

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	(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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- (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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