

NEWS RELEASE

PS Business Parks, Inc.
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PS Business Parks, Inc. (AMEX:PSB), announced today the completion of two separate private placements of preferred operating partnership units totaling \$110 million by its operating partnership, PS Business Parks, L.P. ("PSBPLP").

For Release: Immediately
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GLENDAL, California-PS Business Parks, Inc. (AMEX:PSB), announced today the completion of two separate private placements of preferred operating partnership units totaling \$110 million by its operating partnership, PS Business Parks, L.P. ("PSBPLP").

PSBPLP completed an \$80 million private placement of 8 3/4% Series C Cumulative Redeemable Perpetual Preferred Units on September 3, 1999 with Goldman Sachs and Merrill Lynch & Co. acting as exclusive placement agents. In addition, PSBPLP completed a \$30 million private placement of 8 7/8% Series X Cumulative Redeemable Perpetual Preferred Units on September 7, 1999. The Series C and Series X Preferred Units are exchangeable after 10 years by the holders into 8 3/4% Series C Cumulative Redeemable Preferred Stock and 8 7/8% Series X Cumulative Redeemable Preferred Stock, respectively, of PS Business Parks, Inc. on a one-for-one basis. The Preferred Units are callable by the Partnership after five years, have no stated maturity or mandatory redemption and are subordinate to all debt. Proceeds will be used for investment in real estate.

PSB is a self-advised and self-managed equity real estate investment trust specializing in the ownership, management, acquisition and development of business parks containing office "flex" space. As of September 7, 1999, PSB had interests in 123 commercial properties (approximately 12.0 million net rentable square feet) located in 11 states, concentrated primarily in California (4,408,000 sq. ft.), Texas (2,857,000 sq. ft.), Oregon (1,172,000 sq. ft.), Virginia (1,612,000 sq. ft.) and Maryland (1,104,000 sq. ft.).