Equity Residential

NOVEMBER 2020

Investor Update



The Dalton – Alexandria, VA
LEED Certified

2020 Environment

- Despite the unprecedented impact of the global pandemic, the long-term prospects for our business remain strong. Our well located communities are in and around dynamic cities that will continue to attract high quality long-term renters. Currently:
  - Our business continues to see strong demand. Application volumes exceed prior year levels across the portfolio.
  - Consistent with typical seasonal patterns, Renewals have improved in October and early November. Renewal percentage is now trending towards 54% from September lows slightly below 50%.
  - This has led to stabilization in Physical Occupancy since the end of September as this elevated activity has led to move-ins that exceed move outs.
  - Pricing continues to remain challenged but the rate of deceleration is showing early signs of moderation in many of our markets. See page 28 for additional information.
- As the pandemic subsides through newly developed vaccines and therapeutics, the urban centers will re-energize and again become the centers of the U.S. knowledge economy. Once again they will provide significant networking and other benefits for current and prospective residents who may have deferred, but not abandoned, their desire to live in vibrant major U.S. metropolitan areas.

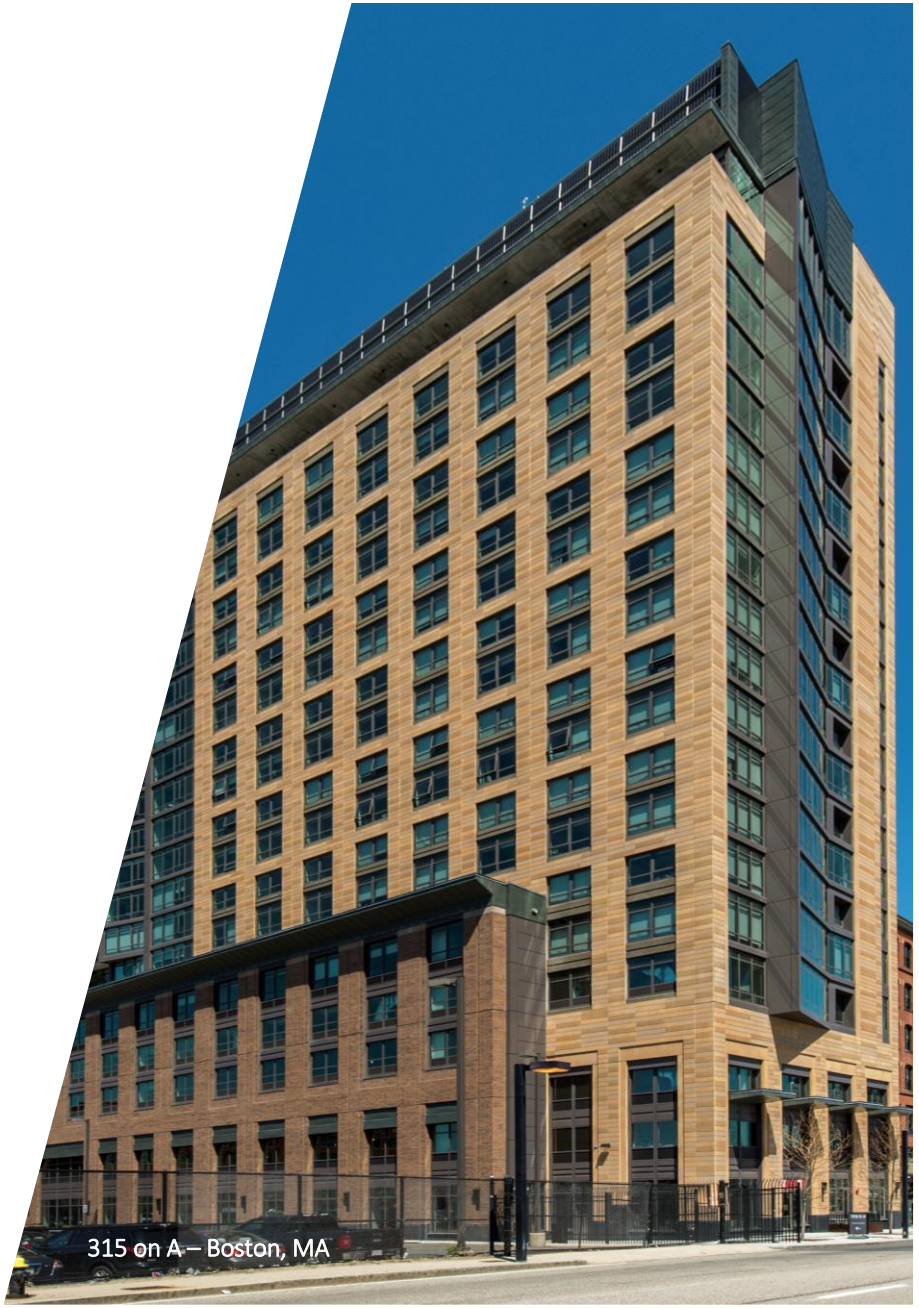

315 on A – Boston, MA



Table of Contents

Pages 2 - 15

ABOUT OUR COMPANY AND HOW WE CREATE LONG-TERM VALUE

Pages 16 - 23

PORTFOLIO STRATEGY

Pages 24 - 32

OPERATIONS UPDATE

Pages 33 - 34

OUR BALANCE SHEET

Pages 35 - 38

OUR COMMITMENT TO ESG

Equity Residential

305 Properties 78,568 Apartment Units

Founded and Chaired by Sam Zell

6.7%
Dividend Adjusted Growth CAGR - 2010 to 2020

Premier Owner and Operator of Rental Apartments in Urban and Suburban Locations in U.S. Cities

S&P 500 Company

$1.7 Billion in Annual Normalized EBITDAre

Over $2.5 Billion in Annual Revenue

Sold $10.2 Billion
of Apartment Properties Producing Unlevered IRR of 11% since the beginning of 2015

$31.4 Billion Total Market Capitalization

3.2% 10-Year Same Store Revenue CAGR

2.6% 10-Year Same Store Expense CAGR

3.6% 10-Year Same Store NOI CAGR

3.0% Average 10-Year Dividend Yield

Named a Leader in ESG by GRESB and Nareit

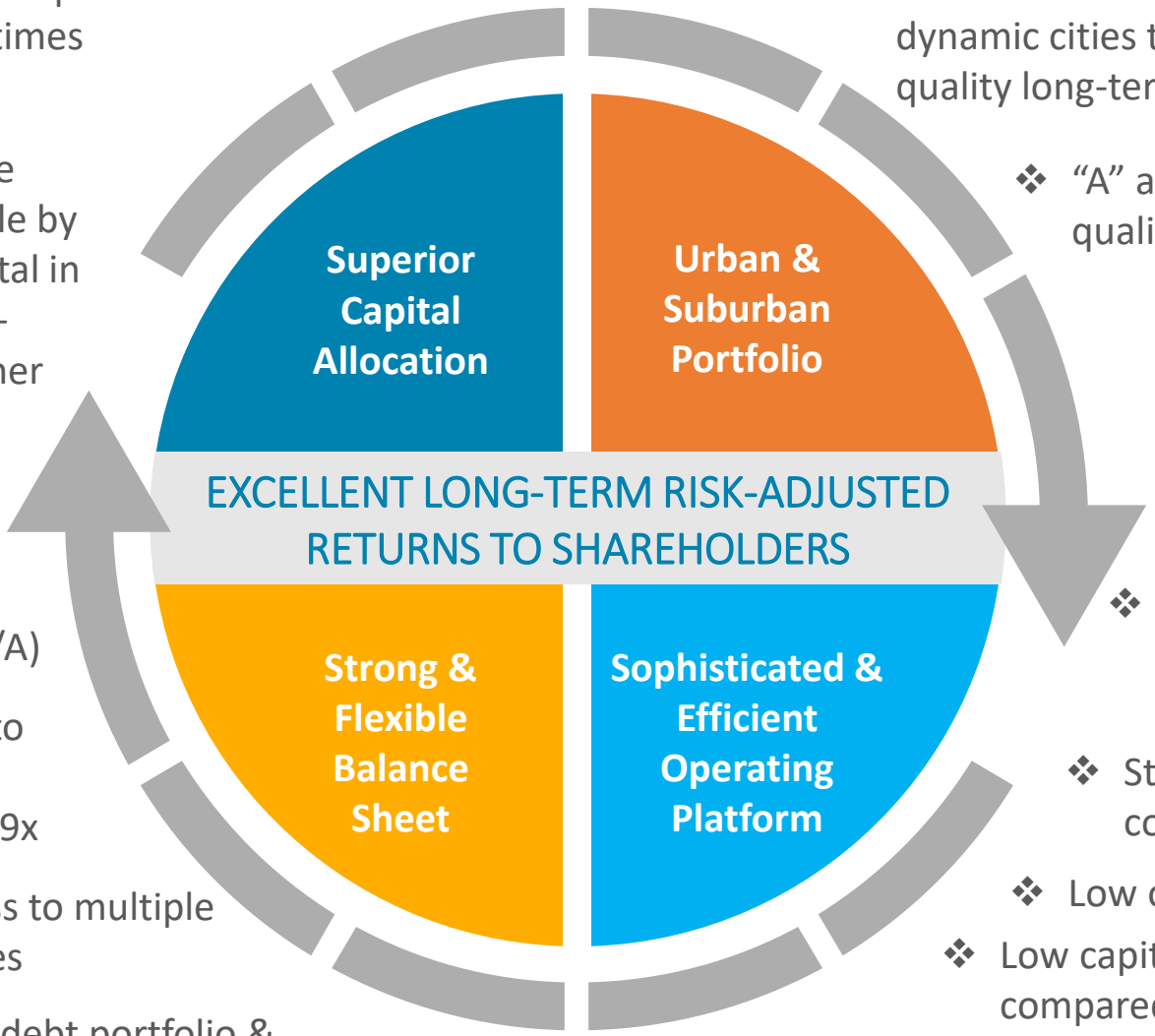
One of the Strongest Balance Sheets in the REIT Sector
A-/A3/A Rated

Note: As of 9/30/20. Annual numbers are on a Trailing Twelve Months basis. CAGR represents the Compound Annual Growth Rate.

The Equity Difference: How We Deliver Long-Term Outperformance

- Buy, build & sell apartments at opportune times
- Create value throughout the real estate cycle by allocating capital in a superior risk-adjusted manner

- Portfolio focused in and around dynamic cities that attract high quality long-term renters
- "A" and "B" quality assets



- Strong credit ratings (A-/A3/A)
- Low net debt to Normalized EBITDAre of 4.9x
- Superior access to multiple funding sources
- Long duration debt portfolio & staggered maturity schedule

- Innovation Leader in property operations
- Strong expense controls
- Low overhead
- Low capital spending compared to competitors due to high quality of portfolio

The Equity Difference: Building Blocks Driving Long-Term Growth

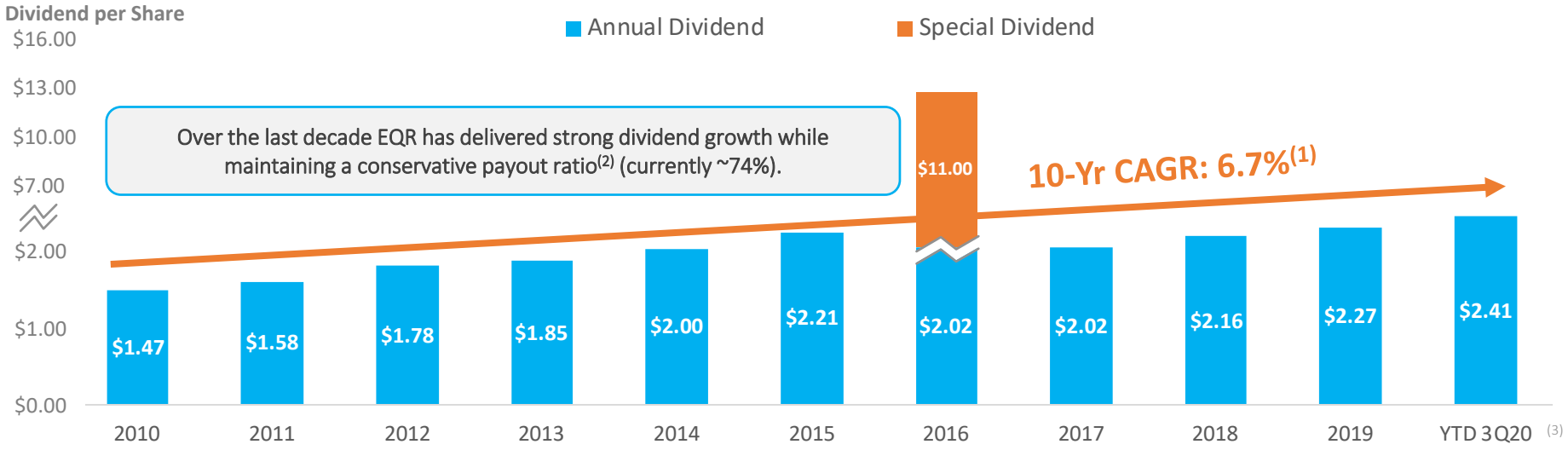
By efficiently managing our core business, leveraging our size and scale and deploying capital in a prudent risk adjusted manner, we drive growth for the long-term.

Illustrative Long-Term Growth:

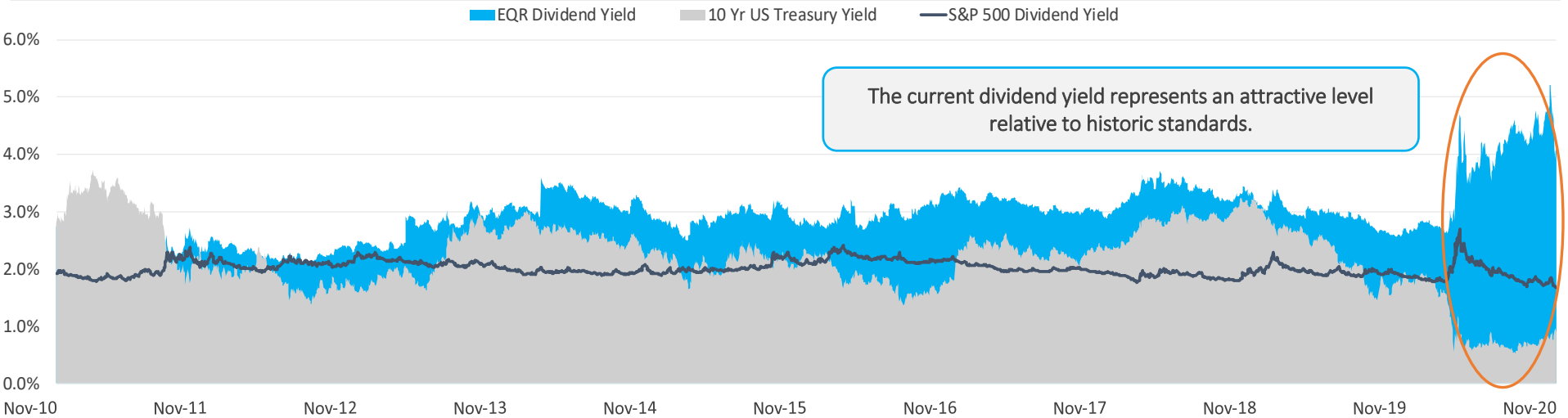
Same Store NOI Performance *(Core Business)*		**2% - 4%**	➢ *Annual percentage growth in unlevered same store NOI.*
Platform *(Efficiencies and Leverage)*	+	**1%**	➢ *Impact of existing capital structure in levering same store NOI growth.* ➢ *Gains in operating efficiencies.*
External Growth *(Capital Allocation)*	+	**1% - 2%**	➢ *Leverage neutral growth from deploying free cash flow after distributions (net of capex and dividends) plus debt capacity from Normalized EBITDAre growth.*
Normalized FFO Growth	=	**4% - 7%**	
Dividend Yield	+	**3%**	
Annual Total Return	=	**7% - 10%**	

The Equity Difference: Stable, Durable Dividend Performance

Strong Historical Dividend Growth and Consistent Payout Ratio



Outsized Dividend Yield Compared to Historic Average



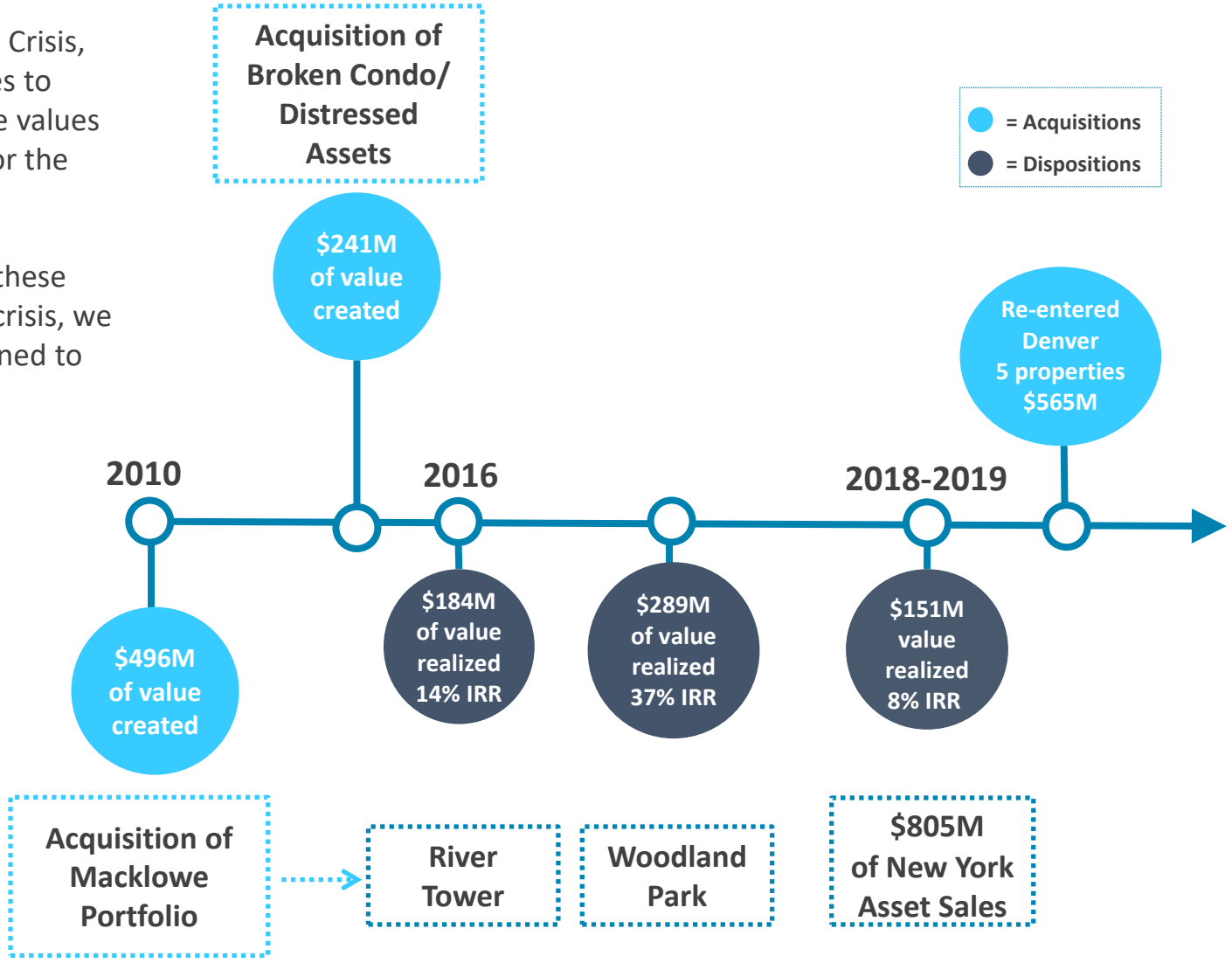
(1) 10-YR CAGR is adjusted due to the "reset" associated with the Company's 2016 asset sale program. Adjusted 2016 dividend growth is calculated utilizing a 2015 dividend per share of 64% of Comparable Normalized FFO per Share, which reflects 2016 transaction activity and debt payoffs as if they occurred on 01/01/15. Special Dividends of $11.00 per share are excluded.

(2) Dividend Payout Ratio defined as annual dividend per share as a percentage of annual Normalized FFO per share.

(3) YTD 3Q20 is annualized.

Equity Residential Identifies Opportunity and Creates Value Throughout Real Estate Cycle

- During the Great Financial Crisis, we identified opportunities to acquire assets at attractive values and capitalized on them for the benefit of shareholders.
- While we have yet to see these opportunities during this crisis, we are incredibly well-positioned to do so again.



Note: All IRRs calculated on an unleveraged basis
See additional notes to presentation

Managing Our Business: Trending Issues

Re-Opening Our Cities

- While the pandemic has recently surged in both urban and rural settings, cities continue to work towards safely re-opening their economies and to manage closures in a way that creates the least amount of economic impact.
- We expect that employers will bring back employees to their offices slowly and safely – recognizing that a mixed approach of office and work from home will likely prevail. We believe that a model where proximity to employment and to entertainment and social amenities in urban centers will continue to have value.
- Employers also continue to invest in the future – committing to long-term office obligations in our markets where they continue to create collaborative work environments.

Operations

- Portfolio-wide occupancy continues to run just above 94%. While pricing trends continue to be challenged, the rate of deceleration has moderated in many of our markets.
- The suburban portfolio is maintaining occupancy around 96%. Demand remains strong and pricing power has started to return in a number of locations with little or no concession use needed.
- Demand remains high in Urban and Urban Core submarkets, defying normal seasonal slowing. Rates continue to feel pressure with 70% of all concession use coming from Urban Core. Renewal percentage is starting to show signs of improvement consistent with seasonal trends.

Innovation

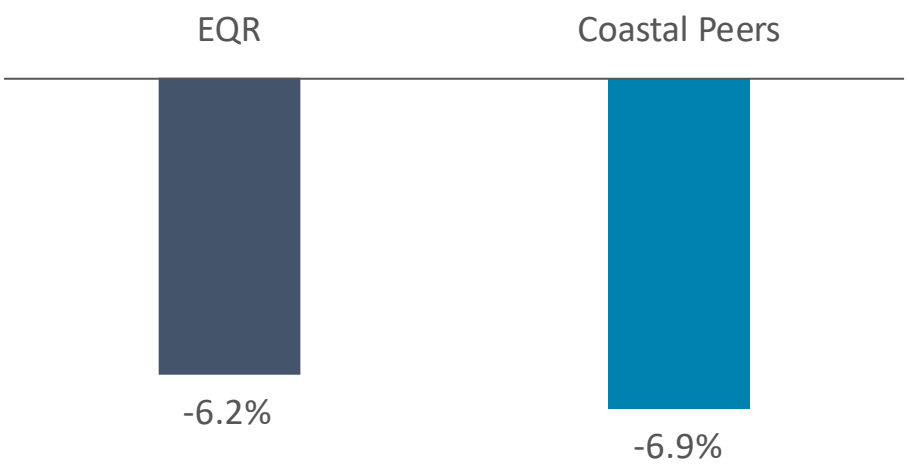
- Advances in property technology ("Prop Tech") solutions for the apartment industry are creating opportunities to innovate how we do business.
- We are a leader in deploying and investing in Prop Tech. Having been a first mover in such important areas as revenue management and online leasing, we understand the important role that technology plays in our business.
- Our operations benefitted from having these initiatives in place when the pandemic hit, allowing us to interact with our customers in a safe and responsible manner, including:
  - self guided tours;
  - automated responses to customer inquiries; and
  - enhanced service and maintenance management
- We carefully consider the cost and longevity of technology capital investments versus the benefits.

Regulatory Environment

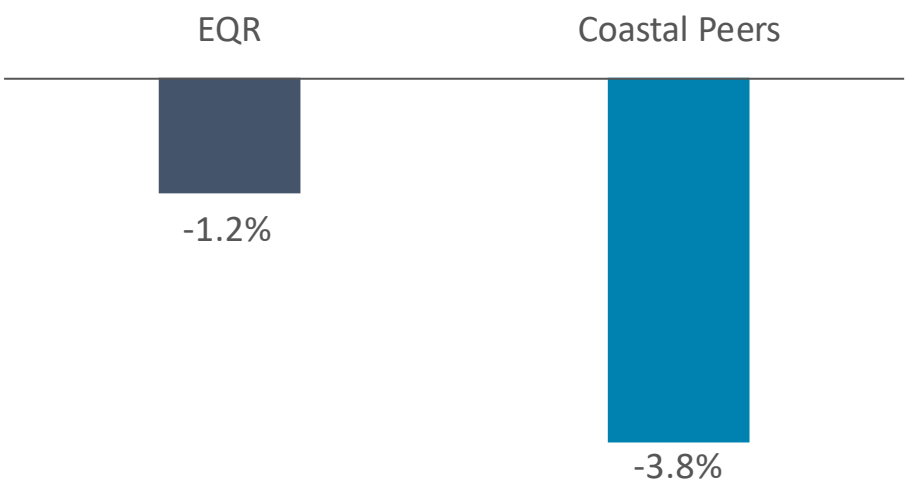
- We continue to focus our efforts on educating the public and policymakers on the merits of market based solutions to housing affordability. We and the industry have done so effectively as evidenced by our resounding defeat of Prop 21 (California proposal that would have permitted local governments to enact rent control) during the most recent election. We also were able to defeat local rent control proposals in both Sacramento and Burbank, CA.
- Covid-19 related government regulation continues to impact the industry. While very few of our residents have failed to pay their rent, both local and national laws have created eviction restrictions that affect landlords ability to collect past due rent and take other actions.

EQR Same Store Residential Revenue Has Outperformed Coastal Peers…

Q3 2020 Same Store Residential Revenue[(1)]

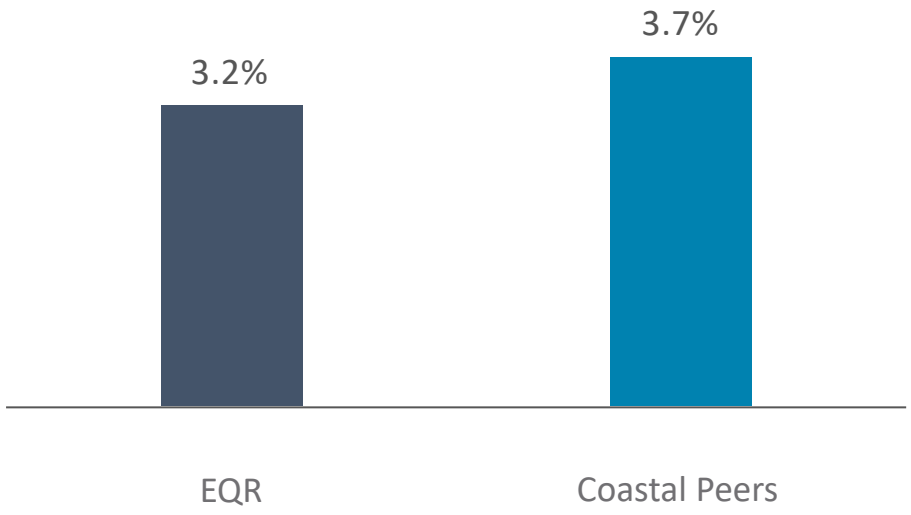


Q2 2020 Same Store Residential Revenue[(1)]

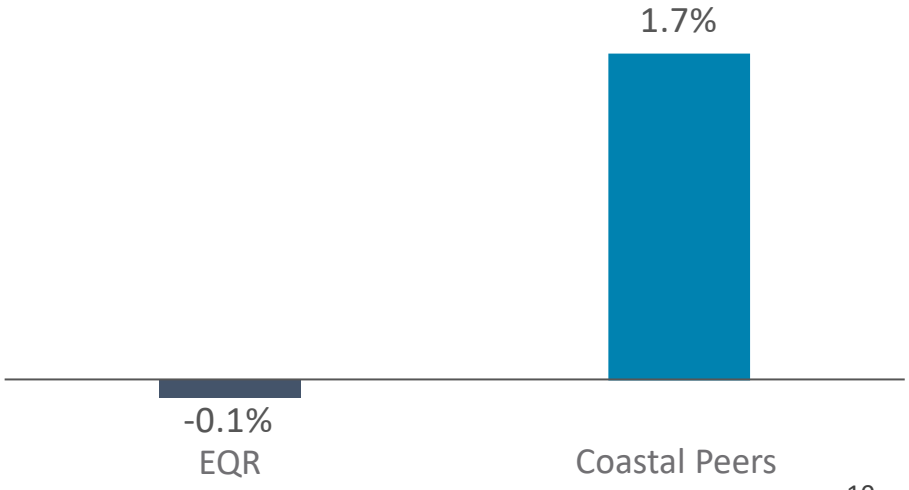


…While maintaining expense control thus far during the pandemic.

Q3 2020 Same Store Expense Growth

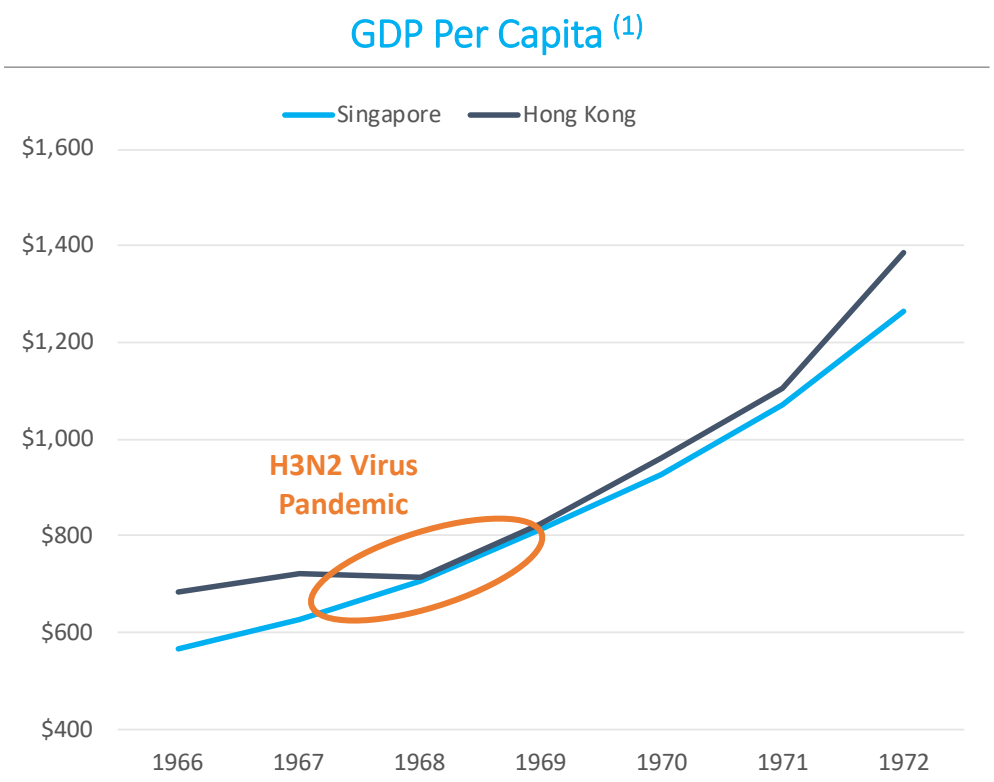


Q2 2020 Same Store Expense Growth



(1) Source: Company filings. Presented with concessions on a cash basis.
Note: Coastal Peers include AVB, ESS, and UDR.

Throughout Modern History, Cities Have Withstood Crises – Including Pandemics – and Emerged Even Stronger. What Makes Covid-19 Different?



- In July 1968, the H3N2 Virus pandemic began in Hong Kong.
- The virus spread through southeast Asia and across the world, eventually killing over 1 million people globally. To date COVID-19 has killed approximately 1.3 million people globally.
- The outbreak lasted six months and most severely impacted major cities in Asia where it started, including Singapore and Hong Kong.
- These cities recovered, as have cities in the past, to pre-pandemic economic growth levels.

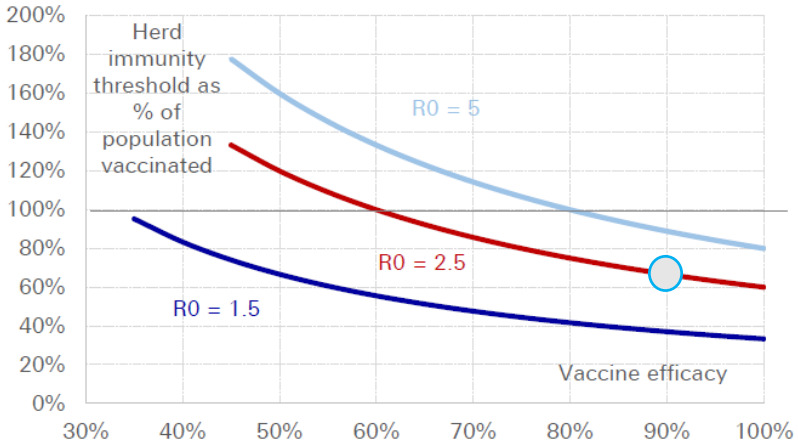
Cities have shown resiliency in the past and while the current pandemic is perhaps more pronounced, we expect that large urban centers with their scale and inherent flexibility will adapt and recover quickly.

(1) Real GDP in chained 2010 US Dollars.
Source: World Bank.

Restarting Our Cities: The Fight against the Pandemic

Recent vaccine developments are encouraging and further indicate that a return to normalcy could be on the horizon.

Vaccine efficacy and herd immunity illustration



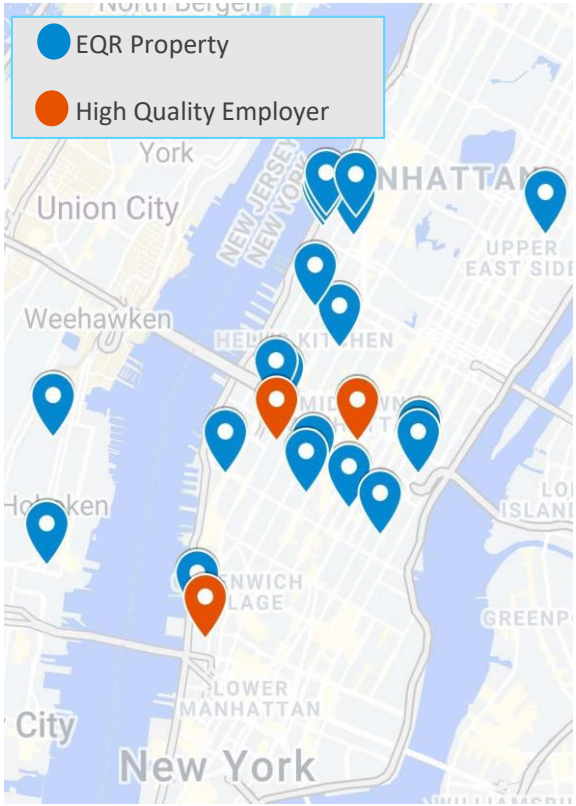
Source: Reproduced from Deutsche Bank Research piece "Results season for vaccine" dated October 26, 2020.

Models indicate that if the natural transmission rate (RO) of COVID 19 is around 2.5 as studies suggest, then a vaccine with 90% efficacy would require 60-70% of the population to be vaccinated in order to achieve heard immunity – an event that may not be so far away.

Commentary

- Development and distribution of a vaccine will ultimately be a key driver to reinvigorating and reopening the cities in which we operate.
- Pfizer Inc. and BioNTech SE announced on November 9 early findings from their trial, showing 90% effectiveness in preventing virus transmission from symptomatic subjects.
- Such results were substantially better than expectations, making the prospects of herd immunity much more attainable.
- This development bodes well for other vaccines being developed, particularly the Moderna version using similar technology.
- Though questions remain, this represents a significant milestone in the journey of normalization of life, work and play in our markets.

EQR Markets Continue to Attract High Quality Employers During the Pandemic Including Those at the Forefront of Innovation – Even in Hard Hit Markets Like New York City



Lord & Taylor Building



In March 2020, Amazon purchased the Lord & Taylor Building in Manhattan from WeWork for approximately $1.15B. The company plans to house more than 2,000 employees in this location and continues to announce further expansion here.

amazon

Farley Building



In July 2020, Facebook signed a lease for 730,000 square feet of space at the Farley Building in Manhattan. This will bring their total office space in Manhattan to more than 2.2 million square feet.

Hudson Square



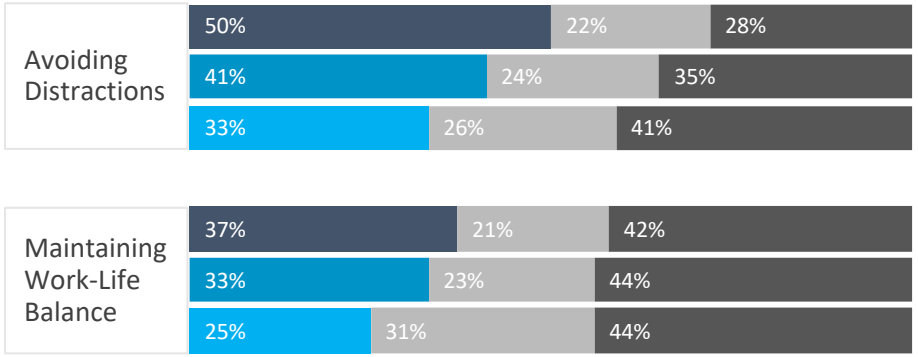
Google is currently building a campus in Hudson Square that will eventually house more than 8,500 employees.

Google

Current and Future Residents May be Working From Home, but Employer and Employee Sentiment Indicates an Eventual Return to the Office

- Studies show that only 12% of employees want to work from home full time. While we acknowledge work from home will likely play a larger role in the work week, we believe our well located communities will provide that ideal balance between proximity to the office and the lifestyle our resident seeks post pandemic.
- Our urban markets will once again provide the after work activities and cultural enrichment that drive housing choices beyond work.
- Studies also show that the age cohort with the highest propensity to rent (millennials and Gen Z) benefit the most from some level of "in-office" work. Working from home on a permanent, long-term basis for this group may have negative future implications.

Millennial and Gen Z workers are finding it harder to avoid distractions and maintain work-life balance than their older peers.



What People Are Saying

"…employees having the chance to work together in-person is key to fostering innovation."
-Ruth Porat, CFO, Google

"I don't know the future better than anyone else. I think going back to work is a good thing. I think there are negatives to working from home…We've seen productivity drop in certain jobs and alienation go up in certain things. So we want to get back to work in a safe way."
--Jamie Dimon, CEO, JP Morgan Chase

WSJ: Have you seen benefits from people working at home?
Mr. Hastings: No. I don't see any positives. Not being able to get together in person, particularly internationally, is a pure negative.
WSJ: Do you have a date in mind for when your workforce returns to the office?
Mr. Hastings: Twelve hours after a vaccine is approved.
--Reed Hastings, Netflix Founder and Co-CEO (WSJ)

"Loved living at Mantena and wish I could stay. Once the pandemic is over I am hoping to return."
--EQR Resident, Mantena, New York City

"…moving due to WFH during Covid. Great experience overall and will be interested in an Equity apartment when I move back to the city."
--EQR Resident, 600 Washington, New York City

Source: Gensler Research Institute, Wall Street Journal, Company Information.

Case Study: Even Facebook's announcement that as much as 50% of its workforce could be working remotely is very nuanced

- **New workers (among our target demographic) will still likely be required to work initially at the office:** "We do believe that new grads who join us should be in the office for some period of time," said Facebook CEO Mark Zuckerberg. "Maybe it's a year. Maybe it's two years."

- **A more remote workforce is, in part, self-serving as they are invested in remote technology (like Dropbox and Slack, two other companies announcing permanent work-from home policies):** "A lot of what we build is fundamentally about communication and delivering a feeling of connection," Zuckerberg said. "By having more of our employees work remotely we will eat our own dog food on these products and likely be able to advance the state of that technology faster."

- **The timeline is more likely to occur gradually over a longer period of time:** "It might be closer to 10 years than five" before half of Facebook's employees are working remotely, Mr. Zuckerberg said.

- **Facebook does not plan to reduce their office space in the Bay Area (which can accommodate 50,000 workers) and is actually building more office space:**
  - "I think we'll need the space," Mr. Zuckerberg said. When the company initially reopens its facilities, he said he expects many more employees will wish to return than the company can accommodate.
  - Only 20% said they were extremely or very interested in working remotely long-term. More than half of employees said they "really want to get back to the office as soon as possible," he said.

- **The headline announcement ignores the rapid pace at which the number of Facebook employees has been rising:**
  - Facebook had 56,653 employees as of 9/30/20, up from 43,030 as of 9/30/19 and 4,331 as of 9/30/12.
  - Even as more longer-tenured workers might leave the Bay Area to work remotely, a pipeline of new workers may offset or even exceed any departures from the Bay Area.

Source: Facebook 10-Q filings, Wall Street Journal.

2020

Portfolio Strategy

We invest in properties located in and around dynamic cities that attract high quality long-term renters.



Equity Residential: Our Portfolio

EQR's portfolio is focused in urban and suburban markets

Markets as Percent of NOI

SEATTLE – 11%
46 Properties
9,454 Units
63% NOI - Urban
37% NOI - Suburban





BOSTON – 10%
25 Properties
6,430 Units
74% NOI - Urban
26% NOI - Suburban

SAN FRANCISCO – 20%
48 Properties
12,707 Units
30% NOI - Urban
70% NOI - Suburban



DENVER – 1%
5 Properties
1,624 Units
50% NOI - Urban
50% NOI - Suburban





NEW YORK – 15%
37 Properties
9,606 Units
97% NOI - Urban
3% NOI - Suburban

SO. CAL[(1)] – 27%
97 Properties
24,016 Units
30% NOI – Urban
70% NOI - Suburban

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





WASH. D.C. – 16%
47 Properties
14,731 Units
73% NOI - Urban
27% NOI - Suburban

- Focused on a mixture of urban and suburban properties in the knowledge centers of today's economy
  - 55% NOI – Urban properties
  - 45% NOI – Suburban properties
- Resident demographic that chooses to rent for lifestyle reasons
- Significant presence in seven markets:
  - Strong demand drivers
  - Superior high-wage job growth
  - Long-term supply constrained
  - High single-family housing prices
  - Superior long-term returns

Our Residents

Equity Residential's high caliber resident works in the highest earning sectors of the economy and is not rent burdened – creating the ability to raise rents more readily in good economic times and reducing risk during downturns.

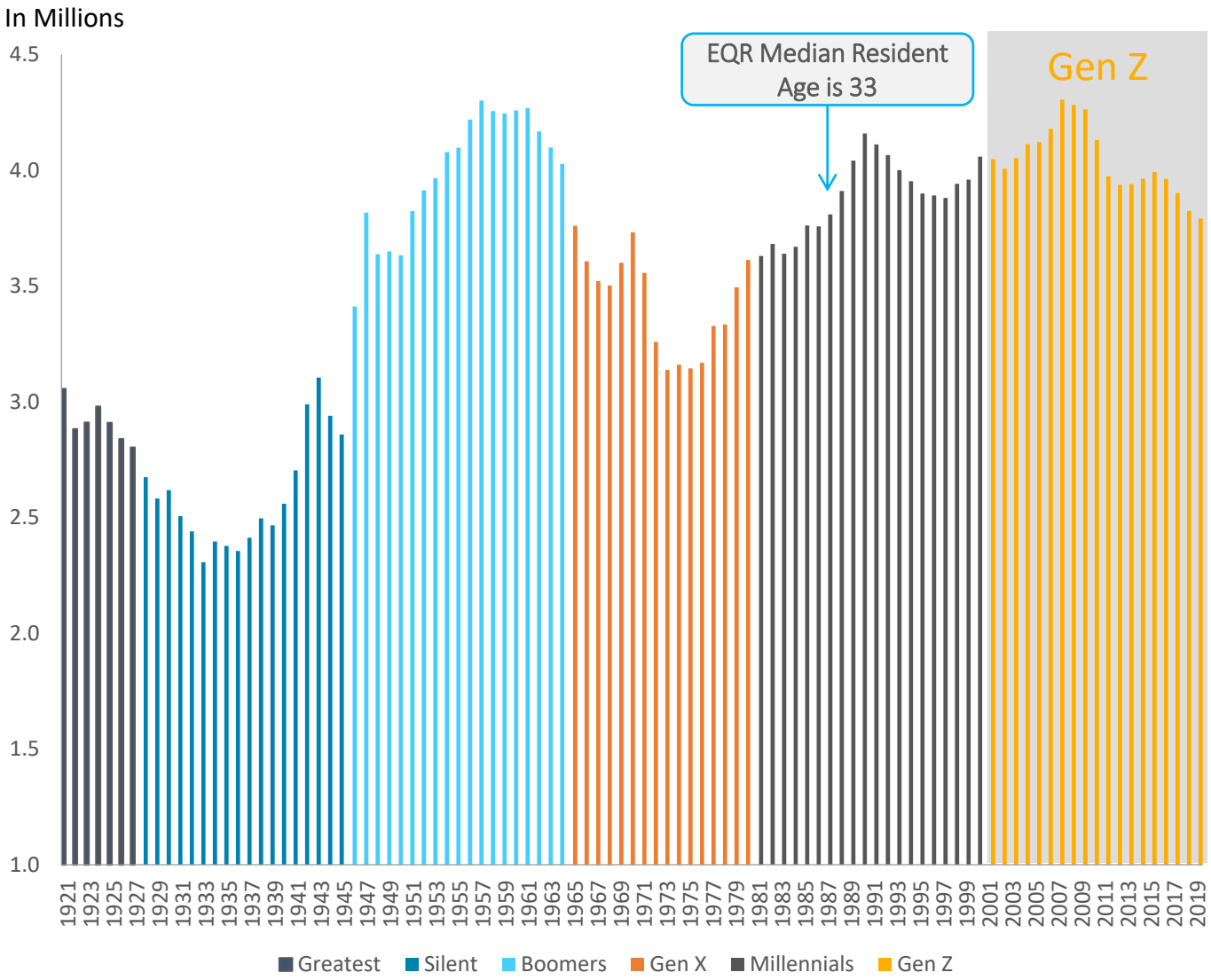
- Median resident age: 33 years old
- 2020 EQR average household income of approximately: $160,000
- 2020 U.S. average household income: $88,000
- 2020 average EQR resident rent as a % of income: 19.6%
- Less than 4% of the job losses during the recent economic downturn have been people making more than $150,000 per year
- We have collected approximately 97% on average of our monthly residential income during the pandemic



The Hesby – North Hollywood, CA

(1) EQR average household income for residents who have signed leases in the last 12 months
(2) Rosen Consulting Group.

Demographics Will Continue to Create Renter Households

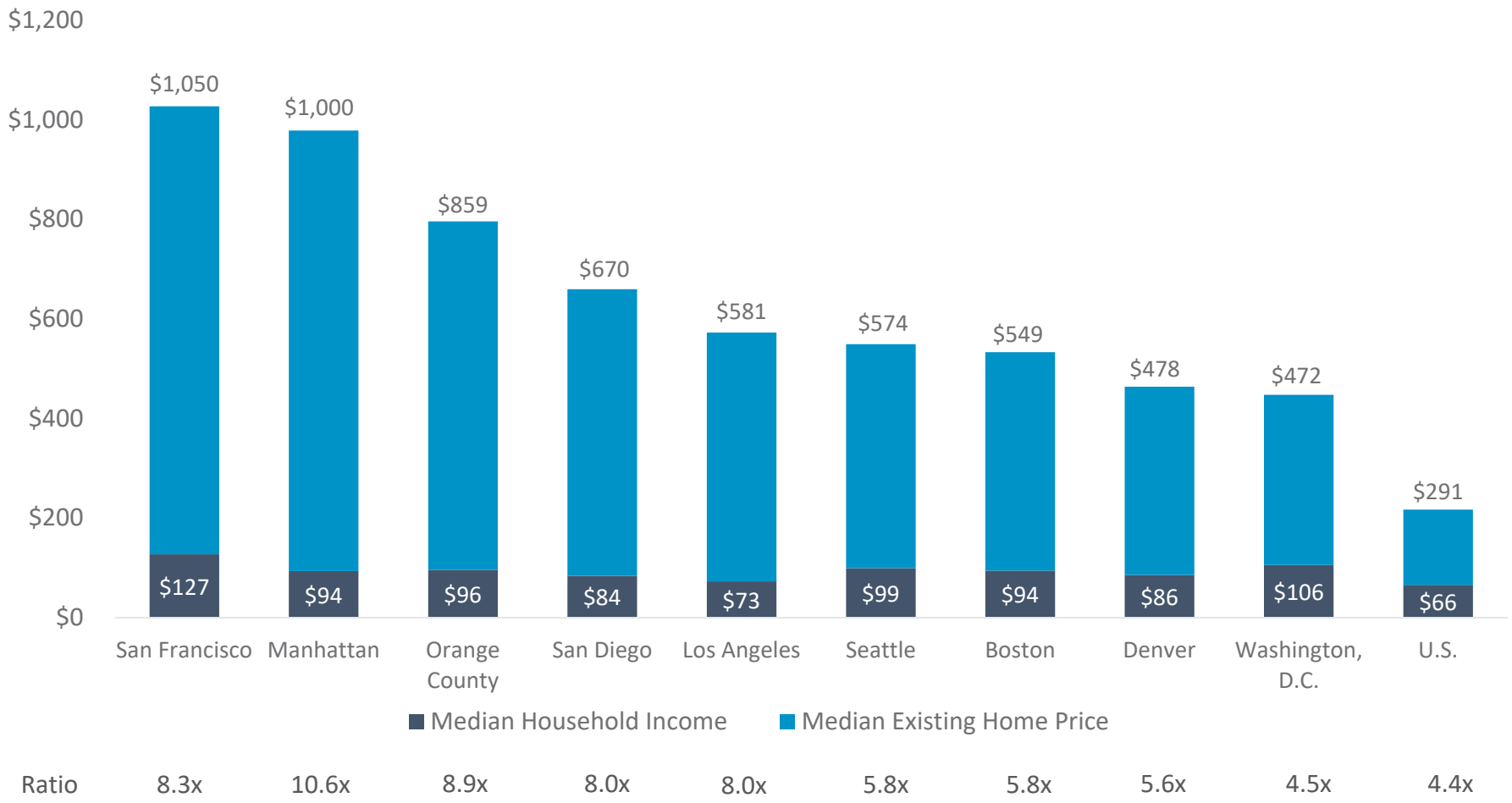


- Millennials may be aging, but a large cohort of Gen Z is also aging into our prime renter demographic.
- The pandemic has also increased the number of 18-29 year-olds living with their parents to more than 50% – a trend that when reversed should lead to pent up demand for our product.

Source: Rosen Consulting Group.

EQR Markets Have a High Cost of Single Family Housing, Creating More Demand to Rent

Median Home Price vs. Median Household Income ($ in Thousands)

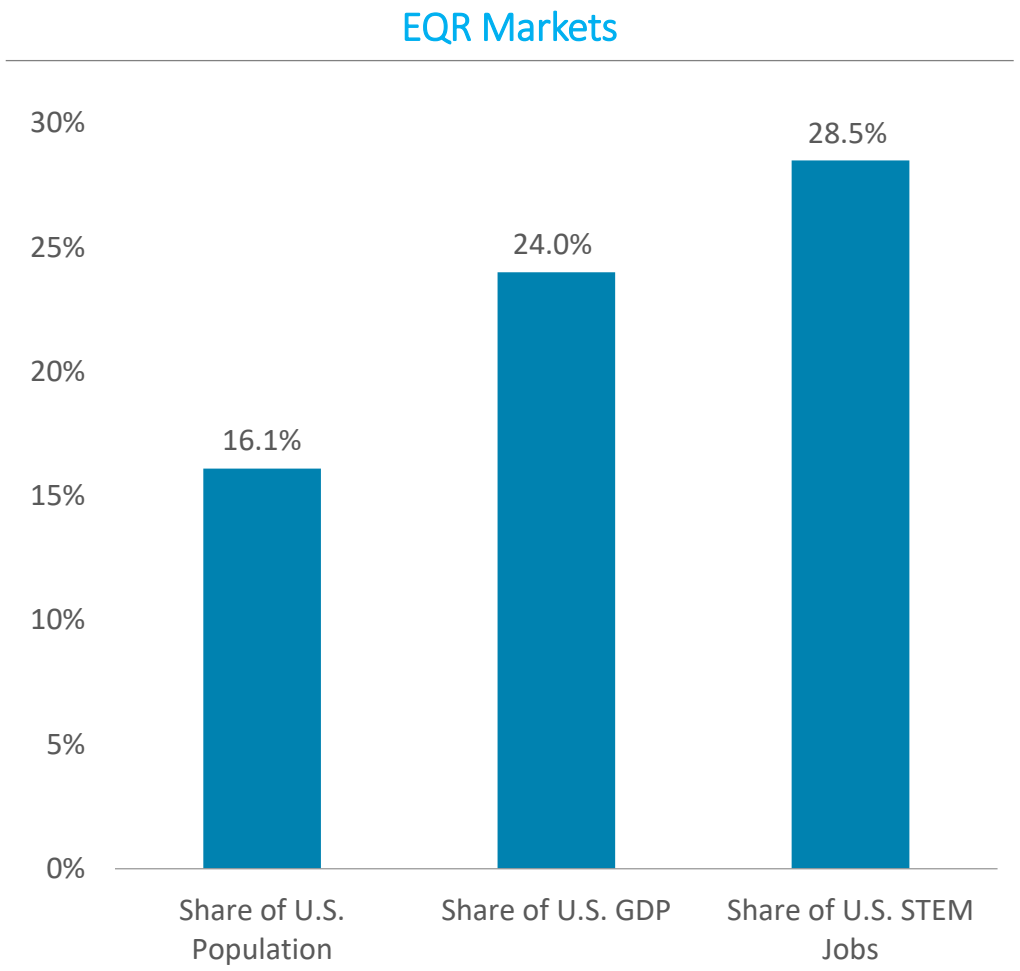


	San Francisco	Manhattan	Orange County	San Diego	Los Angeles	Seattle	Boston	Denver	Washington, D.C.	U.S.
Ratio	8.3x	10.6x	8.9x	8.0x	8.0x	5.8x	5.8x	5.6x	4.5x	4.4x

Notes: Latest data as of Q2 2020.
Sources: Census, Miller Samuel, National Association of Realtors, Rosen Consulting Group.

EQR Markets are Driving the Growth in Today's Knowledge Economy

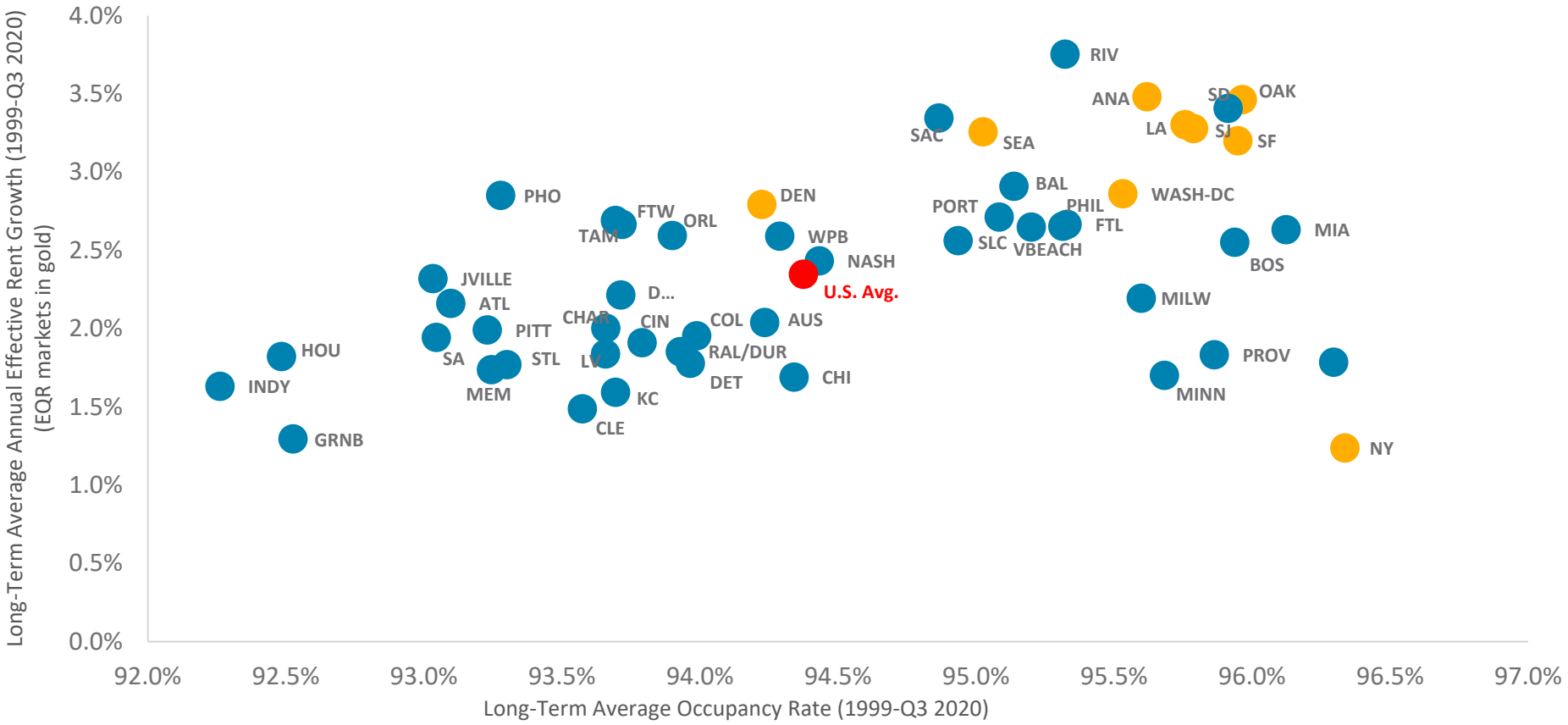
- EQR markets generate a much higher % of GDP than their share of the population.
- More than 2.7 Million STEM jobs, or nearly 30% of U.S. total, are located in EQR markets.
- STEM jobs in highly coveted and in-demand careers that are paving the way for the future.
- Average STEM salary in EQR markets: $113,000.



Source: Rosen Consulting Group 2019.
STEM: Science, Technology, Engineering and Mathematics.

EQR Markets Have the Best Long-Term Average Rent Growth and Occupancy

Rent Growth vs. Occupancy (1999-Q3 2020)

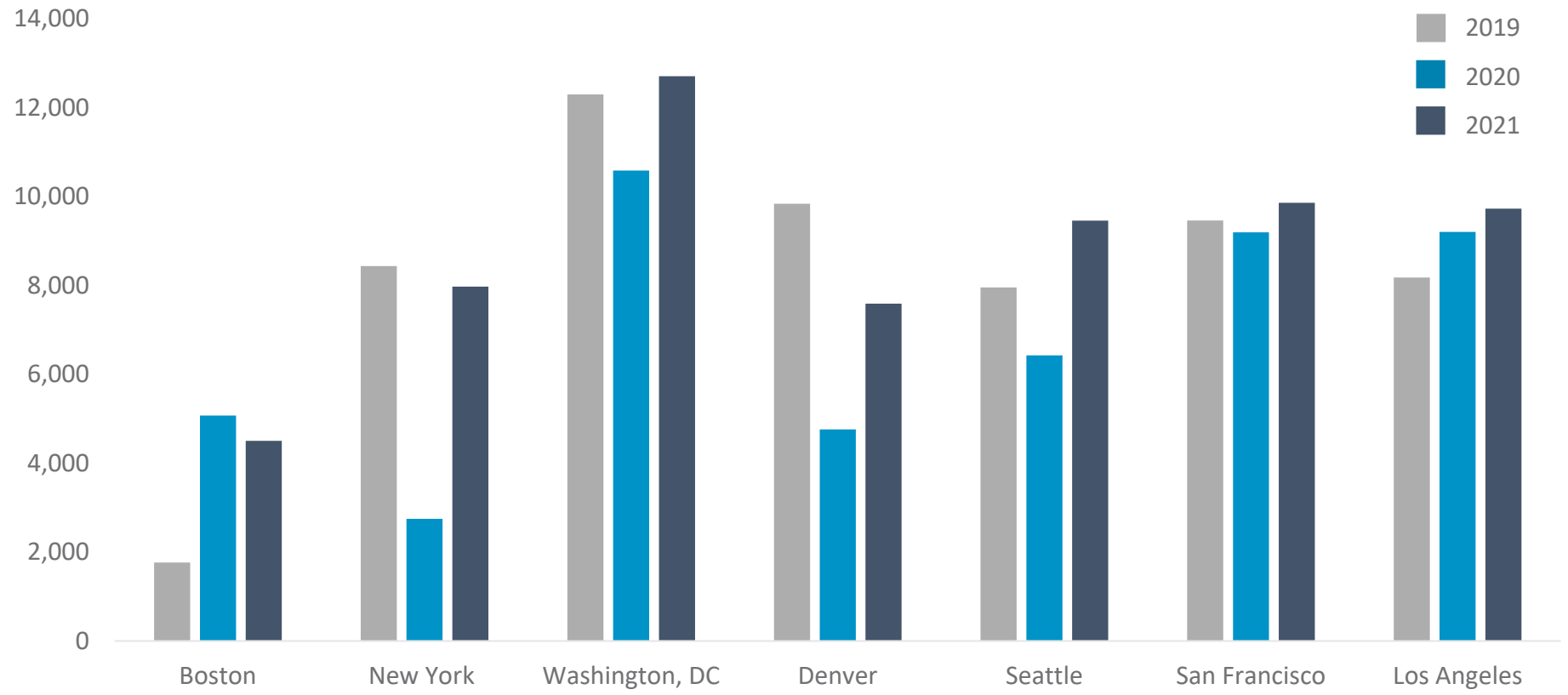


Source: Real Page, Inc.

New Supply Timing and Absorption Levels Could Continue to Impact Certain Markets

The vast majority of the 2021 projects included below were underway before the start of the pandemic. Given continued high construction costs and recent declines in rent levels, we would expect 2022 new supply to be significantly lower.

Multifamily New Supply (Units)



Source: EQR Data.

2020

Operations Update.

Same Store Performance



Operations Update: Residential

Operational performance remains bifurcated in our portfolio.

77% of the portfolio (Suburban and Urban Other) continues to demonstrate varying degrees of resilience on occupancy, renewals and pricing. The Urban Core has recently shown stability in occupancy and modest improvement in renewals but pricing remains challenged.

- **Demand** is driving application volume at or above prior year levels. These levels are needed to offset earlier declines in renewal percentage. Recent improvement in renewal percentage, which is seasonally typical this time of year, and these elevated applications are currently creating stability in occupancy.
- **Occupancy** has stabilized since the end of the third quarter across nearly all markets. Suburban and Urban Other markets occupancy remains strong offsetting weakness in the Urban Core.
- **Pricing** power remains challenging across many markets. Concession use is common in the Urban Core and recently parts of Urban Other markets. Suburban markets are holding up better with some submarkets beginning to see year over year price increases. As we move into the fourth quarter, it is typical to see further declines in Blended Rate given seasonal slowness.

Select Same Store Residential Operating Statistics

	% of Same Store Residential Revenues	Physical Occupancy on:			Renewal %			Blended Rate [1]		
	Q3 YTD 2020	06/30/20	09/30/20	11/10/20	Nov 2019	Oct 2020	Nov 2020 [5]	Q3 2020	Sep 2020	Q4TD [5]
Suburban [2]	44%	96.4%	95.9%	95.8%	61%	55%	58%	(4.8%)	(5.8%)	(6.5%)
Urban Other [2][3]	33%	94.7%	94.4%	94.2%	54%	47%	51%	(6.5%)	(8.4%)	(11.9%)
Urban Core [2][4]	23%	92.5%	89.2%	89.0%	63%	44%	47%	(14.7%)	(17.9%)	(22.8%)
Total	**100%**	**95.1%**	**94.2%**	**94.1%**	**59%**	**51%**	**54%**	**(7.9%)**	**(9.5%)**	**(11.7%)**

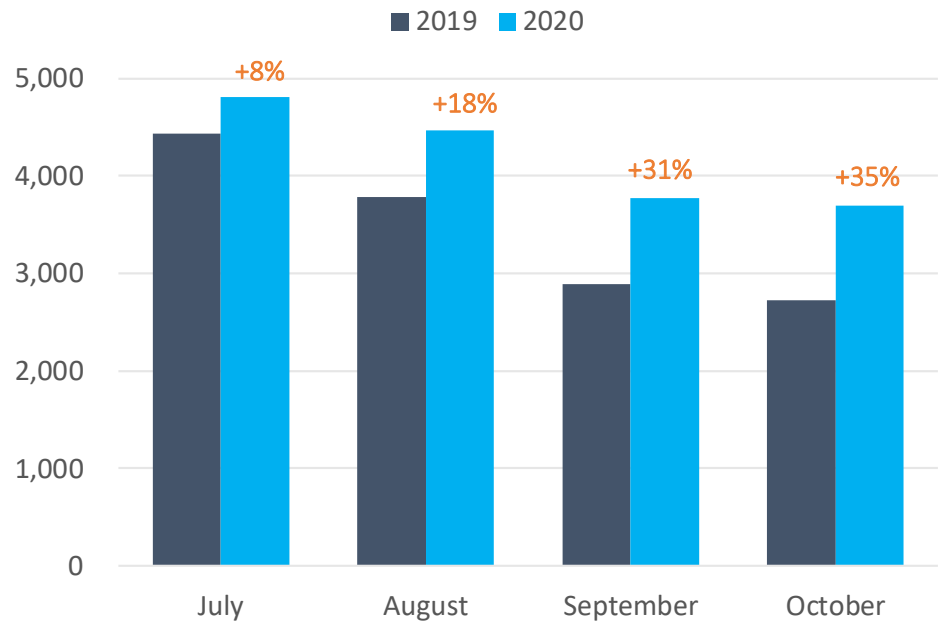
(1) Blended Rates reflect the weighted average of new lease change and renewal rate changes as well as the impact of the concessions spread over the term of the lease.
(2) The Company defines Urban submarkets as those with 3,500 or more households per square mile with the remainder defined as Suburban.
(3) Includes all other Urban properties excluding Urban Core.
(4) Includes Urban properties in Manhattan/Brooklyn, Downtown Boston/Cambridge, and Downtown San Francisco.
(5) Nov 2020 and Q4 2020 QTD preliminary results as of 11/10/2020.

2020 Performance Update
Equity Residential

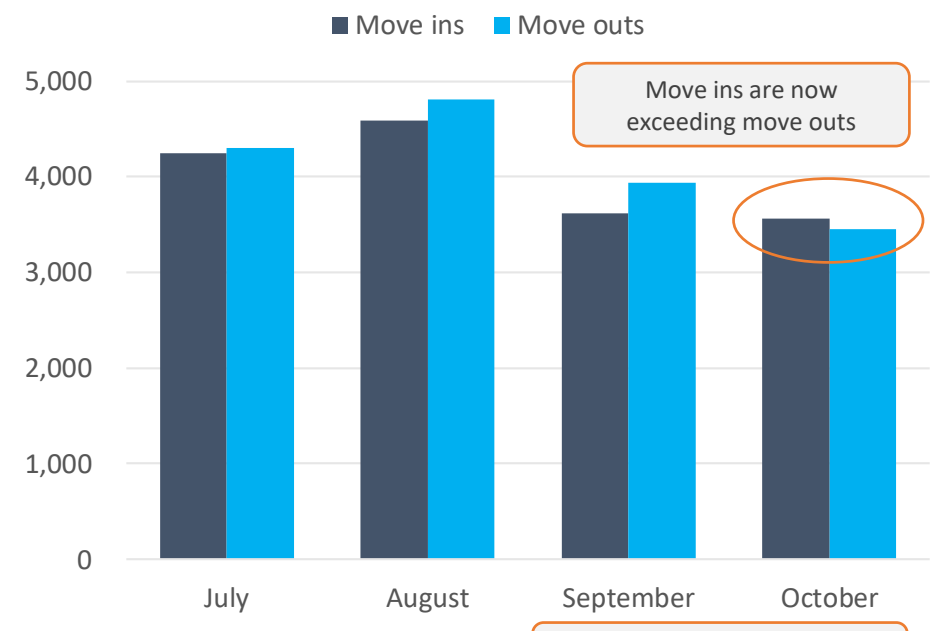
September and October application counts exceeded 2019 levels by 30%+, driving move in activity and stabilizing occupancy levels.

- Increased move outs in July and August outpaced increased applications and move in activity, creating pressure on occupancy.
- An extended leasing season is yielding outsized year-over-year application growth in September and October translating into move ins surpassing move outs and stabilizing occupancy.

Gross Application Count



Move In and Move Out Activity



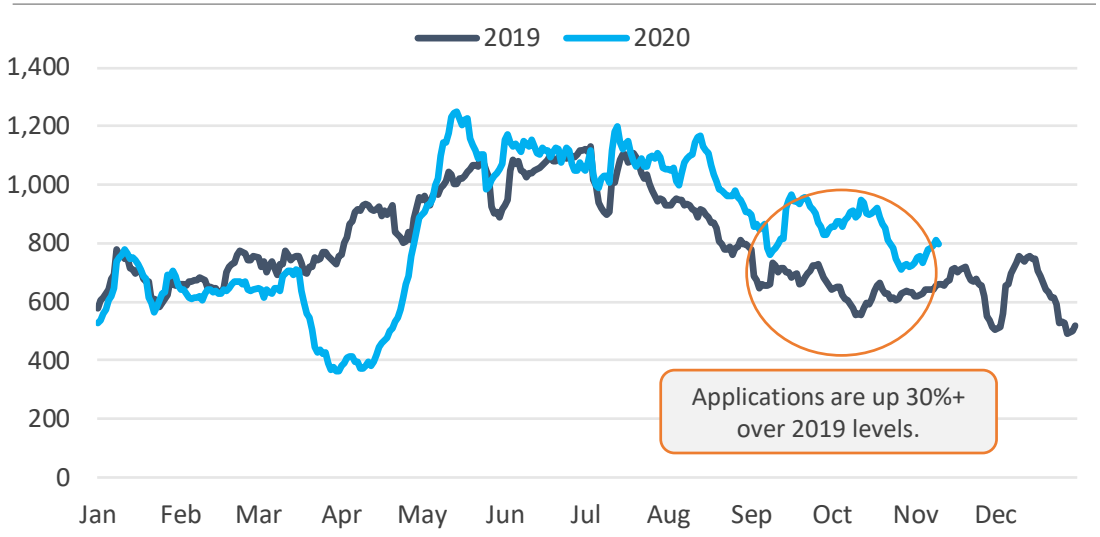
	July	August	September	October
Occupancy (month end)	95.0%	94.8%	94.2%	94.3%

2020 Performance Update
Equity Residential

Physical Occupancy % (11/10/2020)	Q3 Blended Rate %	Q4TD Blended Rate %
94.1%	(7.9%)	(11.7%)

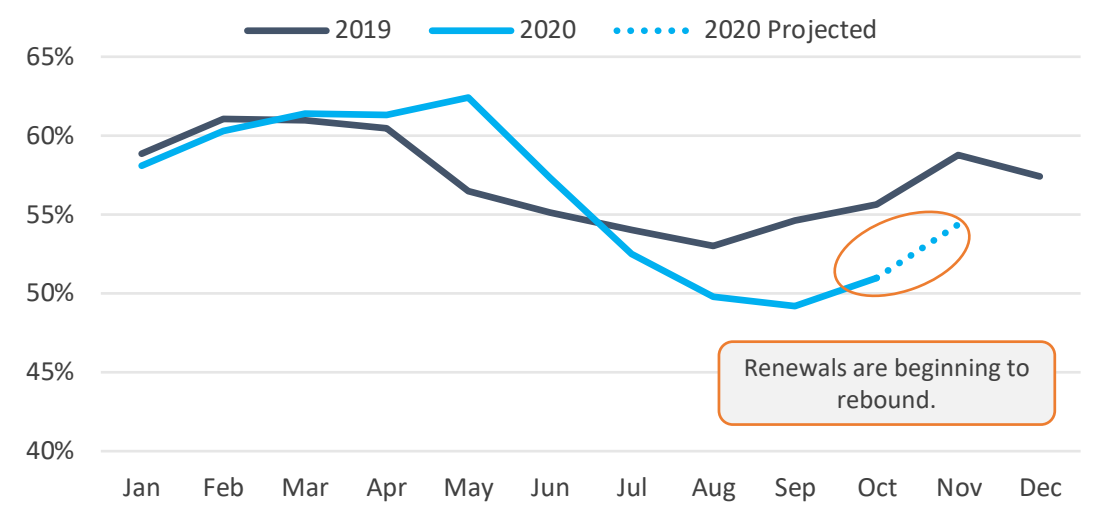
Demand in both our Urban and Suburban locations continues to be strong indicating an extension of the leasing season.

Rolling Gross Application Count



- Applications continue to exceed prior year levels driven by elevated vacancy and attractive pricing. This demand is assisting in stabilizing Physical Occupancy.

Renewal Percentage by Effective Month



- Renewal percentage began to recover in early October, following the normal seasonal pattern.

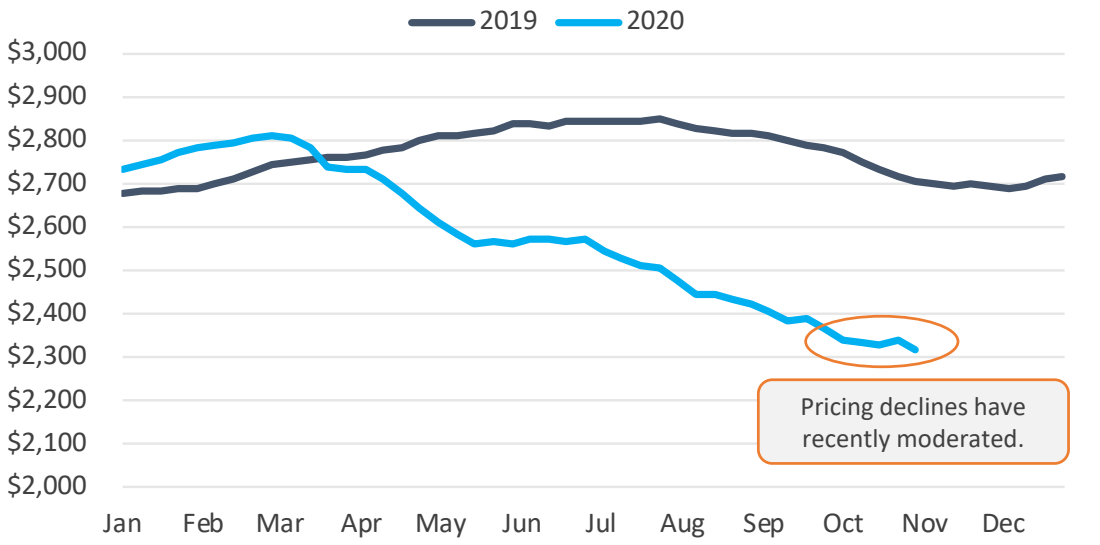
Note: Chart data presented as of 11/10/2020; Q4 Blended Rate as of 11/10/2020.

2020 Performance Update
Equity Residential

Physical Occupancy % (11/10/2020)	Q3 Blended Rate %	Q4TD Blended Rate %
94.1%	(7.9%)	(11.7%)

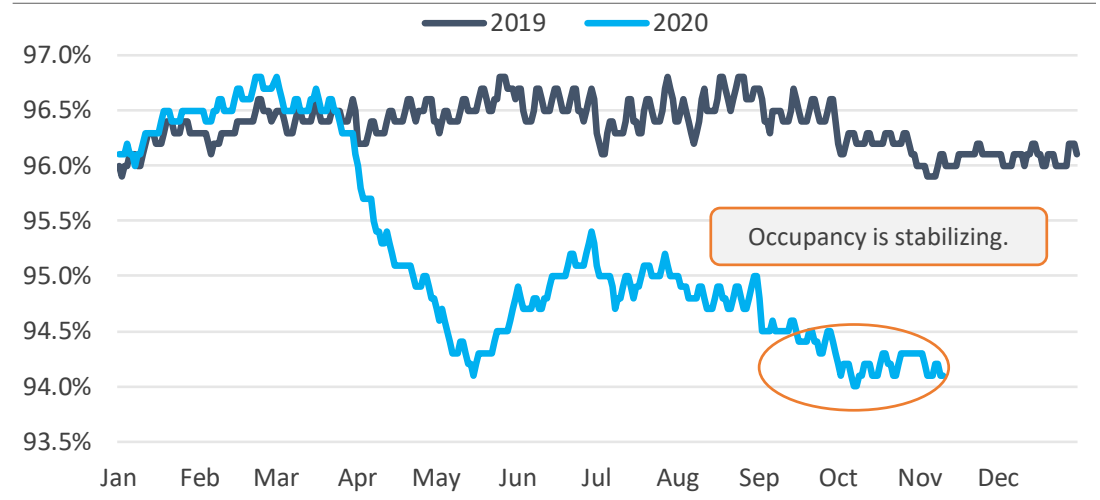
Pricing declines have moderated in some markets while occupancy remains stable.

Pricing Trend



- Pricing remains challenged with concession use elevated primarily in the Urban markets.
- Pricing typically declines seasonally in Q4 but we have seen some submarkets defy this trend.

Physical Occupancy



- Physical Occupancy has stabilized portfolio wide at slightly above 94%.

Note: Chart data presented as of 11/10/2020; Q4 Blended Rate as of 11/10/2020.

2020 Performance Update

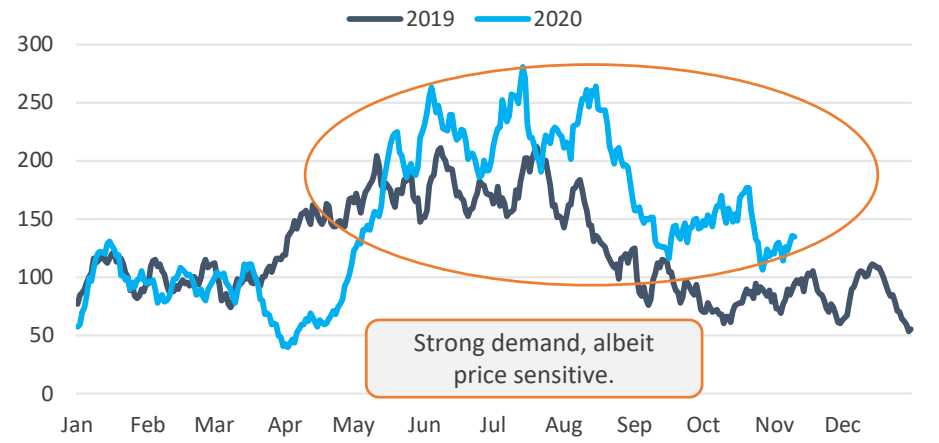
Urban Core

(Manhattan/Brooklyn (NY), City of Boston/Cambridge, & Downtown San Francisco)

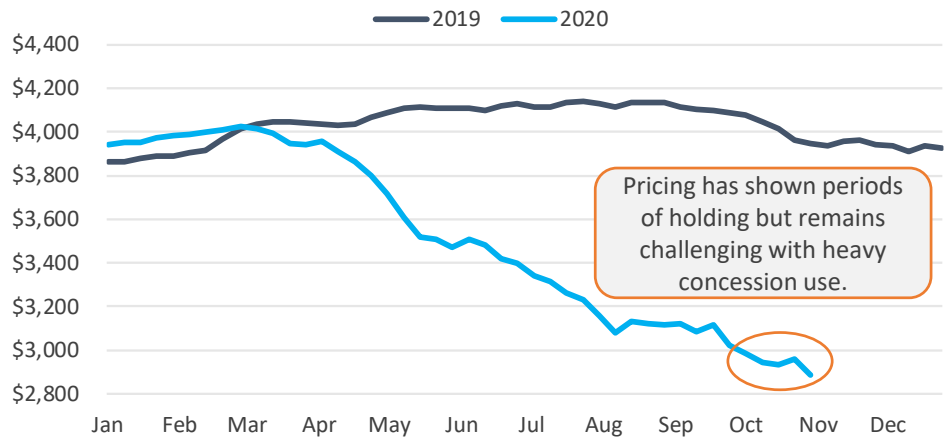
Market Weight % Stabilized NOI	Physical Occupancy % (11/10/2020)	Q3 Blended Rate %	Q4TD Blended Rate %
23.0%	89.0%	(14.7%)	(22.8%)

Demand remains elevated in the Urban Core defying normal seasonal slowing, but pricing continues to feel pressure with 70% of portfolio wide concession use in these markets. Renewal % beginning to show signs of improvement.

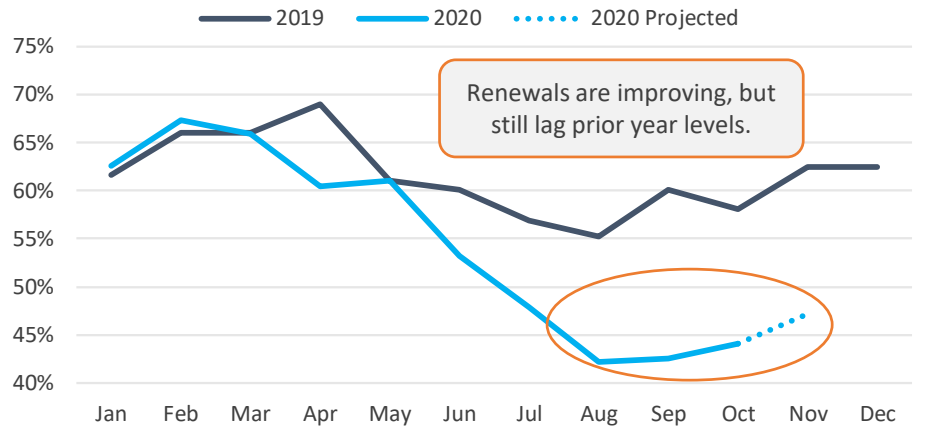
Rolling Gross Application Count



Pricing Trend



Renewal Percentage by Effective Month



Physical Occupancy



Note: Chart data presented as of 11/10/2020; Q4 Blended Rate as of 11/10/2020.

2020 Performance Update

Urban Other

(All other urban markets, excluding Urban Core)

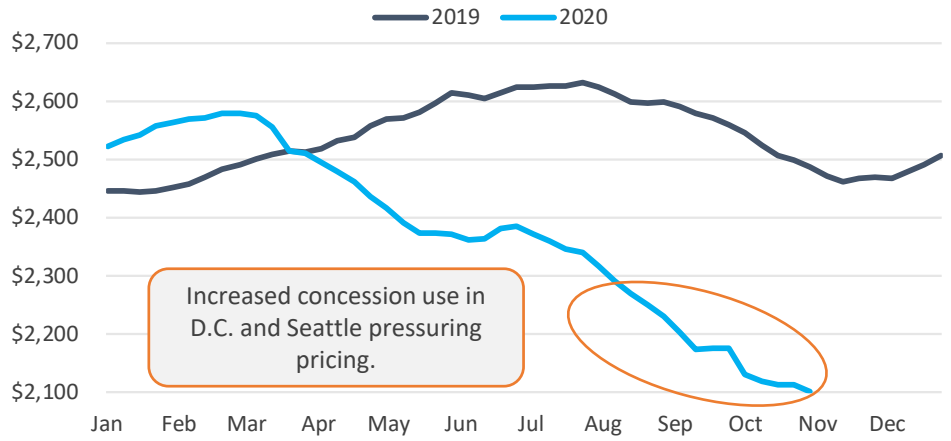
Market Weight % Stabilized NOI	Physical Occupancy % (11/10/2020)	Q3 Blended Rate %	Q4TD Blended Rate %
33.0%	94.2%	(6.5%)	(11.9%)

The remaining Urban portfolio outside of the Urban Core continues to be more resilient. Pricing power is limited and concession use is increasing in Washington, D.C. and Seattle but demand is healthy. Renewal % shows a notable improvement since September with occupancy continuing to hold at or around 94.5%.

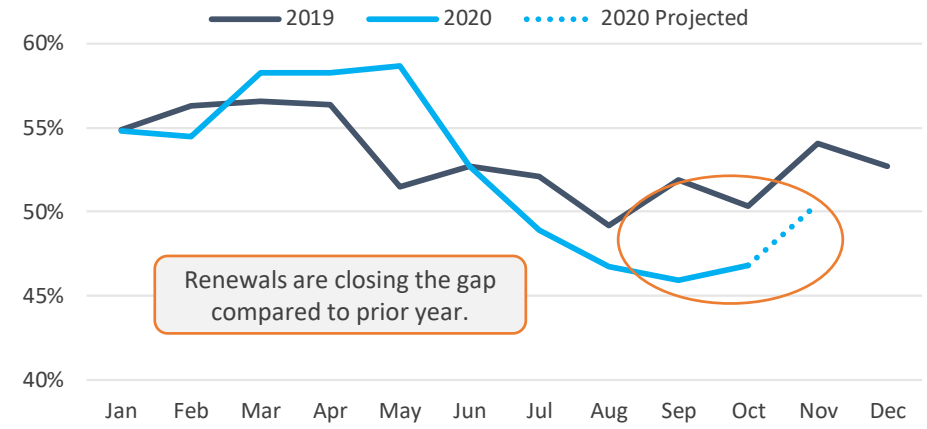
Rolling Gross Application Count



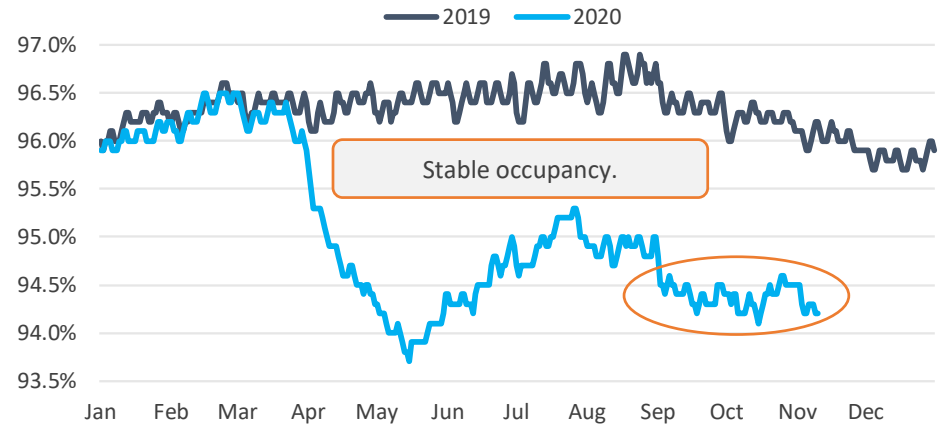
Pricing Trend



Renewal Percentage by Effective Month



Physical Occupancy



Note: Chart data presented as of 11/10/2020; Q4 Blended Rate as of 11/10/2020.

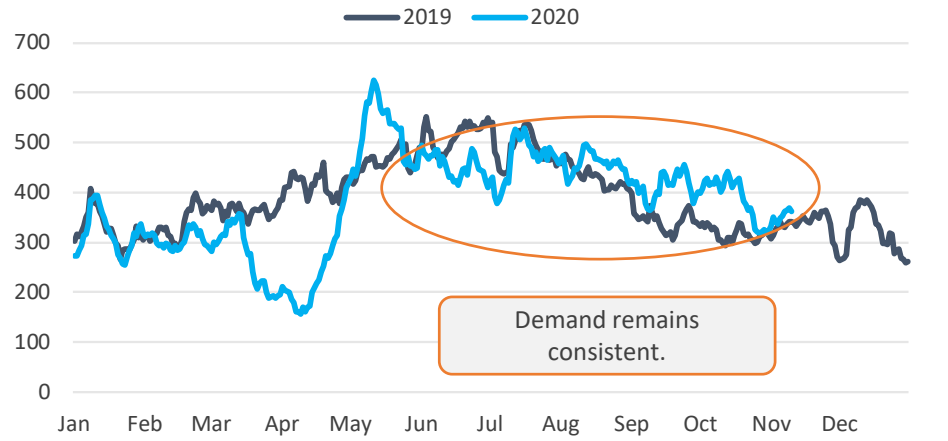
2020 Performance Update

Suburban Portfolio

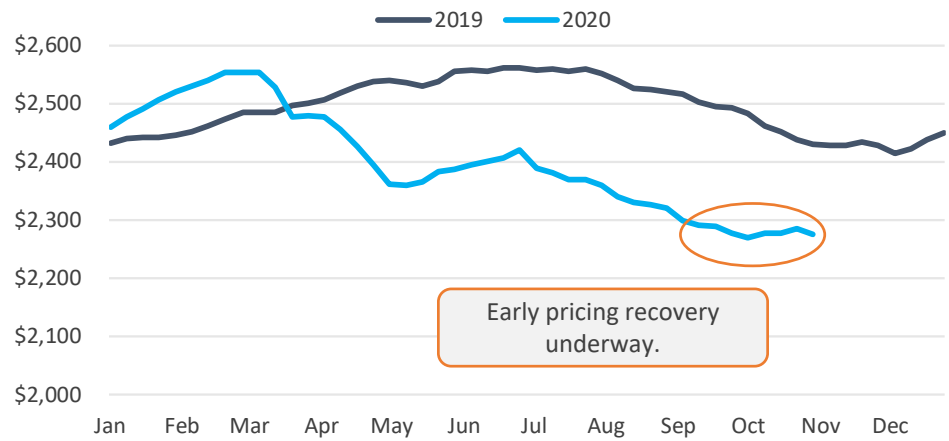
Market Weight % Stabilized NOI	Physical Occupancy % (11/10/2020)	Q3 Blended Rate %	Q4TD Blended Rate %
44.0%	95.8%	(4.8%)	(6.5%)

The Suburban portfolio is maintaining occupancy at or around 96%. Pricing power has started to return in a number of markets with little to no concession use needed. Demand remains elevated and renewal percentage is now tracking with the prior year after outperforming record results in 2019.

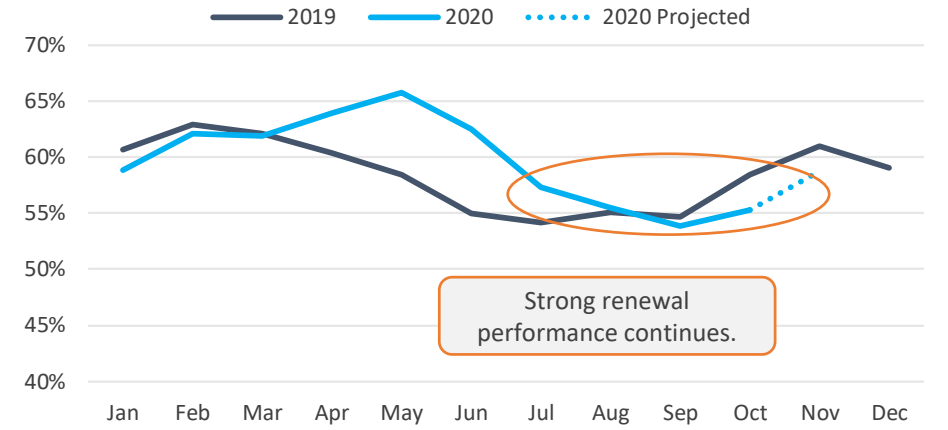
Rolling Gross Application Count



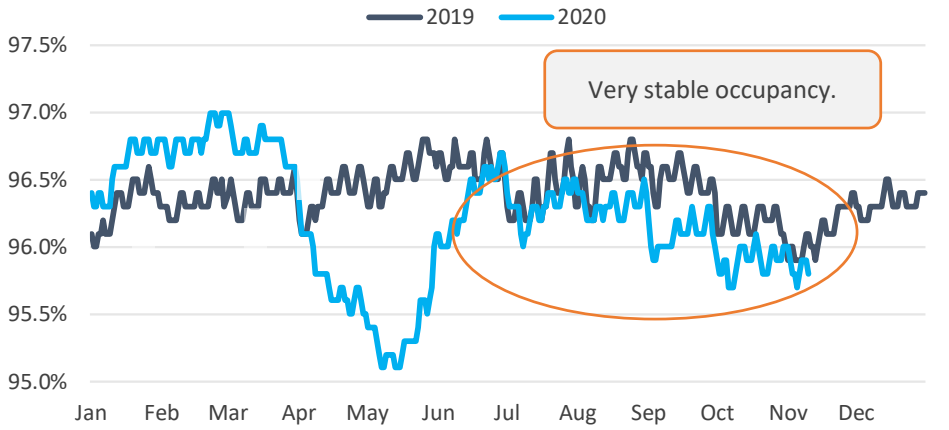
Pricing Trend



Renewal Percentage by Effective Month



Physical Occupancy



Note: Chart data presented as of 11/10/2020; Q4 Blended Rate as of 11/10/2020.

2020 Performance Update
Same Store Portfolio Only

Portfolio-wide occupancy continues to run just above 94%. Pricing power remains challenged, although some leveling off has occurred. Concession use continues, primarily driven by the Urban portfolio.

Market	Market Weight	Results			Commentary
		Q3 Blended Rate %	Physical Occupancy % as of 9/30	Physical Occupancy % as of 11/10	
Boston	9.6%	(9.1%)	93.4%	93.9%	Elevated vacancy levels and pricing power will be further challenged by new supply. Concession use remains high in the Urban core with amounts now averaging closer to 6 weeks. Improved occupancy has created some recent stability in the portfolio.
New York	14.1%	(11.5%)	90.0%	89.7%	Deal seekers continue to benefit from the rent reductions and heavy concession use. While demand is elevated, pricing power has not returned. Concession use remains consistent at 2 months. Overall the rate of deceleration is slowing, however continued pressure will remain through the balance of the year.
Washington D.C.	16.1%	(4.3%)	95.1%	95.2%	DC has been resilient through the pandemic, however performance has moderated due to slowing of Class A absorption. While demand remains good, pricing power is leveling off and concession use is increasing at levels of 4-6 weeks. DC Is expected to continue to moderate through the balance of the year.
Seattle	10.2%	(7.8%)	94.5%	94.3%	Social unrest and extended work from home announcements impacting performance. There has been a loss of pricing power resulting in concession use between 4-6 weeks at urban assets. This concession use has generated improvements in demand that are leading to better expected occupancy.
San Francisco	20.4%	(12.7%)	92.9%	92.3%	Downtown San Francisco (27% of San Francisco portfolio) remains our most challenged submarket. Pricing power is limited and concession use at 2 months is prevalent in downtown San Francisco with lower concessions used in the Peninsula and South Bay. While application volume remains elevated, occupancy remains pressured by lower retention.
Los Angeles	19.5%	(4.7%)	95.9%	95.7%	Los Angeles represents a diverse mix of Urban and Suburban assets. Pricing power has returned to the Suburban submarkets. Pricing remains level in the Urban portfolio with concessions averaging around one month. Los Angeles will show modest improvement thanks to the contributions from the Suburban portfolio.
Orange County	4.8%	(1.5%)	96.5%	97.0%	Performance has remained relatively strong and has returned to prior year levels. Pricing trend is moving above the prior year with little to no concession use. Occupancy remains strong. Orange County is expected to provide solid results through the balance of the year.
San Diego	4.2%	(1.3%)	96.6%	96.8%	San Diego represents some of our best performance. Pricing power has returned with rates moving above the prior year with little to no concession use. Occupancy and renewal trends remain strong. San Diego is expected to continue to deliver strong results through the remainder of the year.
Denver	1.1%	(6.2%)	94.5%	94.1%	Occupancy leveling off. Pricing power remains low and use of concessions remains elevated due to new supply pressure. Denver same store is only two assets and is expected to see some volatility due to its size and impact from new supply.
TOTAL SS RESIDENTIAL	**100%**	**(7.9%)**	**94.2%**	**94.1%**	**Loss of occupancy and pricing power continues to weigh on portfolio results. Concession use remain heavily weighted to the Urban portfolio. Performance is stabilizing with demand better than usual and retention following seasonal improvement trends.**



2020

Balance Sheet.

One of the strongest in the REIT sector.

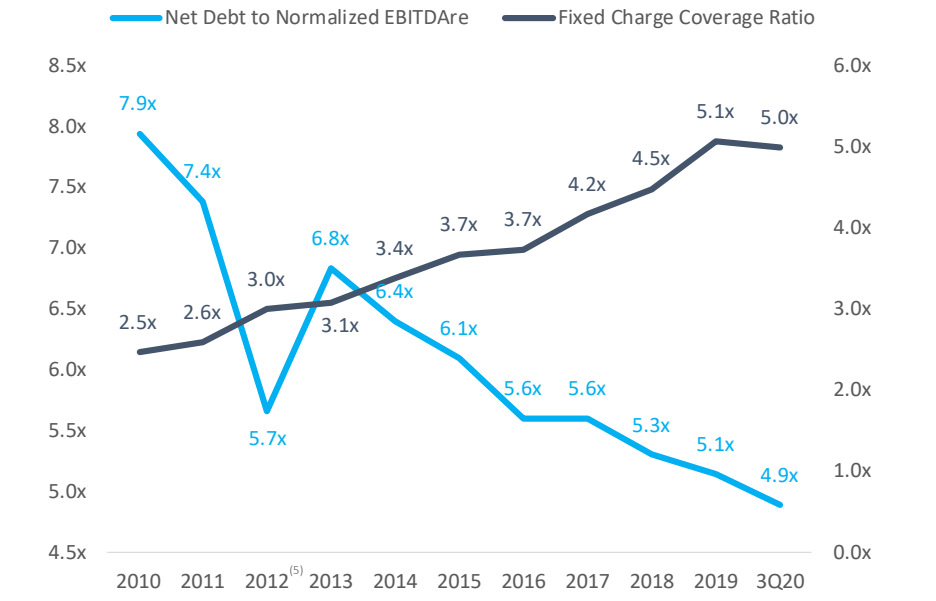
Strong Credit Metrics Create Balance Sheet Capacity and Financial Flexibility

A- / A3 / A Investment Grade Credit Ratings(1)	**4.9x** Net Debt to Normalized EBITDAre(2)	**5.0x** Fixed Charge Coverage
86% Unencumbered NOI as a % of total NOI	**$2.5B** Unsecured Revolving Credit Facility(3)	**32%** Debt to Total Assets(4)

Source: Company Filings as of 09/30/20.
(1) S&P, Moody's and Fitch, respectively.
(2) See "Normalized EBITDAre Reconciliations" on page 24 of the Company's Q3 2020 Earnings Release.
(3) The Company limits its utilization of the facility in order to maintain liquidity to support its $1.0 billion commercial paper program along with certain other obligations. Currently, it has $2.4 billion available under the facility and no outstanding commercial paper.
(4) Calculated consistent with the Company's unsecured bond covenants.

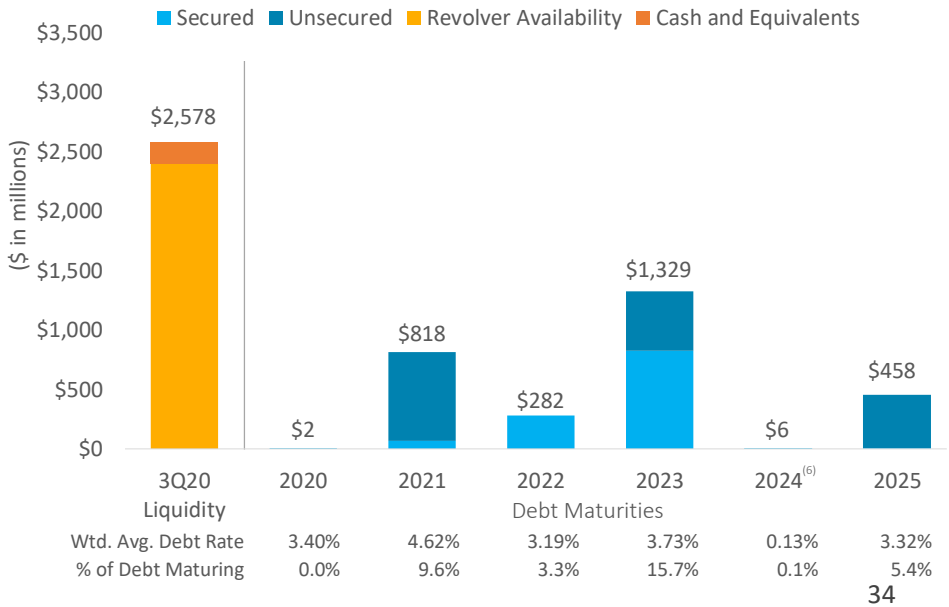
- Prudent financial policy through operating cycles, economic downturns and transformative events facilitates financial flexibility, better access to various capital sources, and reduced interest rate risk.
- Large scale provides resilient and healthy cash flow.
- Substantial liquidity provided by the $2.5 billion revolving line of credit (inclusive of $1.0 billion commercial paper program).
- Well-staggered debt maturity schedule and limited development funding requirements.
- Large pool of high quality unencumbered assets.

Conservative Leverage Profile With Balance Sheet Capacity



(5) The Company issued equity at the end of 2012 to fund the Archstone acquisition.

Substantial Liquidity and Minimal Near-Term Debt Maturities



(6) The $2.5Bn revolver is set to mature November 2024. As of 09/30/20, there were no borrowings outstanding.



2020

Environmental, Social & Governance.

Our commitment to ESG.

Equity Residential Sustainability Highlights

Highlights

ENVIRONMENT

GRESB

A GRESB top performer since 2013

100.0%

Leadership in Energy and Environmental Design (LEED) Gold or higher on 100.0% of new developments and newly redesigned corporate headquarters

GHG emissions reduction goal for 2021 met nearly **TWO YEARS EARLY**

ON TRACK to meet 2021 energy and water reduction goals

SOCIETY

SUPPORTED OUR RESIDENTS AND EMPLOYEES during the COVID-19 pandemic by focusing on health and safety initiatives

STRENGTHENED OUR DIVERSITY AND INCLUSION STRATEGY by hiring staff solely dedicated to promoting diversity and inclusion and setting new goals and commitments

91.0%

Achieved 91.0% satisfaction rate with new residents

Supported local communities through charitable contributions and volunteer activities at **80 EVENTS** with **20 ORGANIZATIONS**

GOVERNANCE

25.0%

People of color represent 25.0% of our Board of Trustees

WOMEN'S FORUM OF NEW YORK

Recognized as a Corporate Champion by the Women's Forum of New York for gender diversity for second consecutive year

ENHANCED ESG GOVERNANCE AND OVERSIGHT by formalizing ESG Steering Committee and cross-functional ESG Working Group

25.0%

Women represent 25.0% of our Board of Trustees and 66.0% of independent committee chairs

Equity Residential: Driving a Sustainable Strategy

We invest in urban and suburban markets that are highly walkable and transit friendly, enabling a low carbon footprint lifestyle for our residents to live, work and play.

Location:
- Walkable and transit-friendly
- Neighborhoods where residents Live, Work & Play

Product:
- High density construction
- Shared amenity and systems infrastructure

Operation:
- Accretive energy and water reductions
- High onsite recycling rates

GOAL

Energy Consumption

By 2021, reduce energy consumption by 15% of our 2011 levels.

PROGRESS (1)

Have reduced consumption by 11.5% from our 2011 level.

Water Consumption

By 2021, reduce water consumption by 10% of our 2011 levels.

Have reduced consumption 9.9% from our 2011 level.

Greenhouse Gas Emissions

GHG emissions reduction goal for 2021 met nearly two years early.

Have reduced emissions 25.5% from our 2011 level.

Commitment to Sustainable Building

Goals	Target Date	Status	Progress
Conduct a feasibility assessment of sustainable building measures for 100% of new development projects and acquisitions	Ongoing	On Track	100% of acquisitions, projects under construction or newly completed projects in 2019 completed an assessment for sustainability measures.
Pursue LEED Gold certification for 100% of ground-up development projects	Ongoing	On Track	100% of projects under construction or newly completed in 2019 targeted LEED Gold Certification.
Pursue LEED Gold certification for Chicago Headquarter renovation	2020	Achieved	Achieved LEED Gold certification upon completion in 2020.
Install Smart Home Program in 12,500 units	2021	Delayed	2,500 units installed in 2019. 2020 installations delayed by COVID-19 pandemic.
Include biophilic design on development of all renovation projects	Ongoing	On Track	All renovations in 2019 included biophilic design elements, including our corporate headquarters.
Reduce energy consumption by 15% of our 2011 levels	2021	On Track	We have reduced energy consumption 11.5% from our 2011 level.
Reduce greenhouse gas emissions by 25.0% of our 2011 levels	2021	Achieved	We have reduced our greenhouse gas emissions 25.5% from our 2011 level.
By 2021, reduce water consumption by 10% of our 2011 levels.	2021	On Track	We have reduced water consumption by 9.9% from our 2011 level.
Increase resident awareness of water savings opportunities	Ongoing	New Goal (2020)	Because this is a new goal, we will report progress next year.

(1) Lloyd's Register Quality Assurance, Inc. (LRQA) was commissioned by Equity Residential to assure its Greenhouse Gas (GHG) Emissions Inventory, energy consumption, water consumption, and waste generation for the calendar year (CY) 2019. Refer to the full 2020 ESG report, which can be found on the Sustainability page of the Company's website at www.equityapartments.com/corporate/sustainability.html, for more details.

A Commitment to Sustainability

LEED Certified (2017)

170 Amsterdam
Alcyone
Axis at Shady Grove
Old Town Lofts
Prism at Park Avenue South
The Dalton

LEED Silver (2019)

100 K St.
2201 Pershing
Eviva on Cherokee
Madox
Westgate
Venn at Main

LEED Gold (2016)

315 on A
Aero Apartments (targeted)
Alcott Apartment (targeted)
Chloe on Madison (targeted)
Helios
Lofts at Kendall Square II
The Edge (targeted)
The Lex
Troy
Urbana

LEED Platinum (2018)

855 Brannan
Cascade

Built Green

Red160

Home Innovation NGBS Green Certified

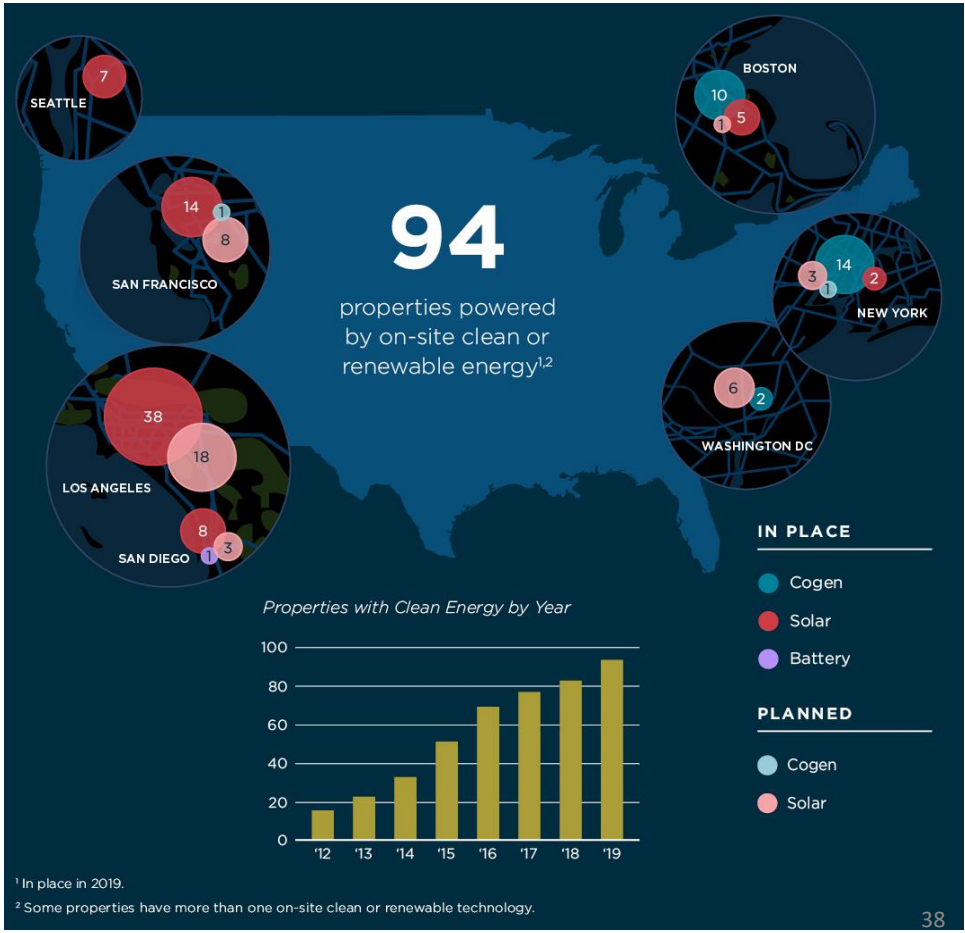
455 Eye Street (Bronze)
1111 Belle Pre (Silver)
Nexus Sawgrass (Silver)
Ten23 (Silver)

GreenPoint Rated

340 Fremont
Azure
Domain
Huxley (Gold)
One Henry Adams
Potrero 1010
Vista 99

CALGreen

Altitude
Alton, The Residences at Westgate II
Residences at Westgate I



2020

About Our Company.

Creating communities where people thrive.



Azure– San Francisco, CA

Glossary of Terms

Forward-Looking Statements

In addition to historical information, this presentation contains forward-looking statements and information within the meaning of the federal securities laws. These statements are based on current expectations, estimates, projections and assumptions made by management. While Equity Residential's management believes the assumptions underlying its forward-looking statements are reasonable, such information is inherently subject to uncertainties and may involve certain risks, including, without limitation, changes in general market conditions, including the rate of job growth and cost of labor and construction material, the level of new multifamily construction and development, competition and local government regulation. Other risks and uncertainties are described under the heading "Risk Factors" in our Annual Report on Form 10-K and subsequent periodic reports filed with the Securities and Exchange Commission (SEC) and available on our website, www.equityapartments.com. Many of these uncertainties and risks are difficult to predict and beyond management's control. Forward-looking statements are not guarantees of future performance, results or events. Equity Residential assumes no obligation to update or supplement forward-looking statements that become untrue because of subsequent events.

Please reference the Company's Third Quarter 2020 Earnings Release and Supplemental Financial Information from October 27, 2020 including "Additional Reconciliations and Definitions of Non-GAAP Financial Measures and Other Terms" for terms and reconciliations of Normalized FFO per share, Net Operating Income, Normalized EBITDAre, Same Store Residential Revenues and other items.

Terms	Definition
Blended Rate	The weighted average of new lease change and renewal rate achieved including the impact of concessions.
EBITDAre and Normalized EBITDAre:	**Earnings Before Interest, Taxes, Depreciation and Amortization for Real Estate ("EBITDAre")** – The National Association of Real Estate Investment Trusts ("Nareit") defines EBITDAre (September 2017 White Paper) as net income (computed in accordance with 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. **Normalized Earnings Before Interest, Taxes, Depreciation and Amortization for Real Estate ("Normalized EBITDAre")** – Represents net income (computed in accordance with GAAP) before interest expense, income taxes, depreciation and amortization expense, and further adjusted for non-comparable items. Normalized EBITDAre, total debt to Normalized EBITDAre and net debt to Normalized EBITDAre are important metrics in evaluating the credit strength of the Company and its ability to service its debt obligations. The Company believes that Normalized EBITDAre, total debt to Normalized EBITDAre, and net debt to Normalized EBITDAre are useful to investors, creditors and rating agencies because they allow 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.
Move Ins	The number of leases where financial responsibility began for the reported period.
Move Outs	The number of physical move outs for the reported period.

Glossary of Terms

Terms	Definition
Net Operating Income ("NOI")	The Company's primary financial measure for evaluating each of its apartment properties. NOI is defined as rental income less direct property operating expenses (including real estate taxes and insurance). The Company believes that NOI is helpful to investors as a supplemental measure of its operating performance because it is a direct measure of the actual operating results of the Company's apartment properties. NOI does not include an allocation of property management expenses either in the current or comparable periods. Rental income for all leases and operating expense for ground leases (for both same store and non-same store properties) are reflected on a straight-line basis in accordance with GAAP for the current and comparable periods.
Physical Occupancy	The weighted average occupied apartment units for the reporting period divided by the average of total apartment units available for rent for the reporting period.
Pricing Trend	Weighted average of 12-month base rent including amenity amount less leasing concessions on 12-month signed leases for the reporting period.
Renewal Percentage	Leases renewed expressed as a percentage of total renewal offers extended during the reporting period.
Rolling Gross Application Count	Represents the number of completed applications for a trailing seven-day window from the reported date
Same Store Properties	For annual comparisons, primarily includes all properties acquired or completed that are stabilized prior to January 1, 2019, less properties subsequently sold. Properties are included in Same Store when they are stabilized for all of the current and comparable periods presented.
Same Store Residential Revenues	Revenues from our Same Store Properties presented on a GAAP basis which reflects the impact of Leasing Concessions on a straight-line basis.

Glossary of Terms

Terms	Definition
Suburban	The Company defines Urban submarkets as those with 3,500 or more households per square mile with the remainder defined as Suburban.
Unlevered Internal Rate of Return ("IRR")	The Unlevered IRR on sold properties is the compound annual rate of return calculated by the Company based on the timing and amount of: (i) the gross purchase price of the property plus any direct acquisition costs incurred by the Company; (ii) total revenues earned during the Company's ownership period; (iii) total direct property operating expenses (including real estate taxes and insurance) incurred during the Company's ownership period; (iv) capital expenditures incurred during the Company's ownership period; and (v) the gross sales price of the property net of selling costs. The calculation of the Unlevered IRR does not include an adjustment for the Company's property management expense, general and administrative expense or interest expense (including loan assumption costs and other loan-related costs). Therefore, the Unlevered IRR is not a substitute for net income as a measure of our performance. Management believes that the Unlevered IRR achieved during the period a property is owned by the Company is useful because it is one indication of the gross value created by the Company's acquisition, development, renovation, management and ultimate sale of a property, before the impact of Company overhead. The Unlevered IRR achieved on the properties as cited in this release should not be viewed as an indication of the gross value created with respect to other properties owned by the Company, and the Company does not represent that it will achieve similar Unlevered IRRs upon the disposition of other properties. The weighted average Unlevered IRR for sold properties is weighted based on all cash flows over the investment period for each respective property, including net sales proceeds. Projected IRR is the Unlevered IRR expected by the Company in its underwriting of investments using pro-forma growth expectations. Projected Buyer IRR is the Company's calculation of the expected Unlevered IRR for the buyer of the Company's disposition asset taking into account anticipated capital expenditures and value add opportunities as well as pro-forma growth expectations the buyer assumes.
Urban	Urban is Urban submarkets with 3,500 or more households per square mile.
Urban Core	Includes Urban properties in Manhattan/Brooklyn, Downtown Boston/Cambridge, and Downtown San Francisco.
Urban Other	Includes all other Urban properties excluding Urban Core.


Equity Residential
NYSE: EQR