ESSEX

PROPERTY TRUST, INC.

FOR IMMEDIATE RELEASE
MARY C. JENSEN
DIRECTOR OF INVESTOR RELATIONS
(650) 849-1656

ESSEX ANNOUNCES 2005 FOURTH QUARTER AND ANNUAL EARNINGS RESULTS

NET OPERATING INCOME INCREASES 6.5 PERCENT FOR THE FOURTH QUARTER

Palo Alto, California—February 8, 2006—Essex Property Trust, Inc. (NYSE:ESS), announces its fourth quarter and annual operating results for the three and twelve months ended December 31, 2005.

Net income available to common stockholders for the three months ended December 31, 2005, totaled $4.7 million, or $0.20 per diluted share compared to $32.0 million, or $1.38 per diluted share for the three months ended December 31, 2004. For the twelve months ended December 31, 2005, net income available to common stockholders totaled $77.8 million, or $3.32 per diluted share, compared to $77.7 million, or $3.36 per diluted share for the twelve months ended December 31, 2004.

Funds From Operations (FFO) for the three months ended December 31, 2005, totaled $25.1 million, or $0.98 per diluted share compared to $29.4 million, or $1.14 per diluted share for the three months ended December 31, 2004. For the twelve months ended December 31, 2005, FFO totaled $115.1 million, or $4.48 per diluted share, compared to $114.4 million, or $4.49 per diluted share for the twelve months ended December 31, 2004.

"We are pleased to report another quarter of strong operating results," said Keith Guericke, President and Chief Executive Officer. "Our markets continue to benefit from improved economic conditions, as well as the inherent benefits of our supply-constrained markets. Mr. Guericke continued, "Each of our markets produced over 5% revenue growth and same-property NOI growth for the Company's portfolio increased 6.5% for the quarter – we anticipate that rental demand will continue to improve in 2006, leading to above-average growth."

FFO is a supplemental financial measurement defined by the National Association of Real Estate Investment Trusts (NAREIT) to measure and compare operating performance of equity REITs. A reconciliation of FFO to net income (the most directly comparable measure in accordance with U.S. generally accepted accounting principles) as well as a more comprehensive definition of FFO, and explanation as to why Essex believes this is a useful measure of the Company's operating performance, is located in this press release.

The Company's fourth quarter results include the following items:

- A promote distribution in the amount of $1.0 million, resulting from the incentive distribution provisions of the Fund I agreement (included in FFO).
- An impairment loss in the amount of $1.3 million resulting from the write-down of a property in Houston, Texas (included in FFO), which was acquired in the merger with John M. Sachs, Inc.
- Pre-payment penalties and write-off of deferred charges in the amount of $1.6 million related to early termination of various mortgage notes payable (included in FFO).

FFO per diluted share for the quarter ended December 31, 2005 compared to the quarter ended December 31, 2004 was positively impacted by an increase in operating income of $0.22 per share. However, the results were offset by decreases of $0.11 in promote income, a $0.12 per share increase in other expenses (noted above), and $0.12 per share change in G&A expense and interest costs. Components of the change in FFO can be found on S-3 of the Company's Supplemental Reporting Package.

QUARTERLY RESULTS SUMMARY

	Three Months Ended December 31,			Twelve Months Ended December 31,		
	2005	2004	Percent Change	2005	2004	Percent Change
Property Revenues	$81,489	$73,728	10.5%	$316,340	$280,719	12.7%
Funds From Operations (FFO)	$25,052	$29,381	-14.7%	$115,090	$114,380	0.6%
Per Diluted Share:						
Net Income Per Share	$0.20	$1.38	-85.5%	$3.32	$3.36	-1.2%
FFO Per Share	$0.98	$1.14	-14.0%	$4.48	$4.49	-0.2%

PORTFOLIO COMPOSITION

The following table compares Essex's regional concentrations for its multifamily portfolio as of December 31, 2005 and 2004, which includes all properties that are partially or wholly owned by the Company.

	As of December 31, 2005		As of December 31, 2004	
	Number of Apartment Homes	%	Number of Apartment Homes	%
Southern California	13,382	50	13,479	54
San Francisco Bay Area	6,557	25	5,284	21
Seattle Metro. Area	5,471	21	4,776	19
Portland Metro. Area	875	3	875	4
Other	302	1	578	2
Total	**26,587**	**100%**	**24,992**	**100%**

PROPERTY OPERATIONS

The following operating results relate to the Company's same-property portfolio, which excludes properties that do not have comparable results for the three months and twelve months ended December 31, 2005 and 2004. Comparable results may not be available for properties that have been recently developed or redeveloped and properties that have not been owned for the periods presented.

The table below illustrates the percentage change in same-property revenue, operating expenses, and net operating income for the three and twelve months ended December 31, 2005, compared to the three and twelve months ended December 31, 2004, for the Company's multifamily properties:

	Quarter ended 12/31/05			Year Ended 12/31/05			2005 Original Guidance		
	Rev.	Ops. Exp.	NOI	Rev.	Ops. Exp.	NOI	Rev.	Ops. Exp.	NOI
Southern California	5.9%	7.3%	5.2%	5.3%	4.4%	5.7%	3.3%	2.4%	3.8%
Northern California	5.9%	2.3%	7.8%	1.9%	1.8%	1.9%	1.0%	3.9%	-0.3%
Pacific Northwest	5.3%	-1.2%	9.2%	3.3%	1.1%	4.6%	1.8%	3.6%	0.9%
Same Prop. Avg.	**5.8%**	**4.3%**	**6.5%**	**4.1%**	**3.0%**	**4.6%**	**2.5%**	**3.0%**	**2.3%**

A breakdown of the same-property **financial occupancies** for Essex's multifamily properties is as follows:

	For the Quarter Ended		
	12/31/05	**09/30/05**	**12/31/04**
Southern California	97.1%	97.2%	96.5%
San Francisco Bay Area	96.9%	97.3%	95.2%
Pacific Northwest	96.5%	97.3%	95.4%
Same-Property Average	**96.9%**	**97.3%**	**95.9%**

A breakdown of same-property **concessions** for Essex's multifamily properties is as follows:

	For the Quarter Ended *(in thousands)*		
	12/31/05	**09/30/05**	**12/31/04**
Southern California	$68.5	$121.2	$108.8
San Francisco Bay Area	26.5	76.5	168.6
Pacific Northwest	63.6	97.1	103.1
Same-Property Total	**$158.6**	**$294.8**	**$380.5**

Concessions for the Company's consolidated portfolio were $324.6 for the quarter ended December 31, 2005, compared to $422.6 for the quarter ended September 30, 2005, and $735.9 for the quarter ended December 31, 2004. Average same-property concessions totaled $70 per turn for the quarter ended December 31, 2005, compared to $102 per turn for the quarter ended September 30, 2005, and $254 per turn for the quarter ended December 31, 2004.

The following is the **sequential percentage** change in same-property revenues and expenses for the three months ended December 31, 2005 versus the three months ended September 30, 2005:

	Q4 vs. Q3 2005	
	Revenues	**Expenses**
Southern California	1.4%	3.0%
San Francisco Bay Area	1.3%	5.7%
Pacific Northwest	0.6%	-3.2%
Same-Property Average	**1.2%**	**2.2%**

ACQUISITIONS

No acquisitions were made during the quarter. (Fund II activities can be seen in a separate section below.)

Subsequent to December 31, 2005, the Company acquired CBC and Chimney Sweep Apartments, aggregating 239 units, located in Isla Vista, California, which is adjacent to Santa Barbara, California for approximately $57.1 million.

DISPOSITIONS

No dispositions occurred during the quarter. However, the Company continues to evaluate the sale of select apartment communities to condominium conversion buyers.

Subsequent to December 31, 2005, the Company sold Casa Tiera and Vista Capri-East for $7.0 million.

DEVELOPMENT

During the fourth quarter, the Company had three development projects in various stages of construction with combined estimated costs of $133.7 million.

- ***Northwest Gateway*** is a proposed 5-story apartment building aggregating 275 apartment homes, which is located in downtown Los Angeles. Upon completion, the luxury apartment community will offer 220 market-rate units and 55 affordable-rate units. The project is a joint venture between Essex and Meta Housing Corporation, which has obtained $47.0 million of tax-exempt bond financing, and will be drawn to fund future construction costs. Subsequent to December 31, 2005, the Company has renegotiated its joint venture agreement with Meta Housing Corp., and Essex now owns a 100% interest in the project.
- ***Moorpark*** is a proposed 200-unit, Mediterranean-style apartment building, located in Moorpark, California. The site is adjacent to City Hall and is approximately a three-minute walk to the town center area and the Metrolink train station, which provides direct access to the greater Los Angeles basin and downtown employment areas. Upon completion, this apartment community will offer a combination of three story garden-style apartment homes with attached garages as well as three-story podium buildings with covered garage parking. Construction is anticipated to begin in the second quarter of 2006.
- ***Tuscana*** is a 30-unit, townhouse-style community, located in Tracy, California, which is owned by a taxable REIT subsidiary (TRS). Upon completion, this community will offer a combination of two and three story townhouses. Construction commenced during the first quarter of 2006.

The Company's development pipeline and stabilization assumptions can be found in the Company's current Supplemental Financial Reporting Package, on the "Development Communities" page, which is available at www.essexpropertytrust.com.

REDEVELOPMENT

The Company defines redevelopment communities as existing properties owned or recently acquired, which have been targeted for additional investment by the Company with the expectation of increased financial returns through property improvement. Redevelopment communities typically have apartment units that are not available for rent and, as a result, may have less than stabilized operations. As of December 31, 2005, the Company had ownership interests in six redevelopment communities aggregating 1,450 apartment units with estimated redevelopment costs of $36.8 million, of which approximately $23.5 million remains to be expended. These amounts exclude redevelopment projects owned by the Essex Apartment Value Fund II, L.P.

- ***Kings Road*** -- a 196-unit apartment community located in Los Angeles, California, built in 1971 and purchased by Essex in 1997. The property's leasing office, clubroom and a new fitness center are complete. Interior renovations of apartment units include new cabinetry, flooring, appliances and fixtures. Most of the interiors have been renovated – the remaining units will be upgraded as they become vacant in the normal course of turnover. Subject to expected turnover, the project will be completed during the fourth quarter of 2006.
- ***Mira Woods*** -- a 355-unit apartment community located in Mira Mesa, California (San Diego County), built in 1982, and acquired by Essex in 2002. Exterior enhancements to the building's façade and common hallways are complete. The existing leasing office and fitness center are anticipated to be remodeled, and carports are being built where open parking currently exists. Common area renovations are expected to be finished in early 2006. Unit interior renovations include upgraded appliances, fixtures, flooring, kitchen cabinets, and resurfaced countertops.
- ***Palisades*** -- a 192-unit apartment community located in Bellevue, Washington, built in 1977, and acquired by Essex in 1990. As part of phase I, renovations to the property's exteriors, roof and outside amenities are complete. The Company has begun phase II of the unit interiors, which will include upgraded countertops, flooring, kitchen cabinets, upgraded appliances, fixtures. Subject to turnover rates, are estimated to be completed in the fourth quarter of 2006.

REDEVELOPMENT CONT'D

- ***Avondale at Warner Center --*** a 446-unit apartment community located in Woodland Hills, California, built in 1970, and acquired by Essex in 1999. Upgrades to the current leasing office are complete. Common area hallway improvements are currently in progress and include new entry doors, carpeting, lighting, as well as elevator upgrades. The second part of this project includes interior renovations, which include cabinet re-facing, countertop replacements, upgraded kitchen appliances, flooring, electrical fixtures and new plumbing. Walk-in closets will be upgraded with mirrored doors and built-in closet organizers. Unit interiors will be upgraded as they become vacant in the normal course of turnover. Subject to expected turnover, the project will be completed during the fourth quarter of 2007.

- ***Bridle Trails --*** a 108-unit apartment community located in Kirkland, Washington, built in 1986, and acquired by Essex in 1997. During the quarter, common area upgrades commenced, and include the renovation of the existing leasing office and addition of a new fitness center. The exterior upgrades are estimated to be completed during first half of 2006. Interior renovations will include cabinet re-facing, countertop replacements, upgraded kitchen appliances, flooring, electrical fixtures and new plumbing. Framing and roofs have been completed on two of the buildings where the Company is adding 16 additional units. These units will be comprised of four, 1-bedroom, 1-bath units, totaling approximately 750 square feet each, and twelve, 2-bedroom, 2-bath units totaling approximately 1,000 square feet each. The anticipated delivery date of the new units is scheduled for the first half of 2006.

- ***Sammamish View --*** a 153-unit apartment community located in Bellevue, Washington. It was constructed in 1986 and acquired by Essex it in 1994. Renovation initiatives commenced during the quarter to upgrade the leasing office/clubhouse and unit interiors. Apartment interior upgrades will include cabinet re-facing, countertop replacements, upgraded kitchen appliances, flooring and electrical fixtures. Leasing office/clubhouse renovations will include a new state-of-the-art fitness center and media room. This project is scheduled to be complete in early 2007.

FINANCING ACTIVITIES

During October and November 2005, the Company's operating partnership, Essex Portfolio, L.P., raised $225 million from the sale of exchangeable senior notes (the "Notes") with a coupon of 3.625% due 2025.

On or after November 1, 2020, the notes will be exchangeable at the option of the holder into cash and, in certain circumstances at Essex's option, shares of Company's common stock at an initial exchange price of $103.25 per share subject to certain adjustments. The notes will also be exchangeable prior to November 1, 2020, but only upon the occurrence of certain specified events. On or after November 4, 2010, the operating partnership may redeem all or a portion of the notes at a redemption price equal to the principal amount plus accrued and unpaid interest. Upon redemption, if the Company's common stock price exceeds the exchange price, it will issue shares of common stock as additional interest. Note holders may require the operating partnership to repurchase all or a portion of the notes at a purchase price equal to the principal amount plus accrued and unpaid interest (including additional interest, if any), on the notes on November 1, 2010, November 1, 2015 and November 1, 2020.

With the proceeds from the sale of the exchangeable senior notes, the Company repurchased $25 million in common stock and paid down $135 million on the outstanding lines of credit. During the quarter, the Company paid-off ten mortgage notes payable totaling $89 million with fixed rates ranging from 6.5% to 7.9%.

The Company originated two new mortgage notes payable totaling $35 million with fixed rates of 5.5% and 5.6%.

ESSEX APARTMENT VALUE FUND II, L.P.

Essex and several institutional partners formed the Essex Apartment Value Fund II, L.P. (“Fund II”) to broaden the Company’s capital alternatives. The Company’s co-investment activities enhance its financial flexibility by providing an alternative source of capital to fund new acquisition and development transactions. Listed below are the Fund II activities that occurred during the quarter.

On December 23, 2005, Fund II acquired The Enclave Apartments, a 637-unit apartment community located in San Jose, California for $127.0 million. Approximately $83.2 million in debt was assumed by Fund II in connection with the transaction.

OTHER COMPANY INFORMATION

Essex's total market capitalization as of December 31, 2005 was approximately $3.9 billion. A detailed calculation of such market capitalization is included in the Company’s supplemental financial information, which can be obtained from the Company’s web site. The Company’s mortgage notes payable had an average maturity of 8.7 years and an average interest rate of 5.9 percent. As of December 31, 2005, the Company’s debt-to-total-market-capitalization ratio was 35.1 percent.

On December 8, 2005, the Company’s Board of Directors declared a regular quarterly cash dividend of $.81 per common share, payable January 13, 2006, to shareholders of record as of December 31, 2005. On an annualized basis, the dividend represents a distribution of $3.24 per common share.

In addition, the Board of Directors declared a quarterly distribution of $0.48828 per share, which represents an annual distribution of $1.9531 per share, on its 7.8125% Series F Cumulative Redeemable Preferred Shares. Distributions are payable on March 1, 2006 to shareholders of record as of February 14, 2006. Shares of the Series F Preferred Stock can be traded Over The Counter (OTC) under ticker symbol ESS-FP.

GUIDANCE

On December 23, 2005, the Company released its FFO guidance for 2006, and based on the assumptions disclosed in that press release, the Company's estimated range of EPS and FFO per diluted share is as follows:

	Earnings Per Diluted Share ($)	**FFO Per Diluted Share ($)**
1Q-06	0.27 – 0.31	1.06 – 1.10
2Q-06	0.32 – 0.36	1.12 – 1.16
3Q-06	0.52 – 0.58	1.18 – 1.24
4Q-06	0.52 – 0.58	1.29 – 1.35
FY-06	**1.63 – 1.83**	**4.65 – 4.85**

CONFERENCE CALL WITH MANAGEMENT

The Company will host an earnings conference call with management on Wednesday, February 9, 2006, at 10:00 a.m. PST – 1:00 p.m. EST, which will be broadcast live via the Internet at www.essexpropertytrust.com, and accessible via phone by dialing (800) 811-0667 – a pass code is not required.

A rebroadcast of the live call will be available online for 90 days and digitally for 7 days. To access the replay online, go to www.essexpropertytrust.com and select the third quarter earnings link. To access the replay digitally, dial (888) 203-1112 using the passcode, 322246. If you are unable to access the information via the Company’s Web site, please contact the Investor Relations department at investors@essexpropertytrust.com or by calling (650) 494-3700.

COMPANY PROFILE

Essex Property Trust, Inc., located in Palo Alto, California and traded on the New York Stock Exchange (ESS), is a fully integrated real estate investment trust (REIT) that acquires, develops, redevelops, and manages multifamily residential properties in selected West Coast communities. Essex currently has ownership interests in 126 multifamily properties (26,760 units), and has 505 units in various stages of development.

This press release and accompanying supplemental financial information will be filed electronically on Form 8-K with the Securities and Exchange Commission and can be accessed from the Company's Web site at www.essexpropertytrust.com. If you are unable to obtain the information via the Web, please contact the Investor Relations Department at (650) 494-3700.

Funds from Operations

Funds from Operations, as defined by the National Association of Real Estate Investment Trusts ("NAREIT") is generally considered by industry analysts as an appropriate measure of performance of an equity REIT. Generally, FFO adjusts the net income of equity REITS for non-cash charges such as depreciation and amortization of rental properties, gains/ losses on sales of real estate and extraordinary items. Management considers FFO to be a useful financial performance measurement of an equity REIT because, together with net income and cash flows, FFO provides investors with an additional basis to evaluate the performance and ability of a REIT to incur and service debt and to fund acquisitions and other capital expenditures. FFO does not represent net income or cash flows from operations as defined by generally accepted accounting principles (GAAP) and is not intended to indicate whether cash flows will be sufficient to fund cash needs. It should not be considered as an alternative to net income as an indicator of the REIT's operating performance or to cash flows as a measure of liquidity. FFO does not measure whether cash flow is sufficient to fund all cash needs including principal amortization, capital improvements and distributions to shareholders. FFO also does not represent cash flows generated from operating, investing or financing activities as defined under GAAP. Management has consistently applied the NAREIT definition of Funds from Operations to all periods presented, however, Funds from Operations as disclosed by other REITs may not be comparable to the Company's calculation of FFO.

	Three Months Ended December 31,		Twelve Months Ended December 31,	
	2005	2004	**2005**	2004
Funds from operations				
Net income [(1)]	**$5,213**	$32,513	**$79,716**	$79,693
Adjustments:				
Depreciation and amortization	**20,033**	18,228	**79,978**	71,656
Co-investments [(2)]	**685**	685	**1,188**	2,501
Gain on sale of real estate	**-**	-	**(5,000)**	(7,909)
Gain on sale of real estate – discontinued operations	**-**	-	**(29,219)**	-
Gain on sale of co-investment activities, net	**(1,032)**	(25,173)	**(18,116)**	(39,242)
Minority interests	**641**	3,404	**8,348**	8,365
Depreciation – discontinued operations	**-**	212	**148**	1,268
Dividends to preferred stockholders – Series F	**(488)**	(488)	**(1,953)**	(1,952)
Funds from operations	**$25,052**	$29,381	**$115,090**	$114,380

(1) Net income does not include the possible impact, if any, of the Company's adoption of FIN 47 "Accounting for Conditional Asset Retirement Obligations" for the quarter ended December 31, 2005. The effect of adoption, which would be presented as a cumulative effect of change in accounting principle, may reduce net income and earnings per share; however it has no impact on FFO.

(2) Amount includes the following: (i) depreciation addback for Fund II assets and minority interests, (ii) joint venture NOI, and (iii) City Heights land lease income not recognized for GAAP.

Safe Harbor Statement under the Private Securities Litigation Reform Act of 1995:
This press release includes "forward-looking statements" within the meaning of Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, as amended. Such forward-looking statements include statements regarding 2006 earnings per share and 2006 FFO per share estimates, trends in apartment fundamentals, future improvements in our operating results and our same store results, anticipated timing and costs of the completion and stabilization of property developments and redevelopments, the Company's projected development projects in 2006, potential sales of our properties to condominium conversion buyers, and future construction costs. The Company's actual results may differ materially from those projected in such forward-looking statements. Factors that might cause such a difference include, but are not limited to, changes in market demand for rental units and the impact of competition and competitive pricing, changes in economic conditions, unexpected delays in the development and stabilization of development and redevelopment projects, unexpected difficulties in leasing of development and redevelopment projects, total costs of renovation and development investments exceeding our projections and other risks detailed in the Company's filings with the Securities and Exchange Commission (SEC). All forward-looking statements are made as of today, and the Company assumes no obligation to update this information. For more details relating to risk and uncertainties that could cause actual results to differ materially from those anticipated in our forward-looking statements, and risks to our business in general, please refer to our SEC filings, including our most recent Report on Form 10-K for the year ended December 31, 2005.

###

Fourth Quarter 2005

Supplemental Financial Information

ESSEX

PROPERTY TRUST, INC.

ESSEX PROPERTY TRUST, INC.

Consolidated Operating Results *(Dollars in thousands, except per share amounts)*	Three Months Ended December 31,		Twelve Months Ended December 31,	
	2005	2004	**2005**	2004
Revenues:				
Rental and other property	**$ 81,489**	$ 73,728	**$ 316,340**	$ 280,719
Management and other fees from affiliates	**1,843**	4,828	**10,951**	23,146
	83,332	78,556	**327,291**	303,865
Expenses:				
Property operating, excluding real estate taxes	**20,769**	18,744	**77,967**	71,237
Real estate taxes	**6,867**	6,742	**27,384**	24,563
Depreciation and amortization	**20,033**	18,228	**79,978**	71,656
Interest	**18,748**	17,238	**73,614**	63,023
Amortization of deferred financing costs	**480**	408	**1,970**	1,587
General and administrative	**5,574**	4,099	**19,148**	18,084
Other expenses	**2,927**	-	**5,827**	-
	75,398	65,459	**285,888**	250,150
Gain on sale of real estate	**-**	-	**6,391**	7,909
Interest and other income, net	**689**	1,078	**8,621**	3,173
Equity income in co-investments	**1,455**	24,770	**19,030**	41,230
Minority interests	**(4,713)**	(6,885)	**(21,465)**	(27,473)
Income from continuing operations before income tax provision	**5,365**	32,060	**53,980**	78,554
Income tax provision	**(152)**	(49)	**(2,538)**	(257)
Income from continuing operations	**5,213**	32,011	**51,442**	78,297
Income and gain from discontinued operations, net of minority interests	**-**	502	**28,274**	1,396
Net income	**5,213**	32,513	**79,716**	79,693
Dividends to preferred stockholders - Series F	**(488)**	(488)	**(1,953)**	(1,952)
Net income available to common stockholders	**$ 4,725**	$ 32,025	**$ 77,763**	$ 77,741
Net income per share - basic	**$ 0.21**	$ 1.39	**$ 3.38**	$ 3.39
Net income per share - diluted	**$ 0.20**	$ 1.38	**$ 3.32**	$ 3.36

See Company's 10-K and 10-Q for additional disclosures

ESSEX PROPERTY TRUST, INC.

Consolidated Operating Results **Selected Line Item Detail** *(Dollars in thousands)*	Three Months Ended December 31, **2005**	Three Months Ended December 31, 2004	Twelve Months Ended December 31, **2005**	Twelve Months Ended December 31, 2004
Rental and other property				
Rental	**$ 78,705**	$ 71,246	**$ 305,144**	$ 271,153
Other property	**2,784**	2,482	**11,196**	9,566
Rental and other property	**$ 81,489**	$ 73,728	**$ 316,340**	$ 280,719
Management and other fees from affiliates				
Management	**$ 782**	$ 769	**$ 3,696**	$ 3,552
Development and redevelopment	**16**	262	**204**	1,277
Promote distribution from Fund I - non-recurring	**1,045**	3,797	**7,051**	18,292
Miscellaneous - non-recurring	**-**	-	**-**	25
Management and other fees from affiliates	**$ 1,843**	$ 4,828	**$ 10,951**	$ 23,146
General and administrative				
Total general and administrative	**$ 7,650**	$ 5,694	**$ 26,354**	$ 23,723
Allocated to property operating expenses - administrative	**(1,330)**	(1,189)	**(5,150)**	(4,507)
Capitalized and incremental to real estate under development	**(746)**	(406)	**(2,056)**	(1,132)
Net general and administrative	**$ 5,574**	$ 4,099	**$ 19,148**	$ 18,084
Interest and other income, net				
Interest income	**$ 225**	$ 356	**$ 678**	$ 951
Lease income	**418**	416	**1,667**	1,665
Participating loan (condo conversion)	**-**	-	**6,121**	-
Miscellaneous - non-recurring	**46**	306	**155**	557
Interest and other income	**$ 689**	$ 1,078	**$ 8,621**	$ 3,173
Equity income in co-investments				
Equity income in co-investments	**$ 423**	$ (403)	**$ 1,035**	$ 2,158
Gain on sale of co-investment activities, net	**1,032**	25,173	**18,116**	39,242
Early extinguishment of debt - non-recurring	**-**	-	**(121)**	(170)
Equity income in co-investments	**$ 1,455**	$ 24,770	**$ 19,030**	$ 41,230
Minority interests				
Limited partners of Essex Portfolio, L.P.	**$ 518**	$ 3,277	**$ 5,119**	$ 7,941
Perpetual preferred distributions	**2,559**	2,559	**10,238**	14,175
Series Z and Z-1 incentive units	**123**	75	**424**	281
Third party ownership interests	**456**	(88)	**1,426**	(942)
Down REIT limited partners' distributions	**1,057**	1,062	**4,258**	4,443
Write off of Series E preferred unit offering costs	**-**	-	**-**	1,575
Minority interests	**$ 4,713**	$ 6,885	**$ 21,465**	$ 27,473

E S S E X P R O P E R T Y T R U S T, I N C.

Consolidated Funds From Operations *(Dollars in thousands, except share and per share amounts)*	Three Months Ended December 31,		Twelve Months Ended December 31,	
	2005	2004	**2005**	2004
Funds from operations				
Net income (1)	**$ 5,213**	$ 32,513	**$ 79,716**	$ 79,693
Adjustments:				
Depreciation and amortization	**20,033**	18,228	**79,978**	71,656
Co-investments (2)	**685**	685	**1,188**	2,501
Gain on sale of real estate	**-**	-	**(5,000)**	(7,909)
Gain on sale of real estate - discontinued operations	**-**	-	**(29,219)**	-
Gain on sale of co-investment activities, net	**(1,032)**	(25,173)	**(18,116)**	(39,242)
Minority interests	**641**	3,404	**8,348**	8,365
Depreciation - discontinued operations	**-**	212	**148**	1,268
Dividends to preferred stockholders - Series F	**(488)**	(488)	**(1,953)**	(1,952)
Funds from operations	**$ 25,052**	$ 29,381	**$ 115,090**	$ 114,380
Components of the change in FFO				
Same property NOI	**$ 2,724**		**$ 10,886**	
Non-same property NOI	**2,887**		**15,186**	
Other - corporate and unconsolidated co-investments	**204**		**(4,014)**	
Promote distribution from Fund I - non-recurring	**(2,752)**		**(11,241)**	
Interest expense and amortization of deferred financing costs	**(1,582)**		**(10,974)**	
General and administrative	**(1,475)**		**(1,064)**	
Other expenses	**(2,927)**		**(5,827)**	
TRS activities	**(103)**		**5,231**	
Minority interests	**(591)**		**3,187**	
Income from discontinued operations	**(502)**		**459**	
Depreciation - discontinued operations	**(212)**		**(1,119)**	
Changes in Funds from operations	**$ (4,329)**		**$ 710**	
Funds from operations per share - diluted	**$ 0.98**	$ 1.14	**$ 4.48**	$ 4.49
Percentage increase	**-14.0%**		**-0.2%**	
Weighted average number of shares outstanding diluted (3)	**25,538,884**	25,665,019	**25,693,637**	25,490,265

(1) Net income does not include the possible impact, if any, of the company's adoption of FIN 47 "Accounting for Conditional Asset Retirement Obligations" for the quarter ended December 31, 2005. The effect of adoption, which would be presented as a cumulative effect of change in accounting principle, may reduce net income and earnings per share; however it has no impact on FFO.

(2) Amount includes the following: (i) depreciation addback for Fund II assets and minority interests, (ii) joint venture NOI, and (iii) City Heights land lease income not recognized for GAAP.

(3) Assumes conversion of the weighted average operating partnership interests in the Operating Partnership into shares of the Company's common stock.

E S S E X P R O P E R T Y T R U S T, I N C.

Consolidated Balance Sheets

(Dollars in thousands)

	December 31, 2005	December 31, 2004
Real Estate:		
Land and land improvements	**$ 554,449**	$ 536,600
Buildings and improvements	**1,946,780**	1,834,594
	2,501,229	2,371,194
Less: accumulated depreciation	**(401,154)**	(329,652)
	2,100,075	2,041,542
Real estate investment held for sale, net of accumulated depreciation of $496 as of December 31, 2004	**-**	14,445
Investments	**27,228**	49,712
Real estate under development	**37,143**	38,320
	2,164,446	2,144,019
Cash and cash equivalents	**28,274**	31,899
Other assets	**31,455**	30,561
Deferred charges, net	**15,115**	10,738
Total assets	**$ 2,239,290**	$ 2,217,217
Mortgage notes payable	**$ 1,104,918**	$ 1,067,449
Exchangeable bonds	**225,000**	-
Lines of credit	**25,000**	249,535
Other liabilities	**67,998**	63,826
Deferred gain	**2,193**	5,000
Total liabilities	**1,425,109**	1,385,810
Minority interests	**233,214**	240,130
Stockholders' Equity:		
Common stock	**2**	2
Series F cumulative redeemable preferred stock, liquidation value	**25,000**	25,000
Additional paid-in-capital	**632,646**	646,744
Distributions in excess of accumulated earnings	**(77,341)**	(80,469)
Accumulated other comprehensive income	**660**	-
Total liabilities and stockholders' equity	**$ 2,239,290**	$ 2,217,217

See Company's 10-K and 10-Q for additional disclosures

E S S E X P R O P E R T Y T R U S T, I N C.

Debt Summary - December 31, 2005
(Dollars in thousands)

	Percentage of Total Debt		Balance Outstanding	Weighted Average Interest Rate	Weighted Average Maturity In Years
Mortgage notes payable					
Fixed rate - secured	67%	$	918,193	6.3%	5.3
Tax exempt variable (1)	14%		186,725	4.2%	25.4
Total mortgage notes payable	81%		**1,104,918**	5.9%	8.7
Exchangeable bonds (2)	17%		**225,000**	3.6%	
Line of credit - secured (3)	2%		25,000	3.6%	
Line of credit - unsecured (4)	-		-	-	
	2%		**25,000**	3.6%	
Total debt	100%	**$**	**1,354,918**	**5.6%**	

Scheduled principal payments (excludes lines of credit)

2006	$	26,192
2007		81,964
2008		155,732
2009		34,438
2010		159,344
Thereafter		872,248
Total	$	1,329,918

Capitalized interest for the quarter ended December 31, 2005 was approximately $453.

(1) Subject to interest rate protection agreements.
(2) Exchangeable bonds total $225 million and mature in November 2025. This is an unsecured obligation of the operating partnership, and is fully and unconditionally guaranteed by Essex Property Trust, Inc.
(3) Secured line of credit commitment is $100 million and matures in January 2009.
This line is secured by six of Essex's multifamily communities. The underlying interest rate is currently the Freddie Mac Reference Rate plus .55% to .59%.
(4) Unsecured line of credit commitment is $185 million and matures in May 2007.
The underlying interest rate on this line is based on a tiered rate structure tied to the Company's corporate ratings and is currently at LIBOR plus 1.00%.

E S S E X P R O P E R T Y T R U S T, I N C.

Capitalization - December 31, 2005
(Dollars and shares in thousands, except per share amounts)

Total debt	$	1,354,918	
Common stock and potentially dilutive securities			
Common stock outstanding		22,859	
Limited partnership units (1)		2,438	
Options-treasury method		227	
Total common stock and potentially dilutive securities		25,524	shares
Common stock price per share as of December 31, 2005	$	92.20	
Market value of common stock and potentially dilutive securities	$	2,353,313	
Perpetual preferred units/stock	$	155,000	7.865% weighted average pay rate
Total equity capitalization	$	2,508,313	
Total market capitalization	$	3,863,231	
Ratio of debt to total market capitalization		35.1%	

(1) Assumes conversion of all outstanding operating partnership interests in the Operating Partnership into shares of the Company's common stock.

E S S E X P R O P E R T Y T R U S T, I N C.

Property Operating Results - Quarter ended December 31, 2005 and 2004
(Dollars in thousands)

	Southern California			Northern California			Pacific Northwest			Other real estate assets (1)			Total		
	2005	2004	% Change	**2005**	2004	% Change	**2005**	2004	% Change	**2005**	2004	% Change	**2005**	2004	% Change
Revenues:															
Same property revenue	**$ 39,845**	$ 37,639	5.9%	**$ 13,936**	$ 13,155	5.9%	**$ 12,950**	$ 12,303	5.3%	**$ -**	$ -	n/a	**$ 66,731**	$ 63,097	5.8%
Non same property revenue (2)	**9,189**	6,869		**2,784**	2,065		**1,670**	964		**1,115**	733		**14,758**	10,631	
Total Revenues	**$ 49,034**	$ 44,508		**$ 16,720**	$ 15,220		**$ 14,620**	$ 13,267		**$ 1,115**	$ 733		**$ 81,489**	$ 73,728	
Property operating expenses:															
Same property operating expenses	**$ 12,759**	$ 11,894	7.3%	**$ 4,599**	$ 4,497	2.3%	**$ 4,614**	$ 4,671	-1.2%	**$ -**	$ -	n/a	**$ 21,972**	$ 21,062	4.3%
Non same property operating expenses (2)	**2,619**	2,026		**1,172**	809		**669**	402		**1,204**	1,187		**5,664**	4,424	
Total property operating expenses	**$ 15,378**	$ 13,920		**$ 5,771**	$ 5,306		**$ 5,283**	$ 5,073		**$ 1,204**	$ 1,187		**$ 27,636**	$ 25,486	
Net operating income:															
Same property net operating income	**$ 27,086**	$ 25,745	5.2%	**$ 9,337**	$ 8,658	7.8%	**$ 8,336**	$ 7,632	9.2%	**$ -**	$ -	n/a	**$ 44,759**	$ 42,035	6.5%
Non same property operating income (2)	**6,570**	4,843		**1,612**	1,256		**1,001**	562		**(89)**	**(454)**		**9,094**	6,207	
Total net operating income	**$ 33,656**	$ 30,588		**$ 10,949**	$ 9,914		**$ 9,337**	$ 8,194		**$ (89)**	**$ (454)**		**$ 53,853**	$ 48,242	
Same property operating margin	**68%**	68%		**67%**	66%		**64%**	62%		**n/a**	n/a		**67%**	67%	
Same property turnover percentage	**47%**	47%		**50%**	47%		**53%**	45%		**n/a**	n/a		**49%**	47%	
Same property concessions	**$ 69**	$ 109		**$ 27**	$ 169		**$ 64**	$ 103		**$ -**	$ -		**$ 160**	$ 381	
Average same property concessions per turn (3)	**$ 60**	$ 183		**$ 55**	$ 453		**$ 98**	$ 239		**$ -**	$ -		**$ 70**	$ 254	
Net operating income percentage of total	**63%**	62%		**20%**	21%		**17%**	17%		**0%**	0%		**100%**	100%	
Loss to lease (4)	**$ 8,849**			**$ 2,886**			**$ 2,758**			**$ n/a**			**$ 14,493**		
Loss to lease as a percentage of rental income	**4.7%**			**4.7%**			**4.5%**			**n/a**			**4.6%**		
Reconciliation of apartment units at end of period															
Same property apartment units	**10,340**			**3,911**			**5,173**			**-**			**19,424**		
Consolidated Apartment Units	**12,784**	12,166		**4,621**	4,689		**5,831**	5,651		**302**	578		**23,538**	23,084	
Joint Venture	**598**	1,313		**1,936**	595		**515**	-		**-**	-		**3,049**	1,908	
Under Development	**505**	407		**-**	370		**-**	-		**-**	-		**505**	777	
Total apartment units at end of period	**13,887**	13,886		**6,557**	5,654		**6,346**	5,651		**302**	578		**27,092**	25,769	
Percentage of total	**51%**	54%		**24%**	22%		**24%**	22%		**1%**	2%		**100%**	100%	
Average same property financial occupancy	**97.1%**	96.5%		**96.9%**	95.2%		**96.5%**	95.4%		**n/a**	n/a		**96.9%**	95.9%	

(1) Includes apartment communities located in other geographic areas, other rental properties and commercial properties.
(2) Includes properties which subsequent to September 30, 2004 were either acquired or in a stage of development or redevelopment without stabilized operations.
(3) Average same property concessions per turn is the dollar amount per unit resulting from the same property concessions divided by the product of the same property turnover percentage times the same property apartment units.
(4) Loss to lease represents the annualized difference between market rents (without considering the impact of rental concessions) and contractual rents. These numbers include the Company's pro-rata interest in unconsolidated properties.

E S S E X P R O P E R T Y T R U S T, I N C.

Same Property Revenue by County - Quarters ended December 31, 2005, December 31, 2004 and September 30, 2005
(Dollars in thousands)

	Units	December 31, 2005	December 31, 2004	% Change	September 30, 2005	Sequential % Change
Southern California						
Ventura County	1,739	$ 6,510	$ 6,265	3.9%	$ 6,500	0.2%
Los Angeles County	3,736	16,794	15,691	7.0%	16,475	1.9%
Orange County	2,037	8,492	7,987	6.3%	8,332	1.9%
San Diego County	2,552	7,376	7,066	4.4%	7,298	1.1%
Riverside County	276	673	630	6.8%	674	0.0%
Total Southern California	10,340	$ 39,845	$ 37,639	5.9%	$ 39,279	1.4%
Northern California						
San Francisco MSA	175	$ 781	$ 709	10.2%	$ 770	1.4%
Santa Clara County	1,982	7,253	6,895	5.2%	7,124	1.8%
Alameda County	1,116	3,450	3,261	5.8%	3,450	0.0%
Contra Costa County	638	2,452	2,290	7.1%	2,411	1.7%
Total Northern California	3,911	$ 13,936	$ 13,155	5.9%	$ 13,755	1.3%
Pacific Northwest						
Seattle	4,298	$ 11,045	$ 10,468	5.5%	$ 10,998	0.4%
Portland	875	1,905	1,835	3.8%	1,882	1.2%
Total Pacific Northwest	5,173	$ 12,950	$ 12,303	5.3%	$ 12,880	0.6%
Total same property revenue	19,424	$ 66,731	$ 63,097	5.8%	$ 65,914	1.2%

E S S E X P R O P E R T Y T R U S T, I N C.

Development Communities - December 31, 2005
(Dollars in millions)

Project Name	Location	Units	Estimated Cost	Total Incurred To Date	Estimated Remaining Cost	Initial Occupancy	Stabilized Operations	% Leased	% Occupied
Development Communities									
Direct Development and Joint Venture Transactions- Consolidated									
Northwest Gateway (1)	Los Angeles, CA	275	$ 71.1	$ 16.9	$ 54.2	Dec-07	Sep-08	n/a	n/a
Moorpark	Moorpark, CA	200	43.2	5.0	38.2	Dec-07	Aug-08	n/a	n/a
Tuscana	Tracy, CA	30	8.5	4.3	4.2	Jul-06	Jan-07	n/a	n/a
Pre-development		-	10.9	10.9	-			n/a	n/a
Subtotal - direct development		505	133.7	37.1	96.6				

Stabilized Communities - Fourth Quarter 2005

None

(1) The Company will receive 75% of cash flow up to a 22.67% priority return, and 50% of cash flow thereafter.

Redevelopment Communities - December 31, 2005
(Dollars in thousands)

Project Name	Units	Estimated Cost	Total Incurred To Date	Estimated Remaining Cost	Redevelopment Start Date
Kings Road, Los Angeles, CA	196	6,116	3,805	2,311	Jan-04
Mira Woods, Mira Mesa, CA	355	5,724	2,784	2,940	Sep-04
Palisades - Phase I and II, Bellevue, WA	192	5,866	2,035	3,831	Sep-04
Avondale at Warner Center, Woodland Hills, CA	446	11,422	3,148	8,274	Oct-04
Bridle Trails, Kirkland, WA	108	4,547	1,497	3,050	May-05
Sammamish View, Bellevue, WA	153	3,150	21	3,129	Dec-05
Total	1,450	$ 36,825	$ 13,290	$ 23,535	

Re-stabilized Communities - Fourth Quarter 2005

No properties were re-stablized in the fourth quarter of 2005. Hillcrest Park - Phase II, Newbury Park, CA redevelopment was completed in the fourth quarter of 2005, and will be included in same property operations during the first quarter of 2006.

Restabilized operations is defined as the month that the property reaches at least 95% occupancy after completion of the redevelopment projects A component of these redevelopments are upgrades to unit interiors, which are completed in the normal course of unit turnover.

E S S E X P R O P E R T Y T R U S T, I N C.

Investments - December 31, 2005 *(In thousands)*	Book Value	Estimated Value	Debt Amount	Debt Type	Debt Interest Rate	Debt Maturity Date	Value of Equity	Company Ownership	Essex Equity Value
Joint Ventures									
Essex Apartment Value Fund, L.P. (Fund I)									
Net assets (1)	$ 582	$ 2,947					2,947	21.4%	$ 631
Essex Apartment Value Fund II, L.P. (Fund II)									
Carlmont Woods, Belmont, CA			13,332	Fixed	4.89%	Dec-2013			
Echo Ridge, Snoqualmie, WA			13,652	Fixed	5.01%	Sep-2014			
Enclave, San Jose, CA			23,160	Fixed	7.26%	Jan-2018			
Enclave, San Jose, CA (2)			60,000	Variable	3.55%	Dec-2029			
Harbor Cove, Foster City, CA			35,949	Fixed	4.89%	Dec-2013			
Morning Run, Monroe, WA			14,106	Fixed	5.10%	Oct-2014			
Parcwood, Corona, CA			26,175	Fixed	4.89%	Dec-2013			
Regency Towers, Oakland, CA			11,386	Fixed	5.16%	Mar-2015			
Tower @ 801, Seattle, WA			19,907	Fixed	4.91%	Aug-2014			
Line of credit			67,650	Var.	LIBOR+0.875%	Jun-2007			
	18,854	352,924	285,317				67,607	28.2%	19,065
Capitalized costs	486								486
	19,340								19,551
Other	7,306								7,306
	$ 27,228								$ 27,488

(1) Net assets primarily consist of cash proceeds less estimated liabilities from the sale of River Terrace and Kelvin properties.

E S S E X P R O P E R T Y T R U S T, I N C.

Consolidated Co-Investments - December 31, 2005
(Dollars in thousands)

The Company enters into co-investment transactions with third party developers, owners and investors of apartment properties. In accordance with FIN 46R, the Company consolidates certain of these co-investment transactions, resulting in minority interests corresponding to the ownership interest of the third-party developer, owner or investor.

The following table summarizes the consolidated co-investment transactions:

	Balance as of December 31, 2005				Operations for the year ended December 31, 2005		
	Investment in Real Estate	Related Debt	Minority Interest	Down-REIT Units (1)	Revenue	Operating Expenses	NOI
Down-REITs:							
Anchor Village	11,132	10,750	2,718	121,188	2,282	968	1,314
Barkley Apartments	9,805	5,081	2,392	80,987	2,184	708	1,477
Brookside Oaks	21,321	14,539	9,363	230,938	2,178	624	1,553
Capri at Sunny Hills	16,692	11,896	4,867	196,828	2,138	504	1,634
Hearthstone Apartments	13,789	9,652	3,951	90,591	2,175	560	1,615
Hidden Valley (Parker Ranch)	46,583	33,977	6,089	62,647	5,022	1,054	3,968
Highridge Apartments	21,333	19,043	6,701	321,249	4,964	1,552	3,412
Montejo Apartments	9,150	5,981	1,644	39,118	1,625	426	1,199
Treehouse Apartments	12,487	8,053	3,331	76,366	2,116	630	1,486
Valley Park Apartments	16,000	10,202	2,913	71,236	2,557	564	1,993
Villa Angelina Apartments	21,130	13,796	2,611	71,678	3,365	806	2,559
	199,422	142,970	46,580	1,362,826	30,606	8,396	22,210
Other Co-investments transactions:							
Derian Office Building	17,760	-	-	n/a (note 2)	1,715	448	1,267
City Heights	32,335	32,850	-	n/a (note 3)	8,485	3,055	5,430
The Bluffs	9,127	12,569	(226)	n/a	2,711	822	1,888
Northwest Gateway (Development)	16,865	-	1,000	n/a (note 4)	-	-	-

(1) Represents the number of Down-REIT units that are currently outstanding. Generally, Down-REIT units can be redeemed at the holder's election for cash equal to the current price of Essex's common stock.

(2) Essex has mortgage loans to the owners of this property with an aggregate principal balance outstanding of $23.8 million as of December 31, 2005. This building was 100% leased and occupied as of December 31, 2005.

(3) The Company owns the land and has leased the improvements to an unrelated third-party investor. The leashold interest entitles the Company to receive a monthly payment during the 34 year term of the lease. The Company may be required to sell its interest in the property anytime after 2009, in which case, the Company is entitled to receive 20% of the net sales price (without considering related debt), plus an incentive payment equal to $1.47 million per year since the formation of the venture in 2002.

(4) The project is a joint venture between Essex and Meta Housing Corporation, which has obtained $47.0 million of tax-exempt bond financing, which will be drawn to fund future construction costs. Subsequent to December 31, 2005, the Company has renegotiated its joint venture agreement with Meta Housing Corp., and Essex now owns 100% interest in the project.

	Property Name	Address	City	State	Units	Square Footage	Year Acquired	Year Built	
	MULTIFAMILY COMMUNITIES								
	SAN FRANCISCO BAY AREA								
	Santa Clara County								
1	Pointe at Cupertino, The (Westwood)	19920 Olivewood Street	Cupertino	CA	116	135,200	1998	1963	
1	Carlyle, The	2909 Nieman Boulevard	San Jose	CA	132	129,200	2000	2000	
1	Enclave, The	4355 Renaissance Drive	San Jose	CA	637	525,463	2005	1998	
1	Esplanade	350 East Taylor St.	San Jose	CA	278	279,000	2004	2002	
1	Waterford, The	1700 N. First Street	San Jose	CA	238	219,600	2000	2000	
1	Le Parc (Plumtree)	440 N. Winchester Avenue	Santa Clara	CA	140	113,200	1994	1975	
1	Marina Cove	3480 Granada Avenue	Santa Clara	CA	292	250,200	1994	1974	
1	Bristol Commons	732 E. Evelyn Avenue	Sunnyvale	CA	188	142,600	1995	1989	
1	Brookside Oaks	1651 Belleville Way	Sunnyvale	CA	170	119,900	2000	1973	
1	Oak Pointe	450 N. Mathilda Avenue	Sunnyvale	CA	390	294,100	1988	1973	
1	Summerhill Park	972 Corte Madera Avenue	Sunnyvale	CA	100	78,500	1988	1988	
1	Windsor Ridge	825 E. Evelyn Avenue	Sunnyvale	CA	216	161,800	1989	1989	
				11%	2,897	2,448,763			
	Alameda County								
1	Stevenson Place (The Apple)	4141 Stevenson Blvd.	Fremont	CA	200	146,200	1983	1971	
1	Waterstone at Fremont (Mountain Vista)	39600 Fremont Blvd	Fremont	CA	526	433,100	2000	1975	
1	Treetops	40001 Fremont Blvd.	Fremont	CA	172	131,200	1996	1978	
1	Wimbeldon Woods	25200 Carlos Bee Blvd.	Hayward	CA	560	462,400	1998	1975	
1	Regency Towers	1130 Third Ave.	Oakland	CA	178	140,900	2005	1975	
1	Summerhill Commons	36826 Cherry Street	Newark	CA	184	139,000	1987	1987	
				7%	1,820	1,452,800			
	Contra Costa County								
1	San Marcos (Vista del Mar)	Hilltop Drive at Richmond Pkwy	Richmond	CA	432	407,600	2003	2003	120 units 2005
1	Bel Air (The Shores)	2000 Shoreline Drive	San Ramon	CA	462	391,000	1995	1988	114 units 2000
1	Foothill Gardens	1110 Harness Drive	San Ramon	CA	132	155,100	1997	1985	
1	Twin Creeks	2711-2731 Morgan Drive	San Ramon	CA	44	51,700	1997	1985	
				4%	1,070	1,005,400			
	San Mateo County								
1	Carlmont Woods	2515 Carlmont Drive	Belmont	CA	195	107,200	2004	1971	
1	Harbor Cove	900 E. Hillsdale Blvd.	Foster City	CA	400	306,600	2004	1971	
				2%	595	413,800			
	San Francisco and Marin County								
1	Mt. Sutro Terrace Apartments	480 Warren Drive	San Francisco,CA	CA	99	64,000	1999	1973	
1	Vista Belvedere	15 Red Hill Circle	Tiburon	CA	76	78,300	2004	1963	
				1%	175	142,300			
26	**Total San Francisco Bay Area**			25%	**6,557**	**5,463,063**			
	SOUTHERN CALIFORNIA								
	Los Angeles County								
1	Hampton Court (Columbus)	1136 N. Columbus Avenue	Glendale	CA	83	71,500	1999	1974	
1	Hampton Place (Loraine)	245 W. Loraine Street	Glendale	CA	132	141,500	1999	1970	
1	Marbrisa	1809 Termino Ave.	Long Beach	CA	202	122,800	2002	1987	
1	Pathways	5945 E. Pacific Coast Hwy.	Long Beach	CA	296	197,700	1991	1975	
1	Bunker Hill	222 and 234 S. Figueroa St.	Los Angeles	CA	456	346,600	1998	1968	
1	City Heights	209 S. Westmoreland	Los Angeles	CA	687	424,100	2000	1968	
1	Cochran Apartments	612 South Cochran	Los Angeles	CA	58	51,400	1998	1989	
1	Kings Road	733 North Kings Road	Los Angeles	CA	196	132,100	1997	1979	
1	Marbella	600 South Detroit Street	Los Angeles	CA	60	50,108	2005	1991	
	Northwest Gateway	1302 West 2nd St.	Los Angeles	CA	275	225,000			
1	Park Place	400 S. Detroit Street	Los Angeles	CA	60	48,000	1997	1988	
1	Windsor Court	401 S. Detroit Street	Los Angeles	CA	58	46,600	1997	1988	
1	Marina City Club	4333 Admiralty Way	Marina Del Rey	CA	101	127,200	2004	1971	
1	Mirabella (Marina View)	13701 Marina Point Drive	Marina Del Rey	CA	188	176,800	2000	2000	
1	Hillcrest Park (Mirabella)	1800 West Hillcrest Drive	Newbury Park	CA	608	521,900	1998	1973	
1	Monterra del Mar (Windsor Terrace)	280 E. Del Mar Boulevard	Pasadena	CA	123	74,400	1997	1972	
1	Monterra del Rey (Glenbrook)	350 Madison	Pasadena	CA	84	73,100	1999	1972	
1	Monterra del Sol (Euclid)	280 South Euclid	Pasadena	CA	85	69,200	1999	1972	
1	Fountain Park	13141 Fountain Park Drive	Playa Vista	CA	705	608,900	2004	2002	
1	Highridge	28125 Peacock Ridge Drive	Rancho Palos Verde	CA	255	290,200	1997	1972	
1	Walnut Heights	20700 San Jose Hills Road	Walnut	CA	163	146,700	2003	1964	
1	Avondale at Warner Center	22222 Victory Blvd.	Woodland Hills	CA	446	331,000	1999	1970	
				19%	5,046	4,051,808			
	Ventura County								
1	Camarillo Oaks	921 Paseo Camarillo	Camarillo	CA	564	459,000	1996	1985	
1	Mountain View	649 E. Las Posas Road	Camarillo	CA	106	83,900	2004	1980	
	Moorpark development		Moorpark	CA	200	172,230			
1	Mariner's Place	711 South B Street	Oxnard	CA	105	77,200	2000	1987	
1	Tierra Vista	Rice and Gonzales	Oxnard	CA	404	387,100	2001	2001	
1	Monterey Villas (Village Apartments)	1040 Kelp Lane	Oxnard	CA	122	122,100	1997	1974	
1	Meadowood	1733 Cochran Street	Simi Valley	CA	320	264,500	1996	1986	
1	Hidden Valley (Parker Ranch)	5065 Hidden Park Court	Simi Valley	CA	324	310,900	2004	2004	
1	Lofts at Pinehurst,The (Villa Scandia)	1021 Scandia Avenue	Ventura	CA	118	71,100	1997	1971	
1	Pinehurst	3980 Telegraph Road	Ventura	CA	28	21,200	2004	1973	
1	Woodside Village	675 Providence Ave.	Ventura	CA	145	136,500	2004	1987	
				8%	2,236	1,933,500			
	Orange County								
1	Barkley Apartments	2400 E. Lincoln Ave.	Anahiem	CA	161	139,800	2000	1984	
1	Vista Pointe	175-225 S. Rio Vista	Anahiem	CA	286	242,400	1985	1968	
1	Valley Park Apartments	17300 Euclid Ave.	Fountain Valley	CA	160	169,700	2001	1969	
1	Capri at Sunny Hills	2341 Daphne Place	Fullerton	CA	100	128,100	2001	1961	
1	Wilshire Promenade	141 West Wilshire Avenue	Fullerton	CA	149	128,000 (1)	1997	1992	
1	Montejo Apartments	12911 Dale St.	Garden Grove	CA	124	103,200	2001	1974	
1	Huntington Breakers	21270 Beach Boulevard	Huntington Beach	CA	342	241,700	1997	1984	
1	Hillsborough Park	1501 South Beach Boulevard	La Habra	CA	235	215,500	1999	1999	
1	Trabuco Villas	25362 Mosswood Way	Lake Forest	CA	132	131,000	1997	1985	
1	Fairways Apartments	2 Pine Valley Lane	Newport Beach	CA	74	107,100	1999	1972	
1	Villa Angelina	201 E. Chapman Ave.	Placentia	CA	256	217,600	2001	1970	
1	Hearthstone Apartments	2301 E. Santa Clara Ave.	Santa Ana	CA	140	154,800	2001	1970	
1	Treehouse Apartments	2601 N. Grand Ave.	Santa Ana	CA	164	135,700	2001	1970	
				9%	2,323	2,114,600			

SOUTHERN CALIFORNIA (cont'd)

	San Diego County							
1	Alpine Country	2660 Alpine Blvd.	Alpine	CA	108	81,900	2002	1986
1	Alpine Village	2055 Arnold Way	Alpine	CA	306	254,400	2002	1971
1	Bonita Cedars	5155 Cedarwood Rd.	Bonita	CA	120	120,800	2002	1983
1	Cambridge	660 F. St.	Chula Vista	CA	40	22,100	2002	1965
1	Woodlawn Colonial	245-255 Woodlawn Ave.	Chula Vista	CA	159	104,500	2002	1974
1	Mesa Village	5265 Clairemont Mesa Blvd.	Clairemont	CA	133	43,600	2002	1963
1	Casa Tierra	355 Orlando St.	El Cajon	CA	40	28,700	2002	1972
1	Coral Gardens	425 East Bradley	El Cajon	CA	200	182,000	2002	1976
1	Tierra del Sol/Norte	989 Peach Ave.	El Cajon	CA	156	117,000	2002	1969
1	Grand Regacy	2050 E. Grand Ave.	Escondido	CA	60	42,400	2002	1967
1	Mira Woods Villa	10360 Maya Linda Rd.	Mira Mesa	CA	355	262,600	2002	1982
1	Country Villas	283 Douglas Drive	Oceanside	CA	180	179,700	2002	1976
1	Mission Hills	218 Rancho Del Oro	Oceanside	CA	282	244,000	2005	1984
1	Bluffs II, The	6466 Friars Road	San Diego	CA	224	126,700	1997	1974
1	Emerald Palms	2271 Palm Ave.	San Diego	CA	152	133,000	2002	1986
1	Summit Park	8563 Lake Murray Blvd.	San Diego	CA	300	229,400	2002	1972
1	Vista Capri - East	4666 63rd St.	San Diego	CA	26	16,800	2002	1967
1	Vista Capri - North	3277 Berger Ave.	San Diego	CA	106	51,800	2002	1975
1	Carlton Heights	9705 Carlton Hills Blvd.	Santee	CA	70	48,400	2002	1979
1	Shadow Point	9830 Dale Ave.	Spring Valley	CA	172	131,200	2002	1983
				12%	3,189	2,421,000		
	Riverside County							
1	Parcwood	1700 Via Pacifica	Corona	CA	312	270,000	2004	1989
1	Devonshire Apartments	2770 West Devonshire Ave.	Hemet	CA	276	207,200	2002	1988
				2%	588	477,200		
66	**Total Southern California**			50%	**13,382**	**10,998,108**		

SEATTLE METROPOLITAN AREA

1	Cedar Terrace	3205 115th Ave. NE	Bellevue	WA	180	174,200	2005	1984
1	Emerald Ridge	3010 118th Avenue SE	Bellevue	WA	180	144,000	1994	1987
1	Foothill Commons	13800 NE 9th Place	Bellevue	WA	360	288,300	1990	1978
1	Palisades, The	13808 NE 12th	Bellevue	WA	192	159,700	1990	1977
1	Sammamish View	16160 SE Eastgate Way	Bellevue	WA	153	133,500	1994	1986
1	Woodland Commons	13700 NE 10th Place	Bellevue	WA	236	172,300	1990	1978
1	Canyon Pointe	1630 228th St. SE	Bothell	WA	250	210,400	2003	1990
1	Inglenook Court	14220 Juanita Drive, NE	Bothell	WA	224	183,600	1994	1985
1	Salmon Run at Perry Creek	2109 228th Street SE	Bothell	WA	132	117,100	2000	2000
1	Stonehedge Village	14690 143rd Blvd., NE	Bothell	WA	196	214,800	1997	1986
1	Park Hill at Issaquah	22516 SE 56th Street	Issaquah	WA	245	277,700	1999	1999
1	Peregrine Point	21209 SE 42nd Street	Issaquah	WA	67	85,900	2003	2003
1	Wandering Creek	12910 SE 240th	Kent	WA	156	124,300	1995	1986
1	Bridle Trails	6600 130th Avenue, NE	Kirkland	WA	92	73,400	1997	1986
1	Evergreen Heights	12233 NE 131st Way	Kirkland	WA	200	188,300	1997	1990
1	Morning Run	18463 Blueberry Lane	Monroe	WA	222	221,786	2005	1991
1	Laurels at Mill Creek	1110 164th Street SE	Mill Creek	WA	164	134,300	1996	1981
1	Anchor Village	9507 49th Avenue West	Mukilteo	WA	301	245,900	1997	1981
1	Castle Creek	7000 132nd Place, SE	Newcastle	WA	216	191,900	1998	1998
1	Brighton Ridge	2307 NE 4th Street	Renton	WA	264	201,300	1996	1986
1	Fairwood Pond	14700 SE Petrovitsky Rd.	Renton	WA	194	189,200	2004	1997
1	Forest View	650 Duvall Ave. NE	Renton	WA	192	182,500	2003	1998
1	Fountain Court	2400 4th Street	Seattle	WA	320	207,000	2000	2000
1	Linden Square	13530 Linden Avenue North	Seattle	WA	183	142,200	2000	1994
1	Maple Leaf	7415 5th Avenue, NE	Seattle	WA	48	35,500	1997	1986
1	Spring Lake	12528 35th Avenue, NE	Seattle	WA	69	42,300	1997	1986
1	Wharfside Pointe	3811 14th Avenue West	Seattle	WA	142	119,200 (2)	1994	1990
1	Tower @ 801	801 Pine Street	Seattle	WA	173	118,500	2005	1970
1	Echo Ridge	34907 SE Kinsey Street	Snoqualmie	WA	120	124,359	2005	2000
29	**Total Seattle Metropolitan Area**			21%	**5,471**	**4,703,445**		

PORTLAND METROPOLITAN AREA

1	Jackson School Village	300 NE Autumn Rose Way	Hillsboro	OR	200	196,800	1996	1996
1	Landmark Apartments	3120 NW John Olsen Ave.	Hillsboro	OR	285	282,900	1996	1990
1	Meadows @ Cascade Park	314 SE 19th Street	Vancouver	WA	198	199,300	1997	1989
1	Village @ Cascade Park	501 SE 123rd Avenue	Vancouver	WA	192	178,100	1997	1989
4	**Total Portland Metropolitan Area**			3%	**875**	**857,100**		

OTHER AREAS

1	St. Cloud Apartments	6525 Hilcroft	Houston	TX	302	306,800	2002	1968
1				1%	**302**	**306,800**		
	126	**Multifamily Properties**			**26,587**	**22,328,516**	**1999**	**1983**
	3	**Multifamily Properties Under Construction**			**505**	**376,488**		

Avg. square footage	840
Avg. units per property	211
Avg. age of property	21

(1) Also has 11,836 square feet of commercial/retail space.
(2) Also has 9,512 square feet of commercial space.

OTHER REAL ESTATE ASSETS

Manufactured Housing Communities							
Green Valley	2130 Sunset Dr.	Vista	CA	157 pads		2002	1973
Recreational Vehicle Parks							
Circle RV	1835 E. Main St.	El Cajon	CA	179 spaces		2002	1977
Vacationer	1581 E. Main St.	El Cajon	CA	159 spaces		2002	1973
Diamond Valley	344 N. State St.	Hemet	CA	224 spaces		2002	1974
Office Buildings							
Essex Corporate Headquarter Bldg.	925 E. Meadow Dr.	Palo Alto	CA		17,400	1997	1988
Derian Office Building	17461 Derian Av.	Irvine	CA		110,000	2000	1983
Essex Southern Cal. Office Building	22110-22120 Clarendon St.	Woodland Hills	CA		38,940	2001	1982
					166,340		

Essex Markets Forecast 2006: Supply, Jobs and Apartment Market Conditions

	Residential Supply*				Job Forecast**		Forecast Market Conditions***	
Market	New MF Supply	% of Total Stock	New SF Supply	% of Total Stock	Est.New Jobs Dec-Dec	% Growth	Estimated Y-o-Y Rent Growth	Estimated Year End Occupancy
Seattle	2,300	0.6%	11,000	1.6%	36,000	2.6%	4.0%	95.25%
Portland	3,250	1.4%	11,000	2.0%	27,000	2.8%	2.5%	95.00%
San Francisco	2,300	0.6%	1,000	0.3%	14,000	1.5%	4.5%	96.00%
Oakland	2,300	0.8%	6,700	1.1%	20,000	1.9%	3.5%	95.50%
San Jose	2,400	1.2%	2,300	0.6%	12,000	1.4%	4.0%	96.00%
No. Cal.	**7,000**	**0.9%**	**10,000**	**0.7%**	**46,000**	**1.6%**	**4.5%**	**96.00%**
Ventura	700	1.3%	2,500	1.2%	7,000	2.5%	3.0%	95.00%
Los Angeles	9,200	0.6%	10,000	0.5%	60,000	1.5%	4.25%	96.00%
Orange	4,000	0.8%	4,500	0.7%	27,000	1.8%	4.5%	96.00%
San Diego	4,800	1.2%	9,000	1.3%	24,000	1.9%	3.0%	95.0%
So. Cal.	**18,700**	**0.8%**	**26,000**	**0.8%**	**118,000**	**1.6%**	**4.0%**	**95.75%**

All data is an Essex Forecast

U.S. Economic Assumptions: G.D.P. - 3.75% Growth, Jobs - 1.7% Growth

* **New Residential Supply**: represents Essex's internal estimate of ***actual deliveries*** during the year, which are related to but can differ from the 12 Month trailing ***Permit Levels*** reported on N**ew Residential Supply** schedule.

** **Job Forecast/Performance** refers to the difference between Total Non-Farm Industry Employment (not Seasonally Adjusted) projected through December 2006 over the comparable actual figures for December 2005. The first column represents the ***current*** Essex forecast of the increase in Total Non-Farm Industry Employment. The second column represents these forecasted new jobs as a percent of the December 2005 base.

***The **Forecast Market Conditions** represents Essex's estimates of the Change in Rents/Occupnacy Rates at the end of 2006. The Estimated Year-over-Year Rent Growth represents the forecast change in Effective **Market** Rents for December 2006 vs.December 2005 (where **Market** refers to the entire MSA apartment market, NOT the Essex portfolio). The estimated Year End Occupancy represents Essex's forecast of **Market** Occupancy Rates for December 2006.

New Residential Supply: Permits as % of Current Stock
12 Month Permit Period: Trailing 12 Months December 2005

	Single Family Data					Multi-Family Data			All Residential Data	
Market	Median SF Price (2005**)	2005 SF Affordability*	SF Stock 2000	SF Permits Last 12 Months	% of Stock	MF Stock 2000	MF Permits Last 12 months	% of Stock	Total Residential Permits Last 12 Months	% of Stock
Nassau-Suffolk	$471,000	78%	740,000	4,368	0.6%	240,000	483	0.2%	4,851	0.5%
New York PMSA	$461,000	50%	760,000	2,525	0.3%	2,920,000	21,475	0.7%	24,000	0.7%
Boston	$431,000	72%	1,530,000	7,974	0.5%	670,800	7,704	1.1%	15,678	0.7%
Philadelphia	$231,000	108%	1,532,000	15,090	1.0%	515,100	4,595	0.9%	19,685	1.0%
Baltimore	$282,000	100%	797,000	8,448	1.1%	268,000	2,761	1.0%	11,209	1.1%
Chicago	$275,000	96%	1,700,000	36,278	2.1%	1,404,900	12,569	0.9%	48,847	1.6%
Wash. D.C. PMSA	$441,000	80%	1,299,000	25,315	1.9%	644,300	10,160	1.6%	35,475	1.8%
Minneapolis	$233,000	121%	818,000	17,181	2.1%	351,800	4,448	1.3%	21,629	1.8%
Denver	$254,000	108%	582,000	17,586	3.0%	274,900	2,747	1.0%	20,333	2.4%
Miami/Ft. Lauderdale	$386,000	53%	717,000	23,076	3.2%	876,000	21,385	2.4%	44,461	2.8%
Dallas-Ft. Worth	$147,000	166%	1,381,000	49,322	3.6%	650,000	9,840	1.5%	59,162	2.9%
Houston	$145,000	163%	1,027,000	51,134	5.0%	547,700	10,630	1.9%	61,764	3.9%
Austin	$167,000	155%	326,000	17,076	5.2%	169,900	5,266	3.1%	22,342	4.5%
Atlanta	$171,000	158%	1,122,000	60,952	5.4%	467,800	10,965	2.3%	71,917	4.5%
Phoenix	$268,000	83%	970,000	53,964	5.6%	360,500	7,531	2.1%	61,495	4.6%
Orlando	$261,000	85%	482,000	26,520	5.5%	201,500	8,961	4.4%	35,481	5.2%
Las Vegas	$313,000	68%	440,000	30,358	6.9%	215,700	6,979	3.2%	37,337	5.7%
Totals	**$290,589**	**104%**	**16,223,000**	**447,167**	**2.8%**	**10,778,900**	**148,499**	**1.4%**	**595,666**	**2.2%**
Seattle	$342,000	81%	656,000	12,082	1.8%	354,487	5,464	1.5%	17,546	1.7%
Portland	$253,000	99%	561,000	12,728	2.3%	225,335	3,745	1.7%	16,473	2.1%
San Francisco	$755,000	44%	368,000	1,025	0.3%	344,000	3,241	0.9%	4,266	0.6%
Oakland	$655,000	50%	625,000	7,066	1.1%	270,000	3,599	1.3%	10,665	1.2%
San Jose	$711,000	52%	388,000	2,503	0.6%	192,000	2,980	1.6%	5,483	0.9%
Los Angeles	$505,000	45%	1,877,000	12,235	0.7%	1,392,963	11,323	0.8%	23,558	0.7%
Ventura	$564,000	58%	199,000	2,625	1.3%	53,295	898	1.7%	3,523	1.4%
Orange	$696,000	46%	628,000	4,164	0.7%	340,800	2,712	0.8%	6,876	0.7%
San Diego	$615,000	40%	664,000	7,485	1.1%	375,664	5,652	1.5%	13,137	1.3%
PNW	$300,974	89%	1,217,000	24,810	2.0%	579,822	9,209	1.6%	34,019	1.9%
No Cal	$697,381	49%	1,381,000	10,594	0.8%	806,000	9,820	1.2%	20,414	0.9%
So Cal	$565,787	45%	3,368,000	26,509	0.8%	2,162,722	20,585	1.0%	47,094	0.9%
ESSEX	**$542,229**	**55%**	**5,966,000**	**61,913**	**1.0%**	**3,548,543**	**39,614**	**1.1%**	**101,527**	**1.1%**

Permits: Single Family equals 1 Unit, Multi-Family equals 5 or More Units

Sources: SF Prices - National Association of Realtors,Rosen Consulting Group : Permits, Total Residential Stock - U.S. Census, Axiometrics

Median Home Prices - National Association of Realtors; DataQuick, Mortgage Rates - Freddie Mac, Median Household Incomes - US Census; BEA; Essex

Single Family - Multi-Family Breakdown of Total Resdiences, Rosen Consulting Group, US Census, EASI, Essex

Single Family Affordability - Equals the ratio of the **actual Median Household Income to the Income **required** to purchase the Median Priced Home.*

*The **required** Income is defined such that the Mortgage Payment is 35% of said Income, assuming a 10% Down Payment and a 30-year fixed mortgage rate (6.0%).*

Median Household Income is estimated from US Census 2004 data and Income Growth from BEA and Population Growth from the US Census.

***2005 Median Home Prices - 3rd Quarter Estimates: National Realtors Association*