

BRE PROPERTIES REPORTS THIRD QUARTER 2007 RESULTS

October 30, 2007 (San Francisco) – BRE Properties, Inc. (NYSE:BRE) today reported operating results for the quarter ended September 30, 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 \$32.4 million, or \$0.62 per share, during third quarter 2007, as compared with \$30.6 million, or \$0.58 per share, for the quarter ended September 30, 2006. Third quarter 2007 FFO included a nonrecurring charge of \$2.8 million, or \$0.05 per share, in connection with the redemption of preferred stock. FFO for third quarter 2006 included Other Expenses totaling \$576,000, or \$0.01 per share, for charges associated with the early retirement of debt. Excluding nonroutine items, year-over-year core FFO per share growth was 14%.

Net income available to common shareholders for the third quarter totaled \$51.4 million, or \$0.99 per diluted share, as compared with \$11.5 million, or \$0.22 per diluted share, for the same period 2006. Earnings in third quarter 2007 included gains on the sale of assets, which totaled \$39.2 million, or \$0.76 per share.

Total revenues from continuing operations for the quarter were \$87.8 million, as compared with \$81.6 million a year ago, representing growth of 8%. Adjusted EBITDA for the quarter totaled \$59.7 million, as compared with \$56.2 million in third quarter 2006.

Nine-Month Period Ended September 30, 2007

For the year-to-date period, FFO totaled \$100.2 million, or \$1.90 per share, as compared with \$109.1 million, or \$2.05 per share, for the nine-month period in 2006. FFO for the year-to-date period in 2007 included nonroutine income of \$1.9 million, or \$0.04 per share, in proceeds from a legal settlement, and the previously noted nonrecurring charge of \$2.8 million, or \$0.05 per share. FFO for the same period in 2006 included income of \$23.0 million, or \$0.43 per share, from a legal settlement and gains on sales of excess land; and Other Expenses of \$576,000, or \$0.01 per share, for the early retirement of debt noted above, and \$561,000, or \$0.01 per share, for litigation costs. Excluding all nonroutine income items, core FFO per share growth was 17% year-over-year.

Net income available to common shareholders for the nine-month period totaled \$78.5 million, or \$1.51 per diluted share, as compared with \$89.5 million, or \$1.71 per diluted share, for the same period 2006. The 2007 year-to-date results included the gains from property sales noted above. In addition to the nonroutine income items noted above, year-to-date 2006 earnings included gains on the sale of assets, which totaled \$38.3 million, or \$0.73 per share.

For the first nine months of 2007, total revenues from continuing operations were \$256.3 million, as compared with \$236.9 million for the same period 2006, representing growth of 8%. Adjusted EBITDA for the nine-month period totaled \$174.8 million, as compared with \$162.2 million for the same period in 2006.

BRE's positive year-over-year earnings and FFO results were driven primarily by same-store property-level operating results, and income from acquisitions and newly developed properties. Same-store NOI growth was 5.9% and 7.7% for the quarter and year-to-date periods, respectively, as compared with the same periods in 2006. For the third quarter and nine-month period, same-store NOI increased \$3.0 million and \$11.5 million, respectively, relative to the same periods in the prior year. Communities acquired and newly developed generated \$1.3 million and \$4.8 million in additional NOI during the quarter and the nine-month period, respectively, as compared with third 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 22,041 apartment units owned directly by BRE, same-store units totaled 19,481 for the quarter.

On a year-over-year basis, same-store NOI growth was driven by revenue growth of 4.5% for the quarter. Average same-store market rent for the third quarter 2007 increased 5.2% to \$1,453 per unit, from \$1,380 per unit in third quarter 2006. Same-store physical occupancy levels averaged 94.5% during the third quarter 2007, consistent with the same period in 2006. Physical occupancy at the end of the third quarter was 94.6%. Rent concessions in the same-store portfolio totaled \$310,000, or 1.7 days rent, for third quarter 2007, as compared with \$370,000, or 1.9 days rent, for the same period in 2006. Property-level operating expense increased 1.4% from third quarter 2006 levels. On a sequential basis, same-store NOI increased 1.0% from second quarter 2007 levels. Revenue increased 1.7% and expenses increased 3.2% from the previous quarter.

Community Development and Construction

At the end of the third quarter, BRE had two properties in Southern California (Renaissance at Uptown Orange, in Orange, and The Stuart at Sierra Madre Villa, in Pasadena) and one in Northern California (Avenue 64, in Emeryville) in lease-up. When completed, Renaissance at Uptown Orange will have 460 units, of which 297 have been delivered, and 170 are leased and occupied. The Stuart will have 188 units, of which 68 have been delivered, and 32 are leased and occupied. Avenue 64 will have 224 units, of which 79 have been delivered, and 67 are leased and occupied.

BRE currently has seven communities under construction, with a total of 1,969 units, an aggregate projected investment of \$611.1 million and an estimated balance to complete totaling \$215.5 million.

Joint Venture Investments

During the third quarter, BRE acquired two apartment communities in Colorado (Bluffs at Highlands Ranch, in Highlands Ranch, and Fairways at Raccoon Creek, in Littleton) through a joint venture with JPMorgan Asset Management. The purchase price of the Bluffs, 340 units, was \$48 million; and the Fairways, 360 units, was \$50 million. BRE acquired a 15% interest (\$14.7 million) in the assets, and will provide property management services.

BRE also sold and contributed a 432-unit property to the same joint venture partner in the third quarter: Arcadia Cove, in Phoenix, Arizona, with a total value of approximately \$52 million. The company retained a 15% interest in the

property, and will provide property management services. In connection with this transaction, the company recorded a net gain on sale of approximately \$26.5 million, which was recognized during third quarter 2007.

Dispositions

In the third quarter, BRE sold Hazel Ranch, a 208-unit property in Sacramento, California, for a total of approximately \$23.8 million, and recorded and recognized a net gain on sale of approximately \$12.7 million. At September 30, the company had classified as held for sale three operating properties and two excess land parcels, with a total net book value of \$49 million. The three operating properties are located in: Sacramento (one) and Seattle (two), totaling 513 units, with a total net book value of \$28 million. The two excess land parcels are in Northern California and Seattle, with a book value of \$21 million.

Capital Markets

During the quarter, the company amended and restated its unsecured revolving credit facility, increasing borrowing capacity to \$750 million from \$600 million with a group of 18 lenders, and extended the maturity date of the facility from January 2010 to September 2012.

Based on the company's current debt ratings, the revolving credit facility is priced at LIBOR plus 47.5 basis points. Funds from the revolving credit facility will be used for acquisition and development activities as well as for general corporate purposes.

On September 14, 2007, the company redeemed all 3 million shares of its 8.08% Series B Cumulative Redeemable Preferred Stock at a redemption price of \$25.42644 per share. The redemption price was equal to the original issuance price of \$25.00 per share, plus accrued and unpaid dividends to the redemption date.

Subsequent Events

Recently, the company's operations in San Diego and Los Angeles were impacted by wildfires. No residents or company employees were injured, and no significant property damage was sustained. In San Diego, two properties were subject to mandatory evacuation and several other properties were placed on standby evacuation alerts. In Los Angeles, one property was placed on standby evacuation alert. At this time, all evacuations and standby alerts have been lifted. The company is in the process of assessing the level of cleanup that will be required to resume normal operations at each community.

Earnings Outlook

The company adjusted earnings guidance for full year 2007, tightening the FFO per share estimate to a range of \$2.59 to \$2.63, from the previous estimate of \$2.59 to \$2.66. The adjustment reflects weaker operating conditions in Southern California, specifically Orange County and the Inland Empire (Riverside and San Bernardino Counties); estimated cleanup costs associated with the recent wildfires in San Diego; and nonroutine income and expense items recognized to date.

EPS guidance was revised upward to a range of \$1.85 to \$1.89, from the previous range of \$1.60 to \$1.67, reflecting the recognition of gains associated with property sales transacted to date. EPS estimates do not include any forecasted gains or losses associated with additional property sales.

The company expects to issue earnings guidance for 2008 on or about December 20, 2007.

Q3 2007 Analyst Conference Call

The company will hold a conference call on Wednesday, October 31, at 11:30 a.m. Eastern (8:30 a.m. Pacific) 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# 2204573. 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# 2204573. 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.

Q4 2007 Earnings Dates

The company will report fourth quarter 2007 earnings after close of market on Tuesday, February 5, 2008, followed by a conference call on Wednesday, February 6, 2008, at 11:30 a.m. Eastern (8:30 a.m. Pacific).

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 79 apartment communities totaling 22,041 units in California, Arizona and Washington. The company currently has 10 other properties in various stages of development and construction, totaling 3,131 units, and joint venture interests in 13 additional apartment communities, totaling 4,080 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 intentions. 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 effecting acquisitions, failure to successfully integrate acquired properties and operations, inability to dispose of assets that no longer meet our investment criteria under acceptable 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 responsibility 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.