ESSEX

PROPERTY TRUST, INC.

ESSEX ANNOUNCES FIRST QUARTER 2025 RESULTS

San Mateo, California—April 29, 2025—Essex Property Trust, Inc. (NYSE: ESS) (the "Company") announced today its first quarter 2025 earnings results and related business activities.

Net Income, Funds from Operations ("FFO"), and Core FFO per diluted share for the three-month period ended March 31, 2025 are detailed below.

	Three Months Ended March 31,		%
	2025	2024	Change
Per Diluted Share			
Net Income	**$3.16**	$4.25	-25.6%
Total FFO	**$3.97**	$4.60	-13.7%
Core FFO	**$3.97**	$3.83	3.7%

First Quarter 2025 Highlights:

- Reported Net Income per diluted share for the first quarter of 2025 of $3.16, compared to $4.25 in the first quarter of 2024. The decrease is largely attributable to gains on remeasurement of co-investments and gains on legal settlements recognized in the first quarter of 2024.

- Grew Core FFO per diluted share by 3.7% compared to the first quarter of 2024, exceeding the midpoint of the Company's guidance range by $0.05. The outperformance was primarily driven by favorable same-property revenue growth, co-investment income, and interest expense.

- Achieved same-property revenue and net operating income ("NOI") growth of 3.4% and 3.3%, respectively, compared to the first quarter of 2024. On a sequential basis, same-property revenues and NOI improved 1.6% and 0.9%, respectively.

- Acquired three apartment home communities located in Northern California for a total contract price of $345.4 million.

- Disposed of a 53-year-old apartment home community located in Southern California for a contract price of $127.0 million.

- Issued $400.0 million of 10-year senior unsecured notes due in April 2035 bearing an interest rate of 5.375% per annum and an effective yield of 5.48%.

- Increased the dividend by 4.9% to an annual distribution of $10.28 per common share, the Company's 31st consecutive annual increase.

- Reaffirmed the full-year guidance ranges for Core FFO per diluted share, same-property revenues, expenses, and NOI.

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 revenues on a year-over-year and sequential basis for the three-month period ended March 31, 2025:

	Revenue Change		
	Q1 2025 vs. Q1 2024	**Q1 2025 vs. Q4 2024**	**% of Total Q1 2025 Revenues**
Southern California			
Los Angeles County	4.1%	2.6%	18.5%
Orange County	3.6%	1.5%	9.1%
San Diego County	2.8%	0.0%	9.2%
Ventura County	5.2%	1.7%	4.4%
Total Southern California	**3.8%**	**1.7%**	**41.2%**
Northern California			
Santa Clara County	3.3%	1.8%	19.9%
Alameda County	2.4%	0.8%	7.8%
San Mateo County	5.2%	2.7%	4.6%
Contra Costa County	3.1%	1.6%	5.5%
San Francisco	6.6%	1.8%	3.1%
Total Northern California	**3.6%**	**1.7%**	**40.9%**
Seattle Metro	**2.3%**	**1.0%**	**17.9%**
Same-Property Portfolio	**3.4%**	**1.6%**	**100.0%**

The table below illustrates the components that drove the change in same-property revenues on a year-over-year and sequential basis for the three-month period ended March 31, 2025:

Same-Property Revenue Components	**Q1 2025 vs. Q1 2024**	**Q1 2025 vs. Q4 2024**
Scheduled Rents	2.1%	0.3%
Delinquency(1)	0.7%	0.7%
Cash Concessions	0.2%	0.3%
Vacancy	-0.1%	0.4%
Other Income	0.5%	-0.1%
Q1 2025 Same-Property Revenue Growth	**3.4%**	**1.6%**

(1) Same-Property delinquency as a percentage of scheduled rent was 0.5% in the first quarter of 2025 as compared to 1.3% in both the first and fourth quarters of 2024.

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	Year-Over-Year Change		
	Q1 2025 compared to Q1 2024		
	Revenues	Operating Expenses	NOI
Southern California	3.8%	4.1%	3.7%
Northern California	3.6%	1.9%	4.3%
Seattle Metro	2.3%	7.7%	0.0%
Same-Property Portfolio	**3.4%**	**3.8%**	**3.3%**

	Sequential Change		
	Q1 2025 compared to Q4 2024		
	Revenues	Operating Expenses	NOI
Southern California	1.7%	2.3%	1.4%
Northern California	1.7%	2.3%	1.5%
Seattle Metro	1.0%	6.7%	-1.4%
Same-Property Portfolio	**1.6%**	**3.1%**	**0.9%**

	Financial Occupancies		
	Quarter Ended		
	3/31/2025	12/31/2024	3/31/2024
Southern California	95.8%	95.6%	96.1%
Northern California	96.8%	96.2%	96.2%
Seattle Metro	96.3%	96.2%	97.0%
Same-Property Portfolio	**96.3%**	**95.9%**	**96.3%**

INVESTMENT ACTIVITY

Acquisitions

In the first quarter, the Company acquired three apartment home communities comprising 619 units and located in Northern California for a total contract price of $345.4 million. Please see page S-14 of the supplemental financial information for additional details.

Dispositions

In February, the Company sold a 53-year-old, 255-unit apartment home community located in Rancho Palos Verdes, CA for a contract price of $127.0 million. Concurrent with the closing, the Company repaid a $69.6 million secured mortgage encumbering the property and recorded a $0.8 million loss on early extinguishment of debt, which has been excluded from Core FFO. The Company recorded a gain on sale of real estate of $111.0 million in the first quarter, which has been excluded from Total and Core FFO.

Subsequent to quarter end, the Company sold a 350-unit apartment home community located in Santa Ana, CA for a contract price of $239.6 million, reflecting an attractive valuation of approximately $685,000 per unit.

Other Investments

In the first quarter, the Company assumed full managerial control of a 241-unit apartment home community located in Oakland, CA associated with a preferred equity investment. The Company consolidated the community on its financial statements based on a valuation of $95.0 million and expects this investment will be FFO neutral to the 2025 forecast.

DEVELOPMENT ACTIVITY

In the first quarter, the Company began construction on a 543-unit apartment home community located in South San Francisco, CA. The projected total cost of the development is $311.0 million, representing an attractive basis of approximately $573,000 per unit. Please see page S-11 of the supplemental financial information for additional details.

BALANCE SHEET AND LIQUIDITY

Balance Sheet

In February, the Company issued $400.0 million of 10-year senior unsecured notes due in April 2035 bearing an interest rate of 5.375% per annum and an effective yield of 5.48%. The proceeds were used to repay the Company's $500.0 million senior unsecured notes at maturity in April 2025.

Common Stock and Liquidity

In the first quarter, the Company entered into forward sale agreements to sell a total of 52,600 shares of common stock at a gross initial weighted average price of $314.06 per share. The Company has not received any proceeds from settlement and can settle these agreements at its option by September 2026. The remaining capacity under the Company's ATM program is $900.0 million, pending the settlement of outstanding forward sales agreements. In the first quarter, the Company did not repurchase any shares through its stock repurchase plan.

As of March 31, 2025, the Company had approximately $1.4 billion in liquidity via undrawn capacity on its unsecured credit facilities, cash and cash equivalents, and marketable securities.

GUIDANCE

For the first quarter of 2025, the Company exceeded the midpoint of the guidance range provided in its fourth quarter 2024 earnings release for Core FFO by $0.05 per diluted share.

The following table provides a reconciliation of first quarter 2025 Core FFO per diluted share to the midpoint of the guidance provided in the Company's fourth quarter 2024 earnings release.

		Per Diluted Share
Guidance midpoint of Core FFO per diluted share for Q1 2025	$	3.92
NOI from Consolidated Communities		0.01
FFO from Co-Investments		0.02
Interest Expense and Other		0.02
Core FFO per diluted share for Q1 2025 reported	**$**	**3.97**

2025 Full-Year Guidance and Key Assumptions

Per Diluted Share	Previous Range	Current Range
Net Income	\$5.79 - \$6.29	\$9.19 - \$9.69
Total FFO	\$15.56 - \$16.06	\$15.56 - \$16.06
Core FFO	\$15.56 - \$16.06	\$15.56 - \$16.06
Q2 2025 Core FFO	N/A	\$3.90 - \$4.02
Same-Property Portfolio Growth[(1)] Based on 49,446 Apartment Homes		
Revenues	2.25% to 3.75%	2.25% to 3.75%
Operating Expenses	3.25% to 4.25%	3.25% to 4.25%
Net Operating Income	1.40% to 4.00%	1.40% to 4.00%
Q2 2025 Blended Net Effective Rate Growth	N/A	2.50% to 3.50%
Investment Assumptions		
Acquisitions	\$500.0M to \$1.5B	\$500.0M to \$1.5B
Dispositions	\$250.0M to \$750.0M	\$250.0M to \$750.0M
Structured Finance Redemptions	\$100.0M to \$200.0M	\$100.0M to \$200.0M
Development Spending at Pro Rata Share	\$75.0M	\$75.0M
Revenue-Generating Capital Expenditures	\$60.0M	\$60.0M

(1) Reflects guidance on a cash basis. On a GAAP basis, the midpoints of the Company's same-property revenues and NOI guidance are 3.00% and 2.70%, respectively.

For additional details regarding the Company's 2025 FFO guidance range, please see page S-15 of the supplemental financial information.

Conference Call with Management

The Company will host an earnings conference call with management to discuss its quarterly results on Wednesday, April 30, 2025 at 9 a.m. PT (12 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 30 days and digitally for 7 days. To access the replay online, go to www.essex.com and select the first quarter 2025 earnings link. To access the replay, dial (844) 512-2921 using the replay pin number 13752743. If you are unable to access the information via the Company's website, please contact the Investor Relations Department at investors@essex.com or calling (650) 655-7800.

Upcoming Events

The Company is scheduled to participate in the National Association of Real Estate Investment Trusts ("Nareit") REITweek in New York from June 3-4, 2025. The Company's President and Chief Executive Officer, Angela L. Kleiman, will present at the conference on June 4, 2025 at 2:45 p.m. ET. The presentation will be webcast and can be accessed on the Investors section of the Company's website at www.essex.com. A copy of any materials provided by the Company at the conference will also be made available on the Investors section of the Company's website.

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 257 apartment communities comprising over 62,000 apartment homes with an additional property in active development. Additional information about the Company can be found on the Company's website at www.essex.com.

This press release and accompanying supplemental financial information has been furnished to the Securities and Exchange Commission electronically on Form 8-K 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.

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 on sales of real estate and extraordinary items. Management considers FFO and FFO which excludes non-core items, which is referred to as "Core FFO," to be useful supplemental operating performance measures 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 to pay dividends. By excluding gains or losses related to sales of depreciated operating properties and land and excluding real estate depreciation (which can vary among owners of identical assets in similar condition based on historical cost accounting and useful life estimates), FFO can help investors compare the operating performance of a real estate company between periods or as compared to different companies. By further adjusting for items that are not considered part of the Company's core business operations, Core FFO allows investors to compare the core operating performance of the Company to its performance in prior reporting periods and to the operating performance of other real estate companies without the effect of items that by their nature are not comparable from period to period and tend to obscure the Company's actual operating results. 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 alternatives 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 stockholders. 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 FFO and Core FFO per diluted share for the three-month periods ended March 31, 2025 and 2024 (dollars in thousands, except for share and per share amounts):

	Three Months Ended March 31,	
	2025	2024
Net income available to common stockholders	**$ 203,110**	$ 272,731
Adjustments:		
Depreciation and amortization	**151,287**	139,733
Gains not included in FFO	**(111,360)**	(138,326)
Impairment loss from unconsolidated co-investments	**-**	3,726
Depreciation and amortization from unconsolidated co-investments	**14,378**	18,470
Noncontrolling interest related to Operating Partnership units	**7,279**	9,599
Depreciation attributable to third party ownership and other	**(46)**	(389)
Funds from Operations attributable to common stockholders and unitholders	**$ 264,648**	$ 305,544
FFO per share – diluted	**$ 3.97**	$ 4.60
Expensed acquisition and investment related costs	**$ -**	$ 68
Tax (benefit) expense on unconsolidated co-investments (1)	**(163)**	49
Realized and unrealized losses (gains) on marketable securities, net	**91**	(3,351)
Provision for credit losses	**(3)**	47
Equity income from non-core co-investments (2)	**(1,716)**	(5,870)
Loss on early retirement of debt	**762**	-
Co-investment promote income	**-**	(1,531)
General and administrative and other, net (3)	**1,276**	2,541
Insurance reimbursements, legal settlements, and other, net (4)	**(361)**	(42,814)
Core Funds from Operations attributable to common stockholders and unitholders	**$ 264,534**	$ 254,683
Core FFO per share – diluted	**$ 3.97**	$ 3.83
Weighted average number of shares outstanding diluted (5)	**66,656,852**	66,470,819

(1) Represents tax related to net unrealized gains or losses on technology co-investments.
(2) Represents the Company's share of co-investment income or loss from technology co-investments.
(3) Includes political advocacy costs of $0.1 million and $1.9 million for the three months ended March 31, 2025 and 2024, respectively.
(4) During the three months ended March 31, 2024, the Company settled two lawsuits related to construction defects at two communities and received cash recoveries of $42.5 million. The Company determined that all uncertainties were resolved upon receipt of cash and recorded a gain which was excluded from Core FFO. There were no material gains from legal settlements during the three months ended March 31, 2025.
(5) Assumes conversion of all outstanding limited partnership units in Essex Portfolio, L.P. (the "Operating Partnership") into shares of the Company's common stock and excludes DownREIT limited partnership units.

NET OPERATING INCOME ("NOI") AND SAME-PROPERTY NOI RECONCILIATIONS

NOI and Same-Property NOI are considered by management to be 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 revenues less same-property operating expenses, including property taxes. Please see the reconciliation of earnings from operations to NOI and 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):

	Three Months Ended March 31,	
	2025	2024
Earnings from operations	**$ 257,081**	$ 132,359
Adjustments:		
Corporate-level property management expenses	**12,332**	11,099
Depreciation and amortization	**151,287**	139,733
Management and other fees from affiliates	**(2,494)**	(2,713)
General and administrative	**16,292**	17,171
Expensed acquisition and investment related costs	**-**	68
Gain on sale of real estate and land	**(111,030)**	-
NOI	**323,468**	297,717
Less: Non-same property NOI	**(38,575)**	(21,879)
Same-Property NOI	**$ 284,893**	$ 275,838

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. Forward-looking statements are statements which are not historical facts, including statements regarding the Company's expectations, estimates, assumptions, hopes, intentions, beliefs and strategies regarding the future. Words such as "expects," "assumes," "anticipates," "may," "will," "intends," "plans," "projects," "believes," "seeks," "future," "estimates," and variations of such words and similar expressions are intended to identify such forward-looking statements. Such forward-looking statements include, among other things, statements regarding the Company's second quarter and full-year 2025 guidance (including net income, Total FFO and Core FFO, same-property growth and related assumptions) and anticipated yield on certain investments. While the Company's management believes the assumptions underlying its forward-looking statements are reasonable, such forward-looking statements involve known and unknown risks, uncertainties and other factors, many of which are beyond the Company's control, which could cause the actual results, performance or achievements of the Company to be materially different from any future results, performance or achievements expressed or implied by such forward-looking statements. The Company cannot assure the future results or outcome of the matters described in these statements; rather, these statements merely reflect the Company's current expectations of the approximate outcomes of the matters discussed.

Factors that might cause the Company's actual results, performance or achievements to differ materially from those expressed or implied by these forward-looking statements include, but are not limited to, the following: assumptions related to our second quarter and full-year 2025 guidance; occupancy rates and rental demand may be adversely affected by competition and local economic and market conditions; there may be increased interest rates, inflation, escalated operating costs and possible recessionary impacts; tariffs, geopolitical tensions and regional conflicts, and the related impacts on macroeconomic conditions, including, among other things, interest rates and inflation; the terms of any refinancing may not be as favorable as the terms of existing indebtedness; the Company's inability to maintain its investment grade credit rating with the rating agencies; the Company may be unsuccessful in the management of its relationships with its co-investment partners; the Company may fail to achieve its business objectives; time of actual completion and/or stabilization of development and redevelopment projects; estimates of future income from an acquired property may prove to be inaccurate; future cash flows may be inadequate to meet operating requirements and/or may be insufficient to provide for dividend payments in accordance with REIT requirements; changes in laws or regulations and the anticipated or actual impact of future changes in laws or regulations; unexpected difficulties in leasing of future development projects; volatility in financial and securities markets; the Company's failure to successfully operate acquired properties; unforeseen consequences from cyber-intrusion; government approvals, actions and initiatives, including the need for compliance with environmental requirements; and those further risks, special considerations, and other factors referred to in the Company's annual report on Form 10-K for the year ended December 31, 2024, quarterly reports on Form 10-Q, and those risk factors and special considerations set forth in the Company's other filings with the SEC which may cause the actual results, performance or achievements of the Company to be materially different from any future results, performance or achievements expressed or implied by such forward-looking statements. All forward-looking statements are made as of the date hereof, the Company assumes no obligation to update or supplement this information for any reason, and therefore, they may not represent the Company's estimates and assumptions after the date of this press release.

DEFINITIONS AND RECONCILIATIONS

Non-GAAP financial measures and certain other capitalized terms, as used in this earnings release and supplemental financial information, 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.

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