Equity Residential

BofA Securities Debt Capital Markets Conference

November 2021



GRESB Sector Leader 2021

Nareit 2021 Gold Nareit Corporate Diversity, Equity and Inclusion Award Recipient

America's Most Responsible Companies 2021 Newsweek statista

CEO ACT!ON FOR DIVERSITY & INCLUSION

U.S. Green Building Council USGBC

Chloe on Madison – Seattle, WA | *LEED Home Platinum*
Winner of the U.S. Green Building Council 2021 LEED Homes Award for Outstanding Multifamily Project

Equity Residential Highlights

Equity Residential

307 Properties 79,322 Apartment Units

Founded and Chaired by Sam Zell

87%
Unencumbered NOI as a % of Total NOI

Premier Owner and Operator of Residential Properties Located in and Around Dynamic Cities That Attract High Quality Long-Term Renters

S&P 500 Company

$1.4 Billion in Annual Normalized EBITDAre

Sold $11.6 Billion
of Apartment Properties Producing Unlevered IRR of 11.2% since the beginning of 2015

$39.6 Billion Total Market Capitalization

Over $2.4 Billion in Annual Revenue

4.9x Fixed Charge Coverage

12.6% Annual Total Shareholder Return Since 1993 IPO

4-Star Rated by GRESB

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

Note: As of 9/30/21. Please see Glossary of Terms and Reconciliations.

What Makes Equity Residential a Leader in Multifamily?

Robust Post Pandemic Outlook

- Well positioned for recovery in 2022 with 13.6% Loss to Lease (net effective), favorable resident demand outlook, and a track record of strong recovery post downturns.

Strategic Capital Allocation

- Diversification into new markets through attractive and non-dilutive capital recycling.

Leading Operating Platform

- Industry-leading efficiency in on-site operations.
- Demonstrated leader in harnessing technology to drive innovation.

Differentiated Development Model

- Toll Brothers' strategic partnership and in-house development pipeline is expected to eventually deliver $1.0B+ in annual completions at attractive yields with modest overhead and reduced risk.

Financial Strength

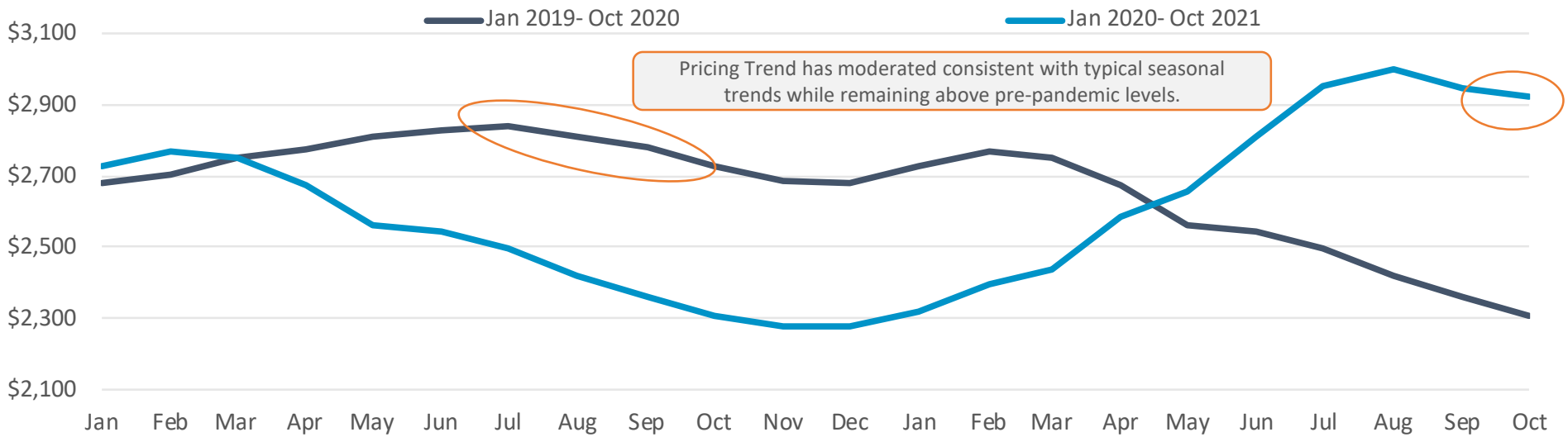
- Strong credit metrics create balance sheet capacity and financial flexibility to drive growth.

Durable Cash Flow Growth with Strong Capital Appreciation.

Performance Update

While Pricing Trend has begun moderating in line with typical seasonal patterns, overall pricing levels remain strong.

Pricing Trend



(month end 2020-2021)	$2,281	$2,380	$2,409	$2,489	$2,623	$2,704	$2,894	$3,019	$2,974	$2,947	$2,918

- Pricing Trend (which includes the impact of Leasing Concessions) has seen a 28% sequential improvement since December 2020 and is solidly above pre-pandemic rent levels.
- Pricing Trend has declined recently consistent with normal seasonal patterns and our prior expectations.
- Monthly residential Leasing Concessions granted have dramatically declined. Residential Leasing Concessions granted in July 2021 were $1.5M, August 2021 were $510K, September 2021 were $167K and October 2021 is expected to be less than $50K. In October 2020, Residential Leasing Concessions were $5.1M.

Note: Data presented as of 10/21/2021. Reflects 2021 Same Store Properties. Charts and data for October 2021 are preliminary.

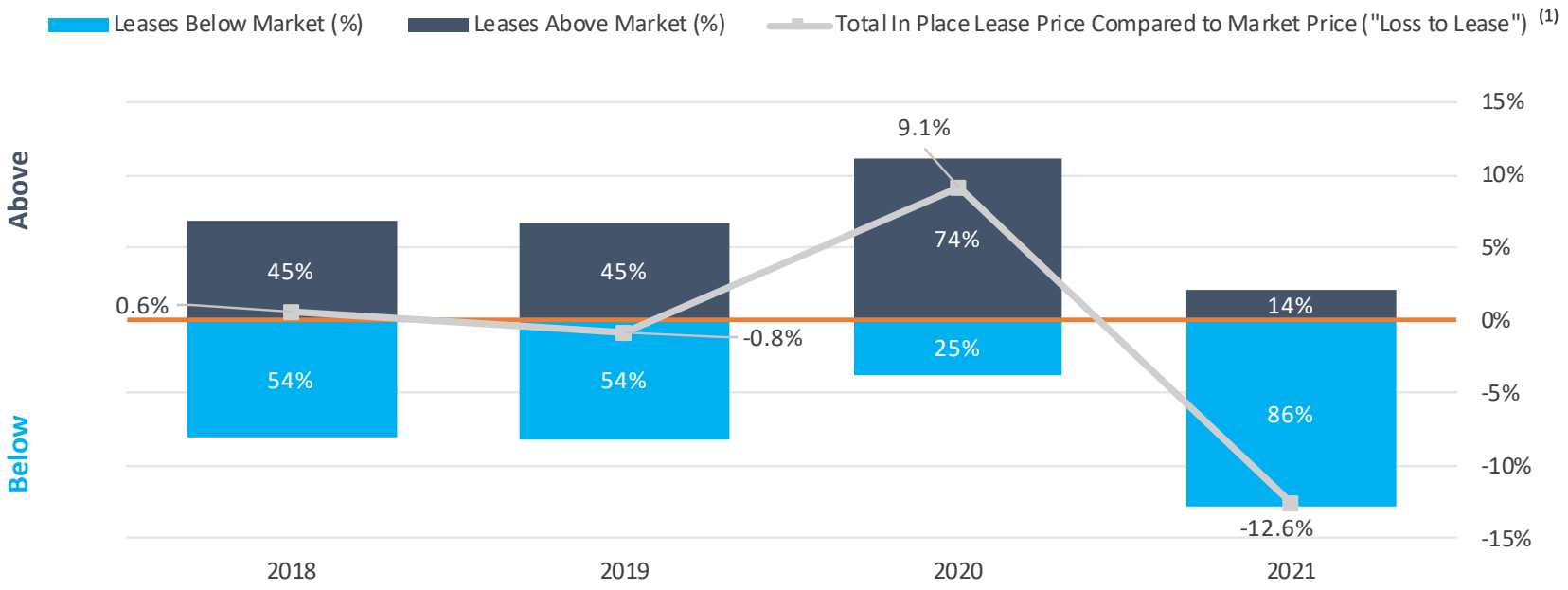
Future Performance

Equity Residential

We expect to see meaningful growth as in-place leases expire and are renewed over the course of next year at or close to the current market prices.

- Current rent levels imply meaningful revenue growth as in-place leases expire and are renewed or replaced at market levels. This “Loss to Lease” will be a primary driver of 2022 performance.
- EQR’s in-place lease rates are approximately 12.6% below market prices (13.6% net of Leasing Concessions) as of October 2021.

Historical Gross Loss to Lease Comparison Before Leasing Concessions (1)



Note: Data presented as of 10/21/21 and reflects leases from Same Store Properties.
(1) Includes leases above, below and at market pricing.

November 2021

Financial Policy

One of the strongest balance sheets in the REIT sector.



Strong Credit Metrics Create Balance Sheet Capacity and Financial Flexibility

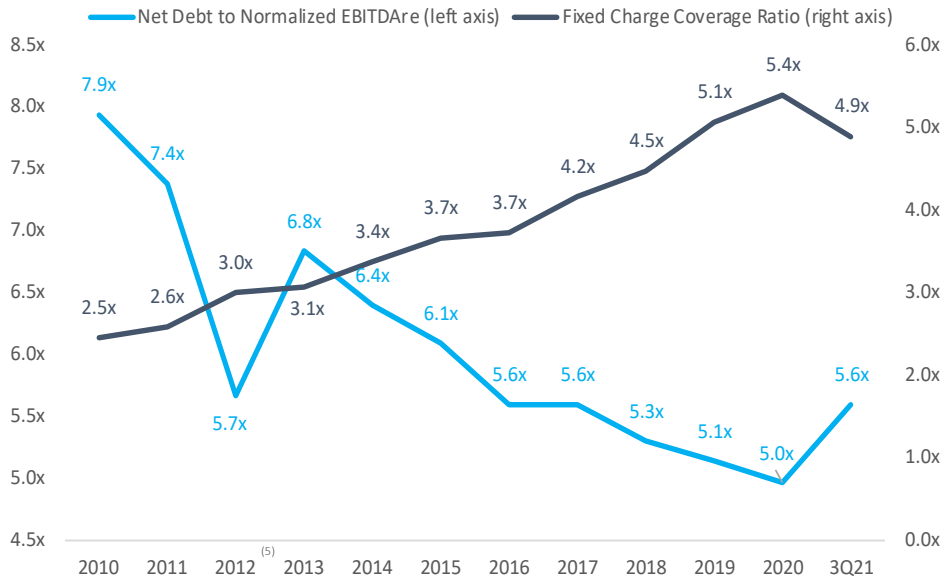
Equity Residential

A- / A3 / A Investment Grade Credit Ratings(1)	**5.6x** Net Debt to Normalized EBITDAre(2)	**4.9x** Fixed Charge Coverage
87% Unencumbered NOI as a % of total NOI(2)	**$2.5B** Unsecured Revolving Credit Facility(3)	**30%** Debt to Total Assets(4)

Source: Company Filings as of 09/30/21.
(1) S&P, Moody's and Fitch, respectively.
(2) Please see Glossary of Terms and Reconciliations.
(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. As of 09/30/21, it has $2.4 billion available under the facility.
(4) Based on Debt to Adjusted Total Assets and calculated consistent with the Company's unsecured bond covenants.

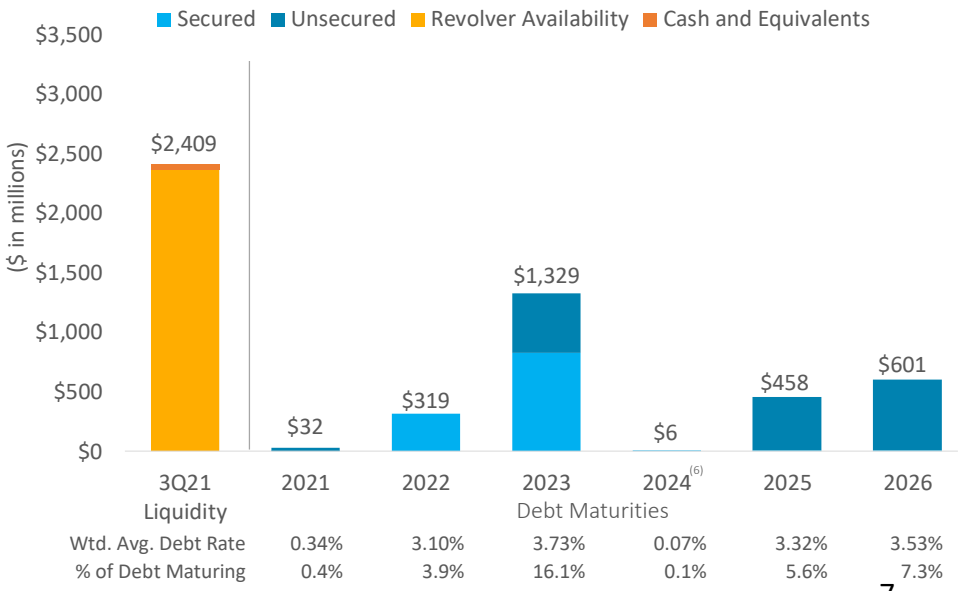
- Prudent financial policy through operating cycles, economic downturns and transformative events facilitates financial flexibility, better access to various capital sources, and reduced interest rate risk.
- Large scale provides resilient and healthy cash flow.
- Substantial liquidity provided by the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

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 $2.5 Billion revolver is set to mature November 2024. As of 09/30/21, the Company had $30.0 million in commercial paper outstanding.

Financial Policy Guidelines

Equity Residential

EQR's balance sheet strategy focuses on maintaining the lowest long-term cost of capital and access to multiple funding sources, including during periods of market stress.

	Policy Guidelines	9/30/21 Actual	Commentary
Liquidity Ratio[1]	Greater than 1.0x	2.0x	❖ We maintain sufficient liquidity to mitigate the need to raise capital if conditions are unfavorable. Our $2.5 billion revolving credit facility matures November 2024. ❖ Demonstrated access to multiple sources of capital: unsecured debt, secured debt (GSEs and life insurance companies), bank debt and equity (common/preferred).
Net Debt to Normalized EBITDAre [2]	5.5x - 6.5x	5.6x	❖ Management targets a Net Debt to Normalized EBITDAre range which reflects our prudent financial policy, designed to sustain extended periods of shock. ❖ Despite the unprecedented impact from COVID-19, the Company has maintained leverage within its guideline ranges through a combination of a very strong starting position and actions taken during the pandemic to further support the balance sheet.
Debt to Total Assets [3]	Less than 40%	30%	❖ We seek to maintain an adequate asset borrowing base through cycles coupled with: ➢ Well-staggered maturity profile that provides substantial flexibility. ➢ Strong unencumbered NOI (guideline of 65% or better), 87% at 9/30/21.
Fixed Charge Coverage [2]	Greater than 2.5x	4.9x	❖ Comfortably meet recurring obligations during all economic environments. ❖ Calculation is "fully loaded" inclusive of capitalized interest, principal amortization, etc.

Note: Per the unsecured bond covenants, Debt to Total Assets must not exceed 60% and the Fixed Charge Coverage must be greater than 1.5x. Liquidity Ratio and Net Debt to Normalized EBITDAre are not associated with any unsecured bond covenants. Please see Glossary of Terms and Reconciliations.

(1) Calculated as: (Cash + Line of Credit Availability + TTM Retained CF x 2) / (Current and Next Year Debt Maturities + Unfunded Development + LTM Recurring CapEx x 2). Metric includes 2023 maturities of $1.3 billion as of 9/30/21.

(2) Calculated on a trailing-twelve-months basis. Net Debt does not include lease liabilities.

(3) Based on Debt to Adjusted Total Assets (net book value of assets plus accumulated depreciation) and calculated consistent with the Company's most restrictive unsecured bond covenants.

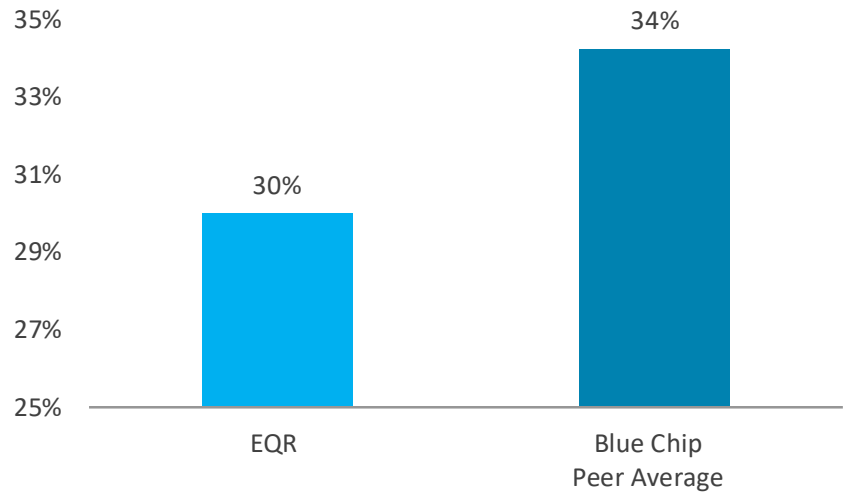
Conservative Leverage Profile Over Time

Equity Residential

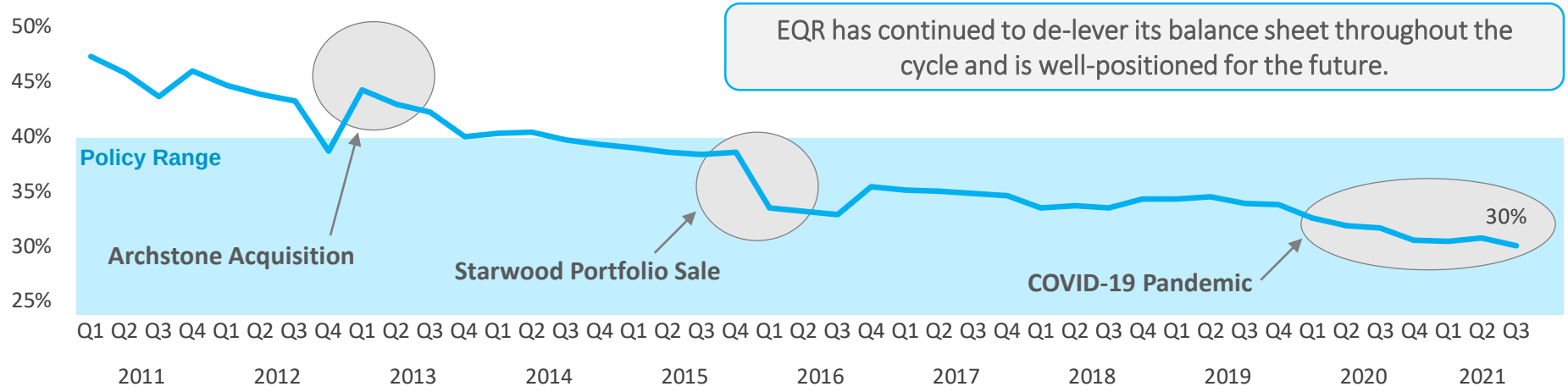
Commentary

- EQR has consistently demonstrated its commitment to a conservative leverage profile including during transformative transactions like Archstone/Starwood and in response to the COVID-19 pandemic.
- EQR maintains ~400bps less leverage than similarly rated REIT peers.(1)

Debt to Adjusted Total Assets(1)(2)



EQR Historical Debt to Adjusted Total Assets (2)



(1) "Blue Chip" Peers composed of SPG, FRT, O, PLD, AVB, CPT and PSA .
(2) Based on Debt to Adjusted Total Assets and calculated consistent with the Company's unsecured bond covenants.
Source: Company SEC Filings, S&P Global as of 9/30/21 for EQR, 9/30/2021 for "Blue Chip" Peers.

November 2021

ESG Update

EQR continues to make substantial progress on advancing its ESG initiatives.



Equity Residential's ESG Highlights

Equity Residential

ENVIRONMENT

GRESB®

A GRESB top performer since 2013

100%

Targeting Leadership in Energy and Environmental Design (LEED) Gold or higher on 100% of wholly-owned new developments and newly redesigned corporate headquarters

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

30% Reduction by 2030

New Science-Based GHG Target

SOCIAL

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

2021 Gold Nareit Corporate **Diversity, Equity and Inclusion Award Recipient**

91%

Achieved 91% satisfaction rate with new residents

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

GOVERNANCE

50%

Women and people of color represent 50% of our Board of Trustees

Named one of America's **Most Responsible** Companies 2021



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

33%

Women represent 33% of our Board of Trustees and 66% of independent committee chairs

ESG: An Integral Part of Our Corporate Strategy

"Creating communities where people thrive"

Equity Residential

Our focus on ESG is integrated into our business with an emphasis on addressing stakeholder concerns, setting clearly defined goals and creating long term value.

Environmentally Friendly Market Selection

Location:

- Walkable and/or transit-friendly
- Neighborhoods where residents choose to Live, Work & Play
- Focus on resiliency

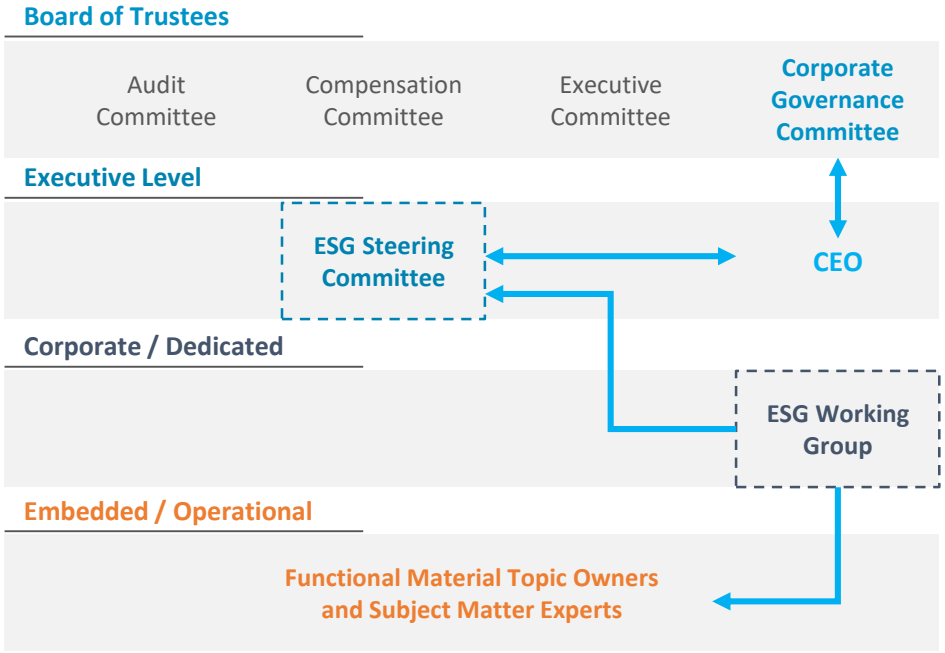
Product:

- High density construction
- Shared amenity and systems infrastructure

Operation:

- Accretive energy and water reductions
- Active energy management

Board Level Accountability



ESG Steering Committee Responsibilities

- Led by members of senior management
- Chaired by the CEO
- Provides oversight of Equity Residential's ESG Strategy and Goals
- Meets Quarterly
- Directs communications with the Corporate Governance Committee
- Oversees activities of the ESG Working Group

ESG Working Group Responsibilities

- Led by interdisciplinary group of corporate leaders
- Manages Equity Residential's ESG Strategy and progress on material topics
- Gathers data and information from functional material topic owners for communications, including reporting and ESG ratings and surveys

ESG Priorities and Stakeholders

Equity Residential

Management has focused on a set of key priority ESG topics based on our regular and frequent engagement with stakeholders.

Priority Topics

Environmental:

- Energy
- Emissions
- Trash
- Water
- Portfolio Resiliency
- Sustainable Buildings

Social:

- Diversity and Inclusion
- Resident Health and Wellbeing
- Resident Satisfaction
- Talent Attraction, Engagement and Retention

Governance:

- Business Ethics

Stakeholder Engagement

Residents

We survey our residents regularly and use that feedback to create Customer Loyalty Scores, which are a key driver of compensation for our property management team members.

Employees

We annually survey our employees for feedback on a variety of topics including compensation and benefits, career opportunities and advancement and pride in the company and their workplace.

Investors

We regularly meet with our investors at conferences, in office meetings, at property tours and virtually to discuss a variety of topics including operations, corporate governance and sustainability.

Vendors

We have regular virtual and in-person meetings with vendors to assess their business, industry, product and service innovations, along with the state of our partnership and adjustments that need to be made to better service our properties.

Communities

We are active participants in the communities where we operate and regularly engage in dialogue with local groups on community activities as well as receiving feedback on our development and re-development projects.

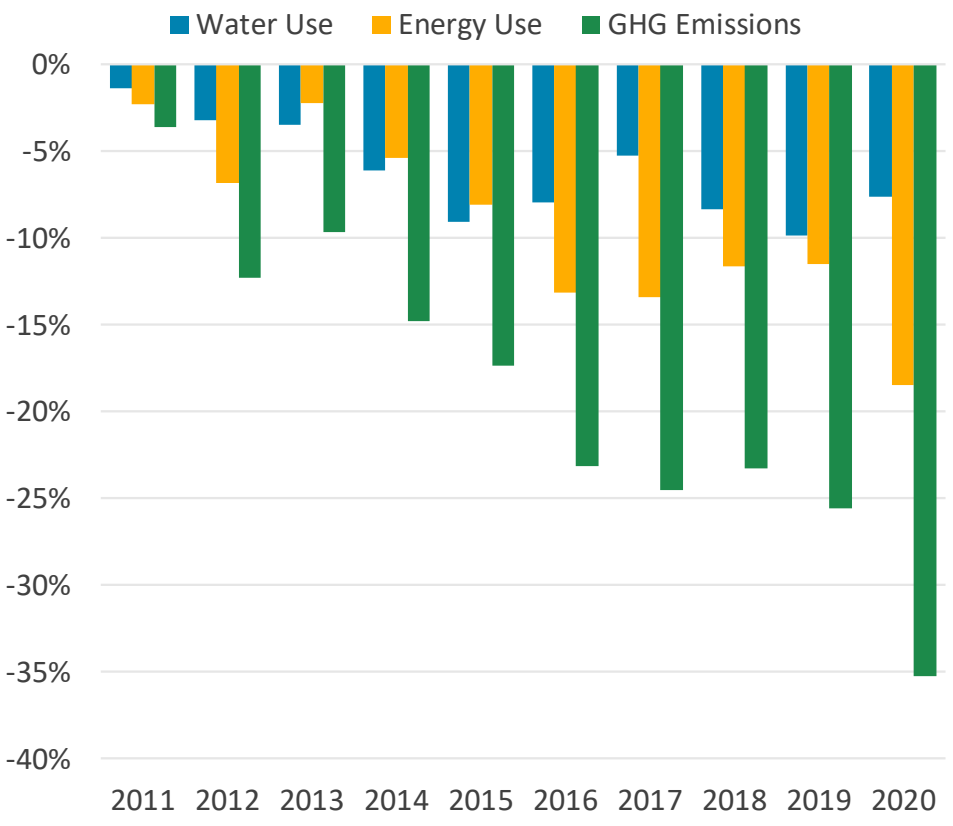
Environmental Goals

Equity Residential

We hold ourselves accountable by setting targets that are measurable and time-bound, and regularly report on progress toward those targets.

GOAL	*PROGRESS (1)*
Energy Consumption By 2021, reduce energy consumption by 15% of our 2011 levels.	In 2020, we reduced our energy consumption by 7%, totaling an 18.5% reduction from our 2011 level, surpassing our goal of 15% by 3.5 percentage points.
Greenhouse Gas Emissions By 2021, reduce greenhouse gas emissions by 25% of our 2011 levels.	In 2020, we reduced our GHG emissions by 10%, totaling a 35.2% reduction from our 2011 level, surpassing our goal of 25% by 10.2 percentage points.
Water Consumption By 2021, reduce water consumption by 10% of our 2011 levels.	By 2020, we have reduced our water consumption by 8% from our 2011 level. We expect to achieve our 10% goal in 2021.
LEED Certification All new wholly owned developments will seek to achieve LEED certification of Gold or above.	All new developments that we substantially completed in 2020 are expected to achieve or have achieved LEED Gold certification.

Progress Towards Targets(2)



Note: Additional details can be found in Equity Residential's ESG report on the CR page of the Company's website at https://investors.equityapartments.com/Corporate-Responsibility/Introduction/default.aspx.

(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) 2020.

(2) 2011 baseline year. Year over year same store reduction.

Climate Change and Resilience

Equity Residential

Our long-term sustainability strategy drives climate mitigation efforts to reduce building GHG emissions and manage physical and transition risks.

- Equity Residential is committed to setting a new Science-Based Target that is aligned with a scenario that keeps global warming well below 2 degrees Celsius.
- We plan to reduce our scope 1, 2 and 3 emissions by 30% by 2030. Targets have been submitted for approval by the Science-Based Targets Initiative (SBTi).



30% by 2030

Equity Residential intends to commit to a science-based emission reduction target of 30% by 2030, to be approved by the SBTi. This builds off of our prior 25% emissions reduction goal from 2011.

- As part of our holistic climate change and resilience strategy, we take a proactive approach to understand and protect our properties against potential risks related to climate change and business continuity.
- This includes insurance, screening practices, climate risk assessments and Task Force on Climate-Related Financial Disclosures ("TCFD") disclosure.

TCFD TASK FORCE ON CLIMATE-RELATED FINANCIAL DISCLOSURES

CLIMATE RISK ASSESSMENT MODEL

SCENARIOS	ASSETS	HAZARDS
RCP4.5	Equity Residential Assets	Drought, Coastal Flooding, Temperature (Heat & Cold)
RCP8.5		
Baseline	Community Infrastructure	Precipitation, Earthquake, Wildfire
2030		
2050		

EQR's Portfolio of Green Buildings

Equity Residential

In excess of $800M[(1)] of our recent new development properties have received or are in the process of receiving LEED Gold certification or higher.

- Our Building Design Standards and Guidelines serve as the platform for integrating sustainable features into new developments and renovations.
- Currently we are targeting at least LEED Gold on all of our wholly owned new development projects.



LEED

Platinum
- 855 Brannan, San Francisco, CA
- Cascade, Seattle, WA
- Chloe on Madison, Seattle, WA

Gold
- 315 on A, Boston, MA
- Helios, Seattle, WA
- Lofts at Kendall Square II, Cambridge, MA
- The Lex, San Jose, CA
- Troy, Boston, MA
- Urbana, Seattle, WA
- Aero Apartments, Alameda, CA *(targeted)*
- The Alcott, Boston, MA *(targeted)*
- The Edge, Bethesda, MD *(targeted)*
- 9th & W St, Washington, DC *(targeted)*
- Company Headquarters, Chicago, IL

Silver
- 100 K St., Washington, DC
- 2201 Pershing, Arlington, VA
- Alexan Harrison, Harrison, NY *(targeted)*
- Alloy Sunnyside, Denver, CO *(targeted)*
- Eviva on Cherokee, Denver, CO
- Madox, Jersey City, NJ
- Venn at Main, Bellevue, WA
- Westgate, Pasadena, CA

Certified
- 170 Amsterdam, New York, NY
- Alcyone, Seattle, WA
- Axis at Shady Grove, Rockville, MD
- Old Town Lofts, Redmond, WA
- Prism at Park Avenue South, New York, NY
- The Dalton, Alexandria, VA

Built Green

Certified
- Red160, Redmond, WA

Green Point

Gold
- Huxley, Redwood City, CA

Certified
- 340 Fremont, San Francisco, CA
- Azure, San Francisco, CA
- One Henry Adams, San Francisco, CA
- Potrero 1010, San Francisco, CA
- Vista 99, San Jose, CA

NGBS

Silver
- 1111 Belle Pre, Alexandria, VA
- Ten23, New York, NY

Bronze
- 455 Eye Street, Washington, DC

Cal Green

Certified
- Altitude, Los Angeles, CA
- Alton, The, Irvine, CA

Energy Star Certified

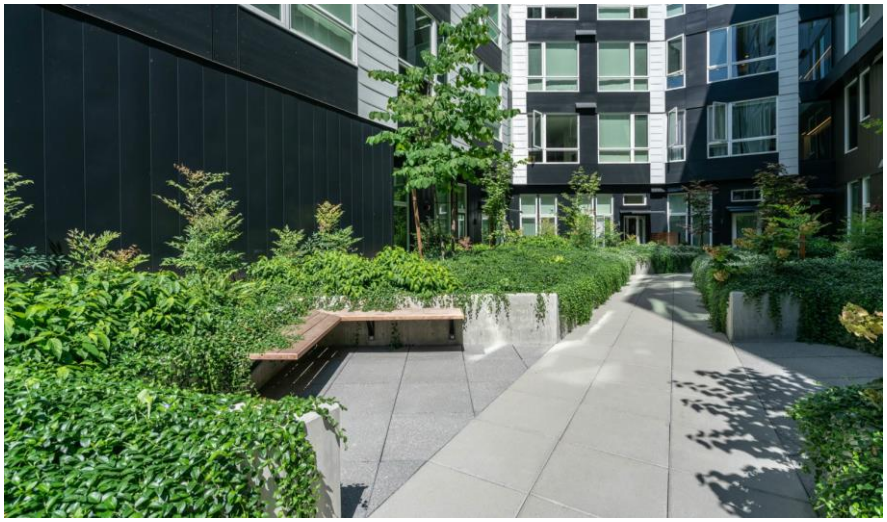
Certified
- Avenir Apartments, Boston, MA
- Longfellow Place, Boston, MA
- Girard, Boston, MA
- 315 on A, Boston, MA
- Troy Boston, Boston, MA

(1) Total Budgeted Capital Cost. Projects include: Chloe on Madison, Lofts at Kendall Square II, Aero Apartments, The Alcott, The Edge and 9th and W St. Please see Glossary of Terms and Reconciliations.

Green Building Case Study

Equity Residential

Chloe on Madison – Seattle, WA
LEED Platinum Achieved



Chloe on Madison is an 8 story, 137-unit residential mid rise located in Seattle's Pike Pine Corridor.

One of three projects recognized by the U.S. Green Building Council as a 2021 Outstanding Multifamily Project committed to sustainable, healthy and resilient homes.

- Energy Efficiency
  - Achieved a 30.5% energy cost savings.
  - Energy Star appliances and high efficiency lighting.
  - Energy efficient heating & cooling systems installed throughout including controllable mini split heat pumps in units and 95% efficient boiler for hot water heating.
  - Achieved a perfect ENERGY STAR score of 100/100.
- High Water Efficiency
  - Building includes water efficient plumbing fixtures, reducing water use by 20%.
  - Landscape design reduces water use by 50%.
- Construction Waste Recycling
  - Recycled nearly 75% of the construction waste.
- Green Site Features
  - Solar PV system, Green Roof, Native Plants and Nontoxic Pest Control.
  - Low-emitting materials were used to help improve indoor air quality.

Investing for the ESG Future

Equity Residential

We are investing in environmental, social and governance issues directly aligned to Equity Residential's corporate purpose: "Creating Communities Where People Thrive."

Climate Technology Fund

- Equity Residential recently committed $10M to an early-stage fund managed by a leading real estate technology venture capital firm, that seeks to invest in new technologies to decarbonize the global real estate industry.
- This investment reflects our commitment to curtailing climate impact by contributing to the development of the technologies needed to achieve our goals while capturing insights that can allow EQR to be an early adopter of commercially viable solutions.
- The fund represents the largest pool of capital focused on sustainability, decarbonization and climate change mitigation technologies.
  - Investors include a consortium of 60+ sustainability leaders from the real estate industry.

Affordable Housing Preservation Fund

- Equity Residential is acutely aware of the affordable housing crisis and continues to develop partnerships with community organizations that focus on providing affordable housing support.
- In addition to the 4,800 affordable units across the existing portfolio, we expanded our commitment through a $5M investment with an affordable housing fund.
- The fund will acquire communities with all or most of the apartment homes reserved for residents averaging less than 80% of the area median income ("AMI").
- In addition to preserving affordable housing, the fund will endeavor to make physical improvements and where applicable, maintain or offer social support services. The fund expects to preserve approximately 2,000 affordable housing units over the next several years.

Glossary of Terms

Please reference the Company's "Third Quarter 2021 Earnings Release and Supplemental Financial Information" from October 26, 2021, including "Additional Reconciliations and Definitions of Non-GAAP Financial Measures and Other Terms" for terms such as Net Operating Income ("NOI"), Unencumbered NOI %, Earnings Before Interest, Taxes, Depreciation and Amortization for Real Estate ("EBITDAre"), Normalized Earnings Before Interest, Taxes, Depreciation and Amortization for Real Estate ("Normalized EBITDAre"), Unlevered Internal Rate of Return ("IRR"), Same Store Properties, Total Budgeted Capital Cost and other terms.

Terms	Definition
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.
Leasing Concessions	Reflects upfront discounts on both new move-in and renewal leases on a straight-line basis.
Loss to Lease	Total in-place lease price compared to the current market price as of the end of the period presented. Data presented before the effect of Leasing Concessions unless otherwise noted.
Net Operating Income ("NOI")	NOI is 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.
Pricing Trend	Weighted average of 12-month base rent including amenity amount less Leasing Concessions on 12-month signed leases for the reporting period.
Same Store Properties	For annual comparisons, primarily includes all properties acquired or completed that are stabilized prior to January 1, 2020, less properties subsequently sold. Properties are included in Same Store when they are stabilized for all of the current and comparable periods presented.
Total Budgeted Capital Cost	Estimated remaining cost for projects under development and/or developed plus all capitalized costs incurred to date, including land acquisition costs, construction costs, capitalized real estate taxes and insurance, capitalized interest and loan fees, permits, professional fees, allocated development overhead and other regulatory fees, plus any estimates of costs remaining to be funded for all projects, all in accordance with GAAP.

Glossary of Terms

Terms	Definition
Total Market Capitalization	The aggregate of the market value of the Company's outstanding common shares, including restricted shares, the market value of the Company's operating partnership units outstanding, including restricted units (based on the market value of the Company's common shares) and the outstanding principal balance of debt.
Unencumbered NOI %	Represents NOI generated by consolidated real estate assets unencumbered by outstanding secured debt as a percentage of total NOI generated by all of the Company's consolidated real estate assets.
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.

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 government regulation. In addition, these forward-looking statements are subject to risks related to the COVID-19 pandemic, many of which are unknown, including the duration and severity of the pandemic, the extent of the adverse health impact on the general population and on our residents, customers and employees in particular, its impact on the employment rate and the economy and the corresponding impact on our residents' and tenants' ability to pay their rent on time or at all, the extent and impact of governmental responses, the rollout and effectiveness of vaccines and the impact of operational changes we have implemented and may implement in response to the pandemic. 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 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.

Equity Residential
Normalized EBITDAre Reconciliations
(Amounts in thousands)

	Trailing Twelve Months		2021			2020	
	September 30, 2021	June 30, 2021	Q3	Q2	Q1	Q4	Q3
Net income	$ 1,098,720	$ 746,753	$ 447,332	$ 328,040	$ 60,364	$ 262,984	$ 95,365
Interest expense incurred, net	319,457	332,080	68,251	67,124	67,358	116,724	80,874
Amortization of deferred financing costs	8,858	8,911	2,048	1,939	2,185	2,686	2,101
Amortization of above/below market lease intangibles	4,291	4,273	1,116	979	1,098	1,098	1,098
Depreciation	817,861	803,069	215,397	200,673	199,962	201,829	200,605
Income and other tax expense (benefit)	1,029	1,007	284	242	153	350	262
EBITDA	**2,250,216**	**1,896,093**	**734,428**	**598,997**	**331,120**	**585,671**	**380,305**
Net (gain) loss on sales of real estate properties	(767,212)	(403,259)	(363,928)	(223,738)	43	(179,589)	25
Net (gain) loss on sales of unconsolidated entities - operating assets	(640)	(1,640)	—	—	(4)	(636)	(1,000)
EBITDAre	**1,482,364**	**1,491,194**	**370,500**	**375,259**	**331,159**	**405,446**	**379,330**
Write-off of pursuit costs (other expenses)	5,562	6,238	910	1,316	1,331	2,005	1,586
(Income) loss from investments in unconsolidated entities - operations	4,507	4,597	1,156	261	1,615	1,475	1,246
Net (gain) loss on sales of land parcels	(34,239)	(34,239)	—	—	(5)	(34,234)	—
Realized (gain) loss on investment securities (interest and other income)	(23,432)	(23,432)	—	(23,565)	133	—	—
Insurance/litigation settlement or reserve income (interest and other income)	(2,870)	(2,131)	(742)	(328)	—	(1,800)	(3)
Insurance/litigation/environmental settlement or reserve expense (other expenses)	5,083	3,712	1,871	1,000	2,212	—	500
Advocacy contributions (other expenses)	7,488	9,166	50	427	30	6,981	1,728
Other	(15)	(444)	—	—	—	(15)	(429)
Normalized EBITDAre	**$ 1,444,448**	**$ 1,454,661**	**$ 373,745**	**$ 354,370**	**$ 336,475**	**$ 379,858**	**$ 383,958**

Balance Sheet Items:	September 30, 2021	June 30, 2021
Total debt	$ 8,144,648	$ 8,250,692
Cash and cash equivalents	(39,707)	(39,492)
Mortgage principal reserves/sinking funds	(17,828)	(16,580)
Net debt	$ 8,087,113	$ 8,194,620

Note: EBITDA, EBITDAre and Normalized EBITDAre do not include any adjustments for the Company's share of partially owned unconsolidated entities or the minority partner's share of partially owned consolidated entities due to the immaterial size of the Company's partially owned portfolio.