

KILROY REALTY CORP
 Form 4
 February 01, 2016

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 *
 Smart Justin William

2. Issuer Name and Ticker or Trading Symbol
 KILROY REALTY CORP [NYSE: KRC]

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

(Last) (First) (Middle)

3. Date of Earliest Transaction (Month/Day/Year)
 01/28/2016

____ Director _____ 10% Owner
 Officer (give title below) _____ Other (specify below)
 See Remarks

C/O KILROY REALTY CORPORATION, 12200 W. OLYMPIC BLVD., SUITE 200
 (Street)

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

LOS ANGELES, CA 90064
 (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) |
|---|--------------------------------------|--|--------------------------------|---|---|--|-----------------------------------|
| | | | | (A) or (D) | Amount or Price | | |
| Common stock, par value \$0.01 per share ⁽¹⁾ | 01/28/2016 | | A | 8,893 A | \$ 0 | 79,688.0136 D | |

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

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SEC 1474 (9-02)

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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 Securities (Instr. 3 and 4) | | |
|--|--|--------------------------------------|--|--------------------------------|---|--|---|--------------|----------------------|
| | | | | Code | V (A) (D) | Date Exercisable | Expiration Date | Title | Amount Number Shares |
| Restricted Stock Units ⁽¹⁾ | <u>(2)</u> | 01/28/2016 | | A | 1,443.5552 | <u>(3)</u> | <u>(3)</u> | Common Stock | 1,443 |
| Restricted Stock Units ⁽¹⁾ | <u>(2)</u> | 01/28/2016 | | A | 13,554.9873 | <u>(4)</u> | <u>(4)</u> | Common Stock | 13,554 |

Reporting Owners

| Reporting Owner Name / Address | Relationships | | | |
|---|---------------|-----------|-------------|-------|
| | Director | 10% Owner | Officer | Other |
| Smart Justin William C/O KILROY REALTY CORPORATION 12200 W. OLYMPIC BLVD., SUITE 200 LOS ANGELES, CA 90064 | | | See Remarks | |

Signatures

/s/ Tyler H. Rose, as attorney-in-fact for Justin William Smart
Date: 02/01/2016

**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) Award of restricted stock units granted pursuant to Kilroy Realty 2006 Incentive Award Plan. Each restricted stock unit carries with it a right to receive dividend equivalents in respect of the share of stock underlying such restricted stock unit.
- (2) Each restricted stock unit represents a contingent right to receive one share of Issuer common stock.

The reporting person was awarded performance units in 2014 covering a three-year performance period ending December 31, 2016. The reporting person previously reported the minimum number of units subject to the award eligible to vest based on 2014 performance. The

- (3) number of units reported reflects the additional minimum number of units eligible to vest based on 2015 performance. The units remain subject to additional time-based vesting requirements. Up to an additional 3,411.1388 units may vest following 2016 based on the Issuer's relative total shareholder return for 2016.

- (4) The reporting person was awarded performance units in 2015 covering a three-year performance period ending December 31, 2017. The number of units reported reflects the minimum number of units eligible to vest based on the Issuer's funds from operations per share and relative total shareholder return for 2015. The units remain subject to additional time-based vesting requirements. Up to approximately 189% of the minimum number of units reported may ultimately vest after the three-year performance period based on the Issuer's relative total shareholder return for 2016 and 2017.

Remarks:

Executive Vice President, Development and Construction Services

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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