

Hudson Pacific Properties, Inc.
Form DEFM14A
January 20, 2015

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

SCHEDULE 14A
Proxy Statement Pursuant to Section 14(a) of the
Securities Exchange Act of 1934
(Amendment No.)

Filed by the Registrant

Filed by a Party other than the Registrant

Check the appropriate box:

Preliminary Proxy Statement

Confidential, for Use of the Commission Only (as permitted by Rule 14a-6(e)(2))

Definitive Proxy Statement

Definitive Additional Materials

Soliciting Material under §240.14a-12

HUDSON PACIFIC PROPERTIES, INC.

(Name of Registrant as Specified In Its Charter)

N/A

(Name of Person(s) Filing Proxy Statement, if other than the Registrant)

Payment of Filing Fee (Check the appropriate box):

- x No fee required.
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 - (1) Title of each class of securities to which transaction applies:

 - (2) Aggregate number of securities to which transaction applies:

 - (3) Per unit price or other underlying value of transaction computed pursuant to Exchange Act Rule 0-11 (set forth the amount on which the filing fee is calculated and state how it was determined):

 - (4) Proposed maximum aggregate value of transaction:

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 - (1) Amount Previously Paid:

 - (2) Form, Schedule or Registration Statement No.:

 - (3) Filing Party:

(4) Date Filed:

11601 Wilshire Blvd., Sixth Floor

Los Angeles, California 90025

January 20, 2015

To the Stockholders of Hudson Pacific Properties, Inc.:

You are cordially invited to attend a special meeting of the common stockholders of Hudson Pacific Properties, Inc., which we refer to as Hudson, to be held on March 5, 2015, commencing at 8:00 a.m. local time, at Hudson's executive offices located at 11601 Wilshire Boulevard, Sixth Floor, Los Angeles, California 90025.

On December 6, 2014, Hudson and its subsidiary Hudson Pacific Properties, L.P., which we refer to as the Operating Partnership, entered into an asset purchase agreement, which we refer to as the Purchase Agreement, with certain affiliates of The Blackstone Group L.P., which we refer to as the Seller Parties. Pursuant to the Purchase Agreement, Hudson will acquire a portfolio of 26 high-quality office assets totaling approximately 8.2 million square feet and two development parcels located in the San Francisco Peninsula and Silicon Valley areas, which we refer to as the Target Properties and also refer to in certain instances herein, collectively, as the Target Portfolio, from the Seller Parties, in exchange for a combination of \$1.75 billion in cash, subject to adjustment as described in this proxy statement, and the issuance of up to an aggregate amount of 63,474,791 shares of Hudson common stock, or common stock, and common units of limited partnership interest in the Operating Partnership, or common units, subject to reduction as described in this proxy statement. We believe that the acquisition of the Target Properties aligns with our strategy to acquire high-quality office properties in our core West Coast target markets and where we can leverage our operating, leasing and development platforms to create long-term value for our shareholders. Hudson has long targeted these two Northern California regions for expansion and the Target Properties present Hudson with a strong, diversified tenancy, including several nationally known technology companies. The transaction will result in Hudson effectively doubling in size, and we believe will result in operational efficiencies and improved access to capital, as well as a potential path to an investment grade credit rating.

The final number of shares of common stock and common units to be issued in the transaction will not exceed 63,474,791 in the aggregate, but the exact number of each will not be known until the closing of the transaction. Under the rules of the New York Stock Exchange, or NYSE, on which our common stock is listed, the proposed issuance of the shares of common stock and common units to the Seller Parties (or their designated affiliates) in connection with the transaction requires the approval of Hudson's stockholders because the maximum number of shares and common units to be issued exceeds 20% of the total number of shares of our common stock and common units outstanding prior to the issuance.

At the special meeting, holders of shares of Hudson common stock will be asked to consider and vote on (i) a proposal to approve the issuance of the shares of Hudson common stock and common units as contemplated by the Purchase Agreement, which we refer to as the Equity Issuance and (ii) a proposal to adjourn the special meeting if necessary or appropriate to solicit additional proxies if there are not sufficient votes at the time of the meeting to approve the Equity Issuance.

Hudson's Board of Directors approved the Purchase Agreement as well as the Equity Issuance and the other transactions contemplated by the Purchase Agreement, and recommends that Hudson's stockholders vote FOR each of the proposals.

If Hudson's stockholders do not approve the proposal to approve the Equity Issuance presented at the special meeting, the transactions contemplated by the Purchase Agreement cannot be consummated.

Your vote is important. Whether or not you expect to attend the special meeting in person, please authorize a proxy to vote on your behalf as promptly as possible by completing, signing, dating and mailing your proxy card in the pre-addressed postage-paid envelope provided or authorizing your proxy by one of the other methods specified in this proxy statement. If your common stock is held in street name by your broker or other nominee, only your broker or other nominee can vote your shares and the vote cannot be cast unless you provide instructions to your broker or other nominee on how to vote or you obtain a legal proxy from your broker or other nominee. You should follow the directions provided by your broker or other nominee regarding how to instruct your broker or other nominee to vote your shares. Authorizing a proxy will ensure that your shares are represented at the special meeting. If you attend the special meeting and desire to vote in person, you may do so even though you have previously authorized your proxy.

We encourage you to carefully read this proxy statement in its entirety before voting, including the annexes and documents referred to or incorporated by reference and the section entitled Risk Factors beginning on page 17. On behalf of your management team and board of directors, I thank you for your support and urge you to vote **FOR** approval of the issuance of Hudson common stock and common units of limited partnership interest in the Operating Partnership in the transaction.

Sincerely,

Victor Coleman

Chief Executive Officer, President and

Chairman of the Board of Directors

Neither the Securities and Exchange Commission, nor any state securities regulatory authority has approved or disapproved of the transaction or has passed upon the adequacy or accuracy of the disclosure in this proxy statement. Any representation to the contrary is a criminal offense.

This proxy statement is dated January 20, 2015 and is first being mailed to Hudson Pacific Properties, Inc. stockholders on or about January 21, 2015.

Hudson Pacific Properties, Inc.

11601 Wilshire Blvd., Sixth Floor

Los Angeles, California 90025

(310) 445-5700

NOTICE OF SPECIAL MEETING OF STOCKHOLDERS

TO BE HELD ON MARCH 5, 2015

To the Stockholders of Hudson Pacific Properties, Inc.:

Notice is hereby given that a special meeting of the stockholders of Hudson Pacific Properties, Inc., a Maryland corporation, which we refer to as Hudson, will be held on March 5, 2015, commencing at 8:00 a.m., local time, at Hudson's executive offices located at 11601 Wilshire Blvd., Sixth Floor, Los Angeles, California 90025, unless postponed or adjourned to a later date or time or different place, for the purpose of considering and voting upon the following matters contemplated by the Purchase Agreement, dated as of December 6, 2014, by and among Hudson, Hudson Pacific Properties, L.P., a Maryland limited partnership and subsidiary of Hudson, which we refer to as the Operating Partnership, and certain affiliates of The Blackstone Group L.P. in connection with the proposed acquisition by Hudson and the Operating Partnership of a portfolio of 26 office buildings and two land parcels located in the San Francisco Peninsula and Silicon Valley areas:

1. a proposal to approve the issuance of up to an aggregate amount of 63,474,791 shares of Hudson common stock and common units of limited partnership interest in the Operating Partnership as contemplated by the Purchase Agreement (the Equity Issuance); and
2. a proposal to adjourn the special meeting if necessary or appropriate to solicit additional proxies if there are not sufficient votes at the time of the meeting to approve the Equity Issuance.

Approval of the proposal to approve the Equity Issuance requires the affirmative vote of a majority of the votes cast on such proposal.

Approval of the proposal to adjourn the special meeting if necessary or appropriate to solicit additional proxies if there are not sufficient votes at the time of the meeting to approve the Equity Issuance, requires the affirmative vote of a majority of the votes cast on such proposal. If Hudson's stockholders do not approve the Equity Issuance, the transactions contemplated by the Purchase Agreement cannot be consummated.

Recommendation of the Board

The Board recommends that holders of shares of Hudson common stock vote FOR the proposal to approve the issuance of the shares of Hudson common stock and common units of limited partnership interest in the Operating Partnership as contemplated by the Purchase Agreement.

The foregoing items of business are more fully described in the proxy statement accompanying this notice. The expenses of printing proxy materials, including expenses involved in forwarding materials to beneficial owners of stock, will be paid by Hudson. Only stockholders of record at the close of business on January 16, 2015 are entitled to notice of and to vote at the special meeting.

By Order of the Board of Directors,

Kay L. Tidwell

Executive Vice President, General Counsel

and Secretary

January 20, 2015

Los Angeles, California

YOUR VOTE IS IMPORTANT

Your vote is important no matter how many shares you own. In order to ensure that your shares of common stock will be represented at the special meeting, we have enclosed a proxy card by which you can direct the voting of your shares. Whether or not you plan to attend the special meeting in person, please authorize a proxy to vote your shares as promptly as possible by completing, signing, dating and mailing your proxy card in the pre-addressed postage-paid envelope provided or calling the toll-free telephone number listed on your proxy card or accessing the Internet Web site described in the instructions on the enclosed proxy card. Authorizing a proxy will assure that you are represented and your votes are cast at the special meeting if you do not attend in person. If your shares are held in street name by your broker or other nominee, please follow the directions provided by your broker or other nominee regarding how to instruct the record holder to vote your shares. Additionally, if you attend the special meeting and desire to vote in person, you may do so even though you have previously authorized a proxy.

We thank you for your continued interest in Hudson Pacific Properties, Inc. and look forward to seeing you at the special meeting.

ADDITIONAL INFORMATION

This proxy statement incorporates by reference important business and financial information about Hudson from other documents filed with the Securities and Exchange Commission, which we refer to as the SEC, that are not included or delivered with this proxy statement. See Where You Can Find More Information; Incorporation by Reference beginning on page 119.

This information is available to you without charge upon written or oral request. You can obtain the documents incorporated by reference into this proxy statement by requesting them in writing or by telephone at the following address and telephone number:

Hudson Pacific Properties, Inc.

Attention: Investor Relations

11601 Wilshire Blvd., Sixth Floor

Los Angeles, California 90025

(310) 445-5700

www.hudsonpacificproperties.com

Information contained on the Web site specified above is expressly not incorporated by reference into this proxy statement.

You may also request information from Mackenzie Partners, Inc., Hudson's proxy solicitor, at the following address and telephone number:

Mackenzie Partners, Inc.

Attention: Dan Burch

105 Madison Avenue

New York, NY 10016

800-322-2885

To receive timely delivery of the requested documents in advance of the Hudson special meeting, please make your request no later than March 4, 2015.

ABOUT THIS DOCUMENT

Hudson Pacific Properties, Inc., which we refer to herein as the Company, Hudson, we, our, or us, is providing proxy materials in connection with the solicitation by our Board of Directors of proxies to be voted at our special meeting of our stockholders to be held on March 5, 2015, commencing at 8:00 a.m., local time, at Hudson's executive offices located at 11601 Wilshire Boulevard, Sixth Floor, Los Angeles, California 90025, or at any adjournment or postponement thereof. This proxy statement and the enclosed proxy card will be mailed to each stockholder entitled to notice of, and to vote at, the special meeting of stockholders commencing on or about January 21, 2015.

You should rely only on the information contained in or incorporated by reference into this proxy statement. No one has been authorized to provide you with information that is different from that contained in or incorporated by reference into this proxy statement. This proxy statement is dated January 20, 2015. You should not assume that the information contained in this proxy statement is accurate as of any other date, nor should you assume that the information incorporated by reference into this proxy statement is accurate as of any date other than the date of such incorporated document. The mailing of this proxy statement to our stockholders will not create any implication to the contrary.

This proxy statement does not constitute an offer to sell, or a solicitation of an offer to buy, any securities, or the solicitation of a proxy, in any jurisdiction in which or from any person to whom it is unlawful to make any such offer or solicitation in such jurisdiction.

TABLE OF CONTENTS

	Page
<u>QUESTIONS AND ANSWERS</u>	1
<u>SUMMARY</u>	7
<u>The Parties</u>	7
<u>The Transaction</u>	8
<u>Proposals</u>	10
<u>Recommendations of the Board and Its Reasons for the Transaction</u>	11
<u>Opinions of Hudson's Financial Advisors</u>	11
<u>Risk Factors</u>	12
<u>Conditions to Closing</u>	13
<u>Termination of the Purchase Agreement</u>	14
<u>Termination Fees and Expense Reimbursement</u>	14
<u>Accounting Treatment of the Transaction</u>	15
<u>Selected Historical Financial Information for the Target Properties</u>	15
<u>Selected Unaudited Pro Forma Consolidated Financial Information</u>	15
<u>RISK FACTORS</u>	17
<u>Risk Factors Related to the Transaction</u>	17
<u>Risk Factors Following the Transaction</u>	21
<u>CAUTIONARY STATEMENT CONCERNING FORWARD-LOOKING STATEMENTS</u>	24
<u>THE SPECIAL MEETING</u>	26
<u>Date, Time and Place of the Special Meeting</u>	26
<u>Purpose of the Special Meeting</u>	26
<u>Recommendations of the Board</u>	26
<u>Record Date: Who Can Vote at the Special Meeting</u>	26
<u>Quorum</u>	27
<u>Vote Required for Approval</u>	27
<u>Abstentions and Broker Non-Votes</u>	27
<u>Manner of Authorizing Proxy</u>	27
<u>Shares Held in Street Name</u>	28
<u>Revocation of Proxies or Voting Instructions</u>	28
<u>Tabulation of the Votes</u>	28
<u>Solicitation of Proxies</u>	28
<u>Householding</u>	29
<u>Assistance</u>	29
<u>PROPOSALS SUBMITTED TO HOLDERS OF SHARES OF COMMON STOCK</u>	30
<u>Proposal to Approve the Equity Issuance</u>	30
<u>Adjournment Proposal</u>	30
<u>THE TRANSACTION</u>	31
<u>The Parties</u>	31
<u>The Transaction</u>	32
<u>Background to the Transaction</u>	32
<u>Recommendation of the Board and Its Reasons for the Transaction</u>	38
<u>Opinions of Hudson's Financial Advisors</u>	41
<u>Certain Prospective Financial Information Reviewed by Hudson</u>	57
<u>Financing of the Transaction</u>	59
<u>Regulatory Approvals to Be Obtained in Connection with the Transaction</u>	61

<u>Accounting Treatment of the Transaction</u>	61
<u>Material United States Federal Income Tax Consequences to Existing Hudson Stockholders</u>	62
<u>Federal Securities Laws Consequences</u>	62
<u>New York Stock Exchange Listing</u>	62

	Page
<u>Appraisal Rights</u>	62
<u>Interests of Certain Persons in the Transaction</u>	62
<u>Designated Board Nominees</u>	63
<u>THE TRANSACTION DOCUMENTS</u>	65
<u>The Purchase Agreement</u>	65
<u>The Stockholders Agreement</u>	79
<u>The Registration Rights Agreement</u>	83
<u>The Third Amended and Restated Limited Partnership Agreement of the Operating Partnership</u>	85
<u>The Ownership Limit Waiver</u>	85
<u>The Voting Agreement</u>	86
<u>INFORMATION ABOUT THE TARGET PROPERTIES</u>	88
<u>The Target Portfolio</u>	91
<u>Tenant Diversification of the Target Portfolio</u>	92
<u>Uncommenced Leases</u>	93
<u>Lease Distribution of the Target Portfolio</u>	93
<u>Lease Expirations of the Target Portfolio</u>	94
<u>UNAUDITED PRO FORMA CONSOLIDATED FINANCIAL STATEMENTS OF HUDSON</u>	104
<u>SECURITY OWNERSHIP OF CERTAIN BENEFICIAL OWNERS AND MANAGEMENT</u>	115
<u>FUTURE STOCKHOLDER PROPOSALS</u>	117
<u>EXPERTS</u>	118
<u>WHERE YOU CAN FIND MORE INFORMATION; INCORPORATION BY REFERENCE</u>	119
<u>Annex A ASSET PURCHASE AGREEMENT</u>	A-1
<u>Annex B STOCKHOLDERS AGREEMENT</u>	B-1
<u>Annex C REGISTRATION RIGHTS AGREEMENT</u>	C-1
<u>Annex D THIRD AMENDED AND RESTATED LIMITED PARTNERSHIP AGREEMENT</u>	D-1
<u>Annex E OPINION OF WELLS FARGO SECURITIES, LLC</u>	E-1
<u>Annex F OPINION OF HOULIHAN LOKEY CAPITAL, INC.</u>	F-1
<u>Annex G TARGET PROPERTY FINANCIAL STATEMENTS</u>	G-1

QUESTIONS AND ANSWERS

The following are answers to some questions that you may have regarding Hudson, the Purchase Agreement, the Equity Issuance and the other transactions contemplated by the Purchase Agreement and the special meeting. We urge you to read carefully this entire proxy statement, including the annexes and the other documents referred to or incorporated by reference into this proxy statement, because the information in this section does not provide all of the information that might be important to you.

Unless stated otherwise or the context otherwise requires, in this proxy statement:

all references to (i) Hudson, the Company, we, us or our are to Hudson Pacific Properties, Inc., a Maryland corporation, and (ii) the Operating Partnership are to Hudson Pacific Properties, L.P., a Maryland limited partnership and a subsidiary of Hudson;

all references to (i) Blackstone are to The Blackstone Group L.P., a Delaware limited partnership, and (ii) the Seller Parties are to the certain affiliates of Blackstone who are parties to the Purchase Agreement; and

all references to the Purchase Agreement are to the Asset Purchase Agreement, dated as of December 6, 2014, by and among Hudson, the Operating Partnership and the Seller Parties, as it may be amended from time to time, a copy of which is attached as Annex A to this proxy statement and incorporated herein by reference.

Who is soliciting my vote?

Hudson's Board of Directors (the Board) is soliciting your vote at the special meeting of stockholders.

What is the proposed transaction?

Hudson, the Operating Partnership and the Seller Parties entered into the Purchase Agreement on December 6, 2014, pursuant to which the Operating Partnership and/or other subsidiaries of Hudson will acquire a portfolio of 26 high-quality office assets totaling approximately 8.2 million square feet and two development parcels in the San Francisco Peninsula and Silicon Valley (which we refer to as the Target Properties and also refer to in certain instances herein, collectively, as the Target Portfolio) from the Seller Parties in exchange for a combination of cash and equity consideration, each subject to adjustment in accordance with the terms of the Purchase Agreement (the transaction) as follows:

Cash Consideration. At the consummation of the transaction, the Operating Partnership will deliver to the Seller Parties a payment in cash of an aggregate amount equal to \$1.75 billion, subject to adjustment as described under the heading The Transaction Documents The Purchase Agreement Consideration beginning on page 65 (the Cash Consideration).

Equity Consideration. At the consummation of the transaction, the Operating Partnership will deliver to the Seller Parties (or their designated affiliates) an aggregate amount of up to 63,474,791 newly-issued shares of Hudson common stock (common stock) and newly-issued common units of limited partnership interest in

the Operating Partnership (common units) (and such common units and shares of common stock, together, the Equity Consideration). At the consummation of the transaction, the portion of the Equity Consideration consisting of common stock will represent 9.8% (rounded down to the nearest whole share) of the total outstanding shares of common stock (after giving effect to the issuance of the Equity Consideration but excluding outstanding restricted shares of common stock), and the issuance of the portion of the Equity Consideration consisting of common units will be in an amount equal to up to 63,474,791, less the number of shares of common stock to be issued in the transaction (we refer to the issuance by Hudson of such common stock and the issuance by the Operating Partnership of such common units as the Equity Issuance), subject to reduction as described below under the heading The Transaction Documents The Purchase Agreement Consideration beginning on page 65.

Why am I receiving this proxy statement?

The Board is using this proxy statement to solicit proxies of Hudson stockholders in connection with the Equity Issuance. In order to complete the transaction, the Hudson stockholders must approve the Equity Issuance. Hudson will hold a special meeting of its stockholders to obtain approval of the Equity Issuance. This proxy statement contains important information about the transaction, the Equity Issuance, and the special meeting and you should read it carefully and in its entirety. The enclosed voting materials allow you to authorize a proxy to vote your shares of Hudson common stock without attending the special meeting. As promptly as practicable, please complete, sign, date and mail your proxy card in the pre-addressed postage-paid envelope provided or call the toll-free telephone number listed on your proxy card or access the Internet Web site described in the instructions on the enclosed proxy card.

Why has Hudson decided to acquire the Target Properties?

We believe that the transaction will provide substantial strategic and financial benefits to our company, our stockholders and our customers, including the following:

the unique opportunity presented by the size, scope and premium quality of the Target Properties;

the opportunity for Hudson to leverage its operating platform and create near and long-term value;

the benefits that could result from the combination of the Target Properties with Hudson's existing portfolio;
and

the benefits of Blackstone as a significant equity holder in Hudson.

Please see "The Transaction Recommendation of the Board and Its Reasons for the Transaction" beginning on page 38 for a detailed discussion of the reasons for and benefits of the transaction.

What are the specific proposals that stockholders are being asked to vote on at the special meeting?

The holders of our common stock are being asked to consider and vote upon the following proposals at the special meeting:

Proposal 1: a proposal to approve the Equity Issuance; and

Proposal 2: a proposal to adjourn the special meeting if necessary or appropriate to solicit additional proxies if there are not sufficient votes at the time of the meeting to approve the Equity Issuance.

How does the Board recommend that I vote?

The Board recommends that you vote your shares:

Proposal 1: **FOR** approval of the Equity Issuance; and

Proposal 2: **FOR** approval of the proposal to adjourn the special meeting if necessary or appropriate to solicit additional proxies if there are not sufficient votes at the time of the meeting to approve the Equity Issuance.

Are there risks I should consider in deciding how to vote on the proposal to approve the Equity Issuance?

Yes. In evaluating the proposal to approve the Equity Issuance, you should carefully read this proxy statement, including the factors discussed in the section Risk Factors beginning on page 17. *You are urged to read this proxy statement in its entirety prior to authorizing a proxy.*

What is included in the proxy materials?

Proxy materials include this proxy statement for the special meeting. This proxy statement was filed with the SEC and is available free of charge on our Web site (www.hudsonpacificproperties.com).

When and where is the special meeting of Hudson stockholders?

The special meeting will be held on March 5, 2015, commencing at 8:00 a.m., local time, at Hudson's executive offices located at 11601 Wilshire Boulevard, Sixth Floor, Los Angeles, California 90025, unless postponed or adjourned to a later date or time or different place.

Who may vote at the special meeting?

The Board has set the close of business on January 16, 2015, as the record date for the special meeting. If you were the owner of shares of Hudson common stock at the close of business on January 16, 2015, which we refer to as the record date, you may vote at the special meeting. You are entitled to one vote for each share of common stock you held on the record date, including shares:

held directly in your name with our transfer agent as a holder of record ; and

held for you in an account with a broker, bank or other nominee (shares held in street name).

Concurrently with the execution of the Purchase Agreement, on December 6, 2014, Farallon Capital Partners L.P., Farallon Capital Institutional Partners, L.P. and Farallon Capital Institutional Partners III, L.P. (which we refer to collectively as the Farallon Funds) entered into a Voting Agreement (which we refer to here as the Voting Agreement) with the Seller Parties, pursuant to which each of the Farallon Funds has agreed that, until the termination of the Voting Agreement, it will vote in favor of the transaction and against any potential competing transaction or any action that could reasonably be expected to adversely affect the transaction. For a detailed description of the Voting Agreement, please see the The Transaction Documents The Voting Agreement beginning on page 86. As of December 6, 2014, the Farallon Funds collectively held an aggregate of 8,722,016 shares of common stock.

How many stockholders must be present to hold the meeting?

Stockholders entitled to cast a majority of the votes entitled to be cast at the special meeting must be present in person or represented by proxy at the special meeting in order to hold the meeting and conduct business. This is called a quorum. As of the record date, there were 67,195,880 shares of Hudson common stock outstanding and entitled to vote at the special meeting. Stockholders who properly authorize a proxy and instruct their proxy to abstain with respect to any or all matters to be voted on at the special meeting will be counted as present for purposes of establishing a quorum at the meeting. A broker non-vote occurs when shares are held by a broker or other nominee, but the broker or other nominee has not received voting instructions from the beneficial owner and does not have the discretion to direct the voting of the shares. Brokers or other nominees may exercise discretion in voting on routine matters, but may not exercise discretion and therefore will not vote on non-routine matters if instructions are not given. The only proposals to be voted on at the special meeting are non-routine. Therefore, there can be no broker non-votes at the special meeting, so failure to provide instructions to your broker or other nominee on how to vote will result in you not being counted as present at the meeting.

What vote is required to approve each item?

The proposal to approve the Equity Issuance requires the affirmative vote of the stockholders that cast a majority of the total votes cast on the proposal. The actions contemplated by the Equity Issuance, even if approved by our stockholders, will not occur unless we complete the transaction.

The proposal to adjourn the special meeting requires the affirmative vote of the stockholders that cast a majority of the total votes cast on the proposal.

How may I cast my votes?

You may vote **FOR** or **AGAINST** or instruct your proxy to **ABSTAIN** on the vote on the proposal to approve the Equity Issuance and you may vote **FOR** or **AGAINST** or instruct your proxy to **ABSTAIN** on the vote on the proposal to adjourn the special meeting.

If you authorize a proxy without providing voting instructions, and your proxy is not revoked, the persons named as proxies will vote in accordance with the Board's recommendation to approve the Equity Issuance and to adjourn the special meeting if necessary or appropriate to solicit additional proxies if there are not sufficient votes at the time of the meeting to approve the Equity Issuance. The Board recommends a vote **FOR** each proposal.

What if I abstain from voting?

If you properly authorize a proxy but instruct your proxy to abstain from voting on any proposal, you will still be counted as present at the meeting for purposes of determining whether a quorum exists. If you instruct your proxy to abstain from voting on the proposal to approve the Equity Issuance, your abstention will have the effect of a vote **AGAINST** the proposal. Abstentions will have no effect on the proposal to adjourn the special meeting.

Will my shares be voted if I do not authorize a proxy or vote in person?

If you do not sign and return your proxy card, authorize a proxy by telephone or Internet, or vote in person, your votes will not be cast at the special meeting. If your shares are held in street name and you do not provide instructions to your broker, your broker may not vote your shares with respect to the proposals because they are considered non-routine. If a broker who holds shares for another person does not vote on a particular proposal because that broker does not have discretionary voting power for the proposal and has not received voting instructions from the owner of the shares, then a broker non-vote will occur. It is important that your shares are voted at the special meeting.

The proposal to approve the Equity Issuance and the proposal to adjourn the special meeting are non-routine matters. Therefore, if your shares are held in street name by your broker and you do not provide your broker with instructions on how to vote your street name shares, your broker will not be permitted to vote on the proposal to approve the Equity Issuance or on the proposal to adjourn the special meeting. You should therefore be sure to provide your broker with instructions on how to vote your shares. Please check the voting form used by your broker to see if it offers telephone or Internet submission of voting instructions.

What do I need to do now?

After carefully reading and considering the information in this proxy statement, whether or not you plan on attending the special meeting, please authorize a proxy in accordance with the instructions set forth in the enclosed proxy card, or fill out, sign and date the proxy card, and then mail your signed proxy card in the enclosed prepaid envelope so that your shares may be voted at the special meeting. You may also call the toll-free telephone number listed on your proxy card or access the Internet Web site described in the instructions on the enclosed proxy card.

How do I authorize a proxy to vote my shares without attending the special meeting?

Stockholders of Record. If you hold shares directly in your name with Hudson's transfer agent, Computershare Investor Services, you are a stockholder of record and you may authorize a proxy to vote your shares at the special meeting. You may authorize a proxy by completing, signing, dating and mailing your proxy card in the pre-addressed postage-paid envelope provided or calling the toll-free telephone number listed on your proxy card or accessing the Internet Web site described in the instructions on the enclosed proxy card. You should sign your name exactly as it appears on the proxy card. If you are signing in a representative capacity (for example, as guardian, executor, trustee, custodian, attorney or officer of a corporation), you should indicate your name and title or capacity.

Beneficial Owner of Shares/Shares Held in Street Name. If you hold shares in street name, you may direct your vote without attending the special meeting by following the voting directions provided by your broker, bank, broker-dealer or similar organization. Please check the voting form used by your broker to see if it offers

telephone or Internet submission. If you provide specific voting instructions by mail, telephone or the Internet, your votes will be cast by your broker or nominee as you have directed. If your broker, bank, broker-dealer or similar organization holds your shares in its name and you do not instruct it how to vote, it will not have discretion to vote on any of the proposals at the special meeting.

How will my proxy be voted?

All proxies authorized via the Internet or by telephone at or prior to 11:59 p.m. New York time on March 4, 2015 or by mail and received at or prior to the special meeting, and in each case, not revoked, will be voted at the special meeting as instructed on such proxies. If you are a holder of record of our common stock as of the record date and return a properly executed proxy but do not indicate how your shares of common stock should be voted on a proposal, the shares of common stock represented by your properly executed proxy will be voted in accordance with the recommendation of the Board. The Board recommends that you vote **FOR** the proposal to approve the Equity Issuance and **FOR** the proposal to adjourn the special meeting if necessary or appropriate to solicit additional proxies if there are not sufficient votes at the time of the meeting to approve the Equity Issuance.

How do I vote my shares in person at the special meeting?

Even if you plan to attend the special meeting, we encourage you to vote by signing, dating and returning the enclosed proxy card and mailing it in the pre-addressed postage-paid envelope provided, calling the toll-free telephone number listed on your proxy card or accessing the Internet Web site described in the instructions on the enclosed proxy card so your vote will be counted if you later decide not to attend the special meeting.

If you choose to vote in person at the special meeting:

if you are a stockholder of record, you may vote by the ballot to be provided at the special meeting; or

if you hold your shares in street name, you must obtain a proxy in your name from your bank, broker or other holder of record in order to vote by ballot at the special meeting (which may take several days).

Please call (310) 455-5700 to obtain directions to attend the special meeting.

What happens if my shares are held in more than one account or if I receive more than one set of voting materials?

If your shares are held in more than one account, you will receive a proxy card for each account. To ensure that all of your shares in each account are voted, you must complete, sign, date and mail each proxy card you receive in the pre-addressed postage-paid envelopes provided or call the toll-free telephone number listed on each proxy card or access the Internet Web site described in the instructions on each proxy card you receive.

If you and other residents at your mailing address own shares of Hudson stock in street name, your bank, broker or other holder of record may have notified you that your household will receive only one proxy statement for each company in which you hold stock through that bank, broker or other holder of record. This practice is known as householding. Unless you responded that you did not want to participate in householding, you were deemed to have consented to the process. Therefore, your bank, broker or other holder of record will send only one copy of the proxy statement to your address. Each stockholder in your household will continue to receive a separate voting instruction form.

If you would like to receive your own proxy statement in the future, or if you share an address with another Hudson stockholder and together both of you would like to receive only a single set of Hudson disclosure documents, please contact our Investor Relations department by: (i) mail at Hudson Pacific Properties, Inc., Attention: Investor Relations, 11601 Wilshire Blvd., Sixth Floor, Los Angeles, California 90025, (ii) telephone at

(310) 455-5700, or (iii) e-mail at investorrelations@hudsonpacificproperties.com. As a part of this process, you will be asked to provide your name, the name of your bank, broker or other holder of record and your account number. The revocation of your consent to householding should be effective 30 days following receipt of your instructions.

If you did not receive an individual copy of this proxy statement, we will send a copy to you upon a written or oral request. Please contact us as indicated above.

May I revoke my proxy or change my vote?

If you hold shares of Hudson common stock as the registered holder, you may change your vote or revoke your proxy at any time before it is exercised at the special meeting by:

submitting a later-dated notice in writing to Hudson's Executive Vice President, General Counsel and Secretary at Hudson Pacific Properties, Inc., 11601 Wilshire Blvd., Sixth Floor, Los Angeles, California 90025, that you are revoking your proxy;

executing and delivering a later-dated proxy card or authorizing a later-dated proxy by telephone or on the Internet; or

attending the special meeting in person and voting your shares, although attendance at the special meeting will not, by itself, revoke a proxy, unless you specifically request such a revocation.

If you hold shares of Hudson common stock through a broker or other nominee, you may revoke your voting instructions by following the instructions provided by your broker or other nominee.

What if I sell my shares of common stock before the special meeting?

If you held shares of common stock as of the record date for the special meeting, you are entitled to vote even if you transfer the shares after the record date but before the special meeting.

How can I find out the results of the special meeting?

The preliminary voting results will be announced at the special meeting. The final voting results will be published on a Form 8-K which will be filed with the SEC within four business days after the special meeting.

When do you expect the transaction to be completed?

We currently expect the transaction to close in the first half of 2015. However, we cannot consummate the transaction until the Hudson common stockholders approve the proposal related to the Equity Issuance described in this proxy statement and until the other conditions set forth in the Purchase Agreement are satisfied or waived by the respective parties to the Purchase Agreement. Nevertheless, the transaction will not close prior to April 30, 2015 without Hudson's consent.

SUMMARY

The following summary highlights some of the information contained in this proxy statement. This summary may not contain all of the information that is important to you. For a more complete description of Hudson, the Operating Partnership, the Seller Parties, Blackstone, the Purchase Agreement, the Target Properties and the other transactions contemplated by the Purchase Agreement, Hudson encourages you to read the information incorporated by reference into this proxy statement which includes important business and financial information about Hudson that has been filed with the SEC. You may find the information incorporated by reference into this proxy statement, without charge, by following the instructions in the section entitled "Where You Can Find More Information; Incorporation by Reference" beginning on page 119. We have included references to other portions of this proxy statement to direct you to a more complete description of the topics presented in this summary, which you should review carefully in their entirety.

The Parties

Hudson Pacific Properties, Inc. (see page 31)

Hudson is a full-service, vertically integrated real estate investment trust, or REIT, focused on owning, operating, developing and acquiring high-quality office and media and entertainment properties in select growth markets primarily in Northern and Southern California and the Pacific Northwest. Hudson's investment strategy is focused on high barrier-to-entry, in-fill locations with favorable, long-term supply demand characteristics. These markets include Los Angeles, San Francisco, Silicon Valley, and the Pacific Northwest, which Hudson refers to as its target markets.

Hudson was formed as a Maryland corporation in 2009 to succeed the business of Hudson Capital, LLC, a Los Angeles-based real estate investment firm founded by Victor J. Coleman, Hudson's Chief Executive Officer, President and Chairman of the Board. On June 29, 2010, Hudson completed its initial public offering.

Hudson Pacific Properties, L.P. (see page 31)

Hudson owns interests in all of its properties and conducts substantially all of its business through the Operating Partnership, Hudson Pacific Properties, L.P., a Maryland limited partnership, of which Hudson serves as the sole general partner. As of January 16, 2015, Hudson owned approximately 96.6% of the outstanding common units of partnership interest in the Operating Partnership. The remaining approximately 3.4% of the common units of limited partnership interest in the Operating Partnership outstanding are owned by certain of Hudson's executive officers and directors, certain of their affiliates, and other outside investors, including funds affiliated with Farallon Capital Management, L.L.C.

Hudson's and the Operating Partnership's principal executive offices are located at 11601 Wilshire Blvd., Sixth Floor, Los Angeles, California 90025, and Hudson's and the Operating Partnership's telephone number is (310) 445-5700.

The Seller Parties (see page 31)

The Seller Parties under the Purchase Agreement constitute entities affiliated with and controlled by Blackstone. Blackstone is one of the world's leading investment firms. Blackstone's asset management businesses, with almost \$300 billion in assets under management, include investment vehicles focused on private equity, real estate, public debt and equity, non-investment grade credit, real assets and secondary funds, all on a global basis. Blackstone also provides various financial advisory services, including financial and strategic advisory, restructuring and reorganization advisory and fund placement services. Further information is available at www.blackstone.com. The Seller Parties' principal executive offices are located at 345 Park Avenue, New York, New York 10154, and its telephone number is (212) 583-5000.

Please see the *The Transaction* *The Parties* beginning on page 31 for a description of the parties to the transaction.

The Transaction (see page 32)

The Operating Partnership and/or one or more other subsidiaries of Hudson will acquire a portfolio of 26 high-quality office assets totaling approximately 8.2 million square feet and two development parcels in the San Francisco Peninsula and Silicon Valley (which we refer to as the *Target Properties* and also refer to in certain instances herein, collectively, as the *Target Portfolio*) pursuant to the terms and subject to the conditions of the Purchase Agreement (as described below). In consideration for the purchase and sale of the Target Properties, (i) the Operating Partnership will deliver (or cause to be delivered) to the Seller Parties a cash payment equal to \$1.75 billion, subject to the adjustment described below (the *Cash Consideration*), and (ii) the Operating Partnership will deliver to the Seller Parties (or their designated affiliates) the Equity Consideration, subject to reduction as described below. The *Equity Consideration* will consist of up to 63,474,791 (in the aggregate) shares of common stock (to be issued by Hudson and delivered to the Operating Partnership for further delivery to the Seller Parties (or their designated affiliates) and newly issued common units, subject to reduction as described below. The number of shares of common stock to be delivered to the Seller Parties (or their designated affiliates) will be equal to 9.8% (rounded down to the nearest whole share) of the total issued and outstanding shares of common stock (excluding any restricted shares of common stock then issued and outstanding, but for purposes of such calculation, after giving effect to the Company's issuance of the Equity Consideration to the Seller Parties (which we refer to as the *Equity Issuance*)) as of the close of business two business days immediately prior to the date of the consummation of the transaction. The remainder of the Equity Consideration will consist of newly-issued common units of limited partnership interest in the Operating Partnership, or common units.

A copy of the Purchase Agreement is attached as Annex A to this proxy statement and incorporated herein by reference. Hudson encourages you to carefully read the Purchase Agreement in its entirety because it is the principal document governing the transaction.

The Purchase Agreement (see page 65)

On December 6, 2014, Hudson and the Operating Partnership (together, the *Buyer Parties*) and certain affiliates of the Blackstone Group L.P. (collectively, the *Seller Parties*) entered into an asset purchase agreement (the *Purchase Agreement*), pursuant to which Hudson will acquire the Target Properties from the Seller Parties, in exchange for a combination of the Cash Consideration and the Equity Consideration (the *transaction*). The Purchase Agreement contains certain customary representations, warranties and covenants made by each of the Buyer Parties and the Seller Parties, respectively.

The Purchase Agreement is attached as Annex A to this proxy statement. We encourage you to read the Purchase Agreement carefully and fully, as it is the legal document that governs the transaction.

The Equity Issuance requires the affirmative vote of a majority of votes cast at a meeting of the Company's stockholders (the *Requisite Stockholder Approval*).

Based on the closing price per share of Hudson common stock of \$28.17 on December 5, 2014, which was the last trading day prior to the date Hudson publicly announced execution of the Purchase Agreement, the aggregate dollar value of the Equity Consideration was approximately \$1.79 billion, before giving effect to any reduction to the Equity Consideration as described in the Purchase Agreement.

Please see the *The Transaction Documents* *Purchase Agreement* beginning on page 65 for a description of the terms of the Purchase Agreement.

The Stockholders Agreement (see page 79)

At the closing of the transaction, Hudson, the Operating Partnership and the Seller Parties (or their designated affiliates that will be receiving the Equity Consideration in the transaction, which we refer to as the Sponsor Stockholders) will enter into a stockholders agreement (the Stockholders Agreement). Blackstone Real Estate Advisors L.P. will also be a party to the Stockholders Agreement solely for the purpose of enforcing certain standstill provisions.

The Stockholders Agreement will set forth various arrangements and restrictions between the parties with respect to Hudson's corporate governance and certain rights of the Sponsor Stockholders with respect to the Equity Consideration. The Stockholders Agreement will provide the Sponsor Stockholders with certain director and committee nomination rights, including the right to nominate up to three directors to the Board. In addition, the Stockholders Agreement will also include: (i) certain standstill provisions, which will restrict the Sponsor Stockholders, Blackstone Real Estate Advisors L.P. and certain of their affiliates from, among other things, acquiring additional equity or debt securities (other than non-recourse debt and certain other debt) of Hudson and its subsidiaries without the Company's prior written consent during a specified period; and (ii) certain transfer restrictions provisions, which will generally restrict the ability of the Sponsor Stockholders to transfer all or a portion of the Equity Consideration during specified periods.

In addition, during the 24 months following the closing of the transaction, the Stockholders Agreement requires Hudson to obtain the written consent of the Sponsor Stockholders, prior to certain equity securities issuances.

Please see the The Transaction Documents The Stockholders Agreement beginning on page 79 for a description of the terms of the Stockholders Agreement.

The Registration Rights Agreement (see page 83)

At the closing of the transaction, Hudson will enter into a registration rights agreement with the Sponsor Stockholders (the Registration Rights Agreement), pursuant to which Hudson will grant the Sponsor Stockholders certain customary registration rights with respect to the shares of our common stock they receive as consideration in the transaction or upon exchange of common units they receive as the Equity Consideration in the transaction.

Please see the The Transaction Documents The Registration Rights Agreement beginning on page 83 for a description of the terms of the Registration Rights Agreement.

Third Amended and Restated Limited Partnership Agreement of the Operating Partnership (see page 85)

At the closing of the transaction, Hudson will enter into a third amended and restated limited partnership agreement of the Operating Partnership (the Third Amended and Restated Limited Partnership Agreement) to give effect to the rights of certain limited partners of the Operating Agreement, including the Sponsor Stockholders.

Please see the The Transaction Documents The Third Amended and Restated Limited Partnership Agreement beginning on page 85 for a description of the Third Amended and Restated Limited Partnership Agreement.

Ownership Limit Waiver (see page 85)

Hudson's charter contains various restrictions on ownership and transfer of its stock intended to assist Hudson with maintaining its status as a REIT. Among other restrictions, these ownership limits restrict any

person's direct or indirect ownership to no more than 9.8% (in value) of the outstanding shares of Hudson capital stock and no more than 9.8% (in value or in number of shares, whichever is more restrictive) of the outstanding shares of common stock, unless the Board grants such person an exception as specified in Hudson's charter. In connection with the Equity Issuance, the Seller Parties have requested that the Board grant an exception that will allow the Seller Parties and certain of their affiliates to own directly or indirectly, in the aggregate, up to a number of shares of Hudson common stock equal to 20% of the total issued and outstanding shares of common stock (including restricted shares), as calculated as of the close of business on the second business day prior to the closing of the transaction (but including the shares of common stock issued pursuant to the Equity Issuance). The grant of this exception is conditioned upon the receipt of various representations and covenants set forth in the Seller Parties' request.

Financing of the Transaction (see page 59)

Hudson is pursuing a number of different options to finance the Cash Consideration payable under the Purchase Agreement, including the issuance of senior unsecured notes or other debt securities and the use of its existing corporate credit facility.

Concurrently with the execution of the Purchase Agreement, Hudson entered into a commitment letter with various lenders pursuant to which they have committed to provide a 364-day senior unsecured bridge loan facility in the principal amount of up to \$1.75 billion, subject to customary terms and conditions set forth in such commitment letter. Hudson intends to draw upon all or a portion of this 364-day senior unsecured bridge loan facility to the extent that it is not able to procure financing upon better terms prior to the closing of the transaction.

Please see the *The Transaction Financing of the Transaction* beginning on page 59 for a description of the financing arrangements.

Voting Agreement (see page 86)

Concurrently with the execution of the Purchase Agreement, on December 6, 2014, the Farallon Funds entered into a Voting Agreement (which we refer to here as the *Voting Agreement*) with the Seller Parties, pursuant to which each of the Farallon Funds has agreed that, until the termination of the Voting Agreement, it will vote in favor of the transaction and against any potential competing transaction or any action that could reasonably be expected to adversely affect the transaction. Each of the Farallon Funds further agreed that until the earlier of the termination of the Voting Agreement and April 1, 2015, it will not transfer any shares of Hudson common stock or common units or any interests therein, subject to certain exceptions. In addition, until the termination of the Voting Agreement the Farallon Funds have agreed not to solicit competing transactions. The Voting Agreement will terminate upon, among other things, the closing of the transactions contemplated by the Purchase Agreement, a change in our Board's recommendations with respect to the approval of the Proposals and 11:59 p.m. New York time on July 3, 2015.

Please see the *The Transaction Documents The Voting Agreement* beginning on page 86 for a description of the Voting Agreement.

Proposals (see page 30)

At the special meeting, holders of common stock will be asked to consider and vote on the following proposals:

Proposal 1: a proposal to approve the Equity Issuance; and

Proposal 2: a proposal to adjourn the special meeting if necessary or appropriate to solicit additional proxies if there are not sufficient votes at the time of the meeting to approve the Equity Issuance.

The action contemplated by the proposal to approve the Equity Issuance, even if approved by our stockholders, will not occur unless we complete the transaction contemplated by the Purchase Agreement.

THE TRANSACTION WILL NOT BE COMPLETED UNLESS, AMONG OTHER THINGS, THE AFFIRMATIVE VOTE OF A MAJORITY OF VOTES CAST BY THE HOLDERS OF COMMON STOCK APPROVE THE EQUITY ISSUANCE. UNDER THE PURCHASE AGREEMENT, CLOSING OF THE ACQUISITION IS SUBJECT TO THE SATISFACTION (OR, IF LEGALLY PERMITTED, WAIVER) OF SPECIFIED CLOSING CONDITIONS. OBTAINING REQUISITE STOCKHOLDER APPROVAL OF THE EQUITY ISSUANCE IS SUCH A CONDITION, WHICH MAY NOT BE WAIVED BY EITHER HUDSON OR THE SELLER PARTIES.

Recommendations of the Board and Its Reasons for the Transaction (see page 38)

The Board (i) approved the execution and delivery of the Purchase Agreement and the Stockholders Agreement, the Registration Rights Agreement, the Third Amended and Restated Limited Partnership Agreement, the Ownership Limit Waiver and the consummation of the transaction, including without limitation, the Equity Issuance, (ii) submitted the Equity Issuance for consideration by the holders of common stock at the special meeting and (iii) recommends that the holders of common stock vote in favor of approval of the Equity Issuance and directed that such recommendation be included in this proxy statement.

For a discussion of the factors considered by our Board in reaching its decision to recommend approval of the transaction, please see *The Transaction Recommendation of the Board and Its Reasons for the Transaction* beginning on page 38.

Opinions of Hudson's Financial Advisors (see page 41)

Wells Fargo Securities, LLC

Hudson retained Wells Fargo Securities, LLC, which we refer to as *Wells Fargo Securities*, to provide it with financial advisory services in connection with the transaction. In connection with the transaction, *Wells Fargo Securities* rendered an opinion, dated December 6, 2014, to the Board as to the fairness, from a financial point of view and as of such date, to Hudson of the aggregate consideration to be paid for the Target Properties in the transaction pursuant to the Purchase Agreement. The full text of *Wells Fargo Securities* written opinion is attached as Annex E to this proxy statement and is incorporated in this document by reference. The written opinion sets forth, among other things, the assumptions made, procedures followed, factors considered and limitations on the review undertaken by *Wells Fargo Securities* in rendering its opinion. **The opinion was addressed to the Board (in its capacity as such) for its information and use in connection with its evaluation of the aggregate consideration from a financial point of view to Hudson and did not address any other terms, aspects or implications of the transaction or any related transactions. *Wells Fargo Securities* opinion did not address the merits of the underlying decision by Hudson to enter into the Purchase Agreement or the relative merits of the transaction or any related transactions compared with other business strategies or transactions available or that have been or might be considered by Hudson's management or the Board or in which Hudson might engage. *Wells Fargo Securities* opinion does not constitute a recommendation to the Board or any other person or entity in respect of the transaction or any related transactions, including as to how any stockholder should vote or act in connection with the transaction, any related transactions or any other matters.**

Please see *The Transaction Opinions of Hudson's Financial Advisors Opinion of Wells Fargo Securities, LLC* beginning on page 41 for a description of *Wells Fargo Securities* opinion.

Houlihan Lokey Capital, Inc.

Hudson retained Houlihan Lokey Capital, Inc., which we refer to as Houlihan Lokey, to render an opinion to the Board (in its capacity as such) regarding the fairness, from a financial point of view, to Hudson of the aggregate consideration to be paid by Hudson and the Operating Partnership for the Target Properties in the transaction. On December 6, 2014, Houlihan Lokey rendered an oral opinion to the Board (which was confirmed in writing by delivery of Houlihan Lokey's written opinion dated December 6, 2014) as to the fairness, from a financial point of view and as of such date, to Hudson of the aggregate consideration to be paid by Hudson and the Operating Partnership for the Target Properties in the transaction pursuant to the Purchase Agreement. **Houlihan Lokey's opinion was directed to the Board (in its capacity as such) and only addressed the fairness, from a financial point of view, to Hudson of the aggregate consideration to be paid by Hudson and the Operating Partnership for the Target Properties in the transaction pursuant to the Purchase Agreement and did not address any other aspect or implication of the transaction. The summary of Houlihan Lokey's opinion in this proxy statement is qualified in its entirety by reference to the full text of its written opinion, which is attached as Annex F to this proxy statement and sets forth the procedures followed, assumptions made, qualifications and limitations on the review undertaken and other matters considered by Houlihan Lokey in preparing its opinion. However, neither Houlihan Lokey's opinion nor the summary of its opinion and the related analyses set forth in this proxy statement is intended to be, and they do not constitute, advice or a recommendation to the Board, Hudson, the Operating Partnership or any stockholder as to how to act or vote with respect to the transaction or related matters.**

Please see "The Transaction Opinions of Hudson's Financial Advisors Opinion of Houlihan Lokey Capital, Inc." beginning on page 49 for a description of the opinion letter.

Risk Factors (see page 17)

There are a number of significant risks related to the transaction, including the following:

The issuance of shares of Hudson common stock in the transaction (or upon exchange of common units received in the transaction), will have a dilutive effect on Hudson common stock and will reduce our existing stockholders' percentage interest in our earnings, voting power and market value.

The public resale by the Seller Parties of common stock issued in the transaction or upon exchange of common units received in the transaction, or the perception that such resales could occur, could adversely affect the per share trading price of common stock following the completion of the transaction.

If the transaction does not occur, Hudson may incur payment obligations to the Seller Parties.

Failure to complete the transaction in a timely manner could negatively affect Hudson's ability to achieve the benefits associated with the transaction and could negatively affect our share price and future business and financial results.

The pendency of the transaction could adversely affect the business and operations of Hudson and the Target Properties.

Hudson will incur significant non-recurring costs in connection with the transaction.

There can be no assurance that Hudson will be able to obtain financing for the funds necessary to pay the cash portion of the transaction consideration on acceptable terms, in a timely manner, or at all.

The equity portion of the transaction consideration will not be adjusted in the event of any change in Hudson's stock price.

Certain of the Target Properties are subject to ground leases, pursuant to which the lessors have consent rights if not granted or waived may prevent Hudson from acquiring such properties.

The Target Properties may be subject to environmental liabilities, for which we may become responsible. In addition, Hudson could be subject to significant risks following the transaction, including the following:

Blackstone may exercise significant influence over Hudson.

In connection with the transaction, Hudson will incur significant additional indebtedness in order to finance the acquisition of the Target Properties, which could adversely affect Hudson, including by decreasing our business flexibility and increasing our interest expense.

Hudson's future results will suffer if Hudson does not effectively integrate the Target Properties and any retained employees following the transaction.

The market price of shares of Hudson common stock may decline as a result of the transaction.

The agreements that will govern the indebtedness incurred in connection with the transaction are expected to contain various covenants imposing restrictions on Hudson and certain of Hudson's subsidiaries that may affect Hudson's ability to operate its business.

Hudson cannot assure you that it will be able to continue paying dividends at the current rate.

The risks associated with implementing Hudson's long-term business plan and strategy following the transaction may be different from the risks related to Hudson's business with respect to Hudson's existing portfolio.

Conditions to Closing (see page 76)

The Purchase Agreement provides for certain conditions that must be satisfied or waived prior to either the Buyer Parties or the Seller Parties being required to consummate the transactions, which conditions include the following:

The receipt of the Requisite Stockholder Approval.

The approval for listing on the NYSE of the shares of Hudson common stock to be issued to the Seller Parties or their designees (subject only to official notice of issuance).

The absence of any law, injunction or order of any governmental entity or court prohibiting the transaction. In addition, the following conditions must be satisfied, or waived by Hudson and the Operating Partnership (subject to certain limitations and exceptions):

The accuracy of the representations and warranties made by the Seller Parties (subject to certain specified materiality standards and exceptions).

Material compliance by the Seller Parties with their respective covenants.

The absence of a material adverse effect on the Target Properties.

The issuance of title insurance policies for the underlying land, buildings and other improvements relating to each Target Property.

The issuance of a percentage of tenant estoppel certificates, as described in the Purchase Agreement.

The receipt of certain other deliverables.

In addition, the following conditions must be satisfied, or waived by the Seller Parties (subject to certain limitations and exceptions):

The accuracy of the representations and warranties made by Hudson and the Operating Partnership (subject to certain specified materiality standards and exceptions).

Material compliance by Hudson and the Operating Partnership with their respective covenants.

The absence of a material adverse effect on the condition, business, properties, assets, liabilities or results of operation of Hudson and the Operating Partnership.

The receipt of certain other deliverables.

Termination of the Purchase Agreement (see page 77)

The Purchase Agreement may be terminated at any time prior to the closing thereunder only as follows:

by mutual written consent of the parties;

by either party (subject to certain limitations and exceptions):

if the other party has breached any representation, warranty, covenant or agreement which causes a failure of a condition of the terminating party's obligation to close, and such breach is not curable prior to the Outside Date (as defined below);

if the closing has not occurred by 11:59 p.m. New York time on July 3, 2015 (such date is referred to as the Outside Date);

if a final and non-appealable order, decree or ruling has been issued prohibiting the transaction; or

if the requisite stockholder approval of the Equity Issuance is not obtained at the special meeting at which a vote on the approval of the Equity Issuance is taken;

by the Seller Parties (subject to certain limitations and exceptions):

if the Board (or any committee thereof) effects a change of the Board's recommendation with respect to the transaction; or

if the Buyer Parties fail to consummate the closing within two business days following the date the closing should have occurred pursuant to the Purchase Agreement and the Seller Parties stood ready, willing and able to consummate the closing throughout such two business day period.

by the Buyer Parties (subject to certain limitations and exceptions)

prior to receipt of the Requisite Stockholder Approval in order to concurrently enter into a definitive agreement with respect to an acquisition proposal that, among other things, is or would reasonably be likely to result in a transaction more favorable to Hudson and its stockholders from a financial point of view than the transaction contemplated by the Purchase Agreement.

Termination Fees and Expense Reimbursement (see page 78)

The Buyer Parties would be required to pay the Seller Parties a termination fee of up to \$120 million, subject to reduction as set forth in the Purchase Agreement, if the Purchase Agreement is terminated by the Seller Parties due to the Buyer Parties failing to consummate the closing in the circumstances described in the second item under Summary Termination of the Purchase Agreement by the Seller Parties above. In certain other specified circumstances, the Buyer Parties would be required to pay the Seller Parties a termination fee of up to \$60 million, subject to reduction as set forth in the Purchase Agreement.

In the event that the requisite stockholder approval of the Equity Issuance is not obtained at the special meeting, the Buyer Parties shall pay to the Seller Parties an aggregate amount equal to \$14 million, which would be intended to reimburse the Seller Parties for the fees and expenses incurred by the Seller Parties in connection with the Purchase Agreement and the related transactions.

Accounting Treatment of the Transaction

The acquisition is expected to be accounted for using the acquisition method as required in Accounting Standards Codification 805, Business Combinations. Under acquisition accounting, the assets acquired and liabilities assumed as a result of the transaction will be recorded as of the acquisition date, at their respective fair values. Any excess of purchase price over the fair values will be recorded as goodwill. Hudson, with the assistance of independent valuation professionals, has calculated preliminary fair values of certain intangible assets; however the allocation is based upon a valuation that has not yet been finalized.

Selected Historical Financial Information for the Target Properties (see page 88)

The following table sets forth selected financial information for the Target Properties. The selected statement of revenues and certain expenses data for the nine months ended September 30, 2014 has been derived from the unaudited combined statement of revenues and certain expenses of the Target Properties appearing elsewhere in this proxy statement, and the selected statement of revenues and certain expenses data for the year ended December 31, 2013 has been derived from the audited combined statement of revenues and certain expenses of the Target Properties appearing elsewhere in this proxy statement. The selected balance sheet data as of September 30, 2014 and 2013 and December 31, 2013, 2012, 2011, 2010 and 2009 and the statement of revenues and certain expenses data for the nine months ended September 30, 2013 and each of the years ended December 31, 2012, 2011, 2010 and 2009 have been derived from the unaudited financial statements of the Target Properties not included in this proxy statement.

	Nine Months Ended September 30,		Year Ended December 31,				
	2014	2013	2013	2012	2011	2010	2009
Statement of Revenues and Certain Expenses Data:							
Revenue							
Rental	\$ 168,942	\$ 172,629	\$ 230,383	\$ 212,142	\$ 222,385	\$ 234,468	\$ 250,766
Tenant reimbursements	27,428	25,475	34,543	29,669	30,213	33,501	38,123
Other property income	13,094	5,193	5,590	2,804	3,642	2,811	24,021
Total revenues	209,464	203,297	270,516	244,615	256,240	270,780	312,910
Certain Expenses							
Property operating	51,639	47,785	66,428	65,832	62,775	65,109	60,173
Real estate taxes	18,737	19,085	24,810	23,119	22,481	23,492	25,941
Ground rent	11,127	11,529	15,537	13,484	12,073	8,911	8,837
Total certain expenses	81,503	78,399	106,775	102,435	97,329	97,512	94,951
Revenues in excess of certain expenses	\$ 127,961	\$ 124,898	\$ 163,741	\$ 142,180	\$ 158,911	\$ 173,268	\$ 217,959

**Balance Sheet
Data (at period
end):**

Investment in real estate, net	\$ 1,522,202	\$ 1,522,041	\$ 1,519,718	\$ 1,545,276	\$ 1,586,481	\$ 1,620,706	\$ 1,643,891
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Selected Unaudited Pro Forma Consolidated Financial Information (see page 104)

During December 2014 and January 2015, Hudson entered into the following transactions, which have been included in the unaudited pro forma consolidated financial statements, including the notes thereto, appearing elsewhere in this proxy statement: the disposition of the First Financial office property, the entry into a joint venture relating to the 1455 Market Street office property, the completion of an underwritten public offering of 12,650,000 shares of Hudson common stock and the acquisition of the Target Properties and related financing. The following table shows summary unaudited pro forma consolidated financial information about the combined

financial condition and operating results of Hudson after giving effect to these transactions. The unaudited pro forma consolidated balance sheet of Hudson as of September 30, 2014 and unaudited pro forma consolidated statements of operations of Hudson for the nine months ended September 30, 2014 and year ended December 31, 2013 have been prepared as if these transactions had occurred on September 30, 2014 for the pro forma consolidated balance sheet and as if these transactions had occurred on January 1, 2013 for the pro forma consolidated statements of operations for the nine months ended September 30, 2014 and the year ended December 31, 2013.

The summary unaudited pro forma consolidated financial information shown below has been derived from and should be read in conjunction with (1) the more detailed unaudited pro forma consolidated financial statements, including the notes thereto, appearing elsewhere in this proxy statement, (2) Hudson's historical audited consolidated financial statements and related notes of Hudson included in its Annual Report on Form 10-K for the year ended December 31, 2013 and historical unaudited consolidated financial statements and related notes of Hudson included in its Quarterly Report on Form 10-Q for the quarter ended September 30, 2014, each incorporated herein by reference, and (3) the historical combined statements of revenues and certain expenses and related notes of the Target Properties for the nine months ended September 30, 2014 (unaudited) and the year ended December 31, 2013 (audited), attached as Annex G to this proxy statement.

The summary unaudited pro forma consolidated financial information is presented for illustrative purposes only and is based on assumptions and estimates considered appropriate by Hudson's management. However, the summary unaudited pro forma consolidated financial information do not purport to (1) represent Hudson's financial condition that would have actually occurred had these aforementioned transactions occurred on September 30, 2014, (2) represent the results of Hudson's operations that would have actually occurred had the aforementioned transactions occurred on January 1, 2013 or (3) project Hudson's financial position or results of operations as of any future date or for any future period, as applicable.

**For the
Nine
Months Ended
September 30, 2014** **For the Year
Ended
December 31, 2013**
(in thousands, except per share data)

Unaudited pro forma consolidated statements of operations data:

Total revenues	\$ 410,056	\$ 505,462
Income from operations	\$ 66,490	\$ 47,149
Income (loss) from continuing operations	\$ 40,509	\$ (24,140)
Earnings (loss) per share - basic and diluted	\$ 0.19	\$ (0.28)

**As of
September 30, 2014**
(in thousands)

Unaudited pro forma balance sheet data:

Investment in real estate, net	\$ 5,527,562
Total assets	\$ 6,090,334
Notes payable	\$ 1,977,505
Total liabilities	\$ 2,156,910
Total Hudson Pacific Properties, Inc. stockholders' equity	\$ 1,851,648
Non-controlling unitholders in the Operating Partnership	\$ 1,811,984

Total equity	\$	3,923,247
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RISK FACTORS

*In addition to the other information contained in or incorporated by reference into this proxy statement, including the matters addressed in the section entitled **Cautionary Statement Concerning Forward-Looking Statements**, beginning on page 24, you should carefully consider the following risks. Risks associated with our business and properties can be found in our reports and statements filed with the SEC and incorporated by reference into this proxy statement. The risks associated with our business and properties described in such reports and statements, to the extent that they relate generally to the ownership and operation of real estate, will also apply to the ownership and operation of the Target Properties if the transaction is consummated. See **Where You Can Find More Information; Incorporation by Reference** beginning on page 119.*

Risk Factors Related to the Transaction

The issuance of shares of our common stock in the transaction or upon exchange of common units received in the transaction will have a dilutive effect on our common stock and will reduce your percentage interest in our earnings, voting power and market value.

The equity portion of the transaction consideration consists of up to an aggregate of 63,474,791 shares of our common stock and common units (subject to adjustment as described below). The number of shares of our common stock to be issued to the Seller Parties upon completion of the transaction will be equal to approximately 9.8% of the then total issued and outstanding shares of our common stock and the remainder of the Equity Consideration will consist of common units. The issuance of shares of our common stock in the transaction will have a dilutive effect on our common stock and will reduce the relative percentage interests of current common stockholders in our earnings, voting power and market value.

Additionally, part of the equity portion of the transaction consideration will be paid in common units, which may have a dilutive effect on our common stock. Holders of common units have the right to require the redemption of part or all of their outstanding common units for cash, or, at our election, shares of our common stock, based upon the fair market value of an equivalent number of shares of our common stock at the time of the redemption, subject to certain restrictions on ownership and transfer of our common stock. If the Seller Parties exercise their redemption rights and part or all of their outstanding common units are exchanged for shares of our common stock, such exchange will have a dilutive effect on our common stock and reduce the relative percentage interests of existing common stockholders in our earnings, voting power and market value.

The public resale by the Seller Parties of common stock issued in the transaction or issuable upon exchange of common units received in the transaction, or the perception that such resales could occur, could adversely affect the per share trading price of our common stock following completion of the transaction.

None of the shares of common stock or common units that will be issued to the Seller Parties upon completion of the transaction will initially be registered under the Securities Act, and such securities will only be able to be resold pursuant to an effective registration statement or an applicable exemption from registration under federal and state securities laws. Upon the completion of the transaction, the Seller Parties will enter into the Stockholders Agreement with us and the Operating Partnership, pursuant to which they will agree generally to not to transfer or sell any shares of common stock or common units to be issued in connection with the transaction prior to November 1, 2015. The restrictions on transfer and sale contained in the Stockholders Agreement will terminate with respect to 50% of the securities to be issued to the Seller Parties on November 1, 2015 and with respect to the remaining 50% of such securities on March 1, 2016. In the event that the Seller Parties elect to terminate their right to designate nominees for election as directors to the Board (i) prior to November 1, 2015, the restriction on transfer and sale contained in the Stockholders Agreement will terminate on November 1, 2015 with respect to all securities issued to the Seller Parties in connection with the transaction, or (ii) after November 1, 2015 but before March 1, 2016, any remaining

restrictions on transfer or sale will terminate on the earlier of March 1, 2016 or thirty days following the Seller Parties election.

Upon the completion of the transaction, we will enter into the Registration Rights Agreement with the Seller Parties or their designated affiliates receiving the Equity Consideration, pursuant to which we will agree to register for resale all of the shares of common stock to be issued to the Seller Parties or such designated affiliates and any shares of common stock issuable upon the exchange of common units issued in the transaction. In addition, if we propose to register the offer and sale of our common stock under the Securities Act, in connection with the public offering of such common stock, the Seller Parties will be entitled to certain piggyback registration rights allowing them to include their shares in such registration, subject to certain marketing and other limitations.

If all or a substantial portion of the shares of our common stock issued in the transaction or shares of common stock issuable upon exchange of common units issued in the transaction are resold into the public markets or if there is a perception that such resales could occur, the per share trading price of our common stock could be adversely affected, and our ability to raise additional capital through the sale of our equity securities in the future may be adversely affected.

If the transaction does not occur, we may incur payment obligations to the Seller Parties.

If the Purchase Agreement is terminated because our stockholders do not approve the Equity Issuance, we will be obligated to pay the Seller Parties up to \$14 million in expense reimbursement. If the Purchase Agreement is terminated under certain other circumstances, we will be obligated to pay the Seller Parties a termination fee of up to \$120 million, net of certain expense reimbursements.

Failure to complete the transaction in a timely manner could negatively affect our ability to achieve the benefits associated with the transaction and could negatively affect our share price and future business and financial results.

The transaction is currently expected to close during the first half of 2015, assuming that all of the conditions in the Purchase Agreement are satisfied or waived. The Purchase Agreement provides that either the Buyer Parties or the Seller Parties may terminate the Purchase Agreement if the closing of the transaction has not occurred by 11:59 p.m. New York time on July 3, 2015. Certain events outside our control may delay or prevent the consummation of the transaction. Delays in consummating the transaction or the failure to consummate the transaction at all may result in our incurring significant additional costs in connection with such delay or termination of the Purchase Agreement and/or failing to achieve the anticipated benefits associated with the transaction. We cannot assure you that the conditions to the completion of the transaction will be satisfied or waived or that any adverse effect, event, development or change will not occur, and we cannot provide any assurances as to whether or when the transaction will be completed.

To complete the transaction, our stockholders must approve the Equity Issuance. In addition, the Purchase Agreement contains additional closing conditions, which may not be satisfied or waived. Delays in consummating the transaction or the failure to consummate the transaction at all could negatively affect our future business and financial results, and, in that event, the market price of our common stock may decline significantly, particularly to the extent that the current market price reflects a market assumption that the transaction will be consummated. If the transaction is not consummated for any reason, our ongoing business could be adversely affected, and we will be subject to several risks, including:

the payment by us of certain costs, including termination fees and expense reimbursements ranging from \$14 million to \$120 million under certain circumstances as well as costs relating to the transaction, such as legal, accounting, financial advisory, filing, printing and mailing fees; and

the diversion of management focus and resources from operational matters and other strategic opportunities while working to consummate the transaction.

If the transaction is not consummated, we will not achieve the expected benefits thereof and will be subject to the risks described above, any of which could affect our share price and future business and financial results.

The pendency of the transaction could adversely affect the business and operations of Hudson and the Target Properties.

In connection with the pending transaction, some current or prospective tenants, lenders, joint venture partners or vendors of Hudson or the Seller Parties may delay or defer decisions, which could negatively impact the revenues, earnings, cash flows and expenses of Hudson and of the Target Properties, regardless of whether the transaction is completed. In addition, under the Purchase Agreement, both the Buyer Parties and the Seller Parties are subject to certain restrictions on the conduct of their respective businesses prior to completing the transaction. These restrictions may prevent the parties from pursuing certain strategic transactions, undertaking certain significant capital projects, undertaking certain significant financing transactions and otherwise pursuing other actions that are not in the ordinary course of business, even if such actions would prove beneficial.

We will incur significant non-recurring costs in connection with the transaction.

We expect to incur a number of non-recurring costs associated with transferring and integrating the Target Properties into our business, including any planned renovation, development or lease-up of such properties. Under the terms of the Purchase Agreement we are obligated to pay all expenses incurred in connection with the transaction at closing (subject to certain exceptions). The majority of non-recurring expenses relating to the transaction are comprised of transaction costs, costs of transferring the Target Properties and costs related to formulating integration plans. We expect that approximately \$38.7 million will be incurred to complete the transaction although additional unanticipated costs may be incurred in the integration of the Target Properties into our business. As of January 16, 2015, we have incurred \$17.6 million in non-recurring costs in connection with the transaction which does not include any fees for which we will need to reimburse the Seller Parties or others at the closing of the transaction.

There can be no assurance that we will be able to obtain financing for the funds necessary to pay the cash portion of the transaction consideration on acceptable terms, in a timely manner, or at all.

Our obligation under the Purchase Agreement to consummate the transaction is not conditioned on us obtaining any financing for the transaction. In connection with the transaction, we have obtained commitments for up to \$1.75 billion under a 364-day senior unsecured bridge loan facility to finance the cash portion of the transaction consideration, subject to certain conditions. Hudson is also pursuing a number of financing options, and anticipates that the funds needed to complete the transaction will be derived from a combination of (i) available cash on hand of Hudson and/or the Operating Partnership, (ii) proceeds from the sale of equity interests in, or assets of, certain wholly or partially owned subsidiaries, (iii) the issuance and sale of Hudson common and/or preferred stock and/or limited partnership interests in the Operating Partnership and (iv) debt financing, which may include, without limitation, some combination of the following: (a) a senior unsecured bridge loan facility, (b) the issuance of senior unsecured notes or other debt securities, (c) borrowings under the Operating Partnership's existing corporate credit facility and/or an upsizing thereof, including pursuant to the incremental feature thereof, (d) secured asset level financing and/or (e) other commercial or institutional bank loans.

There can be no assurance that we will satisfy the conditions needed to enter into the committed 364-day senior unsecured bridge loan facility, or that we will be able to obtain alternative financing on acceptable terms, in a timely manner or at all. If we utilize the committed 364-day senior unsecured bridge loan facility, we would need to refinance such indebtedness within one year and there can be no assurance that we would be able to do so on acceptable terms, in a timely manner or at all, particularly since we would only utilize our committed 364-day senior unsecured bridge facility if alternative financing on better terms was not available to us. Our committed 364-day senior unsecured bridge facility contains provisions that are not favorable to us, including a duration fee

that is payable every 90 days after the funding of the bridge and that steps up over time as well as mandatory prepayment requirements for, among other things, debt and equity issuances and asset sales. If we are unable to obtain the funds necessary to pay the cash portion of the transaction consideration, we may not be able to complete the transaction and may be required to pay the Seller Parties a termination fee of up to \$120 million.

The equity portion of the transaction consideration will not be adjusted in the event of any change in our stock price.

The equity portion of the transaction consideration consists of an aggregate of up to 63,474,791 shares of our common stock and common units, subject to reduction as set forth in the Purchase Agreement. The number of shares of our common stock to be delivered to the Seller Parties upon completion of the transaction will be equal to approximately 9.8% of the total issued and outstanding shares of our common stock, and the remainder of the Equity Consideration will consist of common units. The aggregate number of shares of common stock and common units will not be adjusted for changes in the market price of our common stock. Changes in the market price of our common stock, which may result from a variety of factors (many of which are beyond our control), will affect the value of the transaction consideration that the Seller Parties will receive upon consummation of the transaction. As a result, prior to the consummation of the transaction, you will not know the exact value of the shares of common stock and the common units that the Seller Parties will receive upon the consummation of the transaction.

Certain of the Target Properties are subject to ground leases, pursuant to which the lessors have consent rights that if not granted may prevent us from acquiring such properties.

Certain of the Target Properties are subject to ground leases with unaffiliated third party ground lessors, pursuant to which such lessors have consent rights that, if not granted or waived, may prevent us from acquiring such properties. There can be no assurance that the Seller Parties will be able to obtain the consents required to consummate the transfer of such properties to us pursuant to the Purchase Agreement. In the event that we are unable to acquire the properties that are subject to ground leases due to a failure to obtain ground lessor consent, the total consideration to be paid in the transaction will be adjusted; however, such reduction in consideration may not be commensurate with the lost actual or anticipated benefits of acquiring such properties. In addition, if we are unable to acquire one or more of the Target Properties for the reasons described above, we may not realize the operating efficiencies that may otherwise be achieved and the overall size, geographic footprint, tenant mix and other attributes of the portfolio of properties to be acquired in the transaction may not be as we anticipated.

The Target Properties may be subject to environmental liabilities, for which we may become responsible.

Certain of the Target Properties that are ground-leased from Stanford University have been subject to environmental investigation and remediation for many years, including soil removal, groundwater remediation and monitoring. These activities are ongoing at certain sites and will continue into the foreseeable future. At other sites, only monitoring is required. At present, these activities do not interfere with the leasing and operation of the properties, but could do so if agency requirements or remediation requirements change. Also, these activities could cause additional expense if the properties are redeveloped or renovated by us. The parties responsible for remediation are typically former tenants that engaged in electronic manufacturing and caused the release of chlorinated compounds and other contaminants. If the responsible parties become unable to meet these remediation obligations, it is possible that we could become responsible for them.

Screening for vapor intrusion is underway on several of the Target Properties. These screenings are monitored by either the San Francisco Regional Water Quality Control Board or the Department of Toxic Substances Control and are the responsibility of prior tenants. If the responsible parties are unable to meet any required remediation obligations, it is possible that we could become responsible for them. Also, we could be the subject of claims associated with indoor air exposure. Further, certain of the Target Properties have known asbestos-containing

materials. We could incur abatement costs associated with testing for and remediating any asbestos issues and could be subject of claims associated with exposure to asbestos.

We cannot assure you that costs or liabilities incurred as a result of environmental issues will not affect our ability to make distributions to our stockholders or that such costs or other remedial measures will not have an adverse effect on our financial condition, results of operations, cash flow and the per share trading price of our securities. If we do incur material environmental liabilities in the future, we may face significant remediation costs, and we may find it difficult to sell any affected properties.

Risk Factors Following the Transaction

Blackstone may exercise significant influence over us.

Upon completion of the transaction, Blackstone is expected to beneficially own 9.8% of our outstanding common stock and an approximate 44% interest in our Company on a fully diluted basis (including common units). Consequently, Blackstone may be able to significantly influence the outcome of matters submitted for stockholder action, including approval of significant corporate transactions, such as amendments to our governing documents, business combinations, consolidations and mergers. In addition, concurrently with the completion of the transaction, the partnership agreement of the Operating Partnership will be amended to provide that holders of common units will be entitled to vote to approve the consummation of certain change of control and other transactions that are required to be approved by Hudson's stockholders. The right of the holders of common units to vote to approve any such transactions will remain in effect for so long as Blackstone owns at least 9.8% of the aggregate number of shares of common stock and common units that Blackstone receives as the Equity Consideration in the transaction.

Further, under the Purchase Agreement, we have agreed to increase the size of our Board from nine to twelve members, and if the transaction is consummated, entities controlled by Blackstone will have the right to designate three of our director nominees for so long as those entities beneficially own more than 50% of the total number of shares of common stock and common units to be acquired as the Equity Consideration in the transaction. This right to designate director nominees (i) will be reduced to two directors on the first date on which those entities beneficially own greater than or equal to 30% but less than or equal to 50% of the total number of shares of common stock and common units to be acquired as the Equity Consideration in the transaction, (ii) will be reduced to one director on the first date on which those entities beneficially own greater than or equal to 15% but less than 30% of the total number of shares of common stock and common units to be acquired as the Equity Consideration in the transaction, and (iii) will cease altogether on the date on which those entities beneficially own less than 15% of the total number of shares of common stock and common units to be acquired as the Equity Consideration in the transaction. For so long as those entities have the right to designate at least two director nominees, they will also be entitled to appoint one such nominee then serving on the Board to serve on each committee of the Board (other than certain specified committees). As a result, Blackstone will have substantial influence on us and could exercise its influence in a manner that conflicts with the interests of other stockholders. The presence of a significant stockholder and the addition to the Board of its nominees may also have the effect of making it more difficult for a third party to acquire us or for our Board to discourage a third party from seeking to acquire us.

In connection with the transaction, we will incur significant additional indebtedness in order to finance the acquisition of the Target Properties, which could adversely affect us, including by decreasing our business flexibility and increasing our interest expense.

Our consolidated indebtedness as of December 31, 2014 was approximately \$957 million (before loan premium). After giving effect to the transaction and the anticipated incurrence of indebtedness in connection therewith (and assuming the transaction were to be consummated on December 31, 2014), our indebtedness would be approximately \$2.506 billion (before loan premium), assuming we finance the entire Cash Consideration (before closing costs, prorations, and credits) with indebtedness and the proceeds of each of the disposition of the First Financial office property, the joint venture relating to the 1455 Market Street office property, and the underwritten public offering of 12,650,000 shares of common stock. We will have substantially increased indebtedness following completion of the

transaction, which could have the effect, among other things, of reducing our flexibility to respond to changing business and economic conditions and increasing our interest

expense. We will also incur various costs and expenses associated with the financing of the transaction. The amount of cash required to pay interest on our increased indebtedness levels following completion of the transaction and thus the demands on our cash resources will be greater than the amount of cash flows required to service our indebtedness prior to the transaction. The increased levels of indebtedness following completion of the transaction could (i) reduce access to capital, (ii) increase borrowing costs generally or for any additional indebtedness, (iii) reduce funds available for working capital, capital expenditures, acquisitions and other general corporate purposes, (iv) create competitive disadvantages for us relative to other companies with lower debt levels, (v) reduce the amount of cash available to pay dividends on our common stock and (vi) increase our vulnerability to general adverse economic and industry conditions. If we do not achieve the expected benefits and cost savings from the transaction, then our ability to service our indebtedness may be adversely impacted.

Certain of the indebtedness that may be incurred in connection with the transaction could bear interest at variable interest rates. If interest rates increase, such variable rate debt would create higher debt service requirements, which could adversely affect our cash flows, our ability to pay principal and interest on our debt, our cost of refinancing our debt when it becomes due and our ability to make or sustain distributions to stockholders. Additionally, if we choose to hedge our interest rate risk, we cannot guarantee that the hedge will be effective or that the hedging counterparty will meet its obligations to us.

Moreover, we may be required to raise substantial additional financing to fund working capital, capital expenditures, acquisitions or other general corporate requirements. Our ability to arrange additional financing will depend on, among other factors, our financial position and performance, as well as prevailing market conditions and other factors beyond our control. We cannot assure you that we will be able to obtain additional financing on terms acceptable to us or at all.

Our future results will suffer if we do not effectively integrate the Target Properties and any retained employees following the transaction.

Following the transaction, we may be unable to integrate successfully the Target Properties and any retained employees and realize the anticipated benefits of the transaction or do so within the anticipated timeframe. The integration process could distract management, disrupt our ongoing business or result in inconsistencies in our operations, services, standards, controls, procedures and policies, any of which could adversely affect our ability to maintain relationships with our tenants, lenders, joint venture partners, vendors and employees or to achieve all or any of the anticipated benefits of the transaction.

The market price of our common stock may decline as a result of the transaction.

The market price of our common stock may decline as a result of the transaction if we do not achieve the perceived benefits of the transaction as rapidly or to the extent anticipated by financial or industry analysts, or the effect of the transaction on our financial results is not consistent with the expectations of financial or industry analysts. The transaction is expected to be accretive to funds from operations per share, or FFO per share, in 2015. The extent and duration of any accretion will depend on several factors, including the amount of transaction-related expenses that are charged against our earnings. If expenses charged against earnings are higher than we expected, the amount of accretion in 2015 could be less than currently anticipated and the transaction may not turn out to be accretive (or may be less accretive than currently anticipated). In such event, the price of our common stock could decline.

In addition, if the transaction is consummated, we will own and operate a significantly larger portfolio than at present, with a different mix of properties, geographic concentration, risks and liabilities. Current holders of our common stock may not wish to continue to invest in us if the transaction is consummated or for other reasons may wish to dispose of some or all of their investment. If, following the consummation of the transaction, there is selling pressure on our common stock that exceeds demand at the market price, the price of our common stock could decline. Further, the

transaction is expected to be dilutive to adjusted funds from operations per share in 2015, which could cause the price of our common stock to decline.

The agreements that will govern the indebtedness to be incurred or assumed in connection with the transaction are expected to contain various covenants imposing restrictions on us and certain of our subsidiaries that may affect our ability to operate our businesses.

The agreements that will govern the indebtedness to be incurred or assumed in connection with the transaction are expected to contain various affirmative and negative covenants that may, subject to certain significant exceptions, restrict our ability and that of certain of our subsidiaries to, among other things, have liens on property, incur additional indebtedness, make loans, advances or other investments, make non-ordinary course asset sales, and/or merge or consolidate with any other person or sell or convey certain of our assets to any one person. In addition, some of the agreements that govern the debt financing are expected to contain financial covenants that will require us to maintain certain financial ratios. Our ability to comply with these provisions may be affected by events beyond our control. Failure to comply with these covenants could result in an event of default, which, if not cured or waived, could accelerate our repayment obligations.

We cannot assure you that Hudson will be able to continue paying dividends at the current rate.

We intend to make distributions each taxable year (not including a return of capital for United States federal income tax purposes) equal to at least 90% of our taxable income and intends to pay regular quarterly dividends to our stockholders. However, holders of our common stock may not receive the same quarterly dividends following the transaction for various reasons, including the following:

as a result of the transaction and the issuance of the common stock and common units in connection with the transaction, the total amount of cash required for us to pay dividends at our current rate will increase; and

Hudson may not have enough cash to pay such distributions due to changes in our cash requirements, indebtedness, interest costs, capital spending plans, cash flows or financial position.

The risks associated with implementing our long-term business plan and strategy following the transaction may be different from the risks related to our business with respect to our existing property portfolio.

Our ability to execute our long-term business plan and strategy following the acquisition of the Target Properties may be different from the execution risks related to our business solely with respect to our existing real property portfolio. Such risks may include unforeseen delays or an inability to renew leases, lease vacant spaces or re-let spaces as leases expire. In addition, we may be required to make rent or other concessions and/or incur significant capital expenditures to improve both our existing properties as well as the Target Properties in order to retain and attract tenants, causing our financial condition, results of operation, cash flow and trading price of our common stock to be adversely affected.

CAUTIONARY STATEMENT CONCERNING FORWARD-LOOKING STATEMENTS

This proxy statement contains forward-looking statements as that term is defined by Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, as amended. Forward-looking statements relate to expectations, beliefs, projections, future plans and strategies, anticipated events or trends and similar expressions concerning matters that are not historical facts. Forward-looking statements that represent the current good faith expectations and beliefs of management of Hudson concerning the proposed issuance of equity consideration, the anticipated consequences and benefits of the transaction and the targeted closing date for the transaction, and other future events and their potential effects on Hudson, including, but not limited to, statements relating to anticipated financial and operating results, Hudson's plans, objectives, expectations and intentions, cost savings and other statements, including words such as believes, expects, may, will, should, seeks, approves, intends, plans, pro forma, estimates or anticipates or the negative of these words and phrases or similar words and phrases that are predictions of or indicate future events or trends and that do not relate solely to historical matters. Forward-looking statements involve known and unknown risks, uncertainties, assumptions and contingencies, many of which are beyond Hudson's control that may cause actual results to differ significantly from those expressed in any forward-looking statement. Furthermore, Hudson disclaims any obligation to publicly update or revise any forward-looking statement to reflect changes in underlying assumptions or factors, or new information, data or methods, future events or other changes. Forward-looking statements include statements about future results, projected yields, rates of return and performance, projected cash available for distribution, projected cash from any single source of investment or fee stream, projected expenses, expected and weighted average return on equity, market and industry trends, investment opportunities, business conditions and other matters, including, among other things: the ability to consummate Hudson's proposed transaction on the terms proposed or not at all. The following factors, among others, could cause actual results to differ from those set forth in the forward-looking statements: (1) the occurrence of any event, change or other circumstances that could give rise to the termination of the Purchase Agreement; (2) the inability to complete the proposed transaction or failure to satisfy other conditions to completion of the proposed transaction; (3) the inability to complete the proposed transaction within the expected time period or at all, including due to the failure to obtain the required Hudson stockholder approval or the failure to satisfy other conditions to completion of the acquisition, including that a governmental entity may prohibit, delay or refuse to grant approval for the consummation of the acquisition; (4) risks related to disruption of management's attention from the ongoing business operations due to the proposed transaction; (5) the effect of the announcement of the proposed transaction on Hudson's or the Target Properties' relationships with their respective customers, tenants, lenders, operating results and businesses generally; (6) the size and timing of offerings or capital raises; (7) the performance of the Target Properties and Hudson's real estate portfolio generally; (8) the ability to execute upon, and realize any benefits from, potential value creation opportunities through value-add transactions and tenant relationships in the future or at all; (9) the stability of long-term cash flow streams; (10) the projected net operating income of Hudson's portfolio and the Target Properties, including the ability to achieve the growth, obtain the lease payments and step ups in contractual lease payments, and maintain dividend payments, at current or anticipated levels, or at all; and (11) the ability to opportunistically participate in commercial real estate refinancings or unsecured financings and to achieve an investment grade rating. For a further discussion of these and other factors that could cause Hudson's future results to differ materially from any forward-looking statements, see the section entitled Risk Factors in Hudson's Annual Report on Form 10-K for the year ended December 31, 2013 filed with the SEC on March 3, 2014, and incorporated by reference into this proxy statement and other risks described in documents subsequently filed by Hudson from time to time with the SEC.

Should one or more of the risks or uncertainties described above or elsewhere in reports incorporated herein by reference occur, or should underlying assumptions prove incorrect, actual results and plans could differ materially from those expressed in any forward-looking statements. You are cautioned not to place undue reliance on these statements, which speak only as of the date of this proxy statement or the date of any document incorporated by reference into this proxy statement, as applicable.

All forward-looking statements, expressed or implied, included in this proxy statement are expressly qualified in their entirety by this cautionary statement. This cautionary statement should also be considered in connection with any subsequent written or oral forward-looking statements that Hudson or persons acting on its behalf may issue.

Except as otherwise required by applicable law, Hudson disclaims any duty to update any forward-looking statements, all of which are expressly qualified by the statements in this section. While forward-looking statements reflect our good faith beliefs, they are not guarantees of future performance. Hudson disclaims 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. Additional information concerning these and other risks and uncertainties is contained in our other periodic filings with the Securities and Exchange Commission. See also [Where You Can Find More Information](#); [Incorporation by Reference](#) beginning on page 119.

THE SPECIAL MEETING

Date, Time and Place of the Special Meeting

A special meeting of the common stockholders of Hudson will be held on March 5, 2015, commencing at 8:00 a.m. local time, at Hudson's executive offices located at 11601 Wilshire Boulevard, Sixth Floor, Los Angeles, California 90025, unless postponed or adjourned to a later date or time or different place.

Purpose of the Special Meeting

At the special meeting, the holders of shares of Hudson common stock as of the close of business on the record date will be asked to consider and vote on the following matters:

1. a proposal to approve the issuance of up to an aggregate amount of 63,474,791 shares of Hudson common stock and common units of limited partnership interest in the Operating Partnership as contemplated by the Purchase Agreement (the "Equity Issuance"); and
2. a proposal to adjourn the special meeting if necessary or appropriate to solicit additional proxies if there are not sufficient votes at the time of the meeting to approve the Equity Issuance.

Hudson is not aware of any other business that may properly be brought before the special meeting or any postponements or adjournments thereof. If, however, other matters are properly brought before the special meeting or any postponements or adjournments thereof, the persons named as proxies will vote on those matters in their discretion.

Recommendations of the Board

The Board approved the Purchase Agreement and the Equity Issuance and the other transactions contemplated by the Purchase Agreement, and recommends that Hudson stockholders vote **FOR** the proposal to approve the Equity Issuance and **FOR** the proposal to adjourn the special meeting if necessary or appropriate to solicit additional proxies if there are not sufficient votes at the time of the special meeting to approve the Equity Issuance. For the reasons for this recommendation, see "The Transaction Recommendation of the Board and Its Reasons for the Transaction" beginning on page 38.

YOUR VOTE IS IMPORTANT

Whether or not you plan to attend the special meeting, please authorize a proxy to vote your shares as promptly as possible by completing, signing, dating and mailing your proxy card in the pre-addressed postage-paid envelope provided or calling the toll-free telephone number listed on your proxy card or accessing the Internet Web site described in the instructions on the enclosed proxy card. Authorizing a proxy will assure that you are represented and your votes are cast at the special meeting if you do not attend in person. If your shares of common stock are held in "street name" by your broker or other nominee, please follow the directions provided by your broker or other nominee regarding how to instruct your broker or other nominee to vote your shares. Additionally, if you attend the special meeting and desire to vote in person, you may do so even though you have previously authorized a proxy.

Record Date; Who Can Vote at the Special Meeting

The Board has set the close of business on January 16, 2015 as the record date for determining the Hudson stockholders entitled to receive notice of, and to vote at, the special meeting and any postponements or adjournments thereof. Only holders of record of shares of common stock at the close of business on the record date are entitled to receive notice of, and to vote at, the special meeting. On the record date, there were 67,195,880 shares of Hudson common stock outstanding and entitled to receive notice of, and to vote at, the special meeting, held by approximately 35 holders of record. As of the record date, directors and executive officers of Hudson and their affiliates and associates owned and were entitled to vote 10,152,199 shares of Hudson common stock, representing approximately 15.1% of the outstanding shares of Hudson common stock.

Each holder of record of shares of Hudson common stock is entitled to cast one vote for each share held as of the record date on each proposal properly presented at the special meeting or any postponement or adjournment thereof. Holders of shares of Hudson preferred stock are not entitled to vote at the special meeting.

Quorum

The Company's Bylaws provide that the presence in person or by proxy of stockholders entitled to cast a majority of all of the votes entitled to be cast at such meeting on any matter constitutes a quorum at the special meeting. If a quorum is not established at the meeting, the chairman of the meeting may adjourn the meeting to a date not more than 120 days after the original record date for the meeting without notice other than announcement at the meeting.

Vote Required for Approval

Approval of the proposal to approve the Equity Issuance requires the affirmative vote of a majority of the votes cast on such proposal. Approval of this proposal is a condition to the closing of the transaction.

Approval of the proposal to adjourn the special meeting if necessary or appropriate to solicit additional proxies if there are not sufficient votes at the time of the special meeting to approve the Equity Issuance, requires the affirmative vote of a majority of the votes cast on such proposal. Approval of this proposal is not a condition to the closing of the transaction.

Abstentions and Broker Non-Votes

Stockholders who properly authorize a proxy and instruct the proxy holders to abstain from voting on one or more proposals considered at the special meeting will be treated as present at the special meeting for purposes of determining the presence or absence of a quorum. Abstentions will have the same effect as votes cast **AGAINST** the proposal to approve the Equity Issuance, but will have no effect on the proposal to adjourn the special meeting. There can be no broker non-votes at the special meeting, so failure to provide instructions to your broker or other nominee on how to vote will result in you not being represented at the meeting. A broker non-vote occurs when shares held by a broker or other nominee are represented at the meeting, but the broker or other nominee has not received voting instructions from the beneficial owner and does not have the discretion to direct the voting of the shares. Nominees may exercise discretion in voting on routine matters, but may not exercise discretion, and therefore will not vote on, non-routine matters if instructions are not given. The approval of the Equity Issuance and the approval of the proposal to adjourn the special meeting if necessary or appropriate to solicit additional proxies if there are not sufficient votes at the time of the meeting to approve the Equity Issuance, are regarded as non-routine matters and your broker or other nominee may not vote on these matters without instructions from you.

Manner of Authorizing Proxy

If you hold shares of common stock as the registered holder, you may vote in person at the special meeting or you may authorize a proxy in the following ways:

Internet. You may authorize a proxy over the Internet by going to the Web site listed on your proxy card and following the instructions.

Telephone. You may authorize a proxy using the toll-free number listed on your proxy card.

Mail. You may authorize a proxy by completing, signing, dating and returning your proxy card in the pre-addressed postage-paid envelope provided.

The Internet and telephone proxy authorization procedures are designed to authenticate stockholders and to allow them to confirm that their instructions have been properly recorded. If you authorize a proxy over the Internet or by telephone, then you need not return a written proxy card by mail. The Internet and telephone facilities available to record holders will close at 11:59 p.m. New York time on March 4, 2015.

The method by which you authorize a proxy will in no way limit your right to vote at the special meeting if you later decide to attend the meeting and vote in person.

All proxies authorized via the Internet or by telephone at or prior to 11:59 p.m. New York time on March 4, 2015 or by mail and received at or prior to the special meeting, and in each case, not revoked, will be voted at the special meeting as instructed on such proxies. **If holders of record of shares of Hudson common stock return properly executed proxies but do not indicate how their shares of Hudson common stock should be voted on a proposal, the shares of Hudson common stock represented by their properly executed proxy will be voted in accordance with the recommendation of the Board. The Board recommends that you vote FOR the proposal to approve the Equity Issuance and FOR the proposal to adjourn the special meeting if necessary or appropriate to solicit additional proxies if there are not sufficient votes at the time of the meeting to approve the Equity Issuance.**

Shares Held in Street Name

If you hold shares of Hudson common stock through a broker or other nominee and wish to vote, you must follow the voting instructions provided to you by your broker or other nominee. Your broker or other nominee will not vote your shares and your shares will not be present at the special meeting for purposes of establishing a quorum unless you provide instructions on how to vote.

If you hold your shares of Hudson common stock through a broker or other nominee and wish to vote in person at the special meeting, you must obtain a legal proxy, executed in your favor, from the broker or other nominee (which may take several days). Please note that if you do not instruct your broker or other nominee how to vote your Hudson common stock it will have the same effect as a vote **AGAINST** the Equity Issuance, but will have no effect on the proposal to adjourn the special meeting.

Revocation of Proxies or Voting Instructions

If you hold shares of Hudson common stock as the registered holder, you may change your vote or revoke your proxy at any time before it is exercised at the special meeting by:

submitting a later-dated notice in writing to Hudson's Executive Vice President, General Counsel and Secretary at Hudson Pacific Properties, Inc., 11601 Wilshire Blvd., Sixth Floor, Los Angeles, California 90025, that you are revoking your proxy;

executing and delivering a later-dated proxy card or authorizing a later-dated proxy by telephone or on the Internet; or

attending the special meeting in person and voting the shares, although attendance at the special meeting will not, by itself, revoke a proxy, unless you specifically request such a revocation.

If you hold shares of Hudson common stock through a broker or other nominee, you may revoke your voting instructions by following the instructions provided by your broker or other nominee.

Tabulation of the Votes

Hudson will appoint an inspector of election for the special meeting to determine the presence of a quorum and to tabulate the votes.

Solicitation of Proxies

The solicitation of proxies from holders of shares of Hudson common stock is being made on behalf of the Board. Hudson has engaged Mackenzie Partners, Inc. to assist it in the solicitation of proxies. Hudson has agreed to pay Mackenzie Partners, Inc. an initial fee of \$10,000 and to reimburse Mackenzie Partners, Inc. for its reasonable expenses incurred in connection with its services to solicit proxies and to indemnify Mackenzie

Partners, Inc. against certain losses, costs and expenses. Directors, officers and employees of Hudson may also solicit proxies on behalf of Hudson in person or by telephone, mail, electronic communications, facsimile or other means, for which they will not receive any additional compensation.

Hudson will reimburse brokerage firms and other custodians, nominees and fiduciaries for their expenses incurred in sending proxies and proxy materials to beneficial owners of Hudson common stock.

Householding

Some banks, brokers, trustees and other nominee record holders may be participating in the practice of householding the notice or the proxy statement, as the case may be. This means that only one copy each of the notice, or the proxy statement, as the case may be, may have been sent to multiple stockholders in your household. Hudson will promptly deliver a separate copy of these documents to you if you call or write to Hudson Pacific Properties, Inc., 11601 Wilshire Blvd., Sixth Floor, Los Angeles, California 90025, Attention: Investor Relations, Telephone: (310) 445-5700. If you prefer to receive separate copies of such documents in the future, or if you are receiving multiple copies and would like to receive only one copy for your household, you should contact your bank, broker or other nominee, or you may contact Hudson at the above address or phone number.

Assistance

You may also request information from Mackenzie Partners, Inc., Hudson's proxy solicitor, at the following address and telephone numbers:

Mackenzie Partners, Inc.

Attention: Dan Burch

105 Madison Avenue

New York, NY 10016

800-322-2885

PROPOSALS SUBMITTED TO HOLDERS OF SHARES OF COMMON STOCK

Proposal to Approve the Equity Issuance

(Proposal 1 on the Hudson Proxy Card)

Holders of shares of Hudson common stock are being asked to approve the issuance of up to an aggregate amount of 63,474,791 shares of Hudson common stock and common units of limited partnership interest in the Operating Partnership as contemplated by the Purchase Agreement (the Equity Issuance). For detailed information regarding this proposal, see the information about the Purchase Agreement and the transaction throughout this proxy statement, including the information set forth in the section entitled The Transaction beginning on page 31. A copy of the Purchase Agreement is attached as Annex A to this proxy statement.

Pursuant to the Purchase Agreement, approval of this proposal is a condition to the closing of the transaction. In the event this proposal is not approved, the transaction cannot be consummated.

Approval of the proposal to approve the Equity Issuance requires the affirmative vote of a majority of the votes cast on such proposal.

Recommendation of the Board

The Board recommends that holders of shares of Hudson common stock vote FOR the proposal to approve the Equity Issuance.

Adjournment Proposal

(Proposal 2 on the Hudson Proxy Card)

Holders of shares of Hudson common stock are being asked to approve a proposal to adjourn the special meeting if necessary or appropriate to solicit additional proxies if there are not sufficient votes at the time of the special meeting to approve the Equity Issuance.

Approval of the proposal to adjourn the special meeting if necessary or appropriate to solicit additional proxies if there are not sufficient votes at the time of the meeting to approve the Equity Issuance requires the affirmative vote of a majority of the votes cast on such proposal. Approval of this proposal is not a condition to the closing of the transaction.

Recommendation of the Board

The Board recommends that the holders of shares of Hudson common stock vote FOR the proposal to adjourn the special meeting if necessary or appropriate to solicit additional proxies if there are not sufficient votes at the time of the special meeting to approve the Equity Issuance.

THE TRANSACTION

The following is a description of the material aspects of the acquisition of the Target Properties, the Equity Issuance and the other transactions contemplated by the Purchase Agreement. While we believe that the following description covers the material terms of the transaction, such description may not contain all of the information that is important to you. We encourage you to read carefully this entire proxy statement, including the Purchase Agreement, the form of Stockholders Agreement, the form of Registration Rights Agreement, and the form of Third Amended and Restated Limited Partnership Agreement each attached to this proxy statement as Annexes A-D and each incorporated herein by reference, for a more complete understanding of the acquisition of the Target Properties, the Equity Issuance and the other transactions contemplated by the Purchase Agreement.

The Parties

Hudson Pacific Properties, Inc. and Hudson Pacific Properties, L.P.

Hudson is a full-service, vertically integrated real estate investment trust, or REIT, focused on owning, operating and acquiring high-quality office and media and entertainment properties in select growth markets primarily in Northern and Southern California and the Pacific Northwest. 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, San Francisco, Silicon Valley, and the Pacific Northwest, which we refer to as our target markets. As of January 16, 2015, our portfolio of operating properties included properties totaling approximately 6.4 million square feet (including our First Financial property) strategically located in many of our target markets.

We were formed as a Maryland corporation in 2009 to succeed the business of Hudson Capital, LLC, a Los Angeles-based real estate investment firm founded by Victor J. Coleman, our Chief Executive Officer, President and Chairman of the Board. On June 29, 2010, we completed our initial public offering. We own our interests in all of our properties and conduct substantially all of our business through the Operating Partnership, of which we serve as the sole general partner. As of January 16, 2015, we owned approximately 96.6% of the outstanding common units of partnership interest in our operating partnership. The remaining approximately 3.4% of common units outstanding are owned by certain of Hudson's executive officers and directors, certain of their affiliates, and other outside investors, including funds affiliated with Farallon Capital Management, L.L.C.

We focus our investment strategy on office and media and entertainment properties located in high barrier-to-entry submarkets with growth potential as well as on underperforming properties that provide opportunities to implement a value-add strategy to increase occupancy rates and cash flow. We report our results of operations through two segments: (i) office properties and (ii) media and entertainment properties. The office properties reporting segment includes properties totaling approximately 5.5 million square feet (including our First Financial property) strategically located in many of our target markets, while the media and entertainment reporting segment includes properties, totaling approximately 0.9 million square feet located in the heart of Hollywood, California. All of our business is conducted in the States of California and Washington. The principal executive offices of Hudson and the Operating Partnership are located at 11601 Wilshire Blvd., Sixth Floor, Los Angeles, California 90025, and our and their telephone number is (310) 445-5700.

The Seller Parties

The Seller Parties under the Purchase Agreement constitute entities affiliated with and controlled by The Blackstone Group L.P., a Delaware limited partnership, which we refer to as Blackstone. The Seller Parties' principal executive offices are located at 345 Park Avenue, New York, New York 10154, and their telephone number is (212) 583-5000. Blackstone is one of the world's leading investment firms. Blackstone's asset management businesses, with almost \$300 billion in assets under management, include investment vehicles focused on private equity, real estate, public

debt and equity, non-investment grade credit, real assets and secondary funds, all on a global basis. Blackstone also provides various financial advisory services, including financial and strategic advisory, restructuring and reorganization advisory and fund placement services. Further information is available at www.blackstone.com.

The Transaction

The Operating Partnership and/or one or more other subsidiaries of Hudson will acquire a portfolio of 26 high-quality office assets totaling approximately 8.2 million square feet and two development parcels in the San Francisco Peninsula and Silicon Valley Target Properties (which we refer to as the Target Properties and also refer to in certain instances herein, collectively, as the Target Portfolio) pursuant to the terms and subject to the conditions of the Purchase Agreement. In consideration for the purchase and sale of the Target Properties, (i) the Operating Partnership will deliver (or cause to be delivered) to the Seller Parties a cash payment equal to \$1.75 billion, subject to adjustment as described below, and (ii) the Operating Partnership will deliver to the Seller Parties (or their designated affiliates) the Equity Consideration, subject to reduction as described below. The Equity Consideration will consist of up to 63,474,791 (in the aggregate) shares of Hudson common stock (to be issued by Hudson and delivered to the Operating Partnership for further delivery to the Seller Parties (or their designated affiliates) and newly issued common units of limited partnership interest in the Operating Partnership, subject to reduction as described below. The number of shares of Hudson common stock to be delivered to the Seller Parties (or their designated affiliates) will be equal to 9.8% (rounded down to the nearest whole share) of the total issued and outstanding shares of Hudson common stock (excluding any restricted shares of Hudson common stock then issued and outstanding, but for purposes of such calculation, after giving effect to the issuance of the Equity Consideration) as of the close of business two business days immediately prior to the date of the consummation of the transaction. The remainder of the Equity Consideration will consist of the newly-issued common units.

A copy of the Purchase Agreement is attached as Annex A to this proxy statement and incorporated herein by reference. Hudson encourages you to carefully read the Purchase Agreement in its entirety because it is the principal document governing the transaction.

Background to the Transaction

Hudson's management team regularly reviews and evaluates potential acquisition transactions with the goal of increasing stockholder value. The Company focuses its efforts on sourcing off-market opportunities in its target markets of California and the Pacific Northwest by leveraging an extensive network of long-standing relationships with key market participants. Hudson's management team and the Board have also made substantial efforts to ensure that Hudson is an attractive partner for sellers of office and media and entertainment properties by maintaining a conservative, flexible and growth-oriented capital structure with comparatively low leverage, maintaining a disciplined focus on core markets and, through its experienced and dedicated management team, fostering a reputation as a high-quality real estate owner, operator and developer. Hudson believes that these factors combine to drive access to attractive acquisition opportunities, including the opportunity to acquire the Target Properties from Blackstone in the pending transaction.

On September 10, 2014, Mr. Andy Jonas, whom we refer to as Mr. Jonas, of Goldman, Sachs & Co., which we refer to as Goldman Sachs, called Mr. Victor Coleman, Chairman, President and Chief Executive Officer of Hudson, whom we refer to as Mr. Coleman, to discuss a potential transaction with Blackstone involving the real estate assets comprising the Equity Office Properties San Francisco Peninsula and Silicon Valley portfolio, substantially all of which were previously acquired by Blackstone as part of its acquisition of Equity Office Properties Trust in February of 2007. Mr. Jonas indicated to Mr. Coleman that Blackstone and Goldman Sachs viewed Hudson as an ideal potential acquirer for the Target Properties and future partner given Hudson's strong presence in the Los Angeles, San Francisco and Seattle markets, existing high-quality portfolio of properties, outstanding management team and attractive prospects for future growth. Following the call, Mr. Jonas emailed Mr. Coleman a list of the Target Properties. On September 11, 2014, Mr. Jonas emailed Mr. Coleman a brief presentation prepared by Goldman Sachs providing an overview of the Target Properties. On September 12, 2014, at Mr. Coleman's request, Wells Fargo Securities, LLC (which includes the Estdil Secured group of Wells Fargo Securities), with which Hudson regularly consults in evaluating potential significant acquisition transactions and which we refer to as Wells Fargo Securities, met with

Mr. Coleman, Mr. Mark Lammas, Chief

Financial Officer of Hudson, whom we refer to as Mr. Lammas, and Mr. Alex Vouvalides, Chief Investment Officer of Hudson, whom we refer to as Mr. Vouvalides, to discuss the opportunity for Hudson to acquire the Target Properties. Wells Fargo Securities was subsequently engaged by Hudson as its financial advisor in connection with the transaction.

Following preliminary discussions between Hudson and Blackstone regarding the acquisition of the Target Properties, on September 18, 2014, the Operating Partnership and Blackstone Real Estate Advisors L.P. signed a mutual confidentiality agreement. On September 19, 2014, members of Hudson management, together with Wells Fargo Securities, participated in a call with representatives of Goldman Sachs to discuss general transaction terms and structure. Given Blackstone's desire to retain a significant interest in the portfolio due to the anticipated opportunity in the future to increase occupancy and mark to market rental rates, the parties agreed that a substantial portion of the consideration to be paid by Hudson would be in the form of equity of Hudson and/or the Operating Partnership and that Blackstone would be entitled to representation on the Board commensurate with a significant equity position in the Company. During the call, representatives of Goldman Sachs indicated to the members of Hudson management that Blackstone's internal valuation of the Target Properties reflected an aggregate proposed purchase price of \$3.75 billion.

On September 21, 2014, Blackstone provided Hudson with access to certain non-public operating and financial information and data with respect to the Target Properties to facilitate Hudson's initial diligence review of the Target Properties. On September 24, 2014, members of Hudson management participated in tours of the Target Properties led by representatives of Blackstone.

On September 29, 2014, in accordance with Hudson's directives, Wells Fargo Securities met with Blackstone and Goldman Sachs to discuss Hudson's existing real property asset portfolio and overall financial performance in connection with Blackstone's review regarding the possibility of receiving an equity stake in Hudson in connection with a potential transaction.

On October 1, 2014, Mr. Frank Cohen, whom we refer to as Mr. Cohen, and Mr. Christopher Chee, each of Blackstone, along with Wells Fargo Securities and Goldman Sachs, met with Messrs. Coleman, Lammas and Vouvalides at Hudson's Los Angeles offices to discuss general transaction terms and structure and participated in tours of certain Hudson portfolio properties in Los Angeles, California led by representatives of Hudson.

From October 7, 2014 to October 8, 2014, representatives of Blackstone also participated in tours of Hudson portfolio properties in Seattle, Washington and Northern California led by representatives of Hudson. On October 8, 2014, Blackstone was provided with access to certain non-public operating and financial information and data with respect to Hudson and its properties in order to facilitate Blackstone's due diligence review of Hudson.

Later on October 8, 2014, Mr. Coleman presented to the Board the opportunity to acquire the Target Properties in a negotiated transaction with Blackstone. Mr. Coleman discussed the strategic objectives for both Hudson and Blackstone in a transaction as well as the preliminary underwriting of the Target Properties by Hudson management. Mr. Coleman also discussed with the Board the potential financing options available to Hudson to fund the acquisition and discussed the issuance of equity to Blackstone as a substantial portion of the consideration. Mr. Coleman noted for the Board that the inclusion of Hudson equity in the transaction would likely entail certain board nomination rights in favor of Blackstone. The Board then discussed potential acceptable corporate governance structures as well as the likely market perception of a transaction of this scale.

On October 20, 2014, Mr. Coleman apprised the Board regarding the status of discussions with Blackstone, including with respect to proposed transaction timing, valuation and the potential impact of ground lessors exercising purchase rights under ground leases covering certain ground leased Target Properties. Mr. Coleman informed the Board that on October 22, 2014, Messrs. Lammas and Vouvalides would participate in in-person negotiations with Blackstone with

the assistance of Blackstone's and Hudson's respective financial advisors.

On October 22, 2014, Mr. Lammas and Mr. Vouvalides met with representatives of Blackstone, together with Hudson's and Blackstone's respective financial advisors, to discuss valuation as well as potential terms with respect to the equity consideration in the transaction, Board and committee nomination rights, standstill and equity transfer restrictions, and registration rights. During this meeting, Messrs. Vouvalides and Lammas indicated to the representatives of Blackstone and Goldman Sachs that, based on Hudson's initial review of the transaction and diligence then conducted to date, Hudson would be willing to offer an aggregate purchase price of approximately \$3.3 billion for the Target Properties, consisting of a mix of cash and equity consideration.

On October 27, 2014, Mr. Coleman provided an update to the Board regarding the status of discussions with Blackstone, including the mix of cash and equity consideration, as well as certain financing alternatives available to Hudson for the transaction. Mr. Coleman explained to the Board that the next step in the transaction process would be to prepare and send to Blackstone a term sheet describing various deal terms with respect to structure and governance, including Board nomination rights and standstill and equity transfer restrictions. The Board then discussed the scope of the terms that would be presented in the term sheet. Mr. Coleman requested that the Board approve continuing to pursue a potential transaction with Blackstone and the Board unanimously voted to authorize Hudson management to continue its due diligence review, to continue discussions with Blackstone and to work towards a definitive agreement to acquire the Target Properties.

Following the Board meeting on October 27, 2014, Hudson sent Blackstone a non-binding term sheet outlining certain key governance and structure terms for a potential transaction, along with a cover note that stated Hudson's proposed purchase price of \$3.3 billion payable 50% in cash and 50% in common stock and common units. The term sheet contemplated that Blackstone would receive shares of Hudson common stock totaling up to 9.8% of Hudson's total issued and outstanding common stock (calculated after having given effect to the transaction) and that any remaining portion of the equity consideration delivered by Hudson would be in the form of common units of limited partnership interest in the Operating Partnership. The term sheet also indicated that, pursuant to the applicable rules of the NYSE, the approval of Hudson's stockholders would be required in connection with the proposed Equity Issuance. With respect to governance, the term sheet contemplated that, at the consummation of the transaction, Hudson would increase the size of the Board in order to elect two Blackstone representatives to the Board and that Blackstone's right to continue to designate nominees for such Board seats would be subject to its continued ownership of a minimum percentage of shares of Hudson common stock and common units in the Operating Partnership. The term sheet also outlined the terms of the standstill and transfer restrictions to which Blackstone would be subject following the consummation of the transaction, as well as certain registration rights with respect to the shares of Hudson common stock to be received by Blackstone.

On October 31, 2014, Simpson Thacher & Bartlett LLP, Blackstone's outside counsel, which we refer to as Simpson Thacher, sent Hudson a revised term sheet. The revised term sheet did not contemplate a total transaction value or specific allocation between cash and equity consideration to be delivered by Hudson. It also contemplated that the equity consideration received by Blackstone would be in shares of Hudson common stock, with an ability for Blackstone to elect, prior to the execution of definitive agreements, to receive some of the equity portion of the consideration as common units in the Operating Partnership in lieu of a corresponding number of shares of Hudson common stock. The revised term sheet contemplated that Blackstone would have the right to designate up to four director nominees, representing a number of nominees more closely reflecting the size of Blackstone's proposed equity ownership stake. Further, the revised term sheet contemplated that, so long as Blackstone continued to hold at least 50% of the equity consideration delivered in the transaction, Blackstone would have approval rights over any merger transaction involving Hudson or the sale by Hudson of greater than 20% of its assets as well as approval rights over future equity issuances by Hudson and its subsidiaries resulting in cumulative aggregate proceeds to Hudson in excess of \$150 million. With respect to the Target Properties, the revised term sheet contemplated that, in the event that one or more ground lessors exercised purchase rights under ground leases covering ground leased Target Properties, such affected Target Properties would be excluded from the transaction with a corresponding reduction in the overall purchase price, but with no right in favor of Hudson to terminate the transaction. Further, the revised term sheet

contemplated that Hudson would be obligated to pay a termination fee to Blackstone in the

event that the transaction were terminated under certain circumstances, and contemplated that the Farallon Funds would enter into a voting agreement in support of the transaction.

On November 4, 2014, Messrs. Coleman, Vouvalides and Lammas, together with Wells Fargo Securities, met with Blackstone and Goldman Sachs to negotiate the terms of the transaction, including Board nomination rights, standstill and transfer restriction termination dates, and transaction termination fees payable by Hudson under certain circumstances.

On November 7, 2014, representatives of Hudson and Blackstone as well as tax counsel at each of Simpson Thacher and Latham & Watkins LLP, Hudson's outside counsel, which we refer to as Latham, participated in a call to discuss the mix of shares of Hudson common stock and common units to be received by Blackstone in the transaction. During the call, Hudson indicated to Blackstone its concern that Blackstone's ownership of a number of shares of common stock in excess of 9.8% would present challenges to Hudson given Hudson's status as a REIT. Also during the call, representatives of Blackstone indicated that any decrease to the number of shares of Hudson common stock in the transaction would require granting of additional corporate governance terms and enhanced liquidity rights with respect to common units in favor of Blackstone given the size of its expected overall equity position. On a subsequent call on November 7, 2014, representatives of Blackstone proposed an updated aggregate purchase price for the Target Properties of \$3.5 billion, subject to reaching a mutual agreement with respect to the maximum number of shares of Hudson common stock to be issued to Blackstone and the applicable implied price per share for purposes of valuing the equity consideration portion of the purchase price.

On November 10, 2014, Mr. Coleman provided an update to the Board regarding the status of discussions with Blackstone, including the terms proposed by each of Hudson and Blackstone in their respective drafts of the term sheet. Mr. Coleman explained to the Board the current status of proposed economic terms, including pricing, the mix of cash and equity consideration and the allocation of responsibility for the parties' respective transaction costs. Mr. Coleman then led a discussion of outstanding corporate governance issues, and explained to the Board that Blackstone had indicated that it would require additional voting and approval rights as well as enhanced liquidity rights in respect of the Operating Partnership common units to be received by Blackstone in exchange for any significant limitations placed upon its receipt and continued ownership of shares of Hudson common stock in the transaction.

From November 1, 2014 to November 13, 2014, Hudson and Blackstone and their respective legal advisors continued to further discuss the transaction terms as set forth in the term sheet, including the allocation of cash, common stock and common unit consideration, the ability of Hudson to terminate the transaction if a superior alternative proposal were received and the corresponding termination fee payable to Blackstone, as well as additional termination fees payable under other circumstances.

On November 13, 2014, Simpson Thacher sent Latham a further revised draft of the term sheet, setting forth the terms negotiated by the parties and their respective legal advisors during the preceding two weeks. The further revised term sheet contemplated that Hudson would pay to Blackstone a fee in the amount of \$14 million in the event that Hudson's stockholders did not vote to approve the proposed Equity Issuance, which fee would be intended to reimburse Blackstone's expenses incurred in the transaction. The further revised term sheet also provided for a termination fee in the amount of \$120 million in the event that Hudson was unable to timely consummate the transaction and all other conditions to closing were satisfied at such time, as well as a termination fee in the amount of \$60 million in the event that the definitive Purchase Agreement was terminated due to the Board's change of its recommendation to approve the Equity Issuance, Hudson's breach of its covenants not to solicit or take other actions in connection with an acquisition proposal from a third party or the entering into or consummation by Hudson of a third party acquisition transaction under certain circumstances following termination of the proposed transaction with Blackstone.

Later on November 13, 2014, Messrs. Coleman, Lammas and Vouvalides, along with Hudson's legal and financial advisors, provided an update to the Board on the status of negotiations and the terms of the transaction

as specified in the most recent term sheet circulated by Simpson Thacher. Mr. Coleman with the assistance of Messrs. Lammas and Vouvalides summarized for the Board the financial terms of the transaction, including adjustments to the purchase price upon the exercise of purchase rights by ground lessors with respect to ground leased Target Properties, prorations of rents and expenses at the Target Property level and allocation of transaction costs. Mr. Coleman reiterated to the Board that Hudson's primary objective in the transaction was to enhance the long-term value of the Company. Messrs. Lammas and Vouvalides then summarized for the Board the analysis of Hudson's management with respect to the potential financial impact of the transaction, net asset value dynamics, financing alternatives and Hudson's likely leverage position following the transaction. During this discussion, Wells Fargo Securities outlined for the Board the potential financial impact of the transaction as structured in the term sheet, the process of reaching a definitive agreement with Blackstone as well as financing options, including a possible bridge financing commitment from Wells Fargo Bank, N.A., which we refer to as Wells Fargo Bank. Representatives of Latham then provided the Board with an overview of directors' duties under Maryland law in connection with a major transaction involving the issuance of a significant equity interest. Mr. Coleman then summarized for the Board next steps in the transaction process, including finalizing the parties' diligence review and proceeding to definitive documentation. Mr. Coleman reiterated to the Board that Hudson management would continue to inform the Board as to the status of the transaction on a regular basis and that any definitive agreement regarding a transaction would be subject to prior Board evaluation, consideration and approval. The Board then unanimously voted to authorize Hudson management to proceed with negotiating definitive agreements for the proposed transaction.

Following the Board meeting on November 13, 2014, representatives of Hudson and Blackstone agreed to proceed with negotiation of definitive agreements providing for the acquisition of the Target Properties for an aggregate purchase price equal to \$1.75 billion in cash and an aggregate amount of up to 63,474,791 shares of Hudson common stock and common units, with the portion of such securities consisting of shares of Hudson common stock capped at 20% of the total issued and outstanding shares as of the closing, after having given effect to the transaction, and the remainder consisting of common units in the Operating Partnership.

On November 18, 2014, Latham sent Simpson Thacher a proposed draft of the Stockholders Agreement and, on November 19, 2014, Simpson Thacher sent Latham a proposed draft of the Registration Rights Agreement. On November 22, 2014, Latham sent Simpson Thacher a proposed draft of the Purchase Agreement. On November 23, 2014, Simpson Thacher sent Latham a revised draft of the Stockholders Agreement and an issues list for discussion with respect to the Purchase Agreement, and Latham sent Simpson Thacher a proposed draft of the Third Amended and Restated Limited Partnership Agreement. Until December 6, 2014, the parties, assisted by their respective representatives and advisors, continued to negotiate each of the Purchase Agreement, the Stockholders Agreement, the Registration Rights Agreement and the Third Amended and Restated Partnership Agreement. These negotiations covered various aspects of the transaction, including: the earliest date for consummating the transaction; tenant estoppels and casualty or condemnation events; treatment of certain pre-closing liabilities with respect to the Target Properties; representations and warranties; covenants with respect to maintenance of properties and leasing; assisting with financing; conditions to closing with respect to tenant estoppels; allocation of insurance rights; offers of employment to employees servicing the Target Properties; prorations of various items and expenses overlapping both Blackstone and Hudson's respective periods of ownership, including leasing costs, rents and free rent credits; and the terms for exclusion of certain ground leased Target Properties in the event that the applicable ground lessors exercised purchase rights, refused to waive consent rights or refused to provide an acceptable estoppel certificate.

On November 21, 2014, Mr. Coleman contacted a representative of Houlihan Lokey Capital, Inc., which we refer to as Houlihan Lokey, regarding Hudson's potential engagement of Houlihan Lokey to render an opinion regarding the fairness, financial point of view, to Hudson, of the aggregate consideration to be paid for the Target Properties in the proposed transaction. Houlihan Lokey was subsequently engaged by Hudson.

On December 3, 2014, the Board met and received an update on the status of negotiations with Blackstone. Members of Hudson's management as well as Wells Fargo Securities, Latham and Gibson, Dunn & Crutcher

LLP, Hudson's real estate counsel, which we refer to as Gibson Dunn, also participated in the meeting. Representatives of Latham advised the Board with respect to duties of directors under Maryland law and summarized the current negotiated terms of the Purchase Agreement, the Stockholders Agreement, the Registration Rights Agreement and the Third Amended and Restated Limited Partnership Agreement as well as the remaining open terms still under negotiation. It was noted that, upon consummation of the transaction, the Blackstone-affiliated parties to the transaction would receive equity consideration in the form of shares of Hudson common stock amounting to 9.8% of the total issued and outstanding shares of Hudson common stock at the time of the closing after giving effect to the transaction, with Hudson granting Blackstone an Excepted Holder Limit as described under the Hudson charter, allowing the Blackstone-affiliated parties to the transaction and their related stockholder group to acquire, in the aggregate, up to a number of shares of Hudson common stock equal to 20% of the outstanding shares of Hudson common stock at the time of the closing. During the discussion, the Board was reminded that, under the terms of the Purchase Agreement, the Board would have the right to change its recommendation in favor of the Equity Issuance and terminate the Purchase Agreement in order to enter into a superior third party acquisition transaction, subject to Hudson's obligation to pay to Blackstone a \$60 million termination fee. Members of the Board asked questions of Latham and Hudson's management team regarding the agreements. After discussion, Mr. Vouvalides and Mr. Lammas, together with representatives of Gibson Dunn, summarized the due diligence review performed by Hudson's management and advisors on the Target Properties. Wells Fargo Securities reviewed with the Board financial terms of the transaction and financial matters relating to the Target Properties and Hudson both on a standalone basis and pro forma for the transaction. Mr. Lammas reviewed with the Board the terms of the debt commitment letters negotiated with Wells Fargo Bank and its counsel in connection with the proposed bridge financing for the transaction. The Board then instructed management to continue negotiations with Blackstone on the Purchase Agreement and the other transaction documents.

On December 4, 2014, representatives of Hudson, Blackstone and their respective counsel participated in a call to discuss the final terms of the Purchase Agreement. On December 5, 2014, representatives of Simpson Thacher sent Latham revised drafts of the Purchase Agreement, the Stockholders Agreement, the Registration Rights Agreement, the Third Amended and Restated Limited Partnership Agreement and the other exhibits and disclosure schedules to the Purchase Agreement.

On the morning of December 6, 2014, the Board met to consider the proposed transaction. Members of Hudson's management and representatives of Hudson's legal and financial advisors, including Houlihan Lokey, also participated in the meeting. Representatives of Latham updated the Board on the negotiations since the December 3, 2014 Board meeting. Wells Fargo Securities reviewed with the Board its financial analysis of the aggregate consideration to be paid for the Target Properties in the transaction pursuant to the Purchase Agreement and rendered to the Board an oral opinion, confirmed by delivery of a written opinion dated December 6, 2014, to the effect that, as of such date and based on and subject to various qualifications, limitations and assumptions stated in its opinion, the aggregate consideration to be paid for the Target Properties in the transaction pursuant to the Purchase Agreement was fair, from a financial point of view, to Hudson. Also at this meeting, Houlihan Lokey reviewed with the Board its financial analysis of the aggregate transaction consideration to be paid pursuant to the Purchase Agreement, and rendered an oral opinion to the Board, which was confirmed in writing by delivery of Houlihan Lokey's written opinion dated December 6, 2014, to the effect that, as of such date and based on and subject to various qualifications, limitations and assumptions stated in its opinion, the aggregate consideration to be paid by Hudson and the Operating Partnership for the Target Properties in the transaction pursuant to the Purchase Agreement was fair to Hudson from a financial point of view. Following discussion, the Board approved the Purchase Agreement, the commitment letters related to the financing of the transaction, the transaction and the other transactions contemplated by the Purchase Agreement, including the Equity Issuance, and recommended the Hudson stockholders vote for the proposal to approve the Equity Issuance. For further information concerning the factors considered by the Board in reaching its decision to approve the Purchase Agreement, the consummation of the transaction and the Equity Issuance and its decision to recommend that the Hudson stockholders vote to approve the Equity Issuance, see Recommendation of the Board and Its Reasons for the Transaction.

On the evening of December 6, 2014, each of the Blackstone affiliates constituting the Seller Parties and Hudson and the Operating Partnership executed and delivered a counterpart of the Purchase Agreement. Also on December 6, 2014, Hudson and the Operating Partnership executed commitment letters from Wells Fargo Bank and the other lenders parties thereto providing for up to \$2.2 billion, in the aggregate, in loans to finance the transaction and to potentially refinance certain existing indebtedness of the Operating Partnership. In addition, on December 6, 2014, each of the Blackstone affiliates constituting the Seller Parties and the Farallon Funds executed and delivered a counterpart of the Voting Agreement.

On December 8, 2014 before the opening of the NYSE, Hudson issued a press release announcing the proposed transaction and the execution of the Purchase Agreement.

Recommendation of the Board and Its Reasons for the Transaction

At a meeting of the Board held on December 6, 2014, the Board approved the Purchase Agreement and the other transaction documents contemplated thereby (including the form of Stockholders Agreement, the form of Registration Rights Agreement, the form of the Third Amended and Restated Limited Partnership Agreement of the Operating Partnership, and other documents contemplated by the Purchase Agreement) and approved the Equity Issuance, the acquisition of the Target Properties and the other transactions contemplated by the Purchase Agreement. The Board recommends that Hudson stockholders vote **FOR** the proposal to approve the Equity Issuance.

In evaluating the transaction, the Board consulted with Hudson's management and legal and financial advisors, and in reaching its decision to approve the Purchase Agreement and the transactions contemplated thereby and recommend that Hudson stockholders vote **FOR** the proposal to approve the Equity Issuance, the Board considered various material factors and information, including the following.

Strategic and Financial Considerations. The Board considered a number of factors pertaining to the strategic and financial rationale for the acquisition of the Target Properties, the Equity Issuance and the other transactions contemplated by the Purchase Agreement, including:

the view of Hudson's management that the Target Properties present an opportunity of the size and quality not otherwise available in the their respective geographic markets, as the portfolio consists of a critical mass of high quality office assets in the San Francisco Peninsula and Silicon Valley;

the view of Hudson's management that the Target Properties present an opportunity for Hudson to leverage its operating platform to create near- and long-term value through the leasing, operating, repositioning and development expertise of the Hudson management team with respect to the Target Properties;

the view of Hudson's management that the Target Properties present an opportunity to acquire properties currently with above-market vacancy and in-place rental rates that are below market, presenting an opportunity to increase Hudson's net operating income through the initial lease-up of vacancies at a number of the Target Properties and releasing expiring below market leases to market rental rates;

Hudson's management's expectation that the transaction will be immediately accretive to Hudson's funds from operations per share (FFO per share) and accretive to Hudson's adjusted funds from operations per share (AFFO per share) after initial capital expenses for the lease-up of the Target Properties and that, if successful, such lease-up will enhance Hudson's ability to raise its dividend in the future;

the fact that the Target Properties are being sold unencumbered, presenting Hudson with the opportunity to place new financing and create a large unencumbered asset base to support a potential investment grade rating in the future;

the benefits associated with a long-term relationship with Blackstone as a sizable equity holder, including a positive signal to the market regarding Hudson's outlook and the opportunity to potentially leverage Blackstone's industry relationships, global capital sources and market intelligence in the future;

the benefits to Hudson that could result from the combination of the Target Properties with Hudson's existing property portfolio, including the increased market capitalization and scale, improved access to the capital markets, strong cash flow growth potential, a stronger balance sheet, enhanced investment and redevelopment opportunities, broadened portfolio tenant mix, increased geographic and asset-class diversity, improved G&A efficiency ratios, and the potential to realize certain cost synergies; and

the Board's knowledge of the business, operations, financial condition, earnings and prospects of the Target Properties, taking into account the results of Hudson's due diligence review of the Target Properties, as well as its knowledge of the current and prospective environment in which the Target Properties operate, including economic and market conditions.

Financial Presentations and Opinions of Hudson's Financial Advisors. The Board considered the separate financial presentations and opinions, dated December 6, 2014, to the Board of each of Wells Fargo Securities and Houlihan Lokey as to the fairness, from a financial point of view and as of such date, to Hudson of the aggregate consideration to be paid for the Target Properties in the transaction pursuant to the Purchase Agreement, which opinions were based on and subject to the assumptions made, procedures followed, factors considered and limitations on the review undertaken as further described below under the captions "Opinions of Hudson's Financial Advisors Opinion of Wells Fargo Securities, LLC" beginning on page 41 and "Opinions of Hudson's Financial Advisors Opinion of Houlihan Lokey Capital, Inc." beginning on page 49.

Terms of the Transaction Documents. The Board considered a number of factors pertaining to the terms of the Purchase Agreement and the other agreements contemplated thereby, including:

the Board's view that the material terms of the Purchase Agreement, taken as a whole, were reasonable for an arms-length acquisition transaction, in particular, the representations and warranties made by the Seller Parties in the Purchase Agreement, the restrictions on the operation of the Target Properties from the signing of the Purchase Agreement until the closing of the acquisition of the Target Properties, the other covenants of the Seller Parties in the Purchase Agreement and the conditions to each party's obligation to complete the transaction, as more fully described under "The Transaction Documents The Purchase Agreement" beginning on page 65;

the fact that the Equity Issuance is subject to the approval by Hudson stockholders;

the right of Hudson under the Purchase Agreement to eliminate from the transaction ground leased Target Properties in the event that the ground lessors party to such ground leases do not deliver to the Seller Parties, in a form acceptable to Hudson, estoppel certificates with respect to the terms and validity of such ground leases;

the right of Hudson under the Purchase Agreement to terminate the transaction in the event that the Seller Parties provide notice to Hudson that they are unable to convey title to the Target Properties to the Operating Partnership or Hudson's other designated subsidiaries (subject to certain qualifications);

the right of the Board under the Purchase Agreement to, in response to unsolicited acquisition proposals, provide information to, and negotiate alternative transactions with, third parties in certain circumstances, as more fully described under The Transaction Documents The Purchase Agreement Board Recommendation; Non-Solicitation beginning on page 72;

the right of the Board under the Purchase Agreement to change its recommendation that holders of Hudson common stock vote to approve the Equity Issuance in certain circumstances, as more fully described under The Transaction Documents The Purchase Agreement Board Recommendation; Non-Solicitation beginning on page 72;

the right of the Board under the Purchase Agreement to terminate the Purchase Agreement to accept a superior acquisition proposal subject to the payment of a termination fee in certain circumstances, as more fully described under The Transaction Documents The Purchase Agreement Termination Termination Rights beginning on page 77;

the fact that the termination fee payable in certain circumstances by Hudson of \$60 million is equal to approximately 3.1% of Hudson's equity value based on the \$28.17 per closing share price used to value the Equity Consideration on December 5, 2014), which the Board viewed, after consultation with its advisors, as not likely to preclude a third party from making an acquisition proposal;

the corporate governance provisions of the Stockholders Agreement, including that, upon completion of the transaction, the Board will continue to be comprised of a majority of independent directors selected by the Nominating and Corporate Governance Committee of the Board (all of whom are current directors of Hudson);

the standstill provisions of the Stockholders Agreement, which restrict the ability of the Seller Parties (or their designated affiliates receiving the Equity Consideration) and certain other Blackstone affiliates from acquiring additional securities of or control over Hudson or its subsidiaries without Hudson's consent;

the lock-up provisions of the Stockholders Agreement, which limit the ability of the Seller Parties (or their designated affiliates receiving the Equity Consideration) to dispose of the shares of Hudson common stock issued in the transaction (including shares of Hudson common stock issuable in redemption of the common units in the Operating Partnership issued in the transaction) in large amounts following the consummation of the transaction; and

the fact that the exception to be granted by the Board that will allow the Seller Parties and certain of their affiliates to own directly or indirectly, in the aggregate, not more than 20% of the total issued and outstanding shares of Hudson common stock (calculated as of the close of business on the second business day immediately prior to the consummation of the transaction, after giving effect to the issuance of the Equity Consideration) will be conditioned upon the continued accuracy of certain representations and warranties of, and compliance with certain covenants by, the Seller Parties and/or such affiliates, as well as the continued satisfaction of certain other requirements intended to prevent Hudson from failing to qualify as a REIT.

The Board also considered the following potentially negative factors associated with the acquisition of the Target Properties, the Equity Issuance and the other transactions contemplated by the Purchase Agreement:

the execution risks associated with the implementation of Hudson's long-term business plan and strategy following acquisition of the Target Properties, which may be different from the execution risks related to Hudson's business solely with respect to its existing real property portfolio;

the risk that the benefits expected to result from the acquisition of the Target Properties might not be fully realized or not realized at all, including due to the possibility that Hudson may not be able to successfully integrate the operations of the Target Properties;

the possibility that Hudson will be unable to obtain financing for the acquisition of the Target Properties, including the debt financing proceeds contemplated by the bridge commitment letter it obtained, in which event, Hudson is obligated to pay a termination fee of \$120 million (equal to approximately 6.1% of Hudson's equity value based on the \$28.17 closing share price on December 5, 2014), as more fully described under The Transaction Documents The Purchase Agreement Termination Termination Fees/Expense Reimbursement beginning on page 78;

the risk that the acquisition of the Target Properties might not be completed on a timely basis or at all despite the parties' efforts, and, if the transaction is not completed, the materially adverse impact such event could have on Hudson's financial condition, results of operations and stock price;

the risk of incurring substantial transaction and integration costs in connection with the acquisition of the Target Properties;

the fact that Hudson is obligated to pay a reimbursement fee of \$14 million if its stockholders fail to approve the Equity Issuance, as more fully described under The Transaction Documents The Purchase Agreement Termination Termination Fees/Expense Reimbursement beginning on page 78;

the risk that pursuant to the terms of the Purchase Agreement Hudson will not have recourse against the Seller Parties or Blackstone with respect to breaches of representations and warranties regarding the Target Properties or liabilities associated with the Target Properties (including potential environmental liabilities) that may shift to Hudson following the consummation of the transaction;

the reduced influence that Hudson's existing stockholders will exercise over the Board, management and policies of Hudson as compared to the influence such existing stockholders currently have over the Board and the management and policies of Hudson;

Hudson's obligation, as the general partner of the Operating Partnership, to seek the approval, in addition to any required approval from holders of Hudson common stock, of holders of common units with respect to certain change of control and other transactions as provided under the terms of the Third Amended and Restated Limited Partnership Agreement;

the possible diversion of management's time and attention from Hudson's ongoing business due to the substantial time and effort necessary to complete the acquisition of the Target Properties and plan for and implement the integration of the operations of the Target Properties;

the restrictions on the conduct of our business prior to the completion of the transaction, which could delay or prevent us from undertaking business opportunities that may arise pending completion of the transaction, as more fully described under The Transaction Documents The Purchase Agreement Conduct of Business of the Buyer Parties Pending the Closing beginning on page 69; and

the other factors described under Risk Factors beginning on page 17.

In the judgment of the Board, however, these potential risks were favorably offset by the potential benefits of the acquisition of the Target Properties and the other transactions contemplated by the Purchase Agreement (including the Equity Issuance), including those described above.

The foregoing discussion is not intended to be exhaustive, but Hudson believes it addresses the material information and factors considered by the Board in its consideration of the acquisition of the Target Properties, the Equity Issuance and the other transactions contemplated by the Purchase Agreement, including factors that may support the Equity Issuance, as well as factors that may weigh against it. In view of the variety of factors and the amount of information considered, the Board did not find it practicable to quantify or otherwise assign relative weights to and did not make specific assessments of the factors considered in reaching its determination, and individual members of the Board may have given different weights to different factors. The Board did not reach any specific conclusion with respect to any of the factors or reasons considered.

The above factors are not presented in any order of priority. This explanation of the factors and reasoning set forth above contained forward-looking statements and should be read in conjunction with the section of this proxy statement entitled "Cautionary Statement Concerning Forward-Looking Statements" beginning on page 24.

Opinions of Hudson's Financial Advisors

Opinion of Wells Fargo Securities, LLC

Hudson retained Wells Fargo Securities to provide it with financial advisory services in connection with the transaction. As part of Wells Fargo Securities' engagement, the Board requested that Wells Fargo Securities evaluate the fairness, from a financial point of view, to Hudson of the aggregate consideration to be paid for the

Target Properties in the transaction pursuant to the Purchase Agreement. On December 6, 2014, at a meeting of the Board held to evaluate the transaction, Wells Fargo Securities rendered to the Board an oral opinion, confirmed by delivery of a written opinion dated December 6, 2014, to the effect that, as of such date and based on and subject to various qualifications, limitations and assumptions stated in its opinion, the aggregate consideration to be paid for the Target Properties in the transaction pursuant to the Purchase Agreement was fair, from a financial point of view, to Hudson.

The full text of Wells Fargo Securities' written opinion, dated December 6, 2014, to the Board is attached as Annex E to this proxy statement and is incorporated in this document by reference. The written opinion sets forth, among other things, the assumptions made, procedures followed, factors considered and limitations on the review undertaken by Wells Fargo Securities in rendering its opinion. The following summary is qualified in its entirety by reference to the full text of the opinion. The opinion was addressed to the Board (in its capacity as such) for its information and use in connection with its evaluation of the aggregate consideration from a financial point of view to Hudson and did not address any other terms, aspects or implications of the transaction or any related transactions. Wells Fargo Securities' opinion did not address the merits of the underlying decision by Hudson to enter into the Purchase Agreement or the relative merits of the transaction or any related transactions compared with other business strategies or transactions available or that have been or might be considered by Hudson's management or the Board or in which Hudson might engage. Wells Fargo Securities' opinion does not constitute a recommendation to the Board or any other person or entity in respect of the transaction or any related transactions, including as to how any stockholder should vote or act in connection with the transaction, any related transactions or any other matters.

The terms of the transaction and related transactions were determined through negotiations between Hudson and Blackstone, rather than by any financial advisor, and the decision to enter into the Purchase Agreement was solely that of the Board. Wells Fargo Securities did not recommend any specific form of consideration to the Board or that any specific form of consideration constituted the only appropriate consideration for the transaction. The opinion was only one of many factors considered by the Board in its evaluation of the transaction and should not be viewed as determinative of the views of the Board, management or any other party with respect to the transaction or the aggregate consideration.

In arriving at its opinion, Wells Fargo Securities, among other things:

reviewed a draft, dated December 5, 2014, of the Purchase Agreement, including the financial terms of the transaction;

reviewed certain publicly available business, financial and other information regarding Hudson, including information set forth in Hudson's annual reports to stockholders and annual reports on Form 10-K for the fiscal years ended December 31, 2011, 2012 and 2013 and quarterly report on Form 10-Q for the period ended September 30, 2014;

reviewed certain other business and financial information regarding the Target Properties and Hudson furnished to Wells Fargo Securities by and discussed with representatives of Blackstone and Hudson's management, including financial forecasts and estimates relating to the Target Properties for the fiscal years ending December 31, 2015 through December 31, 2025 prepared by representatives of Blackstone as adjusted by Hudson's management and financial forecasts and estimates relating to Hudson for the fiscal years ending December 31, 2015 through December 31, 2019 prepared by Hudson's management;

discussed with representatives of Blackstone and Hudson's management the operations and prospects of the Target Properties and Hudson, including the historical financial performance and trends in the results of operations of the Target Properties and Hudson;

discussed with Hudson's management the strategic rationale for the transaction and financial and strategic benefits anticipated by such management to result from the transaction;

participated in discussions and negotiations among representatives of Hudson, Blackstone and their respective advisors regarding the proposed transaction;

reviewed reported prices and trading activity for Hudson common stock;

compared certain financial data of Hudson with similar data of certain publicly traded companies that Wells Fargo Securities deemed relevant in evaluating Hudson;

analyzed the estimated net asset value of the Target Properties and Hudson's real estate portfolio and other assets based upon certain financial forecasts and estimates referred to above and related assumptions discussed with and confirmed as reasonable by representatives of Blackstone and Hudson's management;

analyzed the estimated present value of the future cash flows of the Target Properties and the estimated present value of the future dividends per share of Hudson based upon certain financial forecasts and estimates referred to above and related assumptions discussed with and confirmed as reasonable by representatives of Blackstone and Hudson's management; and

considered such other information, such as financial studies, analyses and investigations, as well as financial, economic and market criteria that Wells Fargo Securities deemed relevant.

In connection with Wells Fargo Securities' review, Wells Fargo Securities assumed and relied upon the accuracy and completeness of the financial and other information provided, discussed with or otherwise made available to Wells Fargo Securities, including all accounting, tax, regulatory and legal information, and Wells Fargo Securities did not make (and did not assume any responsibility for) any independent verification of such information. Wells Fargo Securities relied upon assurances of Hudson's management and representatives of Blackstone that they were not aware of any facts or circumstances that would make such information inaccurate or misleading. With respect to the financial forecasts, estimates (as adjusted, in the case of financial forecasts and estimates relating to the Target Properties, by Hudson's management) and other information utilized in Wells Fargo Securities' analyses, Wells Fargo Securities was advised by Hudson's management and representatives of Blackstone and, at Hudson's direction, Wells Fargo Securities assumed that they were reasonably prepared and reflected the best currently available estimates, judgments and assumptions of such management and representatives as to the future financial performance of the Target Properties and Hudson, the potential pro forma financial effects of the transaction and the other matters covered thereby. Wells Fargo Securities assumed no responsibility for, and expressed no view as to, such forecasts, estimates or other information utilized in Wells Fargo Securities' analyses or the judgments or assumptions upon which they were based. Wells Fargo Securities also assumed that there had been no meaningful changes in the condition (financial or otherwise), results of operations, businesses or prospects of the Target Properties or Hudson since the respective dates of the most recent financial statements and other information provided to Wells Fargo Securities and that the financial forecasts relating to the Target Properties reflected all assets and liabilities to be acquired or assumed by Hudson in the transaction. Wells Fargo Securities relied, at Hudson's direction, upon the assessments of Hudson's management and representatives of Blackstone as to (i) the potential impact on the Target Properties and Hudson of certain trends and other developments in, and prospects for, the commercial real estate market and related credit and financial markets and (ii) the terms upon which certain Target Properties are subject to rights of first refusal, rights of first opportunity or other rights and the potential impact of such rights on such Target Properties and the transaction. Wells Fargo Securities assumed, with Hudson's consent, that there would not be any developments with respect to any such matters that would be meaningful in any respect to Wells Fargo Securities

analyses or opinion. Wells Fargo Securities also assumed, at Hudson's direction, that no rights of first refusal, rights of first opportunity or other rights in respect of the Target Properties would be exercised and that there would be no adjustments to the aggregate consideration as a result of such rights or otherwise that would be meaningful in any respect to Wells Fargo Securities' analyses or opinion.

In arriving at its opinion, Wells Fargo Securities did not conduct physical inspections of the Target Properties or the properties or assets of Hudson or any other entity, and Wells Fargo Securities did not make and was not provided with any evaluations or appraisals of the Target Properties or the assets or liabilities (contingent

or otherwise) of Hudson or any other entity. Wells Fargo Securities also did not evaluate the solvency or fair value, as the case may be, of the Target Properties, Hudson or any other entity under any state, federal or other laws relating to bankruptcy, insolvency or similar matters. Wells Fargo Securities assumed, with Hudson's consent, that Hudson would acquire and retain all Target Properties and rights contemplated to be acquired by Hudson in the transaction, that there were no undisclosed liabilities relating to the Target Properties to be assumed by Hudson in connection with the transaction and that Hudson would not directly or indirectly assume, retain or incur any liabilities relating to the Target Properties that were contemplated to be excluded as a result of the transaction or otherwise.

In rendering its opinion, Wells Fargo Securities assumed, at Hudson's direction, that the final form of the Purchase Agreement, when signed by the parties thereto, would not differ from the draft Purchase Agreement reviewed by Wells Fargo Securities in any respect meaningful to Wells Fargo Securities' analyses or opinion, that the transaction would be consummated in accordance with the terms described in the Purchase Agreement and related documents and in compliance with all applicable laws and other requirements, without amendment or waiver of any material terms or conditions and that, in the course of obtaining any necessary legal, regulatory or third party consents, approvals or agreements for the transaction, no delay, limitation or restriction would be imposed or action would be taken that would have an adverse effect on the Target Properties, Hudson or the transaction (including the contemplated benefits thereof to Hudson). Wells Fargo Securities was advised that Hudson has operated in conformity with the requirements for qualification as a REIT for U.S. federal income tax purposes since its initial qualification as a REIT and further assumed, at Hudson's direction, that the transaction would not adversely affect such status or operations.

Wells Fargo Securities did not express any opinion as to what the value of Hudson common stock or common units in the Operating Partnership actually would be when issued or the prices at which such securities would trade or otherwise be transferable at any time. Wells Fargo Securities' opinion was necessarily based on economic, market, financial and other conditions existing, and information made available to Wells Fargo Securities, as of the date thereof. Wells Fargo Securities noted for the Board that the credit, financial and stock markets have experienced significant volatility and Wells Fargo Securities expressed no opinion or view as to any potential effects of such volatility on the Target Properties, Hudson or the transaction (including the contemplated benefits thereof to Hudson). Although subsequent developments may affect the matters set forth in its opinion, Wells Fargo Securities does not have any obligation to update, revise, reaffirm or withdraw its opinion or otherwise comment on or consider any such events occurring or coming to Wells Fargo Securities' attention after the date of its opinion.

Wells Fargo Securities' opinion only addressed the fairness, from a financial point of view and as of the date thereof, to Hudson of the aggregate consideration to be paid for the Target Properties in the transaction pursuant to the Purchase Agreement to the extent expressly specified in its opinion, and did not address any other terms, aspects or implications of the transaction, including, without limitation, the form or structure of the transaction, the form of the aggregate consideration, any adjustment to or proration or allocation of the aggregate consideration, or any stockholders, registration rights or voting agreements or other agreement, arrangement or understanding entered into in connection with or contemplated by the transaction or otherwise. In addition, Wells Fargo Securities' opinion did not address the fairness of the amount or nature of, or any other aspects relating to, any compensation to be received by any officers, directors or employees of any parties to the transaction, or class of such persons, relative to the aggregate consideration or otherwise. Wells Fargo Securities' opinion did not address the merits of the underlying decision by Hudson to enter into the Purchase Agreement or related documents or the relative merits of the transaction compared with other business strategies or transactions available or that have been or might be considered by Hudson's management or the Board or in which Hudson might engage. Wells Fargo Securities also did not express any view or opinion with respect to, and with Hudson's consent relied upon the assessments of representatives of Hudson regarding, accounting, tax, regulatory, legal or similar matters as to which Wells Fargo Securities understood that Hudson obtained such advice as it deemed necessary from qualified professionals.

In connection with rendering its opinion, Wells Fargo Securities performed certain financial, comparative and other analyses as summarized below. This summary is not a complete description of the financial analyses

performed and factors considered in connection with such opinion. In arriving at its opinion, Wells Fargo Securities did not ascribe a specific value to the Target Properties or Hudson but rather made its determinations as to the fairness, from a financial point of view, to Hudson of the aggregate consideration on the basis of various financial and comparative analyses taken as a whole. The preparation of a financial opinion is a complex process and involves various determinations as to the most appropriate and relevant methods of financial and comparative analyses and the application of those methods to the particular circumstances. Therefore, a financial opinion is not readily susceptible to summary description.

In arriving at its opinion, Wells Fargo Securities did not attribute any particular weight to any single analysis or factor considered but rather made qualitative judgments as to the significance and relevance of each analysis and factor relative to all other analyses and factors performed and considered and in the context of the circumstances of the particular transaction. Accordingly, the analyses must be considered as a whole, as considering any portion of such analyses and factors, without considering all analyses and factors as a whole, could create a misleading or incomplete view of the process underlying such opinion. The fact that any specific analysis has been referred to in the summary below is not meant to indicate that such analysis was given greater weight than any other analysis referred to in the summary. No company, business or transaction is identical to the Target Properties, Hudson or the transaction and an evaluation of Wells Fargo Securities' analyses is not entirely mathematical; rather, such analyses involve complex considerations and judgments concerning financial and operating characteristics and other factors that could affect the public trading, acquisition or other values of the companies and businesses reviewed.

In performing its analyses, Wells Fargo Securities considered industry performance, general business and economic conditions and other matters existing as of the date of its opinion, many of which are beyond the control of Hudson, Blackstone or other parties to the transaction. None of Hudson, Blackstone, Wells Fargo Securities or any other person assumes responsibility if future results are different from those described whether or not any such difference is material. Any estimates contained in these analyses and the ranges of values resulting from any particular analysis are not necessarily indicative of actual values or predictive of future results or values, which may be significantly more or less favorable than as set forth below. In addition, analyses relating to the value of properties, businesses or securities do not purport to be appraisals or necessarily reflect the prices at which properties, businesses or securities may actually be sold or acquired. Accordingly, the assumptions and estimates used in, and the results derived from, the following analyses are inherently subject to substantial uncertainty.

The following is a summary of the material financial analyses provided on December 6, 2014 to the Board by Wells Fargo Securities in connection with its opinion. **Certain financial analyses summarized below include information presented in tabular format. In order to fully understand the financial analyses, the tables must be read together with the text of each summary, as the tables alone do not constitute a complete description of the financial analyses. Considering the data in the tables below without considering the full narrative description of the financial analyses, including the methodologies and assumptions underlying the analyses, could create a misleading or incomplete view of such financial analyses.** For purposes of Wells Fargo Securities' analyses described below, the term implied aggregate consideration refers to the \$1.75 billion Cash Consideration and the implied value of the Equity Consideration based on an aggregate of 63,474,791 shares of Hudson common stock and common units in the Operating Partnership issuable in the transaction and the closing price of Hudson common stock on December 5, 2014 of \$28.17 per share, assuming no adjustments to the aggregate consideration and that such shares of Hudson common stock and common units are economically equivalent.

Target Properties Financial Analyses

Net Asset Value Analysis. Wells Fargo Securities performed a net asset value analysis of the Target Properties as of September 30, 2014 based on financial and other information for the Target Properties as of that date provided by representatives of Blackstone as adjusted by Hudson's management. An estimated aggregate net asset value

reference range for the Target Properties was calculated by taking into account, on an asset-by-asset basis, among other factors, the asset quality, tenant roster, portfolio location, current occupancy levels and lease maturity profiles of the Target Properties as evaluated by the Eastdil Secured group of Wells Fargo Securities. This analysis indicated the following approximate implied aggregate reference range for the Target Properties, as compared to the implied aggregate consideration:

Implied Aggregate	Implied Aggregate Consideration
Reference Range for Target Properties	
\$3,459,448,000 - \$3,647,343,000	\$3,538,084,000

Wells Fargo Securities noted that the approximate implied aggregate net asset value reference range for the Target Properties derived from this analysis implied a capitalization rate range based on the Target Properties' calendar year 2015 estimated normalized net operating income and price per square footage range for the Target Properties of approximately 5.5% to 5.3% and \$418 to \$440, respectively.

Discounted Cash Flow Analysis. Wells Fargo Securities performed a discounted cash flow analysis of the Target Properties to calculate a range of implied present values of the after-tax unlevered cash flows that the Target Properties were forecasted to generate during the fiscal years ending December 31, 2015 through December 31, 2024 utilizing internal financial forecasts and estimates prepared by representatives of Blackstone as adjusted by Hudson's management (including estimated costs to manage the Target Properties). Wells Fargo Securities derived implied terminal values by applying to the estimated forward-year net operating income (on a cash basis) of the Target Properties for the fiscal year ending December 31, 2025 a range of capitalization rates of 6.5% to 7.0%. Present values (as of December 31, 2014) of cash flows and terminal values were then calculated using a discount rate range of 7.25% to 8.25%. This analysis indicated the following approximate implied aggregate reference range for the Target Properties, as compared to the implied aggregate consideration:

Implied Aggregate	Implied Aggregate Consideration
Reference Range for Target Properties	
\$3,351,674,000 - \$3,795,865,000	\$3,538,084,000

Hudson Financial Analyses

Net Asset Value Analysis. Wells Fargo Securities performed a net asset value analysis of Hudson as of September 30, 2014 based on Hudson's balance sheet as of that date, other publicly available information disclosed in Hudson's public filings and other financial information provided by Hudson's management. An estimated aggregate net asset value reference range for Hudson's income-producing properties was calculated by taking into account, on an asset-by-asset basis, among other factors, the asset quality, tenant roster, portfolio location, current occupancy levels and lease maturity profiles of such properties as evaluated by the Eastdil Secured group of Wells Fargo Securities. For purposes of its net asset value analysis of Hudson, Wells Fargo Securities also took into account, based on Hudson's public filings and other information and data provided by Hudson's management, (i) the total estimated value of Hudson's non-operating real estate assets, including cash, cash equivalents and other assets, and (ii) the total estimated amount of Hudson's liabilities, including mortgage debt, unsecured debt and other liabilities and debt marked-to-market. An implied per share equity value reference range for Hudson was then calculated based on the implied aggregate net asset value reference range derived from such analysis divided by the total number of shares of Hudson common stock and common units in the Operating Partnership held by limited partners outstanding as of September 30, 2014 as disclosed in Hudson's public filings. This analysis indicated the following approximate implied per share equity value

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reference range for Hudson, as compared to the per share closing price of Hudson common stock on December 5, 2014:

Implied Per Share	Hudson Per Share Closing Price
Equity Value Reference Range for Hudson	on December 5, 2014
\$28.29 - \$30.67	\$28.17

Wells Fargo Securities noted that the approximate aggregate net asset value reference range derived for Hudson from this analysis implied a capitalization rate range based on the calendar year 2015 estimated normalized net operating income of Hudson's income-producing real estate assets and price per square footage for such real estate assets of approximately 5.4% to 5.1% and \$475 to \$499, respectively.

Dividend Discount Analysis. Wells Fargo Securities performed a dividend discount analysis of Hudson to calculate a range of implied present values of the distributable cash flows that Hudson was forecasted to generate during the fiscal years ending December 31, 2015 through December 31, 2018 utilizing internal financial forecasts and estimates of Hudson's management. Wells Fargo Securities derived implied terminal values by applying to Hudson's estimated forward-year funds from operations, referred to as FFO, for the fiscal year ending December 31, 2019 a range of terminal FFO multiples of 19.0x to 21.0x. Present values (as of December 31, 2014) of distributable cash flows and terminal values were then calculated by using a discount rate range of 8.5% to 10.5%. This analysis indicated the following approximate implied per share equity value reference range for Hudson, as compared to the per share closing price of Hudson common stock on December 5, 2014:

Implied Per Share	Hudson Per Share Closing Price on December 5, 2014
Equity Value Reference Range for Hudson	
\$21.59 - \$25.19	\$28.17

Selected Publicly Traded Companies Analysis. Wells Fargo Securities reviewed and compared financial and operating data relating to Hudson and the following seven selected REITs that Wells Fargo Securities deemed generally relevant for comparative purposes as publicly traded office REITs with high-quality assets in coastal gateway markets, referred to as the selected REITs:

Boston Properties Inc.

Douglas Emmett, Inc.

Empire State Realty Trust, Inc.

Kilroy Realty Corp.

Paramount Group Inc.

SL Green Realty Corp.

Vornado Realty Trust

Wells Fargo Securities reviewed equity values (including operating partnership units), based on closing stock prices on December 5, 2014, as multiples of, among other things, calendar year 2015 and calendar year 2016 estimated FFO per share and calendar year 2016 estimated FFO per share as adjusted for certain items, including primarily

straight-line rent revenues, above market and below market lease amortization, non-cash employee compensation and recurring capital expenditures, referred to as AFFO per share. Calendar year 2015 estimated AFFO was not utilized for comparative purposes given certain non-recurring tenant improvements and straight-line rent adjustments expected by Hudson during such calendar year. The overall low to high calendar year 2015 and calendar year 2016 estimated FFO per share multiples observed for the selected REITs were 17.0x to 24.4x (with a mean of 20.7x and a median of 20.5x) and 16.3x to 22.0x (with a mean of 19.2x and a median of 19.0x), respectively, and the overall low to high calendar year 2016 estimated AFFO per share multiples observed for the selected REITs were 20.7x to 29.6x (with a mean of 26.7x and a median of 28.1x). Wells Fargo Securities then applied selected ranges of calendar year 2015 and calendar year 2016 estimated FFO per share multiples of 19.0x to 21.0x and 18.0x to 20.0x, respectively, and a selected range of calendar year 2016 estimated AFFO per share multiples of 25.0x to 27.0x derived from the selected REITs to corresponding data of Hudson. Estimated financial data of the selected REITs were based on publicly available research analysts' consensus estimates, public filings and other publicly available information. Estimated financial data of Hudson was based on internal forecasts and estimates of Hudson's management. This analysis indicated the following approximate

implied per share equity value reference range for Hudson, as compared to the per share closing price of Hudson common stock on December 5, 2014:

Implied Per Share	Hudson Per Share Closing Price on December 5, 2014
Equity Value Reference Range for Hudson \$25.00 - \$29.00	\$28.17

Other Information. Wells Fargo Securities observed certain additional information that was not considered part of Wells Fargo Securities' financial analyses with respect to its opinion but was referenced for informational purposes, including the following:

publicly available Wall Street research analyst reports relating to Hudson, which indicated share price targets for Hudson common stock ranging from \$28.00 per share to \$32.00 per share;

historical trading prices of Hudson common stock, which indicated a volume-weighted average price for shares of Hudson common stock over the six-month and 12-month periods ended December 5, 2014 of approximately \$26.16 per share and \$24.09 per share, respectively; and

the potential pro forma financial impact of the transaction, based on internal forecasts and estimates of Hudson's management and internal financial forecasts and estimates prepared by representatives of Blackstone as adjusted by Hudson's management, on Hudson's calendar year 2015 and calendar year 2016 estimated FFO per share and AFFO per share after giving effect to the proposed financing for the transaction and certain dispositions, which indicated that the transaction could be accretive to Hudson's calendar year 2015 and calendar year 2016 estimated FFO per share and dilutive to Hudson's calendar year 2015 and accretive to Hudson's calendar year 2016 estimated AFFO per share. Actual results achieved by the combined company may vary from forecasted results and the variations may be material.

Other Matters

Wells Fargo Securities is the trade name for certain capital markets and investment banking services of Wells Fargo & Company and its subsidiaries, including Wells Fargo Securities, LLC. Wells Fargo Securities is an internationally recognized investment banking firm which is regularly engaged in providing financial advisory services in connection with mergers and acquisitions. Hudson selected Wells Fargo Securities as its financial advisor in connection with the transaction because of its qualifications, reputation and experience generally and particularly in the real estate industry and its familiarity with Hudson and its business. The issuance of Wells Fargo Securities' opinion was approved by an authorized committee of Wells Fargo Securities.

Hudson has agreed to pay Wells Fargo Securities for its financial advisory services in connection with the transaction an aggregate fee of \$11.2 million, of which a portion was payable upon delivery of its opinion and \$9.7 million is contingent upon consummation of the transaction. Wells Fargo Securities and certain of its affiliates also are participating in the financing for the transaction, including acting as administrative agent and joint lead arranger for the bridge financing for the transaction, for which services Wells Fargo Securities and such affiliates will receive compensation. Hudson also has agreed to reimburse certain of Wells Fargo Securities' expenses, including fees and disbursements of Wells Fargo Securities' counsel, and to indemnify Wells Fargo Securities and certain related parties against certain liabilities, including liabilities under the U.S. federal securities laws, that may arise out of Wells Fargo

Securities engagement.

Wells Fargo Securities and its affiliates provide a full range of investment banking and financial advisory, securities trading, brokerage and lending services in the ordinary course of business, for which Wells Fargo Securities and such affiliates receive customary fees and, given certain policies and procedures designed to preserve the independence of Wells Fargo Securities' research and credit analysts, the views of such analysts may differ from those reflected in Wells Fargo Securities' analyses and opinion. Wells Fargo Securities and its affiliates in the past have provided, currently are providing, and in the future may provide investment banking and other financial services to Hudson, Blackstone and their respective affiliates, for which Wells Fargo

Securities and its affiliates have received and expect to receive fees including, during the two-year period prior to the date of Wells Fargo Securities' opinion, having acted or currently acting as (i) syndication agent, co-documentation agent, joint bookrunner and/or joint lead arranger for, and as a lender under, certain credit facilities of Hudson and certain entities, according to publicly available information, in which Blackstone has an investment, a portion of the existing credit facilities of which may be repaid in connection with the transaction and in respect of which certain Seller Parties may be guarantors, (ii) managing underwriter and bookrunner for various common and preferred equity and debt offerings of Hudson and certain entities, according to publicly available information, in which Blackstone has an investment and (iii) financial advisor, agent and broker to Hudson and Blackstone for sales of real estate assets and loans, real estate debt financings, and other transactions. During the two-year period prior to the date of Wells Fargo Securities' opinion, Wells Fargo Securities and its affiliates received or expect to receive for such services aggregate fees of approximately \$12 million from Hudson and approximately \$142 million from Blackstone and certain entities, according to publicly available information, in which Blackstone has an investment. Wells Fargo Securities and certain of its affiliates have, and certain of Wells Fargo Securities' and such affiliates' respective employees may have, direct or indirect investments in investment funds which, according to publicly available information, are managed or advised by Blackstone. In the ordinary course of business, Wells Fargo Securities and its affiliates may actively trade, hold or otherwise effect transactions in the securities or financial instruments (including bank loans or other obligations) of Hudson, Blackstone and their respective affiliates for Wells Fargo Securities' and its affiliates' own account and for the accounts of customers and, accordingly, may at any time hold a long or short position in such securities or financial instruments.

Opinion of Houlihan Lokey Capital, Inc.

Hudson retained Houlihan Lokey to render an opinion to the Board (in its capacity as such) as to the fairness, from a financial point of view, to Hudson of the aggregate consideration to be paid by Hudson and the Operating Partnership for the Target Properties in the transaction pursuant to the Purchase Agreement. On December 6, 2014, Houlihan Lokey rendered its oral opinion to the Board (which was confirmed in writing by delivery of Houlihan Lokey's written opinion dated December 6, 2014) as to the fairness, from a financial point of view and as of such date, to Hudson of the aggregate consideration to be paid by Hudson and the Operating Partnership for the Target Properties in the transaction pursuant to the Purchase Agreement.

Houlihan Lokey's opinion was directed to the Board (in its capacity as such) and only addressed the fairness, from a financial point of view, to Hudson of the aggregate consideration to be paid by Hudson and the Operating Partnership for the Target Properties in the transaction pursuant to the Purchase Agreement and did not address any other aspect or implication of the transaction. The summary of Houlihan Lokey's opinion in this proxy statement is qualified in its entirety by reference to the full text of its written opinion, which is attached as Annex F to this proxy statement and sets forth the procedures followed, assumptions made, qualifications and limitations on the review undertaken and other matters considered by Houlihan Lokey in preparing its opinion. However, neither Houlihan Lokey's opinion nor the summary of its opinion and the related analyses set forth in this proxy statement is intended to be, and they do not constitute advice or a recommendation to the Board, Hudson, the Operating Partnership or any stockholder as to how to act or vote with respect to the transaction or related matters.

In arriving at its opinion, Houlihan Lokey, among other things:

reviewed the final execution version of the Purchase Agreement;

reviewed certain publicly available business and financial information relating to Hudson that Houlihan Lokey deemed to be relevant;

reviewed certain information relating to the Target Properties made available to Houlihan Lokey by Hudson, including financial projections prepared by representatives of Blackstone relating to the Target Properties for the fiscal years ending 2015 through 2024 as adjusted by Hudson's management;

reviewed certain information relating to the historical, current and future operations, financial condition and prospects of Hudson and the Operating Partnership made available to Houlihan Lokey by Hudson, including financial projections prepared by Hudson's management relating to Hudson and the Operating Partnership for the fiscal years ending 2015 through 2019 and estimates discussed with Hudson's management as to the value of the undeveloped land of Hudson and the Operating Partnership;

spoke with certain members of Hudson's management and certain representatives and advisors of Hudson regarding the Target Properties, the business, operations, financial condition and prospects of Hudson and the Operating Partnership, the transaction and related matters;

compared the financial and operating performance of Hudson and the Operating Partnership with that of other public companies that Houlihan Lokey deemed to be relevant;

reviewed the current and historical market prices and trading volume for Hudson common stock, and the current and historical market prices of the publicly traded securities of certain other companies that Houlihan Lokey deemed to be relevant; and

conducted such other financial studies, analyses and inquiries and considered such other information and factors as Houlihan Lokey deemed appropriate.

Houlihan Lokey relied upon and assumed, without independent verification, the accuracy and completeness of all data, material and other information furnished, or otherwise made available, to it, discussed with or reviewed by it, or publicly available, and did not assume any responsibility with respect to such data, material and other information. Houlihan Lokey was not provided with access to Blackstone or its advisors. Houlihan Lokey assumed that, had Houlihan Lokey been provided access to Blackstone and its advisors, any information received from such parties would not have materially affected or changed Houlihan Lokey's analyses or opinion. In addition, Hudson's management advised Houlihan Lokey, and Houlihan Lokey assumed, that the financial projections (as adjusted by such management in the case of the financial projections prepared by representatives of Blackstone relating to the Target Properties) and other estimates reviewed by Houlihan Lokey were reasonably prepared in good faith on bases reflecting the best currently available estimates and judgments of such management as to the future financial results and condition of the Target Properties, the future financial results and condition of Hudson and the Operating Partnership and the other matters covered thereby. Houlihan Lokey expressed no opinion with respect to the such projections and other estimates or the assumptions on which they were based. Houlihan Lokey relied upon and assumed, without independent verification, that there had been no change in the Target Properties or the business, assets, liabilities, financial condition, results of operations, cash flows or prospects of Hudson since the respective dates of the most recent financial statements and other information, financial or otherwise, provided to Houlihan Lokey that would have been material to its analyses or opinion, and that there was no information or any facts that would have made any of the information reviewed by Houlihan Lokey incomplete or misleading. Houlihan Lokey also relied, at Hudson's direction, upon the assessments of Hudson's management as to (i) the potential impact on the Target Properties and Hudson of certain trends and recent developments in, and prospects for, the commercial real estate market and related credit and financial markets and (ii) Hudson's ability to retain key tenants of the Target Properties and integrate the Target Properties with Hudson's existing business, and Houlihan Lokey assumed, at Hudson's direction, that there would be no developments with respect to any such matters that would be material in any respect to Houlihan Lokey's analyses or opinion. Houlihan Lokey's opinion was based on analyses of the Target Properties in their entirety as a portfolio and on analyses of Hudson and the Operating Partnership as a consolidated entity. At Hudson's direction, Hudson relied upon and assumed, without independent verification, that Hudson common stock and common units are economically equivalent.

Houlihan Lokey relied upon and assumed, without independent verification, that (i) the representations and warranties of all parties to the Purchase Agreement and all other related documents and instruments that are referred to therein were true and correct, (ii) each party to the Purchase Agreement and such other related documents and instruments would fully and timely perform all of the covenants and agreements required to be performed by such party, (iii) all conditions to the consummation of the transaction would be satisfied without waiver thereof, and (iv) the transaction would be consummated in a timely manner in accordance with the terms

described in the Purchase Agreement and such other related documents and instruments, without any amendments or modifications thereto. Houlihan Lokey also relied upon and assumed, without independent verification, that the transaction would qualify for the intended tax treatment described in the Purchase Agreement for U.S. federal income tax purposes. Houlihan Lokey relied upon and assumed, without independent verification, that (i) the transaction would be consummated in a manner that complies in all respects with all applicable federal and state statutes, rules and regulations, and (ii) all governmental, regulatory, and other consents and approvals (including, without limitation, ground lessor and tenant waivers, consents and estoppels) necessary for the consummation of the transaction or otherwise material to Houlihan Lokey's analyses or opinion would be obtained and that no delay, limitations, restrictions or conditions would be imposed or amendments, modifications or waivers made that would result in the disposition of any assets of Hudson or the Operating Partnership, or otherwise have an effect on the transaction, Hudson, the Operating Partnership, the Target Properties or any expected benefits of the transaction that would be material to Houlihan Lokey's analyses or opinion. Houlihan Lokey also relied upon and assumed, without independent verification, at Hudson's direction, that any adjustments to the aggregate consideration pursuant to the Purchase Agreement (including, without limitation, adjustments for prorations or the elimination (if any) of certain Target Properties from the Transaction) would not be material to Houlihan Lokey's analyses or opinion.

Furthermore, in connection with its opinion, Houlihan Lokey was not requested to make, and did not make, any physical inspection or independent appraisal or evaluation of any of the Target Properties or the assets, properties or liabilities (fixed, contingent, derivative, off-balance-sheet or otherwise) of Hudson, the Operating Partnership, the Seller Parties (with respect to the Target Properties or otherwise) or any other party, nor was Houlihan Lokey provided with any such appraisal or evaluation. Houlihan Lokey expressed no opinion as to the price at which any of the Target Properties might be transferable at any time. Houlihan Lokey did not estimate, and expressed no opinion regarding, the liquidation value of any entity or business. Houlihan Lokey undertook no independent analysis of any potential or actual litigation, regulatory action, possible unasserted claims or other contingent liabilities, to which Hudson, the Operating Partnership or any of the Target Properties was or may have been a party or was or may have been subject, or of any governmental investigation of any possible unasserted claims or other contingent liabilities to which Hudson, the Operating Partnership or any of the Target Properties was or may have been a party or was or may have been subject. Houlihan Lokey was advised by Hudson's management, and relied upon and assumed, without independent verification, that Hudson has operated in conformity with the requirements for qualification as a REIT for U.S. federal income tax purposes since its formation as a REIT, and also relied upon and assumed, without independent verification, that the transaction would not adversely affect the REIT status of Hudson.

Houlihan Lokey was not requested to, and did not, (i) initiate or participate in any discussions or negotiations with, or solicit any indications of interest from, third parties with respect to the transaction, the financing thereof, the Target Properties, the securities, assets, businesses or operations of Hudson, the Operating Partnership or any other party, or any alternatives to the transaction, (ii) negotiate the terms of the transaction, or (iii) advise the Board, Hudson, the Operating Partnership or any other party with respect to alternatives to the transaction. Houlihan Lokey's opinion was necessarily based on financial, economic, market and other conditions as in effect on, and the information made available to Houlihan Lokey as of, the date of the opinion. Houlihan Lokey did not undertake, and is under no obligation, to update, revise, reaffirm or withdraw its opinion, or otherwise comment on or consider events occurring or coming to Houlihan Lokey's attention after the date of the opinion. Houlihan Lokey did not express any opinion as to what the value of Hudson common stock, the common units or any other securities of Hudson or the Operating Partnership actually would be when issued pursuant to the transaction or the financing thereof or the price or range of prices at which Hudson common stock, the common units or any other securities of Hudson or the Operating Partnership may be purchased, sold or exchanged, or otherwise be transferable, at any time.

Houlihan Lokey's opinion was furnished for the use of the Board (in its capacity as such) in connection with its evaluation of the transaction and may not be used for any other purpose without Houlihan Lokey's prior written consent. Houlihan Lokey's opinion should not be construed as creating any fiduciary duty on Houlihan

Lokey's part to any party. Houlihan Lokey's opinion is not intended to be, and does not constitute, a recommendation to the Board, Hudson, the Operating Partnership, any security holder or any other party as to how to act or vote with respect to any matter relating to the transaction or otherwise.

Houlihan Lokey was not asked to, and did not, express any opinion with respect to any matter other than the fairness, from a financial point of view, to Hudson of the aggregate consideration to be paid by Hudson and the Operating Partnership for the Target Properties in the transaction pursuant to the Purchase Agreement from a financial point of view, without regard to the terms of the Stockholders Agreement, Registration Rights Agreement and Third Amended and Restated Limited Partnership Agreement of the Operating Partnership to be entered into in connection with the transaction or the individual circumstances following the transaction of the Seller Parties and their affiliates or any other security holders of Hudson or the Operating Partnership with respect to control, voting or other rights, aspects or relationships which may distinguish such holders. At the direction of the Board, Houlihan Lokey evaluated the foregoing as if the Target Properties would be directly acquired by Hudson in the transaction. Houlihan Lokey also expressed no opinion as to the form or structure of the aggregate consideration or the allocation of the aggregate consideration among cash, Hudson common stock or common units or among the Target Properties. Houlihan Lokey was not requested to opine as to, and its opinion did not express an opinion as to or otherwise address, among other things: (i) the underlying business decision of the Board, Hudson, the Operating Partnership, their respective security holders or any other party to proceed with or effect the transaction, (ii) the terms of any arrangements, understandings, agreements or documents related to, or the form, structure or any other portion or aspect of, the transaction (other than the aggregate consideration to be paid by Hudson and the Operating Partnership in the transaction to the extent expressly specified in the opinion) or otherwise, including, without limitation, any term or aspect of the stockholders agreement, Registration Rights Agreement and Third Amended and Restated Limited Partnership Agreement of the Operating Partnership to be entered into in connection with the transaction or any contracts to be assumed by the Operating Partnership in the transaction with respect to the Target Properties or any aspect of the financing for the transaction, (iii) the fairness of any portion or aspect of the transaction to the holders of any class of securities, creditors or other constituencies of Hudson or the Operating Partnership, or to any other party, except to Hudson if and only to the extent expressly set forth in the last sentence of Houlihan Lokey's opinion, (iv) the relative merits of the transaction as compared to any alternative business strategies or transactions that might have been available for Hudson, the Operating Partnership or any other party, (v) the fairness of any portion or aspect of the transaction to any one class or group of Hudson's, the Operating Partnership's or any other party's security holders or other constituents vis-à-vis any other class or group of Hudson's, the Operating Partnership's or such other party's security holders or other constituents (including, without limitation, the allocation of any consideration amongst or within such classes or groups of security holders or other constituents), (vi) whether or not Hudson, the Operating Partnership, the Seller Parties, their respective security holders or any other party is receiving or paying reasonably equivalent value in the transaction, (vii) the solvency, creditworthiness or fair value of Hudson, the Operating Partnership, any of the Seller Parties or any other participant in the transaction, or any of their respective assets (including any of the Target Properties), under any applicable laws relating to bankruptcy, insolvency, fraudulent conveyance or similar matters, (viii) the fairness, financial or otherwise, of the amount, nature or any other aspect of any compensation to or consideration payable to or received by any officers, directors or employees of any party to the transaction, any class of such persons or any other party, relative to the aggregate consideration to be paid by Hudson in the transaction or otherwise, (ix) the appropriate capital structure of Hudson and the Operating Partnership or whether Hudson and the Operating Partnership should be issuing shares of Hudson common stock and common units, respectively, or any other type of security in the transaction, or (x) the potential dilutive or other effects of the transaction on the existing security holders of Hudson and the Operating Partnership. Furthermore, no opinion, counsel or interpretation was intended in matters that require legal, regulatory, accounting, insurance, tax or other similar professional advice. Houlihan Lokey assumed that such opinions, counsel or interpretations had been or would be obtained from the appropriate professional sources. Furthermore, Houlihan Lokey relied, with the consent of the Board, on the assessments by Hudson and its advisors as to all legal, regulatory, accounting, insurance and tax matters with respect to the Target Properties, Hudson, the Operating Partnership, the Seller Parties and the transaction or otherwise.

In preparing its opinion to the Board, Houlihan Lokey performed a variety of analyses, including those described below. The summary of Houlihan Lokey's analyses described below is not a complete description of the analyses underlying Houlihan Lokey's opinion. The preparation of such opinions is a complex process involving various quantitative and qualitative judgments and determinations with respect to the financial, comparative and other analytical methods employed and the adaptation and application of these methods to the unique facts and circumstances presented. As a consequence, neither Houlihan Lokey's opinion nor its underlying analyses is readily susceptible to summary description. Houlihan Lokey arrived at its opinion based on the results of all analyses undertaken by it and assessed as a whole and did not draw, in isolation, conclusions from or with regard to any individual analysis, methodology or factor. Accordingly, Houlihan Lokey believes that its analyses and the following summary must be considered as a whole and that selecting portions of its analyses, methodologies and factors, without considering all analyses, methodologies and factors or the narrative description of the analyses, could create a misleading or incomplete view of the processes underlying Houlihan Lokey's analyses and opinion.

In performing its analyses, Houlihan Lokey considered general business, economic, industry and market conditions, financial and otherwise, and other matters as they existed on, and could be evaluated as of, the date of the opinion. Houlihan Lokey's analyses involved judgments and assumptions with regard to industry performance, general business, economic, regulatory, market and financial conditions and other matters, many of which are beyond the control of Hudson. An evaluation of the results of those analyses is not entirely mathematical. The estimates contained in the financial projections for the Target Properties and Hudson provided by Hudson's management and the implied reference range values indicated by Houlihan Lokey's financial analyses are not necessarily indicative of actual values or predictive of future results or values, which may be significantly more or less favorable than those suggested by the analyses. In addition, such analyses do not purport to be appraisals or to reflect the prices at which businesses or securities actually may be sold, which may depend on a variety of factors, many of which are beyond the control of Hudson. Much of the information used in, and accordingly the results of, Houlihan Lokey's analyses are inherently subject to substantial uncertainty.

Houlihan Lokey's opinion was only one of many factors considered by the Board in evaluating the proposed transaction. Neither Houlihan Lokey's opinion nor its analyses were determinative of the transaction consideration or of the views of the Board of Hudson or Hudson's management with respect to the transaction or the transaction consideration. The type and amount of consideration payable in the transaction were determined through negotiation between Hudson and Blackstone, and the decision to enter into the Purchase Agreement was solely that of the Board.

The following is a summary of the material analyses reviewed by Houlihan Lokey with the Board in connection with the rendering of Houlihan Lokey's opinion to the Board on December 6, 2014. The order of the analyses does not represent relative importance or weight given to those analyses by Houlihan Lokey. The analyses summarized below include information presented in tabular format. The tables alone do not constitute a complete description of the analyses. Considering the data in the tables below without considering the full narrative description of the analyses, as well as the methodologies underlying, and the assumptions, qualifications and limitations affecting, each analysis, could create an incomplete view of Houlihan Lokey's analyses.

For purposes of its analyses, Houlihan Lokey reviewed a number of financial metrics, including:

Equity Market Value generally the value of the relevant company's outstanding equity securities (taking into account its outstanding warrants and other convertible securities) based on the relevant company's closing stock price.

NOI net operating income.

Cash NOI generally net operating income, adjusted for certain non-cash items.

FFO funds from operations.

Unlevered Cash Flows.

Funds Available for Distribution.

Estimated financial data for the Target Properties were based on estimates prepared by representatives of Blackstone as adjusted and provided to Houlihan Lokey by Hudson's management and estimated financial data of Hudson were based on estimates prepared and provided to Houlihan Lokey by Hudson's management. For purposes of Houlihan Lokey's analyses and opinion, Houlihan Lokey utilized the implied value of the aggregate transaction consideration of \$3.53 billion based on the \$1.75 billion cash portion of the aggregate transaction consideration and the implied value of the equity portion of the aggregate transaction consideration based on the closing price of Hudson common stock on December 4, 2014.

Target Properties Analyses

Net Asset Value Analysis. Houlihan Lokey performed a net asset value analysis of the Target Properties on an asset-by-asset basis. For each of the Target Properties, Houlihan Lokey calculated the estimated net present value of the projected funds available for distribution from the fiscal years ending 2015 through 2024 using financial projections prepared by representatives of Blackstone as adjusted and provided to Houlihan Lokey by Hudson's management. With the exception of the six ground leased properties in Palo Alto, Houlihan Lokey also calculated the estimated present value of the implied terminal value for each Target Property derived by applying a selected capitalization rate to the applicable Target Property's fiscal year 2024 estimated Cash NOI.

With respect to the Target Properties located in Palo Alto, Houlihan Lokey applied discount rate ranges of 7.00% to 8.00% in the case of five properties, 6.75% to 7.75% in the case of two properties and 6.25% to 7.25% in the case of one property and a selected capitalization rate of 6.75% in the case of one property and 7.00% in case of one property. With respect to the Target Properties located in Redwood Shores, Houlihan Lokey applied discount rate ranges of 7.25% to 8.25% in the case of three properties and 7.50% to 8.50% in the case of two properties and a selected capitalization rate of 7.00% in the case of five properties. With respect to the Target Properties located in the San Francisco Peninsula, Houlihan Lokey applied discount rate ranges of 7.25% to 8.25% in the case of three properties, 7.50% to 8.50% in the case of one property and 7.00% to 8.00% in the case of one property and a selected capitalization rate of 7.00% in the case of four properties and 7.25% in the case of one property. With respect to the Target Properties located in the San Jose Airport area, Houlihan Lokey applied discount rate ranges of 6.75% to 7.75% in the case of two properties, 7.00% to 8.00% in the case of two properties and 7.25% to 8.25% in the case of one property and a selected capitalization rate of 6.75% in the case of five properties. With respect to the Target Properties located in Silicon Valley, Houlihan Lokey applied discount rate ranges of 7.50% to 8.50% in the case of one property, 7.75% to 8.75% in the case of one property and 8.75% to 9.75% in the case of one property and a selected capitalization rate of 7.00% in the case of one property, 7.50% in case of one property and 8.00% in case of one property. In the case of adjacent land, Houlihan Lokey applied selected ranges of price per square foot of land to the respective square footage of those properties.

Based on the property analyses described above, the net asset value analysis indicated an implied aggregate value reference range of approximately \$3.31 billion to \$3.62 billion as compared to the implied value of the aggregate transaction consideration of \$3.53 billion.

Discounted Cash Flow Analysis. Houlihan Lokey performed a discounted cash flow analysis of the Target Properties by calculating the estimated net present value of the projected unlevered cash flows from the fiscal years ending 2015 through 2024 using financial projections prepared by representatives of Blackstone as adjusted and provided to Houlihan Lokey by Hudson's management and also giving effect to estimated incremental general and administrative expenses provided by Hudson's management. Houlihan Lokey also calculated the estimated present value of implied terminal values for the Target Properties derived by applying a range of perpetuity growth rates of 3.25% to 3.75% to

the Target Properties fiscal year 2024 estimated unlevered cash flows. The present values of unlevered cash flows and terminal values were calculated using discount rates

ranging from 8.25% to 8.75%. In the case of adjacent land, Houlihan Lokey applied selected ranges of price per square foot of land to the respective square footage of those properties. The discounted cash flow analysis indicated an implied aggregate value reference range of approximately \$3.37 billion to \$4.02 billion as compared to the implied value of the aggregate transaction consideration of \$3.53 billion.

Hudson Analyses

Selected Companies Analysis. Houlihan Lokey reviewed certain data for selected companies, with publicly traded equity securities, that Houlihan Lokey deemed relevant.

The financial data reviewed included:

Equity market value as a multiple of calendar year 2014 estimated FFO.

Equity market value as a multiple of calendar year 2015 estimated FFO.

The selected companies and the resulting low, high, median and mean data for the selected companies were as follows:

Kilroy Realty Corp

Douglas Emmett Inc.

Boston Properties Inc.

	Equity Market Value/2014E FFO	Equity Market Value/2015E FFO
Low	18.0x	17.0x
High	25.0x	24.4x
Median	24.8x	22.5x
Mean	22.6x	21.3x

Taking into account the results of the selected companies analysis, Houlihan Lokey applied multiple ranges of 23.0x to 25.0x calendar year 2014 estimated FFO and 20.0x to 22.0x calendar year 2015 estimated FFO to corresponding estimated financial data of Hudson provided by Hudson's management. The selected companies analysis indicated implied per share value reference ranges of \$27.42 to \$29.77 per share of Hudson common stock based on the selected range of calendar year 2014 estimated FFO multiples and \$24.91 to \$27.36 per share of Hudson common stock based on the selected range of calendar year 2015 estimated FFO multiples, as compared to the closing price of Hudson common stock on December 4, 2014 of \$28.04.

Net Asset Value Analysis. Houlihan Lokey performed a net asset value analysis of Hudson. Houlihan Lokey calculated the estimated aggregate value of Hudson's income producing properties by applying a range of selected capitalization rates of 5.50% to 5.25% to Hudson's fiscal year 2015 estimated Cash NOI provided by Hudson's management. In the case of undeveloped land, Houlihan Lokey utilized estimated values discussed with Hudson's management. This

analysis also included adjustments for Hudson's non-controlling interests in the Pinnacle JV provided by Hudson's management. The net asset value analysis indicated an implied per share value reference range of \$26.29 to \$28.36 per share of Hudson common stock, as compared to the closing price of Hudson common stock on December 4, 2014 of \$28.04.

Discounted Cash Flow Analysis. Houlihan Lokey performed a discounted cash flow analysis of Hudson by calculating the estimated net present value of the projected funds available for distribution to Hudson from December 4, 2014 through the fiscal year ending 2019 using financial projections prepared by Hudson's management. Houlihan Lokey also calculated the estimated present value of implied terminal values for Hudson derived by applying a range of perpetuity growth rates of 3.25% to 3.75% to Hudson's fiscal year 2019 estimated funds available for distribution. The present values of funds available for distribution and terminal values were

calculated using discount rates ranging from 8.25% to 8.75%. The discounted cash flow analysis indicated an implied per share value reference range of \$21.16 to \$25.44 per share of Hudson common stock, as compared to the closing price of Hudson common stock on December 4, 2014 of \$28.04.

Other Matters

Houlihan Lokey was engaged by Hudson solely to render an opinion to the Board (in its capacity as such) regarding the fairness, from a financial point of view, to Hudson of the aggregate consideration to be paid by Hudson and the Operating Partnership for the Target Properties in the transaction pursuant to the Purchase Agreement. Hudson engaged Houlihan Lokey based on Houlihan Lokey's experience and reputation. Houlihan Lokey is regularly engaged to provide advisory services in connection with mergers and acquisitions, financings, and financial restructurings. Houlihan Lokey is entitled to a fee of \$750,000 for its services, a portion of which became payable upon the execution of Houlihan Lokey's engagement letter and the balance of which became payable upon the delivery of Houlihan Lokey's opinion, regardless of the conclusion reached therein. Hudson has also agreed to reimburse Houlihan Lokey for certain expenses and to indemnify Houlihan Lokey, its affiliates and certain related parties against certain potential liabilities and expenses, including certain liabilities under the federal securities laws arising out of or relating to Houlihan Lokey's engagement.

In the ordinary course of business, certain of Houlihan Lokey's employees and affiliates, as well as investment funds in which they may have financial interests or with which they may co-invest, may acquire, hold or sell, long or short positions, or trade, in debt, equity, and other securities and financial instruments (including loans and other obligations) of, or investments in, Hudson, the Operating Partnership, one or more affiliates of Blackstone or any other party that may be involved in the transaction and their respective affiliates or any currency or commodity that may be involved in the transaction.

Houlihan Lokey and/or its affiliates have in the past provided, and are currently providing, investment banking, financial advisory and other financial services to Blackstone or one or more security holders, affiliates and/or portfolio companies of investment funds affiliated or associated with Blackstone, which are collectively, with Blackstone, referred to as the Blackstone Entities, for which Houlihan Lokey and its affiliates have received, and may receive, compensation, including, among other things, (a) having provided certain portfolio valuation, investment banking and financial advisory services to the Blackstone Entities, (b) having acted as co-manager in connection with the initial public offering of Extended Stay America, which transaction closed in November 2013, (c) having acted co-manager in connection with a secondary offering of Extended Stay America, which transaction closed in August 2014, (d) having acted as financial advisor to Bluewater Thermal Solutions, a portfolio company of the Blackstone Entities, in connection with a sale of the company, which transaction closed in October 2012, and (e) having acted as financial advisor to Travelport, a portfolio company of the Blackstone Entities, in connection with its conversion of \$498 million of PIK Loans into newly issued common equity and subordinated notes, which transaction closed in 2013. Houlihan Lokey and its affiliates received aggregate fees from Blackstone of approximately \$3.2 million in connection with the transactions identified in the foregoing clauses (b) through (e). Houlihan Lokey and certain of its affiliates may provide investment banking, financial advisory and/or other financial services to Hudson, one or more of the Blackstone Entities, other participants in the transaction or certain of their respective affiliates or security holders in the future, for which Houlihan Lokey and its affiliates may receive compensation. In addition, Houlihan Lokey and certain of its affiliates and certain of our and their respective employees may have committed to invest in private equity or other investment funds managed or advised by Blackstone, other participants in the Transaction or certain of their respective affiliates, and in portfolio companies of such funds, and may have co-invested with one or more of the Blackstone Entities, other participants in the Transaction or certain of their respective affiliates or security holders, and may do so in the future. Furthermore, in connection with bankruptcies, restructurings, and similar matters, Houlihan Lokey and certain of its affiliates may have in the past acted, may currently be acting and may in the future act as financial advisor to debtors, creditors, equity holders, trustees, agents and other interested parties (including, without limitation, formal and informal committees or groups of creditors) that may have included or

represented and may include or represent, directly or indirectly, or may be or have been adverse

to, Hudson, one or more of the Blackstone Entities, other participants in the transaction or certain of their respective affiliates or security holders, for which advice and services Houlihan Lokey and its affiliates have received and may receive compensation.

Certain Prospective Financial Information Reviewed by Hudson

Hudson does not as a matter of course make public long-term projections as to future revenues, earnings or other results due to, among other reasons, the uncertainty of the underlying assumptions and estimates. However, Hudson is including in this proxy statement unaudited prospective financial information, which includes unaudited prospective financial information with respect to the Target Properties made available by the Seller Parties and adjusted by Hudson's management and with respect to Hudson as prepared by Hudson's management, that was made available to the Board in connection with the evaluation of the transaction. This information also was provided to Hudson's financial advisors. The inclusion of this information should not be regarded as an indication that any of the Seller Parties, Hudson, their respective financial advisors or any other recipient of this information considered, or now considers, it to be necessarily predictive of actual future results.

The unaudited prospective financial information was, in general, prepared solely for internal use and is subjective in many respects. As a result, the prospective results may not be realized and the actual results may be significantly higher or lower than estimated. Since the unaudited prospective financial information covers multiple years, that information by its nature becomes less predictive with each successive year. You are encouraged to review the risks and uncertainties described under the captions "Risk Factors Risk Factors Relating to the Transaction" and "Cautionary Statement Concerning Forward-Looking Statements" and the risks described in the periodic reports filed by Hudson with the SEC, which reports can be found as described under the caption "Where You Can Find More Information." The unaudited prospective financial information was not prepared with a view toward public disclosure, nor was it prepared with a view toward compliance with published guidelines of the SEC or the guidelines established by the American Institute of Certified Public Accountants for preparation and presentation of prospective financial information. In addition, the unaudited prospective financial information requires significant estimates and assumptions that make it inherently less comparable to the similarly titled GAAP measures in Hudson's historical GAAP financial statements. Neither Hudson's independent registered public accounting firm, nor any other independent auditors or accountants, have compiled, examined or performed any procedures with respect to the unaudited prospective financial information contained herein, nor have they expressed any opinion or any other form of assurance on the information or its achievability. The report of Hudson's independent registered public accounting firm contained in this proxy statement for the year ended December 31, 2013, relates to Hudson's historical financial information and it does not extend to the unaudited prospective financial information, nor does it extend to any financial information with respect to the Target Properties, and should not be read to do so. The report of Deloitte & Touche LLP, independent auditors, on the combined statement of revenues and certain expenses for the year ended December 31, 2013, which is attached as Annex G hereto, relates to the Target Properties' historical information and does not extend to the unaudited prospective information, and should not be read to do so. Furthermore, the unaudited prospective financial information does not take into account any circumstances or events occurring after the date it was prepared.

The table below presents selected unaudited prospective financial data for the fiscal years ending 2015 through 2024 for the Target Properties on a standalone basis, as provided by the Seller Parties and adjusted by Hudson's management. The unaudited prospective financial data in the table below has been prepared on a cash basis without taking into account any adjustments made in accordance with GAAP (including straight-line rents), and such data does not take into account any indebtedness that may be incurred with respect to the Target Properties, and therefore should not be relied upon as reflective of how Hudson will operate the Target Properties following the consummation of the transaction. For purposes of such unaudited prospective financial information presented in the table below, Cash NOI is calculated as cash revenues, less property operating expenses. In addition, for purposes of such unaudited financial information presented in the table below, Unlevered Cash Flows is calculated as Cash NOI less (i) estimated

incremental general & administrative expenses associated with

servicing the Target Properties, (ii) recurring capital expenditures, (iii) tenant improvements and (iv) leasing commissions.

Target Properties Prospective Financial Information (unaudited, non-GAAP, standalone)

	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
	(\$ in millions)									
Cash NOI	\$ 177.8	\$ 226.4	\$ 250.6	\$ 234.3	\$ 256.1	\$ 270.7	\$ 289.7	\$ 293.5	\$ 305.6	\$ 327.0
Unlevered Cash Flows	\$ 80.0	\$ 154.3	\$ 165.1	\$ 178.3	\$ 179.8	\$ 190.4	\$ 223.7	\$ 215.4	\$ 231.9	\$ 270.4

The following table presents selected unaudited prospective financial data for the fiscal years ending 2015 through 2019 for Hudson on a standalone basis as prepared by Hudson's management and which financial data assumes certain asset dispositions. The unaudited prospective financial data assumes the consummation of certain joint venture and asset sale transactions with resulting proceeds assumed to be used to repay existing indebtedness. Unlike the data provided in the table above, the unaudited prospective financial data in the table below has been presented on a GAAP basis. For purposes of such unaudited prospective financial information presented in the table below, NOI is calculated as GAAP revenues (including straight-line rents and other non-cash amounts), less property operating expenses. FFO, which is calculated consistent with the standards established by the National Association of Real Estate Investment Trusts, is calculated as NOI less (i) general & administrative expenses, (ii) interest expense, (iii) preferred dividends and (iv) FFO otherwise attributable to non-controlling interests. AFFO, as used in certain instances herein, is calculated as FFO less (i) non-cash rental revenue, (ii) recurring capital expenditures, (iii) tenant improvements and (iv) leasing commissions, plus (i) long-term incentive compensation and (ii) amortization of deferred financing costs. Funds Available for Distribution, as used in certain instances herein, is calculated as FFO less (i) recurring capital expenditures, (ii) tenant improvements, (iii) leasing commissions, (iv) non-cash rental revenues, (v) straight-line ground lease expense, (vi) interest expense and (vii) certain other non-recurring items.

Hudson Prospective Financial Information (unaudited, standalone)

	2015	2016	2017	2018	2019
	(\$ in millions)				
Net Operating Income (NOI)	\$ 169.3	\$ 185.9	\$ 186.2	\$ 193.8	\$ 203.1
Funds From Operations (FFO)	\$ 85.0	\$ 97.9	\$ 93.0	\$ 99.2	\$ 103.3
Adjusted Funds From Operations (AFFO)	\$ 34.9	\$ 79.5	\$ 80.0	\$ 94.3	\$ 106.0
Funds Available for Distribution (FAD)	\$ 26.9	\$ 69.5 ⁽¹⁾	\$ 68.0	\$ 80.3	\$ 90.0

(1) For purposes of Houlihan Lokey's financial analyses performed in connection with its opinion, fiscal year 2016 estimated FAD was adjusted to \$98.0 to reflect the proceeds from the repayment of certain indebtedness.

The assumptions of Hudson's management made in preparing the above unaudited prospective financial information may not reflect actual future conditions. The estimates and assumptions underlying the unaudited prospective financial information involve judgments with respect to, among other things, future economic, competitive, regulatory and financial market conditions and future business decisions which may not be realized and that are inherently subject to significant business, economic, competitive and regulatory uncertainties and contingencies, including, among others, risks and uncertainties described under "Risk Factors - Risk Factors Relating to the Transaction" beginning on page 17 and "Cautionary Statement Concerning Forward-Looking Statements" beginning on page 24 and the risks described in the periodic reports filed by Hudson with the SEC, which reports can be found as described under the caption "Where

You Can Find More Information; Incorporation by Reference, beginning on page 119, all of which are difficult to predict and many of which are beyond the control of Hudson. The underlying assumptions and projected results may not be realized, and actual

results likely will differ, and may differ materially, from those reflected in the unaudited prospective financial information described above, whether or not the transaction is completed.

In addition, although presented with numerical specificity, the above unaudited prospective financial information with respect to the Target Properties and Hudson reflects numerous assumptions and estimates as to future events made by Hudson's management that Hudson's management believes were reasonably prepared. The above unaudited prospective financial information does not give effect to the transaction. Hudson stockholders are urged to review the description of Hudson's reported and anticipated results of operations and financial condition and capital resources during 2014, including Hudson's Management's Discussion and Analysis of Financial Condition and Results of Operations and Hudson's historical consolidated financial statements and the notes thereto as set forth in Hudson's Quarterly Reports on Forms 10-Q for the quarters ended March 31, 2014, June 30, 2014 and September 30, 2014, which reports can be found as described under the caption "Where You Can Find More Information; Incorporation by Reference" beginning on page 119.

Readers of this proxy statement are cautioned not to place undue reliance on the unaudited prospective financial information set forth above. No representation is made by Hudson or any other person to any Hudson stockholder regarding the ultimate performance of Hudson or the Target Properties compared to the information included in the above unaudited prospective financial information. The inclusion of unaudited prospective financial information in this proxy statement should not be regarded as an indication that the prospective financial information will be necessarily predictive of actual future events, and such information should not be relied on as such.

HUDSON DOES NOT INTEND TO UPDATE OR OTHERWISE REVISE THE ABOVE UNAUDITED PROSPECTIVE FINANCIAL INFORMATION TO REFLECT CIRCUMSTANCES EXISTING AFTER THE DATE WHEN MADE OR TO REFLECT THE OCCURRENCE OF FUTURE EVENTS, EVEN IN THE EVENT THAT ANY OR ALL OF THE ASSUMPTIONS UNDERLYING THE PROSPECTIVE FINANCIAL INFORMATION ARE NO LONGER APPROPRIATE, EXCEPT AS MAY BE REQUIRED BY LAW.

Financing of the Transaction

Hudson is pursuing a number of financing options, and anticipates that the funds needed to complete the transaction will be derived from a combination of (i) available cash on hand of Hudson and/or the Operating Partnership, (ii) proceeds from the sale of equity interests in, or assets of, certain wholly or partially owned subsidiaries, (iii) the issuance and sale of Hudson common and/or preferred stock and/or limited partnership interests in the Operating Partnership and (iv) debt financing, which may include, without limitation, some combination of the following: (a) a senior unsecured bridge loan facility, (b) the issuance of senior unsecured notes or other debt securities, (c) borrowings under the Operating Partnership's existing corporate credit facility (the "Existing Credit Facility") and/or an upsizing thereof, including pursuant to the incremental feature thereof and/or (d) other commercial or institutional bank loans. At or prior to the consummation of the transaction, Hudson expects to enter into definitive documentation for the debt financing. Hudson's obligation to consummate the transaction is not conditioned on Hudson obtaining any financing for the transaction.

Bridge Facility Commitment Letter

Contemporaneously with the execution of the Purchase Agreement, Hudson obtained a debt financing commitment for the transaction, the aggregate proceeds of which will be used by Hudson to pay a portion or all of the Cash Consideration under the Purchase Agreement and to pay related fees and expenses.

Wells Fargo Bank, N.A., Wells Fargo Securities, LLC, Bank of America, N.A., Merrill Lynch, Pierce, Fenner & Smith Incorporated, Goldman Sachs Bank USA (collectively, the "Bridge Commitment Parties") have committed to provide a 364-day bridge term loan of up to \$1.75 billion (the "Bridge Loan") to the Operating Partnership on the terms

and conditions set forth in a commitment letter (the Bridge Commitment Letter) dated

December 6, 2014. Wells Fargo Bank, N.A., Bank of America, N.A., and Goldman Sachs Bank USA (collectively, the Bridge Lenders) have committed to fund the principal amount of the Bridge Loan as follows: Wells Fargo Bank, N.A., 50%; Goldman Sachs Bank USA, 25%; Bank of America, N.A., 25%. The funding of the Bridge Loan is not a condition to Hudson's or the Operating Partnership's obligations under the Purchase Agreement.

Subject to satisfaction of the conditions precedent set forth in the Bridge Commitment Letter, Hudson will have the option to draw on the Bridge Loan to fund all or a portion of the Cash Consideration at the closing of the transaction. The amount drawn will depend on a number of factors, including whether Hudson issues senior unsecured notes or other debt securities at or prior to the closing of the transaction. Once drawn, amounts outstanding under the Bridge Loan will mature on the date that is 364 days following the closing date. The interest rate payable on amounts outstanding under the Bridge Loan will be equal to LIBOR plus an applicable margin based on Hudson's total liabilities to total asset value as each are defined in the Existing Credit Facility or, at the election of Hudson, Hudson's credit rating. In addition, an increasing duration fee will be payable on the 90th, 180th and 270th days following the consummation of the transaction on the outstanding principal amount, if any, under the Bridge Loan. The Bridge Loan will not amortize and any amounts outstanding will be repaid in full on the maturity date. The Bridge Loan will be subject to certain customary mandatory prepayment provisions (and, prior to closing, certain mandatory commitment reductions), including in connection with certain equity and debt issuances by the Operating Partnership and/or Hudson, as well as in connection with certain asset sales.

The Bridge Loan is expected to contain events of default, representations and warranties and covenants that are substantially identical to those contained in the Existing Credit Facility (subject to certain exceptions set forth in the Bridge Commitment Letter).

The obligations of the Bridge Commitment Parties to provide financing under the Bridge Commitment Letter are subject to certain conditions, including, without limitation, (i) the negotiation, execution and delivery of definitive loan documentation for the Bridge Loan consistent with the Bridge Commitment Letter and otherwise reasonably satisfactory to the Bridge Commitment Parties, (ii) a condition that there has not been a Target Property Material Adverse Effect (as defined in the Bridge Commitment Letter), (iii) the consummation of the transaction in accordance with the Purchase Agreement (without giving effect to any amendments to the Purchase Agreement or any waivers thereof that are materially adverse to the Bridge Commitment Parties unless consented to by the Bridge Commitment Parties) concurrently with the funding of the Bridge Loan, (iv) the payment of applicable costs, fees and expenses and (v) the delivery of certain customary closing documents (including, among other things, opinions from legal counsel).

Each Bridge Commitment Party's commitments with respect to the Bridge Loan, and each Bridge Commitment Party's agreements to perform the services described in the Bridge Commitment Letter, will automatically terminate on the earliest of (i) the consummation of the transaction (with or without the use of the Bridge Loan), (ii) the termination of the Purchase Agreement, (iii) the Outside Date (as defined in the Purchase Agreement) and (iv) 5:00 p.m. (New York time) on July 4, 2015.

The definitive documentation governing the Bridge Loan has not been finalized and, accordingly, the actual terms of the Bridge Loan may differ from those described in this proxy statement. Although the Bridge Loan is not subject to due diligence or market out conditions, such financing may not be considered assured. The obligations of the Bridge Commitment Parties to provide the Bridge Loan are subject to a number of conditions (including certain conditions that do not relate directly to the Purchase Agreement). There is a risk that these conditions will not be satisfied and the Bridge Loan may not be available when required.

Existing Facility Consent and Backstop Facility Commitment Letter

The Existing Credit Facility contains various customary covenants, some of which would not permit Hudson to consummate the transaction and the financing thereof as contemplated by the Bridge Commitment Letter. The Operating Partnership has obtained consent from its existing lenders to waive any such prohibitions (the Existing Credit Facility Consent).

Contemporaneously with the execution of the Purchase Agreement, Hudson obtained a backstop debt financing commitment to refinance the Existing Credit Facility in the event that the lenders under the Existing Credit Facility did not provide the Existing Credit Facility Consent. Now that the Existing Credit Facility Consent has been obtained, the backstop debt financing commitment is no longer necessary and thus has been terminated.

Use and Upsizing of Existing Credit Facility

Hudson may finance a portion of the Cash Consideration through borrowings under the Existing Credit Facility and/or an upsizing thereof, including pursuant to the incremental feature thereof.

Borrowings under the Existing Credit Facility are subject to customary conditions and covenants, including (i) the bring-down of the Operating Partnership's representations and warranties, (ii) no default or event of default existing (or would exist immediately after giving effect to such borrowing) as of the date of the making of such borrowing and (iii) the administrative agent under the Existing Credit Facility receiving a timely notice of borrowing from the Operating Partnership. The Existing Credit Facility contains various customary covenants, including financial maintenance covenants with respect to the (a) ratio of total liabilities to total asset value, (b) ratio of unsecured indebtedness to unencumbered asset value, (c) ratio of adjusted EBITDA to fixed charges, (d) ratio of secured indebtedness to total asset value, (e) ratio of unencumbered net operating income to unsecured interest expense and (f) ratio of recourse indebtedness to total asset value. Any failure to comply with these financial maintenance covenants would constitute a default under the Existing Credit Facility, and would prevent further borrowings thereunder. Based on its financial results as of September 30, 2014, and after giving pro forma effect to the transaction, Hudson believes that it will be in compliance with these financial maintenance covenants following the consummation of the transaction.

Hudson is also exploring the upsizing of its Existing Credit Facility through an amendment. Any such amendment would be subject to the consent of the lenders under the Existing Credit Facility.

Existing Indebtedness

As of December 31, 2014, Hudson had indebtedness with a principal amount equal to approximately \$957 million.

Regulatory Approvals to Be Obtained in Connection with the Transaction

Hudson does not believe that it is required to obtain any U.S. federal or state regulatory approvals to complete the transaction contemplated by the Purchase Agreement. In the United States, we must comply with applicable federal and state securities laws and the NYSE's listing rules in connection with Hudson's Equity Issuance.

Accounting Treatment of the Transaction

The acquisition is expected to be accounted for using the acquisition method as required in Accounting Standards Codification 805, Business Combinations. Under acquisition accounting, the assets acquired and liabilities assumed as a result of the transaction will be recorded as of the acquisition date, at their respective fair

values. Any excess of purchase price over the fair values will be recorded as goodwill. Hudson, with the assistance of independent valuation professionals, has calculated preliminary fair values of certain intangible assets; however the allocation is based upon a valuation that has not yet been finalized.

Material United States Federal Income Tax Consequences to Existing Hudson Stockholders

The existing Hudson stockholders will not be subject to any material United States federal income tax consequences solely as a result of the acquisition of the Target Properties or the Equity Issuance.

Federal Securities Laws Consequences

In connection with the acquisition of the Target Properties, Hudson will issue to the Seller Parties (or their designated affiliates) a number of shares of Hudson common stock equal to 9.8% (rounded down to the nearest whole share) of the total issued and outstanding shares of Hudson common stock (excluding any restricted shares of Hudson common stock then issued and outstanding, but for purposes of such calculation, after giving effect to the issuance of the common stock pursuant to the transaction) as of the close of business two business days immediately prior to the date of the consummation of the transaction. None of these shares will be registered under the Securities Act of 1933. It is intended that such shares will be issued pursuant to a private placement exemption under Section 4(a)(2) of the Securities Act or other available exemptions, and they will only be able to be resold pursuant to a separate registration statement or an applicable exemption from registration (under both federal and state securities laws). The shares that will be received will be subject to contractual restrictions, as more fully described under *The Transaction Documents* *The Stockholders Agreement* *Transfer Restrictions*. The Seller Parties (or their designated affiliates) receiving shares of Hudson's common stock in the transaction will be entitled to registration rights under the terms of the Registration Rights Agreement, as more fully described under *The Transaction Documents* *The Registration Rights Agreement*.

New York Stock Exchange Listing

It is a condition to the consummation of the acquisition of the Target Properties that the shares of Hudson common stock to be issued in the transaction be approved for listing on the New York Stock Exchange, subject to official notice of issuance. Shares of Hudson common stock will continue to be traded on the New York Stock Exchange under the symbol *HPP* immediately following the completion of the transaction.

Appraisal Rights

Holders of Hudson common stock do not have dissenters or appraisal rights under Maryland law in connection with the acquisition of the Target Properties, the Equity Issuance or the other transactions contemplated by the Purchase Agreement.

Interests of Certain Persons in the Transaction

In connection with the transaction, none of Hudson's directors or officers will receive any transaction bonuses, none of their existing equity awards will vest or become payable on an accelerated basis, and no Hudson director or officer has any change of control arrangement under an employment agreement or any pension or other benefit plan that would entitle such director or officer to additional compensation or other benefits following completion of the transaction. In considering the recommendation of the Board to vote **FOR** the approval of the Equity Issuance proposal, Hudson stockholders should be aware that certain members of the Board have interests in the transaction that may be in addition to, or different from, the interests of Hudson stockholders generally. These interests may create the appearance of a conflict of interest. The Board was aware of these potential conflicts of interest during its deliberations on the merits of the transaction and in making its decisions in approving the Purchase Agreement and the

transaction. Each of the current members of the Board

will continue as a director following the completion of the transaction, and will hold office from and after the completion of the transaction until the end of each such director's term and until their successor is duly elected and qualified or until their death, resignation or removal.

Richard B. Fried, a director, is a managing member (with the power to exercise investment discretion) of Farallon Partners, L.L.C., the general partner of each of the Farallon Funds. Concurrently with the execution of the Purchase Agreement, on December 6, 2014, the Farallon Funds entered into the Voting Agreement with the Seller Parties, pursuant to which each of the Farallon Funds has agreed that, until the termination of the Voting Agreement, it will vote in favor of the transaction and against any potential competing transaction or any action that could reasonably be expected to adversely affect the transaction. Each of the Farallon Funds further agreed that until the earlier of the termination of the Voting Agreement and April 1, 2015, it will not transfer any shares of our common stock or common units of limited partnership interest in the Operating Partnership or any interests therein, subject to certain exceptions. In addition, until the termination of the Voting Agreement the Farallon Funds have agreed not to solicit competing transactions. The Voting Agreement will terminate upon, among other things, the closing of the transactions contemplated by the Purchase Agreement, a change in our Board's recommendations with respect to the approval of the Proposals and 11:59 p.m. New York time on July 3, 2015. Please see the The Transaction Documents The Voting Agreement beginning on page 86 for a description of the Voting Agreement.

Designated Board Nominees

The Stockholders Agreement provides that upon the consummation of the transaction the size of the Board will be increased by three directors and that the recipients of the Equity Consideration have the right to designate up to three nominees for election to the Board, subject to certain conditions and limitations. The Seller Parties have informed us that they intend to designate John Schreiber, Michael Nash and Frank Cohen as their initial designees, and, subject to meeting certain requirements, these designees will be elected as new members of the Board upon the consummation of the transaction, as more fully described under The Transaction Documents The Stockholders Agreement. Set forth below are the biographies which include the skills, qualities and experiences of each of the three individuals intended to be designated by the Seller Parties for appointment to the Board upon consummation of the transaction.

Name	Age	Biography
John Schreiber	68	Mr. Schreiber is the President of Centaur Capital Partners, Inc. and a Partner and Co-Founder of Blackstone Real Estate Advisors (BREA). As Co-Chairman of the BREA Investment Committee, Mr. Schreiber has overseen all Blackstone real estate investments since 1992. During the past 22 years, Blackstone has invested over \$50 billion of equity in a wide variety of real estate transactions. Previously, Mr. Schreiber served as Chairman and CEO of JMB Urban Development Co. and Executive Vice President of JMB Realty Corp. During his 20-year career at JMB, Mr. Schreiber was responsible for over \$10 billion of firm and client real estate investments and had overall responsibility for the firm's shopping center development activities. Mr. Schreiber is a past board member of Urban Shopping Centers, Inc., Host Hotels & Resorts, Inc., The Rouse Company, AMLI Residential Properties Trust and General Growth Properties and currently serves on the boards of JMB Realty Corp., Brixmor Property Group Inc., Blackstone Mortgage Trust Inc. and Hilton Worldwide Holdings Inc., and is a Director/Trustee to the mutual funds managed by T. Rowe Price Associates and a Trustee of Loyola University of Chicago. Mr. Schreiber graduated from Loyola University of Chicago and received an M.B.A. from Harvard Business School.

Name	Age	Biography
Michael Nash	53	Mr. Nash is a Senior Managing Director of Blackstone, and the Chief Investment Officer of Blackstone Real Estate Debt Strategies. He is also a member of the real estate investment committee for both Blackstone Real Estate Debt Strategies and Blackstone Real Estate Advisors. Mr. Nash has also served as a trustee of three registered investment companies in the Blackstone real estate portfolio since October 2013. Mr. Nash is the Executive Chairman of the Board of Directors of Blackstone Mortgage Trust, Inc. and is also a member of the Board of Directors of La Quinta Holdings Inc. Before joining Blackstone in 2007, Mr. Nash was with Merrill Lynch from 1997 to 2007 where he led the firm's Real Estate Principal Investment Group Americas. Mr. Nash graduated from State University of New York at Albany and received an M.B.A. from the Stern School of Business at New York University.
Frank Cohen	42	Mr. Cohen is a Senior Managing Director of Blackstone. Mr. Cohen co-oversees U.S. real estate acquisitions and is a member of the real estate investment committee for Blackstone Real Estate Advisors. Since joining Blackstone in 1996, Mr. Cohen has been involved in over \$60 billion of real estate investments across all property types. Mr. Cohen has played a key role in many of Blackstone's notable investments, including the public to private acquisitions of Equity Office Properties Trust, CarrAmerica Realty Corporation and Trizec Properties, and was also responsible for the formation of IndCor and its industrial investment strategy. Mr. Cohen serves as a director for several Blackstone portfolio companies, including Equity Office Properties and IndCor Properties. Mr. Cohen is active in several real estate industry organizations, including as a Trustee of the Urban Land Institute and the Kellogg Real Estate Advisory Board and the WCAS Board of Visitors, both at Northwestern University. Mr. Cohen received a B.A. from Northwestern University.

THE TRANSACTION DOCUMENTS

The following is a summary of the material terms of the Purchase Agreement and the other transaction documents contemplated thereby. This summary does not purport to describe all of the terms of the Purchase Agreement and the other transaction documents contemplated thereby, and the Purchase Agreement, the form of Stockholders Agreement, the form of Registration Rights Agreement, and the form of Third Amended and Restated Limited Partnership Agreement are each attached to this proxy statement as Annexes A-D to this proxy statement and are incorporated by reference in this proxy statement. All stockholders of Hudson are urged to read the Purchase Agreement carefully and in its entirety.

The Purchase Agreement is being summarized in this proxy statement and has been included as an annex to this proxy statement to provide you with information regarding its terms. The Purchase Agreement is not intended to provide you with any factual, financial or other information about Hudson or its affiliates, the Seller Parties or their affiliates or the Target Properties. The Purchase Agreement contains representations and warranties that the parties thereto made to each other as of specific dates. The assertions embodied in those representations and warranties were made solely for purposes of the Purchase Agreement and the transactions and agreements contemplated thereby among the respective parties thereto and may be subject to important qualifications and limitations agreed to by the Buyer Parties and the Seller Parties in connection with negotiating the terms thereof, including being qualified by information regarding Hudson filed with the SEC on or after January 1, 2013. Moreover, some of those representations and warranties may not be accurate or complete as of any specified date, may be subject to a contractual standard of materiality different from those generally applicable to stockholders or may have been used for the purpose of allocating risk among the parties to the Purchase Agreement rather than establishing matters as facts. You should not rely on the representations, warranties and covenants or any descriptions thereof as characterizations of the actual state of facts or conditions of Hudson or its affiliates. Hudson will provide additional disclosure in its public reports to the extent that it is aware of the existence of any material facts that are required to be disclosed under federal securities laws and that might otherwise contradict the representations and warranties contained in the Purchase Agreement and will update such disclosure as required by federal securities laws.

The Purchase Agreement

General

Pursuant to the Purchase Agreement, the Buyer Parties have agreed to acquire the owned and ground leased real property assets set forth on Exhibits A-1 and A-2 thereto (together with all improvements thereto and certain other related assets, the Target Properties and also refer to in certain instances herein, collectively, as the Target Portfolio) from the Seller Parties in exchange for a combination of cash and equity consideration described below. As set forth in the Purchase Agreement, certain assets and liabilities relating to the Target Properties have been expressly excluded from the transaction.

Consideration

The consideration to be delivered by the Buyer Parties to the Seller Parties for the Target Properties at the closing of the transaction (the closing) consists of the following cash and equity consideration (each subject to adjustment as described below):

Cash Consideration. At the closing, the Operating Partnership will deliver to the Seller Parties cash in an aggregate amount equal to \$1.75 billion (the Cash Consideration).

Equity Consideration. At the closing, the Buyer Parties will deliver to the Seller Parties (or their designated affiliates) an aggregate amount of up to 63,474,791 newly-issued shares of Hudson common stock and newly-issued common units in the Operating Partnership (collectively, the Equity Consideration). The portion of Equity Consideration consisting of common stock will represent 9.8%

(rounded down to the nearest whole share) of the outstanding common stock of Hudson (excluding restricted shares of common stock), calculated as of the close of business on the second business day immediately prior to the date of the closing, but after giving effect to the issuance of such common stock, and the number of common units issued in the transaction will be in an amount equal to 63,474,791, less the number of shares of common stock issued in the transaction.

Adjustments to the Consideration

Certain ground leased Target Properties may be eliminated from, and not included in the transaction (an Eliminated Target Property), (i) if a ground lessor (A) exercises certain rights of first refusal (or refuses to waive such rights) or (B) fails to deliver certain consents or (ii) if the Seller Parties do not obtain certain ground lease estoppels. As of January 16, 2015, all ground lessors with rights of first refusal have waived such rights and the parties continue to seek the delivery of the applicable consents and estoppels.

If any Target Property becomes an Eliminated Target Property, then the Cash Consideration and the number of common units to be issued will be reduced based upon an allocated value for such Eliminated Target Property that was agreed upon by the parties at the time of the Purchase Agreement.

In addition, the Cash Consideration will be adjusted to reflect customary prorations.

Representations and Warranties

The Purchase Agreement contains various customary representations and warranties made by each of the Buyer Parties and the Seller Parties, as of a specified date.

The representations and warranties made by the Buyer Parties relate to, among other things:

organization, valid existence, qualification to conduct business and subsidiaries;

capitalization;

due authorization, execution, delivery and enforceability of the Purchase Agreement and related transaction documents, and valid issuance of securities;

the approval of the Purchase Agreement by the Board;

consents and approvals required as a result of the Purchase Agreement and the transaction;

absence of certain organizational, regulatory and contractual conflicts with respect to the Purchase Agreement and the transactions contemplated thereby;

SEC filings, financial statements, internal controls, and financial information provided to governmental agencies;

absence of certain changes related to Hudson, its subsidiaries and their respective businesses since January 1, 2014;

absence of undisclosed liabilities;

absence of legal proceedings or government investigations;

employee benefit plans and compensation arrangements;

labor and other employment matters;

tax matters, including qualification as a REIT;

material contracts;

inapplicability of requirement to register as an investment company under the Investment Company Act of 1940;

environmental matters;

compliance with law and permits;

intellectual property;

real property and personal property;

accuracy of information in this proxy statement;

receipt of opinions from Hudson's financial advisors;

insurance;

related party transactions;

bridge financing commitment and availability of funds to consummate the transaction;

status of Equity Consideration, including due authorization (subject to the required stockholder approval) and valid issuance (as of closing);

solvency;

inapplicability of anti-takeover statutes;

investment banking and broker fees; and

compliance with OFAC, the Patriot Act and anti-money laundering laws.

The representations and warranties made by the Seller Parties relate to, among other things:

organization, valid existence and qualification to conduct business;

due authorization, execution, delivery and enforceability of the Purchase Agreement and related transaction documents;

consents and approvals required as a result of the Purchase Agreement and the transaction;

absence of certain organizational, regulatory and contractual conflicts with respect to the Purchase Agreement and the transactions contemplated thereby;

acknowledgement of various securities laws matters;

financial statements relating to the Target Properties;

leases, leasing costs and security deposits relating to the real property included in the Target Properties;

absence of legal proceedings or government investigations;

compliance with laws and permits;

certain contracts;

environmental matters;

title to the Target Properties and absence of rights of first refusal;

condition of the Target Properties;

development bonds, letters of credit or other collateral to which the Target Properties are subject;

absence of bankruptcy;

employee benefit plans and compensation arrangements;

labor and other employment matters;

compliance with OFAC, the Patriot Act and anti-money laundering laws;

accuracy of information to be provided to Hudson for inclusion in this proxy statement; and

investment banking and broker fees.

Many of the representations and warranties in the Purchase Agreement are qualified by a material adverse effect standard. For purposes of the Purchase Agreement, material adverse effect means, with respect to the Buyer Parties, on the one hand, or the Target Properties, on the other hand, as the case may be, any change, effect, development, circumstance, condition, state of facts, event or occurrence that, individually or in the aggregate, has had, or would reasonably be expected to have, a material adverse effect:

in the case of the Buyer Parties, on the condition (financial or otherwise), business, properties, assets, liabilities or results of operations of Hudson and its subsidiaries, taken as a whole; or

in the case of the Target Properties, on the Target Properties, taken as a whole.

To the extent applicable, any such change, effect, development, circumstance, condition, state of facts, event or occurrence having the results described in the preceding sentence that results from any of the following shall not be considered when determining whether a material adverse effect has occurred:

with respect to the Target Properties, any Target Property becoming an Eliminated Target Property pursuant to the terms of the Purchase Agreement;

any changes in general United States or global political, regulatory or economic conditions, or the capital, financial or securities markets, including changes in interest rates, to the extent that such changes, effects, developments, circumstances, conditions, states of fact, events or occurrences do not disproportionately have a greater adverse impact on Hudson and its subsidiaries, taken as a whole, or the Seller Parties, taken as a whole, as applicable, relative to other similarly situated participants in the industries in which Hudson and its subsidiaries, or the Seller Parties, as applicable, operate generally;

any changes generally affecting the industries or markets in which Hudson and its subsidiaries, or the Seller Parties, as applicable, operate to the extent that such changes do not disproportionately have a greater adverse impact on Hudson and its subsidiaries, taken as a whole, or the Seller Parties, taken as a whole, as applicable, relative to other similarly situated participants in the industries in which Hudson and its subsidiaries, or the Seller Parties, as applicable, operate generally;

any changes after the date of the Purchase Agreement in GAAP (or any interpretation thereof in accordance with the Financial Accounting Standards Board Statements of Financial Accounting Standards and

Interpretations) to the extent that such changes do not disproportionately have a greater adverse impact on Hudson and its subsidiaries, taken as a whole, or the Seller Parties, taken as a whole, as applicable, relative to other similarly situated participants in the industries in which Hudson and its subsidiaries, or the Seller Parties, as applicable, operate generally;

any adoption, implementation, promulgation, repeal, modification, amendment, reinterpretation, change or proposal of any applicable law of or by any governmental entity after the date of the Purchase Agreement to the extent that such adoption, implementation, promulgation, repeal, modification, amendment, reinterpretation, change or proposal does not disproportionately have a greater adverse impact on Hudson and its subsidiaries, taken as a whole, or the Seller Parties, taken as a whole, as applicable, relative to other similarly situated participants in the industries in which Hudson and its subsidiaries, or the Seller Parties, as applicable, operate generally;

any actions taken, or the failure to take any action, if such action or such failure to take action is at the written request or with the prior written consent of the Seller Parties or the Buyer Parties, as applicable;

any change, effect, development, circumstance, condition, state of facts, event or occurrence attributable to the negotiation, execution, announcement or other public disclosure or performance of

the Purchase Agreement and the transactions contemplated thereby or the impact of such negotiation, execution, announcement, disclosure or performance on relationships, contractual or otherwise, with customers, suppliers, tenants, lenders, employees, unions, licensors, joint venture partners or other persons with business relationships with Hudson and its subsidiaries, or the Buyer Parties, as applicable, or any action by a governmental entity or any action or dispute brought or threatened arising out of or relating from such negotiation, execution, announcement, disclosure or performance (provided that this paragraph shall not apply with respect to representations and warranties relating to the absence of consents and approvals or violations under organizational documents, law or contracts of or relating to the Buyer Parties or the Seller Parties, as applicable);

any failure by the Buyer Parties or the Seller Parties, as applicable, to meet any internal or published projections, estimates or expectations of Hudson or the Target Properties, as applicable, revenue, earnings or other financial performance or results of operations for any period, in and of itself, or any failure by Hudson or the Seller Parties, as applicable, to meet its internal budgets, plans or forecasts of its revenues, earnings or other financial performance or results of operations, in and of itself (it being understood that the facts or occurrences giving rise or contributing to such failure that are not otherwise excluded from the definition of a material adverse effect may be taken into account, unless such fact or occurrence is otherwise excluded from that definition);

any changes, effects, developments, circumstances, conditions, states of fact, events or occurrences after the date of the Purchase Agreement arising out of changes in geopolitical conditions, acts of terrorism, civil disobedience or sabotage, the commencement, continuation or escalation of a war, acts of armed hostility, weather conditions or other force majeure events, including any material worsening of such conditions threatened or existing as of December 6, 2014 to the extent that such changes do not disproportionately have a greater adverse impact on Hudson and its subsidiaries, taken as a whole, or the Seller Parties, taken as a whole, as applicable, relative to other similarly situated participants in the industries in which Hudson and its subsidiaries, or the Seller Parties, as applicable, operate generally; and

with respect to the Target Properties, any disclosure by Hudson or its subsidiaries regarding its or their plans with regard to the conduct of the business of the Target Properties following the closing.

Covenants

The Buyer Parties and the Seller Parties have each undertaken certain covenants in the Purchase Agreement concerning the conduct of their respective businesses between the date on which the Purchase Agreement was signed and the earlier of the closing or the termination of the Purchase Agreement (the Interim Period), including the following:

Conduct of Business of the Buyer Parties Pending the Closing

Subject to certain exceptions, Hudson has agreed that, during the Interim Period, without the prior written consent of the Seller Parties (which consent shall not be unreasonably withheld, delayed or conditioned), it will (and will cause each of its subsidiaries to):

conduct their respective businesses in all material respects in the ordinary course of business consistent with past practices;

use respective reasonable best efforts to maintain in all material respects all real property owned, leased or licensed by Hudson or any of its subsidiaries as of the date of the Purchase Agreement in their current condition (ordinary wear and tear excepted), preserve their business organizations intact in all material respects, and maintain existing relations and goodwill with lenders, tenants, employees and business associates in all material respects; and

maintain its status as a REIT and the Operating Partnership's status as a partnership for U.S. federal income tax purposes.

In addition, subject to certain exceptions, the Buyer Parties have agreed that, during the Interim Period, without the prior written consent of the Seller Parties (which consent shall not be unreasonably withheld, delayed or conditioned) they will not (and will not permit any of their subsidiaries to), directly or indirectly, take any of the following actions (each as more fully described in, and subject to the exceptions set forth in, the Purchase Agreement):

amend their respective organizational documents in a manner adverse to the Seller Parties;

adjust, split, combine, subdivide or reclassify any shares of capital stock;

declare, set aside or pay certain dividends or other distributions (in cash, stock, property or otherwise) or make any other distributions with respect to the equity interests of Hudson or partnership interests in the Operating Partnership, subject to certain exceptions including for (i) quarterly cash dividends with respect to Hudson's common stock in accordance with past practice (including timing) for the period up to the Closing Date at a rate not to exceed an annual rate of \$0.50 per share of common stock, (ii) quarterly cash dividends with respect to Hudson's preferred stock in accordance with past practice for the period up to the Closing Date as required pursuant to the terms of any of Hudson's preferred stock and (iii) cash dividends as may be necessary for Hudson to maintain its status as a REIT; and any dividends or other distributions not permitted by the Purchase Agreement result in an appropriate adjustment to the Cash Consideration;

redeem, purchase or otherwise acquire, or offer to redeem, purchase or otherwise acquire, any capital stock or other equity interests of Hudson or any of its subsidiaries (except as provided in the Operating Partnership's limited partnership agreement);

grant, issue, deliver or sell any additional common stock or other common equity securities, subject to certain exceptions, including pursuant to the limited partnership agreement of the Operating Partnership, and also including the issuance and sale of shares of common stock in one or more public or private offerings so long as the net proceeds of such public offerings (x) do not exceed an amount, in the aggregate, as agreed upon by the parties, and (y) are used by Hudson to either repay existing indebtedness of it or its subsidiaries or to reduce the principal amount of the indebtedness borrowed as part of the financing in connection with the transactions contemplated by the Purchase Agreement;

enter into a line of business other than commercial real estate, the operation of media and entertainment properties held by Hudson's subsidiaries or otherwise related to the foregoing or acquire any interests in real property that is located outside of California or Washington;

knowingly take any action, or knowingly fail to take any action, which would reasonably be expected to cause Hudson to fail to qualify as a REIT or the Operating Partnership to fail to qualify as a partnership for U.S. federal income tax purposes;

except as expressly permitted by the Purchase Agreement as described in The Transaction Documents The Purchase Agreement Board Recommendation; Non-Solicitation below, enter into a merger agreement,

acquisition or disposition agreement or authorize a liquidation, dissolution, consolidation, bankruptcy or other reorganization, other than any transaction entered into by a subsidiary of the Operating Partnership and which would not reasonably be expected to delay the closing or have an adverse effect on the ability of the Buyer Parties to consummate the transactions contemplated by the Purchase Agreement;

make any change to its methods of accounting in effect at December 31, 2013, except as required by GAAP, any governmental entity or applicable law; or

change any material method of tax accounting, make or change any material tax election, file any amended material tax return, settle or compromise any material tax liability, agree to an extension or waiver of the statute of limitations with respect to the assessment or determination of a material amount of taxes other than in the ordinary course of business, enter into any closing agreement with respect to a material amount of tax or surrender any right to claim a material tax refund.

Conduct of Business of the Seller Parties Pending the Closing

Subject to certain exceptions, the Seller Parties have agreed that, during the Interim Period, without the prior written consent of the Buyer Parties (which consent shall not be unreasonably withheld, delayed or conditioned), they will:

operate and manage the Target Properties in the ordinary course and consistent with past practices (including with respect to maintenance of insurance and the application of security deposits and the payment of obligations) in all material respects (but specifically excluding any obligations to undertake new capital improvement projects other than to replace or repair any capital improvements requiring immediate replacement or repair); and

perform and otherwise comply, or cause its agents to perform and otherwise comply, in all material respects with, all of their obligations under all leases and certain material contracts related to the Target Properties.

In addition, subject to certain exceptions, the Seller Parties have agreed that, during the Interim Period, without the prior written consent of the Buyer Parties (which consent shall not be unreasonably withheld, delayed or conditioned), they will not, directly or indirectly, take any of the following actions (each as more fully described in, and subject to the exceptions set forth in, the Purchase Agreement):

sell, transfer or assign any real property related to the Target Properties or encumber any such real or personal property with any liens which secure indebtedness for borrowed money;

sell, transfer, assign or remove any personal property, equipment, supplies and fixtures used in the operation of the Target Properties that are real property, except as may be done in the ordinary course consistent with past practices, unless replaced by unencumbered personal property of equal or greater utility and value;

amend, extend, modify or terminate certain existing contracts related to the Target Properties or enter into certain new contracts related to the Target Properties which are not (i) related to landlord work required to be performed under the terms of any lease relating to the Target Properties and which meets certain requirements as set forth in the Purchase Agreement, (ii) terminable upon 30 days notice without payment of any fee or penalty or (iii) necessary as a result of an emergency at any Target Property;

amend, extend, modify, terminate or enter into certain leases related to the Target Properties (other than leases or amendments that are on substantially the same terms as set forth on a schedule to the Purchase Agreement or which satisfy certain agreed-upon criteria);

hire or terminate (other than for cause), or increase or commit to increase wages, fees, salaries or bonuses payable to, any Target Property service provider (except in the ordinary course of business consistent with past practice);

acquire any equity interests of any of the Buyer Parties or their subsidiaries (other than those to be acquired pursuant to the Purchase Agreement);

amend, modify or consent to amend or modify the zoning or entitlements use of any Target Property; or

initiate any litigation or arbitration relating to any Target Property lease.

Board Recommendation; Non-Solicitation

Subject to certain exceptions, Hudson has agreed that, during the Interim Period, it will not (and will not permit any of its subsidiaries to) and it will use its reasonable best efforts to cause its and their representatives not to, directly or indirectly:

solicit, initiate, cause or knowingly facilitate the making of any inquiry, proposal or offer that constitutes or would reasonably be expected to lead to any inquiry, discussion or offer from a third party (other than the Seller Parties) that is or would reasonably be expected to lead to any Buyer Acquisition Proposal (as defined below);

engage in or otherwise participate in discussions or negotiations with any person with respect to, or that would reasonably be expected to lead to, any Buyer Acquisition Proposal;

furnish to any person any non-public information or afford any person access to the business, properties, assets or personnel of Hudson or its subsidiaries, in each case, in connection with, or for the purpose of facilitating, a Buyer Acquisition Proposal; or

enter into any letter of intent, agreement in principle or contract with respect to a Buyer Acquisition Proposal (other than an acceptable confidentiality agreement).

For purposes of the Purchase Agreement, Buyer Acquisition Proposal means any inquiry, proposal or offer from any person or group (other than any of the Seller Parties or any of their affiliates), within the meaning of Section 13(d) of the Exchange Act, relating to, in a single transaction or series of related transactions, any (A) direct or indirect acquisition of assets of Hudson or its subsidiaries representing 50% or more of Hudson's consolidated assets (calculated based on the book value of such assets as of September 30, 2014), (B) acquisition of 50% or more of the outstanding shares of the common stock or the common units of limited partnership interest in the Operating Partnership (including common units held by Hudson), (C) tender offer or exchange offer that if consummated would result in any person or group (other than any of the Seller Parties or any of their affiliates) beneficially owning 50% or more of the outstanding shares of Hudson's common stock or common units of limited partnership interest in the Operating Partnership (including common units held by Hudson), (D) merger, consolidation, share exchange, business combination, recapitalization, liquidation, dissolution or similar transaction involving Hudson or the Operating Partnership or (E) any combination of the foregoing types of transactions if the sum of the percentage of consolidated assets (calculated as described above), common stock of Hudson or common units of limited partnership interest in the Operating Partnership (including common units held by Hudson) involved is 50% or more; in each case, other than the transactions contemplated by the Purchase Agreement.

Notwithstanding the foregoing general restrictions, the Purchase Agreement provides that, if at any time before the Requisite Stockholder Approval (as defined below) is obtained, Hudson or any of its representatives receives from any person or group of persons a written Buyer Acquisition Proposal that did not result from a breach of Hudson's obligations set forth above in any material respect, if the Board determines in good faith, (A) after consultation with Hudson's outside legal and financial advisors, that such Buyer Acquisition proposal constitutes or would reasonably be expected to lead to a Superior Acquisition Proposal (as defined below) and (B) after consultation with Hudson's outside legal advisors, that the failure to take such action would be reasonably likely to be inconsistent with its duties under applicable law, then Hudson and its representatives may (x) furnish, pursuant to an acceptable confidentiality agreement, information (including non-public information) to the person or group of persons who has made such

Buyer Acquisition Proposal (provided that Hudson must provide to the Seller Parties any non-public information concerning Hudson or any of its subsidiaries prior to or substantially concurrently with the time that such information is provided to any such person which was not previously provided to the Seller Parties or their representatives) and (y) engage in or otherwise participate in discussions or negotiations with the person or group of persons making such Buyer Acquisition Proposal. Hudson is required to promptly (and in any event, within 24 hours) notify the Seller Parties in writing after it or any of its subsidiaries or any of their respective representatives has received a Buyer Acquisition Proposal. Such notice must indicate the identity of the person making such Buyer Acquisition Proposal, and include the material terms and conditions of such Buyer Acquisition Proposal (including a copy thereof if in writing).

For purposes of the Purchase Agreement, Superior Acquisition Proposal means any written Buyer Acquisition Proposal that the Board has determined in good faith, after consulting with Hudson's outside legal counsel and financial advisors that if consummated, would reasonably be likely to result in a transaction more favorable from a financial point of view to Hudson and its stockholders than the transactions contemplated by the Purchase Agreement, taking into account any and all such factors as the Board deems relevant, including the likelihood and timing of consummation (as compared to the transactions contemplated by the Purchase Agreement), and the financial (including the financing terms of any such Buyer Acquisition Proposal) and other aspects of such Buyer Acquisition Proposal and the identity of the person making such Buyer Acquisition Proposal.

Hudson is required to keep the Seller Parties reasonably informed on a reasonably prompt basis of any material developments, discussions or negotiations regarding any Buyer Acquisition Proposal. Hudson has agreed that it and its subsidiaries will not enter into any agreement with any person subsequent to the date of the Purchase Agreement which prohibits Hudson from providing any information to the Seller Parties as described above. Hudson will, promptly upon receipt or delivery thereof, provide the Seller Parties (and their outside counsel) with copies of all drafts of material agreements relating to such Buyer Acquisition Proposal, in each case exchanged between Hudson, its subsidiaries or, to its knowledge, their representatives, on the one hand, and the person making such Buyer Acquisition Proposal or any of its representatives, on the other hand (which may be redacted to the extent necessary to protect confidential information of the business or operations of the person making such Acquisition Proposal).

The Equity Issuance requires approval by the affirmative vote of a majority of votes cast at a meeting of Hudson's stockholders (the Requisite Stockholder Approval), and the Board has recommended that Hudson's stockholders approve the Equity Issuance. Except as described below, neither the Board nor any committee thereof may (i) (A) withdraw, change, amend, modify or qualify, or otherwise propose publicly to withdraw, change, amend, modify or qualify, in a manner adverse to the Seller Parties, the Board's recommendation to Hudson's stockholders that they approve the Equity Issuance, (B) approve, adopt or recommend, or propose publicly to approve, adopt or recommend, any Buyer Acquisition Proposal, (C) fail to include the Board's recommendation in this proxy statement or (D) fail to publicly reaffirm the Board's recommendation (x) within 10 business days after the Seller Parties so request in writing after the receipt or public announcement of any Buyer Acquisition Proposal (or such fewer number of days as remains prior to Hudson's special meeting, as it may be adjourned or postponed) or (y) within five business days after any other written request of the Seller Parties; provided, that the Seller Parties may make such request under this clause (y) on no more than two occasions, or (ii) authorize, cause or permit Hudson or any of its subsidiaries to enter into any Buyer Acquisition Agreement (other than an acceptable confidentiality agreement) or (iii) terminate the Purchase Agreement as permitted therein. In this proxy statement, each of the actions described in the preceding clause (i) is referred to as a Change of Recommendation.

Under the Purchase Agreement, the Board may, prior to obtaining the Requisite Stockholder Approval:

in circumstances not involving a Buyer Acquisition Proposal, make a Change of Recommendation if the Board determines in good faith after consultation with its outside legal advisors that the failure to effect a Change of Recommendation due to an Intervening Event (as defined below) would be reasonably likely to be inconsistent with its duties under applicable law; *provided*, that prior to making any such Change of Recommendation, Hudson must provide the Seller Parties with written information describing in reasonable detail any such events at least five business days before such Change of Recommendation and must thereafter keep the Seller Parties informed of material developments relating thereto. During such five business day period, if requested by the Seller Parties, Hudson is required to engage in good faith with the Seller Parties to amend the terms of the Purchase Agreement in a manner that obviates the need to effect such Change of Recommendation and, if at the end of such five business day period, the Board determines that it may no longer effect a Change of Recommendation as described in this bullet after taking into account

any amended terms of the Purchase Agreement, then the Board may not effect such Change of Recommendation; or

in circumstances involving a Buyer Acquisition Proposal received after the date of the Purchase Agreement and not the result of a material breach of Hudson's obligations as described above in this heading Board Recommendation; Non-Solicitation, make a Change of Recommendation and/or terminate the Purchase Agreement in order to enter into a definitive contract with respect to a Buyer Acquisition Proposal if the Board determines in good faith after consultation with (i) Hudson's outside legal and financial advisors that such Buyer Acquisition Proposal constitutes a Superior Acquisition Proposal and (ii) Hudson's outside legal advisors that the failure to effect such a Change of Recommendation and/or enter into a definitive agreement with respect to such Superior Acquisition Proposal would be reasonably likely to be inconsistent with the exercise of its duties under applicable law.

For purposes of the Purchase Agreement, Intervening Event means any material event or development or material change in circumstances first occurring after the date of the Purchase Agreement and prior to the receipt of the Requisite Stockholder Approval, to the extent that such event, development or change in circumstances was not reasonably foreseeable (or if foreseeable, the consequences of which were not reasonably foreseeable) as of or prior to the date of the Purchase Agreement; *provided, however*, that (a) the receipt, existence or terms of a Buyer Acquisition Proposal or any matter relating thereto or any consequence thereof does not constitute, and will not be considered in determining whether there has been, an Intervening Event and (b) changes in the market price or trading volume of the common stock or the fact that Hudson meets or exceeds, or that the Seller Parties fail to meet or exceed, internal or published projections, forecasts or revenue of earnings predictions for any period will not constitute, or be considered in determining whether there has been, an Intervening Event (however, the underlying causes of such change or fact will not be excluded in this clause (b)).

Preparation of Proxy Statement; Stockholders Meeting

Hudson has agreed to (i) prepare and file this proxy statement with the SEC, (ii) include the recommendation of the Board in this proxy statement, (iii) ensure that this proxy statement complies in all material respects with the applicable provisions of the Exchange Act, (iv) consult with the Seller Parties regarding any comments that may be received from the SEC or its staff with respect to this proxy statement and respond promptly to any such comments made by the SEC or its staff with respect to this proxy statement, (v) use reasonable best efforts to have this proxy statement cleared by the staff of the SEC as soon as reasonably practicable after its filing, (vi) cause this proxy statement to be mailed to Hudson's stockholders at the earliest reasonably practicable date after the date of SEC clearance and, (vii) subject to the matters described above under Board Recommendation; Non-Solicitation, use reasonable best efforts to obtain the Requisite Stockholder Approval.

In addition, Hudson has agreed to, as promptly as reasonable practicable following the date of the Purchase Agreement, in accordance with applicable law and Hudson's governing documents, establish a record date for, duly call, give notice of, convene and hold a meeting of Hudson's stockholders for the purposes of obtaining the Requisite Stockholder Vote, and Hudson is required to use its reasonable best efforts to cause such meeting to occur as soon as reasonably practicable, subject to Hudson's right to make one or more postponements, recesses or adjournments of such stockholder meeting under certain circumstances specified in the Purchase Agreement.

Consents and Approvals

Each of the Buyer Parties and Seller Parties are required to use their reasonable best efforts to take, or cause to be taken, all actions, and to do, or cause to be done, and to assist and cooperate with the other parties in doing, all things necessary, proper or advisable under any applicable law or pursuant to any contract or agreement to consummate and make effective the transaction as promptly as practicable.

Notwithstanding the foregoing, however, in connection with obtaining any approval or consent with respect to the transaction, none of the Buyer Parties or the Seller Parties or their respective representatives will be

obligated to (i) pay or commit to pay to any person whose approval or consent is being solicited any cash or other consideration, make any accommodation or commitment or incur any liability or other obligation to such Person prior to the closing or (ii) agree to or otherwise be required to sell, divest, dispose of, license, hold separate or take or commit to take any action that limits in any respect its freedom of action with respect to, or its ability to retain, any businesses, products, rights, services, licenses or assets.

Financing

In connection with signing the Purchase Agreement, Hudson obtained a bridge debt commitment letter pursuant to which the financing sources party thereto have agreed to provide, under certain circumstances and subject to certain conditions, up to a \$1.75 billion senior unsecured bridge loan facility to finance the purchase, the repayment of certain existing indebtedness of the Target Properties and the payment of certain fees and expenses. For additional information about this debt financing, see *The Transaction Financing of the Transaction* above.

Hudson and the Operating Partnership have agreed to use their reasonable best efforts to take, and cause to be taken, all actions and do, or cause to be done, all things that are within their control and are necessary or advisable to obtain the debt financing on or immediately prior to the Closing Date on the terms and conditions described in the debt commitment letter. Hudson and the Operating Partnership may not terminate, amend, modify, supplement, restate, assign, substitute or replace or waive any material rights under the debt commitment letter and the associated fee letter except for certain permitted substitutions and replacements and except for terms that would not adversely impact, prevent or delay in any material respect the consummation of the transactions contemplated by the Purchase Agreement and the funding of the Cash Consideration and all costs, fees and expenses in connection with the transaction.

Notwithstanding the immediately preceding paragraph, neither Hudson nor the Operating Partnership is required to (i) commence any litigation or similar enforcement action against any of the financing sources to enforce Hudson's or the Operating Partnership's rights under the debt commitment letter, (ii) pay any amounts, fees or expenses materially in excess of those contemplated in the debt commitment letter, (iii) amend or waive any of the terms or conditions of the Purchase Agreement or (iv) consummate the closing at any time prior to the date determined as described below in *Closing Timing*.

As more fully described in the Purchase Agreement, the Seller Parties have agreed to provide such assistance as is reasonably requested by Hudson and the Operating Partnership with respect to the debt financing that does not unreasonably interfere with the ongoing operations of the Seller Parties.

Other Covenants

The Purchase Agreement also contains certain other covenants, including covenants relating to: (i) certain real estate matters, including the Seller Parties' obligation to complete certain landlord work and obtain certain acceptable tenant estoppel certificates and waivers or approvals from the lessors of Target Company ground leases; (ii) certain employee matters relating to continuing union and non-union Target Property employees; (iii) cooperation with respect to certain tax matters; (iv) access to information; (v) confidentiality; and (vi) exclusivity of the Seller Parties.

In addition, Hudson agrees to use its reasonable best efforts to cause the common stock to be issued in the transaction to be approved for listing on the NYSE prior to the Closing Date, subject only to notice of issuance.

Closing Timing

The closing will occur no later than the second business day following the satisfaction or waiver of all of the conditions to the obligations of the parties to consummate the transaction, as described below. However, in no event

will the closing occur prior to April 30, 2015 without Hudson's consent; *provided* that if all the conditions

to the obligations of the parties to consummate the transactions have been satisfied or waived prior to April 30, 2015 and Hudson desires to effect the closing prior to such date, then the closing will occur on a date to be specified by the Buyer Parties upon at least five business days prior notice to the Seller Parties.

Conditions to Closing

Each of the Buyer Parties and the Seller Parties respective obligations to consummate the transaction are subject to the satisfaction or waiver of the following conditions in the Purchase Agreement at or prior to the closing:

Requisite Stockholder Approval. The receipt of the Requisite Stockholder Approval.

NYSE Listing. The common stock to be issued in the transaction shall have been approved for listing on the NYSE, subject only to official notice of issuance.

No Legal Prohibitions. The absence of any law, injunction or order of any governmental entity or court prohibiting the transaction.

The Buyer Parties obligation to consummate the transaction are also subject to the satisfaction or waiver of the following conditions in the Purchase Agreement at or prior to the closing:

Accuracy of Representations. The Seller Parties representations and warranties (i) regarding organization, authorization, securities laws matters and brokers and expenses shall be true and correct in all material respects and (ii) regarding all other representations and warranties, are true and correct (without giving effect to any qualification as to materiality or material adverse effect), except where the failure of such representations or warranties to be true and correct would not reasonably be expected to have, individually or in the aggregate, a material adverse effect with respect to the Target Properties, in each case as of the date of the Purchase Agreement and as of the closing (or, if a representation or warranty by its terms speaks specifically as of another date, as of such date).

Compliance with Covenants. The Seller Parties shall have performed or complied in all material respects with their obligations under the Purchase Agreement to be performed or complied with by them at or prior to the closing.

No Target Property Material Adverse Effect. Since the date of the Purchase Agreement, there shall have been no change, event, occurrence or circumstance that has had or would reasonably be expected to have a material adverse effect with respect to the Target Properties.

Title Insurance. Subject to the payment of all customary title insurance premiums as provided in the Purchase Agreement, First American Title Insurance Company and/or Fidelity National Title Insurance Company shall have issued or irrevocably committed to issue for each Target Property, an ALTA Form 2006 Extended Coverage Owner's Policy of Title Insurance for each Target Property.

Tenant Estoppel Requirement. The Buyer Parties shall have received tenant estoppel certificates that meet certain requirements agreed upon by the parties in the Purchase Agreement (i) from tenants at the Target Properties leasing at least 50% of the total square footage of a Target Property occupied by tenants under Target Property leases (Tenant Occupied Square Footage) of the Target Properties in the aggregate and (ii) from tenants at each individual Target Property leasing at least 50% of the Tenant Occupied Square Footage of such Target Property, for 75% of the Target Properties, where the number of Target Properties based on such percentage shall be rounded up (if 0.5 and over) or down (if below 0.5) to the nearest whole number in the event that any Target Property becomes an Eliminated Target Property and is excluded from the transaction.

Other Deliverables. The Seller Parties shall have delivered to the applicable recipient such other deliverables required pursuant to the terms of the Purchase Agreement (including an owner s affidavit to be delivered to the applicable title company).

The Seller Parties' obligation to consummate the transaction are also subject to the satisfaction or waiver of the following conditions in the Purchase Agreement at or prior to the closing:

Accuracy of Representations. The Buyer Parties' representations and warranties (i) regarding organization and qualification, subsidiaries, capitalization, authorization, absence of changes, taxes, opinions of financial advisors, status of Equity Consideration, takeover statutes, and brokers and expenses shall be true and correct in all material respects (or in all respects regarding absence of changes) and (ii) regarding all other representations and warranties, are true and correct (without giving effect to any qualification as to materiality or material adverse effect), except where the failure of such representations or warranties to be true and correct would not reasonably be expected to have, individually or in the aggregate, a material adverse effect with respect to the Buyer Parties, in each case as of the date of the Purchase Agreement and as of the closing (or, if a representation or warranty by its terms speaks specifically as of another date, as of such date).

Compliance with Covenants. The Buyer Parties shall have performed or complied in all material respects with their obligations under the Purchase Agreement to be performed or complied with by them at or prior to the closing.

No Buyer Material Adverse Effect. From and after the date of the Purchase Agreement, there shall have been no change, event, occurrence or circumstance that has had or would reasonably be expected to have a material adverse effect with respect to the Buyer Parties.

Other Deliverables. The Buyer Parties shall have delivered to the applicable recipient such other deliverables required pursuant to the terms of the Purchase Agreement (including evidence of the Board's waiver of the Aggregate Stock Ownership Limit and Common Stock Ownership Limit as set forth in Article VI of Hudson's charter, and an opinion that Hudson meets the requirements for qualification and taxation as a real estate investment trust under the Internal Revenue Code of 1986, as amended).

Termination

Termination Rights

The Purchase Agreement may be terminated at any time prior to the closing:

by mutual consent of the Buyer Parties and the Seller Parties;

by either the Buyer Parties or the Seller Parties, if:

the other party has breached any representation, warranty, covenant or agreement which causes a failure of a condition of the terminating party's obligation to close (as discussed above), and such breach is not curable prior to the Outside Date (defined below); *provided*, that this right to terminate is not available to any party if it is then in material breach of any representation, warranty, covenant or

other agreement set forth in the Purchase Agreement;

the closing has not occurred by 11:59 p.m. New York time on July 3, 2015 (such date, the Outside Date); *provided*, that this right to terminate is not available to any party whose breach of any representation, warranty, covenant or agreement set forth in the Purchase Agreement is the principal cause of, or resulted in, the failure of the transaction to be consummated by the Outside Date;

a final and non-appealable order, decree or ruling has been issued prohibiting the transaction; *provided*, that the party seeking to terminate has complied with its obligations to use reasonable best efforts to prevent the entry of and to remove such order, decree or ruling; or

the Requisite Stockholder Approval is not obtained at the special meeting at which a vote on the approval of the Equity Issuance is taken;

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