



TERRENO REALTY CORPORATION NOMINATING AND CORPORATE GOVERNANCE COMMITTEE CHARTER

General Statement of Purpose

The purposes of the Nominating and Corporate Governance Committee of the Board of Directors (the "Nominating Committee") of Terreno Realty Corporation (the "Company") on behalf of the Board of Directors of the Company (the "Board") are to (1) identify individuals qualified to become board members, consistent with criteria approved by the Board, and recommend that the Board select the director nominees for election at each annual meeting of stockholders, (2) review and make recommendations to the Board for committee appointments to the Board, (3) develop and recommend to the Board a set of corporate governance guidelines applicable to the Company, periodically review such guidelines and recommend any changes thereto and (4) oversee the evaluation of the Board.

Composition

The number of individuals serving on the Nominating Committee shall be fixed by the Board from time to time but shall consist of no fewer than three (3) members. Each member shall satisfy the independence requirements of the New York Stock Exchange ("NYSE"), as determined by the Board in its business judgment.

The members of the Nominating Committee shall be appointed annually by the Board and may be removed by the Board at any time with or without cause. Resignation or removal of a director from the Board, for whatever reason, shall automatically constitute resignation or removal, as applicable, from this committee. Vacancies occurring, for whatever reason, may be filled by the Board. The Board shall designate one member of the Nominating Committee to serve as chairperson of the Nominating Committee.

Meetings

The Nominating Committee shall meet as often as it determines is necessary or appropriate to carry out its responsibilities under this Charter, but not less frequently than annually. Meetings of the Nominating Committee shall be called and held, and actions of the Nominating Committee shall be taken or approved, in accordance with the Maryland General Corporation Law and the charter and Bylaws of the Company. The Nominating Committee shall keep a record of its actions and proceedings. The chairperson of the Nominating Committee, in consultation with the other members of the Nominating Committee and management, may set meeting agendas consistent with this Charter.



Responsibilities and Authority

The Nominating Committee's purpose and responsibilities shall be to:

Review of Charter

Review and reassess the adequacy of this Charter annually and recommend to the Board any amendments or modifications to this Charter that the Nominating Committee deems appropriate.

Annual Performance Evaluation of the Nominating Committee

Perform an annual performance evaluation of the Nominating Committee and report to the Board on the results of such evaluation.

Determination of Nominee Selection Criteria

Develop and recommend to the Board for its consideration and approval such criteria for identifying and recommending prospective nominees for election as directors as the Nominating Committee deems necessary or advisable in the context of the current make-up of the Board, including a description of any specific, minimum qualifications that the Nominating Committee believes must be met by a Nominating Committee-recommended nominee, and a description of any specific qualities or skills that the Nominating Committee believes are necessary for one or more of the Company's directors to possess. The criteria should include such factors as diversity, age, qualities (such as character, professional integrity, independence, judgment and business acumen), skills and experience, industry knowledge and experience, requirements of the NYSE to maintain a minimum number of independent directors, requirements of the Securities and Exchange Commission (the "SEC") to have persons with financial expertise on the Company's Audit Committee, the ability of a candidate to devote sufficient time to the affairs of the Company, any actual or potential conflicts of interest, and the extent to which the candidate generally would be a desirable addition to the Board and any committees of the Board.

Annually reassess the adequacy of such criteria and submit any proposed changes to the Board for approval.

Selection of Directors and Committee Members

Recommend to the Board from time to time changes the Nominating Committee believes to be desirable to the size of the Board.

Identify individuals believed to be qualified to become Board members, and recommend to the Board the nominees to stand for election as directors. In the case of a vacancy in the office of director (including a vacancy created by an increase in the size of the Board) that will be filled by the Board, the Nominating Committee shall



recommend to the Board an individual to fill such vacancy. In nominating candidates, the Nominating Committee shall take into consideration the criteria specified by the Board.

Establish procedures for the submission by stockholders, other directors, officers and employees of the Company or other sources that the Nominating Committee deems appropriate of individuals to be considered by the Nominating Committee for recommendation as nominees for election as directors.

Consider candidates proposed by stockholders, other members of the Board, officers and employees of the Company and other sources that the Nominating Committee deems appropriate in accordance with the procedures established from time to time by the Nominating Committee and set forth in the Company's proxy statement, or as otherwise required by the NYSE and SEC.

In connection with the election by the Board of any individual to fill a vacancy on the Board, determine whether such individual must tender, in advance, an irrevocable resignation, such resignation to be effective upon the failure by the Company's stockholders to approve the director's election at any special meeting of the Company's stockholders held in accordance with the Bylaws at the request of the Company's stockholders before the annual meeting of stockholders next following such director's election for the purpose of approving such director's election.

Recommend to the Board the directors for appointment to committees of the Board.

Director Resignations

Consider and make a recommendation as to whether to accept or reject any resignation by a director.

Corporate Governance Guidelines

Develop and recommend to the Board a set of Corporate Governance Guidelines applicable to the Company that satisfy the standards established by the NYSE.

Review and reassess the adequacy of the Corporate Governance Guidelines annually and recommend any proposed changes to the Board for approval.

Consider any other corporate governance issues that arise from time to time, and develop recommendations for the Board, as appropriate.

Evaluation of Board of Directors and Board Committees

Oversee an annual evaluation of the Board's performance, to be discussed with the full Board following the end of each fiscal year (it being understood that management's performance and compensation and the Board's compensation are evaluated by the Compensation Committee).



Oversee an annual evaluation of each committee of the Board's performance, to be discussed with each such committee following the end of each fiscal year.

Matters Relating to Retention and Termination of Search Firms to Identify Director Candidates

Exercise sole authority to retain and terminate any search firm that is to be used by the Company to assist in identifying director candidates. The Nominating Committee shall also have sole authority to approve any such search firm's fees and other retention terms.

General

Prepare any reports of the Nominating Committee to be included in the Company's proxy statement as may be required by the SEC.

The Nominating Committee may establish and delegate authority to subcommittees consisting of one or more of its members, when the Nominating Committee deems it appropriate to do so in order to carry out its responsibilities.

The Nominating Committee shall make regular reports to the Board concerning areas of the Nominating Committee's responsibility.

In performing his or her duties as a member of the Nominating Committee, each member of the Nominating Committee shall be entitled to rely on any information, opinion, report or statement, including any financial statement or other financial data, prepared or presented by an officer or employee of the Company whom the member reasonably believes to be reliable and competent in the matters presented, by a lawyer, certified public accountant or other person, as to a matter which the member reasonably believes to be within the person's professional or expert competence, or by another committee of the Board on which the member does not serve, as to a matter within its designated authority, if the member reasonably believes the committee to merit confidence. The Nominating Committee shall have the authority to request that any officer or employee of the Company, the Company's outside legal counsel, the Company's independent auditor or any other professional retained by the Company render advice to the Company attend a meeting of the Nominating Committee or meet with any members of or advisors to the Nominating Committee. The Nominating Committee shall also have the authority to engage legal, accounting or other advisors to provide it with advice and information in connection with carrying out its responsibilities and shall have sole authority to approve any such advisor's fees and other retention terms.

The Nominating Committee may perform such other functions as may be requested by the Board from time to time.