

Whitestone REIT
Form PRE 14A
March 21, 2012
UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, DC 20549

SCHEDULE 14A
(RULE 14a-101)

PROXY STATEMENT PURSUANT TO SECTION 14(a) OF THE SECURITIES
EXCHANGE ACT OF 1934

Filed by the Registrant
Filed by a Party other than the Registrant

Check the appropriate box:

- Preliminary Proxy Statement
 Confidential, for Use of the Commission Only (as permitted by Rule 14a-6(e)(2))
 Definitive Proxy Statement
 Definitive Additional Materials
 Soliciting Material Pursuant to Section 240.14a-12

Whitestone REIT
(Name of Registrant as Specified in Its Charter)

(Name of Person(s) Filing Proxy Statement, if other than the Registrant)

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- No fee required.
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(2) Form, Schedule or Registration Statement No.:

(3) Filing Party:

(4) Date Filed:

WHITESTONE REIT
2600 S. GESSNER, SUITE 500
HOUSTON, TEXAS 77063

April , 2012

Dear Shareholder:

You are cordially invited to attend the 2012 Annual Meeting of Shareholders to be held on Tuesday, May 22, 2012, at 10:00 a.m., Central Daylight Time, at the Norris Conference Center, 803 Town & Country Lane, Houston, Texas, 77024.

The notice of Annual Meeting and proxy statement accompanying this letter provide an outline of the business to be conducted at the meeting. I will also report on our progress during the past year and answer shareholders' questions.

It is important that your shares be represented at the Annual Meeting. I urge you to authorize a proxy to vote your shares via the internet, or by calling the toll-free telephone number, or by signing, dating and promptly returning your proxy card in the enclosed envelope. Your vote is important.

Sincerely yours,

/s/ James C. Mastandrea
James C. Mastandrea
Chairman and Chief Executive Officer

WHITESTONE REIT
2600 S. GESSNER, SUITE 500
HOUSTON, TEXAS 77063

NOTICE OF ANNUAL MEETING OF SHAREHOLDERS

To be Held May 22, 2012

To our Shareholders:

You are invited to attend our 2012 Annual Meeting of Shareholders (the "Annual Meeting"), to be held at the Norris Conference Center, 803 Town & Country Lane, Houston, Texas, 77024, on Tuesday, May 22, 2012 at 10:00 a.m., Central Daylight Time for the following purposes:

1. To elect two trustees to serve until our 2015 annual meeting of shareholders and thereafter until each of their successors has been duly elected and qualified (Proposal No. 1);
2. To approve an amendment to our Declaration of Trust, as amended, that will provide for the reclassification of each Class A common share into one Class B common share (Proposal 2);
3. To ratify Pannell Kerr Forster of Texas, P.C. as our independent registered public accounting firm for the fiscal year ending December 31, 2012 (Proposal No. 3); and
4. To transact such other business as may properly come before the meeting or any adjournment or postponement thereof.

The Board of Trustees recommends that you vote "FOR" the nominees for trustees, "FOR" the amendment to our Declaration of Trust, and "FOR" the ratification of Pannell Kerr Forster of Texas, P.C. as our independent registered public accounting firm for 2012.

Shareholders who are holders of record of our Class A or Class B common shares of beneficial interest at the close of business on March 23, 2012, the record date, will be entitled to receive notice of and to vote at the Annual Meeting. A proxy card is enclosed with this notice of Annual Meeting and proxy statement. A copy of our annual report to shareholders for the fiscal year ended December 31, 2011 is also enclosed with the proxy statement.

YOUR VOTE IS IMPORTANT - You are urged to authorize a proxy to vote your shares via the internet, or by calling the toll-free telephone number, or by signing, dating and promptly returning your proxy card in the enclosed envelope.

When you submit your proxy, you authorize James C. Mastandrea, John J. Dee, and David K. Holeman or any of them, each with full power of substitution, to vote your shares at the Annual Meeting in accordance with your instructions or, if no instructions are given, to vote in accordance with the recommendations of our Board set forth above.

By order of the Board of Trustees,

/s/ John J. Dee
John J. Dee
Chief Operating Officer and Corporate Secretary
April , 2012

IMPORTANT NOTICE REGARDING THE AVAILABILITY OF PROXY MATERIALS FOR THE ANNUAL MEETING TO BE HELD ON MAY 22, 2012:

This proxy statement and Whitestone's Annual Report to Shareholders for the fiscal year ended December 31, 2011 are available at: <http://www.amstock.com/ProxyServices/ViewMaterial.asp?CoNumber=16615>

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