

SECURITIES AND EXCHANGE COMMISSION

WASHINGTON, D.C. 20549

FORM 8-K

Current Report Pursuant to Section 13 or 15(d) of
The Securities Exchange Act of 1934

Date of Report (Date of earliest event reported) December 31, 1998

PS BUSINESS PARKS, INC.

(Exact name of registrant as specified in its charter)

| | | |
|--|--|---|
| CALIFORNIA ----- (State or Other Jurisdiction of Incorporation) | 1-10709 ----- (Commission File Number) | 95-4300881 ----- (I.R.S. Employer Identification Number) |
|--|--|---|

701 WESTERN AVENUE, GLENDALE, CALIFORNIA 91201-2397

(Address of principal executive offices) (Zip Code)

Registrant's telephone number, including area code: (818) 244-8080

N/A

(Former name or former address, if changed since last report)

ITEM 5. OTHER EVENTS

During the period November 4, 1998 through January 6, 1999, PS Business Parks, Inc. (the "Company"), through its consolidated partnerships, acquired 14 properties in Texas and California for an aggregate purchase price of \$58.7 million and two additional properties located in Texas were proposed to be acquired by the Company, through its consolidated partnerships, for an aggregate purchase price of approximately \$8.3 million. The Company is not affiliated with the sellers and the purchase price was established through arm's length negotiation. The Company obtained the funds to acquire the facilities from its existing cash balance and borrowings of \$26.5 million from its unsecured line of credit with Wells Fargo Bank in addition to the assumption of an existing mortgage payable of \$8,673,000.

The following table provides certain information concerning the facilities acquired:

<TABLE>
<CAPTION>

| Name and Occupancy Location Closing | Seller | Date of Acquisition | Property Type | Purchase Price | Net Rentable Square Footage | at |
|--|---|------------------------|----------------------------|-------------------------|-----------------------------------|-------------|
| <S> Royal Tech 15 Dallas, Texas | <C> Petula Associates, Ltd. | <C> 11/4/98 | <C> Industrial & Office | <C> \$ 6,880,000 (1) | <C> 57,088 | <C> 100% |
| Las Plumas San Jose, California | Las Plumas Business Center and Patrician Associates, Inc. | 12/31/98 | Industrial & Office | 17,250,000 (1) | 213,634 | 83.6% |
| Ben White 1 Austin, Texas | CPF Austin Industrial Associates L.P. | 12/31/98 | Industrial & Office | 4,163,000 | 54,385 | 100% |
| McKalla 3 Austin, Texas | CPF Austin Industrial Associates L.P. | 12/31/98 | Industrial & Office | 4,045,000 | 53,480 | 100% |
| McKalla 4 Austin, Texas | CPF Austin Industrial Associates L.P. | 12/31/98 | Industrial & Office | 3,517,000 | 59,600 | 100% |

| | | | | | | |
|------------------------------|--|------------|---------------------|----------------|---------|-------|
| Ben White 5 Austin, Texas | CPF Austin Industrial Associates L.P. | 12/31/98 | Industrial & Office | 3,978,000 | 54,000 | 100% |
| Mopac 6 Austin, Texas | CPF Austin Industrial Associates L.P. | 12/31/98 | Industrial & Office | 1,929,000 | 42,633 | 71.8% |
| Rutland 14 Austin, Texas | CPF Austin Industrial Associates L.P. | 12/31/98 | Industrial & Office | 2,990,000 | 61,247 | 69.3% |
| ----- | | | | | | |
| 90.5% | | | | 20,622,000 (2) | 325,345 | |
| Waterford A Austin, Texas | Waterford Sage | 1/6/99 | Industrial & Office | 3,300,000 | 30,340 | 100% |
| McNeil 6 Austin, Texas | Peterson - Hill #6 L.P. | 1/6/99 | Industrial & Office | 2,412,000 | 28,364 | 100% |
| Rutland 11 Austin, Texas | Peterson - Hill #6 L.P. | 1/6/99 | Industrial & Office | 1,797,000 | 39,865 | 100% |
| Rutland 12 Austin, Texas | Peterson - Hill #6 L.P. | 1/6/99 | Industrial & Office | 2,957,000 | 58,800 | 100% |
| Rutland 13 Austin, Texas | Crow Hicks Ltd. | 1/6/99 | Industrial & Office | 2,593,000 | 52,389 | 100% |
| Rutland 19 Austin, Texas | BL - Austin Industrial Ltd. | 1/6/99 | Industrial & Office | 870,000 | 21,096 | 100% |
| ----- | | | | | | |
| 100% | | | | 13,929,000 (1) | 230,854 | |
| Waterford B Austin, Texas | Waterford Sage | 5/31/99(3) | Industrial & Office | 2,028,000 | 18,195 | N/A |
| Waterford C Austin, Texas | Waterford Sage | 5/31/99(3) | Industrial & Office | 6,318,000 | 57,164 | N/A |
| ----- | | | | | | |
| | | | | 8,346,000 (4) | 75,359 | N/A |
| ----- | | | | | | |
| Totals | | | | \$67,027,000 | 902,280 | |
| 92.7% | | | | ===== | ===== | |

</TABLE>

Notes to Table:

- (1) Acquired for cash.
- (2) Acquired for cash of \$11,949,000 and the assumption of an existing mortgage payable of \$8,673,000.
- (3) Proposed acquisition date.
- (4) To be acquired for cash.

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ITEM 7. FINANCIAL STATEMENTS AND EXHIBITS

- (a) (3) Financial Statements specified by Rule 3.14 of Regulation S-X

It is impracticable to provide at the time of filing this Report on Form 8-K any of the financial statements or the additional information specified by Rule 3-14 of Regulation S-X as required by Item 7(a) (3). The required financial information and additional information will be filed by amendment as soon as practicable and, in any event, within 60 days after the required filing date for this Form 8-K.

- (b) Pro forma Consolidated Financial Statements

It is impracticable to provide at the time of filing this Report on Form 8-K any of the pro forma financial information required pursuant to Article 11 of Regulation S-X as required by Item 7(b) (1). The required pro forma information will be filed by amendment as soon as practicable and, in any event, within 60 days after the required filing date for this Form 8-K.

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SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the Registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

PS BUSINESS PARKS, INC.

Date: January 13, 1998

By: /s/ Jack Corrigan

Jack Corrigan

Vice President and Chief Financial Officer