ESSEX
PROPERTY TRUST, INC.

THIRD QUARTER 2016
EARNINGS RELEASE & SUPPLEMENTAL FINANCIAL INFORMATION

AVIARA
166 UNITS
MERCER ISLAND, WA

INVESTOR RELATIONS
Barb Pak
Vice President of Finance & Investor Relations
(650) 655-7800

ESSEX PROPERTY TRUST, INC.
1100 Park Place, Suite 200
San Mateo, CA 94403
(650) 655-7800

ESSEX

PROPERTY TRUST, INC.

ESSEX ANNOUNCES THIRD QUARTER 2016 RESULTS

San Mateo, California—October 27, 2016—Essex Property Trust, Inc. (NYSE:ESS) announced today its third quarter 2016 earnings results and related business activities.

Net Income and Funds from Operations ("FFO") per diluted share for the quarter ended September 30, 2016 are detailed below. Core FFO excludes acquisition and investment related costs and certain non-routine items.

	Three Months Ended September 30,		%	Nine Months Ended September 30,		%
	2016	2015	Change	**2016**	2015	Change
Per Diluted Share						
Net Income	**$1.00**	$0.65	53.8%	**$3.29**	$2.27	44.9%
Total FFO	**$2.81**	$2.53	11.1%	**$8.27**	$7.19	15.0%
Core FFO	**$2.81**	$2.49	12.9%	**$8.23**	$7.19	14.5%

Third Quarter Highlights:

- Net Income per diluted share for the third quarter of 2016 was $1.00 compared to $0.65 in the third quarter of 2015. The increase is primarily due to higher earnings from operations in the third quarter of 2016.
- Grew Core FFO per diluted share by 12.9% compared to Q3 2015, which exceeded the high-end of the Company's guidance range.
- Achieved same-property gross revenues and net operating income ("NOI") growth of 6.9% and 8.3%, respectively, compared to Q3 2015.
- Realized a sequential quarterly increase in same-property revenue growth of 2.4%.
- Provided Core FFO guidance range for the fourth quarter of 2016 of $2.77 to $2.83 per diluted share.
- Increased the full-year Core FFO guidance range to $11.00 to $11.06 per diluted share, increasing the midpoint by $0.05 per share.
- Narrowed the full-year guidance range of same-property growth assumptions, leaving the midpoint unchanged.

"We are pleased that the Essex portfolio achieved our key targets during the third quarter, leading to healthy revenue, NOI and Core FFO per share growth rates. We expect continued apartment supply deliveries and deceleration in employment trends, both nationally and in several west coast submarkets, to moderate pricing power given aggressive rental concessions offered at newly developed communities. As a result, going forward, we expect rental growth rates to return to longer-term averages, as compared to the exceptional rental growth generated in the past several years," commented Michael Schall, President and CEO of the Company.

SAME-PROPERTY OPERATIONS

Same-property operating results exclude any properties that are not comparable for the periods presented. The table below illustrates the percentage change in same-property gross revenues for the quarter ended September 30, 2016 compared to the quarter ended September 30, 2015, and the sequential percentage change for the quarter ended September 30, 2016 versus the quarter ended June 30, 2016 by submarket for the Company:

	Q3 2016 vs. Q3 2015	Q3 2016 vs. Q2 2016	% of Total
	Gross Revenues	**Gross Revenues**	**Q3 2016 Revenues**
Southern California			
Los Angeles County	6.5%	2.3%	17.5%
Orange County	5.6%	2.2%	12.2%
San Diego County	8.4%	3.2%	9.4%
Ventura County	5.8%	2.3%	5.2%
Other Southern California	3.4%	-6.1%	0.9%
Total Southern California	**6.5%**	**2.3%**	**45.2%**
Northern California			
Santa Clara County	5.9%	1.3%	16.3%
Alameda County	7.3%	1.7%	7.3%
San Mateo County	7.6%	3.2%	4.5%
Contra Costa County	7.1%	2.6%	5.4%
San Francisco	3.1%	1.5%	2.0%
Other Northern California	10.0%	2.2%	0.3%
Total Northern California	**6.5%**	**1.8%**	**35.8%**
Seattle Metro	**8.5%**	**3.7%**	**19.0%**
Same-Property Portfolio	**6.9%**	**2.4%**	**100%**

	Year-Over-Year Growth Q3 2016 compared to Q3 2015			Year-Over-Year Growth YTD 2016 compared to YTD 2015		
	Gross Revenues	**Operating Expenses**	**NOI**	**Gross Revenues**	**Operating Expenses**	**NOI**
Southern California	6.5%	1.4%	9.0%	6.2%	2.4%	8.1%
Northern California	6.5%	5.1%	7.0%	7.7%	4.2%	9.0%
Seattle Metro	8.5%	6.9%	9.3%	7.7%	7.2%	8.0%
Same-Property Portfolio	**6.9%**	**3.7%**	**8.3%**	**7.0%**	**3.9%**	**8.4%**

	Sequential Growth		
	Q3 2016 compared to Q2 2016		
	Gross Revenues	**Operating Expenses**	**NOI**
Southern California	2.3%	3.2%	1.9%
Northern California	1.8%	4.8%	0.7%
Seattle Metro	3.7%	1.4%	4.8%
Same-Property Portfolio	**2.4%**	**3.3%**	**2.0%**

	Financial Occupancies		
	Quarter Ended		
	9/30/2016	**6/30/2016**	**9/30/2015**
Southern California	96.6%	96.0%	95.7%
Northern California	96.5%	96.2%	96.2%
Seattle Metro	96.1%	95.9%	96.1%
Same-Property Portfolio	**96.5%**	**96.0%**	**96.0%**

OTHER INVESTMENTS

In August, the Company originated an $11.6 million preferred equity investment in a multifamily development located in Santa Ana, CA. The investment will be funded in installments through the fourth quarter of 2016. As of September 30, 2016, the Company had funded $1.9 million. The investment has a preferred return of 12.0% and matures in 2020.

In September, the Company originated a $26.3 million loan in a multifamily development project located in Long Beach, CA. The investment will be funded in installments through the first quarter of 2017. As of September 30, 2016, the Company had funded $4.4 million. The total investment has a return of 10.8% and matures in 2020.

DEVELOPMENT ACTIVITY

The table below represents the development communities in lease-up during the third quarter and the current leasing status as of October 24, 2016.

Project Name	Location	Total Apartment Homes	ESS Ownership	% Leased as of 10/24/16	Status
Agora	Walnut Creek, CA	49	51%	100%	Stabilized
The Galloway (at Owens)	Pleasanton, CA	255	55%	64%	In Lease-Up
Total/Average % Leased		**304**		**70%**	

LIQUIDITY AND BALANCE SHEET

Common Stock

The Company did not issue any shares of common stock through its equity distribution program in the third quarter of 2016 or subsequent to quarter-end. Year-to-date the Company has not issued any common stock through its equity distribution program.

Balance Sheet

During the quarter, the Company repaid $55.0 million in secured mortgages with an effective interest rate of 4.4%.

In October, Moody's upgraded the Company's senior unsecured debt to Baa1 from Baa2. The outlook is stable. Also in October, Standard & Poor's upgraded the Company's corporate credit rating to BBB+ from BBB. The outlook is stable.

As of October 24, 2016, the Company had $1.025 billion in undrawn capacity on its unsecured credit facilities.

Quarterly Guidance

For the third quarter, the Company exceeded the midpoint of the guidance range provided in its second quarter 2016 earnings release by $0.05 per share. The following table provides a reconciliation of third quarter Core FFO per share to the midpoint of the guidance provided in the second quarter 2016 earnings release distributed in July 2016.

		Per Diluted Share
Projected midpoint of Core FFO per share for Q3 2016	$	2.76
NOI from consolidated communities		0.03
FFO from Co-Investments		0.01
G&A and other income		0.01
Core FFO per share for Q3 2016 reported	$	**2.81**

The table below provides our updated 2016 full-year same-property growth assumptions and Core FFO per diluted share range. The same-property guidance range was narrowed, leaving the midpoint unchanged while guidance for Core FFO per diluted share was increased by $0.05 at the midpoint. For additional details regarding our 2016 assumptions, please see page S-14 of the Supplemental Financial Information. For the fourth quarter of 2016, the Company has established a range for Core FFO per diluted share of $2.77 to $2.83.

2016 Full-Year Guidance

	Range	Midpoint
Same-Property Growth		
Gross Revenues	6.7% to 6.9%	6.8%
Operating Expenses	3.5% to 4.0%	3.8%
NOI	7.9% to 8.3%	8.1%
Core FFO per diluted share	$11.00 to $11.06	$11.03

Conference Call with Management

The Company will host an earnings conference call with management to discuss its quarterly results on Friday, October 28, 2016 at 11 a.m. PT (2 p.m. ET), which will be broadcast live via the Internet at www.essex.com, and accessible via phone by dialing toll-free, (877) 407-0784, or toll/international, (201) 689-8560. No passcode is necessary.

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.essex.com and select the third quarter earnings link. To access the replay digitally, dial (844) 512-2921 using the replay pin number 13646070. If you are unable to access the information via the Company's website, please contact the Investor Relations Department at investors@essex.com or by calling (650) 655-7800.

Corporate Profile

Essex Property Trust, Inc., an S&P 500 company, is a fully integrated real estate investment trust (REIT) that acquires, develops, redevelops, and manages multifamily residential properties in selected West Coast markets. Essex currently has ownership interests in 243 apartment communities with an additional 6 properties in various stages of active development. Additional information about Essex can be found on the Company's website at www.essex.com.

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 website at www.essex.com. If you are unable to obtain the information via the Web, please contact the Investor Relations Department at (650) 655-7800.

Funds from Operations ("FFO") Reconciliation

FFO, 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, impairment charges, gains/losses on sales of real estate and extraordinary items. Management considers FFO and FFO which excludes merger, integration and acquisition costs and items that are not routine or not related to the Company's core business activities, which is referred to as "Core FFO", to be useful financial performance measurements of an equity REIT because, together with net income and cash flows, FFO and Core FFO provide investors with additional bases to evaluate the operating performance and ability of a REIT to incur and service debt and to fund acquisitions and other capital expenditures and the ability to pay dividends.

FFO and Core FFO do not represent net income or cash flows from operations as defined by U.S. generally accepted accounting principles ("GAAP") and are not intended to indicate whether cash flows will be sufficient to fund cash needs. These measures 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 and Core FFO do not measure whether cash flow is sufficient to fund all cash needs including principal amortization, capital improvements and distributions to shareholders. FFO and Core FFO also do 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' calculation of FFO may vary from the NAREIT definition for this measure, and thus their disclosures of FFO may not be comparable to the Company's calculation.

The following table sets forth the Company's calculation of diluted FFO and Core FFO for the three and nine months ended September 30, 2016 and 2015:

Funds from Operations attributable to common stockholders and unitholders (In thousands)	Three Months Ended September 30, 2016	Three Months Ended September 30, 2015	Nine Months Ended September 30, 2016	Nine Months Ended September 30, 2015
Net income available to common stockholders	**$65,561**	$42,323	**$215,555**	$147,241
Adjustments:				
Depreciation and amortization	**110,467**	116,308	**329,847**	336,946
Gains not included in FFO	**-**	-	**(33,304)**	(41,126)
Deferred tax expense on gain on sale of real estate and land – Taxable REIT Subsidiary activity	**-**	-	**4,279**	-
Depreciation add back from unconsolidated co-investments	**12,857**	12,800	**37,337**	36,822
Noncontrolling interest related to Operating Partnership units	**2,223**	1,471	**7,457**	5,115
Insurance reimbursements	**-**	(1,751)	**-**	(1,751)
Depreciation attributable to third party ownership and other	**(5)**	(253)	**(3)**	(753)
Funds from Operations attributable to common stockholders and unitholders	**$191,103**	$170,898	**$561,168**	$482,494
Merger and integration expenses	**-**	-	**-**	3,798
Acquisition and investment related costs	**284**	381	**1,379**	1,357
Gain on sale of marketable securities	**(1,033)**	(598)	**(2,876)**	(598)
Loss on early retirement of debt	**211**	-	**211**	-
Co-investment promote income	**-**	(192)	**-**	(192)
Income from early redemption of preferred equity investments	**-**	(1,485)	**-**	(1,954)
Excess of redemption value of preferred stock over the carrying value	**-**	-	**2,541**	-
Insurance reimbursements, legal settlement, and other, net	**(31)**	(569)	**(4,041)**	(2,526)
Core Funds from Operations attributable to common stockholders and unitholders	**$190,534**	$168,435	**$558,382**	$482,379

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 job growth and rent growth in 2017, statements in the "Third Quarter Highlights" and "Quarterly Guidance," and "2016 Full-Year Guidance" sections regarding Core FFO per diluted share for the fourth quarter 2016 and full-year 2016 and 2016 guidance for same-property revenues, operating expenses, and NOI; statements and estimates set forth under the captions "Development Pipeline—September 30, 2016" and "Redevelopment Pipeline—September 30, 2016" on pages S-11 and S-12 of the Company's Supplemental Financial Information Package, which accompanies this press release, regarding estimated costs of property development and redevelopment and regarding the anticipated timing of redevelopments and of the construction start, initial occupancy and stabilization of property development; the various financial projections and assumptions, including those regarding 2016 NOI, FFO; Core FFO and EPS, set forth in the columns "2016 Guidance Range" on page S-14 of the Company's Supplemental Financial Information Package and in the guidance range columns on page S-17.3 of that Package for the fourth quarter 2016, nine months ended September 30, 2016 and full-year 2016; and the forecasts, set forth on page S-16 of the Company's Supplemental Financial Information Package, of residential supply, jobs, and rent growth in various areas. 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, unforeseen consequences from cyber-intrusion, changes in economic conditions, unexpected delays in the development and stabilization of development projects, unexpected difficulties in leasing of development projects, total costs of development investments exceeding the Company's 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 risks 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 the Company's Report on Form 10-K for the year ended December 31, 2015.

DEFINITIONS AND RECONCILIATIONS

Non-GAAP financial measures and certain other capitalized terms, as used in this earnings release, are defined and further explained on pages S-17.1 through S-17.4, "Reconciliations of Non-GAAP Financial Measures and Other Terms", of the accompanying supplemental financial information. The supplemental financial information is available on the Company's website at www.essex.com.

Contact Information
Barb Pak
Vice President of Finance & Investor Relations
(650) 655-7800
bpak@essex.com

Q3 2016 Supplemental
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 share and per share amounts)*	Three Months Ended September 30,		Nine Months Ended September 30,	
	2016	2015	**2016**	2015
Revenues:				
Rental and other property	**$ 327,078**	$ 302,522	**$ 958,818**	$ 876,852
Management and other fees	**2,093**	2,104	**6,145**	6,809
	329,171	304,626	**964,963**	883,661
Expenses:				
Property operating	**99,361**	94,119	**289,930**	271,367
Depreciation and amortization	**110,467**	116,308	**329,847**	336,946
General and administrative	**9,647**	11,129	**28,527**	31,223
Merger and integration expenses	**-**	-	**-**	3,798
Acquisition and investment related costs	**284**	381	**1,379**	1,357
	219,759	221,937	**649,683**	644,691
Earnings from operations	**109,412**	82,689	**315,280**	238,970
Interest expense, net [1]	**(53,550)**	(50,053)	**(155,647)**	(148,401)
Interest and other income	**4,943**	7,367	**19,560**	14,820
Equity income from co-investments	**9,568**	7,179	**38,932**	15,962
Loss on early retirement of debt	**(211)**	-	**(211)**	-
Gain on sale of real estate and land	**-**	-	**20,258**	7,112
Deferred tax expense on gain on sale of real estate and land	**-**	-	**(4,279)**	-
Gain on remeasurement of co-investment	**-**	-	**-**	34,014
Net income	**70,162**	47,182	**233,893**	162,477
Net income attributable to noncontrolling interest	**(4,601)**	(3,545)	**(14,483)**	(11,295)
Net income attributable to controlling interest	**65,561**	43,637	**219,410**	151,182
Dividends to preferred stockholders	**-**	(1,314)	**(1,314)**	(3,941)
Excess of redemption value of preferred stock over the carrying value	**-**	-	**(2,541)**	-
Net income available to common stockholders	**$ 65,561**	$ 42,323	**$ 215,555**	$ 147,241
Net income per share - basic	**$ 1.00**	$ 0.65	**$ 3.29**	$ 2.28
Shares used in income per share - basic	**65,507,669**	65,138,868	**65,455,004**	64,714,994
Net income per share - diluted	**$ 1.00**	$ 0.65	**$ 3.29**	$ 2.27
Shares used in income per share - diluted	**65,617,551**	65,297,550	**65,578,661**	64,892,770

[1] Refer to page S-17.2, the section titled "Interest Expense, Net" for additional information.

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, **2016**	Three Months Ended September 30, 2015	Nine Months Ended September 30, **2016**	Nine Months Ended September 30, 2015
Rental and other property				
Rental	**$ 305,314**	$ 284,026	**$ 896,775**	$ 820,639
Other property	**21,764**	18,496	**62,043**	56,213
Rental and other property	**$ 327,078**	$ 302,522	**$ 958,818**	$ 876,852
Property operating expenses				
Real estate taxes	**$ 35,580**	$ 33,591	**$ 104,540**	$ 97,820
Administrative and insurance	**19,971**	19,307	**58,933**	56,103
Maintenance and repairs	**19,406**	18,487	**55,873**	52,650
Utilities	**16,811**	16,460	**47,836**	46,209
Property management	**7,593**	6,274	**22,748**	18,585
Property operating expenses	**$ 99,361**	$ 94,119	**$ 289,930**	$ 271,367
Interest and other income				
Marketable securities and other interest income	**$ 3,879**	$ 3,699	**$ 12,643**	$ 10,152
Gain from sale of marketable securities and other investments	**1,033**	598	**2,876**	598
Insurance reimbursements and legal settlements	**31**	3,070	**4,041**	4,070
Interest and other income	**$ 4,943**	$ 7,367	**$ 19,560**	$ 14,820
Equity income from co-investments				
Equity income from co-investments	**$ 5,055**	$ 2,969	**$ 14,811**	$ 6,176
Income from preferred equity investments	**4,513**	2,533	**11,075**	7,640
Gain on sale of co-investment communities	**-**	-	**13,046**	-
Co-investment promote income	**-**	192	**-**	192
Income from early redemption of preferred equity investments	**-**	1,485	**-**	1,954
Equity income from co-investments	**$ 9,568**	$ 7,179	**$ 38,932**	$ 15,962
Noncontrolling interest				
Limited partners of Essex Portfolio, L.P.	**$ 2,223**	$ 1,471	**$ 7,457**	$ 5,115
DownREIT limited partners' distributions	**1,423**	1,297	**4,282**	3,894
Third-party ownership interest	**955**	777	**2,744**	2,286
Noncontrolling interest	**$ 4,601**	$ 3,545	**$ 14,483**	$ 11,295

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 [1] *(Dollars in thousands, except share and per share amounts and in footnotes)*	Three Months Ended September 30, **2016**	2015	% Change	Nine Months Ended September 30, **2016**	2015	% Change
Funds from operations attributable to common stockholders and unitholders (FFO)						
Net income available to common stockholders	**$ 65,561**	$ 42,323		**$ 215,555**	$ 147,241	
Adjustments:						
Depreciation and amortization	**110,467**	116,308		**329,847**	336,946	
Gains not included in FFO	**-**	-		**(33,304)**	(41,126)	
Deferred tax expense on gain on sale of real estate and land - Taxable REIT Subsidiary activity	**-**	-		**4,279**	-	
Depreciation add back from unconsolidated co-investments	**12,857**	12,800		**37,337**	36,822	
Noncontrolling interest related to Operating Partnership units	**2,223**	1,471		**7,457**	5,115	
Insurance reimbursements [2]	**-**	(1,751)		**-**	(1,751)	
Depreciation attributable to third party ownership and other [3]	**(5)**	(253)		**(3)**	(753)	
Funds from operations attributable to common stockholders and unitholders	**$ 191,103**	$ 170,898		**$ 561,168**	$ 482,494	
FFO per share-diluted	**$ 2.81**	$ 2.53	11.1%	**$ 8.27**	$ 7.19	15.0%
Components of the change in FFO						
Non-core items:						
Merger and integration expenses	**$ -**	$ -		**$ -**	$ 3,798	
Acquisition and investment related costs	**284**	381		**1,379**	1,357	
Gain on sale of marketable securities	**(1,033)**	(598)		**(2,876)**	(598)	
Loss on early retirement of debt	**211**	-		**211**	-	
Co-investment promote income	**-**	(192)		**-**	(192)	
Income from early redemption of preferred equity investments	**-**	(1,485)		**-**	(1,954)	
Excess of redemption value of preferred stock over the carrying value	**-**	-		**2,541**	-	
Insurance reimbursements, legal settlements, and other, net	**(31)**	(569)		**(4,041)**	(2,526)	
Core funds from operations attributable to common stockholders and unitholders	**190,534**	168,435		**558,382**	482,379	
Core FFO per share-diluted	**$ 2.81**	$ 2.49	12.9%	**$ 8.23**	$ 7.19	14.5%
Changes in core items:						
Same-property NOI	**$ 15,587**			**$ 46,468**		
Non-same property NOI	**4,477**			**17,685**		
Management and other fees, net	**(11)**			**(289)**		
FFO from co-investments	**4,123**			**12,417**		
Interest and other income	**180**			**2,491**		
Interest expense	**(3,497)**			**(7,246)**		
General and administrative	**1,482**			**2,696**		
Other items, net	**(242)**			**1,781**		
	$ 22,099			**$ 76,003**		
Weighted average number of shares outstanding diluted [4]	**67,914,123**	67,535,685		**67,881,126**	67,135,143	

(1) Refer to page S-17.1, the section titled "Funds from Operations ("FFO")" for additional information on the Company's definition and use of FFO and Core FFO.

(2) Insurance reimbursements for replacement costs related to a flood at one of our properties.

(3) The Company consolidates Hidden Valley and Hillsdale Garden Apartments. Noncontrolling interest's share of net operating income in these investments for the three and nine months ended September 30, 2016 was $1.1 million and $3.1 million respectively.

(4) Assumes conversion of all outstanding operating partnership interests in the Operating Partnership and excludes all DownREIT units for which the Operating Partnership has the ability and intention to redeem the DownREIT limited partnership units for cash and does not consider them to be common stock equivalents.

ESSEX PROPERTY TRUST, INC.

Consolidated Balance Sheets
(Dollars in thousands)

	September 30, 2016	December 31, 2015
Real Estate:		
Land and land improvements	$ 2,573,923	$ 2,522,842
Buildings and improvements	10,139,823	9,808,627
	12,713,746	12,331,469
Less: accumulated depreciation	(2,269,834)	(1,949,892)
	10,443,912	10,381,577
Real estate under development	170,972	242,326
Co-investments	1,122,913	1,036,047
Real estate held for sale, net	-	26,879
	11,737,797	11,686,829
Cash and cash equivalents, including restricted	211,055	123,055
Marketable securities and other investments	153,703	137,485
Notes and other receivables	22,941	19,285
Prepaid expenses and other assets	51,700	38,437
Total assets	$ 12,177,196	$ 12,005,091
Unsecured debt, net	$ 3,375,610	$ 3,088,680
Mortgage notes payable, net	2,209,077	2,215,077
Lines of credit, net [1]	-	11,707
Other liabilities	364,498	307,152
Total liabilities	5,949,185	5,622,616
Redeemable noncontrolling interest	44,109	45,452
Equity:		
Common stock	6	6
Cumulative redeemable preferred stock, liquidation value	-	73,750
Additional paid-in capital	7,024,827	7,003,317
Distributions in excess of accumulated earnings	(896,120)	(797,329)
Accumulated other comprehensive loss, net	(40,095)	(42,011)
Total stockholders' equity	6,088,618	6,237,733
Noncontrolling interest	95,284	99,290
Total equity	6,183,902	6,337,023
Total liabilities and equity	$ 12,177,196	$ 12,005,091

[1] Lines of credit, net excludes unamortized debt issuance costs as of September 30, 2016 as the net effect resulted in a negative debt balance as of September 30, 2016 and was reclassified to prepaid expenses and other assets on the Consolidated Balance Sheet. The net balance at December 31, 2015 resulted in a positive debt balance and is presented on a net basis.

Debt Summary - September 30, 2016
(Dollars in thousands, except in footnotes)

	Balance Outstanding	Weighted Average Interest Rate	Weighted Average Maturity in Years
Unsecured Debt, net			
Bonds private - fixed rate	$ 315,000	4.5%	3.9
Bonds public - fixed rate	2,850,000	3.5%	6.6
Term loan [1]	225,000	2.4%	0.2
Unamortized net premiums and debt issuance costs	(14,390)	-	-
	3,375,610	3.5%	5.9
Mortgage Notes Payable, net			
Fixed rate - secured	1,869,455	4.8%	3.3
Variable rate - secured [2]	291,709	1.3%	19.1
Unamortized premiums and debt issuance costs	47,913	-	-
Total mortgage notes payable	**2,209,077**	4.3%	5.3
Unsecured Lines of Credit, net			
Line of credit [3]	-	-	
Line of credit [4]	-	-	
Unamortized debt issuance costs	(3,559)	-	
Total lines of credit [5]	**(3,559)**	-	
Total debt, net	**$ 5,581,128**	**3.8%**	

Scheduled principal payments, unamortized premiums (discounts) and (debt issuance costs) are as follows - excludes lines of credit:

	Unsecured	Secured	Unamortized premiums (discounts) and (debt issuance costs)	Total	Weighted Average Interest Rate	Percentage of Total Debt
2016	$ 200,000	$ 7,668	$ 6,128	$ 213,796	2.5%	3.8%
2017	365,000	128,007	16,141	509,148	3.0%	9.1%
2018	-	321,328	13,037	334,365	5.4%	6.0%
2019	75,000	586,954	8,424	670,378	4.3%	12.0%
2020	-	693,868	3,094	696,962	4.9%	12.5%
2021	500,000	51,584	(3,640)	547,944	4.3%	9.8%
2022	300,000	41,355	(4,095)	337,260	3.7%	6.0%
2023	600,000	846	(2,316)	598,530	3.6%	10.7%
2024	400,000	925	(1,613)	399,312	4.0%	7.2%
2025	500,000	14,611	(938)	513,673	3.5%	9.2%
2026	450,000	53,593	(331)	503,262	3.4%	9.0%
Thereafter	-	260,425	(368)	260,057	1.5%	4.7%
Total	$ 3,390,000	$ 2,161,164	$ 33,523	$ 5,584,687	3.8%	100.0%

Capitalized interest for the three and nine months ended September 30, 2016 was approximately $3.2 million and $9.4 million, respectively.

(1) The unsecured term loan has a variable interest rate of LIBOR plus 1.05%. The Company has entered into interest rate swap contracts with a notional amount totaling $225 million, which effectively converts the interest rate on of the term loan to a fixed rate of 2.4%.

(2) $281.7 million of $291.7 million of variable rate debt is tax exempt to the note holders. $20.7 million is subject to interest rate cap protection agreements.

(3) The unsecured line of credit facility aggregates to $1 billion. The line matures in December 2019 with one 18-month extension, exercisable at the Company's option. The underlying interest rate on this line is based on a tiered rate structure tied to the Company's corporate ratings and is currently at LIBOR plus 0.90%.

(4) The unsecured line of credit facility is $25 million. The maturity was extended to January 2018. The underlying interest rate on this line is based on a tiered rate structure tied to the Company's corporate ratings and is currently at LIBOR plus 0.90%.

(5) For financial statement purposes, unamortized debt issuance costs related to unsecured lines of credit have been reclassified to prepaid expenses and other assets on the Consolidated Balance Sheet because the net effect resulted in a negative debt balance as of September 30, 2016.

Capitalization Data, Public Bond Covenants, Credit Ratings and Selected Credit Ratios - September 30, 2016
(Dollars and shares in thousands)

Capitalization Data

Total debt, net	$	5,581,128
Common stock and potentially dilutive securities		
Common stock outstanding		65,523
Limited partnership units [1]		2,295
Options-treasury method		102
Total shares of common stock and potentially dilutive securities		67,920
Common stock price per share as of September 30, 2016	$	222.70
Total equity capitalization	$	15,125,784
Total market capitalization	$	20,706,912
Ratio of debt to total market capitalization		27.0%

Credit Ratings

Rating Agency	Rating	Outlook
Fitch	BBB+	Stable
Moody's	Baa2 [2]	Positive
Standard & Poor's	BBB [3]	Positive

(1) Assumes conversion of all outstanding operating partnership interests in the Operating Partnership into shares of the Company's common stock.
(2) As of September 30, 2016. Upgraded to Baa1 in October 2016 with a stable outlook.
(3) As of September 30, 2016. Upgraded to BBB+ in October 2016 with a stable outlook.

Public Bond Covenants [1]	Actual	Requirement
Adjusted Debt to Adjusted Total Assets:	39%	< 65%
Secured Debt to Adjusted Total Assets:	15%	< 40%
Interest Coverage:	387%	> 150%
Unsecured Debt Ratio [2]:	279%	> 150%

Selected Credit Ratios [3]	Actual
Net Indebtedness Divided by Adjusted EBITDA:	5.7
Unencumbered NOI to Adjusted Total NOI:	67%

(1) Refer to page S-17.4 for additional information on the Company's Public Bond Covenants.
(2) Unsecured Debt Ratio is unsecured assets (excluding investments in co-investments) divided by unsecured indebtedness.
(3) Refer to pages S-17.1 to S-17.4, the section titled "Reconciliations of Non-GAAP Financial Measures and Other Terms" for additional information on the Company's Selected Credit Ratios.

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

Portfolio Summary as of September 30, 2016

	Apartment Homes				Average Monthly Rental Rate [1]			Percent of NOI [2]		
Region - County	**Consolidated [3]**	**Unconsolidated Co-investments [4]**	**Apartment Homes in Development [5]**	**Total**	**Consolidated**	**Unconsolidated Co-investments [6]**	**Total [7]**	**Consolidated**	**Unconsolidated Co-investments [6]**	**Total [7]**
Southern California										
Los Angeles County	9,438	1,418	-	10,856	$ 2,285	$ 1,989	$ 2,265	19.8%	12.4%	19.2%
Orange County	5,788	1,144	-	6,932	2,030	1,744	2,004	10.9%	8.8%	10.7%
San Diego County	5,203	616	-	5,819	1,806	1,633	1,797	8.8%	4.6%	8.4%
Ventura County	2,897	373	-	3,270	1,667	2,097	1,693	4.8%	3.4%	4.6%
Other Southern CA	623	249	-	872	1,575	1,510	1,564	0.8%	1.6%	0.8%
Total Southern California	23,949	3,800	-	27,749	2,026	1,837	2,012	45.1%	30.8%	43.7%
Northern California										
Santa Clara County	6,160	2,477	852	9,489	2,669	2,677	2,670	16.4%	29.7%	17.8%
Alameda County	3,138	1,548	251	4,937	2,435	2,359	2,420	7.5%	14.7%	8.1%
San Mateo County	1,830	197	320	2,347	2,788	2,820	2,790	5.2%	2.7%	4.9%
Contra Costa County	2,270	49	-	2,319	2,249	4,458	2,273	5.0%	0.2%	4.5%
San Francisco	1,341	463	545	2,349	3,043	3,393	3,099	3.6%	7.5%	4.0%
Other Northern CA	126	-	-	126	2,383	-	2,383	0.3%	-	0.3%
Total Northern California	14,865	4,734	1,968	21,567	2,602	2,671	2,611	38.0%	54.8%	39.6%
Seattle Metro	10,239	1,958	-	12,197	1,714	1,603	1,704	16.9%	14.4%	16.7%
Total	49,053	10,492	1,968	61,513	$ 2,135	$ 2,181	$ 2,140	100.0%	100.0%	100.0%

(1) Average monthly rental rate is defined as the total potential monthly rental revenue (actual rent for occupied apartment homes plus market rent for vacant apartment homes) divided by the number of apartment homes.

(2) Actual NOI for the quarter ended September 30, 2016. See the section titled "Net Operating Income ("NOI") and Same-Property NOI Reconciliations" on page S-17.3.

(3) Includes all apartment communities with rents.

(4) Includes one rental income producing development community in lease-up which consists of 255 apartment homes.

(5) Includes development communities with no rental income.

(6) Co-investment amounts weighted for Company's pro rata share.

(7) At Company's pro rata share.

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

Operating Income by Quarter [(1)]
(Dollars in thousands, except in footnotes)

	Apartment Homes	Q3 '16	Q2 '16	Q1 '16	Q4 '15	Q3 '15
Rental and other property revenues:						
Same-property	45,517	**$ 291,617**	$ 284,856	$ 279,745	$ 276,664	$ 272,899
Acquisitions [(2)]	2,232	**17,821**	17,463	15,856	12,941	11,594
Development [(3)]	624	**7,108**	6,780	6,292	5,146	4,801
Redevelopment	680	**4,649**	4,609	4,406	4,293	4,214
Non-residential/other, net [(4)]	-	**5,883**	5,854	5,879	9,602	9,014
Total rental and other property revenues	49,053	**327,078**	319,562	312,178	308,646	302,522
Property operating expenses:						
Same-property		**88,356**	85,511	84,256	85,109	85,225
Acquisitions [(2)]		**6,367**	6,013	5,575	4,312	4,032
Development [(3)]		**2,342**	2,299	2,108	1,383	1,452
Redevelopment		**1,204**	1,466	1,507	1,653	1,611
Non-residential/other, net [(4) (5)]		**1,092**	790	1,044	(316)	1,799
Total property operating expenses		**99,361**	96,079	94,490	92,141	94,119
Net operating income (NOI):						
Same-property		**203,261**	199,345	195,489	191,555	187,674
Acquisitions [(2)]		**11,454**	11,450	10,281	8,629	7,562
Development [(3)]		**4,766**	4,481	4,184	3,763	3,349
Redevelopment		**3,445**	3,143	2,899	2,640	2,603
Non-residential/other, net [(4)]		**4,791**	5,064	4,835	9,918	7,215
Total NOI		**$ 227,717**	$ 223,483	$ 217,688	$ 216,505	$ 208,403
Same-property metrics						
Operating margin		**70%**	70%	70%	69%	69%
Annualized turnover [(6)]		**63%**	56%	45%	45%	61%
Financial occupancy [(7)]		**96.5%**	96.0%	96.0%	96.0%	96.0%

(1) Includes consolidated communities only.
(2) Acquisitions include properties acquired which did not have comparable stabilized results as of January 1, 2015.
(3) Development includes properties developed which did not have comparable stabilized results as of January 1, 2015.
(4) Other real estate assets consists mainly of retail space, commercial properties, boat slips, held for sale properties, and disposition properties.
(5) Includes other expenses and intercompany eliminations pertaining to self-insurance. In Q4'15 there were $1.9 million in reductions to operating expenses related to changes in prior period property tax estimates.
(6) Annualized turnover is defined as the number of apartment homes turned over during the quarter, annualized, divided by the total number of apartment homes.
(7) Financial occupancy is defined as the percentage resulting from dividing actual rental revenue by total potential rental revenue (actual rent for occupied apartment homes plus market rent for vacant apartment homes).

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

Same-Property Results by County - Third Quarter 2016 vs. Third Quarter 2015 and Second Quarter 2016

(Dollars in thousands, except average monthly rental rates)

			Average Monthly Rental Rate			Financial Occupancy			Gross Revenues			Sequential Gross Revenues	
Region - County	**Apartment Homes**	**Q3 '16 % of Actual NOI**	**Q3 '16**	**Q3 '15**	**% Change**	**Q3 '16**	**Q3 '15**	**% Change**	**Q3 '16**	**Q3 '15**	**% Change**	**Q2 '16**	**% Change**
Southern California													
Los Angeles County	7,443	17.3%	$ 2,253	$ 2,147	4.9%	96.6%	95.6%	1.0%	$ 50,848	$ 47,734	6.5%	$ 49,712	2.3%
Orange County	5,788	11.9%	2,030	1,932	5.1%	96.6%	96.2%	0.4%	35,716	33,835	5.6%	34,954	2.2%
San Diego County	4,961	9.1%	1,788	1,689	5.9%	96.8%	95.3%	1.6%	27,386	25,266	8.4%	26,530	3.2%
Ventura County	2,897	5.2%	1,667	1,587	5.0%	97.0%	96.4%	0.6%	14,994	14,170	5.8%	14,657	2.3%
Other Southern CA	623	0.8%	1,575	1,483	6.2%	91.0%	92.2%	-1.3%	2,766	2,676	3.4%	2,947	-6.1%
Total Southern California	21,712	44.3%	1,990	1,891	5.2%	96.6%	95.7%	0.9%	131,710	123,681	6.5%	128,800	2.3%
Northern California													
Santa Clara County	5,874	17.3%	2,661	2,523	5.5%	96.7%	96.3%	0.4%	47,445	44,794	5.9%	46,816	1.3%
Alameda County	2,914	7.4%	2,411	2,264	6.5%	95.7%	95.8%	-0.1%	21,443	19,983	7.3%	21,093	1.7%
San Mateo County	1,566	4.7%	2,677	2,525	6.0%	97.1%	96.2%	0.9%	13,015	12,099	7.6%	12,614	3.2%
Contra Costa County	2,270	5.5%	2,249	2,110	6.6%	96.8%	96.8%	0.0%	15,668	14,625	7.1%	15,274	2.6%
San Francisco	816	2.0%	2,447	2,355	3.9%	95.5%	96.1%	-0.6%	5,921	5,745	3.1%	5,833	1.5%
Other Northern CA	126	0.3%	2,383	2,126	12.1%	93.8%	95.5%	-1.8%	870	791	10.0%	851	2.2%
Total Northern California	13,566	37.2%	2,525	2,384	5.9%	96.5%	96.2%	0.3%	104,362	98,037	6.5%	102,481	1.8%
Seattle Metro	10,239	18.5%	1,714	1,582	8.3%	96.1%	96.1%	0.0%	55,545	51,181	8.5%	53,575	3.7%
Total Same-Property	45,517	100.0%	$ 2,087	$ 1,969	6.0%	96.5%	96.0%	0.5%	$ 291,617	$ 272,899	6.9%	$ 284,856	2.4%

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

Same-Property Revenue Results by County - Nine months ended September 30, 2016 vs. Nine months ended September 30, 2015

(Dollars in thousands, except average monthly rental rates)

Region - County	Apartment Homes	YTD 2016 % of Actual NOI	Average Monthly Rental Rate			Financial Occupancy			Gross Revenues		
			YTD 2016	YTD 2015	% Change	YTD 2016	YTD 2015	% Change	YTD 2016	YTD 2015	% Change
Southern California											
Los Angeles County	7,443	17.2%	$ 2,226	$ 2,109	5.5%	96.1%	95.7%	0.4%	$ 149,817	$ 140,524	6.6%
Orange County	5,788	12.1%	1,999	1,898	5.3%	96.3%	96.2%	0.1%	105,107	100,059	5.0%
San Diego County	4,961	9.0%	1,757	1,653	6.3%	96.1%	95.3%	0.8%	79,898	74,371	7.4%
Ventura County	2,897	5.3%	1,645	1,556	5.7%	96.5%	96.3%	0.2%	44,123	41,723	5.8%
Other Southern CA	623	0.9%	1,547	1,447	6.9%	95.7%	96.0%	-0.3%	8,666	8,189	5.8%
Total Southern California	21,712	44.5%	1,961	1,856	5.7%	96.2%	95.8%	0.4%	387,611	364,866	6.2%
Northern California											
Santa Clara County	5,874	17.5%	2,627	2,454	7.0%	96.5%	96.3%	0.2%	140,218	130,573	7.4%
Alameda County	2,914	7.4%	2,376	2,186	8.7%	95.8%	96.1%	-0.3%	63,150	58,164	8.6%
San Mateo County	1,566	4.6%	2,638	2,453	7.5%	96.4%	96.3%	0.1%	38,067	35,273	7.9%
Contra Costa County	2,270	5.4%	2,207	2,043	8.0%	96.7%	96.5%	0.2%	45,912	42,483	8.1%
San Francisco	816	2.0%	2,425	2,299	5.5%	94.6%	95.2%	-0.6%	17,507	16,755	4.5%
Other Northern CA	126	0.3%	2,274	2,000	13.7%	96.5%	96.9%	-0.4%	2,560	2,271	12.7%
Total Northern California	13,566	37.2%	2,489	2,314	7.6%	96.3%	96.2%	0.1%	307,414	285,519	7.7%
Seattle Metro	10,239	18.3%	1,666	1,541	8.1%	95.9%	96.1%	-0.2%	161,193	149,661	7.7%
Total Same-Property	45,517	100.0%	$ 2,052	$ 1,921	6.8%	96.2%	96.0%	0.2%	$ 856,218	$ 800,046	7.0%

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

Same-Property Operating Expenses - Quarter and Year to Date as of September 30, 2016 and 2015
(Dollars in thousands)

	Q3 '16	Q3 '15	% Change	% of Op. Ex.	YTD 2016	YTD 2015	% Change	% of Op. Ex.
Same-property operating expenses:								
Real estate taxes	**$ 30,447**	$ 29,477	3.3%	34.5%	**$ 88,911**	$ 86,978	2.2%	34.4%
Maintenance and repairs	**17,469**	16,889	3.4%	19.8%	**50,495**	48,395	4.3%	19.6%
Administrative	**15,841**	15,590	1.6%	17.9%	**46,823**	45,582	2.7%	18.1%
Utilities	**14,898**	14,745	1.0%	16.9%	**42,810**	41,924	2.1%	16.6%
Management fees (1)	**6,867**	5,668	21.2%	7.8%	**20,582**	16,981	21.2%	8.0%
Insurance	**2,834**	2,856	-0.8%	3.1%	**8,502**	8,559	-0.7%	3.3%
Total same-property operating expenses	**$ 88,356**	$ 85,225	3.7%	100.0%	**$ 258,123**	$ 248,419	3.9%	100.0%

(1) Reflects the Company's change to property management fee allocation.

ESSEX PROPERTY TRUST, INC.

Development Pipeline - September 30, 2016

(Dollars in millions, except per apartment home amounts in thousands and except in footnotes)

Project Name	Location	Ownership %	Estimated Apartment Homes	Estimated Commercial sq. feet	Incurred to Date	Remaining Costs	Estimated Total Cost	Essex Est. Total Cost [(1)]	Cost per Apartment Home [(2)]	Average % Occupied [(3)]	% Leased [(3)]	Construction Start	Initial Occupancy	Stabilized Operations
Development Projects - Consolidated [(4)]														
Station Park Green [(5)]	San Mateo, CA	100%	320	35,000	$ 67	$ 172	$ 239	$ 239	$ 693	0.0%	0.0%	Q3 2015	Q1 2018	Q4 2018
Gateway Village [(6)]	Santa Clara, CA	100%	476	-	32	194	226	226	475	0.0%	0.0%	Q3 2016	Q2 2018	Q3 2019
Total Development Projects - Consolidated			**796**	**35,000**	**99**	**366**	**465**	**465**	**584**					
Land Held for Future Development - Consolidated														
Other Projects [(5)]	Various	100%			77	-	77	77						
Total Development Pipeline - Consolidated			**796**	**35,000**	**176**	**366**	**542**	**542**						
Development Projects/Land Held for Future Development - Joint Venture [(4)]														
The Galloway (at Owens)	Pleasanton, CA	55%	255	5,729	84	5	89	49	341	11.8%	59.0%	Q3 2014	Q2 2016	Q2 2017
The Galloway (at Hacienda)	Pleasanton, CA	55%	251	-	63	23	86	47	343	0.0%	0.0%	Q1 2015	Q1 2017	Q1 2018
Century Towers	San Jose, CA	50%	376	2,006	134	38	172	86	456	0.0%	0.0%	Q3 2014	Q1 2017	Q1 2018
500 Folsom [(7)]	San Francisco, CA	50%	545	6,000	95	320	415	208	751	0.0%	0.0%	Q4 2015	Q4 2018	Q2 2020
Total Development Projects - Joint Venture			**1,427**	**13,735**	**376**	**386**	**762**	**390**	**$ 528**					
Grand Total - Development Pipeline			**2,223**	**48,735**	**$ 552**	**$ 752**	**$ 1,304**	**932**						
Essex Cost Incurred to Date								**(371)**						
Essex Remaining Commitment								**$ 561**						

(1) The Company's share of the estimated total costs of the project.

(2) Net of the estimated allocation to the retail component of the project.

(3) Calculations are based on multifamily operations only and are as of September 30, 2016. As of October 24, 2016, Galloway (at Owens) was 64% leased.

(4) For the third quarter of 2016, the Company's cost includes $3.0 million of capitalized interest, $0.9 million of capitalized overhead and $0.8 million of development fees (such development fees reduced G&A expenses).

(5) Reflects development of phases one and two. Costs incurred for phases three and four, which consist of 279 apartment homes, are included in Land Held for Future Development.

(6) Cost incurred to date does not include a deduction of $4.7 million for accumulated depreciation recorded during the period when the property was held as a retail operating asset.

(7) Estimated total cost is net of a projected value for low income housing tax credit proceeds and tax exempt bonds.

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

Redevelopment Pipeline - September 30, 2016
(Dollars in thousands)

Region/Project Name	Apartment Homes	Total Incurred To Date	Estimated Remaining Cost	Estimated Total Cost	Project Start Date	NOI For the nine months ended 2016	NOI For the nine months ended 2015
Same-property - Redevelopment Projects [1]							
Southern California							
Hamptons	215	$ 11,900	$ 11,700	$ 23,600	Q1 2014		
The Hallie (formerly Monterras)	292	22,200	4,200	26,400	Q1 2014		
Seattle Metro							
Park Highland	250	9,500	3,000	12,500	Q4 2014		
Total Same-Property - Redevelopment Projects	757	$ 43,600	$ 18,900	$ 62,500		$ 11,478	$ 10,009
Non-same property - Redevelopment Projects							
Southern California							
Bunker Hill Towers	456	$ 52,600	$ 34,800	$ 87,400	Q3 2013		
Total Non-Same Property - Redevelopment Projects	456	$ 52,600	$ 34,800	$ 87,400		$ 5,323	$ 4,346

[1] Redevelopment activities are ongoing at these communities, but the communities have stabilized operations, therefore results are classified in same-property results.

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

Capital Expenditures - September 30, 2016

(Dollars in thousands, except in footnotes and per apartment home amounts)

Revenue Generating Capital Expenditures [1] [2]	**Q3 2016**	**Q2 2016**	**Q1 2016**	**Q4 2015**	**Trailing 4 Quarters**
Same-property portfolio	$ 13,029	$ 13,077	$ 15,460	$ 23,132	$ 64,698
Non-same property portfolio	7,196	6,260	8,221	8,999	30,676
Total revenue generating capital expenditures	$ 20,225	$ 19,337	$ 23,681	$ 32,131	$ 95,374
Number of same-property interior renovations completed	737	869	813	618	3,037
Number of total consolidated interior renovations completed	855	939	917	704	3,415

Non-Revenue Generating Capital Expenditures [3]	**Q3 2016**	**Q2 2016**	**Q1 2016**	**Q4 2015**	**Trailing 4 Quarters**
Non-revenue generating capital expenditures	$ 18,520	$ 16,595	$ 5,312	$ 14,533	$ 54,960
Average apartment homes in quarter	49,053	49,053	48,933	48,686	48,931
Capital expenditures per apartment homes in the quarter	$ 378	$ 338	$ 109	$ 299	$ 1,123

[1] The Company incurred $0.2 million of capitalized interest, $2.9 million of capitalized overhead and $0.2 million of co-investment redevelopment fees related to redevelopment in Q3 2016.

[2] Represents revenue generating or expense saving expenditures such as full-scale redevelopments shown on page S-12, interior unit turn renovations, enhanced amenities and certain resource management initiatives.

[3] Represents roof replacements, paving, building and mechanical systems, exterior painting, siding, etc.

Co-investments - September 30, 2016
(Dollars in thousands)

	Essex Ownership Percentage	Apartment Homes	Total Undepreciated Book Value	Debt Amount	Essex Book Value	Weighted Average Borrowing Rate	Remaining Term of Debt (in Years)	For the Three Months Ended September 30, 2016	For the Nine Months Ended September 30, 2016
Operating Non-Consolidated Joint Ventures								NOI	
Wesco I, LLC	50.0%	2,275	$ 565,442	$ 307,413	$ 94,078	3.7%	8.7	$ 9,449	$ 27,924
Wesco III, LLC	50.0%	993	245,494	133,736	47,585	3.3%	4.0	3,531	10,592
Wesco IV, LLC	50.0%	1,116	301,819	153,608	60,868	3.8%	4.4	4,801	14,323
BEXAEW, LLC	50.0%	2,191	404,186	240,767	66,346	3.3%	4.4	7,081	21,435
CPPIB	55.0%	1,977	781,417	-	426,259	-	-	11,011	31,938
Palm Valley	50.0%	1,098	370,832	221,736	68,403	2.5%	0.3	5,863	16,273
Other	50.0% - 55.0%	587	201,707	139,268	31,319	2.7%	1.8	3,009	8,782
Total Operating Non-Consolidated Joint Ventures		**10,237**	**$ 2,870,897**	**$ 1,196,528**	**$ 794,858**	**3.3%**	**4.4**	**$ 44,745**	**$ 131,267**
Development Non-Consolidated Joint Ventures [1]	50.0% - 55.0%	1,427	375,870	64,406	141,666	3.3%	0.9	304	271
Total Non-Consolidated Joint Ventures		**11,664**	**$ 3,246,767**	**$ 1,260,934**	**$ 936,524**			**$ 45,049**	**$ 131,538**

	Essex Portion of NOI and Expenses	
NOI	$ 22,970	$ 67,493
Depreciation	(12,857)	(37,337)
Interest expense and other	(5,058)	(15,345)
Gain on sale of co-investments	-	13,046
Net income from operating co-investments	**$ 5,055**	**$ 27,857**

		Weighted Average Preferred Return	Weighted Average Expected Term	Income from Preferred Equity Investments	
Income from preferred equity investments				$ 4,513	$ 11,075
Preferred Equity Investments [2]	**$ 186,389**	**10.4%**	**2.8**	**$ 4,513**	**$ 11,075**
Total Co-investments	**$ 1,122,913**			**$ 9,568**	**$ 38,932**

(1) The Company has interests in four development co-investments, which are detailed on S-11.
(2) As of September 30, 2016 the Company has invested in eleven preferred equity investments.

E S S E X P R O P E R T Y T R U S T , I N C.
Assumptions for 2016 FFO Guidance Range
Q3 2016 Earnings Results Supplement

The guidance projections below are based on current expectations and are forward-looking. The guidance is given for Total and Core FFO. See pages S-17.1 to S-17.4 for the definitions of non-GAAP financial measures and other terms as well as the reconciliations of earnings per share to FFO per share and Core FFO per share.

(Dollars in thousands, except per share data) [1]	YTD Actuals	2016 Guidance Range Low End	High End	Comments Regarding Changes to Guidance
Net Operating Income ("NOI")				
Total NOI from consolidated communities	$ 668,888	**$ 896,600**	**$ 899,000**	Includes actual results through Sept and same-property NOI growth of 7.9% to 8.3% for the full year. Includes investment activity through Oct.
Management Fees	6,145	**8,100**	**8,300**	
Interest Expense				
Interest expense, before capitalized interest	(165,059)	**(221,100)**	**(220,300)**	
Forecasted interest capitalized	9,412	**12,400**	**12,800**	
Net interest expense	(155,647)	**(208,700)**	**(207,500)**	
Recurring Income and Expenses				
Interest and other income	12,643	**16,500**	**16,900**	
FFO from co-investments	63,223	**85,900**	**86,700**	Includes actual results through Sept and investment activity completed through Oct.
General and administrative expense	(28,527)	**(40,400)**	**(41,400)**	
Preferred dividends and non-controlling interest	(8,343)	**(10,800)**	**(10,600)**	
Total recurring income and expenses	38,996	**51,200**	**51,600**	
Non-Core Income and Expenses				
Gain on sales of marketable securities and land	2,876	**2,876**	**2,876**	
Loss on early retirement of debt and redemption costs	(2,752)	**(2,752)**	**(2,752)**	
Acquisition and investment related costs	(1,379)	**(1,700)**	**(2,300)**	
Other non-core adjustments	4,041	**4,041**	**4,041**	
Total non-core income and expenses	2,786	**2,465**	**1,865**	
Funds from Operations attributable to common stockholders and unitholders	$ 561,168	**$ 749,665**	**$ 753,265**	
Funds from Operations per diluted share	$ 8.27	**$ 11.03**	**$ 11.09**	
% Change - Funds from Operations	15.0%	**13.5%**	**14.1%**	
Core Funds from Operations attributable to common stockholders and unitholders	$ 558,382	**$ 747,200**	**$ 751,400**	
Core Funds from Operations per diluted share	$ 8.23	**$ 11.00**	**$ 11.06**	
% Change - Core Funds from Operations	14.5%	**12.0%**	**12.6%**	
EPS - Diluted [2]	$ 3.29	**$ 4.24**	**$ 4.30**	
Weighted average shares outstanding	67,881	**67,950**	**67,950**	

[1] All non-core items are excluded from the YTD actuals and included in the non-core income and expense section of the FFO reconciliation.

[2] See page S-17.3 for a reconciliation to EPS.

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

Summary of Apartment Community Acquisitions and Dispositions Activity

Year to date as of September 30, 2016

(Dollars in thousands, except average rent amounts and in footnotes)

Acquisitions

Property Name	Location	Apartment Homes	Essex Ownership Percentage	Entity	Date	Contract Price	Price per Apartment Home	Average Rent
Mio	San Jose, CA	103	100.0%	EPLP	Jan-16	$ 51,300	$ 498	$ 2,888
Form 15	San Diego, CA	242	100.0%	EPLP	Mar-16	97,400	402	2,221
	Q1 2016	345				$ 148,700	$ 431	

Dispositions [1]

Property Name	Location	Apartment Homes	Essex Ownership Percentage	Entity	Date	Sales Price	Price per Apartment Home
The Heights	Chino Hills, CA	332	50.0%	JV	Jan-16	$ 93,800 [2]	$ 283
Harvest Park	Santa Rosa, CA	104	100.0%	EPLP	Feb-16	30,500	293
	Q1 2016	436				$ 124,300	$ 285
Canyon Creek	Northridge, CA	200	50.0%	JV	Apr-16	$ 53,500 [2]	$ 268
	Q2 2016	200				$ 53,500	$ 268

(1) In January 2016, the Company sold its former headquarters office building, located in Palo Alto, CA for gross proceeds of $18.0 million.

(2) The Heights and Canyon Creek sales prices represent the total sales price at 100%.

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

Preliminary 2017 MSA Level Forecast: Supply, Jobs, and Apartment Market Conditions

	Residential Supply [1]					Job Forecast [2]		Market Forecast [3]
Market	New MF Supply	New SF Supply	Total Supply	% of MF Supply to MF Stock	% of Total Supply to Total Stock	Est. New Jobs	% Growth	Economic Rent Growth
Los Angeles	10,750	6,550	17,300	0.7%	0.5%	91,700	2.1%	4.2%
Orange	6,550	4,650	11,200	1.6%	1.0%	36,400	2.3%	4.2%
San Diego	3,200	3,900	7,100	0.7%	0.6%	34,150	2.4%	5.2%
Ventura	450	375	825	0.7%	0.3%	5,100	1.7%	3.9%
So. Cal.	**20,950**	**15,475**	**36,425**	**1.0%**	**0.6%**	**167,350**	**2.2%**	**4.4%**
San Francisco	4,750	700	5,450	1.3%	0.8%	22,500	2.1%	2.2%
Oakland	2,850	5,250	8,100	0.9%	0.8%	19,000	1.7%	2.4%
San Jose	3,250	2,350	5,600	1.4%	0.8%	26,850	2.5%	2.6%
No. Cal.	**10,850**	**8,300**	**19,150**	**1.2%**	**0.8%**	**68,350**	**2.2%**	**2.5%**
Seattle	**10,950**	**8,650**	**19,600**	**2.3%**	**1.6%**	**44,600**	**2.7%**	**4.6%**
Weighted Average [4]	**42,750**	**32,425**	**75,175**	**1.3%**	**0.9%**	**280,300**	**2.3%**	**3.8%**

All data are based on Essex Property Trust, Inc. forecasts.

U.S. Economic Assumptions: 2017 G.D.P. Growth: 2.2%, 2017 Job Growth: 1.6%

(1) **Residential Supply:** total supply includes the Company's estimate of actual multifamily deliveries including properties with 50+ units and excludes student, senior and 100% affordable housing communities. Single family estimates based on an average trailing 12 month single family permit. Previous presentations had included multifamily deliveries of 100+ units and excluded student, senior and 100% affordable housing.

(2) **Job Forecast:** refers to the difference between total non-farm industry employment (not seasonally adjusted) projected 4Q over 4Q, expressed as total new jobs and growth rates.

(3) **Market Forecast:** the estimated rent growth represents the forecasted change in effective market rents for full year 2017 vs 2016 (excludes submarkets not targeted by Essex).

(4) **Weighted Average:** markets weighted by scheduled rent in the Company's Portfolio.

Adjusted EBITDA Reconciliation

Adjusted EBITDA (earnings before interest, taxes, depreciation, and amortization) is a component of the credit ratio, "Net Indebtedness Divided by Adjusted EBITDA", presented on page S-6, in the section titled "Selected Credit Ratios", and it is not intended to be a measure of free cash flow for our management's discretionary use, as it does not consider certain cash requirements such as income tax payments, debt service requirements, capital expenditures and other fixed charges. Adjusted EBITDA is not a recognized measurement under U.S. GAAP. Because not all companies use identical calculations, our presentation of Adjusted EBITDA may not be comparable to similarly titled measures of other companies.

The reconciliation of Adjusted EBITDA to Net Income available to common stockholders is presented in the table below (Dollars in thousands):

	Three Months Ended September 30, 2016
Net income available to common stockholders	$ 65,561
Add: Net income attributable to noncontrolling interest	4,601
Net Income	70,162
Adjustments:	
Acquisition and investment related costs	284
Depreciation and amortization	110,467
Equity income from co-investments	(5,055)
Gain from sale of marketable securities	(1,033)
Insurance reimbursements	(31)
Interest expense, net (1)	53,550
Adjusted EBITDA	$ 228,344

(1) Interest expense, net includes items such as gains on derivatives and the amortization of deferred charges.

Encumbered

Encumbrance means any mortgage, deed of trust, lien, charge, pledge, security interest, security agreement or other encumbrance of any kind.

Funds From Operations ("FFO")

FFO, 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, impairment charges, gains/losses on sales of real estate and extraordinary items. Management considers FFO and FFO which excludes merger, integration and acquisition costs and items that are not routine or not related to the Company's core business activities, which is referred to as "Core FFO", to be useful financial performance measurements of an equity REIT because, together with net income and cash flows, FFO and Core FFO provide investors with additional bases to evaluate the operating performance and ability of a REIT to incur and service debt and to fund acquisitions and other capital expenditures and the ability to pay dividends.

Funds From Operations ("FFO") - continued

FFO and Core FFO do not represent net income or cash flows from operations as defined by U.S. generally accepted accounting principles ("GAAP") and are not intended to indicate whether cash flows will be sufficient to fund cash needs. These measures 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 and Core FFO do not measure whether cash flow is sufficient to fund all cash needs including principal amortization, capital improvements and distributions to shareholders. FFO and Core FFO do not represent cash flows generated from operating, investing or financing activities as defined under U.S. GAAP. Management has consistently applied the NAREIT definition of FFO to all periods presented. However, there is judgment involved and other REITs' calculation of FFO may vary from the NAREIT definition for this measure, and thus their disclosures of FFO may not be comparable to the Company's calculation.

The reconciliation of diluted FFO and Core FFO are detailed on page S-3 in the section titled "Consolidated Funds From Operations".

Interest Expense, Net

Interest expense, net is a U.S. GAAP measure and is presented on page S-1 titled "Consolidated Operating Results". Interest expense, net includes items such as gains on derivatives and the amortization of deferred charges and is presented in the table below (Dollars in thousands):

	Three Months Ended September 30, 2016	Nine Months Ended September 30, 2016
Interest expense	$ (56,693)	$ (164,727)
Adjustments:		
Total return swap income	3,143	9,080
Interest expense, net	$ (53,550)	$ (155,647)

Net Indebtedness Divided by Adjusted EBITDA

This credit ratio is presented on page S-6 in the section titled "Selected Credit Ratios". This credit ratio is calculated by dividing net indebtedness by Adjusted EBITDA, as annualized based on the most recent quarter, and adjusted for estimated net operating income from properties acquired during the quarter. This ratio is presented by the Company because it provides rating agencies and investors an additional means of comparing the Company's ability to service debt obligations to that of other companies. Net indebtedness is total debt, net less unamortized premiums, discounts, debt issuance costs, unrestricted cash and cash equivalents, and marketable securities. The reconciliation of Adjusted EBITDA is set forth in "Adjusted EBITDA Reconciliation" above. The calculation of this credit ratio and a reconciliation of net indebtedness to total debt, net is presented in the table below (Dollars in thousands):

Total debt, net	$ 5,581,128
Adjustments:	
Unamortized premiums, discounts, and debt issuance costs	(29,964)
Cash and cash equivalents-unrestricted	(195,167)
Marketable securities	(153,703)
Net Indebtedness	$ 5,202,294
Adjusted EBITDA, annualized (1)	$ 913,376
Net Indebtedness Divided by Adjusted EBITDA, annualized	5.7

(1) Based on the amount for the most recent quarter, multiplied by four.

Reconciliations of Non-GAAP Financial Measures and Other Terms

Net Operating Income ("NOI") and Same-Property NOI Reconciliations

Net Operating Income ("NOI") and Same-property NOI are considered by management to be an important supplemental performance measures to earnings from operations included in the Company's consolidated statements of income. The presentation of same-property NOI assists with the presentation of the Company's operations prior to the allocation of depreciation and any corporate-level or financing-related costs. NOI reflects the operating performance of a community and allows for an easy comparison of the operating performance of individual communities or groups of communities. In addition, because prospective buyers of real estate have different financing and overhead structures, with varying marginal impacts to overhead by acquiring real estate, NOI is considered by many in the real estate industry to be a useful measure for determining the value of a real estate asset or group of assets. The Company defines same-property NOI as same-property revenue less same-property operating expenses, including property taxes. Please see the reconciliation of earnings from operations to same-property NOI, which in the table below is the NOI for stabilized properties consolidated by the Company for the periods presented (Dollars in thousands):

	Q3'16	YTD 2016	Q3'15	YTD 2015
Earnings from operations	$ 109,412	$ 315,280	$ 82,689	$ 238,970
Adjustments:				
Depreciation and amortization	110,467	329,847	116,308	336,946
Management and other fees	(2,093)	(6,145)	(2,104)	(6,809)
General and administrative	9,647	28,527	11,129	31,223
Merger and integration expenses	-	-	-	3,798
Acquisition and investment related costs	284	1,379	381	1,357
NOI	227,717	668,888	208,403	605,485
Less: Non-same property NOI	(24,456)	(70,793)	(20,729)	(53,858)
Same-Property NOI	$ 203,261	$ 598,095	$ 187,674	$ 551,627

Projected EPS, FFO and Core FFO per diluted share

With respect to the Company's guidance regarding its projected FFO and Core FFO for the fourth quarter of 2016 and full-year 2016, which guidance is set forth in the earnings release for the third quarter of 2016 and on page S-14 of this supplement, a reconciliation of projected net income per share to projected FFO per share and projected Core FFO per share, as set forth in such guidance, is presented in the table below.

		2016 Guidance Range			
		4th Quarter 2016		Full Year 2016	
	YTD Actual	Low	High	Low	High
EPS - diluted	$ 3.29	$ 0.95	$ 1.01	$ 4.24	$ 4.30
Conversion from GAAP share count	(0.11)	(0.04)	(0.04)	(0.15)	(0.15)
Depreciation & amortization expense	5.41	1.82	1.82	7.23	7.23
Noncontrolling interests related to Operating Partnership units	0.11	0.03	0.03	0.14	0.14
Gains on sale of real estate	(0.49)	-	-	(0.49)	(0.49)
Deferred tax expense	0.06	-	-	0.06	0.06
FFO per share - diluted	8.27	2.76	2.82	11.03	11.09
Gains on sales of marketable securities	(0.04)	-	-	(0.04)	(0.04)
Excess of redemption value of preferred stock over carrying value	0.04	-	-	0.04	0.04
Acquisition and investment related costs	0.02	0.01	0.01	0.03	0.03
Other non-core adjustments	(0.06)	-	-	(0.06)	(0.06)
Core FFO per share - diluted	$ 8.23	$ 2.77	$ 2.83	$ 11.00	$ 11.06

Public Bond Covenants

Public Bond Covenants refers to certain covenants set forth in instruments governing the Company's unsecured indebtedness. These instruments require the Company to meet specified financial covenants, including covenants relating to net worth, fixed charge coverage, debt service coverage, the amounts of total indebtedness and secured indebtedness, leveraged and certain investment limitations. These covenants may restrict the Company's ability to expand or fully pursue its business strategies. The Company's ability to comply with these covenants may be affected by changes in the Company's operating and financial performance, changes in general business and economic conditions, adverse regulatory developments or other events adversely impacting it. The breach of any of these covenants could result in a default under the Company's indebtedness, which could cause those and other obligations to become due and payable. If any of the Company's indebtedness is accelerated, it may not be able to repay it. For risks related to failure to comply with these covenants, see "Item 1A: Risk Factors - Risks related to Our Indebtedness and Financing" in the Company's Annual Report on Form 10-K and other reports filed by the Company with the Securities and Exchange Commission ("SEC").

The ratios set forth on page S-6 in the section titled "Public Bond Covenants" are provided only to show the Company's compliance with certain specified covenants that are contained in indentures related to the Company's issuance of Senior Notes, which indentures are filed by the Company with the SEC. See, for example, the Indenture dated April 11, 2016, filed by the company as Exhibit 4.1 to the Company's Form 8-K, filed on April 11, 2016. These ratios should not be used for any other purpose, including without limitation to evaluate the Company's financial condition or results of operations, nor do they indicate the Company's covenant compliance as of any other date or for any other period. The capitalized terms in the disclosure are defined in the Indentures filed by the Company via Form 8-Ks and may differ materially from similar terms used by other companies that present information about their covenant compliance.

Secured Debt

Secured Debt means Debt of the Company or any of its Subsidiaries which is secured by an Encumbrance on any property or assets of the Company or any of its Subsidiaries. The calculation of Secured Debt is set forth on page S-5.

Unencumbered NOI to Adjusted Total NOI

This ratio is presented on page S-6 in the section titled "Selected Credit Ratios". Unencumbered NOI means the sum of NOI for those real estate assets which are not subject to an Encumbrance securing Debt. The ratio of Unencumbered NOI to Adjusted Total NOI for the three months ended September 30, 2016, annualized, is calculated by dividing Unencumbered NOI, annualized for the three months ended September 30, 2016 and as further adjusted for pro forma NOI for properties acquired during the recent quarter, by Adjusted Total NOI as annualized. The calculation and reconciliation of NOI is set forth in "Net Operating Income ("NOI") and Same-Property NOI Reconciliation" above. This ratio is presented by the Company because it provides rating agencies and investors an additional means of comparing the Company's ability to service debt obligations to that of other companies. The calculation of this ratio is presented in the table below (Dollars in thousands):

	Annualized Q3'16 [(1)]
NOI	$ 910,868
Adjustments:	
Other, Net	(4,787)
Adjusted Total NOI	906,081
Less: Encumbered NOI	(299,591)
Unencumbered NOI	$ 606,490
Encumbered NOI	$ 299,591
Unencumbered NOI	606,490
Adjusted Total NOI	$ 906,081
Unencumbered NOI to Adjusted Total NOI	67%

(1) This table is based on the amounts for the most recent quarter, multiplied by four.