

PS BUSINESS PARKS INC/CA  
Form FWP  
September 05, 2012

Issuer Free Writing Prospectus

Filed Pursuant to Rule 433

Registration Statement No. 333-180058

September 5, 2012

**PS BUSINESS PARKS, INC.**  
**8,000,000 DEPOSITARY SHARES**  
**EACH REPRESENTING 1/1000 OF A SHARE OF**  
**5.75% CUMULATIVE PREFERRED STOCK, SERIES U**

**Final Term Sheet**

|  |   |
|--|---|
| <b>Issuer:</b>                                   | PS Business Parks, Inc. (PSB)   |
| <b>Security:</b>                                 | Depositary Shares Each Representing 1/1000 of a Share of 5.75% Cumulative Preferred Stock, Series U   |
| <b>Size:</b>                                     | 8,000,000 depositary shares   |
| <b>Over-allotment Option:</b>                    | 1,200,000 depositary shares at \$25.00 per depositary share   |
| <b>Type of Security:</b>                         | SEC Registered - Registration Statement No. 333-180058  |
| <b>Public Offering Price:</b>                    | \$25.00 per depositary share; \$200,000,000 total (not including over-allotment option)   |
| <b>Underwriting Discounts:</b>                   | \$0.7875 per share for Retail Orders; \$5,364,561 total; and \$0.50 per share for Institutional Orders; \$593,930 total   |
| <b>Proceeds to the Company, before expenses:</b> | \$194,041,509 total   |
| <b>Use of Proceeds:</b>                          | We expect to use a portion of the net proceeds to redeem depositary shares representing interests in our 6.700% Cumulative Preferred Shares, Series P at \$25.00 per share, for a total redemption price of approximately \$132.3 million, plus the accrued and unpaid dividends. We also expect to use the net proceeds from this offering for general corporate purposes, which may include the repayment of outstanding indebtedness and the acquisition of commercial properties. |
| <b>Joint Book-Running Managers:</b>              | Merrill Lynch, Pierce, Fenner & Smith<br>Incorporated<br>Morgan Stanley & Co. LLC<br>Wells Fargo Securities, LLC  |
| <b>Co-Managers:</b>                              | Credit Suisse Securities (USA) LLC<br>J.P. Morgan Securities LLC<br>RBC Capital Markets, LLC  |

**Underwriting:**

|   | Number of<br>Firm Shares |
|---|--------------------------|
| Merrill Lynch, Pierce, Fenner & Smith<br>Incorporated | 2,266,666                |
| Morgan Stanley & Co. LLC                              | 2,266,668                |
| Wells Fargo Securities, LLC                           | 2,266,666                |
| Credit Suisse Securities (USA) LLC                    | 400,000                  |
| J.P. Morgan Securities LLC                            | 400,000                  |
| RBC Capital Markets, LLC                              | 400,000                  |

**Distribution Rights:** 5.75% of the liquidation preference per annum; Distributions begin on December 31, 2012

**Redemption:** The depositary shares may not be redeemed until on or after September 14, 2017, except in order to preserve our status as a real estate investment trust.

**Settlement Date:** September 14, 2012 (T+7)

**Selling Concession:** \$0.50/depositary share for Retail Orders; \$0.30/depositary share for Institutional Orders

**Reallowance to other dealers:** \$0.45/depositary share

**CUSIP Number:** 69360J 669

**ISIN Number:** US69360J6698

The Issuer has filed a registration statement (including a prospectus with the SEC) and prospectus supplement for the offering to which this communication relates. Before you invest, you should read the prospectus in that registration statement, the prospectus supplement, and other documents the issuer has filed with the SEC for more complete information about the issuer and this offering. You may get these documents for free by visiting EDGAR on the SEC Web site at [www.sec.gov](http://www.sec.gov). Alternatively, the issuer, any underwriter or any dealer participating in the offering will arrange to send you the prospectus or prospectus supplement if you request it by calling Merrill Lynch, Pierce, Fenner & Smith Incorporated toll-free 1-800-294-1322, Morgan Stanley & Co. LLC toll-free 1-866-718-1649 or Wells Fargo Securities, LLC toll-free 1-800-326-5897.

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