

WEINGARTEN REALTY INVESTORS

September 7, 2007

Mr. Russell G. Golden
Chairman of Emerging Issues Task Force
Financial Accounting Standards Board
401 Merritt 7
Norwalk, Connecticut 06856-5116

Re: EITF Issue No. 07-6, "Accounting for the Sale of Real Estate When the Agreement Includes a Buy-Sell Clause"

Dear Mr. Golden:

Weingarten Realty Investors is an unincorporated trust organized under the Texas Real Estate Investment Trust Act that, through its predecessor entity, began the ownership and development of shopping centers and other commercial real estate in 1948. As of June 30, 2007, we owned or operated under long-term leases, interests in 377 developed income-producing properties which are located in 22 states that span the United States from coast to coast. Included in the portfolio are 336 shopping centers, 75 industrial projects, and 3 other operating properties.

During the 1960's, WRI began entering into joint ventures and partnerships. Today we have 26 such entities with many different partners. In the operating agreement of each of these entities is an "Unspecified Price" Buy/Sell clause. This "Unspecified Price" Buy/Sell provision is intended to give either party an opportunity to exit a joint venture relationship at a price acceptable to both parties. Consistent with the findings of the National Association of Real Estate Trusts as outlined in their response to the EITF, WRI or its partners have rarely triggered the Buy/Sell clause in these agreements. In those cases where it has occurred (we collectively can only remember two times in forty years), it has not been for any of the reasons outlined in View B, but rather have been instances where one of the partners no longer desired to be a participant in the partnership or joint venture. In one case, our partner wanted to redirect his equity to other investments. In the other case, there was disagreement between the partners on the future direction of the asset. In both cases, our partners triggered the Buy/Sell. We purchased the asset in one case and in the other we sold the asset. Viewing each of these instances with hindsight, it is clear that partial recognition of profit would have been appropriate had assets been previously contributed to the joint venture. These examples validate the conclusion that the probability of either party triggering a buy-sell clause is remote, and when triggered, they do not operate as an option for the original seller (i.e. the other partner was not "compelled" to sell back to the original seller) but rather serve as an exit mechanism.

WRI does not agree with View A as we strongly believe the Buy/Sell clause is not an option to repurchase the property. Again, our Buy/Sell clauses are included to give either party an

opportunity to exit a joint venture at a fair price, not to provide WRI with the opportunity to repurchase the property. To assume that this is the motivation for including the Buy/Sell clause in an operating agreement is simply flawed. Over the past two years we have contributed assets to two joint ventures where partial gain has been recognized. In both cases, buy/sell clauses were included in the operating agreement but in neither case were they included with the intent of reacquiring the property at a later date.

If it is determined that further guidance is necessary with respect to this issue, WRI agrees with the views of NAREIT that View B would best reflect how the existence of a Buy/Sell clause could be evaluated in determining whether a deferral of partial gain is necessary. While the issues identified by the EITF as those that could be indicative of continuing involvement on the part of the seller appear valid, the probability of these factors coming into play would be very, very low in our opinion. Given enough time, it is certain that a multitude of additional factors with equally low probability of occurrence could be identified.

WRI again agrees with the views of NAREIT as it applies to View C. WRI strongly disagrees with the use of a Named Price Buy/Sell or a fair value Buy/Sell (where an outside consultant would be engaged to determine fair value) as this would not provide the opportunity for both parties to determine the value they believe is appropriate given their particular situation. We agree that there may be instances where one party would be willing to pay above what a third party would consider fair value, but is that not always the case in a negotiation between two parties with differing situations, whether or not a Buy/Sell clause exists? Simply because a very low probability event may occur in the future for either party that might cause them to compel the other partner to sell at a price above fair value does not constitute continuing involvement and would not seem to be a proper reason for creating new guidance.

If you would like further input from our company, please contact me at (713) 868-6540 or email me at jshafer@weingarten.com.

Respectfully yours,

Joe D. Shafer
Vice President/Chief Accounting Officer
Weingarten Realty Investors

cc: George L. Yungmann, Sr. Vice President, Financial Standards, The National Association of Real Estate Investment Trusts

James Johnson, Partner, Deloitte