



FOR IMMEDIATE RELEASE

BRE PROPERTIES REPORTS FIRST QUARTER 2007 RESULTS

May 1, 2007 (San Francisco) – BRE Properties, Inc., (NYSE:BRE) today reported operating results for the quarter ended March 31, 2007. All per share results are reported on a fully diluted basis.

Funds from operations (FFO), the generally accepted measure of operating performance for real estate investment trusts, totaled \$32.2 million, or \$0.61 per share, during first quarter 2007, as compared with \$27.1 million, or \$0.51 per share, for the quarter ended March 31, 2006, an increase of 19.6%. (A reconciliation of net income available to common shareholders to FFO is provided at the end of this release.)

Net income available to common shareholders for the first quarter totaled \$11.9 million, or \$0.23 per share, as compared with \$7.4 million, or \$0.14 per share, for the same period 2006.

Total revenues from continuing operations for the quarter were \$86.0 million, as compared with \$78.8 million a year ago. Adjusted EBITDA for the quarter totaled \$56.5 million, as compared with \$53.2 million in first quarter 2006. (A reconciliation of net income available to common shareholders to Adjusted EBITDA is provided at the end of this release.)

BRE's positive year-over-year earnings and FFO results were driven primarily by improved same-store property-level operating results and income from acquisitions and newly developed properties.

Same-store NOI growth was 9.1% for the quarter, as compared with the same period in 2006. (A reconciliation of net income available to common shareholders to NOI is provided at the end of this release.) For the first quarter, same-store NOI increased \$4.5 million relative to the same period in the prior year. Acquisition activities during 2005 and 2006 increased first-quarter 2007 NOI by \$1.0 million, as compared with the same period in the prior year. Lease-up properties generated \$0.7 million in additional NOI during the quarter, as compared with first quarter 2006.

Same-Store Property Results

BRE defines same-store properties as stabilized apartment communities owned by the company for at least five full quarters. Of the 22,681 apartment units owned directly by BRE, same-store units totaled 20,386 for the quarter.

On a year-over-year basis, overall same-store NOI growth was driven by revenue growth of 6.0% for the quarter. Average same-store market rent for the first quarter 2007 increased 4.0% to \$1,356 per unit, from \$1,301 per unit in first quarter 2006. Same-store physical occupancy levels averaged 93.1% during first quarter 2007, as compared with 95.0% in the same period 2006. Rent concessions in the same-store portfolio totaled \$590,172, or 3.1 days rent, for first quarter 2007, as compared with \$361,361, or 2.0 days rent, for the same period 2006. Property-level operating expense was flat with first quarter 2006 levels.

On a sequential basis, same-store NOI decreased 0.9% from fourth quarter 2006. Revenue increased 0.8% and expenses increased 4.8% from the previous quarter. Average physical occupancy increased to 93.1% in the first quarter, from 92.9% in the fourth quarter. Physical occupancy at the end of the first quarter was 94.0%.

Acquisition and Development Activity

As previously reported, in the first quarter 2007 BRE acquired a 3.5-acre land site in Los Angeles for approximately \$66.5 million. The site represents 645 units of future development, and an estimated total investment of \$320 million upon completion.

During the first quarter, BRE had two Southern California properties in the lease-up phase: Galleria at Towngate in Moreno Valley and Renaissance at Uptown Orange in Orange. All 268 units have been delivered at Galleria of Towngate, 206 of which were occupied at the end of the quarter; 39 of 460 units have been delivered at Renaissance at Uptown Orange, 13 of which were occupied.

BRE currently has six communities under construction, with a total of 1,673 units, an aggregate projected investment of \$510 million and an estimated balance to complete totaling \$215 million.

BRE owns five land parcels representing 1,416 units of future development, and an estimated aggregate investment of \$549 million upon completion. Construction starts for the five parcels range from the third quarter of 2007 to the first half of 2009. The land parcels are located in Southern California, Northern California, and the Seattle, Washington metro area.

Capital Markets Activity

During the quarter, the company issued \$300 million of senior unsecured 10-year notes, with a coupon of 5.50%. Proceeds derived from the offering were used to pay down floating rate debt and to pre-fund \$50 million of unsecured notes due to mature June 2007.

Earnings Outlook

The company maintained its guidance for the full year 2007: FFO per share in a range of \$2.55 to \$2.70, and EPS in a range of \$1.05 to \$1.20. FFO estimates for 2007 do not include nonroutine income or expense items; EPS estimates do not include any projected gains or losses associated with property sales. Management will assess the range of earnings estimates for 2007 at the end of each quarter.

Q1 2007 Analyst Conference Call

The company will hold a conference call on Wednesday, May 2, at 9:00 a.m. Pacific (12:00 p.m. Eastern) to review these results. The dial-in number to participate in the U.S. and Canada is 888.290.1473; the international number is 706.679.8398. Enter Conf. ID# 4756021. A telephone replay of the call will be available for 30 days at 800.642.1687 or 706.645.9291 international, using the same ID# 4756021. A link to the live webcast of the call will be posted on www.breproperties.com, in Investors, on the Corporate Profile page. A webcast replay will be available for one month following the call.

Q2 2007 Earnings Dates

The company will report second quarter 2007 earnings after close of market on July 31, 2007, followed by a conference call on August 1, 2007 at 9:30 a.m. Pacific (12:30 p.m. Eastern).

About BRE Properties

BRE Properties—a real estate investment trust—develops, acquires and manages apartment communities convenient to its residents' work, shopping, entertainment and transit in supply-constrained Western U.S. markets. BRE directly owns and operates 81 apartment communities totaling 22,681 units in California, Arizona and Washington. The company currently has 11 other properties in various stages of development and construction, totaling 3,089 units, and joint venture interests in nine additional apartment communities, totaling 2,672 units.

“Safe Harbor” Statement under the Private Securities Litigation Reform Act of 1995: Except for the historical information contained herein, this news release contains forward-looking statements regarding the Company’s capital resources, portfolio performance and results of operations, and is based on the company’s current expectations and judgment. You should not rely on these statements as predictions of future events because there is no assurance that the events or circumstances reflected in the statements can be achieved or will occur. Forward-looking statements are identified by words such as “believes,” “expects,” “may,” “will,” “should,” “seeks,” “approximately,” “intends,” “plans,” “pro forma,” “estimates,” or “anticipates” or their negative form or other variations, or by discussions of strategy, plans or intonations. The following factors, among others, could affect actual results and future events: defaults or nonrenewal of leases, increased interest rates and operating costs, failure to obtain necessary outside financing, difficulties in identifying properties to acquire and in affecting acquisitions, failure to successfully integrate acquired properties and operations, inability to dispose of assets that no longer meet our investment criteria under applicable terms and conditions, risks and uncertainties affecting property development and construction (including construction delays, cost overruns, liability to obtain necessary permits and public opposition to such activities), failure to qualify as a real estate investment trust under the Internal Revenue Code of 1986, as amended, and increases in real property tax rates. The Company’s success also depends on general economic trends, including interest rates, tax laws, governmental regulation, legislation, population changes and other factors, including those risk factors discussed in the section entitled “Risk Factors” in the Company’s most recent Annual Report on Form 10-K as they may be updated from time to time by the Company’s subsequent filings with the Securities and Exchange Commission, or SEC. Do not rely solely on forward-looking statements, which only reflect management’s analysis. The Company assumes no liability to update this information. For more details, please refer to the Company’s SEC filings, including its most recent Annual Report on Form 10-K and Quarterly Reports on Form 10-Q.