

FOR IMMEDIATE RELEASE

BRE PROPERTIES REPORTS FOURTH QUARTER & YEAR 2006 RESULTS

January 30, 2007 (San Francisco) – BRE PROPERTIES, INC., (NYSE:BRE) today reported operating results for the quarter and 12-month period ended December 31, 2006. All per share results are reported on a fully diluted basis.

Fourth Quarter 2006

Funds from operations (FFO), the generally accepted measure of operating performance for real estate investment trusts, totaled \$32.6 million, or \$0.62 per share, during fourth quarter 2006, as compared with \$32.9 million, or \$0.62 per share, for the quarter ended December 31, 2005. The fourth quarter 2005 FFO included a gain on sale of a minority interest in a partnership totaling approximately \$4.6 million, or \$0.09 per share. (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 fourth quarter totaled \$12.8 million, or \$0.25 per share, as compared with \$13.9 million, or \$0.27 per share, for the same period 2005.

Total revenues from continuing operations for the quarter were \$84.6 million, as compared with \$78.2 million a year ago. Adjusted EBITDA for the quarter totaled \$56.3 million, as compared with \$54.8 million in fourth quarter 2005. (A reconciliation of net income available to common shareholders to Adjusted EBITDA is provided at the end of this release.)

12 Months Ended December 31, 2006

For the year, FFO totaled \$141.7 million, or \$2.67 per share, as compared with \$113.3 million, or \$2.15 per share, for the 12-month period 2005. FFO for the 12 months ended December 31, 2006 included two nonroutine income items totaling \$23.0 million, or \$0.43 per share: (i) recoveries from a litigation settlement, totaling \$19.5 million, or \$0.36 per share; and (ii) income from gains on sales of excess land in Bellevue, Washington and Anaheim, California, totaling \$3.5 million, or \$0.07

per diluted share. FFO for 2005 included two nonroutine income items totaling \$5.6 million, or \$0.11 per share: (a) approximately \$4.6 million, or \$0.09 per share, of gains from the sale of a partnership interest; and (b) approximately \$1.0 million, or \$0.02 per share, of income received from the settlement of bankruptcy proceedings associated with VelocityHSI.

Net income available to common shareholders for the 12-month period totaled \$102.3 million, or \$1.96 per share, as compared with \$63.1 million, or \$1.22 per share, for the same period 2005. In addition to the two nonroutine income items referenced above for 2006, the 12-month results also included a net gain on sales totaling \$38.3 million, or \$0.73 per share. Results for the 12-month period in 2005 include a net gain on sales totaling \$26.9 million, or \$0.52 per share.

Total revenues from continuing operations for the 12 months ended December 31, 2006 were \$330.0 million, as compared with \$298.1 million for the same period in 2005. Adjusted EBITDA for the year totaled \$218.5 million, as compared with \$206.5 million in year 2005. (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. Positive overall net operating income (NOI) growth was offset by higher interest expense.

Year-over-year same-store NOI growth was 6.5% and 5.9% for the quarter and year-to-date periods, respectively. (A reconciliation of net income available to common shareholders to NOI is provided at the end of this release.) For the fourth quarter, same-store NOI increased \$3.3 million relative to the same period in the prior year. Acquisition activities during 2005 increased fourth quarter 2006 NOI by \$450,000, as compared with the same period in the prior year. Lease-up properties generated \$1.1 million in additional NOI during the quarter, as compared with fourth quarter 2005.

Interest expense decreased to \$19.4 million during fourth quarter 2006, from \$20.6 million in fourth quarter 2005; and increased to \$80.2 million, from \$76.6 million in the respective 12-month periods. The year-over-year annual increase reflects the issuance of \$460 million in convertible senior notes in August 2006 as well as a rising short-term interest rate environment.

Other Expenses recorded during 2006 totaled \$1.1 million, or \$0.02 per share, reflecting \$561,000 of litigation-related charges and \$576,000 associated with the early retirement of debt. Other Expenses recorded during the year ended December 31, 2005 totaled \$2.7 million, or \$0.05 per share, representing litigation-related charges.

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 22,680 apartment units owned directly by BRE, same-store units totaled 20,385 for the quarter and 19,104 for the year-to-date period.

On a year-over-year basis, overall same-store NOI growth was driven by revenue growth of 5.3% for the quarter and 6.2% for the annual period. In addition, NOI growth was supported by 71% operating margins for the quarter and 69% operating margins for the 12-month period. Average same-store market rent for fourth quarter 2006 increased 6.1% to \$1,358 per unit, from \$1,280 per unit in fourth quarter 2005. Same-store physical occupancy levels averaged 93% during fourth quarter 2006, as compared with 95% in the same period 2005. Rent concessions in the same-store portfolio remain small, totaling \$280,000, or 2.3 days rent, for fourth quarter 2006 as compared with \$400,000, or 2.4 days rent, for the prior year.

For the fourth quarter and year-to-date periods, property-level operating expense increased 2.5% and 7.0%, respectively. As reported during the year, items contributing to greater-than-normalized expense growth include resident turnover costs, payroll and property insurance.

On a sequential basis, same-store NOI growth was 3.3%, driven primarily by a reduction in operating expenses from the third quarter. Revenue and market rents were flat sequentially. Occupancy dropped to 93% in the fourth quarter, from 94% in the third quarter. Fourth quarter 2006 results reflect a return to normal seasonal patterns, which were not evident during the same period in 2005, at the initial stages of the multifamily sector recovery.

Acquisition and Development Activity

During fourth quarter 2006, BRE acquired Carmel Summit, with 246 units, located in San Diego, California, for a purchase price of approximately \$53 million.

During fourth quarter 2006, the construction and delivery of units was completed at the Galleria at Towngate community, located in Moreno Valley, California. The property has 268 total apartment units, of which 190 units (or 71%) were occupied at the end of the quarter. For the year 2006, two additional Southern California development communities also were fully delivered and leased: The Heights in Chino Hills with 208 units, 192 (or 92%) of which are occupied; and Bridgeport Coast in Santa Clarita, with 188 units, 176 (or 94%) of which are occupied.

BRE currently has five communities under construction, with a total of 1,476 units, for an aggregate projected investment of \$449.2 million and an estimated balance to complete totaling \$206.7 million. Expected first delivery dates for these units range from first quarter 2007 through third quarter 2008. Four development communities are in Southern California; the other is located in Northern California.

BRE owns four land parcels representing 718 units of future development, and an estimated aggregate investment of \$214.7 million upon completion. Construction starts for the four parcels are expected to occur during 2007. The land parcels are located in Southern California, Northern California, and the Seattle, Washington metro area.

Subsequent to the end of the year, BRE acquired a 3.3-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 \$352 million upon completion. Due to the terms of a pre-existing purchase option contract, the asset has been consolidated in accordance with GAAP on BRE's December 31, 2006 balance sheet.

Earnings Outlook

As previously reported, management expects FFO for 2007 to range from \$2.55 to \$2.70 per share.

For the full year 2007, management expects EPS to be reported in a range of \$1.05 to \$1.20. EPS estimates for 2007 do not include projected gains or losses associated with property sales.

FFO and EPS estimates may be subject to fluctuation as a result of several factors, including any change to underlying operating fundamentals, the timing associated with acquisition and disposition activity, the incurrence of any unexpected charges, and any gains or losses associated with disposition activity.

Q4 2006 Analyst Conference Call

The company will hold a conference call on Wednesday, January 31, 2007, at 8:30 a.m. Pacific (11:30 a.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# 4673212. 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# 4673212. 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.

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 22,680 units in California, Arizona and Washington. The company currently has nine other properties in various stages of development and construction, totaling 2,194 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.