



PRESS RELEASE

FOR IMMEDIATE RELEASE

BRESLER & REINER, INC. (OTC: BRER) REPORTS RESULTS FOR THE THREE MONTHS ENDED MARCH 31, 2008

WASHINGTON, D.C. – May 14, 2008: Bresler & Reiner, Inc. reported a net loss of \$5,005,000 or (\$0.91) per common share on revenues of \$24,494,000 for the three months ended March 31, 2008. For the comparable period in 2007, the Company reported net income of \$3,783,000 or \$0.69 per common share on revenues of \$21,766,000. Funds from operations (FFO) for the three months ended March 31, 2008 were \$1,915,000 or \$0.35 per common share compared to \$4,420,000 or \$0.81 per common share for the same period in 2007.

Sidney M. Bresler, Chief Executive Officer, said the decrease in FFO was primarily due to the inclusion in 2007 of a \$6,066,000 gain, net of taxes and minority interest related to a partial sale of our interest in a real estate joint venture. The decrease was partially offset by the recording of debt extinguishment costs of approximately \$2,428,000, net of taxes, in 2007, and funds from operations generated in 2008 by properties we acquired in 2007.

FFO as defined by the NAREIT is net income (computed in accordance with accounting principles generally accepted in the United States), excluding gains (or losses) from sales of depreciable property, plus depreciation and amortization, and after adjustments for unconsolidated partnerships and joint ventures. Adjustments for unconsolidated partnerships and joint ventures are calculated to reflect funds from operations on the same basis. Our FFO measure differs from NAREIT's definition in that we also exclude income tax expense related to property sales. The exclusion of income tax expense on property sales is consistent with the objective of presenting comparative period operating performance. FFO should not be considered an alternative to net income as an indicator of our operating performance, or as an alternative to cash flows from operating, investing or financing activities as a measure of liquidity. Additionally, the FFO measure presented by us may not be calculated in the same manner as FFO measures of other real estate companies and therefore may not necessarily be comparable. We believe that FFO provides relevant information about our operations and is useful, along with net income, for an understanding of our operating activities.

The following table reflects the reconciliation of FFO to net (loss) income for the three months ended March 31, 2008 and 2007 (in thousands):

| | Three Months Ended | |
|---|---------------------------|--------------------|
| | March 31 | |
| | <u>2008</u> | <u>2007</u> |
| Net (loss) income | \$ (5,005) | \$ 3,783 |
| Add: Depreciation and amortization including our share of unconsolidated real estate joint ventures | 6,920 | 7,450 |
| Add: Income tax expense from property sales (net of minority interest share of taxes) | — | 4,543 |
| Less: Gain on sale of properties and investments in joint ventures (net of minority interest) | <u>—</u> | <u>(11,356)</u> |
| Funds from operations | \$ <u>1,915</u> | \$ <u>4,420</u> |
| | | |
| Net (loss) income per common share | \$ <u>(0.91)</u> | \$ <u>0.69</u> |
| | | |
| Funds from operations per common share | \$ <u>0.35</u> | \$ <u>0.81</u> |

About the Company:

Bresler & Reiner, Inc. owns and develops land and residential, commercial and hospitality properties, principally in the Washington, D.C.; Wilmington, Delaware; Philadelphia, Pennsylvania; Houston, Texas; Baltimore, Maryland, Maryland and Delaware Eastern Shore, and the Tampa and Orlando, Florida metropolitan areas.

Supplemental Information:

SEC Filings (including Forms 10-K, 10-Q, 8-K and proxy materials) are available at www.breslerandreiner.com or may be requested in e-mail or hard copy formats.

For additional information, contact:

Darryl M. Edelstein, Executive VP-Finance and CFO
 Bresler & Reiner, Inc.
 11200 Rockville Pike, Suite 502
 Rockville, Maryland 20852

(301) 945-4300

This press release may contain forward-looking statements that are based on current estimates, expectations, forecasts and projections about us, our future performance, the industry in which we operate, our beliefs, and management's assumptions. In addition, other written or oral statements that constitute forward-looking statements may be made by or on behalf of us. Words such as "expects," "anticipates," "targets," "goals," "projects," "intends," "plans," "believes," "seeks," "estimates," or "would be," and variations of such words and similar expressions are intended to identify such forward-looking statements. These statements are not guarantees of future performance and involve certain risks, uncertainties and assumptions that are difficult to predict. Therefore, actual outcomes and results may differ materially from what is expressed or forecasted in such forward-looking statements. These risks and uncertainties include: our ability to compete effectively; our exposure to the credit risks of our tenants; our ability to recruit and retain key personnel; adverse changes in the local or general economy and market conditions; our ability to obtain necessary governmental permits and approvals; our ability to complete

development projects in a timely manner and within budget; our ability to secure tenants for our projects and properties; our ability to sustain occupancy levels at our properties through keeping existing tenants and securing new ones; our ability to secure tenants for the residential and commercial properties that we develop; changes in the interest rate environment which will affect our ability to obtain mortgage financing on acceptable terms; future litigation; and changes in environmental health and safety laws.