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**EARNINGS RELEASE &
SUPPLEMENTAL DATA**

SECOND QUARTER 2024

ESSEX

PROPERTY TRUST, INC.

ESSEX

PROPERTY TRUST, INC.

SECOND QUARTER 2024 EARNINGS RELEASE AND SUPPLEMENTAL DATA

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ESSEX

PROPERTY TRUST, INC.

ESSEX ANNOUNCES SECOND QUARTER 2024 RESULTS AND RAISES FULL-YEAR 2024 GUIDANCE

San Mateo, California—July 30, 2024—Essex Property Trust, Inc. (NYSE: ESS) (the “Company”) announced today its second quarter 2024 earnings results and related business activities.

Net Income, Funds from Operations (“FFO”), and Core FFO per diluted share for the quarter ended June 30, 2024 are detailed below.

	Three Months Ended June 30,			Six Months Ended June 30,		
	2024	2023	% Change	2024	2023	% Change
<u>Per Diluted Share</u>						
Net Income	\$1.45	\$1.55	-6.5%	\$5.69	\$3.94	44.4%
Total FFO	\$3.89	\$3.87	0.5%	\$8.49	\$7.68	10.5%
Core FFO	\$3.94	\$3.77	4.5%	\$7.77	\$7.42	4.7%

Second Quarter 2024 Highlights:

- Reported Net Income per diluted share for the second quarter of 2024 of \$1.45, compared to \$1.55 in the second quarter of 2023.
- Grew Core FFO per diluted share by 4.5% compared to the second quarter of 2023, exceeding the midpoint of the Company’s guidance range by \$0.11. The outperformance was primarily driven by favorable consolidated NOI growth.
- Achieved same-property revenue and net operating income (“NOI”) growth of 3.4% and 3.0%, respectively, compared to the second quarter of 2023. On a sequential basis, same-property revenues and NOI improved 1.2% and 2.5%, respectively.
- Achieved year-over-year blended rate growth of 3.4% for the second quarter of 2024 as compared to 2.2% year-over-year blended rate growth achieved in the first quarter of 2024.
- Acquired two apartment home communities in Northern California at a combined valuation of \$147.7 million.
- Raised full-year 2024 guidance range as detailed in the table below:

Full-Year 2024 Revised Guidance	Revised Range	Revised Midpoint	Change at Midpoint
Net Income per diluted share	\$8.23 - \$8.47	\$8.35	+\$0.11
Core FFO per diluted share	\$15.38 - \$15.62	\$15.50	+\$0.27
Same-Property Revenues	2.70% to 3.30%	3.00%	+0.75%
Same-Property Operating Expenses	4.50% to 5.00%	4.75%	+0.50%
Same-Property NOI	1.80% to 2.80%	2.30%	+0.90%

SAME-PROPERTY OPERATIONS

Same-property operating results exclude any properties that are not comparable for the periods presented. The table below illustrates the percentage change in same-property gross revenues for the quarter ended June 30, 2024 compared to the quarter ended June 30, 2023, and the sequential percentage change for the quarter ended June 30, 2024 compared to the quarter ended March 31, 2024, by submarket for the Company:

	Q2 2024 vs. Q2 2023	Q2 2024 vs. Q1 2024	% of Total
	Revenue Change	Revenue Change	Q2 2024 Revenues
Southern California			
Los Angeles County	2.2%	1.3%	18.3%
Orange County	4.9%	0.8%	10.5%
San Diego County	6.3%	1.1%	9.0%
Ventura County	5.4%	1.3%	4.1%
Total Southern California	4.1%	1.1%	41.9%
Northern California			
Santa Clara County	2.9%	1.4%	19.2%
Alameda County	1.5%	0.7%	7.6%
San Mateo County	4.6%	3.0%	6.0%
Contra Costa County	3.2%	1.1%	5.3%
San Francisco	2.1%	0.7%	2.5%
Total Northern California	2.9%	1.4%	40.6%
Seattle Metro	3.3%	1.0%	17.5%
Same-Property Portfolio	3.4%	1.2%	100.0%

The table below illustrates the components that drove the change in same-property revenue on a year-over-year basis for the three- and six-month periods ended June 30, 2024 and on a sequential basis for the quarter ended June 30, 2024.

Same-Property Revenue Components	Q2 2024 vs. Q2 2023	YTD 2024 vs. YTD 2023	Q2 2024 vs. Q1 2024
Scheduled Rents	1.8%	2.0%	0.6%
Delinquencies	1.1%	0.9%	0.4%
Cash Concessions	0.1%	0.2%	0.1%
Vacancy	-0.5%	-0.5%	-0.1%
Other Income	0.9%	0.9%	0.2%
2024 Same-Property Revenue Growth	3.4%	3.5%	1.2%

	<u>Year-Over-Year Change</u> <u>Q2 2024 compared to Q2 2023</u>			<u>Year-Over-Year Change</u> <u>YTD 2024 compared to YTD 2023</u>		
	<u>Revenues</u>	<u>Operating Expenses</u>	<u>NOI</u>	<u>Revenues</u>	<u>Operating Expenses</u>	<u>NOI</u>
Southern California	4.1%	5.8%	3.4%	4.3%	3.9%	4.5%
Northern California	2.9%	1.9%	3.3%	3.0%	5.1%	2.1%
Seattle Metro	3.3%	7.8%	1.5%	2.9%	5.9%	1.7%
Same-Property Portfolio	3.4%	4.5%	3.0%	3.5%	4.8%	3.0%

	<u>Sequential Change</u> <u>Q2 2024 compared to Q1 2024</u>		
	<u>Revenues</u>	<u>Operating Expenses</u>	<u>NOI</u>
Southern California	1.1%	-1.0%	2.0%
Northern California	1.4%	-3.7%	3.8%
Seattle Metro	1.0%	2.0%	0.6%
Same-Property Portfolio	1.2%	-1.7%	2.5%

	<u>Financial Occupancies</u>		
	<u>Quarter Ended</u>		
	<u>6/30/2024</u>	<u>3/31/2024</u>	<u>6/30/2023</u>
Southern California	95.7%	96.0%	96.4%
Northern California	96.3%	96.2%	96.6%
Seattle Metro	97.1%	97.0%	96.9%
Same-Property Portfolio	96.2%	96.3%	96.6%

INVESTMENT ACTIVITY

Real Estate

In April, the Company elected to accept the third-party sponsor's common equity interest affiliated with its \$14.7 million preferred equity investment in a stabilized community comprising 75 apartment homes located in Sunnyvale, CA. Concurrent with the closing, the Company unencumbered the property and consolidated the community on the Company's financial statements at a \$46.6 million valuation.

In May, the Company acquired ARLO Mountain View, a 164-unit apartment home community located in Mountain View, CA for a total contract price of \$101.1 million. The property was built in 2018 and includes 10,725 square feet of fully leased retail space.

Subsequent to quarter end, the Company acquired its joint venture partner's 49.9% common equity interest in Patina at Midtown, a 269-unit apartment home community built in 2021 and located in San Jose, CA, for a total purchase price of \$117.0 million on a gross basis. Concurrent with the closing, the Company unencumbered the property and was fully redeemed on a preferred equity investment affiliated with the partnership.

Other Investments

Subsequent to quarter end, the Company received cash proceeds of \$40.1 million from a full redemption of a subordinated loan investment yielding an 11.5% rate of return. Year-to-date through July, the Company has received cash proceeds of \$50.4 million from redemptions of structured finance investments yielding an 11.2% weighted average rate of return.

LIQUIDITY AND BALANCE SHEET

Common Stock

Year-to-date through July 26, 2024, the Company has not issued any shares of common stock through its equity distribution program or repurchased any shares through its stock repurchase plan. As of July 26, 2024, the Company had \$302.7 million of purchase authority remaining under its stock repurchase plan.

Balance Sheet

In May, the Company repaid its \$400.0 million unsecured notes at maturity with proceeds from the \$298.0 million 10-year secured loans financed in July 2023 and a portion of the \$350.0 million unsecured bond issued in March 2024.

As of July 26, 2024, the Company had approximately \$1.1 billion in liquidity via undrawn capacity on its unsecured credit facilities, cash and cash equivalents, and marketable securities.

GUIDANCE

For the second quarter of 2024, the Company exceeded the midpoint of the guidance range provided in its first quarter 2024 earnings release for Core FFO by \$0.11 per diluted share. The outperformance primarily relates to \$0.09 per share of favorable consolidated NOI, of which \$0.04 per share is timing related or one-time in nature.

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

	<u>Per Diluted Share</u>
Guidance midpoint of Core FFO per diluted share for Q2 2024	\$ 3.83
Same-Property Revenues	0.05
Non-Same-Property Revenues (One-Time)	0.02
Consolidated Operating Expenses (Timing Related)	0.02
FFO from Co-Investments	0.02
Core FFO per diluted share for Q2 2024 reported	\$ 3.94

The table below provides key updates to the Company's 2024 full-year assumptions for Net Income, Total FFO, Core FFO per diluted share, and same-property growth. For additional details regarding the Company's 2024 Core FFO guidance range, please see page S-13 of the accompanying supplemental financial information.

2024 FULL-YEAR AND THIRD QUARTER GUIDANCE

	Previous Range	Previous Midpoint	Revised Range	Revised Midpoint	<i>Change at the Midpoint</i>
Per Diluted Share					
Net Income	\$8.04 - \$8.44	\$8.24	\$8.23 - \$8.47	\$8.35	+\$0.11
Total FFO	\$15.53 - \$15.93	\$15.73	\$15.93 - \$16.17	\$16.05	+\$0.32
Core FFO	\$15.03 - \$15.43	\$15.23	\$15.38 - \$15.62	\$15.50	+\$0.27
Q3 2024 Core FFO	-	-	\$3.81 - \$3.93	\$3.87	-
Same-Property Growth on a Cash-Basis ⁽¹⁾					
Revenues	1.50% to 3.00%	2.25%	2.70% to 3.30%	3.00%	+0.75%
Operating Expenses	3.50% to 5.00%	4.25%	4.50% to 5.00%	4.75%	+0.50%
NOI	0.00% to 2.80%	1.40%	1.80% to 2.80%	2.30%	+0.90%

⁽¹⁾ The midpoint of the Company's same-property revenues and NOI on a GAAP basis are 3.20% and 2.50%, respectively, representing a 0.80% and 0.90% increase to the Company's previous guidance midpoints.

CONFERENCE CALL WITH MANAGEMENT

The Company will host an earnings conference call with management to discuss its quarterly results on Wednesday, July 31, 2024 at 10:00 a.m. PT (1:00 p.m. ET), which will be broadcast live via the Internet at www.essex.com, and accessible via phone by dialing toll-free, (877) 407-0784, or toll/international, (201) 689-8560. No passcode is necessary.

A rebroadcast of the live call will be available online for 30 days and digitally for 7 days. To access the replay online, go to www.essex.com and select the second quarter 2024 earnings link. To access the replay, dial (844) 512-2921 using the replay pin number 13747560. If you are unable to access the information via the Company's website, please contact the Investor Relations Department at investors@essex.com or by calling (650) 655-7800.

CORPORATE PROFILE

Essex Property Trust, Inc., an S&P 500 company, is a fully integrated real estate investment trust (REIT) that acquires, develops, redevelops, and manages multifamily residential properties in selected West Coast markets. Essex currently has ownership interests in 255 apartment communities comprising over 62,000 apartment homes. Additional information about the Company can be found on the Company's website at www.essex.com.

This press release and accompanying supplemental financial information has been furnished to the Securities and Exchange Commission electronically on Form 8-K and can be accessed from the Company's website at www.essex.com. If you are unable to obtain the information via the Web, please contact the Investor Relations Department at (650) 655-7800.

FFO RECONCILIATION

FFO, as defined by the National Association of Real Estate Investment Trusts (“NAREIT”), is generally considered by industry analysts as an appropriate measure of performance of an equity REIT. Generally, FFO adjusts the net income of equity REITs for non-cash charges such as depreciation and amortization of rental properties, impairment charges, gains on sales of real estate and extraordinary items. Management considers FFO and FFO which excludes non-core items, which is referred to as “Core FFO,” to be useful supplemental operating performance measures of an equity REIT because, together with net income and cash flows, FFO and Core FFO provide investors with additional bases to evaluate the operating performance and ability of a REIT to incur and service debt and to fund acquisitions and other capital expenditures and to pay dividends. By excluding gains or losses related to sales of depreciated operating properties and land and excluding real estate depreciation (which can vary among owners of identical assets in similar condition based on historical cost accounting and useful life estimates), FFO can help investors compare the operating performance of a real estate company between periods or as compared to different companies. By further adjusting for items that are not considered part of the Company’s core business operations, Core FFO allows investors to compare the core operating performance of the Company to its performance in prior reporting periods and to the operating performance of other real estate companies without the effect of items that by their nature are not comparable from period to period and tend to obscure the Company’s actual operating results. FFO and Core FFO do not represent net income or cash flows from operations as defined by U.S. generally accepted accounting principles (“GAAP”) and are not intended to indicate whether cash flows will be sufficient to fund cash needs. These measures should not be considered as alternatives to net income as an indicator of the REIT’s operating performance or to cash flows as a measure of liquidity. FFO and Core FFO do not measure whether cash flow is sufficient to fund all cash needs including principal amortization, capital improvements and distributions to stockholders. FFO and Core FFO also do not represent cash flows generated from operating, investing or financing activities as defined under GAAP. Management has consistently applied the NAREIT definition of FFO to all periods presented. However, there is judgment involved and other REITs’ calculation of FFO may vary from the NAREIT definition for this measure, and thus their disclosures of FFO may not be comparable to the Company’s calculation.

The following table sets forth the Company's calculation of diluted FFO and Core FFO for the three and six months ended June 30, 2024 and 2023 (in thousands, except for share and per share amounts):

	Three Months Ended June 30,		Six Months Ended June 30,	
	2024	2023	2024	2023
Funds from Operations attributable to common stockholders and unitholders				
Net income available to common stockholders	\$ 92,914	\$ 99,620	\$ 365,645	\$ 253,152
Adjustments:				
Depreciation and amortization	145,613	136,718	285,346	273,065
Gains not included in FFO	-	-	(138,326)	(59,238)
Casualty loss	-	-	-	433
Impairment loss from unconsolidated co-investments	-	-	3,726	-
Depreciation and amortization from unconsolidated co-investments	17,380	17,848	35,850	35,457
Noncontrolling interest related to Operating Partnership units	3,270	3,506	12,869	8,910
Depreciation attributable to third party ownership and other	(390)	(365)	(779)	(724)
Funds from Operations attributable to common stockholders and unitholders	\$ 258,787	\$ 257,327	\$ 564,331	\$ 511,055
FFO per share – diluted	\$ 3.89	\$ 3.87	\$ 8.49	\$ 7.68
Expensed acquisition and investment related costs	\$ -	\$ 5	\$ 68	\$ 344
Tax (benefit) expense on unconsolidated co-investments ⁽¹⁾	(807)	1,733	(758)	833
Realized and unrealized gains on marketable securities, net	(1,597)	(7,591)	(4,948)	(8,871)
Provision for credit losses	19	16	66	34
Equity loss (income) from non-core co-investments ⁽²⁾	143	(978)	(5,727)	(884)
Co-investment promote income	-	-	(1,531)	-
Income from early redemption of preferred equity investments and notes receivable	-	(285)	-	(285)
General and administrative and other, net	5,906	561	8,447	827
Insurance reimbursements, legal settlements, and other, net ⁽³⁾	(486)	(295)	(43,300)	(8,799)
Core Funds from Operations attributable to common stockholders and unitholders	\$ 261,965	\$ 250,493	\$ 516,648	\$ 494,254
Core FFO per share – diluted	\$ 3.94	\$ 3.77	\$ 7.77	\$ 7.42
Weighted average number of shares outstanding diluted ⁽⁴⁾	66,486,464	66,444,114	66,477,724	66,584,049

⁽¹⁾ Represents tax related to net unrealized gains or losses on technology co-investments.

⁽²⁾ Represents the Company's share of co-investment income or loss from technology co-investments.

⁽³⁾ Includes legal settlement gains of \$42.5 million and \$7.7 million for the six months ended June 30, 2024 and 2023, respectively.

⁽⁴⁾ Assumes conversion of all outstanding limited partnership units in Essex Portfolio, L.P. (the "Operating Partnership") into shares of the Company's common stock and excludes DownREIT limited partnership units.

NET OPERATING INCOME (“NOI”) AND SAME-PROPERTY NOI RECONCILIATIONS

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

	Three Months Ended June 30,		Six Months Ended June 30,	
	2024	2023	2024	2023
Earnings from operations	\$ 137,450	\$ 134,832	\$ 269,809	\$ 322,217
Adjustments:				
Corporate-level property management expenses	12,123	11,451	23,854	22,883
Depreciation and amortization	145,613	136,718	285,346	273,065
Management and other fees from affiliates	(2,573)	(2,778)	(5,286)	(5,543)
General and administrative	21,136	13,813	38,307	29,124
Expensed acquisition and investment related costs	-	5	68	344
Casualty loss	-	-	-	433
Gain on sale of real estate and land	-	-	-	(59,238)
NOI	313,749	294,041	612,098	583,285
Less: Non-same property NOI	(20,325)	(9,170)	(32,315)	(20,436)
Same-Property NOI	\$ 293,424	\$ 284,871	\$ 579,783	\$ 562,849

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 third quarter and full-year 2024 guidance (including net income, Total FFO and Core FFO, same-property growth and related assumptions) and anticipated yield on certain investments. While the Company’s management believes the assumptions underlying its forward-looking statements are reasonable, such forward-looking statements involve known and unknown risks, uncertainties and other factors, many of which are beyond the Company’s control, which could cause the actual results, performance or achievements of the Company to be materially different from any future results, performance or

achievements expressed or implied by such forward-looking statements. The Company cannot assure the future results or outcome of the matters described in these statements; rather, these statements merely reflect the Company's current expectations of the approximate outcomes of the matters discussed.

Factors that might cause the Company's actual results, performance or achievements to differ materially from those expressed or implied by these forward-looking statements include, but are not limited to, the following: assumptions related to our third quarter and full-year 2024 guidance; occupancy rates and rental demand may be adversely affected by competition and local economic and market conditions; there may be increased interest rates, inflation, escalated operating costs and possible recessionary impacts; geopolitical tensions and regional conflicts, and the related impacts on macroeconomic conditions, including, among other things, interest rates and inflation; the terms of any refinancing may not be as favorable as the terms of existing indebtedness; the Company's inability to maintain our investment grade credit rating with the rating agencies; the Company may be unsuccessful in the management of its relationships with its co-investment partners; the Company may fail to achieve its business objectives; time of actual completion and/or stabilization of development and redevelopment projects; estimates of future income from an acquired property may prove to be inaccurate; future cash flows may be inadequate to meet operating requirements and/or may be insufficient to provide for dividend payments in accordance with REIT requirements; changes in laws or regulations; unexpected difficulties in leasing of future development projects; volatility in financial and securities markets; the Company's failure to successfully operate acquired properties; unforeseen consequences from cyber-intrusion; government approvals, actions and initiatives, including the need for compliance with environmental requirements; and those further risks, special considerations, and other factors referred to in the Company's annual report on Form 10-K for the year ended December 31, 2023, quarterly reports on Form 10-Q, and those risk factors and special considerations set forth in the Company's other filings with the SEC which may cause the actual results, performance or achievements of the Company to be materially different from any future results, performance or achievements expressed or implied by such forward-looking statements. All forward-looking statements are made as of the date hereof, the Company assumes no obligation to update or supplement this information for any reason, and therefore, they may not represent the Company's estimates and assumptions after the date of this press release.

DEFINITIONS AND RECONCILIATIONS

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

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ESSEX PROPERTY TRUST, INC.
Consolidated Operating Results
(Dollars in thousands, except share and per share amounts)

	Three Months Ended		Six Months Ended	
	June 30,		June 30,	
	2024	2023	2024	2023
Revenues:				
Rental and other property	\$ 439,782	\$ 413,265	\$ 863,997	\$ 822,921
Management and other fees from affiliates	2,573	2,778	5,286	5,543
	442,355	416,043	869,283	828,464
Expenses:				
Property operating	126,033	119,224	251,899	239,636
Corporate-level property management expenses	12,123	11,451	23,854	22,883
Depreciation and amortization	145,613	136,718	285,346	273,065
General and administrative	21,136	13,813	38,307	29,124
Expensed acquisition and investment related costs	-	5	68	344
Casualty loss	-	-	-	433
	304,905	281,211	599,474	565,485
Gain on sale of real estate and land	-	-	-	59,238
Earnings from operations	137,450	134,832	269,809	322,217
Interest expense, net ⁽¹⁾	(58,491)	(51,779)	(113,628)	(101,791)
Interest and other income	9,568	12,199	66,843	24,649
Equity income from co-investments	9,652	12,237	22,018	23,108
Tax benefit (expense) on unconsolidated co-investments	807	(1,733)	758	(833)
Gain on remeasurement of co-investment	-	-	138,326	-
Net income	98,986	105,756	384,126	267,350
Net income attributable to noncontrolling interest	(6,072)	(6,136)	(18,481)	(14,198)
Net income available to common stockholders	\$ 92,914	\$ 99,620	\$ 365,645	\$ 253,152
Net income per share - basic	\$ 1.45	\$ 1.55	\$ 5.69	\$ 3.94
Shares used in income per share - basic	64,209,878	64,182,555	64,207,482	64,319,783
Net income per share - diluted	\$ 1.45	\$ 1.55	\$ 5.69	\$ 3.94
Shares used in income per share - diluted	64,227,651	64,183,675	64,218,911	64,320,898

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

See Company's Form 10-K and Form 10-Qs filed with the SEC for additional information

ESSEX PROPERTY TRUST, INC.
Consolidated Operating Results – Selected Line Item Detail
(Dollars in thousands)

	Three Months Ended		Six Months Ended	
	June 30,		June 30,	
	2024	2023	2024	2023
Rental and other property				
Rental income	\$ 432,141	\$ 407,786	\$ 849,377	\$ 812,421
Other property	7,641	5,479	14,620	10,500
Rental and other property	<u>\$ 439,782</u>	<u>\$ 413,265</u>	<u>\$ 863,997</u>	<u>\$ 822,921</u>
Property operating expenses				
Real estate taxes	\$ 47,312	\$ 45,381	\$ 94,232	\$ 91,911
Administrative	15,290	12,730	29,099	24,884
Maintenance and repairs	13,940	14,683	28,790	29,267
Personnel costs	24,035	22,944	47,827	45,854
Utilities	25,456	23,486	51,951	47,720
Property operating expenses	<u>\$ 126,033</u>	<u>\$ 119,224</u>	<u>\$ 251,899</u>	<u>\$ 239,636</u>
Interest and other income				
Marketable securities and other income	\$ 7,510	\$ 4,468	\$ 18,685	\$ 7,751
Realized and unrealized gains on marketable securities, net	1,597	7,591	4,948	8,871
Provision for credit losses	(19)	(16)	(66)	(34)
Insurance reimbursements, legal settlements, and other, net	480	156	43,276	8,061
Interest and other income	<u>\$ 9,568</u>	<u>\$ 12,199</u>	<u>\$ 66,843</u>	<u>\$ 24,649</u>
Equity income from co-investments				
Equity loss from co-investments	\$ (2,322)	\$ (2,897)	\$ (5,874)	\$ (5,848)
Income from preferred equity investments	12,111	13,732	24,336	27,049
Equity (loss) income from non-core co-investments	(143)	978	5,727	884
Insurance reimbursements, legal settlements, and other, net	6	139	24	738
Impairment loss from unconsolidated co-investment	-	-	(3,726)	-
Co-investment promote income	-	-	1,531	-
Income from early redemption of preferred equity investments	-	285	-	285
Equity income from co-investments	<u>\$ 9,652</u>	<u>\$ 12,237</u>	<u>\$ 22,018</u>	<u>\$ 23,108</u>
Noncontrolling interest				
Limited partners of Essex Portfolio, L.P.	\$ 3,270	\$ 3,506	\$ 12,869	\$ 8,910
DownREIT limited partners' distributions	2,291	2,163	4,583	4,331
Third-party ownership interest	511	467	1,029	957
Noncontrolling interest	<u>\$ 6,072</u>	<u>\$ 6,136</u>	<u>\$ 18,481</u>	<u>\$ 14,198</u>

See Company's Form 10-K and Form 10-Qs filed with the SEC for additional information

ESSEX PROPERTY TRUST, INC.
Consolidated Funds From Operations ⁽¹⁾
(Dollars in thousands, except share and per share amounts and in footnotes)

	Three Months Ended			Six Months Ended		
	June 30,		% Change	June 30,		% Change
	2024	2023		2024	2023	
Funds from operations attributable to common stockholders and unitholders (FFO)						
Net income available to common stockholders	\$ 92,914	\$ 99,620		\$ 365,645	\$ 253,152	
Adjustments:						
Depreciation and amortization	145,613	136,718		285,346	273,065	
Gains not included in FFO	-	-		(138,326)	(59,238)	
Casualty loss	-	-		-	433	
Impairment loss from unconsolidated co-investments	-	-		3,726	-	
Depreciation and amortization from unconsolidated co-investments	17,380	17,848		35,850	35,457	
Noncontrolling interest related to Operating Partnership units	3,270	3,506		12,869	8,910	
Depreciation attributable to third party ownership and other ⁽²⁾	(390)	(365)		(779)	(724)	
Funds from operations attributable to common stockholders and unitholders	\$ 258,787	\$ 257,327		\$ 564,331	\$ 511,055	
FFO per share-diluted	\$ 3.89	\$ 3.87	0.5%	\$ 8.49	\$ 7.68	10.5%
Components of the change in FFO						
Non-core items:						
Expensed acquisition and investment related costs	\$ -	\$ 5		\$ 68	\$ 344	
Tax (benefit) expense on unconsolidated co-investments ⁽³⁾	(807)	1,733		(758)	833	
Realized and unrealized gains on marketable securities, net	(1,597)	(7,591)		(4,948)	(8,871)	
Provision for credit losses	19	16		66	34	
Equity loss (income) from non-core co-investments ⁽⁴⁾	143	(978)		(5,727)	(884)	
Co-investment promote income	-	-		(1,531)	-	
Income from early redemption of preferred equity investments and notes receivable	-	(285)		-	(285)	
General and administrative and other, net	5,906	561		8,447	827	
Insurance reimbursements, legal settlements, and other, net ⁽⁵⁾	(486)	(295)		(43,300)	(8,799)	
Core funds from operations attributable to common stockholders and unitholders	\$ 261,965	\$ 250,493		\$ 516,648	\$ 494,254	
Core FFO per share-diluted	\$ 3.94	\$ 3.77	4.5%	\$ 7.77	\$ 7.42	4.7%
Weighted average number of shares outstanding diluted ⁽⁶⁾	66,486,464	66,444,114		66,477,724	66,584,049	

⁽¹⁾ Refer to page S-17.2, the section titled "Funds from Operations ("FFO") and Core FFO" for additional information on the Company's definition and use of FFO and Core FFO.

⁽²⁾ The Company consolidates certain co-investments. The noncontrolling interest's share of net operating income in these investments for the three and six months ended June 30, 2024 was \$0.8 million and \$1.7 million, respectively.

⁽³⁾ Represents tax related to net unrealized gains or losses on technology co-investments.

⁽⁴⁾ Represents the Company's share of co-investment income or loss from technology co-investments.

⁽⁵⁾ Includes legal settlement gains of \$42.5 million and \$7.7 million for the six months ended June 30, 2024 and 2023, respectively.

⁽⁶⁾ Assumes conversion of all outstanding limited partnership units in the Operating Partnership into shares of the Company's common stock and excludes DownREIT limited partnership units.

ESSEX PROPERTY TRUST, INC.**Consolidated Balance Sheets***(Dollars in thousands)*

	June 30, 2024	December 31, 2023
Real Estate:		
Land and land improvements	\$ 3,167,721	\$ 3,036,912
Buildings and improvements	13,701,217	13,098,311
	16,868,938	16,135,223
Less: accumulated depreciation	(5,946,440)	(5,664,931)
	10,922,498	10,470,292
Real estate under development	24,515	23,724
Co-investments	1,041,328	1,061,733
	11,988,341	11,555,749
Cash and cash equivalents, including restricted cash	64,151	400,334
Marketable securities	84,291	87,795
Notes and other receivables	233,776	174,621
Operating lease right-of-use assets	53,373	63,757
Prepaid expenses and other assets	85,528	79,171
Total assets	\$ 12,509,460	\$ 12,361,427
Unsecured debt, net	\$ 5,267,902	\$ 5,318,531
Mortgage notes payable, net	885,563	887,204
Lines of credit	129,391	-
Distributions in excess of investments in co-investments	68,295	65,488
Operating lease liabilities	54,513	65,091
Other liabilities	415,407	398,930
Total liabilities	6,821,071	6,735,244
Redeemable noncontrolling interest	33,889	32,205
Equity:		
Common stock	6	6
Additional paid-in capital	6,659,313	6,656,720
Distributions in excess of accumulated earnings	(1,216,557)	(1,267,536)
Accumulated other comprehensive income, net	38,877	33,556
Total stockholders' equity	5,481,639	5,422,746
Noncontrolling interest	172,861	171,232
Total equity	5,654,500	5,593,978
Total liabilities and equity	\$ 12,509,460	\$ 12,361,427

See Company's Form 10-K and Form 10-Qs filed with the SEC for additional information

ESSEX PROPERTY TRUST, INC.
Debt Summary – June 30, 2024
(Dollars in thousands, except in footnotes)

	Balance Outstanding	Weighted Average		Scheduled principal payments, unamortized premiums (discounts) and (debt issuance costs) are as follows - excludes lines of credit:					
		Interest Rate	Maturity in Years	Unsecured	Secured	Total	Weighted Average Interest Rate	Percentage of Total Debt	
Unsecured Debt, net									
Bonds public - fixed rate	\$ 5,000,000	3.3%	7.4	2024	\$ -	\$ 1,576	\$ 1,576	3.7%	0.0%
Term loan ⁽¹⁾	300,000	4.2%	3.3	2025	500,000	133,054	633,054	3.5%	10.2%
Unamortized discounts and debt issuance costs, net	(32,098)	-	-	2026	450,000	99,405	549,405	3.5%	8.9%
Total unsecured debt, net	5,267,902	3.4%	7.1	2027 ⁽¹⁾	650,000	153,955	803,955	4.0%	13.0%
Mortgage Notes Payable, net				2028	450,000	68,332	518,332	2.2%	8.4%
Fixed rate - secured	665,984	4.3%	5.3	2029	500,000	1,456	501,456	4.1%	8.1%
Variable rate - secured ⁽²⁾	222,275	4.5%	13.6	2030	550,000	1,592	551,592	3.1%	8.9%
Unamortized premiums and debt issuance costs, net	(2,696)	-	-	2031	600,000	1,740	601,740	2.3%	9.7%
Total mortgage notes payable, net	885,563	4.3%	7.4	2032	650,000	1,903	651,903	2.6%	10.6%
Unsecured Lines of Credit				2033	-	330,126	330,126	5.0%	5.3%
Line of credit ⁽³⁾	105,000	6.4%	N/A	2034	350,000	2,275	352,275	5.6%	5.7%
Line of credit ⁽⁴⁾	24,391	6.4%	N/A	Thereafter	600,000	92,845	692,845	3.8%	11.2%
Total lines of credit	129,391	6.4%	N/A	Subtotal	5,300,000	888,259	6,188,259	3.5%	100.0%
Total debt, net	\$ 6,282,856	3.5%	7.1	Debt Issuance Costs (Discounts)/Premiums	(25,930) (6,168)	(2,841) 145	(28,771) (6,023)	- -	- -
				Total	\$ 5,267,902	\$ 885,563	\$ 6,153,465	3.5%	100.0%

Capitalized interest for both the three and six months ended June 30, 2024 was approximately \$0.1 million.

⁽¹⁾ The unsecured term loan has a variable interest rate of Adjusted SOFR plus 0.85% and matures in October 2024 with three 12-month extension options, exercisable at the Company's option. This loan has been swapped to an all-in fixed rate of 4.2% and the swap has a termination date of October 2026.

⁽²⁾ \$222.3 million of variable rate debt is tax exempt to the note holders.

⁽³⁾ This unsecured line of credit facility has a capacity of \$1.2 billion, a scheduled maturity date in January 2027 and two 6-month extension options, exercisable at the Company's option. The underlying interest rate on this line is Adjusted SOFR plus 0.765%, which is based on a tiered rate structure tied to the Company's corporate ratings and further adjusted by the facility's Sustainability Metric Grid.

⁽⁴⁾ As of June 30, 2024, this unsecured line of credit facility has a capacity of \$35 million and a scheduled maturity date in July 2024. The underlying interest rate on this line is Adjusted SOFR plus 0.765%, which is based on a tiered rate structure tied to the Company's corporate ratings and further adjusted by the facility's Sustainability Metric Grid. In July 2024, prior to its maturity the line of credit facility was amended such that the line's capacity increased to \$75 million and the scheduled maturity date was extended to July 2026.

ESSEX PROPERTY TRUST, INC.
Capitalization Data, Public Bond Covenants, Credit Ratings and Selected Credit Ratios – June 30, 2024
(Dollars and shares in thousands, except per share amounts)

Capitalization Data			Public Bond Covenants ⁽¹⁾	
			Actual	Requirement
Total debt, net	\$	6,282,856		
Common stock and potentially dilutive securities				
Common stock outstanding		64,210		
Limited partnership units ⁽¹⁾		2,259		
Options-treasury method		30		
Total shares of common stock and potentially dilutive securities		66,499		
Common stock price per share as of June 28, 2024	\$	272.20		
Total equity capitalization	\$	18,101,028		
Total market capitalization	\$	24,383,884		
Ratio of debt to total market capitalization		25.8%		
Credit Ratings			Selected Credit Ratios ⁽³⁾	
<u>Rating Agency</u>	<u>Rating</u>	<u>Outlook</u>		
Moody's	Baa1	Stable		
Standard & Poor's	BBB+	Stable		
⁽¹⁾ Assumes conversion of all outstanding limited partnership units in the Operating Partnership into shares of the Company's common stock.			Net Indebtedness Divided by Adjusted EBITDAre, normalized and annualized:	
			5.4	
			Unencumbered NOI to Adjusted Total NOI:	
			93%	
			⁽¹⁾ Refer to page S-17.4 for additional information on the Company's Public Bond Covenants.	
			⁽²⁾ Unsecured Debt Ratio is unsecured assets (excluding investments in co-investments) divided by unsecured indebtedness.	
			⁽³⁾ Refer to pages S-17.1 to S-17.4, the section titled "Reconciliations of Non-GAAP Financial Measures and Other Terms" for additional information on the Company's Selected Credit Ratios.	

ESSEX PROPERTY TRUST, INC.
Portfolio Summary by County as of June 30, 2024

Region - County	Apartment Homes			Average Monthly Rental Rate ⁽¹⁾			Percent of NOI ⁽²⁾		
	Consolidated	Unconsolidated Co-investments	Total	Consolidated	Unconsolidated Co-investments ⁽³⁾	Total ⁽⁴⁾	Consolidated	Unconsolidated Co-investments ⁽³⁾	Total ⁽⁴⁾
Southern California									
Los Angeles County	9,542	1,586	11,128	\$ 2,670	\$ 2,558	\$ 2,661	16.7%	17.0%	16.7%
Orange County	5,843	500	6,343	2,740	2,578	2,733	11.7%	5.8%	11.2%
San Diego County	5,442	443	5,885	2,618	3,007	2,634	10.7%	5.0%	10.2%
Ventura County and Other	2,435	693	3,128	2,405	2,814	2,460	4.4%	9.1%	4.9%
Total Southern California	23,262	3,222	26,484	2,648	2,672	2,650	43.5%	36.9%	43.0%
Northern California									
Santa Clara County ⁽⁵⁾	8,988	1,774	10,762	3,032	2,948	3,024	20.0%	19.5%	20.0%
Alameda County	3,959	1,512	5,471	2,589	2,584	2,588	6.8%	16.2%	7.5%
San Mateo County	2,561	195	2,756	3,112	3,753	3,135	5.4%	2.4%	5.1%
Contra Costa County	2,619	-	2,619	2,725	-	2,725	5.1%	0.0%	4.7%
San Francisco	1,356	537	1,893	2,884	3,265	2,947	2.2%	5.8%	2.6%
Total Northern California	19,483	4,018	23,501	2,901	2,880	2,899	39.5%	43.9%	39.9%
Seattle Metro	10,555	1,970	12,525	2,186	2,131	2,181	17.0%	19.2%	17.1%
Total	53,300	9,210	62,510	\$ 2,649	\$ 2,647	\$ 2,649	100.0%	100.0%	100.0%

⁽¹⁾ Average monthly rental rate is defined as the total scheduled monthly rental income (actual rent for occupied apartment homes plus market rent for vacant apartment homes) for the quarter ended June 30, 2024, divided by the number of apartment homes as of June 30, 2024.

⁽²⁾ Represents the percentage of actual NOI for the quarter ended June 30, 2024. See the section titled "Net Operating Income ("NOI") and Same-Property NOI Reconciliations" on page S-17.3.

⁽³⁾ Co-investment amounts weighted at Company's pro rata share.

⁽⁴⁾ At Company's pro rata share.

⁽⁵⁾ Includes all communities in Santa Clara County and one community in Santa Cruz County.

ESSEX PROPERTY TRUST, INC.
Operating Income by Quarter ⁽¹⁾
(Dollars in thousands)

	Apartment Homes	Q2 '24	Q1 '24	Q4 '23	Q3 '23	Q2 '23
Rental and other property revenues:						
Same-property	50,884	\$ 414,845	\$ 409,819	\$ 407,335	\$ 405,412	\$ 401,065
Acquisitions ⁽²⁾	1,792	12,824	1,598	429	383	225
Redevelopment	178	1,565	1,541	1,536	1,564	1,595
Non-residential/other, net ⁽³⁾	446	11,059	11,320	10,695	10,433	11,055
Straight-line rent concessions ⁽⁴⁾	-	(511)	(63)	(1,050)	(1,394)	(675)
Total rental and other property revenues	53,300	439,782	424,215	418,945	416,398	413,265
Property operating expenses:						
Same-property		121,421	123,460	119,371	121,326	116,194
Acquisitions ⁽²⁾		3,585	479	153	137	90
Redevelopment		731	718	742	634	674
Non-residential/other, net ^{(3) (5)}		296	1,209	1,681	1,799	2,266
Total property operating expenses		126,033	125,866	121,947	123,896	119,224
Net operating income (NOI):						
Same-property		293,424	286,359	287,964	284,086	284,871
Acquisitions ⁽²⁾		9,239	1,119	276	246	135
Redevelopment		834	823	794	930	921
Non-residential/other, net ⁽³⁾		10,763	10,111	9,014	8,634	8,789
Straight-line rent concessions ⁽⁴⁾		(511)	(63)	(1,050)	(1,394)	(675)
Total NOI		\$ 313,749	\$ 298,349	\$ 296,998	\$ 292,502	\$ 294,041
Same-property metrics						
Operating margin		71%	70%	71%	70%	71%
Annualized turnover ⁽⁶⁾		41%	37%	40%	48%	45%
Financial occupancy ⁽⁷⁾		96.2%	96.3%	96.1%	96.4%	96.6%

⁽¹⁾ Includes consolidated communities only.

⁽²⁾ Acquisitions include properties acquired which did not have comparable stabilized results as of January 1, 2023.

⁽³⁾ Non-residential/other, net consists of revenues generated from retail space, commercial properties, held for sale properties, disposition properties, properties undergoing significant construction activities that do not meet our redevelopment criteria and two communities located in the California counties of Santa Barbara and Santa Cruz, which the Company does not consider its core markets.

⁽⁴⁾ Represents straight-line concessions for residential operating communities. Same-property revenues reflect concessions on a cash basis. Total Rental and Other Property Revenues reflect concessions on a straight-line basis in accordance with U.S. GAAP.

⁽⁵⁾ Includes other expenses and intercompany eliminations pertaining to self-insurance.

⁽⁶⁾ Annualized turnover is defined as the number of apartment homes turned over during the quarter, annualized, divided by the total number of apartment homes.

⁽⁷⁾ Financial occupancy is defined as the percentage resulting from dividing actual rental income by total scheduled rental income. Actual rental income represents contractual rental income pursuant to leases without considering delinquency and concessions. Total scheduled rental income represents the value of all apartment homes, with occupied apartment homes valued at contractual rental rates pursuant to leases and vacant apartment homes valued at estimated market rents.

ESSEX PROPERTY TRUST, INC.
Same-Property Revenue Results by County – Second Quarter 2024 vs. Second Quarter 2023 and First Quarter 2024
(Dollars in thousands, except average monthly rental rates)

Region - County	Apartment Homes	Q2 '24 % of Actual NOI	Average Monthly Rental Rate			Financial Occupancy			Gross Revenues			Sequential Gross Revenues	
			Q2 '24	Q2 '23	% Change	Q2 '24	Q2 '23	% Change	Q2 '24	Q2 '23	% Change	Q1 '24	% Change
Southern California													
Los Angeles County	9,542	17.4%	\$ 2,670	\$ 2,666	0.2%	95.1%	96.5%	-1.5%	\$ 76,251	\$ 74,594	2.2%	\$ 75,270	1.3%
Orange County	5,193	10.9%	2,777	2,683	3.5%	95.9%	95.7%	0.2%	43,464	41,417	4.9%	43,136	0.8%
San Diego County	4,584	9.5%	2,637	2,517	4.8%	96.2%	96.6%	-0.4%	37,129	34,921	6.3%	36,713	1.1%
Ventura County	2,254	4.4%	2,398	2,290	4.7%	96.7%	97.2%	-0.5%	16,918	16,054	5.4%	16,703	1.3%
Total Southern California	21,573	42.2%	2,661	2,599	2.4%	95.7%	96.4%	-0.7%	173,762	166,986	4.1%	171,822	1.1%
Northern California													
Santa Clara County	8,653	20.3%	3,003	2,949	1.8%	96.7%	96.9%	-0.2%	80,006	77,773	2.9%	78,893	1.4%
Alameda County	3,959	7.1%	2,589	2,598	-0.3%	95.6%	96.4%	-0.8%	31,374	30,899	1.5%	31,161	0.7%
San Mateo County	2,561	5.6%	3,112	3,053	1.9%	95.8%	96.4%	-0.6%	24,905	23,809	4.6%	24,186	3.0%
Contra Costa County	2,619	5.3%	2,725	2,668	2.1%	96.2%	96.8%	-0.6%	21,974	21,286	3.2%	21,735	1.1%
San Francisco	1,178	2.1%	2,850	2,831	0.7%	95.6%	95.5%	0.1%	10,306	10,095	2.1%	10,238	0.7%
Total Northern California	18,970	40.4%	2,883	2,844	1.4%	96.3%	96.6%	-0.3%	168,565	163,862	2.9%	166,213	1.4%
Seattle Metro	10,341	17.4%	2,193	2,163	1.4%	97.1%	96.9%	0.2%	72,518	70,217	3.3%	71,784	1.0%
Total Same-Property	50,884	100.0%	\$ 2,649	\$ 2,602	1.8%	96.2%	96.6%	-0.4%	\$ 414,845	\$ 401,065	3.4%	\$ 409,819	1.2%

See Company's Form 10-K and Form 10-Qs filed with the SEC for additional information

ESSEX PROPERTY TRUST, INC.
Same-Property Revenue Results by County – Six months ended June 30, 2024 vs. Six months ended June 30, 2023
(Dollars in thousands, except average monthly rental rates)

Region - County	Apartment Homes	YTD 2024 % of Actual NOI	Average Monthly Rental Rate			Financial Occupancy			Gross Revenues		
			YTD 2024	YTD 2023	% Change	YTD 2024	YTD 2023	% Change	YTD 2024	YTD 2023	% Change
Southern California											
Los Angeles County	9,542	17.4%	\$ 2,673	\$ 2,654	0.7%	95.3%	96.5%	-1.2%	\$ 151,521	\$ 148,224	2.2%
Orange County	5,193	11.0%	2,767	2,660	4.0%	96.0%	96.2%	-0.2%	86,600	82,259	5.3%
San Diego County	4,584	9.5%	2,621	2,487	5.4%	96.4%	97.1%	-0.7%	73,842	69,178	6.7%
Ventura County	2,254	4.4%	2,382	2,267	5.1%	96.7%	97.0%	-0.3%	33,621	31,612	6.4%
Total Southern California	21,573	42.3%	2,654	2,579	2.9%	95.8%	96.6%	-0.8%	345,584	331,273	4.3%
Northern California											
Santa Clara County	8,653	20.2%	2,990	2,935	1.9%	96.7%	96.8%	-0.1%	158,899	153,908	3.2%
Alameda County	3,959	7.0%	2,590	2,595	-0.2%	95.5%	96.7%	-1.2%	62,535	61,598	1.5%
San Mateo County	2,561	5.5%	3,099	3,041	1.9%	95.8%	96.3%	-0.5%	49,091	47,044	4.4%
Contra Costa County	2,619	5.3%	2,713	2,655	2.2%	96.3%	96.9%	-0.6%	43,709	42,366	3.2%
San Francisco	1,178	2.1%	2,841	2,824	0.6%	95.8%	95.6%	0.2%	20,544	20,141	2.0%
Total Northern California	18,970	40.1%	2,874	2,833	1.4%	96.2%	96.6%	-0.4%	334,778	325,057	3.0%
Seattle Metro	10,341	17.6%	2,182	2,160	1.0%	97.1%	96.7%	0.4%	144,302	140,255	2.9%
Total Same-Property	50,884	100.0%	\$ 2,640	\$ 2,589	2.0%	96.2%	96.6%	-0.4%	\$ 824,664	\$ 796,585	3.5%

See Company's Form 10-K and Form 10-Qs filed with the SEC for additional information

ESSEX PROPERTY TRUST, INC.**Same-Property Operating Expenses – Quarter to Date and Year to Date as of June 30, 2024 and 2023***(Dollars in thousands)***Based on 50,884 apartment homes**

	<u>Q2 '24</u>	<u>Q2 '23</u>	<u>% Change</u>	<u>% of Op. Ex.</u>
Same-property operating expenses:				
Real estate taxes	\$ 44,910	\$ 43,257	3.8%	37.0%
Utilities	24,186	22,887	5.7%	19.9%
Personnel costs	22,828	22,234	2.7%	18.8%
Maintenance and repairs	13,151	14,299	-8.0%	10.8%
Administrative	7,347	7,040	4.4%	6.1%
Insurance and other	8,999	6,477	38.9%	7.4%
Total same-property operating expenses	\$ 121,421	\$ 116,194	4.5%	100.0%
	<u>YTD 2024</u>	<u>YTD 2023</u>	<u>% Change</u>	<u>% of Op. Ex.</u>
Same-property operating expenses:				
Real estate taxes	\$ 89,762	\$ 87,850	2.2%	36.7%
Utilities	49,885	46,426	7.5%	20.4%
Personnel costs	45,774	44,370	3.2%	18.7%
Maintenance and repairs	27,565	28,474	-3.2%	11.3%
Administrative	14,447	13,682	5.6%	5.9%
Insurance and other	17,448	12,934	34.9%	7.0%
Total same-property operating expenses	\$ 244,881	\$ 233,736	4.8%	100.0%

ESSEX PROPERTY TRUST, INC.**Capital Expenditures – June 30, 2024 ⁽¹⁾***(Dollars in thousands, except in footnotes and per apartment home amounts)*

Revenue Generating Capital Expenditures ⁽²⁾	Q2 '24	Trailing 4 Quarters
Same-property portfolio	\$ 11,293	\$ 49,185
Non-same property portfolio	153	1,108
Total revenue generating capital expenditures	\$ 11,446	\$ 50,293
Number of same-property interior renovations	200	1,352
Number of total consolidated interior renovations	203	1,374
Non-Revenue Generating Capital Expenditures ⁽³⁾	Q2 '24	Trailing 4 Quarters
Non-revenue generating capital expenditures	\$ 34,079	\$ 137,064
Average apartment homes in quarter	53,181	52,160
Capital expenditures per apartment homes in the quarter	\$ 641	\$ 2,628

⁽¹⁾ The Company incurred \$0.1 million of capitalized interest, \$4.9 million of capitalized overhead and \$0.2 million of co-investment fees related to redevelopment in Q2 2024.

⁽²⁾ Represents revenue generating or expense saving expenditures, such as full-scale redevelopments, interior unit turn renovations, enhanced amenities and certain resource management initiatives. Excludes costs related to smart home automation.

⁽³⁾ Represents roof replacements, paving, building and mechanical systems, exterior painting, siding, etc. Non-revenue generating capital expenditures does not include costs related to retail, furniture and fixtures, expenditures in which the Company has been reimbursed or expects to be reimbursed, and expenditures incurred due to changes in governmental regulation that the Company would not have incurred otherwise.

ESSEX PROPERTY TRUST, INC.
Co-investments and Preferred Equity Investments – June 30, 2024
(Dollars in thousands, except in footnotes)

	Weighted Average Essex Ownership Percentage	Apartment Homes	Total Undepreciated Book Value	Debt Amount	Essex Book Value	Weighted Average Borrowing Rate ⁽¹⁾	Remaining Term of Debt (in Years)	Three Months Ended June 30, 2024	Six Months Ended June 30, 2024
								NOI	
Operating and Other Non-Consolidated Joint Ventures									
Wesco I, III, IV, V, VI ⁽²⁾	54%	5,976	\$ 2,161,592	\$ 1,435,833	\$ 139,728	3.5%	2.3	\$ 30,042	\$ 59,339
BEXAEW ⁽³⁾ , BEX II, BEX IV, and 500 Folsom	50%	1,603	942,192	325,025	211,582	4.8%	12.5	9,186	25,026
Other ⁽⁴⁾	51%	1,631	672,023	497,025	83,161	4.6%	7.7	8,809	17,268
Total Operating and Other Non-Consolidated Joint Ventures		9,210	\$ 3,775,807	\$ 2,257,883	\$ 434,471	3.9%	5.0	\$ 48,037	\$ 101,633
								Essex Portion of NOI and Expenses	
NOI								\$ 25,914	\$ 54,551
Depreciation								(17,380)	(35,850)
Interest expense and other, net								(10,856)	(24,575)
Equity (loss) income from non-core co-investments								(143)	5,727
Insurance reimbursements, legal settlements, and other, net								6	24
Co-investment promote income								-	1,531
Net income from operating and other co-investments								\$ (2,459)	\$ 1,408
						Weighted Average Preferred Return	Weighted Average Expected Term	Income from Preferred Equity Investments	
Income from preferred equity investments								\$ 12,111	\$ 24,336
Impairment loss from unconsolidated co-investment								-	(3,726)
Preferred Equity Investments ⁽⁵⁾						\$ 538,562	9.7%	\$ 12,111	\$ 20,610
Total Co-investments						\$ 973,033		\$ 9,652	\$ 22,018

⁽¹⁾ Represents the year-to-date annual weighted average borrowing rate.

⁽²⁾ As of June 30, 2024, the Company's investments in Wesco I, Wesco III, and Wesco IV were classified as a liability of \$63.6 million due to distributions received in excess of the Company's investment.

⁽³⁾ In March 2024, the Company acquired BEXAEW LLC's 49.9% interest in four communities totaling 1,480 apartment homes. The NOI included in the six months ended June 30, 2024 represents the Company's pro-rata share prior to the acquisition.

⁽⁴⁾ As of June 30, 2024, the Company's investments in Expo and Century Towers were classified as a liability of \$4.7 million due to distributions received in excess of the Company's investment. The weighted average Essex ownership percentage excludes our investments in non-core technology co-investments which are carried at fair value.

⁽⁵⁾ As of June 30, 2024, the Company has invested in 23 preferred equity investments.

ESSEX PROPERTY TRUST, INC.
Assumptions for 2024 FFO Guidance Range
(Dollars in thousands, except per share data)

The guidance projections below are based on current expectations and are forward-looking. The guidance on this page is given for Net Operating Income ("NOI") and Total and Core FFO. See pages S-17.1 to S-17.4 for the definitions of non-GAAP financial measures and other terms.

	Six Months Ended June 30, 2024 ⁽¹⁾	2024 Full-Year Guidance Range		
		Low End	High End	Comments about 2024 Full-Year Guidance
Total NOI from Consolidated Communities	\$ 612,098	\$ 1,229,500	\$ 1,242,500	Includes a range of same-property NOI growth of 1.8% to 2.8%. Reflects acquisitions completed through July
Management Fees	5,286	10,100	10,700	
<u>Interest Expense</u>				
Interest expense, before capitalized interest	(113,735)	(229,900)	(228,900)	Updated to reflect investment activity
Interest capitalized	107	100	300	
Net interest expense	(113,628)	(229,800)	(228,600)	
<u>Recurring Income and Expenses</u>				
Interest and other income	18,685	27,100	28,100	Reflects updated timing of preferred equity redemptions and includes investment activity through July
FFO from co-investments	54,312	105,100	106,300	
General and administrative	(29,860)	(58,100)	(59,200)	
Corporate-level property management expenses	(23,854)	(47,700)	(48,300)	
Non-controlling interest	(6,391)	(13,200)	(12,600)	
Total recurring income and expenses	12,892	13,200	14,300	
<u>Non-Core Income and Expenses</u>				
Expensed acquisition and investment related costs	(68)	(68)	(68)	
Tax benefit on unconsolidated co-investments	758	758	758	
Realized and unrealized gains on marketable securities, net	4,948	4,948	4,948	
Provision for credit losses	(66)	(66)	(66)	
Equity income from non-core co-investments	5,727	5,727	5,727	
Co-Investment promote income	1,531	1,531	1,531	
General and administrative and other, net	(8,447)	(20,000)	(20,000)	
Insurance reimbursements, legal settlements, and other, net	43,300	43,300	43,300	
Total non-core income and expenses	47,683	36,130	36,130	
Funds from Operations ⁽²⁾	\$ 564,331	\$ 1,059,130	\$ 1,075,030	
Funds from Operations per diluted Share	\$ 8.49	\$ 15.93	\$ 16.17	
% Change - Funds from Operations	10.5%	4.5%	6.1%	
Core Funds from Operations (excludes non-core items)	\$ 516,648	\$ 1,023,000	\$ 1,038,900	
Core Funds from Operations per diluted Share	\$ 7.77	\$ 15.38	\$ 15.62	
% Change - Core Funds from Operations	4.7%	2.3%	3.9%	
EPS - Diluted	\$ 5.69	\$ 8.23	\$ 8.47	
Weighted average shares outstanding - FFO calculation	66,478	66,500	66,500	

⁽¹⁾ All non-core items are excluded from the 2024 actuals and included in the non-core income and expense section of the FFO reconciliation.

⁽²⁾ 2024 guidance excludes inestimable projected gain on sale of marketable securities, loss on early retirement of debt, political/legislative costs, and promote income until they are realized within the reporting period presented in the report.

See Company's Form 10-K and Form 10-Qs filed with the SEC for additional information

ESSEX PROPERTY TRUST, INC.
Reconciliation of Projected EPS, FFO and Core FFO per diluted share

With respect to the Company's guidance regarding its projected FFO and Core FFO, which guidance is set forth in the earnings release and on page S-13 of this supplement, a reconciliation of projected net income per share to projected FFO per share and projected Core FFO per share, as set forth in such guidance, is presented in the table below.

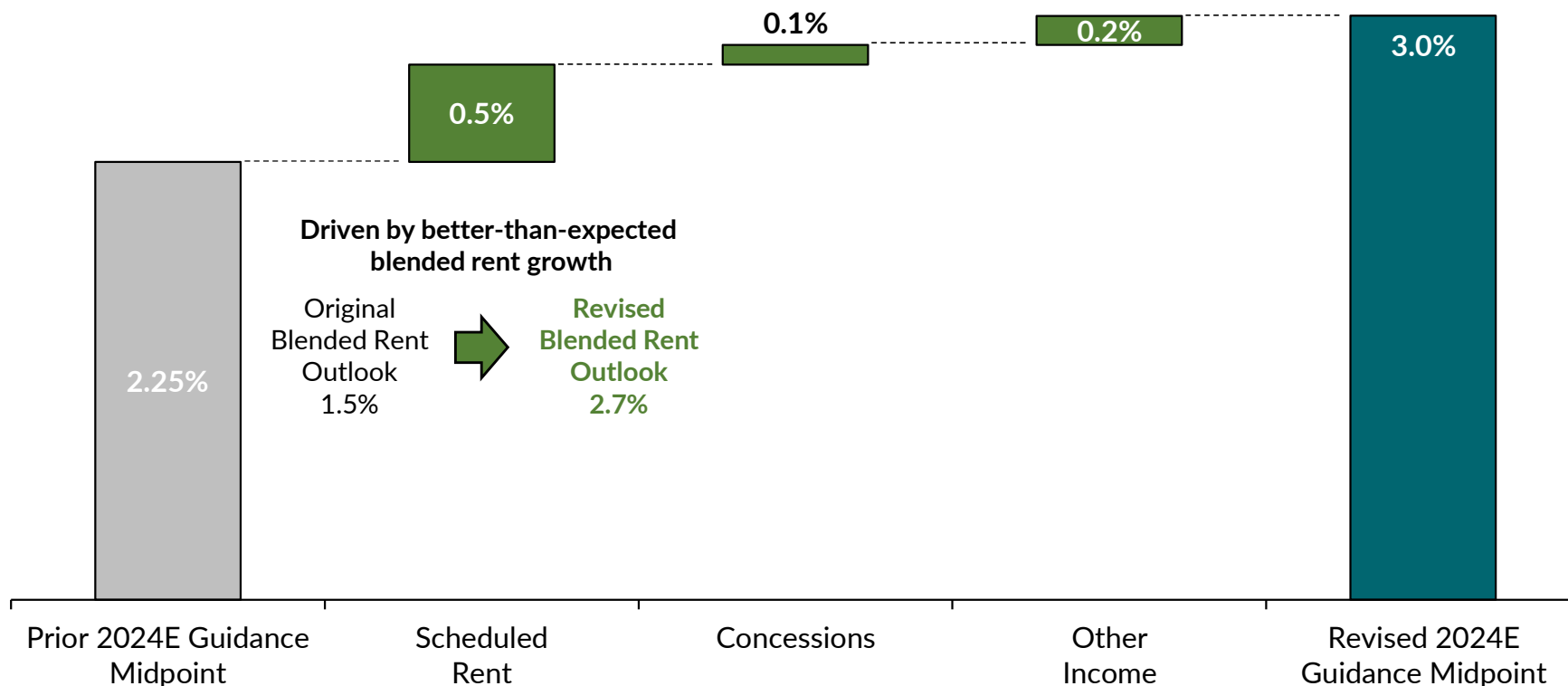
	Six Months Ended June 30, 2024	2024 Guidance Range ⁽¹⁾			
		3rd Quarter 2024		Full-Year 2024	
		Low	High	Low	High
EPS - diluted	\$ 5.69	\$ 1.28	\$ 1.40	\$ 8.23	\$ 8.47
Conversion from GAAP share count	(0.19)	(0.05)	(0.05)	(0.28)	(0.28)
Impairment loss from unconsolidated co-investments	0.06	-	-	0.06	0.06
Depreciation and amortization	4.83	2.45	2.45	9.73	9.73
Noncontrolling interest related to Operating Partnership units	0.18	0.04	0.04	0.27	0.27
Gain on remeasurement of co-investment	(2.08)	-	-	(2.08)	(2.08)
FFO per share - diluted	\$ 8.49	\$ 3.72	\$ 3.84	\$ 15.93	\$ 16.17
Expensed acquisition and investment related costs	-	-	-	-	-
Tax benefit on unconsolidated co-investments	(0.01)	-	-	(0.01)	(0.01)
Realized and unrealized gains on marketable securities, net	(0.07)	-	-	(0.07)	(0.07)
Provision for credit losses	-	-	-	-	-
Equity income from non-core co-investments	(0.09)	-	-	(0.09)	(0.09)
Co-Investment promote income	(0.02)	-	-	(0.02)	(0.02)
General and administrative and other, net	0.12	0.09	0.09	0.29	0.29
Insurance reimbursements, legal settlements, and other, net	(0.65)	-	-	(0.65)	(0.65)
Core FFO per share - diluted	\$ 7.77	\$ 3.81	\$ 3.93	\$ 15.38	\$ 15.62

⁽¹⁾ 2024 guidance excludes inestimable projected gain on sale of real estate and land, gain on sale of marketable securities, loss on early retirement of debt, political/legislative costs, and promote income until they are realized within the reporting period presented in the report.

Components to Full-Year 2024E Same-Property Revenue Growth

- The Company increased the midpoint of its 2024 same-property revenue growth guidance by 75 basis points to 3.0%.
- The increase was primarily driven by better-than-expected blended rent growth year-to-date through July. As such, the Company increased its blended rent growth outlook by 120 basis points to 2.7%.

Components to Full-Year 2024E Same-Property Revenue Guidance Raise



ESSEX PROPERTY TRUST, INC.
Summary of Apartment Community Acquisitions and Dispositions Activity – Year to date as of June 30, 2024
(Dollars in thousands, except for average monthly rent)
Acquisitions

Property Name	Location	Apartment Homes	Essex Ownership Percentage	Entity	Date	Total Contract Price	Price per Apartment Home ⁽¹⁾	Average Monthly Rent
BEXAEW Portfolio ⁽²⁾	Various	1,480	100%	EPLP	Mar-24	\$ 251,995	\$ 341	\$ 2,375
	Q1 2024	<u>1,480</u>				<u>\$ 251,995</u>	<u>\$ 341</u>	
Maxwell Sunnyvale ⁽³⁾	Sunnyvale, CA	75	100%	EPLP	Apr-24	\$ 46,600	\$ 621	\$ 3,712
ARLO Mountain View	Mountain View, CA	164	100%	EPLP	May-24	101,100	\$ 592	\$ 3,799
	Q2 2024	<u>239</u>				<u>\$ 147,700</u>	<u>\$ 601</u>	
2024 Total		<u>1,719</u>				<u>\$ 399,695</u>	<u>\$ 377</u>	

⁽¹⁾ Price per apartment home excludes value allocated to retail space.

⁽²⁾ In March 2024, the Company acquired its joint venture partner's 49.9% interest in the BEWAEW portfolio comprising four communities totaling 1,480 apartment homes, for a total purchase price of \$505.0 million on a gross basis.

⁽³⁾ In April 2024, the Company accepted the third-party sponsor's common equity interest affiliated with its \$14.7 million preferred equity investment and acquired Maxwell Sunnyvale based on a property valuation of \$46.6 million.

Dispositions

Neither Essex nor its unconsolidated joint ventures sold any apartment communities during the first and second quarters of 2024.

ESSEX PROPERTY TRUST, INC.
Same-Property Delinquencies, Operating Statistics, and Revenue Growth with Concessions on a GAAP basis
(Dollars in millions, except in footnotes and per share amounts)
Same-Property Delinquencies - Second Quarter 2024 vs. 2023 and July 2024

	Preliminary July 2024	Q2 2024	Q2 2023
Gross delinquencies as % of scheduled rent, excluding rental assistance	0.8%	1.0%	2.1%
Rental assistance funds as % of scheduled rent ⁽¹⁾	0.0%	-0.1%	-0.1%
Cash delinquencies as % of scheduled rent, including rental assistance ⁽²⁾	0.8%	0.9%	2.0%

Same-Property Cash Delinquencies as % of Scheduled Rent, by Region

	Preliminary July 2024	Q2 2024
Southern California, excl. Los Angeles	0.9%	0.6%
Northern California, excl. Alameda	0.2%	0.4%
Seattle	0.7%	0.8%
Los Angeles & Alameda Counties ⁽³⁾	1.3%	1.9%
Total Same-Property Portfolio ⁽¹⁾⁽²⁾	0.8%	0.9%

⁽¹⁾ The Company's same-property portfolio received Emergency Rental Assistance payments of less than \$0.1 million and \$0.5 million for preliminary July 2024 and the three months ended June 30, 2024, respectively. This compares to \$0.4 million for the three months ended June 30, 2023.

⁽²⁾ Represents same-property portfolio delinquencies as a percentage of scheduled rent reflected in the financial statements.

⁽³⁾ Eviction protections for the city and county of Los Angeles ended on April 1, 2023, and Alameda county protections ended on April 29, 2023.

Same-Property Operating Statistics

	Preliminary July 2024	Q2 2024
New lease rates ⁽¹⁾	1.8%	1.7%
Renewal rates ⁽¹⁾	4.2%	4.6%
Blended rates	3.2%	3.4%
Financial occupancy	96.2%	96.2%

Same-Property Operating Statistics, Excl. Los Angeles and Alameda Counties ⁽²⁾

	Preliminary July 2024	Q2 2024
New lease rates ⁽¹⁾	3.5%	3.6%
Renewal rates ⁽¹⁾	4.8%	5.0%
Blended rates	4.2%	4.5%
Financial occupancy	96.7%	96.5%

⁽¹⁾ Represents the percentage change in similar term lease tradeouts, including the impact of leasing incentives.

⁽²⁾ Excludes Los Angeles and Alameda counties, which are most impacted by elevated delinquency related turnover, to illustrate the Company's same-property portfolio performance outside of these regions.

Same-Property Revenue Growth with Concessions on a GAAP basis

	Q2 2024	Q2 2023	YTD 2024	YTD 2023
Reported rental revenue ⁽¹⁾	\$ 414.8	\$ 401.1	\$ 824.7	\$ 796.6
Straight-line rent impact to rental revenue	(0.5)	(0.6)	(0.6)	-
GAAP rental revenue	\$ 414.3	\$ 400.5	\$ 824.1	\$ 796.6
% change - reported rental revenue	3.4%		3.5%	
% change - GAAP rental revenue	3.5%		3.5%	

⁽¹⁾ Same-property rental revenue reflects concessions on a cash basis.

See Company's Form 10-K and Form 10-Qs filed with the SEC for additional information

MSA Level Supply Forecast: 2023A – 2024E

Residential Supply Forecast ⁽¹⁾					
Market	2023A		Multifamily Supply	2024E	
	Total MF/SF Supply	Total Supply as a % of Stock		Total MF/SF Supply	Total Supply as a % of Stock
Los Angeles	19,400	0.5%	8,100	16,300	0.4%
Orange County	5,300	0.5%	1,400	3,700	0.3%
San Diego	5,800	0.5%	4,200	6,900	0.6%
Ventura	600	0.2%	800	1,100	0.4%
Southern California	31,100	0.5%	14,500	28,000	0.4%
San Francisco	2,200	0.3%	1,800	2,300	0.3%
Oakland	5,300	0.5%	1,900	4,000	0.4%
San Jose	3,900	0.5%	2,400	4,400	0.6%
Northern California	11,400	0.4%	6,100	10,700	0.4%
Seattle	9,700	0.7%	10,900	14,600	1.1%
Total	52,200	0.5%	31,500	53,300	0.5%

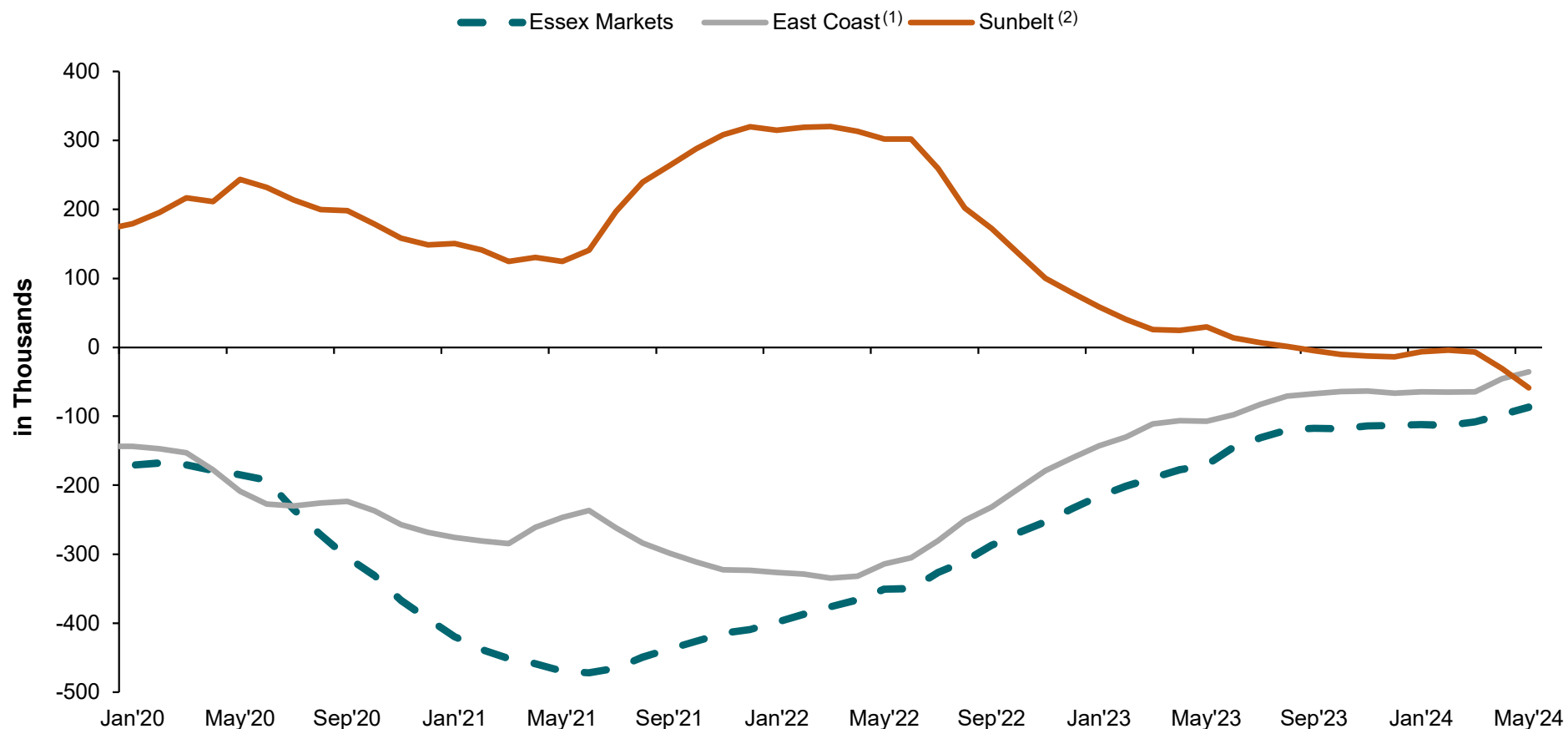
Data based on Essex Data Analytics forecasts and third-party projections.

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

Improving Net Domestic Migration Trends Support West Coast Housing Demand

- Net domestic migration patterns in the Essex markets have reversed course from COVID-era trends and have improved since 2021.
- Northern California has been a key benefactor of improving West Coast migration trends, with net domestic migration turning positive in March 2024.

Trailing 12-Month Net Domestic Migration Trends



Source: Placer.ai

1. East Coast markets include: Boston, New York, and Washington D.C.

2. Sunbelt markets include: Atlanta, Austin, Charlotte, Dallas, Houston, Miami, Nashville, Orlando, Phoenix, Raleigh, and Tampa.

ESSEX PROPERTY TRUST, INC.**Reconciliations of Non-GAAP Financial Measures and Other Terms****Adjusted EBITDAre Reconciliation**

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

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

Adjusted EBITDAre represents EBITDAre further adjusted for non-comparable items and is a component of the credit ratio, "Net Indebtedness Divided by Adjusted EBITDAre, normalized and annualized," presented on page S-6, 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:

<i>(Dollars in thousands)</i>	Three Months Ended June 30, 2024
Net income available to common stockholders	\$ 92,914
Adjustments:	
Net income attributable to noncontrolling interest	6,072
Interest expense, net ⁽¹⁾	58,491
Depreciation and amortization	145,613
Income tax provision	5
Co-investment EBITDAre adjustments	28,845
EBITDAre	<u>331,940</u>
Realized and unrealized gains on marketable securities, net	(1,597)
Provision for credit losses	19
Equity loss from non-core co-investments	143
Tax benefit on unconsolidated co-investments	(807)
General and administrative and other, net	5,906
Insurance reimbursements and legal settlements, and other, net	(486)
Adjusted EBITDAre	<u>\$ 335,118</u>

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

ESSEX PROPERTY TRUST, INC.

Reconciliations of Non-GAAP Financial Measures and Other Terms

Disposition Yield

Net operating income that the Company anticipates giving up in the next 12 months less an estimate of property management costs allocated to the project divided by the gross sales price of the asset.

Acquisition Yield

Net operating income that the Company expects to achieve in the next 12 months less an estimate of property management costs allocated to the project and less an estimate for capital expenditures per unit divided by the gross sales price of the asset.

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 land and excluding real estate depreciation (which can vary among owners of identical assets in similar condition based on historical cost accounting and useful life estimates), FFO can help investors compare the operating performance of a real estate company between periods or as compared to different companies. By further adjusting for items that are not considered part of the Company's core business operations, Core FFO allows investors to compare the core operating performance of the Company to its performance in prior reporting periods and to the operating performance of other real estate companies without the effect of items that by their nature are not comparable from period to period and tend to obscure the Company's actual operating results.

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

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

Interest Expense, Net

Interest expense, net is presented on page S-1 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:

<i>(Dollars in thousands)</i>	Three Months Ended June 30, 2024	Six Months Ended June 30, 2024
Interest expense	\$ 59,120	\$ 115,053
Adjustments:		
Total return swap income	(629)	(1,425)
Interest expense, net	<u>\$ 58,491</u>	<u>\$ 113,628</u>

Immediately Available Liquidity

The Company's immediately available liquidity as of July 26, 2024, consisted of the following:

<i>(Dollars in millions)</i>	July 26, 2024
Unsecured credit facility - committed	\$ 1,275
Balance outstanding	264
Undrawn portion of line of credit	\$ 1,011
Cash, cash equivalents & marketable securities	115
Total liquidity	<u>\$ 1,126</u>

ESSEX PROPERTY TRUST, INC.

Reconciliations of Non-GAAP Financial Measures and Other Terms

Net Indebtedness Divided by Adjusted EBITDAre

This credit ratio is presented on page S-6 in the section titled "Selected Credit Ratios." This credit ratio is calculated by dividing net indebtedness by Adjusted 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-17.1 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:

<i>(Dollars in thousands)</i>	June 30, 2024
Total consolidated debt, net	\$ 6,282,856
Total debt from co-investments at pro rata share	1,160,303
Adjustments:	
Consolidated unamortized premiums, discounts, and debt issuance costs	34,794
Pro rata co-investments unamortized premiums, discounts, and debt issuance costs	4,466
Consolidated cash and cash equivalents-unrestricted	(55,223)
Pro rata co-investment cash and cash equivalents-unrestricted	(35,644)
Marketable securities	(84,291)
Net Indebtedness	<u>\$ 7,307,261</u>
Adjusted EBITDAre, annualized ⁽¹⁾	\$ 1,340,472
Other EBITDAre normalization adjustments, net, annualized ⁽²⁾	2,970
Adjusted EBITDAre, normalized and annualized	<u>\$ 1,343,442</u>
Net Indebtedness Divided by Adjusted EBITDAre, normalized and annualized	<u>5.4</u>

⁽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:

<i>(Dollars in thousands)</i>	Three Months Ended		Six Months Ended	
	June 30, 2024	June 30, 2023	June 30, 2024	June 30, 2023
Earnings from operations	\$ 137,450	\$ 134,832	\$ 269,809	\$ 322,217
Adjustments:				
Corporate-level property management expenses	12,123	11,451	23,854	22,883
Depreciation and amortization	145,613	136,718	285,346	273,065
Management and other fees from affiliates	(2,573)	(2,778)	(5,286)	(5,543)
General and administrative	21,136	13,813	38,307	29,124
Expensed acquisition and investment related costs	-	5	68	344
Casualty loss	-	-	-	433
Gain on sale of real estate and land	-	-	-	(59,238)
NOI	<u>313,749</u>	<u>294,041</u>	<u>612,098</u>	<u>583,285</u>
Less: Non-same property NOI	<u>(20,325)</u>	<u>(9,170)</u>	<u>(32,315)</u>	<u>(20,436)</u>
Same-Property NOI	<u>\$ 293,424</u>	<u>\$ 284,871</u>	<u>\$ 579,783</u>	<u>\$ 562,849</u>

ESSEX PROPERTY TRUST, INC.

Reconciliations of Non-GAAP Financial Measures and Other Terms

Public Bond Covenants

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

The ratios set forth on page S-6 in the section titled "Public Bond Covenants" are provided only to show the Company's compliance with certain specified covenants that are contained in indentures related to the Company's issuance of Senior Notes, which indentures are filed by the Company with the SEC. See, for example, the indenture and supplemental indenture dated March 14, 2024, filed by the Company as Exhibit 4.1 and Exhibit 4.2 to the Company's Form 8-K, filed on March 14, 2024. 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.

Unencumbered NOI to Adjusted Total NOI

This ratio is presented on page S-6 in the section titled "Selected Credit Ratios". Unencumbered NOI means the sum of NOI for those real estate assets which are not subject to an encumbrance securing debt. The ratio of Unencumbered NOI to Adjusted Total NOI for the three months ended June 30, 2024, annualized, is calculated by dividing Unencumbered NOI, annualized for the three months ended June 30, 2024 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:

<i>(Dollars in thousands)</i>	Annualized Q2 '24 ⁽¹⁾
NOI	\$ 1,254,996
Adjustments:	
NOI from real estate assets sold or held for sale	-
Other, net ⁽²⁾	(5,848)
Adjusted Total NOI	1,249,148
Less: Encumbered NOI	(93,263)
Unencumbered NOI	<u>\$ 1,155,885</u>
Encumbered NOI	\$ 93,263
Unencumbered NOI	1,155,885
Adjusted Total NOI	<u>\$ 1,249,148</u>
Unencumbered NOI to Adjusted Total NOI	<u>93%</u>

⁽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.