

Monterra in Mill Creek | *Mill Creek, WA*



Martha Lake| *Lynwood, WA*

ESSEX

PROPERTY TRUST, INC.

INVESTOR PRESENTATION

NOVEMBER 2021

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ESSEX
PROPERTY TRUST, INC.



The Galloway | *Pleasanton, CA*

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"We are Essex—the proven leader in West Coast apartments. We are a fully integrated real estate investment trust (REIT) that acquires, develops, redevelops, and manages multifamily apartment communities located in supply-constrained markets. With a commitment to the vibrant coastal economies in which we operate, we continually push to innovate, improve, and add value to the lives of our residents, associates, and shareholders.

~ Michael J. Schall
President & CEO



ESSEX
PROPERTY TRUST, INC.

ESSEX AT A GLANCE

CORPORATE HIGHLIGHTS

ESSEX PROPERTY TRUST, INC.

Established in 1971

Focused in **coastal markets** of California and Washington with superior long-term rent compound annual growth rate

Long track record of success with one of the **highest total returns of all public U.S. REITs** since IPO in 1994

S&P Dividend Aristocrat; A 27-year history of **increasing cash dividends**

CORPORATE HIGHLIGHTS

Top executives share an **average tenure of approximately 17 years**

Investment Grade Rated

$27.6 Billion Total Market Cap(1)

ESSEX PROPERTY TRUST, INC.

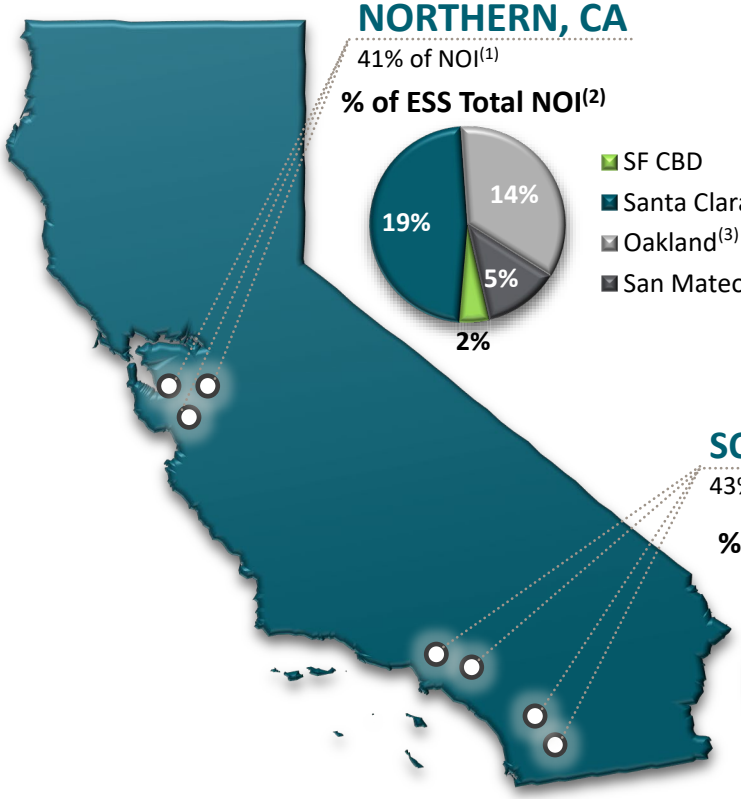
S&P 500 Company

1) As of 9/30/21

ESSEX PROPERTY TRUST, INC.

THE ONLY PUBLIC MULTIFAMILY REIT DEDICATED TO THE WEST COAST

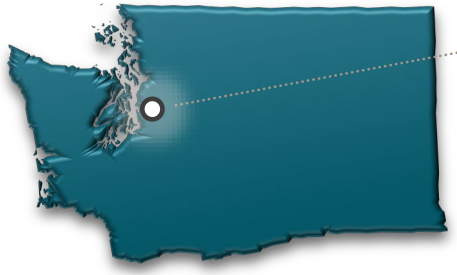
Together, California & Washington represent the 5th highest GDP in the world



NORTHERN, CA

41% of NOI(1)

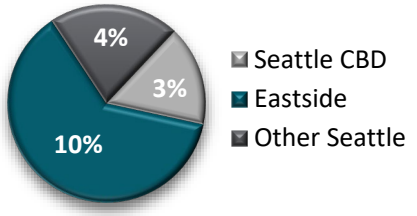
% of ESS Total NOI(2)



SEATTLE

17% of NOI(1)

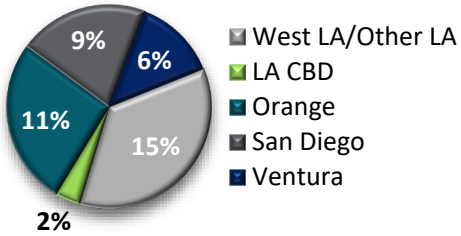
% of ESS Total NOI



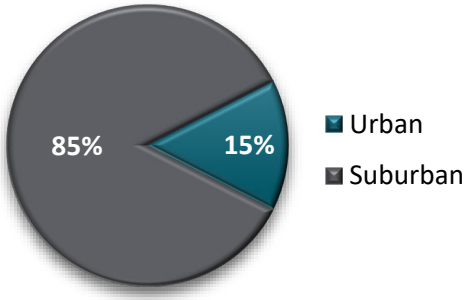
SOUTHERN, CA

43% of NOI(1)

% of ESS Total NOI



ESS Total Portfolio Breakout(4)



Source: Essex, RealPage

1) As of 9/30/21
2) Excludes two properties in Marin county which account for 0.6% of ESS total NOI
3) Oakland includes Alameda and Contra Costa counties
4) Defined by RealPage based on geographical location and density



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EXECUTIVE SUMMARY

EXECUTIVE SUMMARY - KEY HIGHLIGHTS

ESSEX PROPERTY TRUST, INC.

MARKET UPDATE

- Essex markets have recovered 63% of COVID related job losses to date, lagging the U.S. due to COVID restrictions that were in place through September of 2021 in California and Washington (Page 14)
- The West Coast is well-positioned for a robust recovery as we continue to regain jobs lost during the pandemic (Page 14)
- ESS outperforms the Sunbelt and East coast markets over the longer term, only experiencing a reversal of trend in periods of economic downturn (Page 22)

DEMAND UPDATE

- Job openings at the top-10 tech companies in Essex markets have increased 152% since the August 2020 trough, and 44% higher than the prior peak (Q1'20) (Page 15)
- Tech jobs in California and Washington account for 52% of the top-10 tech job openings nationally (Page 15)
- Housing prices in California and Washington appreciated 17% and 16%, respectively in 2021, outpacing the U.S. average of 13%. It is nearly 2x more expensive to buy than rent in ESS markets (Page 18)
- California has two of the largest Life Science clusters, jobs which are traditionally unable to work-from-home (Page 17)

SUPPLY UPDATE

- Total new permits are well below 1% of total stock in Essex markets, comparing favorably to the broader U.S. (page 20)
- Recent permit activity reflects muted supply in ESS markets relative to other metros with low barriers to supply (page 21)

OPERATIONS UPDATE

- Same-Property net effective rent from the beginning of the pandemic through preliminary October 2021 has increased 13.5% due to increasing demand for rental housing on the West Coast, and the removal of concessions (Page 24)
- As of September 2021, Essex has a -9.8% loss-to-lease, implying embedded rent growth once in-place leases are brought to current market levels (Page 26)



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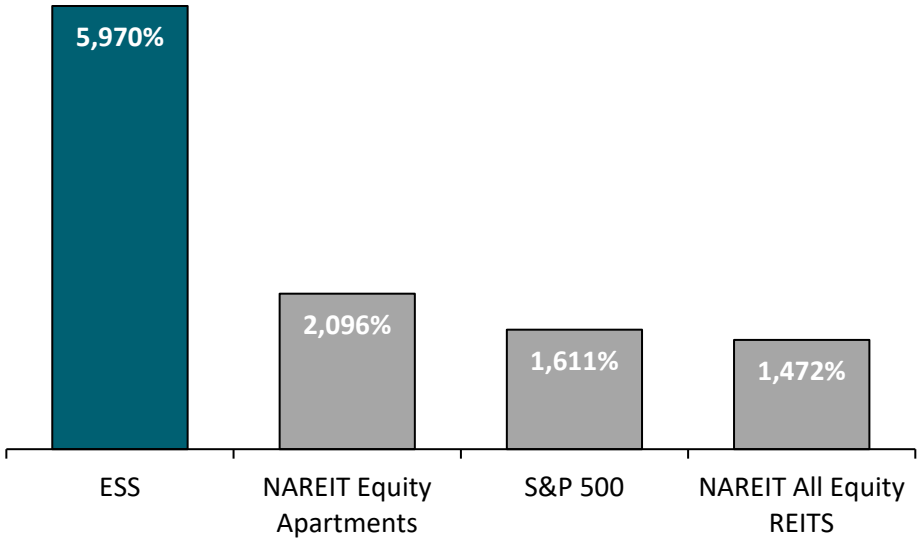
TRACK RECORD & INVESTMENT THESIS

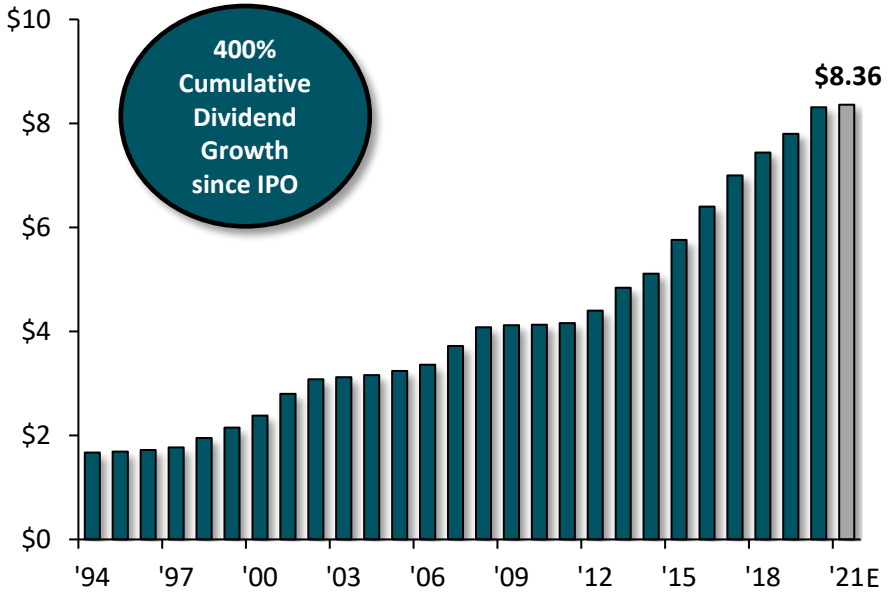
TOTAL RETURNS OUTPERFORM

- Robust value creation for shareholders since the IPO
- **A S&P Dividend Aristocrat,** Essex has increased its cash dividend for 27 consecutive years, with **400%** cumulative dividend growth since the Company's IPO in 1994

Total Shareholder Return Since IPO(1)
Through October 31, 2021



Dividend Per Share Growth
1994 - 2021E

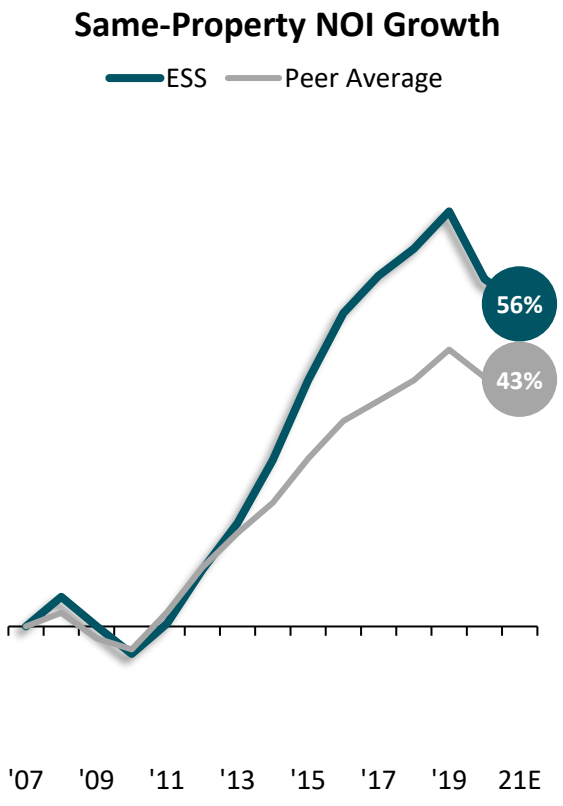


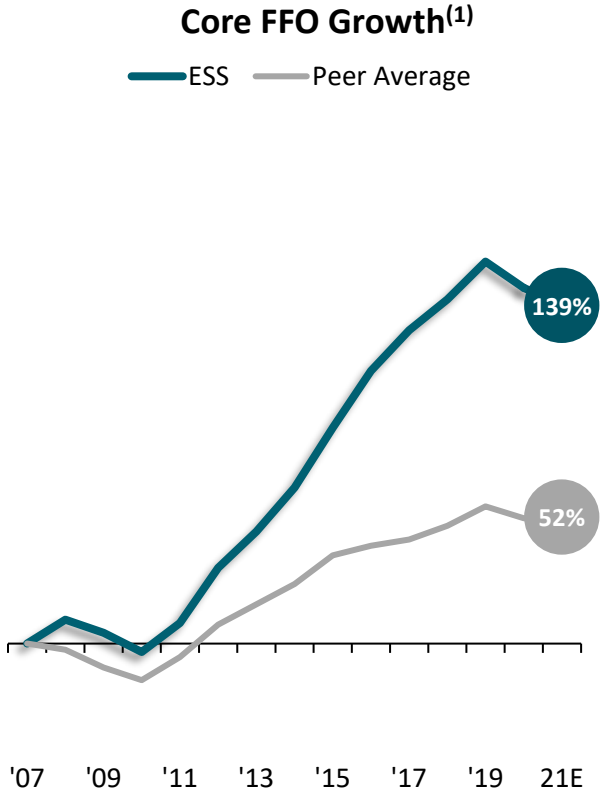
Source: Company Disclosures, S&P Global Market Intelligence
1) June 1994 – September 2021

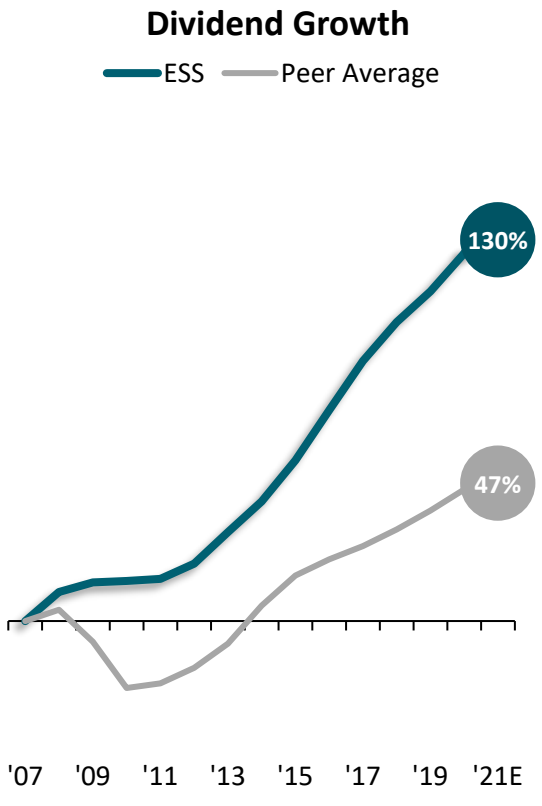
CORE METRICS OUTPERFORM

ESSEX PROPERTY TRUST, INC.

- Essex drives core metric growth through **disciplined capital allocation decisions** and an unwavering focus on **creating value for shareholders**. This process has led to relative outperformance in core FFO, same-property NOI, and dividend growth







Source: Company Disclosures

Peer average for same-property NOI, Core FFO, and dividend growth includes five multifamily REITs (EQR, AVB, UDR, MAA, and CPT)

1) CPT reports total FFO and MAA reported total FFO prior to Q1'20

CORE COMPETENCIES TO CREATE VALUE

ESSEX PROPERTY TRUST, INC.

ACQUISITIONS

Improve the NAV/share, cash flow/share and growth prospects of the company



Pure Redmond
Redmond, WA

DISPOSITIONS

Willing to sell properties and shrink when accretive to NAV and FFO/sh

Sold **$674M** worth of properties over '20-'21 at an average cap rate of **3.6%** when trading at a consensus implied cap rate of **4.7%** using proceeds to fund capital expenditures, development costs, and share buybacks

CO-INVESTMENT PLATFORM

Facilitates growth via private capital and provides attractive risk adjusted returns



The Vistas of West Hills
Valencia, CA

DEVELOPMENT / REDEVELOPMENT

Develop high-quality tenant-desired apartment homes near high-quality jobs and rent justified improvements to existing properties to maximize NOI and value



Scripps Mesa Apartments
San Diego, CA

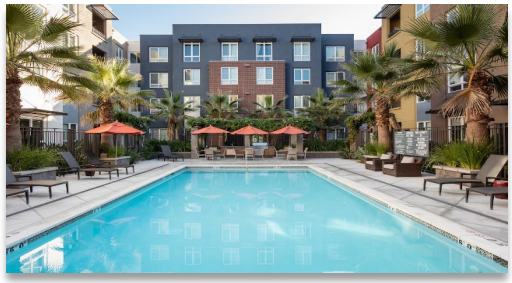
SHARE REPURCHASES

Willing to buyback shares when trading at a discount to internal net asset value to bring discount closer to NAV

Bought back **$269M** in shares over 2020 at an average price of **$225/sh** when trading at a significant discount to NAV, ***generating over $100M of value creation for shareholders***

STRUCTURED FINANCE

Invest in high-quality developments and stabilized properties within Essex footprint, yielding enhanced risk-adjusted returns compared to development at certain points during the cycle



Meridian at Midtown
San Jose, CA



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WEST COAST FUNDAMENTALS

WHY WEST COAST MARKETS?

ESSEX PROPERTY TRUST, INC.

STRONG DEMAND DRIVERS

Economy
Highest GDP in the U.S

Jobs / Income
Centers of innovation drive job creation and income growth leading to higher median household income

Affordability
Higher median home prices make purchasing a home 2x more expensive than renting in our markets

Demographics
Big tech clusters have led to higher paying jobs and income growth

LIMITED SUPPLY

New Supply
New supply of multifamily and for-sale historically below 1% of existing stock for CA

Cost
High cost of homeownership makes transition from renter to homeowner difficult

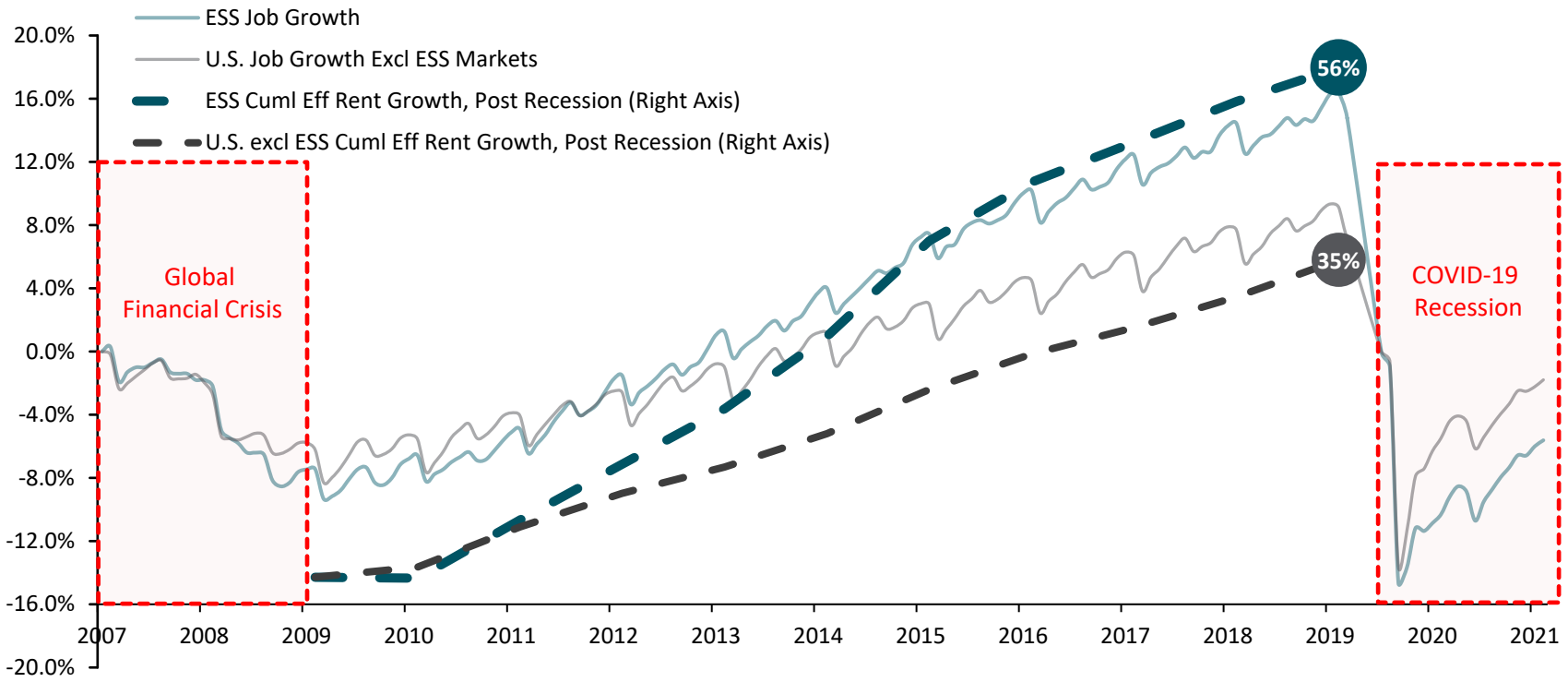
Barriers to Entry
Difficult and costly to build, restrictive and lengthy entitlement process

PATH TO RECOVERY – GFC vs. COVID-19 RECESSION

ESSEX PROPERTY TRUST, INC.

- Despite outpacing the broader U.S. in job recovery during the third quarter, Essex markets have only **recovered 63% of COVID related job losses as of September 2021**. Our markets are now well-positioned for a robust recovery as we continue to regain jobs lost during the pandemic
- During post-recessionary cycles, Essex's markets far outpace the U.S. in both job and rent growth

Employment Growth from Pre-Recession Baseline(1) and Long-Term Rent Growth(2)



Source: BLS.gov, RealPage

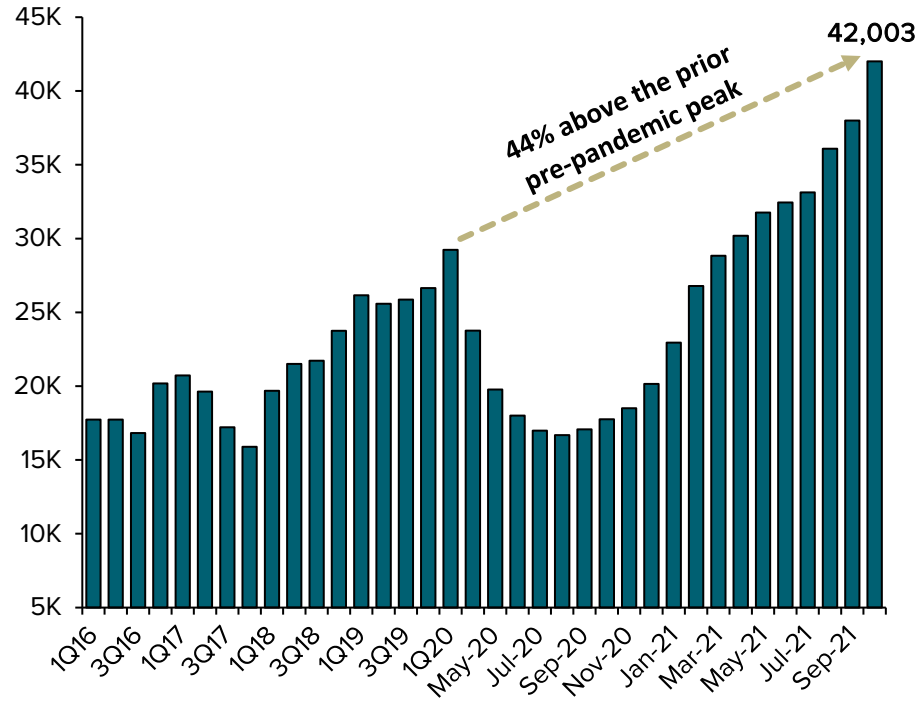
1) Represents employment growth from baseline employment using Nov 2007 for the Global Financial Crisis ("GFC") and Feb 2020 for the COVID-19 recession
2) Job data through Sep 2021 and cumulative effective rent growth data through Feb 2020

JOB OPENINGS – TOP 10 TECH FIRMS

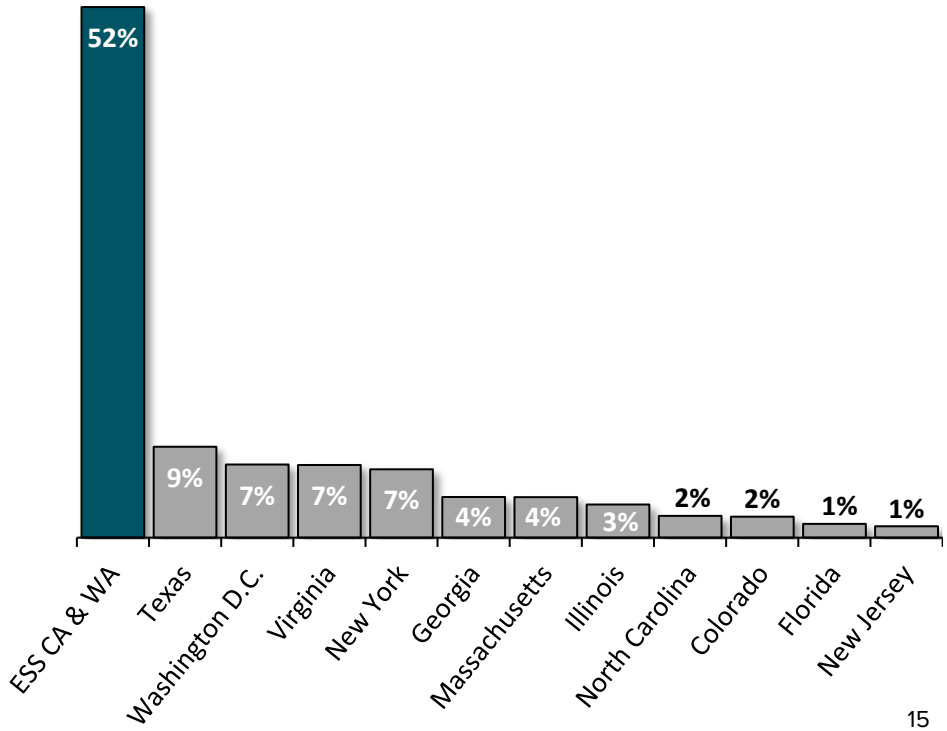
ESSEX PROPERTY TRUST, INC.

- Job openings at the top-10 tech companies have increased **152%** since the August 2020 trough and is **44%** above the prior peak in Q1'20
- California and Washington account for **52%** of the top-10 tech companies total job openings nationally, indicating a strong desire to continue to grow and expand on the West Coast

Total Job Openings in CA & WA
Top 10 Tech Companies



% of Total Tech Job Openings by State
Top 10 Tech Companies[1]



Source: Company Websites

1) As of Oct 2021

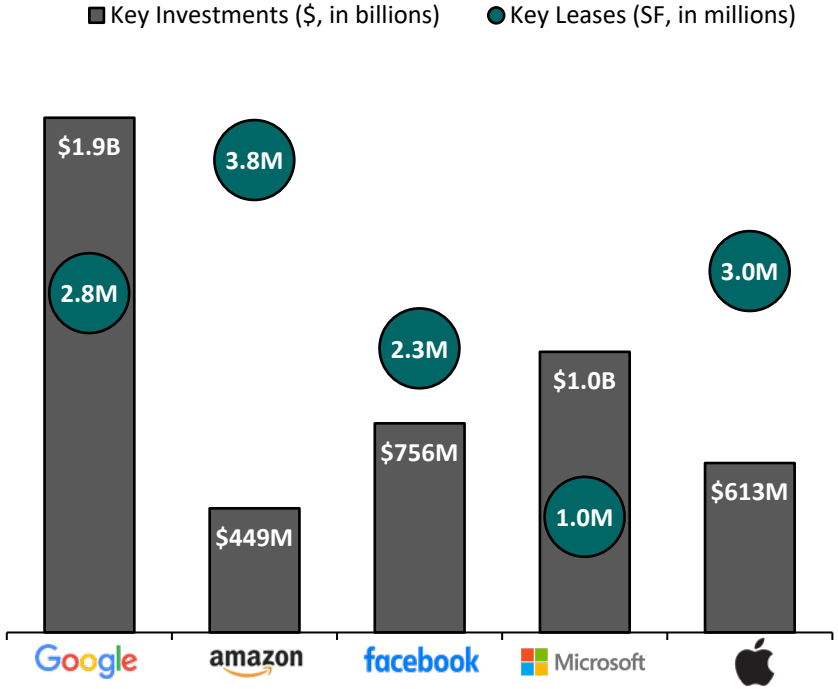
BIG TECH INVESTMENTS IN ESS MARKETS

ESSEX PROPERTY TRUST, INC.

- The largest tech companies have continued to expand their long-term footprint in Essex markets, leasing an additional **6 million square feet** and investing **$1.6 billion** in office space throughout the pandemic
- The largest technology companies continued dedication to investing in our markets throughout the pandemic reaffirms our confidence in a hybrid, tethered-to-office work environment in the future

Big Tech Aggregate Expansion in Essex Markets(1)

(Trailing 36-month)



The city of San Jose approves Google's planned 80-acre development in DT San Jose for a new campus consisting of 7.3M SF of office space. Construction is scheduled to commence early '22



In 2021, YouTube receives approval from the City of San Bruno for 2.5M SF expansion of headquarters



In 2021, Apple unveiled plans for major Culver City office expansion totaling 550k SF as part of plan to add 3,000 employees by 2026



Source: CoStar, LA Times, SF Business Journal

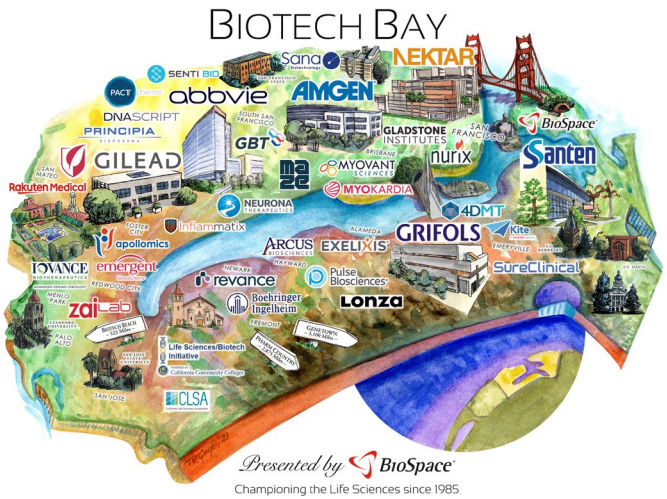
(1) Key Investments represent the aggregate dollar amount invested over the trailing 36-month period in acquisitions (at contract price), developments (at total development cost), and major redevelopments (at redevelopment cost). Key Leases represent the aggregated square footage leased within Essex markets over the trailing 36-month period

TWO OF THE LARGEST LIFE SCIENCE CLUSTERS IN THE U.S.

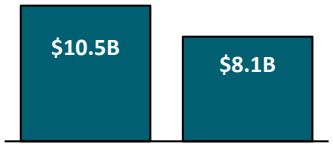
ESSEX PROPERTY TRUST, INC.

- California benefits from housing two of the largest Life Science hot beds in the U.S. Traditionally hard to build new research clusters, and with many jobs not having the WFH option, the Life Science industry is a significant employment driver for San Francisco and San Diego

San Francisco



VC Funding Trends



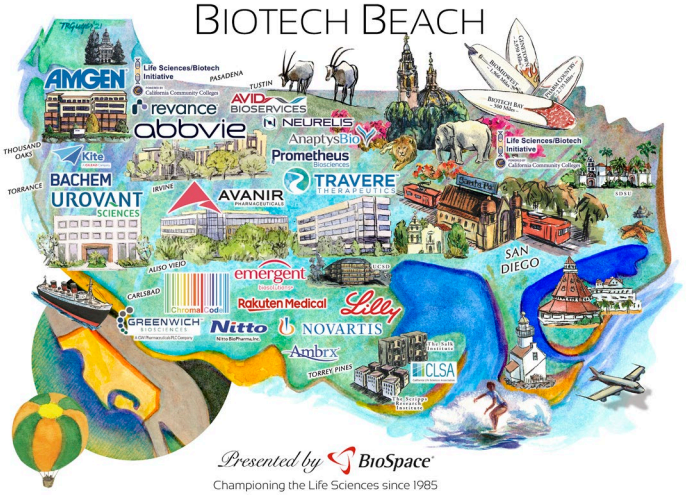
Total Life Science Employees:

58.5k

Average Annual Wage per Employee:

$151K

San Diego



VC Funding Trends



Total Life Science Employees:

33.7k

Average Annual Wage per Employee:

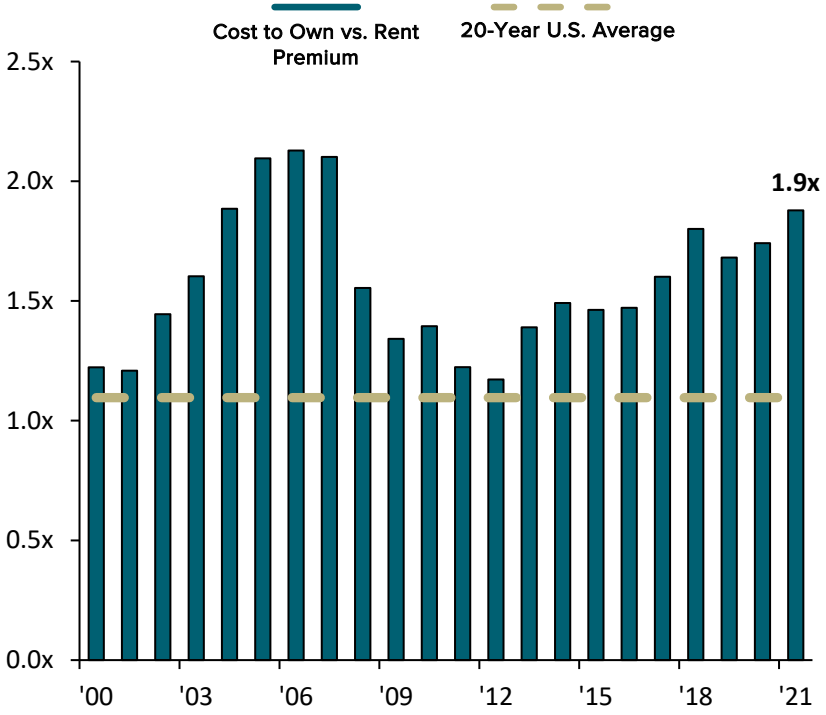
$100k

Source: BioSpace, C&W, NGK

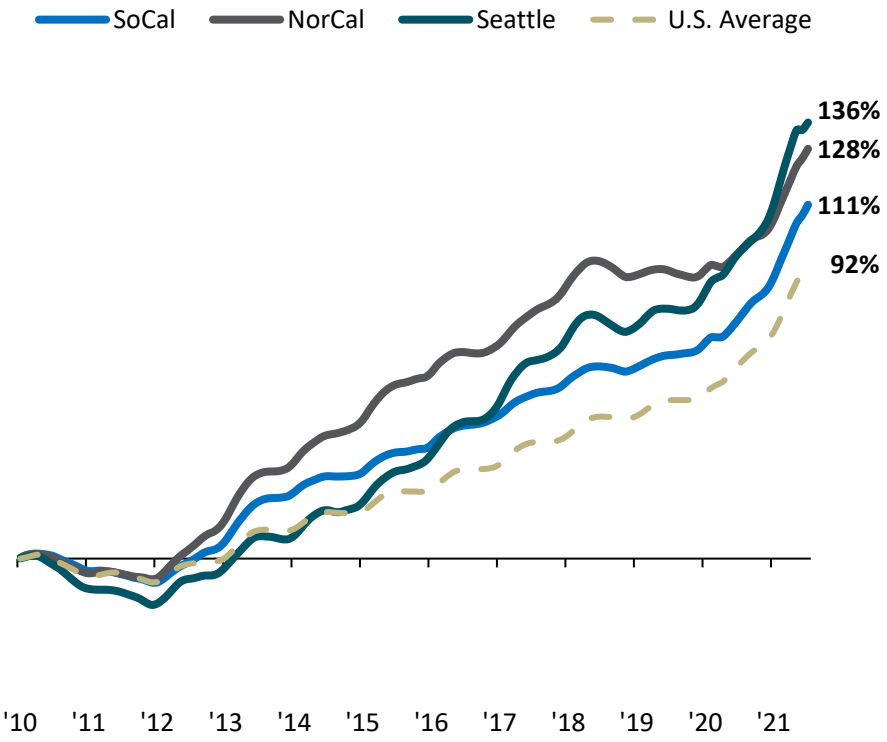
THE OWN VS. RENT PREMIUM IN ESSEX MARKETS

- It **is nearly 2x more expensive to own vs rent** in ESS markets, **significantly more expensive** than the 20-year U.S. average
- **California and Seattle home prices have increased by +17% and +16%** in 2021[(1)] respectively, and over **100%** since 2010

After-Tax Cost to Own vs. Rent in Essex Markets[(2)]



Home Price Appreciation in Core Markets



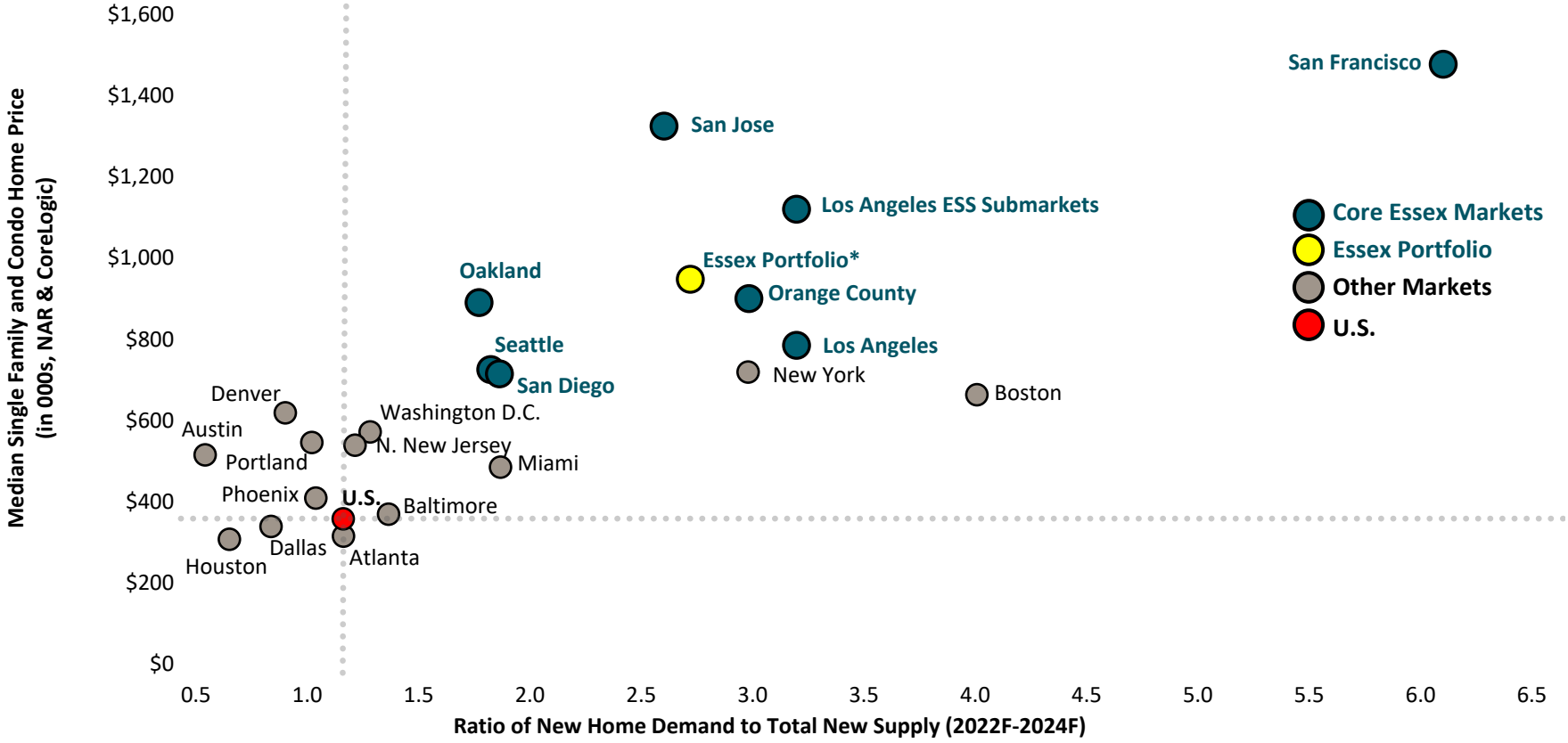
Sources: RealPage, CoreLogic, Federal Housing Finance Agency (FHFA), Census Bureau, Bureau of Labor Statistics (BLS), Federal Reserve Economic Data (FRED), Freddie Mac, Essex

1) Represents the year-to-date growth in median home prices as of Sep 2021
2) Cost premia based on median home prices, median rents and 30-yr fixed mortgage rates with 10% down payment and PMI. Tax impact based on marginal tax rates at median incomes

DEMAND TO EXCEED SUPPLY IN ESSEX'S MARKETS

ESSEX PROPERTY TRUST, INC.

- For sale housing prices are **~3x greater** in Essex's markets versus the national average and housing **demand is expected to exceed supply** significantly vs. the broader U.S. through 2024
- After significant job losses in 2020 as a result of the COVID-19 pandemic, the West Coast is expected to return to its historic reputation as a premier job location



Sources: Moody's Analytics, National Association of Realtors, CoreLogic, BLS, and Essex

*Essex Portfolio weighted by % of same-property revenue

New Home demand based upon a ratio of 2 forecast jobs to create one household (forecasts are Moody's).

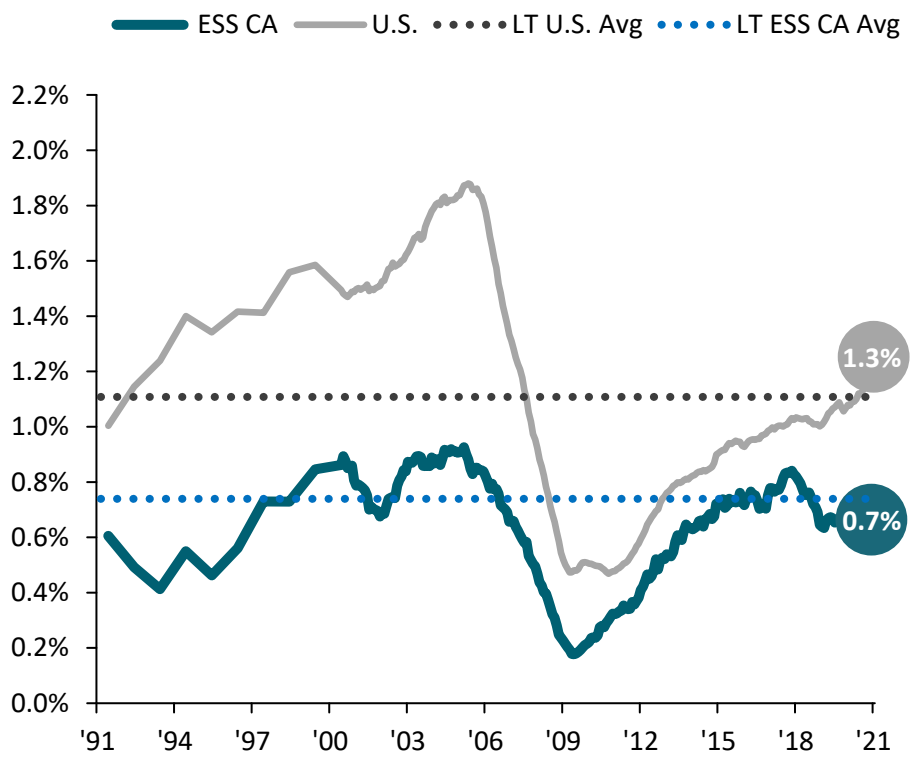
Total new supply based on Moody's total permits with delays incorporated, assuming a 24-month completion lag; except U.S. is based on Moody's total starts.

LIMITED SUPPLY IN ESSEX MARKETS

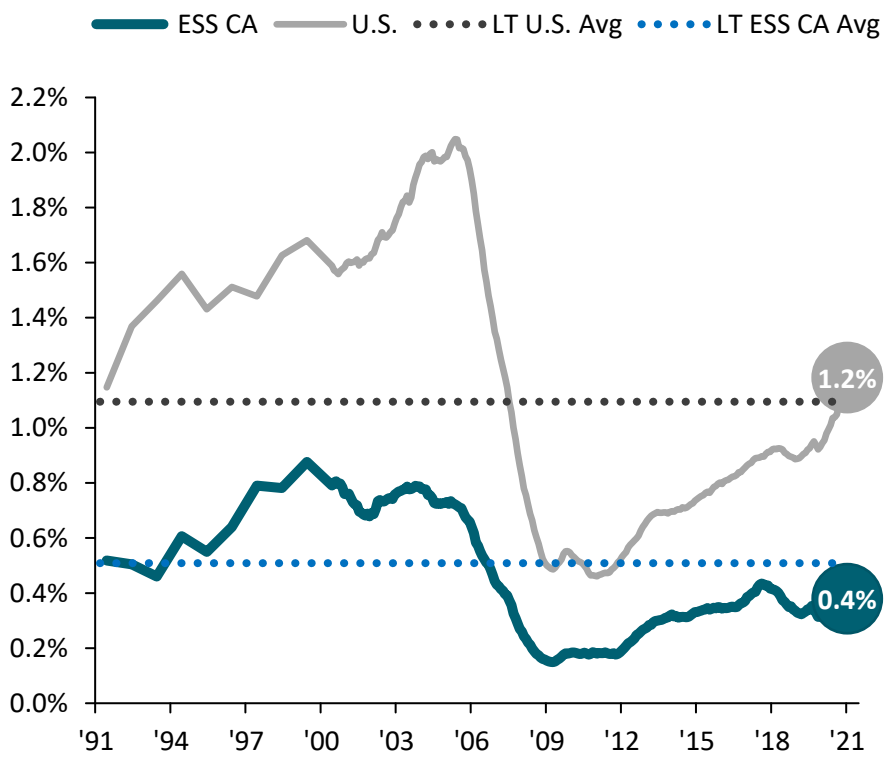
ESSEX PROPERTY TRUST, INC.

- Total permitting activity in the U.S. has steadily increased since 2012. **Essex California markets remain well below U.S. averages**
- In Essex's California markets, new supply as a percent of stock has historically remained **below 1%**

Total Permits as a % of Total Stock
ESS CA vs. U.S.[(1)(2)]



Single-Family Permits as a % of Single-Family Stock
ESS CA vs. U.S.[(1)(2)]



Source: Census Bureau, Essex, and Rosen Consulting Group

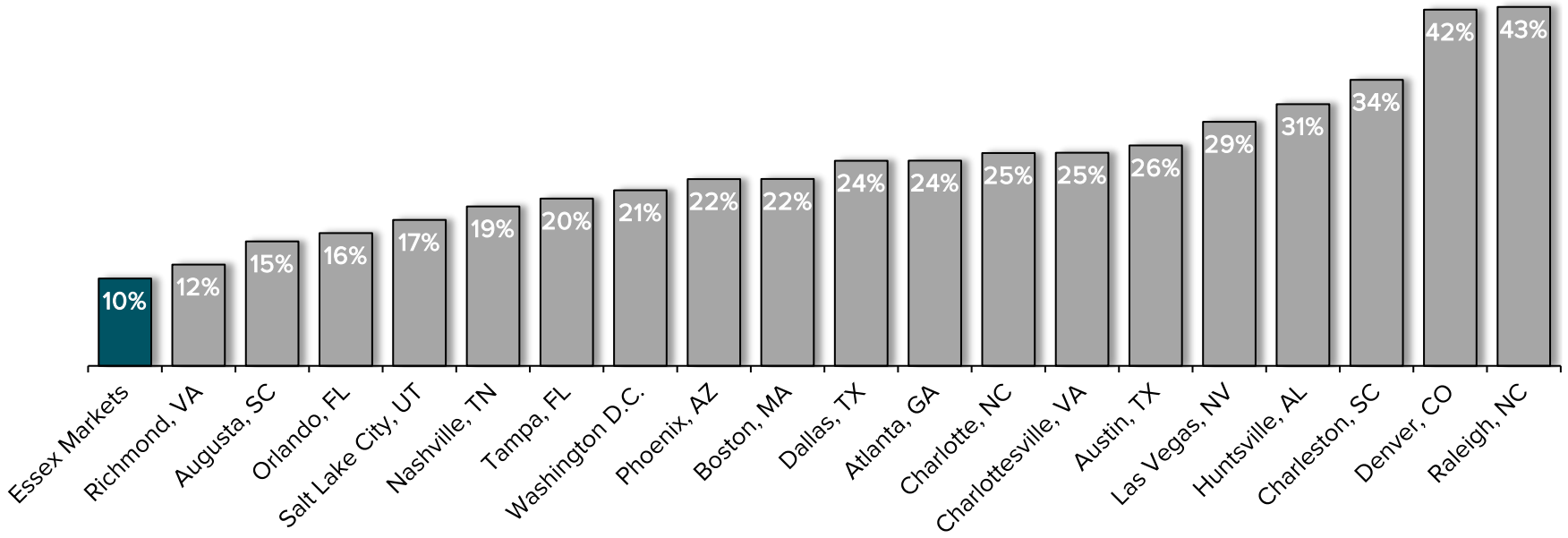
1) Through Sep 2021
2) Long-term averages from 1991 - 2020

ESSEX'S SUPPLY VS. OTHER MARKETS

ESSEX PROPERTY TRUST, INC.

- Total permitting for new housing in Essex's markets remains well below low supply barrier metros
- Essex considers the likelihood of new supply in its capital allocation process and remains committed to its West Coast markets, which have limited risk of rapid supply growth

Trailing Twelve-Month % Change in Total Permits(1)



Source: Census Bureau

1) Represents the YOY trailing twelve-month change in total permits (single-family and multifamily) as of Sep 2021

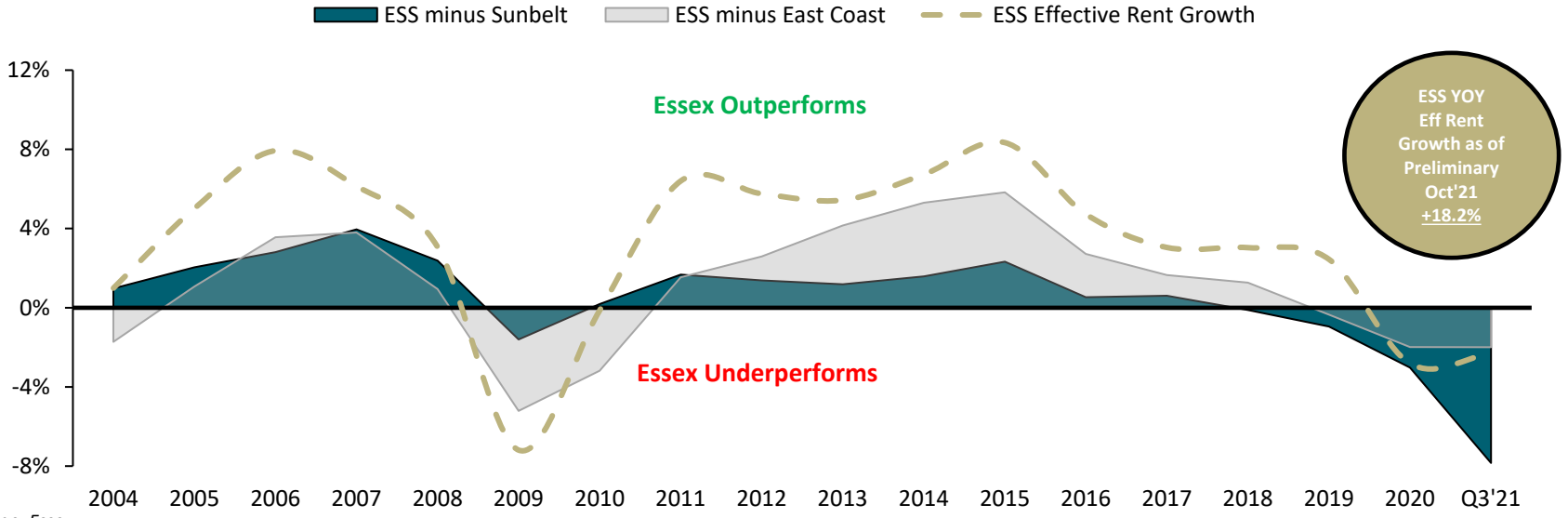
INVESTMENT STRATEGY FOCUSES ON LONG-TERM RENT GROWTH

ESSEX PROPERTY TRUST, INC.

- Rent growth in Essex markets outperforms over the broader economic cycle, but is more volatile during downturns in the cycle
- West Coast fundamentals remain compelling with muted new supply and a large concentration of high-paying jobs, leading us to believe the West Coast will continue to outperform over the long-term

Same-Property Rent Growth CAGR	2004 – Q3 2021
ESS Weighted Average Market Rent Growth	**3.3%**
Sunbelt Weighted Average Market Rent Growth[2][3]	2.6%
East Coast Weighted Average Market Rent Growth[2][3]	2.1%

Effective Rent Growth - ESS Markets vs. Sunbelt & East Coast[1][2][3]



Source: RealPage, Essex

1) Reflects the difference in T4Q average YOY effective rent growth between Essex markets, key Sunbelt markets, and key East Coast markets and Essex's T4Q average YOY effective rent growth
2) East Coast markets include: New York, Boston, Washington D.C., Philadelphia, Newark, NJ, and Baltimore. Sunbelt markets include: Atlanta, Austin, Charlotte, Dallas, Houston, Miami, Nashville, Orlando, Phoenix, Raleigh, and Tampa
3) Sunbelt and East Coast markets weighted by RealPage same-property unit count



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OPERATIONS UPDATE

SAME-PROPERTY OPERATIONS UPDATE

ESSEX PROPERTY TRUST, INC.

Same-Property Revenue Growth[1]	Q1 2021	Q2 2021	Q3 2021
Southern California	-5.8%	2.0%	8.9%
Northern California	-10.9%	-8.4%	-2.2%
Seattle	-7.0%	-2.3%	-0.6%
Total Same-Property	**-8.1%**	**-3.0%**	**2.7%**
Financial Occupancy	**96.7%**	**96.6%**	**96.4%**

Same-Property Operating Statistics	Q1 2021	Q2 2021	Q3 2021	Preliminary Oct 2021
Cash delinquencies as a % of scheduled rent[2]	2.1%	2.6%	1.4%	**1.0%**
New lease rates[3]	-9.7%	-2.4%	17.1%	**18.2%**
Renewal rates[4]	-2.4%	-1.2%	8.0%	**9.7%**
Blended rates	**-6.2%**	**-1.9%**	**12.6%**	**13.5%**

Same-Property Net Effective New Lease Rates[5]

	Southern California		Northern California		Seattle		Total Same-Property	
	vs. Dec'20	vs. Pre-COVID	vs. Dec'20	vs. Pre-COVID	vs. Dec'20	vs. Pre-COVID	vs. Dec'20	vs. Pre-COVID
Q1 2021	0.7%	-2.4%	0.3%	-16.2%	-0.7%	-14.5%	0.3%	-10.2%
Q2 2021	4.8%	1.6%	3.1%	-13.8%	8.2%	-6.8%	4.8%	-6.2%
Q3 2021	16.9%	13.3%	11.9%	-6.5%	24.9%	7.5%	16.3%	4.1%
Preliminary Oct 2021	**24.0%**	**20.2%**	**11.9%**	**-6.5%**	**21.7%**	**4.8%**	**18.8%**	**6.4%**

1) Reflects year-over-year same-property revenue changes
2) Represents total same-property portfolio cash delinquencies as a percentage of scheduled rent, reflected in the financial statements of the reporting period. Year-to-date through Q3'21, the Company has received $11.6 million in delinquency reimbursements associated with COVID rental assistance programs
3) Represents the YOY % change on a net-effective basis, including the impact of leasing incentives. The significant growth is primarily attributable to declining concessions in the current period compared to outsized concessions in the prior comparable period
4) Represents the YOY % change in similar term lease tradeouts, including the impact of leasing incentives
5) Represents the % change of new lease rates on a net effective basis, including the impact of leasing incentives, compared to Dec'20 and Mar'20 (pre-COVID)

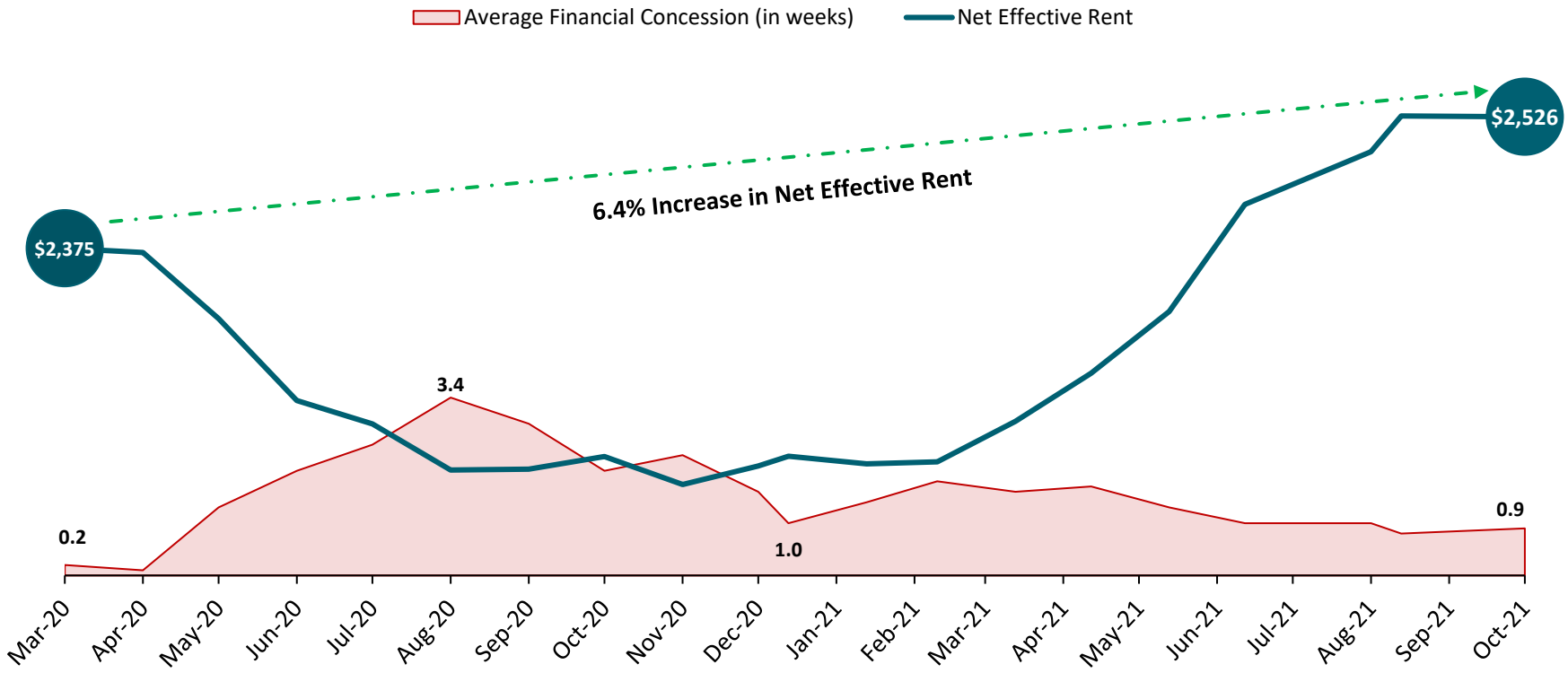
NET EFFECTIVE RENT PERFORMANCE THROUGH PANDEMIC

ESSEX PROPERTY TRUST, INC.

- Same-Property net effective rent from the beginning of the pandemic to today has increased **6.4%**, with concessions similar to pre-COVID levels. **Concessions are offered to tenants early in the lease term** and the tenant is accustomed to paying the full monthly rent by the end of the lease, **reducing the risk of affordability-driven turnover**

Same-Property Net Effective Rent(1)

(Mar'20 - Preliminary Oct'21)



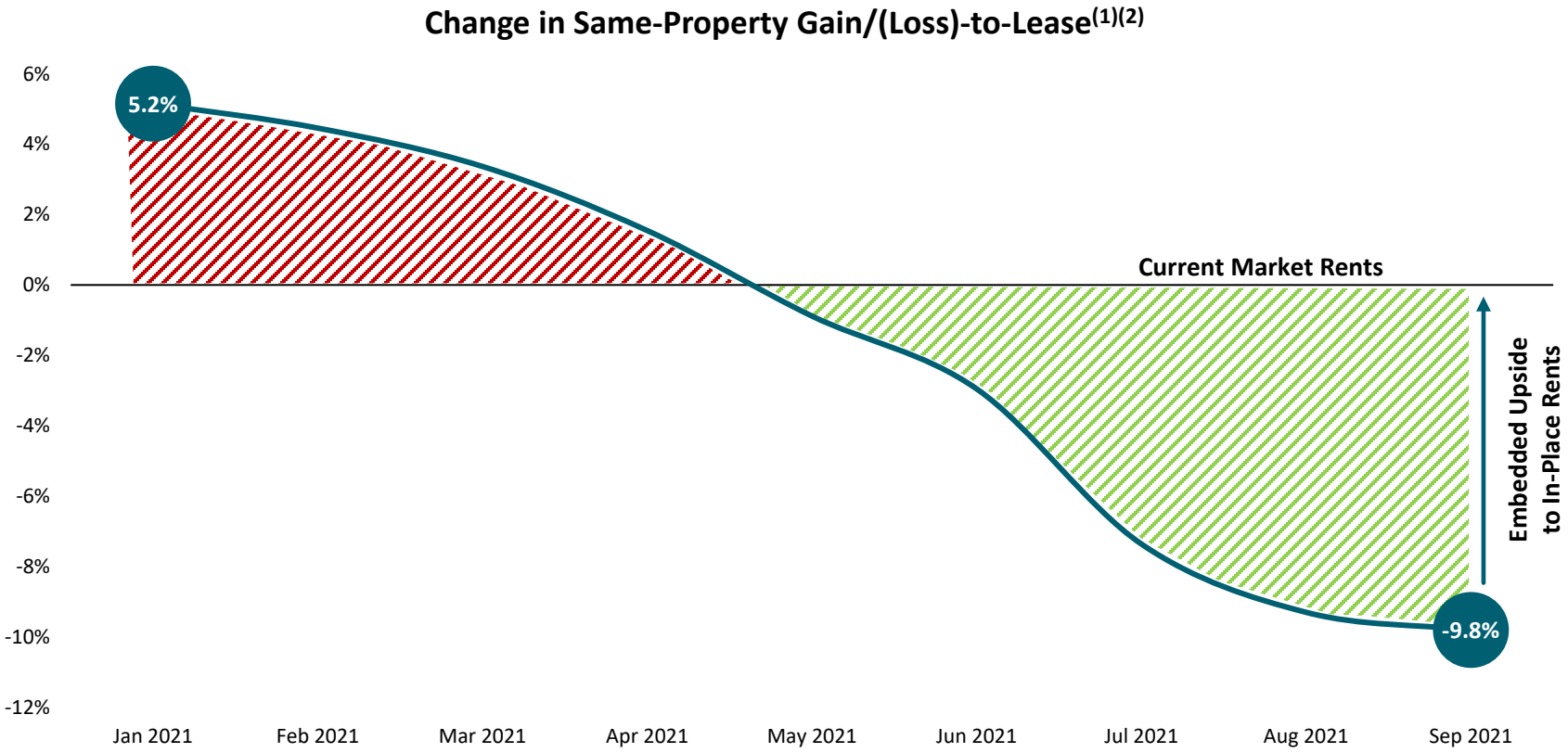
Source: Essex

1) Reflects the % change of new lease rates on a net effective basis, including the impact of leasing incentives

SUBSTANTIAL CHANGE IN LOSS-TO-LEASE THIS YEAR

ESSEX PROPERTY TRUST, INC.

- Market rents across Essex West Coast footprint have rebounded significantly year-to-date as demand has recovered from the depths of the pandemic. As of September 2021, **we had a -9.8% loss-to-lease, implying embedded rent growth** once we are able to bring in-place leases to current market levels

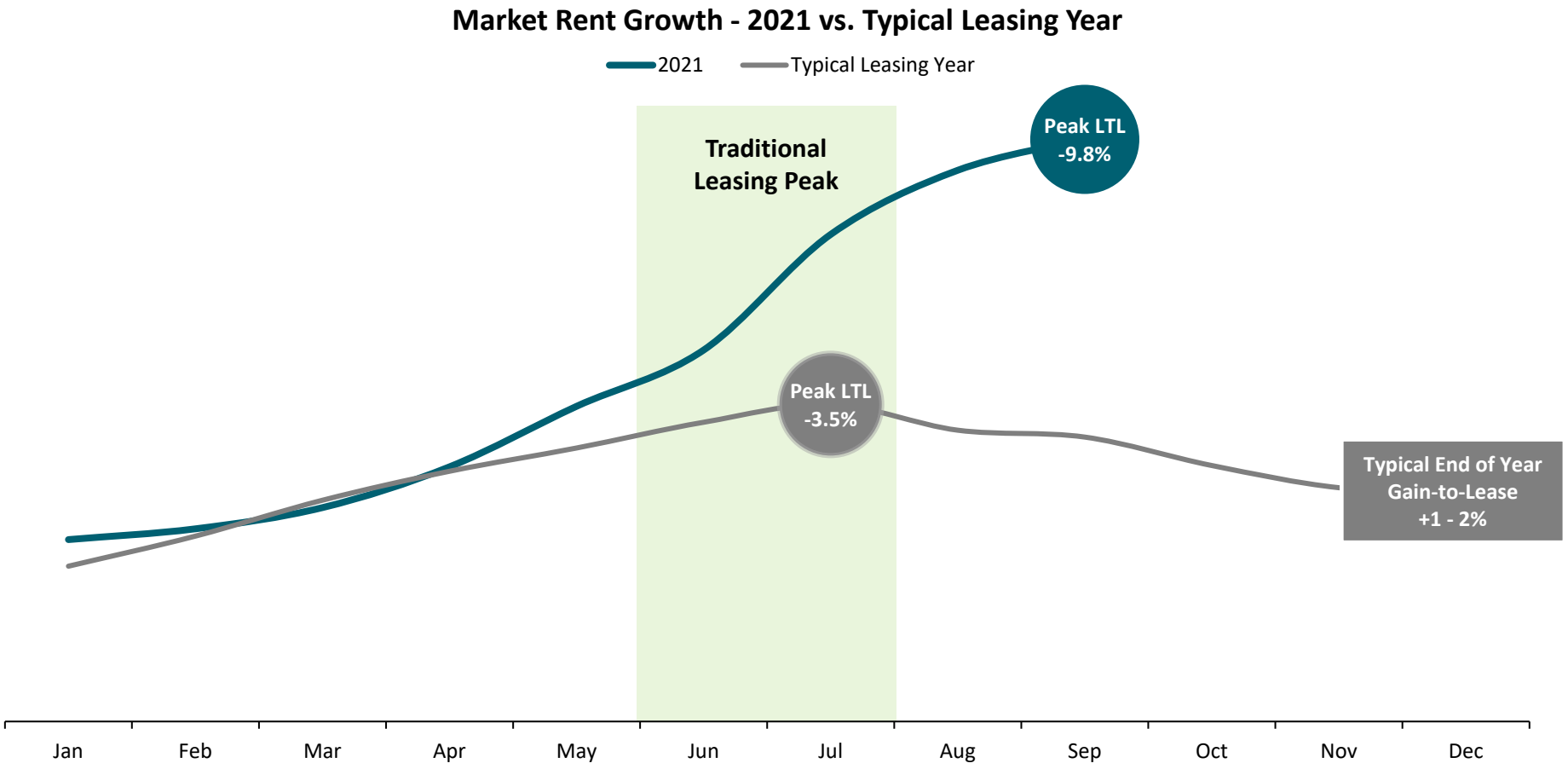


1) Gain/(loss)-to-lease represents the difference between current market rents vs the in-place rents on existing leases in the portfolio
2) The ability to capture the loss-to-lease may be impacted by emergency orders and other regulations that are beyond our control

MARKET RENT GROWTH AND SEASONALITY

ESSEX PROPERTY TRUST, INC.

- The steep and prolonged recovery in rental rates in 2021 is unprecedented compared to the West Coast's typical seasonal leasing pattern. The Company's loss-to-lease in September of 9.8% is an opportunity to improve rental revenues over the next two years

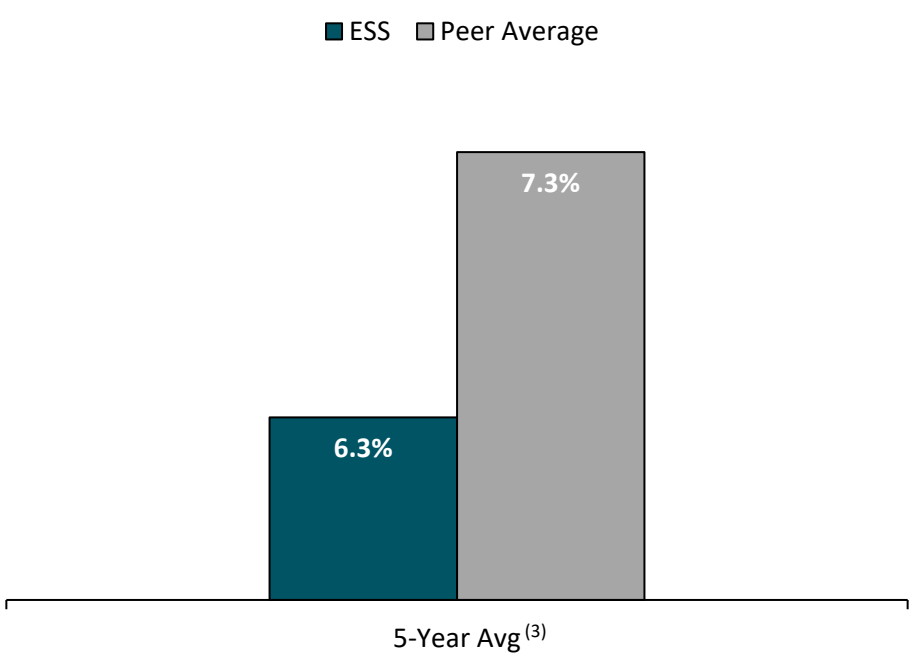


Source: Essex

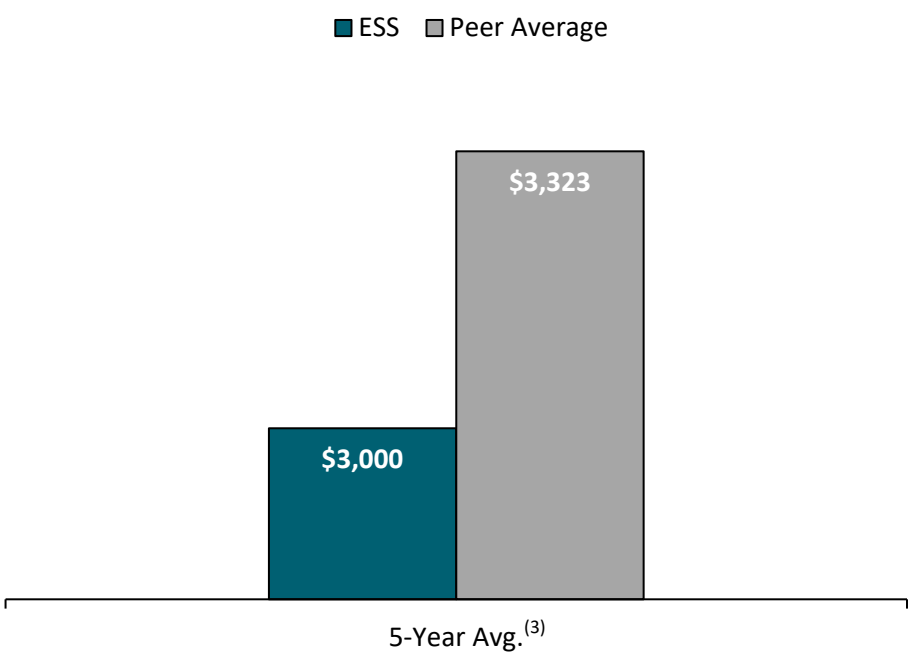
G&A EXPENSES VS. PEERS

- Essex's controllable expenses are lower on a per-unit basis compared to peers as a result of disciplined cost controls and efficiencies achieved through the Company's technology initiatives
- Corporate G&A and property management as a % of revenues has historically been **100 basis points** lower than the peer average

G&A + Property Mgmt. Fees as a % of Revenues[1]



Controllable Expenses Per Same-Property Unit[1][2]



Source: Company Documents

1) Peer average includes five multifamily REITs (EQR, AVB, UDR, MAA, and CPT)
2) Excludes real estate taxes, utilities, insurance, and other non-controllable expenses
3) 2016-2020

TECHNOLOGY INVESTMENT - RETV

ESSEX PROPERTY TRUST, INC.

- **Strategy:** Pursue an innovative win-win scenario for investment, co-development, and use of leading-edge technology
- **Goal:** Create a world class operating system at reasonable cost, with upside from industry rollout/adoption

RET Ventures Overview

RET Ventures.

Founding member of RETVentures (RET.VC) : An apartment industry consortium focused on better technology solutions

Benefits:
Combining technology and apartment companies produces specialized input and better products (differentiating RETV from other VC's)

Cost Savings:
Participation in equity position brings down cost and improves return on investment

Targeted Opportunities:
Investment strategy focuses on customer preferences, margin improvement, and solutions to operational "pain points"

Co-development:
Apartment owners often engage in co-development relationships with RETV portfolio companies, adding insights for better products

SmartRent Case Study



Product:
Manufacturer of SmartHome technology designed specifically for apartments



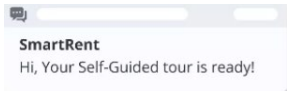
IPO:
Completed $2.2 billion public offering in August 2021 via SPAC merger



Essex Ownership:
Initial investment of $4.2M early on, which has increased in value to ~$70M today

SmartRent

Platform Rollout:
Rolling out Smartrent solution through Essex portfolio (see next page)



Positive Reviews:
Pilot program demonstrated customer preference, enabled self-tours, and maintenance efficiencies

TECHNOLOGY INITIATIVES

ESSEX PROPERTY TRUST, INC.

- Leveraging technology and customer-centric operating platform puts us on track to achieve our **operating margin goal of 100-200 bps improvement**

Funnel's CRM Platform

Next Generation Customer Relationship Manager (CRM) Improves:



Lead Management
Provides streamlined lead management, automation, scheduling, and omni-channel communications with both prospects and residents. Implemented across portfolio in 2020.



Data Analytics
Export of CRM results enhances the ability to generate new insights, boost lead conversion and enhance leasing best practices



Operations
Integration of CRM enhances operating efficiencies and improves resident satisfaction.

SmartRent Technology



Connected Home
Our home hub is the "brain" of the system used to communicate with your devices



Home Automation
Set scenes, schedules and automations to simplify your life, saving time & money



Monitoring & Notifications
Receive notifications for water leaks, access code usage and more



Energy Conservation
Reduces repair and leakage time. Cuts down on paper usage with 100% digital backups

SightPlan



Task Management
Receive service requests on-the-go and complete unit-by-unit inspections efficiently



Mobile Maintenance
Input service requests anytime and anywhere, from the convenience of your mobile phone



Real-Time Communication
Residents can communicate directly with technician and track the progress of their requests in real-time



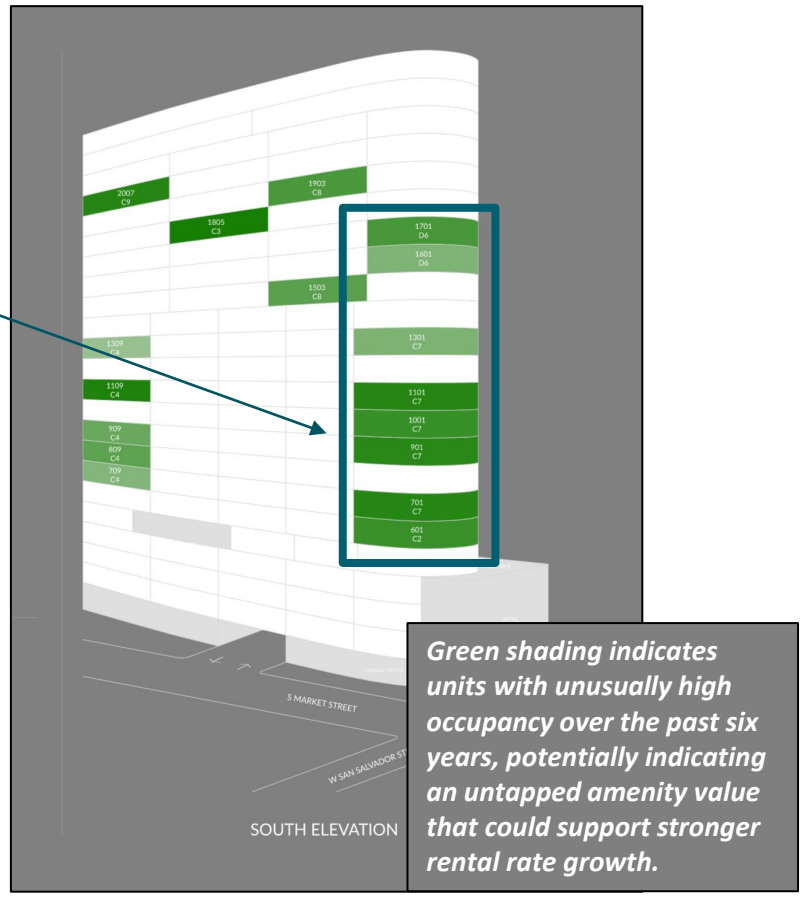
Visual Problem Solving
Residents can submit photos along with their service request, allowing technicians to diagnose the problem ahead of the task

LEVERAGING ADVANCED ANALYTICS TO DRIVE GROWTH

ESSEX PROPERTY TRUST, INC.

- Proprietary analytics is adding bottom-line value across Revenue Management, Leasing Operations, Maintenance, and Investments. Examples include:
  - Interactive property maps help Revenue Management identify units with untapped revenue potential, based on historical patterns of unit-level occupancy and turnover
    - We estimate that over one-third of our vacancy is represented by units with significant upside opportunity from advanced pricing optimization
  - Novel, real-time data sources help identify submarket-level trends in mobility, migration, job postings, and supply pipelines – all factors that influence our portfolio strategy and future investment returns
  - Advanced text analytics is helping identify sales best practices that drive our leasing productivity and lead conversion
  - Outlier detection and automated unit inspection tracking are generating new maintenance efficiencies that boost property operating margins

360 Residences – San Jose, CA



Green shading indicates units with unusually high occupancy over the past six years, potentially indicating an untapped amenity value that could support stronger rental rate growth.



ESSEX
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ESG HIGHLIGHTS

ENVIRONMENTAL OVERVIEW

ESSEX PROPERTY TRUST, INC.

- Lowering environmental impact is a priority to Essex. The company is performing a climate risk assessment in 2021 and will use the results to set new goals and build upon its existing environmental achievements

10 Years of Positive Impact

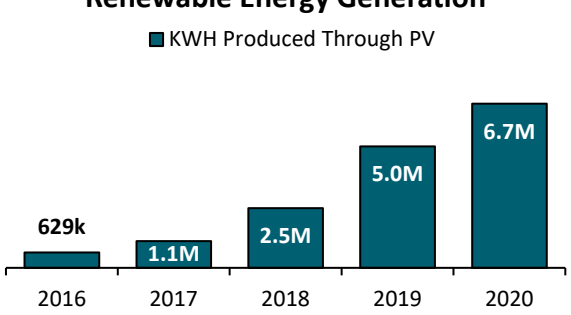
- ✓ **76** Avg. Energy Star Score(1)
- ✓ **30k+** Units with energy-saving smart hot water systems
- ✓ **$50.4M** invested in energy efficiency
- ✓ **$22.1M** invested in renewable energy
- ✓ **$7.5M** invested in water conservancy

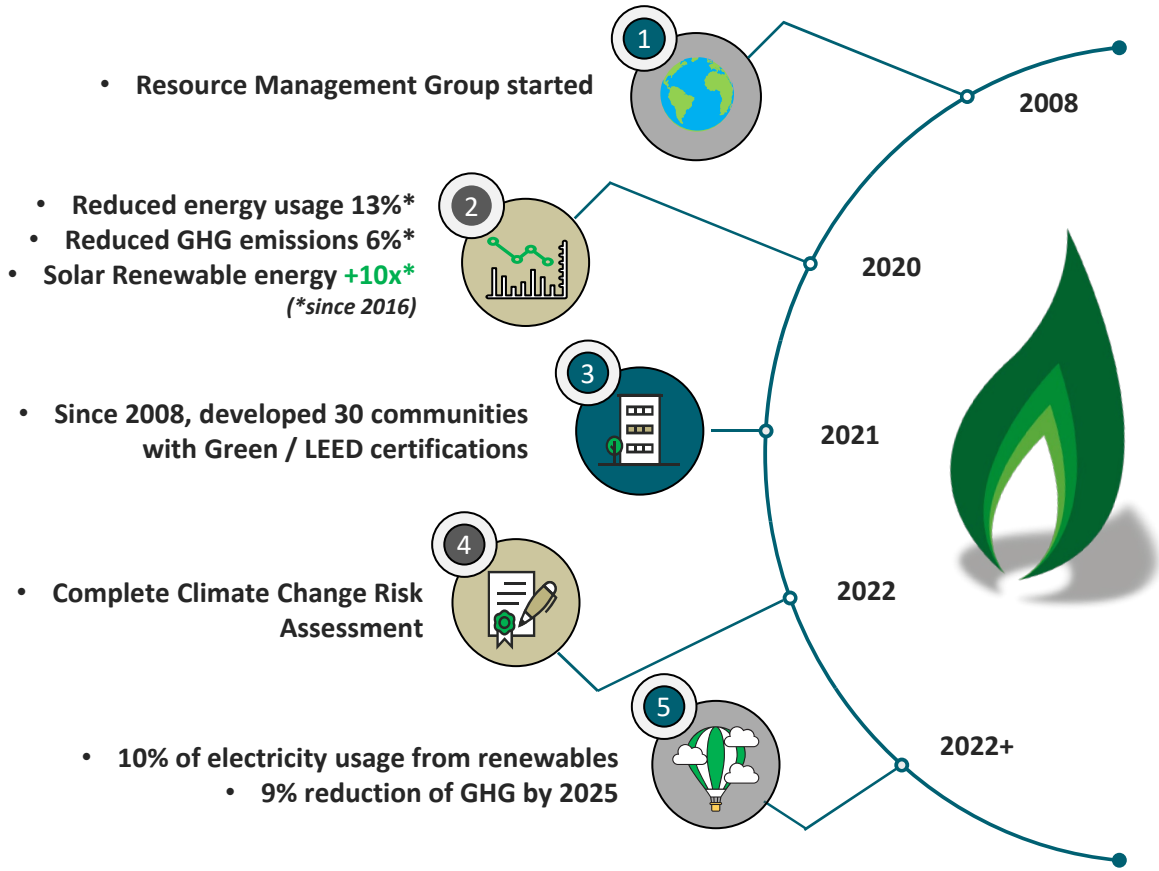
Alignment With:

Global Reporting Initiative™

SASB Sustainability Accounting Standards Board

Renewable Energy Generation





Source: Essex 2020 CSR Report

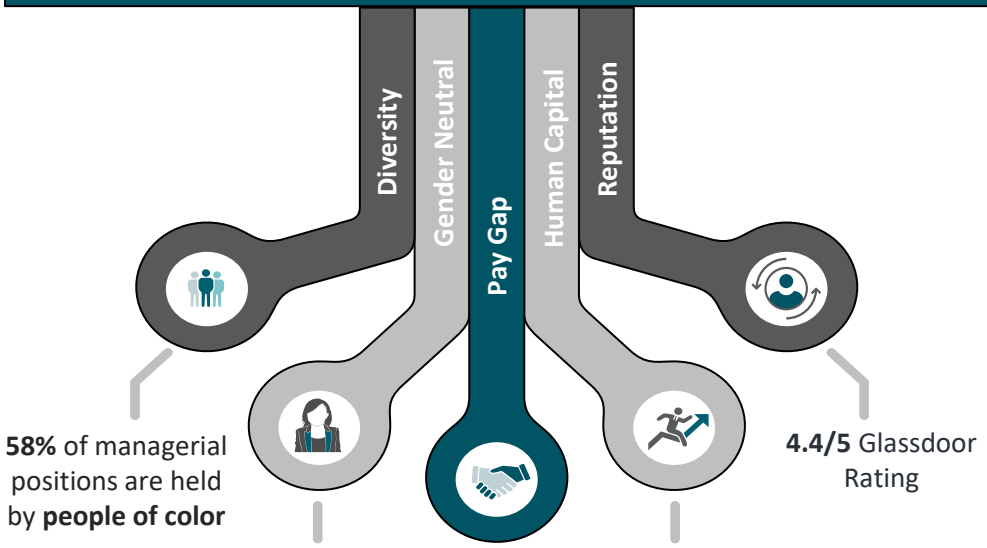
1) 49% of communities participating in the energy star portfolio benchmarking process

SOCIAL & GOVERNANCE OVERVIEW

ESSEX PROPERTY TRUST, INC.

- Diversity and equity are points of strength for Essex. **58% of managerial positions are held by people of color, with 50% of named executives being women.** Our Diversity, Equity, and Inclusion efforts have been **recognized** by both **NAREIT and the National Apartment Association**

Social Development



Strong Governance

- 78% OF THE DIRECTORS ON THE BOARD ARE INDEPENDENT
- INDEPENDENT LEAD DIRECTOR ON THE BOARD
- 33% OF THE DIRECTORS ON THE BOARD ARE WOMEN
- BOARD OVERSIGHT ON ESG MATTERS
- 2 DIRECTORS ON THE BOARD SELF-IDENTIFY AS DIVERSE

Awards & Recognition

Nareit Diversity, Equity & Inclusion Recognition Awards

CEO ACT!ON FOR DIVERSITY & INCLUSION

NAA EXCELLENCE AWARDS 2021

GRESB 2020

Source: Essex 2020 CSR Report



Connolly Station
Dublin, CA

ESSEX
PROPERTY TRUST, INC.

2021 GUIDANCE & BALANCE SHEET

2021 FULL-YEAR GUIDANCE

ESSEX PROPERTY TRUST, INC.

	2021 Full-Year Guidance Range	Guidance Midpoint	Δ from Original Guidance
Same-Property Growth			
Revenues	-1.3% to -1.1%	-1.2%	1.3%
Operating Expenses	2.2% to 2.4%	2.3%	-0.2%
NOI	-2.9% to -2.5%	-2.7%	1.9%
Per Diluted Share			
Net Income	$6.39 - $6.49	$6.44	$2.84
Total FFO	$12.82 - $12.92	$12.87	$0.71
Core FFO[(1)]	$12.39 - $12.49	$12.44	$0.28

4th Quarter 2021 Guidance	Guidance Range	Guidance Midpoint
Core FFO[(1)]	$3.15 - $3.25	$3.20

KEY ASSUMPTIONS and YTD ACCOMPLISHMENTS

- Acquisitions and dispositions of $300 - $500 million, subject to markets conditions and cost of capital.
  - YTD Acquisitions: $225.8 million[(2)]
  - YTD Dispositions: $330.0 million
- Preferred equity commitments of $100 - $150 million, to be funded by redemptions.
  - YTD Commitments: $107.2 million
  - YTD Redemptions: $178.3 million

1) Core FFO excludes acquisitions costs and other non-routine items
2) Represents the total contract price, not at the Company's pro rata share

PRELIMINARY 2022 MSA LEVEL FORECAST

ESSEX PROPERTY TRUST, INC.

ESSEX PROPERTY TRUST, INC

Preliminary 2022 MSA Level Forecast: Supply, Jobs, and Apartment Market Conditions

Preliminary Forecast Summary:

2022 GDP Growth = +3.7%
2022 U.S. job growth = +2.9%; Dec-22 unemployment rate = 3.9%
2022 Multifamily supply in ESS markets remains below 1% growth

Forecast Assumptions:

Hybrid return-to-office momentum accelerates during 1Q22
Successful vaccines prevent COVID-related shutdowns in 2022
Inflation rates remain above the trend level of the past three decades

	Residential Supply (1)					Job Forecast (2)		Rent Forecast (3)
Market	New MF Supply	New SF Supply	Total Supply	MF Supply as % of MF Stock	% of Total Supply to Total Stock	Est. New Jobs	% Growth	Economic Rent Growth
Los Angeles	9,450	6,700	16,150	0.6%	0.5%	200,000	4.6%	8.2%
Orange	3,250	3,900	7,150	0.8%	0.6%	49,000	3.0%	6.9%
San Diego	4,350	3,350	7,700	1.0%	0.6%	54,000	3.7%	5.8%
Ventura	400	300	700	0.6%	0.2%	7,000	2.3%	4.7%
So. Cal.	**17,450**	**14,250**	**31,700**	**0.7%**	**0.5%**	**310,000**	**4.0%**	**7.1%**
San Francisco	3,300	450	3,750	0.9%	0.5%	69,000	6.3%	10.0%
Oakland	3,900	3,700	7,600	1.1%	0.7%	44,000	3.9%	7.5%
San Jose	4,400	2,400	6,800	1.7%	1.0%	44,000	3.9%	8.9%
No. Cal.	**11,600**	**6,550**	**18,150**	**1.2%**	**0.7%**	**157,000**	**4.7%**	**8.7%**
Seattle	**7,900**	**6,300**	**14,200**	**1.6%**	**1.1%**	**63,000**	**3.6%**	**7.2%**
Total/Weighted Avg. (4)	**36,950**	**27,100**	**64,050**	**0.9%**	**0.6%**	**530,000**	**4.1%**	**7.7%**

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

(1) **Residential Supply**: Total supply includes the Company's estimate of multifamily deliveries of properties with 50+ units and excludes student, senior and 100% affordable housing communities. Single-family estimates are based on trailing single-family permits. Multifamily estimates incorporate a methodological assumption ("delay-adjusted supply") to reflect the anticipated impact of continued construction delays in Essex markets, given on-going construction labor constraints and supply-chain delays.

(2) **Job Forecast:** Refers to the difference between total non-farm industry employment (not seasonally adjusted) projected 4Q22 over 4Q21, expressed as total new jobs and growth rates.

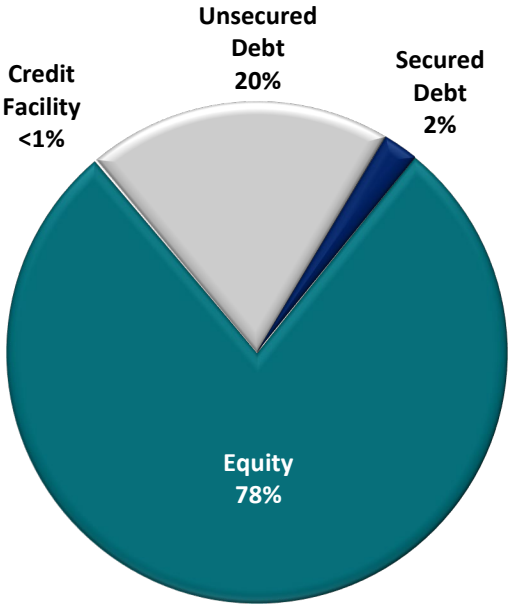
(3) **Rent Forecast:** The estimated rent growth represents the forecasted change in effective market rents for full year 2022 vs 2021 (T4Q year-over-year average), and excludes submarkets not targeted by Essex.

(4) **Weighted Average:** Rent growth rates are weighted by scheduled rent in the Company's Portfolio.

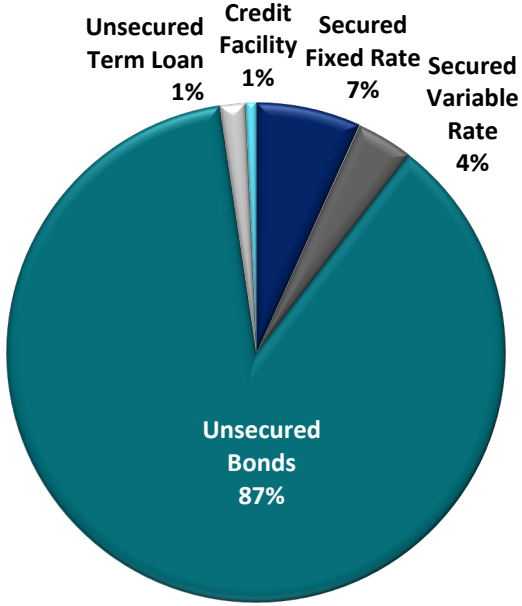
CAPITAL STRUCTURE AND LIQUIDITY PROFILE

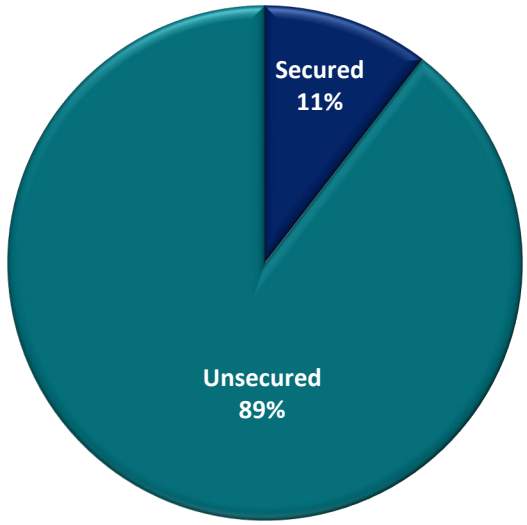
ESSEX PROPERTY TRUST, INC.

$27.6 Billion Total Capitalization



Debt Composition (1)





Liquidity Update ($ millions)		10/22/2021
Unsecured credit facility - committed	$	1,235
Balance outstanding	$	165
Undrawn portion of line of credit	$	1,070
Cash, cash equivalents & marketable securities	$	190
Total liquidity	**$**	**1,260**

As of 9/30/21

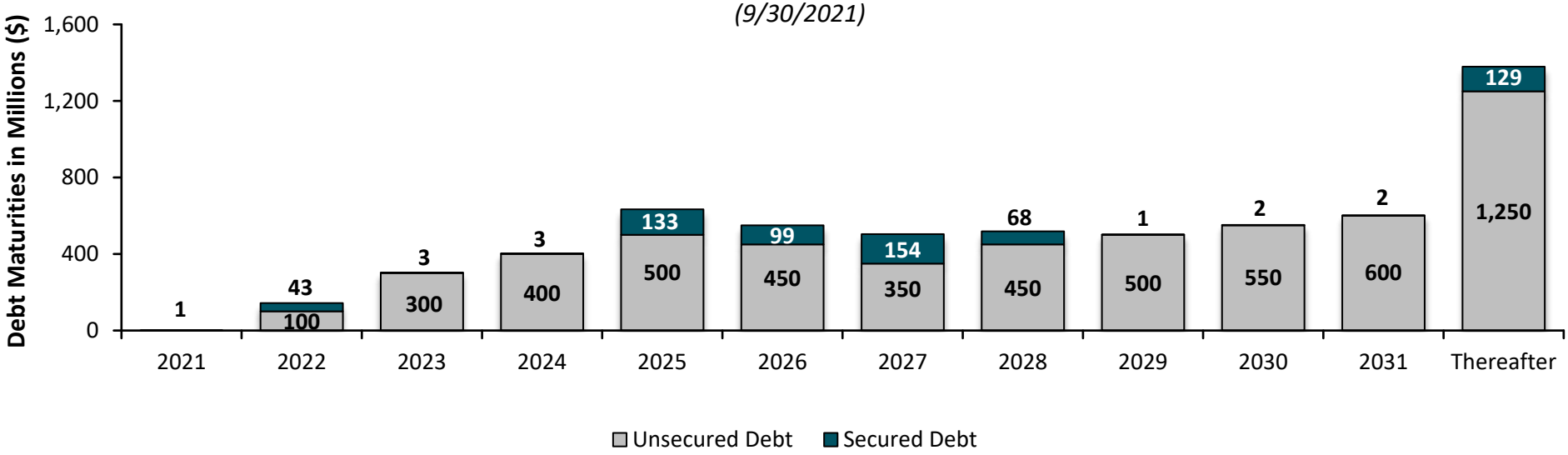
1) Consolidated portfolio only

WELL LADDERED DEBT MATURITY SCHEDULE

ESSEX PROPERTY TRUST, INC.

- Since the start of 2020, the Company has refinanced **1/3** of its debt, lengthening its maturity schedule an additional 2-years and reducing its weighted average interest rate by approximately **70 basis points**

Debt Maturity Schedule[1]
(9/30/2021)



% of Total Debt Maturing/Year

2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	Thereafter
0.0%	2.4%	5.0%	6.6%	10.4%	9.0%	8.3%	8.5%	8.2%	9.1%	9.9%	22.6%

Weighted Average Interest Rate

2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	Thereafter
2.9%	1.9%	3.4%	4.0%	3.5%	3.5%	3.3%	2.2%	4.1%	3.1%	2.3%	2.9%

Weighted Average Interest Rate: ***3.1%***

1) Excludes lines of credit

CREDIT RATINGS AND SELECTED CREDIT RATIOS

ESSEX PROPERTY TRUST, INC.

Public Bond Covenants[1] and Selected Credit Ratios						
	Q3 '21	Q2 '21	Q1 '21	Q4 '20	Q3 '20	Covenant
Debt to Total Assets	**35%**	**35%**	**36%**	37%	38%	< 65%
Secured Debt to Total Assets	**4%**	**4%**	**4%**	4%	4%	< 40%
Interest Coverage	**494%**	**481%**	**472%**	475%	485%	> 150%
Unsecured Debt Ratio [2]	**277%**	**277%**	**274%**	267%	258%	> 150%
Net Indebtedness to Adjusted EBITDAre [3][4]	**6.4X**	**6.6X**	**6.5X**	6.6X	6.3X	-
Unencumbered NOI to Adjusted Total NOI	**94%**	**94%**	**94%**	95%	93%	-

Credit Ratings

Agency	Rating	Outlook
Moody's	Baa1	Stable
S&P	BBB+	Stable

1) Please refer to the Company's Public Bond Filings with the SEC for the definitions of the covenants
2) Unsecured Debt Ratio is unsecured assets (excluding investments in co-investments) divided by unsecured indebtedness
3) Net Indebtedness is total debt less unamortized premiums, debt issuance costs, unrestricted cash and cash equivalents, and marketable securities at pro rata share
4) Adjusted EBITDAre is reflected on a pro rata basis and excludes non-routine items in earnings and other adjustments as outlined on slide 44 of the presentation



ESSEX
PROPERTY TRUST, INC.

DEFINITIONS & RECONCILIATIONS

DISCLAIMERS

ESSEX PROPERTY TRUST, INC.

SAFE HARBOR STATEMENT UNDER THE PRIVATE LITIGATION REFORM ACT OF 1995

This presentation 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 expectations related to the continued impact of the COVID-19 pandemic and related variants on the Company’s business, financial condition and results of operations and the impact of any additional measures taken to mitigate the impact of the pandemic, the Company’s intent, beliefs or expectations with respect to the timing of completion of current development and redevelopment projects and the stabilization of such projects, the timing of lease-up and occupancy of its apartment communities, the anticipated operating performance of its apartment communities, the total projected costs of development and redevelopment projects, co-investment activities, qualification as a REIT under the Internal Revenue Code of 1986, as amended, the real estate markets in the geographies in which the Company’s properties are located and in the United States in general, the adequacy of future cash flows to meet anticipated cash needs, its financing activities and the use of proceeds from such activities, the availability of debt and equity financing, general economic conditions including the potential impacts from such economic conditions, including as a result of the COVID-19 pandemic and governmental measures intended to prevent its spread, trends affecting the Company’s financial condition or results of operations, changes to U.S. tax laws and regulations in general or specifically related to REITs or real estate, changes to laws and regulations in jurisdictions in which communities the Company owns are located, and other information that is not historical information.

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: the continued impact of the COVID-19 pandemic and related variants, which remains inherently uncertain as to duration and severity, and any additional governmental measures taken to limit its spread and other potential future outbreaks of infectious diseases or other health concerns, could continue to adversely affect the Company’s business and its tenants, and cause a significant downturn in general economic conditions, the real estate industry, and the markets in which the Company's communities are located; the Company may fail to achieve its business objectives; the actual completion of development and redevelopment projects may be subject to delays; the stabilization dates of such projects may be delayed; the Company may abandon or defer development or redevelopment projects for a number of reasons, including changes in local market conditions which make development less desirable, increases in costs of development, increases in the cost of capital or lack of capital availability, resulting in losses; the total projected costs of current development and redevelopment projects may exceed expectations; such development and redevelopment projects may not be completed; development and redevelopment projects and acquisitions may fail to meet expectations; estimates of future income from an acquired property may prove to be inaccurate; occupancy rates and rental demand may be adversely affected by competition and local economic and market conditions; there may be increased interest rates and operating costs; the Company may be unsuccessful in the management of its relationships with its co-investment partners; 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; the terms of any refinancing may not be as favorable as the terms of existing indebtedness; unexpected difficulties in leasing of development projects; volatility in financial and securities market; the Company’s failure to successfully operate acquired properties; unforeseen consequences from cyber-intrusion; the Company’s inability to maintain our investment grade credit rating with the rating agencies; 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, quarterly reports on Form 10-Q, and other reports that the Company files with the SEC from time to time. Additionally, the risks, uncertainties and other factors set forth above or otherwise referred to in the reports that the Company has filed with the SEC may be further amplified by the global impact of the COVID-19 pandemic and related variants. 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 presentation.

REGULATION G DISCLAIMER

This presentation contains certain non-GAAP financial measures within the meaning of Regulation G of the Securities Exchange Act of 1934. The Company’s definitions and calculations of such measures may differ from those used by other companies and, therefore, may not be comparable. The Company’s definitions of these terms and, if applicable, the reasons for their use and reconciliations to the most directly comparable GAAP measures are included in the Appendix.

PROJECTED EPS, FFO, AND CORE FFO PER DILUTED SHARE

ESSEX PROPERTY TRUST, INC.

With respect to the Company's guidance on slide 36 regarding its projected FFO and Core FFO, a reconciliation of projected net income per share to projected FFO per share and projected Core FFO per share, is presented in the table below.

		2021 Guidance Range [1]			
	Nine Months Ended September 30, 2021	4th Quarter 2021		Full-Year 2021	
		Low	High	Low	High
EPS - diluted	**$ 5.40**	**$ 0.99**	**$ 1.09**	**$ 6.39**	**$ 6.49**
Conversion from GAAP share count	(0.18)	(0.03)	(0.03)	(0.21)	(0.21)
Depreciation and amortization	6.43	2.16	2.16	8.59	8.59
Noncontrolling interest related to Operating Partnership units	0.18	0.03	0.03	0.21	0.21
Gain on sale of real estate	(2.13)	-	-	(2.13)	(2.13)
Gain on remeasurement of co-investment	(0.03)		-	(0.03)	(0.03)
FFO per share - diluted	**$ 9.67**	**$ 3.15**	**$ 3.25**	**$ 12.82**	**$ 12.92**
Expensed acquisition and investment related costs	-	-	-	-	-
Deferred tax expense on unrealized gain on unconsolidated co-investments	0.08	-	-	0.08	0.08
Gain on sale of marketable securities	(0.04)	-	-	(0.04)	(0.04)
Unrealized gains on marketable securities	(0.35)	-	-	(0.35)	(0.35)
Provision for credit losses	-	-	-	-	-
Equity income from non-core co-investments	(0.29)	-	-	(0.29)	(0.29)
Loss on early retirement of debt, net	0.28	-	-	0.28	0.28
Loss on early retirement of debt from unconsolidated co-investment	-	-	-	-	-
Income from early redemption of preferred equity investments and notes receivable	(0.12)	-	-	(0.12)	(0.12)
General and administrative and other, net	0.01	-	-	0.01	0.01
Insurance reimbursements, legal settlements, and other, net	-	-	-	-	-
Core FFO per share - diluted	**$ 9.24**	**$ 3.15**	**$ 3.25**	**$ 12.39**	**$ 12.49**

(1) 2021 guidance excludes inestimable projected gain on sale of real estate and land, gain on sale of marketable securities, loss on early retirement of debt, political/legislative costs, and promote income until they are realized within the reporting period presented in the report.

ADJUSTED EBITDAre RECONCILIATION

The National Association of Real Estate Investment Trusts ("NAREIT") defines earnings before interest, taxes, depreciation and amortization for real estate ("EBITDAre") (September 2017 White Paper) as net income (computed in accordance with U.S. generally accepted accounting principles ("U.S. GAAP")) before interest expense, income taxes, depreciation and amortization expense, and further adjusted for gains and losses from sales of depreciated operating properties, impairment write-downs of depreciated operating properties, impairment write-downs of investments in unconsolidated entities caused by a decrease in value of depreciated operating properties within the joint venture and adjustments to reflect the Company's share of EBITDAre of investments in unconsolidated entities.

The Company believes that EBITDAre is useful to investors, creditors and rating agencies as a supplemental measure of the Company's ability to incur and service debt because it is a recognized measure of performance by the real estate industry, and by excluding gains or losses related to sales or impairment of depreciated operating properties, EBITDAre can help compare the Company's credit strength between periods or as compared to different companies.

Adjusted EBITDAre represents EBITDAre further adjusted for non-comparable items and is a component of the credit ratio, "Net Indebtedness Divided by Adjusted EBITDAre, normalized and annualized," presented on page S-6 of the earnings supplement for the third quarter of 2021, in the section titled "Selected Credit Ratios," and it is not intended to be a measure of free cash flow for 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 EBITDAre is an important metric in evaluating the credit strength of the Company and its ability to service its debt obligations. The Company believes that Adjusted EBITDAre is useful to investors, creditors and rating agencies because it allows investors to compare the Company's credit strength to prior reporting periods and to other 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 credit quality.

EBITDAre and Adjusted EBITDAre are not recognized measurements under U.S. GAAP. Because not all companies use identical calculations, the Company's presentation of EBITDAre and Adjusted EBITDAre may not be comparable to similarly titled measures of other companies.

The reconciliations of Net Income available to common stockholders to EBITDAre and Adjusted EBITDAre are presented in the table below (Dollars in thousands):

	Three Months Ended September 30, 2021
Net income available to common stockholders	$ 118,390
Adjustments:	
Net income attributable to noncontrolling interest	6,612
Interest expense, net [(1)]	47,359
Depreciation and amortization	130,564
Gain on sale of real estate and land	(42,897)
Co-investment EBITDAre adjustments	21,230
EBITDAre	281,258
Unrealized gains on marketable securities	(7,091)
Provision for credit losses	(3)
Equity income from non-core co-investment	(10,868)
Deferred tax expense on unrealized gain on unconsolidated co-investment	3,041
General and administrative and other, net	252
Insurance reimbursements and legal settlements, net	(4)
Expensed acquisition and investment related costs	108
Loss on early retirement of debt from unconsolidated co-investment	15
Adjusted EBITDAre	$ 266,708

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

RECONCILIATIONS OF NON-GAAP FINANCIAL MEASURES AND OTHER TERMS

ESSEX PROPERTY TRUST, INC.

ENCUMBERED

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

FUNDS FROM OPERATIONS ("FFO") AND CORE FFO

FFO, as defined by 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 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. 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 reconciliations of diluted FFO and Core FFO are detailed on page S-3 in the section titled "Consolidated Funds From Operations" of the earnings supplement for the third quarter of 2021.

INTEREST EXPENSE, NET

Interest expense, net is presented on page S-1 in the section titled "Consolidated Operating Results" of the earnings supplement for the third quarter of 2021. 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, 2021	Nine Months Ended September 30, 2021
Interest expense	$ 50,019	$ 152,639
Adjustments:		
Total return swap income	(2,660)	(8,137)
Interest expense, net	$ 47,359	$ 144,502

ESSEX PROPERTY TRUST, INC.

NET INDEBTEDNESS DIVIDED BY ADJUSTED EBITDAre

This credit ratio is presented on page S-6 in the section titled "Selected Credit Ratios" of the earnings supplement for the third quarter of 2021. This credit ratio is calculated by dividing net indebtedness by Adjusted EBITDAre, as annualized based on the most recent quarter, and adjusted for estimated net operating income from properties acquired or disposed of 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 EBITDAre is set forth in "Adjusted EBITDAre Reconciliation" on page S-18.1 of the earnings supplement for the third quarter of 2021. The calculation of this credit ratio and a reconciliation of net indebtedness to total debt at pro rata share for co-investments, net is presented in the table below (Dollars in thousands):

Total consolidated debt, net	$	6,088,300
Total debt from co-investments at pro rata share		1,043,899
Adjustments:		
Consolidated unamortized premiums, discounts, and debt issuance costs		43,180
Pro rata co-investments unamortized premiums, discounts, and debt issuance costs		5,430
Consolidated cash and cash equivalents-unrestricted		(49,910)
Pro rata co-investment cash and cash equivalents-unrestricted		(30,730)
Marketable securities		(225,302)
Net Indebtedness	$	6,874,867
Adjusted EBITDAre, annualized [(1)]	$	1,066,832
Other EBITDAre normalization adjustments, net, annualized [(2)]		5,673
Adjusted EBITDAre, normalized and annualized	$	1,072,505
Net Indebtedness Divided by Adjusted EBITDAre, normalized and annualized		6.4

(1) Based on the amount for the most recent quarter, multiplied by four.
(2) Adjustments made for properties in lease-up, acquired, or disposed during the most recent quarter and other partial quarter activity, multiplied by four.

RECONCILIATIONS OF NON-GAAP FINANCIAL MEASURES AND OTHER TERMS

ESSEX PROPERTY TRUST, INC.

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 September 30, 2021	Three Months Ended September 30, 2020	Nine Months Ended September 30, 2021	Nine Months Ended September 30, 2020
Earnings from operations	$ 137,971	$ 128,937	$ 428,733	$ 379,510
Adjustments:				
Corporate-level property management expenses	9,068	8,619	27,120	26,024
Depreciation and amortization	130,564	130,202	387,887	395,370
Management and other fees from affiliates	(2,237)	(2,347)	(6,707)	(7,312)
General and administrative	12,712	13,310	34,746	42,244
Expensed acquisition and investment related costs	108	2	164	104
Gain on sale of real estate and land	(42,897)	(22,654)	(142,993)	(39,251)
NOI	245,289	256,069	728,950	796,689
Less: Non-same property NOI	(22,807)	(38,308)	(67,844)	(99,957)
Same-Property NOI	$ 222,482	$ 217,761	$ 661,106	$ 696,732

PUBLIC BOND COVENANTS

Public Bond Covenants refer 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, leverage 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, the Company 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 Financings" 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 March 1, 2021, filed by the Company as Exhibit 4.1 to the Company's Form 8-K, filed on March 1, 2021. 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 with the SEC 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 Company's total amount of Secured Debt is set forth on page S-5 of the earnings supplement for the third quarter of 2021.

ESSEX PROPERTY TRUST, INC.

UNENCUMBERED NOI TO ADJUSTED TOTAL NOI

This ratio is presented on page S-6 of the earnings supplement for the third quarter of 2021 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, 2021, annualized, is calculated by dividing Unencumbered NOI, annualized for the three months ended September 30, 2021 and as further adjusted for pro forma NOI for properties acquired or sold 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 Reconciliations" 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 Q3'21 [1]
NOI	$	981,156
Adjustments:		
NOI from real estate assets sold or held for sale		(1,779)
Other, net [2]		11,026
Adjusted Total NOI		990,403
Less: Encumbered NOI		(55,936)
Unencumbered NOI	$	934,467
Encumbered NOI	$	55,936
Unencumbered NOI		934,467
Adjusted Total NOI	$	990,403
Unencumbered NOI to Adjusted Total NOI		94%

(1) This table is based on the amounts for the most recent quarter, multiplied by four.
(2) Includes intercompany eliminations pertaining to self-insurance and other expenses.