



## GOVERNANCE GUIDELINES

(As amended January 1, 2012)

The Board of Trustees (the "Board") of First Potomac Realty Trust (the "Company") has adopted these guidelines for the Company and the Board on matters of governance. The Board will periodically review and reassess the adequacy of these guidelines. These guidelines shall be made available to shareholders, investors, and the general public through publication on the Company's Web site ([www.first-potomac.com](http://www.first-potomac.com)).

### 1. Responsibility of Board and Trustees

The Board is the ultimate decision-making body of the Company except for those matters reserved to the shareholders under applicable law. Trustees are expected to attend Board meetings and meetings of committees on which they serve, to spend the time needed and meet as frequently as necessary to discharge properly their responsibilities. Trustees are also required to bring to the attention of the Board any potential conflicts of interest and to refrain from voting on such matters in accordance with the Company's Code of Business Conduct and Ethics.

The Trustee's basic responsibility is to perform his or her duties in good faith, in a manner he or she believes to be in the best interests of the Company and with the care that an ordinarily prudent person in a like position would use under similar circumstances.

### 2. Size of the Board

The Board believes that a size of 7 to 10 members is optimal for a Company of our size and structure.

### 3. Independent Trustees

A majority of the Board of Trustees shall be independent in accordance with the listing standards of the New York Stock Exchange as then in effect. In order for a Trustee to be considered independent by the Board, he or she must (i) be free of any relationship that, applying the rules of the New York Stock Exchange, would preclude a finding of independence and (ii) not have any material relationship (either directly or as a partner, shareholder or officer of an organization) with the Company or any of its affiliates or any executive officer of the Company or any of its affiliates. In evaluating the materiality of any such relationship, the Board of Trustees shall take into consideration whether disclosure of the relationship would be required by the proxy rules under the Securities Exchange Act of 1934,

as amended. If such disclosure is required, the Board of Trustees must make a determination that the relationship is not material as a prerequisite to finding that the Trustee is independent.

4. Board Membership Criteria

The Nominating and Governance Committee is responsible for reviewing with the Board, on an annual basis, the requisite skills and characteristics of new Board members as well as the composition of the Board as a whole. This assessment will include members' qualification as independent, as well as consideration of diversity, age, skills and experience, ethics, leadership, interpersonal skills, financial acumen, industry knowledge, and diversity of viewpoints, in each case, in the context of the Board's needs.

The Nominating and Governance Committee will consider Trustee candidates recommended by a shareholder or groups of shareholders of the Company, other Trustees, officers and employees of the Company and other sources that the Nominating and Governance Committee deems appropriate. The Company shall publicize the manner in which shareholders may recommend Trustee candidates.

Nominees for Trustee will be selected by the Nominating and Governance Committee in accordance with the policies and principles in its charter. The invitation to join the Board should be extended by the Chairman of the Nominating and Governance Committee and the Chairman of the Board.

5. Annual Performance Evaluation

The Board will conduct an annual self-evaluation to determine whether it and its committees are functioning effectively. The Nominating and Governance Committee will receive comments from all Trustees and report annually to the Board with an assessment of the Board's performance. This will be discussed with the full Board following the end of each fiscal year. The assessment will focus on the Board's contribution to the Company and specifically focus on areas in which the Board can improve. This review will also include an individual assessment of each Trustee's performance, including such factors as the Trustee's attendance, contributions to the Board, the Trustee's qualification as independent, any change in job responsibility or status of the Trustee (as described in Section 6) and such other factors as may be determined by the Nominating and Governance Committee as appropriate for review. The Nominating and Governance Committee may recommend that a Trustee not be renominated if it believes that the Board needs to add qualifications, skills or experiences to the Board that are not possessed by the Trustee.

Each standing committee charter will provide that each committee will annually evaluate its performance.

6. Trustees Who Change Their Job Responsibility or Status

Individual Trustees who experience a significant change (including retirement) in the principal position, job responsibility or status they held when they were most recently elected to the Board are expected to (a) provide written notice of such change to the Chairman of the Board and the Chairman of the Nominating and Governance Committee and (b) offer to resign from the Board and all committees. It is not the sense of the Board that in every instance a Trustee who retires or changes from the position he or she held when joining the Board should necessarily leave the Board. Rather, the Board believes the Board, through the Nominating and Governance Committee should have the opportunity to assess each situation, based on the individual circumstances, and make a recommendation to the Board as to the continued appropriateness of Board membership under the circumstances. If the Board, through the Nominating and Governance Committee, determines that it is not appropriate for the Trustee to continue Board membership, the Board will accept such offer of resignation.

7. Other Public Company Boards, Age and Term Limits

Trustees and senior managers shall advise, and obtain the approval of, the Chairman of the Board and the Chairman of the Nominating and Governance Committee in advance of accepting an invitation to serve on another public company board. No Trustee may serve on more than four other public company boards. No Trustee may be nominated to a new term if he or she would be age 77 or older at the time of the election. The Board does not believe it should establish term limits. Term limits have the disadvantage of losing the contribution of Trustees who have been able to develop, over a period of time, increasing insight into the Company and its operations and, therefore, provide an increasing contribution to the Board as a whole. As an alternative to term limits, the Nominating and Governance Committee will evaluate the performance of each Trustee annually in accordance with Section 5 of these guidelines.

8. Number of Committees; Charters

The current standing committees of the Board are Audit, Investment, Compensation and Nominating and Governance. The Board will have at all times an Audit Committee, a Compensation Committee and a Nominating and Governance Committee and each such committee will have its own charter. The charters will set forth the purposes, goals and responsibilities of the committees as well as qualifications for committee membership, procedures for committee member appointment and removal, committee structure and operations and committee reporting to the Board.

The Board may, from time to time, establish or maintain additional committees as the Board deems necessary or appropriate.

9. Assignment and Rotation of Committee Members

Committee members will be appointed by the Board upon the recommendation of the Nominating and Governance Committee. All members of the Audit Committee, Compensation Committee and Nominating and Governance Committee and at least one member of the Investment Committee shall be independent Trustees in accordance with the standards set forth in Section 4 of these guidelines and as otherwise may be required by the Company's Bylaws and the rules and regulations of the New York Stock Exchange as then effect.

10. Frequency and Length of Board and Committee Meetings

Board and committee meetings generally will be held pursuant to a pre-determined schedule, with additional meetings scheduled as necessary or appropriate. The Chairman, in consultation with the other members of the Board, will determine the frequency and length of meetings of the Board. The chairman of each committee, in consultation with the committee members, will determine the frequency and length of the committee meetings consistent with any requirements set forth in the committee's charter.

11. Agenda Items for Board Meetings

The Chairman of the Board, with input from the other Board members, will establish the agenda for each Board meeting. Each Board member is encouraged to suggest the inclusion of items on the agenda. Each Board member is free to raise at any Board meeting subjects that are not on the agenda for that meeting.

12. Agenda Items for Committee Meetings

The chairman of each committee, in consultation with appropriate members of the committee and management, will develop the committee's agenda. The schedule for each committee will be furnished to all Trustees.

13. Board and Committee Materials

Information and data that are important to the Board's understanding of the business to be conducted at a Board or a committee meeting should generally be distributed in writing to the Trustees before the meeting, in order to provide reasonable time for review. Trustees should review these materials in advance of the meeting.

14. Trustee Access to Officers and Employees

Trustees shall have full and free access to officers and employees of the Company and, as necessary and appropriate, to the Company's independent advisors. Any meetings or contacts that a Trustee wishes to initiate may be arranged through the CEO or the Secretary or directly by the Trustee. The Trustees will use their judgment to ensure that any such contact is not disruptive to the business operations of the Company and will, to the extent not inappropriate, copy the CEO on any written communications between a Trustee and an officer or employee of the Company, or advise the CEO of any such oral communications.

If the CEO or a Trustee wishes to have members of senior management or other Company personnel attend any particular Board meeting or attend Board meetings on a regular basis, this suggestion should be brought to the Board for approval.

15. Executive Sessions

The non-management Trustees shall meet in regularly scheduled executive sessions as often as appropriate, but at least quarterly. The independent Trustees (excluding any non-management Trustee who does not qualify as an independent trustee under New York Stock Exchange Rules as then in effect) will meet in executive session at least annually. The Trustee who presides at these meetings shall be the Lead Independent Trustee. The process for determining the Lead Independent Trustee will be determined by the non-management Trustees, and the name of the Lead Independent Trustee, will be disclosed in the annual proxy statement.

16. Board Compensation

The form and amount of Trustee compensation will be determined by the Board based on a recommendation of the Compensation Committee in accordance with the policies and principles set forth in its charter. The Compensation Committee will conduct an annual review of Trustee compensation. Trustees who are employees of the Company will not receive additional compensation for performance as a Trustee. Board compensation will be disclosed in the Company's annual proxy statement.

17. Orientation of New Board Members

All new Trustees must participate in the Company's orientation program. This orientation will include presentations by senior management to familiarize new Trustees with the Company's strategic plans, its significant financial, accounting and risk management issues, its compliance programs, these Guidelines, its Code of Business Conduct and Ethics, its principal officers and its internal and independent auditors. In addition, the orientation program will include visits to Company headquarters and, to the extent practical, certain of the Company's

significant properties. All other Trustees are also invited to attend these orientation sessions. The Company will provide Trustees with the opportunity to participate in continuing education programs that are relevant to their service on the Board.

18. Formal Evaluation of the Chief Executive Officer

The Compensation Committee will conduct an annual review of the CEO's performance, as set forth in its charter. The Board will review the Compensation Committee's report in order to ensure that the CEO is providing appropriate leadership for the Company in the long- and short-term. The performance evaluation will be conducted at a meeting of the Compensation Committee. The results of the evaluation will then be communicated to the Chief Executive Officer by the chairman of the Compensation Committee in a private meeting.

19. Management Development and Succession Planning

The Nominating and Governance Committee should make an annual report to the Board on succession planning. The members of the Board, on an annual basis, will discuss the Company's plans for succession of the CEO upon his retirement or in the event he is unable to serve in such capacity. The entire Board will work with the Nominating and Governance Committee to nominate and evaluate potential successors to the CEO. The CEO should at all times make available his or her recommendations and evaluations of potential successors, along with a review of any development plans recommended for such individuals.

In addition, the Nominating and Governance Committee shall also review periodically with the CEO potential succession arrangements for other key members of senior management.

20. Board Interaction with Institutional Investors, the News Media, Customers, etc.

The Board believes that the management speaks for the Company. Individual Board members may, from time to time, meet or otherwise communicate with various constituencies that are involved with the Company. However, it is expected that Board members would do this with the knowledge of management and, absent unusual circumstances or as contemplated by committee charters, only at the request of management.

21. Board and Committee Access to Outside Financial, Business and Legal Advisors

The Board and each of its committees shall have the authority to retain special legal, accounting, financial or other advisors as they may deem necessary or appropriate. The Company shall pay any fees and expenses incurred in connection therewith.

22. Code of Conduct

On a regular basis the Nominating and Governance Committee will review and amend the Code of Business Conduct and Ethics ("Code of Conduct") applicable to all Trustees, executive officers and employees of the Company as they deem necessary or appropriate. As required by the Code of Conduct, the Board will approve all changes to the Code of Conduct and the granting of any waivers or variances under such policy.

23. Trustee Attendance at Annual Shareholder Meetings

It is the Board's policy that, absent unusual or unforeseen circumstances, all of the Trustees of the Company should attend the Annual Meeting of the Company's shareholders.