



FOR IMMEDIATE RELEASE

**HOME PROPERTIES REPORTS TAXABLE COMPOSITION OF 2003 DIVIDENDS**

ROCHESTER, NY, January 12, 2004 – Home Properties (NYSE:HME) today reported the taxable composition of its 2003 dividend payments on its Common Stock and its publicly-traded Series F Cumulative Redeemable Preferred Stock. The Qualified Dividend is the dividend that qualifies for the 5% and 15% capital gains rates under the Jobs and Growth Tax Relief Reconciliation Act of 2003. 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 2003 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
2/18/2003	2/27/2003	\$0.61	55.62%	.05%	38.12%	0%	6.21%
5/19/2003	5/30/2003	\$0.61	55.62%	.05%	38.12%	0%	6.21%
8/18/2003	8/28/2003	\$0.61	55.62%	.05%	38.12%	0%	6.21%
11/14/2003	11/25/2003	\$0.62	55.62%	.05%	38.12%	0%	6.21%
TOTALS		\$2.45	55.62%	.05%	38.12%	0%	6.21%

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
2/18/2003	2/28/2003	\$0.56250	89.87%	.09%	0%	0%	10.04%
5/19/2003	6/2/2003	\$0.56250	89.87%	.09%	0%	0%	10.04%
8/18/2003	9/2/2003	\$0.56250	89.87%	.09%	0%	0%	10.04%
11/14/2003	12/1/2003	\$0.56250	89.87%	.09%	0%	0%	10.04%
TOTALS		\$2.25000	89.87%	.09%	0%	0%	10.04%

Home Properties is the sixth largest publicly traded apartment company in the United States. A real estate investment trust with operations in selected Northeast, Midwest, and Mid-Atlantic markets, the Company owns, operates, acquires, and rehabilitates apartment communities. Currently, Home Properties operates 198 communities containing 48,206 apartment units. Of these, 41,580 units in 149 communities are owned directly by the Company; 4,832 units are partially owned and managed by the Company as general partner, and 1,794 units are managed for other owners. For more information, view Home Properties' Web site at [homeproperties.com](http://homeproperties.com).

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