ESSEX
PROPERTY TRUST, INC.

FOR IMMEDIATE RELEASE

NICOLE CHRISTIAN
(650) 849-1649

ESSEX ANNOUNCES FOURTH QUARTER 2008 AND ANNUAL EARNINGS RESULTS
RECURRING FUNDS FROM OPERATIONS INCREASED 12.3% FOR 2008

Palo Alto, California—February 4, 2009—Essex Property Trust, Inc. (NYSE:ESS) announces its fourth quarter 2008 and annual earnings results and related business activities.

Fund from Operations ("FFO") for the quarter ended December 31, 2008, totaled $44.1 million, or $1.54 per diluted share compared to $34.7 million, or $1.25 per diluted share for quarter ended December 31, 2007. For the year ended December 31, 2008, FFO totaled $170.9 million, or $6.14 per diluted share compared to $153.9 million or $5.58 a diluted share which represents a 10.2% increase from 2007.

The Company's FFO, excluding non-recurring items, increased 15.2% per diluted share or $6.5 million for the quarter ended December 31, 2008 compared to the quarter ended December 31, 2007, and the Company's FFO, excluding non-recurring items, increased 12.3% per diluted share or $18.9 million for the year ended December 31, 2008 compared to the year ended December 31, 2007.

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 fourth quarter results for 2008 and 2007:

- In 2008, the Company recorded a gain of $3.5 million from the early retirement of a portion of the Company's exchangeable bonds at a discount to par value.
- In 2008, the Company recorded a loan loss reserve in the amount of $0.7 million resulting from the impairment of a note receivable secured by an apartment community located in the Portland Metro area.
- In 2008, the Company recorded a severance charge of $0.7 million related to workforce reduction.
- In 2007, the Company recorded a loan loss reserve in the amount of $0.5 million on a note receivable.

Net income available to common stockholders for the quarter ended December 31, 2008 totaled $18.3 million, or $0.70 per diluted share, compared to net income available to common stockholders of $51.3 million, or $2.02 per diluted share, for the quarter ended December 31, 2007. Net income available to common stockholders for the year ended December 31, 2008 totaled $56.1 million, or $2.21 per diluted share, compared to net income available to common stockholders of $106.5 million, or $4.24 per diluted share, for the year ended December 31, 2007.

SAME-PROPERTY OPERATIONS

Same-property operating results exclude properties that do not have comparable results. The table below illustrates the percentage change in same-property revenues, operating expenses, and net operating income ("NOI") for the quarter and year ended December 31, 2008 compared to December 31, 2007:

	Q4 2008 compared to Q4 2007			YTD 2008 compared to YTD 2007		
	Revenues	**Expenses**	**NOI**	**Revenues**	**Expenses**	**NOI**
Southern California	0.5%	3.0%	(0.6%)	1.6%	2.6%	1.1%
Northern California	7.6%	(4.3%)	14.4%	9.3%	2.7%	12.8%
Seattle Metro	6.6%	6.0%	6.9%	7.8%	5.6%	8.9%
Same-property Average	**3.4%**	**1.6%**	**4.4%**	**4.5%**	**3.2%**	**5.1%**

The table below illustrates the **sequential percentage** change in same-property revenues, expenses, and NOI for the quarter ended December 31, 2008 versus the quarter ended September 30, 2008:

	Q4 2008 compared to Q3 2008		
	Revenues	**Expenses**	**NOI**
Southern California	(0.1%)	(0.5%)	0.1%
Northern California	1.6%	(1.2%)	3.1%
Seattle Metro	1.3%	(2.0%)	3.1%
Same-Property Average	**0.6%**	**(1.0%)**	**1.4%**

Same-property **financial occupancies** for the quarters ended are as follows:

	12/31/08	**9/30/08**	**12/31/07**
Southern California	95.8%	95.4%	95.5%
Northern California	97.6%	97.8%	97.2%
Seattle Metro	97.3%	96.8%	96.5%
Same-Property Average	**96.6%**	**96.3%**	**96.1%**

ACQUISITIONS/DISPOSITIONS

During the fourth quarter, the Company sold Coral Gardens, a 200-unit property located in El Cajon, California for $19.8 million. Also, in December, the Company sold Green Valley, a manufactured housing community located in Vista, California, for $8.9 million.

DEVELOPMENT

In the fourth quarter, pre-leasing activities commenced at The Grand, a 238-unit high rise community located near Lake Merritt in downtown Oakland, California. The project, which expects initial occupancy to occur in mid-February 2009, is currently 31 percent pre-leased. Stabilization is expected by the third quarter of 2009.

Leasing activities continued at Belmont Station located in Los Angeles, California, which was completed in the fourth quarter of 2008 and is currently 80 percent leased. Stabilization is expected by the second quarter of 2009.

The Company sold the 90 Archer land parcel located in San Jose, California for $3.7 million.

The Company extended the lease to July 2012, on the 2.1 acre land parcel containing a television studio located in Hollywood, California. Due to the length of this lease the Company has reclassified this property from the predevelopment pipeline to rental property on the Company's consolidated balance sheet.

Also during the quarter, construction continued at Fourth Street, a 171-unit community featuring 15,500 square feet of ground-floor retail located on University Avenue in downtown Berkeley, California. Currently, framing is underway and the project is on-track for construction completion in February 2010.

Studio 40-41 owned by Essex Apartment Value Fund II, L.P., is a 149-unit development located in Studio City, California. Initial occupancy is expected to commence in March 2009. When completed, the property will consist of two 4-story buildings over two levels of parking.

REDEVELOPMENT

City View, located in Hayward, California, and Sammamish View, located in Bellevue, Washington, are redevelopment projects that have achieved stabilized operations. City View renovations included extensive exterior redevelopment such as siding and balcony railing replacement as well as upgrades to most common areas. Redevelopment efforts at Sammamish View consisted of interior unit renovations as well as the construction of a new leasing center and fitness center. Prior to completion, Sammamish View was able to achieve anticipated post-rehab rents on renovated units by increasing rental rates an average of 20 percent, net of market increases.

During the fourth quarter, the Company continued construction of its expansion of the adjacent Foothill and Woodland Commons communities, located in Bellevue, Washington. The first phase of the expansion project includes the addition of 34 apartment homes and a new leasing office.

LIQUIDITY AND BALANCE SHEET

Series D Cumulative Preferred Units

In November, the holders of the outstanding 7.875% Series D Cumulative Redeemable Preferred Units of Essex Portfolio, L.P. exchanged their preferred units with a par value of $50 million for 363,000 shares of common stock of the Company and $10 million in cash plus accrued dividends.

Exchangeable Bonds

During the fourth quarter, the Company repurchased $53.0 million of 3.625% exchangeable bonds due in 2025 at a discount to par value and recognized a gain of $3.5 million.

Mortgage Notes Payable

During the fourth quarter, the Company obtained 10-year fixed rate mortgage loans totaling $137.9 million, including the following:

- $49.7 million mortgage loan secured by Montclaire, at a rate of 6.17%, which matures in November 2018. The Company settled a forward starting swap for a loss of $1.2 million, which increased the effective interest on this loan to 6.44%.
- $40.2 million mortgage loan secured by Pathways, at a rate of 6.20%, which matures in October 2018.
- $30.4 million mortgage loan secured by Canyon Oaks, at a rate of 6.14%, which matures in December 2018.
- $17.6 million mortgage loan secured by Barkley, at a rate of 6.14%, which matures in December 2018.

In conjunction with the sale of Coral Gardens, the buyer assumed the mortgage loan for the property totaling $10.7 million at a fixed rate of 5.5%, and in conjunction with the sale of Green Valley, the buyer assumed the mortgage loan for the property totaling $6.1 million at a fixed rate of 5.62%.

Secured Line of Credit Facility

During the fourth quarter, the Company entered into a new five-year secured line of credit facility with Freddie Mac to replace the existing secured line of credit facility. The new secured facility expanded the existing secured facility from $100 million to $150 million, and the new facility is expandable to $250 million during the first two years. The underlying interest rate is based on the Freddie Mac Reference Rate plus 0.99% to 1.50%.

Unsecured Line of Credit Facility

In January 2009, the Company exercised its option to extend the maturity of the $200 million unsecured line of credit facility to March 2010. The underlying interest rate on this line is based on a tiered structure tied to the Company's corporate credit rating and is currently LIBOR + 0.80%.

GUIDANCE

On February 4, 2009 the Company provided 2009 guidance that FFO per diluted share will range from $5.50 - $5.90 (including interest adjustments related to accounting for convertible bonds (“APB-14”) that became effective January 1, 2009) and Earnings per Share will range from $1.90 - $2.30 per diluted share.

CONFERENCE CALL WITH MANAGEMENT

The Company will host an earnings conference call with management to discuss its quarterly results on Thursday, February 5, at 11:00 a.m. PST (2:00 p.m. EST), which will be broadcast live via the Internet at www.essexpropertytrust.com, and accessible via phone by dialing (866) 700-0161 and entering the passcode 41414782.

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) 286-8010 using the passcode, 83212228. 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.

CORPORATE PROFILE

Essex Property Trust, Inc., located in Palo Alto, California and traded on the New York Stock Exchange (NYSE:ESS), is a fully integrated real estate investment trust (REIT) that acquires, develops, redevelops, and manages apartment communities located in highly desirable, supply-constrained markets. Essex currently has ownership interests in 134 apartment communities (26,992 units), and has 1,256 units in various stages of active 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 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 FFO to all periods presented. However, there is judgment involved and other REITs in calculating FFO may vary from the NAREIT definition for this measure, and thus their disclosure of FFO may not be comparable to Essex’s calculation.

The following table sets forth the Company's calculation of FFO for the quarter and year ended December 31, 2008 and 2007.

	Three Months Ended December 31,		Twelve Months Ended December 31,	
	2008	2007	**2008**	2007
Funds from operations				
Net income available to common stockholders	**$18,345**	$51,287	**$56,113**	$106,464
Adjustments:				
Depreciation and amortization	**28,296**	29,754	**113,294**	102,250
Gain not included in FFO	**(5,356)**	(51,905)	**(7,849)**	(66,470)
Minority interests and co-investments	**2,766**	5,563	**9,299**	11,665
Funds from operations	**$44,051**	$34,699	**$170,857**	$153,909

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 items 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 2009 earnings per diluted share and 2009 FFO per diluted share, statements regarding anticipated costs, construction start dates, construction completion dates, initial occupancy dates and stabilization dates for property developments and redevelopments, and statements regarding the Company's development and redevelopment pipeline. 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, 2007.

###

ESSEX

PROPERTY TRUST, INC.

Fourth Quarter 2008
Supplemental Financial Information

In July 2008, the Company acquired **Chestnut Street Apartments**, a 96-unit apartment community located in Santa Cruz, California, for $22.1 million. The property was built in 2002 and includes approximately 9,000 square feet of commercial and retail space.

Table of Contents

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 December 31, **2008**	Three Months Ended December 31, 2007	Twelve Months Ended December 31, **2008**	Twelve Months Ended December 31, 2007
Revenues:				
Rental and other property	**$ 104,831**	$ 98,212	**$ 407,729**	$ 373,959
Management and other fees from affiliates	**1,201**	1,428	**5,166**	5,090
	106,032	99,640	**412,895**	379,049
Expenses:				
Property operating, excluding real estate taxes	**25,905**	24,664	**100,469**	91,369
Real estate taxes	**8,588**	8,350	**33,492**	31,649
Depreciation and amortization	**28,296**	28,611	**110,860**	97,647
Interest	**20,368**	21,250	**78,203**	78,938
Amortization of deferred financing costs	**774**	1,001	**2,883**	3,055
General and administrative	**7,323**	7,754	**26,984**	26,273
Other expenses	**1,350**	800	**1,350**	800
	92,604	92,430	**354,241**	329,731
Earnings from operations	**13,428**	7,210	**58,654**	49,318
Gain on sale of real estate	**2,132**	-	**4,578**	-
Gain on early retirement of debt	**3,517**	-	**3,517**	-
Interest and other income	**3,295**	2,856	**11,343**	10,310
Equity income co-investments	**495**	353	**7,820**	3,120
Minority interests	**(5,466)**	(4,540)	**(22,395)**	(19,999)
Income before discontinued operations income tax provision	**17,401**	5,879	**63,517**	42,749
Income tax provision	**-**	(400)	**-**	(400)
Income before discontinued operations	**17,401**	5,479	**63,517**	42,349
Income and gain from discontinued operations, net of minority interests	**3,254**	48,118	**1,837**	73,289
Net income	**20,655**	53,597	**65,354**	115,638
Dividends to preferred stockholders	**(2,310)**	(2,310)	**(9,241)**	(9,174)
Net income available to common stockholders	**$ 18,345**	$ 51,287	**$ 56,113**	$ 106,464
Net income per share - basic	**$ 0.70**	$ 2.04	**$ 2.23**	$ 4.34
Net income per share - diluted	**$ 0.70**	$ 2.02	**$ 2.21**	$ 4.24

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.

Consolidated Operating Results **Selected Line Item Detail** *(Dollars in thousands)*	Three Months Ended December 31, **2008**	Three Months Ended December 31, 2007	Twelve Months Ended December 31, **2008**	Twelve Months Ended December 31, 2007
Rental and other property				
Rental	**$ 98,521**	$ 92,911	**$ 384,174**	$ 352,790
Other property	**6,310**	5,301	**23,555**	21,169
Rental and other property	**$ 104,831**	$ 98,212	**$ 407,729**	$ 373,959
Management and other fees from affiliates				
Management	**$ 822**	$ 934	**$ 3,217**	$ 3,457
Development and redevelopment	**379**	494	**1,949**	1,294
Promote interest from Fund I	**-**	-	**-**	339
Management and other fees from affiliates	**$ 1,201**	$ 1,428	**$ 5,166**	$ 5,090
General and administrative				
General and administrative	**$ 10,931**	$ 10,730	**$ 41,403**	$ 37,302
Allocated to property operating expenses - administrative	**(2,238)**	(1,537)	**(9,014)**	(5,970)
Capitalized to real estate	**(1,370)**	(1,439)	**(5,405)**	(5,059)
Net general and administrative	**$ 7,323**	$ 7,754	**$ 26,984**	$ 26,273
Interest and other income				
Interest income	**$ 1,469**	$ 1,290	**$ 4,817**	$ 3,947
Lease income, net	**1,826**	1,566	**6,526**	6,363
Interest and other income	**$ 3,295**	$ 2,856	**$ 11,343**	$ 10,310
Equity income in co-investments				
Equity income in co-investments	**$ 495**	$ 353	**$ 1,502**	$ 1,074
Gain on sale of co-investment, promote interest, and fees	**-**	-	**6,318**	2,046
Equity income in co-investments	**$ 495**	$ 353	**$ 7,820**	$ 3,120
Minority interests				
Limited partners of Essex Portfolio, L.P.	**$ 1,685**	$ 690	**$ 6,543**	$ 4,915
Perpetual preferred distributions	**2,231**	2,559	**9,909**	10,238
Third party ownership interests	**442**	225	**1,458**	687
DownREIT limited partners' distributions	**1,108**	1,066	**4,485**	4,159
Minority interests	**$ 5,466**	$ 4,540	**$ 22,395**	$ 19,999

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.

Consolidated Funds From Operations *(Dollars in thousands, except share and per share amounts)*	Three Months Ended December 31, **2008**	2007	% Change	Twelve Months Ended December 31, **2008**	2007	% Change
Funds from operations						
Net income available to common stockholders	**$ 18,345**	$ 51,287		**$ 56,113**	$ 106,464	
Adjustments:						
Depreciation and amortization	**28,296**	29,754		**113,294**	102,250	
Gains not included in FFO	**(5,356)**	(51,905)		**(7,849)**	(66,470)	
Minority interests and co-investments (1)	**2,766**	5,563		**9,299**	11,665	
Funds from operations	**$ 44,051**	$ 34,699		**$ 170,857**	$ 153,909	
FFO per share-diluted	**$ 1.54**	$ 1.25	**23.3%**	**$ 6.14**	$ 5.58	**10.2%**
Components of the change in FFO						
Non-recurring items:						
Gain on early retirement of bonds	**(3,517)**	-		**(3,517)**	-	
Severance payments	**700**	-		**700**	-	
Loan loss reserves	**650**	500		**650**	500	
Income generated from TRS activities, net of taxes and expenses	**(147)**	-		**(147)**	(413)	
Joint venture - promote interest and fees	**-**	-		**(6,318)**	(10,068)	
Other	**-**	-		**245**	(339)	
Funds from operations excluding non-recurring items	**41,737**	35,199		**162,470**	143,589	
FFO excluding non-recurring items per share-diluted	**$ 1.46**	$ 1.26	**15.2%**	**$ 5.84**	$ 5.20	**12.3%**
Changes in recurring items:						
Same-property NOI	**$ 2,489**			**$ 10,835**		
Non-same property NOI	**2,651**			**11,992**		
Management and other fees from affiliates	**(227)**			**415**		
Interest expense and amortization of deferred financing costs	**1,109**			**907**		
Other items, net	**516**			**(5,268)**		
	$ 6,538			**$ 18,881**		
Weighted average number of shares outstanding diluted (2)	**28,663,993**	27,838,516		**27,807,946**	27,596,668	

(1) For the three and twelve months ended December 31, 2008, the amounts included the following adjustments: (i) minority interest related to Operating Partnership units totaling $2.0 million and $6.7 million, respectively, (ii) add back depreciation from unconsolidated co-investments and less depreciation attribuable to third-party ownership of consolidated co-investments totaling $0.8 million and $2.6 million, respectively.

(2) 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, 2008	December 31, 2007
Real Estate:		
Land and land improvements	$ 683,876	$ 670,494
Buildings and improvements	2,595,912	2,447,265
	3,279,788	3,117,759
Less: accumulated depreciation	(640,026)	(541,987)
	2,639,762	2,575,772
Real estate under development	272,273	233,445
Co-investments	76,346	64,191
	2,988,381	2,873,408
Cash and cash equivalents	54,719	22,483
Marketable securities	23,886	2,017
Funds held by 1031 exchange faciliator	21,424	-
Notes and other receivables	47,637	50,536
Other assets	28,776	31,879
Total assets	$ 3,164,823	$ 2,980,323
Mortgage notes payable	$ 1,468,931	$ 1,262,873
Exchangeable bonds	171,716	225,000
Lines of credit	120,000	169,818
Cash flow hedge liabilities	73,129	10,227
Other liabilities	105,396	94,215
Total liabilities	1,939,172	1,762,133
Minority interests	234,821	281,960
Series G cumulative convertible preferred stock, liquidation value	145,912	145,912
Stockholders' Equity:		
Common stock	2	2
Series F cumulative redeemable preferred stock, liquidation value	25,000	25,000
Additional paid-in-capital	1,026,037	857,109
Distributions in excess of accumulated earnings	(130,697)	(82,805)
Accumulated other comprehensive (loss) income	(75,424)	(8,988)
Total stockholders' equity	844,918	790,318
Total liabilities and stockholders' equity	$ 3,164,823	$ 2,980,323

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, 2008
(Dollars in thousands)

	Percentage of Total Debt	Balance Outstanding	Weighted Average Interest Rate	Weighted Average Maturity In Years
Mortgage notes payable				
Fixed rate - secured	69%	$ 1,217,805	6.1%	5.9
Variable rate debt(1)	14%	251,126	4.0%	21.5
Total mortgage notes payable	83%	**1,468,931**	5.8%	8.6
Exchangeable bonds (2)	10%	**171,716**	3.6%	
Line of credit - secured (3)	7%	**120,000**	3.0%	
Total debt	100%	**$ 1,760,647**	**5.4%**	

Scheduled principal payments (excludes lines of credit)		Weighted Average Interest Rate
2009	$ 35,842	6.3%
2010	152,412	8.1%
2011	151,281	6.4%
2012	31,759	5.4%
2013	192,813	5.8%
Thereafter	1,076,540	5.4%
Total	$ 1,640,647	5.5%

Capitalized interest for the three and twelve months ended December 31, 2008 was approximately $2.7 million and $10.9 million, respectively.

(1) $236.2 million of the variable rate debt is tax exempt, and $152.7 million of the tax exempt debt is subject to interest rate protection agreements.
(2) Exchangeable bonds total $171.7 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. During the fourth quarter of 2008, the Company repurchased $53.2 million of Exchangeable bonds.
(3) Secured line of credit commitment is $150 million and is expandable to $250 million at anytime during the first two years. This line is secured by eight of Essex's apartment communities and matures in December 2013. The underlying interest rate is currently the Freddie Mac Reference Rate plus .99% to 1.50%.

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

Capitalization - December 31, 2008

(Dollars and shares in thousands, except per share amounts)

Total debt	$ 1,760,647	
Common stock and potentially dilutive securities		
Common stock outstanding	26,396	
Limited partnership units (1)	2,413	
Options-treasury method	46	
Total common stock and potentially dilutive securities	28,855	shares
Common stock price per share as of December 31, 2008	$ 76.75	
Market value of common stock and potentially dilutive securities	$ 2,214,621	
Preferred units/stock	$ 254,500	
Total equity capitalization	$ 2,469,121	
Total market capitalization	$ 4,229,768	
Ratio of debt to total market capitalization	41.6%	

(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, 2008 and 2007
(Dollars in thousands, except per concessions amounts)

	Southern California			Northern California			Seattle Metro			Other real estate assets (1)		Total		
	2008	2007	% Change	**2008**	2007	% Change	**2008**	2007	% Change	**2008**	2007	**2008**	2007	% Change
Revenues:														
Same-property revenue	**$ 48,193**	$ 47,937	0.5%	**$ 22,644**	$ 21,045	7.6%	**$ 17,383**	$ 16,302	6.6%	**$ -**	$ -	**$ 88,220**	$ 85,284	3.4%
Non-same property revenue (2)	**5,512**	4,735		**8,458**	7,212		**1,942**	432		**699**	549	**16,611**	12,928	
Total Revenues	**$ 53,705**	$ 52,672		**$ 31,102**	$ 28,257		**$ 19,325**	$ 16,734		**$ 699**	$ 549	**$ 104,831**	$ 98,212	
Property operating expenses:														
Same-property operating expenses	**$ 15,371**	$ 14,928	3.0%	**$ 7,350**	$ 7,680	-4.3%	**$ 5,855**	$ 5,521	6.0%	**$ -**	$ -	**$ 28,576**	$ 28,129	1.6%
Non-same property operating expenses (2)	**1,922**	1,468		**2,871**	2,515		**701**	117		**423**	785	**5,917**	4,885	
Total property operating expenses	**$ 17,293**	$ 16,396		**$ 10,221**	$ 10,195		**$ 6,556**	$ 5,638		**$ 423**	$ 785	**$ 34,493**	$ 33,014	
Net operating income (NOI):														
Same-property NOI	**$ 32,822**	$ 33,009	-0.6%	**$ 15,294**	$ 13,365	14.4%	**$ 11,528**	$ 10,781	6.9%	**$ -**	$ -	**$ 59,644**	$ 57,155	4.4%
Non-same property NOI (2)														
Redevelopment communities	**3,234**	2,940		**2,335**	2,024		**-**	-		**-**	-	**5,569**	4,964	
Acquired communities	**355**	327		**3,252**	2,673		**1,241**	315		**-**	-	**4,848**	3,315	
Development communities	**1**	-		-	-		-	-		-	-	**1**	-	
Other real estate assets (1)	**-**	-		**-**	-		**-**	-		**276**	(236)	**276**	(236)	
Total non-same property NOI	**3,590**	3,267		**5,587**	4,697		**1,241**	315		**276**	(236)	**10,694**	8,043	
Total NOI	**$ 36,412**	$ 36,276		**$ 20,881**	$ 18,062		**$ 12,769**	$ 11,096		**$ 276**	$ (236)	**$ 70,338**	$ 65,198	
Same-property operating margin	**68%**	69%		**68%**	64%		**66%**	66%				**68%**	67%	
Same-property turnover percentage	**49%**	51%		**47%**	46%		**49%**	46%				**48%**	49%	
Same-property concessions	**$ 300**	$ 427		**$ 85**	$ 121		**$ 82**	$ 89				**$ 467**	$ 637	
Average same-property concessions per turn (3)	**$ 209**	$ 302		**$ 177**	$ 257		**$ 142**	$ 164				**$ 187**	$ 262	
Net operating income percentage of total	**52%**	56%		**30%**	28%		**18%**	17%				**100%**	100%	
(Gain)/Loss to lease (4)	**$ (6,528)**			**$ (1,604)**			**$ (3,440)**					**$ (11,573)**		
(Gain)/Loss to lease as a percentage of rental income	**(3.2%)**			**(1.1%)**			**(4.5%)**					**(2.8%)**		
Reconciliation of apartment units at end of period														
Same-property apartment units	**11,081**			**4,643**			**4,905**					**20,629**		
Consolidated Apartment Units	**12,500**	12,725		**6,457**	6,361		**5,338**	5,005				**24,295**	24,091	
Joint Venture	**480**	480		**1,575**	2,101		**642**	515				**2,697**	3,096	
Under Development (5)	**268**	743		**693**	238		**295**	127				**1,256**	1,108	
Total apartment units at end of period	**13,248**	13,948		**8,725**	8,700		**6,275**	5,647				**28,248**	28,295	
Percentage of total	**47%**	50%		**31%**	31%		**22%**	20%				**100%**	100%	
Average same-property financial occupancy	**95.8%**	95.5%		**97.6%**	97.2%		**97.3%**	96.5%				**96.6%**	96.1%	

(1) Other real estate assets consists mainly of retail space and commercial properties and their operating results are classified in non-same property results.
(2) Includes properties which subsequent to September 1, 2007 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) (Gain)/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 268 of the units under development as of December 31, 2008.

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

Property Operating Results - Twelve months ended December 31, 2008 and 2007
(Dollars in thousands, except per concessions amounts)

	Southern California			Northern California			Seattle Metro			Other real estate assets (1)		Total		
	2008	2007	% Change	**2008**	2007	% Change	**2008**	2007	% Change	**2008**	2007	**2008**	2007	% Change
Revenues:														
Same-property revenue	**$ 187,352**	$ 184,485	1.6%	**$ 79,389**	$ 72,611	9.3%	**$ 62,338**	$ 57,848	7.8%	**$ -**	$ -	**$ 329,079**	$ 314,944	4.5%
Non-same property revenue (2)	**26,078**	23,819		**40,495**	26,767		**9,342**	6,029		**2,735**	2,400	**78,650**	59,015	
Total Revenues	**$ 213,430**	$ 208,304		**$ 119,884**	$ 99,378		**$ 71,680**	$ 63,877		**$ 2,735**	$ 2,400	**$ 407,729**	$ 373,959	
Property operating expenses:														
Same-property operating expenses	**$ 58,990**	$ 57,487	2.6%	**$ 25,699**	$ 25,032	2.7%	**$ 21,200**	$ 20,070	5.6%	**$ -**	$ -	**$ 105,889**	$ 102,589	3.2%
Non-same property operating expenses (2)	**8,445**	6,932		**15,303**	9,204		**2,786**	1,677		**1,538**	2,616	**28,072**	20,429	
Total property operating expenses	**$ 67,435**	$ 64,419		**$ 41,002**	$ 34,236		**$ 23,986**	$ 21,747		**$ 1,538**	$ 2,616	**$ 133,961**	$ 123,018	
Net operating income (NOI):														
Same-property NOI	**$ 128,362**	$ 126,998	1.1%	**$ 53,690**	$ 47,579	12.8%	**$ 41,138**	$ 37,778	8.9%	**$ -**	$ -	**$ 223,190**	$ 212,355	5.1%
Non-same property NOI (2)														
Redevelopment communities	**12,675**	12,213		**13,419**	12,868		**1,764**	1,521		**-**	-	**27,858**	26,602	
Acquired communities	**5,141**	4,684		**11,773**	4,695		**4,792**	2,831		**-**	-	**21,706**	12,210	
Development communities	**(183)**	(10)		-	-		-	-		-	-	**(183)**	(10)	
Other real estate assets (1)	**-**	-		**-**	-		**-**	-		**1,197**	(216)	**1,197**	(216)	
Total non-same property NOI	**17,633**	16,887		**25,192**	17,563		**6,556**	4,352		**1,197**	(216)	**50,578**	38,586	
Total NOI	**$ 145,995**	$ 143,885		**$ 78,882**	$ 65,142		**$ 47,694**	$ 42,130		**$ 1,197**	$ (216)	**$ 273,768**	$ 250,941	
Same-property operating margin	**69%**	69%		**68%**	66%		**66%**	65%				**68%**	67%	
Same-property turnover percentage	**56%**	55%		**53%**	51%		**52%**	58%				**54%**	55%	
Same-property concessions	**$ 1,324**	$ 1,524		**$ 501**	$ 379		**$ 289**	$ 232				**$ 2,114**	$ 2,135	
Average same-property concessions per turn (3)	**$ 219**	$ 259		**$ 232**	$ 181		**$ 122**	$ 88				**$ 200**	$ 201	
Average same-property financial occupancy	**95.5%**	95.5%		**97.5%**	96.5%		**96.9%**	96.1%				**96.3%**	95.8%	

(1) Other real estate assets consists mainly of retail space and commercial properties and their operating results are classified in non-same property results.
(2) Includes properties which subsequent to January 1, 2007 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.

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

Revenue by County - Quarters ended December 31, 2008, December 31, 2007 and September 30, 2008

(Dollars in thousands, except average property rental rates)

		Average Property Rental Rates			Property Revenue			Property Revenue	
Region	Units	December 31, 2008	December 31, 2007	% Change	December 31, 2008	December 31, 2007	% Change	September 30, 2008	Sequential % Change
Southern California									
Ventura County	3,004	$ 1,363	$ 1,395	-2.3%	$ 12,542	$ 12,475	0.5%	$ 12,456	0.7%
Los Angeles County	2,754	1,752	1,764	-0.7%	14,717	14,823	-0.7%	14,872	-1.0%
Orange County	2,037	1,533	1,544	-0.7%	9,528	9,358	1.8%	9,600	-0.8%
San Diego County	2,771	1,104	1,087	1.6%	9,616	9,281	3.6%	9,489	1.3%
Santa Barbara County	239	1,776	1,750	1.5%	1,136	1,315	-13.6%	1,180	-3.7%
Riverside County	276	791	844	-6.3%	654	685	-4.5%	640	2.2%
Total same-property	11,081	1,442	1,453	-0.8%	48,193	47,937	0.5%	48,237	-0.1%
Los Angeles County	1,311	1,628			5,078	4,297			
Santa Barbara County	108	1,369			434	438			
Non-same property	1,419	1,608			5,512	4,735			
Northern California									
San Francisco MSA	175	1,864	1,747	6.7%	959	921	4.1%	964	-0.5%
Santa Clara County	1,870	1,700	1,586	7.2%	9,727	8,969	8.5%	9,537	2.0%
Alameda County	760	1,298	1,222	6.2%	3,104	2,886	7.6%	3,024	2.6%
San Mateo County	768	1,682	1,528	10.1%	3,968	3,528	12.5%	3,879	2.3%
Contra Costa County	1,070	1,488	1,484	0.3%	4,886	4,741	3.1%	4,877	0.2%
Total same-property	4,643	1,588	1,499	5.9%	22,644	21,045	7.6%	22,281	1.6%
Santa Clara County	578	1,539			2,778	2,531			
Alameda County	356	1,355			1,491	1,192			
Contra Costa County	650	1,575			3,149	2,966			
Other	230	1,528			1,040	523			
Non-same property	1,814	1,515			8,458	7,212			
Seattle Metro									
Total same-property	4,905	1,118	1,063	5.2%	17,383	16,302	6.6%	17,156	1.3%
Non-same property	433	1,463			1,942	432			
Other Real Estate Assets					699	549			
Total same-property revenue	20,629	$ 1,398	$ 1,370	2.0%	$ 88,220	$ 85,284	3.4%	$ 87,674	0.6%
Total non-same property revenue	3,666	$ 1,545			$ 16,611	$ 12,928			

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

Revenue by County - Twelve months ended December 31, 2008 and 2007

(Dollars in thousands, except average property rental rates)

		Average Property Rental Rates			Property Revenue		
Region	Units	YTD 2008	YTD 2007	% Change	YTD 2008	YTD 2007	% Change
Southern California							
Ventura County	3,004	$ **1,378**	$ 1,390	-0.9%	$ **49,887**	$ 49,945	-0.1%
Los Angeles County	2,754	**1,831**	1,792	2.2%	**59,661**	58,478	2.0%
Orange County	2,037	**1,543**	1,525	1.2%	**38,057**	37,069	2.7%
San Diego County	2,416	**1,100**	1,074	2.4%	**32,233**	31,281	3.0%
Santa Barbara County	239	**1,809**	1,716	5.4%	**4,906**	4,961	-1.1%
Riverside County	276	**812**	835	-2.8%	**2,608**	2,751	-5.2%
Total same-property	10,726	**1,458**	1,441	1.2%	**187,352**	184,485	1.6%
Los Angeles County	1,036	**1,412**			**18,887**	17,292	
San Diego County	355	**1,258**			**5,483**	5,258	
Santa Barbara County	108	**1,348**			**1,708**	1,269	
Non-same property	1,499	**1,377**			**26,078**	23,819	
Northern California							
San Francisco MSA	175	**1,815**	1,694	7.1%	**3,812**	3,528	8.0%
San Mateo County	768	**1,632**	1,413	15.5%	**15,283**	12,835	19.1%
Santa Clara County	1,870	**1,656**	1,532	8.1%	**37,626**	34,714	8.4%
Alameda County	200	**1,340**	1,248	7.4%	**3,274**	3,029	8.1%
Contra Costa County	1,070	**1,490**	1,461	2.0%	**19,394**	18,505	4.8%
Total same-property	4,083	**1,599**	1,484	7.7%	**79,389**	72,611	9.3%
Santa Clara County	578	**1,506**			**10,444**	7,135	
Alameda County	916	**1,278**			**14,236**	12,896	
Contra Costa County	650	**1,584**			**12,396**	5,210	
Other	230	**1,259**			**3,419**	1,526	
Non-same property	2,374	**1,416**			**40,495**	26,767	
Seattle Metro							
Total same-property	4,560	**1,088**	1,013	7.4%	**62,338**	57,848	7.8%
Non-same property	778	**1,627**			**9,342**	6,029	
Other Real Estate Assets					**2,735**	2,400	
Total same-property revenue	19,369	$ **1,401**	$ 1,349	3.8%	$ **329,079**	$ 314,944	4.5%
Total non-same property revenue	4,651	$ **1,339**			$ **78,650**	$ 59,015	

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.

Development Pipeline - December 31, 2008

(Dollars in millions)

Project Name	Location	Estimated Units	Estimated retail sq. feet (1)	Incurred to Date	Estimated Remaining Costs	Estimated Total Cost	Construction Start	Construction Complete	Initial Occupancy	Stabilized Operations
Development Projects										
The Grand	Oakland, CA	238	7,800	$ 88.7	$ 7.5	$ 96.2	Dec-06	Dec-08	Feb-09	Sep-09
Fourth Street	Berkeley, CA	171	15,500	25.3	45.3	70.6	Apr-08	Feb-10	Feb-10	Aug-10
Joule Broadway (2) (3)	Seattle, WA	295	29,100	35.0	69.3	104.3	May-08	Sep-10	Jul-10	May-11
Tasman Place	Sunnyvale, CA	284	48,300	26.4	112.5	138.9	Sep-09	Dec-11	Jan-12	Sep-12
Consolidated - Development Projects		988	100,700	175.4	234.6	410.0				
Development Projects - Fund II (3)										
Studio 40-41	Studio City, CA	149	-	50.7	9.9	60.6	Jun-07	Jun-09	Mar-09	Aug-09
Cielo	Chatsworth, CA	119	-	25.4	14.1	39.5	Jun-07	May-09	May-09	Sep-09
Fund II - Development Projects		268	-	76.1	24.0	100.1				
Total - Development Projects		1,256	100,700	251.5	258.6	510.1				
Predevelopment Projects										
Main Street (2)	Walnut Creek, CA	-	-	-	-	-				
Cadence Campus	San Jose, CA	-	-	-	-	-				
Total - Predevelopment Projects		820	-	73.0	169.4	242.4				
Land Held for Future Development (4)										
City Centre	Moorpark, CA	200	-	-	-	-				
Citiplace	San Diego, CA	141	-	-	-	-				
Park Boulevard (5)	Palo Alto, CA	27	-	-	-	-				
View Pointe	Newcastle, WA	24	-	-	-	-				
Total - Land Held for Future Development		392	-	23.9	-	23.9				
Grand Total - Development Pipeline		2,468	100,700	$ 348.4	$ 428.0	$ 776.4				

(1) Certain apartment community developments include retail space, and the Company has included the total estimated retail square footage for each development project.
(2) The Company has entered into two joint venture development projects with third-parties to develop these properties. Essex has a 50% interest in the two projects.
(3) There are construction loans in place for each of these joint venture development projects that provide financing for the majority of the estimated remaining costs to be incurred.
(4) The Company owns land in various stages of entitlement that is being held for future development
(5) The Company has entered into an option agreement to sell this land parcel to a third-party. During the option period the Company will continue to complete the entitlement proces:

Redevelopment Pipeline - December 31, 2008
(Dollars in thousands)

Region/Project Name	Units	Total Incurred To Date	Estimated Remaining Cost	Estimated Total Cost	Redevelopment Start Date	NOI For the quarter ended Q4 2008	NOI For the quarter ended Q4 2007	Q4 2008 Rehab Vacancy Loss	Units completed
Approved - Redevelopment Projects (1)									
Marina Cove, Santa Clara, CA	292	$ 3,112	$ 6,746	$ 9,858	Jun-07				
Foothill Commons, Bellevue, WA	360	14,021	22,317	36,338	Jun-07				
Woodland Commons, Bellevue, WA	236	3,323	8,456	11,779	Jun-07				
	888	20,456	37,519	57,975					
Active - Redevelopment Projects									
Southern California									
Avondale at Warner Center, Woodland Hills, CA	446	11,540	2,530	14,070	Oct-04	$ 1,330	$ 1,169	$ -	198
Pathways, Long Beach, CA	296	8,255	2,505	10,760	Jun-06	918	804	7	247
Highridge, Rancho Palos Verdes, CA	255	4,118	12,445	16,563	Jan-07	986	967	-	9
	997	23,913	17,480	41,393		3,234	2,940	7	454
Northern California									
The Montclaire - Phase I - III, Sunnyvale, CA	390	13,863	1,269	15,132	Aug-06	1,364	1,239	4	390
Boulevard, Fremont, CA	172	8,875	12	8,887	Sep-06	486	241	-	137
Bridgeport, Newark, CA	184	4,372	214	4,586	Oct-06	485	543	-	12
	746	27,110	1,495	28,605		2,335	2,023	4	539
Total Active - Redevelopment Projects	1,743	51,023	18,975	69,998		5,569	4,963	11	993
Consolidated - Redevelopment Projects	2,631	$ 71,479	$ 56,494	$ 127,973		$ 5,569	$ 4,963	$ 11	993

(1) These projects are approved and redevelopment activity has commenced but as of Q4 2008 the communities have stabilized operations, and therefore they are classified in same-property operations.

Co-investments - December 31, 2008 (Dollars in thousands)	Essex Book Value	Total Fund Original Cost	Units	Debt Amount	Property Revenue for the twelve months ended 2008	Property Revenue for the twelve months ended 2007	% Change	NOI for the twelve months ended 2008	NOI for the twelve months ended 2007	% Change
Joint Ventures										
Essex Apartment Value Fund II, L.P. (Fund II) (1)										
Southern California										
Parcwood, Corona, CA			312	$ **24,914**						
Renaissance, Los Angeles, CA			168	**22,988**						
Total Southern California			480	**47,902**	$ **8,377**	$ 7,756	8.0%	$ **5,239**	$ 4,672	12.1%
Northern California										
Alderwood Park, Newark, CA			96	**6,958**						
Carlmont Woods, Belmont, CA			195	**12,690**						
Davey Glen, Belmont, CA			69	**6,654**						
Enclave, San Jose, CA			637	**79,183**						
Harbor Cove, Foster City, CA			400	**34,218**						
Regency Tower, Oakland, CA			178	**10,872**						
Total Northern California			1,575	**150,575**	**28,418**	26,580	6.9%	**17,771**	16,572	7.2%
Seattle Metro										
Echo Ridge, Snoqualmie, WA			120	**13,040**						
Morning Run, Monroe, WA			222	**13,487**						
Tower @ 801, Seattle, WA			173	**18,991**						
Total Seattle Metro			515	**45,518**	**8,186**	7,785	5.2%	**5,003**	4,739	5.6%
Total - Operating Communities			2,570	**243,995**	$ **44,981**	$ 42,121	**6.8%**	$ **28,013**	$ 25,983	**7.8%**
Fund II - Development Completed (not stabilized)										
Eastlake 2851, Seattle, WA			127	**27,132**	$ **1,106**			$ **722**		
Fund II - Development Pipeline (2)										
Studio 40-41, Studio City, CA			149	**24,849**						
Cielo, Chatsworth, CA			119	**12,877**						
Total - Development Communities			268	**37,726**						
Total - Fund II	$ **69,749**	$ **561,266**	2,965	$ **308,853**						
Capitalized costs	**720**									
	70,469									
Other (3)	**5,877**									
	$ **76,346**									

(1) The Company has a 28.2% interest as a general partner and limited partner in Fund II, and may earn promote income if Fund II exceeds certain financial return benchmarks.
(2) See S-9 for more detail about the Fund II Development Pipeline.
(3) Included in other investments is a development joint venture in preliminary stages located in Southern California with a carrying value of $5.4 million and a real estate technology investment.

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

Summary of Consolidated Co-Investments and Minority Interest - December 31, 2008
(Dollars in thousands)

The Company enters into co-investment transactions with third party developers, owners and investors of apartment communities. In accordance with GAAP, 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-investments and minority interest:

	Balance as of December 31, 2008				Operations for the quarter ended December 31, 2008		
	Investment in Real Estate	Related Debt	Minority Interest	DownREIT Units (1)	Revenue	Operating Expenses	NOI
DownREITs:							
Anchor Village	$ 14,434	$ 10,750	$ 2,404	110,133	$ 814	$ 382	$ 432
Barkley Apartments	9,173	17,623	2,322	79,205	659	236	423
Brookside Oaks	34,171	13,900	3,917	97,673	797	238	559
Capri at Sunny Hills	17,601	18,920	3,930	167,365	608	164	444
Brentwood (Hearthstone)	15,051	20,471	2,568	58,884	618	164	454
Hidden Valley (2)	40,034	32,722	6,089	62,647	1,325	373	952
Highridge Apartments	24,515	44,807	6,121	298,341	1,387	401	986
Montejo Apartments	9,079	5,719	1,216	29,319	487	156	331
Thomas Jefferson	26,811	19,614	7,067	62,873	758	222	536
Treehouse Apartments	12,217	7,700	2,951	67,728	636	231	405
Valley Park Apartments	15,608	9,755	1,275	56,633	755	210	545
Villa Angelina Apartments	20,136	13,191	3,003	57,709	978	268	710
	238,830	215,172	42,863	1,148,510	9,822	3,045	6,777
Hillsdale Garden Apartments (3)	114,435	-	22,527		3,582	1,436	2,146
Joint Ventures - Development (4)	55,955	14,884	14,500				
Operating Limited Partnership Units			74,931				
Perpetual Preferred Units (5)			80,000				
Balance as of December 31, 2008			$ 234,821				

(1) Represents the number of DownREIT units that are currently outstanding. Generally, DownREIT units are redeemed for cash equal to the current price of Essex's common stock.
(2) The DownREIT has a 75% interest in this community and a joint venture parter has a 25% interest.
(3) The Company has an 81.5% interest in this community and the joint venture partner has a 18.5% interest.
(4) The Company consolidates two joint venture developments that the Company has 50% interest, in accordance with GAAP.
(5) Includes Series B Cumulative Redeemable Preferred Units with an existing distribution rate of 7.875% and can be redeemed at the Company's option on December 31, 2009.

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

Income From Discontinued Operations and Selected Financial Data - December 31, 2008
(Dollars in thousands)

Income from Discontinued Operations

For the three and twelve months ended December 31, 2008, the Company sold Coral Gardens, Cardiff by the Sea, and St. Cloud apartment communities. For the three and twelve months ended December 31, 2007, the Company sold condominium units at Peregrine Point, and during the three months ended March 31, 2007, the Company sold the City Heights community which was consolidated in accordance with FIN 46R. Income from discontinued operations for 2007 also includes operating results for the four Portland communities sold in December 2007.

	Three Months Ended December 31,		Twelve Months Ended December 31,	
	2008	2007	2008	2007
Rental revenues	$ 530	$ 4,009	$ 7,058	$ 17,425
Interest and other income	-	-	-	290
Revenues	530	4,009	7,058	17,715
Property operating expenses	(257)	(1,566)	(3,851)	(7,477)
Interest expense	(123)	(760)	(2,210)	(2,489)
Depreciation and amortization	-	(1,143)	(2,434)	(4,603)
Minority interests	(11)	(45)	117	(271)
Expenses	(391)	(3,514)	(8,378)	(14,840)
Gain on sale	3,371	51,905	3,417	131,191
Subordination fees	-	-	-	10,290
Minority interests	(256)	(4,282)	(260)	(71,067)
Net gain on sale of real estate	3,115	47,623	3,157	70,414
Income from discontinued operations	$ 3,254	$ 48,118	$ 1,837	$ 73,289

Common Stock Equivalents

	Q4 2008 Weighted Avg.	YTD 2008 Weighted Avg.	Actual As of 12/31/08
Common Shares	26,184,488	25,205,367	26,395,807
Stock Options	59,524	107,995	46,250
Exchangeable Bonds	-	33,158	-
Weighted Avg. Shares Diluted - EPS	26,244,012	25,346,520	26,442,057
Operating Limited Partnership Units	2,419,981	2,461,426	2,413,078
Weighted Avg. Shares Diluted - FFO	28,663,993	27,807,946	28,855,135

ESSEX PROPERTY TRUST, INC.
Real Estate Information as of December 31, 2008

	Property Name	Address	City	State	Units	Square Footage	Year Acquired	Year Built	Property Ownership	Age of Property
			APARTMENT COMMUNITIES							
	NORTHERN CALIFOFNIRA									
	Santa Clara County									
1	Pointe at Cupertino	19920 Olivewood Street	Cupertino	CA	116	135,200	1998	1963	EPLP	46
1	Carlyle, The	2909 Nieman Boulevard	San Jose	CA	132	129,200	2000	2000	EPLP	9
1	Enclave, The	4355 Renaissance Drive	San Jose	CA	637	525,463	2005	1998	Fund II	11
1	Esplanade	350 East Taylor St.	San Jose	CA	278	279,000	2004	2002	EPLP	7
1	Waterford, The	1700 N. First Street	San Jose	CA	238	219,600	2000	2000	EPLP	9
1	Le Parc	440 N. Winchester Avenue	Santa Clara	CA	140	113,200	1994	1975	EPLP	34
1	Marina Cove	3480 Granada Avenue	Santa Clara	CA	292	250,200	1994	1974	EPLP	35
1	Bristol Commons	732 E. Evelyn Avenue	Sunnyvale	CA	188	142,600	1995	1989	EPLP	20
1	Brookside Oaks	1651 Belleville Way	Sunnyvale	CA	170	119,900	2000	1973	DownREIT	36
1	Magnolia Lane	113 South Mary Avenue	Sunnyvale	CA	32	31,541	2007	2001	EPLP	8
1	Montclaire	450 N. Mathilda Avenue	Sunnyvale	CA	390	294,100	1988	1973	EPLP	36
1	Summerhill Park	972 Corte Madera Avenue	Sunnyvale	CA	100	78,500	1988	1988	EPLP	21
	Tasman Place	315 Tasman Drive	Sunnyvale	CA	284	265,296			EPLP	
1	Thomas Jefferson	107 South Mary Avenue	Sunnyvale	CA	156	110,824	2007	1969	DownREIT	40
1	Windsor Ridge	825 E. Evelyn Avenue	Sunnyvale	CA	216	161,800	1989	1989	EPLP	20
				11%	3,085	2,591,128				
	Alameda County									
	Fourth Street	700 University Avenue	Berkeley	CA	171	146,255			EPLP	
1	Stevenson Place	4141 Stevenson Blvd.	Fremont	CA	200	433,100	2000	1975	EPLP	34
1	Boulevard	40001 Fremont Blvd.	Fremont	CA	172	131,200	1996	1978	EPLP	31
1	City View	25200 Carlos Bee Blvd.	Hayward	CA	560	462,400	1998	1975	EPLP	34
1	Regency Tower	1130 Third Ave.	Oakland	CA	178	140,900	2005	1975	Fund II	34
	The Grand	100 Grand Avenue	Oakland	CA	238	205,026			EPLP	
1	Bridgeport	36826 Cherry Street	Newark	CA	184	139,000	1987	1987	EPLP	22
1	Alderwood Park Apartments	37057 Magnolia Street	Newark	CA	96	74,624	2006	1987	Fund II	22
				5%	1,390	1,381,224				
	Contra Costa County									
1	San Marcos	Hilltop Drive at Richmond Pkwy	Richmond	CA	432	407,600	2003	2003	EPLP	6
1	Bel Air	2000 Shoreline Drive	San Ramon	CA	462	391,000	1995	1988	EPLP	21
1	Foothill Gardens	1110 Harness Drive	San Ramon	CA	132	155,100	1997	1985	EPLP	24
1	Twin Creeks	2711-2731 Morgan Drive	San Ramon	CA	44	51,700	1997	1985	EPLP	24
1	Canyon Oaks	1 Amberstone Lane	San Ramon	CA	250	237,894	2007	2005	EPLP	4
1	Mill Creek at Windermere	2100 Waterstone Place	San Ramon	CA	400	381,060	2007	2005	EPLP	4
				6%	1,720	1,624,354				
	San Mateo County									
1	Carlmont Woods	2515 Carlmont Drive	Belmont	CA	195	107,200	2004	1971	Fund II	38
1	Harbor Cove	900 E. Hillsdale Blvd.	Foster City	CA	400	306,600	2004	1971	Fund II	38
1	Davey Glen	200 Davey Glen Road	Belmont	CA	69	65,974	2006	1962	Fund II	47
1	Hillsdale Garden	3421 Edison Avenue	San Mateo	CA	697	611,505	2006	1948	JV - 81.5%	61
1	Belmont Terrace	1606 Continetals Way	Belmont	CA	71	72,951	2006	1974	EPLP	35
				5%	1,432	1,164,230				
	San Francisco and Marin Counties									
1	Mt. Sutro Terrace Apartments	480 Warren Drive	San Francisco	CA	99	64,000	1999	1973	EPLP	36
1	Vista Belvedere	15 Red Hill Circle	Tiburon	CA	76	78,300	2004	1963	EPLP	46
				1%	175	142,300				
	Other									
1	Tuscana	315 Mt. Oso	Tracy	CA	30	29,088	2007	2007	EPLP	2
1	Harvest Park	2327 Summercreek Drive	Santa Rosa	CA	104	116,628	2007	2004	EPLP	5
1	Chestnut Street Apartments	143 Chestnut Avenue	Santa Cruz	CA	96	87,640	2008	2002	EPLP	7
				1%	230	233,356				
36	**Total Northern California**			30%	8,032	7,136,592				25
	SOUTHERN CALIFORNIA									
	Los Angeles County									
1	Hampton Court	1136 N. Columbus Avenue	Glendale	CA	83	71,500	1999	1974	EPLP	35
1	Hampton Place	245 W. Loraine Street	Glendale	CA	132	141,500	1999	1970	EPLP	39
1	Marbrisa	1809 Termino Ave.	Long Beach	CA	202	122,800	2002	1987	EPLP	22
1	Pathways	5945 E. Pacific Coast Hwy.	Long Beach	CA	296	197,700	1991	1975	EPLP	34
1	Bunker Hill	222 and 234 S. Figueroa St.	Los Angeles	CA	456	346,600	1998	1968	EPLP	41
1	Cochran Apartments	612 South Cochran	Los Angeles	CA	58	51,400	1998	1989	EPLP	20
1	Kings Road	733 North Kings Road	Los Angeles	CA	196	132,100	1997	1979	EPLP	30
1	Marbella	600 South Detroit Street	Los Angeles	CA	60	50,108	2005	1991	EPLP	18
1	Belmont Station	1302 West 2nd St.	Los Angeles	CA	275	225,000	2009	2009	EPLP	0
1	Park Place	400 S. Detroit Street	Los Angeles	CA	60	48,000	1997	1988	EPLP	21
1	Windsor Court	401 S. Detroit Street	Los Angeles	CA	58	46,600	1997	1988	EPLP	21
1	Renaissance	630 South Masselin Avenue	Los Angeles	CA	168	154,268	2006	1990	Fund II	19
1	Marina City Club	4333 Admiralty Way	Marina Del Rey	CA	101	127,200	2004	1971	EPLP	38
1	Mirabella	13701 Marina Point Drive	Marina Del Rey	CA	188	176,800	2000	2000	EPLP	9
1	Monterra del Mar	280 E. Del Mar Boulevard	Pasadena	CA	123	74,400	1997	1972	EPLP	37
1	Monterra del Rey	350 Madison	Pasadena	CA	84	73,100	1999	1972	EPLP	37
1	Monterra del Sol	280 South Euclid	Pasadena	CA	85	69,200	1999	1972	EPLP	37
1	Fountain Park	13141 Fountain Park Drive	Playa Vista	CA	705	608,900	2004	2002	EPLP	7
1	Highridge	28125 Peacock Ridge Drive	Rancho Palos Verde	CA	255	290,200	1997	1972	DownREIT	37
	Studio 40-41	4043 Radford Avenue	Studio City	CA	149	127,238			Fund II	
1	Coldwater Canyon	4250 Codlwater Canyon	Studio City	CA	39	34,125	2007	1979	EPLP	30
1	Walnut Heights	20700 San Jose Hills Road	Walnut	CA	163	146,700	2003	1964	EPLP	45
1	Avondale at Warner Center	22222 Victory Blvd.	Woodland Hills	CA	446	331,000	1999	1970	EPLP	39
				16%	4,233	3,519,201				
	Ventura County									
1	Camarillo Oaks	921 Paseo Camarillo	Camarillo	CA	564	459,000	1996	1985	EPLP	24
1	Camino Ruiz Square	105 Camino Ruiz	Camarillo	CA	160	105,448	2006	1990	EPLP	19
1	Mountain View	649 E. Las Posas Road	Camarillo	CA	106	83,900	2004	1980	EPLP	29
	Cielo	Topanga Blvd	Chatsworth	CA	119	125,400			Fund II	
1	Mariner's Place	711 South B Street	Oxnard	CA	105	77,200	2000	1987	EPLP	22
1	Tierra Vista	Rice and Gonzales	Oxnard	CA	404	387,100	2001	2001	EPLP	8
1	Monterey Villas	1040 Kelp Lane	Oxnard	CA	122	122,100	1997	1974	EPLP	35
1	Meadowood	1733 Cochran Street	Simi Valley	CA	320	264,500	1996	1986	EPLP	23
1	Hidden Valley	5065 Hidden Park Court	Simi Valley	CA	324	310,900	2004	2004	DownREIT	5
1	Lofts at Pinehurst,The	1021 Scandia Avenue	Ventura	CA	118	71,100	1997	1971	EPLP	38
1	Hillcrest Park	1800 West Hillcrest Drive	Newbury Park	CA	608	521,900	1998	1973	EPLP	36
1	Pinehurst	3980 Telegraph Road	Ventura	CA	28	21,200	2004	1973	EPLP	36
1	Woodside Village	675 Providence Ave.	Ventura	CA	145	136,500	2004	1987	EPLP	22
				11%	3,004	2,560,848				

SOUTHERN CALIFORNIA (cont'd)

	Santa Barbara County									
1	Chimney Sweep	775 Camino Del Sur Drive	Goleta	CA	91		2006	1967	EPLP	42
1	CBC	6721 El Colegio Drive	Goleta	CA	148		2006	1962	EPLP	47
1	Hope Ranch (Continental Apartments)	3968-3974 & 3999 Via Lucero	Santa Barbara	CA	108		2007	1965	EPLP	44
	Hope Ranch (Lucero Village)	3968-3974 & 3999 Via Lucero	Santa Barbara	CA			2007	1973	EPLP	36
				1%	347	306,608				
	Orange County									
1	Barkley Apartments	2400 E. Lincoln Ave.	Anaheim	CA	161	139,800	2000	1984	DownREIT	25
1	Valley Park Apartments	17300 Euclid Ave.	Fountain Valley	CA	160	169,700	2001	1969	DownREIT	40
1	Capri at Sunny Hills	2341 Daphne Place	Fullerton	CA	100	128,100	2001	1961	DownREIT	48
1	Wilshire Promenade	141 West Wilshire Avenue	Fullerton	CA	149	128,000	1997	1992	EPLP	17
1	Montejo Apartments	12911 Dale St.	Garden Grove	CA	124	103,200	2001	1974	DownREIT	35
1	Huntington Breakers	21270 Beach Boulevard	Huntington Beach	CA	342	241,700	1997	1984	EPLP	25
1	Hillsborough Park	1501 South Beach Boulevard	La Habra	CA	235	215,500	1999	1999	EPLP	10
1	Trabuco Villas	25362 Mosswood Way	Lake Forest	CA	132	131,000	1997	1985	EPLP	24
1	Fairways Apartments	2 Pine Valley Lane	Newport Beach	CA	74	107,100	1999	1972	EPLP	37
1	Villa Angelina	201 E. Chapman Ave.	Placentia	CA	256	217,600	2001	1970	DownREIT	39
1	Brentwood Apartment Homes	2301 E. Santa Clara Ave.	Santa Ana	CA	140	154,800	2001	1970	DownREIT	39
1	Treehouse Apartments	2601 N. Grand Ave.	Santa Ana	CA	164	135,700	2001	1970	DownREIT	39
				8%	2,037	1,872,200				
	San Diego County									
1	Alpine Country	2660 Alpine Blvd.	Alpine	CA	108	81,900	2002	1986	EPLP	23
1	Alpine Village	2055 Arnold Way	Alpine	CA	306	254,400	2002	1971	EPLP	38
1	Bonita Cedars	5155 Cedarwood Rd.	Bonita	CA	120	120,800	2002	1983	EPLP	26
1	Cambridge	660 F. St.	Chula Vista	CA	40	22,100	2002	1965	EPLP	44
1	Woodlawn Colonial	245-255 Woodlawn Ave.	Chula Vista	CA	159	104,500	2002	1974	EPLP	35
1	Mesa Village	5265 Clairemont Mesa Blvd.	Clairemont	CA	133	43,600	2002	1963	EPLP	46
1	Tierra del Sol/Norte	989 Peach Ave.	El Cajon	CA	156	117,000	2002	1969	EPLP	40
1	Grand Regency	2050 E. Grand Ave.	Escondido	CA	60	42,400	2002	1967	EPLP	42
1	Mira Monte	10360 Maya Linda Rd.	Mira Mesa	CA	355	262,600	2002	1982	EPLP	27
1	Country Villas	283 Douglas Drive	Oceanside	CA	180	179,700	2002	1976	EPLP	33
1	Mission Hills	218 Rancho Del Oro	Oceanside	CA	282	244,000	2005	1984	EPLP	25
1	Bluffs II, The	6466 Friars Road	San Diego	CA	224	126,700	1997	1974	EPLP	35
1	Summit Park	8563 Lake Murray Blvd.	San Diego	CA	300	229,400	2002	1972	EPLP	37
1	Vista Capri - North	3277 Berger Ave.	San Diego	CA	106	51,800	2002	1975	EPLP	34
1	Carlton Heights	9705 Carlton Hills Blvd.	Santee	CA	70	48,400	2002	1979	EPLP	30
1	Shadow Point	9830 Dale Ave.	Spring Valley	CA	172	131,200	2002	1983	EPLP	26
				10%	2,771	2,060,500				
	Riverside County									
1	Parcwood	1700 Via Pacifica	Corona	CA	312	270,000	2004	1989	Fund II	20
1	Devonshire Apartments	2770 West Devonshire Ave.	Hemet	CA	276	207,200	2002	1988	EPLP	21
				2%	588	477,200				
67	**Total Southern California**			48%	**12,980**	**10,796,557**				**30**

SEATTLE METROPOLITAN AREA

1	Cedar Terrace	3205 115th Ave. NE	Bellevue	WA	180	174,200	2005	1984	EPLP	25
1	Emerald Ridge	3010 118th Avenue SE	Bellevue	WA	180	144,000	1994	1987	EPLP	22
1	Foothill Commons	13800 NE 9th Place	Bellevue	WA	360	288,300	1990	1978	EPLP	31
1	Palisades, The	13808 NE 12th	Bellevue	WA	192	159,700	1990	1977	EPLP	32
1	Sammamish View	16160 SE Eastgate Way	Bellevue	WA	153	133,500	1994	1986	EPLP	23
1	Woodland Commons	13700 NE 10th Place	Bellevue	WA	236	172,300	1990	1978	EPLP	31
1	Canyon Pointe	1630 228th St. SE	Bothell	WA	250	210,400	2003	1990	EPLP	19
1	Inglenook Court	14220 Juanita Drive, NE	Bothell	WA	224	183,600	1994	1985	EPLP	24
1	Salmon Run at Perry Creek	2109 228th Street SE	Bothell	WA	132	117,100	2000	2000	EPLP	9
1	Stonehedge Village	14690 143rd Blvd., NE	Bothell	WA	196	214,800	1997	1986	EPLP	23
1	Park Hill at Issaquah	22516 SE 56th Street	Issaquah	WA	245	277,700	1999	1999	EPLP	10
1	Highlands at Wynhaven	1460 NE Hawthorne Street	Issaquah	WA	333	424,674	2008	2000	EPLP	9
1	Wandering Creek	12910 SE 240th	Kent	WA	156	124,300	1995	1986	EPLP	23
1	Bridle Trails	6600 130th Avenue, NE	Kirkland	WA	108	99,700	1997	1986	EPLP	23
1	Evergreen Heights	12233 NE 131st Way	Kirkland	WA	200	188,300	1997	1990	EPLP	19
1	Morning Run	18463 Blueberry Lane	Monroe	WA	222	221,786	2005	1991	Fund II	18
1	Laurels at Mill Creek	1110 164th Street SE	Mill Creek	WA	164	134,300	1996	1981	EPLP	28
1	Anchor Village	9507 49th Avenue West	Mukilteo	WA	301	245,900	1997	1981	DownREIT	28
1	Castle Creek	7000 132nd Place, SE	Newcastle	WA	216	191,900	1998	1998	EPLP	11
1	Brighton Ridge	2307 NE 4th Street	Renton	WA	264	201,300	1996	1986	EPLP	23
1	Fairwood Pond	14700 SE Petrovitsky Rd.	Renton	WA	194	189,200	2004	1997	EPLP	12
1	Forest View	650 Duvall Ave. NE	Renton	WA	192	182,500	2003	1998	EPLP	11
	Joule Broadway	523 Broadway Avenue, East	Seattle	WA	295	191,109			JV - 50%	
1	The Cairns	420 Yale Avenue	Seattle	WA	100	70,806	2007	2006	EPLP	3
1	Fountain Court	2400 4th Street	Seattle	WA	320	207,000	2000	2000	EPLP	9
1	Linden Square	13530 Linden Avenue North	Seattle	WA	183	142,200	2000	1994	EPLP	15
1	Eastlake 2851	2833 - 2851 Eastlake Avenue	Seattle	WA	127	234,086	2008	2008	Fund II	1
1	Maple Leaf	7415 5th Avenue, NE	Seattle	WA	48	35,500	1997	1986	EPLP	23
1	Spring Lake	12528 35th Avenue, NE	Seattle	WA	69	42,300	1997	1986	EPLP	23
1	Wharfside Pointe	3811 14th Avenue West	Seattle	WA	142	119,200	1994	1990	EPLP	19
1	Tower @ 801	801 Pine Street	Seattle	WA	173	118,500	2005	1970	Fund II	39
1	Echo Ridge	34907 SE Kinsey Street	Snoqualmie	WA	120	124,359	2005	2000	Fund II	9
31	**Total Seattle Metropolitan Area**			22%	**5,980**	**5,373,411**				**19**

134	**Apartment Communities**	100%	**26,992**	**23,306,560**	(1)
6	**Apartment Communities Under Construction**		**1,256**	**1,063,005**	(2)

Avg. square footage	863
Avg. units per property	201
Avg. age of property	26

(1) Includes 44,318 square feet of retail or commercial space
(2) Includes 100,700 square feet of estimated retail or commercial space

Definitions for Property Ownership

EPLP	The Company has a 100% ownership in the community.
Fund II	The community is owned by Fund II. The Company has a 28.2% interest in Fund II which is accounted for using the equity method of accounting.
DownREIT	The Company holds a 1% special limited partner interest in the partnerships which owns the community. In accordance with GAAP, the Company consolidates this community.
JV - 81.5%	The Company has a 81.5% ownership in this community and is consolidated.
JV - 50%	The Company has a 50% ownership in this development and is consolidated.

OTHER REAL ESTATE ASSETS

Office Buildings							
Essex Corporate Headquarter Bldg.	925 E. Meadow Dr.	Palo Alto	CA	17,400	1997	1988	EPLP
Derian Office Building	17461 Derian Av.	Irvine	CA	110,000	2000	1983	EPLP
Essex Southern Cal. Office Building	22110-22120 Clarendon St.	Woodland Hills	CA	38,940	2001	1982	EPLP
River Oaks	535 - 575 River Oaks	San Jose	CA	262,500	2007	1990	EPLP
Hollywood	6230 Sunset Blvd.	Los Angeles	CA	35,000	2006	1938	EPLP
				463,840			

New Residential Supply: Permits as % of Current Stock
12 Month Permit Period: Trailing 12 Months December 2008

	Single Family Data					Multi-Family Data			All Residential Data	
Market	Median SF Price (2008est**)	2008 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
Boston	$365,700	89%	1,530,000	3,323	0.2%	670,800	3,692	0.6%	7,015	0.3%
Nassau-Suffolk	$450,800	87%	740,000	2,052	0.3%	240,000	1,416	0.6%	3,468	0.4%
Minneapolis	$205,300	146%	818,000	4,171	0.5%	351,800	1,380	0.4%	5,551	0.5%
Miami/Ft. Lauderdale	$305,600	71%	717,000	3,358	0.5%	876,000	4,151	0.5%	7,509	0.5%
Chicago	$252,700	111%	1,700,000	7,778	0.5%	1,404,900	7,535	0.5%	15,313	0.5%
Philadelphia	$232,600	114%	1,532,000	6,858	0.4%	515,100	3,393	0.7%	10,251	0.5%
Baltimore	$276,700	108%	797,000	3,121	0.4%	268,000	2,437	0.9%	5,558	0.5%
Wash. D.C. PMSA	$358,300	105%	1,299,000	9,076	0.7%	644,300	4,684	0.7%	13,760	0.7%
New York PMSA	$450,500	54%	760,000	1,143	0.2%	2,920,000	31,086	1.1%	32,229	0.9%
Portland	$283,900	94%	561,000	4,167	0.7%	225,335	3,346	1.5%	7,513	1.0%
Denver	$203,500	143%	582,000	3,947	0.7%	274,900	4,647	1.7%	8,594	1.0%
Atlanta	$154,500	186%	1,122,000	12,307	1.1%	467,800	6,544	1.4%	18,851	1.2%
Phoenix	$204,100	115%	970,000	11,549	1.2%	360,500	5,545	1.5%	17,094	1.3%
Orlando	$223,000	105%	482,000	5,288	1.1%	201,500	4,887	2.4%	10,175	1.5%
Dallas-Ft. Worth	$147,900	175%	1,381,000	17,841	1.3%	650,000	18,257	2.8%	36,098	1.8%
Las Vegas	$231,500	97%	440,000	5,874	1.3%	215,700	6,438	3.0%	12,312	1.9%
Houston	$154,000	163%	1,027,000	28,152	2.7%	547,700	14,165	2.6%	42,317	2.7%
Austin	$189,900	145%	326,000	8,025	2.5%	169,900	5,763	3.4%	13,788	2.8%
Totals	**$260,792**	**119%**	**16,784,000**	**138,030**	**0.8%**	**11,004,235**	**129,366**	**1.2%**	**267,396**	**1.0%**
Seattle	$389,300	75%	656,000	4,730	0.7%	354,487	6,853	1.9%	11,583	1.1%
San Francisco	$794,000	44%	368,000	555	0.2%	344,000	2,806	0.8%	3,361	0.5%
Oakland	$506,000	69%	625,000	1,774	0.3%	270,000	1,853	0.7%	3,627	0.4%
San Jose	$733,000	53%	388,000	968	0.2%	192,000	2,274	1.2%	3,242	0.6%
Los Angeles	$433,000	55%	1,877,000	3,223	0.2%	1,392,963	7,656	0.5%	10,879	0.3%
Ventura	$395,000	87%	199,000	347	0.2%	53,295	378	0.7%	725	0.3%
Orange	$507,000	67%	628,000	1,336	0.2%	340,800	1,985	0.6%	3,321	0.3%
San Diego	$414,000	64%	664,000	2,160	0.3%	375,664	2,810	0.7%	4,970	0.5%
No Cal	$646,521	58%	1,381,000	3,297	0.2%	806,000	6,933	0.9%	10,230	0.5%
So Cal	$440,807	61%	3,368,000	7,066	0.2%	2,162,722	12,829	0.6%	19,895	0.4%
ESSEX	**$487,117**	**62%**	**5,405,000**	**15,093**	**0.3%**	**3,323,208**	**26,615**	**0.8%**	**41,708**	**0.5%**

Permits: Single Family equals 1 unit, Multi-Family equals 5 or more units

Sources: SF Prices - Economy.com : Permits, Total Residential Stock - U.S. Census, Axiometrics

Median Home Prices - Average of Q1-Q3 National Association of Realtors (* ***Average of q1-q3 *; DataQuick, Mortgage Rates - Freddie Mac, Median Household Incomes - US Census; BEA; Essex*

Single Family - Multi-Family breakdown of total residences, 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.

Essex Markets Forecast 2009: Supply, Jobs and Apartment Market Conditions

Market	Residential Supply*				Job Forecast**		Forecast Market Conditions***	
	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	5,100	1.3%	4,400	0.6%	-15,000	-1.0%	-2.00%	95.00%
San Francisco	2,600	0.7%	600	0.2%	-5,000	-0.5%	0.00%	95.50%
Oakland	2,300	0.8%	1,800	0.3%	-10,000	-1.0%	-2.50%	94.50%
San Jose	1,800	0.9%	900	0.2%	-6,000	0.3%	0.00%	95.00%
No. Cal.	**6,700**	**0.8%**	**3,300**	**0.2%**	**-21,000**	**-0.7%**	**-0.7%**	**95.0%**
Ventura	400	0.8%	300	0.1%	-2,100	-0.7%	-2.50%	95.00%
Los Angeles	7,600	0.5%	4,000	0.2%	-41,200	-1.0%	-4.00%	94.50%
Orange	2,800	0.8%	1,300	0.2%	-14,800	-1.0%	-3.00%	94.50%
San Diego	2,600	0.9%	1,800	0.3%	-9,800	-0.8%	0.00%	95.00%
So. Cal.	**13,400**	**0.6%**	**7,400**	**0.2%**	**-67,900**	**-0.9%**	**-2.50%**	**94.75%**

All data is an Essex Forecast

U.S. Economic Assumptions: G.D.P.: -1.25% Growth, Jobs: - 1.5% 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 2009 over the comparable actual figures for December 2008. 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 2008 base.

***The **Forecast Market Conditions** represents Essex's estimates of the Change in Rents/Occupancy Rates at the end of 2009. The Estimated Year-over-Year Rent Growth represents the forecast change in Effective **Market** Rents for December 2009 vs.December 2008 (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 2009.