

PS BUSINESS PARKS, INC.

**CHARTER OF THE NOMINATING/ CORPORATE GOVERNANCE COMMITTEE
OF THE BOARD OF DIRECTORS**

**Adopted by the Board of Directors on May 3, 2005
and amended February 23, 2007**

1. The Nominating/Corporate Governance Committee (the "Committee") of the Board of Directors (the "Board") shall consist of at least two independent directors who shall meet the requirements of the American Stock Exchange (or other exchange on which the securities of the Company are listed) and other applicable rules and regulations. Members shall be appointed to, and removed from, the Committee by the Board.
2. The purposes of the Committee are:
 - To assist the Board by identifying individuals qualified to become Board members and to recommend to the Board nominees to fill vacancies in membership of the Board as they occur and, prior to each Annual Meeting of Shareholders, recommend a slate of nominees for election as Directors at such meeting;
 - To recommend to the Board nominees for each committee of the Board.
 - To recommend to the Board the Guidelines on Corporate Governance applicable to the Corporation and any changes to those guidelines;
 - To lead the Board in its annual review of Board performance; and
 - Such other duties as may be assigned by the Board.
3. To carry out its purposes, the Committee shall have the following duties and responsibilities:
 - Seek out and evaluate candidates qualified to become Board members, who may be submitted by Directors, officers, employees, shareholders and others, for consideration as a potential nominee to be recommended to the Board.
 - Recommend to the Board the persons who should be considered for election as Directors at the annual meeting of stockholders.

- In considering possible candidates for election as a Director, the Committee should be guided by the following principles that each Director: (a) should be an individual of the highest character and integrity; (b) should have substantial experience which is of particular relevance to the Corporation; (c) should have an understanding of the Company's business environment and the industry in which it operates; (d) should have sufficient time available to devote to the affairs of the Corporation; (e) should represent the best interests of all stakeholders; (f) should have their skill set complement the skill set of other directors and (g) should be able to read and understand financial statements. In assessing independence, the Committee shall apply the same standards to director nominees as the Board applies to existing directors.
- Periodically review matters involving general operations of the Board and corporate governance for the Corporation, and make recommendations to the Board as appropriate on such matters.
- Review periodically the structure, size, composition and operation of the Board and each committee of the Board.
- After considering the recommendation of the Chairman of the Board, recommend annually to the Board, the Directors for appointment to committees of the Board or for removal or rotation as appropriate.
- Receive comments from all Directors and report annually to the Board with an assessment of Board performance. This assessment should be of the Board's contribution as a whole as well as the contribution of each Director.
- Consider questions and make recommendations to the Board regarding determinations of independence of the members of the Board.
- Oversee and review on a periodic basis the orientation program for new Directors and continuing education programs offered for directors.
- Review and reassess the adequacy of the Board's Guidelines on Corporate Governance and recommend any proposed changes to the Board for approval.
- Evaluate any actual or potential conflicts of interest that may arise under the PS Business Parks Business Conduct Standards with respect to executive officer and directors and recommend to the Board any action to be taken.

- Make regular reports to the Board.
- Review and reassess the adequacy of this Charter annually and recommend any proposed changes to the Board for approval.
- Annually evaluate the performance of the Committee.
- Perform such other duties and responsibilities as may be assigned to the Committee by the Board.

4. If the Company becomes legally obligated by agreement or otherwise to nominate Directors, the selection and nomination of such Directors shall not be subject to the processes of the Committee.

5. The Committee shall meet as often as it determines is appropriate to carry out its responsibilities under this charter. The Chair of the Committee, in consultation with the other Committee members, shall determine the frequency and length of the Committee meetings and shall set meeting agendas consistent with the charter. The Committee shall have the authority to delegate such of its authority and responsibilities as the Committee deems proper to members of the Committee or a subcommittee.

6. The Committee has authority to retain outside advisors as it deems necessary to carry out its responsibilities. The Committee shall have the sole authority to retain and terminate any search firm to be used to identify Director candidates and have sole authority to approve the search firm's fees and other retention terms. Any payment or commitment that involves \$50,000 or more shall require prior approval of the Board.