

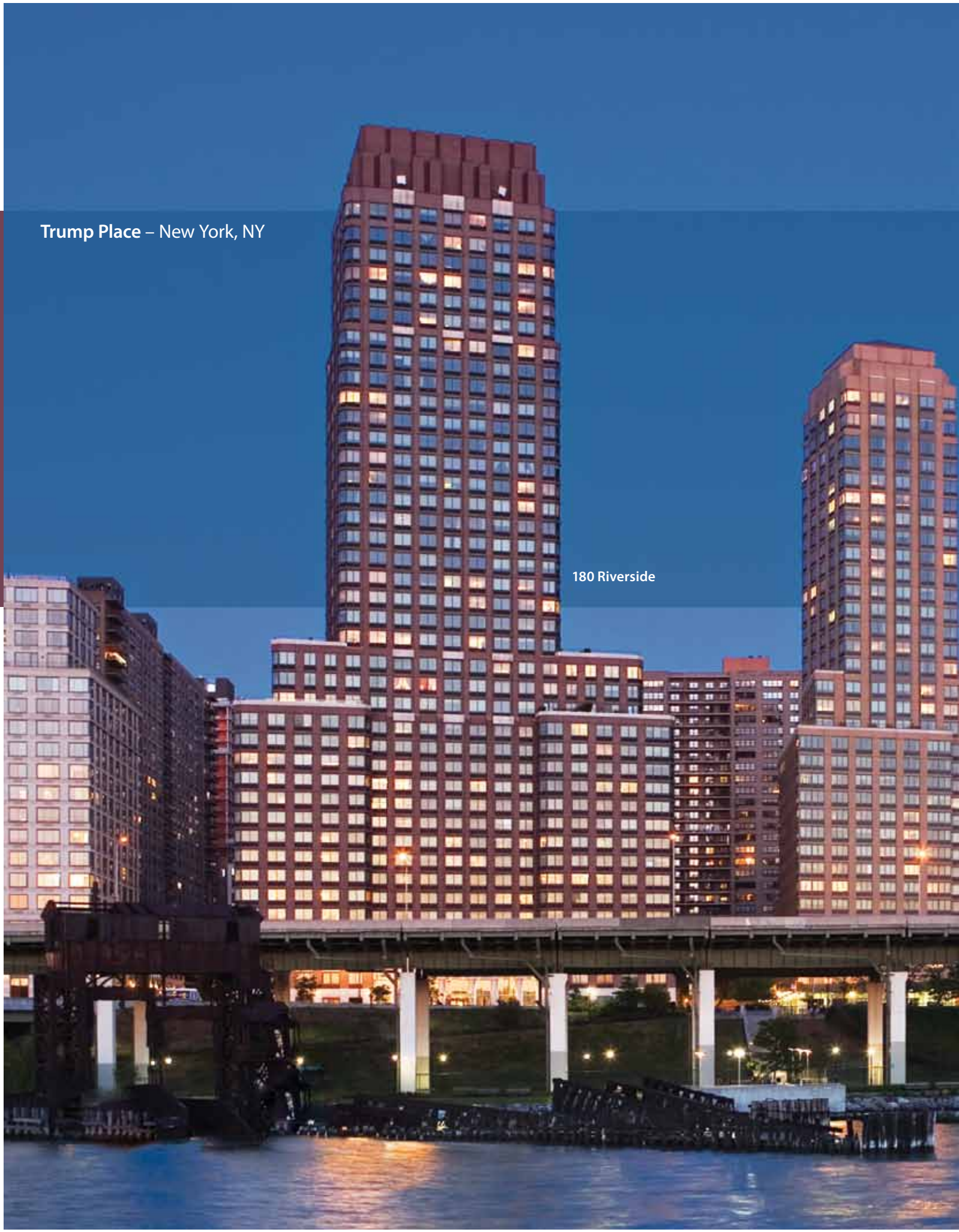




Positioned for Performance

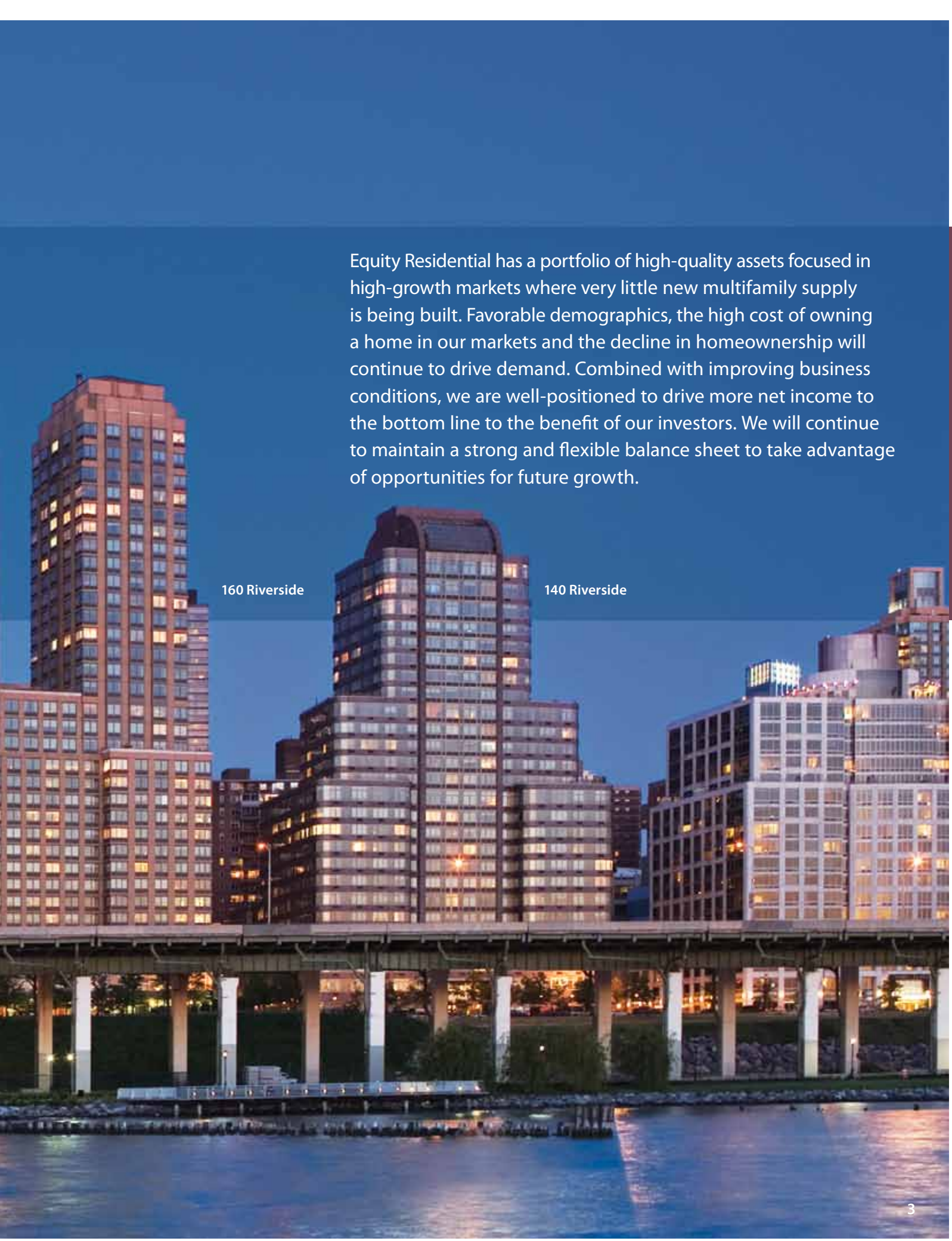
Equity Residential

Clockwise from left:
Red160 – Redmond, WA
Skyline Terrace – Burlingame, CA
Acappella – Pasadena, CA



Trump Place – New York, NY

Equity Residential has a portfolio of high-quality assets focused in high-growth markets where very little new multifamily supply is being built. Favorable demographics, the high cost of owning a home in our markets and the decline in homeownership will continue to drive demand. Combined with improving business conditions, we are well-positioned to drive more net income to the bottom line to the benefit of our investors. We will continue to maintain a strong and flexible balance sheet to take advantage of opportunities for future growth.





Good long-term demand for rental apartments

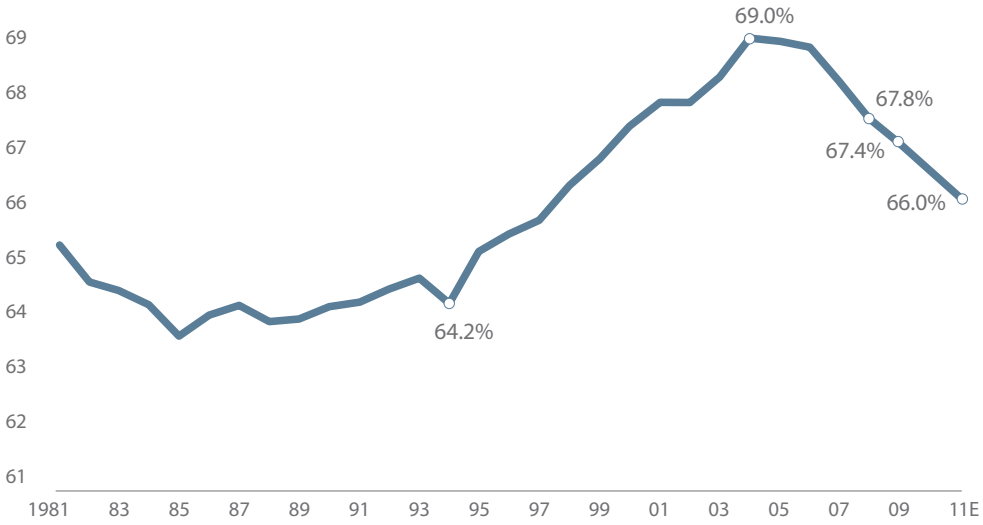
Favorable demographics and a declining homeownership rate mean positive fundamental demand for apartments. Demand will be driven by the 80 million members of the Echo Boom generation and their desire to live, work and play in our core markets. We will also feel the impact of a mind shift away from homeownership. This generation has seen the downside of homeownership and will not be in a rush to buy.

Metro on First – Seattle, WA

Declining Homeownership is Creating Renter Households

There are over 4.5 million more renter households today than there were in 2004 when homeownership peaked at 69%.

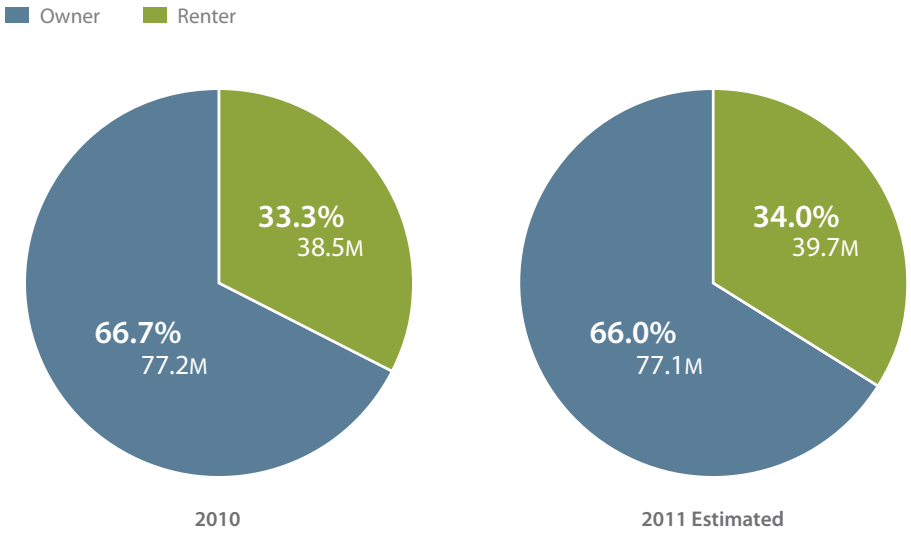
Homeownership Rate (% of households)



Source: U.S. Census Bureau
2011 data is Moody's Economy.com estimate.

More than 1.2 million renter households will be created in 2011.

Total Households

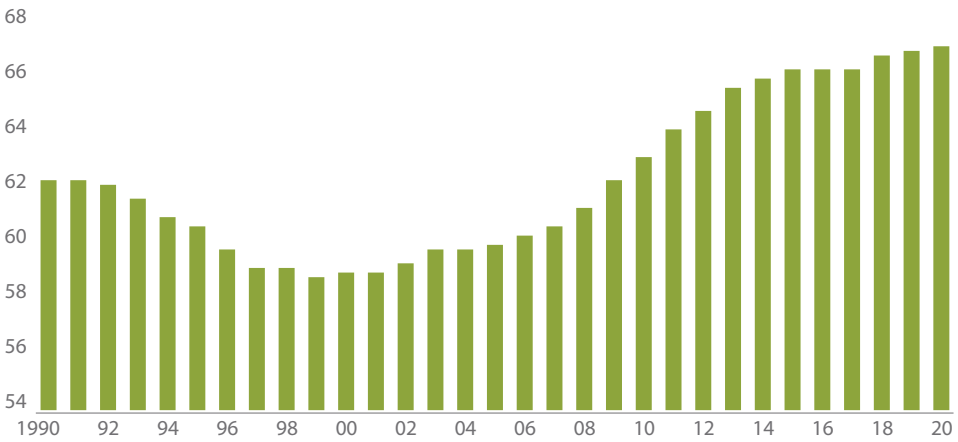


Source: Moody's Economy.com

Echo Boomers are a Key Demand Driver for Apartment Rentals

The Echo Boomer generation is creating demand for rentals. Nearly four million people turn 18 each year until 2020 and are creating new households. We believe that this generation will be renters longer as they respond to the recent negative image of single family housing as an expensive and inflexible housing choice.

Population Aged 20-34 (in millions)



People aged 20 to 34 have a **60%** to **70%** propensity to rent.

Nearly four million people are turning 18 each year.

Source: Green Street Advisors as of 12/20/09



The Pier – Jersey City, NJ



Carlyle Mill – Alexandria, VA



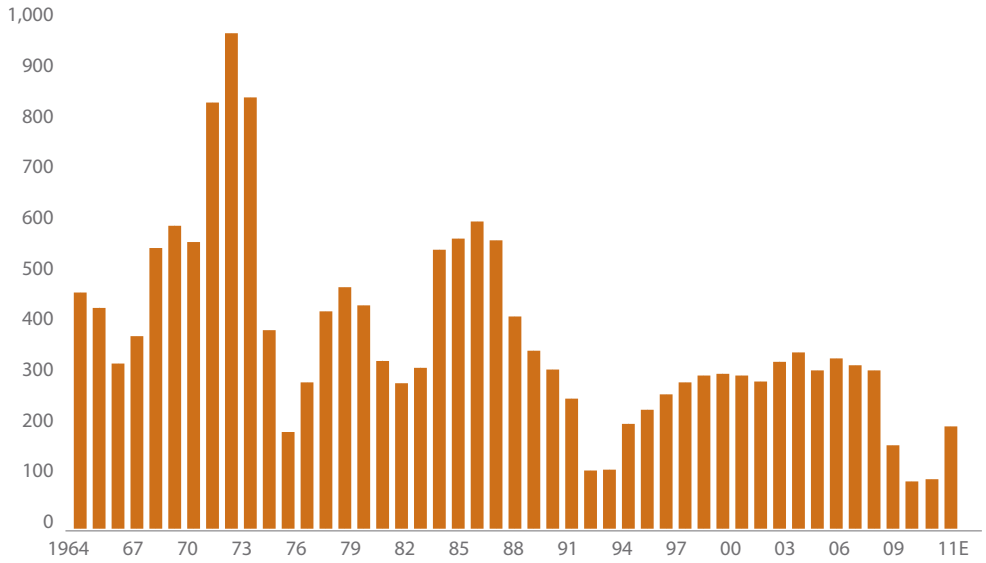
Limited New Apartment Supply

There is very little new apartment supply currently being built and almost no new projects will be started in the next several years. As a result, we are very well positioned to reap the benefits of an economic recovery.

2400M – Washington, D.C.

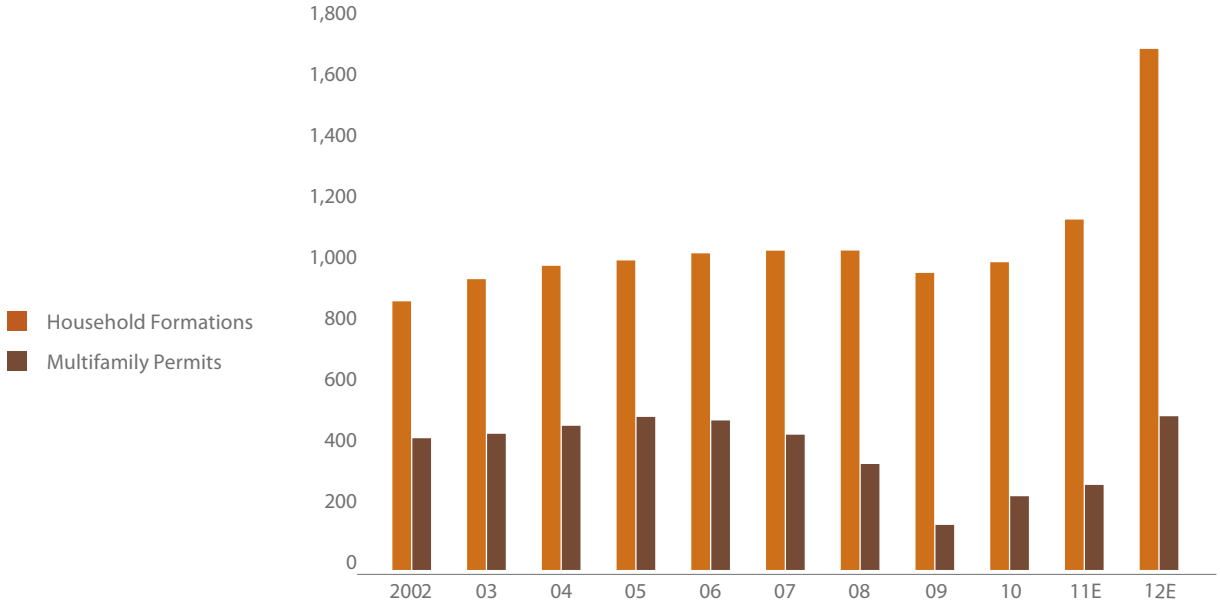
Multifamily Construction Being Held in Check

Total Multifamily Starts (units in thousands)



Source: U.S. Census Bureau, NMHC and company reports

Household Formations vs. Multifamily Permits (units in thousands)



Source: Moody's Economy.com

Equity Residential has transformed its portfolio. Since 2000, we have sold more than $12.2 billion of assets and exited secondary markets. We have acquired more than $11.4 billion and developed, both in-house and through joint ventures, more than $3.5 billion of high-quality assets in long-term growth markets. Going forward, we intend to continue to take advantage of opportunistic investments in our core markets and sell assets in our non-core markets. We intend net new investment activity to be funded on a balance sheet-neutral basis.

Building Value with High-Quality Properties in Major Markets



Vista on Courthouse – Arlington, VA



Westgate– Pasadena, CA



777 Sixth Avenue – New York, NY



Town Square at Mark Center – Alexandria, VA



Promenade at Aventura – Aventura, FL



425 Mass – Washington, D.C.



City Pointe – Los Angeles, CA



Harbor Steps – Seattle, WA

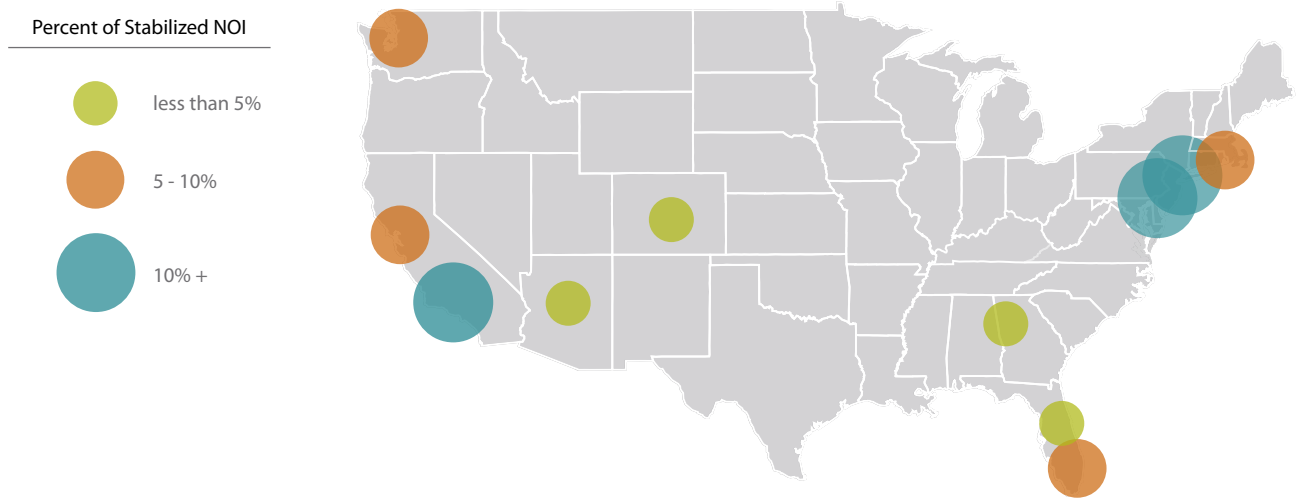
We have focused our investments in markets that will produce better long-term returns. These markets have long-term rates of household formation that outpace expectations for the national average, and are the places that will attract the "Echo Boomer" generation as they finish school and head into the workplace. They are also markets in which the high cost of housing makes renting a very attractive option.

Equity Residential is Focused on Higher Growth Markets

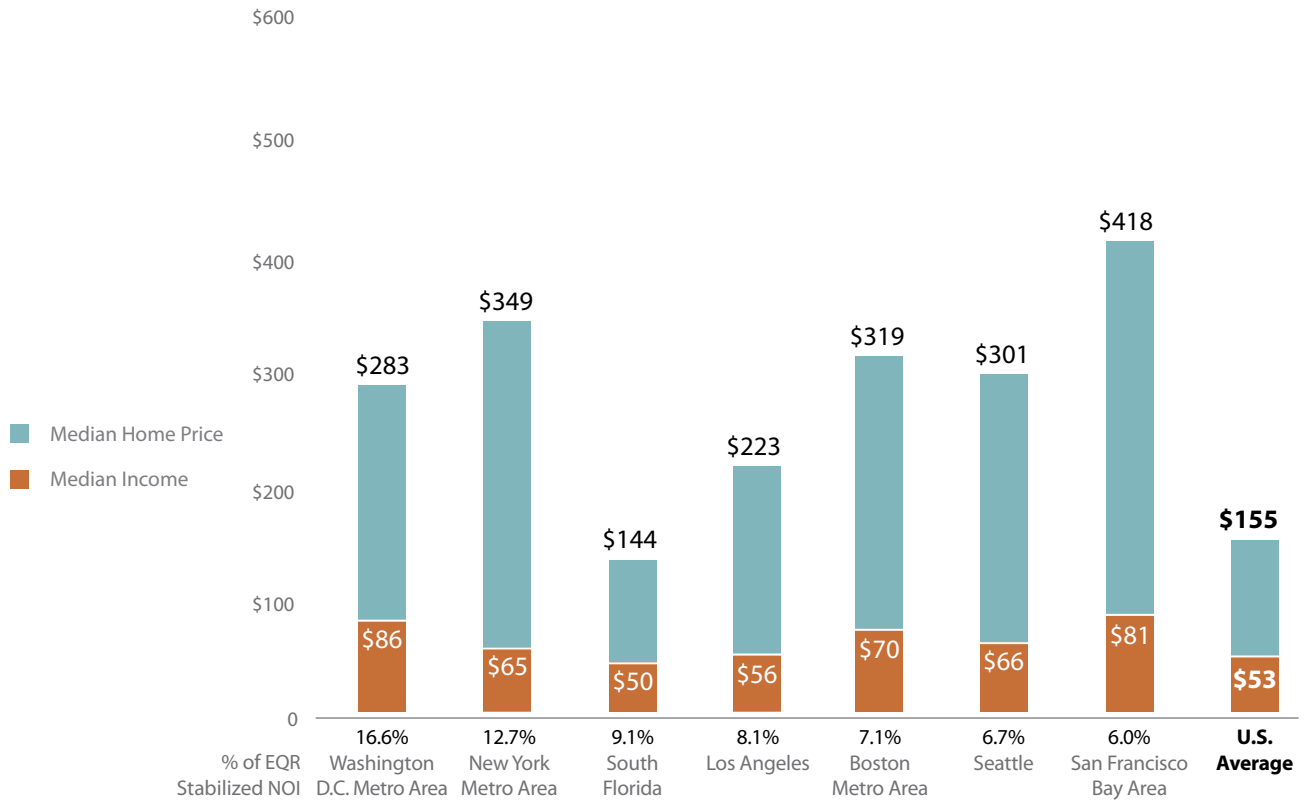


The Reserve at Potomac Yard – Alexandria, VA

Equity Residential Portfolio



Median Income vs. Median Home Price Per Market (in thousands)



Source: Claritas, Moody's Economy.com and Company Data 2010 Estimates

Equity Residential's superior, high-tech operating platform gives us great visibility into our markets. It allows us to react quickly to improving market conditions and to drive occupancy and rents.

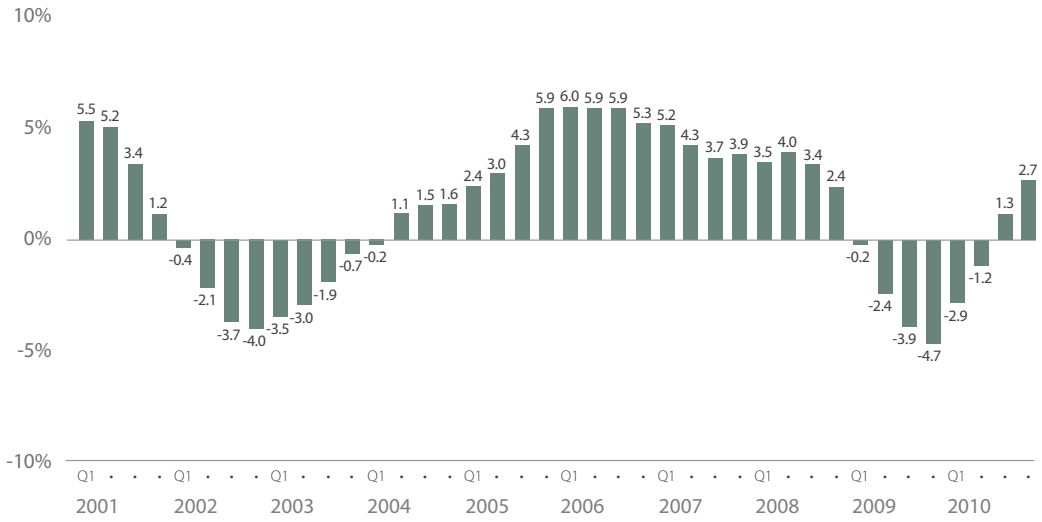
Equity Residential is Focused on Operations



The West End Apartments – Boston, MA

10-Year Quarter-to-Quarter Same-Store Comparison Total Revenues

Revenue velocity out of recession is promising.

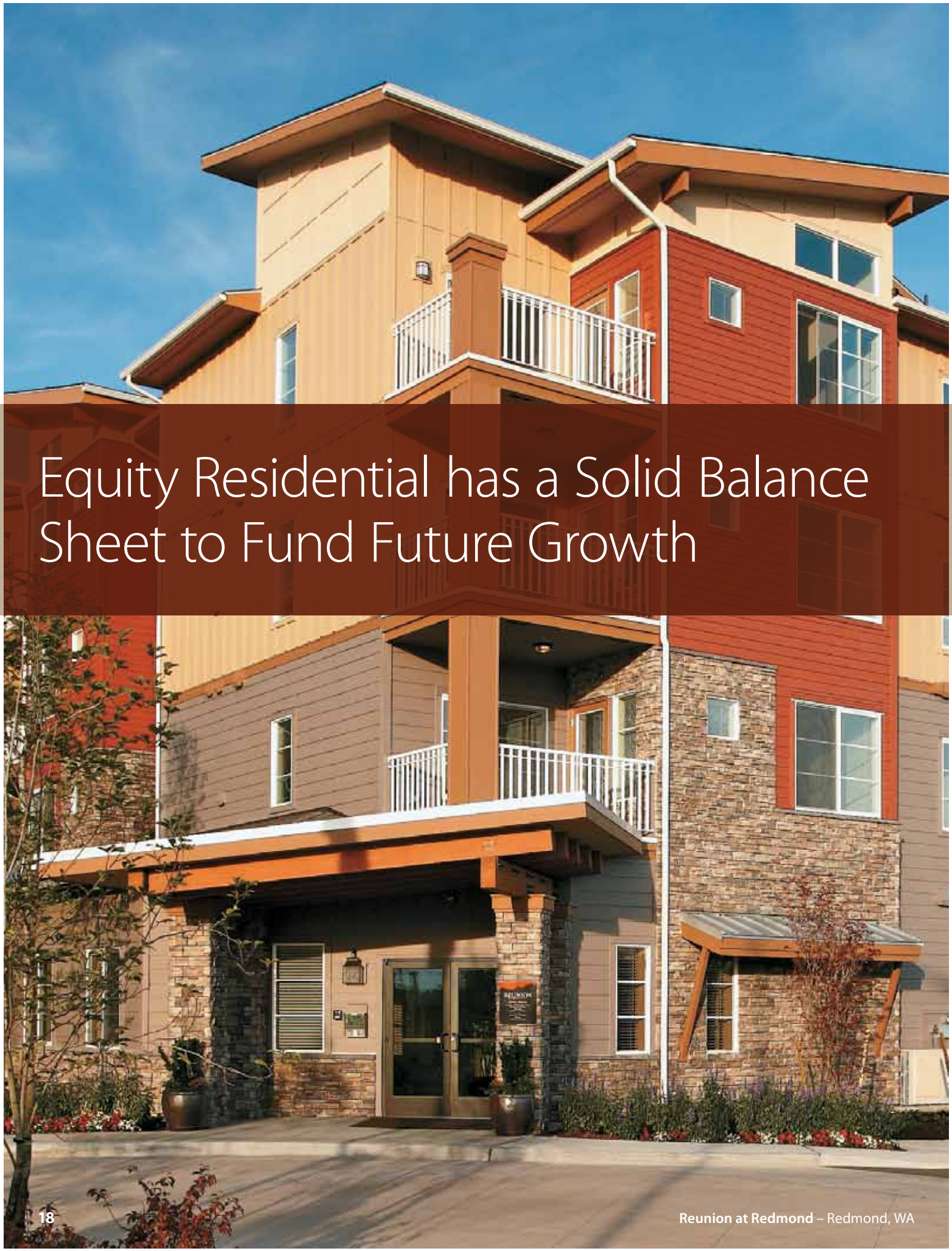


Fourth Quarter 2010 Same-Store Performance

Market	Units	4Q 2010 % of Actual NOI	4Q 2010 Avg. Rental Rate[1]	Change in Revenues
DC Northern Virginia	8,781	10.5%	$1,701	5.4%
South Florida	12,465	10.0%	1,300	3.0%
New York Metro Area	5,887	9.4%	2,652	3.0%
Los Angeles	7,463	8.5%	1,699	1.9%
Boston	5,521	7.8%	2,162	3.5%
Seattle/Tacoma	8,540	6.8%	1,315	3.6%
San Francisco Bay Area	5,924	6.5%	1,673	1.5%
Denver	7,759	5.5%	1,052	4.7%
Phoenix	10,769	5.5%	844	2.4%
Orlando	8,042	4.8%	970	0.2%
San Diego	4,103	4.7%	1,666	0.9%
Suburban Maryland	5,083	4.1%	1,270	4.1%
Orange County, CA	3,175	3.3%	1,514	0.3%
Atlanta	5,979	3.3%	962	1.4%
Inland Empire, CA	3,339	3.1%	1,359	0.8%
All Other Markets	11,101	6.2%	961	1.8%
Total	**113,931**	**100.0%**	**$1,376**	**2.7%**

[1] Average rental rate is defined as total rental revenues divided by the weighted average occupied units for the period.

Equity Residential has a Solid Balance Sheet to Fund Future Growth



Reunion at Redmond – Redmond, WA



Portside Towers – Jersey City, NJ



ARTech Building – Berkeley, CA

- Equity Residential is rated Baa1 by Moody's, BBB+ by S&P, and A- by Fitch. EQR covers its fixed charges more than 2.46x and has a 48.5% leverage ratio. The company, while modestly leveraged, has been managing debt levels through asset sales financed by plentiful GSE debt capital.
- We maintain strong liquidity with access to multiple sources of financing. Besides access to the unsecured bond market, we have access to Fannie Mae and Freddie Mac (the GSEs), life insurance companies, equity-linked, bank and preferred debt markets.
- On July 15, 2010 we closed on a $600 million unsecured notes offering maturing in 10 years with a coupon rate of 4.75% and an all in effective rate of 5.09%.
- We have been, and will continue to be, proactive in addressing our maturities and funding investment activities.
- We have an $11 billion unencumbered pool of assets giving us ample borrowing capacity.
- We have availability of more than $1.02 billion on our unsecured line of credit with a 25-bank syndicate that does not mature until 2012.



Our Development Capability is a Source of Attractively Priced Assets in High-Growth Markets

Equity Residential is a proven developer of high-quality multifamily properties across the country. Since 2000, our in-house and joint venture development program has produced 46 properties, consisting of more than 12,500 apartments, at a total cost of $3.5 billion. We will continue to be active developers in high-barrier markets across the country.

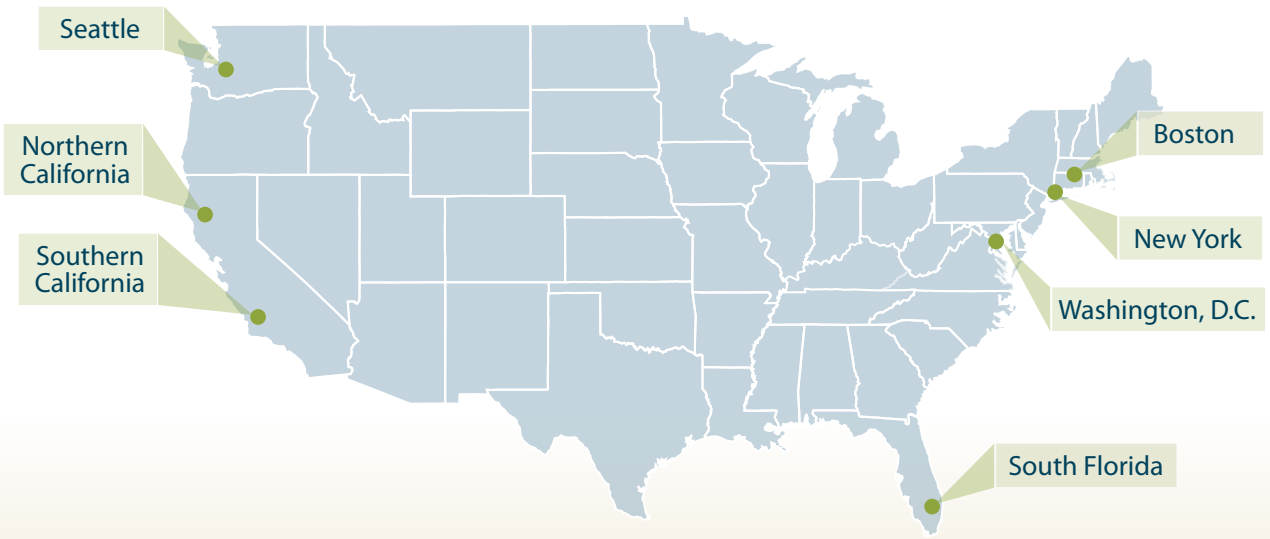
Red 160 – Redmond, WA

Our Development Capability is a Source of Attractively Priced Assets in High-Growth Markets

We currently have approximately $228 million of projects under development: $140 million to be completed in 2011 and $88 million to be completed in 2012.

We expect to start approximately $400 million to $500 million in 2011 and will continue to actively look for new opportunities to develop properties where development returns provide an appropriate premium over acquiring existing assets in order to allocate capital on the highest risk-adjusted basis possible.

Development Markets





Vintage – Ontario, CA

Equity Residential is Positioned to Create Shareholder Value



We have a well-located portfolio of high-quality assets in high-growth markets that will benefit from the downturn in homeownership and favorable demographics. We utilize a state-of-the-art operating platform that allows us to adapt quickly and aggressively manage our assets. We have a solid balance sheet to support our growth going forward. Equity Residential is positioned to create value for its shareholders.



View from Harbor Steps – Seattle, WA

Equity Residential is an S&P 500 company focused on the acquisition, development and management of high-quality apartment properties in top U.S. growth markets. Equity Residential owns or has investments in 451 properties consisting of 129,604 apartment units.

Equity Residential

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Chicago, Illinois 60606
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EquityResidential.com



FROM LEFT TO RIGHT: **The Pier** – Jersey City, NJ; **600 Washington** – New York City, NY; **Sabal Palm at Boot Ranch** – Palm Harbor, FL; **Olympus** – Seattle, WA; **Legacy Park** – Concord, CA

Safe Harbor Statement Under the Private Securities Litigation Reform Act of 1995: The forward-looking statements contained in this document are subject to certain economic risks and uncertainties described under the heading "Risk Factors" in the company's 2010 Annual Report on Form 10-K. The company assumes no obligation to update or supplement forward-looking statements that become untrue because of subsequent events. All projections are based on 2011 budgets and proforma expectations on recent acquisitions.

March 2011