ESSEX
PROPERTY TRUST, INC.

FOR IMMEDIATE RELEASE

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ESSEX ANNOUNCES THIRD QUARTER 2006 EARNINGS RESULTS
FFO GUIDANCE RANGE INCREASED TO $4.98 - $5.02 PER SHARE

Palo Alto, California—November 1, 2006—Essex Property Trust, Inc. (NYSE:ESS) announces its third quarter 2006 earnings results and related business activities.

Net income available to common stockholders for the quarter ended September 30, 2006 totaled $10.7 million, or $0.45 per diluted share, compared to net income available to common stockholders of $8.3 million, or $0.35 per diluted share, for the quarter ended September 30, 2005. Funds from Operations ("FFO") increased 8.9% to $32.9 million or $1.26 per diluted share for the quarter ended September 30, 2006, compared to $29.7 million, or $1.15 per diluted share for the quarter ended September 30, 2005.

Commenting on Essex's third quarter results, Keith R. Guericke, President and Chief Executive Officer for the Company stated, "We are delighted by the strong growth from our supply-constrained markets during the third quarter." He continued, "We expect to meet or exceed our development, redevelopment and acquisitions expectations for the year and we are increasing our FFO guidance range to $4.98-$5.02 per diluted share."

SAME-PROPERTY OPERATIONS

Same-property operating results exclude properties that do not have comparable results for the three months ended September 30, 2006 and 2005. The table below illustrates the percentage change in same-property revenues, operating expenses, and net operating income ("NOI") for the quarter ended September 30, 2006, compared to the quarter ended September 30, 2005:

	Q3 2006 compared to Q3 2005		
	Revenues	**Expenses**	**NOI**
Southern California	5.9%	5.0%	6.3%
San Francisco Bay Area	10.3%	6.3%	12.5%
Seattle	11.2%	11.2%	11.2%
Same-Property Average	**7.7%**	**6.4%**	**8.4%**

The following is the **sequential percentage** change in same-property revenues, expenses, and NOI for the three months ended September 30, 2006 versus the three months ended June 30, 2006:

	Q3 2006 compared to Q2 2006		
	Revenues	**Expenses**	**NOI**
Southern California	2.8%	2.3%	3.0%
San Francisco Bay Area	2.6%	4.5%	1.7%
Seattle	4.5%	10.5%	1.1%
Same-Property Average	**3.0%**	**4.3%**	**2.4%**

SAME-PROPERTY OPERATIONS - Continued

The following is the same-property **financial occupancies** for the quarters ended:

	9/30/06	6/30/06	9/30/05
Southern California	96.6%	96.0%	96.8%
San Francisco Bay Area	97.0%	97.8%	96.9%
Seattle	97.1%	97.6%	97.1%
Same-Property Average	**96.8%**	**96.7%**	**96.8%**

The Company's FFO, excluding non-recurring items, increased 14.0% or $4.3 million for the quarter ended September 30, 2006 compared to the prior year quarter. A reconciliation of FFO for non-recurring items can be found on page S-3 in the Company's Financial Supplemental Information package. The following non-recurring items impacted the Company's third quarter results for 2006 and 2005:

- Promote income from Essex Apartment Value Fund I increased FFO in the amount of approximately $1.0 million and $.9 million during third quarter of 2006 and 2005, respectively.
- In 2006, gains of $1.1 million, net of taxes and allocated costs, related to the sale of condominium units at Peregrine Point generated FFO of approximately $.5 million, or $.02 per diluted share.
- In 2005, income from a condominium loan increased FFO by $1.8 million, net of taxes and allocated expenses.

ACQUISITIONS/DISPOSITIONS

During the third quarter of 2006, the Company acquired Hillsdale Garden Apartments, a 697-unit community located in San Mateo, California for approximately $97.3 million. The property is subject to a ground lease with annual payments of $46,000 that will expire in 2047.

During October 2006, the Company acquired Belmont Terrace, a 71-unit community located in Belmont, California for approximately $14.7 million in a transaction structured as an UpREIT. The community was built in 1974 and consists of one four-story building located in the Belmont hills.

Currently, the Company is in the process of a condo conversion at Peregrine Point, a taxable REIT subsidiary (TRS), in Issaquah, Washington. In April of 2006 the property was reclassified from a rental property to real estate under development held for sale. During the third quarter of 2006, the Company sold 28 of the 66 available condominiums.

Through the nine months ended September 30, 2006, the Company has acquired approximately $271 million in assets, including Fund II acquisitions, surpassing its initial projection of $200 million. Acquisition strategy continues to focus on the Northern California and Seattle markets.

DEVELOPMENT

"Our development team continues to make excellent headway and will exceed $200 million in construction starts in 2006. Consequently, we have increased our development pipeline to over $900 million in total costs," stated John Eudy, Executive Vice President, Development.

During the third quarter of 2006, the Company completed the shoring, foundation, and construction of most structural portions of the garage at Northwest Gateway, a 275-unit development in Los Angeles, California. The property is scheduled to begin leasing activities in December 2007.

During the first quarter of 2007, the Company will commence construction on 100 Grand in Oakland, California. The development will include a 22-story high rise building containing 238 units and 7,843 square feet of retail space. The development location is adjacent to the thriving uptown business district which will include a new Whole Foods Market retail complex, a new Arch Diocese and several new upscale condominium projects. In regards to the development, John Eudy stated, “Having recently built a 270-unit community (The Essex on Lake Merritt) in the immediate area, we are familiar with the market and the unique opportunity this location affords us to build an upscale apartment community.” He continued, “When we decided to take advantage of the condominium conversion opportunity at The Essex on Lake Merritt, we immediately found a comparable site (100 Grand) to repeat the same rental success.”

The Company’s development pipeline, including predevelopment, development and other projects (TRS), currently has approximately 2,900 units in various stages of development with a total estimated cost of approximately $900 million.

Additional information pertaining to the geographic locations, as well as ownership interests in these projects can be found on page S-9 in the Company’s Financial Supplemental Information package.

ESSEX APARTMENT VALUE FUND II, L.P.

The Essex Apartment Value Fund II, L.P. (“Fund II”) acquired two communities in September of 2006. Renaissance Apartments, a 168-unit apartment community located in Los Angeles, California was acquired for approximately $46.3 million and Alderwood Park Apartments, a 96-unit apartment community located in Newark, California was acquired for approximately $13.4 million.

During the third quarter of 2006, Fund II development activities continued to prosper. In August, the Company commenced construction of Lake Union in Seattle which is scheduled for completion in January 2008. Chatsworth, a 119-unit development in Los Angeles, California, is scheduled to begin construction in the second quarter of 2007.

As of October 31, 2006, management has determined that Fund II is fully committed and closed for any future acquisitions or development.

REDEVELOPMENT ACTIVITIES

As of September 30, 2006, the Company had 8 redevelopment communities (2,600 units) in various stages of renovation, with estimated redevelopment costs of $65 million. “Our redevelopment team has doubled its size over the past 18 months to eight redevelopment project managers, and is now active in each of the Company’s West coast markets,” said Tom Flitsch, Vice President, Redevelopment.

Currently, the initial stages of redevelopment activity are underway at Pathways, a 296-unit apartment community located in Long Beach, California. The property, which was built in 1975, will undergo renovations to its exterior, conversion of the old leasing center to a fitness center, extensive interior unit upgrades to include installation of washer and dryers. The community is expected to begin interior unit renovations in the first quarter of 2007, with completion of redevelopment expected in early 2009.

Treetops Apartments, a 172-unit property located in Fremont, California is in the initial stages of redevelopment activity. The property, built in 1978, will undergo exterior renovations including the replacement of siding and roofing and landscaping improvements, as well as renovation of the leasing center and laundry facilities. The property renovation will include extensive interior renovation of 75% of the units as well as the conversion of approximately 20 two-bedroom, one-bathroom units to add an additional bathroom and washer and dryer. Interior renovations are expected to begin in the first quarter of 2007, with completion of the entire project in late 2008.

Montclaire, formerly known as Oak Pointe, a 390-unit property located in Sunnyvale, California is currently in Phase II of its redevelopment program. The property has already undergone renovation of the leasing and fitness center, as well as pool and spa area. Phase II will include the interior renovation of 354 units as well as replacement of the balcony railings. Completion of the entire redevelopment project is expected in late 2008.

All projects will contribute to the Company's expected redevelopment goal of a 10% to 12% incremental return on invested capital. A summary of the major redevelopment projects can be found on page S-10 in the Company's Supplemental Financial Information Package.

LIQUIDITY AND BALANCE SHEET

During the third quarter of 2006, the Company sold 5.98 million shares of its 4.875% Series G Cumulative Convertible Preferred Stock at $25 per share for estimated gross proceeds of $149.5 million. Holders may convert Series G Preferred Stock into shares of the Company's common stock subject to certain conditions. The conversion rate will initially be .1830 shares of common stock per the $25 share liquidation preference, which is equivalent to an initial conversion price of approximately $136.62 per share of common stock (the conversion rate will be subject to adjustment upon the occurrence of specified events). On or after July 31, 2011, the Company may, under certain circumstances, cause some or all of the Series G Preferred Stock to be converted into that number of shares of common stock at the then prevailing conversion rate. During the third quarter of 2006, the Company issued and sold approximately 114,100 shares of common stock for $12.4 million, net of fees and commissions. The Company used the net proceeds from the offerings to pay down outstanding borrowings under the Company's lines of credit, to fund the development pipeline and for general corporate purposes.

During the third quarter of 2006, the Company entered into a ten-year forward-starting interest rate swap for a notional amount of $50 million and a settlement date in the first quarter of 2011. As of September 30, 2006, the Company's ten-year forward-starting interest rate swaps totaled $400 million with rates ranging from 4.9% to 5.9% and settlement dates from October 1, 2007 through February 1, 2011.

GUIDANCE

The Company is increasing its 2006 guidance to an estimated FFO range of $4.98 - $5.02 per diluted share. The revision reflects the better than expected regional and national economic strength that is currently benefiting the Company's targeted supplied constrained markets.

CONFERENCE CALL INFORMATION

The Company will host an earnings conference call with management on Thursday, November 2, 2006, at 9:00 a.m. PDT or 12:00 p.m. EDT, which can be accessed by:

- Internet at www.essexpropertytrust.com (replay available for 90 days following the live call);
- Phone by dialing **(866) 713-8395 and entering the passcode 14603329** (replay available digitally for 7 days at (888) 286-8010 using the passcode, 28248181).

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 130 apartment communities 27,562 units, and has 908 units in various stages of development. Additional information about Essex can be found on the Company's web site at www.essexpropertytrust.com.

This press release and accompanying supplemental financial information has been filed electronically on Form 8-K with the Securities and Exchange Commission and can be accessed on the Company's Web site at www.essexpropertytrust.com. If you are unable to obtain the information via the Web, please contact the Company's Investor Relations department at (650) 849-1649.

FUNDS FROM OPERATIONS RECONCILIATION

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. The following table sets forth the Company's calculation of FFO for the three months ended September 30, 2006 and 2005.

	Three Months Ended 9/30/06	
Funds from operations	**2006**	2005
Net income available to common stockholders	**10,686**	8,259
Adjustments:		
Depreciation and amortization	**20,666**	20,323
Co-investments (1)	**841**	147
Gains not included in FFO (2)	**(714)**	-
Minority interests	**1,376**	937
Funds from operations	**32,855**	29,666

(1) Amount includes the following: (i) depreciation add back for Fund II assets and minority interests, (ii) joint venture NOI, and (iii) City Heights land lease income not recognized for GAAP.
(2) Amount includes accumulated depreciation on Peregrine Point condominium sales.

This earnings release also presents FFO results that exclude certain non-recurring items. Management believes that the presentation of such results is useful to investors because they illuminate underlying operational trends by excluding significant non-recurring or otherwise unusual transactions. Our criteria for excluding non-recurring its may differ from methods of other companies and should not be regarded as a replacement for corresponding GAAP measures. A reconciliation of FFO for non-recurring items can be found on page S-3 in the Company's Financial Supplemental Information package.

SAFE HARBOR STATEMENT UNDER THE PRIVATE 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 FFO per share estimates, anticipated timing of the completion and stabilization of property developments and redevelopments, the anticipated costs and investment returns of property developments and redevelopments, the Company's projected development projects in 2006 and the Company will exceed its development, redevelopment and acquisitions expectations.. 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.

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Third Quarter 2006
Supplemental Financial Information

ESSEX

PROPERTY TRUST, INC.

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

Consolidated Operating Results *(Dollars in thousands, except per share amounts)*	Three Months Ended September 30,		Nine Months Ended September 30,	
	2006	2005	**2006**	2005
Revenues:				
Rental and other property	**$ 89,670**	$ 81,881	**$ 261,589**	$ 239,819
Management and other fees from affiliates	**1,872**	1,601	**3,526**	9,108
	91,542	83,482	**265,115**	248,927
Expenses:				
Property operating, excluding real estate taxes	**23,307**	21,254	**68,017**	62,167
Real estate taxes	**7,535**	7,066	**22,305**	20,517
Depreciation and amortization	**20,666**	20,323	**61,432**	59,945
Interest	**18,525**	18,566	**57,012**	54,866
Amortization of deferred financing costs	**778**	451	**1,971**	1,490
General and administrative	**5,289**	5,960	**15,190**	14,974
Other expenses	**-**	-	**1,770**	1,500
	76,100	73,620	**227,697**	215,459
Earnings from operations	**15,442**	9,862	**37,418**	33,468
Gain on sale of real estate	**-**	-	**-**	6,391
Interest and other income	**1,701**	4,978	**4,749**	7,932
Equity income (loss) in co-investments	**(368)**	(98)	**(1,184)**	17,217
Minority interests	**(5,212)**	(4,918)	**(14,899)**	(16,719)
Income before discontinued operations and income tax provision	**11,563**	9,824	**26,084**	48,289
Income tax provision	**(150)**	(1,185)	**(325)**	(2,386)
Income before discontinued operations	**11,413**	8,639	**25,759**	45,903
Income and gain from discontinued operations, net of minority interests	**1,064**	108	**19,552**	28,600
Net income	**12,477**	8,747	**45,311**	74,503
Dividends to preferred stockholders	**(1,791)**	(488)	**(2,768)**	(1,465)
Net income available to common stockholders	**$ 10,686**	$ 8,259	**$ 42,543**	$ 73,038
Net income per share - basic	**$ 0.46**	$ 0.36	**$ 1.85**	$ 3.17
Net income per share - diluted	**$ 0.45**	$ 0.35	**$ 1.82**	$ 3.13

See Company's 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.

Consolidated Operating Results **Selected Line Item Detail** *(Dollars in thousands)*	Three Months Ended September 30, **2006**	Three Months Ended September 30, 2005	Nine Months Ended September 30, **2006**	Nine Months Ended September 30, 2005
Rental and other property				
Rental	**$ 84,508**	$ 77,294	**$ 246,823**	$ 226,437
Other property	**5,162**	4,587	**14,766**	13,382
Rental and other property	**$ 89,670**	$ 81,881	**$ 261,589**	$ 239,819
Management and other fees from affiliates				
Management	**$ 806**	$ 665	**$ 2,406**	$ 2,915
Development and redevelopment	**66**	40	**120**	183
Promote interest from Fund I	**1,000**	896	**1,000**	6,010
Management and other fees from affiliates	**$ 1,872**	$ 1,601	**$ 3,526**	$ 9,108
General and administrative				
General and administrative	**$ 7,795**	$ 7,703	**$ 22,255**	$ 20,113
Allocated to property operating expenses - administrative	**(1,382)**	(1,293)	**(4,018)**	(3,799)
Capitalized and incremental to real estate under development	**(1,124)**	(450)	**(3,047)**	(1,340)
Net general and administrative	**$ 5,289**	$ 5,960	**$ 15,190**	$ 14,974
Interest and other income				
Interest income	**$ 1,103**	$ 175	**$ 1,679**	$ 459
Lease income	**398**	416	**1,183**	1,248
Participating loan (Condo conversion)	**-**	4,308	**-**	6,121
Gain from sale of Town & Country stock	**-**	-	**1,687**	-
Miscellaneous	**200**	79	**200**	104
Interest and other income	**$ 1,701**	$ 4,978	**$ 4,749**	$ 7,932
Equity income (loss) in co-investments				
Equity income (loss) in co-investments	**$ (368)**	$ (91)	**$ (1,184)**	$ 261
Gain on sale of co-investment activities, net	**-**	(7)	**-**	17,077
Early extinguishment of debt	**-**	-	**-**	(121)
Equity income (loss) in co-investments	**$ (368)**	$ (98)	**$ (1,184)**	$ 17,217
Minority interests				
Limited partners of Essex Portfolio, L.P.	**$ 1,119**	$ 826	**$ 2,541**	$ 4,568
Perpetual preferred distributions	**2,559**	2,559	**7,677**	7,677
Series Z and Z-1 incentive units	**151**	100	**453**	300
Third party ownership interests	**317**	392	**1,021**	969
Down REIT limited partners' distributions	**1,066**	1,041	**3,207**	3,205
Minority interests	**$ 5,212**	$ 4,918	**$ 14,899**	$ 16,719

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 September 30, 2006	Three Months Ended September 30, 2005	% Change	Nine Months Ended September 30, 2006	Nine Months Ended September 30, 2005	% Change
Funds from operations						
Net income available to common stockholders	**$ 10,686**	$ 8,259		**$ 42,543**	$ 73,038	
Adjustments:						
Depreciation and amortization	**20,666**	20,323		**61,432**	60,093	
Co-investments (1)	**841**	147		**2,592**	503	
Gains not included in FFO (2)	**(714)**	-		**(12,576)**	(51,303)	
Minority interests	**1,376**	937		**4,931**	7,707	
Funds from operations	**$ 32,855**	$ 29,666		**$ 98,922**	$ 90,038	
FFO per share-diluted	**$ 1.26**	**$** 1.15	**8.9%**	**$ 3.83**	**$** 3.51	**9.2%**
Components of the change in FFO						
Non-recurring items:						
Fund I - promote interest	**(1,000)**	(896)		**(1,000)**	(6,010)	
Income generated from TRS activities, net of taxes and expenses	**(456)**	(1,845)		**(456)**	(3,658)	
Deferred lease revenue on sale of RV parks					(1,134)	
Legal settlement					1,500	
Vista Pointe - promote distribution and fees				**(8,221)**		
Net gain on sale of Town and Country stock				**(717)**		
Impairment of property				**800**		
Miscellaneous	**(200)**			**(200)**	121	
Funds from operations excluding non-recurring items	**31,199**	26,925		**89,128**	80,857	
FFO excluding non-recurring items per share-diluted	**$ 1.19**	**$** 1.05	**14.0%**	**$ 3.45**	**$** 3.15	**9.6%**
Changes in recurring items:						
Same property NOI	**$ 4,084**			**$ 9,802**		
Non-same property NOI	**1,183**			**4,328**		
Management fees from joint ventures	**167**			**(572)**		
Interest expense and amortization of deferred financing costs	**(286)**			**(2,627)**		
Other items, net	**(874)**			**(2,660)**		
	$ 4,274			**$ 8,271**		
Weighted average number of shares outstanding diluted (3)	**26,143,923**	25,711,320		**25,825,185**	25,671,923	

(1) 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.
(2) Amount includes accumulated depreciation on Peregrine Point condominium sales.
(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)

	September 30, 2006	December 31, 2005
Real Estate:		
Land and land improvements	$ 561,582	$ 551,132
Buildings and improvements	2,103,595	1,932,113
	2,665,177	2,483,245
Less: accumulated depreciation	(457,220)	(398,476)
	2,207,957	2,084,769
Real estate under development	101,562	54,416
Investments	53,806	27,228
	2,363,325	2,166,413
Cash and cash equivalents	45,141	28,274
Other assets	37,407	29,488
Deferred charges, net	13,617	15,115
Total assets	$ 2,459,490	$ 2,239,290
Mortgage notes payable	$ 1,097,330	$ 1,104,918
Exchangeable bonds	225,000	225,000
Lines of credit	80,000	25,000
Other liabilities	88,608	67,998
Deferred gain	2,193	2,193
Total liabilities	1,493,131	1,425,109
Minority interests	227,761	233,214
Stockholders' Equity:		
Common stock	2	2
Series F cumulative redeemable preferred stock, liquidation value	25,000	25,000
Series G cumulative convertible preferred stock, liquidation value	149,500	-
Additional paid-in-capital	658,455	632,646
Distributions in excess of accumulated earnings	(92,849)	(77,341)
Accumulated other comprehensive income (loss)	(1,510)	660
Total stockholders' equity	738,598	580,967
Total liabilities and stockholders' equity	$ 2,459,490	$ 2,239,290

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

Debt Summary - September 30, 2006
(Dollars in thousands)

	Percentage of Total Debt	Balance Outstanding	Weighted Average Interest Rate	Weighted Average Maturity In Years
Mortgage notes payable				
Fixed rate - secured	65%	$ 910,895	6.4%	4.6
Tax exempt variable (1)	13%	186,435	4.8%	25.0
Total mortgage notes payable	78%	**1,097,330**	6.2%	8.1
Exchangeable bonds (2)	16%	**225,000**	3.6%	
Line of credit - secured (3)	6%	80,000	6.3%	
	6%	**80,000**	6.3%	
Total debt	100%	**$ 1,402,330**	**5.8%**	

Scheduled principal payments (excludes lines of credit)

2006	$ -
2007	69,541
2008	147,200
2009	24,764
2010	157,388
Thereafter	923,437
Total	$ 1,322,330

Capitalized interest for the quarter ended September 30, 2006 was approximately $1,153.

(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 eight of Essex's apartment communities. The underlying interest rate is currently the Freddie Mac Reference Rate plus .55% to .59%

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

Capitalization - September 30, 2006
(Dollars and shares in thousands, except per share amounts)

Total debt	$	1,402,330	
Common stock and potentially dilutive securities			
Common stock outstanding		23,177	
Limited partnership units (1)		2,461	
Options-treasury method		250	
Total common stock and potentially dilutive securities		25,888	shares
Common stock price per share as of September 30, 2006	$	121.40	
Market value of common stock and potentially dilutive securities	$	3,142,803	
Perpetual preferred units/stock	$	304,500	
Total equity capitalization	$	3,447,303	
Total market capitalization	$	4,849,633	
Ratio of debt to total market capitalization		28.9%	

(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 September 30, 2006 and 2005
(Dollars in thousands)

	Southern California			Northern California			Seattle			Other real estate assets (1)			Total		
	2006	2005	% Change	**2006**	2005	% Change	**2006**	2005	% Change	**2006**	2005	% Change	**2006**	2005	% Change
Revenues:															
Same property revenue	**$ 47,383**	$ 44,750	5.9%	**$ 17,122**	$ 15,521	10.3%	**$ 13,035**	$ 11,718	11.2%	**$ 2,603**	$ 2,401	8.4%	**$ 80,143**	$ 74,390	7.7%
Non same property revenue (2)	**5,727**	4,246		**1,863**	1,242		**1,346**	1,420		**591**	583		**9,527**	7,491	
Total Revenues	**$ 53,110**	$ 48,996		**$ 18,985**	$ 16,763		**$ 14,381**	$ 13,138		**$ 3,194**	$ 2,984		**$ 89,670**	$ 81,881	
Property operating expenses:															
Same property operating expenses	**$ 15,164**	$ 14,446	5.0%	**$ 5,692**	$ 5,357	6.3%	**$ 5,017**	$ 4,510	11.2%	**$ 1,286**	$ 1,177	9.3%	**$ 27,159**	$ 25,490	6.5%
Non same property operating expenses (2)	**1,819**	1,374		**684**	369		**511**	510		**669**	577		**3,683**	2,830	
Total property operating expenses	**$ 16,983**	$ 15,820		**$ 6,376**	$ 5,726		**$ 5,528**	$ 5,020		**$ 1,955**	$ 1,754		**$ 30,842**	$ 28,320	
Net operating income:															
Same property net operating income	**$ 32,219**	$ 30,304	6.3%	**$ 11,430**	$ 10,164	12.5%	**$ 8,018**	$ 7,208	11.2%	**$ 1,317**	$ 1,224	7.6%	**$ 52,984**	$ 48,900	8.4%
Non same property operating income (2)	**3,908**	2,872		**1,179**	873		**835**	910		**(78)**	6		**5,844**	4,661	
Total net operating income	**$ 36,127**	$ 33,176		**$ 12,609**	$ 11,037		**$ 8,853**	$ 8,118		**$ 1,239**	$ 1,230		**$ 58,828**	$ 53,561	
Same property operating margin	**68%**	68%		**67%**	65%		**62%**	62%		**51%**	51%		**66%**	66%	
Same property turnover percentage	**60%**	59%		**66%**	61%		**64%**	71%		**80%**	60%		**63%**	62%	
Same property concessions	**$ 181**	$ 143		**$ 34**	$ 155		**$ 6**	$ 74		**$ 10**	$ 39		**$ 231**	$ 410	
Average same property concessions per turn (3)	**$ 104**	$ 84		**$ 48**	$ 248		**$ 8**	$ 94		**$ 42**	$ 218		**$ 68**	$ 124	
Net operating income percentage of total	**61%**	62%		**21%**	21%		**15%**	15%		**3%**	2%		**100%**	100%	
Loss to lease (4)	**$ 8,011**			**$ 8,869**			**$ 2,784**			**$ 385**			**$ 20,049**		
Loss to lease as a percentage of rental income	**3.8%**			**10.3%**			**4.7%**			**4.8%**			**5.7%**		
Reconciliation of apartment units at end of period															
Same property apartment units	**11,602**			**4,231**			**4,452**			**1,177**			**21,462**		
Consolidated Apartment Units	**12,957**	12,784		**5,318**	4,621		**4,943**	4,956		**1,177**	1,177		**24,395**	23,538	
Joint Venture	**480**	598		**2,101**	1,299		**515**	515		**-**	-		**3,096**	2,412	
Under Development (5)	**543**	637		**238**	-		**127**	-		**-**	-		**908**	637	
Total apartment units at end of period	**13,980**	14,019		**7,657**	5,920		**5,585**	5,471		**1,177**	1,177		**28,399**	26,587	
Percentage of total	**49%**	53%		**27%**	22%		**20%**	21%		**4%**	4%		**100%**	100%	
Average same property financial occupancy	**96.6%**	96.8%		**97.0%**	96.6%		**97.1%**	97.1%		**94.9%**	95.6%		**96.7%**	96.8%	

(1) Includes apartment communities located in other geographic areas including four properties in Portland, Oregon and one property in Houston, Texas, and other rental properties including commercial properties.
(2) Includes properties which subsequent to June 30, 2005 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.
(5) Fund II owns 395 of the units under development as of September 30, 2006.

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 September 30, 2006, September 30, 2005 and June 30, 2006
(Dollars in thousands)

		Average Property Rental Rates			Property Revenue			Property Revenue	
Region	**Units**	**September 30, 2006**	**September 30, 2005**	**% Change**	**September 30, 2006**	**September 30, 2005**	**% Change**	**June 30, 2006**	**Sequential % Change**
Southern California									
Ventura County	2,236	$ **1,329**	1,263	5.2%	$ **9,120**	$ 8,570	6.4%	$ 8,798	3.7%
Los Angeles County	4,285	**1,477**	1,376	7.3%	**19,849**	18,729	6.0%	19,218	3.3%
Orange County	2,037	**1,465**	1,361	7.6%	**9,095**	8,464	7.5%	8,907	2.1%
San Diego County	2,768	**1,029**	986	4.4%	**8,651**	8,279	4.5%	8,490	1.9%
Riverside County	276	**820**	778	5.4%	**668**	708	-5.6%	681	-1.9%
Total Southern California	11,602	$ **1,324**	$ 1,244	6.4%	$ **47,383**	$ 44,750	5.9%	$ 46,094	2.8%
Northern California									
San Francisco MSA	175	$ **1,563**	1,439	8.6%	$ **838**	$ 778	7.7%	$ 806	4.0%
Santa Clara County	1,870	**1,396**	1,259	10.9%	**7,962**	7,050	12.9%	7,736	2.9%
Alameda County	1,116	**1,113**	1,050	6.0%	**3,794**	3,552	6.8%	3,727	1.8%
Contra Costa County	1,070	**1,393**	1,291	7.9%	**4,528**	4,141	9.3%	4,419	2.5%
Total Northern California	4,231	$ **1,328**	$ 1,219	8.9%	$ **17,122**	$ 15,521	10.3%	$ 16,688	2.6%
Seattle	4,452	$ **916**	$ 831	10.2%	$ **13,035**	$ 11,718	11.2%	$ 12,471	4.5%
Other real estate assets	1,177	$ **714**	$ 659	8.3%	$ **2,603**	$ 2,401	8.4%	$ 2,550	2.1%
Total same property revenue	21,462	$ **1,206**	$ 1,122	7.5%	$ **80,143**	$ 74,390	7.7%	$ 77,803	3.0%

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

Development Pipeline - September 30, 2006
(Dollars in millions)

		Estimated Units	Total Incurred to Date	Estimated Remaining Costs	Estimated Total Cost	Construction Start	Construction Complete	Initial Occupancy/ Sale	Stabilized Operations/ Last Sale
Development Projects									
Project Name	Location								
Northwest Gateway	Los Angeles, CA	275	$ 23.5	$ 47.6	$ 71.1	Jan-06	Dec-07	Dec-07	Oct-08
100 Grand	Oakland, CA	238	8.4	87.8	96.2	Feb-07	Feb-09	Feb-09	Jul-09
Consolidated - Development Projects		513	31.9	135.4	167.3				
Development Projects - Fund II									
Project Name	Location								
Lake Union	Seattle, WA	127	6.6	28.8	35.4	Aug-06	Jan-08	Jan-08	Jun-08
Studio City	Studio City, CA	149	21.3	32.0	53.3	Apr-07	Jan-09	Jan-09	Apr-09
Chatsworth (1)	Chatsworth, CA	119	0.7	38.7	39.4	Jun-07	May-09	May-09	Sep-09
Fund II - Development Projects		395	28.6	99.5	128.1				
Total - Development Projects		908	60.5	234.9	295.4				
Predevelopment Projects									
Project Name	Location								
Moorpark	Moorpark, CA	-	-	-	-	Jul-07	Apr-09	Apr-09	Dec-09
Berkeley	Berkeley, CA	-	-	-	-	Sep-07	Sep-09	Sep-09	Mar-10
Hollywood	Hollywood, CA	-	-	-	-	Jun-08	Jun-10	Jun-10	Dec-10
Tasman	Sunnyvale, CA	-	-	-	-	Jun-08	Jun-10	Jun-10	Sep-11
River Oaks	San Jose, CA	-	-	-	-	Jan-10	Sep-13	Jan-12	Jul-14
Other Predevelopment Projects (2)		-	-	-	-				
		1,845	40.5	516.5	557.0				
Other Projects (TRS)									
Project Name	Location								
Tracy	Tracy, CA	30	-	-	-	Aug-05	Nov-06	Dec-06	Mar-07
Peregrine Pointe (3)	Issaquah, WA	38	-	-	-	Jan-06	Dec-06	Jul-06	Mar-07
View Pointe	Newcastle, WA	24	-	-	-	May-07	Jul-08	Jul-08	Nov-08
Archer	San Jose, CA	45	-	-	-	Aug-07	Dec-08	Dec-08	Mar-09
		137	21.4	24.9	46.3				
Development Joint Ventures (4)		-	7.8	1.0	8.8				
Grand Total - Development Pipeline		2,890	130.2	777.3	907.5				

(1) Fund II expects to close on the Chatsworth property during the fourth quarter of 2006.
(2) There are two additional predevelopment projects, one is located in Northern California and one in Southern California.
(3) The property is in the process of being converted and sold as condominium units. Twenty eight units have been sold as of September 30, 2006.
(4) The Company has entered into four joint venture development projects with third parties. Total estimated costs are not determinable at this time, except for $1.0 in additional commitments as of September 30, 2006.

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

Redevelopment Communities - September 30, 2006
(Dollars in thousands)

Project Name	Units	Total Incurred To Date	Estimated Remaining Cost	Estimated Total Cost	Redevelopment Start Date
Mira Woods, Mira Mesa, CA	355	4,457	1,550	6,007	Sep-04
Palisades - Phase I and II, Bellevue, WA	192	4,451	2,120	6,571	Sep-04
Avondale at Warner Center, Woodland Hills, CA	446	8,706	3,232	11,938	Oct-04
Sammamish View, Bellevue, WA	153	1,726	1,605	3,331	Dec-05
Woodland/Foothill Commons, Bellevue, WA	596	131	3,235	3,366	Apr-06
Pathways, Long Beach, CA	296	107	10,590	10,697	Jul-06
Montclaire - Phase I - III, Sunnyvale, CA	390	2,135	12,943	15,078	Aug-06
Treetops, Fremont, CA	172	86	8,172	8,258	Sep-06
Total	2,600	$ 21,799	$ 43,447	$ 65,246	

Re-stabilized Communities - Third Quarter 2006

Bridle Trails, Kirkland, WA

Investments - September 30, 2006 *(In thousands)*	**Essex Book Value**	**Total Fund Estimated Value**	**Units**	**Debt Amount**	**Debt Type**	**Debt Interest Rate**	**Debt Maturity Date**	**For the three months ended 9/30/2006 NOI**
Joint Ventures								
Essex Apartment Value Fund, L.P. (Fund I)								
Net assets (1)	$ 582	$ 2,378						$ -
Essex Apartment Value Fund II, L.P. (Fund II)								
Alderwood Park, Newark, CA			96	**7,177**	Fixed	5.56%	Jun-2015	
Carlmont Woods, Belmont, CA			195	**13,180**	Fixed	4.89%	Dec-2013	
Davey Glen, Belmont, CA			69	**6,654**	Fixed	6.13%	Aug-2016	
Echo Ridge, Snoqualmie, WA			120	**13,508**	Fixed	5.01%	Sep-2014	
Enclave, San Jose, CA			637	**22,245**	Fixed	7.26%	Jan-2018	
Enclave, San Jose, CA			-	**60,000**	Variable	3.64%	Dec-2029	
Harbor Cove, Foster City, CA			400	**35,540**	Fixed	4.89%	Dec-2013	
Morning Run, Monroe, WA			222	**13,960**	Fixed	5.10%	Oct-2014	
Parcwood, Corona, CA			312	**25,877**	Fixed	4.89%	Dec-2013	
Regency Towers, Oakland, CA			178	**11,265**	Fixed	5.16%	Mar-2014	
Renaissance, Los Angeles, CA			168	**23,497**	Fixed	6.51%	May-2011	
Tower @ 801, Seattle, WA			173	**19,691**	Fixed	4.91%	Aug-2014	
Total	**39,706**	**432,284**	2,570	**252,594**				**4,797**
Fund II - Development Pipeline (2)								
Lake Union, Seattle, WA			127					
Studio City, Studio City, CA			149					
Chatsworth, Chatsworth, CA			119					
Total	**5,492**	**28,637**	395					
Line of credit				**36,650**	Var.	LIBOR+0.875%	Jun-2007	
	45,198	**460,921**	2,965	**289,244**				
Capitalized costs	**720**							
	45,918							
Mountain Vista Apartments (3)	**6,806**							**1,165**
Other	**500**							**-**
	$ 53,806							

(1) Net assets primarily consist of cash proceeds less estimated liabilities which includes the $1 million in promote due the Company.
(2) See S-9 for more detail about the Fund II Development Pipeline.
(3) Included in FFO for Q3 is $196 for the Company's preferred interest in this property, and the approximate fair value of this investment is $14 million as of September 30, 2006.

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

Consolidated Co-Investments - September 30, 2006
(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 September 30, 2006				Operations for the quarter ended September 30, 2006		
	Investment in Real Estate	Related Debt	Minority Interest	Down-REIT Units (1)	Revenue	Operating Expenses	NOI
Down-REITs:							
Anchor Village	$ 10,764	$ 10,750	$ 2,505	118,988	$ 673	$ 282	$ 391
Barkley Apartments	9,567	5,009	2,320	80,302	600	217	383
Brookside Oaks	20,836	14,393	9,363	230,938	616	200	416
Capri at Sunny Hills	16,296	11,751	4,069	188,467	604	159	445
Brentwood Apartments	13,684	9,538	3,951	90,591	565	183	382
Hidden Valley (Parker Ranch)	45,685	33,686	6,089	62,647	1,360	371	989
Highridge Apartments	20,773	18,772	6,699	321,249	1,362	381	981
Montejo Apartments	8,999	5,921	1,534	38,038	439	128	311
Treehouse Apartments	12,195	7,972	3,264	75,700	586	168	418
Valley Park Apartments	15,720	10,099	820	60,892	690	179	511
Villa Angelina Apartments	20,879	13,656	2,611	62,339	942	259	683
	195,398	141,547	43,225	1,330,151	8,437	2,527	5,910
Other Co-investments transactions:							
Derian Office Building	17,203	-	-	n/a (note 2)	481	121	360
City Heights	31,285	32,850	-	n/a (note 3)	2,217	776	1,441
The Bluffs	8,959	12,414	(151)	n/a	731	220	511

(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 $23.9 million as of September 30, 2006.

(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 sell its interest in the property starting 2007, in which case the Company is entitled to receive 20% of the net sales price (without considering related debt), plus unpaid subordination fees. The cumulative unrecognized subordination fees of approximately $8.5 million as of September 30, 2006 will be recorded as income for GAAP and FFO purposes when paid to Essex.

ESSEX PROPERTY TRUST, INC.
Real Estate Information as of September 30, 2006

	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	
				10%	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	
	100 Grand	100 Grand Avenue	Oakland	CA	238	205,026			
1	Summerhill Commons	36826 Cherry Street	Newark	CA	184	139,000	1987	1987	
1	Alderwood Park Apartments	37057 Magnolia Street	Newark	CA	96	74,624	2006	1987	
				7%	1,916	1,527,424			
	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	
1	Davey Glen	200 Davey Glen Road	Belmont	CA	69	65,974	2006	1962	
1	Hillsdale Garden	3421 Edison Avenue	San Mateo	CA	697	611,505	2006	1948	
				5%	1,361	1,091,279			
	San Francisco and Marin Counties								
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			
29	**Total San Francisco Bay Area**			27%	**7,419**	**6,215,166**			
	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	Renaissance	630 South Masselin Avenue	Los Angeles	CA	168	154,268	2006	1990	
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	
	Studio City	4043 Radford Avenue	Studio City	CA	149	127,238			
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%	5,214	4,206,076			
	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	
	Chatsworth	Topanga Blvd	Lassen	CA	119	125,400			
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			
	Santa Barbara County								
1	Chimney Sweep		Isle Vista	CA	91		2006	1967	
1	CBC		Isle Vista	CA	148		2006	1962	
				1%	239	179,908			

#	Property	Address	City	State	Units	Square Feet	Acquired	Built	
	SOUTHERN CALIFORNIA (cont'd)								
	Orange County								
1	Barkley Apartments	2400 E. Lincoln Ave.	Anaheim	CA	161	139,800	2000	1984	
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	Brentwood Apartment Homes (Hearthstone)	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	
				8%	2,037	1,872,200			
	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	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 - 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	
				11%	3,123	2,375,500			
	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**			49%	**13,437**	**11,044,384**			
	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	38	85,900	2003	2003	Sold 28 condos
1	Wandering Creek	12910 SE 240th	Kent	WA	156	124,300	1995	1986	16 units 2006
1	Bridle Trails	6600 130th Avenue, NE	Kirkland	WA	108	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	
	Lake Union	2833 - 2851 Eastlake Avenue	Seattle	WA	127	-			
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**			20%	**5,458**	**4,703,445**			
	OTHER REAL ESTATE ASSETS								
1	St. Cloud Apartments	6525 Hilcroft	Houston	TX	302	306,800	2002	1968	
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	
5				4%	**1,177**	**306,800**			
							249931	247646	
	129	**Multifamily Properties**		100%	**27,491**	**22,269,795**			
	5	**Multifamily Properties Under Construction**			**908**				

Avg. square footage	810
Avg. units per property	213
Avg. age of property	2004

(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
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		

New Residential Supply: Permits as % of Current Stock
12 Month Permit Period: Trailing 12 Months September 2006

	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	3,894	0.5%	240,000	266	0.1%	4,160	0.4%
New York PMSA	$461,000	50%	760,000	2,078	0.3%	2,920,000	21,476	0.7%	23,554	0.6%
Boston	$431,000	72%	1,530,000	6,775	0.4%	670,800	7,266	1.1%	14,041	0.6%
Philadelphia	$231,000	108%	1,532,000	12,668	0.8%	515,100	3,603	0.7%	16,271	0.8%
Baltimore	$282,000	100%	797,000	6,876	0.9%	268,000	2,244	0.8%	9,120	0.9%
Minneapolis	$233,000	121%	818,000	13,787	1.7%	351,800	2,667	0.8%	16,454	1.4%
Wash. D.C. PMSA	$441,000	80%	1,299,000	19,990	1.5%	644,300	10,206	1.6%	30,196	1.6%
Chicago	$275,001	196%	1,700,000	31,745	1.9%	1,404,900	16,484	1.2%	48,229	1.6%
Denver	$254,000	108%	582,000	14,691	2.5%	274,900	4,114	1.5%	18,805	2.2%
Miami/Ft. Lauderdale	$386,000	53%	717,000	16,972	2.4%	876,000	22,205	2.5%	39,177	2.5%
Dallas-Ft. Worth	$147,000	166%	1,381,000	49,115	3.6%	650,000	11,210	1.7%	60,325	3.0%
Phoenix	$268,000	83%	970,000	41,027	4.2%	360,500	7,634	2.1%	48,661	3.7%
Houston	$145,000	163%	1,027,000	55,776	5.4%	547,700	12,555	2.3%	68,331	4.3%
Atlanta	$171,000	158%	1,122,000	58,821	5.2%	467,800	12,150	2.6%	70,971	4.5%
Orlando	$261,000	85%	482,000	25,041	5.2%	201,500	7,501	3.7%	32,542	4.8%
Austin	$167,001	255%	326,000	18,844	5.8%	169,900	7,886	4.6%	26,730	5.4%
Las Vegas	$313,000	68%	440,000	25,427	5.8%	215,700	11,299	5.2%	36,726	5.6%
Totals	**$290,589**	**117%**	**16,223,000**	**403,527**	**2.5%**	**10,778,900**	**160,766**	**1.5%**	**564,293**	**2.1%**
Seattle	$342,000	81%	656,000	11,001	1.7%	354,487	8,672	2.4%	19,673	1.9%
Portland	$253,000	99%	561,000	11,236	2.0%	225,335	4,777	2.1%	16,013	2.0%
San Francisco	$755,000	44%	368,000	965	0.3%	344,000	3,847	1.1%	4,812	0.7%
Oakland	$655,000	50%	625,000	5,272	0.8%	270,000	4,840	1.8%	10,112	1.1%
San Jose	$711,000	52%	388,000	2,230	0.6%	192,000	3,227	1.7%	5,457	0.9%
Los Angeles	$505,000	45%	1,877,000	10,847	0.6%	1,392,963	12,912	0.9%	23,759	0.7%
Ventura	$564,000	58%	199,000	1,527	0.8%	53,295	1,113	2.1%	2,640	1.0%
Orange	$696,000	46%	628,000	4,119	0.7%	340,800	3,402	1.0%	7,521	0.8%
San Diego	$615,000	40%	664,000	5,184	0.8%	375,664	3,625	1.0%	8,809	0.8%
PNW	$300,974	89%	1,217,000	22,237	1.8%	579,822	13,449	2.3%	35,686	2.0%
No Cal	$697,381	49%	1,381,000	8,467	0.6%	806,000	11,914	1.5%	20,381	0.9%
So Cal	$565,787	45%	3,368,000	21,677	0.6%	2,162,722	21,052	1.0%	42,729	0.8%
ESSEX	**$542,229**	**55%**	**5,966,000**	**52,381**	**0.9%**	**3,548,543**	**46,415**	**1.3%**	**98,796**	**1.0%**

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: Nationall Realtors Association*

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

Market	Residential Supply* New MF Supply	% of Total Stock	New SF Supply	% of Total Stock	Job Forecast** Est.New Jobs Dec-Dec	% Growth	Forecast Market Conditions*** Estimated Y-o-Y Rent Growth	Estimated Year End Occupancy
Seattle	2,300	0.6%	11,000	1.6%	46,000	3.3%	8.50%	95.50%
Portland	3,250	1.4%	11,000	2.0%	27,000	2.8%	5.00%	95.00%
San Francisco	2,300	0.6%	1,000	0.3%	14,000	1.5%	8.50%	96.50%
Oakland	2,300	0.8%	6,700	1.1%	20,000	1.9%	7.00%	96.00%
San Jose	2,400	1.2%	2,300	0.6%	12,000	1.4%	8.00%	96.00%
No. Cal.	**7,000**	**0.9%**	**10,000**	**0.7%**	**46,000**	**1.6%**	**7.75%**	**96.00%**
Ventura	700	1.3%	2,500	1.2%	7,000	2.5%	4.50%	95.50%
Los Angeles	9,200	0.6%	10,000	0.5%	60,000	1.5%	5.00%	96.00%
Orange	4,000	0.8%	4,500	0.7%	27,000	1.8%	5.50%	96.00%
San Diego	4,800	1.2%	9,000	1.3%	24,000	1.9%	3.50%	95.50%
So. Cal.	**18,700**	**0.8%**	**26,000**	**0.8%**	**118,000**	**1.6%**	**4.75%**	**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.