

Palazzolo Lori A
 Form 4
 February 01, 2011

FORM 4

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

OMB APPROVAL

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Check this box if no longer subject to Section 16. Form 4 or Form 5 obligations may continue. See Instruction 1(b).

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 *
 Palazzolo Lori A

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

5. Relationship of Reporting Person(s) to Issuer

(Check all applicable)

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

3. Date of Earliest Transaction (Month/Day/Year)
 01/28/2011

____ Director _____ 10% Owner
 Officer (give title below) _____ Other (specify below)
 SVP Chief Accounting Officer

DENVER, CO 80239

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

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

(City) (State) (Zip)

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 Ownership (Instr. 4)		
			Code	V	Amount	(A) or (D)	Price		
Common Shares of Beneficial Interest, par value \$.01 <u>(1)</u>	01/28/2011	01/28/2011	M		1,360	A	\$ 0	9,586	D
Common Shares of Beneficial Interest, par value \$.01 <u>(2)</u>	01/28/2011	01/28/2011	F		480	A	\$ 15.21	9,106	D

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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)		
				Code	V (A) (D)	Date Exercisable	Expiration Date	Title	Amount or Number of Shares
Restricted Share Units	\$ 0	01/30/2011	01/30/2011	M	1,360	(1)	(1)	Common Shares of Beneficial Interest	1,360
Restricted Share Units	\$ 0	01/30/2011	01/30/2011	A	6,000	(3)	(3)	Common Shares of Beneficial Interest	6,000

Reporting Owners

Reporting Owner Name / Address	Relationships			
	Director	10% Owner	Officer	Other
Palazzolo Lori A 4545 AIRPORT WAY DENVER, CO 80239			SVP Chief Accounting Officer	

Signatures

Kristi Oberson attorney in fact for Lori Palazzolo
Date: 02/01/2011

**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) Restricted Share Units (RSUs). Conversion of 34% of restricted share unit award following vest. The RSUs convert into ProLogis common shares upon vesting on a 1-for-1 basis. RSUs have no exercise price or expiration date.

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- (2) Shares withheld for payment of the tax liability associated with the receipt of common shares acquired upon the release of restricted share units (RSUs) referenced in Table II.
- (3) Restricted Share Units (RSUs) awarded January 30, 2011 that vest 34% on Jan. 28, 2012 and 33% on each of Jan. 28, 2013 and Jan. 28, 2014. The RSUs convert into ProLogis common shares upon vesting on a 1-for-1 basis. RSUs have no exercise price or expiration date.

Note: File three copies of this Form, one of which must be manually signed. If space is insufficient, *see* Instruction 6 for procedure.

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