



FOR IMMEDIATE RELEASE

**HOME PROPERTIES REPORTS
TAXABLE COMPOSITION OF 2007 DIVIDENDS**

ROCHESTER, NY, JANUARY 11, 2008 – Home Properties (NYSE:HME) today reported the taxable composition of its 2007 dividend payments on its Common Stock and its publicly-traded Series F Cumulative Redeemable Preferred Stock, which was called on March 26, 2007. Due primarily to the on-going shelter provided by non-cash depreciation expenses, a portion of each distribution is treated as a return of capital by the Internal Revenue Service. This portion is not currently taxable and should be applied to reduce the tax cost basis of the shares upon which the dividends were paid. The Company did not incur any foreign taxes. The classifications for 2007 are as follows:

Common (CUSIP #437306103)			Distribution Type				
Record Dates	Payable Dates	Distributions Per Share	Ordinary Taxable Dividend	Qualified Dividend	Return of Capital	Long-Term Capital Gain	Unrecaptured Sec. 1250 Gain
2/16/2007	2/28/2007	\$0.65	33.94%	0.00%	18.14%	30.55%	17.37%
5/14/2007	5/24/2007	\$0.65	33.94%	0.00%	18.14%	30.55%	17.37%
8/13/2007	8/24/2007	\$0.65	33.94%	0.00%	18.14%	30.55%	17.37%
11/16/2007	11/27/2007	<u>\$0.66</u>	<u>33.94%</u>	<u>0.00%</u>	<u>18.14%</u>	<u>30.55%</u>	<u>17.37%</u>
TOTALS		<u>\$2.61</u>	<u>33.94%</u>	<u>0.00%</u>	<u>18.14%</u>	<u>30.55%</u>	<u>17.37%</u>
Series F Cumulative Preferred (CUSIP #437306509)			Distribution Type				
Record Dates	Payable Dates	Distributions Per Share	Ordinary Taxable Dividend	Qualified Dividend	Return of Capital	Long-Term Capital Gain	Unrecaptured Sec. 1250 Gain
2/16/2007	2/28/2007	\$0.5625	41.46%	0.00%	0%	37.32%	21.22%
Redemption	3/26/2007	<u>\$0.1625</u>	<u>41.46%</u>	<u>0.00%</u>	<u>0%</u>	<u>37.32%</u>	<u>21.22%</u>
TOTALS		<u>\$0.7250</u>	<u>41.46%</u>	<u>0.00%</u>	<u>0%</u>	<u>37.32%</u>	<u>21.22%</u>

Home Properties is a publicly traded apartment real estate investment trust that owns, operates, develops, acquires and rehabilitates apartment communities primarily in selected Northeast, Mid-Atlantic and Southeast Florida markets. Currently, Home Properties operates 127 communities containing 38,955 apartment units. Of these, 37,805 units in 125 communities are owned directly by the Company; 868 units are partially owned and managed by the Company as general partner, and 282 units are managed for other owners. For more information, visit Home Properties' Web site at homeproperties.com.

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