Equity Residential

Financial Strength and Operational Excellence

MARCH 2016



Junction 47 – Seattle, WA

Fixed Income Investor Meeting

Equity Residential

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 2015 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 2016 budgets and proforma expectations on recent acquisitions.



315 on A – Boston, MA

Why Equity Residential?

Equity Residential owns and operates the highest quality, best located portfolio of apartment assets in the public apartment space. We have focused our portfolio on Boston, New York, Washington, DC, Southern California, San Francisco and Seattle.

This handful of gateway cities offer a high quality of life and are where our country's knowledge-based economy will continue to grow and continue to create well-paying jobs attracting large segments of the population opting for high-quality, well-located rental housing. These are also markets that traditionally feature high barriers to entry for the construction of new apartment supply, as well as a high cost of single-family home ownership.

In January 2016, the company completed the sale of 23,262 apartment units to Starwood Capital Group for $5.365 billion. This sale facilitated the company's exit from the South Florida and Denver markets and generated an unlevered internal rate of return of 11.1%. In the first quarter of 2016, the company also repaid approximately $2.0B in secured and unsecured indebtedness from sale proceeds, once again demonstrating management's commitment to maintaining a strong balance sheet.

EQR current highlights include:

- Portfolio concentrated in high-barrier, high-growth markets
- Superior utilization of state-of-the-art operating platform
- Named as the 2015 Global Residential Sector Leader by the Global Real Estate Sustainability Benchmark (GRESB) survey, a globally recognized analysis of the sustainability performance of approximately 650 real estate portfolios worldwide
- Named one of America's Most Admired Company's in Fortune Magazine's most recent survey
- Best-in-class operating performance
- Proven track record of capital allocation in opportunistic acquisitions, timely asset dispositions and focused development
- Excellent growth in asset value
- Conservative balance sheet and superior liquidity through access to multiple sources of financing
- Disciplined leverage policy with strong cash flow, unencumbered asset coverage and limited development risk

Portfolio | **People** | **Process**

Strategic Capital Allocation

Sale to Starwood

72 properties | 23,262 units

Closed January 26, 2016

Sale Price: $5.365B

Price Per Unit: $230,000

IRR: 10.9%





Special Dividends to be paid in 2016 of $10-$12 per share

Debt Pre-Payments of $2 Billion - Maintaining Balance Sheet Strength

Woodland Park

East Palo Alto, CA

1,811 units

Closed February 18, 2016

Sale Price: $412.5M

Price Per Unit: $228,000

IRR: 37.0%



River Tower

New York, NY

320 units

Closed January 20, 2016

Sale Price: $390M

Price Per Unit: $1.2M

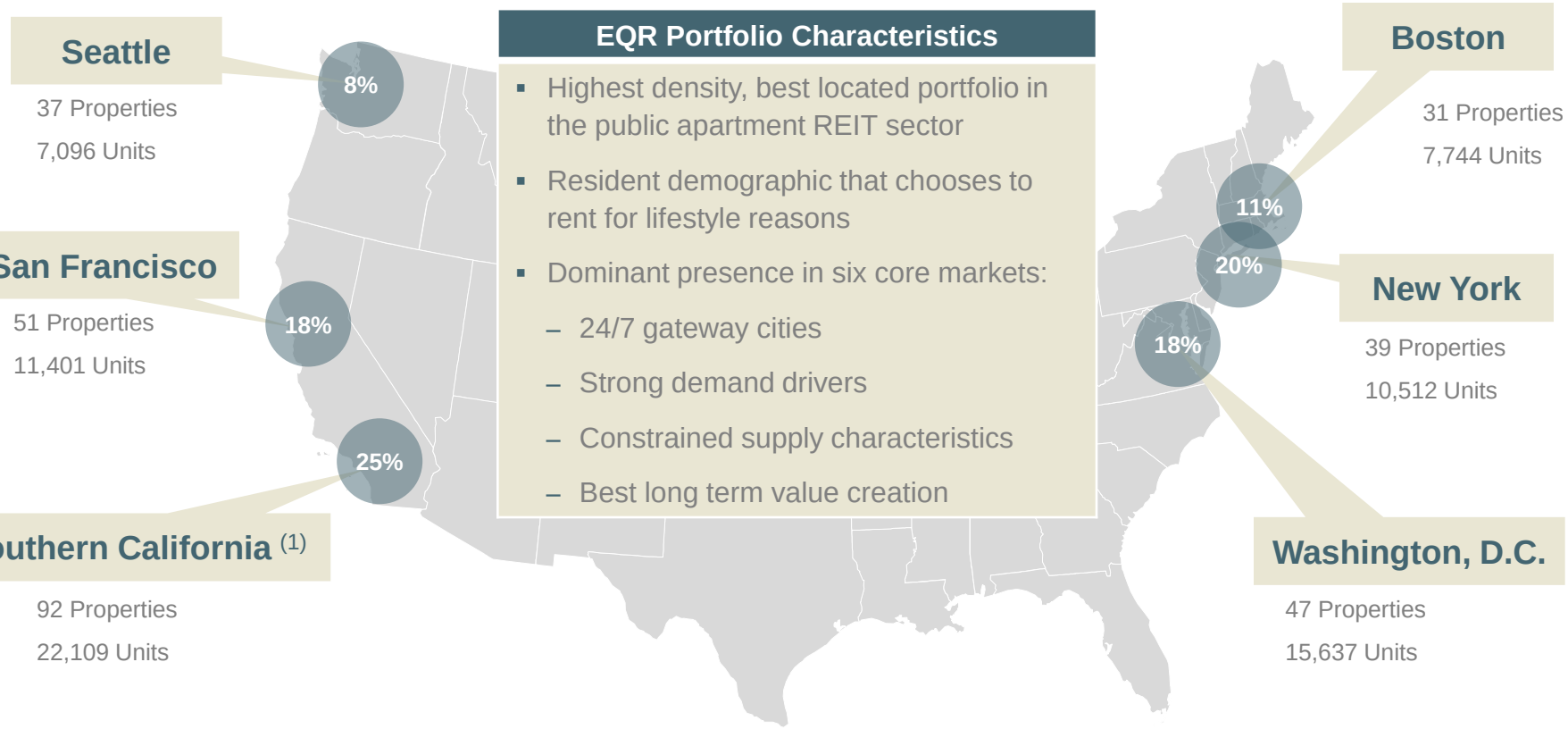
IRR: 14.0%



Note: IRRs are on an unlevered basis.

Focus, Focus, Focus:
The Best Located Apartment Portfolio in the Public Sector

EQR's portfolio is focused in the six core, coastal markets



(1) Includes Los Angeles, San Diego and Orange County, CA.

Represents percentage of NOI.

Transformed Portfolio

Select EQR Portfolio Metrics			
	12/31/2015	3/31/2016 (1)	% Change
Average Rent Per Unit	$2,374	$2,541	7%
EQR Median Resident Income	$97,200	$109,000	12%
Median Home Price	$622,000	$655,000	5%
Urban Concentration (2)	69%	78%	13%
% NOI from High/Mid-rise	57%	69%	21%
Average Walk Score (3)	69	75	9%
2+ Adults w/Children (most likely group to buy a home)	9.5%	8.4%	12%

(1) EQR as of 3/31/16 pro forma for disposition activity.
(2) Source: Nielsen.
(3) Walk Score is a number between 0 and 100 that measures the walkability of a location to transit, services and entertainment; the population-weighted average Walk Score for cities with greater than 600k residents is 60. Walk Score is an independent, third-party organization dedicated to promoting walkable neighborhoods.

The Highest Quality Apartment REIT in High Barrier to Entry Markets

Public Apartment REITs – Select Metrics

	OLD EQR [1]	NEW EQR [2]	AVB [1]	ESS [1]	UDR [1]	CPT [1]
Credit Ratings:						
Moody's (Outlook)	Baa1 (pos)	Baa1 (pos)	Baa1 (pos)	Baa2 (pos)	Baa1 (stable)	Baa1 (pos)
S&P (Outlook)	A- (stable)	A- (stable)	A- (stable)	BBB (pos)	BBB+ (stable)	BBB+ (stable)
Fitch (Outlook)	A- (stable)	A- (stable)	N/A	BBB+ (stable)	N/A	BBB+ (pos)
Enterprise Value ($M)	$41.9	$36.6	$31.6	$20.6	$14.0	$9.8
Equity Market Cap ($M)	$30.9	$27.6	$25.1	$15.2	$10.4	$7.0
# Apartment Units	104,236 [3]	77,132 [3]	75,584	59,160	47,424	59,792
Development % of GAV	7.6%	8.5%	16.7%	10.3%	10.4%	10.8%
Average Rents Per Unit	$2,374	$2,541	$2,408	$2,043	$1,794	$1,508
Average Walk Score	69	75	63	64	57	49
Urban/Suburban Mix	69 / 31	78 / 22	44 / 56	53 / 47	39 / 61	35 / 65
Strategy Highlights	Core Coastal+	Core Coastal	Development / Core Coastal	West Coast	Coastal / Other Markets	Sunbelt
Top 3 Markets (% of NOI) [5]	So. Cal. (20%)	So. Cal. (25%)	New York (25%)	So. Cal. (44%)	Non-EQR Markets (27%)	Non-EQR Markets (74%)
	New York (18%)	New York (20%)	San Fran. (21%)	San Fran. (39%)	So. Cal. (18%)	Wash. D.C. (17%)
	Wash. D.C. (17%)	San Fran. (18%)	So. Cal. (19%)	Seattle (17%)	New York (18%)	So. Cal. (11%)

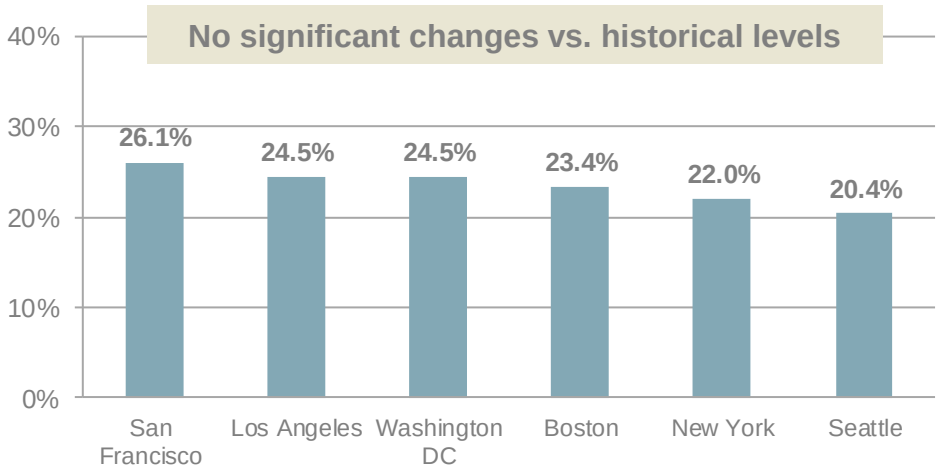
Source: SNL Financial, Company Filings, Green Street Advisors.
(1) As of 12/31/15.
(2) As of 3/11/16.
(3) Unit count excludes military housing.
(4) Southern California includes Los Angeles, San Diego and Orange County, CA.

Attractive Long-term Rental Markets

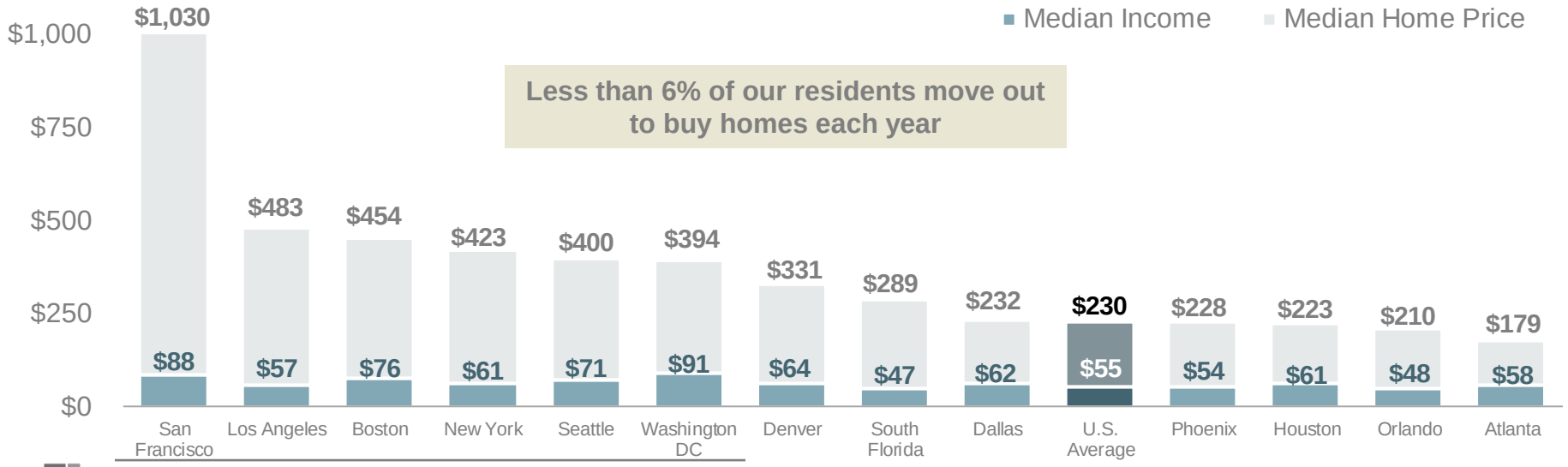
Commentary

- We own assets near public transportation, job centers and entertainment venues in markets with high cost of home ownership.
- Our apartments offer the affordable alternative for city living. Our resident incomes coupled with the savings of centralized living make renting our apartments attractive.

Rent as a Percent of Income (1)



Median Income vs. Median Home Price Per Market (000s) (1)

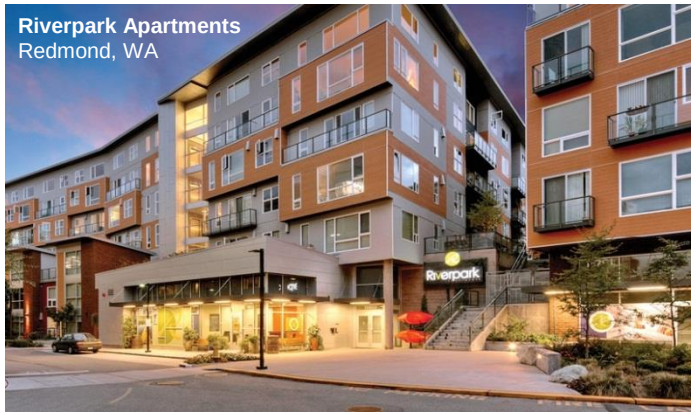


(1) Based upon trailing 12-month move-ins.

Operating Metrics

Same Store Performance

	2015 Actual	2016 Guidance
Same Store Revenues	5.10%	4.5-5.25%
Same Store Expenses	2.50%	2.5-3.5%
Same Store NOI	6.50%	5.0-6.5%
Occupancy	96.1%	96.0%



Full Year 2015 Same Store by Market

Market	Units	2015 % of Actual NOI	2015 Average Rental Rate(1)	Change in Revenues
DC/Northern Virginia	17,745	17.7%	2,232	0.7%
New York Metro Area	10,330	17.3%	3,975	4.2%
San Francisco Bay Area	12,766	15.5%	2,544	10.5%
Los Angeles	10,641	10.7%	2,241	5.9%
South Florida	10,538	7.5%	1,674	5.7%
Boston	7,722	9.9%	2,834	3.3%
Seattle	7,230	6.6%	1,980	7.3%
Denver	6,935	5.2%	1,519	8.8%
San Diego	3,505	3.4%	2,067	5.1%
Orange County, CA	3,490	3.1%	1,867	5.2%
Inland Empire, CA	2,751	2.0%	1,616	4.8%
All Other Markets	2,633	1.1%	1,168	3.9%
Total	**96,286**	**100.0%**	**$2,314**	**5.1%**

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

Fifth consecutive year of 5% or higher NOI growth

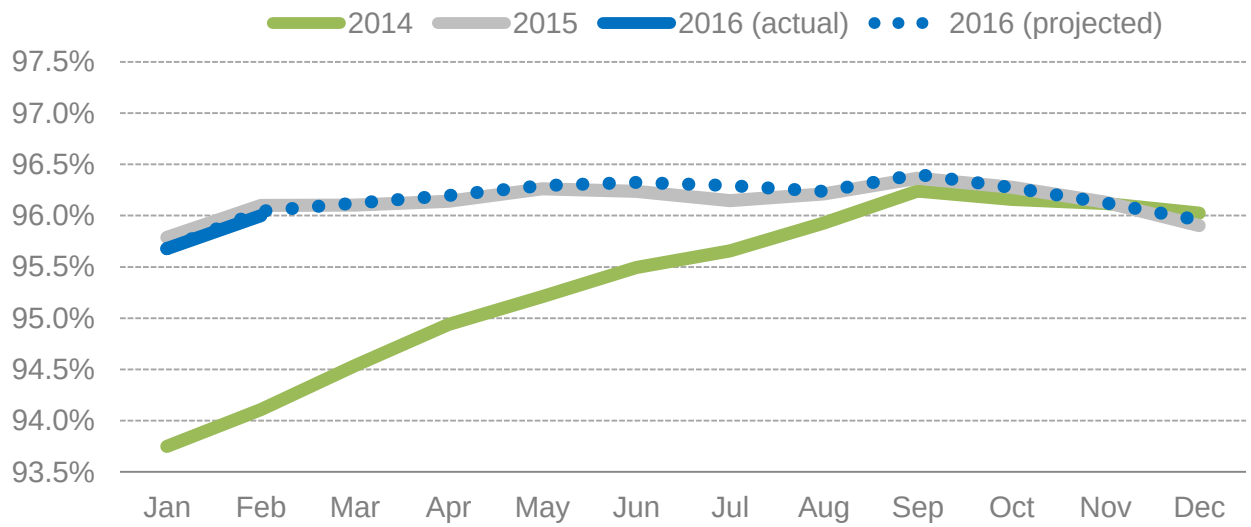
Operating Performance

Commentary

- Positioned for another strong year of NOI growth with forecasted same-store occupancy of 96%
- Maximizing performance of our state-of-the-art operating platform to raise base rents in our markets and execute our renewal strategy

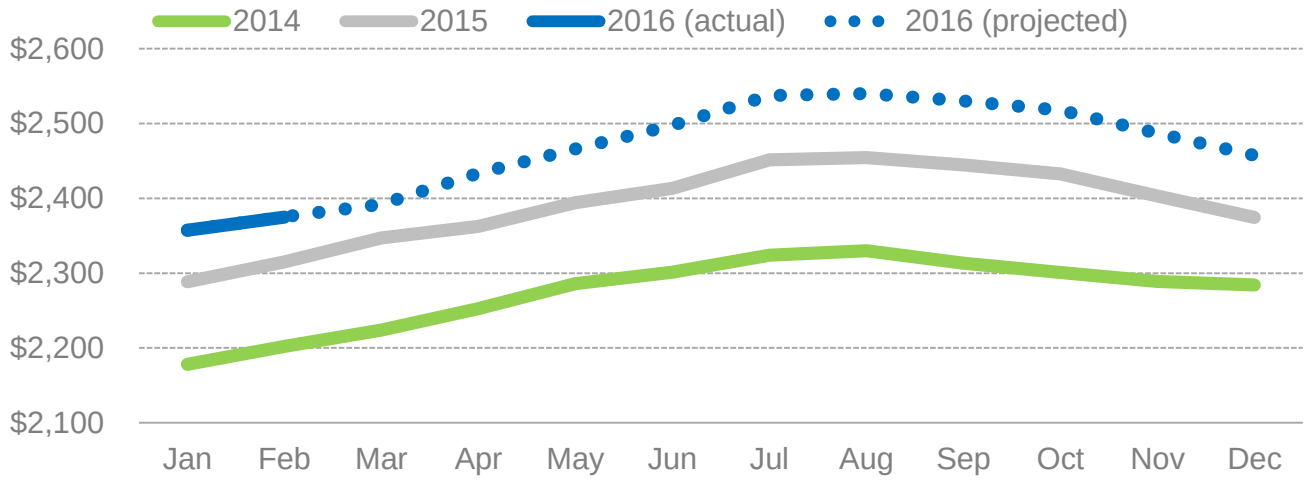
2016 Same-Store Guidance	
Occupancy	96%
Revenue change	4.5-5.25%
Expense change	2.5-3.5%
NOI change	5.0-6.5%

Same-Store Occupancy



Source: Consolidated 2016 Same Store used for all years.

Base Rent



LRO Base Rents plus Average Amenity. Consolidated 2016 Same Store used for all years.

EQR in New York

Equity Residential Portfolio







EQR PORTFOLIO SUMMARY

40 properties

10,835 units

17.6% of NOI

95.9% occupied

Average Rent: $3,567

EQR RESIDENT PROFILE

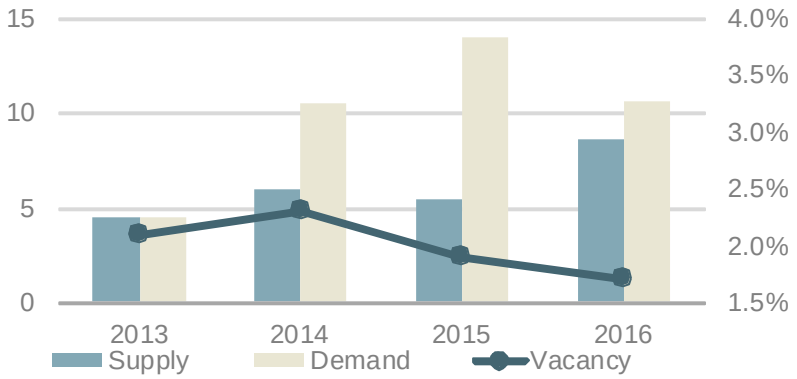
One Adult	46.8%
Two Adults	34.3%
One Adult with Children	7.8%

MARKET STATS

Avg. household income (Market)	$61,968
Median Home Price (Market)	$423,000
Home Price to Income Ratio	6.8x
Median household income (Our Residents)	$186,000
Median Montly Rent	$3,567
Rent as % of Income	22.0%

Note: Market Data as of 12/31/15.

New Apartment Supply/Demand (000s units)



WALK SCORES

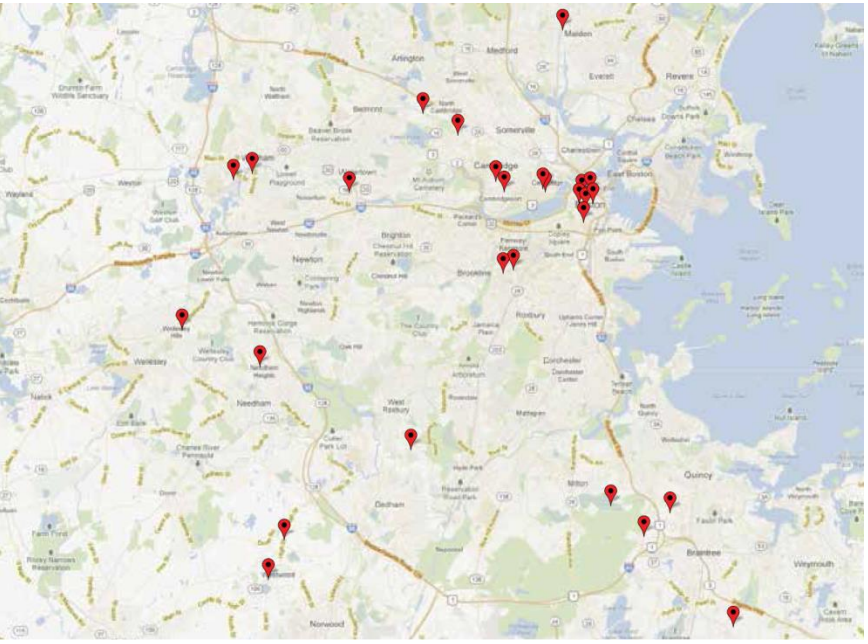
EQR	93.0
REIT Peer Average	77.6

Equity Residential

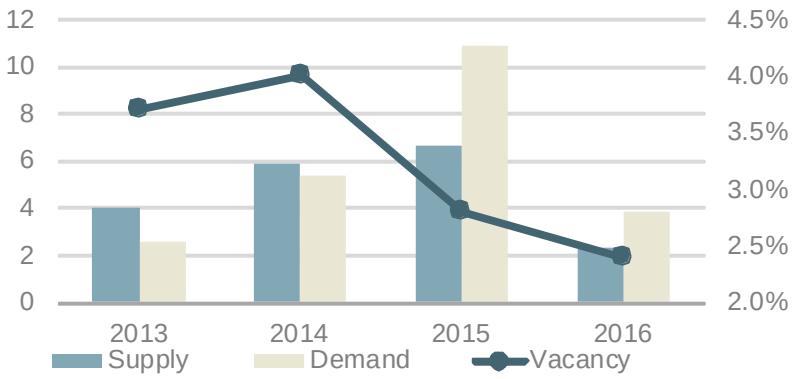
Source: Moody's Analytics, Nielsen, EQR Data
2015/2016 data projected, Rosen Consulting.

EQR in Boston

Equity Residential Portfolio



New Apartment Supply/Demand (000s units)



Source: Moody's Analytics, Nielsen, EQR Data 2015/2016 data projected, Rosen Consulting.



WALK SCORES

EQR	69.5
REIT Peer Average	48.2

EQR PORTFOLIO SUMMARY

35 properties

8,018 units

9.5% of NOI

95.0% occupied

Average Rent: $2,505

EQR RESIDENT PROFILE

One Adult	42.5%
Two Adults	38.8%
One Adult with Children	4.8%

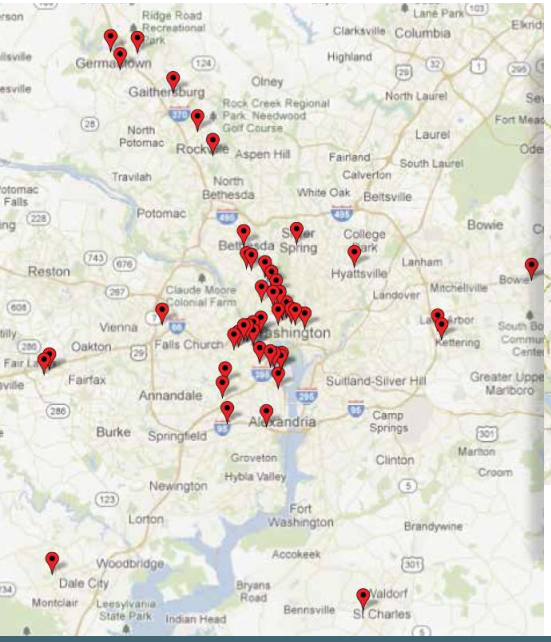
MARKET STATS

Avg. household income (Market)	$76,046
Median Home Price (Market)	$454,000
Home Price to Income Ratio	5.9x
Median household income (Our Residents)	$132,000
Median Monthly Rent	$2,505
Rent as % of Income	23.0%

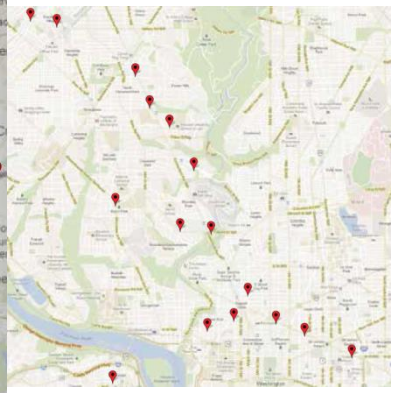
Note: Market Data as of 12/31/15.

EQR in Washington DC

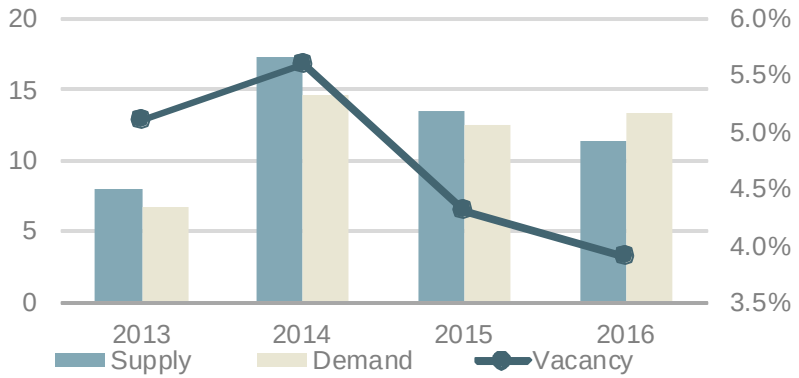
Equity Residential Portfolio



The District



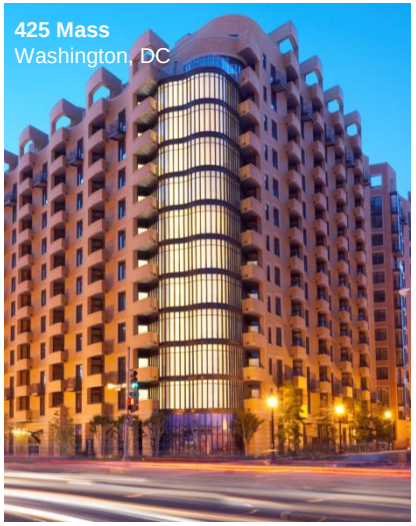
New Apartment Supply/Demand (000s units)



Equity Residential

Source: Moody's Analytics, Nielsen, EQR Data
2015/2016 data projected, Rosen Consulting.





WALK SCORES

EQR	77.5
REIT Peer Average	56.3

EQR PORTFOLIO SUMMARY

57 properties

18,656 units

17.0% of NOI

95.4% occupied

Average Rent: $2,103

EQR RESIDENT PROFILE

One Adult	50.1%
Two Adults	37.7%
One Adult with Children	3.0%

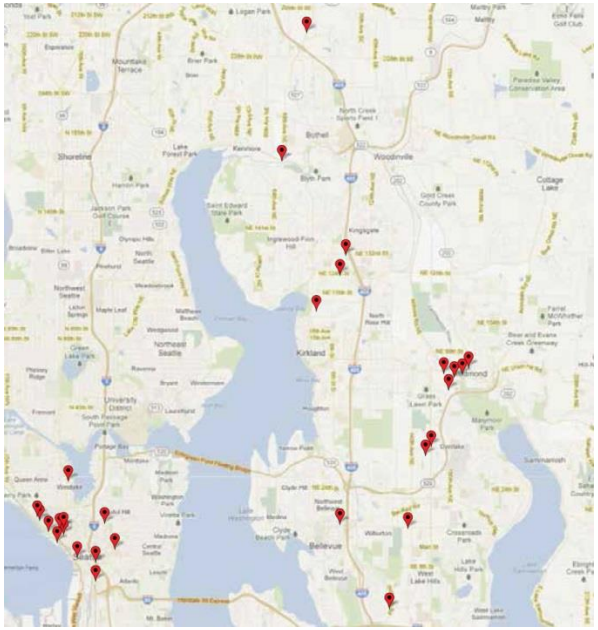
MARKET STATS

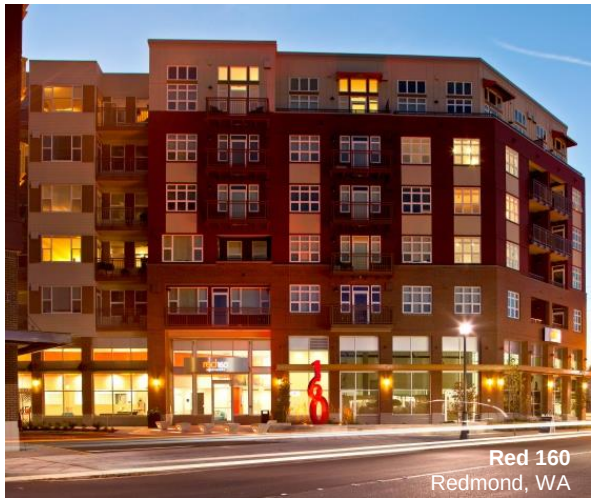
Avg. household income (Market)	$91,346
Median Home Price (Market)	$394,500
Home Price to Income Ratio	4.3x
Median household income (Our Residents)	$97,800
Median Monthly Rent	$2,103
Rent as % of Income	23.4%

Note: Market Data as of 12/31/15.

EQR in Seattle

Equity Residential Portfolio





EQR PORTFOLIO SUMMARY

44 properties

8,756 units

7.6% of NOI

95.3% occupied

Average Rent: $1,804

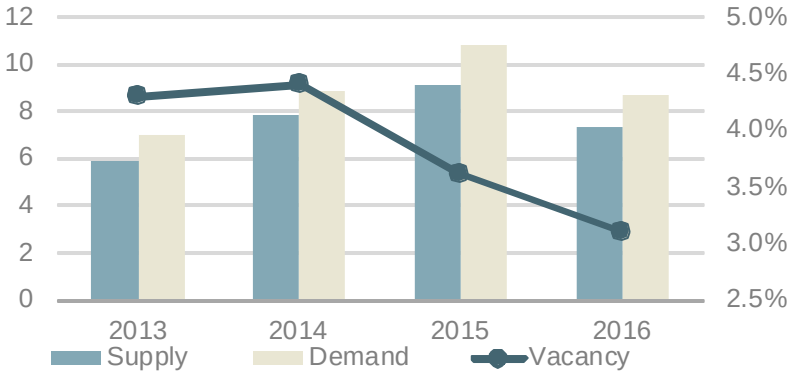
EQR RESIDENT PROFILE

One Adult	51.3%
Two Adults	37.4%
One Adult with Children	2.2%

MARKET STATS

Avg. household income (Market)	$71,126
Median Home Price (Market)	$400,000
Home Price to Income Ratio	5.6x
Median household income (Our Residents)	$96,000
Median Monthly Rent	$1,804
Rent as % of Income	20.4%

New Apartment Supply/Demand (000s units)



WALK SCORES

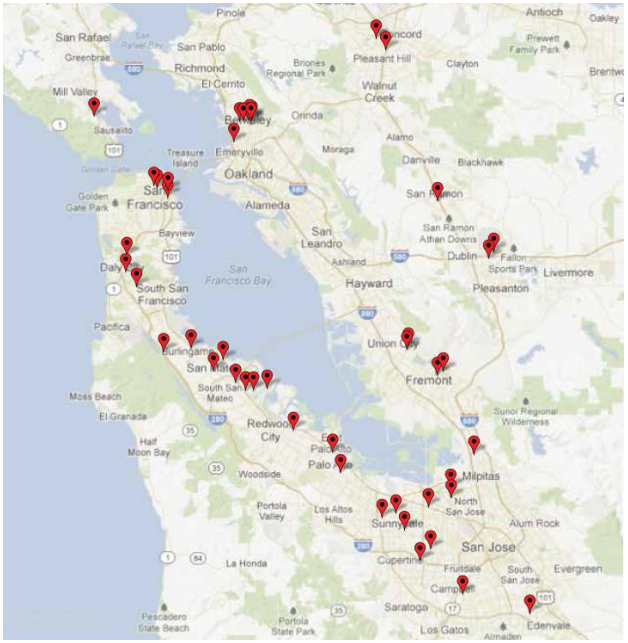
EQR	73.6
REIT Peer Average	66.6

Note: Market Data as of 12/31/15.

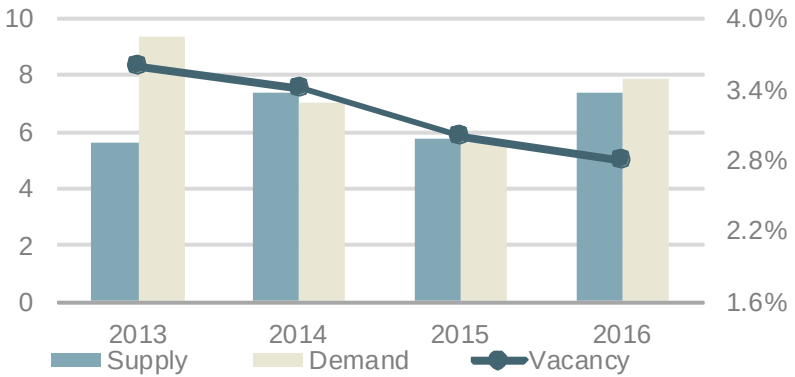
Source: Moody's Analytics, Nielsen, EQR Data
2015/2016 data projected, Rosen Consulting.

EQR in San Francisco

Equity Residential Portfolio



New Apartment Supply/Demand (000s units)

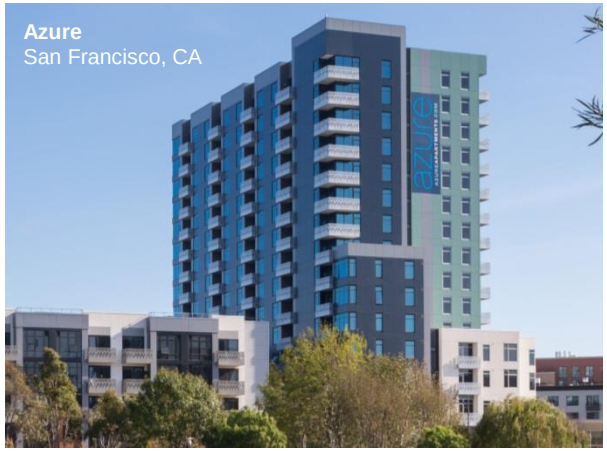


Equity Residential

Source: Moody's Analytics, Nielsen, EQR Data 2015/2016 data projected, Rosen Consulting.



Fremont Center Apartments
Fremont, CA



Azure
San Francisco, CA

WALK SCORES

EQR	70.2
REIT Peer Average	63.5

EQR PORTFOLIO SUMMARY

53 properties

13,656 units

15.1% of NOI

96.2% occupied

Average Rent: $2,560

EQR RESIDENT PROFILE

One Adult	37.4%
Two Adults	35.2%
One Adult with Children	4.9%

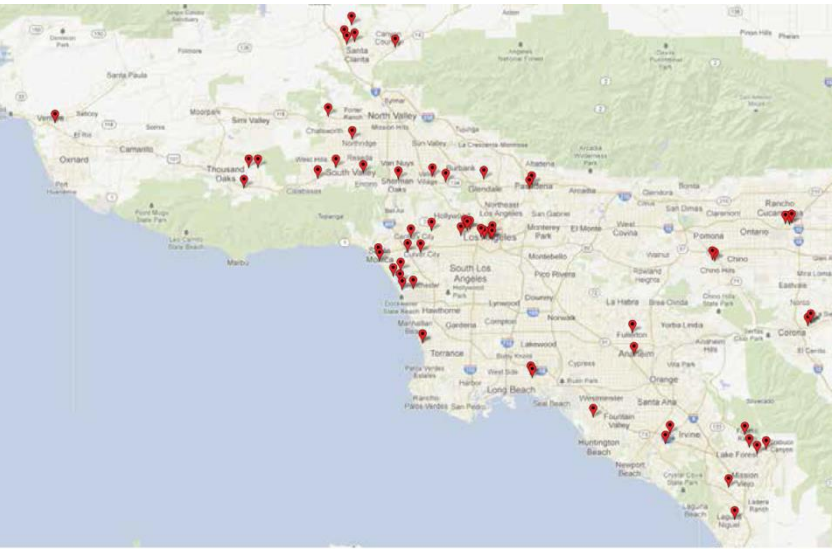
MARKET STATS

Avg. household income (Market)	$88,018
Median Home Price (Market)	$1,030,000
Home Price to Income Ratio	11.7x
Median household income (Our Residents)	$119,400
Median Monthly Rent	$2,560
Rent as % of Income	26.1%

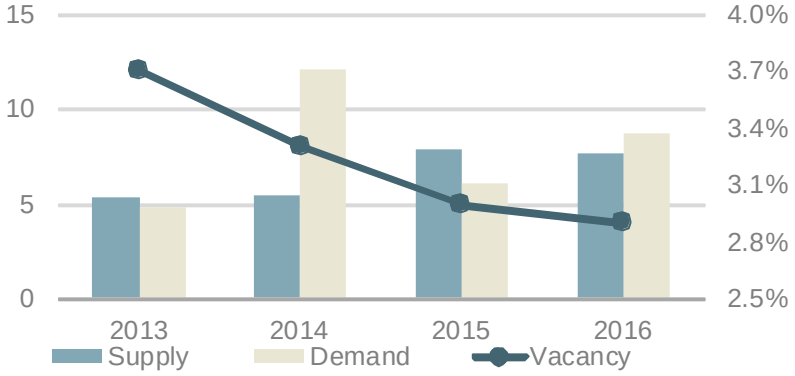
Note: Market Data as of 12/31/15.

EQR in Los Angeles

Equity Residential Portfolio



New Apartment Supply/Demand (000s units)



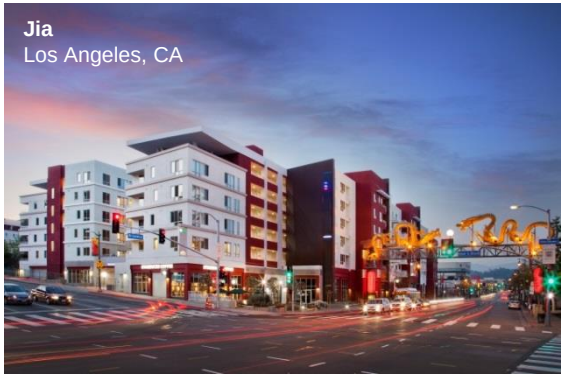
Source: Moody's Analytics, Nielsen, EQR Data 2015/2016 data projected, Rosen Consulting.



Breakwater at Marina del Rey
Marina del Rey, CA



Artisan on 2nd Apartments
Los Angeles, CA



Jia
Los Angeles, CA

EQR PORTFOLIO SUMMARY

61 properties

13,313 units

12.3% of NOI

96.0% occupied

Average Rent: $2,197

EQR RESIDENT PROFILE

One Adult	39.7%
Two Adults	39.6%
One Adult with Children	5.7%

MARKET STATS

Avg. household income (Market)	$57,864
Median Home Price (Market)	$483,000
Home Price to Income Ratio	8.3x
Median household income (Our Residents)	$103,800
Median Monthly Rent	$2,197
Rent as % of Income	24.5%

Note: Market Data as of 12/31/15.

One of the Strongest Balance Sheets in the REIT Sector

Commentary

- Strong balance sheet with Baa1 (pos) / A- / A- long-term credit ratings from Moody's, Standard and Poors, and Fitch, respectively.
- Stable and conservative leverage profile with the longest debt maturity profile of apartment REITs and strong financial flexibility.
- Demonstrated conservative balance sheet management through operating cycles and transformative events (Archstone/Starwood).

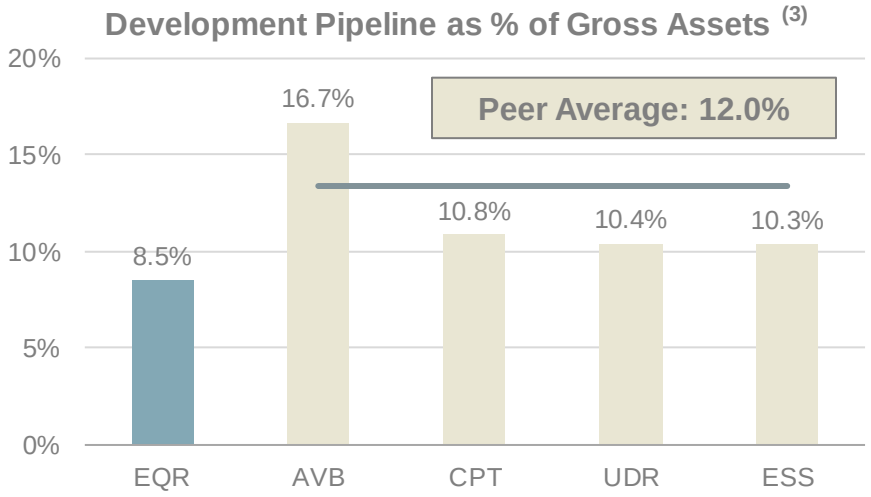
Equity Residential is Focused on Maintaining the Strength of its Credit Metrics and Balance Sheet

Strong Covenant Compliance and Credit Metrics

	12/31/15	Covenant[2]
Total Debt to Adjusted Total Assets	38.5%	Max. 60%
Secured Debt to Adjusted Total Assets	16.5%	Max. 40%
Fixed Charge Coverage [1]	3.67x	Min. 1.5x
Unencumbered Assets to Unsecured Debt	336.8%	Min. 150%
Net Debt to EBITDA	6.1x	
Unencumbered NOI to Total NOI	70%	

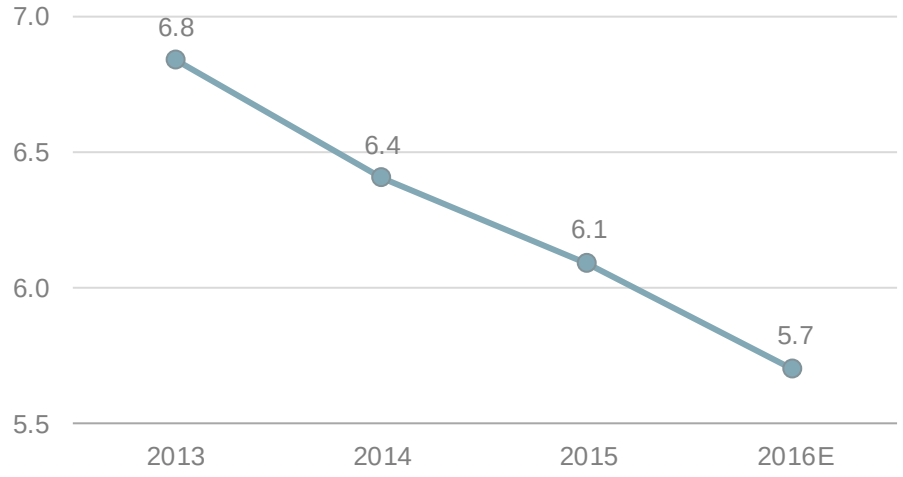
(1) Fixed charges defined as Normalized interest expense + Capitalized Interest + Principal Amortization + Non-cash MTM Amortization + Preferred Dividends would be 3.5x in 2015.
(2) Most restrictive bond covenants.

Modest Exposure to Development vs. Multifamily Peers



(3) Peer data as of 12/31/2015. EQR data as of 3/31/16. Source: SNL Financial.

Declining Net Debt to EBITDA



High Quality, Diverse and Leverageable Unencumbered Properties

- The asset quality is reflective of the overall EQR portfolio; geographically diverse and a mix of high-rise, mid-rise and garden-style communities in long-term growth markets



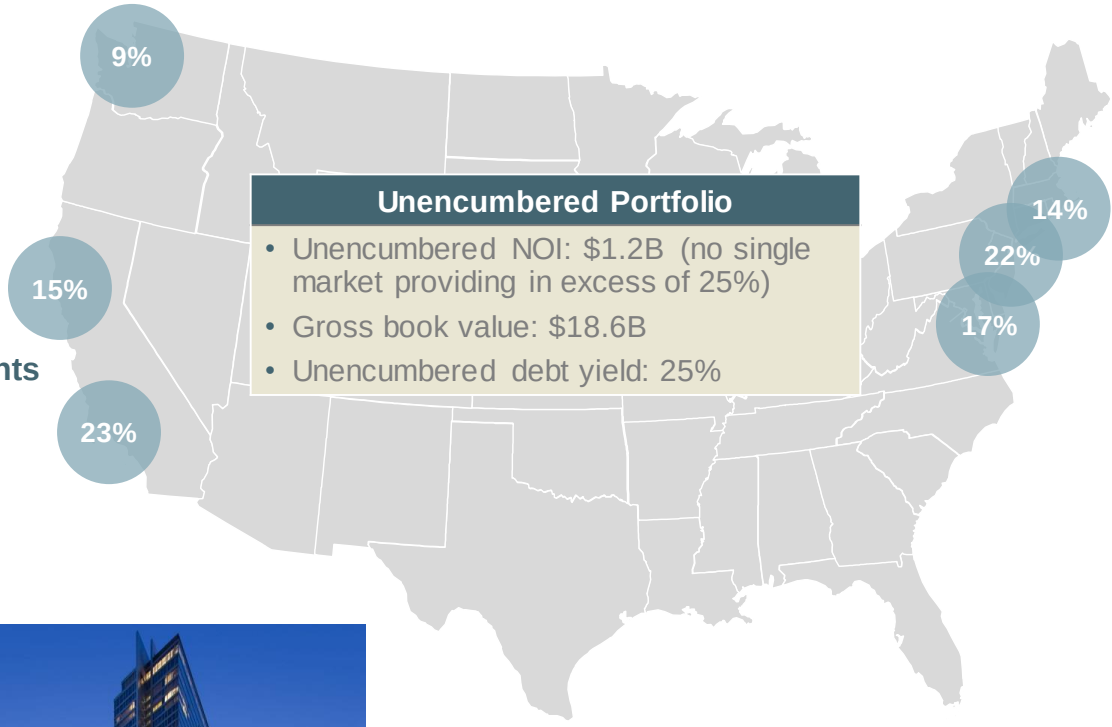
The Flats at Dupont Circle
Washington, DC
120 Units
Built in 1967



660 Washington Apartments
Boston, MA
420 Units
Built in 2006



Beatrice Apartments
New York, NY
301 Units
Built in 2010



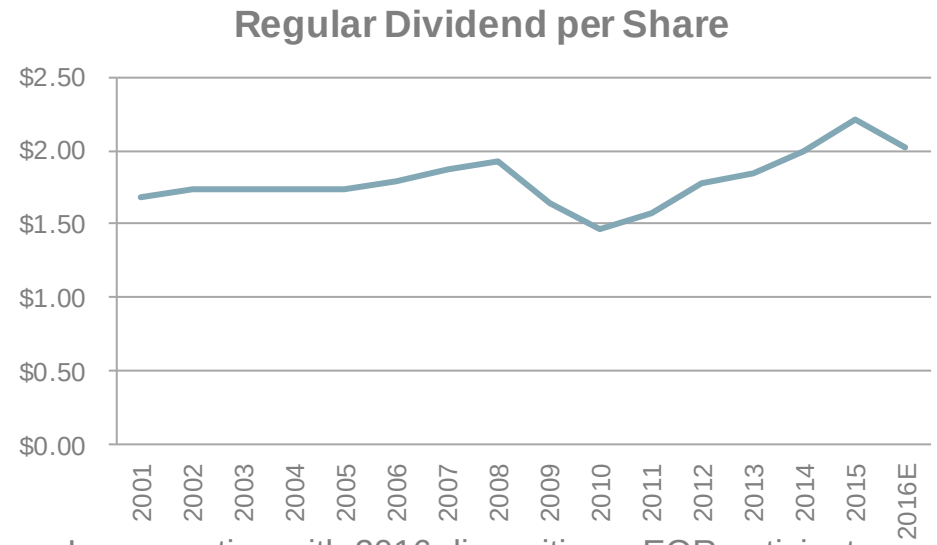
Unencumbered Assets to Unsecured Debt

Cap Rate	UA/UD
4.0% **	6.6x
4.5%	5.9x
5.0%	5.3x
5.5%	4.8x
6.0%	4.4x
6.5%	4.1x

**Green Street Advisors NAV cap rate for EQR is 4.3% as of March 17, 2016.

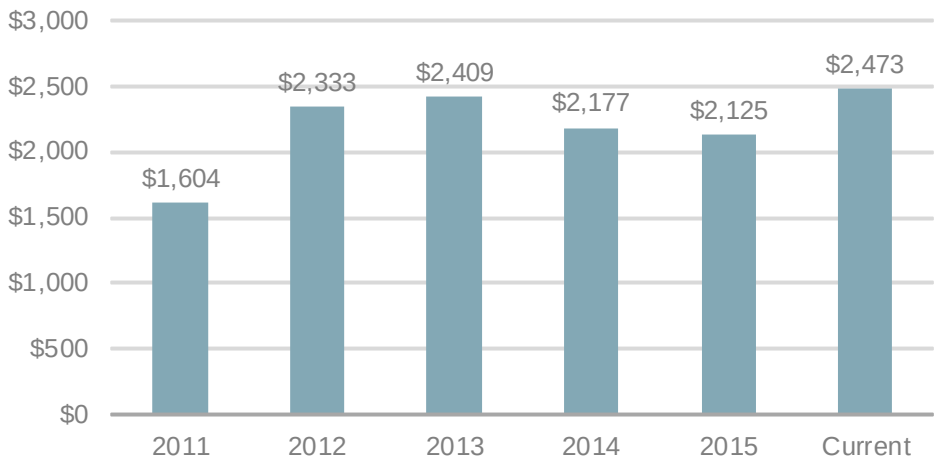
Balanced Financial Policy Supporting Balance Sheet Strength

Dividend Policy



- In connection with 2016 dispositions, EQR anticipates paying special dividends of $10-12 per share (approximately $4B at the midpoint).
- With the decline in anticipated Normalized FFO from these sales, the company's regular dividend is expected to reset at $2.015 per share.
- Consistent with its dividend policy of paying out 65% of Normalized FFO, the new regular dividend ensures the company retains cash flow and does not overdistribute.

Credit Facility Availability



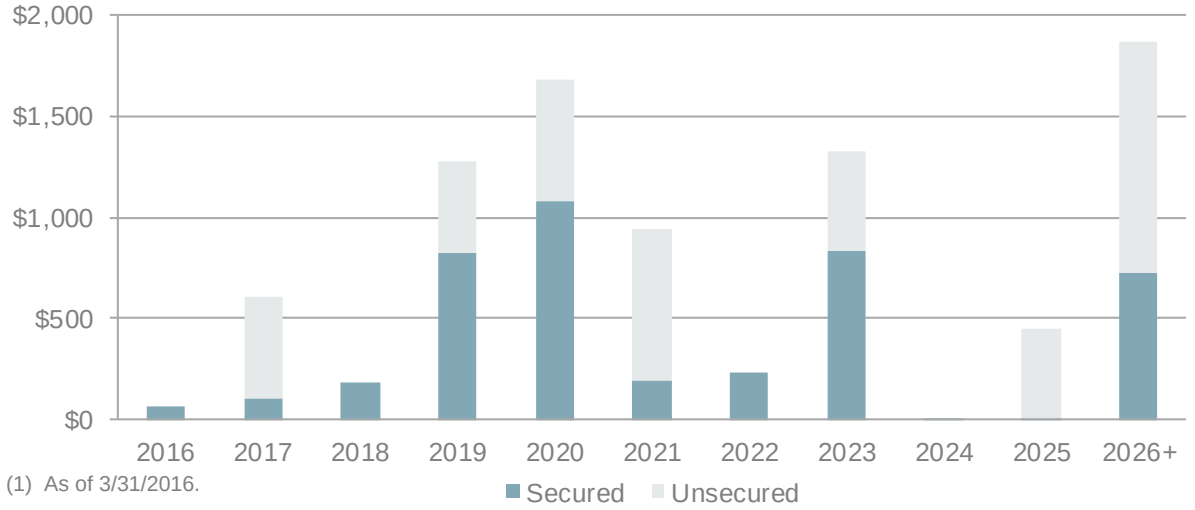
- EQR's $2.5B revolving line of credit matures in April of 2018 and acts as a backstop to its commercial paper program.
- In addition to the revolving line of credit, EQR retains in excess of $250M in cash flow annually to meet obligations.
- With limited development spend and virtually no debt maturities in 2016, the company can meet its obligations for the next 24 months without requiring capital market access.
- The company's assets are highly leverageable with access to GSE, life company and other secured debt providers.

EQR's Debt Maturities Are Manageable

- The company's repayment of approximately $2.0B of debt in Q1 2016 achieved the following:
  - Addressed near-term maturities in 2016 and 2017
  - Repaid secured debt to maintain credit metrics
  - Reduced maturity towers
  - Enhanced coverage by retiring high coupon debt

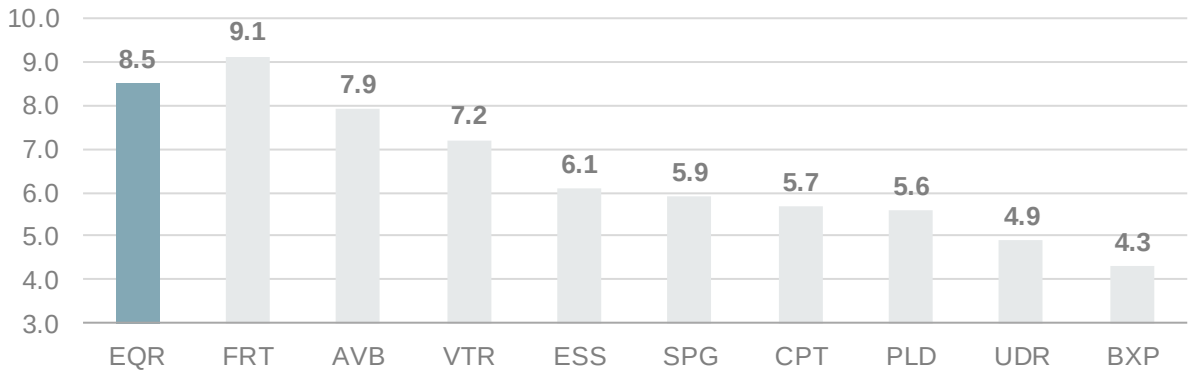
- As of 12/31/15, the company had a weighted average life to maturity of 7.6 years, among the highest in the entire REIT sector
- Adjusting for repayment activity in Q1 2016, pro forma weighted average life to maturity to increase to approximately **8.5 years**

EQR Debt Maturity Schedule ($000s) (1)



(1) As of 3/31/2016.

Total Debt Weighted Average Years to Maturity (2)



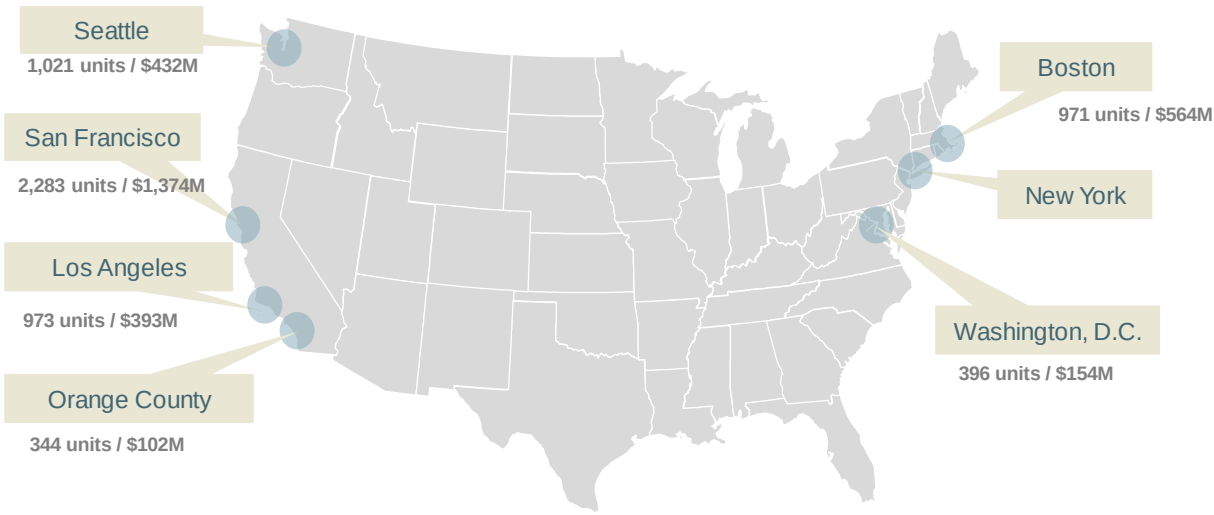
(2) EQR data as of 3/31/16. Peer data as of 12/31/2015. Source: SNL Financial, Company filings.

EQR's longer dated debt portfolio reduces refinancing and interest rate risk as compared to multifamily and other "blue chip" REITs

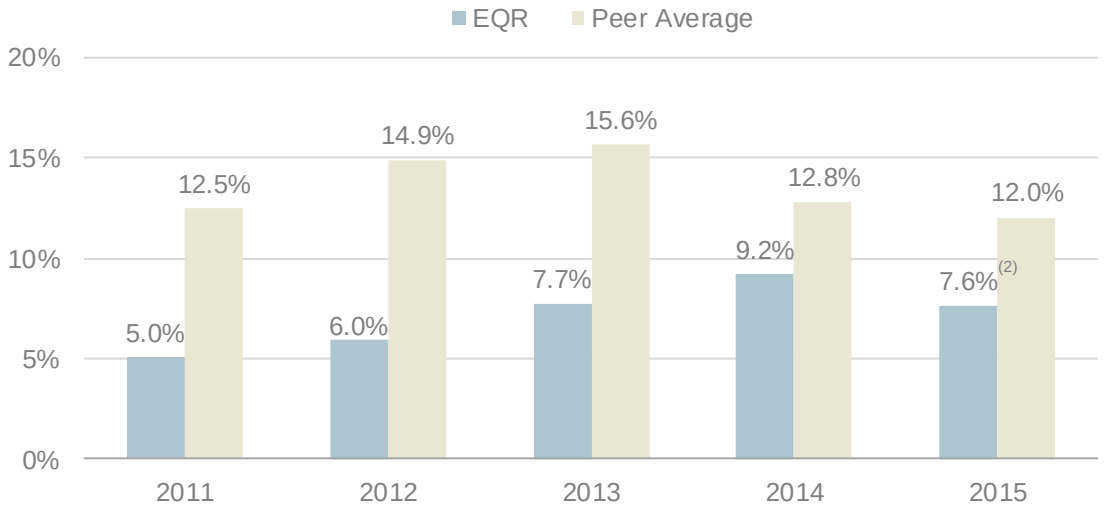
Development Overview

- Our development capability is an important but modest source of attractively priced assets in high-growth markets.
- 100% of EQR's development pipeline is located in its core markets, and the company's pipeline comprises only a small percentage of its gross asset value.
- EQR funds its development pipeline with limited impact to leverage (retained cash flow, dispositions, modest debt).
- EQR maintains a significantly lower development exposure compared to multifamily REIT peers.
- Given the large number of projects to be completed in 2016, pro forma development is forecasted to be less than 5% of gross assets beginning 2017.

Core Development Markets



Development Pipeline as % of Gross Assets (1)



Source: SNL Financial.

(1) Development pipeline includes land held for development. Peer average includes AVB, ESS, UDR and CPT.

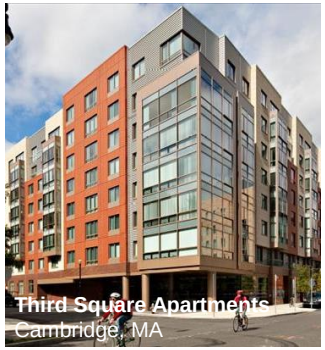
(2) EQR as of 3/31/16 pro forma for disposition activity is 8.5%.

Summary

- Equity Residential is a leader in the multifamily sector
  - Largest U.S. apartment REIT with the highest quality portfolio
- Experienced management team and best-in-class operating platform
  - Strong capital allocation skill and disciplined expense controls
  - Demonstrated commitment to all stakeholders (equity, debt, etc.)
- REIT leading balance sheet strength
  - Strong access to multiple capital sources
  - Substantial liquidity with a well-staggered debt maturity schedule and modest development exposure
  - Large and geographically diverse pool of high quality unencumbered assets







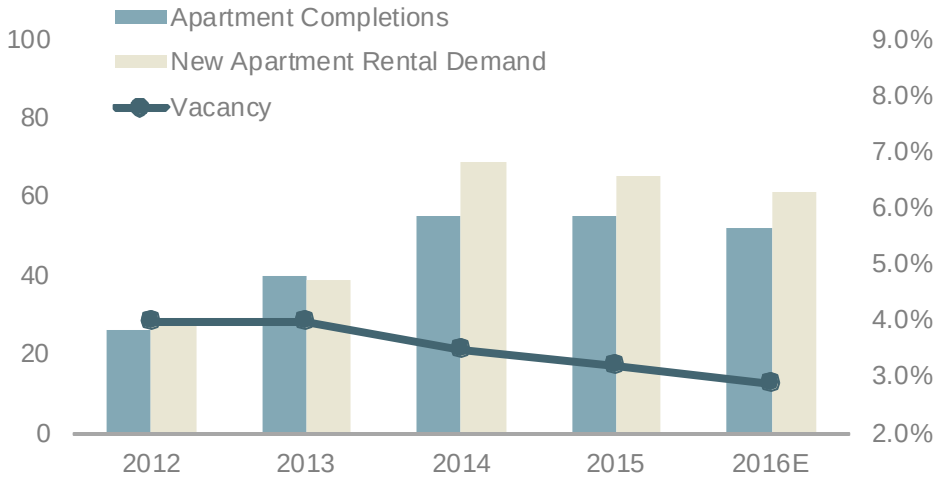


Appendix – Strong Multifamily Fundamentals

Commentary

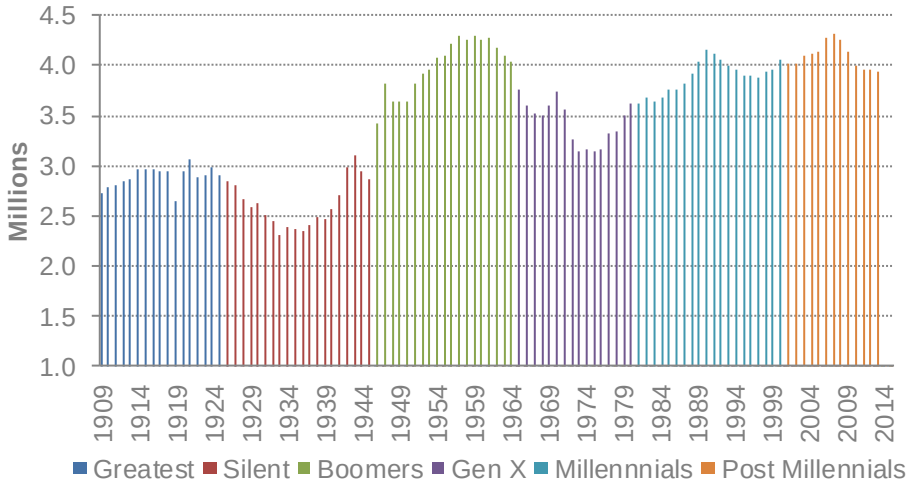
- While multifamily construction starts are increasing, demand still outpaces new multifamily supply in our markets.
- Favorable demographics and trends will continue to create ample demand in our core markets, driven by the Millennial generation.
- Millennials are currently under represented in the rental pool as a higher percentage than usual are still living with their parents and will form their own households. And strong demand will continue with the Post Millennials.
- People aged 20 to 34 are the prime cohort to form new households and have a 60% to 70% propensity to rent.

New Supply vs. New Apartment Rental Demand



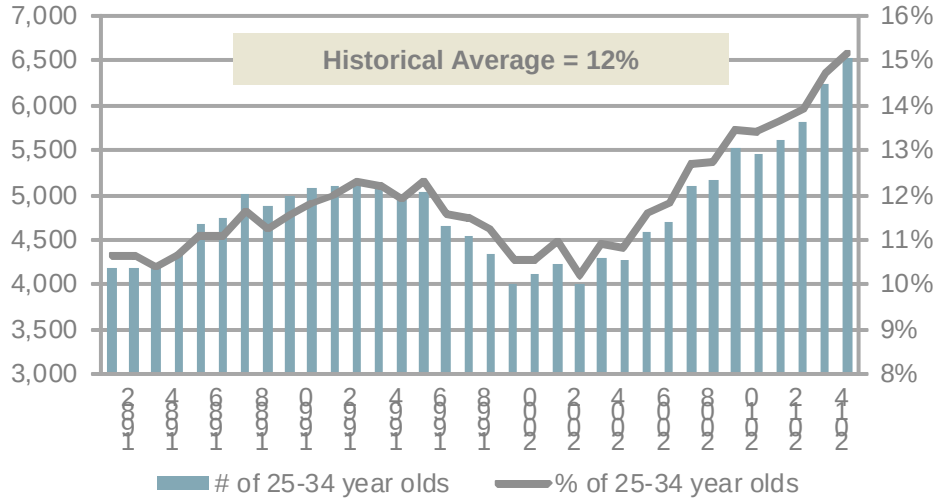
Includes EQR Core Markets: Boston, New York, Washington DC, Seattle, San Francisco, Southern California.
Sources: MPF Research, REIS Research and EQR Data.

Births by Generation (in millions)



Sources: CDC, Evercore ISI.

Young Adults Living with Parents



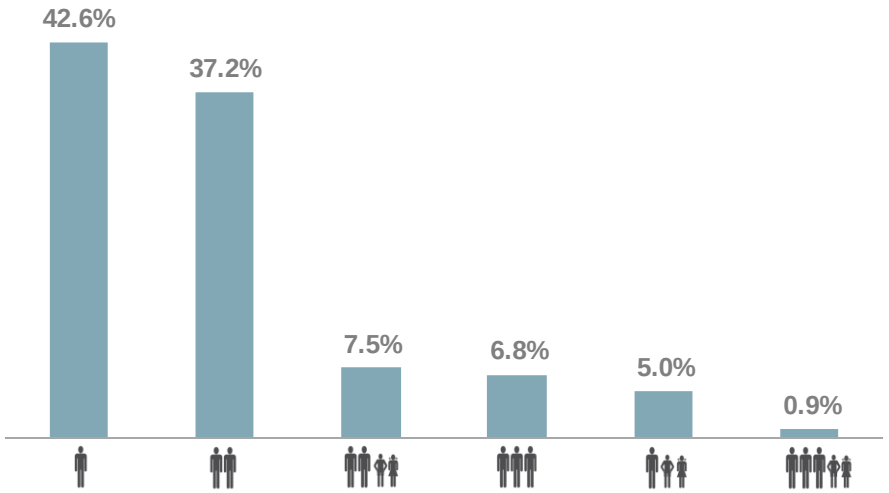
Source: Green Street Advisors..

Appendix – Strong Multifamily Fundamentals (continued)

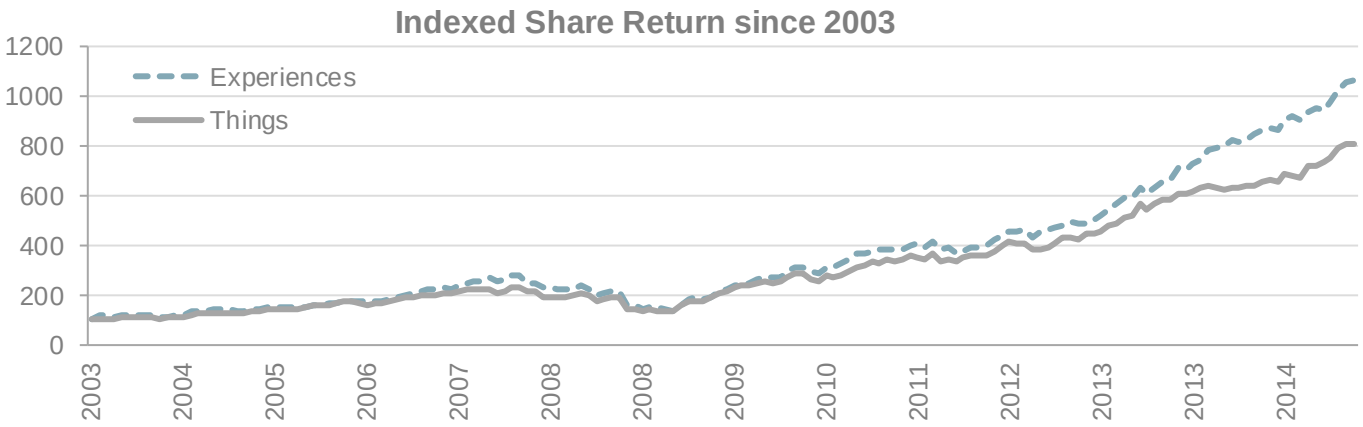
Commentary

- More than 42% of our units are occupied by a single occupant. Statistically this a group that is less likely to be buying a home.
- Buying a home is a lifestyle choice, and Millennials value experiences over things. For many, one of those experiences is living in and enjoying the lifestyle of the city.
- Millennials have recovered completely from the financial crisis: the Employment rate for people age 25-34 is above the pre-crisis average.

EQR National Resident Profile



Experience Stocks vs. Things Stocks

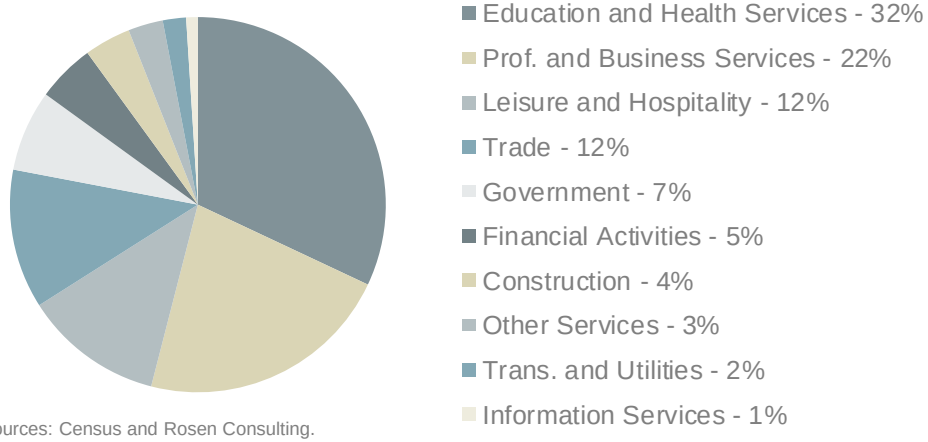


Source: FactSet, Evercore ISI.
Experiences = 138 companies across sectors such as travel, restaurants, media and entertainment, gaming and lodging, beverages, social media
Things = 170 companies across sectors such as apparel and accessories, personal consumer goods, general retail, durable goods, autos

Appendix – Focused on the Premier Multifamily Markets

Sources of Employment Growth in EQR Core Markets

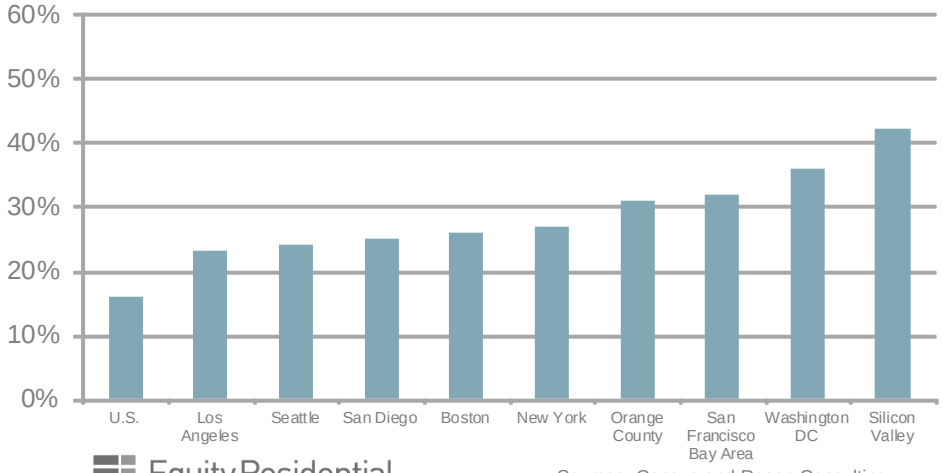
- Good job growth forecasted for 2015-2019 across industry sectors in our core markets will drive demand



Sources: Census and Rosen Consulting.

% of Renter Households with Incomes Over $75,000

- Broad pool of potential renters in EQR core markets



Sources: Census and Rosen Consulting.

Market Statistics

- EQR's portfolio compares favorably to core market and U.S. national averages

	2014	2015	Projected 2016
Average Monthly Rent			
EQR Core Markets	$1,986	$2,098	$2,203
All U.S. Markets	$1,179	$1,243	$1,293
Effective Rent Growth			
EQR Core Markets	6.2%	5.9%	5.0%
All U.S. Markets	4.6%	4.8%	4.0%
Vacancy Rate			
EQR Core Markets	3.9%	3.2%	2.9%
All U.S. Markets	4.7%	4.1%	4.6%
Population Growth			
EQR Core Markets	0.9%	1.0%	1.0%
All U.S. Markets	0.7%	0.8%	0.8%
Household Formations			
EQR Core Markets	0.7%	1.0%	1.6%
All U.S. Markets	0.6%	0.8%	1.6%
Job Growth			
EQR Core Markets	2.4%	2.7%	2.1%
All U.S. Markets	2.0%	1.9%	1.9%
Median Home Prices			
EQR Core Markets	$489,000	$622,000	$655,000
All U.S. Markets	$207,000	$221,000	$230,000

Sources: MPF Research and EQR Data.

Equity Residential

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 2015 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 2016 budgets and proforma expectations on recent acquisitions.



Ten23 – New York, NY