PS BUSINESSPARKS, Inc.SM

Analyst Book

For the Quarter Ended December 31, 1999

FOURTH QUARTER RESULTS

INDEX

PS BUSINESS PARKS, INC.
FOURTH QUARTER FACT SHEET

OPERATING DATA:

	Three Months Ended			Year Ended		
	12/31/1999	12/31/1998	Difference	12/31/1999	12/31/1998	Difference
Total revenues	$ 34,833,000	$ 27,284,000	27.7%	$ 128,613,000	$ 90,260,000	42.5%
Net income allocable to common shareholders	$ 9,631,000	$ 8,276,000	16.4%	$ 37,849,000	$ 29,400,000	28.7%
Net income per common share:						
Diluted	$ 0.40	$ 0.35	14.3%	$ 1.59	$ 1.51	5.3%
Weighted average common shares outstanding:						
Diluted	23,704,000	23,699,000	0.0%	23,709,000	19,429,000	22.0%

FUNDS FROM OPERATIONS:

	Three Months Ended			Year Ended		
	12/31/1999	12/31/1998	Difference	12/31/1999	12/31/1998	Difference
FFO allocable to common shareholders	$ 14,934,000	$ 13,034,000	14.6%	$ 58,087,000	$ 41,578,000	39.7%
Weighted average shares outstanding - diluted	23,704,000	23,699,000	0.0%	23,709,000	19,429,000	22.0%
FFO per common share - diluted	$ 0.63	$ 0.55	14.5%	$ 2.45	$ 2.14	14.5%

PROPERTY INFORMATION:

	Three Months Ended			Year Ended		
	12/31/1999	12/31/1998	Difference	12/31/1999	12/31/1998	Difference
Total number of properties	125	106	17.9%	125	106	17.9%
Net rentable square footage	12,359,000	10,930,000	13.1%	12,359,000	10,930,000	13.1%
<u>Same Park Facilities</u>						
Weighted average occupancy	96.4%	96.2%	0.2%	96.5%	94.5%	2.0%
Annual realized rent per sq. ft. for period (1)	$ 10.73	$ 10.02	7.1%	$ 10.45	$ 9.87	5.9%

(1) Realized rent per square foot represents the actual revenues earned per occupied square foot.

BALANCE SHEET DATA:

	12/31/1999	12/31/1998	Difference
Total assets	$ 903,741,000	$ 709,414,000	27.4%
Total debt	$ 37,066,000	$ 50,541,000	(26.7%)
Minority interest - preferred	$ 132,750,000	$ -	N/A
Minority interest - common	$ 157,199,000	$ 153,015,000	2.7%
Perpetual preferred stock	$ 55,000,000	$ -	N/A
Common shareholders' equity	$ 500,531,000	$ 489,905,000	2.2%
Total common shares outstanding	23,645,000	23,636,000	0.0%
Book value per common share	$ 21.17	$ 20.73	2.1%

MARKET VALUE INFORMATION:

	12/31/1999	12/31/1998	Difference
Market value of common stock/OP units*	$ 707,271,000	$ 740,999,000	(4.6%)
Total debt	37,066,000	50,541,000	(26.7%)
Total preferred stock/OP units	187,750,000	-	N/A
Total capitalization	$ 932,087,000	$ 791,540,000	17.8%

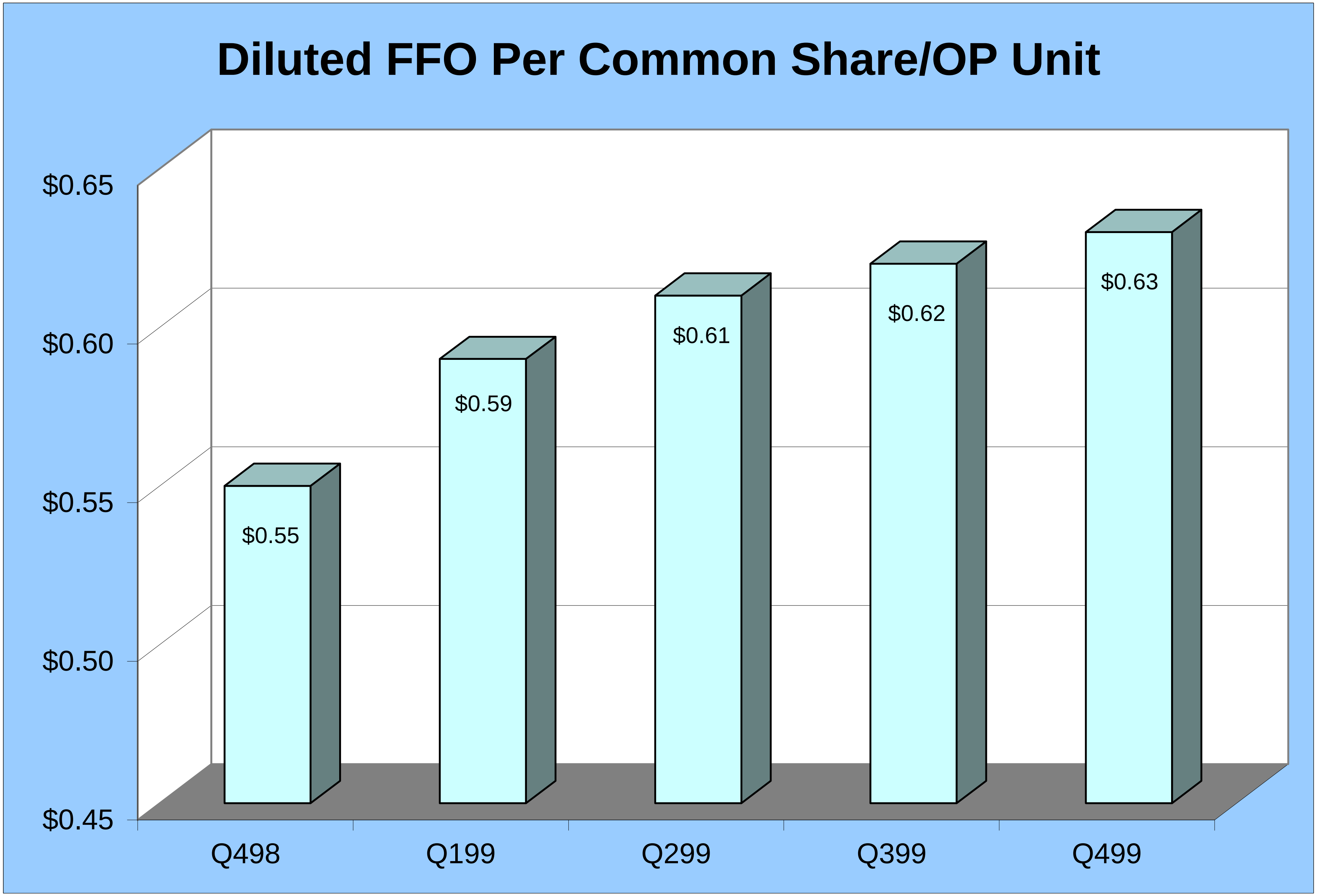
* Market value based on year end stock price

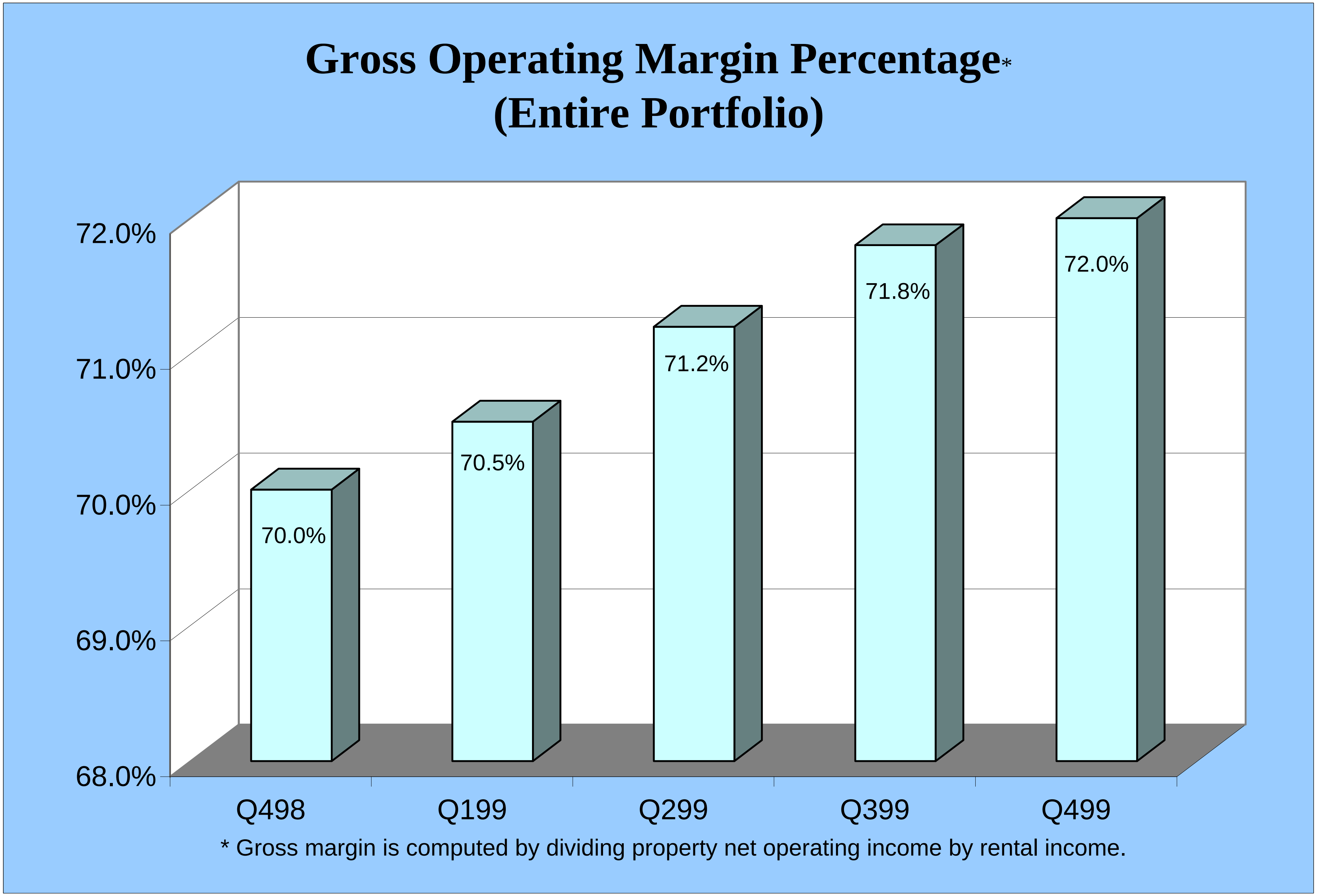
PS BUSINESS PARKS, INC.

Sources and Uses of Funds For the Year Ended December 31,	(Actual) 1999
Sources of Funds:	
Funds from operations	$ 76,353,000
Preferred distributions	7,562,000
Funds from operations before preferred distributions	83,915,000
Issunace of equity:	
Common stock	179,000
Preferred stock, net	53,064,000
Preferred OP units, net	129,613,000
Borrowings:	
Public Storage, Inc.	41,400,000
Wells Fargo Bank	14,000,000
Change in working capital	4,525,000
Total Sources of Funds	326,696,000
Uses of Funds:	
Acquisition of real estate facilities:	(83,442,000)
Construction in progress:	(14,550,000)
Capital expenditures	(11,679,000)
Renovations	(3,177,000)
Preferred dividends/distributions	(7,562,000)
Common dividends/distributions	(31,070,000)
Repayments:	
Public Storage, Inc.	(41,400,000)
Wells Fargo Bank	(26,500,000)
Mortgage notes payable	(20,694,000)
Investments in marketable securities	(18,470,000)
Total Uses of Funds	(258,544,000)
Net increase (decrease) in cash balance	68,152,000
Beginning cash balance	6,068,000
Ending cash balance	$ 74,220,000

PS BUSINESS PARKS, INC.
ANALYSIS OF FUNDS FROM OPERATIONS

	Three Months Ended 12/31/1999	Three Months Ended 12/31/1998	Increase (Decrease)	% Change	Year Ended 12/31/1999	Year Ended 12/31/1998	Increase (Decrease)	% Change
Funds from operations (FFO):								
Net income allocable to common shareholders	$ 9,631,000	$ 8,276,000	$ 1,355,000	16.4%	$ 37,849,000	$ 29,400,000	$ 8,449,000	28.7%
Extraordinary item, net of minority interest	195,000	-	195,000	N/A	195,000	-	195,000	N/A
Depreciation and amortization	8,121,000	7,487,000	634,000	8.5%	29,762,000	18,908,000	10,854,000	57.4%
Minority interest in income	2,421,000	2,512,000	(91,000)	(3.6%)	11,954,000	11,208,000	746,000	6.7%
Less effects of straight line rents	(863,000)	(1,162,000)	299,000	(25.7%)	(3,407,000)	(2,086,000)	(1,321,000)	63.3%
FFO allcoable to common shareholders/unitholders	$ 19,505,000	$ 17,113,000	$ 2,392,000	14.0%	$ 76,353,000	$ 57,430,000	$ 18,923,000	32.9%
Weighted average common shares outstanding	23,645,000	23,636,000	9,000	0.0%	23,641,000	19,361,000	4,280,000	22.1%
Weighted average common OP units outstanding	7,443,000	7,401,000	42,000	0.6%	7,428,000	7,383,000	45,000	0.6%
Weighted average dilutive stock options	59,000	63,000	(4,000)	(6.3%)	68,000	68,000	-	0.0%
Total pro forma fully-converted shares	31,147,000	31,100,000	47,000	0.2%	31,137,000	26,812,000	4,325,000	16.1%
FFO per share/OP Unit	$ 0.63	$ 0.55	$ 0.08	14.5%	$ 2.45	$ 2.14	$ 0.31	14.5%
Funds available for distribution (FAD):								
Total funds from operations	$ 19,505,000	$ 17,113,000	$ 2,392,000	14.0%	$ 76,353,000	$ 57,430,000	$ 18,923,000	32.9%
Less capitalized expenditures:								
Maintenance capital expenditures	(1,758,000)	(1,259,000)	(499,000)	39.6%	(3,911,000)	(3,376,000)	(535,000)	15.8%
Tenant improvements	(1,698,000)	(2,670,000)	972,000	(36.4%)	(5,555,000)	(5,258,000)	(297,000)	5.6%
Capitalized lease commissions	(734,000)	(654,000)	(80,000)	12.2%	(2,213,000)	(1,979,000)	(234,000)	11.8%
Total capitalized expenditures	(4,190,000)	(4,583,000)	393,000	(8.6%)	(11,679,000)	(10,613,000)	(1,066,000)	10.0%
FAD	$ 15,315,000	$ 12,530,000	$ 2,785,000	22.2%	$ 64,674,000	$ 46,817,000	$ 17,857,000	38.1%
FAD per share/OP Unit	$ 0.49	$ 0.40	$ 0.09	22.5%	$ 2.08	$ 1.75	$ 0.33	18.9%
Cash available for debt repayments and reinvestments:								
FAD	$ 15,315,000	$ 12,530,000	$ 2,785,000	22.2%	$ 64,674,000	$ 46,817,000	$ 17,857,000	38.1%
Distributions to common shareholders	(5,912,000)	(5,909,000)	(3,000)	0.1%	(23,641,000)	(21,806,000)	(1,835,000)	8.4%
Distributions to common OP unitholders	(1,861,000)	(1,850,000)	(11,000)	0.6%	(7,429,000)	(8,098,000)	669,000	(8.3%)
Cash available for debt repayments and reinvestments	$ 7,542,000	$ 4,771,000	$ 2,771,000	58.1%	$ 33,604,000	$ 16,913,000	$ 16,691,000	98.7%


Diluted FFO Per Common Share/OP Unit
$0.65
$0.60
$0.55
$0.50
$0.45
$0.55
$0.59
$0.61
$0.62
$0.63
Q498
Q199
Q299
Q399
Q499


Gross Operating Margin Percentage*
(Entire Portfolio)
72.0%
71.0%
70.0%
69.0%
68.0%
70.0%
70.5%
71.2%
71.8%
72.0%
Q498
Q199
Q299
Q399
Q499
* Gross margin is computed by dividing property net operating income by rental income.

PS BUSINESS PARKS, INC.
CAPITAL STRUCTURE

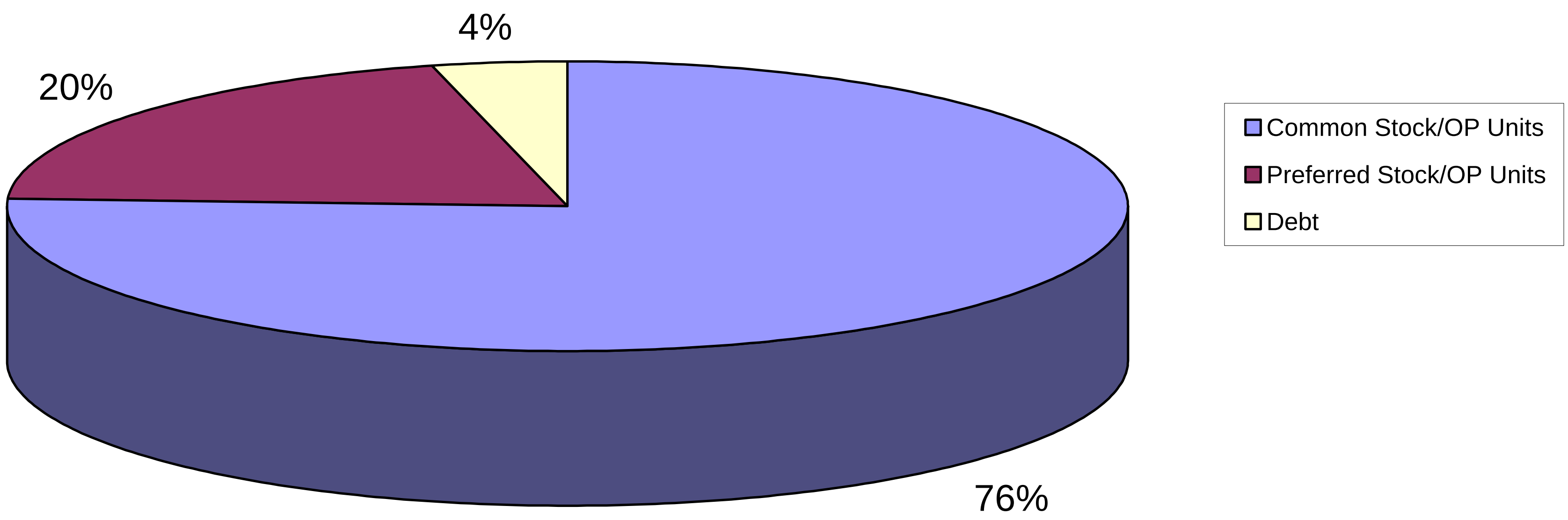
Debt at December 31, 1999 consists of the following:	Total	2000	2001	2002	2003	2004	Thereafter
7.125% mortgage note, secured by one commercial property, due May 2006	8,751,000	180,000	193,000	208,000	223,000	239,000	7,708,000
8.19% mortgage note, secured by one commercial property, due March 2007	6,666,000	184,000	199,000	216,000	235,000	254,000	5,578,000
7.29% mortgage note, secured by one commercial property, due February 2009	6,372,000	100,000	108,000	116,000	125,000	134,000	5,789,000
8.125% mortgage note, secured by one commercial property, due July 2005	5,327,000	105,000	113,000	123,000	133,000	145,000	4,708,000
7.28% mortgage note, secured by two commercial properties, due February 2003	4,304,000	118,000	127,000	137,000	3,922,000	-	-
8% mortgage note, secured by one commercial property, due April 2003	2,108,000	85,000	93,000	100,000	1,830,000	-	-
8.5% mortgage note, secured by one commercial property, due July 2007	1,898,000	49,000	53,000	58,000	63,000	69,000	1,606,000
8% mortgage note, secured by one commercial property, due April 2003	1,640,000	51,000	56,000	60,000	1,473,000	-	-
Total debt	37,066,000	872,000	942,000	1,018,000	8,004,000	841,000	25,389,000
Weighted average interest rate	7.67%						
Weighted average maturity	6.3	years					
$100 million unsecured line of credit	-						
Borrowings from affiliate	-						

Equity at December 31, 1999 consists of the following:	Shares/Units Outstanding	Coupon Rate	$ Value Equivalent	
Preferred stock	2,200,000	9.250%	55,000,000	
Preferred operating partnership units	510,000	8.875%	12,750,000	
Preferred operating partnership units	3,200,000	8.750%	80,000,000	
Preferred operating partnership units	1,200,000	8.875%	30,000,000	
Preferred operating partnership units	400,000	8.875%	10,000,000	
Total preferred equity	7,510,000	8.932%	187,750,000	
Common stock	23,645,461		537,934,238	**(1)**
Common operating partnership units	7,443,356		169,336,349	**(1)**
Total common equity **(2)**	31,088,817		707,270,587	

(1) Value based on December 31, 1999 closing stock price of $22 3/4.

(2) Does not include 68,422 shares related to stock options for the year ending December 31, 1999, computed using the Treasury Stock method. These stock options are treated as common stock equivalents for purposes of calculating average shares outstanding used in computing net income and FFO per share.

Total Market Capitalization as of December 31, 1999: $932 million



PS BUSINESS PARKS, INC.
CONSOLIDATED BALANCE SHEETS

	12/31/1999		12/31/1998	Increase (Decrease)		% Change
ASSETS						
Cash and equivalents	$ 74,220,000		$ 6,068,000	$ 68,152,000		1123.1%
Real estate facilities:						
Land	194,140,000		176,241,000	17,899,000		10.2%
Buildings and equipment	636,261,000		536,697,000	99,564,000		18.6%
	830,401,000		712,938,000	117,463,000	(a)	16.5%
Accumulated depreciation	(50,976,000)		(22,517,000)	(28,459,000)		126.4%
	779,425,000		690,421,000	89,004,000		12.9%
Properties held for sale, net	14,235,000	(b)	-	14,235,000		N/A
Construction in progress	8,616,000	(c)	7,716,000	900,000		11.7%
	802,276,000		698,137,000	104,139,000		14.9%
Receivables	771,000		242,000	529,000		218.6%
Deferred rent receivables	5,493,000		2,086,000	3,407,000		163.3%
Intangible assets, net	1,282,000		1,583,000	(301,000)		-19.0%
Other assets	19,699,000	(d)	1,298,000	18,401,000		1417.6%
Total assets	$ 903,741,000		$ 709,414,000	$ 194,327,000		27.4%
LIABILITIES AND SHAREHOLDERS' EQUITY						
Accrued and other liabilities	$ 21,195,000	(e)	$ 15,953,000	$ 5,242,000		32.9%
Notes payable	37,066,000		50,541,000	(13,475,000)	(f)	-26.7%
Total liabilities	58,261,000		66,494,000	(8,233,000)		-12.4%
Minority interest - preferred	132,750,000		-	132,750,000	(g)	N/A
Minority interest - common	157,199,000		153,015,000	4,184,000		2.7%
Shareholders' equity:						
Preferred stock	55,000,000		-	55,000,000	(h)	N/A
Common stock	236,000		236,000	-		0.0%
Paid in capital	478,889,000		482,471,000	(3,582,000)	(i)	-0.7%
Cumulative net income	73,809,000		32,554,000	41,255,000	(j)	126.7%
Cumulative distributions	(52,403,000)		(25,356,000)	(27,047,000)	(k)	106.7%
Total shareholders' equity	555,531,000		489,905,000	65,626,000		13.4%
Total liabilities and shareholders' equity	$ 903,741,000		$ 709,414,000	$ 194,327,000		27.4%

(a)	Property acquisitions	$ 104,194,000
	Developed projects	13,650,000
	Maintenance capital expenditures	3,911,000
	Tenant improvements	5,555,000
	Lease commissions	2,213,000
	Renovation costs	3,177,000
	Reclass properties held for sale	(15,237,000)
		$ 117,463,000
(b)	Two properties have been designated for sale in 2000:	
	Baltimore, MD (B&O)	$ 13,589,000
	Houston, TX (South Shaver)	1,648,000
	Accumulated depreciation	(1,002,000)
		$ 14,235,000
(c)	The Company has five development projects in:	
	Beaverton, OR (Creekside)	$ 1,964,000
	Beaverton, OR (Woodside)	2,954,000
	Chantilly, VA (Lafayette)	1,627,000
	Chantilly, VA (Park East IV)	2,067,000
	Irving, TX (Royal Tech 17/18)	4,000
		$ 8,616,000
(d)	Other assets at December 31, 1999 consists of:	
	Investments in marketable securities	$ 18,470,000
	Prepaid and other assets	1,229,000
		$ 19,699,000
(e)	Accrued and other liabilities at December 31, 1999 consists of:	
	Deferred rental revenue	$ 1,629,000
	Accounts payable	388,000
	Property taxes	3,606,000
	Security deposits	7,109,000
	Other	4,548,000
	Reserves for acquisition costs	3,915,000
		$ 21,195,000
(f)	Notes payable decreased due to the following:	
	Assumption of debt in connection with property acquisitions	$ 19,719,000
	Principal payments	(20,694,000)
	Repayment of borrowings from affiliate/line of credit, net	(12,500,000)
		$ (13,475,000)
(g)	Private placement of 510,000 preferred OP units (8 7/8%)	$ 12,750,000
	Private placement of 3,200,000 preferred OP units (8 3/4%)	80,000,000
	Private placement of 1,200,000 preferred OP units (8 7/8%)	30,000,000
	Private placement of 400,000 preferred OP units (8 7/8%)	10,000,000
		$ 132,750,000
(h)	Public offering of 2,200,000 shares of preferred stock (9 1/4%)	
(i)	Issuance of common stock	$ 179,000
	Preferred stock issuance costs	(1,936,000)
	Minority interest adjustment	(1,825,000)
		$ (3,582,000)
(j)	Represents net income for the year ended December 31, 1999.	
(k)	Distributions to preferred shareholders	$ (3,406,000)
	Distributions to common shareholders	(23,641,000)
		$ (27,047,000)

PS BUSINESS PARKS, INC.
CONSOLIDATED STATEMENTS OF INCOME
FOR THE THREE MONTHS ENDED

	12/31/1999	12/31/1998	Increase (Decrease)	% Change
Revenues:				
Rental income	$ 32,783,000	$ 26,861,000	$ 5,922,000 **(a)**	22.0%
Facility management fees from affiliates	120,000	89,000	31,000	34.8%
Interest and other income	1,930,000	334,000	1,596,000 **(b)**	477.8%
	34,833,000	27,284,000	7,549,000	27.7%
Expenses:				
Cost of operations	8,940,000	7,712,000	1,228,000 **(c)**	15.9%
Cost of facility management	24,000	28,000	(4,000)	(14.3%)
Depreciation and amortization	8,121,000	7,487,000	634,000 **(d)**	8.5%
General and administrative	814,000 **(e)**	644,000	170,000	26.4%
Interest expense	495,000 **(f)**	625,000	(130,000)	(20.8%)
	18,394,000	16,496,000	1,898,000	11.5%
Income before minority interest	16,439,000	10,788,000	5,651,000	52.4%
Minority interest in income - preferred units	(2,920,000)	-	(2,920,000)	N/A
Minority interest in income - common units	(2,421,000)	(2,512,000)	91,000	(3.6%)
Income before extraordinary item	11,098,000	8,276,000	2,822,000	34.1%
Extraordinary loss, net of minority interest	(195,000) **(g)**	-	(195,000)	N/A
Net income	10,903,000	8,276,000	2,627,000	31.7%
Net income allocation:				
Allocable to preferred shareholders	1,272,000	-	1,272,000	N/A
Allocable to common shareholders	9,631,000	8,276,000	1,355,000	16.4%
	$ 10,903,000	$ 8,276,000	$ 2,627,000	31.7%
Net income per common share - Basic:				
Income before extraordinary item	$ 0.42	$ 0.35	$ 0.07	20.0%
Extraordinary loss, net of minority interest	(0.01)	-	(0.01)	N/A
Net income	$ 0.41	$ 0.35	$ 0.06	17.1%
Net income per common share - Diluted:				
Income before extraordinary item	$ 0.41	$ 0.35	$ 0.06	17.1%
Extraordinary loss, net of minority interest	(0.01)	-	(0.01)	N/A
Net income	$ 0.40	$ 0.35	$ 0.05	14.3%
Weighted average common shares outstanding:				
Basic	23,645,000	23,636,000	9,000	0.0%
Diluted	23,704,000	23,699,000	5,000	0.0%

(a) Rental income has increased due to the following:

Acquisitions during 1998 and 1999	$ 3,971,000
Straight line rent adjustment	(299,000)
Consistent group of properties	2,250,000
	$ 5,922,000

(b) Interest income increased as a result of higher average cash balances.

(c) Cost of operations has increased due to the following:

Acquisitions during 1998 and 1999	$ 1,143,000
Consistent group of properties	85,000
	$ 1,228,000

(d) Depreciation expense increased in connection with the acquisition of real estate facilities during 1998 and 1999.

(e) General and administrative expenses for the three months ended December 31, 1999 consists of:

Professional fees	$ 246,000
Salaries	161,000
General administrative costs	149,000
Internal acquisition costs	106,000
Abandoned projects	11,000
Other	141,000
	$ 814,000

(f) Interest expense for the three months ended December 31, 1999 consists of:

Assumed mortgages	$ 836,000
Line of credit	64,000
Capitalized interest	(405,000)
	$ 495,000

(g) Extraordinary loss for the year ended December 31, 1999 consists of:

Early extinguishment of debt	$ 256,000
Minority interest portion	(61,000)
	$ 195,000

PS BUSINESS PARKS, INC.
CONSOLIDATED STATEMENTS OF INCOME
FOR THE YEAR ENDED

	12/31/1999		12/31/1998	Increase (Decrease)		% Change
Revenues:						
Rental income	$ 125,327,000		$ 88,320,000	$ 37,007,000	**(a)**	41.9%
Facility management fees from affiliates	471,000		529,000	(58,000)	**(b)**	(11.0%)
Interest and other income	2,815,000		1,411,000	1,404,000	**(c)**	99.5%
	128,613,000		90,260,000	38,353,000		42.5%
Expenses:						
Cost of operations	34,891,000		26,073,000	8,818,000	**(d)**	33.8%
Cost of facility management	94,000		77,000	17,000		22.1%
Depreciation and amortization	29,762,000		18,908,000	10,854,000	**(e)**	57.4%
General and administrative	3,153,000	**(f)**	2,233,000	920,000		41.2%
Interest expense	3,153,000	**(g)**	2,361,000	792,000		33.5%
	71,053,000		49,652,000	21,401,000		43.1%
Income before minority interest	57,560,000		40,608,000	16,952,000		41.7%
Minority interest in income - preferred units	(4,156,000)		-	(4,156,000)		N/A
Minority interest in income - common units	(11,954,000)		(11,208,000)	(746,000)		6.7%
Income before extraordinary item	41,450,000		29,400,000	12,050,000		41.0%
Extraordinary loss, net of minority interest	(195,000)	**(h)**	-	(195,000)		N/A
Net income	$ 41,255,000		$ 29,400,000	$ 11,855,000		40.3%
Net income allocation:						
Allocable to preferred shareholders	$ 3,406,000		$ -	$ 3,406,000		N/A
Allocable to common shareholders	37,849,000		29,400,000	8,449,000		28.7%
	$ 41,255,000		$ 29,400,000	$ 11,855,000		40.3%
Net income per common share - Basic:						
Income before extraordinary item	$ 1.61		$ 1.52	$ 0.09		5.9%
Extraordinary loss, net of minority interest	(0.01)		-	$ (0.01)		N/A
Net income	$ 1.60		$ 1.52	$ 0.08		5.3%
Net income per common share - Diluted:						
Income before extraordinary item	$ 1.60		$ 1.51	$ 0.09		6.0%
Extraordinary loss, net of minority interest	(0.01)		-	$ (0.01)		N/A
Net income	$ 1.59		$ 1.51	$ 0.08		5.3%
Weighted average common shares outstanding:						
Basic	23,641,000		19,361,000	4,280,000	**(i)**	22.1%
Diluted	23,709,000		19,429,000	4,280,000	**(i)**	22.0%

(a) Rental income has increased due to the following:

Acquisitions during 1998 and 1999	$ 29,769,000
Straight line rent adjustment	1,321,000
Consistent group of properties	5,917,000
	$ 37,007,000

(b) Facility management fees have decreased due to the acquisition of properties previously managed.

(c) Interest income increased as a result of higher average cash balances.

(d) Cost of operations have increased due to the following:

Acquisitions during 1997 and 1998	$ 8,428,000
Consistent group of properties	390,000
	$ 8,818,000

(e) Depreciation expense increased in connection with the acquisition of real estate facilities during 1998 and 1999.

(f) General and administrative expenses for the year ended December 31, 1999 consists of:

Professional fees	$ 643,000
Salaries	1,015,000
General administrative costs	540,000
Internal acquisition costs	430,000
Abandoned projects	41,000
Other	484,000
	$ 3,153,000

(g) Interest expense for the year ended December 31, 1999 consists of:

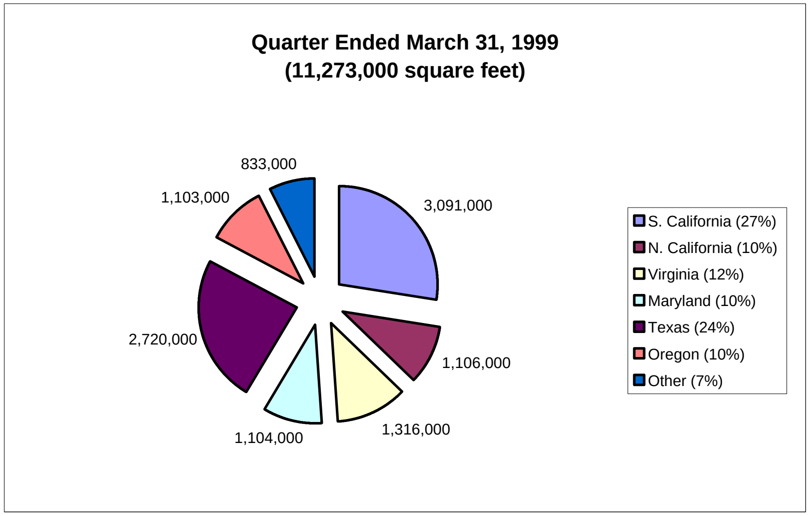
PSI loan	$ 371,000
Assumed mortgages	3,121,000
Line of credit	650,000
Capitalized interest	(989,000)
	$ 3,153,000

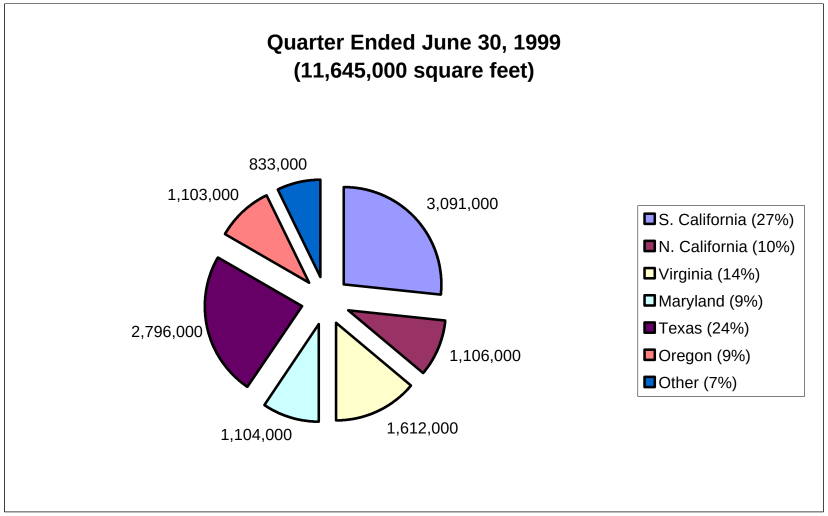
(h) Extraordinary loss for the year ended December 31, 1999 consists of:

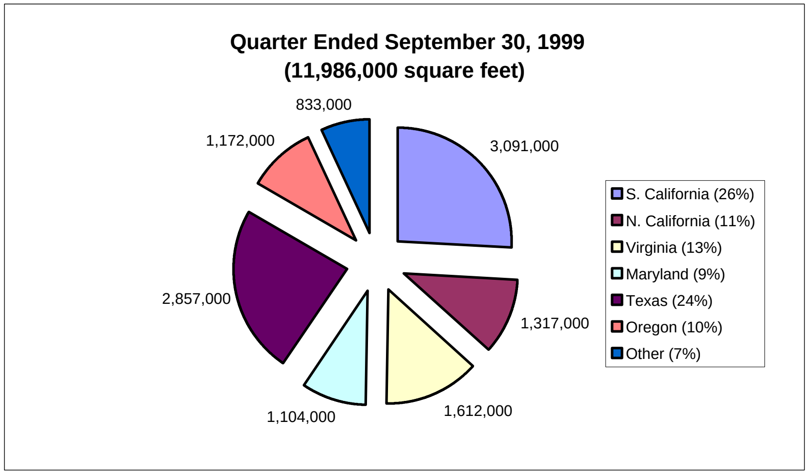
Early extinguishment of debt	$ 256,000
Minority interest portion	(61,000)
	$ 195,000

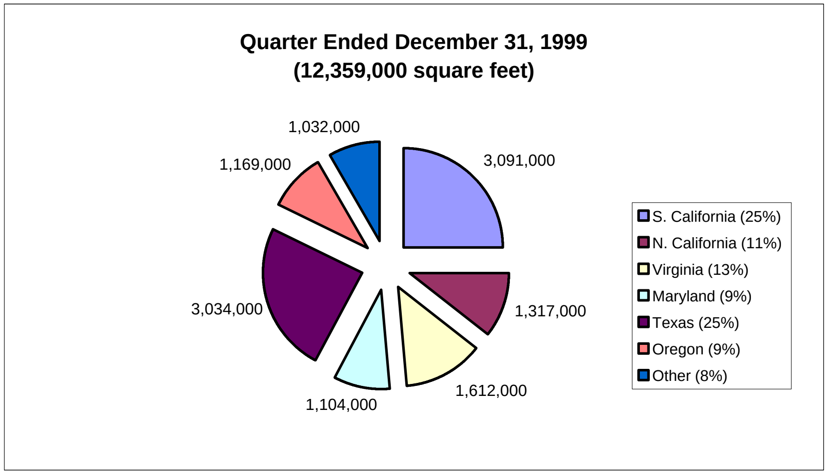
(i) Increase relates primarily to the private and public issuance of 6,774,000 and 5,026,000 shares, respectively. In addition, the Company issued 2,283,000 shares in connection with the Merger with PSPXI.

Rentable Square Footage by Region









PS BUSINESS PARKS, INC.
PORTFOLIO OVERVIEW

Rentable Square Footage of Properties as of December 31, 1999*				
Primary Markets	Office	Flex	Total	%
Dallas	-	1,414,000	1,414,000	11.6%
Northern Virginia	233,000	1,379,000	1,612,000	13.2%
Los Angeles County	88,000	1,482,000	1,570,000	12.8%
Orange County	-	911,000	911,000	7.4%
Northern California	64,000	1,253,000	1,317,000	10.8%
Maryland	267,000	837,000	1,104,000	9.0%
Portland	121,000	982,000	1,103,000	9.0%
Austin	-	831,000	831,000	6.8%
San Diego County	233,000	378,000	611,000	5.0%
Phoenix	-	569,000	569,000	4.7%
Other	330,000	860,000	1,190,000	9.7%
	1,336,000	10,896,000	12,232,000	100.0%

Average Occupancy Rates for the Quarter Ending December 31, 1999			
Primary Markets	Office	Flex	Total
Dallas	-	94.0%	94.0%
Northern Virginia	97.7%	97.2%	97.3%
Los Angeles County	96.9%	96.5%	96.5%
Orange County	-	99.3%	99.3%
Northern California	99.3%	95.6%	95.8%
Maryland	94.9%	100.0%	98.8%
Portland	99.1%	97.9%	98.0%
Austin	-	94.3%	94.3%
San Diego County	99.4%	99.2%	99.2%
Phoenix	-	97.9%	97.9%
Other	78.7%	95.3%	89.9%
	92.9%	96.7%	96.3%

* Rentable square footage excludes new developments placed in service.

PS BUSINESS PARKS, INC.
PORTFOLIO ANALYSIS AS OF DECEMBER 31, 1999

Lease Expirations - Flex

Year of Lease Expiration	Rentable Square Footage	Annual Rents	%
2000	3,006,000	$ 28,323,000	26.5%
2001	2,159,000	23,167,000	21.7%
2002	1,930,000	18,709,000	17.5%
2003	1,258,000	14,136,000	13.2%
2004	952,000	10,195,000	9.5%
Thereafter	1,004,000	12,411,000	11.6%
	10,309,000	$ 106,941,000	100.0%

Lease Expirations - Office

Year of Lease Expiration	Rentable Square Footage	Annual Rents	%
2000	404,000	$ 6,006,000	31.1%
2001	271,000	4,024,000	20.8%
2002	199,000	3,052,000	15.8%
2003	139,000	2,436,000	12.6%
2004	88,000	1,449,000	7.5%
Thereafter	115,000	2,369,000	12.2%
	1,216,000	$ 19,336,000	100.0%

Lease Expirations - Total

Year of Lease Expiration	Rentable Square Footage	Annual Rents	%
2000	3,410,000	$ 34,329,000	27.2%
2001	2,430,000	27,191,000	21.5%
2002	2,129,000	21,761,000	17.2%
2003	1,397,000	16,572,000	13.1%
2004	1,040,000	11,644,000	9.2%
Thereafter	1,119,000	14,780,000	11.8%
	11,525,000	$ 126,277,000	100.0%

Cumulative Lease Expirations (annual rents in millions) as of December 31, 1999