

Investment Criteria



PSBUSINESSPARKS

TICKER SYMBOL: PSB

PS Business Parks, Inc. (PSB) is a self-advised and self-managed equity real estate investment trust that acquires, develops, owns and operates multi-tenant commercial properties, primarily flex, office and industrial space. The Company defines "flex" space as buildings that are configured with a combination of office and warehouse space and can be designed to fit a number of uses (including office, assembly, showroom, laboratory, light manufacturing and warehouse space). PSB owns over 19 million net rentable square feet of commercial space with over 3,900 customers located in eight states.

PSB intends to continue to acquire multi-tenant commercial properties located throughout the United States. Although the Company currently operates commercial properties in eight states, it will consider expanding its operations to other major markets.

Markets

Northern California

Southern California

Montgomery County, MD

Northern Virginia

South Florida

Dallas, Texas

Phoenix, Arizona

Portland, Oregon

Austin, Texas

Houston, Texas

Seattle, Washington

General Acquisition Parameters

Property Type

- Multi-tenant or buildings that are easily multi-tenanted
- Prefer Industrial / flex / service center / light manufacturing buildings; R&D and low rise office buildings
- Parking ratio adequate for the type of product
- Prefer good highway access/visibility
- Development opportunities

Age Variable

Investment Range \$10 million to \$1 billion

We have the ability to acquire any size portfolios and will consider acquisitions below \$10 million that are close to existing properties owned by PS Business Parks.

Terms All cash or cash to existing debt

Contract Capabilities

A typical transaction would involve a 30-day due diligence period with a 5-day closing

Return Requirements

Our requirements vary depending on opportunity and income growth potential.

As a general rule, we prefer product with the ability to increase value (through increasing improvements, i.e. increase build-out, reposition asset, lease-up or roll over) with sufficient parking. We will consider value-added transactions. NOI growth is an important consideration in all transactions.

PSB will consider product in other large markets if the portfolio is over 500,000 square feet and offers the company management economies and upside potential. In addition, the Company will consider other value-added opportunities, redevelopment and related product type (distribution and retail) where the Company is currently managing product.

Ross Parkin | Vice President

Acquisitions & Dispositions

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