

PROLOGIS  
Form 4  
May 11, 2007

**FORM 4**

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

OMB APPROVAL

OMB Number: 3235-0287  
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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 \*  
**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)  
05/09/2007

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)  
Pres. & 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, par value \$0.01	05/09/2007		M		9,425	A	\$ 21.2188
Common Shares of Beneficial Interest, par value \$0.01	05/09/2007		M		5,191.993	A	11

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Common Shares of Beneficial Interest, par value \$0.01  
 05/09/2007 S 14,616 D \$ 67,444.1 67,014 <sup>(2)</sup> D

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

**Persons who respond to the collection of information contained in this form are not required to respond unless the form displays a currently valid OMB control number.**

SEC 1474 (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 Security (Instr. 3 and 4)
				Code	V (A) (D)	Date Exercisable Expiration Date	Title
Options Right-to-buy	\$ 21.2188	05/09/2007		M	9,425	<sup>(3)</sup> 09/08/2007	Common Shares of Beneficial Interest
Dividend Equivalent Units	<sup>(1)</sup>	05/09/2007		M	5,191.993	<sup>(1)</sup> <sup>(1)</sup>	Common Shares of Beneficial Interest

## Reporting Owners

Reporting Owner Name / Address	Relationships			
	Director	10% Owner	Officer	Other
RAKOWICH WALTER C 4545 AIRPORT WAY DENVER, CO 80239	X		Pres. & COO	

## Signatures

/s/ Kate M. Meade, Attorney-in-Fact on behalf of Walter C. Rakowich  
 05/10/2007

\*\*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).  
Conversion of dividend equivalent units. Dividend Equivalent Units are earned and accrue on options pursuant to the ProLogis
- (1) Long-Term Incentive Plan. The rate of vest and the expiration date is the same as the underlying grant. DEUs are converted in common shares on a 1 for 1 basis.
- (2) Includes shares acquired through the ProLogis Dividend Reinvestment and Share Purchase Plan. Mr. Rakowich holds 59,162 shares through the Rakowich Family Trust and 549 shares through the Rakowich Gift Trust.
- (3) Options vested 25% per year beginning on 9/8/99.

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.