

PASQUERILLA MARK E
Form 4
January 04, 2007

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 *
PASQUERILLA MARK E

2. Issuer Name and Ticker or Trading Symbol
PENNSYLVANIA REAL ESTATE INVESTMENT TRUST [PEI]

5. Relationship of Reporting Person(s) to Issuer
(Check all applicable)

(Last) (First) (Middle)
C/O PREIT, THE BELLVUE, 200 SOUTH BROAD STREET
(Street)

3. Date of Earliest Transaction (Month/Day/Year)
12/31/2006

Director 10% Owner
 Officer (give title below) Other (specify below)

PHILADELPHIA, PA 19102

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 Indirect Ownership (Instr. 4)
			Code	V	Amount	(A) or (D)	Price
Preferred Shares	12/31/2006		S		14,500	D	\$ 53.1
					(1)	(2)	(2) (3)
							14,500 (4)
						I	controlled corporation (1) (4)

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

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

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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 Number Shares
Class B Limited Partnership Interests	\$ 0 <u>(7)</u> <u>(8)</u>	12/31/2006		S		<u>(9)</u>	<u>(9)</u>	Common Shares <u>(4)</u>	125,000 <u>(5)</u> <u>(6)</u>
Class B Limited Partnership Interests	\$ 0 <u>(7)</u> <u>(8)</u>	12/31/2006		S		<u>(9)</u>	<u>(9)</u>	Common Shares <u>(4)</u>	1,580,211 <u>(5)</u> <u>(6)</u>

Reporting Owners

Reporting Owner Name / Address	Relationships			
	Director	10% Owner	Officer	Other
PASQUERILLA MARK E C/O PREIT THE BELLVUE, 200 SOUTH BROAD STREET PHILADELPHIA, PA 19102	X			

Signatures

/s/ Mark E.
Pasquerilla 12/31/2006

**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) On December 31, 2006, Pasquerilla Enterprises, L.P., a Delaware limited partnership controlled by Pasquerilla ("PE LP") sold to Crown Holding Company Employee Stock Ownership Trust, a Pennsylvania trust (the "Buyer") 10,000 shares of common stock, par value \$.01 per share, of Crown Holding Company, a Pennsylvania corporation ("CHC"), such shares representing all of the outstanding shares of CHC. CHC indirectly through its subsidiary Crown Investment Trust, a Delaware statutory trust ("CIT"), owns 14,500 preferred shares of Pennsylvania Real Estate Trust (the "Shares").
- (2) The Shares are subject to a Call Agreement dated December 21, 2006 among Crown Holding Company ("CHC"), a Pennsylvania corporation, Crown Investment Trust, a Delaware statutory trust ("CIT"), Crown American Properties, L.P., a Delaware limited partnership ("CAP"), and Pasquerilla Enterprises, L.P., a Delaware limited partnership ("PE LP"). Pursuant to the Call Agreement, CIT granted PE LP a call right with respect to the Shares. The purchase price for the call option with respect to the Shares is \$53.10.
- (3) For purposes of the transaction described in footnote (1), the Shares subject to the Call Option were valued by an independent valuation expert at the Call Option purchase price (i.e., \$53.10 per Share). The purchase price for the CHC share sale transaction between PE LP and the Buyer was determined, in part, based on such valuation.
- (4) The subject 14,500 preferred shares continue to be beneficially owned as a consequence of the call option described in Footnote (2).

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- (5) On December 31, 2006, Pasquerilla Enterprises, L.P., a Delaware limited partnership controlled by Pasquerilla ("PE LP") sold to Crown Holding Company Employee Stock Ownership Trust, a Pennsylvania trust (the "Buyer") 10,000 shares of common stock, par value \$.01 per share, of Crown Holding Company, a Pennsylvania corporation ("CHC"), such shares representing all the outstanding shares of CHC. CHC indirectly through its subsidiary Crown Investment Trust, a Delaware statutory trust ("CIT"), owns indirectly through its subsidiary Crown American Properties, L.P., a Delaware limited partnership ("CAP") 1,705,211 limited partnership units of PREIT Associates, L.P. (the "Units"), which are convertible into PREIT common shares on a one-to-one basis.
- (6) The Units, except for 125,000 Units, are subject to a Call Agreement among CHC, CIT and PE LP. Pursuant to a Call Agreement, CAP granted PE LP a call right with respect to 1,580,211 Units. The purchase price for the call option with respect to the Units is \$38.10 per Unit.
- (7) As indicated in Footnote (6), 125,000 Units were not subject to the Call Agreement. The closing market price for PREIT common stock on December 29, 2006 was \$39.38 per share.
- (8) For purposes of the transaction described in Footnote (5), the Units subject to the Call Option were valued by an independent valuation expert at the Call Option purchase price (i.e., \$38.10 per Unit). The purchase price for the sale transaction between PE LP and the Buyer was determined, in part, based on such valuation.
- (9) Class B limited partnership interests are convertible to PREIT Common Shares.
- (10) The 1,580,211 Class B partnership interests continue to be beneficially owned as a consequence of the call option described in Footnote (6).

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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