

PROLOGIS
Form 4
September 12, 2008

FORM 4 UNITED STATES SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

OMB APPROVAL

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STATEMENT OF CHANGES IN BENEFICIAL OWNERSHIP OF SECURITIES

Filed pursuant to Section 16(a) of the Securities Exchange Act of 1934, Section 17(a) of the Public Utility Holding Company Act of 1935 or Section 30(h) of the Investment Company Act of 1940

(Print or Type Responses)

1. Name and Address of Reporting Person *
RAKOWICH WALTER C

(Last) (First) (Middle)
4545 AIRPORT WAY
(Street)

DENVER, CO 80239

(City) (State) (Zip)

2. Issuer Name and Ticker or Trading Symbol
PROLOGIS [PLD]

3. Date of Earliest Transaction
(Month/Day/Year)
09/10/2008

4. If Amendment, Date Original Filed(Month/Day/Year)

5. Relationship of Reporting Person(s) to Issuer

(Check all applicable)

___ Director ___ 10% Owner
 Officer (give title below) ___ Other (specify below)
President and COO

6. Individual or Joint/Group Filing(Check Applicable Line)
 Form filed by One Reporting Person
___ Form filed by More than One Reporting Person

Table I - Non-Derivative Securities Acquired, Disposed of, or Beneficially Owned

| 1. Title of Security (Instr. 3) | 2. Transaction Date (Month/Day/Year) | 2A. Deemed Execution Date, if any (Month/Day/Year) | 3. Transaction Code (Instr. 8) | 4. Securities Acquired (A) or Disposed of (D) (Instr. 3, 4 and 5) | 5. Amount of Securities Beneficially Owned Following Reported Transaction(s) (Instr. 3 and 4) | 6. Ownership Form: Direct (D) or Indirect (I) (Instr. 4) | 7. Nature of Indirect Beneficial Ownership (Instr. 4) |
|--------------------------------------|--------------------------------------|--|--------------------------------|---|---|--|---|
| | | | Code | V | Amount | (A) or (D) | Price |
| Common Shares of Beneficial Interest | 09/10/2008 | | M | | 133,530 | A | \$ 42.77 |
| Common Shares of Beneficial Interest | 09/10/2008 | | F | | 52,918 | D | \$ 42.77 |
| Common Shares of Beneficial Interest | | | | | 58,498 | I | |
| | | | | | | | See footnote (1) |

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Reminder: Report on a separate line for each class of securities beneficially owned directly or indirectly.

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(9-02)

Table II - Derivative Securities Acquired, Disposed of, or Beneficially Owned
(e.g., puts, calls, warrants, options, convertible securities)

| 1. Title of Derivative Security (Instr. 3) | 2. Conversion or Exercise Price of Derivative Security | 3. Transaction Date (Month/Day/Year) | 3A. Deemed Execution Date, if any (Month/Day/Year) | 4. Transaction Code (Instr. 8) | 5. Number of Derivative Securities Acquired (A) or Disposed of (D) (Instr. 3, 4, and 5) | 6. Date Exercisable and Expiration Date (Month/Day/Year) | 7. Title and Amount of Underlying Securities (Instr. 3 and 4) | Amount or Number of Shares |
|--|--|--------------------------------------|--|--------------------------------|---|--|---|----------------------------|
| Restricted Stock Units | \$ 42.77 | 09/10/2008 | | M | 30,000 | <u>(2)</u> 10/15/2008 | Common Shares | 30,000 |
| Restricted Stock Units | \$ 42.77 | 09/10/2008 | | M | 30,000 | <u>(3)</u> 12/21/2013 | Common Shares | 30,000 |
| Performance Units | \$ 42.77 | 09/10/2008 | | M | 18,000 | <u>(4)</u> 12/31/2014 | Common Shares | 18,000 |
| Performance Units | \$ 42.77 | 09/10/2008 | | M | 27,000 | <u>(5)</u> 12/31/2015 | Common Shares | 27,000 |
| Dividend Equivalent Units | \$ 42.77 | 09/10/2008 | | M | 28,530 | <u>(6)</u> <u>(6)</u> | Common Shares | 28,530 |

Reporting Owners

| Reporting Owner Name / Address | Relationships | | | |
|---|---------------|-----------|-------------------|-------|
| | Director | 10% Owner | Officer | Other |
| RAKOWICH WALTER C 4545 AIRPORT WAY DENVER, CO 80239 | | | President and COO | |

Signatures

Erin McMahon, Attorney-in-Fact on behalf of Walter C. Rakowich 09/12/2008

__Signature of Reporting Person

Date

Explanation of Responses:

- * If the form is filed by more than one reporting person, *see* Instruction 4(b)(v).
- ** Intentional misstatements or omissions of facts constitute Federal Criminal Violations. *See* 18 U.S.C. 1001 and 15 U.S.C. 78ff(a).
- (1) Indirectly owned includes 2,561 shares held in the ProLogis 401(k) Plan, 55,065 shares held in family trusts and and 872 shares held by children.
- (2) Restricted Stock Units granted on 10/15/98 under Issuer's Long-Term Incentive Plan, vesting at the rate of 25% a year.
- (3) Restricted Stock Units granted on 12/21/03 under Issuer's Long-Term Incentive Plan, vesting at the rate of 25% a year.
- (4) Performance units granted on 12/31/04 under Long-Term Incentive Plan.
- (5) Performance units granted on 12/31/05 under Long-Term Incentive Plan.
- (6) Automatic conversion of Dividend Equivalent Units ("DEUs") associated with Restricted Stock Units and Performance Units. DEUs convert into common shares on a 1-for-1 basis. DEUs have no exercise price or expiration date. Fractional DEUs are settled in cash.
- (7) Total includes options, restricted stock units, dividend equivalent units, earned on restricted stock units and dividend reinvestment.

Note: File three copies of this Form, one of which must be manually signed. If space is insufficient, *see* Instruction 6 for procedure. Potential persons who are to respond to the collection of information contained in this form are not required to respond unless the form displays a currently valid OMB number.