

Third Quarter 2021 Earnings

MANAGEMENT PRESENTATION



This presentation is complementary to the Company's conference call to discuss its third quarter 2021 earnings on October 27, 2021, and should be read in conjunction with the Company's earnings release dated October 26, 2021. See pages 11 through 14 for information about forward-looking statements, a glossary of defined terms and a related reconciliation of non-GAAP financial measures including the reconciliations of Earnings Per Share ("EPS") to Funds From Operations ("FFO") per share and Normalized Funds From Operations ("Normalized FFO") per share.

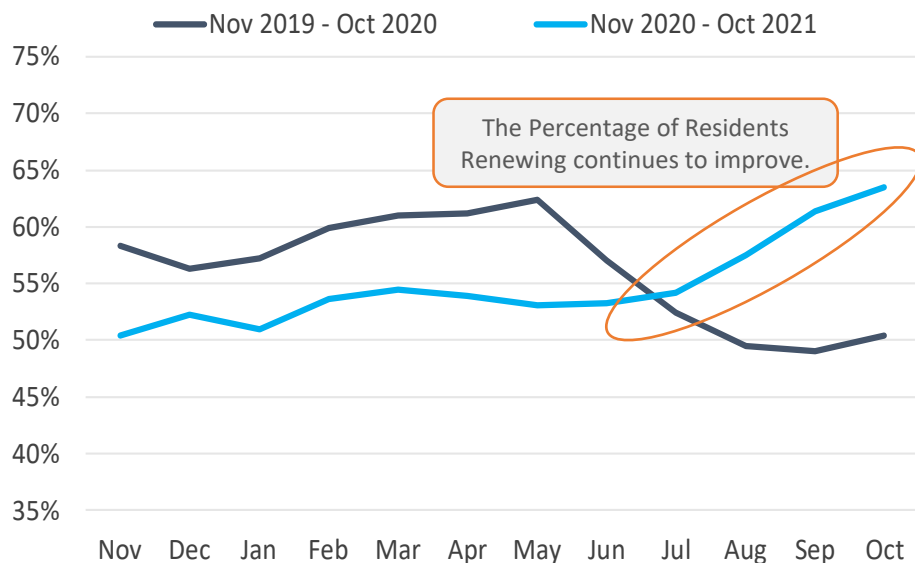
Executive Summary

- ❖ Same store revenue and Normalized FFO results for the third quarter 2021 exceeded our prior expectations and reflect the continued strong recovery of our business. Outperformance resulted from better than expected rental rates and Physical Occupancy and lower Bad Debt, Net due to higher than anticipated resident receipts from governmental rent relief programs. In the third quarter 2021, for the first time since the pandemic began, total same store quarter over quarter revenue turned positive. The very strong leasing season has resulted in same store Pricing Trend and Physical Occupancy that are above pre-pandemic and peak 2019 levels as we enter the traditionally seasonally slower fourth quarter.
- ❖ These positive trends drove the upward revisions to our full year same store revenue, NOI and Normalized FFO guidance. Our guidance for annual same store revenues now anticipates a decline of 3.7%, up from a decline of 5.0% to 4.0%, leading to NOI guidance of a decline of 7.0%, which is 100 bps better than the midpoint of our previous guidance range. Our revised Normalized FFO per share guidance midpoint of \$2.96 is a \$0.06, or a 2.1% increase from our previous guidance midpoint.
- ❖ We expect 2022 to deliver some of the best same store revenue growth in our history given the strong demand and growing incomes of our resident demographic. We are well positioned to not only drive rental rate growth in 2022 but to capture a significant portion of the over 13% Loss to Lease that exists in the portfolio today. This, combined with improvements in Physical Occupancy and potential reduced regulatory burden, should drive growth.
- ❖ During the third quarter 2021, we acquired \$740 million and sold \$612 million of operating properties while commencing construction on three multifamily properties and reentering the Dallas/Ft. Worth and Austin markets. We also entered into a strategic partnership with Toll Brothers, Inc. to develop apartment communities, leveraging Toll's deep existing development infrastructure and pipeline. These activities further our strategy of allocating capital to places where Affluent Renters want to live, work and play by investing in the parts of markets like Atlanta, Dallas/Ft. Worth, Denver and Austin that have growing Affluent Renter populations and broadening our footprint within select suburban areas of our established coastal markets with large Affluent Renter concentrations.

Performance Update

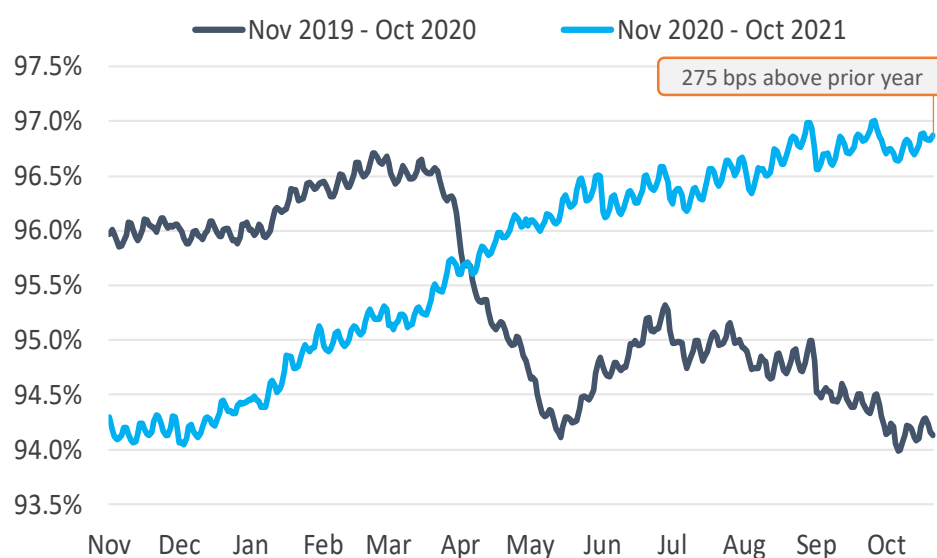
The Percentage of Residents Renewing, Renewal Rate Achieved and Physical Occupancy continue to improve.

Percentage of Residents Renewing by Month



- ❖ Our strategy of focusing on resident renewals continues to deliver results. September 2021 Percentage of Residents Renewing was above 60%, compared to 54% in September 2019.
- ❖ This strategy includes centralizing renewal negotiations for San Francisco, New York and Boston (the markets most impacted in 2020 by the pandemic) in our off site centralized call center. Negotiations in all of our markets will become more challenging in future quarters given the material improvements in pricing relative to the prior year.
- ❖ Renewal pricing has been strong with Renewal Rate Achieved for July 2021 at 3.5%, August 2021 at 5.6%, September 2021 at 7.7% and October 2021 at 9.0%.

Physical Occupancy

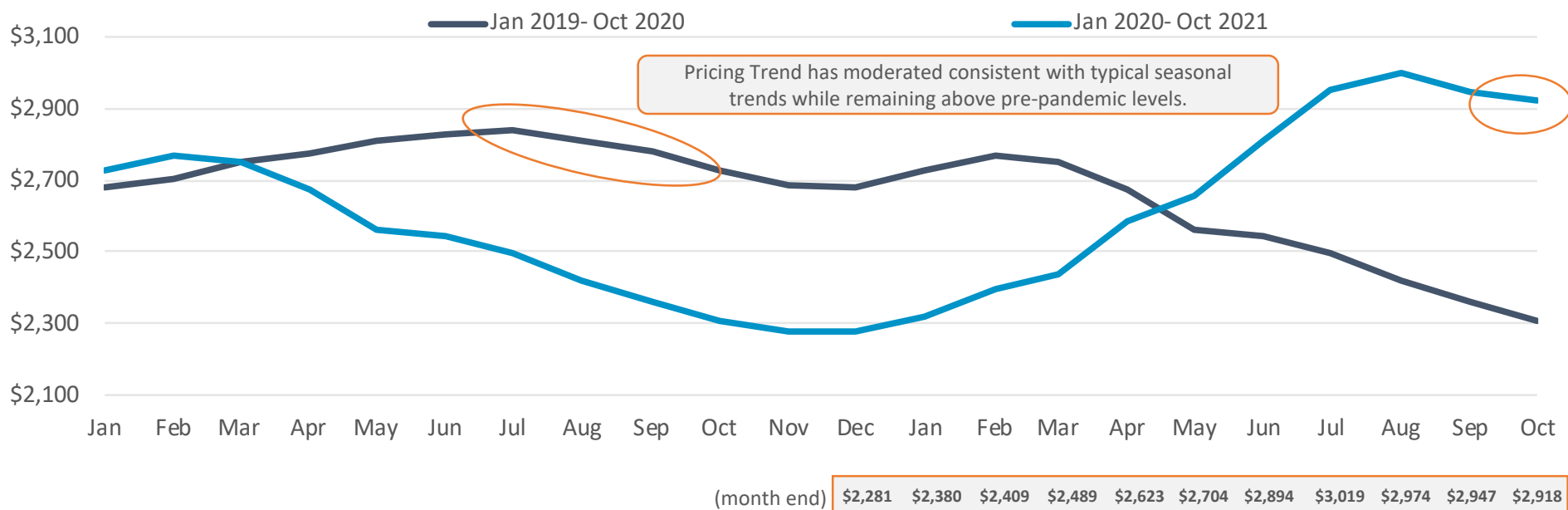


- ❖ Physical Occupancy was 96.6% for the third quarter 2021, which is higher than the same period in 2019.
- ❖ Emphasis on maintaining higher occupancy through the remainder of the year should help mitigate the impact of a higher than usual number of lease expirations and the risk of elevated turnover as we bring many residents closer to current market pricing.

Performance Update

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

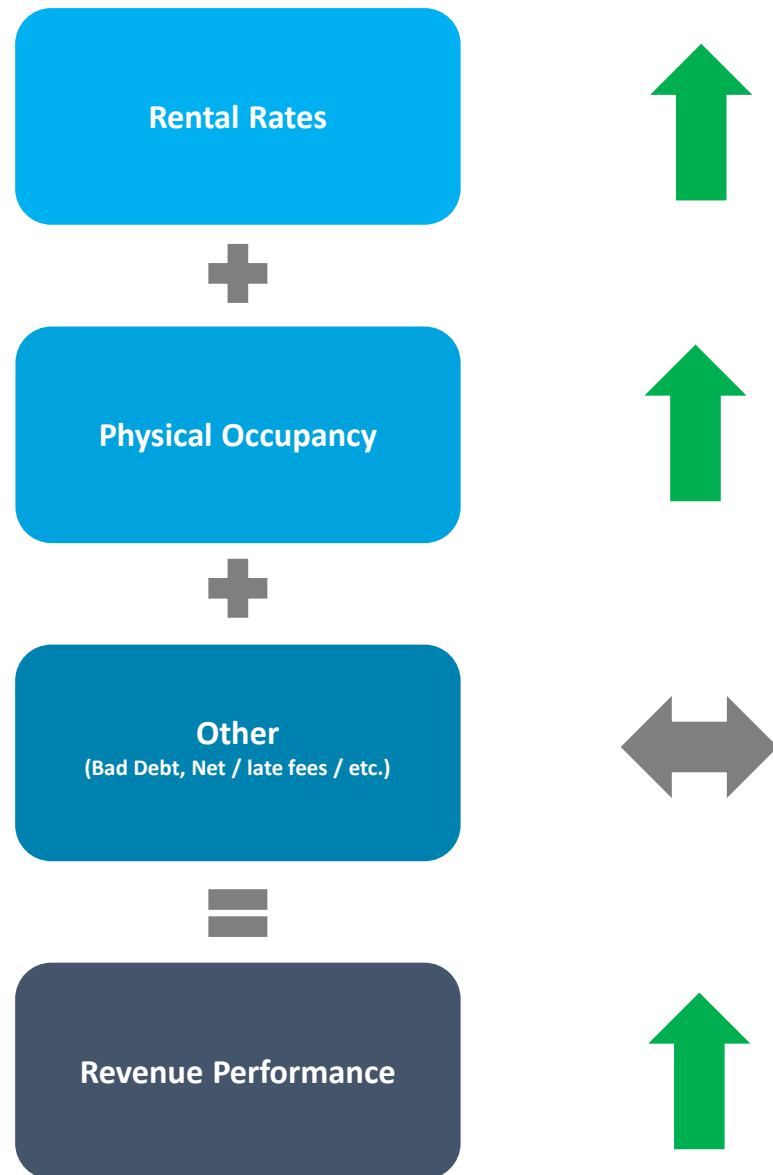
Pricing Trend



- ❖ 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.

Drivers of Revenue Growth

Likely 2022
Trajectory



2022 Same Store Revenue performance should be among the best in the Company's history.

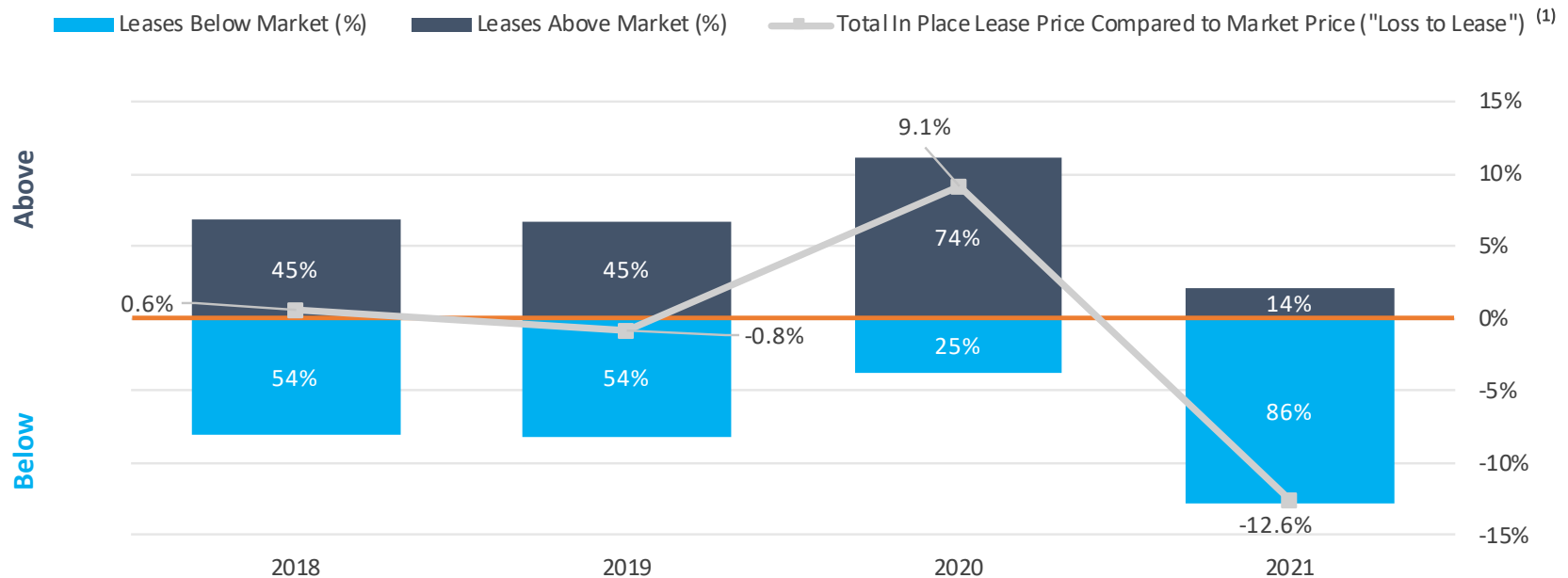
- ❖ Pricing has recovered throughout 2021 and is expected to continue to grow in 2022.
- ❖ Over 85% of existing residents are paying significantly below market rates – creating opportunities to raise these leases to market.
- ❖ Leasing Concessions, which were prevalent earlier in 2021, have declined materially.
- ❖ Physical Occupancy has recovered throughout 2021 and should remain strong in 2022. This continued strength should support 2022 revenue growth, particularly in the first half of the year.
- ❖ Despite strong collections throughout the pandemic, Bad Debt, Net has negatively impacted revenue performance with some recent buffering from governmental rental assistance payments. Improvements in the regulatory environment should support better performance in 2022 though governmental rental assistance payments will likely be lower.
- ❖ The Company continues to drive other income/revenue generating initiatives.
- ❖ Assuming the economic backdrop remains constructive and the pandemic manageable, we would expect same store revenue growth in 2022 to exceed the historical mid single digit range that has characterized past recoveries.

Future Performance

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⁾

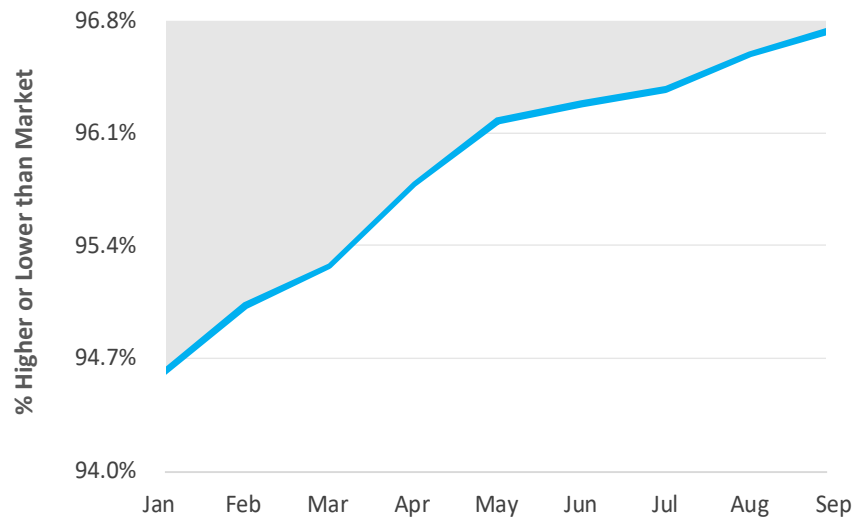


Note: Data presented as of 10/21/21 and reflects leases from Same Store Properties.

(1) Includes leases above, below and at market pricing.

Future Performance

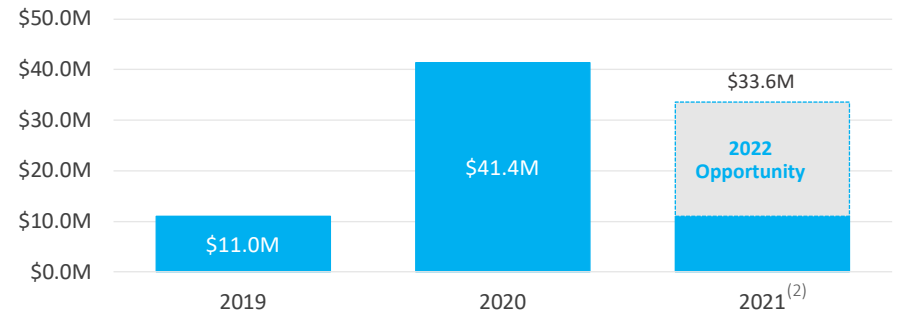
2021 Same Store Physical Occupancy



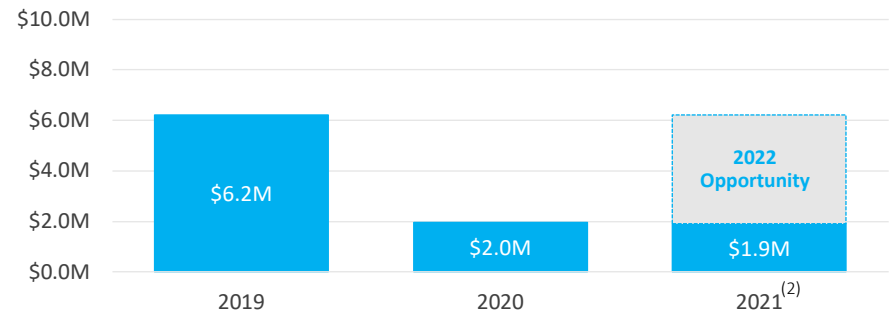
- ❖ Physical Occupancy has recovered throughout 2021.
- ❖ Continued strong demand should support healthy Physical Occupancy that leads to year over year revenue improvement.

Bad Debt, Net and Late Fees

Bad Debt, Net ⁽¹⁾



Late Fees ⁽¹⁾



- ❖ As regulatory restrictions subside and governmental rental assistance is disbursed, both Bad Debt, Net and late fee income should improve.
- ❖ A return to 2019 levels would imply an additional ~\$27M in revenue opportunity. While we do not expect to capture all of this opportunity in 2022, the environment should be conducive to recapturing a significant portion.

(1) Based on 2021 Same Store Properties.

(2) Reflects current guidance assumptions.

Adding Diversification While Maintaining Quality

OLD: 2021 YTD Dispositions

- ❖ Total YTD Closed Sales: \$1.02B⁽¹⁾
- ❖ Average Property Age: 30 years old
- ❖ Residential per Unit Value: \$550,000
- ❖ Residential per Foot Value: \$669
- ❖ Weighted Average Disposition Yield: ~ 3.8%
- ❖ Premium to Pre-Pandemic NAV: 10.3%
- ❖ We have sold approximately \$889M of California assets in 2021, a reduction of approximately 5% in the Company's California asset base.
 - Older properties, properties in jurisdictions with challenging regulatory environments or in submarkets where the Company is overconcentrated are being sold.



NEW: 2021 YTD Acquisitions

- ❖ Total YTD Closed Acquisitions: \$1.02B
- ❖ Average Property Age: 2 years old
- ❖ Residential per Unit Value: \$342,000
- ❖ Residential per Foot Value: \$416
- ❖ Weighted Average Acquisition Cap Rate: ~ 3.9%⁽²⁾
- ❖ Acquisitions are focused in Atlanta, Austin, Dallas/Ft. Worth and Denver and in select suburban locations within established markets.
 - Acquired properties share the characteristics of being newer product located in submarkets with high numbers of Affluent Renters, favorable long-term demand drivers and manageable forward supply.
 - We also expect lower regulatory and resiliency risk.

Dispositions



Fountains at Emerald Park, Dublin, CA, Age: 21 Years

Acquisitions



Kilby, Frisco, TX, Age: 1 year

(1) The Company has approximately \$400M in additional dispositions currently under contract that are expected to close later in 2021.

(2) Includes three assets that have not yet stabilized at acquisition.

Development Program with Toll Brothers, Inc.

- ❖ In August 2021, Equity Residential and Toll Brothers, Inc. (NYSE: TOL), through its Toll Brothers Apartment Living Division, announced the establishment of a strategic partnership to develop new apartment rental communities in key U.S. markets.
 - **Equity Residential expects this program to ultimately deliver \$600 million - \$700 million of new developments each year in our new markets of Atlanta, Austin, Denver and Dallas/Ft. Worth as well as select suburbs of our established markets at an average development yield in excess of 5%.**
 - The partnership will focus on selectively acquiring and developing sites for apartment rental communities in seven metro markets where both parties have a significant or growing presence: Atlanta, Austin, Boston, Dallas/Ft. Worth, Denver, Orange County/San Diego and Seattle.
 - Equity Residential will invest 75% of the equity for each selected project and Toll Brothers will invest 25%. It is expected that each project will also be financed with approximately 60% leverage. Equity Residential will have the option to acquire each property upon stabilization. The parties have targeted an initial minimum co-investment of approximately \$750 million in combined equity, or nearly \$1.9B in capacity assuming 60% leverage. Toll Brothers, Inc. will use their extensive existing development capabilities to source projects and will act as managing member of each project, overseeing approvals, design and construction.



2021 Revised Normalized FFO Guidance and Assumptions

The guidance/projections provided below are based on current expectations and are forward-looking. All guidance is given on a Normalized FFO basis. Therefore, certain items excluded from Normalized FFO, such as debt extinguishment costs/prepayment penalties and the write-off of pursuit costs, are not included in the estimates provided on this page. See pages 11 through 13 for the definitions of non-GAAP financial measures and other terms as well as the reconciliations of EPS to FFO per share and Normalized FFO per share. *New or updated guidance is highlighted in blue.*

<u>2021 Normalized FFO Guidance (per share diluted)</u>	<u>Q4 2021</u>	<u>Revised Full Year 2021</u>
Expected Normalized FFO Per Share	\$0.78 to \$0.80	\$2.95 to \$2.97
<u>2021 Same Store Assumptions (includes Residential and Non-Residential)</u>		
Physical Occupancy		96.0%
Revenue change ⁽¹⁾		(3.7%)
Expense change		3.25%
NOI change ⁽²⁾		(7.0%)
<u>2021 Transaction Assumptions</u>		
Consolidated rental acquisitions		\$1.5B
Consolidated rental dispositions		\$1.5B
Transaction Accretion (Dilution)		None
<u>2021 Debt Assumptions</u>		
Weighted average debt outstanding		\$8.2B to \$8.3B
Interest expense, net (on a Normalized FFO basis)		\$270.7M to \$274.0M
Capitalized interest		\$15.5M to \$16.5M
<u>2021 Capital Expenditures to Real Estate Assumptions for Same Store Properties ⁽³⁾</u>		
Capital Expenditures to Real Estate for Same Store Properties		\$150.0M
Capital Expenditures to Real Estate per Same Store Apartment Unit		\$1,950
<u>2021 Other Guidance Assumptions</u>		
Property management expense		\$97.5M to \$99.5M
General and administrative expense		\$55.5M to \$57.5M
Debt offerings		\$500.0M
Weighted average Common Shares and Units - Diluted		387.9M

(1) Revenue change is reflected on a GAAP basis. Revenue change would be approximately (2.9%) on a cash basis.

(2) Approximately 25 basis point change in NOI percentage = \$0.01 per share change in EPS/FFO per share/Normalized FFO per share.

(3) During 2021, the Company expects to spend approximately \$25.0 million for apartment unit Renovation Expenditures on approximately 1,250 same store apartment units at an average cost of approximately \$20,000 per apartment unit renovated, which is included in the Capital Expenditures to Real Estate assumptions noted above.

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 Earnings Per Share ("EPS"), Funds From Operations ("FFO"), Normalized Funds From Operations ("Normalized FFO") and Net Operating Income ("NOI").

Terms	Definition
Acquisition Capitalization Rate or Cap Rate	NOI that the Company anticipates receiving in the next 12 months (or the year two or three stabilized NOI for properties that are in lease-up at acquisition) less an estimate of property management costs/management fees allocated to the project (generally ranging from 2.0% to 4.0% of revenues depending on the size and income streams of the asset) and less an estimate for in-the-unit replacement capital expenditures (generally ranging from \$100 - \$450 per apartment unit depending on the age and condition of the asset) divided by the gross purchase price of the asset. The weighted average Acquisition Cap Rate for acquired properties is weighted based on the projected NOI streams and the relative purchase price for each respective property.
Affluent Renters	Affluent Renters are defined as those with annual household incomes of more than \$150,000 in New York, \$100,000 in Boston, Washington, D.C., Seattle, San Francisco and Southern California and \$75,000 in Denver, Atlanta, Dallas/Ft. Worth and Austin.
Bad Debt, Net	Change in rental income due to bad debt write-offs and reserves, net of amounts collected on previously written-off or reserved accounts.
Disposition Yield	NOI that the Company anticipates giving up in the next 12 months less an estimate of property management costs/management fees allocated to the project (generally ranging from 2.0% to 4.0% of revenues depending on the size and income streams of the asset) and less an estimate for in-the-unit replacement capital expenditures (generally ranging from \$100-\$450 per apartment unit depending on the age and condition of the asset) divided by the gross sales price of the asset. The weighted average Disposition Yield for sold properties is weighted based on the projected NOI streams and the relative sales price for each respective property.
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.
Percentage of Residents Renewing	Leases renewed expressed as a percentage of total renewal offers extended during the reporting period.

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Terms	Definition
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 Rate Achieved	The net effective change in rent (inclusive of Leasing Concessions) for a new lease on an apartment unit where the lease has been renewed as compared to the rent for the prior lease of the identical apartment unit, regardless of lease term.
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.
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.
Transaction Accretion (Dilution)	Represents the spread between the Acquisition Cap Rate and the Disposition Yield.

Equity Residential
Non-GAAP Financial Measures - Reconciliations of EPS to FFO per share and Normalized FFO per share
(All per share data is diluted)

The guidance/projections below are based on current expectations and are forward-looking.

	Expected Q4 2021 Per Share	Expected 2021 Per Share
EPS – Diluted	\$1.02 - \$1.04	\$3.16 - \$3.18
Depreciation expense	0.56	2.14
Net (gain) loss on sales	(0.81)	(2.32)
FFO per share – Diluted	0.77 - 0.79	2.98 - 3.00
Impairment – non-operating assets	-	-
Write-off of pursuit costs	0.01	0.02
Debt extinguishment and preferred share redemption (gains) losses	-	-
Non-operating asset (gains) losses	-	(0.06)
Other miscellaneous items	-	0.01
Normalized FFO per share – Diluted	\$0.78 - \$0.80	\$2.95 - \$2.97

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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 (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.