



ESSEX

PROPERTY TRUST, INC.

INVESTOR PRESENTATION
MARCH 2023





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ESSEX PROPERTY TRUST, INC.


Passage Buena Vista | *Vista, 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

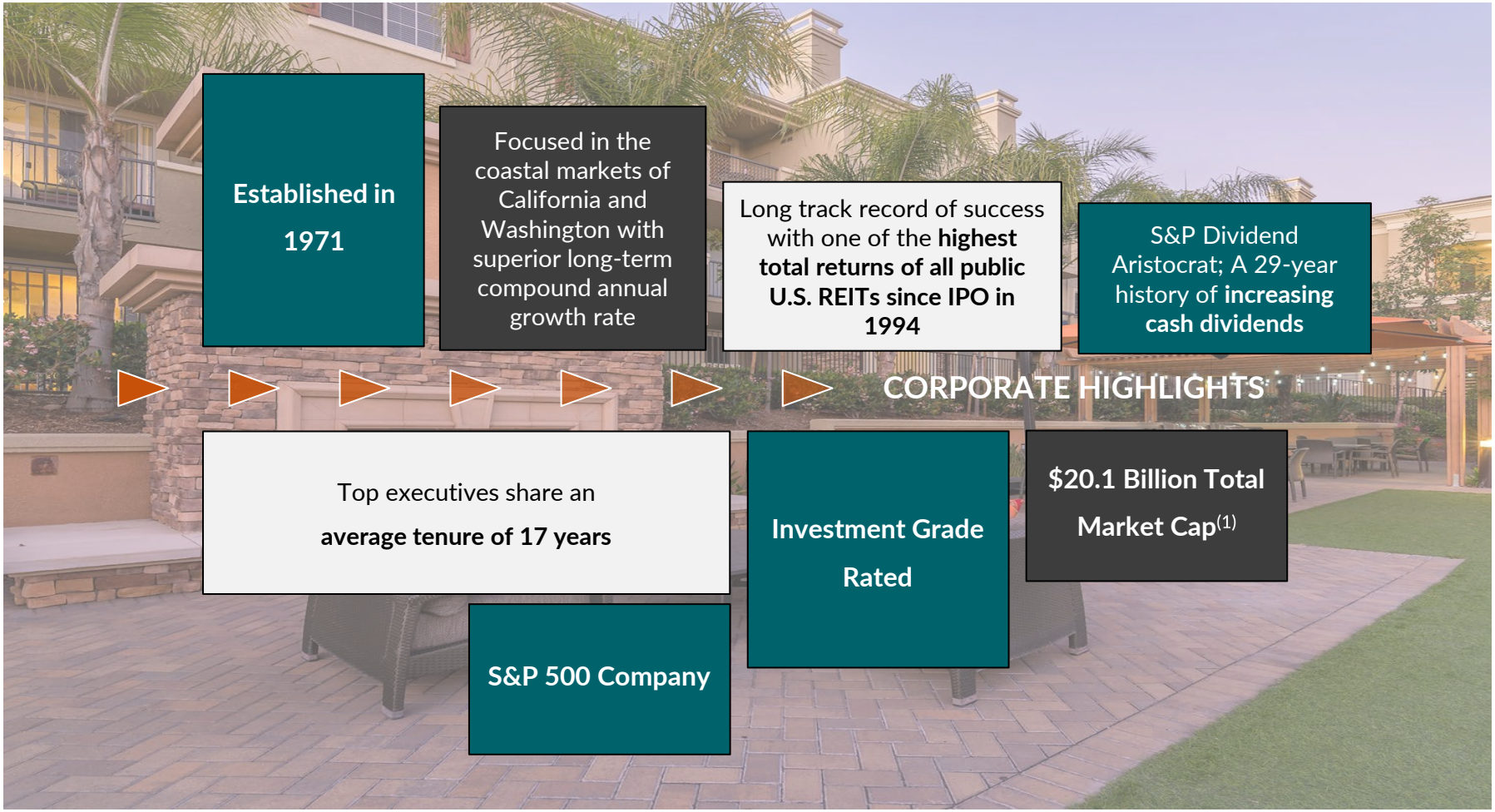


Taylor 28
Seattle, WA

ESSEX
PROPERTY TRUST, INC.

TRACK RECORD & COMPANY HIGHLIGHTS

CORPORATE HIGHLIGHTS



1) As of 12/31/2022

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 substantially more expensive than renting in our markets

LIMITED SUPPLY

New Supply
New supply of multifamily and for-sale housing has historically increased by less than 1% of existing stock in 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

CORE DRIVERS OF VALUE CREATION

ESSEX PROPERTY TRUST, INC.



ACQUISITIONS & DISPOSITIONS
Improve the NAV per share, cash flow per share and growth prospects of the company as well as selling properties and repurchasing stock when accretive to NAV and FFO per share



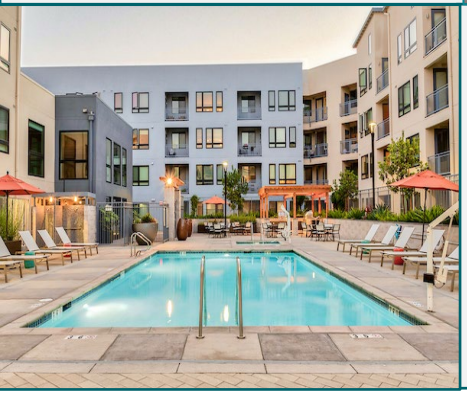
DEVELOPMENT
Develop high-quality, tenant-desired apartment homes near high-quality jobs

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



CO-INVESTMENT PLATFORM
Alternative source of capital to 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 periods in the economic 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

PORTFOLIO OVERVIEW

ESSEX PROPERTY TRUST, INC.

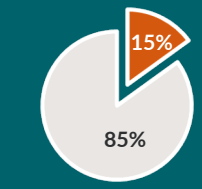
- The only public multifamily REIT dedicated to the ***West Coast***
- Together, California and Washington represent the ***4th highest GDP in the world***

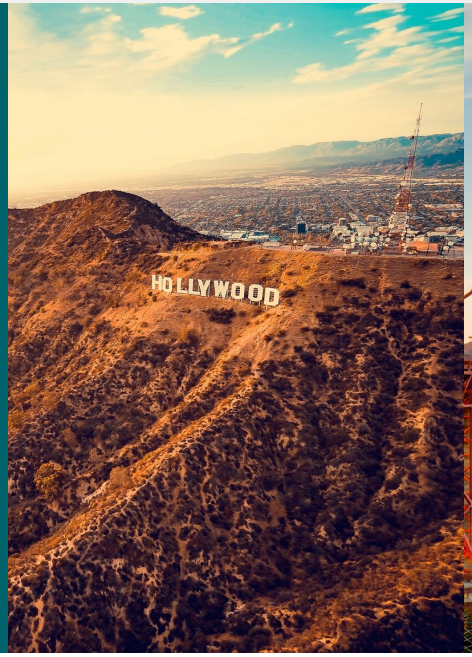
8 Major Markets

252 Apartment Communities

~62,000 Apartment Homes

Portfolio Composition(1)

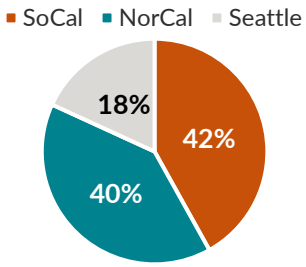








% of Portfolio NOI



Southern California

% of NOI(5)

West / Other LA	15%
Orange	11%
San Diego	9%
Ventura	5%
Downtown LA	2%

Northern California(2)

Santa Clara	19%
Oakland(3)	13%
San Mateo	5%
SF CBD	2%

Seattle

Eastside(4)	11%
Other Seattle	4%
Seattle CBD	3%

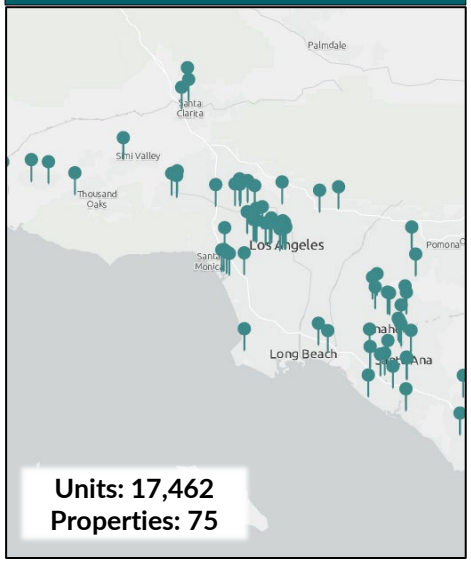
Source: Essex and RealPage as of 12/31/22

1) Defined by RealPage based on geographical location and density.
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) Eastside includes the cities of Bellevue, Redmond, Issaquah, Kirkland, Bothell, and Newcastle.

PROPERTY MAPS AND KEY MARKET STATISTICS

ESSEX PROPERTY TRUST, INC.

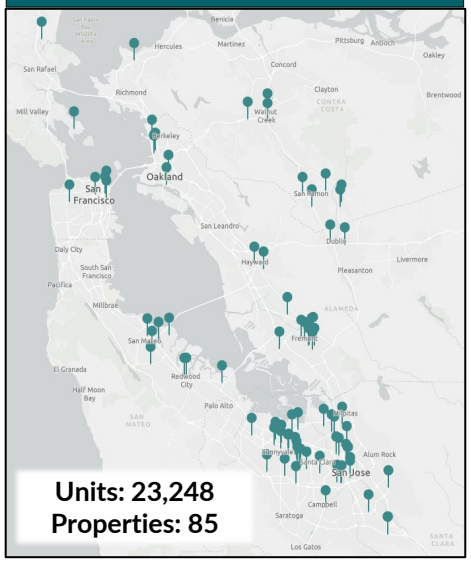
LOS ANGELES/OC



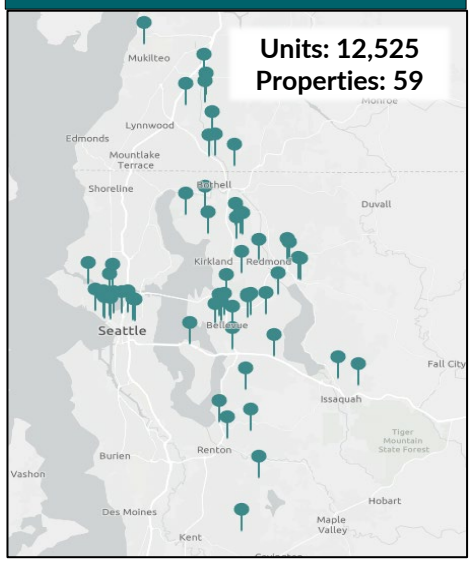
SAN DIEGO



NORTHERN CALIFORNIA



SEATTLE



Market	% of Total NOI	Average Rental Rate	Average Rent-to-Income[1]	Median Household Income[1]	Median Home Price	Median Home Price to Median Income	2023E Total Supply as a % of stock[2]
Los Angeles	17%	$2,626	25.5%	$91,000	$829,000	9.1x	0.5%
Orange County	11%	$2,590	26.7%	$105,000	$1,132,000	10.8x	0.5%
San Diego	9%	$2,436	26.9%	$95,000	$857,000	9.0x	0.5%
San Francisco MD[3]	7%	$3,012	23.7%	$136,000	$1,680,000	12.4x	0.4%
Oakland[4]	13%	$2,608	21.3%	$118,000	$1,095,000	9.3X	0.5%
Santa Clara County	20%	$2,906	21.3%	$149,000	$1,578,000	10.6x	0.6%
Seattle	18%	$2,156	19.3%	$113,000	$709,000	6.3x	1.1%
Essex Portfolio[5][6]		$2,567	23.2%	$115,000			0.6%

Source: CoStar, Oxford Economics, RCG, CoreLogic, NWMLS NAR, and Essex, as of 12/31/22

1) Median household income at the market level, not Essex internal.
2) Total supply as a % of stock for both single family and multifamily.
3) Includes San Francisco and San Mateo counties.
4) Includes Alameda and Contra Costa counties.
5) ESS markets weighted by total unit count.
6) Excludes Ventura County and Other which accounts for approximately 5.0% of ESS total NOI.

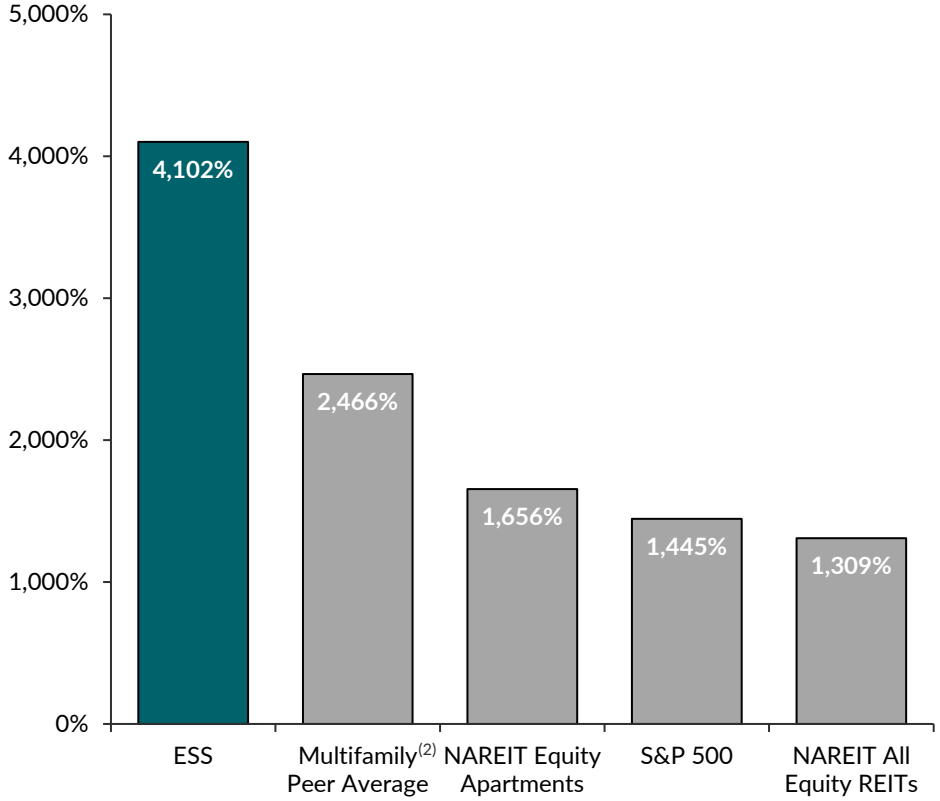
TOTAL RETURNS OUTPERFORM

ESSEX PROPERTY TRUST, INC.

- Robust value creation for shareholders since IPO
- ***A S&P Dividend Aristocrat***, Essex has increased its cash dividend for 29 consecutive years, with ***453% cumulative dividend growth*** since the Company's IPO in 1994

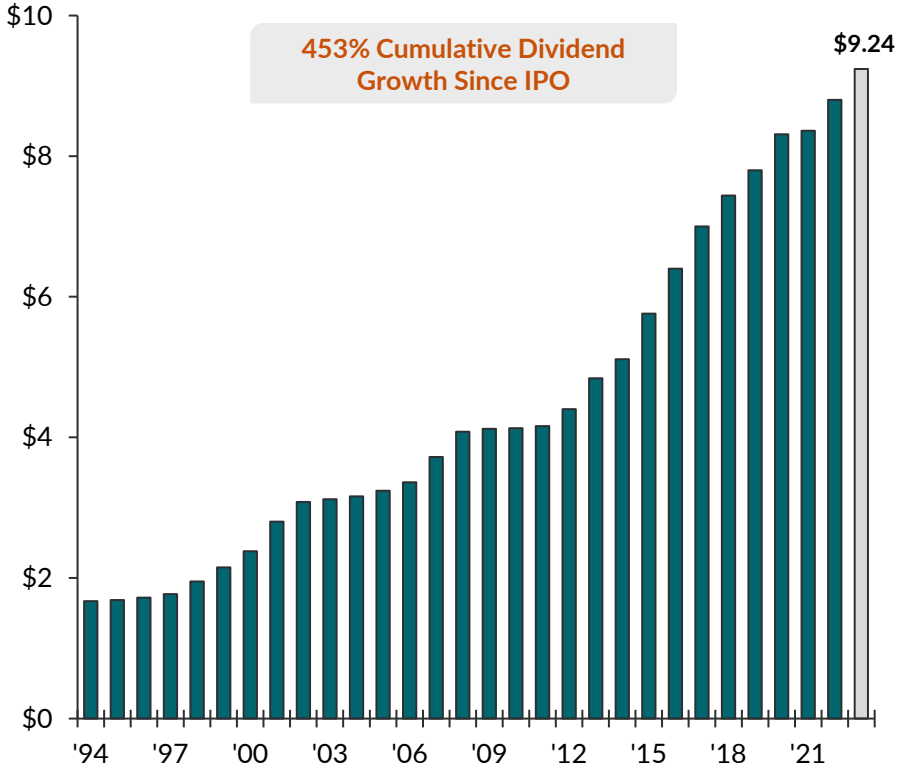
Total Shareholder Return Since ESS IPO[1]

Through January 31, 2023



Dividend Per Share Growth

(1994 - 2023E)



Source: Company Disclosures, S&P Global Market Intelligence

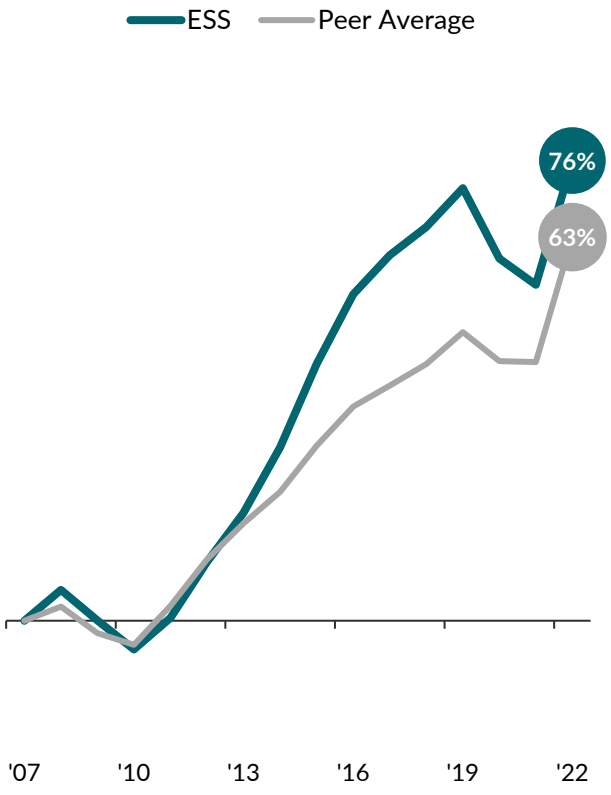
1) June 1994 – January 2023.
2) Includes the multifamily peer group of EQR, AVB, UDR, MAA, and CPT.

CORE METRICS OUTPERFORM

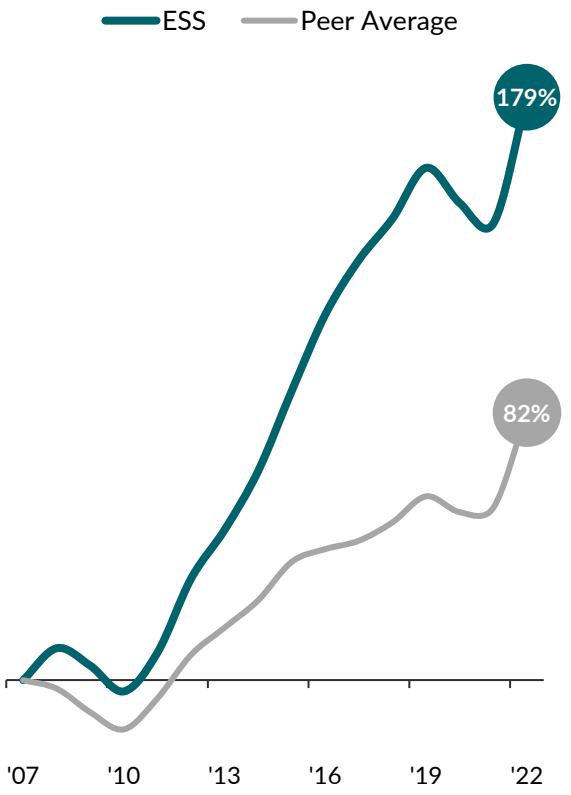
ESSEX PROPERTY TRUST, INC.

- 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

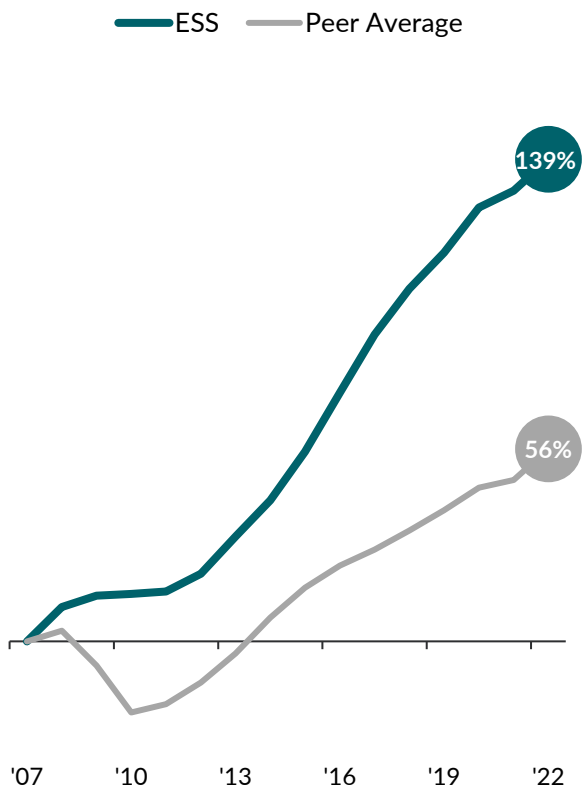
Same-Property NOI Growth



Core FFO per Share Growth(1)



Dividend Per Share Growth



Source: Company Disclosures as of 12/31/22

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.



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OPERATING UPDATE & GUIDANCE

1000 Kiely
Santa Clara, CA

SAME-PROPERTY OPERATIONS UPDATE

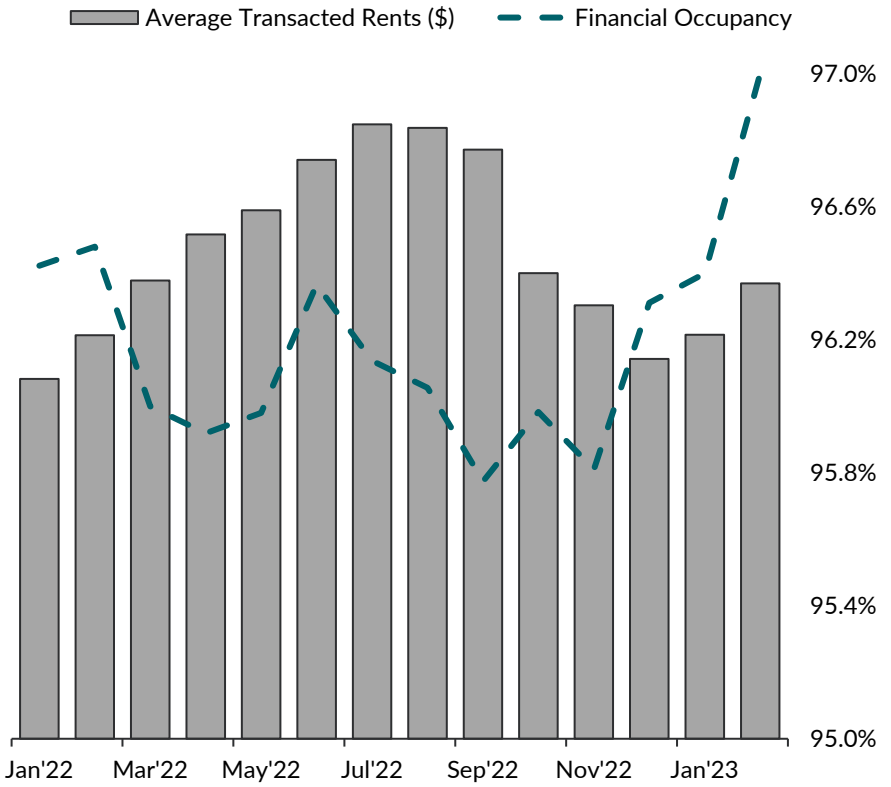
ESSEX PROPERTY TRUST, INC.

- Net effective rents have shown continued sequential improvement since December 2022, consistent with historical rent patterns and in-line with 2023 expectations
- Strong year-over-year same-property revenue growth to start the year is in-line with the Company's guidance assumptions, but is expected to moderate throughout the year as a result of challenging comps in the second half

Same-Property Revenue Growth[1]	Actuals Q4 2022	Preliminary Jan-Feb 2023
Southern California	10.8%	**8.5%**
Northern California	9.0%	**6.0%**
Seattle	12.9%	**10.5%**
Total Same-Property	**10.5%**	**7.8%**

Same-Property Operating Statistics	Actuals Q4 2022	Actuals January 2023	Preliminary February 2023
Cash delinquencies as a % of scheduled rent[2]	1.1%	3.1%	**2.3%**
New lease rates[3]	0.8%	-0.6%	**1.3%**
Renewal rates[3]	7.6%	5.5%	**4.6%**
Blended rates	**3.8%**	**2.2%**	**2.9%**
Gain/(Loss)-to-Lease	-0.5%	1.8%	**1.5%**
Financial Occupancy	96.0%	96.4%	**97.0%**

Strong Occupancy and Improving Sequential Rents[4]



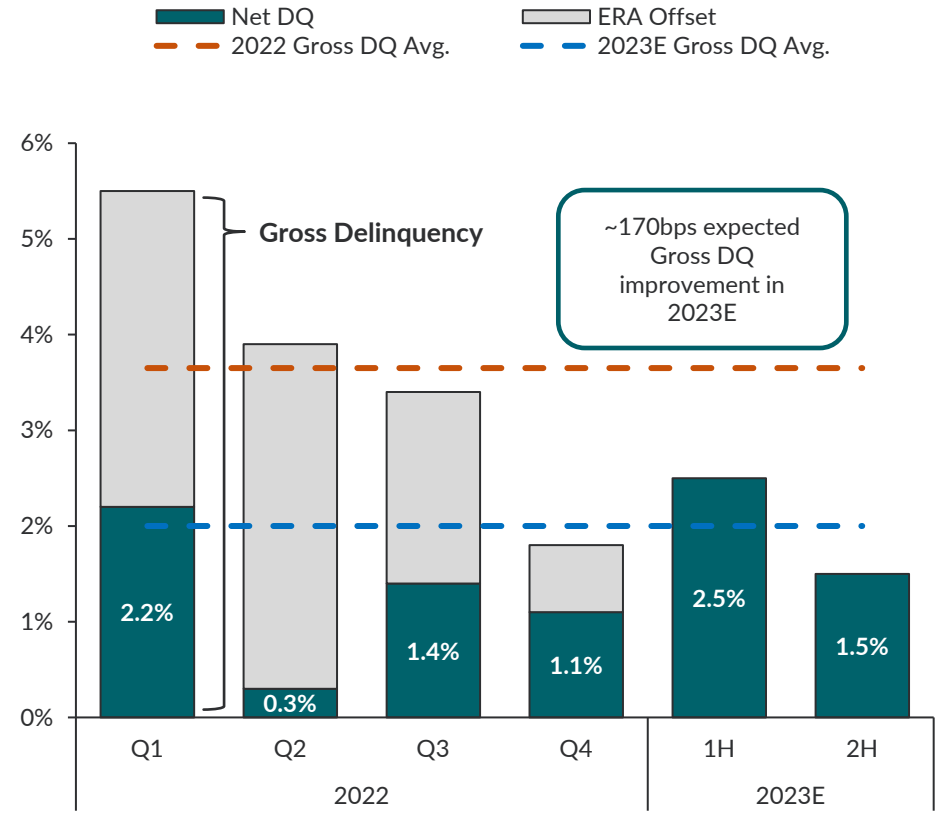
Source: Essex

1) Reflects year-over-year same-property revenue 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) Represents the YOY % change in similar term lease tradeouts, including the impact of leasing incentives.
4) Average transacted rents represents the average new and renewal leases signed in the month, weighted by transaction count.

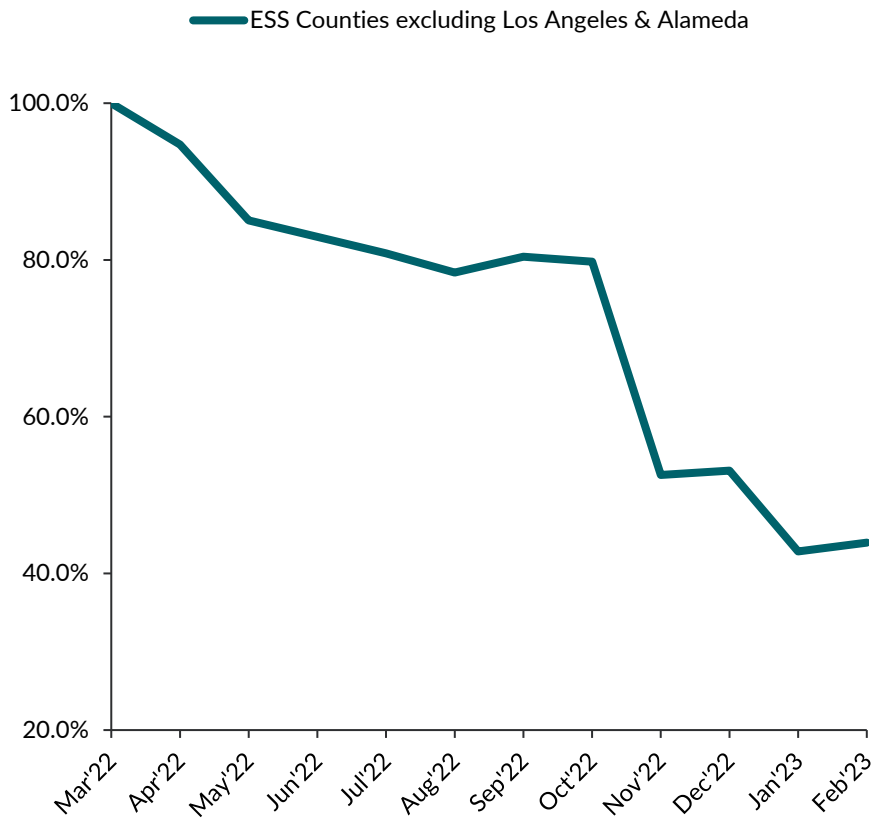
IMPROVING DELINQUENCY

- Essex anticipates COVID-related eviction moratoria to abate in 2023, leading to a substantial year-over-year improvement in gross delinquencies of approximately 170 basis points. However, depleted Emergency Rental Assistance ("ERA") funds are expected to result in higher net delinquency in 2023
- All Essex counties, except LA and Alameda, have removed eviction moratoria leading to a significant reduction in delinquent units. In counties outside of LA and Alameda, the Company has reduced the number of delinquent units by over 50%

Delinquency ("DQ") Components as a % of Scheduled Rent



Long Term[1] Delinquent Residents Compared to March 2022 Peak



Source: Essex

1) Represents units that are delinquent by 3 months or greater.

2023 MSA LEVEL FORECAST (UNCHANGED FROM Q4 2022 EARNINGS)

ESSEX PROPERTY TRUST, INC.

Forecast Summary:

2023 GDP Growth = +0.4%

Dec-23 unemployment rate = 4.7%, US Job Growth = -0.2% (TTM avg)

2023 Supply growth in ESS markets remains below 1%

Forecast Assumptions:

Fed policy spurs weaker job growth into mid-2023, and decelerating rent growth

High mortgage rates shift rent/buy equation, supporting rental demand

Macro uncertainty remains elevated near-term, with inflation a key catalyst

	Residential Supply [1]					Job Forecast [2]			Rent Forecast [3]
Market	New MF Supply	New SF Supply	Total Supply	MF Supply as % of MF Stock	Total Supply as % of Stock	Q4 YOY New Jobs	Q4 YOY Growth	TTM YOY Growth	TTM YOY Growth
Los Angeles	10,700	6,450	17,150	0.7%	0.5%	0	0.0%	0.4%	2.4%
Orange County	2,500	3,300	5,800	0.6%	0.5%	0	0.0%	0.3%	2.0%
San Diego	3,300	2,950	6,250	0.7%	0.5%	2,000	0.1%	0.2%	1.9%
Ventura	900	200	1,100	1.4%	0.4%	0	0.0%	0.4%	1.6%
So. Cal.	**17,400**	**12,900**	**30,300**	**0.7%**	**0.5%**	**2,000**	**0.0%**	**0.3%**	**2.1%**
San Francisco	2,150	550	2,700	0.6%	0.4%	2,000	0.2%	1.2%	2.3%
Oakland	2,500	3,050	5,550	0.7%	0.5%	500	0.0%	0.3%	1.2%
San Jose	2,300	2,200	4,500	0.9%	0.6%	2,000	0.2%	0.5%	2.6%
No. Cal.	**6,950**	**5,800**	**12,750**	**0.7%**	**0.5%**	**4,500**	**0.1%**	**0.7%**	**2.1%**
Seattle	**9,550**	**4,900**	**14,450**	**1.9%**	**1.1%**	**3,000**	**0.2%**	**0.4%**	**1.3%**
Total/Weighted Avg. [4]	**33,900**	**23,600**	**57,500**	**0.8%**	**0.6%**	**9,500**	**0.1%**	**0.4%**	**2.0%**

Data based on third-party macroeconomic projections and Essex Market Analytics 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 enhancement ("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 4Q23 over 4Q22, expressed as total new jobs and growth rates, and trailing 12-month 2023 vs 2022 growth rates.

(3) **Rent Forecast:** The estimated rent growth represents the forecasted change in economic rents for trailing 12-month 2023 vs 2022, and excludes submarkets not targeted by Essex.

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

2023 FULL-YEAR GUIDANCE (UNCHANGED FROM Q4 2022 EARNINGS)

ESSEX PROPERTY TRUST, INC.

Per Diluted Share	Range	Midpoint
Net Income	$5.35 - $5.79	$5.57
Total FFO	$14.53 - $14.97	$14.75
Core FFO(1)	$14.53 - $14.97	$14.75
Q1'23 Core FFO(1)	$3.51 - $3.63	$3.57

Same-Property Portfolio Growth		Midpoint Cash-Basis	Midpoint GAAP-Basis
Revenues	3.25% to 4.75%	4.00%	4.40%
Operating Expenses	4.50% to 5.50%	5.00%	5.00%
NOI	2.30% to 4.90%	3.60%	4.10%

Other Key Assumptions

- Acquisition and disposition investment activities will be subject to market conditions and cost of capital, consistent with the Company's historical practice of creating NAV and FFO per share.
- Structured finance redemptions are expected to be approximately $100 million, the proceeds of which will be reinvested back into structured finance investments or other new investments, subject to market conditions and cost of capital.
- Total development spending in 2023 for one existing project under construction is expected to be approximately $15 million at the Company's pro rata share. The Company does not currently plan to start any new developments during 2023.
- Revenue generating capital expenditures are expected to be approximately $50 - $100 million at the Company's pro rata share.

1) Core FFO excludes acquisitions costs and other non-routine items.



Vela on Ox
Woodland Hills, CA

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PROPERTY TRUST, INC.

WEST COAST DEMAND FUNDAMENTALS

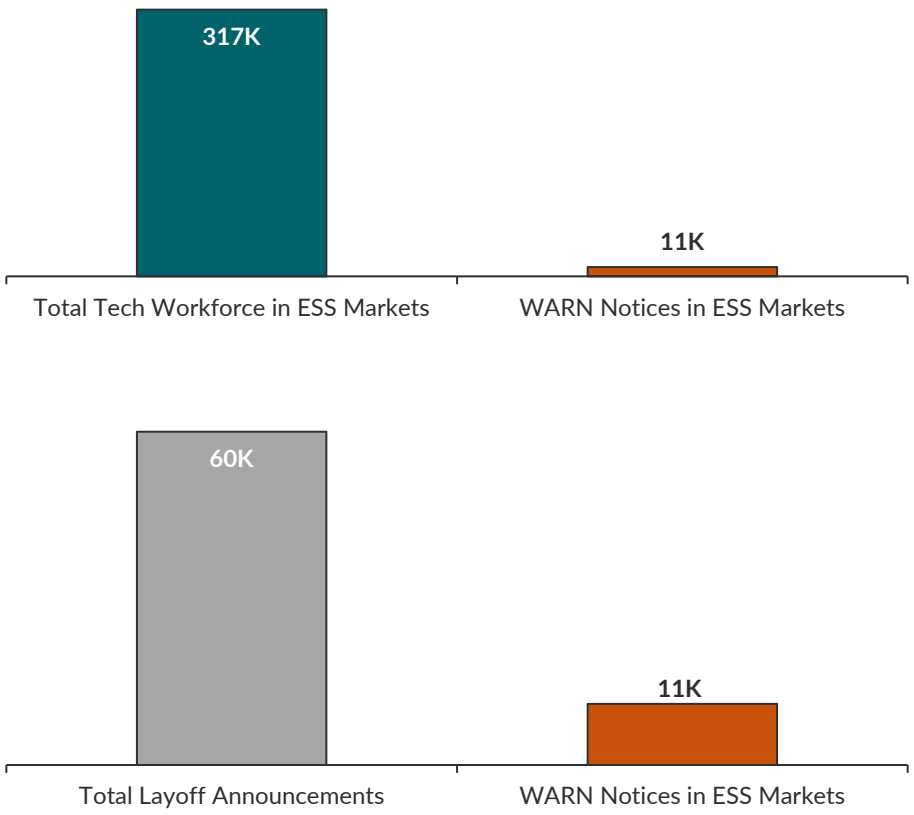
WEST COAST LABOR MARKET UPDATE

ESSEX PROPERTY TRUST, INC.

- After robust job growth in 2022 Essex markets have fully recovered jobs lost during the pandemic, returning balance to the supply/demand relationship and positioning our markets for growth as the economy stabilizes
- WARN notice filings from five of the largest technology companies represents an approximate 3.5% reduction of their workforce in Essex markets. However, the vast majority of announced layoffs are occurring outside our markets

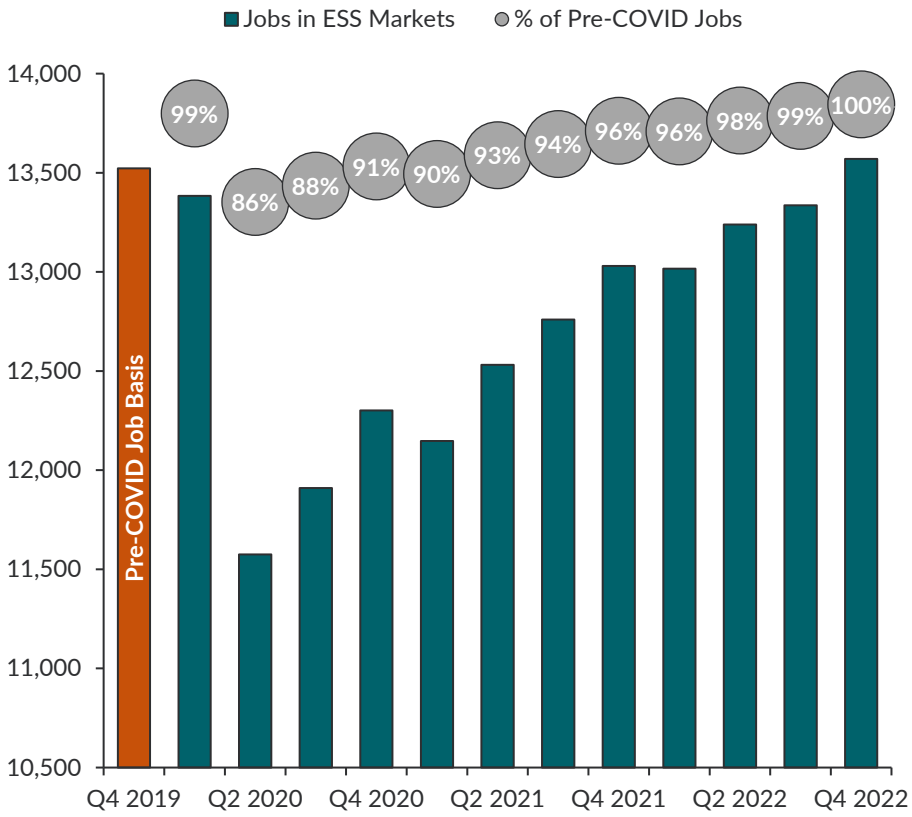
Impact of Tech Layoffs in Essex Markets

Five of the Largest Technology Companies[1][2]



Essex Markets Job Recovery

(in 000's)



Source: BLS.gov, California EDD, Washington ESD, Layoffs.fyi, LinkedIn

1) Five of the largest technology Companies that announced layoffs include Google, Microsoft, Meta, Amazon, and Salesforce.
2) Represents total WARN notice filings through February 2023 compared to total employment base in Essex markets per LinkedIn. Total employment base does not account for employees listed in an Essex market but working remotely.

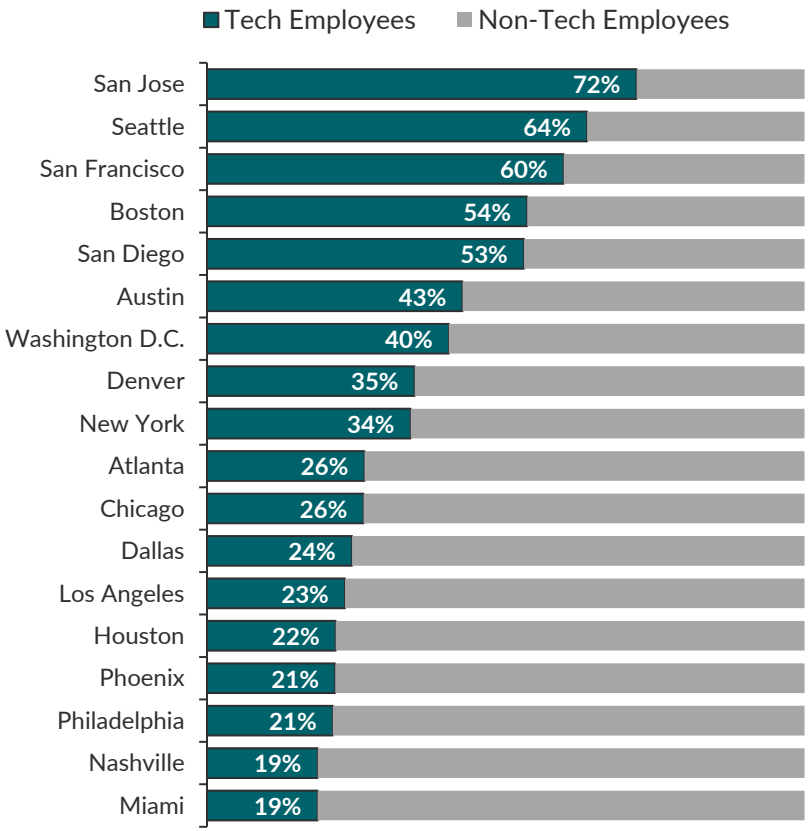
TECH FOCUS IN ESSEX MARKETS

ESSEX PROPERTY TRUST, INC.

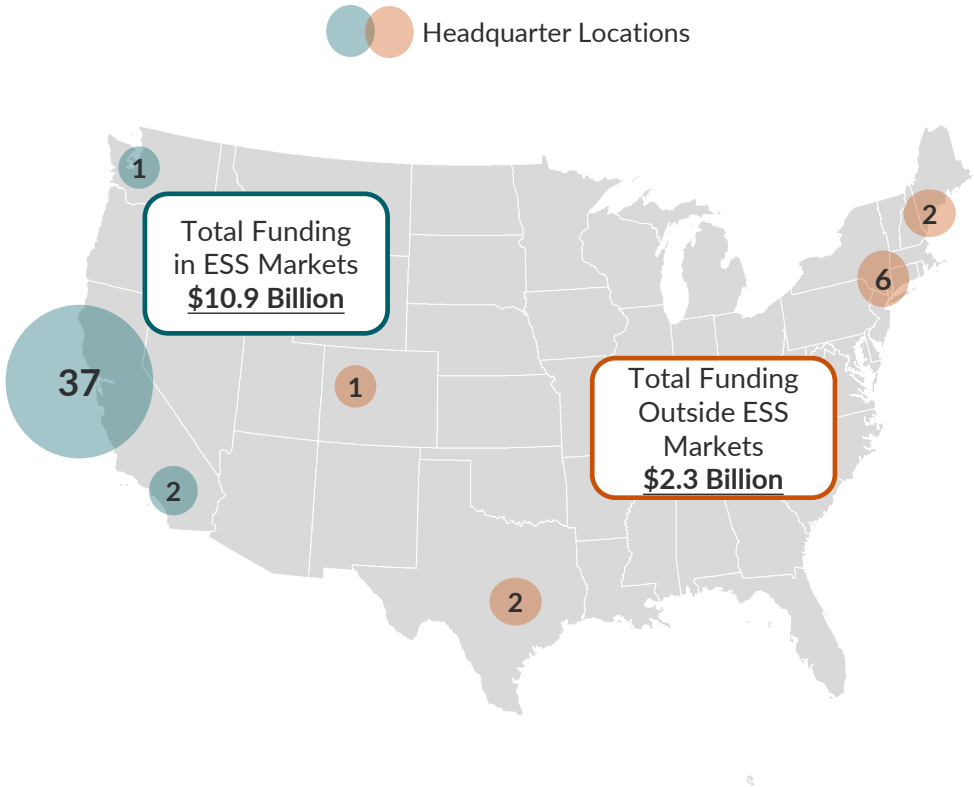
- The largest technology companies employ the majority of their tech talent in Essex markets of Northern California and Seattle, which drives future innovation and enterprise. Recent examples include Walmart consolidating their tech division to San Bruno and Tesla announcing a new engineering headquarters in Silicon Valley
- The rapidly growing Artificial Intelligence ("AI") industry is concentrated in the Bay Area as measured by promising startups, fundraising, and employees, with VC funding up 70% in 2022

High Tech Occupations by Market

at the 5 Largest Technology Companies[1][2]



Top 50 Artificial Intelligence ("AI") Companies[3]



Sources: Lightcast, Forbes

1) Top 5 technology companies include Google, Apple, Meta, Microsoft, and Amazon.
2) Tech employees include Software Developers, Engineers, Data Scientists, Network and Systems roles, etc; Non-tech employees include all other occupations.
3) Top 50 AI companies based on Forbes 2022 The AI 50 list; excludes two companies headquartered in Toronto.

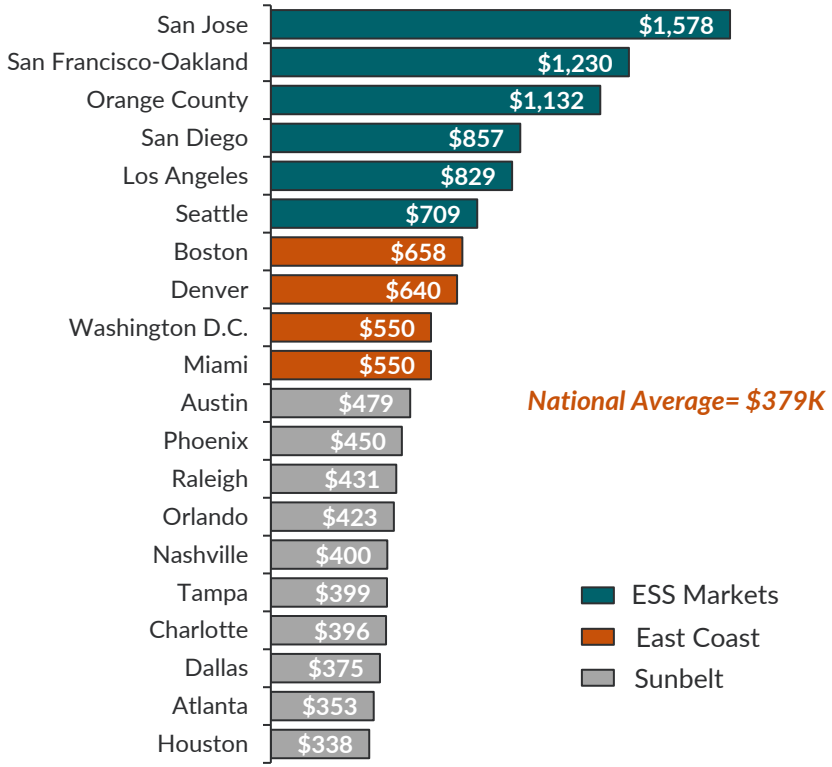
OWN VS. RENT PREMIUM IN ESSEX MARKETS

ESSEX PROPERTY TRUST, INC.

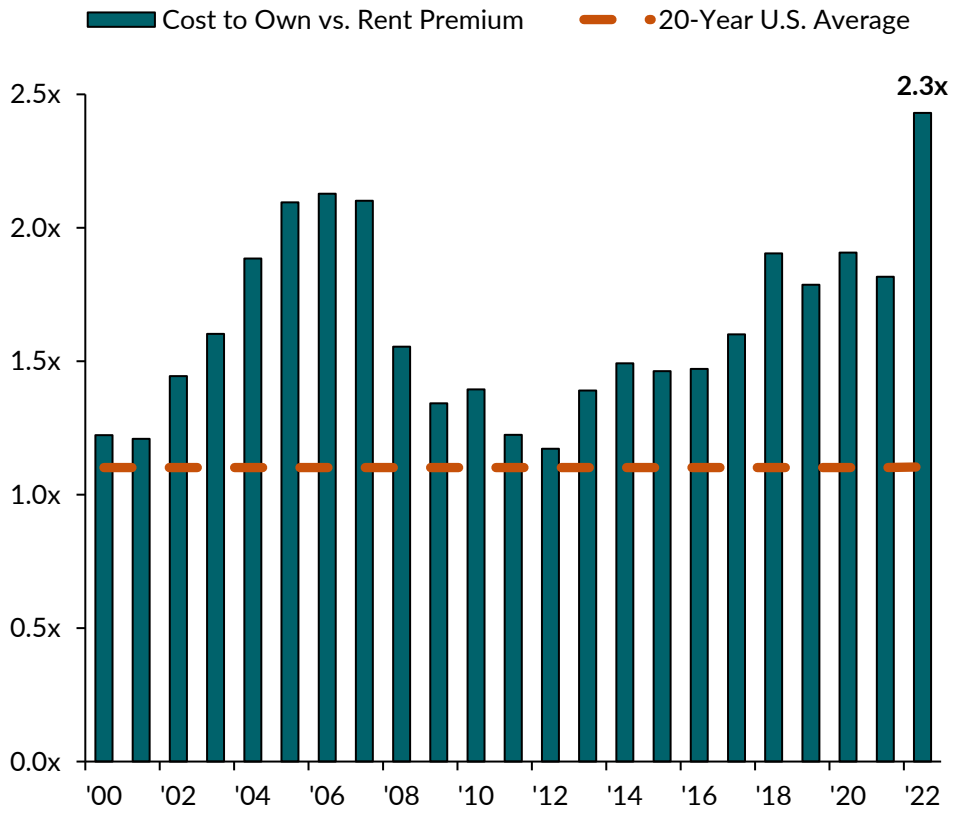
- Rising interest rates and among the highest median home prices in the country have made it ***2.3x more expensive to own vs. rent in Essex markets***, significantly more expensive than the 20-year U.S. average
- Higher interest rates have made it increasingly difficult for renters to transition to home ownership and re-enforces the favorable rental trends in Essex markets

Median Home Prices[1]

($ in 000's)



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



Sources: RealPage, CoreLogic, FHFA, Census Bureau, BLS, FRED, National Association of Realtors, Essex

1) Metropolitan area median home prices as of 4Q22.
2) Data as of December 2022. 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.



Ashton Sherman Village
Los Angeles, CA

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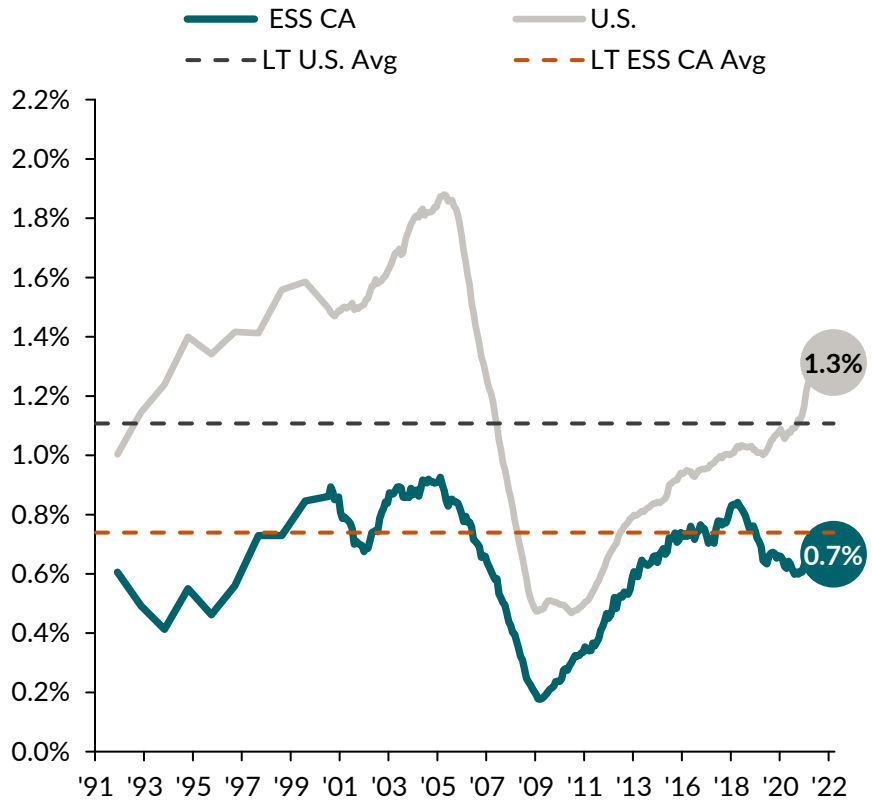
WEST COAST SUPPLY FUNDAMENTALS

LIMITED SUPPLY IN ESSEX MARKETS

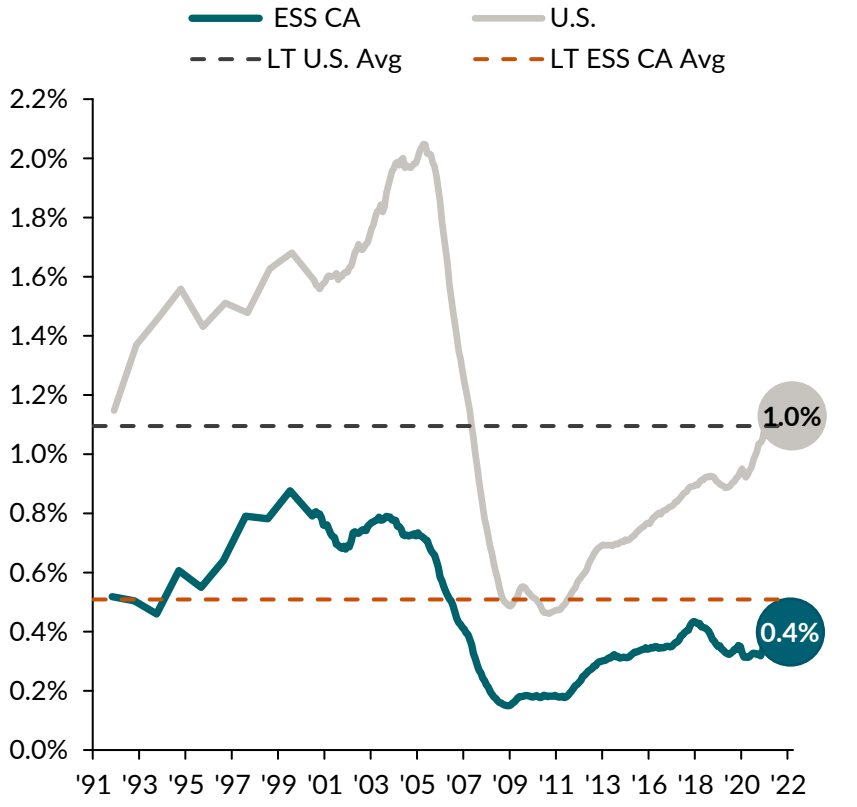
ESSEX PROPERTY TRUST, INC.

- Total permitting activity in the U.S. has steadily increased while ***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,*** positioning Essex to increase 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.)



Sources: Census Bureau, Essex, and Rosen Consulting Group

1) Through December 2022.
2) Long-term averages from 1991 – 2022.

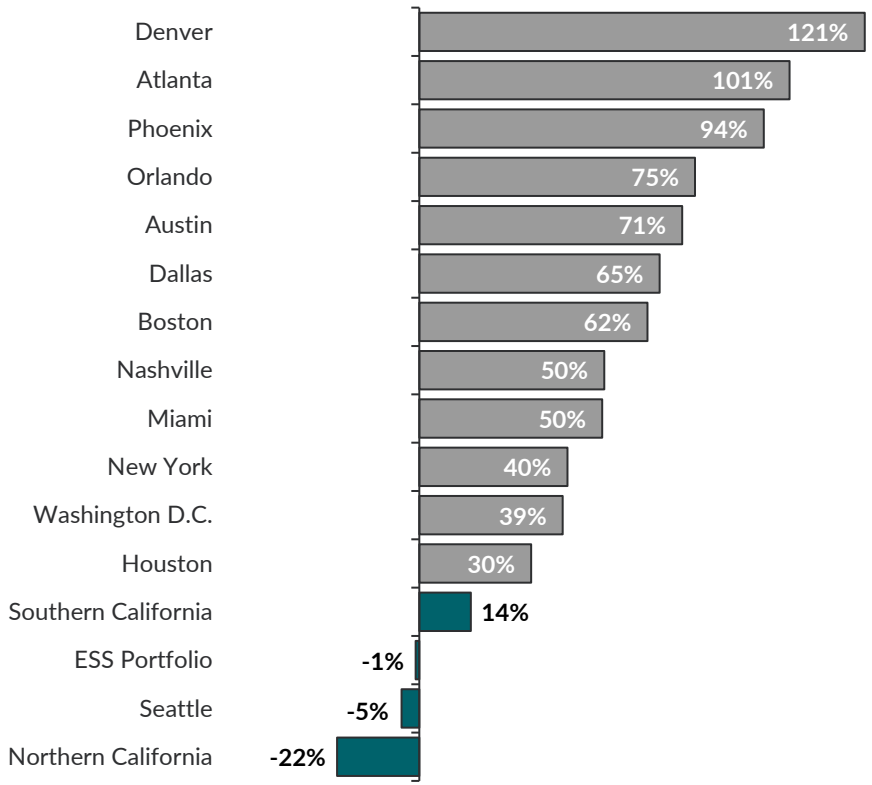
2023E SUPPLY-DEMAND DYNAMICS

ESSEX PROPERTY TRUST, INC.

- The ***Essex portfolio***, and ***Northern California*** in particular, are expected to have a year-over-year decline in multifamily supply, while many Sunbelt markets expect to have elevated supply beginning in 2023
- Contrary to the rest of the country where multifamily supply is increasing relative to their employed populations in 2023, Essex's supply-constrained markets are expected to benefit from fewer apartment deliveries

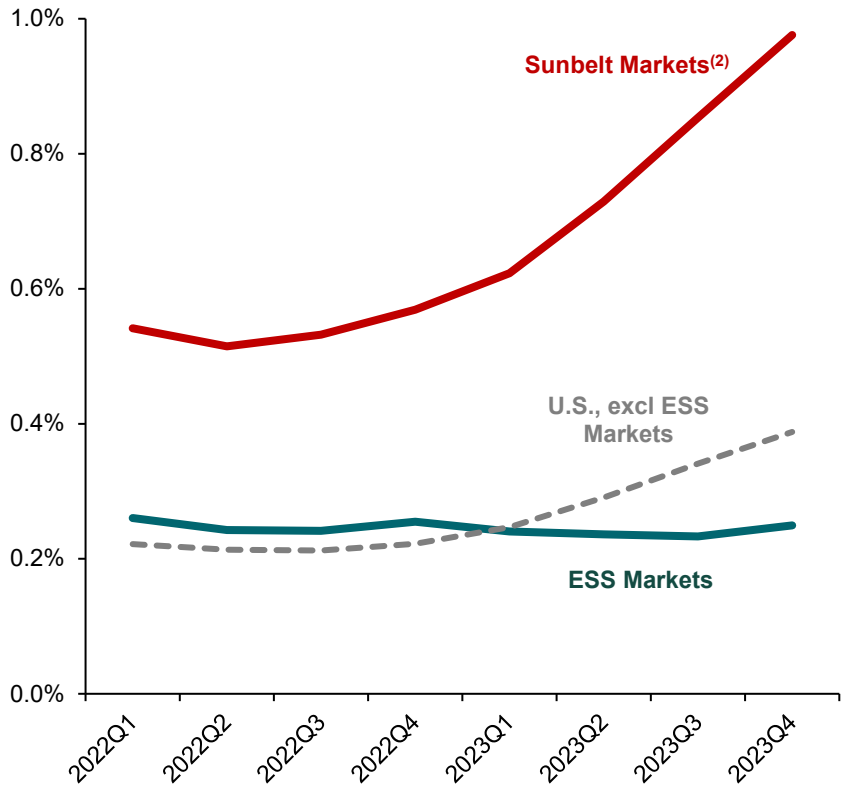
Year-over-Year Change in Multifamily Supply Deliveries[1]

(2023E)



New Multifamily Supply relative to Employment Base

Trailing twelve months expected deliveries relative to total nonfarm payrolls



Sources: Rosen Consulting, BLS, Oxford Economics (forecasts), RealPage, and Essex

1) RealPage data for non-ESS markets.
2) Sunbelt markets include: Austin, Dallas, Houston, Charlotte, Raleigh, Atlanta, Nashville, Las Vegas, Phoenix, Miami, Orlando, and Tampa.



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INNOVATION & BALANCE SHEET

INCREASED EFFICIENCIES CREATE REVENUE OPPORTUNITIES

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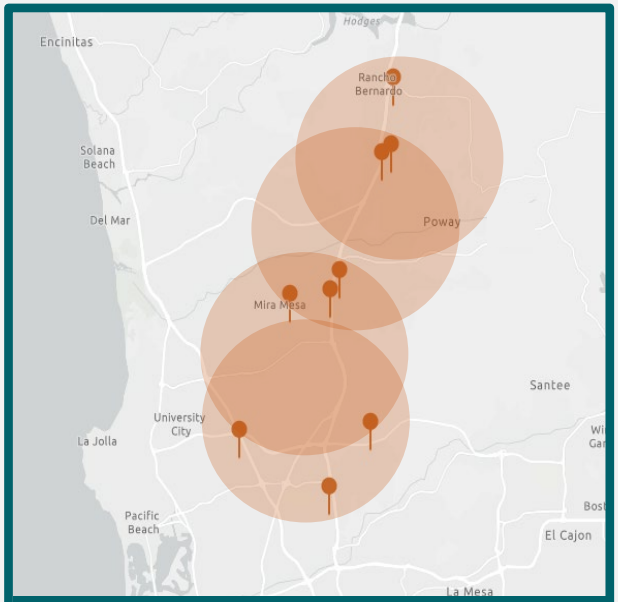
PROPERTY COLLECTIONS

- With approximately 80% of Essex's properties within ~5 miles of another site, Essex is uniquely positioned to operate collections of properties as a centralized business unit. Leveraging proprietary technology and significant scale, Essex can operate apartment buildings more efficiently. An example of this is the North San Diego Property Collection which reduced Administrative FTEs by ~20% in two years. Administrative costs account for ~30% of our controllable expenses and 11% of total property expenses



In North San Diego, Essex owns and manages **3,255** units, with each property located within ~5 miles of another site

REDEVELOPMENT

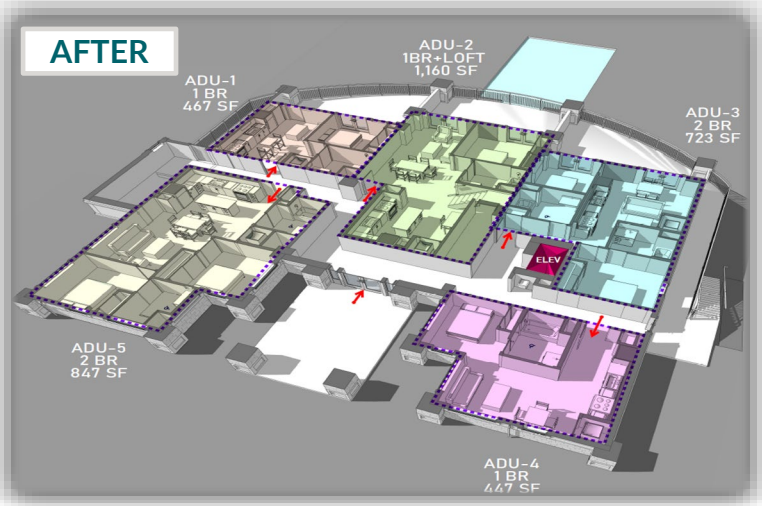
- Centralizing resident relation specialists and leasing specialists has created opportunities to add density and additional dwelling units (ADU's) in now under-utilized leasing space
- The Company has identified between 500 to 1,000 potential additional units throughout the portfolio. Only those that meet our return threshold will be pursued

OPPORTUNITY: CARMEL CREEK

Opportunity:

- ~8,300 SF of under-utilized leasing space to be converted to 5 additional units
- Targeting ***~9% ROI***

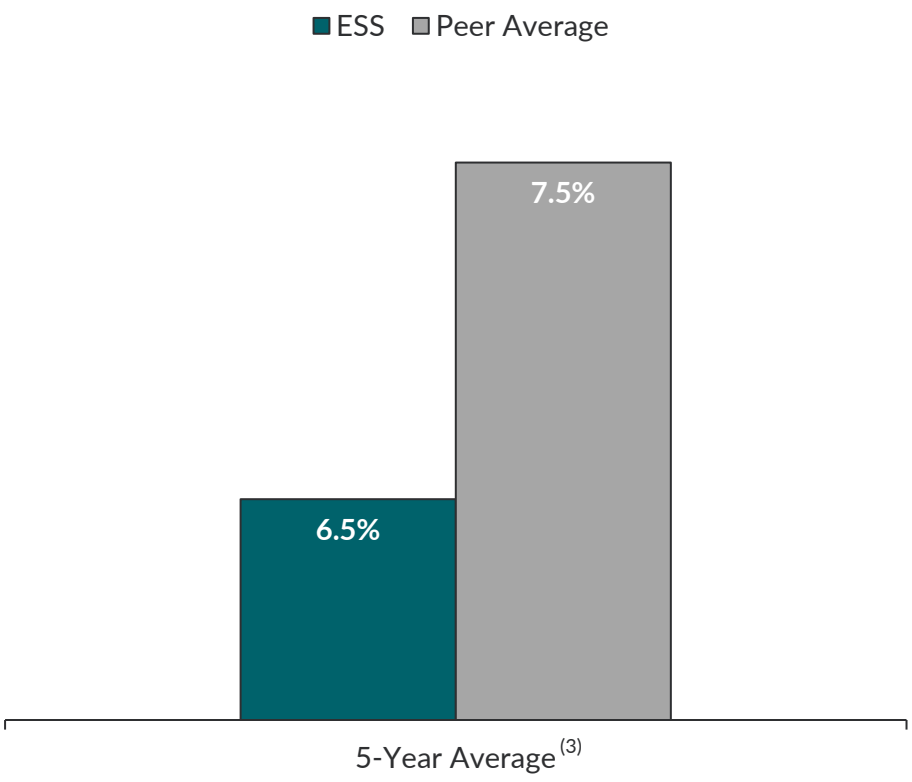




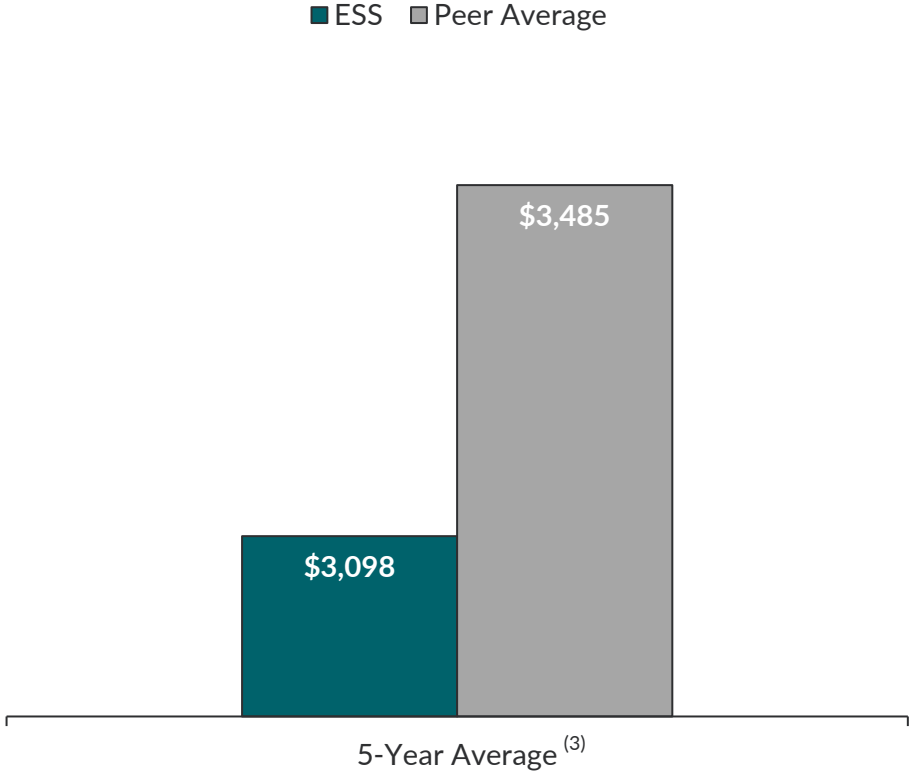
EXPENSE MANAGEMENT

- 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 percent of revenues has ***consistently 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) 2018-2022.

CAPITAL STRUCTURE AND LIQUIDITY PROFILE[1]

ESSEX PROPERTY TRUST, INC.

Baa1/BBB+ Stable Credit Ratings

$20.1B Total Market Capitalization

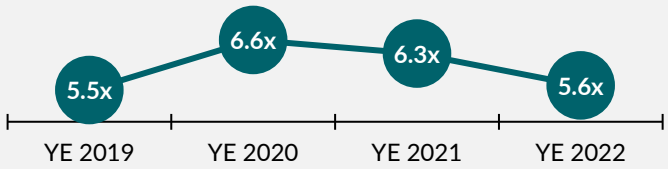
579% Interest Coverage

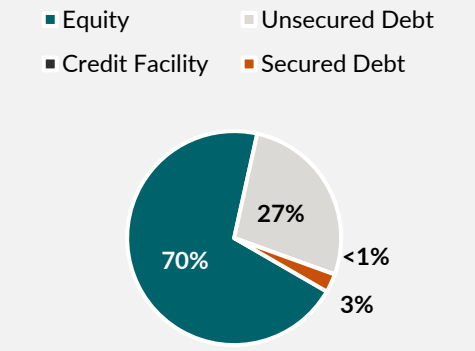
95% Unencumbered NOI to Adjusted Total NOI

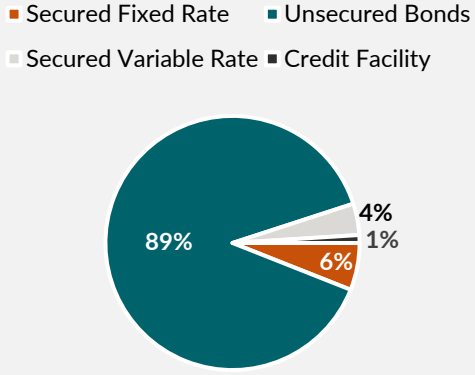
287% Unsecured Debt Ratio

$1.3B In Total Liquidity[4] as of 3/1/23

Net Debt to Adjusted EBITDAre[5][6]

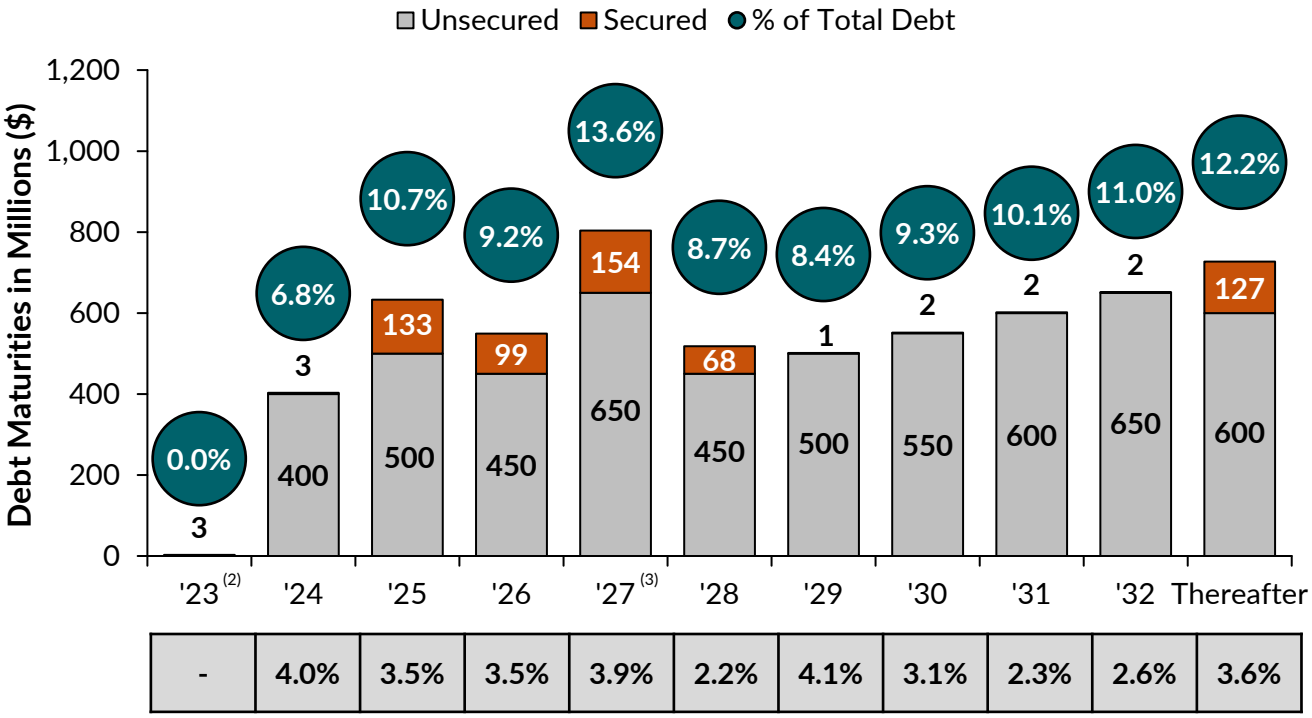






Debt Maturity Schedule[1]

Proforma as of 3/1/2023



-	4.0%	3.5%	3.5%	3.9%	2.2%	4.1%	3.1%	2.3%	2.6%	3.6%

Weighted Average Interest Rate: 3.3%

As of 12/31/2022

1) Consolidated portfolio only.
2) $300M of debt maturing in 2023 has been accounted for with the Company's $300M delayed-draw unsecured term loan obtained in October 2022.
3) Includes the Company's $300M unsecured term loan obtained in October 2022. The unsecured term loan matures in October 2024 with three 12-month extension options, exercisable at the Company's option.
4) Includes undrawn portion of credit facility, cash, cash equivalents & marketable securities.
5) Net Indebtedness is total debt less unamortized premiums, debt issuance costs, unrestricted cash and cash equivalents, and marketable securities at pro rata share.
6) 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 February 7, 2023.



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ESG HIGHLIGHTS

Canyon Oaks
San Ramon, CA

ENVIRONMENTAL OVERVIEW

ESSEX PROPERTY TRUST, INC.

- Recognized in Newsweek's 2023 list of America's Most Responsible Companies, ranking #1 among the multifamily REITs
- 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

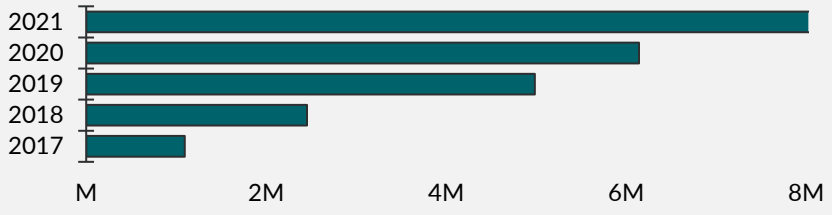
WATER USAGE
Total water usage
reduction of 5%
vs '20

WASTE MANAGEMENT
57% Trash
38% Recycling
5% Compost

PORTFOLIO ALLIGNMENT

Global Reporting Initiative™ | SASB Standards | 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



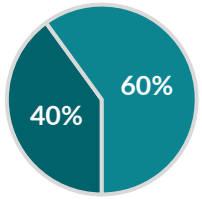
Source: Essex 2021 CSR Report

SOCIAL AND GOVERNANCE OVERVIEW

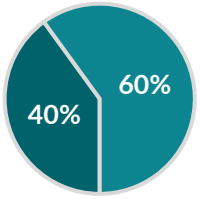
- Recognized in Bloomberg's 2023 Gender-Equality Index for the second consecutive year
- Essex's strong governance reflects a proactive approach through gathering shareholder feedback during its annual reach out to the majority of the Company's shareholders

STRONG GOVERNANCE

Managerial and Higher



Named Executives







AWARDS & RECOGNITION

Bloomberg Gender-Equality Index 2023 Member

NAA EXCELLENCE AWARDS 2021

CEO ACT!ON FOR DIVERSITY & INCLUSION

GRESB ★★★☆☆ 2022

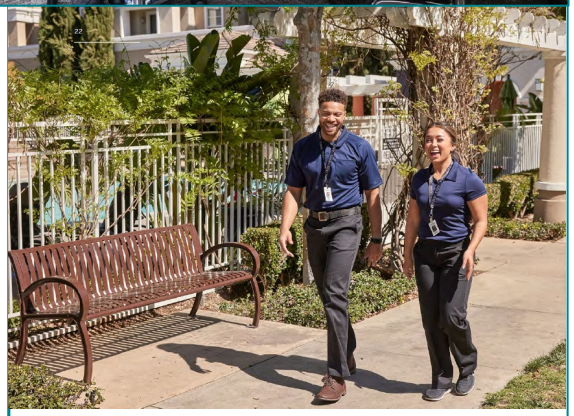
SOCIAL DEVELOPMENT

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

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DEFINITIONS AND RECONCILIATIONS

Epic
San Jose, CA

ESSEX PROPERTY TRUST, INC.

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 evolution of the work-from-home trend as well as other impacts on the Company's financials and operating results in light of the COVID-19 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, inflation, the labor market, 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: potential future outbreaks of infectious diseases or other health concerns, which could 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, inflation, escalated operating costs and possible recessionary impacts; as well as uncertainties regarding hostilities between Russia and the Ukraine and the related impacts on macroeconomic conditions, including, among other things, interest rates and inflation; 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. 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 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 fourth 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 December 31, 2022
Net income available to common stockholders	$ 185,165
Adjustments:	
Net income attributable to noncontrolling interest	9,055
Interest expense, net [(1)]	51,101
Depreciation and amortization	135,758
Income tax provision	78
Gain on sale of real estate and land	(94,416)
Impairment loss from unconsolidated co-investments	2,105
Co-investment EBITDAre adjustments	29,859
EBITDAre	318,705
Gain on sale of marketable securities	(6)
Change in unrealized gains (losses) on marketable securities, net	(5,573)
Provision for credit losses	(317)
Equity (loss) income from non-core co-investments	6,928
Deferred tax benefit (expense) on unconsolidated co-investments	(2,373)
General and administrative and other, net	209
Insurance reimbursements and legal settlements, net	(315)
Income from early redemption of preferred equity investments	(811)
Expensed acquisition and investment related costs	1,884
Adjusted EBITDAre	$ 318,331

(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 fourth 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 fourth 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 December 31, 2022	Twelve Months Ended December 31, 2022
Interest expense	$ 52,298	$ 204,798
Adjustments:		
Total return swap income	(1,197)	(7,907)
Interest expense, net	$ 51,101	$ 196,891

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NET INDEBTEDNESS DIVIDED BY ADJUSTED EBITDAre

This credit ratio is presented on page S-6 of the earnings supplement for the fourth 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 fourth 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	$	5,958,184
Total debt from co-investments at pro rata share		1,328,569
Adjustments:		
Consolidated unamortized premiums, discounts, and debt issuance costs		38,626
Pro rata co-investments unamortized premiums, discounts, and debt issuance costs		6,545
Consolidated cash and cash equivalents-unrestricted		(33,295)
Pro rata co-investment cash and cash equivalents-unrestricted		(32,767)
Marketable securities		(128,026)
Net Indebtedness	$	7,137,836
Adjusted EBITDAre, annualized [1]	$	1,273,324
Other EBITDAre normalization adjustments, net, annualized [2]		(8,466)
Adjusted EBITDAre, normalized and annualized	$	1,264,858
Net Indebtedness Divided by Adjusted EBITDAre, normalized and annualized		5.6

(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 December 31, 2022	Three Months Ended December 31, 2021	Twelve Months Ended December 31, 2022	Twelve Months Ended December 31, 2021
Earnings from operations	$ 228,143	$ 101,262	$ 595,229	$ 529,995
Adjustments:				
Corporate-level property management expenses	10,172	9,076	40,704	36,211
Depreciation and amortization	135,758	132,179	539,319	520,066
Management and other fees from affiliates	(2,826)	(2,431)	(11,139)	(9,138)
General and administrative	16,036	17,092	56,577	51,838
Expensed acquisition and investment related costs	1,884	39	2,132	203
Gain on sale of real estate and land	(94,416)	-	(94,416)	(142,993)
NOI	294,751	257,217	1,128,406	986,182
Less: Non-same property NOI	(22,437)	(16,854)	(76,027)	(56,267)
Same-Property NOI	$ 272,314	$ 240,363	$ 1,052,379	$ 929,915

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 fourth 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 fourth quarter of 2022.

ESSEX PROPERTY TRUST, INC.

UNENCUMBERED NOI TO ADJUSTED TOTAL NOI

This ratio is presented on page S-6 of the earnings supplement for the fourth 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 December 31, 2022, annualized, is calculated by dividing Unencumbered NOI, annualized for the three months ended December 31, 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 Q4'22 [1]
NOI	$ 1,179,004
Adjustments:	
NOI from real estate assets sold or held for sale	(3,109)
Other, net [2]	(11,574)
Adjusted Total NOI	1,164,321
Less: Encumbered NOI	(62,766)
Unencumbered NOI	$ 1,101,555
Encumbered NOI	$ 62,766
Unencumbered NOI	1,101,555
Adjusted Total NOI	$ 1,164,321
Unencumbered NOI to Adjusted Total NOI	95%

(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.