Hudson Pacific Properties, Inc.
Form 424B5
February 06, 2013
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This preliminary prospectus supplement relates to an effective registration statement under the Securities Act of 1933, as amended, but is not complete and may be changed. This preliminary prospectus supplement and the accompanying prospectus are not an offer to sell these securities and are not soliciting an offer to buy these securities in any jurisdiction where the offer or sale is not permitted.

SUBJECT TO COMPLETION DATED FEBRUARY 6, 2013

PROSPECTUS SUPPLEMENT

(To Prospectus dated July 21, 2011)

7,500,000 Shares

Common Stock

We are offering 7,500,000 shares of our common stock, $0.01 par value per share.

We are organized and conduct our operations to qualify as a real estate investment trust, or REIT, for federal income tax purposes. To assist us in complying with certain federal income tax requirements applicable to REITs, our charter contains certain restrictions relating to the ownership and transfer of our capital stock, including an ownership limit of 9.8% of the outstanding shares of our common stock.

Our common stock is listed on the New York Stock Exchange, or NYSE, under the symbol HPP, and the last reported sale price of our common stock on the NYSE on February 5, 2013 was $22.12 per share.

See Risk Factors beginning on page S-5 of this prospectus supplement and the risks set forth under the caption Item 1A. Risk Factors included in our most recent Annual Report on Form 10-K, which is incorporated by reference herein, for certain risks relevant to an investment in our common stock.

	Per Share	Total
Public offering price	$	$

Underwriting discount	$	$
Proceeds, before expenses, to us	$	$

We have granted the underwriters an option to purchase up to 1,125,000 additional shares of our common stock on the same terms and conditions set forth above for 30 days after the date of this prospectus supplement.

Neither the Securities and Exchange Commission nor any state securities commission has approved or disapproved of these securities or determined if this prospectus supplement and the accompanying prospectus is truthful or complete. Any representation to the contrary is a criminal offense.

The common stock sold in this offering will be ready for delivery in book-entry form through The Depository Trust Company on or about February , 2013.

BofA Merrill Lynch **Wells Fargo Securities** **Barclays** **Morgan Stanley**

The date of this prospectus supplement is February , 2013.

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Prospectus Supplement

Prospectus

You should rely only on the information contained in or incorporated by reference into this prospectus supplement, the accompanying prospectus or any applicable free writing prospectus. We have not, and the underwriters have not, authorized any other person to provide you with different or additional information. If anyone provides you with different or additional information, you should not rely on it. This prospectus supplement and the accompanying prospectus do not constitute an offer to sell, or a solicitation of an offer to purchase, any securities in any jurisdiction where it is unlawful to make such offer or solicitation. You should assume that the information appearing in this prospectus supplement, the accompanying prospectus, any applicable free writing prospectus and the documents incorporated by reference herein or therein is accurate only as of their respective dates or on the date or dates which are specified in these documents. Our business, financial condition, liquidity, results of operations and prospects may have changed since those dates.

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ABOUT THIS PROSPECTUS SUPPLEMENT AND THE PROSPECTUS

This document is in two parts. The first part is this prospectus supplement, which describes the specific terms of this offering and also adds to and updates information contained in the accompanying prospectus and the documents incorporated by reference. The second part, the accompanying prospectus, gives more general information, some of which may not apply to this offering.

To the extent the information contained in this prospectus supplement differs or varies from the information contained in the accompanying prospectus or documents incorporated by reference, the information in this prospectus supplement will supersede such information. In addition, any statement in a filing we make with the Securities and Exchange Commission that adds to, updates or changes information contained in an earlier filing we made with the Securities and Exchange Commission shall be deemed to modify and supersede such information in the earlier filing.

This prospectus supplement does not contain all of the information that is important to you. You should read the accompanying prospectus as well as the documents incorporated by reference in this prospectus supplement and the accompanying prospectus. See Incorporation by Reference in this prospectus supplement and Where You Can Find More Information in the accompanying prospectus. Unless otherwise indicated or unless the context requires otherwise, references in this prospectus supplement to we, our, us and our company refer to Hudson Pacific Properties, Inc., a Maryland corporation, Hudson Pacific Properties, L.P., and any of our other subsidiaries. Hudson Pacific Properties, L.P. is a Maryland limited partnership of which we are the sole general partner and to which we refer in this prospectus supplement as our operating partnership.

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FORWARD-LOOKING INFORMATION

This prospectus supplement and the accompanying prospectus supplement and the documents that we incorporate by reference in each contain forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995 (set forth in Section 27A of the Securities Act and Section 21E of the Exchange Act). Also, documents we subsequently file with the Securities and Exchange Commission and incorporate by reference will contain forward-looking statements. In particular, statements relating to our liquidity and capital resources, portfolio performance and results of operations contain forward-looking statements. Furthermore, all of the statements regarding future financial performance (including anticipated funds from operations, or FFO, market conditions and demographics) are forward-looking statements. We are including this cautionary statement to make applicable and take advantage of the safe harbor provisions of the Private Securities Litigation Reform Act of 1995 for any such forward-looking statements. We caution investors that any forward-looking statements presented in this prospectus supplement and the accompanying prospectus and the documents that we incorporate by reference in each are based on management s beliefs and assumptions made by, and information currently available to, management. When used, the words anticipate, believe, expect, intend, may, might, plan, estimate, project, should, will, result and similar expressions that do not relate solely to historical matters are inte identify forward-looking statements. You can also identify forward-looking statements by discussions of strategy, plans or intentions.

Forward-looking statements are subject to risks, uncertainties and assumptions and may be affected by known and unknown risks, trends, uncertainties and factors that are beyond our control. Should one or more of these risks or uncertainties materialize, or should underlying assumptions prove incorrect, actual results may vary materially from those anticipated, estimated or projected. We do not guarantee that the transactions and events described will happen as described (or that they will happen at all).

Some of the risks and uncertainties that may cause our actual results, performance, liquidity or achievements to differ materially from those expressed or implied by forward-looking statements include, among others, the following:

- adverse economic or real estate developments in our markets;
- general economic conditions;
- defaults on, early terminations of or non-renewal of leases by tenants;
- fluctuations in interest rates and increased operating costs;
- our failure to obtain necessary outside financing;
- our failure to generate sufficient cash flows to service our outstanding indebtedness;
- lack or insufficient amounts of insurance;
- decreased rental rates or increased vacancy rates;
- difficulties in identifying properties to acquire and completing acquisitions;
- our failure to successfully operate acquired properties and operations;

our failure to maintain our status as a REIT;

environmental uncertainties and risks related to adverse weather conditions and natural disasters;

financial market fluctuations;

changes in real estate and zoning laws and increases in real property tax rates; and

other factors affecting the real estate industry generally.

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While forward-looking statements reflect our good faith beliefs, they are not guarantees of future performance. We disclaim any obligation to publicly update or revise any forward-looking statement to reflect changes in underlying assumptions or factors, of new information, data or methods, future events or other changes. Accordingly, investors should use caution in relying on past forward-looking statements, which were based on results and trends at the time they were made, to anticipate future results or trends. For a further discussion of these and other factors that could impact our future results, performance or transactions, see the section entitled Risk Factors, including the risks incorporated therein from our most recent Annual Report on Form 10-K for the year ended December 31, 2011 and our other periodic reports filed with the Securities and Exchange Commission and incorporated by reference herein.

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PROSPECTUS SUPPLEMENT SUMMARY

This summary highlights information contained elsewhere or incorporated by reference in this prospectus supplement and the accompanying prospectus. This summary is not complete and does not contain all of the information that you should consider before investing in our common stock. We urge you to read this entire prospectus supplement, the accompanying prospectus and the documents incorporated by reference carefully, including the financial statements and notes to those financial statements incorporated by reference herein and therein. Please read Risk Factors for more information about important risks that you should consider before investing in our common stock.

Hudson Pacific Properties, Inc.

We are a full-service, vertically integrated real estate company focused on owning, operating and acquiring high-quality office properties in select growth markets primarily in Northern and Southern California. Our investment strategy is focused on high barrier-to-entry, in-fill locations with favorable, long-term supply-demand characteristics. These markets include Los Angeles, Orange County, San Diego, San Francisco, Silicon Valley and the East Bay.

As of September 30, 2012, our portfolio included 18 office properties, comprising an aggregate of approximately 4.0 million square feet, and two state-of-the-art media and entertainment properties, comprising approximately 878,196 square feet of sound-stage, office and supporting production facilities. We also own undeveloped density rights for approximately 1,947,050 square feet of future development space. Our properties are concentrated in premier submarkets that have high barriers to entry with limited supply of land, high construction costs and rigorous entitlement processes.

We have elected to be taxed as a REIT for federal income tax purposes, commencing with our taxable year ended December 31, 2010. We believe that we have operated in a manner that has allowed us to qualify as a REIT for federal income tax purposes commencing with such taxable year, and we intend to continue operating in such a manner. We conduct substantially all of our business through our operating partnership, of which we serve as the sole general partner.

Recent Developments

The Pinnacle Joint Venture

On November 8, 2012, we entered into a joint venture with M. David Paul & Associates/Worthe Real Estate Group, or MDP/Worthe, to acquire The Pinnacle, a two-building (Pinnacle I and Pinnacle II), 625,641 square-foot, Class-A property located in the Burbank Media District. The Pinnacle is 95% leased to high quality media and entertainment companies, including Warner Bros. Entertainment (230,000 square feet), Warner Music Group (195,166 square feet), Clear Channel Communications (107,715 square feet), NBC Universal (37,066 square feet) and Sony Pictures Television (9,005 square feet).

The joint venture acquired the 393,777 square foot Pinnacle I building from MDP/Worthe on November 8, 2012 for a purchase price of $212.5 million, $129.0 million of which was financed with a new ten-year project loan. The new loan bears interest at a fixed annual rate of 3.954% and matures on November 7, 2022. In connection with the acquisition of Pinnacle I, we contributed approximately $83.0 million in exchange for an approximately 98% ownership interest in the joint venture, reflecting certain credits and adjustments among the partners. We funded our contribution to the joint venture with a combination of cash on hand and a $38.0 million draw on our unsecured revolving credit facility. MDP/Worthe will contribute the 231,864 square-foot Pinnacle II building to the joint venture for a purchase price of $130.0 million, which we anticipate to occur by the end of the

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first quarter 2013, subject to certain closing conditions, including the assumption of an existing approximately $89.4 million loan. The existing loan bears interest at a fixed annual rate of 6.313% and matures on September 6, 2016.

Other than for purposes of funding closing costs or prorations, we will not be required to make a capital contribution to the joint venture in connection with the contribution of Pinnacle II by MDP/Worthe, but our ownership interest in the joint venture will be adjusted. Upon contribution of Pinnacle II, we expect to own an approximately 65% interest in the joint venture. We will serve as administrative member of the joint venture, with majority representation on the executive committee. We will also assume day-to-day property management responsibilities, with Worthe Real Estate Group overseeing leasing, subject to our approval of final leases.

Leasing Activity

As of September 30, 2012, we had 109,492 square feet and 801,982 square feet of leases scheduled to expire in the fourth quarter 2012 and full year 2013, respectively. As of the date of this prospectus supplement, we have leased approximately 650,000 square feet of space since September 30, 2012.

Rincon Center. We signed a long-term lease with salesforce.com for 235,733 square feet effective December 28, 2012. The lease backfills nearly 200,000 square feet of currently occupied space, including approximately 156,000 square feet occupied by a tenant that is scheduled to expire on August 31, 2013, and takes an additional approximately 36,000 square feet of vacant space. Occupancy under this lease is scheduled to commence in phases, with all but approximately 7,000 square feet occupied by the middle of 2014.

275 Brannan Street. We signed a long-term lease with GitHub for the entire 54,673 square-foot property effective December 28, 2012. 275 Brannan Street is vacant and has been under renovation since we acquired the property in September 2011. The lease is scheduled to commence in early April 2013.

1455 Market Street. We signed a long-term lease with Square, Inc. for 246,078 square feet of initial occupancy effective October 17, 2012. The lease includes an expansion option on an additional 81,354 square feet for a combined 327,432 square feet of occupancy. The initial occupancy backfills 206,760 square feet of space occupied by the property s largest tenant and takes an additional 39,318 square feet of vacant space. The exercise of the expansion option would result in the backfill of a total of 288,114 square feet of space occupied by the property s largest tenant, although we cannot assure you that the expansion option will be exercised. Occupancy under the lease is scheduled to occur in phases through early 2014.

Acquisition Pipeline

We have identified and are in various stages of reviewing a number of potential property acquisitions in our core markets. As of the date of this prospectus supplement, we are tracking and evaluating acquisition opportunities for an aggregate of over 1.4 million square feet located throughout California with an estimated aggregate purchase price of over $600 million. Our acquisition of these properties is subject to us negotiating and executing with the sellers mutually acceptable definitive and binding purchase and sale agreements. There can be no assurance that the sellers of these properties will be willing to proceed with a transaction, that we will be able to negotiate and execute satisfactory definitive purchase and sale agreements with the sellers, that our due diligence will be satisfactory or that the conditions to closing will be satisfied. As such, there can be no assurance that we will complete any of the potential acquisitions that we are evaluating.

Corporate Information

Our principal executive offices are located at 11601 Wilshire Boulevard, Suite 1600, Los Angeles, California 90025. Our telephone number is 310-445-5700. Our Web site address is www.hudsonpacificproperties.com. The information on, or otherwise accessible through, our Web site does not constitute a part of this prospectus supplement or the accompanying prospectus.

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The Offering

The offering terms are summarized below solely for your convenience. For a more complete description of the terms of our common stock, see Description of Common Stock.

Issuer	Hudson Pacific Properties, Inc., a Maryland corporation.
Securities offered	7,500,000 shares of common stock, $0.01 par value per share. We have granted the underwriters an option to purchase up to an additional 1,125,000 shares of common stock.
New York Stock Exchange symbol	HPP
Shares of common stock outstanding immediately prior to this offering	47,498,156 shares.
Shares of common stock outstanding upon completion of this offering	54,998,156[1] shares (56,123,156 shares if the underwriters exercise their option to purchase additional shares in full).
Shares of common stock and common units outstanding upon completion of this offering	57,380,719[1][2] shares and common units of partnership interest in our operating partnership, or common units (58,505,719 shares and common units if the underwriters exercise their option to purchase additional shares in full).
Use of proceeds	We estimate that the net proceeds from this offering will be approximately $ million, after deducting the underwriting discount and our expenses, or approximately $ million if the underwriters option to purchase additional shares is exercised in full. We will contribute the net proceeds of this offering to our operating partnership in exchange for common units of partnership interest in our operating partnership, or common units. Our operating partnership intends to use the net proceeds from this offering to repay $60 million of borrowings outstanding under our unsecured revolving credit facility, fund our development or redevelopment activities, fund potential acquisition opportunities and/or for general corporate purposes.
	Affiliates of Merrill Lynch, Pierce, Fenner & Smith Incorporated, Wells Fargo Securities, LLC, Barclays Capital Inc. and Morgan Stanley & Co. LLC (underwriters in this offering) are lenders under our unsecured revolving credit facility. As described above, our operating partnership may use a portion of the net proceeds from this offering to repay the borrowings outstanding under our unsecured revolving credit facility. As a result, these affiliates will receive their proportionate share of any amount of our unsecured revolving credit facility that is repaid with the proceeds of this offering.

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Restrictions on ownership	Our charter contains restrictions on the ownership and transfer of our stock that are intended to assist us in complying with the requirements for qualification as a REIT. Among other things, our charter provides that, subject to certain exceptions, no person or entity may actually or beneficially own, or be deemed to own by virtue of the applicable constructive ownership provisions of the Internal Revenue Code of 1986, as amended, or the Code, more than 9.8% (in value or in number of shares, whichever is more restrictive) of the outstanding shares of our common stock. See Restrictions on Ownership and Transfer in the accompanying prospectus.
Risk factors	Investing in our common stock involves a high degree of risk and the purchasers of our common stock may lose their entire investment. Before deciding to invest in our common stock, please carefully read the section entitled Risk Factors, including the risks incorporated therein from our most recent Annual Report on Form 10-K for the year ended December 31, 2011 and our other periodic reports filed with the Securities and Exchange Commission and incorporated by reference herein.

(1) Excludes (i) 1,125,000 shares of our common stock issuable upon the exercise of the underwriters option to purchase additional shares in full, (ii) shares of common stock issuable upon exchange of the 6.25% Cumulative Redeemable Convertible Series A Preferred Units of partnership interest in our operating partnership, or Series A Preferred Units, with an aggregate liquidation preference of approximately $12.5 million, which are convertible or redeemable after June 29, 2013 and (iii) a maximum of 20,019,248 shares of our common stock available for issuance in the future under our equity incentive plan. As of the date of this prospectus supplement, up to 15,615,013 fungible units may be granted in the future under our equity incentive plan in any combination of five-year options, ten-year options or restricted stock (inclusive of any equity grants that may be made in the future under our outperformance programs). A maximum of 20,019,248, 15,615,013 or 5,293,225 shares of our common stock are available for issuance in the future under our equity incentive plan if such fungible units are granted as five-year options, ten-year options or restricted stock, respectively.

(2) Includes 2,382,563 common units held by limited partners of our operating partnership, which units may, subject to certain limitations, be redeemed for cash or, at our option, exchanged for shares of common stock on a one-for-one basis.

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RISK FACTORS

Investing in our common stock involves risks. In addition to other information in this prospectus supplement, you should carefully consider the following risks, the risks described in our Annual Report on Form 10-K for the year ended December 31, 2011, as well as other information and data set forth in this prospectus supplement, the accompanying prospectus and the documents incorporated by reference herein and therein before making an investment decision with respect to the common stock. The occurrence of any of the following risks could materially and adversely affect our business, prospects, financial condition, results of operations and our ability to make cash distributions to our stockholders, which could cause you to lose all or a part of your investment in our common stock. Some statements in this prospectus supplement, including statements in the following risk factors, constitute forward-looking statements. See Forward-Looking Statements.

Risks Related to Our Properties and Our Business

As of September 30, 2012, we had approximately $358.1 million of indebtedness outstanding (excluding unamortized loan premiums), which may expose us to interest rate fluctuations, and our debt service obligations with respect to such indebtedness will reduce cash available for distribution, including cash available to pay dividends on our securities, including our common stock, and expose us to the risk of default under our debt obligations.

Our total consolidated indebtedness, as of September 30, 2012, was approximately $358.1 million (excluding unamortized loan premiums), of which $102.0 million was variable rate debt, of which $92.0 million is subject to interest rate cap agreements. We may incur significant additional debt to finance future acquisition and development activities. As of September 30, 2012, we had drawn approximately $10.0 million under our unsecured revolving credit facility.

Payments of principal and interest on borrowings may leave us with insufficient cash resources to operate our properties or to pay the dividends currently contemplated on our common stock or our 8.375% Series B Cumulative Redeemable Preferred Stock, $0.01 par value per share, or our series B preferred stock, or necessary to maintain our REIT qualification. Our level of debt and the limitations imposed on us by our debt agreements could have significant adverse consequences, including the following:

- our cash flow may be insufficient to meet our required principal and interest payments;
- we may be unable to borrow additional funds as needed or on favorable terms, which could, among other things, adversely affect our ability to meet operational needs;
- we may be unable to refinance our indebtedness at maturity or the refinancing terms may be less favorable than the terms of our original indebtedness;
- because a portion of our debt bears interest at variable rates, increases in interest rates could increase our interest expense;
- we may be forced to dispose of one or more of our properties, possibly on unfavorable terms or in violation of certain covenants to which we may be subject;
- we may violate restrictive covenants in our loan documents, which would entitle the lenders to accelerate our debt obligations; and
- our default under any loan with cross default provisions could result in a default on other indebtedness.

If any one of these events were to occur, our financial condition, results of operations, cash flow, ability to make distributions on our securities and per share trading price of our common stock could be adversely affected. Furthermore, foreclosures could create taxable income without accompanying cash proceeds, which could hinder our ability to meet the REIT distribution requirements imposed by the Code.

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Risks Related to Our Status as a REIT

If our operating partnership failed to qualify as a partnership for federal income tax purposes, we would cease to qualify as a REIT and suffer other adverse consequences.

We believe that our operating partnership is properly treated as a partnership for federal income tax purposes. As a partnership, our operating partnership is not subject to federal income tax on its income. Instead, each of its partners, including us, is allocated, and may be required to pay tax with respect to, its share of our operating partnership s income. We cannot assure you, however, that the Internal Revenue Service, or the IRS, will not challenge the status of our operating partnership or any other subsidiary partnership in which we own an interest as a partnership for federal income tax purposes, or that a court would not sustain such a challenge. If the IRS were successful in treating our operating partnership or any such other subsidiary partnership as an entity taxable as a corporation for federal income tax purposes, we would fail to meet the gross income tests and certain of the asset tests applicable to REITs and, accordingly, we would likely cease to qualify as a REIT. Also, the failure of our operating partnership or any subsidiary partnerships to qualify as a partnership would cause it to become subject to federal and state corporate income tax, which could reduce significantly the amount of cash available for debt service and for distribution to its partners, including us.

Dividends payable by REITs do not qualify for the reduced tax rates available for some dividends.

The maximum tax rate applicable to income from qualified dividends payable to U.S. stockholders that are individuals, trusts and estates is generally 20% (commencing in 2013). Dividends payable by REITs, however, generally are not eligible for the preferential tax rates on qualified dividend income. Although these rules do not adversely affect the taxation of REITs or dividends payable by REITs, to the extent that the preferential rates continue to apply to regular corporate qualified dividends, investors who are individuals, trusts and estates may perceive investments in REITs to be relatively less attractive than investments in the stocks of non-REIT corporations that pay dividends, which could adversely affect the value of the shares of REITs, including the per share trading price of our securities.

The tax imposed on REITs engaging in prohibited transactions may limit our ability to engage in transactions that would be treated as sales for federal income tax purposes.

A REIT s net income from prohibited transactions is subject to a 100% penalty tax. In general, prohibited transactions are sales or other dispositions of property, other than foreclosure property, held primarily for sale to customers in the ordinary course of business. Although we do not intend to hold any properties that would be characterized as held for sale to customers in the ordinary course of our business, unless a sale or disposition qualifies under certain statutory safe harbors, such characterization is a factual determination and no guarantee can be given that the IRS would agree with our characterization of our properties or that we will always be able to make use of the available safe harbors.

Risks Related to this Offering

The market price and trading volume of our common stock may be volatile following this offering.

The per share trading price of our common stock may be volatile. In addition, the trading volume in our common stock may fluctuate and cause significant price variations to occur. If the per share trading price of our common stock declines significantly, you may be unable to resell your shares at or above the purchase price. We cannot assure you that the per share trading price of our common stock will not fluctuate or decline significantly in the future. As of the date of this prospectus supplement, we have approximately $60.0 million of borrowings outstanding under our unsecured revolving credit facility.

Some of the factors that could negatively affect our share price or result in fluctuations in the price or trading volume of our common stock include:

- actual or anticipated variations in our quarterly operating results or dividends;

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changes in our funds from operations or earnings estimates;

publication of research reports about us or the real estate industry;

prevailing interest rates;

the market for similar securities;

changes in market valuations of similar companies;

adverse market reaction to any additional debt we incur in the future;

additions or departures of key management personnel;

actions by institutional stockholders;

speculation in the press or investment community;

the realization of any of the other risk factors presented in this prospectus;

the extent of investor interest in our securities;

the general reputation of REITs and the attractiveness of our equity securities in comparison to other equity securities, including securities issued by other real estate-based companies;

our underlying asset value;

investor confidence in the stock and bond markets, generally;

changes in tax laws;

future equity issuances;

failure to meet earnings estimates;

- failure to meet the REIT qualification requirements and maintain our REIT status;
- changes in our credit ratings;
- general economic and financial market conditions;
- our issuance of debt or preferred equity securities; and
- our financial condition, results of operations and prospects.

In the past, securities class action litigation has often been instituted against companies following periods of volatility in the price of their common stock. This type of litigation could result in substantial costs and divert our management s attention and resources, which could have an adverse effect on our financial condition, results of operations, cash flow and per share trading price of our common stock.

Our common stock is ranked junior to our series B preferred stock.

Our common stock is ranked junior to our series B preferred stock with respect to dividends and upon dissolution. In certain circumstances following a change of control of our company, holders of our series B preferred stock will be entitled to receive dividends at the increased rate of 12.375% per annum of the liquidation preference per share of our series B preferred stock and we will have the option to redeem our series B preferred stock for cash at $25.00 per share plus accrued and unpaid dividends. Holders of our common stock are not entitled to preemptive rights or other protections against dilution. In addition to this offering, we may in the future attempt to increase our capital resources by making additional offerings of equity securities, including additional classes or series of preferred stock, which would likely have preferences with respect to dividends or upon dissolution that are senior to our common stock. Because our decision to issue securities in any future offering will depend on market conditions and other factors beyond our control, we cannot predict or estimate the amount, timing or nature of our future offering. Thus, our common stockholders bear the risk of our future offerings reducing the per share trading price of our common stock and diluting their interest in us.

Affiliates of the underwriters may receive benefits in connection with this offering.

Affiliates of Merrill Lynch, Pierce, Fenner & Smith Incorporated, Wells Fargo Securities, LLC, Barclays Capital Inc. and Morgan Stanley & Co. LLC (underwriters in this offering) are lenders under our $250 million unsecured revolving credit facility. Under this facility, an affiliate of Wells Fargo Securities, LLC acts as administrative agent and joint lead arranger and an affiliate of Merrill Lynch, Pierce Fenner & Smith Incorporated acts as joint lead arranger and, together with an affiliate of Barclays Capital Inc., as joint syndication agents. To the extent that we use a portion of the net proceeds of this offering to repay borrowings outstanding under our unsecured revolving credit facility, such affiliates of the underwriters will receive their proportionate shares of any amount of the unsecured revolving credit facility that is repaid with the net proceeds of this offering. These transactions create potential conflicts of interest because the underwriters have an interest in the successful completion of this offering beyond the underwriting discounts and commissions they will receive. These interests may influence the decision regarding the terms and circumstances under which the offering is completed.

Market interest rates may have an effect on the value of our common stock.

One of the factors that will influence the price of our common stock will be the dividend yield on our common stock (as a percentage of the price of our common stock) relative to market interest rates. An increase in market interest rates, which are currently at low levels relative to historical rates, may lead prospective purchasers of our common stock to expect a higher dividend yield and higher interest rates would likely increase our borrowing costs and potentially decrease funds available for distribution. Thus, higher market interest rates could cause the market price of our common stock to decrease.

The number of shares of our common stock available for future issuance or sale could adversely affect the per share trading price of our common stock.

We cannot predict whether future issuances or sales of shares of our common stock or the availability of shares for resale in the open market will decrease the per share trading price per share of our common stock. The issuance of substantial numbers of shares of our common stock in the public market, or upon exchange of common units, or the perception that such issuances might occur could adversely affect the per share trading price of our common stock. The per share trading price of our common stock may decline significantly upon the sale or registration of additional shares of our common stock pursuant to registration rights granted in connection with our initial public offering, our 2010 private placement and our 2011 private placement, which registration rights also cover any shares of common stock that certain funds affiliated with Farallon Capital Management, L.L.C., or the Farallon Funds, purchased in subsequent offerings prior to June 29, 2012, including our May 2012 public offering of common stock. In particular, we have entered into a registration rights agreement with the Farallon Funds pursuant to which we registered 12,047,379 shares of our common stock on behalf of the Farallon Funds pursuant to a shelf registration statement that was declared effective in September 2011, all of which remain available for sale under the shelf registration statement. The shares of common stock that have been registered on behalf of the Farallon Funds, as described above, plus the shares they acquired in our May 2012 public offering represent an approximate 28.2% beneficial interest in our company on a fully diluted basis prior to the consummation of this offering. As a result, a substantial number of shares may be sold pursuant to the registration rights granted to the Farallon Funds. The sale of such shares by the Farallon Funds, or the perception that such a sale may occur, could materially and adversely affect the per share trading price of our common stock.

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The exercise of the underwriters option to purchase additional shares, the exchange of common units for common stock, the exercise of any options or the vesting of any restricted stock granted to certain directors, executive officers and other employees under our equity incentive plan, the issuance of our common stock or common units in connection with future property, portfolio or business acquisitions and other issuances of our common stock could have an adverse effect on the per share trading price of our common stock, and the existence of common units, options, shares of our common stock reserved for issuance as restricted shares of our common stock or upon exchange of common units may adversely affect the terms upon which we may be able to obtain additional capital through the sale of equity securities. In addition, future issuances of shares of our common stock may be dilutive to existing stockholders.

You may experience significant dilution as a result of this offering, which may adversely affect the per share trading price of our common stock.

This offering may have a dilutive effect on our earnings per share and funds from operations per share after giving effect to the issuance of our common stock in this offering and the receipt of the expected net proceeds. The actual amount of dilution from this offering, or from any future offering of common or preferred stock, will be based on numerous factors, particularly the use of proceeds and the return generated by such investment, and cannot be determined at this time. The per share trading price of our common stock could decline as a result of sales of a large number of shares of our common stock in the market pursuant to this offering, or otherwise, or as a result of the perception or expectation that such sales could occur.

Future offerings of debt securities, which would be senior to our common stock upon liquidation, and/or preferred equity securities which may be senior to our common stock for purposes of dividend distributions or upon liquidation, may adversely affect the per share trading price of our common stock.

In the future, we may attempt to increase our capital resources by making additional offerings of debt or equity securities (or causing our operating partnership to issue debt securities), including medium-term notes, senior or subordinated notes and additional classes or series of preferred stock. Upon liquidation, holders of our debt securities and shares of preferred stock or preferred units of partnership interest in our operating partnership and lenders with respect to other borrowings will be entitled to receive our available assets prior to distribution to the holders of our common stock. Additionally, any convertible or exchangeable securities that we issue in the future may have rights, preferences and privileges more favorable than those of our common stock and may result in dilution to owners of our common stock. Holders of our common stock are not entitled to preemptive rights or other protections against dilution. Any shares of preferred stock or preferred units that we issue in the future could have a preference on liquidating distributions or a preference on dividend payments that could limit our ability pay dividends to the holders of our common stock. Because our decision to issue securities in any future offering will depend on market conditions and other factors beyond our control, we cannot predict or estimate the amount, timing or nature of our future offerings. Thus, our stockholders bear the risk of our future offerings reducing the per share trading price of our common stock and diluting their interest in us.

Our ability to pay dividends is limited by the requirements of Maryland law.

Our ability to pay dividends on our common stock is limited by the laws of Maryland. Under applicable Maryland law, a Maryland corporation generally may not make a distribution if, after giving effect to the distribution, the corporation would not be able to pay its debts as the debts become due in the usual course of business or the corporation s total assets would be less than the sum of its total liabilities plus, unless the corporation s charter permits otherwise, the amount that would be needed, if the corporation were dissolved at the time of the distribution, to satisfy the preferential rights upon dissolution of stockholders whose preferential rights are superior to those receiving the distribution. Accordingly, we generally may not make a distribution on our common stock if, after giving effect to the distribution, we would not be able to pay our debts as they become due in the usual course of business or our total assets would be less than the sum of our total liabilities plus, unless the terms of such class or series provide otherwise (and the terms of our series B preferred stock do not so

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provide otherwise), the amount that would be needed to satisfy the preferential rights upon dissolution of the holders of shares of any class or series of preferred stock (including our series B preferred stock) then outstanding, if any, with preferences upon dissolution senior to those of our common stock.

Our unsecured revolving credit facility prohibits us from repurchasing shares of our common stock and may limit our ability to pay dividends on our common stock.

Our unsecured revolving credit facility, which matures in August 2016, prohibits us from repurchasing any shares of our stock, including our common stock, during the term of the unsecured revolving credit facility. Under the unsecured revolving credit facility, our distributions may not exceed the greater of (i) 95.0% of our funds from operations, (ii) the amount required for us to qualify and maintain our status as a REIT or (iii) the amount required for us to avoid the imposition of income and excise taxes. As a result, if we do not generate sufficient funds from operations (as defined in our unsecured revolving credit facility) during the 12 months preceding any common stock dividend payment date, we would not be able to pay dividends to our common stockholders consistent with our past practice without causing a default under our unsecured revolving credit facility. In the event of a default under our unsecured revolving credit facility, we would be unable to borrow under our unsecured revolving credit facility and any amounts we have borrowed thereunder could become due and payable.

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USE OF PROCEEDS

We estimate that the net proceeds from this offering will be approximately $ million, after deducting the underwriting discount and our expenses, or approximately $ million if the underwriters option to purchase additional shares is exercised in full. We will contribute the net proceeds of this offering to our operating partnership in exchange for common units. Our operating partnership intends to use the net proceeds from this offering to repay amounts outstanding under our unsecured revolving credit facility, fund our development or redevelopment activities, fund potential acquisition opportunities and/or for general corporate purposes.

As of September 30, 2012, borrowings outstanding under our unsecured revolving credit facility were $10.0 million. As of the date of this prospectus supplement, we have approximately $60.0 million of borrowings outstanding under our unsecured revolving credit facility, all of which we intend to repay with a portion of the net proceeds of this offering. Our unsecured revolving credit facility bears interest at a rate per annum equal to LIBOR plus 155 basis points to 220 basis points, depending on our leverage ratio and has a maturity date of August 3, 2016 (which maturity may be extended for an additional year at our option subject to certain conditions).

Affiliates of Merrill Lynch, Pierce, Fenner & Smith Incorporated, Wells Fargo Securities, LLC, Barclays Capital Inc. and Morgan Stanley & Co. LLC (underwriters in this offering) are lenders under our unsecured revolving credit facility. As a result, these affiliates will receive their proportionate share of any amount of our unsecured revolving credit facility that is repaid with the proceeds of this offering.

Pending application of cash proceeds, our operating partnership will invest the net proceeds from this offering in interest-bearing accounts and short-term, interest-bearing securities in a manner that is consistent with our intention to qualify for taxation as a REIT.

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CAPITALIZATION

The following table sets forth our actual cash and cash equivalents and consolidated capitalization as of September 30, 2012 and our pro forma cash and cash equivalents and consolidated capitalization as of September 30, 2012, adjusted to give effect to this offering and the use of the net proceeds as set forth in Use of Proceeds. No adjustments have been made to reflect normal course operations by us or other developments with our business after September 30, 2012. As a result, the pro forma information provided below is not indicative of our actual cash and cash equivalents position or consolidated capitalization as of any date. You should read this table in conjunction with Use of Proceeds in this prospectus supplement and the consolidated financial statements and related notes and Management s Discussion and Analysis of Financial Condition and Results of Operations in our Annual Report on Form 10-K for the year ended December 31, 2011, and our Quarterly Report on Form 10-Q for the quarter ended September 30, 2012, each of which is incorporated by reference in this prospectus supplement.

	As of September 30, 2012	
	Actual	Pro Forma
	(in thousands, except share amounts)	
Cash and cash equivalents	$ 27,288	$
Debt:		
Notes payable and other secured loans[1]	$ 359,454	$ 299,454
6.25% Cumulative Redeemable Convertible Series A Preferred Units of our operating partnership	12,475	12,475
Equity:		
Hudson Pacific Properties, Inc. stockholders equity:		
Preferred stock, $0.01 par value per share; 10,000,000 authorized, including 8.375% series B cumulative redeemable preferred stock, $25.00 liquidation preference, 5,800,000 shares authorized and 5,800,000 shares issued and outstanding as of September 30, 2012	145,000	145,000
Common Stock, $0.01 par value per share; 490,000,000 authorized, 47,219,875 issued and outstanding at September 30, 2012 and 54,719,875[2] shares issued and outs		