

News Release

PS Business Parks, Inc.
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PS Business Parks, Inc. Acquires 119,000 Square Foot Multi-Tenant Flex Park in San Jose, California

GLENDALE, California—PS Business Parks, Inc. (NYSE:PSB) announced that on December 30, 2014, it acquired Orchard Business Park, an eight-building, 119,000 square foot multi-tenant flex park in San Jose, California, for \$16.0 million. The park, which is 96.7% occupied, is contiguous to the Company's existing 164,000 square foot Charcot Business Park, which is 100.0% occupied. Orchard Business Park has 54 tenants with an average size of 2,100 square feet. The acquisition increases the Company's presence in the Bay Area to 7.2 million square feet, comprised of 30 business parks located throughout the East Bay, Mid-Peninsula and Silicon Valley markets, which is currently 95.8% leased.

Joseph D. Russell, Jr., President and Chief Executive Officer, commented, "Orchard Business Park is a great addition to PSB's vibrant Bay Area portfolio, where the Company serves the needs of over 930 customers that are attracted to our well located portfolio of flex, office and industrial parks. With 80% of the leases at Orchard Business Park expiring over the next 24 months, we anticipate meaningful demand from both existing and new customers along with strong rental rate appreciation, consistent with the performance of our Bay Area parks."

Company Information

PS Business Parks, Inc., a member of the S&P SmallCap 600, is a self-advised and self-managed real estate investment trust (REIT) that acquires, develops, owns and operates commercial properties, primarily multi-tenant 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). As of December 30, 2014, the Company wholly owned 28.6 million rentable square feet with approximately 5,000 customers located in seven states, concentrated in California (11.6 million sq. ft.), Texas (5.1 million sq. ft.), Virginia (4.0 million sq. ft.), Florida (3.9 million sq. ft.), Maryland (2.4 million sq. ft.), Washington (1.5 million sq. ft.) and Oregon (0.1 million sq. ft.).

Additional information about PS Business Parks, Inc. is available on the Internet. The Company's website is www.psbusinessparks.com.

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