

BRE Properties, Inc.



Wells Fargo Securities Global Real Estate Conference
New York, NY

December 2009



Dear Shareholders



Strategic Market Focus



FFO Growth



EVA Spread



Capital Recycling



Capital Structure

Safe Harbor Statement

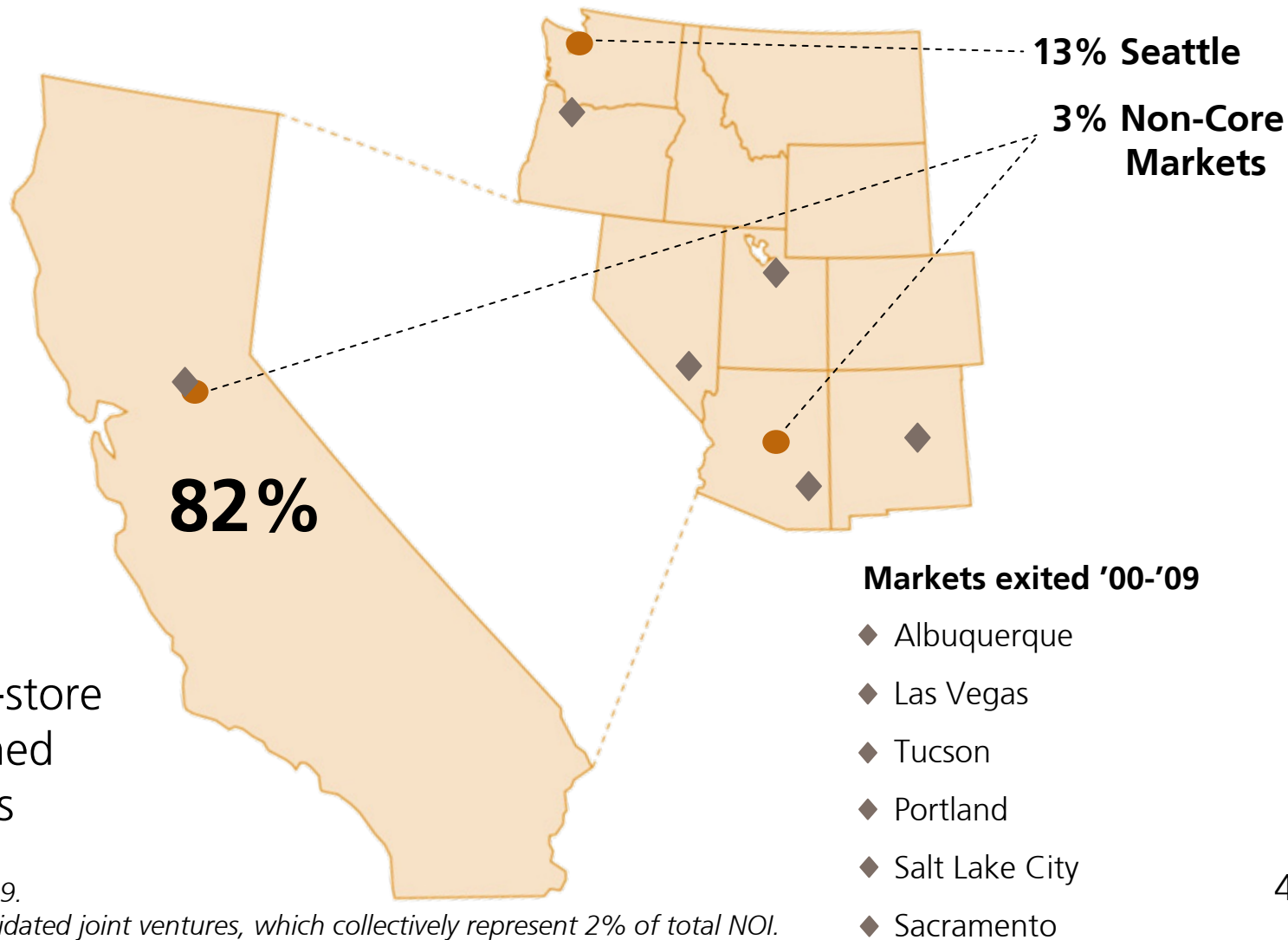
“Safe Harbor” Statement under the Private Securities Litigation Reform Act of 1995: Except for the historical information contained herein, this presentation contains forward-looking statements regarding Company and property performance, and is based on the Company’s current expectations and judgment. Actual results could vary materially depending on risks and uncertainties inherent to general and local real estate conditions, competitive factors specific to markets in which BRE operates, legislative or other regulatory decisions, future interest rate levels or capital markets conditions. 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.

BRE Properties

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- Publicly traded REIT (NYSE: BRE)
 - Multifamily focus; founded 1970
 - 73 wholly owned properties; 21,245 units
 - 13 JV communities; 4,080 units
 - 5 development sites; 1,526 units
 - \$3.8 billion total market cap
 - Uninterrupted dividends since inception

Data as of 9/30/09.

California-Centric Market Focus



% NOI, same-store
wholly owned
properties

NOI data as of 9/30/09.

Excludes 13 unconsolidated joint ventures, which collectively represent 2% of total NOI.

BRE's Competitive Position

- Liquidity & profitability best in apartment class
- Modest leverage with solid credit profile
- Proficient operator; leader in core markets
 - CA markets proving relatively resilient
 - Favorable rent-to-own gap in core markets
- Progressive tech. platform / mgmt. model

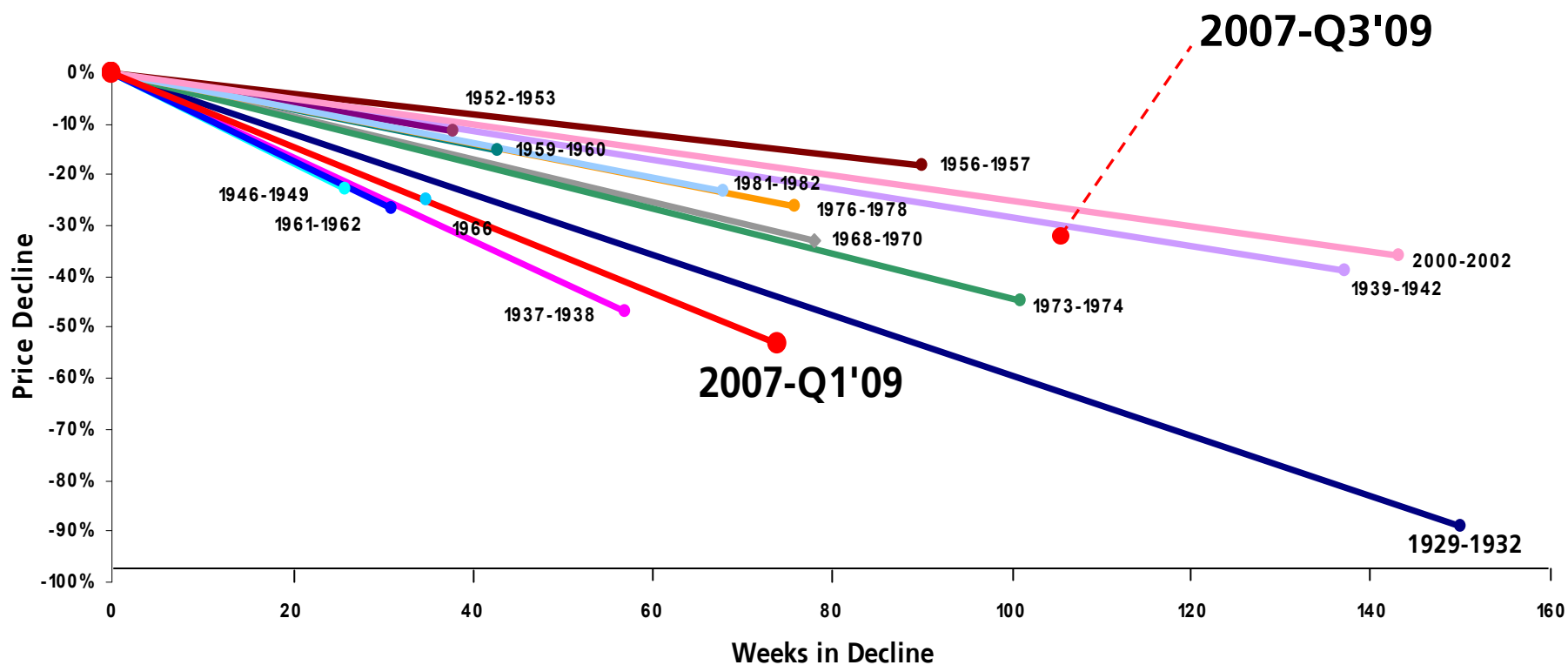
Climate of Crisis

- Economic climate: severe recession
 - Job losses, asset liquidation, financial tumult
 - Economic crisis faced by only a few generations
- Global deleveraging is the main theme
 - Removing 5-10 years of excess leverage
- More than 7.9 million jobs lost in the U.S.*
- Current unemployment rates
 - United States: 10.0%
 - California: 12.5%
- Median home price declines* – U.S. 16%; CA 36%

Most current data available as of 12/4/09. Data courtesy of Bureau of Labor Statistics, Nat'l Association of Realtors and Dataquick Information Systems.

** Represents losses and declines since the recession began in December 2007.*

Bear Markets Peak to Trough



DJIA declines, weekly closing price. Data courtesy of Rosen Consulting Group.

BRE's Tactical Response

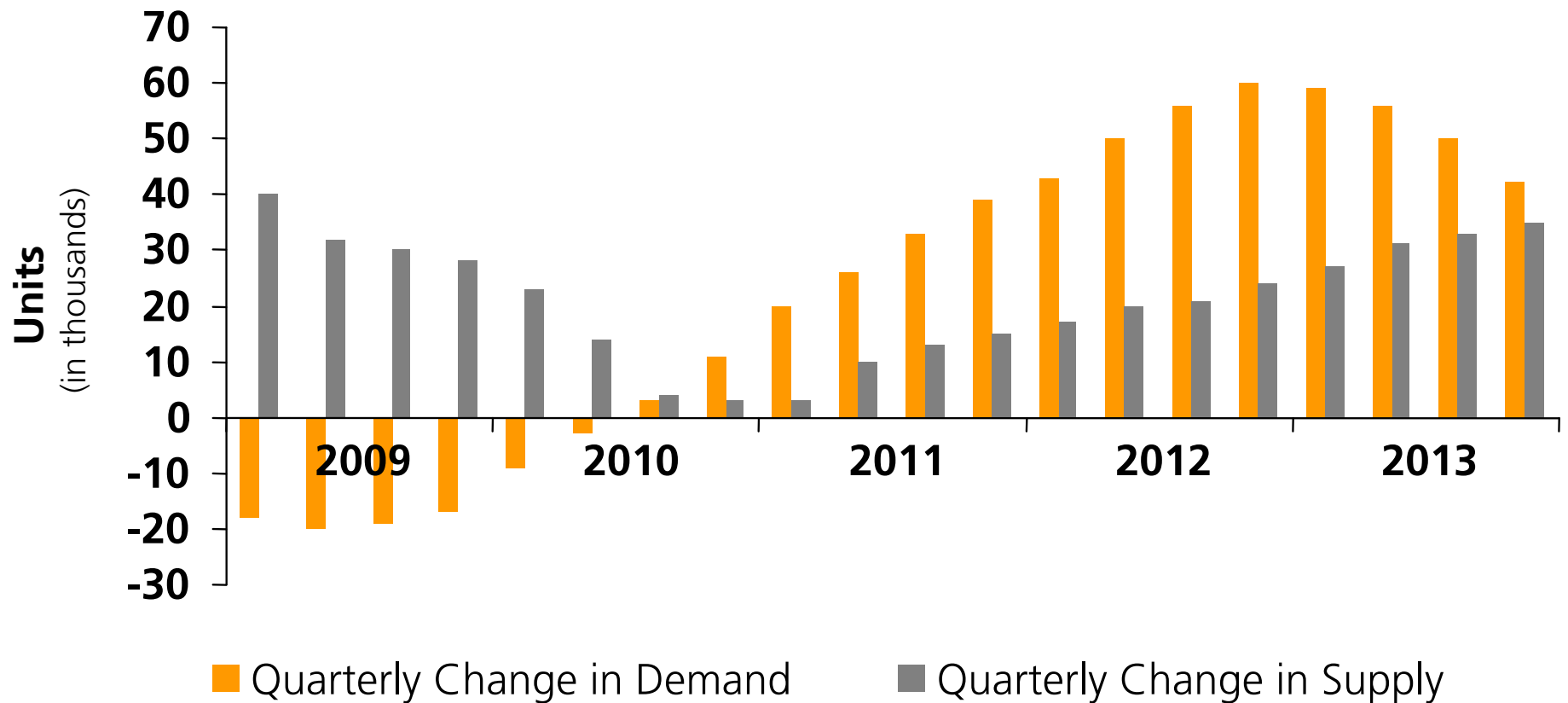
- Enhanced liquidity
 - \$620 million Fannie Mae 5.6% debt closed April 2009; 10-year term
 - Preserved financial flexibility; unencumbered NOI 68.8% of total NOI
- Addressed forward maturities
 - \$470 million of debt retired
 - 2009 through 2011 and 2013; 6.5% cost of funds
- Delevered the balance sheet
 - Implemented \$125 million ATM equity program
 - Debt to Total Gross Assets 52.6% at 9/30/09
- Preserved cash flow
 - Reduced common dividend to \$1.50 per share; retains \$40 million annually
- Sold \$84 million of assets YTD
- Development program decelerated

Recovery: A Ways Off, but Promising

- Entering late-stage recession
 - GDP expected to stabilize 2H'09
 - Jobs expected to stabilize 1H'10
- BRE business model benefits from recovery
 - California-centric strategy leads to outperformance
- Favorable long-term fundamentals
 - No new supply; rents run with jobs
 - Gen-Y demographic 70+ million strong
 - Growing propensity to rent; ownership levels dropping

Light at the End of the Tunnel

Projected apt. supply & demand coming out of the recession



Data courtesy of PPR.

Current Management Assessment

- BRE is well-positioned
 - Hard assets in favorable long-term markets
 - Strong balance sheet; result of well-executed plan
- Understand the reality of the environment
 - House is in order; preparing to exploit opportunities
- Financial markets recovering
 - Open access to all forms of capital
- California fiscal/economic crisis – strategic implications

BRE's California-Centric Model

California (SWOT)*

Strengths	Weaknesses
Pacific Rim economy	Fiscal crisis – expenditures per capita; threatens economic vitality/Prop. 13 risk
Size, depth & breadth of economy	Highest taxes in nation (income tax limited to high-income earners)
World-class university system	Entitlement crazy without sunsets
Geographic barriers (ocean & mountains)	Aging infrastructure
Reprice of California capacity	K-12 education
Internal generator of jobs	Term limits – general assembly/senate; unintended consequence – leadership crisis
Immigration flows	
Open to diversity	
Propensity to rent (renter society)	

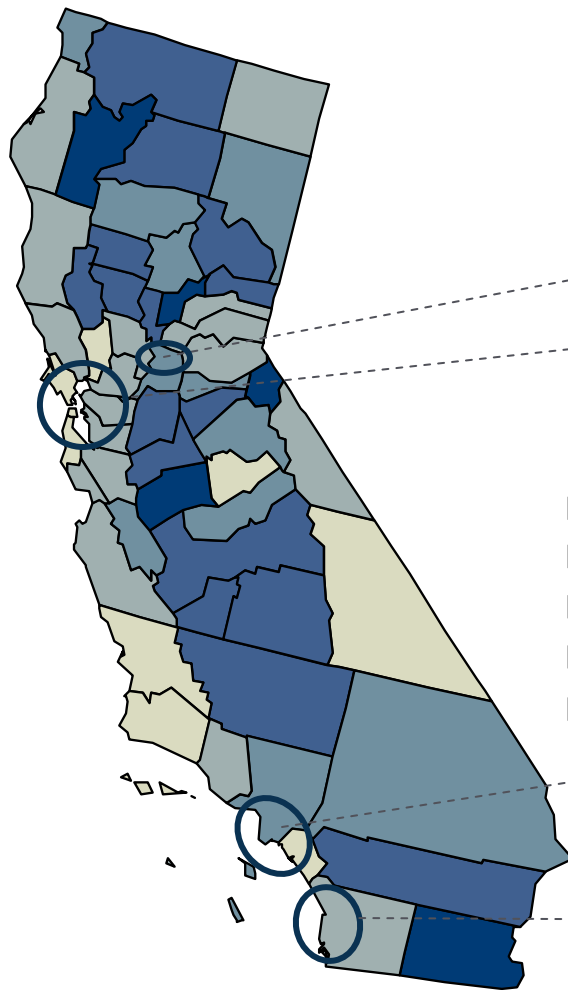
*Strengths, Weaknesses, Opportunities, Threats.

BRE's California-Centric Model

California (SWOT)

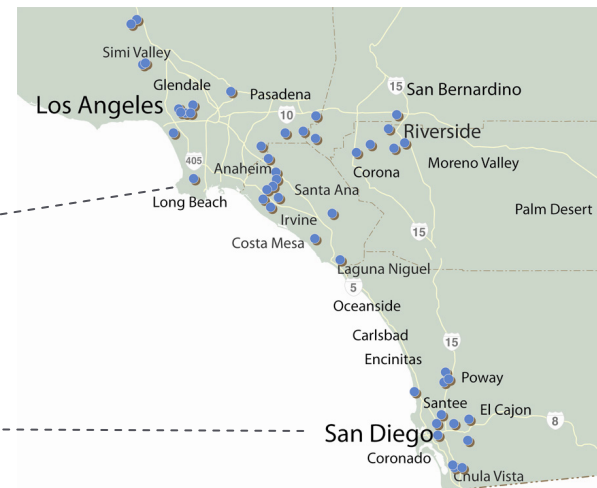
Opportunities	Threats
California reset – get it right	California dynamic broken
Emerge from crisis – ready for growth	CA cannot create/draw jobs
Private equity exploits CA reprice	University system erodes
CA markets remain supply constrained	Statewide bankruptcy
Rent-to-own gap maintained (increased)	Rent-to-own gap collapses
Favorable propensity-to-rent levels	Propensity-to-rent levels erode
CA participates in Pacific Rim growth	CA morphs into a hybrid/commodity market

BRE's California-Centric Model



California Unemployment Rate
NSA, 3-Month Moving Average
October 2009

- Greater than 16%
- 14% to 16%
- 12% to 14%
- 10% to 12%
- Less than 10%



Source: U.S. Department of Labor and Wells Fargo Securities, LLC.

BRE Operating Markets

Market Rent Data/Projections

Market	Historical Avg. ⁽¹⁾ 1997 – 2007	5-Yr. Avg. ⁽²⁾ 2009 – 2013	3-Yr. Avg. ⁽²⁾ 2011 – 2013
Los Angeles	6.3%	1.6 - 3.7%	5.6 - 7.7%
Orange County	5.2%	(0.1) - 3.0%	2.2 - 5.3%
San Diego	5.2%	1.1 - 5.3%	3.6 - 7.8%
San Francisco ⁽³⁾	3.4%	1.9 - 5.1%	6.6 - 10.0%
Inland Empire	5.7%	(1.8) - (0.2)%	0.6 - 2.2%
Seattle	3.8%	(0.5) - 5.1%	1.9 - 7.5%
Phoenix	1.3%	(1.3) - 3.3%	3.7 - 8.3%
Denver	0.1%	(1.6) - 3.1%	0.8 - 5.4%

(1) Represents BRE actual historical data.

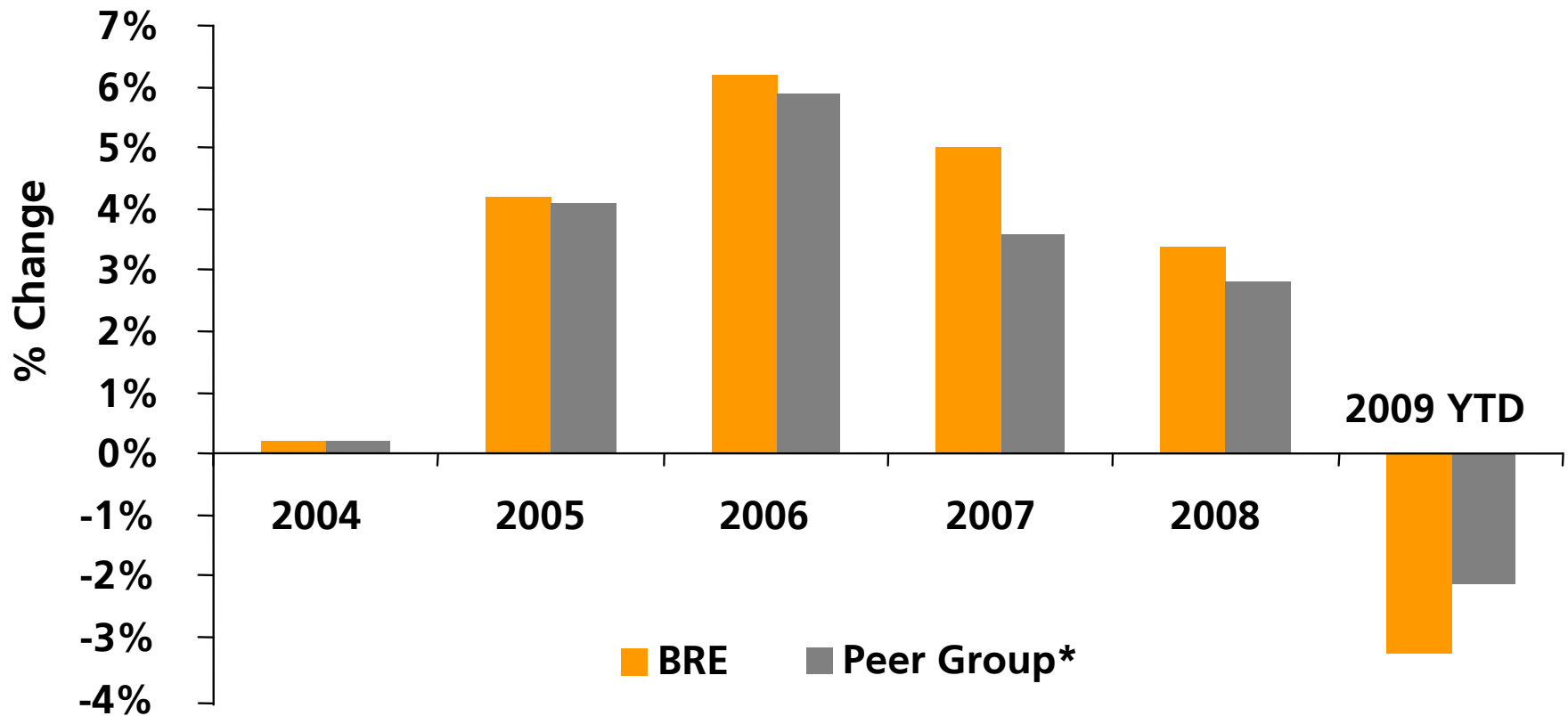
(2) Represents BRE market-level forecast ranges.

(3) Figures represent a composite of three San Francisco Bay Area markets: San Francisco, Oakland and San Jose.

California and BRE – Going Forward

- Struggling California may still outperform
 - Commodity market rents unlikely
- How to continue California-centric business model
 - Urban infill; coastal focus
 - Strength in concentration
 - Scale at submarket level
 - Disciplined investment program
 - Conservative balance sheet management
 - Be open to compelling opportunities in other markets
 - Higher rate of return will be required

Same-Store Revenue Performance

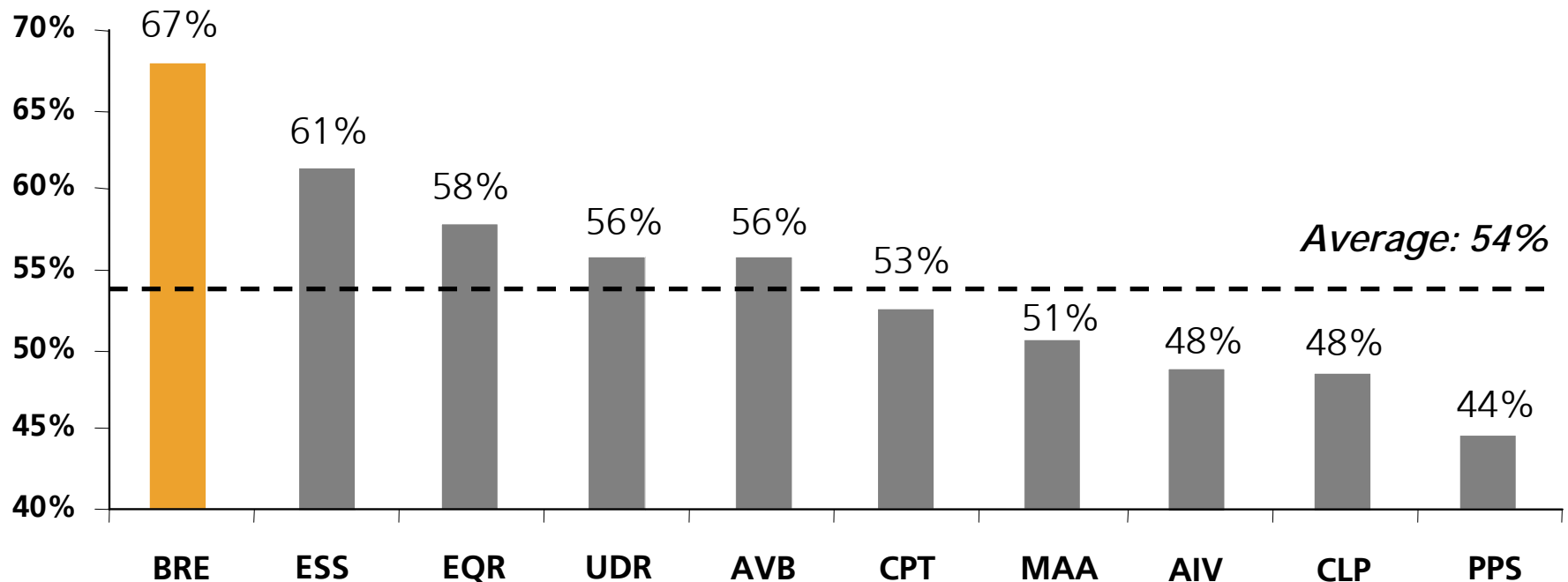


*Peer group defined as AVB, AIV, CPT, ESS, EQR, UDR.

Source: BRE Research.

Profitability: EBITDA Operating Margins

LTM Recurring EBITDA to Total Revenue



Based on the latest 12 months ending 9/30/09, except UDR & CLP, which are calculated on a nine-month basis ended 9/30/09 due to restatements in 4Q08.

Data courtesy of Royal Bank of Scotland (RBS) and SNL Financial.

Key Credit Metrics

Cash Flow

YTD Interest Coverage Ratio	3.0x
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YTD Fixed Charge Coverage Ratio	2.6x
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Total Debt/Adjusted EBITDA	8.0x
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Financial Position

Debt to Total Gross Assets	52.6%
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Secured Debt to Total Gross Assets	21.3%
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% Unencumbered NOI	68.8%
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Data as of 9/30/09.

Our House Is In Order

- Debt recap complete
- Liquidity and profitability best in apartment class
- Modest leverage with solid credit profile
- Proficient operator; leader in core markets
 - CA markets proving relatively resilient
 - Favorable rent-to-own gap in core markets
- Development has been right-sized
- Emphasis on retaining cash flow
- Prepared for opportunities

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