

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

C O R P O R A T I O N

January 8, 2001

To Whom It May Concern:

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	2000 Taxable Ordinary Dividend	2000 Return of Capital	2000 20 Percent Rate Gain	2000 Unrecapt. Section 1250 Capital Gain	2001 Distribution
12/31/99	1/10/00	\$.420	\$.264	\$.106	\$.035	\$.015	
3/31/00	4/17/00	.450	.282	.114	.038	.016	
6/30/00	7/17/00	.450	.282	.114	.038	.016	
9/30/00	10/17/00	.450	.282	.114	.038	.016	
12/31/00	1/17/01	.450					.450

Sincerely,

Ann Marie Whitney
Senior Vice President and Controller