

INLAND WESTERN RETAIL REAL ESTATE TRUST INC  
Form DEFR14A  
July 25, 2008

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

**SCHEDULE 14A**

Proxy Statement Pursuant to Section 14(a) of  
the Securities Exchange Act of 1934 (Amendment No. 1)

Filed by the Registrant  X

Filed by a Party other than the Registrant  O

Check the appropriate box:

- Preliminary Proxy Statement
- Confidential, for Use of the Commission Only (as permitted by Rule 14a-6(e)(2))**
- Definitive Proxy Statement
- Definitive Additional Materials
- Soliciting Material Pursuant to §240.14a-12

Inland Western Retail Real Estate Trust, Inc.  
(Name of Registrant as Specified In Its Charter)

(Name of Person(s) Filing Proxy Statement, if other than the Registrant)

Payment of Filing Fee (Check the appropriate box):

- No fee required.
- Fee computed on table below per Exchange Act Rules 14a-6(i)(1) and 0-11.
  - (1) Title of each class of securities to which transaction applies:
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  - (4) Proposed maximum aggregate value of transaction:
  - (5) Total fee paid:
- Fee paid previously with preliminary materials.
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  - (1) Amount Previously Paid:
  - (2) Form, Schedule or Registration Statement No.:
  - (3) Filing Party:
  - (4) Date Filed:









**INLAND WESTERN RETAIL REAL ESTATE TRUST, INC.**  
**2901 BUTTERFIELD ROAD**  
**OAK BROOK, ILLINOIS 60523**  
**TELEPHONE: (630) 218-8000**

**July 25, 2008**





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Dear Stockholder:

On behalf of the Board of Directors, I cordially invite you to attend the 2008 annual meeting of stockholders of Inland Western Retail Real Estate Trust, Inc. The meeting will be held on October 14, 2008 at 10:00 a.m. Central Time, at our principal executive offices located at 2901 Butterfield Road, Oak Brook, Illinois 60523. I hope you will attend.

The accompanying notice of annual meeting of stockholders and proxy statement contain a description of the formal business to be acted upon by the stockholders. At this year's meeting, you will be entitled to vote on the election of nine directors, the establishment of the Inland Western Retail Real Estate Trust, Inc. 2008 Long-Term Equity Compensation Plan and the amendment and restatement of our charter. I encourage you to read the materials carefully. Our directors and officers, as well as representatives of KPMG LLP, our independent registered public accounting firm for 2007, will be available at the meeting to answer any questions you may have.

It is important that your shares be represented at the meeting regardless of the size of your holdings. **ACCORDINGLY, WHETHER OR NOT YOU INTEND TO BE PRESENT AT THE MEETING IN PERSON, I URGE YOU TO AUTHORIZE YOUR PROXY AS SOON AS POSSIBLE.** You may do this by completing, signing and dating the enclosed proxy card and returning it promptly in the postage pre-paid envelope provided. You may also authorize a proxy electronically, or by calling a toll-free telephone number, by following the procedures described in the attached proxy statement. Submitting your proxy card or authorizing a proxy electronically or via telephone will ensure that your shares will be represented at the meeting and voted in accordance with your wishes. If you attend the meeting, you may, if you wish, revoke your proxy and vote your shares in person.

Thank you for your continued support of and interest in our company. I and everyone at Inland Western Retail Real Estate Trust, Inc. wish you good health, happiness and prosperity.

Sincerely,

/s/ Robert D. Parks

Robert D. Parks  
Chairman

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**NOTICE OF ANNUAL MEETING OF STOCKHOLDERS**

**DATE: October 14, 2008**

**TIME: 10:00 a.m.**

**PLACE: 2901 Butterfield Road  
Oak Brook, Illinois 60523**

To Our Stockholders:

The purposes of the annual meeting are:

- Election of nine directors to hold office until our next annual meeting of stockholders and until their successors are elected and qualify;
- Establishment of the Inland Western Retail Real Estate Trust, Inc. 2008 Long-Term Equity Compensation Plan, pursuant to which options, restricted stock, stock appreciation rights and/or other methods of stock compensation may be provided to certain of our employees, with respect to 10,000,000 shares of our common stock;
- Amendment and restatement of our charter; and
- To transact any other business as may properly come before the meeting or any adjournments or postponements of the meeting.

The Board of Directors has fixed the close of business on July 17, 2008 as the record date for determining stockholders of record entitled to notice of and to vote at the meeting.

A proxy statement and proxy card accompany this notice. We have previously provided you with a copy of our Annual Report on Form 10-K, as amended, for the year ended December 31, 2007.

We hope to have the maximum number of stockholders present in person or by proxy at the meeting. To assure your representation at the meeting, please authorize your proxy by completing, signing, dating and mailing the enclosed proxy card. You may also authorize your proxy electronically, or by calling a toll-free telephone number, by following the procedures described in the attached proxy statement. **YOUR COOPERATION IN PROMPTLY SUBMITTING YOUR PROXY WILL BE VERY MUCH APPRECIATED.** For specific instructions, please refer to the instructions on the proxy card.

You may use the enclosed envelope which requires no further postage, if mailed in the United States, to return your proxy. If you attend the meeting, you may revoke your proxy and vote in person, if you desire.

By order of the Board of Directors,

/s/ Dennis K. Holland

Dennis K. Holland  
Secretary

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**INLAND WESTERN RETAIL REAL ESTATE TRUST, INC.  
2901 BUTTERFIELD ROAD  
OAK BROOK, ILLINOIS 60523**

**PROXY STATEMENT  
FOR ANNUAL MEETING OF STOCKHOLDERS  
TO BE HELD OCTOBER 14, 2008**



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Our board of directors, or Board, is furnishing you this proxy statement to solicit proxies on its behalf to be voted at our 2008 annual meeting of stockholders to be held on October 14, 2008 at 10:00 a.m. Central Time at our principal executive offices, and at any and all adjournments or postponements thereof, which we refer to as the Annual Meeting. We encourage your participation in the voting at the Annual Meeting and solicit your support on each proposal to be presented.

This proxy statement and the accompanying proxy card are first being mailed to stockholders on or about July 30, 2008.

Unless the context otherwise requires, all references to IWEST, the Company, our, we and us in this proxy statement relate to Inland Western Retail Real Estate Trust, Inc. and those entities owned or controlled directly or indirectly by us. The mailing address of our principal executive offices is 2901 Butterfield Road, Oak Brook, Illinois 60523 and our telephone number is (630) 218-8000.

**STOCKHOLDERS ARE URGED TO READ AND CONSIDER CAREFULLY THE INFORMATION CONTAINED IN THIS PROXY STATEMENT.**

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**INSTRUCTION GUIDE FOR AUTHORIZING YOUR PROXY**

**THREE EASY WAYS TO AUTHORIZE YOUR PROXY WITHOUT ATTENDING  
OUR ANNUAL MEETING**

**Authorize Your Proxy by Mail**

Simply mark, sign, date and return the enclosed proxy card as promptly as possible in the prepaid-postage envelope enclosed.

**Authorize Your Proxy by Telephone**

It is fast, convenient, and your vote is immediately confirmed and posted. Using a touch-tone phone, call the toll free number, 1-800-868-5614, which is also shown on your proxy card.

**Just Follow These Four Easy Steps:**

- Read the accompanying proxy statement and proxy card;
- Call the toll-free number provided on your proxy card;
- Enter your CONTROL NUMBER located on your proxy card; and
- Follow the simple recorded instructions.

**Your vote is important!**  
**Call 24 hours a day**

**Authorize Your Proxy by Internet**

It is fast, convenient, and your vote is immediately confirmed and posted. Using a computer, simply go to the designated website for our stockholders:

[www.proxyvoting.com/INWEST](http://www.proxyvoting.com/INWEST)

**Just Follow These Four Easy Steps:**

- Read the accompanying proxy statement and proxy card;
- Go to the website [www.proxyvoting.com/INWEST](http://www.proxyvoting.com/INWEST);
- Enter your CONTROL NUMBER located on your proxy card; and
- Follow the simple instructions.

**Your vote is important!**

**Go to [www.proxyvoting.com/INWEST](http://www.proxyvoting.com/INWEST) 24 hours a day**



## FORWARD LOOKING STATEMENTS

Certain statements in this proxy statement may constitute forward-looking statements. Forward-looking statements are statements that are not historical, including statements regarding our intentions, beliefs, expectations, representations, plans or predictions of the future and are typically identified by such words as believe, expect, anticipate, intend, estimate, may, will, should and could. We intend that such forward-looking statements be subject to the safe harbor provisions created by Section 27A of the Securities Act of 1933 and Section 21E of the Securities Exchange Act of 1934 and the Federal Private Securities Litigation Reform Act of 1995 and we include this statement for the purpose of complying with such safe harbor provisions. Future events and actual results, performance, transactions or achievements, financial or otherwise, may differ materially from the results, performance, transactions or achievements expressed or implied by the forward-looking statements. Risks, uncertainties and other factors that might cause such differences, some of which could be material, include, but are not limited to:

- Financial stability of tenants, including the ability of tenants to pay rent, the decision of tenants to close stores and the effect of bankruptcy laws;
- Risks of real estate development, including the failure of pending developments and redevelopments to be completed on time and within budget and the failure of newly acquired or developed properties to perform as expected;
- Risks of joint venture activities, including development joint ventures;
- The level and volatility of interest rates;
- National or local economic, business, real estate and other market conditions, including the ability of the general economy to recover timely from economic downturns;
- The effect of inflation and other factors on fixed rental rates, operating expenses and real estate taxes;
- Risks of acquiring real estate, including continued competition for new properties and the downward trend on capitalization rates;
- The competitive environment in which we operate and the supply of and demand for retail goods and services in our markets;
- Financial risks, such as the inability to renew existing tenant leases or obtain debt or equity financing on favorable terms, if at all;
- The increase in property and liability insurance costs and the ability to obtain appropriate insurance coverage;
- The ability to maintain our status as a REIT for federal income tax purposes;
- The effects of hurricanes and other natural disasters;
- Environmental/safety requirements and costs; and
- Other risks identified in our most recent Annual Report on Form 10-K, as amended, and our subsequent Quarterly Reports on Form 10-Q and, from time to time, in other reports we file with the SEC.

You should not place undue reliance on any forward-looking statements. Except as required by the federal securities laws, we undertake no obligation to publicly update or revise any forward-looking statements, whether as a result of new information, future events, changed circumstances, or any other reason after the date of this proxy statement.

## **INFORMATION ABOUT THE ANNUAL MEETING**

### **Information about the Annual Meeting**

Our Annual Meeting will be held on October 14, 2008 at 10:00 a.m. Central Time at 2901 Butterfield Road, Oak Brook, Illinois 60523. Please contact our Director of Investor Relations, Dione K. McConnell, at (630) 218-8000 or via email at [mcconnell@inland-western.com](mailto:mcconnell@inland-western.com) if you plan to attend. Additionally, please contact Morrow & Co., Inc. at 1-800-573-4804 if you have any questions with respect to authorizing a proxy to vote your shares at the Annual Meeting.

### **Information about this Proxy Statement**

We sent you this proxy statement and the proxy card on behalf of our Board who is soliciting a proxy from you to vote your shares at the Annual Meeting. This proxy statement summarizes information we are required to provide to you and is designed to assist you in voting your shares. On or about July 30, 2008, we will begin mailing the proxy materials to all stockholders of record as of the close of business on July 17, 2008, the record date fixed by our Board for determining the holders of record of our common stock, \$.001 par value per share, entitled to notice of and to vote at the Annual Meeting. Each of the outstanding shares of common stock, as of the record date, is entitled to one vote on all matters to be voted upon at the Annual Meeting. On the record date, there were 482,157,161 shares of common stock issued and outstanding.

### **Proposals to be Considered by You at the Annual Meeting**

At the Annual Meeting, we will be asking you to:

- PROPOSAL 1: Elect nine directors;
- PROPOSAL 2: Approve the establishment of the Inland Western Retail Real Estate Trust, Inc. 2008 Long-Term Equity Compensation Plan; and
- PROPOSAL 3: Approve the amendment and restatement of our charter.

### **Information about Voting**

VOTING OF PROXIES - Votes cast by proxy or in person at the Annual Meeting will be tabulated by an inspector of election appointed for the Annual Meeting. Each executed and timely returned proxy will be voted in accordance with the directions indicated on it. Each stockholder giving a proxy has the power to revoke it at any time before the shares it represents are voted by giving written notice of the revocation to our Secretary, by delivering a later-dated proxy (which automatically revokes the earlier proxy), or by voting in person at the Annual Meeting. Except for broker non-votes described below, executed but unmarked proxies will be voted by the person(s) named thereon (i) for the election of the nominees named herein as directors (or a substitute for a nominee if such nominee is unable or refuses to serve); (ii) for the approval of the establishment of the Inland Western Retail Real Estate Trust, Inc. 2008 Long-Term Equity Compensation Plan; (iii) for the approval of the

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amendment and restatement of our charter and (iv) in the discretion of such person(s) upon such matters not presently known or determined that properly may come before the Annual Meeting.

**AUTHORIZATION OF PROXIES ELECTRONICALLY VIA THE INTERNET** - Stockholders may authorize a proxy to vote via the Internet at the [www.proxyvoting.com/INWEST](http://www.proxyvoting.com/INWEST) until 11:59 p.m. Eastern Time, on October 13, 2008. The Internet proxy authorization procedures are designed to authenticate the stockholders' identity and to allow stockholders to vote their shares and confirm that their instructions have been properly recorded.

**AUTHORIZATION OF PROXIES VIA TOUCH-TONE TELEPHONE** - Stockholders may authorize a proxy to vote via touch-tone telephone by calling the toll-free phone number provided on their proxy card until 11:59 p.m. Eastern Time, on October 13, 2008. The touch-tone telephone proxy authorization procedures are designed to authenticate the stockholders' identity and to allow stockholders to authorize a proxy to vote their shares and confirm that their instructions have been properly recorded.

Please refer to the proxy card enclosed for voting instructions. If you choose not to authorize your proxy by touch-tone telephone or over the Internet, please complete and return the paper proxy card in the pre-addressed, postage-paid envelope provided with this proxy statement.

### **Quorum; Abstentions and Broker Non-Votes**

We have hired an independent proxy solicitor, Morrow & Co., Inc., to solicit proxies on the Board's behalf with respect to the matters to be voted upon at the Annual Meeting. Votes cast by proxy or in person at the Annual Meeting will be tabulated by an inspector of election appointed by us. The inspector will determine whether or not a quorum is present. Presence in person or by proxy at the Annual Meeting of holders of a majority of our issued and outstanding shares constitutes a quorum. Abstentions and broker non-votes will count toward the presence of a quorum, but will not be counted as votes cast and will have no effect on the proposal to approve the establishment of the Inland Western Retail Real Estate Trust, Inc. 2008 Long-Term Equity Compensation Plan, although abstentions and broker non-votes will have the effect of votes against the director election proposal and the proposal to approve the amendment and restatement of our charter. A broker non-vote occurs when a nominee (such as a custodian or bank) holding shares for a beneficial owner returns a signed proxy but does not vote on a particular proposal because the nominee does not have discretionary voting power with respect to that item and has not received instructions from the beneficial owner.

### **Dissenters' Right of Appraisal**

Under Maryland law and our existing charter, holders of our common shares will not be entitled to rights of appraisal with respect to any of the matters to be acted upon at the Annual Meeting.

### **Number of Votes Necessary for each Proposal to be Approved**

- *Election of directors:* Provided a quorum is present, the affirmative vote of a majority of the shares present in person or represented by proxy and entitled to vote is required for the election of each of the nine directors to be elected at the Annual Meeting. There are no cumulative voting rights in the election of directors.
- *Approval of the establishment of the Inland Western Retail Real Estate Trust, Inc. 2008 Long-Term Equity Compensation Plan:* Provided a quorum is present, the affirmative vote of a majority of the votes cast on the matter at our Annual Meeting is required to approve the establishment of the Inland Western Retail Real Estate Trust, Inc. 2008 Long-Term Equity Compensation Plan.
- *Approval of the amendment and restatement of our charter:* Provided a quorum is present, the affirmative vote of a majority of the shares of our common stock issued and outstanding is required to approve the amendment and restatement of our charter.

**PLEASE VOTE YOUR SHARES BY AUTHORIZING YOUR PROXY BY TELEPHONE, ELECTRONICALLY OR BY COMPLETING, SIGNING AND DATING THE ACCOMPANYING PROXY CARD AND RETURNING IT IN THE ENCLOSED POSTAGE-PAID ENVELOPE WHETHER OR NOT YOU PLAN TO ATTEND THE MEETING.**

### **Costs of Proxies**

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We will bear all expenses incurred in connection with the solicitation of proxies. Our officers, directors and employees may solicit proxies by mail, personal contact, letter, telephone, telegram, facsimile or other electronic means. They will not receive any additional compensation for those activities, but they may be reimbursed for their out-of-pocket expenses. In addition, we have hired Morrow & Co., Inc., to solicit proxies on our behalf. We expect that the fee of soliciting proxies on our behalf will be approximately \$6,500 plus costs and expenses.

### **Other Matters**

As of the date of this proxy statement, the above-referenced proposals are the only matters we are aware of that are to be acted upon at the Annual Meeting. If any other matter should properly come before the Annual Meeting for which we did not receive proper notice, in accordance with the requirements of our bylaws, the persons appointed by you in your proxy will vote on those matters in accordance with the recommendation of the Board, or, in the absence of such a recommendation, in accordance with their discretion. The affirmative vote of a majority of the votes cast on any such other matter will be required for approval.

**Where You Can Find More Information About Us**

We file annual, quarterly and special reports, proxy statements and other information with the SEC. You may read and copy any reports, statements or other information we file with the SEC at the SEC's Public Reference Room located at 100 F Street, N.E., Washington, D.C. 20549. You may also obtain copies of the documents at prescribed rates by writing to the Public Reference Section of the SEC at 100 F Street, N.E., Washington D.C. 20549. Please call the SEC at 1-800-SEC-0330 for further information regarding the public reference facilities. Our SEC filings are also available to the public on the website maintained by the SEC at <http://www.sec.gov>.

**Information to Rely Upon when Casting your Vote**

You should rely only on the information contained in this proxy statement or incorporated by reference herein. No person has been authorized to give any information or to make any representations other than those contained in or incorporated by reference in this proxy statement in connection with the solicitation made by this proxy statement and, if given or made, the information or representations must not be relied upon as having been authorized by us. The delivery of this proxy statement will not, under any circumstances, create an implication that there has not been a change in the facts set forth in this proxy statement or in our affairs since the date of this proxy statement. This proxy statement does not constitute a solicitation by anyone in any jurisdiction in which the solicitation is not authorized or in which the person making the solicitation is not qualified to do so or to anyone to whom it is unlawful to make a solicitation.



**ELECTION OF DIRECTORS**





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PROPOSAL NO. 1: ELECTION OF NINE INDIVIDUALS TO SERVE AS DIRECTORS TO HOLD OFFICE UNTIL THE NEXT ANNUAL MEETING OF STOCKHOLDERS AND UNTIL THEIR SUCCESSORS ARE ELECTED AND QUALIFY.

Our current governing charter requires us to have at least three, but not more than 11, directors. Our Board currently consists of nine individuals. Although we are not listed on the New York Stock Exchange, after an evaluation, we believe that all of the directors would satisfy the definition of independent under the New York Stock Exchange's listing standards, except for Robert D. Parks, Brenda G. Gujral and Kenneth E. Masick.

The election of members of the Board is conducted on an annual basis. Each individual elected to the Board serves a one-year term and until his or her successor is elected and qualifies. Accordingly, the term of office of each of our current directors will expire at the Annual Meeting. At that meeting each current director will be nominated to stand for reelection as a director to hold office until our Annual Meeting to be held in 2009 and until his/her successor is elected and qualifies. We have no reason to believe that any of the nominees will be unable or unwilling to serve if elected. However, should any nominee be unable or unwilling to accept the office of director, and if the Board shall designate a substitute nominee, the persons named as proxies will vote for the election of the substitute nominee designated by the Board, and if none, for such other persons as they shall determine. Seven of our current directors have been directors since 2003, and two of our current directors have been directors since January 1, 2008. Information regarding the business experience of each nominee is provided below based upon information furnished to us by the individuals named.

### Nominees for Election as Directors

The following sets forth information with regard to the nominees for election to our Board, with ages set forth as of January 1, 2008.

#### NAME, POSITIONS WITH IWEST AND AGE

#### BUSINESS EXPERIENCE

FRANK A. CATALANO, JR.  
Director since 2003

Age 47

**Frank A. Catalano, Jr.** has been one of our directors since our inception on March 5, 2003. He currently is the Managing Partner of The Lending Group Integrus. He has served as President of Catalano & Associates since 1999, a real estate company that includes brokerage, property management and rehabilitation and leasing of office buildings. Mr. Catalano's experience also includes mortgage banking, including vice president of American Home Mortgage Company from 2002 to 2007 and prior to that he was a regional manager at Flagstar Bank. He also was President and Chief Executive Officer of CCS Mortgage, Inc. from 1995 through 2000, when Flagstar Bank acquired the company.

Mr. Catalano is a member of the Elmhurst, Illinois Chamber of Commerce and its past Chairman of the Board. He is also a member of the Elmhurst Jaycees, Elmhurst Hospital Board of Governors, Elmhurst Kiwanis and is currently the President of Elmhurst Historical Museum Commission. Mr. Catalano holds a mortgage broker's license.