

DUKE REALTY CORP  
Form 4  
January 03, 2005

**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 \*  
HEFNER THOMAS L

(Last) (First) (Middle)  
600 E. 96TH STREET, SUITE 100  
(Street)

INDIANAPOLIS, IN 46240

(City) (State) (Zip)

2. Issuer Name and Ticker or Trading Symbol  
DUKE REALTY CORP [DRE]

3. Date of Earliest Transaction  
(Month/Day/Year)  
01/01/2005

4. If Amendment, Date Original Filed(Month/Day/Year)

5. Relationship of Reporting Person(s) to Issuer

(Check all applicable)

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

6. Individual or Joint/Group Filing(Check Applicable Line)  
 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)
Common Stock					1,496 <sup>(1)</sup>	D	
Common Stock	12/16/2004		G	V 5,000 D \$ 0	301,149	I	By Trust <sup>(2)</sup>
Common Stock	12/16/2004		G	V 200 D \$ 0	185,765	I	By Spouse's Trust <sup>(3)</sup>
Common Stock					174 <sup>(4)</sup>	I	By 401(k) Plan
Common Stock					43,275	I	By Family Limited Partnership

Common Stock	100,000	I	(5) By The Community Covenant Foundation, Inc. (6)
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Reminder: Report on a separate line for each class of securities beneficially owned directly or indirectly.

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(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 Underlying (Instr. 3 and 4)
					(A)	(D)	Date Exercisable	Expiration Date	
Units of Duke Realty Limited Partnership	(7)	11/15/2004		G V	59,125		10/04/1994	(7)	Common Stock
Units of Duke Realty Limited Partnership	(7)	01/01/2005		J	90,257		(10)	(7)	Common Stock
Units of Duke Realty Limited Partnership	(7)	11/15/2004		G V	59,125		10/04/1994	(7)	Common Stock
Units of Duke Realty Limited Partnership	(7)						08/07/2004	(7)	Common Stock
Employee Stock Options-Right to Buy	\$ 19.4375						(11)	01/29/2007	Common Stock
Employee Stock Options-Right to Buy	\$ 24.25						(12)	01/28/2008	Common Stock
Employee Stock	\$ 23.0625						(13)	01/26/2009	Common Stock

Options-Right to Buy									
Employee Stock Options-Right to Buy	\$ 20					(14)	01/25/2010		Commo Stock
Employee Stock Options-Right to Buy	\$ 24.98					(15)	01/31/2011		Commo Stock
Employee Stock Options-Right to Buy	\$ 23.35					(16)	01/30/2012		Commo Stock
Employee Stock Options-Right to Buy	\$ 25.42					(17)	02/19/2013		Commo Stock
Employee Stock Options-Right to Buy	\$ 32.51					(18)	01/28/2014		Commo Stock
Exchange Rights	(19)	01/01/2005		J	172,583	(19)	(19)		Commo Stock
Phantom Stock Units	(20)					(20)	(20)		Commo Stock

## Reporting Owners

Reporting Owner Name / Address	Relationships			
	Director	10% Owner	Officer	Other
HEFNER THOMAS L 600 E. 96TH STREET, SUITE 100 INDIANAPOLIS, IN 46240			X	

## Signatures

Valerie J. Steffen for Thomas L. Hefner per POA previously filed 01/03/2005

\_\_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).

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- (1) Between November 15, 2004, and January 1, 2005, the Reporting Person acquired 27 shares under the Company's Employee Stock Purchase Plan.
- (2) Securities held by the Thomas L. Hefner Revocable Trust in which the Reporting Person is the grantor.
- (3) Securities held by the Patty M. Hefner Revocable Trust in which the Reporting Person is the grantor.
- (4) Between November 15, 2004, and January 1, 2005, the Reporting Person acquired 8 shares of Duke Realty Coporation's common stock under the Company's 401(k) plan.
- (5) Securities owned by the Hefner Family Investors Limited Partnership, a family limited partnership in which the sole general partner is the Reporting Person and the limited partnership interests are beneficially held by the Reporting Person and his family members.
- (6) Shares owned by The Community Covenant Foundation, Inc., a private charitable foundation controlled by the Reporting Person and his family.
- (7) Units of Duke Realty Limited Partnership are convertible on a one to one basis to the Company's common stock and have no expiration date.
- (8) Securities held by the Thomas L. Hefner 2002 Grantor Retained Annuity Trust No. 2. The Reporting Person is a trustee and the Reporting Person's children are residual beneficiaries.

On January 1, 2005, Duke Management, Inc. ("DMI") received 435,814 Units of Duke Realty Limited Partnership ("DRLP") in exchange for the contribution of its limited partnership interest in Duke Realty Services Limited Partnership to DRLP. In conjunction with the Unit issuance, DMI's right to receive 833,334 DRLP Units upon a change of control of DRLP was cancelled. The transaction was made pursuant to Rule 16b-3(d) and (e) of Section 16b of the Securities Exchange Act of 1934 and represents an exempt transaction by advance approval of the board of directors. The Reporting Person owns a 20.71% interest in DMI.
- (10) The date on which 13,572 of these units were exercisable was October 4, 1994. The date on which 90,257 units will be exercisable is January 1, 2006.
- (11) The Stock Options vested annually at a rate of 20% per year and were fully vested on 1/29/02.
- (12) The Stock Options vested annually at a rate of 20% per year and were fully vested on 1/28/03.
- (13) The Stock Options vested annually at a rate of 20% per year and were fully vested on 1/26/04.
- (14) The Stock Options vest annually at a rate of 20% per year and will be fully vested on 1/25/05.
- (15) The Stock Options vest annually at a rate of 20% per year and will be fully vested on 1/31/06.
- (16) The Stock Options vest annually at a rate of 20% per year and will be fully vested on 1/30/07.
- (17) The Stock Options vest annually at a rate of 20% per year and will be fully vested on 2/19/08.
- (18) The Stock Options vest annually at a rate of 20% per year and will be fully vested on 1/28/09.
- (19) In the event of a change in control of Duke Realty Corporation or Duke Realty Limited Partnership; or the liquidation of Duke Realty Limited Partnership, Duke Management, Inc. had the right to exchange its limited partnership interest in Duke Realty Services Limited Partnership for 833,334 shares of Duke Realty Corporation's common stock. The Reporting Person's ownership interest in Duke Management, Inc. is 20.71%.
- (20) Represents phantom stock units vested under the 2000 Performance Share Plan of Duke Realty Corporation. Between November 15, 2004, and January 1, 2005, the Reporting Person acquired 150 phantom stock units through dividend reinvestment. The units are valued on a one to one basis to the Company's common stock and are to be settled in cash upon the Reporting Person's termination of employment.

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.