WEINGARTEN REALTY INVESTORS /TX/
Form 8-K
September 09, 2004

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

FORM 8-K

CURRENT REPORT
PURSUANT TO SECTION 13 OR 15(D) OF THE
SECURITIES EXCHANGE ACT OF 1934

Date of report (Date of earliest event reported): September 9, 2004

WEINGARTEN REALTY INVESTORS
(Exact name of Registrant as specified in its Charter)

Texas	1-9876	74-1464203
(State or other jurisdiction of incorporation or organization)	(Commission file number)	(I.R.S. Employer Identification Number)

2600 Citadel Plaza Drive, Suite 300, Houston, Texas 77008
(Address of principal executive offices) (Zip Code)

Registrant's telephone number, including area code: (713) 866-6000

Not applicable
(Former name or former address, if changed since last report)

ITEM 2.01 COMPLETION OF ACQUISITION OR DISPOSITION OF ASSETS

During the six months ended June 30, 2004, we acquired ten retail shopping centers and one industrial project. Also, we acquired four shopping centers, each through a 50% unconsolidated joint venture, and acquired our joint venture partners' interest in four shopping centers. Material factors considered in each of the acquisitions made by us include historical and prospective financial performance of the center, credit quality of the tenancy, local and regional demographics, location and competition, ad valorem tax rates, condition of the property and the related anticipated level of capital expenditures required. We are not aware of any additional material factors that would cause the reported financial information not to be necessarily indicative of future operating results. The total investment in acquisitions during the six month period ending June 30, 2004 was $390 million. Audited financial statements for Harrison Pointe Shopping Center, Leesville Shopping Center, the TFK Portfolio, Pavilions at San Mateo, Rockwall Market Center and Lone Star Pavilions (the "Acquired Properties") are submitted in ITEM 9.01 below. Unaudited pro forma financial information on the Acquired Properties and other acquisitions are submitted in ITEM 9.01 below.

ITEM 9.01 FINANCIAL STATEMENTS, PRO FORMA FINANCIAL INFORMATION AND EXHIBITS

The following financial statements, pro forma financial statements and exhibits are filed as part of this report:

(a) Financial statements of businesses acquired:

1. Harrison Pointe Shopping Center

(i) Independent Auditors' Report

(ii) Statement of Revenues and Certain Expenses for the Year Ended December 31, 2003

(iii) Notes to Statement of Revenues and Certain Expenses

2. Leesville Shopping Center

(i) Independent Auditors' Report

(ii) Statement of Revenues and Certain Expenses for the Year Ended December 31, 2003

(iii) Notes to Statement of Revenues and Certain Expenses

3. TFK Portfolio

(i) Independent Auditors' Report

(ii) Statement of Revenues and Certain Expenses for the Year Ended December 31, 2003

(iii) Notes to Statement of Revenues and Certain Expenses

(iv) Statement of Revenues and Certain Expenses for the period from January 1, 2004 through February 28, 2004 (unaudited)

4. Pavilions at San Mateo

(i) Independent Auditors' Report

(ii) Statement of Revenues and Certain Expenses for the Year Ended December 31, 2003

- (iii) Notes to Statement of Revenues and Certain Expenses
- (iv) Statement of Revenues and Certain Expenses for the period from January 1, 2004 through April 29, 2004 (unaudited)

5. Rockwall Market Center
   - (i) Independent Auditors' Report
   - (ii) Statement of Revenues and Certain Expenses for the Year Ended December 31, 2003
   - (iii) Notes to Statement of Revenues and Certain Expenses
   - (iv) Statement of Revenues and Certain Expenses for the period from January 1, 2004 through April 29, 2004 (unaudited)

6. Lone Star Pavilions
   - (i) Independent Auditors' Report
   - (ii) Statement of Revenues and Certain Expenses for the Year Ended December 31, 2003
   - (iii) Notes to Statement of Revenues and Certain Expenses
   - (iv) Statement of Revenues and Certain Expenses for the period from January 1, 2004 through April 29, 2004 (unaudited)

(b) Pro Forma Condensed Financial Statement (unaudited) of Weingarten Realty Investors, the Acquired Properties and Other Acquisitions

1. Pro Forma Condensed Statement of Consolidated Income for the Year Ended December 31, 2003 and the Six Months Ended June 30, 2004
2. Pro Forma Condensed Balance Sheet as of June 30, 2004
3. Notes and Significant Assumptions
4. Statement of Estimated Taxable Operating Results and Cash to be Made Available by Operations for the Year Ended December 31, 2003

(c) Exhibits:

Included herewith is Exhibit No. 23.1, the Consent of Independent Registered Public Accounting Firm

INDEPENDENT AUDITORS' REPORT

To the Board of Trust Managers and Shareholders of
Weingarten Realty Investors:

We have audited the accompanying statement of revenues and certain expenses (the "Historical Summary") of Harrison Pointe Shopping Center (the "Property") for the year ended December 31, 2003. This Historical Summary is the responsibility of the Property's management. Our responsibility is to express an opinion on the Historical Summary based on our audit.

We conducted our audit in accordance with the auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the Historical Summary is free of material misstatement. An audit includes examining on a test basis, evidence supporting the amounts and disclosures in the statement. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall presentation of the Historical Summary. We believe that our audit provides a reasonable basis for our opinion.

The accompanying Historical Summary was prepared for the purpose of complying with the rules and regulations of the Securities and Exchange Commission (for inclusion in Form 8-K of Weingarten Realty Investors) as described in Note 2 to the Historical Summary and is not intended to be a complete presentation of the Property's revenues and expenses.

In our opinion, the Historical Summary presents fairly, in all material respects, the revenues and certain expenses, as described in Note 2 to the Historical Summary, of Harrison Pointe Shopping Center for the year ended December 31, 2003, in conformity with accounting principles generally accepted in the United States of America.

Deloitte & Touche LLP
Houston, Texas
September 8, 2004

HARRISON POINTE SHOPPING CENTER
STATEMENT OF REVENUES AND CERTAIN EXPENSES
FOR THE YEAR ENDED DECEMBER 31, 2003

REVENUES:	
Rental	$ 346,221
Tenant reimbursements	63,170
Total Revenues	409,391

CERTAIN EXPENSES:	
Property operating and maintenance	82,670
Ad valorem taxes	94,133
Total Certain Expenses	176,803
EXCESS OF REVENUES OVER CERTAIN EXPENSES	$ 232,588

See accompanying notes to statement of revenues and certain expenses.

HARRISON POINTE SHOPPING CENTER
NOTES TO STATEMENT OF REVENUES AND CERTAIN EXPENSES
FOR THE YEAR ENDED DECEMBER 31, 2003

1. ORGANIZATION

The accompanying statement of revenues and certain expenses (the "Historical Summary") includes the operations of Harrison Pointe Shopping Center (the "Property"). The development of this property was substantially completed in 2003 and was purchased by Weingarten Realty Investors (the "Company") through its interest in WRI/Raleigh LP effective January 1, 2004 from J&H of Raleigh, LLC. This acquisition is a 124,000 square foot center in Cary, North Carolina, a suburb of Raleigh, North Carolina, and is anchored by Harris Teeter and Staples. The Property was 56.6% occupied as of December 31, 2003. A single tenant had minimum rentals of 33.0% and no other tenant had minimum rentals exceeding 10.9% of the total minimum rentals for the month ended December 31, 2003.

The Company is a Texas real estate investment trust, which is primarily involved in the acquisition, development, and management of real estate, consisting mostly of neighborhood and community shopping centers and, to a lesser extent, industrial properties.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Presentation - The accompanying Historical Summary has been prepared for the purpose of complying with the provisions of Article 3.14 of Regulation S-X promulgated by the Securities and Exchange Commission (the "SEC"), which requires certain information with respect to real estate operations to be included with certain filings with the SEC. The Historical Summary for the year ended December 31, 2003 includes the historical revenues and certain operating expenses of the Property, exclusive of interest, management fees, corporate level general and administrative expenses and depreciation and amortization, which may not be comparable to the future operations of the Property.

Revenue Recognition - Rental revenue is generally recognized on a straight-line basis over the life of the lease. Rental revenue includes revenue based on a percentage of tenants' sales, which is recognized only after the tenant exceeds their sales breakpoint. All leases have been accounted for as operating leases. Tenant reimbursements represent revenues from tenants for reimbursements of taxes, maintenance expenses and insurance, which is recognized in the period the related expense is recorded.

Repairs and Maintenance - Expenditures for repairs and maintenance are expensed as incurred.

Use of Estimates - The preparation of the financial statement in conformity with accounting principles generally accepted in the United States of America requires the Property's management to make estimates and assumptions that affect amounts reported in the financial statement as well as certain disclosures. Actual results could differ from those estimates.

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3. RENTALS UNDER OPERATING LEASES

Future minimum rental income from non-cancelable operating leases at December 31, 2003 is as follows:

2004	$ 854,979
2005	863,976
2006	873,750
2007	822,652
2008	736,872
Thereafter	4,929,487

The future minimum lease payments do not include estimates for tenant reimbursements nor amounts based on a percentage of the tenants' sales. No percentage rental income was recognized for the year ended December 31, 2003, and tenant reimbursements totaled $63,170 for the year ended December 31, 2003.

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INDEPENDENT AUDITORS' REPORT

To the Board of Trust Managers and Shareholders of
Weingarten Realty Investors:

We have audited the accompanying statement of revenues and certain expenses (the "Historical Summary") of Leesville Shopping Center (the "Property") for the year ended December 31, 2003. This Historical Summary is the responsibility of the Property's management. Our responsibility is to express an opinion on the Historical Summary based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the Historical Summary is free of material misstatement. An audit includes examining on a test basis, evidence supporting the amounts and disclosures in the statement. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall presentation of the Historical Summary. We believe that our audit provides a reasonable basis for our opinion.

The accompanying Historical Summary was prepared for the purpose of complying with the rules and regulations of the Securities and Exchange Commission (for inclusion in Form 8-K of Weingarten Realty Investors) as described in Note 2 to the Historical Summary and is not intended to be a complete presentation of the Property's revenues and expenses.

In our opinion, the Historical Summary presents fairly, in all material respects, the revenues and certain expenses, as described in Note 2 to the Historical Summary, of Leesville Shopping Center for the year ended December 31, 2003, in conformity with accounting principles generally accepted in the United States of America.

Deloitte & Touche LLP
Houston, Texas
September 8, 2004

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LEESVILLE SHOPPING CENTER
STATEMENT OF REVENUES AND CERTAIN EXPENSES
FOR THE YEAR ENDED DECEMBER 31, 2003

REVENUES:	
Rental	$ 1,877,997
Tenant reimbursements	254,617
Total Revenues	2,132,614
CERTAIN EXPENSES:	
Property operating and maintenance	267,034
Ad valorem taxes	129,287
Total Certain Expenses	396,321
EXCESS OF REVENUES OVER CERTAIN EXPENSES	$ 1,736,293

See accompanying notes to statement of revenues and certain expenses.

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LEESVILLE SHOPPING CENTER
NOTES TO STATEMENT OF REVENUES AND CERTAIN EXPENSES

FOR THE YEAR ENDED DECEMBER 31, 2003

1. ORGANIZATION

The accompanying statement of revenues and certain expenses (the "Historical Summary") includes the operations of Leesville Shopping Center (the "Property"). The Property is a 114,000 square foot shopping center located in Leesville, North Carolina, a suburb of Raleigh, North Carolina. The Property was purchased by Weingarten Realty Investors (the "Company") through its interest in WRI/Raleigh LP effective January 1, 2004 from REA Development LLC. The Property was 98.8% occupied as of December 31, 2003, and is anchored by Harris Teeter. A single tenant had minimum rentals of 34.6% and no other tenant had minimum rentals exceeding 9.2% of the total minimum rentals for the year ended December 31, 2003.

The Company is a Texas real estate investment trust, which is primarily involved in the acquisition, development, and management of real estate, consisting mostly of neighborhood and community shopping centers and, to a lesser extent, industrial properties.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Presentation - The accompanying Historical Summary has been prepared for the purpose of complying with the provisions of Article 3.14 of Regulation S-X promulgated by the Securities and Exchange Commission (the "SEC"), which requires certain information with respect to real estate operations to be included with certain filings with the SEC. The Historical Summary for the year ended December 31, 2003 includes the historical revenues and certain operating expenses of the Property, exclusive of interest, management fees, corporate level general and administrative expenses and depreciation and amortization, which may not be comparable to the future operations of the Property.

Revenue Recognition - Rental revenue is generally recognized on a straight-line basis over the life of the lease. Rental revenue includes revenue based on a percentage of tenants' sales, which is recognized only after the tenant exceeds their sales breakpoint. All leases have been accounted for as operating leases. Tenant reimbursements represent revenues from tenants for reimbursements of taxes, maintenance expenses and insurance, which is recognized in the period the related expense is recorded.

Repairs and Maintenance - Expenditures for repairs and maintenance are expensed as incurred.

Use of Estimates - The preparation of the financial statement in conformity with accounting principles generally accepted in the United States of America requires the Property's management to make estimates and assumptions that affect amounts reported in the financial statement as well as certain disclosures. Actual results could differ from those estimates.

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3. RENTALS UNDER OPERATING LEASES

Future minimum rental income from non-cancelable operating leases at December 31, 2003 is as follows:

2004	$ 1,878,647
2005	1,761,935
2006	1,698,850
2007	1,410,969
2008	1,422,115
Thereafter	13,309,402

The future minimum lease payments do not include estimates for tenant reimbursements nor amounts based on a percentage of tenants' sales. No percentage rental income was recognized for the year ended December 31, 2003, and tenant reimbursements totaled $254,617 for the year ended December 31, 2003.

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INDEPENDENT AUDITORS' REPORT

To the Board of Trust Managers and Shareholders of
Weingarten Realty Investors:

We have audited the accompanying statement of revenues and certain expenses (the "Historical Summary") of the TFK Portfolio for the year ended December 31, 2003. This Historical Summary is the responsibility of the TFK Portfolio's management. Our responsibility is to express an opinion on the Historical Summary based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the Historical Summary is free of material misstatement. An audit includes examining on a test basis, evidence supporting the amounts and disclosures in the statement. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall presentation of the Historical Summary. We believe that our audit provides a reasonable basis for our opinion.

The accompanying Historical Summary was prepared for the purpose of complying with the rules and regulations of the Securities and Exchange Commission (for inclusion in Form 8-K of Weingarten Realty Investors) as described in Note 2 to the Historical Summary and is not intended to be a complete presentation of TFK Portfolio's revenues and expenses.

In our opinion, the Historical Summary presents fairly, in all material respects, the revenues and certain expenses, as described in Note 2 to the Historical Summary, of the TFK Portfolio for the year ended December 31, 2003, in conformity with accounting principles generally accepted in the United States of America.

Deloitte & Touche LLP

Houston, Texas
September 8, 2004

TFK PORTFOLIO
STATEMENT OF REVENUES AND CERTAIN EXPENSES
FOR THE YEAR ENDED DECEMBER 31, 2003

REVENUES:	
Rental	$ 12,409,855
Tenant reimbursements	3,676,618
Total Revenues	16,086,473
CERTAIN EXPENSES:	
Property operating and maintenance	1,892,690
Ad valorem taxes	2,071,717
Total Certain Expenses	3,964,407
EXCESS OF REVENUES OVER CERTAIN EXPENSES	$ 12,122,066

See accompanying notes to statement of revenues and certain expenses.

TFK PORTFOLIO
NOTES TO STATEMENT OF REVENUES AND CERTAIN EXPENSES
FOR THE YEAR ENDED DECEMBER 31, 2003

1. ORGANIZATION

The accompanying statement of revenues and certain expenses (the "Historical Summary") includes the operations of the TFK Portfolio. The TFK Portfolio was purchased by Weingarten Realty Investors on March 1, 2004 from TFK Retail, Ltd. This acquisition includes four shopping centers aggregating 1,135,000 square feet. First Colony Commons is located in Sugar Land, Texas, a suburb of Houston; TJ Maxx Plaza is located in Kendall, Florida, a suburb of Miami; Largo Mall is located near St. Petersburg, Florida; and Tates Creek is located in Lexington, Kentucky. The TFK Portfolio was 89.4% occupied as of December 31, 2003. No single tenant had minimum rentals exceeding 6.97% of the total minimum rentals for the year ended December 31, 2003.

The Company is a Texas real estate investment trust, which is primarily involved in the acquisition, development, and management of real estate, consisting mostly of neighborhood and community shopping centers and, to a lesser extent, industrial properties.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Presentation - The accompanying Historical Summary has been prepared for the purpose of complying with the provisions of Article 3.14 of Regulation S-X promulgated by the Securities and Exchange Commission (the "SEC"), which requires certain information with respect to real estate operations to be included with certain filings with the SEC. The Historical Summary for the year ended December 31, 2003 includes the historical revenues and certain operating expenses of the TFK Portfolio, exclusive of interest, management fees, corporate level general and administrative expenses and depreciation and amortization, which may not be comparable to the future operations of the TFK Portfolio.

Revenue Recognition - Rental revenue is generally recognized on a straight-line basis over the life of the lease. Rental revenue includes revenue based on a percentage of tenants' sales, which is recognized only after the tenant exceeds their sales breakpoint. All leases have been accounted for as operating leases. Tenant reimbursements represent revenues from tenants for reimbursements of taxes, maintenance expenses and insurance, which is recognized in the period the related expense is recorded.

Repairs and Maintenance - Expenditures for repairs and maintenance are expensed as incurred.

Use of Estimates - The preparation of the financial statement in conformity with accounting principles generally accepted in the United States of America requires the TFK Portfolio's management to make estimates and assumptions that affect amounts reported in the financial statement as well as certain disclosures. Actual results could differ from those estimates.

3. RENTALS UNDER OPERATING LEASES

Future minimum rental income from non-cancelable operating leases at December 31, 2003 is as follows:

2004	$ 12,414,946
2005	11,460,349
2006	10,123,763
2007	8,965,486
2008	6,316,112
Thereafter	18,492,704

The future minimum lease payments do not include estimates for tenant reimbursements nor amounts based on a percentage of the tenants' sales. Percentage rental income and tenant reimbursements totaled $228,978 and $3,676,618, respectively, for the year ended December 31, 2003.

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TFK PORTFOLIO
STATEMENT OF REVENUES AND CERTAIN EXPENSES
FOR THE PERIOD FROM JANUARY 1, 2004 THROUGH FEBRUARY 28, 2004
(Unaudited)

REVENUES:	
Rental	$ 2,219,614
Tenant reimbursements	730,073
Total Revenues	2,949,687
CERTAIN EXPENSES:	
Property operating and maintenance	266,731
Ad valorem taxes	366,397
Total Certain Expenses	633,128
EXCESS OF REVENUES OVER CERTAIN EXPENSES	$ 2,316,559

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INDEPENDENT AUDITORS' REPORT

To the Board of Trust Managers and Shareholders of
Weingarten Realty Investors:

We have audited the accompanying statement of revenues and certain expenses (the "Historical Summary") of Pavilions at San Mateo (the "Property") for the year ended December 31, 2003. This Historical Summary is the responsibility of the Property's management. Our responsibility is to express an opinion on the Historical Summary based on our audit.

We conducted our audit in accordance with the auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the Historical Summary is free of material misstatement. An audit includes examining on a test basis, evidence supporting the amounts and disclosures in the statement. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall presentation of the Historical Summary. We believe that our audit provides a reasonable basis for our opinion.

The accompanying Historical Summary was prepared for the purpose of complying with the rules and regulations of the Securities and Exchange Commission (for inclusion in Form 8-K of Weingarten Realty Investors) as described in Note 2 to the Historical Summary and is not intended to be a complete presentation of the Property's revenues and expenses.

In our opinion, the Historical Summary presents fairly, in all material respects, the revenues and certain expenses, as described in Note 2 to the Historical Summary, of Pavilions at San Mateo for the year ended December 31, 2003, in conformity with accounting principles generally accepted in the United States of America.

Deloitte & Touche LLP
Houston, Texas
September 8, 2004

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PAVILIONS AT SAN MATEO
STATEMENT OF REVENUES AND CERTAIN EXPENSES
FOR THE YEAR ENDED DECEMBER 31, 2003

REVENUES:	
Rental	$ 2,783,111
Tenant reimbursements	465,129
Total Revenues	3,248,240
CERTAIN EXPENSES:	
Property operating and maintenance	325,053
Ad valorem taxes	179,007
Total Certain Expenses	504,060
EXCESS OF REVENUES OVER CERTAIN EXPENSES	$ 2,744,180

See accompanying notes to statement of revenues and certain expenses.

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PAVILIONS AT SAN MATEO
NOTES TO STATEMENT OF REVENUES AND CERTAIN EXPENSES
FOR THE YEAR ENDED DECEMBER 31, 2003

1. ORGANIZATION

The accompanying statement of revenues and certain expenses (the "Historical Summary") includes the operations of Pavilions at San Mateo (the "Property"). Weingarten Realty Investors (the "Company"), and a wholly owned entity of the Company, WRI/Pavilion Inc., owned a 30% interest in the Property. On April 30, 2004, the Company purchased the remaining 70% interest in the Property from Shannon Property Management. The Property is a 196,000 square foot retail center that is located in Albuquerque, New Mexico, and is anchored by Linens 'N Things and Circuit City. The Property was 92.6% occupied as of December 31, 2003. Four tenants had minimum rentals ranging from 18.8% to 11.2% and no other tenant had minimum rentals exceeding 7.8% of the total minimum rentals for the year ended December 31, 2003.

The Company is a Texas real estate investment trust, which is primarily involved in the acquisition, development, and management of real estate, consisting mostly of neighborhood and community shopping centers and, to a lesser extent, industrial properties.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Presentation - The accompanying Historical Summary has been prepared for the purpose of complying with the provisions of Article 3.14 of Regulation S-X promulgated by the Securities and Exchange Commission (the "SEC"), which requires certain information with respect to real estate operations to be included with certain filings with the SEC. The Historical Summary for the year ended December 31, 2003 includes the historical revenues and certain operating expenses of the Property, exclusive of interest, management fees, corporate level general and administrative expenses and depreciation and amortization, which may not be comparable to the future operations of the Property.

Revenue Recognition - Rental revenue is generally recognized on a straight-line basis over the life of the lease. Rental revenue includes revenue based on a percentage of tenants' sales, which is recognized only after the tenant exceeds their sales breakpoint. All leases have been accounted for as operating leases. Tenant reimbursements represent revenues from tenants for reimbursements of taxes, maintenance expenses and insurance, which is recognized in the period the related expense is recorded.

Repairs and Maintenance - Expenditures for repairs and maintenance are expensed as incurred.

Use of Estimates - The preparation of the financial statement in conformity with accounting principles generally accepted in the United States of America requires the Property's management to make estimates and assumptions that affect amounts reported in the financial statement as well as certain disclosures. Actual results could differ from those estimates.

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3. RENTALS UNDER OPERATING LEASES

Future minimum rental income from non-cancelable operating leases at December 31, 2003 is as follows:

2004	$ 2,732,956
2005	2,668,887
2006	2,562,190
2007	2,432,313
2008	2,079,067
Thereafter	9,400,661

The future minimum lease payments do not include estimates for tenant reimbursements nor amounts based on a percentage of the tenants' sales. No percentage rental income was recognized for the year ended December 31, 2003, and tenant reimbursements totaled $465,129 for the year ended December 31, 2003.

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PAVILIONS AT SAN MATEO
STATEMENT OF REVENUES AND CERTAIN EXPENSES
FOR THE PERIOD FROM JANUARY 1, 2004 THROUGH APRIL 29, 2004
(Unaudited)

REVENUES:	
Rental	$ 881,231
Tenant reimbursements.	156,775
Total Revenues	1,038,006
CERTAIN EXPENSES:	
Property operating and maintenance . . .	113,107
Ad valorem taxes	59,732
Total Certain Expenses	172,839
EXCESS OF REVENUES OVER CERTAIN EXPENSES . .	$ 865,167

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INDEPENDENT AUDITORS' REPORT

To the Board of Trust Managers and Shareholders of
Weingarten Realty Investors:

We have audited the accompanying statement of revenues and certain expenses (the "Historical Summary") of Rockwall Market Center (the "Property") for the year ended December 31, 2003. This Historical Summary is the responsibility of the Property's management. Our responsibility is to express an opinion on the Historical Summary based on our audit.

We conducted our audit in accordance with the auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the Historical Summary is free of material misstatement. An audit includes examining on a test basis, evidence supporting the amounts and disclosures in the statement. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall presentation of the Historical Summary. We believe that our audit provides a reasonable basis for our opinion.

The accompanying Historical Summary was prepared for the purpose of complying with the rules and regulations of the Securities and Exchange Commission (for inclusion in Form 8-K of Weingarten Realty Investors) as described in Note 2 to the Historical Summary and is not intended to be a complete presentation of the Property's revenues and expenses.

In our opinion, the Historical Summary presents fairly, in all material respects, the revenues and certain expenses, as described in Note 2 to the Historical Summary, of Rockwall Market Center for the year ended December 31, 2003, in conformity with accounting principles generally accepted in the United States of America.

Deloitte & Touche LLP
Houston, Texas
September 8, 2004

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ROCKWALL MARKET CENTER
STATEMENT OF REVENUES AND CERTAIN EXPENSES
FOR THE YEAR ENDED DECEMBER 31, 2003

REVENUES:	
Rental.	$ 2,556,979
Tenant reimbursements	664,204
Total Revenues.	3,221,183
CERTAIN EXPENSES:	
Property operating and maintenance.	214,097
Ad valorem taxes.	455,390
Total Certain Expenses.	669,487

EXCESS OF REVENUES OVER CERTAIN EXPENSES.	$ 2,551,696
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See accompanying notes to statement of revenues and certain expenses.

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ROCKWALL MARKET CENTER
NOTES TO STATEMENT OF REVENUES AND CERTAIN EXPENSES
FOR THE YEAR ENDED DECEMBER 31, 2003

1. ORGANIZATION

The accompanying statement of revenues and certain expenses (the "Historical Summary") includes the operations of Rockwall Market Center (the "Property"). Weingarten Realty Investors (the "Company"), and a wholly owned entity of the Company, WRI/Rockwall, Inc., owned a 30% interest in the Property. On April 30, 2004, the Company purchased the remaining 70% interest in the Property from Shannon Property Management. The Property is a 209,000 square foot retail center that is located in Rockwall, Texas, and is anchored by Linens 'N Things, Michael's, OfficeMax, Old Navy, and Ross Dress for Less. The Property was 99.3% occupied as of December 31, 2003. No single tenant had minimum rentals exceeding 10.1% of the total minimum rentals for the year ended December 31, 2003.

The Company is a Texas real estate investment trust, which is primarily involved in the acquisition, development, and management of real estate, consisting mostly of neighborhood and community shopping centers and, to a lesser extent, industrial properties.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Presentation - The accompanying Historical Summary has been prepared for the purpose of complying with the provisions of Article 3.14 of Regulation S-X promulgated by the Securities and Exchange Commission (the "SEC"), which requires certain information with respect to real estate operations to be included with certain filings with the SEC. The Historical Summary for the year ended December 31, 2003 includes the historical revenues and certain operating expenses of the Property, exclusive of interest, management fees, corporate level general and administrative expenses and depreciation and amortization, which may not be comparable to the future operations of the Property.

Revenue Recognition - Rental revenue is generally recognized on a straight-line basis over the life of the lease. Rental revenue includes revenue based on a percentage of tenants' sales, which is recognized only after the tenant exceeds their sales breakpoint. All leases have been accounted for as operating leases. Tenant reimbursements represent revenues from tenants for reimbursements of taxes, maintenance expenses and insurance, which is recognized in the period the related expense is recorded.

Repairs and Maintenance - Expenditures for repairs and maintenance are expensed as incurred.

Use of Estimates - The preparation of the financial statement in conformity with accounting principles generally accepted in the United States of

America requires the Property's management to make estimates and assumptions that affect amounts reported in the financial statement as well as certain disclosures. Actual results could differ from those estimates.

3. RENTALS UNDER OPERATING LEASES

Future minimum rental income from non-cancelable operating leases at December 31, 2003 is as follows:

2004	$ 2,396,867
2005	2,241,383
2006	2,093,627
2007	1,997,718
2008	1,967,560
Thereafter	6,640,234

The future minimum lease payments do not include estimates for tenant reimbursements nor amounts based on a percentage of the tenants' sales. No percentage rental income was recognized for the year ended December 31, 2003, and tenant reimbursements totaled $664,204 for the year ended December 31, 2003.

ROCKWALL MARKET CENTER
STATEMENT OF REVENUES AND CERTAIN EXPENSES
FOR THE PERIOD FROM JANUARY 1, 2004 THROUGH APRIL 29, 2004
(Unaudited)

REVENUES:	
Rental	$ 844,225
Tenant reimbursements.	215,044
Total Revenues	1,059,269
CERTAIN EXPENSES:	
Property operating and maintenance	69,579
Ad valorem taxes	153,762
Total Certain Expenses	223,341

EXCESS OF REVENUES OVER CERTAIN EXPENSES	$ 835,928

INDEPENDENT AUDITORS' REPORT

To the Board of Trust Managers and Shareholders of
Weingarten Realty Investors:

We have audited the accompanying statement of revenues and certain expenses (the "Historical Summary") of Lone Star Pavilions (the "Property") for the year ended December 31, 2003. This Historical Summary is the responsibility of the Property's management. Our responsibility is to express an opinion on the Historical Summary based on our audit.

We conducted our audit in accordance with the auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the Historical Summary is free of material misstatement. An audit includes examining on a test basis, evidence supporting the amounts and disclosures in the statement. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall presentation of the Historical Summary. We believe that our audit provides a reasonable basis for our opinion.

The accompanying Historical Summary was prepared for the purpose of complying with the rules and regulations of the Securities and Exchange Commission (for inclusion in Form 8-K of Weingarten Realty Investors) as described in Note 2 to the Historical Summary and is not intended to be a complete presentation of the Property's revenues and expenses.

In our opinion, the Historical Summary presents fairly, in all material respects, the revenues and certain expenses, as described in Note 2 to the Historical Summary, of Lone Star Pavilions for the year ended December 31, 2003, in conformity with accounting principles generally accepted in the United States of America.

Deloitte & Touche LLP
Houston, Texas
September 8, 2004

LONE STAR PAVILIONS

STATEMENT OF REVENUES AND CERTAIN EXPENSES
FOR THE YEAR ENDED DECEMBER 31, 2003

REVENUES:	
Rental	$ 1,117,972
Tenant reimbursements	353,091
Total Revenues	1,471,063
CERTAIN EXPENSES:	
Property operating and maintenance	117,424
Ad valorem taxes	224,521
Total Certain Expenses	341,945
EXCESS OF REVENUES OVER CERTAIN EXPENSES	$ 1,129,118

See accompanying notes to statement of revenues and certain expenses.

LONE STAR PAVILIONS
NOTES TO STATEMENT OF REVENUES AND CERTAIN EXPENSES
FOR THE YEAR ENDED DECEMBER 31, 2003

1. ORGANIZATION

The accompanying statement of revenues and certain expenses (the "Historical Summary") includes the operations of Lone Star Pavilions (the "Property"). Weingarten Realty Investors (the "Company"), and a wholly owned entity of the Company, WRI/Lone Star, Inc., owned a 30% interest in the Property. On April 30, 2004, the Company purchased the remaining 70% interest in the Property from Shannon Property Management. The Property is a 107,000 square foot retail center that is located in College Station, Texas, and is anchored by Barnes & Noble, Office Depot and Best Buy. The Property was 98.1% occupied as of December 31, 2003. Three tenants had minimum rentals ranging from 28.7% to 23.3% and no other tenant had minimum rentals exceeding 6.7% of the total minimum rentals for the year ended December 31, 2003.

The Company is a Texas real estate investment trust, which is primarily involved in the acquisition, development, and management of real estate, consisting mostly of neighborhood and community shopping centers and, to a lesser extent, industrial properties.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Presentation - The accompanying Historical Summary has been prepared for the purpose of complying with the provisions of Article 3.14 of Regulation S-X promulgated by the Securities and Exchange Commission (the "SEC"), which requires certain information with respect to real estate operations to be included with certain filings with the SEC. The Historical Summary for the year ended December 31, 2003 includes the historical revenues and certain operating expenses of the Property, exclusive of interest, management fees, corporate level general and administrative expenses and depreciation and amortization, which may not be comparable to the future operations of the Property.

Revenue Recognition - Rental revenue is generally recognized on a straight-line basis over the life of the lease. Rental revenue includes revenue based on a percentage of tenants' sales, which is recognized only after the tenant exceeds their sales breakpoint. All leases have been accounted for as operating leases. Tenant reimbursements represent revenues from tenants for reimbursements of taxes, maintenance expenses and insurance, which is recognized in the period the related expense is recorded.

Repairs and Maintenance - Expenditures for repairs and maintenance are expensed as incurred.

Use of Estimates - The preparation of the financial statement in conformity with accounting principles generally accepted in the United States of America requires the Property's management to make estimates and assumptions that affect amounts reported in the financial statement as well as certain disclosures. Actual results could differ from those estimates.

3. RENTALS UNDER OPERATING LEASES

Future minimum rental income from non-cancelable operating leases at December 31, 2003 is as follows:

2004	$ 1,087,464
2005	1,065,488
2006	980,270
2007	924,488
2008	922,042
Thereafter	4,231,728

The future minimum lease payments do not include estimates for tenant reimbursements nor amounts based on a percentage of the tenants' sales. No percentage rental income was recognized for the year ended December 31, 2003, and tenant reimbursements totaled $353,091 for the year ended December 31, 2003.

LONE STAR PAVILIONS
STATEMENT OF REVENUES AND CERTAIN EXPENSES
FOR THE PERIOD FROM JANUARY 1, 2004 THROUGH APRIL 29, 2004
(Unaudited)

REVENUES:	
Rental	$ 375,324
Tenant reimbursements	110,532
Total Revenues	485,856
CERTAIN EXPENSES:	
Property operating and maintenance	30,592
Ad valorem taxes	77,410
Total Certain Expenses	108,002
EXCESS OF REVENUES OVER CERTAIN EXPENSES	$ 377,854

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WEINGARTEN REALTY INVESTORS
PRO FORMA CONDENSED STATEMENTS OF CONSOLIDATED INCOME

(in thousands, except per share amounts)

These unaudited Pro Forma Condensed Statements of Consolidated Income for the year ended December 31, 2003 and the six months ended June 30, 2004 are presented as if (A) the acquisition of the acquired properties and (B) the acquisition of other properties, as set forth in the Notes and Significant Assumptions, had occurred as of the beginning of each period. In management's opinion, all adjustments necessary to reflect the effects of these transactions have been made. These unaudited Pro Forma Condensed Statements of Consolidated Income are not necessarily indicative of what actual results of operations would have been had these transactions occurred on the beginning of each period, nor do they purport to represent the results of operations for future periods.

WEINGARTEN REALTY INVESTORS
PRO FORMA CONDENSED STATEMENTS OF CONSOLIDATED INCOME
YEAR ENDED DECEMBER 31, 2003
(Unaudited)

	Historical	Adjustment for Acquired Properties(A)	Adjustment for Other Acquisitions(

Revenues:			
Rentals	$ 407,387	$ 26,569	$ 10,130
Interest income	1,587	9	30
Other	7,067	340	44
Total	416,041	26,918	10,204
Expenses:			
Depreciation and amortization	93,382	6,633	2,975
Interest	88,871	7,454	4,163
Operating	64,608	3,962	1,748
Ad valorem taxes	47,129	3,154	877
General and administrative	13,820		
Loss on early redemption of preferred shares	2,739		
Total	310,549	21,203	9,763
Operating Income	105,492	5,715	441
Equity in Earnings of Joint Ventures	4,743		1,080
Income Allocated to Minority Interests	(2,723)	(205)	(107)
Gain on Sale of Properties	714		
Income Before Discontinued Operations	108,226	5,510	1,414
Operating Income from Discontinued Operations	2,015		
Gain on Sale of Properties	6,039		
Income from Discontinued Operations	8,054		
Net Income	$ 116,280	$ 5,510	$ 1,414
Net Income Available to Common Shareholders:			
Basic	$ 97,880	$ 5,510	$ 1,414
Diluted	$ 100,920	$ 5,715	$ 1,521
Net Income per Common Share - Basic	$ 1.24		
Net Income per Common Share - Diluted	$ 1.24		
Weighted Average Number of Shares Outstanding:			
Basic	78,800		
Diluted	81,574		

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WEINGARTEN REALTY INVESTORS
PRO FORMA CONDENSED STATEMENTS OF CONSOLIDATED INCOME
SIX MONTHS ENDED JUNE 30, 2004
(Unaudited)

	Historical	Adjustment for Acquired Properties(A)	Adjustment for Other Acquisition
Revenues:			
Rentals	$ 237,411	$ 5,604	$ 4,088
Interest income	659	1	18
Other	2,713	32	16
Total	240,783	5,637	4,122
Expenses:			
Depreciation and amortization	55,707	1,300	1,101
Interest	55,873	1,323	1,637
Operating	35,994	702	508
Ad valorem taxes	29,112	657	272
General and administrative	7,962		
Loss on early redemption of preferred shares	3,566		
Total	188,214	3,982	3,518
Operating Income	52,569	1,655	604
Equity in Earnings of Joint Ventures	2,937		314
Income Allocated to Minority Interests	(1,854)		(8
Impairment Loss on Land Held for Development	(2,700)		
Gain on Sale of Properties	419		
Income Before Discontinued Operations	51,371	1,655	910
Operating Income from Discontinued Operations	790		
Gain on Sale of Properties	13,430		
Income from Discontinued Operations	14,220		
Net Income	$ 65,591	$ 1,655	$ 910
Net Income Available to Common Shareholders:			
Basic	$ 63,060	$ 1,655	$ 910
Diluted	$ 64,751	$ 1,655	$ 918
Net Income per Common Share - Basic	$ .75		
Net Income per Common Share - Diluted	$ .74		
Weighted Average Number of Shares Outstanding:			
Basic	84,371		
Diluted	87,451		

WEINGARTEN REALTY INVESTORS
PRO FORMA CONDENSED BALANCE SHEET
AS OF JUNE 30, 2004
(Unaudited)

(in thousands)

This unaudited Pro Forma Condensed Balance Sheet is presented as if (A) the acquisition of the acquired properties and (B) the acquisition of other properties, as set forth in Notes (A) and (B), had occurred as of January 1, 2004. In management's opinion, all adjustments necessary to reflect the effects of these transactions have been made.

	Historical	Adjustment for Acquisitions	Pro Forma
ASSETS:			
Property	$ 3,608,809		$ 3,608,809
Accumulated Depreciation	(573,048)	$ (1,809)	(574,857)
Property - net	3,035,761	(1,809)	3,033,952
Investment in Real Estate Joint Ventures	48,939	314	49,253
Total	3,084,700	(1,495)	3,083,205
Notes Receivable from Real Estate Joint Ventures and Partnerships	44,892		44,892
Unamortized Debt and Lease Costs	82,935	(592)	82,343
Accrued Rent and Accounts Receivable, net	38,571		38,571
Other	96,928	4,399	101,327
Total	$ 3,348,026	$ 2,312	$ 3,350,338
LIABILITIES AND SHAREHOLDERS' EQUITY:			
Debt	$ 2,202,048		$ 2,202,048
Accounts Payable and Accrued Expenses	82,278		82,278
Other	79,058	$ (261)	78,797
Total	2,363,384	(261)	2,363,123
Minority Interest	57,479	8	57,487
Shareholders' Equity	927,163	2,565	929,728
Total	$ 3,348,026	$ 2,312	$ 3,350,338

WEINGARTEN REALTY INVESTORS
NOTES AND SIGNIFICANT ASSUMPTIONS
(Unaudited)

(A) ACQUIRED PROPERTIES

The aggregate purchase price for the acquisitions described below (the "Acquired Properties") was $254.7 million and was allocated among land, buildings and intangibles, with the buildings being depreciated over a period of forty years. These purchases were funded under our revolving credit facility (average rate of 1.87%), with the exception of $42.8 million of debt (average rate of 3.67%), which was assumed by us. Pro forma revenues and expenses, other than interest and depreciation, represent the historical amounts of the Acquired Properties.

In January 2004 we acquired two supermarket-anchored shopping centers. Harrison Pointe Center is a 124,000 square foot shopping center located in Cary, North Carolina, a suburb of Raleigh, and Leesville Town Centre is a 114,000 square foot shopping center located in Raleigh, North Carolina. Both of these shopping centers were acquired in a limited partnership utilizing a DownREIT structure and are anchored by Harris Teeter.

In March 2004 we completed the acquisition of the TFK Portfolio, a portfolio of four shopping centers aggregating 1,135,0000 square feet. First Colony Commons is located in Sugar Land, Texas, a suburb of Houston; TJ Maxx Plaza is located in Kendall, Florida, a suburb of Miami; Largo Mall is located near St. Petersburg, Florida, and Tates Creek is located in Lexington, Kentucky.

In April 2004 we acquired our joint venture partners' interests in three of our existing shopping centers, of which two are located in Texas and one in New Mexico. Pavilions at San Mateo is a 196,000 square foot retail center that is located in Albuquerque, New Mexico, and is anchored by Linen 'N Things and Circuit City. Rockwall Market Center is a 209,000 square foot retail center that is located in Rockwall, Texas, and is anchored by Linens 'N Things, Michael's, OfficeMax, Old Navy and Ross Dress for Less. Lone Star Pavilions is a 107,000 square foot retail center that is located in College Station, Texas, and is anchored by Barnes & Noble, Office Depot and Best Buy.

(B) OTHER ACQUISITIONS

The aggregate purchase price for the acquisitions described below (the "Other Acquisitions") was $135.3 million and was allocated among land, buildings and intangibles, with the buildings being depreciated over a period of forty years. These purchases were funded under our revolving credit facility (average rate of 1.87%) with the exception of $58.4 million of debt (rate of 5.63%), which was assumed by us. Pro forma revenues and expenses, other than interest and depreciation, represent the historical amounts of the Other Acquisitions.

In January 2004 we acquired Greenhouse Marketplace, a 151,000 square foot shopping center located in San Leandro, California. Big Lots, Cents Only and Factory 2-U anchor this retail center.

In April 2004, three 50%-owned unconsolidated joint ventures acquired an interest in three retail properties located in McAllen, Texas. Las Tiendas

Plaza is a 499,900 square foot center anchored by Target and Mervyn's (both corporately owned), as well as Ross Dress for Less, Marshall's and Office Depot. Northcross is a 76,500 square foot center and is anchored by Barnes & Noble and Blockbuster. The third property is HEB South 10th Street, which is anchored by an HEB supermarket. In April 2004 we also acquired our joint venture partner's interest in an existing shopping center located in Houston, Texas.

In May 2004 we acquired an industrial project and two retail centers. Southside Industrial Parkway is a 72,000 square foot industrial center located in Atlanta, Georgia. El Camino Promenade is a 111,000 square foot shopping center that is anchored by TJ Maxx, AMC Theater and Beverages & More, and is located in

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Encinitas, California. Village Shoppes of Sugarloaf is a 148,000 square foot shopping center, which is located in Lawrenceville, Georgia, a suburb of Atlanta. Publix anchors this retail center.

In June 2004 we acquired Roswell Corners, a 137,000 square foot shopping center, which is located in Roswell, Georgia, and is anchored by Staples, TJ Maxx and Super Target (corporately owned). Also in June 2004 we acquired an interest in a retail property through a 50%-owned unconsolidated joint venture. Western Plaza is a 56,000 square foot center, which is anchored by Big Lots and located in Fenton, Missouri.

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WEINGARTEN REALTY INVESTORS
STATEMENT OF ESTIMATED TAXABLE OPERATING RESULTS
AND CASH TO BE MADE AVAILABLE BY OPERATIONS
FOR THE YEAR ENDED DECEMBER 31, 2003
(Unaudited)

(in thousands)

The following unaudited statement is a pro forma estimate of taxable operating results and cash to be made available by operations for the year ended December 31, 2003. The pro forma statement is based on our historical operating results for the year ended December 31, 2003 adjusted for the effect of (A) the acquisition of the acquired properties and (B) the acquisition of other properties, as set forth in the Notes and Significant Assumptions. This statement does not purport to forecast actual operating results for any future periods.

Revenue	$ 453,163
Expenses:	
Depreciation and amortization	102,990

Interest	100,488
Operating	70,318
Ad valorem taxes	51,160
General and administrative	13,820
Loss on early redemption of preferred shares	2,739
Total Expenses	341,515
Operating Income	111,648
Equity in Earnings of Joint Ventures	5,823
Income Allocated to Minority Interests	(3,035)
Gain on Sale of Properties	714
Income from Discontinued Operations	8,054
Estimated Taxable Operating Income	123,204
Adjustments:	
Depreciation and amortization	104,063
Loss on early redemption of preferred shares `	2,739
Equity in earnings of joint ventures	(5,823)
Income allocated to minority interests	3,035
Gain on sale of properties	(6,753)
Changes in accrued rent and accounts receivable	(5,596)
Changes in other assets	(31,579)
Changes in accounts payable and accrued expenses	(3,491)
Other, net	(490)
Estimated Cash to be Made Available from Operations	$ 179,309

(c) Exhibits

Exhibit Number	Description
23.1	Consent of Deloitte & Touche LLP

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SIGNATURE

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

Date: September 9, 2004

WEINGARTEN REALTY INVESTORS

By: /s/ Joe D. Shafer

Joe D. Shafer
Vice President/Controller
(Principal Accounting Officer)