

KILROY REALTY CORP
 Form 4
 July 20, 2006

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 *
KILROY JOHN B SR

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)
 12200 WEST OLYMPIC BOULEVARD, SUITE 200
 (Street)

3. Date of Earliest Transaction (Month/Day/Year)
 07/18/2006

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

LOS ANGELES, CA 90064

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) | | 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) |
|--|--------------------------------------|--|--------------------------------|---|--------------------|---|--|-----------------------------------|
| | | | | Code | V Amount (D) Price | | | |
| Common stock, par value \$0.01 per share | 07/13/2006 | | G | V | 302,950 | D \$ 0 0 | I | By Kilroy Industries |
| Common stock, par value \$0.01 per share | 07/18/2006 | | J ⁽¹⁾ | | 297,102 | A \$ 0 ⁽¹⁾ 297,102 ⁽²⁾ | I | By Kilroy Industries |
| | 07/19/2006 | | G | V | 297,102 | D \$ 0 0 | I | |

By Kilroy Industries

Common stock, par value \$0.01 per share

Common stock, par value \$0.01 per share

Common stock, par value \$0.01 per share

07/19/2006

G 297,102 A \$ 0 297,102 D

3,676 D

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

Persons who respond to the collection of information contained in this form are not required to respond unless the form displays a currently valid OMB control number.

SEC 1474 (9-02)

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 or Number of Shares |
| Common Limited Partnership Units of Kilroy Realty, L.P. | <u>(1)</u> | 07/18/2006 | | <u>J</u> | 297,102 | <u>(1)</u> <u>(1)</u> | Common stock, par value \$0.01 per share 297,102 |

Reporting Owners

Reporting Owner Name / Address

Relationships

Director 10% Owner Officer Other

X

KILROY JOHN B SR
12200 WEST OLYMPIC BOULEVARD
SUITE 200
LOS ANGELES, CA 90064

Signatures

/s:/Tyler H. Rose, as attorney-in-fact for John B.
Kilroy, Sr.

07/19/2006

__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).
297,102 shares of common stock were issued in exchange for 297,102 common limited partnership units of Kilroy Realty, L.P., a
(1) Delaware limited partnership. The exchanged common limited partnership units of Kilroy Realty, L.P. were originally issued in exchange for the contribution of real property and related assets to Kilroy Realty, L.P.
(2) Represents the beneficial ownership interest in the referenced security as a result of Mr. Kilroy's interest in Kilroy Industries, the record owner of the referenced securities.
Includes (a) 302,950 common limited partnership units owned by Kilroy Industries (for which John B. Kilroy, Sr. disclaims beneficial ownership of such units except to the extent of his interest in Kilroy Industries) and (b) 4,348 common limited partnership units owned by
(3) Kilroy Technologies Company, LLC (for which John B. Kilroy, Sr. disclaims beneficial ownership of such units except to the extent of his interest in Kilroy Technologies Company, LLC). The common limited partnership units may be exchanged, at Kilroy Realty Corporation's option, into shares of common stock of Kilroy Realty Corporation on a one-for-one basis.

Note: File three copies of this Form, one of which must be manually signed. If space is insufficient, *see* Instruction 6 for procedure. Potential persons who are to respond to the collection of information contained in this form are not required to respond unless the form displays a currently valid OMB number.