

Marquis | *San Jose, CA*



Station Park Green | *San Mateo, CA*

ESSEX

PROPERTY TRUST, INC.

INVESTOR PRESENTATION

SEPTEMBER 2022

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ESSEX
PROPERTY TRUST, INC.


MB360 | *San Francisco, 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



Arbors at Parc Rose
Oxnard, CA

ESSEX
PROPERTY TRUST, INC.

EXECUTIVE SUMMARY

EXECUTIVE SUMMARY – KEY HIGHLIGHTS

ESSEX PROPERTY TRUST, INC.

OPERATIONS UPDATE

- Preliminary Same-Property Revenue in July-August increased 12.4% compared to one year ago. (Page 13)
- Preliminary July-August Blended Lease Rates increased 10.3% compared to one year ago, slightly ahead of our expectations. Blended Lease Rates have decelerated compared to the first half of 2022 as a result of more difficult comparison periods in 2021. (Page 13 and 15)
- August's 7.6% Loss to Lease implies approximately 3.5% to 4.0% of "Earn-in" Revenue growth in 2023.
- Net Delinquency in July-August is 0.6% of Scheduled Rent and Gross Delinquency has shown gradual improvement through August. (Page 13)

DEMAND UPDATE

- Essex job growth continues to outpace the U.S. through July 2022. (Page 18 and 19)
- Job openings at the top 10 tech companies remain above pre-Covid levels, after unprecedented growth during the pandemic, with ~34,000 open positions as of August. (Page 20)
- California and Washington account for the majority of total corporate job openings at the top 10 tech companies. (Page 20)
- Higher interest rates have made it increasingly difficult for renters to transition to homeownership in Essex markets; it is now 2.4x more expensive to buy versus rent. (Page 22)

SUPPLY UPDATE

- Housing permits in Essex markets are below long-term averages and compare favorably to the rest of the country. (Page 25 and 26)
- Essex needs minimal job growth in 2023 to absorb expected 2023 supply deliveries. (Page 27)



Avenue 64
Emeryville, CA

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TRACK RECORD & COMPANY HIGHLIGHTS

CORPORATE HIGHLIGHTS

ESSEX PROPERTY TRUST, INC.



1) As of 6/30/2022

PORTFOLIO OVERVIEW

ESSEX PROPERTY TRUST, INC.

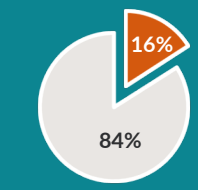
- The only public multifamily REIT dedicated to the ***West Coast***
- Together, California and Washington represent the ***5th highest GDP in the world***

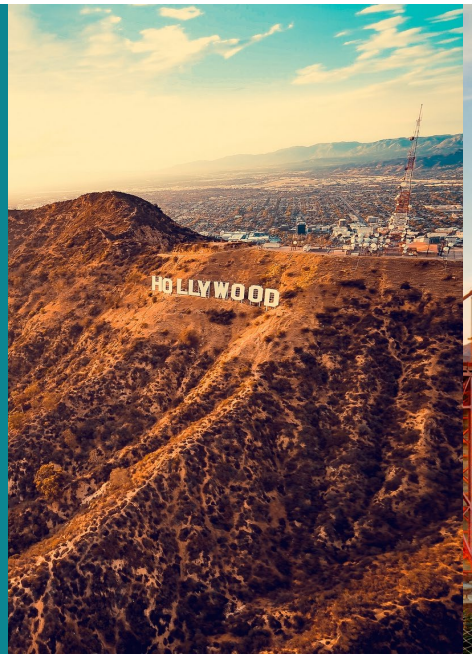
8 Major Markets

253 Apartment Communities

~62,000 Apartment Homes

Portfolio Composition[1]

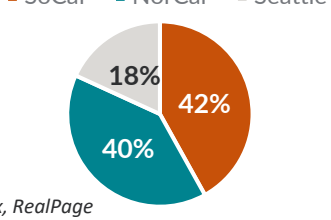








% of Portfolio NOI[5]



Southern California

% of NOI[5]	
West / Other LA	15%
Orange	11%
San Diego	9%
Ventura	5%
DTLA	2%

Northern California[2]

Santa Clara	20%
Oakland[3]	13%
San Mateo	5%
SF CBD	2%

Seattle

Eastside[4]	11%
Other Seattle	4%
Seattle CBD	3%

Source: Essex, RealPage

1) Defined by RealPage based on geographical location and density.
2) Excludes two properties in Marin county which account for 1.4% of ESS total NOI.
3) Oakland includes Alameda and Contra Costa counties.
4) Eastside includes the cities of Bellevue, Redmond, Issaquah, Kirkland, Bothell, and Newcastle.
5) As of 6/30/22

CORE COMPETANCIES TO CREATE VALUE

ESSEX PROPERTY TRUST, INC.



ACQUISITIONS / DISPOSITIONS
Improve the NAV/share, cash flow/share and growth prospects of the company and willing to sell properties and shrink when accretive to NAV and FFO/sh



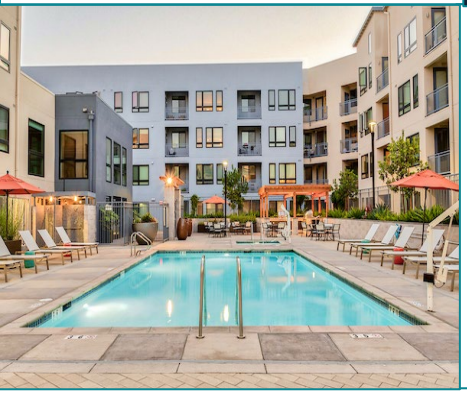
DEVELOPMENT
Develop high-quality, tenant-desired apartment homes near high-quality jobs

REDEVELOPMENT & VALUE ADD
Rent-justified improvements to new and existing properties to maximize NOI and value



CO-INVESTMENT PLATFORM
Facilitate growth via private capital and provide attractive risk adjusted returns





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



CAPITAL ALLOCATION
Arbitrage between public and private market values, using a variety of capital sources to create value for shareholders during any economic cycle

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 2.4x 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

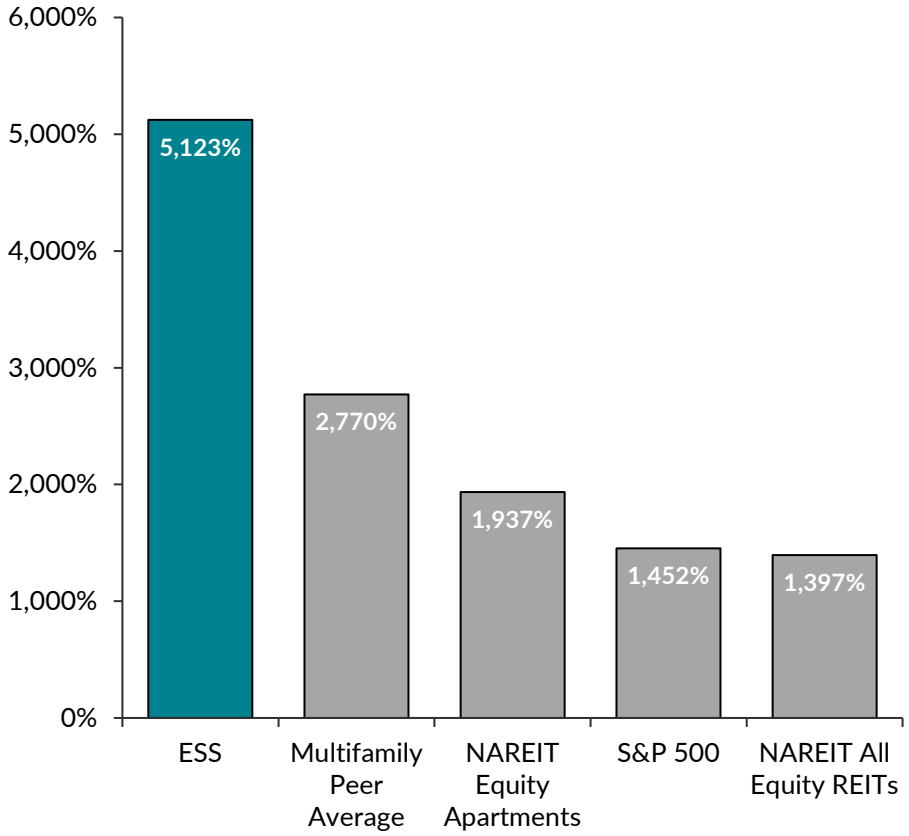
TOTAL RETURNS OUTPERFORM

ESSEX PROPERTY TRUST, INC.

- Robust value creation for shareholders since IPO
- ***A S&P Dividend Aristocrat***, Essex has increased its cash dividend for 28 consecutive years, with ***427% cumulative dividend growth*** since the Company's IPO in 1994

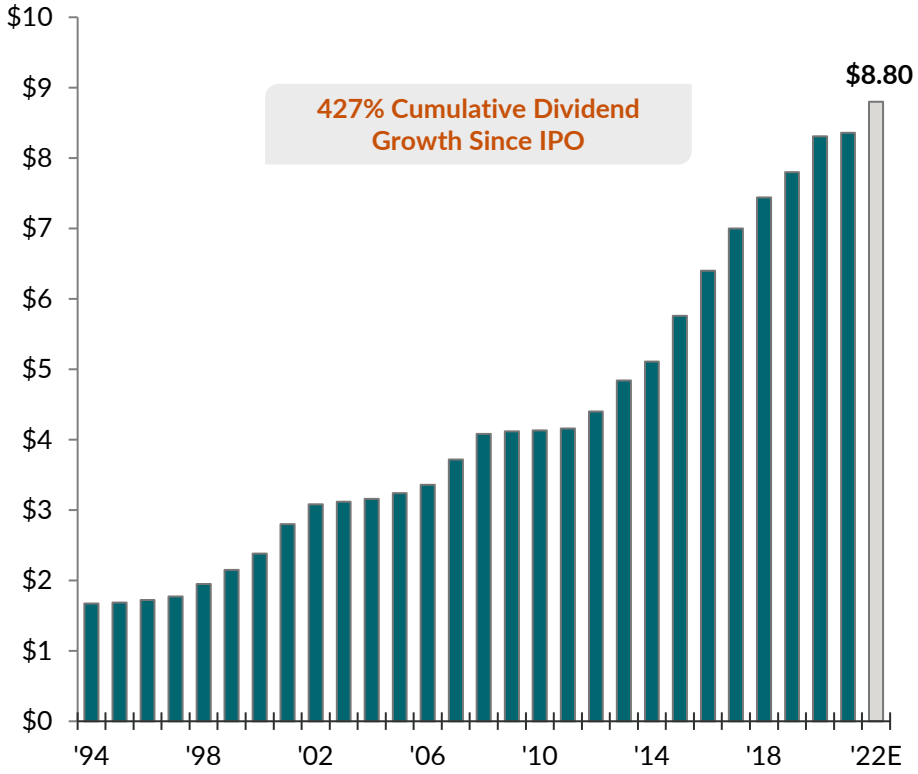
Total Shareholder Return Since ESS IPO(1)

Through July 31st, 2022



Dividend Per Share Growth

(1994 - 2022E)



Source: Company Disclosures, S&P Global Market Intelligence

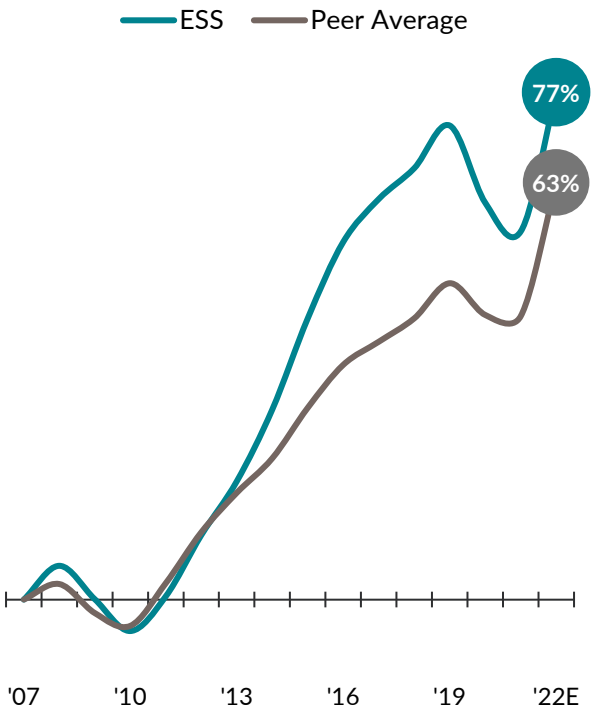
1) June 1994 – July 2022.

CORE METRICS OUTPERFORM

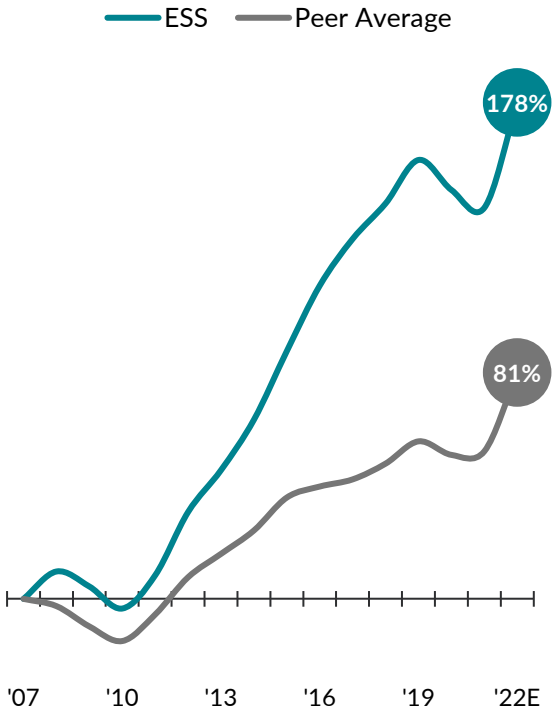
ESSEX PROPERTY TRUST, INC.

‡ 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

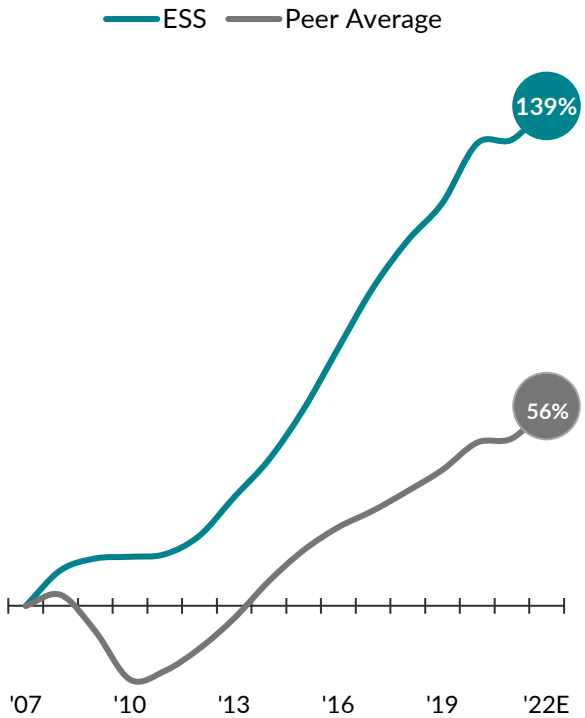
Same-Property NOI Growth(1)



Core FFO Growth(1)(2)



Dividend Growth(1)



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) '22E are the expected midpoints of external guidance
2) CPT reports total FFO and MAA reported total FFO prior to Q1'20



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OPERATING UPDATE & GUIDANCE

SAME-PROPERTY OPERATIONS UPDATE

ESSEX PROPERTY TRUST, INC.

- Preliminary July-August **2022 Same-Property Revenue growth remains very strong at 12.4%** compared to the same period in 2021 and inline with the Company's expectations and guidance ranges.
- Preliminary July-August Blended Lease Rates increased 10.3% compared to one year ago, slightly ahead of our expectations. Blended Lease Rates have decelerated compared to the first half of 2022 as a result of more difficult comparison periods in 2021.
- Loss to Lease was -7.6% as of August and implies **3.5% to 4.0% of "Earn-in" Revenue growth in 2023.**

Same-Property Revenue Growth[1]	Actuals Q1'22	Actuals Q2'22	Preliminary July – Aug '22
Southern California	8.8%	14.5%	**12.5%**
Northern California	3.4%	10.7%	**12.0%**
Seattle	8.5%	13.1%	**13.1%**
Total Same-Property	**6.5%**	**12.7%**	**12.4%**

Same-Property Operating Statistics	Actuals Q1'22	Actuals Q2'22	Preliminary July – Aug '22
Cash delinquencies as a % of scheduled rent[2][3]	2.2%	0.3%	**0.6%**
New lease rates[4]	20.0%	20.6%	**11.6%**
Renewal rates[5]	11.7%	9.9%	**8.8%**
Blended rates	16.1%	**15.4%**	**10.3%**
Gain/(Loss)-to-Lease	-8.2%	-9.7%	**-8.9%**
Financial Occupancy	96.3%	96.1%	**96.1%**

1) Reflects same-property year-over-year growth, with concessions on a cash-basis.
2) Represents total same-property portfolio net cash delinquencies as a percentage of scheduled rent reflected in the financial statements of the reporting period.
3) In Prelim July/Aug '22, the Company's same-property portfolio received $5.5 million from Emergency Rental Assistance payments. Gross Delinquency as % of Scheduled Rent was ~3.5% for July/Aug compared to ~4.5% for 2Q.
4) Represents the YOY % change on a net-effective basis, including the impact of leasing incentives.
5) Represents the YOY % change in similar term lease tradeouts, including the impact of leasing incentives.

2022 MSA LEVEL FORECAST (UNCHANGED FROM 2Q EARNINGS)

ESSEX PROPERTY TRUST, INC.

‡ *The Company is affirming its 2022 forecasts and expects 11.1% Rent Growth across its Markets*

Forecast Summary:

2022 GDP Growth = +1.6%

2022 U.S. job growth = +3.0%; Dec-22 unemployment rate = 3.6%

2022 Multifamily supply in ESS markets remains below 1% growth

Forecast Assumptions:

Hybrid return-to-office continues gradually through year-end

Economic growth moderates but base case does not include 2022 recession

Rent growth leadership transitions from SoCal to NorCal/Seattle in 2H22

	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	8,100	7,050	15,150	0.5%	0.4%	205,000	4.7%	10.0%
Orange	3,400	3,300	6,700	0.8%	0.6%	53,000	3.3%	13.2%
San Diego	4,800	3,050	7,850	1.0%	0.6%	58,000	4.0%	12.9%
Ventura	800	150	950	1.2%	0.3%	7,000	2.3%	10.1%
So. Cal.	**17,100**	**13,550**	**30,650**	**0.7%**	**0.5%**	**323,000**	**4.2%**	**11.4%**
San Francisco	3,100	600	3,700	0.8%	0.5%	74,000	6.7%	10.6%
Oakland	4,300	3,200	7,500	1.3%	0.7%	44,000	3.9%	7.9%
San Jose	3,600	2,100	5,700	1.4%	0.8%	51,000	4.5%	12.1%
No. Cal.	**11,000**	**5,900**	**16,900**	**1.1%**	**0.7%**	**169,000**	**5.0%**	**10.5%**
Seattle	**8,200**	**5,750**	**13,950**	**1.6%**	**1.1%**	**76,000**	**4.4%**	**11.6%**
Total/Weighted Avg. (4)	**36,300**	**25,200**	**61,500**	**0.9%**	**0.6%**	**568,000**	**4.4%**	**11.1%**

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.

(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.

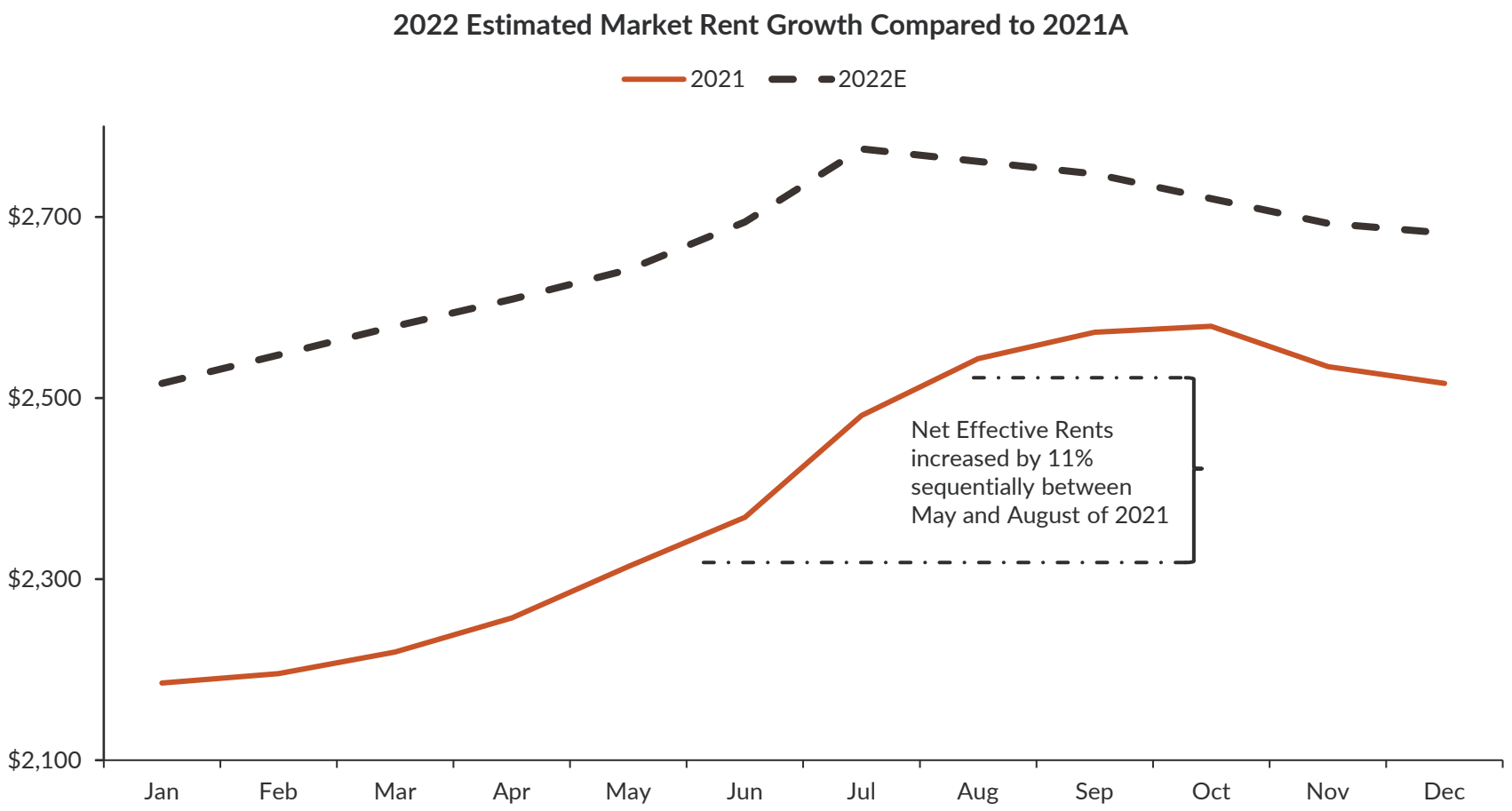
(3) **Rent Forecast:** The estimated rent growth represents the forecasted change in market rents for full year 2022 vs 2021 (T4Q year-over-year average), and excludes submarkets not targeted by Essex.

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

2022 ECONOMIC RENT GROWTH

ESSEX PROPERTY TRUST, INC.

‡ Essex **year-over-year rent spreads for the first half of 2022 were robust** and are expected to *moderate in the second half of 2022 due to more challenging comparable rents in the second half of 2021.*



Source: Essex

2022 FULL-YEAR GUIDANCE *(UNCHANGED FROM Q2 EARNINGS)*

ESSEX PROPERTY TRUST, INC.

Per Diluted Share[1]	Previous Range *(as of June'22)*	Revised Range	Revised Midpoint	Δ Midpoint
Net Income	$5.01 - $5.33	**$4.76 - $4.96**	**$4.86**	($0.31)
Total FFO	$13.99 - $14.31	**$13.78 - $13.98**	**$13.88**	($0.27)
Core FFO	$14.00 - $14.32	**$14.35 - $14.55**	**$14.45**	$0.29
Q3'22 Core FFO	$3.55 – $3.61	**$3.60 - $3.70**	**$3.65**	$0.07
Same Property Growth on a Cash-Basis[2]				
Revenues	9.1% to 10.1%	**10.0% to 10.6%**	**10.3%**	0.7%
Operating Expenses	3.5% to 4.5%	**3.0% to 3.5%**	**3.3%**	(0.8%)
NOI	11.1% - 13.1%	**13.0% to 14.0%**	**13.5%**	1.4%
Key Assumptions				
Acquisitions	$500M - $700M	$250M - $400M	**$325M**	($275M)
Dispositions	$100M - $300M	$100M - $200M	**$150M**	($50M)
Preferred Equity Commitments	$50M - $150M	$50M - $150M	**$100M**	-
Preferred Equity Redemptions	-	$200M - $250M	**$225M**	($25M)

1) Core FFO excludes acquisitions costs and other non-routine items.
2) The revised midpoint of the Company's same-property revenues and NOI on a GAAP basis are 10.7% and 14.1%, respectively, representing a 2.4% and 3.9% increase to the Company's original guidance midpoints.



Regency at Encino
Encino, CA

ESSEX
PROPERTY TRUST, INC.

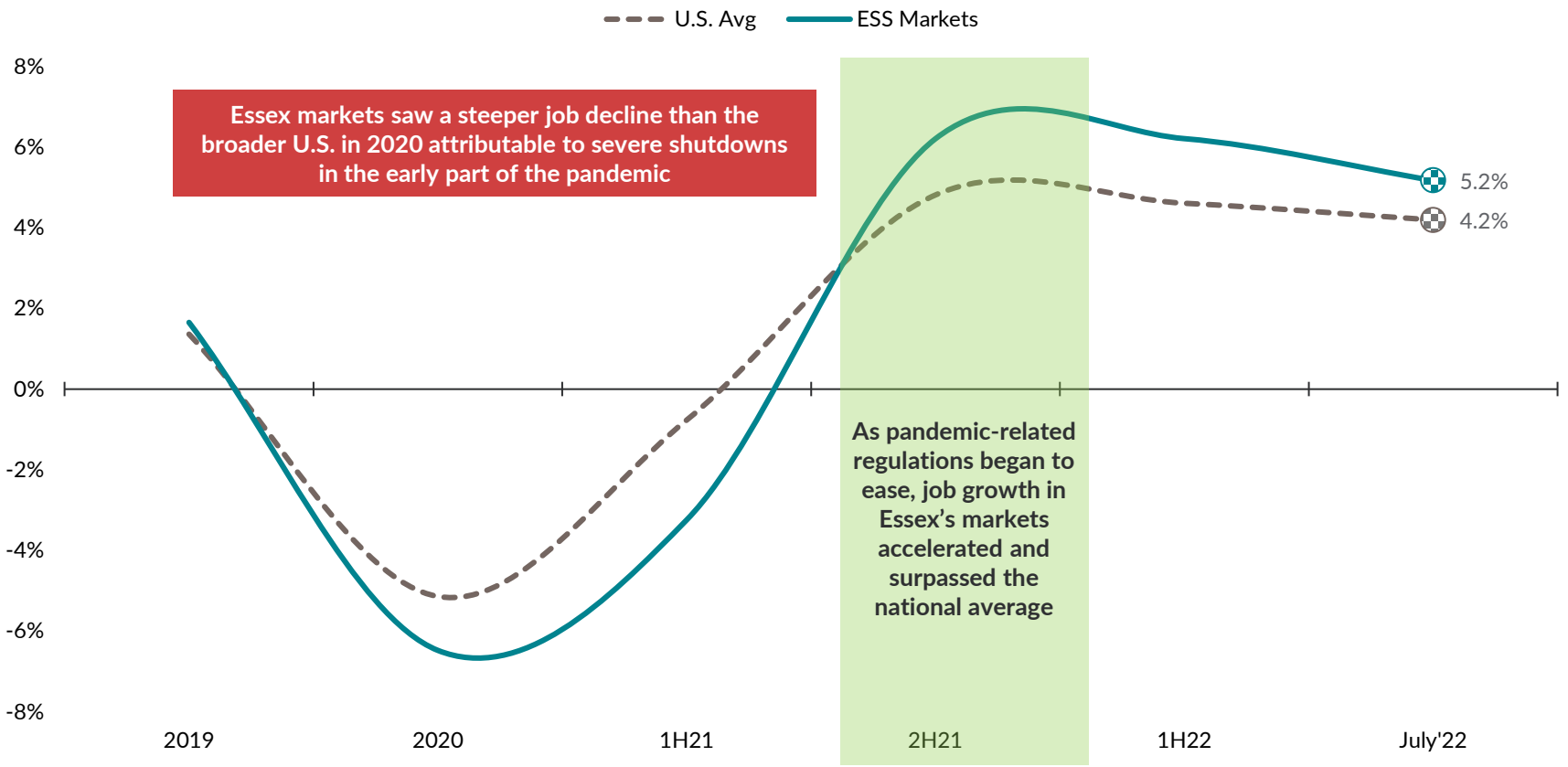
WEST COAST DEMAND FUNDAMENTALS

ESSEX JOB RECOVERY VS. U.S. AVERAGE

ESSEX PROPERTY TRUST, INC.

- Job growth in Essex markets was significantly impacted by pandemic-related regulations in 2020. As regulations eased in the second half of 2021, ***job growth in Essex markets accelerated and has since outpaced the national average***, a trend that has continued in 2022.
- Despite slow downs in technology sector hiring, ESS markets continue to outpace the broader U.S. in job growth through July.

Essex Market Job Growth vs. U.S. Average(1)



Source: BLS.gov

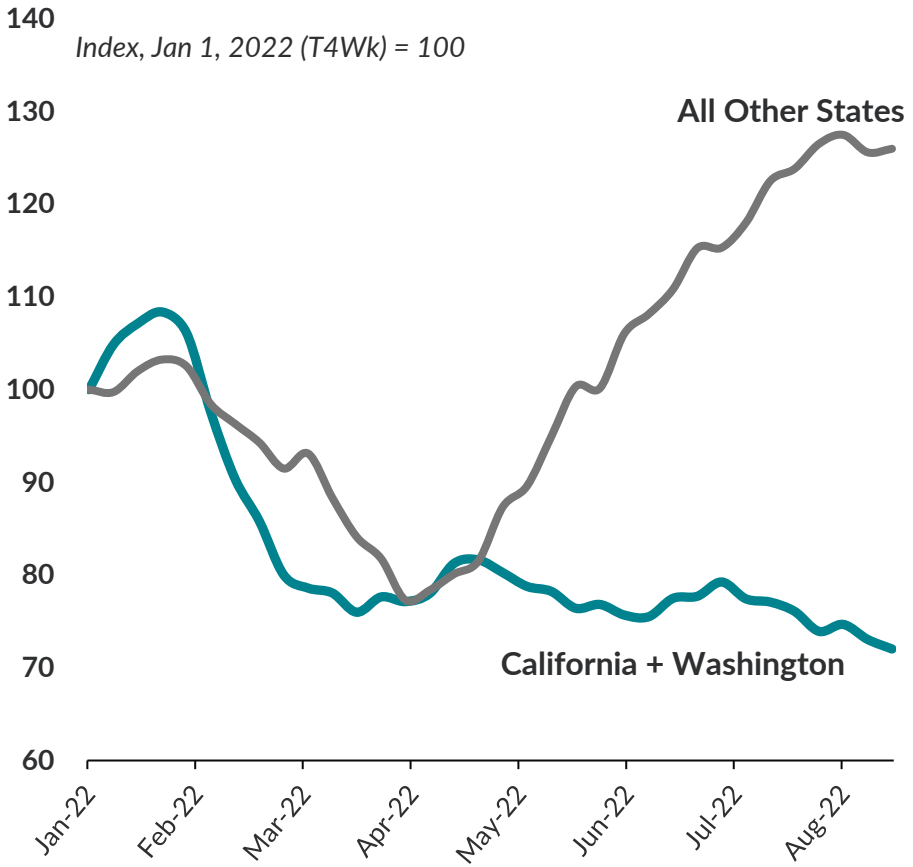
1) Represents T3M YOY job growth in Essex markets vs. the U.S. average.
2) ESS markets weighted by NOI

WEST COAST LABOR MARKETS REMAIN RESILIENT

ESSEX PROPERTY TRUST, INC.

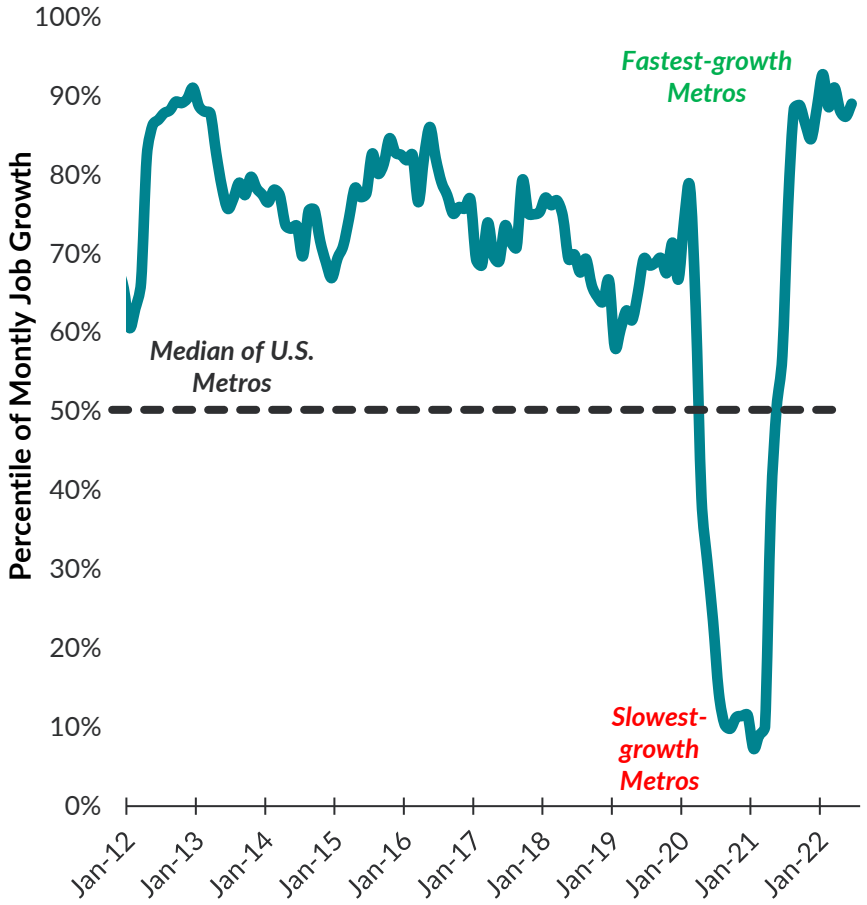
- Despite technology layoff headlines, employment trends in Essex markets have outpaced the national average this summer, as statewide employment claims for California and Washington continue to decline while broader U.S. claims rose from April through August.
- Strength in late-recovering industries such as hospitality, travel/tourism, and personal services have fueled the best relative job growth for Essex metros since 2012.

Initial Unemployment Claims, 4-wk average



Relative Job Growth Rankings

Essex West Coast Metro(1) Performance vs. U.S. Median(2)



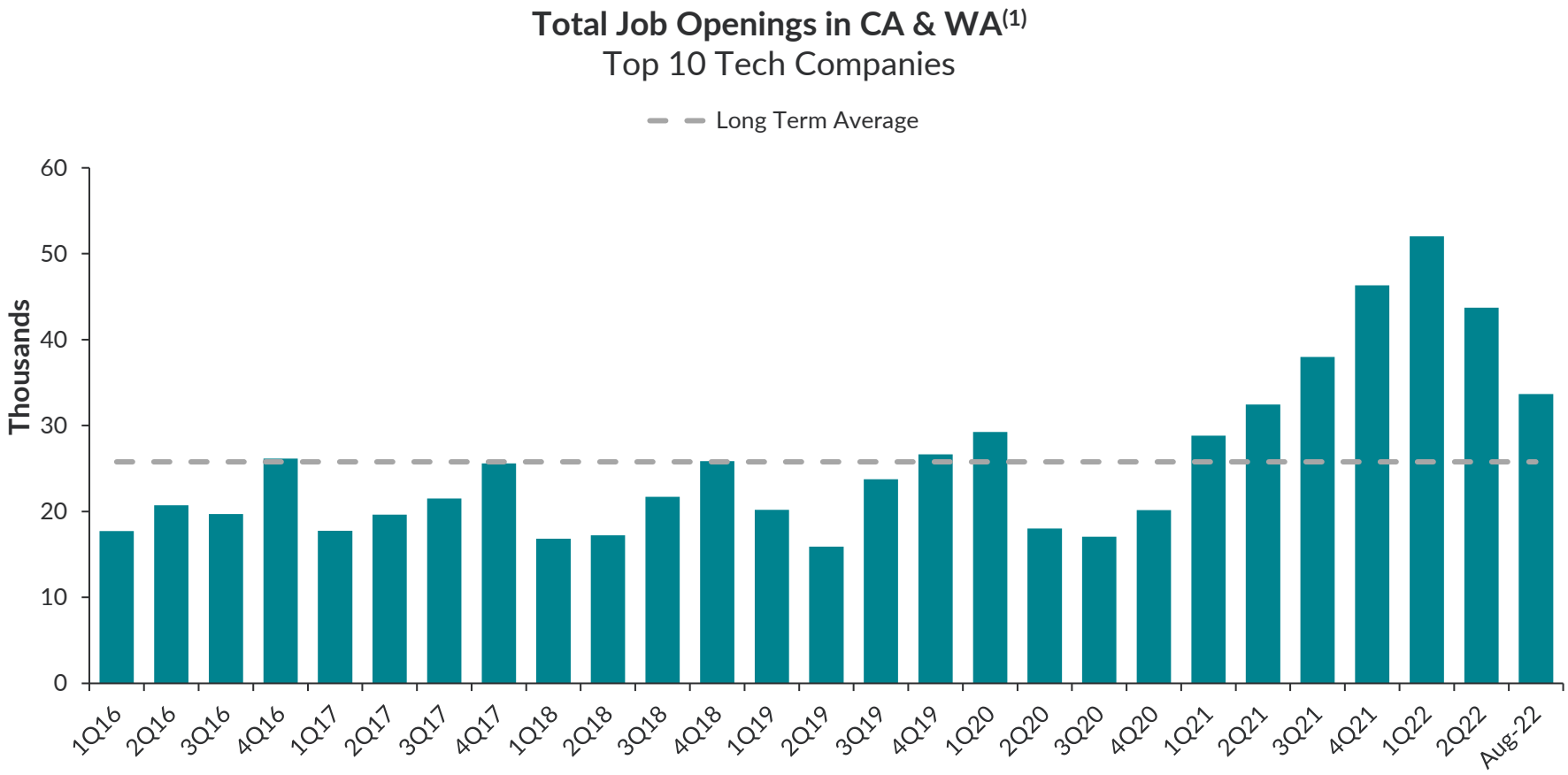
Source: BLS.gov

1) ESS weighted by same-property scheduled rent
2) Includes 433 U.S. Markets

JOB OPENINGS AT THE TOP-10 TECHNOLOGY COMPANIES

ESSEX PROPERTY TRUST, INC.

- **Job openings at the top 10 tech companies remain above pre-Covid levels**, after unprecedented growth during the pandemic.
- ***California and Washington account for the majority of*** total corporate job openings at the top 10 tech companies.



Source: Company Websites

1) As of August 2022

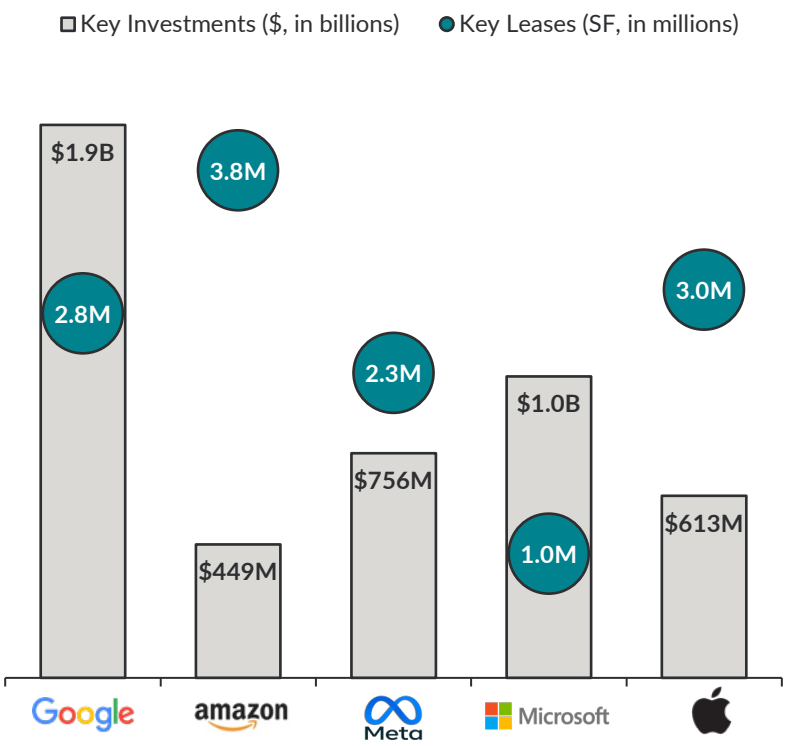
TECHNOLOGY COMPANY INVESTMENT IN ESSEX MARKETS

ESSEX PROPERTY TRUST, INC.

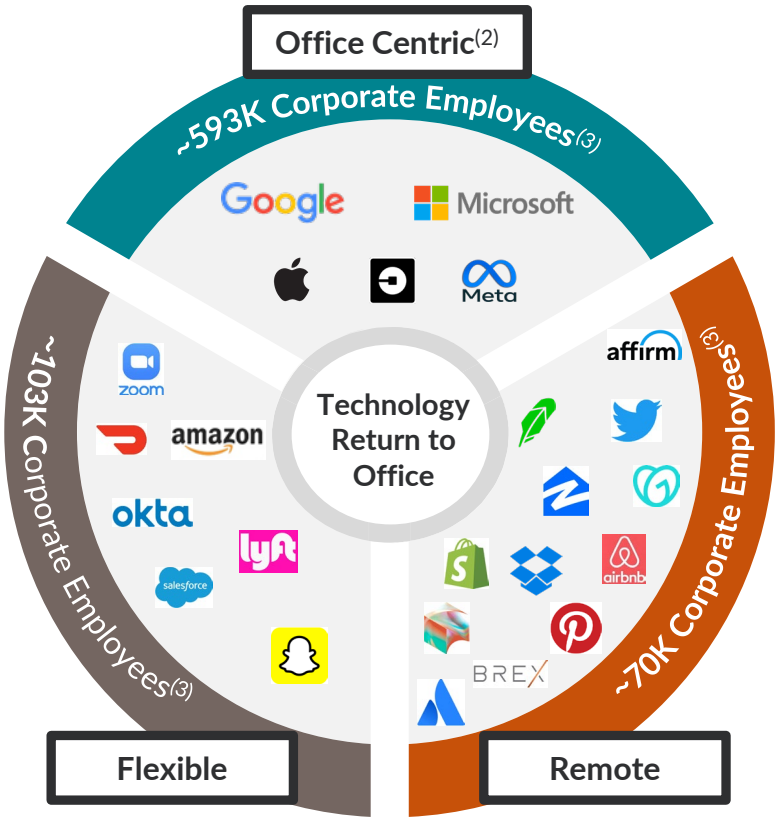
- ***Tech companies represented 36 of the top 100 U.S. office leases in 2021***, up from 18 in 2020. On a square footage basis, these leases represented 11.4 million square feet or ***37% of volume for the top 100 leases***. Among the top 10 metros for most mega deal leases, ***Silicon Valley ranked #4 and Seattle #6***
- Google recently announced expansion plans to ***invest more than $3.5 billion*** in the Bay Area on both new and existing development projects

Big Tech Aggregate Expansion in Essex Markets(1)

(2019-2021)



Technology Return-to-Office



Source: CoStar, LA Times, SF Business Journal, San Jose Mercury News, The Information, Bay Area News Group

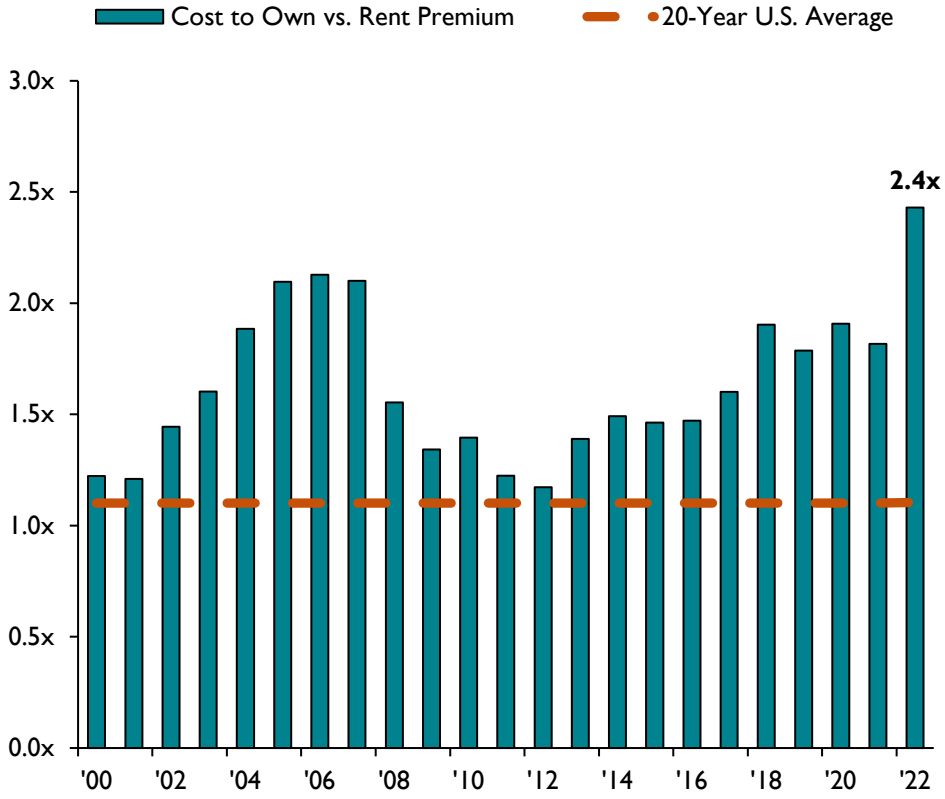
1) Key Investments represent the aggregate dollar amount invested over the trailing 36-month period in acquisitions (at contract price), developments (at total development cost), and major redevelopments (at redevelopment cost). Key Leases represent the aggregated square footage leased within Essex markets over the trailing 36-month period
2) Companies mandating 1+ days in office
3) Represents total corporate employee count throughout the U.S.

OWN VS. RENT PREMIUM IN ESSEX MARKETS

ESSEX PROPERTY TRUST, INC.

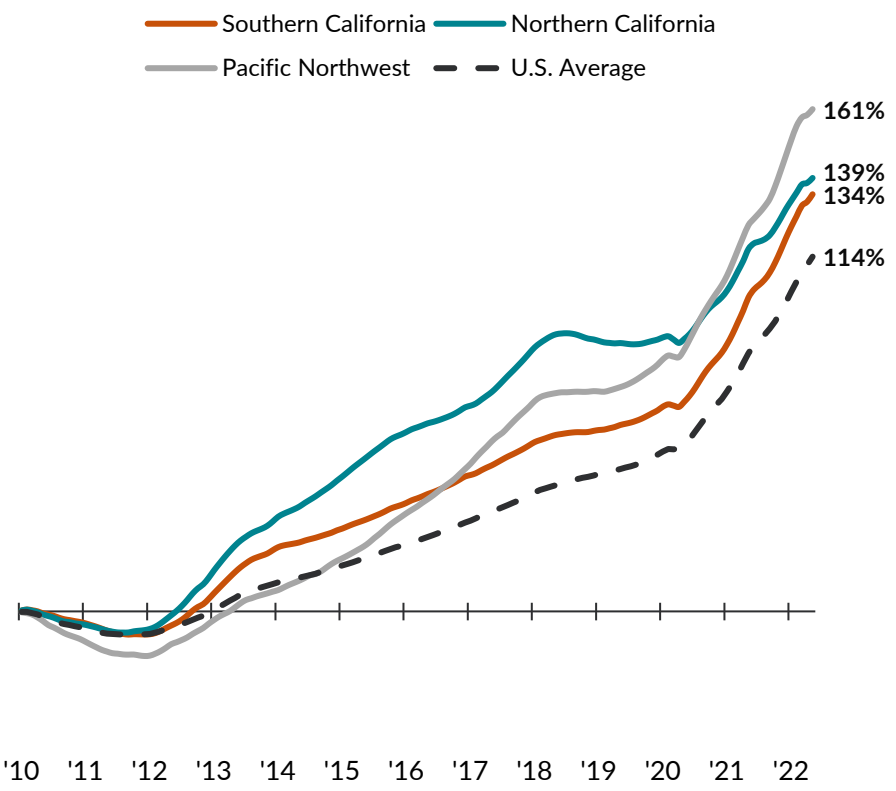
- With rising interest rates and continued home price appreciation, it is ***2.4x more expensive to own vs. rent in ESS markets***, significantly more expensive than the 20-year U.S. average
- ***Higher interest rates has made it increasingly difficult for renters to transition to home ownership*** and re-enforces the favorable rental trends in ESS markets

After-Tax Cost to Own vs. Rent in Essex Markets(1)



Home Price Appreciation in Core Markets

(Since 2010)



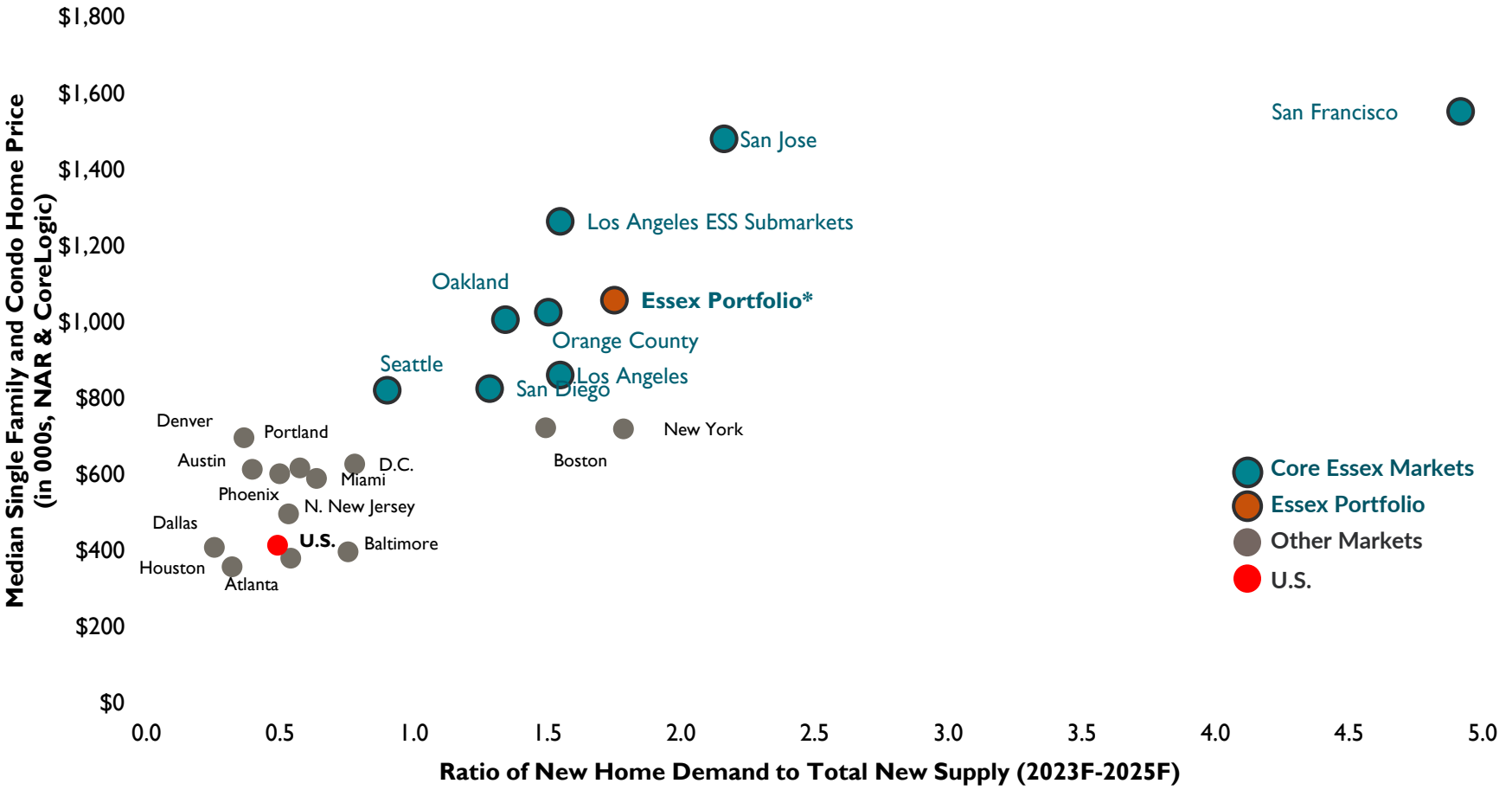
Sources: RealPage, CoreLogic, Federal Housing Finance Agency (FHFA), Census Bureau, BLS, Federal Reserve Economic Data (FRED), Freddie Mac, Essex

1) 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

FAVORABLE RELATIVE OUTLOOK USING THIRD-PARTY JOB GROWTH

ESSEX PROPERTY TRUST, INC.

‡ *Third party job growth estimates across the U.S. demonstrate the **favorable relative conditions of the West Coast**, especially considering the cost of a median single-family home in their respective markets.*



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

*Essex Portfolio weighted by % of same-property revenue

1) New Home demand based upon a ratio of two forecast jobs to create one household (forecasts are Oxford Economics).
2) Total new supply for ESS markets are ESS Forecasts and non-ESS markets are the Moody total permits, assuming a 24 month completion lag.



Wilshire Promenade
Fullerton, CA

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PROPERTY TRUST, INC.

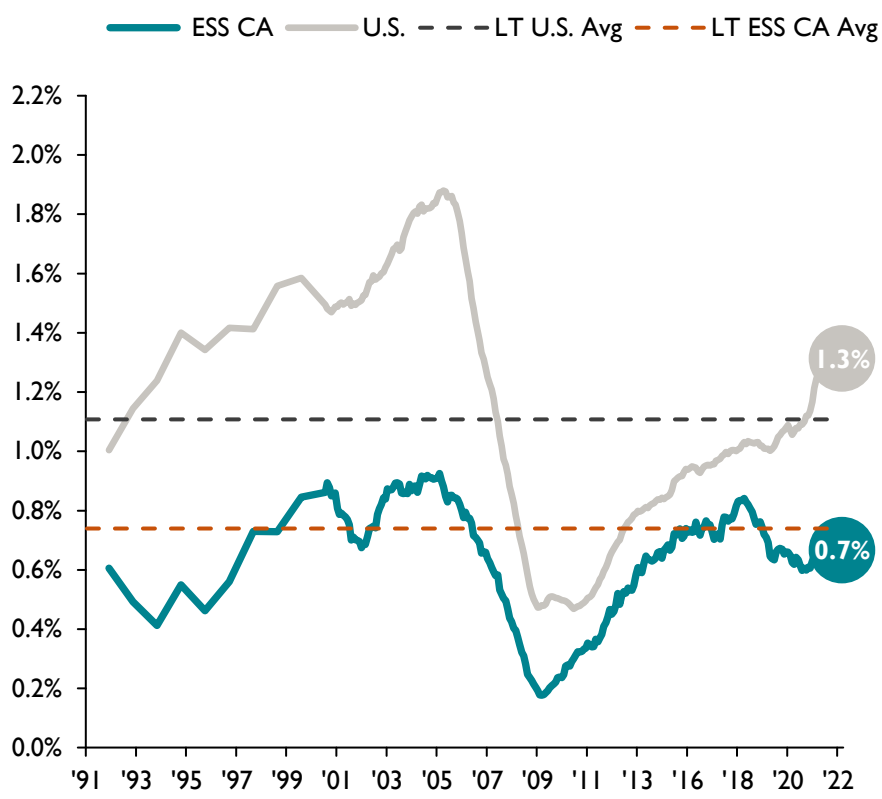
WEST COAST SUPPLY FUNDAMENTALS

LIMITED SUPPLY IN ESSEX MARKETS

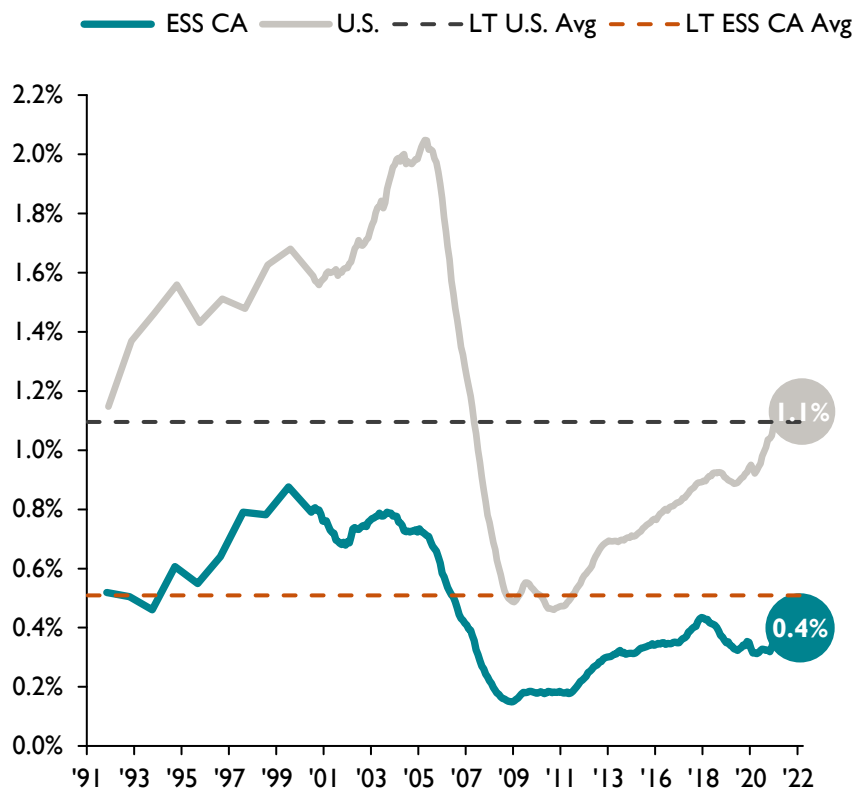
ESSEX PROPERTY TRUST, INC.

- Total permitting activity in the U.S. has steadily increased since 2021. ***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%,* ***while the U.S. is now above long-term averages,*** *making it easier for Essex to grow rent through incremental job growth*

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



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



Source: Census Bureau, Essex, and Rosen Consulting Group
1) Through Mar 2022
2) Long-term averages from 1991 - 2021

ESSEX SUPPLY VS. OTHER MARKETS

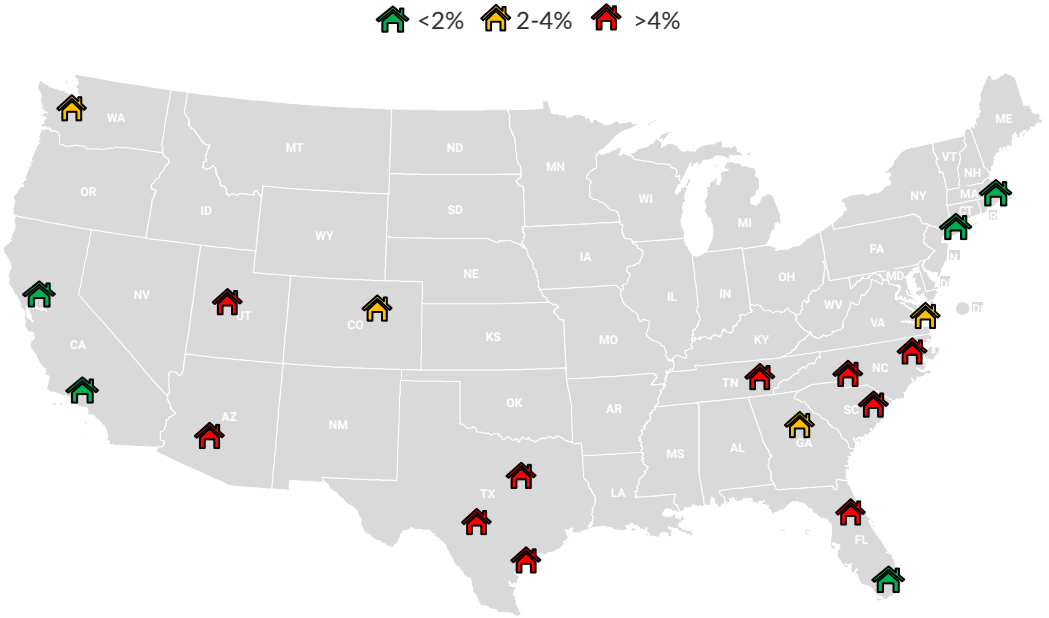
ESSEX PROPERTY TRUST, INC.

‡ ***Permitting activity in the U.S. increased significantly throughout the pandemic***, led by markets with low-barriers to supply, while ***Essex's high-barrier markets reflect permitting activity in-line with long-term averages***. As such, we expect new supply deliveries on the West Coast to remain consistent with long-term averages

Market	Total Permits (as % of stock)
Austin	+10.3%
Raleigh	+7.1%
Nashville	+6.9%
Charleston	+5.3%
Orlando	+5.2%
Salt Lake City	+5.1%
Phoenix	+5.0%
Charlotte	+5.0%
Houston	+5.0%
Dallas	+4.5%
Denver	+3.9%
Seattle	+3.2%
Atlanta	+2.9%
DC Metro	+2.1%
Miami	+1.8%
Boston	+1.5%
Northern CA	+1.3%
NY Metro	+1.3%
Southern CA	+1.2%

Total Permits as a % of Stock Throughout the Pandemic(1)

(2-Years of Permitting 2020 & 2021)



Source: Census Bureau

1) Represents total multifamily and single-family permits issued in 2020 & 2021 as a % of 2019 "pre-COVID" stock

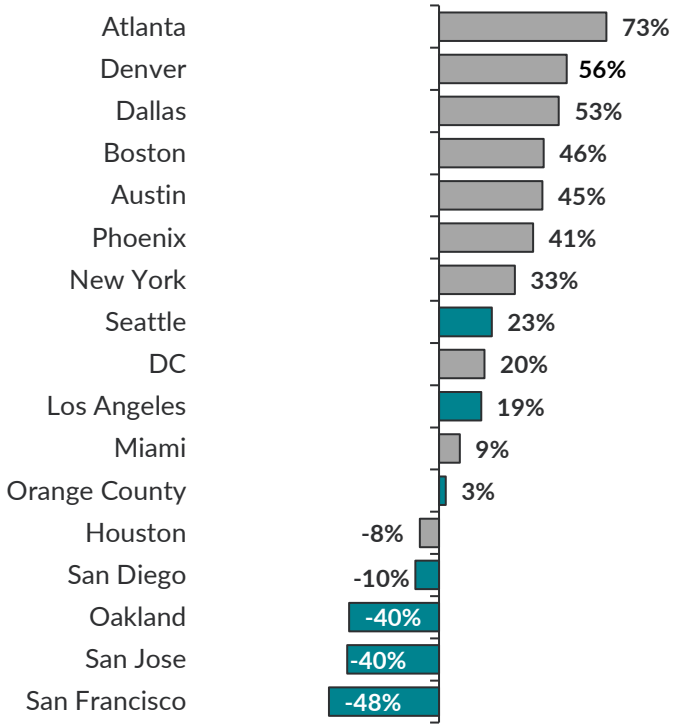
2023 SUPPLY-DEMAND DYNAMICS IN ESSEX MARKETS

ESSEX PROPERTY TRUST, INC.

‡ In 2023 the ***Essex portfolio***, and ***Northern California*** particularly, are expected to have a ***year-over-year decline in multifamily supply of 5% and 42%,*** respectively, while many Sunbelt markets are expected to lead the nation in household deliveries. Essex estimates that ***two jobs are necessary to absorb one additional unit of supply,*** *implying* ***minimal job growth in '23 is required for Essex markets*** to remain at parity in the supply and demand equation.

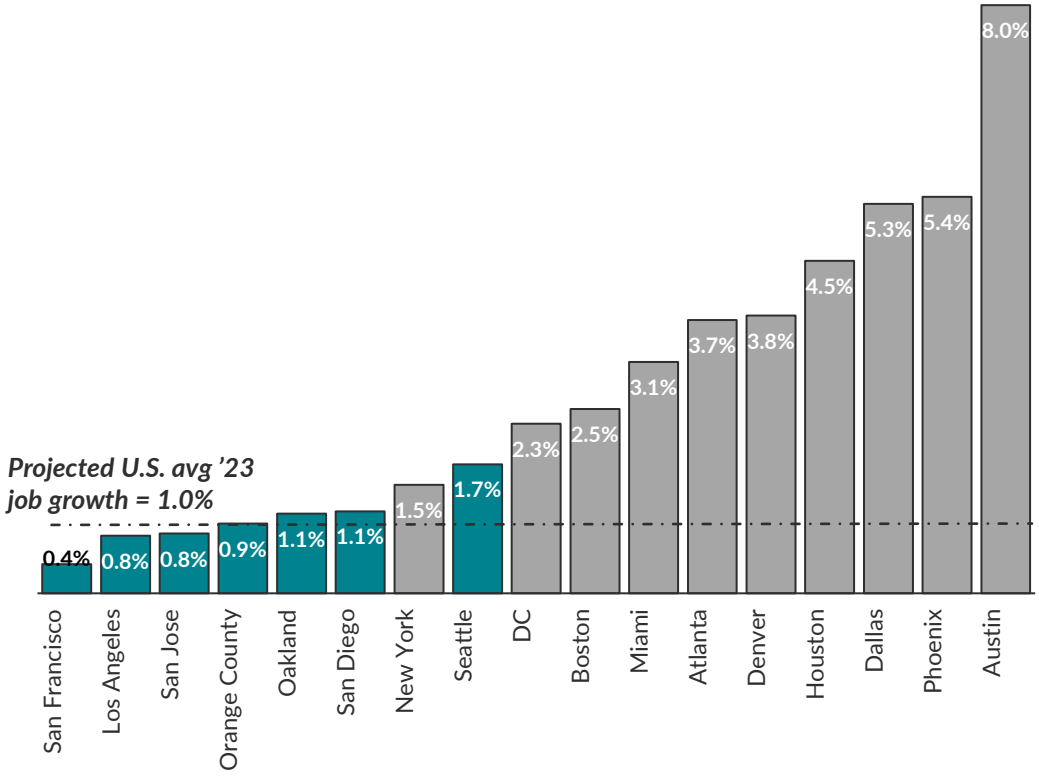
Year-over-Year Change in Multifamily Supply Deliveries[1]

(2023E)



Implied '23 Job Growth Needed to Meet Total Housing Supply[2]

(assumes 2x1 Jobs:Supply Parity)



Sources: Rosen Consulting, BLS, and Essex

1) RealPage data for non-ESS markets
2) Required job growth assumes 2 jobs for 1 unit of MF and SF supply using RealPage data for non-ESS markets



Villa Granada
Santa Clara, CA

ESSEX
PROPERTY TRUST, INC.

INNOVATION & BALANCE SHEET

INVESTING IN THE FUTURE

ESSEX PROPERTY TRUST, INC.

- Through our founding and investment in RET Ventures, ***Essex has been on the forefront of the technology innovations*** shaping the apartment industry today
- Over the ***past ~5 years and across five funds, Essex has committed over $72 million*** in technology platforms, ***enhancing shareholder returns*** while improving the resident experience and operating efficiencies

TECHNOLOGY INVESTMENT

- ***Utilizes RET Ventures to identify technology specific to the apartment industry that we can custom-tailor to our needs***
- ***Co-launched new ESG focused Housing Impact Fund with a commitment of $10M***

RET VENTURES DEVELOPMENT

FUNNEL SmartRent SightPlan



40+	2.4M+	$600b
Strategic investors	Rental Units Managed	of Assets

> *We have found significant value in the ability to pilot many of RET's portfolio companies' products at our properties, and to offer first-hand guidance to help them address our pain points. With a growing group of players from across the multifamily and single-family segments participating in RET's fund, we are more confident than ever in RET's ability to push the sector to greater heights*

Michael J. Schall, President and CEO
ESSEX Property Trust

PLATFORM AND TECHNOLOGY INITIATIVES & ROLL OUT

ESSEX PROPERTY TRUST, INC.

‡ The rollout of our technology and customer-centric operating platform has generated approximately ***150 basis point margin improvement to-date***, with an ***additional 200-300 basis points*** in cost efficiencies ***anticipated***

TOP 3 INITIATIVES	2019-2020	2021	2022	2023+
ESSEXNEXT ***Property Collections (Centralization)***	**Pilot program** (Sales, Admin, Bookkeeping) **Data Analytics / Revenue Management Enhancements - Phase I**	**Centralized Bookkeeping** **Property Collections** San Diego / Orange County	**Property Collections - LA** Completed **Property Collections** NorCal / Seattle *Completed* **Maintenance Collections** Planning and Pilot **Data Analytics / Revenue Management Enhancements - Phase II**	**Maintenance Collections** Begin roll out
FUNNEL ***Funnel is the industry-leading marketing and leasing platform for multifamily owners and managers.***	**Call Center Integration**	**Lead Management Integration**	**Online Leasing Pilot** Completed **Online Leasing Rollout** Initiation	
SmartRent Residential Units	**Pilot Program Completed** (1k units)	**20k Units**	**Balance of Units** Target: YE 2022	
Building Access			**Planning full roll out**	

FULLY INTEGRATED PLATFORM

ESSEX PROPERTY TRUST, INC.

- Essex has ***developed a fully integrated platform***, aggregating asset level data and driving operating performance through data analytics
- Essex has had ***meaningful input in the development of funnel***, which we believe ***will be a significant driver of growth and efficiency*** as we continue to refine the operations of our portfolio with the adoption of technology



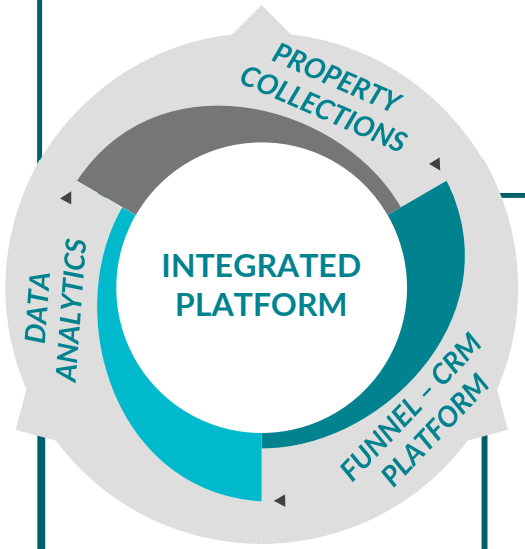
DATA ANALYTICS

- **Analyzes CRM Results**
  - Led to 800 bps of improvement in cross selling for Property Collections
  - Leveraged CRM analysis to improve one-hour response times by 20%
- **Supports Asset and Revenue Management**
  - Identify units with untapped revenue potential using historical patterns
- **Example Above:**
  - Green shading indicates units with below-average turnover over the past six years
  - Red shading indicates units that turn over frequently and could provide insight into rental discounts to bring units up to portfolio level occupancy

ESSEXNEXT

PROPERTY COLLECTIONS

- **Property Collections**
  - Transitions dedicated teams at individual property to teams that will cover a collection of properties
  - Specialized roles by business function increase productivity of individual associates
- **Centralize Administrative Duties,**
  - Allows each associate to focus on a specific function on all assets in a collection
  - Enhanced business continuity across the organization



PROJECTED TO CREATE 200 BPS OF MARGIN IMPROVEMENT OVER ~2-3 YEARS

FUNNEL

CRM PLATFORM

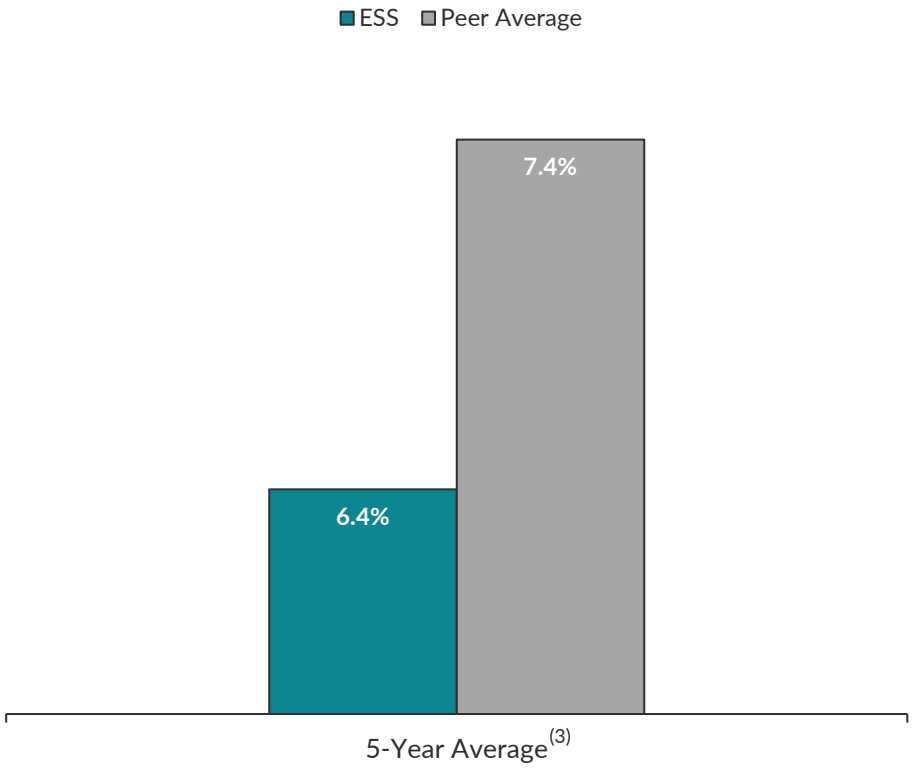
- **Operations**
  - Enhances operating efficiencies and improves resident satisfaction
- **Lead Management**
  - Provides streamlined lead management, automation, scheduling, and omni-channel communications with both prospects and residents
- **Feeds Data Analytics**
  - Export of CRM results
  - Generates new insights,
  - Boost lead conversion
  - Enhances leasing best practices

G&A EXPENSES VS. PEERS

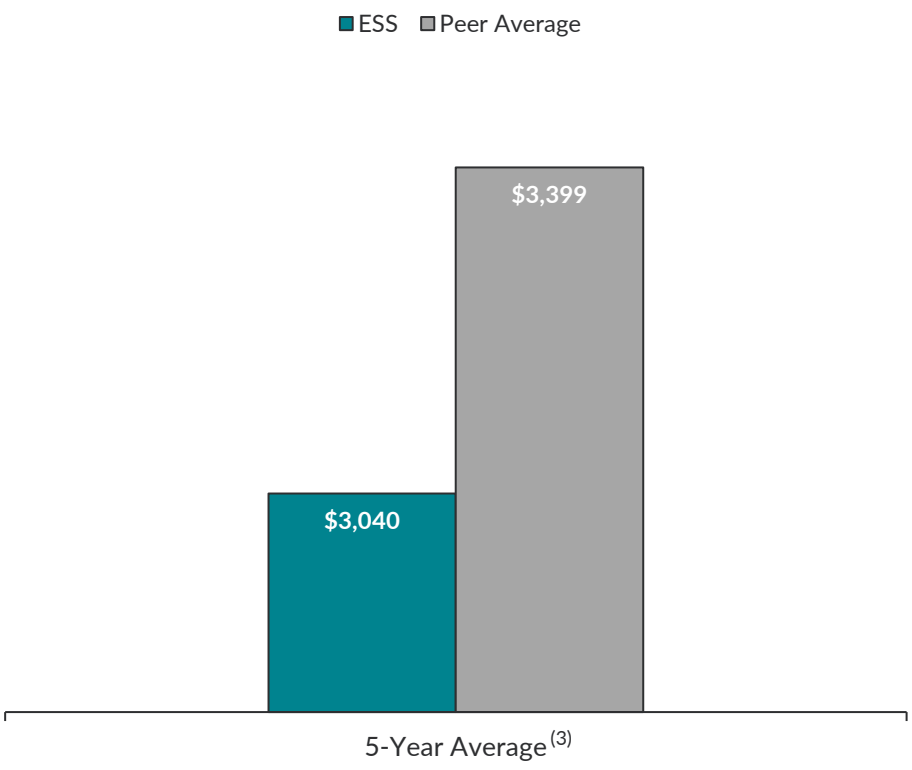
ESSEX PROPERTY TRUST, INC.

- 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) 2017-2021

CAPITAL STRUCTURE AND LIQUIDITY PROFILE[1]

ESSEX PROPERTY TRUST, INC.

Baa1/BBB+ Stable Credit Ratings

$23.6B Total Market Capitalization

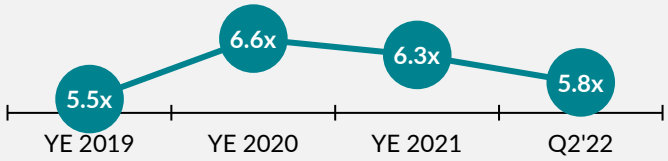
553% Interest Coverage

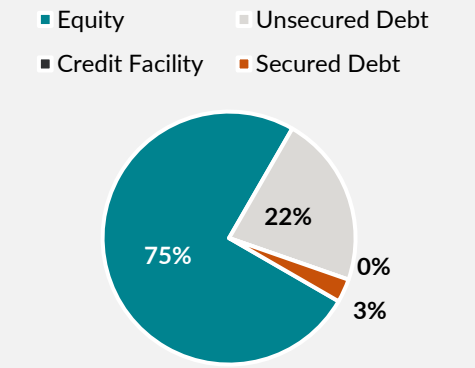
94% Unencumbered NOI to Adjusted Total NOI

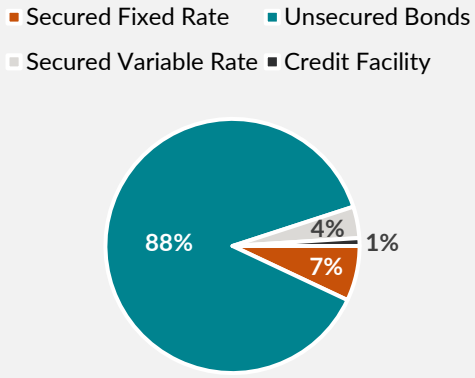
284% Unsecured Debt Ratio

$1.4B In Total Liquidity[2] as of 6/30/2022

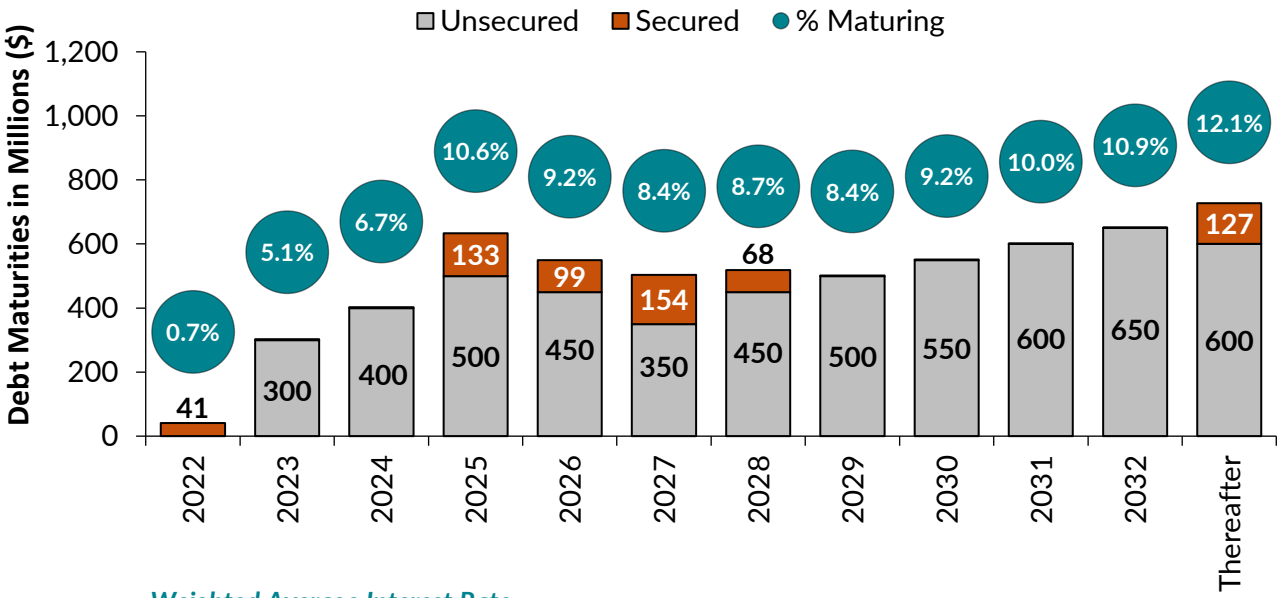
Net Debt to Adjusted EBITDAre[3][4]







Debt Maturity Schedule[1]
(as of 6/30/2022)



Weighted Average Interest Rate

2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032	Thereafter
3.6%	3.4%	4.0%	3.5%	3.5%	3.4%	2.2%	4.1%	3.1%	2.3%	2.6%	3.3%

Weighted Average Interest Rate: 3.2%

As of 6/30/2022

1) Consolidated portfolio only.
2) Includes undrawn portion of credit facility, cash, cash equivalents & marketable securities.
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 page S-18.1 of the supplemental financial information furnished as Exhibit 99.1 to the Company's Current Report on Form 8-K filed with the SEC on April 26, 2022.



ESSEX
PROPERTY TRUST, INC.

ESG HIGHLIGHTS

ENVIRONMENTAL OVERVIEW

ESSEX PROPERTY TRUST, INC.

- In 2022, ***Essex completed its climate risk assessment*** and issued its TCFD Report
- Essex remains committed to positive environmental impact and has ***committed $10 million*** in investment to RET Ventures ***new ESG focused 'Housing Impact Fund'***

PORTFOLIO HIGHLIGHTS

- **50%** OF COMMUNITIES PARTICIPATING WITH ENERGY STAR *(79 AVG SCORE)*
- **30** DEVELOPED COMMUNITIES WITH GREEN BUILDING CERTIFICATIONS
- **93** SOLAR ENERGY SYSTEMS
- **65** COMMUNITIES WITH EV CHARGING STATIONS
- **$63m** OF INVESTMENT IN RENEWABLE ENERGY AND ENERGY / WATER EFFICIENCY PROJECTS

ENVIRONMENTAL IMPACT 2021

GHG EMISSIONS
GHG emission
reduction of 4% vs '20
-9% vs '19

RENEWABLE ENERGY
Solar Renewable energy generation
increase of 26% vs '20

TOTAL ENERGY REDUCTION OF 3% vs. '20

WATER USAGE
Total water usage
reduction of 5%
vs '20

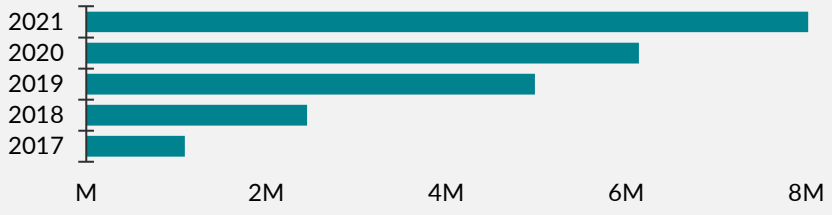
WASTE MANAGEMENT
57% Trash
38% Recycling
5% Compost

PORTFOLIO ALLIGNMENT

Global Reporting Initiative™ | SASB Sustainability Accounting Standards Board | TCFD Task Force on Climate-Related Financial Disclosures

RENEWABLE ENERGY GENERATION

(KWH produced through PV)



MORE THAN A DECADE OF POSITIVE IMPACT

$57m	Invested in Energy Efficiency
$32m	Invested in Renewable Energy
$8m	Invested in Water Conservancy
$1.4m	Invested in Waste Reduction



Source: Essex 2021 CSR Report

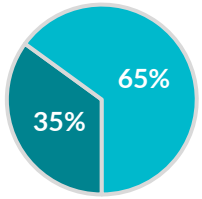
SOCIAL AND GOVERNANCE OVERVIEW

ESSEX PROPERTY TRUST, INC.

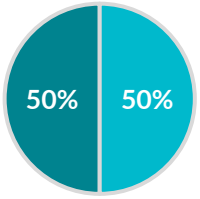
- The ***only multifamily REIT recognized*** in Bloomberg's 2022 Gender-Equality Index
- Essex's strong governance reflects a proactive approach through gathering shareholder feedback during its annual reach out to the majority of the Company's shareholders

STRONG GOVERNANCE

Managerial and Higher



Named Executives







AWARDS & RECOGNITION

Bloomberg Gender-Equality Index 2022

NAA EXCELLENCE AWARDS 2021

CEO ACT!ON FOR DIVERSITY & INCLUSION

GRESB ★★★☆☆ 2021

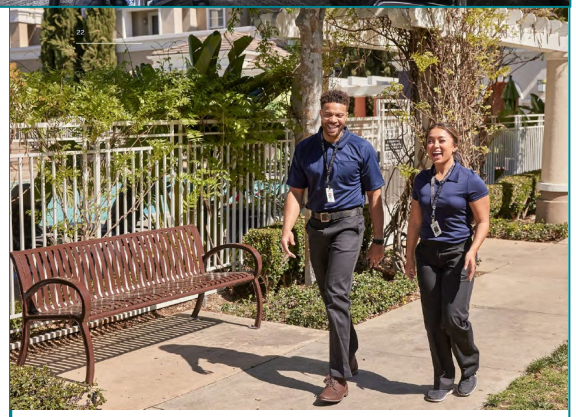
SOCIAL DEVELOPMENT

15%
Promotion Rate

33%
Turnover Rate

0%
Pay gap between genders

51%
Managerial positions are held by people of color



ESSEX CARES ABOUT ASSOCIATES

ESSEX CARES ABOUT RESIDENTS

ESSEX CARES ABOUT COMMUNITY

Source: Essex 2021 CSR Report



ESSEX
PROPERTY TRUST, INC.

DEFINITIONS AND RECONCILIATIONS

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 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 related variants, and governmental measures intended to prevent its spread, inflation, supply chain impacts and ongoing hostilities between Russia and Ukraine, 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, which 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 markets; 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 and uncertainties regarding ongoing hostilities between Russia and the Ukraine and the related impacts on macroeconomic conditions, including, among other things, interest rates. 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.

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.

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 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 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 second quarter of 2022, 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 June 30, 2022
Net income available to common stockholders	$ 57,054
Adjustments:	
Net income attributable to noncontrolling interest	4,636
Interest expense, net [(1)]	48,194
Depreciation and amortization	134,517
Income tax provision	243
Co-investment EBITDAre adjustments	27,589
EBITDAre	272,233
Gain (loss) on sale of marketable securities	(259)
Change in unrealized (losses) gains on marketable securities	21,856
Provision for credit losses	(1)
Equity (loss) from non-core co-investments	20,710
Deferred tax benefit (expense) on unconsolidated co-investments	(6,864)
General and administrative and other, net	997
Insurance reimbursements and legal settlements, net	(8)
Expensed acquisition and investment related costs	10
Loss on early retirement of debt from unconsolidated co-investments	901
Adjusted EBITDAre	$ 309,575

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

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 of the earnings supplement for the second quarter of 2022 in the section titled "Consolidated Funds From Operations".

INTEREST EXPENSE, NET

Interest expense, net is presented on page S-1 of the earnings supplement for the second quarter of 2022 in the section 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 June 30, 2022	Six Months Ended June 30, 2022
Interest expense	$ 50,477	$ 100,854
Adjustments:		
Total return swap income	(2,283)	(4,827)
Interest expense, net	$ 48,194	$ 96,027

NET INDEBTEDNESS DIVIDED BY ADJUSTED EBITDAre

This credit ratio is presented on page S-6 of the earnings supplement for the second quarter of 2022 in the section titled "Selected Credit Ratios." 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 second quarter of 2022. 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	$	6,010,250
Total debt from co-investments at pro rata share		1,340,504
Adjustments:		
Consolidated unamortized premiums, discounts, and debt issuance costs		39,031
Pro rata co-investments unamortized premiums, discounts, and debt issuance costs		7,343
Consolidated cash and cash equivalents-unrestricted		(37,756)
Pro rata co-investment cash and cash equivalents-unrestricted		(39,583)
Marketable securities		(179,744)
Net Indebtedness	$	7,140,045
Adjusted EBITDAre, annualized [(1)]	$	1,238,300
Other EBITDAre normalization adjustments, net, annualized [(2)]		295
Adjusted EBITDAre, normalized and annualized	$	1,238,595
Net Indebtedness Divided by Adjusted EBITDAre, normalized and annualized		5.8

(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.

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 June 30, 2022	Three Months Ended June 30, 2021	Six Months Ended June 30, 2022	Six Months Ended June 30, 2021
Earnings from operations	$ 128,628	$ 93,381	$ 238,478	$ 290,762
Adjustments:				
Corporate-level property management expenses	10,176	9,062	20,348	18,075
Depreciation and amortization	134,517	128,736	268,050	257,323
Management and other fees from affiliates	(2,738)	(2,221)	(5,427)	(4,470)
General and administrative	13,127	12,222	25,369	22,034
Expensed acquisition and investment related costs	10	41	18	56
Gain on sale of real estate and land	-	-	-	(100,096)
NOI	283,720	241,221	546,836	483,684
Less: Non-same property NOI	(16,045)	(11,771)	(31,400)	(23,351)
Same-Property NOI	$ 267,675	$ 229,450	$ 515,436	$ 460,333

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 of the earnings supplement for the second quarter of 2022 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 second quarter of 2022.

UNENCUMBERED NOI TO ADJUSTED TOTAL NOI

This ratio is presented on page S-6 of the earnings supplement for the second quarter of 2022 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 June 30, 2022, annualized, is calculated by dividing Unencumbered NOI, annualized for the three months ended June 30, 2022 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 Q2'22 [1]
NOI	$	1,134,880
Adjustments:		
NOI from real estate assets sold or held for sale		-
Other, net [2]		9,031
Adjusted Total NOI		1,143,911
Less: Encumbered NOI		(64,315)
Unencumbered NOI	$	1,079,596
Encumbered NOI	$	64,315
Unencumbered NOI		1,079,596
Adjusted Total NOI	$	1,143,911
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.