

**K I L R O Y**  
**R E A L T Y**  


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**C O R P O R A T I O N**

Suite 200 • 12200 W. Olympic Boulevard • Los Angeles • California • 90064  
Fax (310) 481-6550 • Tel. (310) 481-8400

January 15, 2016

To Whom It May Concern:

Common Stock:

The Company's distributions per share of Common Stock CUSIP #49427F108, traded under the symbol KRC, are to be classified as follows for income tax purposes:

Record Date	Payable Date	Total Distribution per Share	2015 Taxable Ordinary Dividend	2015 Total Qualified Dividend <sup>(1)</sup>	2015 Total Capital Gain Distribution	2015 Unrecaptured Section 1250 Gain <sup>(2)</sup>	2015 Return of Capital
12/31/2014	1/14/2015	\$ .3500000	\$ .2484628	\$ .0004654	\$ .1015372	\$ .0887467	-
3/31/2015	4/15/2015	.3500000	.2484628	.0004654	.1015372	.0887467	-
6/30/2015	7/15/2015	.3500000	.2484628	.0004654	.1015372	.0887467	-
9/30/2015	10/14/2015	.3500000	.2484628	.0004654	.1015372	.0887467	-

(1) Total Qualified Dividend is a subset of, and is included in, the Taxable Ordinary Dividend amount.

(2) Unrecaptured Section 1250 Gain is a subset of, and is included in, the Total Capital Gain Distribution amount.

Series G Preferred Stock:

The Company's distributions per share of Series G Preferred Stock CUSIP #49427F702, traded under the symbol KRC-PRG, are to be classified as follows for income tax purposes:

Record Date	Payable Date	Total Distribution per Share	2015 Taxable Ordinary Dividend	2015 Total Qualified Dividend <sup>(1)</sup>	2015 Total Capital Gain Distribution	2015 Unrecaptured Section 1250 Gain <sup>(2)</sup>	2015 Return of Capital
1/31/2015	2/16/2015	\$ .4296875	\$ .3050324	\$ .0005714	\$ .1246551	\$ .1089525	-
4/30/2015	5/15/2015	.4296875	.3050324	.0005714	.1246551	.1089525	-
7/31/2015	8/15/2015	.4296875	.3050324	.0005714	.1246551	.1089525	-
10/31/2015	11/15/2015	.4296875	.3050324	.0005714	.1246551	.1089525	-

(1) Total Qualified Dividend is a subset of, and is included in, the Taxable Ordinary Dividend amount.

(2) Unrecaptured Section 1250 Gain is a subset of, and is included in, the Total Capital Gain Distribution amount.

Series H Preferred Stock:

The Company's distributions per share of Series H Preferred Stock CUSIP #49427F801, traded under the symbol KRC-PRH, are to be classified as follows for income tax purposes:

Record Date	Payable Date	Total Distribution per Share	2015 Taxable Ordinary Dividend	2015 Total Qualified Dividend <sup>(1)</sup>	2015 Total Capital Gain Distribution	2015 Unrecaptured Section 1250 Gain <sup>(2)</sup>	2015 Return of Capital
1/31/2015	2/16/2015	\$ .3984375	\$ .2828482	\$ .0005298	\$ .1155893	\$ .1010287	-
4/30/2015	5/15/2015	.3984375	.2828482	.0005298	.1155893	.1010287	-
7/31/2015	8/15/2015	.3984375	.2828482	.0005298	.1155893	.1010287	-
10/31/2015	11/15/2015	.3984375	.2828482	.0005298	.1155893	.1010287	-

(1) Total Qualified Dividend is a subset of, and is included in, the Taxable Ordinary Dividend amount.

(2) Unrecaptured Section 1250 Gain is a subset of, and is included in, the Total Capital Gain Distribution amount.

Sincerely,

/S/ HEIDI R. ROTH \_\_\_\_\_

Heidi R. Roth  
Executive Vice President, Chief Accounting Officer and Controller