes (a REIT). However, on or after August 4, 2011, we may redeem the notes in whole or in part, upon not less than 30 nor more than 60 days prior written notice to holders of the notes, for cash equal to 100% of the principal amount of the notes to be redeemed plus any unpaid interest (including additional interest, if any) accrued to the redemption date.
Repurchase of Notes at Each Holder's Option on Certain Dates	Holders of notes may require us to repurchase their notes in whole or in part on August 1, 2011, August 1, 2016 and August 1, 2021 for cash equal to 100% of the principal amount of the notes to be repurchased plus any unpaid interest (including additional interest, if any) accrued to the repurchase date.
Repurchase of Notes at Each Holder's Option Upon Certain Change in Control Transactions	If we undergo certain change in control transactions on or prior to August 4, 2011, holders of notes may require us to repurchase their notes in whole or in part for cash equal to 100% of the principal amount of the notes to be repurchased plus any unpaid interest (including additional interest, if any) accrued to the repurchase date.
Conversion Rights	<p>Holders may convert their notes based on the applicable conversion rate (described below) prior to the close of business on the second business day prior to the stated maturity date at any time on or after August 1, 2025 and also under any of the following circumstances:</p> <p style="padding-left: 40px;">during any calendar quarter beginning after December 31, 2006 (and only during such calendar quarter), if, and only if, the closing sale price of our common shares for at least 20 trading days (whether or not consecutive) in the period of 30 consecutive trading days ending on the last trading day of the preceding calendar quarter is greater than 130% of the conversion price per common share in effect on the applicable trading day;</p>

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during the five consecutive trading-day period following any five consecutive trading-day period in which the trading price of the notes was less than 98% of the product of the closing sale price of our common shares multiplied by the applicable conversion rate;

if those notes have been called for redemption, at any time prior to the close of business on the third business day prior to the redemption date;

upon the occurrence of specified transactions described under [Description of Notes Conversion Rights](#) in this prospectus; or

if our common shares are not listed on a U.S. national or regional securities exchange or quoted on the Nasdaq National Market for 30 consecutive trading days.

By delivering to the holder cash and common shares, if any, we will satisfy our obligation with respect to the notes tendered for conversion. Accordingly, upon conversion of a note, accrued and unpaid interest will be deemed to be paid in full, rather than cancelled, extinguished or forfeited.

Conversion Rate

The initial conversion rate for each \$1,000 principal amount of notes is 20.3770 of our common shares, payable in cash and, at our election, common shares, as described under [Description of Notes Conversion Settlement](#) in this prospectus. This is equivalent to an initial conversion price of \$49.075 per common share. In addition, if certain change in control transactions occur on or prior to August 4, 2011 and a holder elects to convert notes in connection with any such transaction, we will increase the conversion rate in connection with such conversion by a number of additional common shares based on the date such transaction becomes effective and the price paid per common share in such transaction as described under [Description of Notes Conversion Rights Make Whole Upon Certain Change in Control Transactions](#) in this prospectus. The conversion rate may also be adjusted under certain other circumstances, including the payment of cash dividends in excess of our current regular quarterly common share cash dividend of \$0.465 per share, but will not be adjusted for accrued and unpaid interest on the notes. See [Description of Notes Conversion Rate Adjustments](#) in this prospectus.

Conversion Settlement

Upon the conversion of notes we will deliver cash and, at our election, common shares, with an aggregate value, which we refer to as the [conversion value](#), equal to the conversion rate multiplied by the average price of our common shares as follows: (i) an amount in cash, which we refer to as the [principal return](#), equal to the lesser of (a) the principal amount of the converted notes and (b) the conversion value and (ii) if the conversion value is greater than the principal return, an amount with a value equal to the difference between the conversion value and the principal return, which we refer

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to as the net amount. The net amount may be paid, at our option, in cash, common shares or a combination of cash and common shares. We refer to any cash delivered upon the conversion of notes as part of the net amount as the net cash amount and we refer to any common shares delivered upon the conversion of notes as the net shares. Any portion of the net amount that we elect to issue as net shares will be equal to the sum of the daily share amounts (calculated as described under Description of Notes Conversion Settlement in this prospectus) for each trading day in the 10 consecutive trading-day period referred to below, except that we will pay cash in lieu of any fractional common shares issuable, at our option, as net shares based on the average price of our common shares.

The average price of our common shares will be equal to the average of the closing sale prices of common shares over the 10 consecutive trading-day period commencing on the third trading day following the date the notes are tendered for conversion.

We will pay the principal return and cash for fractional shares, and deliver net shares or pay the net cash amount, as applicable, to holders upon the conversion of their notes no later than the third business day following the last trading day of the 10 consecutive trading-day period referred to above.

Restrictions on Ownership

In order to assist us in maintaining our qualification as a REIT for U.S. federal income tax purposes, no person may own, or be deemed to own by virtue of the attribution rules of the Internal Revenue Code of 1986, as amended (hereinafter referred to as the Internal Revenue Code or the Code), more than 9.8% of the issued and outstanding shares of any class or series of our shares of beneficial interest, subject to certain exceptions. Notwithstanding any other provision of the notes, no holder of notes will be entitled to convert such notes for our common shares to the extent that receipt of such common shares would cause such holder (together with such holder's affiliates) to exceed the ownership limit contained in our declaration of trust. See Material Federal Income Tax Considerations REIT Qualification in this prospectus.

No Shareholder Rights for Holders of Notes

Holders of notes, as such, will not have any rights as our shareholders (including, without limitation, voting rights and rights to receive dividends or other distributions on our common shares).

Registration Rights

We have agreed to file with the SEC within 90 calendar days after the original issuance of the notes, and to use our reasonable best efforts to cause to become effective within 180 calendar days after the original issuance of the notes, the shelf registration statement, of which this prospectus is a part, or otherwise make a shelf registration statement available, with respect to the resale of the notes and the common shares that may be issuable upon conversion of the notes. See

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Description of Notes Registration Rights; Additional Interest in this prospectus.

To sell your notes or any common shares issued upon conversion of the notes pursuant to the shelf registration statement, you must, among other things, be named as a selling securityholder in the prospectus.

If we fail to comply with specified obligations under the registration rights agreement, additional interest will be payable on the notes. See Description of Notes Registration Rights; Additional Interest in this prospectus.

Trading

The notes are a new issue of securities, and there is currently no established trading market for the notes. An active or liquid market may not develop for the notes or, if developed, be maintained. The notes originally issued in the private placement are eligible for trading on The PORTAL^(SM) Market. We have not applied, and do not intend to apply, for the listing of the notes on any securities exchange or for quotation on any automated dealer quotation system. Our common shares are listed on the NYSE under the symbol WRI.

Book-Entry Form

The notes were issued in book-entry only form and are represented by two global certificates deposited with a custodian for, and registered in the name of a nominee of, The Depository Trust Company, commonly known as DTC, in New York, New York. Beneficial interests in a global certificate representing the notes are shown on, and transfers are effected only through, records maintained by DTC and its direct and indirect participants and such interests may not be exchanged for certificated notes, except in limited circumstances described in Description of Notes Book-Entry System.

Use of Proceeds

We will not receive any proceeds from the sale by the selling securityholders of the securities offered by this prospectus.

Tax

The notes and common shares that may be issuable upon conversion of the notes are subject to special and complex U.S. federal income tax rules. Prospective investors are strongly urged to consult their own tax advisors with respect to the federal, state, local and foreign tax consequences of purchasing, owning and disposing of the notes and common shares into which the notes, in certain circumstances, are convertible. See Material Federal Income Tax Considerations in this prospectus.

Risk Factors

You should read carefully the Risk Factors beginning on page 6 of this prospectus, as well as the risk factors relating to our business that are incorporated by reference in this prospectus, for certain considerations relevant to an investment in the notes and common shares into which the notes, in certain circumstances, are convertible.

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RISK FACTORS

You should carefully consider the risks described below, as well as the risks described in the documents incorporated by reference in this prospectus, before making a decision to invest in the notes and common shares into which the notes, in certain circumstances, are convertible. The trading price of the notes and common shares into which the notes, under certain circumstances, are convertible could decline due to any of these risks, and you may lose all or part of your investment. This prospectus and the documents incorporated herein by reference also contain forward-looking statements that involve risks and uncertainties. Actual results could differ materially from those anticipated in these forward-looking statements as a result of certain factors, including the risks faced by us described below and in the documents incorporated herein by reference.

Risks Related to the Offering

The effective subordination of the notes may limit our ability to satisfy our obligations under the notes.

The notes are our senior unsecured obligations and rank equally with all of our other senior unsecured indebtedness. However, the notes are effectively subordinated to all of our secured indebtedness to the extent of the value of the collateral securing such indebtedness. As of September 30, 2006, Weingarten Realty Investors had outstanding \$48.0 million of secured indebtedness (exclusive of indebtedness of our consolidated subsidiaries). The provisions of the indenture governing the notes do not prohibit us from incurring additional secured indebtedness in the future. Consequently, in the event of a bankruptcy, liquidation, dissolution, reorganization or similar proceeding with respect to us, the holders of any secured indebtedness will be entitled to proceed directly against the collateral that secures such secured indebtedness. Therefore, such collateral will not be available for satisfaction of any amounts owed under our unsecured indebtedness, including the notes, until such secured indebtedness is satisfied in full.

The notes also are effectively subordinated to all unsecured and secured liabilities and preferred equity of our subsidiaries. In the event of a bankruptcy, liquidation, dissolution, reorganization or similar proceeding with respect to any such subsidiary, we, as an equity owner of such subsidiary, and therefore holders of our debt, including the notes, will be subject to the prior claims of such subsidiary's creditors, including trade creditors, and preferred equity holders. As of September 30, 2006, the total liabilities (exclusive of intercompany debt, trade payables, distributions payable, accrued expenses and other liabilities) of our consolidated subsidiaries was approximately \$896.5 million and our consolidated subsidiaries had no outstanding preferred equity. In addition, as of September 30, 2006, our share of the total liabilities (exclusive of intercompany debt, trade payables, distributions payable, accrued expenses and other liabilities) and preferred equity of the entities which we account for under the equity method of accounting was approximately \$85.4 million. The provisions of the indenture governing the notes do not prohibit our subsidiaries from incurring additional indebtedness or issuing preferred equity in the future.

We may not have the cash necessary to pay the principal return and any net amount upon the conversion of notes or to repurchase the notes on specified dates or following certain change in control transactions.

Upon the conversion of notes in accordance with their terms, we will be required to pay the principal return of such notes in cash. Furthermore, there may be circumstances that prevent the issuance of our common shares for all or any portion of any net amount deliverable upon the conversion of notes, thereby requiring us to satisfy our net amount obligation in cash. Holders of notes also have the right to require us to repurchase the notes for cash on August 1, 2011, August 1, 2016 and August 1, 2021 or upon the occurrence of certain change in control transactions on or prior to August 4, 2011. Any of our future debt agreements or securities may contain similar provisions. We may not have sufficient funds to pay the principal return and any such net cash amount or make the required repurchase of notes, as the case may be, in cash at the applicable time and, in such circumstances, may not be able to arrange the necessary financing on favorable terms. In addition, our ability to pay the principal return and any such net cash amount or make the required repurchase, as the case may be, may be limited by law or the terms of other debt agreements or securities. However, our failure to pay the principal return and any such net cash amount or make the required repurchase, as the case may be, would constitute an event of default under the indenture governing the notes which, in turn, could constitute an event of default under other debt agreements or securities, thereby resulting in their acceleration and required prepayment and further restrict our ability to make such

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payments and repurchases.

There is currently no trading market for the notes, and an active liquid trading market for the notes may not develop or, if it develops, be maintained.

The notes are a new issue of securities. Although the notes are eligible for trading in The PORTAL^(SM) Market, we cannot assure you that an active trading market for the notes will develop or be sustained. We do not intend to apply for listing of the notes on any securities exchange or for quotation of the notes on any automated dealer quotation system. Although the initial purchasers have advised us that they intend to make a market in the notes, they are not obligated to do so and may discontinue any market-making at any time without notice. Accordingly, an active public trading market may not develop for the notes and, even if one develops, may not be maintained. If an active public trading market for the notes does not develop or is not maintained, the market price and liquidity of the notes is likely to be adversely affected and holders may not be able to sell their notes at desired times and prices or at all. If any of the notes are traded after their purchase, they may trade at a discount from their purchase price.

The liquidity of the trading market, if any, and future trading prices of the notes will depend on many factors, including, among other things, the market price of our common shares, prevailing interest rates, our financial condition, results of operations, business, prospects and credit quality relative to our competitors, the market for similar securities and the overall securities market, and may be adversely affected by unfavorable changes in any of these factors, some of which are beyond our control and others of which would not affect debt that is not convertible or exchangeable into capital shares. Historically, the market for convertible or exchangeable debt has been volatile. Market volatility could materially and adversely affect the notes, regardless of our financial condition, results of operations, business, prospects or credit quality.

The notes have a number of features that may adversely affect the value and trading prices of the notes, including conversion conditions and the lack of financial covenants. Furthermore, even if the conversion conditions are met, since the conversion value of the notes is dependent on the closing sale price of our common shares, volatile or depressed market prices for our common shares is likely to have a similar effect on the trading prices of the notes. It is impossible to assure holders of notes that the closing sale price of our common shares in the future will not have an adverse effect on the trading prices of the notes.

Holders of notes will not be entitled to any rights with respect to our common shares, but will be subject to all changes made with respect to them.

Holders of notes will not be entitled to any rights with respect to our common shares (including, without limitation, voting rights and rights to receive any dividends or other distributions on our common shares), but holders of notes will be subject to all changes affecting our common shares. Holders of notes will be entitled to the rights afforded our common shares only if and when our common shares are delivered to them upon the conversion of their notes. For example, in the event that an amendment is proposed to our declaration of trust or bylaws requiring shareholder approval and the record date for determining the shareholders of record entitled to vote on the amendment occurs prior to a holder's receipt of our common shares upon the conversion of notes, such holder will not be entitled to vote on the amendment, although such holder will nevertheless be subject to any changes affecting our common shares.

The price of our common shares may fluctuate significantly.

The market price of our common shares may fluctuate significantly in response to many factors, including:

actual or anticipated changes in operating results or business prospects;

changes in financial estimates by securities analysts;

an inability to meet or exceed securities analysts' estimates or expectations;

conditions or trends in our industry or sector;

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the performance of other REITs in our sector and related market valuations;

announcements by us or our competitors of significant acquisitions, strategic partnerships, divestitures, joint ventures or other strategic initiatives;

hedging or arbitrage trading activity in our common shares;

changes in interest rates;

capital commitments;

additions or departures of key personnel; and

future sales of our common shares or securities convertible into, or exchangeable or exercisable for, our common shares.

Holders who receive our common shares upon the conversion of their notes will be subject to the risk of volatile and depressed market prices of our common shares. In addition, many of the factors listed above are beyond our control. These factors may cause the market price of our common shares to decline, regardless of our financial condition, results of operations, business or prospects. It is impossible to assure converting holders that the market price of our common shares will not fall in the future.

The conditional conversion feature of the notes may prevent the conversion of notes prior to August 1, 2025. We also have the right to deliver all cash upon the conversion of notes and holders may not receive any of our common shares upon conversion.

The notes are convertible prior to the close of business on the second business day prior to the stated maturity date at any time on or after August 1, 2025 and also if the closing sale price of our common shares reaches a specified threshold over a specified time period, if the trading price of the notes is below a specified threshold for a specified time period or if certain specified transactions or events occur and then only at prescribed times. See **Description of Notes Conversion Rights** in this prospectus. If these conditions are not met, holders of notes will not be able to convert their notes prior to August 1, 2025 and therefore may not be able to receive the value of the consideration into which the notes would otherwise be convertible. In addition, even if such conditions are met, upon the conversion of notes, we are required to pay the principal return in cash and, to the extent any net amount exists, we may elect to pay the entire net amount in cash. As a result, we are not required to deliver any of our common shares upon the conversion of notes. Therefore, holders may not be able to obtain any benefits of future ownership of our common shares upon any such conversion and would be required to incur the related transaction costs to purchase our common shares with the cash consideration received upon such conversion, including common shares that holders may require in order to cover short positions.

The premium payable on notes converted in connection with certain change in control transactions on or before August 4, 2011 may not adequately compensate holders for the lost option time value of their notes as a result of any such change in control.

If certain transactions that constitute a change in control occur on or prior to August 4, 2011, under certain circumstances, we will increase the conversion rate by a number of additional common shares. This increased conversion rate will apply only to holders who convert their notes in connection with any such transaction. The number of the additional common shares will be determined based on the date on which the transaction becomes effective and the price paid per common share in such transaction, as described under **Description of Notes Conversion Rights Make Whole Upon Certain Change in Control Transactions** in this prospectus. While the number of additional common shares is designed to compensate holders for the lost option time value of the notes as a result of such transaction, the amount of the premium payable is only an approximation of such lost value and may not adequately compensate holders for such loss. In addition, notwithstanding the foregoing, if (i) such transaction occurs after August 4, 2011, or (ii) the price paid per common share in the transaction is less than \$39.26 or in excess of \$85, the conversion rate will not be increased. In no event will the number of common shares issuable

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upon the conversion of notes exceed 25.4712 per \$1,000 principal amount of notes, subject to adjustment under certain circumstances, regardless of when the transaction becomes effective or the price paid per common share in the transaction.

The conversion rate of the notes may not exceed 25.4712 of our common shares per \$1,000 principal amount of notes and may not be adjusted for all dilutive events.

The conversion rate of the notes may not exceed 25.4712 of our common shares per \$1,000 principal amount of notes, subject to adjustment in certain cases. As a result, holders of the notes will not realize the benefits of an increase to the conversion rate otherwise described in this prospectus if such increase, together with previous increases, would result in the issuance of a number of common shares upon conversion in excess of such specified maximum amount.

The conversion rate of the notes is subject to adjustment for certain events, including, but not limited to, certain dividends on our common shares, the issuance of certain rights, options or warrants to holders of our common shares, subdivisions or combinations of our common shares, certain distributions of assets, debt securities, capital shares or cash to holders of our common shares and certain tender or exchange offers as described under Description of Notes Conversion Rate Adjustments in this prospectus. The conversion rate will not be adjusted for other events, such as an issuance of our common shares for cash, that may adversely affect the trading price of the notes and our common shares. There can be no assurance that an event will not occur that is adverse to the interests of the holders of the notes and their value but does not result in an adjustment to the conversion rate.

The definition of a change in control requiring us to repurchase notes is limited and therefore the market price of the notes may decline if we enter into a transaction that is not a change in control under the indenture.

The term change in control, as used in the notes and the indenture, is limited and may not include every event that might cause the market price of the notes to decline. As a result, our obligation to repurchase the notes upon a change in control may not preserve the value of the notes in the event of a highly leveraged transaction, reorganization, merger or similar transaction.

Upon conversion of their notes, holders may receive less consideration than expected because the value of our common shares may decline between the day that the conversion right is exercised and the day the value of the our common shares is determined.

The conversion value that holders will receive upon conversion of their notes will be determined on the basis of the closing sale price of our common shares on the NYSE for each of the 10 consecutive trading days beginning on the third trading day following the date the notes are tendered for conversion. Accordingly, if the price of our common shares decreases after the conversion right is exercised, the conversion value will be adversely affected.

The net share settlement feature of the notes may have adverse consequences.

The net share settlement feature of the notes, as described under Description of Notes Conversion Settlement in this prospectus, may:

result in holders receiving no shares upon conversion or fewer shares relative to the conversion value of the notes;

reduce our liquidity because we will be required to pay the principal return in cash and the net amount, if any, may be paid, at our option, in cash as well;

delay holders receipt of the proceeds upon conversion; and

subject holders to market risk before receiving any shares upon conversion.

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Ownership limitations in our declaration of trust may impair the ability of holders to convert notes into our common shares.

In order to assist us in maintaining our qualification as a REIT for U.S. federal income tax purposes, no person may own, or be deemed to own by virtue of the attribution rules of the Internal Revenue Code, more than 9.8% of the issued and outstanding shares of any class or series of our shares of beneficial interest, subject to certain exceptions. Notwithstanding any other provision of the notes, no holder of notes will be entitled to convert such notes into our common shares to the extent that receipt of such common shares would cause such holder (together with such holder's affiliates) to exceed the ownership limit contained in the declaration of trust. See **Material Federal Income Tax Considerations** **REIT Qualification** in this prospectus.

U.S. Federal Income Tax Risks Related to the Notes

Certain of the possible adjustments to the conversion rate (or the failure to make certain adjustments to the conversion rate) may result in a deemed distribution from us to a holder of a note.

The conversion rate of the notes is subject to adjustment under certain circumstances. If certain of the possible adjustments to the conversion rate of the notes are made, a holder may be deemed to have received a distribution from us. See **Material Federal Income Tax Considerations** in this prospectus.

We may withhold on payments to non-U.S. holders of notes in a redemption or conversion of notes for cash and any common shares.

We may be required to withhold U.S. federal income tax from any amount paid to non-U.S. holders of notes in a redemption or conversion of notes for cash and any common shares. We also intend to withhold U.S. federal income tax from any amount paid to non-U.S. holders with respect to deemed distributions from us that may result in connection with certain adjustments made to the conversion rate of the notes. See **Material Federal Income Tax Considerations** in this prospectus.

The notes have OID for U.S. federal income tax purposes. U.S. holders of notes will be required to include OID in income in advance of the receipt of cash attributable to such income.

The notes were issued with original issue discount (OID) which, for U.S. federal income tax purposes, must be included in income under a constant yield accrual method regardless of the holder's regular method of tax accounting. Because the notes were issued with OID, U.S. holders will be required to include OID in income in advance of the receipt of cash attributable to such income. See **Material Federal Income Tax Considerations** in this prospectus.

The conversion of notes for cash and any of our common shares will be taxable for holders.

Upon any conversion of notes for cash and, at our election, any of our common shares, a U.S. holder may recognize gain or loss. See **Material Federal Income Tax Considerations** in this prospectus.

THE COMPANY

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

As of September 30, 2006, we owned or had an equity interest in operating properties consisting of approximately 47.5 million square feet of building area. These properties consist of 309 shopping centers generally in the 100,000 to 400,000 square foot range and 64 industrial projects. Our properties are located in 21 states that span the southern half of the United States from coast to coast. Our shopping centers are anchored primarily by supermarkets, drugstores and other retailers that sell basic necessity-type items. As of September 30, 2006, we leased to approximately 5,400 different tenants under approximately 7,300 separate leases. The weighted average occupancy rate of all of our improved properties of September 30, 2006 was 94.0%.

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

USE OF PROCEEDS

We will not receive any of the proceeds from the sale by any selling securityholder of the notes or the underlying common shares into which the notes may be converted.

RATIOS OF EARNINGS TO COMBINED FIXED CHARGES AND PREFERRED SHARE DIVIDENDS

Our ratios of earnings to combined fixed charges and preferred share dividends for each of the periods indicated are as follows:

	Nine Months Ended September 30, 2006	Year Ended December 31,				
	2005	2004	2003	2002	2001	
Ratio of earnings to combined fixed charges and preferred share dividends	1.97x	1.92x	1.71x	1.77x	1.86x	1.92x

The ratios of earnings to combined fixed charges and preferred share dividends were computed by dividing earnings by fixed charges and preferred share dividends. For this purpose, earnings consist of income before income taxes, allocation to minority interests, income from investments in unconsolidated joint ventures and net gain on sales of real estate plus fixed charges, amortization of capitalized interest, distributed income of investments in unconsolidated joint ventures less capitalized interest and minority interest in pre-tax income of subsidiaries that have not incurred fixed charges. Fixed charges consist of interest expense, capitalized interest, loan amortization costs and preferred dividends.

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DESCRIPTION OF NOTES

The following description summarizes certain terms and provisions of the notes, the indenture and the registration rights agreement, does not purport to be complete and is subject to, and qualified in its entirety by reference to, the actual terms and provisions of the notes, the indenture and the registration rights agreement, which are incorporated herein by reference. We will provide copies of these documents to you upon request.

Capitalized terms used but not otherwise defined herein shall have the meanings given to them in the notes, the indenture or the registration rights agreement, as applicable. As used in this section, the terms we, us and our refer to Weingarten Realty Investors and not to any of its subsidiaries. Unless the context otherwise requires, the term interest includes additional interest, if any, due under the registration rights agreement.

General

The notes were issued pursuant to an indenture, dated as of May 1, 1995, which we have entered into with The Bank of New York Trust Company, National Association, as successor trustee to JPMorgan Chase Bank, National Association, as supplemented by the first supplemental indenture thereto relating to the notes. We refer to the indenture as supplemented by the first supplemental indenture thereto as the indenture.

The terms of the notes include those provisions contained in the notes and the indenture and those made part of the indenture by reference to the Trust Indenture Act of 1939, as amended (the Trust Indenture Act). The notes are subject to all such terms, and holders of notes are referred to the notes, the indenture and the Trust Indenture Act for a statement thereof. Copies of the indenture and the form of the notes are available for inspection at the corporate trust office of the trustee, currently located at 600 Travis, Suite 1150, Houston, Texas 77002.

The notes are our senior unsecured obligations and rank equally with each other and with all of our other senior unsecured indebtedness. However, the notes are effectively subordinated to our mortgages and other secured indebtedness (to the extent of the value of the collateral securing the same) and to all preferred equity and liabilities, whether secured or unsecured, of our subsidiaries. As of September 30, 2006, Weingarten Realty Investors had outstanding, exclusive of its subsidiaries, \$2.0 billion of senior unsecured indebtedness (exclusive of intercompany debt, trade payables, distributions payable, accrued expenses and other liabilities) and \$48.0 million of secured indebtedness. As of September 30, 2006, our consolidated subsidiaries had outstanding an aggregate of \$896.5 million of liabilities (exclusive of intercompany debt, trade payables, distributions payable, accrued expenses and other liabilities) and our share of the total liabilities (exclusive of intercompany debt, trade payables, distributions payable, accrued expenses and other liabilities) and preferred equity of the entities which we account for under the equity method of accounting was approximately \$85.4 million. Our consolidated subsidiaries had no outstanding preferred equity as of September 30, 2006. The provisions of the indenture governing the notes do not prohibit us or any of our subsidiaries from incurring additional indebtedness or issuing preferred equity in the future. See Risk Factors The effective subordination of the notes may limit our ability to satisfy our obligations under the notes in this prospectus.

The notes were issued in an aggregate principal amount of \$575 million. We may, without the consent of holders of the notes, increase the principal amount of the notes by issuing additional senior debt securities in the future on the same terms and conditions, except for any difference in the issue price and interest accrued prior to the issue date of the additional senior debt securities, and with the same CUSIP number as the notes offered hereby, provided that such additional senior debt securities constitute part of the same issue as the notes offered hereby for U.S. federal income tax purposes. The notes offered by this prospectus and any additional senior debt securities would rank equally and ratably and would be treated as a single series of debt securities for all purposes under the indenture.

Holders may present their notes for conversion at the office of the conversion agent, present notes for registration of transfer at the office of the registrar for the notes and present notes for payment at maturity at the office of the paying agent. We have appointed the trustee as the initial conversion agent, registrar and paying agent for the notes.

If any interest payment date, stated maturity date, redemption date or repurchase date is not a business day, the payment otherwise required to be made on such date will be made on the next succeeding business day without any

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additional payment as a result of such delay. The term "business day" means, with respect to any note, any day, other than a Saturday, Sunday or any other day on which banking institutions in The City of New York are authorized or obligated by law or executive order to close. All payments will be made in U.S. dollars.

The terms of the notes provide that we are permitted to reduce interest payments and payments upon a redemption, repurchase or conversion of notes otherwise payable to a holder for any amounts we are required to withhold by law. For example, non-U.S. holders of notes may, under some circumstances, be subject to U.S. federal withholding tax with respect to payments of interest on the notes. Moreover, holders of convertible or exchangeable debt instruments such as the notes may, in certain circumstances, be deemed to have received distributions of shares if the conversion price of such instruments is adjusted even though such holders have not received any cash or property as a result of such adjustments, which deemed distribution (in the case of a non-U.S. holder) will be subject to a U.S. federal withholding tax. See "Material Federal Income Tax Considerations" in this prospectus. We will set-off any such withholding tax that we are required to pay against payments of interest payable on the notes and payments upon a redemption, repurchase or conversion of notes.

The indenture does not contain any provisions that would necessarily protect holders of notes if we become involved in a highly leveraged transaction, reorganization, merger or other similar transaction that adversely affects us or them. Furthermore, the notes contain certain features that could deter or discourage third party acquisition proposals that could be beneficial to holders.

We or one of our affiliates may, to the extent permitted by applicable law, at any time purchase notes in the open market, by tender at any price or by private agreement. Any note purchased by us or our affiliates (a) after the date that is two years from the latest issuance of the notes may, to the extent permitted by applicable law, be reissued or sold or may be surrendered to the trustee for cancellation or (b) on or prior to the date referred to in clause (a), will be surrendered to the trustee for cancellation. Any notes surrendered for cancellation may not be reissued or resold and will be canceled promptly.

Interest

Interest on the notes accrues at the rate of 3.95% per year from and including August 2, 2006 or the most recent interest payment date to which interest has been paid or provided for, and will be payable semi-annually in arrears on February 1 and August 1 of each year, beginning February 1, 2007. The interest so payable will be paid to each holder in whose name a note is registered at the close of business on the January 15 or July 15 (whether or not a business day) immediately preceding the applicable interest payment date. Interest on the notes is computed on the basis of a 360-day year consisting of twelve 30-day months. In addition, we may be required to pay additional interest on the notes as provided under "Registration Rights; Additional Interest" below.

Upon the conversion of notes, accrued interest thereon will be deemed to be paid by delivery of the consideration due to the converting holder upon such conversion, except that holders of notes at the close of business on a record date will be entitled to receive interest payable on the related interest payment date even if such notes are converted after such record date and on or prior to such interest payment date. However, unless we have called the notes for redemption on a redemption date that falls after a record date for an interest payment date and on or prior to the related interest payment date, holders who surrender their notes for conversion after such record date and on or prior to such interest payment date must pay to the conversion agent upon conversion an amount in cash equal to the interest payable by us on such interest payment date. The foregoing sentence shall not, however, apply to notes with overdue interest or additional interest at the time of the conversion, with respect to such overdue interest or additional interest, as applicable. No other payment or adjustment will be made for accrued interest on an a converted note.

If we redeem the notes, or if a holder surrenders a note for repurchase by us in accordance with the terms of such note, we will pay accrued and unpaid interest (including additional interest, if any) to the holder that surrenders such note for redemption or repurchase, as the case may be. However, if an interest payment date falls on or prior to the redemption date or repurchase date for a note, we will pay the accrued and unpaid interest (including additional interest, if any) due on that interest payment date instead to the record holder of such note at the close of business on the related record date.

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Maturity

The notes will mature on August 1, 2026 and will be paid against presentation and surrender thereof at the corporate trust office of the trustee unless (1) earlier redeemed by us at our option or repurchased by us at a holder's option at certain times as described under Our Redemption Rights, Repurchase at Option of Holders on Certain Dates or Repurchase at Option of Holders Upon a Change in Control below or (2) converted at a holder's option as permitted under Conversion Rights below. The notes are not entitled to the benefits of, or be subject to, any sinking fund.

Our Redemption Rights

We will not have the right to redeem any notes prior to August 4, 2011, except to preserve our status as a REIT. If, at any time, we determine it is necessary to redeem the notes in order to preserve our status as a REIT, we may redeem the notes, in whole or in part, for cash equal to 100% of the principal amount of the notes plus unpaid interest (including additional interest, if any) accrued to the redemption date. In addition, on or after August 4, 2011, we will have the right to redeem the notes in whole or in part, at any time or from time to time, for cash equal to 100% of the principal amount of the notes to be redeemed plus unpaid interest (including additional interest, if any) accrued to the redemption date. Written notice of redemption must be delivered to holders of the notes not less than 30 nor more than 60 days prior to the redemption date.

If the paying agent holds money sufficient to pay the redemption price due on a note on the redemption date in accordance with the terms of the indenture, then, on and after the redemption date, that note will cease to be outstanding and interest on that note will cease to accrue, whether or not the holder effects a book-entry transfer of that note or delivers that note to the paying agent. Thereafter, all other rights of the holder of that note terminate, other than the right to receive the redemption price and additional interest, if any, due on the redemption date.

If we decide to redeem the notes in part, the trustee will select the notes to be redeemed (in principal amounts of \$1,000 and integral multiples thereof) on a pro rata basis or such other method it deems fair and appropriate. If the trustee selects a portion of a note for partial redemption and a holder converts a portion of the same note, the converted portion will be deemed to be from the portion selected for redemption.

In the event of any redemption of notes in part, we will not be required to:

issue or register the transfer or exchange of any note during a period beginning at the opening of business 15 days before any selection of notes for redemption and ending at the close of business on the earliest date on which the relevant notice of redemption is deemed to have been given to all holders of notes to be so redeemed, or

register the transfer or exchange of any note so selected for redemption, in whole or in part, except the unredeemed portion of any note being redeemed in part.

If we call notes for redemption, a holder may convert its notes only until the close of business on the third business day immediately preceding the redemption date, unless we fail to pay the redemption price. See Conversion Rights Conversion upon Notice of Redemption below.

Repurchase at Option of Holders on Certain Dates