

FORM 4

UNITED STATES SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

OMB APPROVAL

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STATEMENT OF CHANGES IN BENEFICIAL OWNERSHIP

Filed pursuant to Section 16(a) of the Securities Exchange Act of 1934
 or Section 30(h) of the Investment Company Act of 1940

| | | |
|---|---|---|
| 1. Name and Address of Reporting Person* <u>HAWKEN JEFFREY C</u> (Last) (First) (Middle) <u>C/O KILROY REALTY CORPORATION</u> <u>12200 W. OLYMPIC BLVD., SUITE 200</u> (Street) <u>LOS ANGELES CA 90064</u> (City) (State) (Zip) | 2. Issuer Name and Ticker or Trading Symbol <u>KILROY REALTY CORP [NYSE: KRC]</u> 3. Date of Earliest Transaction (Month/Day/Year) <u>10/18/2017</u> 4. If Amendment, Date of Original Filed (Month/Day/Year) | 5. Relationship of Reporting Person(s) to Issuer (Check all applicable) Director 10% Owner X Officer (give title below) Other (specify below) <u>EVP and COO</u> 6. Individual or Joint/Group Filing (Check Applicable Line) X 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 stock, par value \$0.01 per share ⁽¹⁾ | 10/18/2017 | | A | | 2,148,9795 | A | \$0 | 372,488.8757 | D | |

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 Securities Underlying Derivative Security (Instr. 3 and 4) | | 8. Price of Derivative Security (Instr. 5) | 9. Number of derivative Securities Beneficially Owned Following Reported Transaction(s) (Instr. 4) | 10. Ownership Form: Direct (D) or Indirect (I) (Instr. 4) | 11. Nature of Indirect Beneficial Ownership (Instr. 4) |
|--|--|--------------------------------------|--|--------------------------------|---|--|-----|--|-----------------|---|----------------------------|--|--|---|--|
| | | | | Code | V | (A) | (D) | Date Exercisable | Expiration Date | Title | Amount or Number of Shares | | | | |
| Restricted Stock Units ⁽²⁾ | (3) | 10/18/2017 | | A | | 202.1437 | | (4) | (4) | Common Stock | 202.1437 | \$0 | 116,847.7871 | D | |
| Restricted Stock Units ⁽²⁾ | (3) | 10/18/2017 | | A | | 68.6598 | | (5) | (5) | Common Stock | 68.6598 | \$0 | 116,916.4469 | D | |
| Restricted Stock Units ⁽²⁾ | (6) | 10/18/2017 | | A | | 118.0662 | | (7) | (7) | Common Stock | 118.0662 | \$0 | 117,034.5131 | D | |
| Restricted Stock Units ⁽²⁾ | (6) | 10/18/2017 | | A | | 129.7562 | | (8) | (8) | Common Stock | 129.7562 | \$0 | 117,164.2693 | D | |

Explanation of Responses:

- Grant of restricted stock units in respect of dividend equivalent rights with respect to underlying restricted stock unit awards previously reported on Table I, which were granted pursuant to the Kilroy Realty 2006 Incentive Award Plan and the terms of the applicable award agreement.
- Crediting of restricted stock units in respect of dividend equivalent rights with respect to underlying restricted stock unit awards previously reported on Table II, which were granted pursuant to the Kilroy Realty 2006 Incentive Award Plan and the terms of the applicable award agreement.
- Each restricted stock unit represents a contingent right to receive one share of Issuer common stock and may be settled in cash under certain circumstances.
- Dividend equivalents on deferred vested restricted stock units that were awarded in 2014 and previously reported on Table II.
- The restricted stock units vest over a four-year period starting on January 5, 2015, subject to continued employment with the Issuer on the applicable vesting date.
- Each restricted stock unit represents a contingent right to receive one share of Issuer common stock.
- The reporting person was awarded performance units in 2015 covering a three-year performance period ending December 31, 2017. The reporting person previously reported the minimum number of units subject to the award eligible to vest based on 2015 and 2016 performance. The number of units reported reflects the additional minimum number of units eligible to vest as a result of the crediting of restricted stock units in respect of dividend equivalent rights. The units remain subject to additional time-based vesting requirements.
- The reporting person was awarded performance units in 2016 covering a three-year performance period ending December 31, 2018. The reporting person previously reported the minimum number of units subject to the award eligible to vest based on 2016 performance. The number of units reported reflects the additional minimum number of units eligible to vest as a result of the crediting of restricted stock units in respect of dividend equivalent rights. The units remain subject to additional time-based vesting requirements.

Remarks:

/s/ Jeffrey C. Hawken 10/20/2017

** Signature of Reporting Person Date

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

* 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).

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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