REFINITIV

DELTA REPORT

10-Q

ESSEX PORTFOLIO LP

10-Q - MARCH 31, 2024 COMPARED TO 10-Q - SEPTEMBER 30, 2023

The following comparison report has been automatically generated

TOTAL DELTAS	1158
CHANGES	367
DELETIONS	524
ADDITIONS	267

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM 10-Q

☒ **QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**

For the quarterly period ended September 30, 2023 March 31, 2024

OR

☐ **TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**

For the transition period from ________to _________

001-13106 (Essex Property Trust, Inc.)
333-44467-01 (Essex Portfolio, L.P.)
(Commission File Number)

ESSEX PROPERTY TRUST, INC.
ESSEX PORTFOLIO, L.P.
(Exact name of Registrant as Specified in its Charter)

Maryland	**77-0369576**
(Essex Property Trust, Inc.)	**(Essex Property Trust, Inc.)**
California	**77-0369575**
(Essex Portfolio, L.P.)	**(Essex Portfolio, L.P.)**
(State or Other Jurisdiction of Incorporation or Organization)	(I.R.S. Employer Identification Number)

1100 Park Place, Suite 200
San Mateo, California 94403
(Address of Principal Executive Offices, Including Zip Code)

(650) 655-7800
(Registrant's Telephone Number, Including Area Code)

Securities registered pursuant to Section 12(b) of the Act:

Title of each class	Trading Symbol(s)	Name of each exchange on which registered
Common Stock, $.0001 par value (Essex Property Trust, Inc.)	ESS	New York Stock Exchange

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days.

Essex Property Trust, Inc. Yes ☒ No ☐ Essex Portfolio, L.P. Yes ☒ No ☐

Indicate by check mark whether the registrant has submitted electronically every Interactive Data File required to be submitted pursuant to Rule 405 of Regulation S-T (§232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit such files).

Essex Property Trust, Inc.	Yes ☒	No ☐	Essex Portfolio, L.P.	Yes ☒	No ☐

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, a smaller reporting company or an emerging growth company. See the definitions of "large accelerated filer," "accelerated filer," "smaller reporting company" and "emerging growth company" in Rule 12b-2 of the Exchange Act.

Essex Property Trust, Inc.:

Large accelerated filer	☒	Accelerated filer	☐	Non-accelerated filer	☐	Smaller reporting company	☐
						Emerging growth company	☐

Essex Portfolio, L.P.:

Large accelerated filer	☐	Accelerated filer	☐	Non-accelerated filer	☒	Smaller reporting company	☐
						Emerging growth company	☐

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act.

Essex Property Trust, Inc. ☐ Essex Portfolio, L.P. ☐

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act).

Essex Property Trust, Inc.	Yes ☐	No ☒	Essex Portfolio, L.P.	Yes ☐	No ☒

APPLICABLE ONLY TO CORPORATE ISSUERS:

Indicate the number of shares outstanding of each of the issuer's classes of common stock, as of the latest practicable date: 64,184,604 64,209,059 shares of Common Stock ($.0001 par value) of Essex Property Trust, Inc. were outstanding as of October 25, 2023 April 29, 2024.

EXPLANATORY NOTE

This report combines the reports on Form 10-Q for the three and nine month periods period ended September 30, 2023 March 31, 2024 of Essex Property Trust, Inc., a Maryland corporation, and Essex Portfolio, L.P., a Delaware limited partnership of which Essex Property Trust, Inc. is the sole general partner.

Unless stated otherwise or the context otherwise requires, references to the "Company," "we," "us" or "our" mean collectively Essex Property Trust, Inc. and those entities/subsidiaries owned or controlled by Essex Property Trust, Inc., including Essex Portfolio, L.P., and references to the "Operating Partnership" mean Essex Portfolio, L.P. and those entities/subsidiaries owned or controlled by Essex Portfolio, L.P. Unless stated otherwise or the context otherwise requires, references to "Essex" mean Essex Property Trust, Inc., not including any of its subsidiaries.

Essex operates as a self-administered and self-managed real estate investment trust ("REIT"), and is the sole general partner of the Operating Partnership. As the sole general partner of the Operating Partnership, Essex has exclusive control of the Operating Partnership's day-to-day management.

The Company is structured as an umbrella partnership REIT ("UPREIT") and Essex contributes all net proceeds from its various equity offerings to the Operating Partnership. In return for those contributions, Essex receives a number of Operating Partnership limited partnership units ("OP Units," and the holders of such OP Units, "Unitholders") equal to the number of shares of common stock it has issued in the equity offerings. Contributions of properties to the Company can be structured as tax-deferred transactions through the issuance of OP Units, which is one of the reasons why the Company is structured in the manner outlined above. Based on the terms of the Operating Partnership's partnership agreement, OP Units can be exchanged into Essex common stock on a one-for-one basis. The Company maintains a one-for-one relationship between the OP Units issued to Essex and shares of common stock.

The Company believes that combining the reports on Form 10-Q of Essex and the Operating Partnership into this single report provides the following benefits:

- enhances investors' understanding of Essex and the Operating Partnership by enabling investors to view the business as a whole in the same manner as management views and operates the business;
- eliminates duplicative disclosure and provides a more streamlined and readable presentation since a substantial portion of the disclosure applies to both Essex and the Operating Partnership; and
- creates time and cost efficiencies through the preparation of one combined report instead of two separate reports.

Management operates Essex and the Operating Partnership as one business. The management of Essex consists of the same members as the management of the Operating Partnership.

All of the Company's property ownership, development, and related business operations are conducted through the Operating Partnership and Essex has no material assets, other than its investment in the Operating Partnership. Essex's primary function is acting as the general partner of the Operating Partnership. As general partner with control of the Operating Partnership, Essex consolidates the Operating Partnership for financial reporting purposes. Therefore, the assets and liabilities of Essex and the Operating Partnership are the same on their respective financial statements. Essex also issues equity from time to time and guarantees certain debt of the Operating Partnership, as disclosed in this report. The Operating Partnership holds substantially all of the assets of the Company, including the Company's ownership interests in its co-investments. The Operating Partnership conducts the operations of the business and is structured as a partnership with no publicly traded equity. Except for the net proceeds from equity offerings by the Company, which are contributed to the capital of the Operating Partnership in exchange for OP Units (on a one-for-one share of common stock per OP Unit basis), the Operating Partnership generates all remaining capital required by the Company's business. These sources of capital include the Operating Partnership's working capital, net cash provided by operating activities, borrowings under its revolving credit facilities, the issuance of secured and unsecured debt and equity securities and proceeds received from disposition of certain properties and co-investments.

The Company believes it is important to understand the few differences between Essex and the Operating Partnership in the context of how Essex and the Operating Partnership operate as a consolidated company. Stockholders' equity, partners' capital and noncontrolling interest are the main areas of difference between the condensed consolidated financial statements of Essex and those of the Operating Partnership. The limited partners of the Operating Partnership are accounted for as partners' capital in the Operating Partnership's condensed consolidated financial statements and as noncontrolling interest in Essex's condensed consolidated financial statements. The noncontrolling interest in the Operating Partnership's condensed consolidated financial statements include the interest of unaffiliated partners in various consolidated partnerships and co-investment partners. The noncontrolling interest in Essex's condensed consolidated financial statements include (i) the same noncontrolling interest as presented in the Operating Partnership's condensed consolidated financial statements and (ii) OP Unitholders. The differences between stockholders' equity and partners' capital result from differences in the equity issued at Essex and Operating Partnership levels.

To help investors understand the significant differences between Essex and the Operating Partnership, this report on Form 10-Q provides separate condensed consolidated financial statements for Essex and the Operating Partnership; a single set of consolidated notes to such financial statements that includes separate discussions of stockholders' equity or partners' capital, and earnings per share/unit, as applicable; and a combined Management's Discussion and Analysis of Financial Condition and Results of Operations.

This report on Form 10-Q also includes separate Part I, Item 4. Controls and Procedures sections and separate Exhibits 31 and 32 certifications for each of Essex and the Operating Partnership in order to establish that the requisite certifications have been made and that Essex and the Operating Partnership are compliant with Rule 13a-15 or Rule 15d-15 of the Securities Exchange Act of 1934 (the "Exchange Act") and 18 U.S.C. §1350.

In order to highlight the differences between Essex and the Operating Partnership, the separate sections in this report on Form 10-Q for Essex and the Operating Partnership specifically refer to Essex and the Operating Partnership. In the sections that combine disclosure of Essex and the Operating Partnership, this report refers to actions or holdings as being actions or holdings of the Company. Although the Operating Partnership is generally the entity that directly or indirectly enters into contracts and co-investments and holds assets and debt, reference to the Company is appropriate because the Company is one business and the Company operates that business through the Operating Partnership. The separate discussions of Essex and the Operating Partnership in this report should be read in conjunction with each other to understand the results of the Company on a consolidated basis and how management operates the Company.

The information furnished in the accompanying unaudited condensed consolidated balance sheets, statements of income and comprehensive income, equity, capital, and cash flows of the Company and the Operating Partnership reflect all adjustments which are, in the opinion of management, necessary for a fair presentation of the aforementioned condensed consolidated financial statements for the interim periods and are normal and recurring in nature, except as otherwise noted.

The accompanying unaudited condensed consolidated financial statements should be read in conjunction with the notes to such unaudited condensed consolidated financial statements and Management's Discussion and Analysis of Financial Condition and Results of Operations herein. Additionally, these unaudited condensed consolidated financial statements should be read in conjunction with the audited consolidated financial statements included in the Company's annual report on Form 10-K for the year ended December 31, 2022 December 31, 2023.

ESSEX PROPERTY TRUST, INC.
ESSEX PORTFOLIO, L.P.
FORM 10-Q
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Part I – Financial Information

Item 1. Condensed Consolidated Financial Statements

ESSEX PROPERTY TRUST, INC. AND SUBSIDIARIES
Condensed Consolidated Balance Sheets
(Unaudited)

(In thousands, except parenthetical and share amounts)

ASSETS	ASSETS	September 30, 2023	December 31, 2022	ASSETS	March 31, 2024	December 31, 2023
Real estate:	Real estate:					
Rental properties:	Rental properties:					
Rental properties:						
Rental properties:						
Land and land improvements						
Land and land improvements						
Land and land improvements	Land and land improvements	$ 3,036,912	$ 3,043,321			
Buildings and improvements	Buildings and improvements	13,036,033	12,922,906			
		16,072,945	15,966,227			
Less: accumulated depreciation	Less: accumulated depreciation	(5,527,559)	(5,152,133)			
		10,545,386	10,814,094			
Real estate under development	Real estate under development	23,067	24,857			
Co-investments	Co-investments	1,133,515	1,127,491			
		11,701,968	11,966,442			
		11,956,933				
		11,956,933				
		11,956,933				
Cash and cash equivalents-unrestricted	Cash and cash equivalents-unrestricted	391,994	33,295			
Cash and cash equivalents-restricted	Cash and cash equivalents-restricted	8,503	9,386			
Marketable securities, net of allowance for credit losses of zero as of both September 30, 2023 and December 31, 2022		90,186	112,743			
Notes and other receivables, net of allowance for credit losses of $0.6 million and $0.3 million as of September 30, 2023 and December 31, 2022, respectively (includes related party receivables of $7.2 million and $7.0 million as of September 30, 2023 and December 31, 2022, respectively)		164,603	103,045			
Marketable securities, net of allowance for credit losses of zero as of both March 31, 2024 and December 31, 2023						

Notes and other receivables, net of allowance for credit losses of $0.7 million as of both March 31, 2024 and December 31, 2023, respectively (includes related party receivables of $5.9 million and $6.1 million as of March 31, 2024 and December 31, 2023, respectively)				
Operating lease right-of-use assets	Operating lease right-of-use assets	64,636	67,239	
Prepaid expenses and other assets	Prepaid expenses and other assets	75,757	80,755	
Total assets	Total assets	$12,497,647	$12,372,905	
LIABILITIES AND EQUITY	**LIABILITIES AND EQUITY**			**LIABILITIES AND EQUITY**
Unsecured debt, net	Unsecured debt, net	$ 5,316,929	$ 5,312,168	
Mortgage notes payable, net	Mortgage notes payable, net	888,010	593,943	
Lines of credit		—	52,073	
Accounts payable and accrued liabilities				
Accounts payable and accrued liabilities				
Accounts payable and accrued liabilities	Accounts payable and accrued liabilities	215,201	165,461	
Construction payable	Construction payable	22,709	23,159	
Dividends payable	Dividends payable	155,806	149,166	
Distributions in excess of investments in co-investments	Distributions in excess of investments in co-investments	50,686	42,532	
Operating lease liabilities	Operating lease liabilities	65,927	68,696	
Operating lease liabilities				
Operating lease liabilities				
Other liabilities	Other liabilities	45,972	43,441	
Total liabilities	Total liabilities	6,761,240	6,450,639	
Commitments and contingencies	Commitments and contingencies			Commitments and contingencies
Redeemable noncontrolling interest	Redeemable noncontrolling interest	29,960	27,150	
Equity:	Equity:			Equity:

Common stock; $0.0001 par value, 670,000,000 shares authorized; 64,184,604 and 64,604,603 shares issued and outstanding, respectively		6	6
Common stock; $0.0001 par value, 670,000,000 shares authorized; 64,209,059 and 64,203,497 shares issued and outstanding, respectively			
Additional paid-in capital	Additional paid-in capital	6,660,916	6,750,076
Distributions in excess of accumulated earnings	Distributions in excess of accumulated earnings	(1,184,597)	(1,080,176)
Accumulated other comprehensive income, net	Accumulated other comprehensive income, net	55,358	46,466
Total stockholders' equity	Total stockholders' equity	5,531,683	5,716,372
Noncontrolling interest	Noncontrolling interest	174,764	178,744
Total equity	Total equity	5,706,447	5,895,116
Total liabilities and equity	Total liabilities and equity	$12,497,647	$12,372,905

See accompanying notes to the unaudited condensed consolidated financial statements.

ESSEX PROPERTY TRUST, INC. AND SUBSIDIARIES

Condensed Consolidated Statements of Income and Comprehensive Income

(Unaudited)

(In thousands, except share and per share amounts)

		Three Months Ended September 30,		Nine Months Ended September 30,	
		2023	2022	2023	2022
Revenues:	Revenues:				
Revenues:					
Revenues:					
Rental and other property					
Rental and other property					
Rental and other property	Rental and other property	$ 416,398	$ 406,862	$ 1,239,319	$ 1,183,318
Management and other fees from affiliates	Management and other fees from affiliates	2,785	2,886	8,328	8,313
Management and other fees from affiliates					
Management and other fees from affiliates					
		419,183	409,748	1,247,647	1,191,631
Expenses:	Expenses:				

Expenses:					
Expenses:					
Property operating, excluding real estate taxes					
Property operating, excluding real estate taxes					
Property operating, excluding real estate taxes	Property operating, excluding real estate taxes	77,020	73,450	224,745	212,069
Real estate taxes	Real estate taxes	46,876	46,593	138,787	137,594
Real estate taxes					
Real estate taxes					
Corporate-level property management expenses					
Corporate-level property management expenses					
Corporate-level property management expenses	Corporate-level property management expenses	11,504	10,184	34,387	30,532
Depreciation and amortization	Depreciation and amortization	137,357	135,511	410,422	403,561
Depreciation and amortization					
Depreciation and amortization					
General and administrative	General and administrative	14,611	15,172	43,735	40,541
General and administrative					
General and administrative					
Expensed acquisition and investment related costs					
Expensed acquisition and investment related costs					
Expensed acquisition and investment related costs	Expensed acquisition and investment related costs	31	230	375	248
Casualty loss	Casualty loss	—	—	433	—
Casualty loss					
Casualty loss					
		287,399	281,140	852,884	824,545
Gain on sale of real estate and land	Gain on sale of real estate and land	—	—	59,238	—
Gain on sale of real estate and land					
Gain on sale of real estate and land					
Earnings from operations					
Earnings from operations					
Earnings from operations	Earnings from operations	131,784	128,608	454,001	367,086
Interest expense	Interest expense	(54,161)	(51,645)	(157,806)	(152,499)
Interest expense					
Interest expense					
Total return swap income	Total return swap income	690	1,882	2,544	6,709
Interest and other income (loss)		4,406	(6,796)	29,055	(31,571)

Total return swap income					
Total return swap income					
Interest and other income					
Interest and other income					
Interest and other income					
Equity income from co-investments					
Equity income from co-investments					
Equity income from co-investments	Equity income from co-investments	10,694	10,985	33,802	23,756
Tax (expense) benefit on unconsolidated co-investments	Tax (expense) benefit on unconsolidated co-investments	(404)	(1,755)	(1,237)	7,863
Loss on early retirement of debt, net		—	(2)	—	(2)
Tax (expense) benefit on unconsolidated co-investments					
Tax (expense) benefit on unconsolidated co-investments					
Gain on remeasurement of co-investment					
Gain on remeasurement of co-investment					
Gain on remeasurement of co-investment	Gain on remeasurement of co-investment	—	17,423	—	17,423
Net income	Net income	93,009	98,700	360,359	238,765
Net income					
Net income					
Net income attributable to noncontrolling interest	Net income attributable to noncontrolling interest	(5,727)	(5,858)	(19,925)	(15,615)
Net income attributable to noncontrolling interest					
Net income attributable to noncontrolling interest					
Net income available to common stockholders					
Net income available to common stockholders					
Net income available to common stockholders	Net income available to common stockholders	$ 87,282	$ 92,842	$ 340,434	$ 223,150
Comprehensive income	Comprehensive income	$ 97,122	$ 124,797	$ 369,564	$ 297,053
Comprehensive income					
Comprehensive income					
Comprehensive income attributable to noncontrolling interest					
Comprehensive income attributable to noncontrolling interest					
Comprehensive income attributable to noncontrolling interest	Comprehensive income attributable to noncontrolling interest	(5,867)	(6,740)	(20,238)	(17,582)

Comprehensive income attributable to controlling interest	Comprehensive income attributable to controlling interest	$	91,255	$	118,057	$	349,326	$	279,471
Comprehensive income attributable to controlling interest									
Comprehensive income attributable to controlling interest									
Per share data:									
Per share data:									
Per share data:	Per share data:								
Basic:	Basic:								
Basic:									
Basic:									
Net income available to common stockholders									
Net income available to common stockholders									
Net income available to common stockholders	Net income available to common stockholders	$	1.36	$	1.43	$	5.30	$	3.42
Weighted average number of shares outstanding during the period	Weighted average number of shares outstanding during the period		64,184,180		65,059,678		64,274,085		65,198,532
Weighted average number of shares outstanding during the period									
Weighted average number of shares outstanding during the period									
Diluted:									
Diluted:									
Diluted:	Diluted:								
Net income available to common stockholders	Net income available to common stockholders	$	1.36	$	1.43	$	5.30	$	3.42
Net income available to common stockholders									
Net income available to common stockholders									
Weighted average number of shares outstanding during the period	Weighted average number of shares outstanding during the period		64,186,020		65,067,790		64,275,279		65,225,767
Weighted average number of shares outstanding during the period									
Weighted average number of shares outstanding during the period									

See accompanying notes to the unaudited condensed consolidated financial statements.

ESSEX PROPERTY TRUST, INC. AND SUBSIDIARIES

Condensed Consolidated Statements of Equity for the three and nine months ended September 30, 2023 March 31, 2024 and 2022 2023

(Unaudited)

(In thousands)

Three Months Ended September 30, 2023	Common stock Shares	Common stock Amount	Additional paid-in capital	Distributions in excess of accumulated earnings	Accumulated other comprehensive income, net	Noncontrolling interest	Total
Balances at June 30, 2023	64,183	$ 6	$6,657,481	$(1,123,594)	$ 51,385	$ 176,727	$5,762,005
Three Months Ended March 31, 2024	Common stock		Additional paid-in capital	Distributions in excess of accumulated earnings	Accumulated other comprehensive income, net	Noncontrolling interest	Total
Balances at December 31, 2023							
Balances at December 31, 2023							
Balances at December 31, 2023							
Net income Net income	—	—	—	87,282	—	5,727	93,009
Change in fair value of derivatives and amortization of swap settlements Change in fair value of derivatives and amortization of swap settlements	—	—	—	—	3,973	140	4,113
Change in fair value of derivatives and amortization of swap settlements							
Change in fair value of derivatives and amortization of swap settlements							
Issuance of common stock under: Issuance of common stock under:							
Stock option and restricted stock plans, net							
Stock option and restricted stock plans, net							
Stock option and restricted stock plans, net							
Sale of common stock, net Sale of common stock, net	—	—	(106)	—	—	—	(106)
Equity based compensation costs Equity based compensation costs	—	—	2,211	—	—	78	2,289
Changes in the redemption value of redeemable noncontrolling interest Changes in the redemption value of redeemable noncontrolling interest	—	—	1,317	—	—	78	1,395

Changes in the redemption value of redeemable noncontrolling interest								
Changes in the redemption value of redeemable noncontrolling interest								
Distributions to noncontrolling interest								
Distributions to noncontrolling interest								
Distributions to noncontrolling interest	Distributions to noncontrolling interest	—	—	—	—	—	(7,973)	(7,973)
Redemptions of noncontrolling interest	Redemptions of noncontrolling interest	2	—	13	—	—	(13)	—
Common stock dividends ($2.31 per share)		—	—	—	(148,285)	—	—	(148,285)
Balances at September 30, 2023		64,185	$ 6	$6,660,916	$(1,184,597)	$ 55,358	$ 174,764	$5,706,447
Common stock dividends ($2.45 per share)								
Balances at March 31, 2024								

		Common stock						
Nine Months Ended September 30, 2023		Shares	Amount	Additional paid-in capital	Distributions in excess of accumulated earnings	Accumulated other comprehensive income, net	Noncontrolling interest	Total
		Common stock						
		Common stock						
		Common stock						
Three Months Ended March 31, 2023				Additional paid-in capital	Distributions in excess of accumulated earnings	Accumulated other comprehensive income, net	Noncontrolling Interest	Total
Balances at December 31, 2022								
Balances at December 31, 2022								
Balances at December 31, 2022	Balances at December 31, 2022	64,605	$ 6	$6,750,076	$(1,080,176)	$ 46,466	$ 178,744	$5,895,116
Net income	Net income	—	—	—	340,434	—	19,925	360,359

Change in fair value of derivatives and amortization of swap settlements	Change in fair value of derivatives and amortization of swap settlements	—	—	—	—	8,892	313	9,205
Issuance of common stock under:	Issuance of common stock under:							
Stock option and restricted stock plans, net								
Stock option and restricted stock plans, net								
Stock option and restricted stock plans, net	Stock option and restricted stock plans, net	3	—	—	—	—	—	—
Sale of common stock, net	Sale of common stock, net	—	—	(231)	—	—	—	(231)
Equity based compensation costs	Equity based compensation costs	—	—	9,598	—	—	337	9,935
Retirement of common stock, net	Retirement of common stock, net	(437)	—	(95,657)	—	—	—	(95,657)
Changes in the redemption value of redeemable noncontrolling interest	Changes in the redemption value of redeemable noncontrolling interest	—	—	(2,770)	—	—	(40)	(2,810)
Distributions to noncontrolling interest	Distributions to noncontrolling interest	—	—	—	—	—	(24,006)	(24,006)
Redemptions of noncontrolling interest	Redemptions of noncontrolling interest	14	—	(100)	—	—	(509)	(609)
Common stock dividends ($6.93 per share)		—	—	—	(444,855)	—	—	(444,855)
Balances at September 30, 2023		64,185	$ 6	$6,660,916	$(1,184,597)	$ 55,358	$ 174,764	$5,706,447
Common stock dividends ($2.31 per share)								
Balances at March 31, 2023								

Three Months Ended September 30, 2022	Common stock Shares	Common stock Amount	Additional paid-in capital	Distributions in excess of accumulated earnings	Accumulated other comprehensive income, net	Noncontrolling Interest	Total
Balances at June 30, 2022	65,124	$ 7	$ 6,875,863	$ (1,073,577)	$ 25,554	$ 178,738	$ 6,006,585
Net income	—	—	—	92,842	—	5,858	98,700
Change in fair value of derivatives and amortization of swap settlements	—	—	—	—	25,304	885	26,189
Change in fair value of marketable debt securities, net	—	—	—	—	(89)	(3)	(92)
Issuance of common stock under:							
Stock option and restricted stock plans, net	1	—	155	—	—	—	155
Sale of common stock, net	—	—	(107)	—	—	—	(107)
Equity based compensation costs	—	—	1,891	—	—	66	1,957
Retirement of common stock, net	(372)	(1)	(97,120)	—	—	—	(97,121)
Changes in the redemption value of redeemable noncontrolling interest	—	—	3,195	—	—	532	3,727
Distributions to noncontrolling interest	—	—	—	—	—	(7,748)	(7,748)
Redemptions of noncontrolling interest	—	—	(8,005)	—	—	(563)	(8,568)
Common stock dividends ($2.20 per share)	—	—	—	(142,480)	—	—	(142,480)
Balances at September 30, 2022	64,753	$ 6	$ 6,775,872	$ (1,123,215)	$ 50,769	$ 177,765	$ 5,881,197

Nine Months Ended September 30, 2022	Common stock Shares	Common stock Amount	Additional paid-in capital	Distributions in excess of accumulated earnings	Accumulated other comprehensive income (loss), net	Noncontrolling Interest	Total
Balances at December 31, 2021	65,248	$ 7	$ 6,915,981	$ (916,833)	$ (5,552)	$ 182,905	$ 6,176,508
Net income	—	—	—	223,150	—	15,615	238,765
Change in fair value of derivatives and amortization of swap settlements	—	—	—	—	56,124	1,960	58,084
Change in fair value of marketable debt securities, net	—	—	—	—	197	7	204
Issuance of common stock under:							
Stock option and restricted stock plans, net	88	—	17,194	—	—	—	17,194
Sale of common stock, net	—	—	(314)	—	—	—	(314)
Equity based compensation costs	—	—	6,843	—	—	239	7,082
Retirement of common stock, net	(591)	(1)	(157,950)	—	—	—	(157,951)
Changes in the redemption value of redeemable noncontrolling interest	—	—	4,246	—	—	704	4,950
Contributions from noncontrolling interest	—	—	—	—	—	125	125
Distributions to noncontrolling interest	—	—	—	—	—	(22,989)	(22,989)
Redemptions of noncontrolling interest	8	—	(10,128)	—	—	(801)	(10,929)
Common stock dividends ($6.60 per share)	—	—	—	(429,532)	—	—	(429,532)
Balances at September 30, 2022	64,753	$ 6	$ 6,775,872	$ (1,123,215)	$ 50,769	$ 177,765	$ 5,881,197

See accompanying notes to the unaudited condensed consolidated financial statements.

ESSEX PROPERTY TRUST, INC. AND SUBSIDIARIES

Condensed Consolidated Statements of Cash Flows

(Unaudited)

(In thousands, except parenthetical amounts)

		Nine Months Ended September 30,			Three Months Ended March 31,	
		2023	2022		2024	2023
Cash flows from operating activities:	Cash flows from operating activities:					
Net income						
Net income						
Net income	Net income	$360,359	$ 238,765			
Adjustments to reconcile net income to net cash provided by operating activities:	Adjustments to reconcile net income to net cash provided by operating activities:			Adjustments to reconcile net income to net cash provided by operating activities:		
Straight-lined rents	Straight-lined rents	1,650	5,529			
Depreciation and amortization	Depreciation and amortization	410,422	403,561			
Amortization of discount and debt financing costs, net	Amortization of discount and debt financing costs, net	5,028	4,916			
Realized and unrealized (gains) losses on marketable securities, net		(4,294)	51,126			
Amortization of discount and debt financing costs, net						
Amortization of discount and debt financing costs, net						
Realized and unrealized gains on marketable securities, net						
Provision for credit losses	Provision for credit losses	51	64			
Provision for credit losses						
Provision for credit losses						
Earnings from co-investments						
Earnings from co-investments						
Earnings from co-investments	Earnings from co-investments	(33,802)	(23,756)			
Operating distributions from co-investments	Operating distributions from co-investments	48,229	86,854			
Accrued interest from notes and other receivables	Accrued interest from notes and other receivables	(8,919)	(10,748)			
Casualty loss	Casualty loss	433	—			
Gain on the sale of real estate and land	Gain on the sale of real estate and land	(59,238)	—			
Equity-based compensation	Equity-based compensation	5,943	6,589			

Loss on early retirement of debt, net		—	2	
Equity-based compensation				
Equity-based compensation				
Gain on remeasurement of co-investment				
Gain on remeasurement of co-investment				
Gain on remeasurement of co-investment	Gain on remeasurement of co-investment	—	(17,423)	
Changes in operating assets and liabilities:	Changes in operating assets and liabilities:			
Prepaid expenses, receivables, operating lease right-of-use assets, and other assets				
Prepaid expenses, receivables, operating lease right-of-use assets, and other assets				
Prepaid expenses, receivables, operating lease right-of-use assets, and other assets	Prepaid expenses, receivables, operating lease right-of-use assets, and other assets	3,024	15,406	
Accounts payable, accrued liabilities, and operating lease liabilities	Accounts payable, accrued liabilities, and operating lease liabilities	44,971	38,948	
Other liabilities	Other liabilities	2,533	8,902	
Net cash provided by operating activities	Net cash provided by operating activities	776,390	808,735	
Cash flows from investing activities:	Cash flows from investing activities:			Cash flows from investing activities:
Additions to real estate:	Additions to real estate:			Additions to real estate:
Acquisitions of real estate and acquisition related capital expenditures, net of cash acquired	Acquisitions of real estate and acquisition related capital expenditures, net of cash acquired	(23,845)	(21,759)	
Redevelopment	Redevelopment	(56,168)	(67,974)	

Development acquisitions of and additions to real estate under development	Development acquisitions of and additions to real estate under development	(6,317)	(22,754)
Capital expenditures on rental properties	Capital expenditures on rental properties	(94,304)	(107,105)
Investments in notes receivable	Investments in notes receivable	(52,888)	(160,013)
Collections of notes and other receivables		—	303,088
Investments in notes receivable			
Investments in notes receivable			
Proceeds from insurance for property losses			
Proceeds from insurance for property losses			
Proceeds from insurance for property losses	Proceeds from insurance for property losses	2,991	4,325
Proceeds from dispositions of real estate	Proceeds from dispositions of real estate	99,388	—
Contributions to co-investments	Contributions to co-investments	(32,169)	(159,461)
Changes in refundable deposits	Changes in refundable deposits	10,200	(16,318)
Changes in refundable deposits			
Changes in refundable deposits			
Purchases of marketable securities	Purchases of marketable securities	(11,552)	(12,760)
Sales and maturities of marketable securities	Sales and maturities of marketable securities	46,989	30,025
Non-operating distributions from co-investments		15,251	161,324
Net cash used in investing activities		(102,424)	(69,382)
Net cash (used in) provided by investing activities			
Net cash (used in) provided by investing activities			
Net cash (used in) provided by investing activities			
Cash flows from financing activities:	Cash flows from financing activities:		Cash flows from financing activities:
Proceeds from unsecured debt and mortgage notes	Proceeds from unsecured debt and mortgage notes	598,000	—

Payments on unsecured debt and mortgage notes	Payments on unsecured debt and mortgage notes	(301,678)	(24,103)
Proceeds from lines of credit	Proceeds from lines of credit	844,021	1,053,663
Repayments of lines of credit	Repayments of lines of credit	(896,094)	(1,175,440)

		Nine Months Ended September 30,		Three Months Ended March 31,	
		2023	2022	2024	2023
Retirement of common stock	Retirement of common stock	(95,657)	(157,951)		
Additions to deferred charges	Additions to deferred charges	(1,681)	(140)		
Net costs from issuance of common stock	Net costs from issuance of common stock	(231)	(314)		
Net costs from issuance of common stock					
Net costs from issuance of common stock					
Net proceeds from stock options exercised	Net proceeds from stock options exercised	—	19,410		
Payments related to tax withholding for share-based compensation		—	(2,216)		
Contributions from noncontrolling interest		—	125		
Net proceeds from stock options exercised					
Net proceeds from stock options exercised					
Distributions to noncontrolling interest					
Distributions to noncontrolling interest					
Distributions to noncontrolling interest	Distributions to noncontrolling interest	(23,532)	(22,606)		
Redemption of noncontrolling interest	Redemption of noncontrolling interest	(609)	(10,929)		
Redemption of redeemable noncontrolling interest		—	(478)		

Common stock dividends paid	Common stock dividends paid	(438,689)	(423,443)
Net cash used in financing activities		(316,150)	(744,422)
Common stock dividends paid			
Common stock dividends paid			
Net cash provided by (used in) financing activities			
Net increase (decrease) in unrestricted and restricted cash and cash equivalents		357,816	(5,069)
Net increase in unrestricted and restricted cash and cash equivalents			
Net increase in unrestricted and restricted cash and cash equivalents			
Net increase in unrestricted and restricted cash and cash equivalents			
Unrestricted and restricted cash and cash equivalents at beginning of period			
Unrestricted and restricted cash and cash equivalents at beginning of period			
Unrestricted and restricted cash and cash equivalents at beginning of period	Unrestricted and restricted cash and cash equivalents at beginning of period	42,681	58,638
Unrestricted and restricted cash and cash equivalents at end of period	Unrestricted and restricted cash and cash equivalents at end of period	$400,497	$ 53,569
Supplemental disclosure of cash flow information:	Supplemental disclosure of cash flow information:		
Cash paid for interest (net of $0.7 million and $1.9 million capitalized in 2023 and 2022, respectively)		$159,758	$149,970
Supplemental disclosure of cash flow information:			
Supplemental disclosure of cash flow information:			

Cash paid for interest (net of $0.1 million and $0.3 million capitalized in 2024 and 2023, respectively)			
Cash paid for interest (net of $0.1 million and $0.3 million capitalized in 2024 and 2023, respectively)			
Cash paid for interest (net of $0.1 million and $0.3 million capitalized in 2024 and 2023, respectively)			
Cash paid for amounts included in the measurement of lease liabilities:	Cash paid for amounts included in the measurement of lease liabilities:		
Operating cash flows from operating leases			
Operating cash flows from operating leases			
Operating cash flows from operating leases	Operating cash flows from operating leases	$ 5,298	$ 5,225
Supplemental disclosure of noncash investing and financing activities:	Supplemental disclosure of noncash investing and financing activities:	Supplemental disclosure of noncash investing and financing activities:	
Transfers between real estate under development and rental properties, net			
Transfers between real estate under development and rental properties, net			
Transfers between real estate under development and rental properties, net	Transfers between real estate under development and rental properties, net	$ 827	$ 98,024
Transfers from real estate under development to co-investments	Transfers from real estate under development to co-investments	$ 1,322	$ 2,090
Reclassifications to (from) redeemable noncontrolling interest from additional paid in capital and noncontrolling interest		$ 2,810	$ (4,950)

Reclassifications (from) to redeemable noncontrolling interest (to) from additional paid in capital and noncontrolling interest		
Debt assumed in connection with acquisition	$ —	$ 21,303
Reclassifications (from) to redeemable noncontrolling interest (to) from additional paid in capital and noncontrolling interest		
Reclassifications (from) to redeemable noncontrolling interest (to) from additional paid in capital and noncontrolling interest		

See accompanying notes to the unaudited condensed consolidated financial statements.

ESSEX PORTFOLIO, L.P. AND SUBSIDIARIES
Condensed Consolidated Balance Sheets
(Unaudited)
(In thousands, except parenthetical and unit amounts)

ASSETS	ASSETS	September 30, 2023	December 31, 2022	ASSETS	March 31, 2024	December 31, 2023
Real estate:	Real estate:					
Rental properties:	Rental properties:					
Rental properties:						
Rental properties:						
Land and land improvements						
Land and land improvements						
Land and land improvements	Land and land improvements	$ 3,036,912	$ 3,043,321			
Buildings and improvements	Buildings and improvements	13,036,033	12,922,906			
		16,072,945	15,966,227			
Less: accumulated depreciation	Less: accumulated depreciation	(5,527,559)	(5,152,133)			
		10,545,386	10,814,094			
Real estate under development	Real estate under development	23,067	24,857			
Co-investments	Co-investments	1,133,515	1,127,491			
		11,701,968	11,966,442			
		11,956,933				
		11,956,933				
		11,956,933				

Cash and cash equivalents-unrestricted	Cash and cash equivalents-unrestricted	391,994	33,295	
Cash and cash equivalents-restricted	Cash and cash equivalents-restricted	8,503	9,386	
Marketable securities, net of allowance for credit losses of zero as of both September 30, 2023 and December 31, 2022		90,186	112,743	
Notes and other receivables, net of allowance for credit losses of $0.6 million and $0.3 million as of September 30, 2023 and December 31, 2022, respectively (includes related party receivables of $7.2 million and $7.0 million as of September 30, 2023 and December 31, 2022, respectively)		164,603	103,045	
Marketable securities, net of allowance for credit losses of zero as of both March 31, 2024 and December 31, 2023				
Notes and other receivables, net of allowance for credit losses of $0.7 million as of both March 31, 2024 and December 31, 2023, respectively (includes related party receivables of $5.9 million and $6.1 million as of March 31, 2024 and December 31, 2023, respectively)				
Operating lease right-of-use assets	Operating lease right-of-use assets	64,636	67,239	
Prepaid expenses and other assets	Prepaid expenses and other assets	75,757	80,755	
Total assets	Total assets	$12,497,647	$12,372,905	
LIABILITIES AND CAPITAL	**LIABILITIES AND CAPITAL**			**LIABILITIES AND CAPITAL**
Unsecured debt, net	Unsecured debt, net	$ 5,316,929	$ 5,312,168	
Mortgage notes payable, net	Mortgage notes payable, net	888,010	593,943	
Lines of credit		—	52,073	
Accounts payable and accrued liabilities				
Accounts payable and accrued liabilities				

Accounts payable and accrued liabilities	Accounts payable and accrued liabilities	215,201	165,461
Construction payable	Construction payable	22,709	23,159
Distributions payable	Distributions payable	155,806	149,166
Distributions in excess of investments in co-investments	Distributions in excess of investments in co-investments	50,686	42,532
Operating lease liabilities	Operating lease liabilities	65,927	68,696
Other liabilities	Other liabilities	45,972	43,441
Other liabilities			
Other liabilities			
Total liabilities	Total liabilities	6,761,240	6,450,639
Commitments and contingencies	Commitments and contingencies			Commitments and contingencies
Redeemable noncontrolling interest	Redeemable noncontrolling interest	29,960	27,150
Capital:	Capital:		
Capital:			
Capital:			
General Partner:	General Partner:		
Common equity (64,184,604 and 64,604,603 units issued and outstanding, respectively)		5,476,325	5,669,906
		5,476,325	5,669,906
Common equity (64,209,059 and 64,203,497 units issued and outstanding, respectively)			
Common equity (64,209,059 and 64,203,497 units issued and outstanding, respectively)			
Common equity (64,209,059 and 64,203,497 units issued and outstanding, respectively)			
	5,506,752		
Limited Partners:	Limited Partners:		
Common equity (2,258,812 and 2,272,496 units issued and outstanding, respectively)		47,714	51,454
Common equity (2,258,812 and 2,258,812 units issued and outstanding, respectively)			
Common equity (2,258,812 and 2,258,812 units issued and outstanding, respectively)			

Common equity (2,258,812 and 2,258,812 units issued and outstanding, respectively)			
Accumulated other comprehensive income, net	Accumulated other comprehensive income, net	61,215	52,010
Total partners' capital	Total partners' capital	5,585,254	5,773,370
Noncontrolling interest	Noncontrolling interest	121,193	121,746
Total capital	Total capital	5,706,447	5,895,116
Total liabilities and capital	Total liabilities and capital	$12,497,647	$12,372,905

See accompanying notes to the unaudited condensed consolidated financial statements.

ESSEX PORTFOLIO, L.P. AND SUBSIDIARIES

Condensed Consolidated Statements of Income and Comprehensive Income

(Unaudited)

(In thousands, except unit and per unit amounts)

		Three Months Ended September 30,				Nine Months Ended September 30,			
		2023		2022		2023		2022	
Revenues:	Revenues:								
Revenues:									
Revenues:									
Rental and other property									
Rental and other property									
Rental and other property	Rental and other property	$	416,398	$	406,862	$	1,239,319	$	1,183,318
Management and other fees from affiliates	Management and other fees from affiliates		2,785		2,886		8,328		8,313
Management and other fees from affiliates									
Management and other fees from affiliates									
			419,183		409,748		1,247,647		1,191,631
Expenses:	Expenses:								
Expenses:									
Expenses:									
Property operating, excluding real estate taxes									
Property operating, excluding real estate taxes									
Property operating, excluding real estate taxes	Property operating, excluding real estate taxes		77,020		73,450		224,745		212,069
Real estate taxes	Real estate taxes		46,876		46,593		138,787		137,594
Real estate taxes									
Real estate taxes									

Corporate-level property management expenses					
Corporate-level property management expenses					
Corporate-level property management expenses	Corporate-level property management expenses	11,504	10,184	34,387	30,532
Depreciation and amortization	Depreciation and amortization	137,357	135,511	410,422	403,561
Depreciation and amortization					
Depreciation and amortization					
General and administrative					
General and administrative					
General and administrative	General and administrative	14,611	15,172	43,735	40,541
Expensed acquisition and investment related costs	Expensed acquisition and investment related costs	31	230	375	248
Expensed acquisition and investment related costs					
Expensed acquisition and investment related costs					
Casualty loss	Casualty loss	—	—	433	—
		287,399	281,140	852,884	824,545
Gain on sale of real estate and land		—	—	59,238	—
Earnings from operations		131,784	128,608	454,001	367,086
Interest expense		(54,161)	(51,645)	(157,806)	(152,499)
Total return swap income		690	1,882	2,544	6,709
Interest and other income (loss)		4,406	(6,796)	29,055	(31,571)
Equity income from co-investments		10,694	10,985	33,802	23,756
Tax (expense) benefit on unconsolidated co-investments		(404)	(1,755)	(1,237)	7,863
Loss on early retirement of debt, net		—	(2)	—	(2)
Gain on remeasurement of co-investment		—	17,423	—	17,423
Net income		93,009	98,700	360,359	238,765
Net income attributable to noncontrolling interest		(2,655)	(2,611)	(7,943)	(7,815)
Casualty loss					
Casualty loss					
Gain on sale of real estate and land					
Gain on sale of real estate and land					
Gain on sale of real estate and land					
Earnings from operations					
Earnings from operations					
Earnings from operations					
Interest expense					
Interest expense					
Interest expense					
Total return swap income					
Total return swap income					
Total return swap income					

Interest and other income					
Interest and other income					
Interest and other income					
Equity income from co-investments					
Equity income from co-investments					
Equity income from co-investments					
Tax (expense) benefit on unconsolidated co-investments					
Tax (expense) benefit on unconsolidated co-investments					
Tax (expense) benefit on unconsolidated co-investments					
Gain on remeasurement of co-investment					
Gain on remeasurement of co-investment					
Gain on remeasurement of co-investment					
Net income					
Net income					
Net income					
Net income attributable to noncontrolling interest					
Net income attributable to noncontrolling interest					
Net income attributable to noncontrolling interest					
Net income available to common unitholders					
Net income available to common unitholders					
Net income available to common unitholders	Net income available to common unitholders	$ 90,354	$ 96,089	$ 352,416	$ 230,950
Comprehensive income	Comprehensive income	$ 97,122	$ 124,797	$ 369,564	$ 297,053
Comprehensive income					
Comprehensive income					
Comprehensive income attributable to noncontrolling interest					
Comprehensive income attributable to noncontrolling interest					
Comprehensive income attributable to noncontrolling interest	Comprehensive income attributable to noncontrolling interest	(2,655)	(2,611)	(7,943)	(7,815)
Comprehensive income attributable to controlling interest	Comprehensive income attributable to controlling interest	$ 94,467	$ 122,186	$ 361,621	$ 289,238
Comprehensive income attributable to controlling interest					
Comprehensive income attributable to controlling interest					
Per unit data:					
Per unit data:					
Per unit data:	Per unit data:				

Basic: Basic:

Basic:

Basic:

Net income available to common unitholders

Net income available to common unitholders

Net income available to common unitholders	Net income available to common unitholders	$	1.36	$	1.43	$	5.30	$	3.42
Weighted average number of common units outstanding during the period	Weighted average number of common units outstanding during the period		66,443,416		67,333,077		66,535,917		67,476,168

Weighted average number of common units outstanding during the period

Weighted average number of common units outstanding during the period

Diluted:

Diluted:

Diluted:	Diluted:								
Net income available to common unitholders	Net income available to common unitholders	$	1.36	$	1.43	$	5.30	$	3.42

Net income available to common unitholders

Net income available to common unitholders

Weighted average number of common units outstanding during the period	Weighted average number of common units outstanding during the period		66,445,256		67,341,189		66,537,111		67,503,403

Weighted average number of common units outstanding during the period

Weighted average number of common units outstanding during the period

See accompanying notes to the unaudited condensed consolidated financial statements.

ESSEX PORTFOLIO, L.P. AND SUBSIDIARIES

Condensed Consolidated Statements of Capital for the three and nine months ended September 30, 2023 March 31, 2024 and 2022 2023

(Unaudited)

(In thousands)

	General Partner		Limited Partners		Accumulated other comprehensive income, net	Noncontrolling interest	Total
	Common Equity		Common Equity				
Three Months Ended September 30, 2023	Units	Amount	Units	Amount			
Balances at June 30, 2023	64,183	$5,533,893	2,260	$49,704	$ 57,102	$ 121,306	$5,762,005

	General Partner	Limited Partners	Accumulated other comprehensive income,	Noncontrolling interest	Total
Total					

Three Months Ended March 31, 2024

Three Months Ended March 31, 2024

Three Months Ended March 31, 2024

net

Balances at December 31, 2023

Balances at December 31, 2023

Balances at December 31, 2023

Net income	Net income	—	87,282	—	3,072	—	2,655	93,009
Change in fair value of derivatives and amortization of swap settlements	Change in fair value of derivatives and amortization of swap settlements	—	—	—	—	4,113	—	4,113

Change in fair value of derivatives and amortization of swap settlements

Change in fair value of derivatives and amortization of swap settlements

Issuance of common units under:	Issuance of common units under:							

General partner's stock based compensation, net

General partner's stock based compensation, net

General partner's stock based compensation, net

Sale of common stock by general partner, net	Sale of common stock by general partner, net	—	(106)	—	—	—	—	(106)
Equity based compensation costs	Equity based compensation costs	—	2,211	—	78	—	—	2,289
Changes in the redemption value of redeemable noncontrolling interest	Changes in the redemption value of redeemable noncontrolling interest	—	1,317	—	90	—	(12)	1,395

Changes in the redemption value of redeemable noncontrolling interest

Changes in the redemption value of redeemable noncontrolling interest

Distributions to noncontrolling interest	Distributions to noncontrolling interest	—	—	—	—	—	(2,754)	(2,754)
Distributions to noncontrolling interest								
Distributions to noncontrolling interest								
Redemptions	Redemptions	2	13	(1)	(11)	—	(2)	—
Distributions declared ($2.31 per unit)		—	(148,285)	—	(5,219)	—	—	(153,504)
Balances at September 30, 2023		64,185	$5,476,325	2,259	$47,714	$ 61,215	$ 121,193	$5,706,447
Distributions declared ($2.45 per unit)								
Balances at March 31, 2024								

	General Partner Common Equity		Limited Partners Common Equity		Accumulated other comprehensive income, net	Noncontrolling interest	Total
Nine Months Ended September 30, 2023	Units	Amount	Units	Amount			
Balances at December 31, 2022	64,605	$ 5,669,906	2,272	$ 51,454	$ 52,010	$ 121,746	$ 5,895,116
Net income	—	340,434	—	11,982	—	7,943	360,359
Change in fair value of derivatives and amortization of swap settlements	—	—	—	—	9,205	—	9,205
Issuance of common units under:							
General partner's stock based compensation, net	3	—	—	—	—	—	—
Sale of common stock by general partner, net	—	(231)	—	—	—	—	(231)
Equity based compensation costs	—	9,598	—	337	—	—	9,935
Retirement of common units, net	(437)	(95,657)	—	—	—	—	(95,657)
Changes in the redemption value of redeemable noncontrolling interest	—	(2,770)	—	(42)	—	2	(2,810)
Distributions to noncontrolling interest	—	—	—	—	—	(8,344)	(8,344)
Redemptions	14	(100)	(13)	(355)	—	(154)	(609)
Distributions declared ($6.93 per unit)	—	(444,855)	—	(15,662)	—	—	(460,517)
Balances at September 30, 2023	64,185	$ 5,476,325	2,259	$ 47,714	$ 61,215	$ 121,193	$ 5,706,447

	General Partner Common Equity		Limited Partners Common Equity		Accumulated other comprehensive income, net	Noncontrolling interest	Total
Three Months Ended September 30, 2022	Units	Amount	Units	Amount			
Balances at June 30, 2022	65,124	$5,802,293	2,273	$51,233	$ 30,387	$ 122,672	$6,006,585

	Total	General Partner	Limited Partners	Accumulated other comprehensive income, net	Noncontrolling interest	Total
Three Months Ended March 31, 2023						

Three Months Ended March 31, 2023								
Three Months Ended March 31, 2023								
Balances at December 31, 2022								
Balances at December 31, 2022								
Balances at December 31, 2022								
Net income	Net income	—	92,842	—	3,247	—	2,611	98,700
Change in fair value of derivatives and amortization of swap settlements	Change in fair value of derivatives and amortization of swap settlements	—	—	—	—	26,189	—	26,189
Change in fair value of marketable debt securities, net		—	—	—	—	(92)	—	(92)
Issuance of common units under:	Issuance of common units under:							
General partner's stock based compensation, net								
General partner's stock based compensation, net								
General partner's stock based compensation, net	General partner's stock based compensation, net	1	155	—	—	—	—	155
Sale of common stock by general partner, net	Sale of common stock by general partner, net	—	(107)	—	—	—	—	(107)
Equity based compensation costs	Equity based compensation costs	—	1,891	—	66	—	—	1,957
Retirement of common units, net	Retirement of common units, net	(372)	(97,121)	—	—	—	—	(97,121)
Changes in the redemption value of redeemable noncontrolling interest	Changes in the redemption value of redeemable noncontrolling interest	—	3,195	—	172	—	360	3,727
Distributions to noncontrolling interest	Distributions to noncontrolling interest	—	—	—	—	—	(2,747)	(2,747)
Redemptions	Redemptions	—	(8,005)	(1)	—	—	(563)	(8,568)
Distributions declared ($2.20 per unit)		—	(142,480)	—	(5,001)	—	—	(147,481)
Balances at September 30, 2022		64,753	$5,652,663	2,272	$49,717	$ 56,484	$ 122,333	$5,881,197
Distributions declared ($2.31 per unit)								
Balances at March 31, 2023								

Nine Months Ended September 30, 2022	General Partner Common Equity		Limited Partners Common Equity		Accumulated other comprehensive income (loss), net	Noncontrolling interest	Total
	Units	Amount	Units	Amount			
Balances at December 31, 2021	65,248	$ 5,999,155	2,282	$ 56,502	$ (1,804)	$ 122,655	$ 6,176,508
Net income	—	223,150	—	7,800	—	7,815	238,765
Change in fair value of derivatives and amortization of swap settlements	—	—	—	—	58,084	—	58,084
Change in fair value of marketable debt securities, net	—	—	—	—	204	—	204
Issuance of common units under:							
General partner's stock based compensation, net	88	17,194	—	—	—	—	17,194
Sale of common stock by general partner, net	—	(314)	—	—	—	—	(314)
Equity based compensation costs	—	6,843	—	239	—	—	7,082
Retirement of common units, net	(591)	(157,951)	—	—	—	—	(157,951)
Changes in the redemption value of redeemable noncontrolling interest	—	4,246	—	294	—	410	4,950
Contributions from noncontrolling interest	—	—	—	—	—	125	125
Distributions to noncontrolling interest	—	—	—	—	—	(7,965)	(7,965)
Redemptions	8	(10,128)	(10)	(94)	—	(707)	(10,929)
Distributions declared ($6.60 per unit)	—	(429,532)	—	(15,024)	—	—	(444,556)
Balances at September 30, 2022	64,753	$ 5,652,663	2,272	$ 49,717	$ 56,484	$ 122,333	$ 5,881,197

See accompanying notes to the unaudited condensed consolidated financial statements.

ESSEX PORTFOLIO, L.P. AND SUBSIDIARIES

Condensed Consolidated Statements of Cash Flows

(Unaudited)

(In thousands, except parenthetical amounts)

		Nine Months Ended September 30,		Three Months Ended March 31,	
		2023	2022	2024	2023
Cash flows from operating activities:	Cash flows from operating activities:				
Net income	Net income	$360,359	$ 238,765		
Net income					
Net income					
Adjustments to reconcile net income to net cash provided by operating activities:	Adjustments to reconcile net income to net cash provided by operating activities:				
Straight-lined rents					
Straight-lined rents					
Straight-lined rents	Straight-lined rents	1,650	5,529		
Depreciation and amortization	Depreciation and amortization	410,422	403,561		

Amortization of discount and debt financing costs, net	Amortization of discount and debt financing costs, net	5,028	4,916
Realized and unrealized (gains) losses on marketable securities, net		(4,294)	51,126
Amortization of discount and debt financing costs, net			
Amortization of discount and debt financing costs, net			
Realized and unrealized gains on marketable securities, net			
Provision for credit losses	Provision for credit losses	51	64
Provision for credit losses			
Provision for credit losses			
Earnings from co-investments			
Earnings from co-investments			
Earnings from co-investments	Earnings from co-investments	(33,802)	(23,756)
Operating distributions from co-investments	Operating distributions from co-investments	48,229	86,854
Accrued interest from notes and other receivables	Accrued interest from notes and other receivables	(8,919)	(10,748)
Casualty loss	Casualty loss	433	—
Gain on the sale of real estate and land	Gain on the sale of real estate and land	(59,238)	—
Equity-based compensation	Equity-based compensation	5,943	6,589
Loss on early retirement of debt, net		—	2
Equity-based compensation			
Equity-based compensation			
Gain on remeasurement of co-investment			
Gain on remeasurement of co-investment			
Gain on remeasurement of co-investment	Gain on remeasurement of co-investment	—	(17,423)
Changes in operating assets and liabilities:	Changes in operating assets and liabilities:		
Prepaid expenses, receivables, operating lease right-of-use assets, and other assets			

Prepaid expenses, receivables, operating lease right-of-use assets, and other assets				
Prepaid expenses, receivables, operating lease right-of-use assets, and other assets	Prepaid expenses, receivables, operating lease right-of-use assets, and other assets	3,024	15,406	
Accounts payable, accrued liabilities, and operating lease liabilities	Accounts payable, accrued liabilities, and operating lease liabilities	44,971	38,948	
Other liabilities	Other liabilities	2,533	8,902	
Net cash provided by operating activities	Net cash provided by operating activities	776,390	808,735	
Cash flows from investing activities:	Cash flows from investing activities:			Cash flows from investing activities:
Additions to real estate:	Additions to real estate:			Additions to real estate:
Acquisitions of real estate and acquisition related capital expenditures, net of cash acquired	Acquisitions of real estate and acquisition related capital expenditures, net of cash acquired	(23,845)	(21,759)	
Redevelopment	Redevelopment	(56,168)	(67,974)	
Development acquisitions of and additions to real estate under development	Development acquisitions of and additions to real estate under development	(6,317)	(22,754)	
Capital expenditures on rental properties	Capital expenditures on rental properties	(94,304)	(107,105)	
Investments in notes receivable	Investments in notes receivable	(52,888)	(160,013)	
Collections of notes and other receivables		—	303,088	
Investments in notes receivable				
Investments in notes receivable				
Proceeds from insurance for property losses				
Proceeds from insurance for property losses				

Proceeds from insurance for property losses	Proceeds from insurance for property losses	2,991	4,325
Proceeds from dispositions of real estate			
Proceeds from dispositions of real estate			
Proceeds from dispositions of real estate	Proceeds from dispositions of real estate	99,388	—
Contributions to co-investments	Contributions to co-investments	(32,169)	(159,461)
Changes in refundable deposits	Changes in refundable deposits	10,200	(16,318)
Purchases of marketable securities	Purchases of marketable securities	(11,552)	(12,760)
Sales and maturities of marketable securities	Sales and maturities of marketable securities	46,989	30,025
Non-operating distributions from co-investments		15,251	161,324
Net cash used in investing activities		(102,424)	(69,382)
Net cash (used in) provided by investing activities			
Net cash (used in) provided by investing activities			
Net cash (used in) provided by investing activities			
Cash flows from financing activities:	Cash flows from financing activities:		Cash flows from financing activities:
Proceeds from unsecured debt and mortgage notes	Proceeds from unsecured debt and mortgage notes	598,000	—
Payments on unsecured debt and mortgage notes	Payments on unsecured debt and mortgage notes	(301,678)	(24,103)
Proceeds from lines of credit	Proceeds from lines of credit	844,021	1,053,663
Repayments of lines of credit	Repayments of lines of credit	(896,094)	(1,175,440)

		Nine Months Ended September 30,		Three Months Ended March 31,	
		2023	2022	2024	2023
Retirement of common units	Retirement of common units	(95,657)	(157,951)		

Additions to deferred charges	Additions to deferred charges	(1,681)	(140)
Net costs from issuance of common units	Net costs from issuance of common units	(231)	(314)
Net costs from issuance of common units			
Net costs from issuance of common units			
Net proceeds from stock options exercised	Net proceeds from stock options exercised	—	19,410
Payments related to tax withholding for share-based compensation		—	(2,216)
Contributions from noncontrolling interest		—	125
Net proceeds from stock options exercised			
Net proceeds from stock options exercised			
Distributions to noncontrolling interest			
Distributions to noncontrolling interest			
Distributions to noncontrolling interest	Distributions to noncontrolling interest	(6,395)	(6,380)
Redemption of noncontrolling interests	Redemption of noncontrolling interests	(609)	(10,929)
Redemption of redeemable noncontrolling interests		—	(478)
Common units distributions paid	Common units distributions paid	(455,826)	(439,669)
Net cash used in financing activities		(316,150)	(744,422)
Common units distributions paid			
Common units distributions paid			
Net cash provided by (used in) financing activities			
Net increase (decrease) in unrestricted and restricted cash and cash equivalents		357,816	(5,069)

Net increase in unrestricted and restricted cash and cash equivalents			
Net increase in unrestricted and restricted cash and cash equivalents			
Net increase in unrestricted and restricted cash and cash equivalents			
Unrestricted and restricted cash and cash equivalents at beginning of period			
Unrestricted and restricted cash and cash equivalents at beginning of period			
Unrestricted and restricted cash and cash equivalents at beginning of period	Unrestricted and restricted cash and cash equivalents at beginning of period	42,681	58,638
Unrestricted and restricted cash and cash equivalents at end of period	Unrestricted and restricted cash and cash equivalents at end of period	$400,497	$ 53,569
Supplemental disclosure of cash flow information:	Supplemental disclosure of cash flow information:		
Cash paid for interest (net of $0.7 million and $1.9 million capitalized in 2023 and 2022, respectively)		$159,758	$149,970
Supplemental disclosure of cash flow information:			
Supplemental disclosure of cash flow information:			
Cash paid for interest (net of $0.1 million and $0.3 million capitalized in 2024 and 2023, respectively)			
Cash paid for interest (net of $0.1 million and $0.3 million capitalized in 2024 and 2023, respectively)			
Cash paid for interest (net of $0.1 million and $0.3 million capitalized in 2024 and 2023, respectively)			
Cash paid for amounts included in the measurement of lease liabilities:	Cash paid for amounts included in the measurement of lease liabilities:		
Operating cash flows from operating leases			

Operating cash flows from operating leases			
Operating cash flows from operating leases	Operating cash flows from operating leases	$ 5,298	$ 5,225
Supplemental disclosure of noncash investing and financing activities:	Supplemental disclosure of noncash investing and financing activities:		Supplemental disclosure of noncash investing and financing activities:
Transfers between real estate under development and rental properties, net			
Transfers between real estate under development and rental properties, net			
Transfers between real estate under development and rental properties, net	Transfers between real estate under development and rental properties, net	$ 827	$ 98,024
Transfers from real estate under development to co-investments	Transfers from real estate under development to co-investments	$ 1,322	$ 2,090
Reclassifications to (from) redeemable noncontrolling interest from general and limited partner capital and noncontrolling interest		$ 2,810	$ (4,950)
Reclassifications (from) to redeemable noncontrolling interest (to) from general and limited partner capital and noncontrolling interest			
Debt assumed in connection with acquisition		$ —	$ 21,303
Reclassifications (from) to redeemable noncontrolling interest (to) from general and limited partner capital and noncontrolling interest			
Reclassifications (from) to redeemable noncontrolling interest (to) from general and limited partner capital and noncontrolling interest			

See accompanying notes to the unaudited condensed consolidated financial statements.

ESSEX PROPERTY TRUST, INC. AND SUBSIDIARIES
ESSEX PORTFOLIO, L.P. AND SUBSIDIARIES

(1) Organization and Basis of Presentation

The accompanying unaudited condensed consolidated financial statements present the accounts of Essex Property Trust, Inc. ("Essex" or the "Company"), which include the accounts of the Company and Essex Portfolio, L.P. and its subsidiaries (the "Operating Partnership," which holds the operating assets of the Company), prepared in accordance with U.S. generally accepted accounting principles ("U.S. GAAP") for interim financial information and in accordance with the instructions to Form 10-Q. In the opinion of management, all adjustments necessary for a fair presentation of the financial position, results of operations, and cash flows for the periods presented have been included and are normal and recurring in nature. These unaudited condensed consolidated financial statements should be read in conjunction with the audited consolidated financial statements included in the Company's annual report on Form 10-K for the year ended December 31, 2022 December 31, 2023.

All significant intercompany accounts and transactions have been eliminated in the unaudited condensed consolidated financial statements.

The unaudited condensed consolidated financial statements for the three and nine months ended September 30, 2023 March 31, 2024 and 2022 2023 include the accounts of the Company and the Operating Partnership. Essex is the sole general partner of the Operating Partnership, with a 96.6% general partnership interest as of both September 30, 2023 March 31, 2024 and December 31, 2022 December 31, 2023. Total Operating Partnership limited partnership units ("OP Units," and the holders of such OP Units, "Unitholders") outstanding were was 2,258,812 and 2,272,496 as of September 30, 2023 both March 31, 2024 and December 31, 2022 December 31, 2023, respectively, and the redemption value of the units, based on the closing price of the Company's common stock totaled approximately $479.1 million $553.0 million and $481.6 million $560.0 million as of September 30, 2023 March 31, 2024 and December 31, 2022 December 31, 2023, respectively.

As of September 30, 2023 March 31, 2024, the Company owned or had ownership interests in 252 253 operating apartment communities, comprising 61,997 62,271 apartment homes, excluding the Company's ownership interest in preferred equity co-investments, loan investments, and three operating commercial buildings, and a development pipeline comprised of one unconsolidated joint venture project. buildings. The operating apartment communities are located in Southern California (primarily Los Angeles, Orange, San Diego, and Ventura counties), Northern California (the San Francisco Bay Area) and the Seattle metropolitan areas.

Recent Accounting Pronouncements

In August November 2023, the Financial Accounting Standards Board (the "FASB" ("FASB") issued Accounting Standards Update ("ASU") No. 2023-07 "Segment Reporting (Topic 280): Improvements to Reportable Segment Disclosures." Among other new disclosure requirements, ASU 2023-07 requires companies to disclose significant segment expenses that are regularly provided to the chief operating decision maker. ASU 2023-07 will be effective for the Company's 2024 annual reporting. ASU 2023-07 must be applied retrospectively to all prior periods presented in the financial statements. The Company does not expect the adoption to have a material impact on its consolidated results of operations and financial position.

In August 2023, the FASB issued ASU No. 2023-05 "Business Combinations—Joint Venture Formations (Subtopic 805-60)" under which an entity that qualifies as a joint venture is required to apply a new basis of accounting upon the formation of the joint venture. The amendments in ASU 2023-05 require that a joint venture must initially measure its assets and liabilities at fair value on the formation date. ASU 2023-05 is effective for all joint ventures that are formed on or after January 1, 2025 and early adoption is permitted. The Company does not expect the adoption to have a material impact on its consolidated results of operations and financial position.

Revenues and Gains on Sale of Real Estate

Revenues from tenants renting or leasing apartment homes are recorded when due from tenants and are recognized monthly as they are earned which generally approximates a straight-line basis, else, adjustments are made to conform to a straight-line basis. Apartment homes are rented under short-term leases (generally, lease terms of 9 to 12 months). Revenues from tenants leasing commercial space are recorded on a straight-line basis over the life of the respective lease. See Note 3, Revenues, for additional information regarding such revenues.

The Company also generates other property-related revenue associated with the leasing of apartment homes, including storage income, pet rent, and other miscellaneous revenue. Similar to rental income, such revenues are recorded when due from tenants and recognized monthly as they are earned.

Apart from rental and other property-related revenue, revenues from contracts with customers are recognized as control of the promised services is passed to the customer. For customer contracts related to management and other fees from affiliates (which includes asset management and property management), the transaction price and amount of revenue to be recognized is determined each quarter based on the management fee calculated and earned for that month or quarter. The contract will contain a description of the service and the fee percentage for management services. Payments from such services are one month or one quarter in arrears of the service performed.

The Company recognizes any gains on sales of real estate when it transfers control of a property and when it is probable that the Company will collect substantially all of the related consideration.

Marketable Securities

The Company reports its equity securities at fair value, based on quoted market prices (Level 1 for the common stock and investment funds and Level 2 for the unsecured debt, and as defined by the FASB standard for fair value measurements). As of September 30, 2023 both March 31, 2024 and December 31, 2022 December 31, 2023, $0.1 million and $0.2 million of equity securities presented within common stock, preferred stock, and stock funds in the tables below represent investments measured at fair value, using net asset value as a practical expedient, and are not categorized in the fair value hierarchy.

Realized Any realized and unrealized gains and losses in equity securities and interest income are included in interest and other income on the condensed consolidated statements of income and comprehensive income.

As of September 30, 2023 March 31, 2024 and December 31, 2022 December 31, 2023, equity securities consisted primarily of investment funds-debt securities, common stock, preferred stock and stock funds.

As of September 30, 2023 March 31, 2024 and December 31, 2022 December 31, 2023, marketable securities consisted of the following ($ in thousands):

	September 30, 2023		
	Cost	Gross Unrealized (Loss) Gain	Carrying Value
Equity securities:			
Investment funds - debt securities	$ 38,886	$ (6,814)	$ 32,072
Common stock, preferred stock, and stock funds	51,026	7,088	58,114
	March 31, 2024		
Equity securities:			
Equity securities:			
Equity securities:			
Investment funds - debt securities			
Investment funds - debt securities			
Investment funds - debt securities			
Common stock, preferred stock, and stock funds			
Common stock, preferred stock, and stock funds			
Common stock, preferred stock, and stock funds			
Total - Marketable securities Total - Marketable securities	$ 89,912	$ 274	$ 90,186
Total - Marketable securities			
Total - Marketable securities			

	December 31, 2022		
	Cost	Gross Unrealized Loss	Carrying Value
Equity securities:			
Investment funds - debt securities	$ 43,155	$ (6,771)	$ 36,384
Common stock, preferred stock, and stock funds	78,481	(2,122)	76,359
	December 31, 2023		
Equity securities:			
Equity securities:			

Equity securities:				
Investment funds - debt securities				
Investment funds - debt securities				
Investment funds - debt securities				
Common stock, preferred stock, and stock funds				
Common stock, preferred stock, and stock funds				
Common stock, preferred stock, and stock funds				
Total - Marketable securities	Total - Marketable securities	$ 121,636	$ (8,893)	$ 112,743
Total - Marketable securities				
Total - Marketable securities				

The Company uses the specific identification method to determine the cost basis of a debt security sold and to reclassify amounts from accumulated other comprehensive income for such securities.

For the three and nine months ended September 30, 2023, the portion of unrealized losses recognized on equity securities still held as of September 30, 2023 totaled $4.6 million and $0.7 million, respectively, and were included in interest and other income (loss) on the Company's condensed consolidated statements of income and comprehensive income. For the three and nine months ended September 30, 2022, the portion of unrealized losses recognized on equity securities still held as of September 30, 2022 totaled $7.8 million and $30.6 million respectively, and were included in interest and other (loss) income on the Company's condensed consolidated statements of income and comprehensive income.

Variable Interest Entities

In accordance with accounting standards for consolidation of variable interest entities ("VIEs"), the Company consolidated the Operating Partnership, 18 DownREIT entities (comprising nine communities), and six co-investments as of September 30, 2023 March 31, 2024 and December 31, 2022 December 31, 2023. The Company consolidates these entities because it is the primary beneficiary. The Company has no assets or liabilities other than its investment in the Operating Partnership. The consolidated total assets and liabilities related to the above consolidated co-investments and DownREIT entities, net of intercompany eliminations, were approximately $954.4 million $963.5 million and $327.6 million $326.1 million, respectively, as of September 30, 2023 March 31, 2024 and $939.4 million $956.7 million and $324.3 million $324.5 million, respectively, as of December 31, 2022 December 31, 2023. Noncontrolling interests in these entities was $121.1 million $121.0 million and $121.5 million $121.1 million as of September 30, 2023 March 31, 2024 and December 31, 2022 December 31, 2023, respectively. The Company's financial risk in each VIE is limited to its equity investment in the VIE. As of September 30, 2023 March 31, 2024 and December 31, 2022 December 31, 2023, the Company did not have any VIEs of which it was not the primary beneficiary.

Equity-based Compensation

The cost of share- and unit-based compensation awards is measured at the grant date based on the estimated fair value of the awards. The estimated fair value of stock options and restricted stock granted by the Company are being amortized over the vesting period. The estimated grant date fair values of the long term incentive plan units (discussed in Note 14, "Equity Based Compensation Plans," in the Company's annual report on Form 10-K for the year ended December 31, 2022 December 31, 2023) are being amortized over the expected service periods.

Fair Value of Financial Instruments

Management believes estimates that the carrying amounts of the outstanding balances under its lines of credit, and notes and other receivables approximate fair value as of September 30, 2023 March 31, 2024 and December 31, 2022 December 31, 2023, because interest rates, yields, and other terms for these instruments are consistent with interest rates, yields, and other terms currently available for similar instruments. Management has estimated that the fair value of the Company's fixed rate debt with a carrying value of $6.0 billion and $5.7 billion as of both September 30, 2023 March 31, 2024 and December 31, 2022 December 31, 2023, respectively, was approximately $5.1 billion $5.6 billion and $5.2 billion $5.3 billion, respectively. Management has estimated that the fair value of the Company's $520.1 million and $274.2 million $520.0 million of variable rate debt at September 30, 2023 both March 31, 2024 and December 31, 2022 December 31, 2023, respectively, was approximately $519.2 million $518.8 million and $273.2 million $519.0 million, respectively, based on the terms of existing mortgage notes payable, unsecured debt, and variable rate demand notes compared to those available in the marketplace. Management believes estimates that the carrying amounts of cash and cash equivalents, restricted cash, accounts payable and accrued liabilities, construction payables, other liabilities, and dividends payable approximate fair value as of September 30, 2023 March 31, 2024 and December 31, 2022 December 31, 2023 due to the short-term maturity of these instruments. Marketable securities are carried at fair value as of September 30, 2023 March 31, 2024 and December 31, 2022 December 31, 2023.

Capitalization of Costs

The Company's capitalized internal costs related to development and redevelopment projects were comprised primarily of interest and employee compensation and totaled $5.0 million $5.3 million and $4.5 million $4.8 million during the three months ended September 30, 2023 March 31, 2024 and 2022, respectively, and $14.4 million and $15.7 million, for the nine months ended September 30, 2023 and 2022, 2023, respectively. The Company capitalizes leasing commissions associated with the lease-up of development communities and amortizes the costs over the life of the leases. The amounts capitalized for leasing commissions are immaterial for all periods presented.

Co-investments

The Company owns investments in joint ventures in which it has significant influence, but its ownership interest does not meet the criteria for consolidation in accordance with U.S. GAAP. Therefore, the Company accounts for co-investments using the equity method of accounting. Under the equity method of accounting, the investment is carried at the cost of assets contributed, plus the Company's equity in earnings, less distributions received and the Company's share of losses. The significant accounting policies of the Company's co-investment entities are consistent with those of the Company in all material respects.

Upon the acquisition of a controlling interest of a co-investment, the co-investment entity is consolidated and a gain or loss is recognized upon the remeasurement of co-investments in the consolidated statement of income equal to the amount by which the fair value of the Company's previously owned co-investment interest exceeds its carrying value. A majority of the co-investments, excluding most preferred equity investments, compensate the Company for its asset management services and some of these investments may provide promote income if certain financial return benchmarks are achieved. Asset management fees are recognized when earned, and promote fees are recognized when the earnings events have occurred and the amount is determinable and collectible. Any promote fees are reflected in equity income from co-investments.

Changes in Accumulated Other Comprehensive Income, Net by Component

Essex Property Trust, Inc.
($ in thousands):

	Change in fair value and amortization of swap settlements
Balance at December 31, 2022 December 31, 2023	$ 46,466 33,556
Other comprehensive income before reclassification	8,877 7,715
Amounts reclassified from accumulated other comprehensive income	15 8
Other comprehensive income	8,892 7,723
Balance at September 30, 2023 March 31, 2024	$ 55,358 41,279

Essex Portfolio, L.P.
($ in thousands):

	Change in fair value and amortization of swap settlements
Balance at December 31, 2022 December 31, 2023	$ 52,010 38,646
Other comprehensive income before reclassification	9,190 7,986
Amounts reclassified from accumulated other comprehensive income	15 9
Other comprehensive income	9,205 7,995
Balance at September 30, 2023 March 31, 2024	$ 61,215 46,641

Amounts reclassified from accumulated other comprehensive income in connection with derivatives are recorded in interest expense on the condensed consolidated statements of income and comprehensive income.

ESSEX PROPERTY TRUST, INC. AND SUBSIDIARIES
ESSEX PORTFOLIO, L.P. AND SUBSIDIARIES
Notes to Condensed Consolidated Financial Statements
September 30, 2023 and 2022
(Unaudited)

Redeemable Noncontrolling Interest

The carrying value of redeemable noncontrolling interests in the accompanying condensed consolidated balance sheets was $30.0 million and $27.2 million $32.2 million as of September 30, 2023 both March 31, 2024 and December 31, 2022 December 31, 2023, respectively. The limited partners may redeem their noncontrolling interests for cash in certain circumstances.

The changes in the redemption value of redeemable noncontrolling interests for the nine three months ended September 30, 2023 March 31, 2024 is as follows ($ in thousands):

Balance at December 31, 2022 December 31, 2023	$	27,150 32,205
Reclassification due to change in redemption value and other		2,810 (13)
Balance at September 30, 2023 March 31, 2024	$	29,960 32,192

ESSEX PROPERTY TRUST, INC. AND SUBSIDIARIES
ESSEX PORTFOLIO, L.P. AND SUBSIDIARIES
Notes to Condensed Consolidated Financial Statements
March 31, 2024 and 2023
(Unaudited)

Cash, Cash Equivalents and Restricted Cash

Highly liquid investments generally with original maturities of three months or less when purchased are classified as cash equivalents. Restricted cash balances relate primarily to reserve requirements for capital replacement at certain communities in connection with the Company's mortgage debt.

The following table provides a reconciliation of cash, cash equivalents, and restricted cash reported within the condensed consolidated balance sheets that sum to the total of the same such amounts shown in the condensed consolidated statements of cash flows ($ in thousands):

		September 30, 2023	December 31, 2022	September 30, 2022	December 31, 2021	March 31, 2024	December 31, 2023	March 31, 2023	December 31, 2022
Cash and cash equivalents - unrestricted	Cash and cash equivalents - unrestricted	$391,994	$33,295	$ 42,711	$48,420				
Cash and cash equivalents - restricted	Cash and cash equivalents - restricted	8,503	9,386	10,858	10,218				
Total unrestricted and restricted cash and cash equivalents shown in the condensed consolidated statement of cash flows	Total unrestricted and restricted cash and cash equivalents shown in the condensed consolidated statement of cash flows	$400,497	$42,681	$ 53,569	$58,638				

Gain Contingencies

Contingencies, commonly resulting from legal settlements, will periodically arise that may result in a gain. Gain contingencies are typically not recognized in the financial statements until all uncertainties related to the contingency have been resolved. In the case of legal settlements, the Company determines that all uncertainties have been resolved when cash or other consideration has been received by the Company. Gain contingencies resulting from legal settlements of $42.5 million and $7.7 million were recognized during the three months ended March 31, 2024 and 2023, respectively, and are included in interest and other income on the condensed consolidated statements of income and comprehensive income.

Accounting Estimates

The preparation of condensed consolidated financial statements, in accordance with U.S. GAAP, requires the Company to make estimates and judgments that affect the reported amounts of assets, liabilities, revenues and expenses, and related disclosures of contingent assets and liabilities. On an on-going basis, the Company evaluates its estimates, including those related to acquiring, developing and assessing the carrying values of its real estate portfolio, its investments in and advances to joint ventures and affiliates, its notes receivables, and its qualification as a real estate investment trust ("REIT"). The Company bases its estimates on historical experience, current market conditions, and on various other assumptions that are believed to be reasonable under the circumstances. Actual results may vary from those estimates and those estimates could be different under different assumptions or conditions.

(2) Significant Transactions During the Nine Three Months Ended September 30, 2023 March 31, 2024 and Subsequent Events

Significant Transactions

Acquisitions

In April 2023, March 2024, the Company acquired Hacienda its joint venture partner, BEXAEW LLC's ("BEXAEW") 49.9% interest in four apartment communities, consisting of 1,480 apartment homes, valued at Camarillo Oaks, $505.0 million on a 73-unit apartment home community located gross basis. Concurrent with the acquisition, the Company repaid $219.9 million of debt encumbering the properties and consolidated the communities. As a result of this acquisition, the Company realized a gain on remeasurement of co-investment of $138.3 million. Additionally, the Company recognized $1.5 million in Camarillo, CA, for promote income as a total contract price result of $23.1 million. the transaction, which is included in equity income from co-investments on the condensed consolidated statements of income and comprehensive income.

Dispositions
Notes Receivable

In March 2023, 2024, the Company sold CBC and The Sweeps, committed to fund a non-core apartment home community $53.6 million related party bridge loan to BEX II, LLC ("BEX II"), a co-investment, in connection with 239 apartment homes, located in Goleta, CA, for the payoff of a total contract price mortgage related to one of $91.7 million. The Company recognized a $54.5 million gain on sale.

Preferred Equity Investments

In September 2023, the Company originated a preferred equity investment totaling $12.3 million in a joint venture that owns one multifamily community BEX II's properties located in Southern California. The investment has an initial preferred return of 13.5% note receivable will accrue interest at the Secured Overnight Financing Rate ("SOFR") plus 1.50% and is scheduled to mature in September 2028.

In June 2023, 2024. As of March 31, 2024, the Company received cash of $14.7 million, including an early redemption fee of $0.3 million, for the full redemption of a preferred equity investment commitment was yet to be funded and was fully funded subsequent to quarter end, in a joint venture that holds property located in Southern California.

In April 2023, the Company received cash of $11.2 million for the partial redemption of a preferred equity investment, whose sponsors include a related party, in a joint venture that holds property located in Northern California. 2024. See Note 6, Related Party Transactions, for additional details.

Common Stock

During the nine months ended September 30, 2023, the Company repurchased and retired 437,026 shares of the Company's common stock through the Company's stock repurchase plan, totaling $95.7 million, including commissions, at an average price per share of $218.88. As a result, as of September 30, 2023, the Company had $302.7 million of purchase authority remaining under the Company's $500.0 million stock repurchase plan.

Secured Senior Unsecured Debt

In July 2023, March 2024, the Operating Partnership issued $350.0 million of senior unsecured notes due on April 1, 2034 with a coupon rate of 5.500% per annum (the "2034 Notes"), which are payable on April 1 and October 1 of each year, beginning on October 1, 2024. The 2034 Notes were offered to investors at a price of 99.752% of par value. The 2034 Notes are general unsecured senior obligations of the Operating Partnership, rank equally in right of payment with all other senior unsecured indebtedness of the Operating Partnership and are unconditionally guaranteed by Essex.

Subsequent events

Subsequent to quarter end, the Company closed $298.0 accepted the third party sponsor’s common equity interest affiliated with its $14.7 million preferred equity investment in 10-year secured loans priced at 5.08% fixed interest rates encumbering four properties a stabilized community comprising 75 apartment homes located in Northern California. Sunnyvale, CA. Concurrent with the closing, the Company unencumbered the property and consolidated the community on the Company’s financial statements at a

$46.6 million valuation. The Company placed the preferred equity investment on non-accrual in the fourth quarter of 2023 and recorded a $3.7 million non-cash impairment related to the investment in the first quarter of 2024.

(3) Revenues

Disaggregated Revenue

The following table presents the Company's revenues disaggregated by revenue source ($ in thousands):

	Three Months Ended March 31,	
	2024	2023
Rental income	$ 417,236	$ 404,635
Other property	6,979	5,021
Management and other fees from affiliates	2,713	2,765
Total revenues	$ 426,928	$ 412,421

The following table presents the Company's rental and other property revenues disaggregated by geographic operating segment ($ in thousands):

	Three Months Ended March 31,	
	2024	2023
Southern California	$ 176,002	$ 166,877
Northern California	168,839	163,728
Seattle Metro	71,913	70,038
Other real estate assets (1)	7,461	9,013
Total rental and other property revenues	$ 424,215	$ 409,656

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(3) Revenues

Disaggregated Revenue

The following table presents the Company's revenues disaggregated by revenue source ($ in thousands):

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2023	2022	2023	2022
Rental income	$ 410,438	$ 401,467	$ 1,222,859	$ 1,166,670
Other property	5,960	5,395	16,460	16,648
Management and other fees from affiliates	2,785	2,886	8,328	8,313
Total revenues	$ 419,183	$ 409,748	$ 1,247,647	$ 1,191,631

The following table presents the Company's rental and other property revenues disaggregated by geographic operating segment ($ in thousands):

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2023	2022	2023	2022
Southern California	$ 172,139	$ 164,954	$ 508,873	$ 479,102
Northern California	168,224	163,157	498,263	476,415
Seattle Metro	70,631	69,054	210,885	200,964
Other real estate assets (1)	5,404	9,697	21,298	26,837
Total rental and other property revenues	$ 416,398	$ 406,862	$ 1,239,319	$ 1,183,318

(1) Other real estate assets consist of revenues generated from retail space, commercial properties, held for sale properties, disposition properties and straight-line rent adjustments for concessions. Executive management does not evaluate such operating performance geographically.

The following table presents the Company's rental and other property revenues disaggregated by current property category status ($ in thousands):

		Three Months Ended September 30,		Nine Months Ended September 30,	
		2023	2022	2023	2022
Same-property (1)	Same-property (1)	$ 398,460	$ 386,200	$ 1,181,559	$ 1,126,489
Same-property (1)					
Same-property (1)					
Acquisitions (2)	Acquisitions (2)	1,528	675	3,881	675
Development (3)		5,808	5,410	17,018	15,008
Acquisitions (2)					
Acquisitions (2)					
Redevelopment	Redevelopment	1,564	1,422	4,696	4,348
Non-residential/other, net (4)		10,432	14,783	33,658	44,403
Straight line rent concession (5)		(1,394)	(1,628)	(1,493)	(7,605)
Redevelopment					
Redevelopment					
Non-residential/other, net (3)					
Non-residential/other, net (3)					
Non-residential/other, net (3)					
Straight line rent concession (4)					
Straight line rent concession (4)					
Straight line rent concession (4)					
Total rental and other property revenues	Total rental and other property revenues	$ 416,398	$ 406,862	$ 1,239,319	$ 1,183,318
Total rental and other property revenues					
Total rental and other property revenues					

(1) Same-property includes properties that have comparable stabilized results as of January 1, 2022 January 1, 2023 and are consolidated by the Company for the three and nine months ended September 30, 2023 March 31, 2024 and 2022. 2023. A community is considered to have reached stabilized operations once it achieves an initial occupancy of 90%.
(2) Acquisitions include properties acquired which did not have comparable stabilized results as of January 1, 2022 January 1, 2023.
(3) Development includes properties developed which did not have stabilized results as of January 1, 2022.
(4) Non-residential/other, net consists of revenues generated from retail space, commercial properties, held for sale properties, disposition properties, student housing, properties undergoing significant construction activities that do not

meet our redevelopment criteria, and two communities located in the California counties of Santa Barbara and Santa Cruz, which the Company does not consider its core markets.
(5) (4) Represents straight-line concessions for residential operating communities. Same-property revenues reflect concessions on a cash basis. Total rental and other property revenues reflect concessions on a straight-line basis in accordance with U.S. GAAP.

Deferred Revenues and Remaining Performance Obligations

When cash payments are received or due in advance of the Company's performance of contracts with customers, deferred revenue is recorded. The total deferred revenue balance related to such contracts was $1.2 million $0.8 million and $1.7 million $1.0 million as of September 30, 2023 March 31, 2024 and December 31, 2022 December 31, 2023, respectively, and was included in accounts payable and accrued liabilities within the accompanying condensed consolidated balance sheets. The amount of revenue recognized for the nine three months ended September 30, 2023 March 31, 2024 that was included in the December 31, 2022 December 31, 2023 deferred revenue balance was $0.5 million $0.2 million, which was included in rental and other property revenue within the condensed consolidated statements of income and comprehensive income.

A performance obligation is a promise in a contract to transfer a distinct good or service to the customer, and is the unit of account in the revenue recognition accounting standard. As of September 30, 2023 March 31, 2024, the Company had $1.2 million $0.8 million of remaining performance obligations. The Company expects to recognize approximately 15% 61% of these remaining performance obligations in 2023, 2024, an additional 68% 32% through 2025, 2026, and the remaining balance thereafter.

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(4) Co-investments

The Company has joint ventures and preferred equity investments in co-investments which own, operate, and develop apartment communities and are accounted for under the equity method. As of September 30, 2023 March 31, 2024, the Company had invested in six five technology co-investments and the co-investment balance of these investments was $39.8 $50.5 million, and the aggregate commitment was $86.0 million. As of December 31, 2022 December 31, 2023, the Company had six five technology co-investments and the co-investment balance of these investments was $39.4 $44.2 million and the aggregate commitment was $87.0 $86.0 million.

The carrying values of the Company's co-investments as of September 30, 2023 March 31, 2024 and December 31, 2022 December 31, 2023 are as follows ($ in thousands, except parenthetical amounts):

		Weighted Average Company Ownership Percentage (1)	September 30, 2023	December 31, 2022	Weighted Average Company Ownership Percentage (1)	March 31, 2024	December 31, 2023
Ownership interest in:	Ownership interest in:						
Wesco I, Wesco III, Wesco IV, Wesco V, and Wesco VI (2)	Wesco I, Wesco III, Wesco IV, Wesco V, and Wesco VI (2)	54 %	$ 164,756	$ 178,552			
BEXAEW, BEX II, BEX IV, and 500 Folsom		50 %	228,926	238,537			
Other (3)		52 %	67,653	74,742			
Wesco I, Wesco III, Wesco IV, Wesco V, and Wesco VI (2)							
Wesco I, Wesco III, Wesco IV, Wesco V, and Wesco VI (2)							
BEXAEW (3), BEX II, BEX IV, and 500 Folsom							
Other (4)							
Total operating and other co-investments, net	Total operating and other co-investments, net		461,335	491,831			
Total development co-investments	Total development co-investments	51 %	14,612	12,994			

Total preferred interest co-investments (includes related party investments of $81.5 million and $87.1 million as of September 30, 2023 and December 31, 2022, respectively. See Note 6 - Related Party Transactions for further discussion)		606,882	580,134
Total preferred interest co-investments (includes related party investments of $44.8 million and $42.7 million as of March 31, 2024 and December 31, 2023, respectively. See Note 6 - Related Party Transactions for further discussion)			
Total co-investments, net	Total co-investments, net	$1,082,829	$1,084,959

(1) Weighted average Company ownership percentages are as of September 30, 2023 March 31, 2024.
(2) As of September 30, 2023 March 31, 2024 and December 31, 2022 December 31, 2023, the Company's investments in Wesco I, Wesco III, and Wesco IV were classified as a liability of $47.9 million $59.6 million and $41.7 $61.8 million, respectively, due to distributions in excess of the Company's investment.
(3) In March 2024, the Company acquired BEXAEW's 49.9% interest in four apartment communities consisting of 1,480 apartment homes.
(4)As of September 30, 2023 March 31, 2024 and December 31, 2022 December 31, 2023, the Company's investments in Expo and Century Towers were classified as a liability of $2.8 million $4.2 million and $0.8 $3.7 million, respectively, due to distributions received in excess of the Company's investment. The weighted average Company ownership percentage excludes the Company's investments in non-core technology co-investments which are carried at fair value.

The combined summarized financial information of co-investments is as follows ($ in thousands):

	March 31, 2024	December 31, 2023
Combined balance sheets: (1)		
Rental properties and real estate under development	$ 4,739,567	$ 5,123,164
Other assets	295,557	279,237
Total assets	$ 5,035,124	$ 5,402,401
Debt	$ 3,312,158	$ 3,622,609
Other liabilities	312,091	317,208
Equity	1,410,875	1,462,584
Total liabilities and equity	$ 5,035,124	$ 5,402,401
Company's share of equity	$ 998,769	$ 996,245

The weighted average Company ownership percentage excludes the Company's investments in non-core technology co-investments which are carried at fair value.

The combined summarized financial information of co-investments is as follows ($ in thousands):

	September 30, 2023	December 31, 2022
Combined balance sheets: (1)		
Rental properties and real estate under development	$ 5,099,914	$ 4,955,051
Other assets	286,663	294,663
Total assets	$ 5,386,577	$ 5,249,714
Debt	$ 3,561,368	$ 3,397,113
Other liabilities	330,099	264,872
Equity	1,495,110	1,587,729
Total liabilities and equity	$ 5,386,577	$ 5,249,714
Company's share of equity	$ 1,082,829	$ 1,084,959

		Three Months Ended September 30, 2023	Three Months Ended September 30, 2022	Nine Months Ended September 30, 2023	Nine Months Ended September 30, 2022
Combined statements of income: (1)	Combined statements of income: (1)				
Combined statements of income: (1)					
Combined statements of income: (1)					
Property revenues					
Property revenues					
Property revenues	Property revenues	$ 103,379	$ 94,791	$ 303,926	$ 272,967
Property operating expenses	Property operating expenses	(37,603)	(36,950)	(116,549)	(102,252)
Property operating expenses					
Property operating expenses					
Net operating income					
Net operating income					
Net operating income	Net operating income	65,776	57,841	187,377	170,715
Interest expense	Interest expense	(41,802)	(27,507)	(111,800)	(67,588)
Interest expense					
Interest expense					
General and administrative					
General and administrative					
General and administrative	General and administrative	(1,635)	(5,028)	(13,171)	(15,387)
Depreciation and amortization	Depreciation and amortization	(44,704)	(42,200)	(129,009)	(120,388)
Depreciation and amortization					
Depreciation and amortization					
Net loss					
Net loss					
Net loss	Net loss	$ (22,365)	$ (16,894)	$ (66,603)	$ (32,648)
Company's share of net income (2)	Company's share of net income (2)	$ 10,694	$ 10,985	$ 33,802	$ 23,756
Company's share of net income (2)					
Company's share of net income (2)					

(1) Includes preferred equity investments held by the Company and excludes investments in technology co-investments.

(2) Includes the Company's share of equity income from joint ventures and preferred equity investments, gain on sales of co-investments, co-investment promote income and income from early redemption of preferred equity investments. Includes related party income of $2.0 million $1.1 million and $1.8 million $2.0 million for the three months ended September 30, 2023 March 31, 2024 and 2022, respectively, and $5.9 million and $5.4 million for the nine months ended September 30, 2023 and 2022, 2023, respectively.

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(5) Notes and Other Receivables

Notes and other receivables consist of the following as of September 30, 2023 March 31, 2024 and December 31, 2022 December 31, 2023 ($ in thousands):

		September 30, 2023	December 31, 2022	March 31, 2024	December 31, 2023
Note receivable, secured, bearing interest at 11.50%, due November 2024 (Originated November 2020)	Note receivable, secured, bearing interest at 11.50%, due November 2024 (Originated November 2020)	$ 36,573	$ 33,477		
Note receivable, secured, bearing interest at 11.00%, due October 2025 (Originated October 2021)		43,569	21,452		
Note receivable, secured, bearing interest at 9.00%, due October 2025 (Originated October 2021)					
Note receivable, secured, bearing interest at 12.00%, due August 2024 (Originated August 2022)	Note receivable, secured, bearing interest at 12.00%, due August 2024 (Originated August 2022)	11,377	10,350		

Note receivable, secured, bearing interest at 11.25%, due October 2027 (Originated October 2022)	Note receivable, secured, bearing interest at 11.25%, due October 2027 (Originated October 2022)	33,933	—
Notes and other receivables from affiliates (1)	Notes and other receivables from affiliates (1)		
Notes and other receivables from affiliates (1)	Notes and other receivables from affiliates (1)	7,218	6,975
Straight line rent receivables (2)	Straight line rent receivables (2)	10,486	12,164
Other receivables	Other receivables	22,089	18,961
Allowance for credit losses	Allowance for credit losses	(642)	(334)
Total notes and other receivables	Total notes and other receivables	$164,603	$103,045

(1) These amounts consist of short-term loans outstanding and due from various joint ventures as of September 30, 2023 March 31, 2024 and December 31, 2022 December 31, 2023, respectively. See Note 6, Related Party Transactions, for additional details.
(2) These amounts are receivables from lease concessions recorded on a straight-line basis for the Company's operating properties.

The following table presents the activity in the allowance for credit losses for notes receivable, secured ($ in thousands):

		Notes Receivable, Secured
Balance at December 31, 2022 December 31, 2023	$	334 687
Provision for credit losses		308 25
Balance at September 30, 2023 March 31, 2024	$	642 712

No loans were placed on nonaccrual status or charged off during the nine three months ended September 30, 2023 March 31, 2024 or 2022. 2023.

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(6) Related Party Transactions

The Company charges certain fees relating to its co-investments for asset management, property management, development and redevelopment services. These fees from affiliates totaled $3.2 million $2.8 million and $3.7 million $3.3 million during the three months ended September 30, 2023 March 31, 2024 and 2022, respectively, and $9.6 million and $10.3 million during the nine months ended September 30, 2023 and 2022, 2023, respectively. All of these fees are net of intercompany amounts eliminated by the Company. The Company netted development and redevelopment fees of approximately $0.5 $0.1 million and $0.9 $0.5 million against general and administrative expenses for the three months ended September 30, 2023 March 31, 2024 and 2022, respectively, and $1.5 million and $2.0 million for the nine months ended September 30, 2023 and 2022, 2023, respectively.

The Company's Chairman and founder, Mr. George M. Marcus, is the Chairman of the Marcus & Millichap Company ("MMC"), which is a parent company of a diversified group of real estate service, investment, and development firms. Mr. Marcus is also the Chairman of and owns a controlling interest in Marcus & Millichap, Inc. ("MMI"), and Mr. Marcus owns a controlling interest in MMI, a national brokerage firm listed on the New York Stock Exchange. For the three and nine months ended September 30, 2023 March 31, 2024 and 2022, 2023, the Company did not pay brokerage commissions related to real estate transactions to MMC and its affiliates.

In March 2024, the Company committed to fund a $53.6 million related party bridge loan to BEX II in connection with the payoff of a mortgage related to one of BEX II's properties located in Southern California. The note receivable will accrue interest at the SOFR plus 1.50% and is scheduled to mature in September 2024. As of March 31, 2024, the commitment was yet to be funded. It was fully funded subsequent to quarter end, in April 2024.

In August 2022, the Company funded an $11.2 million preferred equity investment in an entity whose sponsor includes an affiliate of MMC. The entity owns three multifamily communities located in Azusa, CA. The investment initially accrues interest based on a 9.5% preferred return and is scheduled to mature in August 2027.

In February 2022, the Company provided a $32.8 million related party bridge loan to BEX II in connection with the payoff of a debt related to one of its properties located in Southern California. The note receivable was scheduled to mature in March 2022, but was subsequently paid off in April 2022.

In January 2022, the Company provided a $100.7 million related party bridge loan to Wesco VI in connection with the acquisition of Vela. The note receivable accrued interest at 2.64% and was scheduled to mature in February 2022, but was paid off in January 2022. Additionally, the Company received cash of $121.3 million in January 2022 for the payoff of the remaining related party bridge loans to Wesco VI as detailed below.

In November 2021, the Company provided a $48.4 million related party bridge loan in connection with the purchase of an interest in a single asset entity owning an apartment home community in Vista, CA. The note receivable accrued interest at 2.36% and was scheduled to mature in February 2022, but was paid off in January 2022.

In November 2021, the Company provided a $61.9 million related party bridge loan to Wesco VI in connection with the acquisition of The Rexford. The note receivable accrued interest at 2.36% and was scheduled to mature in February 2022, but was paid off in January 2022.

In October 2021, the Company provided a $30.3 million related party bridge loan to Wesco VI in connection with the acquisition of Monterra in Mill Creek. The note receivable accrued interest at 2.30% and was scheduled to mature in April 2022, but was paid off in January 2022.

In September 2021, the Company provided a $29.2 million related party bridge loan to Wesco VI in connection with the acquisition of Martha Lake Apartments. The note receivable accrued interest at 2.15% and was scheduled to mature in December 2021. In December 2021, the maturity date of the note receivable was extended to March 2022, and in January 2022, the note receivable was paid off.

In June 2019, the Company acquired Brio, a 300-unit apartment home community located in Walnut Creek, CA. The Company issued DownREIT units to an affiliate of MMC, based on a contract price of $164.9 million. The property was encumbered by $98.7 million of mortgage debt which was assumed by the Company at the time of acquisition. As a result of this transaction, the Company consolidated the property based on a VIE analysis performed by the Company.

In February 2019, the Company funded a $24.5 million preferred equity investment in an entity whose sponsor is an affiliate of MMC, which owns a multifamily development community located in Mountain View, CA. The investment initially accrued interest based on an 11.0% preferred return which was reduced to 9.0% upon completion and lease-up of the project. The investment is was scheduled to mature in February 2024. 2024, but was paid off in December 2023.

In October 2018, the Company funded an $18.6 million preferred equity investment in an entity whose sponsor is an affiliate of MMC. The entity wholly owns a 268-unit apartment home community development located in Burlingame, CA. The investment initially accrued interest based on a 12.0% preferred return which was reduced to 9.0% upon completion and lease-up of the project. In April 2023, the investment's maturity date was extended from April 2024 to May 2026 with the investment accruing interest based on a 11.0% preferred return. In April 2023, the Company received cash of $11.2 million for the partial redemption of this preferred equity investment.

In May 2018, the Company made a commitment to fund a $26.5 million preferred equity investment in an entity whose sponsors include an affiliate of MMC. The entity wholly owns a 400-unit apartment home community located in Ventura, CA. The investment accrued interest based on a 10.25% initial preferred return. The investment was scheduled to mature in May 2023. In November 2021, the Company received cash of $18.3 million for the partial redemption of this preferred equity investment resulting in a remaining total commitment of $13.0 million, and the maturity of the remaining commitment was extended to December 2028. As of September 30, 2023 March 31, 2024, $11.0 million of this commitment has been funded and the Company had a remaining commitment of $13.0 million and continues to accrue interest on a 9.0% preferred return. The remaining committed amount is expected to be funded if and when requested by the sponsors.

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In March 2017, the Company converted its existing $15.3 million preferred equity investment in Sage at Cupertino, a 230-unit apartment home community located in San Jose, CA, into a 40.5% common equity ownership interest in the property. The Company issued DownREIT units to the other members, including an MMC affiliate, based on an estimated property valuation of $90.0 million. At the time of the conversion, the property was encumbered by $52.0 million of mortgage debt. As a result of this transaction, the Company consolidates the property based on a consolidation analysis performed by the Company.

As described in Note 5, Notes and Other Receivables, the Company has provided short-term loans to affiliates. As of September 30, 2023 March 31, 2024 and December 31, 2022 December 31, 2023, $7.2 $5.9 million and $7.0 $6.1 million, respectively, of short-term loans remained outstanding due from joint venture affiliates and is classified within notes and other receivables in the accompanying condensed consolidated balance sheets.

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(7) Debt

Essex does not have indebtedness as debt is incurred by the Operating Partnership. Essex guarantees the Operating Partnership's unsecured debt including the revolving credit facilities for the full term of the facilities.

Debt consists of the following ($ in thousands):

		September 30, 2023	December 31, 2022	Weighted Average Maturity In Years as of September 30, 2023		March 31, 2024	December 31, 2023	Weighted Average Maturity In Years as of March 31, 2024
Term loan - variable rate, net (1)		$ 298,456	$ (1,611)	4.1				
Bonds public offering - fixed rate, net		5,018,473	5,313,779	7.4				
Term loan - variable rate, net								
Term loan - variable rate, net								
Term loan - variable rate, net						$ 298,649	$ 298,552	3.6
Bonds public offering - fixed rate, net (1)					Bonds public offering - fixed rate, net (1)	5,367,955	5,019,979	7.1
Unsecured debt, net (2)	Unsecured debt, net (2)	5,316,929	5,312,168					
Lines of credit (3)	Lines of credit (3)	—	52,073					
Lines of credit (3)								
Lines of credit (3)								
Mortgage notes payable, net (4)								
Mortgage notes payable, net (4)								

Mortgage notes payable, net (4)	Mortgage notes payable, net (4)	888,010	593,943	8.1		886,388	887,204	887,204		7.6	7.6
Total debt, net	Total debt, net	$6,204,939	$5,958,184		Total debt, net	$6,552,992	$	$	6,205,735		
Weighted average interest rate on fixed rate unsecured bonds private placement and bonds public offering		3.3 %	3.3 %								
Weighted average interest rate on variable rate term loan (1)		4.2 %	— %								
Weighted average interest rate on fixed rate unsecured bonds public offering					Weighted average interest rate on fixed rate unsecured bonds public offering	3.4	%		3.3 %		
Weighted average interest rate on variable rate term loan											
Weighted average interest rate on lines of credit											
Weighted average interest rate on lines of credit											
Weighted average interest rate on lines of credit	Weighted average interest rate on lines of credit	6.2 %	4.4 %								
Weighted average interest rate on mortgage notes payable	Weighted average interest rate on mortgage notes payable	4.3 %	3.5 %								
Weighted average interest rate on mortgage notes payable											
Weighted average interest rate on mortgage notes payable						4.3	%		4.3 %		

(1) In October 2022, March 2024, the Operating Partnership obtained a $300.0 issued $350.0 million unsecured term loan priced at Adjusted SOFR plus 0.85% and matures in October 2024 with three 12-month extension options, exercisable at the Company's option. This loan has been swapped to an all-in fixed rate of 4.2% and the swap has a termination date of October 2026. In April 2023, the Company drew down the $300.0 million unsecured term loan and in May 2023 used the proceeds to repay the Company's $300.0 million senior unsecured notes due in May 2023. on April 1, 2034 with a coupon rate of 5.500% per annum, which are payable on April 1 and October 1 of each year, beginning on October 1, 2024. The unsecured term loan includes unamortized debt issuance costs 2034 Notes were offered to investors at a price of $1.5 million and $1.6 million as 99.752% of September 30, 2023 and December 31, 2022, respectively. par value.

(2) Unsecured debt, net, consists of fixed rate public bond offerings and variable rate term loan which includes unamortized discount, net of premiums, of $6.6 million and $7.9 million $6.1 million and unamortized debt issuance costs of $26.5 million $26.8 million and $29.9 million $25.3 million, as of September 30, 2023 March 31, 2024 and December 31, 2022 December 31, 2023, respectively.

(3) Lines of credit, related to the Company's two lines of unsecured credit aggregating $1.24 billion as of September 30, 2023 March 31, 2024, excludes unamortized debt issuance costs of $4.1 million $3.5 million and $5.1 million $3.8 million as of September 30, 2023 March 31, 2024 and December 31, 2022 December 31, 2023, respectively. These debt issuance costs are included in prepaid expenses and other assets on the condensed consolidated balance sheets. As of September 30, 2023 March 31, 2024, the Company's $1.2 billion credit facility had an interest rate at the Adjusted Secured Overnight Financing Rate ("Adjusted SOFR") plus 0.75%, which is based on a tiered rate structure tied to the Company's credit ratings, adjusted for the Company's sustainability metric grid, and a scheduled maturity date of January 2027 with two six-month extensions, exercisable at the Company's option. As of September 30, 2023 March 31, 2024, the Company's $35.0 million working capital unsecured line of credit had an interest rate of Adjusted SOFR plus 0.75%, which is based on a tiered rate structure tied to the Company's credit ratings, adjusted for the Company's sustainability metric grid, and a scheduled maturity date of July 2024.

(4) Includes total unamortized premium, net of discounts of $0.3 million and $0.5 million, reduced by unamortized debt issuance costs of $3.0 million and $3.1 million, as of March 31, 2024 and December 31, 2023, respectively.

to the Company's credit ratings, adjusted for the Company's sustainability metric grid, and a scheduled maturity date of July 2024.

(4) In July 2023, the Company closed $298.0 million in 10-year secured loans priced at a 5.08% fixed interest rate. Includes total unamortized premium, net of discounts of $0.7 million and $1.2 million, reduced by unamortized debt issuance costs of $3.2 million and $2.0 million, as of September 30, 2023 and December 31, 2022, respectively.

The aggregate scheduled principal payments of the Company's outstanding debt, excluding lines of credit, as of September 30, 2023 March 31, 2024 are as follows ($ in thousands):

2023	$	751
2024 (1)		403,109
2025		633,054
2026		549,405
2027		803,955
Thereafter		3,850,269
Total	$	6,240,543

(1) In July 2023, the Company closed $298.0 million in 10-year secured loans priced at a 5.08% fixed interest rate.

2024	$	402,347
2025		633,054
2026		549,405
2027		803,955
2028		518,332
Thereafter		3,681,937
Total	$	6,589,030

(8) Segment Information

The Company's segment disclosures present the measure used by the chief operating decision makers for purposes of assessing each segment's performance. The Company's chief operating decision makers are comprised of several members of its executive management team who use net operating income ("NOI") to assess the performance of the business for the Company's reportable operating segments. NOI represents total property revenues less direct property operating expenses.

The executive management team generally evaluates the Company's operating performance geographically. The Company defines its reportable operating segments as the three geographical regions in which its communities are located: Southern California, Northern California, and Seattle Metro.

Excluded from segment revenues and NOI are management and other fees from affiliates and interest and other income. Non-segment revenues and NOI included in the following schedule also consist of revenues generated from commercial properties and properties that have been sold. Other non-segment assets include items such as real estate under development, co-investments, real estate held for sale, cash and cash equivalents, marketable securities, notes and other receivables, and prepaid expenses and other assets.

The revenues and NOI for each of the reportable operating segments are summarized as follows for the three and nine months ended September 30, 2023 and 2022 ($ in thousands):

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	Three Months Ended September 30,		Nine Months Ended September 30,	
	2023	2022	2023	2022
Revenues:				
Southern California	$ 172,139	$ 164,954	$ 508,873	$ 479,102
Northern California	168,224	163,157	498,263	476,415
Seattle Metro	70,631	69,054	210,885	200,964
Other real estate assets	5,404	9,697	21,298	26,837
Total property revenues	$ 416,398	$ 406,862	$ 1,239,319	$ 1,183,318
Net operating income:				
Southern California	$ 121,110	$ 117,014	$ 359,975	$ 339,992
Northern California	116,958	113,401	347,594	331,636
Seattle Metro	49,611	48,816	149,894	141,380
Other real estate assets	4,823	7,588	18,324	20,647
Total net operating income	292,502	286,819	875,787	833,655
Management and other fees from affiliates	2,785	2,886	8,328	8,313
Corporate-level property management expenses	(11,504)	(10,184)	(34,387)	(30,532)
Depreciation and amortization	(137,357)	(135,511)	(410,422)	(403,561)
General and administrative	(14,611)	(15,172)	(43,735)	(40,541)
Expensed acquisition and investment related costs	(31)	(230)	(375)	(248)
Casualty loss	—	—	(433)	—
Gain on sale of real estate and land	—	—	59,238	—
Interest expense	(54,161)	(51,645)	(157,806)	(152,499)
Total return swap income	690	1,882	2,544	6,709
Interest and other income (loss)	4,406	(6,796)	29,055	(31,571)
Equity income from co-investments	10,694	10,985	33,802	23,756
Tax (expense) benefit on unconsolidated co-investments	(404)	(1,755)	(1,237)	7,863
Loss on early retirement of debt, net	—	(2)	—	(2)
Gain on remeasurement of co-investment	—	17,423	—	17,423
Net income	$ 93,009	$ 98,700	$ 360,359	$ 238,765

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The revenues and 2022 NOI for each of the reportable operating segments are summarized as follows for the three months ended March 31, 2024 and 2023 ($ in thousands):

	Three Months Ended March 31,	
	2024	2023

Revenues:				
Southern California	$	176,002	$	166,877
Northern California		168,839		163,728
Seattle Metro		71,913		70,038
Other real estate assets		7,461		9,013
Total property revenues	$	424,215	$	409,656
Net operating income:				
Southern California	$	124,333	$	116,942
Northern California		115,679		114,555
Seattle Metro		50,916		49,894
Other real estate assets		7,421		7,853
Total net operating income		298,349		289,244
Management and other fees from affiliates		2,713		2,765
Corporate-level property management expenses		(11,731)		(11,432)
Depreciation and amortization		(139,733)		(136,347)
General and administrative		(17,171)		(15,311)
Expensed acquisition and investment related costs		(68)		(339)
Casualty loss		—		(433)
Gain on sale of real estate and land		—		59,238
Interest expense		(55,933)		(51,045)
Total return swap income		796		1,033
Interest and other income		57,275		12,450
Equity income from co-investments		12,366		10,871
Tax (expense) benefit on unconsolidated co-investments		(49)		900
Gain on remeasurement of co-investment		138,326		—
Net income	$	285,140	$	161,594

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Total assets for each of the reportable operating segments are summarized as follows as of September 30, 2023 March 31, 2024 and December 31, 2022 December 31, 2023 ($ in thousands):

		September 30, 2023	December 31, 2022	March 31, 2024	December 31, 2023
Assets:	Assets:				
Southern California					
Southern California					
Southern California	Southern California	$ 3,824,670	$ 3,892,003		
Northern California	Northern California	5,282,972	5,414,467		
Seattle Metro	Seattle Metro	1,345,028	1,374,379		
Other real estate assets	Other real estate assets	92,716	133,245		

Net reportable operating segment - real estate assets	Net reportable operating segment - real estate assets	10,545,386	10,814,094
Real estate under development	Real estate under development	23,067	24,857
Co-investments	Co-investments	1,133,515	1,127,491
Cash and cash equivalents, including restricted cash	Cash and cash equivalents, including restricted cash	400,497	42,681
Cash and cash equivalents, including restricted cash			
Cash and cash equivalents, including restricted cash			
Marketable securities	Marketable securities	90,186	112,743
Notes and other receivables	Notes and other receivables	164,603	103,045
Operating lease right-of-use assets	Operating lease right-of-use assets	64,636	67,239
Prepaid expenses and other assets	Prepaid expenses and other assets	75,757	80,755
Total assets	Total assets	$12,497,647	$12,372,905

(9) Net Income Per Common Share and Net Income Per Common Unit

($ in thousands, except share and unit data):

Essex Property Trust, Inc.

		Three Months Ended September 30, 2023			Three Months Ended September 30, 2022			Three Months Ended March 31, 2024			Three Months Ended March 31, 2023		
		Income	Weighted-average Common Shares	Per Common Share Amount	Income	Weighted-average Common Shares	Per Common Share Amount	Income	Weighted-average Common Shares	Per Common Share Amount	Income	Weighted-average Common Shares	Per Common Share Amount
Basic:	Basic:												
Net income available to common stockholders	Net income available to common stockholders	$87,282	64,184,180	$ 1.36	$92,842	65,059,678	$ 1.43						
Net income available to common stockholders													
Net income available to common stockholders													

Effect of Dilutive Securities:	Effect of Dilutive Securities:						Effect of Dilutive Securities:
Stock options	Stock options	—	1,840		—	8,112	
Diluted:	Diluted:						
Diluted:							
Diluted:							
Net income available to common stockholders	Net income available to common stockholders	$87,282	64,186,020	$ 1.36	$92,842	65,067,790	$ 1.43

The table above excludes from the calculations of diluted earnings per share weighted average convertible OP Units of 2,258,812 and 2,265,893, which include vested 2014 Long-Term Incentive Plan Units and 2015 Long-Term Incentive Plan Units, for the three months ended March 31, 2024 and 2023, respectively, because they were anti-dilutive. The related income allocated to these convertible OP Units aggregated $9.6 million and $5.4 million for the three months ended March 31, 2024 and 2023, respectively.

	Nine Months Ended September 30, 2023			Nine Months Ended September 30, 2022		
	Income	Weighted-average Common Units	Per Common Unit Amount	Income	Weighted-average Common Units	Per Common Unit Amount
Basic:						
Net income available to common unitholders	$ 340,434	64,274,085	$ 5.30	$ 223,150	65,198,532	$ 3.42
Effect of Dilutive Securities:						
Stock options	—	1,194		—	27,235	
Diluted:						
Net income available to common unitholders	$ 340,434	64,275,279	$ 5.30	$ 223,150	65,225,767	$ 3.42

The table above excludes from the calculations Stock options of diluted earnings per share weighted average convertible OP Units of 2,259,236 395,585 and 2,273,399, which include vested 2014 Long-Term Incentive Plan Units and 2015 Long-Term Incentive Plan Units, 476,748 for the three months ended September 30, 2023 March 31, 2024 and 2022, respectively, and 2,261,832 and 2,277,636 for the nine months ended September 30, 2023 and 2022, respectively, because they were anti-dilutive. The related income allocated to these convertible OP Units aggregated $3.1 million and $3.2 million for the three months ended September 30, 2023 and 2022, respectively, and $12.0 million and $7.8 million for the nine months ended September 30, 2023 and 2022, respectively.

Stock options of 461,873 and 271,018 for the three months ended September 30, 2023 and 2022, respectively, and 501,187 and 230,326 for the nine months ended September 30, 2023 and 2022, 2023, respectively, were excluded from the calculation of diluted earnings per share because the assumed proceeds per share of such options plus the average unearned compensation were greater than the average market price of the common stock for the periods ended and, therefore, were anti-dilutive.

Essex Portfolio, L.P.

	Three Months Ended September 30, 2023			Three Months Ended September 30, 2022			Three Months Ended March 31, 2024			Three Months Ended March 31, 2023		
	Income	Weighted-average Common Units	Per Common Unit Amount	Income	Weighted-average Common Units	Per Common Unit Amount	Income	Weighted-average Common Units	Per Common Unit Amount	Income	Weighted-average Common Units	Per Common Unit Amount
Basic: Basic:												

Net income available to common unitholders	Net income available to common unitholders	$90,354	66,443,416	$ 1.36	$96,089	67,333,077	$ 1.43

Net income available to common unitholders

Net income available to common unitholders

Effect of Dilutive Securities:	Effect of Dilutive Securities:						
Stock options	Stock options	—	1,840		—	8,112	
Diluted:	Diluted:						

Effect of Dilutive Securities:

Diluted:

Diluted:

Net income available to common unitholders	Net income available to common unitholders	$90,354	66,445,256	$ 1.36	$96,089	67,341,189	$ 1.43

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	Nine Months Ended September 30, 2023			Nine Months Ended September 30, 2022		
	Income	Weighted-average Common Units	Per Common Unit Amount	Income	Weighted-average Common Units	Per Common Unit Amount
Basic:						
Net income available to common unitholders	$ 352,416	66,535,917	$ 5.30	$ 230,950	67,476,168	$ 3.42
Effect of Dilutive Securities:						
Stock options	—	1,115		—	27,235	
Diluted:						
Net income available to common unitholders	$ 352,416	66,537,111	$ 5.30	$ 230,950	67,503,403	$ 3.42

Stock options of 461,873 395,585 and 271,018 476,748 for the three months ended September 30, 2023 March 31, 2024 and 2022, respectively, and 501,187 and 230,326 for the nine months ended September 30, 2023 and 2022, 2023, respectively, were excluded from the calculation of diluted earnings per unit because the assumed proceeds per unit of these options plus the average unearned compensation were greater than the average market price of the common unit for the periods ended and, therefore, were anti-dilutive.

(10) Derivative Instruments and Hedging Activities

As of September 30, 2023 March 31, 2024, the Company had an interest rate swap contract with an aggregate notional amount of $300.0 million that effectively fixed the interest rate on the $300.0 million unsecured term loan at 4.2%. This derivative qualifies for hedge accounting.

As of September 30, 2023 March 31, 2024 and December 31, 2022 December 31, 2023, the swap contracts were presented in the consolidated balance sheets as an asset of $11.2 $7.8 million and $5.6 $4.3 million, respectively, and were included in prepaid expenses and other assets on the consolidated balance sheets.

As of September 30, 2023 March 31, 2024 and December 31, 2022 December 31, 2023, the Company had no interest rate caps.

The Company has four total return swap contracts, with an aggregate notional amount of $223.0 million, that effectively convert $223.0 million of mortgage notes payable to a floating interest rate based on the Securities Industry and Financial Markets Association Municipal Swap Index ("SIFMA") plus a spread. The total return swaps provide fair market value protection on the mortgage notes payable to the counterparties during the initial period of the total return swap until the Company's option to call the mortgage notes at par can be exercised. The Company can currently call all four of its total return swaps, with $223.0 million of the outstanding debt at par. These derivatives do not qualify for hedge accounting and had a carrying and fair value of zero at both September 30, 2023 and December 31, 2022. These total return swaps are scheduled to mature between December 2024 and November 2033. The realized gains of $0.7 million and $1.9 million for the three months ended September 30, 2023 and 2022, respectively, and $2.5 million and $6.7 million for the nine months ended September 30, 2023 and 2022, respectively, were reported in the condensed consolidated statements of income and comprehensive income as total return swap income.

(11) Commitments and Contingencies

The Company is subject to various lawsuits in the normal course of its business operations. Such lawsuits have not had a material adverse effect on the Company's financial condition, results of operations or cash flows. While no assurances can be given, the Company does not believe there is any pending or threatened litigation against the Company that, individually or in the aggregate, would reasonably be expected to have a material adverse effect on the Company.

In late 2022 and early 2023, a number of purported class actions were filed against RealPage, Inc., a seller of revenue management software, and various lessors of multifamily housing which utilize this software, including the Company. The complaints allege collusion among defendants to artificially increase rents of multifamily residential real estate above competitive levels. The Company intends to vigorously defend against these lawsuits. Given their early stage, the Company is unable to predict the outcome or estimate the amount of loss, if any, that may result from such matters. The Company is also subject to various other legal and/or regulatory proceedings arising in the normal course of its business operations. The Company believes that, with respect to such matters that it is currently a party to, the ultimate disposition of any such matter will not result in a material adverse effect on the Company's financial condition, results of operations or cash flows. To the extent that such a matter arises or is identified in the future that has other than a remote risk of having a material impact on the condensed consolidated financial statements, the Company will disclose the estimated range of possible outcomes associated with it, and, if an outcome is probable, accrue an appropriate liability for that matter. The Company will consider whether any such matter results in an impairment of value on the affected property and, if so, impairment will be recognized.

Item 2: Management's Discussion and Analysis of Financial Condition and Results of Operations

The following discussion and analysis should be read in conjunction with the Company's Condensed Consolidated Financial Statements and accompanying Notes thereto included elsewhere herein and with the Company's 2022 2023 annual report on Form 10-K for the year ended December 31, 2022 December 31, 2023. Capitalized terms not defined in this section have the meaning ascribed to them elsewhere in this quarterly report on Form 10-Q. The Company makes statements in this section that are forward-looking statements within the meaning of the federal securities laws. For a complete discussion of forward-looking statements, see the section in this Form 10-Q entitled "Forward-Looking Statements."

Essex is a self-administered and self-managed REIT that acquires, develops, redevelops, and manages apartment communities in selected residential areas located on the West Coast of the United States. Essex owns all of its interests in its real estate investments, directly or indirectly through the Operating Partnership. Essex is the sole general partner of the Operating Partnership and, as of September 30, 2023 March 31, 2024, had an approximately 96.6% general partnership interest in the Operating Partnership.

The Company's investment strategy has two components: constant monitoring of existing markets, and evaluation of new markets to identify areas with the characteristics that underlie rental growth. The Company's strong financial condition supports its investment strategy by enhancing its ability to quickly shift acquisition, development, redevelopment, and disposition activities to markets that will optimize the performance of the Company's portfolio.

As of September 30, 2023 March 31, 2024, the Company owned or had ownership interests in 252 253 operating apartment communities, comprising 61,997 62,271 apartment homes, excluding the Company's ownership interest in preferred equity co-investments, loan investments, and three operating commercial buildings, and a development pipeline comprised of one unconsolidated joint venture project. buildings.

The Company's apartment communities are located in the following major regions:

Southern California (primarily Los Angeles, Orange, San Diego, and Ventura counties)
Northern California (the San Francisco Bay Area)
Seattle Metro (the Seattle metropolitan area)

As of September 30, 2023, the Company's development pipeline was comprised of one unconsolidated joint venture project under development aggregating 264 apartment homes and various predevelopment projects, with total incurred costs of $112.0 million, and estimated remaining project costs of approximately $13.0 million, $6.7 million of which represents the Company's share of estimated remaining costs, for total estimated project costs of $125.0 million.

The Company's consolidated apartment communities are as follows:

		As of September 30, 2023		As of September 30, 2022			As of March 31, 2024				As of March 31, 2023			
		Apartment Homes	%	Apartment Homes	%		Apartment Homes		%		Apartment Homes		%	
Southern California	Southern California	21,986	43 %	22,401	43 %	Southern California	23,262	44	44	%	21,913	43	43	%
Northern California	Northern California	19,245	37 %	19,230	37 %	Northern California	19,244	36	36	%	19,245	37	37	%
Seattle Metro	Seattle Metro	10,341	20 %	10,341	20 %	Seattle Metro	10,555	20	20	%	10,341	20	20	%
Total	Total	51,572	100 %	51,972	100 %	Total	53,061	100	100	%	51,499	100	100	%

Co-investments, including Wesco I, Wesco III, Wesco IV, Wesco V, Wesco VI, BEXAEW, BEX II, BEX IV and 500 Folsom communities, developments under construction, and preferred equity interest co-investment communities are not included in the table presented above for both periods. The communities previously held in the BEXAEW co-investment, which was consolidated in the first quarter of 2024, are excluded from the March 31, 2023 table but included in the March 31, 2024 table.

Market Considerations

While COVID-19's impact begins to dissipate, The Company is emerging from restrictions resulting from the Company COVID-19 pandemic and continues to comply with the stated intent of local, county, state and federal laws, some of which limit rent increases during times of emergency and impair the ability to collect unpaid rent during certain timeframes and at in various regions in which our communities are located, impacting the Company and its properties. Concurrently, geopolitical tensions and regional conflicts have increased uncertainty during 2022 2023 and 2023. 2024. Inflation has caused an increase in consumer prices, thereby reducing purchasing power and elevating the risks of a recession. Due to increased inflation, the U.S. Federal Reserve raised the federal funds rate a total of seven times during 2022 and four times in 2023. In response, market interest rates have increased significantly during this time. At the same time, the labor market remains historically tight and companies continue to look to add employees, pushing unemployment lower.

The long-term impact of these developments will largely depend on future laws that may be enacted, the impact on job growth and the broader economy, and reactions by consumers, companies, governmental entities and capital markets.

Primarily as a result of the impact of the COVID-19 pandemic, the Company's cash delinquencies as a percentage of scheduled rental income for the Company's stabilized apartment communities or "Same-Property" (stabilized properties consolidated by the Company for the quarters ended September 30, 2023 March 31, 2024 and 2022) 2023) have generally remained higher than the pre-pandemic historical average of 0.35% since the second quarter of 2020. Cash delinquencies were elevated at 1.4% 2.1% for the three months ended September 30, 2022 March 31, 2023 and further increased has decreased to 2.0% 1.3% for the three months ended September 30, 2023 March 31, 2024. The lower cash delinquencies Delinquency benefited from Emergency Rental Assistance payments of $1.1 million for the three months ended September 30, 2022 was due to $7.4 million of Emergency Rental Assistance payments as March 31, 2023compared to the payments of $0.4 million received for the three months ended September 30, 2023 March 31, 2024; however, current tenant delinquencies remained well above pre-pandemic levels. The Company continues to work with residents to collect such cash delinquencies. As of September 30, 2023 March 31, 2024, the delinquencies have not had a material adverse impact on the Company's liquidity position.

The foregoing macroeconomic conditions have not negatively impacted the Company's ability to access traditional funding sources on the same or reasonably similar terms as were available in recent periods prior to the pandemic. The Company is not at material risk of not meeting the covenants in its credit agreements and is able to timely service its debt and other obligations.

Comparison of the Three Months Ended September 30, 2023 March 31, 2024 to the Three Months Ended September 30, 2022 March 31, 2023

The Company's average financial occupancy for the Company's Same-Property portfolio was 96.4% 96.3% and 96.0% 96.7% for the three months ended September 30, 2023 March 31, 2024 and 2022, 2023, respectively. Financial occupancy is defined as the percentage resulting from dividing actual rental income by total scheduled rental income. Actual rental income represents contractual rental income pursuant to leases without considering delinquency and concessions. Total scheduled rental income represents the value of all apartment homes, with occupied apartment homes valued at contractual rental rates pursuant to leases and vacant apartment homes valued at estimated market rents. The Company believes that financial occupancy is a meaningful measure of occupancy because it considers the value of each vacant apartment home at its estimated market rate.

Market rates are determined using the recently signed effective rates on new leases at the property and are used as the starting point in the determination of the market rates of vacant apartment homes. The Company may increase or decrease these rates based on a variety of factors, including overall supply and demand for housing, concentration of new apartment deliveries within the same submarket which can cause periodic disruption due to greater rental concessions to increase leasing velocity, and rental affordability. Financial occupancy may not completely reflect short-term trends in physical occupancy and financial occupancy rates, and the Company's calculation of financial occupancy may not be comparable to financial occupancy disclosed by other REITs.

The Company does not take into account delinquency and concessions to calculate actual rent for occupied apartment homes and market rents for vacant apartment homes. The calculation of financial occupancy compares contractual rates for occupied apartment homes to estimated market rents for unoccupied apartment homes, and thus the calculation compares the gross value of all apartment homes excluding delinquency and concessions. For apartment communities that are development properties in lease-up without stabilized occupancy figures, the Company believes the physical occupancy rate is the appropriate performance metric. While an apartment community is in the lease-up phase, the Company's primary motivation is to stabilize the property, which may entail the use of rent concessions and other incentives, and thus financial occupancy, which is based on contractual income, is not considered the best metric to quantify occupancy.

The regional breakdown of the Company's Same-Property portfolio for financial occupancy for the three months ended September 30, 2023 March 31, 2024 and 2022 2023 is as follows:

		Three Months Ended September 30, 2023	Three Months Ended September 30, 2022		Three Months Ended March 31, 2024	Three Months Ended March 31, 2023
Southern California	Southern California	96.3 %	96.2 %	Southern California	96.0 %	96.8 %
Northern California	Northern California	96.5 %	96.0 %	Northern California	96.2 %	96.7 %
Seattle Metro	Seattle Metro	96.3 %	95.3 %	Seattle Metro	97.0 %	96.6 %

The following table provides a breakdown of revenues amounts, including revenues attributable to the Same-Properties:

Property Revenues ($ in thousands)	Property Revenues ($ in thousands)	Number of Apartment Homes	Three Months Ended September 30, 2023	Three Months Ended September 30, 2022	Dollar Change	Percentage Change	Property Revenues ($ in thousands)	Number of Apartment Homes	Three Months Ended March 31, 2024		Three Months Ended March 31, 2023
Same-Property Revenues:	Same-Property Revenues:										
Southern California											
Southern California											
Southern California	Southern California	21,352	$167,926	$161,793	$6,133	3.8 %		21,573	$ $171,822	$	$164,287
Northern California	Northern California	18,371	159,903	155,353	4,550	2.9 %	Northern California	18,970	166,213	166,213	161,195
Seattle Metro	Seattle Metro	10,341	70,631	69,054	1,577	2.3 %	Seattle Metro	10,341	71,784	71,784	70,038
Total Same-Property Revenues	Total Same-Property Revenues	50,064	398,460	386,200	12,260	3.2 %	Total Same-Property Revenues	50,884	409,819	409,819	395,520
Non-Same Property Revenues	Non-Same Property Revenues		17,938	20,662	(2,724)	(13.2) %	Non-Same Property Revenues			14,396	14,136
Total Property Revenues	Total Property Revenues		$416,398	$406,862	$9,536	2.3 %	Total Property Revenues			$424,215	$ $409,65

Same-Property Revenues increased by $12.3 million $14.3 million or 3.2% 3.6% to $398.5 million $409.8 million in the third first quarter of 2023 2024 from $386.2 million $395.5 million in the third first quarter of 2022. 2023. The increase was primarily attributable to an increase of 3.3% 2.1% in average rental rates from $2,539 $2,576 in the third first quarter of 2022 2023 to $2,623 $2,631 in the third first quarter of 2024 and 0.8% of the increase was attributable to a decrease in delinquencies in the first quarter of 2024 compared to the first quarter of 2023.

Non-Same Property Revenues decreased increased by $2.7 million $0.3 million or 13.2% 1.8% to $17.9 million $14.4 million in the third first quarter of 2023 2024 from $20.7 million $14.1 million in the third first quarter of 2022. 2023. The decrease increase was primarily due to the acquisition of Hacienda at Camarillo Oaks in 2023, and the consolidation of four apartment home communities as part of the Company's purchase of its joint venture partner's 49.9% interest in the BEXAEW portfolio in 2024. The increase was partially offset by the sale of Anavia in 2022 and CBC and The Sweeps in the first quarter of 2023.

Property operating expenses, excluding real estate taxes increased by $3.5 million $5.0 million or 4.8% 6.8% to $77.0 million $78.9 million for the third first quarter of 2023 2024 compared to $73.5 million $73.9 million for the third first quarter of 2022, 2023, primarily due to increases of $1.5 million $2.3 million in utilities expenses, $1.2 million in administrative insurance expenses, and $0.8 million $0.9 million in personnel costs. costs, and $0.4 million in administrative expenses. Same-Property operating expenses, excluding real estate taxes, increased by $4.4 million $5.7 million or 6.2% 7.8% to $75.2 million $78.6 million in the third first quarter of 2023 2024 compared to $70.8 million $72.9 million in the third first quarter of 2022, 2023, primarily due to increases of $1.6 million $2.2 million in utilities expenses, $1.4 million $2.0 million in insurance and other expenses, $1.1 million $0.8 million in personnel costs, $0.5 million in administrative expenses and $0.3 million $0.2 million in maintenance and repairs expenses.

Real estate taxes increased by $0.3 million $0.4 million or 0.6% 0.9% to $46.9 million for the third first quarter of 2024 compared to $46.5 million for the first quarter of 2023, compared to $46.6 million for the third quarter of 2022, primarily due to increases a net increase of approximately 2% in special assessments California real estate taxes, partially offset by a slight decrease in 2023, combined with refunds received real estate taxes in 2022. the Seattle metro region. Same-Property real estate taxes increased by $0.5 million $0.3 million or 1.2% 0.6% to $43.2 million $44.9 million for the third first quarter of 2024 compared to $44.6 million for the first quarter of 2023 compared to $42.7 million for the third quarter of 2022 primarily due to increases an increase of approximately 2% in special assessments California real estate taxes, partially offset by slight decrease in 2023, combined with refunds received real estate taxes in 2022.

Corporate-level property management expenses increased by $1.3 million or 12.7% to $11.5 million for the third quarter of 2023 compared to $10.2 million for the third quarter of 2022 due to costs pertaining to the centralization of certain property level functions. Seattle metro region.

Depreciation and amortization expense increased by $1.9 million $3.4 million or 1.4% 2.5% to $137.4 million $139.7 million for the third first quarter of 2023 2024 compared to $135.5 million $136.3 million for the third first quarter of 2022, 2023, primarily due to an increase in depreciation expense from the acquisition of Hacienda at Camarillo Oaks in 2023. 2023 and due to the consolidation of four apartment home communities as part of the Company's purchase of its joint venture partner's 49.9% interest in the BEXAEW portfolio in 2024. The increase was partially offset by the sale of Anavia in 2022 and CBC and The Sweeps in the first quarter of 2023.

Interest expense increased by $2.6 million $4.9 million or 5.0% 9.6% to $54.2 million $55.9 million for the third first quarter of 2023 2024 compared to $51.6 million $51.0 million for the third first quarter of 2022, 2023, primarily due to borrowing on the $300.0 million unsecured term loan in April 2023, and the $298.0 million of 10-year secured loans closed in July 2023, and the issuance in March 2024 of $350.0 million senior unsecured notes due April 2034 which resulted in an increase in interest expense of $5.3 million $8.1 million for the third first quarter of 2023. 2024. Additionally, there was a $0.3 million $0.2 million decrease in capitalized interest in the third first quarter of 2023, 2024, due to a decrease in development activity as compared to the same period in 2022. 2023. These increases to interest expense were partially offset by various debt that was paid off, matured, or due to regular principal amortization during and after the third first quarter of 2022, 2023, primarily due to the payoff of the $300.0 million of senior unsecured notes due May 1, 2023, which resulted in a decrease in interest expense of $3.0 million $3.4 million for the third first quarter of 2023.

Total return swap income of $0.7 million in the third quarter of 2023 consists of monthly settlements related to the Company's total return swap contracts with an aggregate notional amount of $223.0 million. 2024.

Interest and other income (loss) increased by $11.2 million $44.8 million or 164.7% 358.4% to an income of $4.4 million $57.3 million for the third first quarter of 2023 2024 compared to a loss of $6.8 million $12.5 million for the third first quarter of 2022, primarily due to realized and unrealized gains on marketable securities.

Equity income from co-investments decreased by $0.3 million or 2.7% to $10.7 million for the third quarter of 2023, compared to $11.0 million for the third quarter of 2022, primarily due to a decrease of $1.9 million in equity loss from co-investments, offset by a $2.1 million increase in equity income (loss) from non-core co-investments.

Comparison of the Nine Months Ended September 30, 2023 to the Nine Months Ended September 30, 2022

The Company's average financial occupancy for its Same-Property portfolio (stabilized properties consolidated by the Company for the nine months ended September 30, 2023 and 2022) was 96.6% and 96.1% for the nine months ended September 30, 2023 and 2022, respectively.

The regional breakdown of the Company's Same-Property portfolio for financial occupancy for the nine months ended September 30, 2023 and 2022 is as follows:

	Nine Months Ended September 30,	
	2023	2022
Southern California	96.5 %	96.1 %
Northern California	96.6 %	96.2 %
Seattle Metro	96.6 %	95.8 %

Property Revenues ($ in thousands)	Number of Apartment Homes	Nine Months Ended September 30, 2023	2022	Dollar Change	Percentage Change
Same-Property Revenues:					

Southern California	21,352	$ 497,071	$ 471,267	$ 25,804	5.5 %
Northern California	18,371	473,602	454,258	19,344	4.3 %
Seattle Metro	10,341	210,886	200,964	9,922	4.9 %
Total Same-Property Revenues	50,064	1,181,559	1,126,489	55,070	4.9 %
Non-Same Property Revenues		57,760	56,829	931	1.6 %
Total Property Revenues		$ 1,239,319	$ 1,183,318	$ 56,001	4.7 %

Same-Property Revenues increased by $55.1 million or 4.9% to $1.2 billion for the nine months ended September 30, 2023 from $1.1 billion for the nine months ended September 30, 2022. The increase was primarily attributable to an increase of 5.1% in average rental rates from $2,470 per apartment home for the nine months ended September 30, 2022 to $2,597 per apartment home for the nine months ended September 30, 2023.

Non-Same Property Revenues increased by $0.9 million or 1.6% to $57.8 million for the nine months ended September 30, 2023 from $56.8 million for the nine months ended September 30, 2022. The increase was primarily due to the acquisitions of Regency Palm Court and Windsor Court in 2022, Hacienda at Camarillo Oaks in 2023, and an increase in average rental rates, offset by the sale of Anavia in 2022 and CBC and The Sweeps in 2023.

Management and other fees from affiliates stayed consistent at $8.3 million for the nine months ended September 30, 2023 and 2022.

Property operating expenses, excluding real estate taxes increased by $12.6 million or 5.9% to $224.7 million for the nine months ended September 30, 2023 compared to $212.1 million for the nine months ended September 30, 2022, primarily due to increases of $4.6 million $34.8 million in maintenance and repairs expenses, $3.6 million in administrative expenses, $3.2 million in utilities expenses, and $1.2 million in personnel costs. Same-Property operating expenses, excluding real estate taxes, increased by $13.7 million or 6.7% to $218.9 million for the nine months ended September 30, 2023 compared to $205.2 million for the nine months ended September 30, 2022, primarily due to increases of $4.8 million in maintenance and repairs expenses, $3.7 million in utilities expenses, $2.8 million in insurance and other expenses, $1.4 million in personnel costs, and $0.9 million in administrative expenses.

Real estate taxes increased by $1.2 million or 0.9% to $138.8 million for the nine months ended September 30, 2023 compared to $137.6 million for the nine months ended September 30, 2022, primarily due to an increase of approximately 2% in California real estate taxes, partially offset by a slight decrease from 2022 in real estate taxes in the Seattle metro region. Same-Property real estate taxes increased by $1.4 million or 1.1% to $127.8 million for the nine months ended September 30, 2023 compared to $126.4 million for the nine months ended September 30, 2022, primarily due to an increase of approximately 2% in California real estate taxes, partially offset by a slight decrease from 2022 in real estate taxes in the Seattle metro region.

Corporate-level property management expenses increased by $3.9 million or 12.8% to $34.4 million for the nine months ended September 30, 2023 compared to $30.5 million for the nine months ended September 30, 2022 due to costs pertaining to the centralization of certain property level functions.

Depreciation and amortization expense increased by $6.8 million or 1.7% to $410.4 million for the nine months ended September 30, 2023 compared to $403.6 million for the nine months ended September 30, 2022, primarily due to an increase in depreciation expense from the completion of Station Park Green (Phase IV) development property in 2022, the purchase of the Company's joint venture partner's 49.8% interest in Essex JV LLC co-investment that owned Regency Palm Court and Windsor Court, in 2022, and the acquisition of Hacienda at Camarillo Oaks in 2023. The increase was partially offset by the sale of Anavia in 2022 and CBC and The Sweeps in 2023.

Gain on sale of real estate and land of $59.2 million for the nine months ended September 30, 2023 was primarily attributable to the sale of CBC and The Sweeps apartment home community.

Interest expense increased by $5.3 million or 3.5% to $157.8 million for the nine months ended September 30, 2023 compared to $152.5 million for the nine months ended September 30, 2022, primarily due to higher interest rates on the Company's unsecured lines of credit borrowing on the $300.0 million unsecured term loan in April 2023 and the $298.0 million of 10-year secured loans closed in July 2023 which resulted in an increase in interest expense of $9.5 million for the nine months ended September 30, 2023. Additionally, there was a $1.3 million decrease in capitalized interest in the nine months ended September 30, 2023, due to a decrease in development activity as compared to the same period in 2022. These increases to interest expense were partially offset by various debt that was paid off, matured, or regular principal amortization during and after the nine months ended September 30, 2022, primarily due to the payoff of the $300.0 million of senior unsecured notes due May 1, 2023, which resulted in a decrease in interest expense of $5.5 million for the nine months ended September 30, 2023.

Total return swap income of $2.5 million for the nine months ended September 30, 2023 consists of monthly settlements related to the Company's total return swap contracts with an aggregate notional amount of $223.0 million.

Interest and other income (loss) increased by $60.7 million or 192.1% to $29.1 million in income for the nine months ended September 30, 2023 compared to $31.6 million in loss for the nine months ended September 30, 2022, primarily due to increases of $55.4 million in realized and unrealized gains on marketable securities and $3.4 million in insurance reimbursements, legal settlements and other, driven by a one-time legal settlement claim. $7.9 million in interest income.

Equity income from co-investments increased by $10.0 million $1.5 million or 42.0% 13.8% to $33.8 million $12.4 million for the nine months ended September 30, 2023 first quarter of 2024 compared to $23.8 million $10.9 million for the nine months ended September 30, 2022, first quarter of 2023, primarily due to increases of $32.5 million $6.0 million in equity income from non-core technology co-investments $1.0 million in loss on early retirement of debt from unconsolidated co-investments in 2022 with no activity in the current year, offset by decreases of $17.1 million and $1.5 million in co-investment promote income, $6.1 million in equity income. The increases were offset by a $3.7 million non-cash impairment loss from co-investments, an unconsolidated preferred equity co-investment, and $0.9 million a decrease of $1.1 million in income from preferred equity investments including income from early redemption of preferred equity investments.

Gain on remeasurement of co-investment of $138.3 million resulted from the Company's acquisition of its joint venture partner's 49.9% co-investment interest in the BEXAEW portfolio comprised of four apartment home communities.

Liquidity and Capital Resources

As of September 30, 2023 March 31, 2024, the Company had $392.0 million $499.0 million of unrestricted cash and cash equivalents and $90.2 million $91.3 million in marketable securities, all of which were equity securities. The Company believes that cash flows generated by its operations, existing cash and cash equivalents, marketable securities balances and availability under existing lines of credit are sufficient to meet all of its anticipated cash needs during the next twelve months. Additionally, the capital markets continue to be available and the Company is able to generate cash from the disposition of real estate assets to finance additional cash flow needs, including continued development and select acquisitions. In the event that economic disruptions occur, the Company may further utilize other resources such as its cash reserves, lines of credit, or decreased investment in redevelopment activities to supplement operating cash flows. The Company is carefully monitoring and managing its cash position in light of ongoing conditions and levels of operations. The timing, source and amounts of cash flows provided by financing activities and used in investing activities are sensitive to changes in interest rates and other fluctuations in the capital markets environment, which can affect the Company's plans for acquisitions, dispositions, development and redevelopment activities.

As of September 30, 2023 March 31, 2024, Moody's Investor Service, and Standard and Poor's credit agencies rated the Company and the Operating Partnership, Baa1/Stable, and BBB+/Stable, respectively.

As of September 30, 2023 March 31, 2024, the Company had two unsecured lines of credit aggregating $1.24 billion. As of September 30, 2023 March 31, 2024, there was no outstanding balance on the Company's $1.2 billion unsecured line of credit. The underlying interest rate is based on a tiered rate structure tied to the Company's credit ratings, adjusted for the Company's sustainability metric grid, and was at Adjusted SOFR plus 0.75% as of September 30, 2023 March 31, 2024. This facility is scheduled to mature in January 2027, with two six-month extensions, exercisable at the Company's option. As of September 30, 2023 March 31, 2024, there was no outstanding balance on the Company's $35.0 million working capital unsecured line of credit. The underlying interest rate on the $35.0 million line is based on a tiered rate structure tied to the Company's credit ratings, adjusted for the Company's sustainability metric grid, and was at Adjusted SOFR plus 0.75% as of September 30, 2023 March 31, 2024. This facility is scheduled to mature in July 2024.

In July 2023, March 2024, the Company closed $298.0 Operating Partnership issued $350.0 million in 10-year secured loans priced at 5.08% fixed interest rates encumbering four properties located in Northern California. The proceeds are intended to repay a majority of the Company's $400.0 million senior unsecured notes due in May 2024 upon maturity.

In on April 1, 2034 with a coupon rate of 5.500% per annum (the "2034 Notes"), which are payable on April 1 and October 2022, 1 of each year, beginning on October 1, 2024. The 2034 Notes were offered to investors at a price of 99.752% of par value. The 2034 Notes are general unsecured senior obligations of the Operating Partnership, entered into a $300.0 million rank equally in right of payment with all other senior unsecured term loan with an interest rate at Adjusted SOFR plus 0.85%. indebtedness of the Operating Partnership and are unconditionally guaranteed by Essex. The Company also entered into an interest rate swap contract intends to fix use the interest rate at 4.2%. The loan matures in October 2024 with three 12-month extension options, exercisable at the Company's option. The Company drew on its $300.0 million unsecured term loan in April 2023, and the net proceeds were used of this offering to repay upcoming debt maturities, including to fund a portion of the Company's $300.0 million repayment of its outstanding 3.875% senior unsecured notes due in May 2023. 2024 and for other general corporate and working capital purposes, including funding of potential acquisition opportunities.

In September 2021, the Company entered into a new equity distribution agreement pursuant to which the Company may offer and sell shares of its common stock having an aggregate gross sales price of up to $900.0 million (the "2021 ATM Program"). In connection with the 2021 ATM Program, the Company may also enter into related forward sale agreements, and may sell shares of its common stock pursuant to these agreements. The use of a forward sale agreement would allow the Company to lock in a share price on the sale of shares of its common stock at the time the agreement is executed, but defer receipt of the proceeds from the sale of shares until a later date should the Company elect to settle such forward sale agreement, in whole or in part, in shares of common stock.

The 2021 ATM Program replaced the prior equity distribution agreement entered into in September 2018 (the "2018 ATM Program"), which was terminated upon the establishment of the 2021 ATM Program. During the three months ended September 30, 2023 March 31, 2024, the Company did not sell any shares of its common stock through the 2021 ATM Program. As of September 30, 2023 March 31, 2024, there are no outstanding forward purchase agreements, and $900.0 million of shares remains available to be sold under the 2021 ATM Program.

In December 2015, the Company's Board of Directors authorized a stock repurchase plan to allow the Company to acquire shares in an aggregate of up to $250.0 million. In February 2019, the Board of Directors approved the replenishment of the stock repurchase plan such that, as of such each date, the Company had $250.0 million of purchase authority remaining under the stock repurchase plan. In each of May and December 2020, the Board of Directors approved the replenishment of the stock repurchase plan such that, as of such date, the Company had $250.0 million of purchase authority remaining under the replenished plan. In September 2022, the Company's Board of Directors approved a new stock repurchase plan to allow the Company to acquire shares of common stock up to an aggregate value of $500.0 million. The plan supersedes the Company's previous common stock repurchase plan announced in December 2015. During the nine three months ended September 30, 2023 March 31, 2024, the Company repurchased did not repurchase any shares and retired 437,026 shares as of its common stock totaling $95.7 million, including commissions, at an average price of $218.88 per share. As of September 30, 2023 March 31, 2024, the Company had $302.7 million of purchase authority remaining under the its $500.0 million stock repurchase plan.

Essex pays quarterly dividends from cash available for distribution. Until it is distributed, cash available for distribution is invested by the Company primarily in investment grade securities held available for sale or is used by the Company to reduce balances outstanding under its line of credit.

Development and Predevelopment Pipeline

The Company defines development projects as new communities that are being constructed, or are newly constructed and are in a phase of lease-up and have not yet reached stabilized operations. As of September 30, 2023 March 31, 2024, the Company's development pipeline was comprised of one unconsolidated joint venture project under development aggregating 264 apartment homes, and various consolidated predevelopment projects, with total incurred costs of $112.0 million, and estimated remaining project costs of approximately $13.0 million, $6.7 million of which represents the Company's share of estimated remaining costs, for total estimated project costs of $125.0 million $24.6 million.

The Company defines predevelopment projects as proposed communities in negotiation or in the entitlement process with an expected high likelihood of becoming entitled development projects. The Company may also acquire land for future development purposes or sale.

The Company expects to fund the development and predevelopment communities by using a combination of some or all of the following sources: its working capital, amounts available on its lines of credit, construction loans, net proceeds from public and private equity and debt issuances, and proceeds from the disposition of assets, if any.

Derivative Activity

The Company uses interest rate swaps, interest rate caps, and total return swap contracts to manage certain interest rate risks. The valuation of these instruments is determined using widely accepted valuation techniques including discounted cash flow analysis on the expected cash flows of each derivative. This analysis reflects the contractual terms of the derivatives, including the period to maturity, and uses observable market-based inputs, including interest rate curves. The fair values of interest rate swaps and total return swaps are determined using the market standard methodology of netting the discounted future fixed cash receipts (or payments) and the discounted expected variable cash payments (or receipts). The variable cash payments (or receipts) are based on an expectation of future interest rates (forward curves) derived from observable market interest rate curves. The Company incorporates credit valuation adjustments to appropriately reflect both its own nonperformance risk and the respective counterparty's nonperformance risk in the fair value measurements.

Alternative Capital Sources

The Company utilizes co-investments as an alternative source of capital for acquisitions of both operating and development communities. As of September 30, 2023, the The Company had an interest in 264 apartment homes in a community actively under development with a joint venture for total estimated costs of $102.0 million. Total estimated remaining costs are approximately $13.0 million, of which the Company estimates its remaining investment in these development joint ventures will be approximately $6.7 million. In addition, the Company had an interest in 10,425 9,210 apartment homes of operating communities with joint ventures for a total book value of $461.3 $446.5 million as of September 30, 2023 March 31, 2024.

Off-Balance Sheet Arrangements

The Company has various unconsolidated interests in certain joint ventures. The Company does not believe that these unconsolidated investments have a materially different impact on its liquidity, cash flows, capital resources, credit or market risk than its consolidated operations. See Note 4, Co-investments, in the Notes to Condensed Consolidated Financial Statements, for carrying values and combined summarized financial information of these unconsolidated investments.

Critical Accounting Estimates

The preparation of condensed consolidated financial statements, in accordance with U.S. GAAP, requires the Company to make estimates and judgments that affect the reported amounts of assets, liabilities, revenues and expenses and related disclosures of contingent assets and liabilities. The Company defines critical accounting estimates as those that involve a significant level of estimation uncertainty and have had or are reasonably likely to have a material impact on the financial condition or results of operations of the Company. The Company's critical accounting estimates relate principally to the following key areas: (i) accounting for the acquisition of investments in real estate; and (ii) evaluation of events and changes in circumstances indicating whether the Company's rental properties may be impaired. The Company bases its estimates on historical experience, current market conditions, and various other assumptions that are believed to be reasonable under the circumstances. Actual results may differ from those estimates made by management.

The Company's critical accounting policies and estimates have not changed materially from the information reported in Note 2, Summary of Critical and Significant Accounting Policies, in the Company's annual report on Form 10-K for the year ended December 31, 2022 December 31, 2023.

Forward-Looking Statements

Certain statements in this "Management's Discussion and Analysis of Financial Condition and Results of Operations," and elsewhere in this quarterly report on Form 10-Q which are not historical facts may be considered forward-looking statements within the meaning of Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, as amended. Forward-looking statements are statements which are not historical facts, including statements regarding the Company's expectations, estimates, assumptions, hopes, intentions, beliefs and strategies regarding the future. Words such as "expects," "assumes," "anticipates," "may," "will," "intends," "plans," "projects," "believes," "seeks," "future," "estimates," and variations of such words and similar expressions are intended to identify such forward-looking statements. Such forward-looking statements include, among other things, statements regarding the Company's expectations related to the continued evolution of the work-from-home trend, the Company's intent, beliefs or expectations with respect to the timing of completion of current expected operating performance and results, property stabilizations, property acquisition and disposition activity, joint venture and co-investment activity, development and redevelopment projects activity and the stabilization of such projects, the timing of lease-up other capital expenditures, capital raising and occupancy of its apartment communities, the anticipated operating performance of its apartment communities, the total projected costs of development and redevelopment projects, co-investment activities, qualification as a REIT under the Internal Revenue Code of 1986, as amended, 2023 same-property financing activity, revenue and operating expenses generally and in specific regions, the real estate markets in the geographies in which the Company's properties are located and in the United States in general, the adequacy of future cash flows to meet anticipated cash needs, its financing activities and the use of proceeds from such activities, the availability of debt and equity financing, general economic conditions including the potential impacts from such economic conditions, inflation, the labor market, supply chain impacts, geopolitical tensions and regional conflicts, trends affecting the Company's expense growth, financial condition or results of operations, changes to U.S. tax laws and regulations in general or specifically related to REITs or real estate, changes to laws and regulations in jurisdictions in which communities the Company owns are located, occupancy, interest rate and other information that is not historical information. economic expectations.

While the Company's management believes the assumptions underlying its forward-looking statements are reasonable, such forward-looking statements involve known and unknown risks, uncertainties and other factors, many of which are beyond the Company's control, which could cause the actual results, performance or achievements of the Company to be materially different from any future results, performance or achievements expressed or implied by such forward-looking statements. The Company cannot assure the future results or outcome of the matters described in these statements; rather, these statements merely reflect the Company's current expectations of the approximate outcomes of the matters discussed. Factors that might cause the Company's actual results, performance or achievements to differ materially from those expressed or implied by these forward-looking statements include, but are not limited to, the following: potential future outbreaks of infectious diseases or other health concerns, which could adversely affect the Company's business and its tenants, and cause a significant downturn in general economic conditions, the real estate industry, and the markets in which the Company's communities are located; the Company may fail to achieve its business objectives; the actual completion of development and redevelopment projects may be subject to delays; the stabilization dates of such projects may be delayed; the Company may abandon or defer development or redevelopment projects for a number of reasons, including changes in local market conditions which make development less desirable, increases in costs of development, increases in the cost of capital or lack of capital availability, resulting in losses; the total projected costs of current development and redevelopment projects may exceed expectations; such development and redevelopment projects may not be completed; development and redevelopment projects and acquisitions may fail to meet expectations; estimates of future income from an acquired property may prove to be inaccurate; occupancy rates and rental demand may be adversely affected by competition and local economic and market conditions; there may be increased interest rates, inflation, escalated operating costs and possible recessionary impacts; geopolitical tensions and regional conflicts, and the related impacts on macroeconomic conditions, including, among other things, interest rates and inflation; the impact of inflation on consumer prices with associated reduction in purchasing power and increased risk of recession; the economic effects of the COVID-19 pandemic; whether and for how long the Company's cash delinquencies will remain elevated as a result of the impact of the COVID-19 pandemic; the terms of any refinancing may not be as favorable as the terms of existing indebtedness; the Company may be unable to maintain its investment grade credit rating with the rating agencies; the Company may be unsuccessful in the management of its relationships with its co-investment partners; the Company may fail to achieve its business objectives; time required for completion and/or stabilization of development and redevelopment projects; estimates of future income from an acquired property may prove to be inaccurate; future cash flows may be inadequate to meet operating requirements and/or may be insufficient to provide for dividend payments in accordance with REIT requirements; changes in laws or regulations; the terms of any refinancing may not be as favorable as the terms of existing indebtedness; unexpected difficulties in leasing of future development projects; volatility in financial and securities markets; the Company's failure to successfully operate acquired properties; unforeseen consequences from cyber-intrusion; the Company's inability to maintain our investment grade credit rating with the rating agencies; government approvals, actions and initiatives, including the need for compliance with environmental requirements; and those further risks, special considerations, and other factors referred to in this quarterly report on Form 10-Q, in the Company's annual report on Form 10-K for the year ended December 31, 2022 December 31, 2023, and those risk factors and special considerations set forth in the Company's other filings with the SEC which may cause the actual results, performance or achievements of the Company to be materially different from any future results, performance or achievements expressed or implied by such forward-looking statements. All forward-looking statements are made as of the date hereof, the Company assumes no obligation to update or supplement this information for any reason, and therefore, they may not represent the Company's estimates and assumptions after the date of this report.

Funds from Operations Attributable to Common Stockholders and Unitholders

Funds from Operations Attributable to Common Stockholders and Unitholders ("FFO") is a financial measure that is commonly used in the REIT industry. The Company presents FFO and FFO excluding non-core items (referred to as "Core FFO") as supplemental operating performance measures. FFO and Core FFO are not used by the Company as, nor should they be considered to be, alternatives to net income computed under U.S. GAAP as an indicator of the Company's operating performance or as alternatives to cash from operating activities computed under U.S. GAAP as an indicator of the Company's ability to fund its cash needs.

FFO and Core FFO are not meant to represent a comprehensive system of financial reporting and do not present, nor do they intend to present, a complete picture of the Company's financial condition and operating performance. The Company believes that net income computed under U.S. GAAP is the primary measure of performance and that FFO and Core FFO are only meaningful when they are used in conjunction with net income.

The Company considers FFO and Core FFO to be useful financial performance measurements of an equity REIT because, together with net income and cash flows, FFO and Core FFO provide investors with additional bases to evaluate operating performance and ability of a REIT to incur and service debt and to fund acquisitions and other capital expenditures and to pay dividends. By excluding gains or losses related to sales of depreciated operating properties and land, and excluding real estate depreciation (which can vary among owners of identical assets in similar condition based on historical cost accounting and useful life estimates), and excluding impairment write-downs from operating real estate and unconsolidated co-investments driven by a measurable decrease in the fair value of real estate held by the co-investment, FFO can help investors compare the operating performance of a real estate company between periods or as compared to different companies. By further adjusting for items that are not considered part of the Company's core business operations, Core FFO allows investors to compare the core operating performance of the Company to its performance in prior reporting periods and to the operating performance of other real estate 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 operating results. The Company believes that its condensed consolidated financial statements, prepared in accordance with U.S. GAAP, provide the most meaningful picture of its financial condition and its operating performance.

In calculating FFO, the Company follows the definition for this measure published by the National Association of Real Estate Investment Trusts ("NAREIT"), which is the leading REIT industry association. The Company believes that, under the NAREIT FFO definition, the two most significant adjustments made to net income are (i) the exclusion of historical cost depreciation and (ii) the exclusion of gains and losses from the sale of previously depreciated properties. The Company agrees that these two NAREIT adjustments are useful to investors for the following reasons:

(a) historical cost accounting for real estate assets in accordance with U.S. GAAP assumes, through depreciation charges, that the value of real estate assets diminishes predictably over time. NAREIT stated in its White Paper on Funds from Operations "since real estate asset values have historically risen or fallen with market conditions, many industry investors have considered presentations of operating results for real estate companies that use historical cost accounting to be insufficient by themselves." Consequently, NAREIT's definition of FFO reflects the fact that real estate, as an asset class, generally appreciates over time and depreciation charges required by U.S. GAAP do not reflect the underlying economic realities.

(b) REITs were created as a legal form of organization in order to encourage public ownership of real estate as an asset class through investment in firms that were in the business of long-term ownership and management of real estate. The exclusion, in NAREIT's definition of FFO, of gains and losses from the sales of previously depreciated operating real estate assets allows investors and analysts to readily identify the operating results of the long-term assets that form the core of a REIT's activity and assists in comparing those operating results between periods.

Management believes that it has consistently applied the NAREIT definition of FFO to all periods presented. However, there is judgment involved and other REITs' calculation of FFO may vary from the NAREIT definition for this measure, and thus their disclosure of FFO may not be comparable to the Company's calculation.

The table below is a reconciliation of net income available to common stockholders to FFO and Core FFO for the three and nine months ended September 30, 2023 March 31, 2024 and 2022 2023 (in thousands, except share and per share amounts):

Essex Property Trust, Inc.

		Three Months Ended September 30,		Nine Months Ended September 30,	
		2023	2022	2023	2022
		Three Months Ended March 31,			
		Three Months Ended March 31,			
		Three Months Ended March 31,			
		2024			
		2024			
		2024			
Net income available to common stockholders					
Net income available to common stockholders					
Net income available to common stockholders	Net income available to common stockholders	$ 87,282	$ 92,842	$ 340,434	$ 223,150
Adjustments:	Adjustments:				
Adjustments:					
Adjustments:					
Depreciation and amortization	Depreciation and amortization	137,357	135,511	410,422	403,561
Depreciation and amortization					
Depreciation and amortization					
Gains not included in FFO					
Gains not included in FFO					
Gains not included in FFO	Gains not included in FFO	—	(17,423)	(59,238)	(17,423)
Casualty loss	Casualty loss	—	—	433	—

Casualty loss					
Casualty loss					
Impairment loss from unconsolidated co-investments					
Impairment loss from unconsolidated co-investments					
Impairment loss from unconsolidated co-investments					
Depreciation and amortization from unconsolidated co-investments	Depreciation and amortization from unconsolidated co-investments	18,029	18,288	53,486	54,532
Depreciation and amortization from unconsolidated co-investments					
Depreciation and amortization from unconsolidated co-investments					
Noncontrolling interest related to Operating Partnership units					
Noncontrolling interest related to Operating Partnership units					
Noncontrolling interest related to Operating Partnership units	Noncontrolling interest related to Operating Partnership units	3,072	3,247	11,982	7,800
Depreciation attributable to third party ownership and other (1)	Depreciation attributable to third party ownership and other (1)	(371)	(357)	(1,095)	(1,064)
Funds from Operations attributable to common stockholders and unitholders		$ 245,369	$ 232,108	$ 756,424	$ 670,556
Depreciation attributable to third party ownership and other (1)					
Depreciation attributable to third party ownership and other (1)					
Funds from operations attributable to common stockholders and unitholders					
Funds from operations attributable to common stockholders and unitholders					
Funds from operations attributable to common stockholders and unitholders					
FFO per share-diluted					
FFO per share-diluted					
FFO per share-diluted	FFO per share-diluted	$ 3.69	$ 3.45	$ 11.37	$ 9.93
Non-core items:	Non-core items:				
Non-core items:					
Non-core items:					
Expensed acquisition and investment related costs					
Expensed acquisition and investment related costs					
Expensed acquisition and investment related costs	Expensed acquisition and investment related costs	$ 31	$ 230	$ 375	$ 248

Tax expense (benefit) on unconsolidated co-investments (2)	Tax expense (benefit) on unconsolidated co-investments (2)	404	1,755	1,237	(7,863)
Realized and unrealized losses (gains) on marketable securities, net		4,577	17,115	(4,294)	51,126
Tax expense (benefit) on unconsolidated co-investments (2)					
Tax expense (benefit) on unconsolidated co-investments (2)					
Realized and unrealized gains on marketable securities, net					
Realized and unrealized gains on marketable securities, net					
Realized and unrealized gains on marketable securities, net					
Provision for credit losses					
Provision for credit losses					
Provision for credit losses	Provision for credit losses	17	(1)	51	(64)
Equity (income) loss from non-core co-investments (3)	Equity (income) loss from non-core co-investments (3)	(538)	1,563	(1,422)	31,117
Loss on early retirement of debt, net		—	2	—	2
Loss on early retirement of debt from unconsolidated co-investments		—	1	—	988
Equity (income) loss from non-core co-investments (3)					
Equity (income) loss from non-core co-investments (3)					
Co-investment promote income	Co-investment promote income	—	—	—	(17,076)
Income from early redemption of preferred equity investments and notes receivable		—	—	(285)	(858)
Co-investment promote income					
Co-investment promote income					
General and administrative and other, net	General and administrative and other, net	1,743	882	2,570	2,327
Insurance reimbursements, legal settlements, and other, net		(283)	(5,069)	(9,082)	(5,077)
Core Funds from Operations attributable to common stockholders and unitholders		$ 251,320	$ 248,586	$ 745,574	$ 725,426
General and administrative and other, net					
General and administrative and other, net					
Insurance reimbursements, legal settlements, and other, net (4)					
Insurance reimbursements, legal settlements, and other, net (4)					
Insurance reimbursements, legal settlements, and other, net (4)					
Core funds from operations attributable to common stockholders and unitholders					
Core funds from operations attributable to common stockholders and unitholders					

Core funds from operations attributable to common stockholders and unitholders									
Core FFO per share-diluted	Core FFO per share-diluted	$	3.78	$	3.69	$	11.21	$	10.75
Weighted average number of shares outstanding, diluted (4)			66,445,256		67,341,189		66,537,111		67,503,403
Core FFO per share-diluted									
Core FFO per share-diluted									
Weighted average number of shares outstanding, diluted (5)									
Weighted average number of shares outstanding, diluted (5)									
Weighted average number of shares outstanding, diluted (5)									

(1) The Company consolidates certain co-investments. The noncontrolling interest's share of net operating income in these investments for the three and nine months ended September 30, 2023 March 31, 2024 was $0.9 million and $2.5 million, respectively. .

(2) Represents tax related to net unrealized gains or losses on technology co-investments.

(3) Represents the Company's share of co-investment income or loss from technology co-investments.

(4) Includes legal settlement gains of $42.5 million and $7.7 million for the three months ended March 31, 2024 and 2023, respectively.

(5)Assumes conversion of all outstanding limited partnership units in the Operating Partnership into shares of the Company's common stock and excludes DownREIT limited partnership units.

Net Operating Income

Net operating income ("NOI") and Same-Property NOI are considered by management to be important supplemental performance measures to earnings from operations included in the Company’s condensed consolidated statements of income. The presentation of Same-Property NOI assists with the presentation of the Company’s operations prior to the allocation of depreciation and any corporate-level or financing-related costs. NOI reflects the operating performance of a community and allows for an easy comparison of the operating performance of individual communities or groups of communities. In addition, because prospective buyers of real estate have different financing and overhead structures, with varying marginal impacts to overhead by acquiring real estate, NOI is considered by many in the real estate industry to be a useful measure for determining the value of a real estate asset or group of assets. The Company defines Same-Property NOI as Same-Property revenues less Same-Property operating expenses, including property taxes. Please see the reconciliation of earnings from operations to NOI and Same-Property NOI, which in the table below is the NOI for stabilized properties consolidated by the Company for the periods presented ($ in thousands):

		Three Months Ended September 30,				Nine Months Ended September 30,			
		2023		2022		2023		2022	
Earnings from operations	Earnings from operations	$	131,784	$	128,608	$	454,001	$	367,086
Earnings from operations									
Earnings from operations									
Adjustments:									
Adjustments:									
Adjustments:	Adjustments:								
Corporate-level property management expenses	Corporate-level property management expenses		11,504		10,184		34,387		30,532
Corporate-level property management expenses									
Corporate-level property management expenses									
Depreciation and amortization									
Depreciation and amortization									

Depreciation and amortization	Depreciation and amortization	137,357	135,511	410,422	403,561
Management and other fees from affiliates	Management and other fees from affiliates	(2,785)	(2,886)	(8,328)	(8,313)
Management and other fees from affiliates					
Management and other fees from affiliates					
General and administrative					
General and administrative					
General and administrative	General and administrative	14,611	15,172	43,735	40,541
Expensed acquisition and investment related costs	Expensed acquisition and investment related costs	31	230	375	248
Expensed acquisition and investment related costs					
Expensed acquisition and investment related costs					
Casualty Loss					
Casualty Loss					
Casualty Loss	Casualty Loss	—	—	433	—
Gain on sale of real estate and land	Gain on sale of real estate and land	—	—	(59,238)	—
Gain on sale of real estate and land					
Gain on sale of real estate and land					
NOI					
NOI					
NOI	NOI	292,502	286,819	875,787	833,655
Less: Non-Same Property NOI	Less: Non-Same Property NOI	(12,523)	(14,108)	(40,918)	(38,755)
Less: Non-Same Property NOI					
Less: Non-Same Property NOI					
Same-Property NOI	Same-Property NOI	$ 279,979	$ 272,711	$ 834,869	$ 794,900
Same-Property NOI					
Same-Property NOI					

Item 3: Quantitative and Qualitative Disclosures About Market Risks

Interest Rate Hedging Activities

The Company's objective in using derivatives is to add stability to interest expense and to manage its exposure to interest rate movements or other identified risks. To accomplish this objective, the Company uses interest rate swaps as part of its cash flow hedging strategy. As of September 30, 2023 March 31, 2024, the Company had one interest rate swap contract to mitigate the risk of changes in the interest-related cash outflows on $300.0 million of the unsecured term loan.

The Company's interest rate swap was designated as cash flow hedge as of September 30, 2023 March 31, 2024. The following table summarizes the notional amount, carrying value, and estimated fair value of the Company's cash flow hedge derivative instruments used to hedge interest rates as of September 30, 2023 March 31, 2024. The notional amount represents the aggregate amount of a particular security that is currently hedged at one time, but does not represent exposure to credit, interest rates or market risks. The table also includes a sensitivity analysis to demonstrate the impact on the Company's derivative instruments from an increase or decrease in 10-year Treasury bill interest rates by 50 basis points, as of September 30, 2023 March 31, 2024.

($ in thousands)	($ in thousands)	Notional Amount	Maturity Date Range	Carrying and Estimated Fair Value	+50 Basis Points	Estimated Carrying Value -50 Basis Points	($ in thousands)	Notional Amount	Maturity Date Range	Carrying and Estimated Fair Value	+50 Basis Points	Estimated Carrying Value -50 Basis Points

Cash flow hedges:	Cash flow hedges:						Cash flow hedges:
Interest rate swaps	Interest rate swaps	$300,000	2026	$ 11,220	$15,143	$ 7,285	
Total cash flow hedges	Total cash flow hedges	$300,000	2026	$ 11,220	$15,143	$ 7,285	
Total cash flow hedges							
Total cash flow hedges							

Additionally, the Company has entered into total return swap contracts, with an aggregate notional amount of $223.0 million $222.5 million that effectively convert $223.0 million $222.5 million of fixed mortgage notes payable to a floating interest rate based on the SIFMA plus a spread and have a carrying value of zero at September 30, 2023 March 31, 2024. The Company is exposed to insignificant interest rate risk on these total return swaps as the related mortgages are callable, at par, by the Company, co-terminus with the termination of any related swap. These derivatives do not qualify for hedge accounting.

Interest Rate Sensitive Liabilities

The Company is exposed to interest rate changes primarily as a result of its lines of credit and long-term debt used to maintain liquidity and fund capital expenditures and expansion of the Company's real estate investment portfolio and operations. The Company’s interest rate risk management objective is to limit the impact of interest rate changes on earnings and cash flows and to lower its overall borrowing costs. To achieve its objectives, the Company borrows primarily at fixed rates and may enter into derivative financial instruments such as interest rate swaps, caps, and treasury locks in order to mitigate its interest rate risk on a related financial instrument. The Company does not enter into derivative or interest rate transactions for speculative purposes.

The Company’s interest rate risk is monitored using a variety of techniques. The table below presents the principal amounts and weighted average interest rates by year of expected maturity to evaluate the expected cash flows.

For the Years Ended	For the Years Ended	2023	2024	2025	2026	2027	Thereafter	Total	Fair value	For the Years Ended	2024	2025	2026	2027	2028	Thereafter	Total	Fair value
($ in thousands, except for interest rates)	($ in thousands, except for interest rates)																	
Fixed rate debt	Fixed rate debt	$ 531	402,177	632,035	548,291	419,558	3,715,000	$ 5,717,592	$ 5,114,324									
Fixed rate debt																		
Fixed rate debt																		
Average interest rate	Average interest rate	3.2 %	4.0 %	3.5 %	3.5 %	3.8 %	3.1 %	3.3 %		Average interest rate	4.0 %	3.5 %	3.5 %	3.8 %	2.2 %	3.5 %	3.5 %	
Variable rate debt (1)	Variable rate debt (1)	$ 220	932	1,019	1,114	384,397	135,269	$ 522,951	$ 519,221									
Average interest rate	Average interest rate	4.6 %	4.6 %	4.6 %	4.6 %	4.2 %	4.5 %	4.3 %		Average interest rate	4.4 %	4.4 %	4.4 %	4.1 %	4.4 %	4.3 %	4.2 %	

(1) $223.0 million $222.5 million of variable rate debt is tax exempt to the note holders.

The table incorporates only those exposures that exist as of September 30, 2023 March 31, 2024. It does not consider those exposures or positions that could arise after that date. As a result, the Company's ultimate realized gain or loss, with respect to interest rate fluctuations and hedging strategies would depend on the exposures that arise prior to settlement.

Item 4: Controls and Procedures

Essex Property Trust, Inc.

As of September 30, 2023 March 31, 2024, Essex carried out an evaluation, under the supervision and with the participation of management, including Essex's Chief Executive Officer and Chief Financial Officer, of the effectiveness of the design and operation of Essex's disclosure controls and procedures (as defined in Rules 13a-15(e) and 15d-15(e) under the Exchange Act). Based upon that evaluation, Essex's Chief Executive Officer and Chief Financial Officer concluded that as of September 30, 2023 March 31, 2024, Essex's disclosure controls and procedures were effective to ensure that the information required to be disclosed by Essex in the reports that Essex files or submits under the Exchange Act was recorded, processed, summarized and reported within the time periods specified in the SEC's rules and forms and that such disclosure controls and procedures were also effective to ensure that information required to be disclosed in the reports that Essex files or submits under the Exchange Act is accumulated and communicated to Essex's management, including Essex's Chief Executive Officer and Chief Financial Officer, to allow timely decisions regarding required disclosure.

There were no changes in Essex's internal control over financial reporting, that occurred during the quarter ended September 30, 2023 March 31, 2024, that have materially affected, or are reasonably likely to materially affect, Essex's internal control over financial reporting.

Essex Portfolio, L.P.

As of September 30, 2023 March 31, 2024, the Operating Partnership carried out an evaluation, under the supervision and with the participation of management, including Essex's Chief Executive Officer and Chief Financial Officer, of the effectiveness of the design and operation of the Operating Partnership's disclosure controls and procedures (as defined in Rules 13a-15(e) and 15d-15(e) under the Exchange Act). Based upon that evaluation, the Chief Executive Officer and Chief Financial Officer concluded that as of September 30, 2023 March 31, 2024, the Operating Partnership's disclosure controls and procedures were effective to ensure that the information required to be disclosed by the Operating Partnership in the reports that the Operating Partnership files or submits under the Exchange Act was recorded, processed, summarized and reported within the time periods specified in the SEC's rules and forms and that such disclosure controls and procedures were also effective to ensure that information required to be disclosed in the reports that the Operating Partnership files or submits under the Exchange Act is accumulated and communicated to the Operating Partnership's management, including Essex's Chief Executive Officer and Chief Financial Officer, to allow timely decisions regarding required disclosure.

There were no changes in the Operating Partnership's internal control over financial reporting, that occurred during the quarter ended September 30, 2023 March 31, 2024, that have materially affected, or are reasonably likely to materially affect, the Operating Partnership's internal control over financial reporting.

Part II -- Other Information

Item 1: Legal Proceedings

The information regarding lawsuits, other proceedings and claims, set forth in Note 11, Commitments and Contingencies, in the Notes to Condensed Consolidated Financial Statements, is incorporated by reference into this Item 1. In addition to such matters referred to in Note 11, the Company is subject to various lawsuits in the normal course of its business operations. While the resolution of any such matter cannot be predicted with certainty, the Company is not currently a party to any legal proceedings nor is any legal proceeding currently threatened against the Company that the Company believes, individually or in the aggregate, would have a material adverse effect on the Company's financial condition, results of operations or cash flows.

Item 1A: Risk Factors

In addition to the other information set forth in this quarterly report on Form 10-Q, you should carefully consider the factors discussed in "Part I. Item 1A. Risk Factors" in the Company's annual report on Form 10-K for the year ended December 31, 2022 December 31, 2023, which could materially affect the Company's financial condition, results of operations or cash flows. There have been no material changes to the Risk Factors disclosed in Item 1A of the Company's annual report on Form 10-K for the year ended December 31, 2022 December 31, 2023, as filed with the SEC and available at www.sec.gov. The risks described in the Company's annual report on Form 10-K and subsequent quarterly reports on Form 10-Q are not the only risks facing the Company. Additional risks and uncertainties not currently known or that the Company currently deems to be immaterial may also materially adversely affect the Company's financial condition, results of operations or cash flows.

Item 2: Unregistered Sales of Equity Securities and Use of Proceeds

Unregistered Sales of Equity Securities; Essex Portfolio, L.P.

During the three months ended September 30, 2023 March 31, 2024, the Operating Partnership issued OP Units in private placements in reliance on the exemption from registration provided by Section 4(a)(2) of the Securities Act, in the amounts and for the consideration set forth below:

During the three months ended September 30, 2023 March 31, 2024, Essex issued an aggregate of 1,300 5,562 shares of its common stock upon the vesting exercise of restricted stock awards options and the exchange of OP units by limited partners or members into shares of common stock. Furthermore, for each share of common stock issued by Essex in connection with vesting the exercise of restricted stock awards options and the exchange of OP units, the Operating Partnership issued OP Units to Essex, as required by the partnership agreement. During the three months ended September 30, 2023 March 31, 2024, 1,300 5,562 OP Units were issued to Essex pursuant to this mechanism.

Stock Repurchases

In September 2022, the Board of Directors approved a new stock repurchase plan to allow the Company to acquire shares of common stock up to an aggregate of $500.0 million. The plan supersedes the Company's previous common stock repurchase plan announced in December 2015. As a result of the new stock repurchase plan, as of September 30, 2023 March 31, 2024, the Company had $302.7 million of purchase authority remaining under the stock repurchase plan. The Company did not repurchase any of its common stock during the three months ended September 30, 2023 March 31, 2024.

Item 3: Defaults Upon Senior Securities

None.

Item 4: Mine Safety Disclosures

Not applicable.

Item 5: Other Information

Securities Trading Plans of Directors and Executive Officers

During the three months ended September 30, 2023 March 31, 2024, none one of our officers or and one of our directors adopted or terminated any contract, instruction or written a "Rule 10b5-1 trading arrangement", as such item is defined in Item 408(a) of Regulation S-K. On February 8, 2024, Amal Johnson, a director, entered into a trading plan that provides for the purchase or potential exercise of stock options and associated sale of up to 25,009 shares of common stock. The plan will expire on February 18, 2025, subject to early termination for certain specified events as set forth in the plan. On March 7, 2024, Anne Morrison, our securities EVP, Chief Administrative Officer, General Counsel, entered into a trading plan that was intended provides the potential exercise of stock options and associated sale of up to satisfy 13,722 shares of common stock. The plan will expire on March 10, 2025, subject to early termination for certain specified events as set forth in the affirmative defense conditions of Rule 10b5-1(c) or any “non Rule 10b5-1 trading arrangement.” plan.

Item 6: Exhibits

A. Exhibits

10.1 4.1*	Separation Agreement And Release, Indenture, dated as of September 15, 2023 March 14, 2024, by and between Adam W. Berry and among Essex Portfolio, L.P., Essex Property Trust, Inc., and U.S. Bank Trust Company, National Association, as trustee, including the form of 5.500% Senior Notes due 2034 and the guarantee thereof, attached as Exhibit 4.1 to the Company's Current Report on Form 8-K filed March 14, 2024, and incorporated herein by reference.
4.2	First Supplemental Indenture, dated March 14, 2024, among Essex Portfolio, L.P., Essex Property Trust, Inc., and U.S. Bank Trust Company, National Association, as trustee, including the form of 5.500% Senior Notes due 2034 and the guarantee thereof, attached as Exhibit 4.2 to the Company's Current Report on Form 8-K filed March 14, 2024, and incorporated herein by reference.
31.1*	Certification of Angela L. Kleiman, Chief Executive Officer, pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.
31.2*	Certification of Barbara Pak, Chief Financial Officer, pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.
31.3*	Certification of Angela L. Kleiman, Principal Executive Officer of General Partner, pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.
31.4*	Certification of Barbara Pak, Principal Financial Officer of General Partner, pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.
32.1*	Certification of Angela L. Kleiman, Chief Executive Officer, pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.**
32.2*	Certification of Barbara Pak, Chief Financial Officer, pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.**
32.3*	Certification of Angela L. Kleiman, Principal Executive Officer of General Partner, pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.**
32.4*	Certification of Barbara Pak, Principal Financial Officer of General Partner, pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.**
101.INS	XBRL Instance Document - the Instance Document does not appear in the Interactive Data File because its XBRL tags are embedded within the Inline XBRL document.
101.SCH	XBRL Taxonomy Extension Schema Document
101.CAL	XBRL Taxonomy Extension Calculation Linkbase Document
101.DEF	XBRL Taxonomy Extension Definition Linkbase Document
101.LAB	XBRL Taxonomy Extension Label Linkbase Document
101.PRE	XBRL Taxonomy Extension Presentation Linkbase Document
104	Cover Page Interactive Data File (formatted as inline XBRL and contained in Exhibit 101).

* Filed or furnished herewith.

** In accordance with Item 601(b)(32) of Regulation S-K, this Exhibit is not deemed "filed" for purposes of Section 18 of the Exchange Act or otherwise subject to the liabilities of that section. Such certifications will not be deemed incorporated by reference into any filing under the Securities Act or the Exchange Act, except to the extent that the registrant specifically incorporates it by reference.

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the Registrants have duly caused this report to be signed on their behalf by the undersigned thereunto duly authorized.

ESSEX PROPERTY TRUST, INC.

(Registrant)

Date: October 27, 2023 May 1, 2024

By: /s/ BARBARA PAK

Barbara Pak

Executive Vice President and Chief Financial Officer
(Authorized Officer, Principal Financial Officer)

Date: October 27, 2023 May 1, 2024

By: /s/ JOHN FARIAS

John Farias

Senior Vice President and Chief Accounting Officer

ESSEX PORTFOLIO, L.P.
By Essex Property Trust, Inc., its general partner

(Registrant)

Date: October 27, 2023 May 1, 2024

By: /s/ BARBARA PAK

Barbara Pak

Executive Vice President and Chief Financial Officer
(Authorized Officer, Principal Financial Officer)

Date: October 27, 2023 May 1, 2024

By: /s/ JOHN FARIAS

John Farias

Senior Vice President and Chief Accounting Officer

SEPARATION AGREEMENT AND RELEASE

This SEPARATION AGREEMENT AND RELEASE ("Agreement") is made between Essex Property Trust, Inc., as well as its past and present parent companies, subsidiaries, affiliates, successors, predecessors, agents, directors and officers, shareholders, and estates (collectively referenced herein as "Essex") and Adam W. Berry ("Employee") (collectively, "Parties" or individually "Party").

NOW, THEREFORE, for the consideration set forth herein, the Parties hereby agree as follows:

1. Termination of Employment.

a. Termination Date. The Parties mutually agree that as of **August 31, 2023** the Employee's employment shall be terminated (the "Termination Date"). Employee will be paid all final wages on his Termination Date.Except as set forth in Section 1(b), Employee hereby confirms his termination from all positions he held with Essex and any of its subsidiaries or affiliates, including his position as an officer of Essex and any of its subsidiaries or affiliates, effective as of the Termination Date.

b. Consulting Period. During the period commencing on the Termination Date and ending on December 31, 2023 (the "Consulting Period"), Employee shall provide such consulting services to Essex as are specifically requested by the Chief Executive Officer of Essex. Essex may terminate the Consulting Period for "Cause" prior to such date upon written notice to Employee in the event of Employee's breach of this Agreement (the date on which the Consulting Period ends for any reason, the "Consulting Termination Date"). As compensation for Employee's services during the Consulting Period, outstanding equity awards granted to Employee on or after September 1, 2022 will be eligible for continued vesting, as described in Section 5 of the summary of benefits provided by Essex to Employee, dated August 31, 2023, and attached hereto as Exhibit A (the "Summary of Benefits). For the avoidance of doubt, the termination of the Consulting Period on December 31, 2023 will constitute a "Terminating Event" for purposes of Employee's outstanding equity awards granted to Employee by Essex on or after September 1, 2022, as set forth in the Summary of Benefits, and Employee will be entitled to the equity award benefits under such awards as provided in the Summary of Benefits, subject to the occurrence of the Effective Date as provided in Section 31 below. Notwithstanding any provision of this Agreement to the contrary, during the Consulting Period, Employee acknowledges that he is and shall at all times be an independent contractor, he is not an agent or employee of Essex and he is not authorized to bind Essex or otherwise act on behalf of Essex. Nothing herein contained shall be deemed to create an agency, joint venture, partnership or franchise relationship between the parties hereto. After the Termination Date, except as set forth in Section 1(b), 4 or 5, Employee shall have no right under this Agreement, or as a result of his services to Essex, to participate in any employee, retirement, insurance or other benefit program of the Company, nor will Essex make any deductions from Employee's compensation for taxes, the payment of which shall be solely Employee's responsibility (other than tax withholding required under applicable law). Employee represents and warrants that neither this Agreement nor the performance thereof will conflict with or violate any obligation of Employee or right of any third party.

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2. Separation Payment. In consideration for Essex's agreement to provide Employee with a lump sum severance payment of **$507,692.31**,less applicable payroll deductions, within fourteen (14) business days following the Effective Date (defined below), Employee agrees to the terms and conditions set forth herein, including the release of claims in Section 8 below. Employee acknowledges this is consideration beyond that to which he is otherwise entitled.

3. Prorated Bonus Payment. In consideration for Essex's agreement to provide Employee with a prorated annual bonus payment of **$435,000**,less applicable payroll deductions, within fourteen (14) business days following the Effective Date (defined below), Employee agrees to the terms and conditions set forth herein, including the release of claims in Section 8 below. Employee acknowledges this is consideration beyond that to which he is otherwise entitled.

4. COBRA. As required by applicable law, Essex will give Employee notice of his right pursuant to the Consolidated Omnibus Budget Reconciliation Act ("COBRA") health care continuation rules to continue his medical coverage following the Termination Date. Essex will subsidize Employee's COBRA health care premiums from the period of September 1st through December 31, 2023 at the same rate as in effect as of the Termination Date. Employee will be solely responsible for all COBRA health care premiums beginning January 1st, 2024.

5. Equity Awards. Employee has been granted equity awards by Essex during his employment. Employee's outstanding equity awards shall be governed by the terms and conditions of Essex's equity plan and the related equity award documents pursuant to which they were granted, as described in the Summary of Benefits. For the avoidance of doubt, the Termination Date will be a "Terminating Event" for purposes of Employee's outstanding equity awards granted to Employee by Essex on or prior to August 31, 2023, as set forth in the Summary of Benefits, and Employee will be entitled to the equity award benefits under such awards as provided in the Summary of Benefits, subject to the occurrence of the Effective Date as provided in Section 31 below.

6. No Further Rights to Compensation. Subject to the terms of this Agreement, Employee acknowledges and agrees that, other than the consideration set forth in this Agreement, he has been fully compensated for all labor and services performed for Essex and has been reimbursed for all business expenses incurred on behalf of Essex through the date Employee signed this Agreement, and that Essex does not owe Employee any expense reimbursement amounts or any wages, including any vacation, paid time off benefits, or sick pay. Employee further acknowledges that the consulting consideration described in Section 1 and the separation payments described in Sections 2, 3, 4 and 5 above (together the "Severance Benefits") represent the exclusive severance benefits to which Employee is entitled.

7. Taxes. Employee will rely on his own tax advisors as to the tax consequences of Essex's payment of the Severance Benefits. Employee acknowledges that neither Essex nor any of its employees nor Essex's attorneys have made any representations or warranties regarding the taxation of the Severance Benefits paid to Employee by Essex. All payments made pursuant to this Agreement will be subject to withholding of applicable income, employment and other taxes.

8. Employee's Release ("Release"). In exchange for the Severance Benefits, Employee fully releases and discharges forever Essex, and its current and former parent companies, subsidiaries, affiliates, successors, predecessors, agents, directors and officers, shareholders and estates, employees, trustees, representatives, owners, attorneys, related corporations, assigns, and affiliated organizations (hereafter referred to collectively as the "Released Parties"), and each and all of them, from any and all liabilities, claims, causes of action, charges, complaints, obligations, costs, losses, damages, injuries, attorneys' fees, and other legal responsibilities, of any form whatsoever, whether known or unknown, unforeseen,

unanticipated, unsuspected or latent, which Employee or Employee's heirs, administrators, executors, successors in interest, and/or assigns (collectively, "Releasing Parties") have incurred or expect to incur, or now own or hold, or have at any time heretofore owned or held, or may at any time own, hold, or claim to hold by reason of any matter or thing arising from any cause whatsoever prior to the date of Employee's execution of this Release.

Without limiting the generality of the foregoing, and by way of example only, Employee fully releases and discharges each and all of the Released Parties from any and all claims, demands, rights, and causes of action that have been or could be alleged against any of said Released Parties (a) in connection with Employee's employment, prior employment agreements, or the termination of such employment; (b) in connection with any and all matters pertaining to Employee's employment by any of the Released Parties, including, but not limited to, any and all compensation, salaries, wages, bonuses, commissions, overtime, monies, pay, allowances, benefits, sick pay, severance pay, retention pay or benefits, paid leave benefits, vacation pay, penalties, interest, damages, and promises on any and all of the above; and (c) under or in connection with the state and federal age discrimination laws, as explained further below. Notwithstanding the foregoing, this Release does not apply to any claims that cannot be released as a matter of law.

Without limiting the scope of this Release in any way, Employee also certifies that this Release constitutes a knowing and voluntary waiver of any and all rights or claims that exist or that Employee has or may claim to have under the Federal Age Discrimination in Employment Act ("ADEA"), as amended by the Older Workers Benefit Protection Act of 1990 ("OWBPA"), which is set forth at 29 U.S.C. § § 621, et seq. This Release does not govern any rights or claims that may arise under the ADEA after the date this Release is signed by Employee.

This Release extends to any and all claims including, but not limited to, any alleged (a) violation of the National Labor Relations Act, Title VII of the Civil Rights Act, the California Fair Employment and Housing Act, the Americans With Disabilities Act of 1990, the ADEA, as amended by the OWBPA, the Fair Labor Standards Act, the California Labor Code, the applicable California Wage Order, the California Private Attorneys General Act, the Occupational Safety and Health Act, the Consolidated Omnibus Budget Reconciliation Act of 1985; (b) harassment and/or discrimination on the basis of race, color, ancestry, national origin (including primary language), citizenship, religious creed, sex (including pregnancy, childbirth, breastfeeding, and related medical conditions), marital status, domestic partnership status, sexual orientation, gender identity or expression, veteran status, military status, family care or medical leave status, age, physical or mental disability, medical condition, genetic characteristics or information or any other basis protected by applicable federal, state and/or local laws, regulations, rules, ordinances and/or orders, breach of any express or implied employment contract or agreement, wrongful discharge, breach of the implied covenant of good faith and fair dealing, intentional or negligent infliction of emotional distress, fraud, retaliation, whistleblower, misrepresentation, defamation, interference with prospective economic advantage, failure to pay wages due or other monies owed; and (c) any other violation of any local, state or federal law, regulation or ordinance and/or public policy, contract, or tort or common law claim having any bearing whatsoever on the terms and conditions of employment with any of the Released Parties, including, but not limited to, any allegations for costs, fees, including attorneys' fees, incurred in any of these matters, which Employee ever had, now has, or may have as of the date of this Release.

9. Covenant Not to Sue. Employee further agrees not to bring, continue or maintain any legal proceedings of any nature whatsoever against Essex and the Released Parties before any court, administrative agency, arbitrator or any other tribunal or forum by reason of any such rights and claims or assist any third parties in pursuing such claims, to the extent permitted by law. Employee acknowledges that this includes any action brought on behalf of Employee or

any class action, representative action, or collective action pursuant to which Employee may have any right or benefit. Employee further agrees not to accept any recovery or benefit that may be obtained on his behalf by any other person or agency or in any class action, representative action, or collective action, and hereby assigns any such recovery or benefit to Essex.

10. SECTION 1542 WAIVER AND NO INTERFERENCE WITH RIGHTS

Notwithstanding anything to the contrary in this Agreement, the provisions of the Release contained above in Section 8 and covenant not to sue in Section 9 do not release claims that cannot be released as a matter of law, including, but not limited to, Employee's right to report possible violations of federal law or regulation to any governmental agency or entity in accordance with the provisions of and rules promulgated under Section 21F of the Securities Exchange Act of 1934 or Section 806 of the Sarbanes-Oxley Act of 2002, or any other whistleblower protection provisions of state or federal law or regulation and any right to receive an award for information provided thereunder, Employee's right to file a charge with or participate in a charge by the Equal Employment Opportunity Commission, or any other local, state, or federal administrative body or government agency that is authorized to enforce or administer laws related to employment, against Essex for discrimination (with the understanding that Employee's release of claims herein bars Employee from recovering such monetary relief from Essex or any of the Released Parties for any alleged discriminatory treatment), claims for unemployment compensation or any state disability insurance benefits pursuant to the terms of applicable state law, claims to continued participation in certain of Essex's group benefit plans pursuant to the terms and conditions of COBRA, claims for indemnity under the bylaws of Essex, as provided for by applicable law or under any applicable insurance policy or indemnification agreement with respect to Employee's liability as an employee or officer of Essex, and any claims to any benefit entitlements vested as of the Termination Date pursuant to written terms of any employee benefit plan of Essex or its affiliates and Employee's right under applicable law.

Employee further waives all rights under section 1542 of the California Civil Code, which Employee has read and fully understands. Section 1542 states as follows:

> **"A GENERAL RELEASE DOES NOT EXTEND TO CLAIMS THAT THE CREDITOR OR RELEASING PARTY DOES NOT KNOW OR SUSPECT TO EXIST IN HIS OR HER FAVOR AT THE TIME OF EXECUTING THE RELEASE AND THAT, IF KNOWN BY HIM OR HER, WOULD HAVE MATERIALLY AFFECTED HIS OR HER SETTLEMENT WITH THE DEBTOR OR RELEASED PARTY."**

It is the intention of the Parties that the foregoing Release shall be construed in the broadest sense possible and shall be effective as a prohibition to all claims, charges, actions, suits, demands, obligations, damages, injuries, liabilities, losses, and causes of action of every character, nature, kind or description, known or unknown, and suspected or unsuspected that Employee may have against the Released Parties.

Notwithstanding anything in this Agreement to the contrary, nothing contained in this Agreement shall prohibit Employee from (i) communicating directly with, filing a charge with, reporting possible violations of federal law or regulation to, participating in any investigation by, or cooperating with the U.S. Securities and Exchange Commission, the Financial Industry Regulatory Authority, the Equal Employment Opportunity Commission, the National Labor Relations Board (the "NLRB"), the Occupational Safety and Health Administration, the U.S. Commodity Futures Trading Commission, the U.S. Department of Justice or any other securities

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regulatory agency, self-regulatory authority or federal, state or local regulatory authority (collectively, "Government Agencies"), or making other disclosures that are protected under the whistleblower provisions of applicable law or regulation, (ii) communicating directly with, cooperating with, or providing information (including trade secrets) in confidence to any Government Agencies for the purpose of reporting or investigating a suspected violation of law, or from providing such information to such party's attorney(s) or in a sealed complaint or other document filed in a lawsuit or other governmental proceeding, and/or (iii) receiving an award for information provided to any Government Agency. Further, nothing herein will prevent Employee from participating in activity permitted by Section 7 of the National Labor Relations Act or from filing an unfair labor practice charge with the NLRB. Pursuant to 18 USC Section 1833(b), Employee will not be held criminally or civilly liable under any federal or state trade secret law for the disclosure of a trade secret that is made: (A) in confidence to a federal, state, or local government official, either directly or indirectly, or to an attorney, and solely for the purpose of reporting or investigating a suspected violation of law; or (B) in a complaint or other document filed in a lawsuit or other proceeding, if such filing is made under seal. Further, nothing in this Agreement is intended to or shall preclude either party from providing truthful testimony in response to a valid subpoena, court order, regulatory request or other judicial, administrative or legal process or otherwise as required by law. If Employee is required to provide testimony, then unless otherwise directed or requested by a Government Agency or law enforcement, Employee shall notify Essex as soon as reasonably practicable after receiving any such request of the anticipated testimony. Further, nothing in this

Agreement prevents Employee from discussing or disclosing information about unlawful acts in the workplace, such as harassment or discrimination or any other conduct that Employee has reason to believe is unlawful.

11. Non-Admission of Liability. Employee understands that this Agreement, and the benefits provided herein, are not to be construed as an admission on the part of the Released Parties of any liability whatsoever, and that the Released Parties deny that they have engaged in any wrongdoing or have any liability whatsoever.

12. Workplace Injuries. Employee represents that he has not sustained any workplace injury of any kind during his employment with Essex to date, other than injuries that Employee has already reported to Essex, and therefore does not intend to file any new claim or seek any additional benefits under workers' compensation against Essex in the future based on injuries occurring prior to the date Employee signs this Agreement.

13. Company Property. Employee warrants that at the time of signing this Agreement, he has returned all company property and documents to Essex and has not retained copies of any Essex documents or materials of any kind (other than his own personnel documents) or provided copies of any documents or materials of any kind relating to Essex to any third party.

14. Employee's Acknowledgements.The Parties desire and intend that this Agreement comply with the terms of the Older Workers' Benefit Protection Act. Accordingly, Employee acknowledges that he has been advised of the following rights:

a. Employee understands that state and federal laws, including the AGE DISCRIMINATION IN EMPLOYMENT ACT, prohibit employment discrimination based upon race, color, ancestry, national origin (including primary language), citizenship, religious creed, sex (including pregnancy, childbirth, breastfeeding, and related medical conditions), marital status, domestic partnership status, sexual orientation, gender identity or expression, veteran status, military status, family care or medical leave status, age, physical or mental disability, medical condition, genetic characteristics or information or any other basis protected by applicable federal, state and/or local laws, regulations, rules,

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ordinances and/or orders. Employee further understands and agrees that, by signing this Agreement, he agrees to waive any and all such claims, and release the Released Parties from any and all such claims.

b. Employee acknowledges that he has been advised in writing that he has a right to and should consult with an attorney and has been provided with a reasonable opportunity to consult with an attorney of his choice prior to signing this Agreement, which contains a general release and waiver of claims.

15. Arbitration. The terms and conditions of the Mutual Agreement to Arbitrate between Employee and Essex dated July 31, 2012, shall remain in full force and effect and continue to apply following the Termination Date to any disputes between Employee and Essex.

16. Attorney's Fees. Each party will be responsible for payment of its own attorneys' fees and costs (if any) incurred in connection with the negotiation and execution of this Agreement. In the event that any action, suit or other proceeding (including arbitration under Section 15) is instituted to remedy, prevent, or obtain relief from a breach of this Agreement, or arising out of a breach of this Agreement, the prevailing party will recover the attorneys' fees and costs incurred by such party.

17. Entire Agreement. The Parties acknowledge and agree that this Agreement constitutes the entire agreement between the Parties; that the Parties have executed this Agreement based upon the expressed terms in this Agreement; that the Parties have not relied on any prior agreement or representation, whether oral or written, that is not set forth in this Agreement; that no prior agreement, whether oral or written, shall have any effect on the terms and provisions of this Agreement; and that except to the extent that they are specifically incorporated into or continued in effect under this Agreement, all prior agreements, whether oral or written, are expressly superseded and/or revoked by this Agreement; *provided, however,* that nothing in this Agreement shall be construed to release Employee from compliance with any confidentiality or non-disclosure, non-compete, assignment of proprietary rights, or non-solicitation agreement(s) signed by Employee in connection with Employee's employment with Essex which obligations remain in full force and effect and are in addition to the obligations in this Agreement. The section titles and headings contained in this Agreement are inserted as a matter of convenience and for ease of reference only and shall be disregarded for all other purposes including the construction or

enforcement of this Agreement or any of its provisions. Any uncertainty or ambiguity in the Agreement shall not be construed for or against any party based on the attribution of drafting to any Party.

18. Confidentiality. As used herein, “Confidential Information” shall mean trade secrets, confidential information or proprietary information of any Released Party, including, without limitation, processes, techniques, know-how, inventions, research and development, software, hardware, products, product development, samples, designs, drawings, specifications, apparatus, formulations, equipment, materials, production quantities, costs, accounting, pricing, marketing, sales, selling techniques, strategies, suppliers, customers, prospects, agreements, operations, financial information, and projections, as well as any information that any Released Party is required to keep in confidence pursuant to legal, contractual or other requirements, together with copies and derivatives thereof. Subject to Section 10, or as otherwise required by applicable law, without Essex’s express advance written consent, Employee and each Releasing Party shall not use or disclose Confidential Information for any purpose in any manner whatsoever other than as contemplated by this Agreement. In addition, nothing in this Agreement shall be construed to waive the Employee’s right to testify in an administrative, legislative, or judicial proceeding concerning alleged criminal conduct or alleged sexual harassment on the part of Essex, or on the part of agents or employees of Essex, when the

Employee has been required or requested to attend such a proceeding pursuant to a court order, subpoena or written request from an administrative agency or the legislature.

19. Compelled Disclosure. In the event Employee or a Releasing Party is required by law or legal process to disclose any Confidential Information, Employee or Releasing Party shall provide prompt written notice of such (within five (5) business days) to Essex HR and cooperate with Essex and any other affected Released Party so that legal protection for the Confidential Information may be sought. In the event that such protection is not obtained, the Employee’s or Releasing Parties’ compliance with the non-disclosure provisions of this Agreement shall be waived only to the extent required to comply with such law or legal process, and the Employee or Releasing Parties will make best efforts to ensure that confidential treatment will be accorded to any Confidential Information being disclosed.

20. Non-Solicitation. For a period of one (1) year following the Consulting Termination Date, Employee shall not, either directly or indirectly (i) solicit for employment through any individual, corporation, firm, or other business, any employees, consultants, independent contractors, or other service providers of Essex or any of its affiliates, or (ii) solicit any employee, consultant or other service provider of Essex or any of its affiliates to leave the employment or consulting of or cease providing services to Essex or any of its affiliates; provided, however, that the foregoing clauses (i) and (ii) shall not apply to inbound inquiries or any general advertisement or solicitation (or any hiring pursuant to such advertisement or solicitation) that is not specifically targeted to such employees, consultants or other service providers.

21. Irreparable Harm. The Employee acknowledges that a breach of Sections 18, 19, 20 or 22 will cause irreparable harm to the Released Parties and monetary damage would not be an adequate remedy and agrees that the Released Parties shall be entitled to injunctive relief and specific performance, in addition to other available remedies, for any breach or threatened breach of Sections 18, 19, 20 or 22 without the necessity of proving actual damages or posting a bond or other security. In addition, Essex shall be entitled to cease all Severance Benefits in the event of Employee’s breach of this Agreement.

22. No Disparagement. Subject to Section 10 above, Employee agrees that Employee will not in the future: (i) talk about or otherwise communicate by any means to any third party in a malicious, disparaging or defamatory manner regarding Essex (including but not limited to its products and services) or any of Essex’s employees, executives, or members of the Board of Directors of Essex (the “Essex Related Parties”); (ii) make or authorize to be made any oral or written statement that may disparage or damage the reputation of Essex (including but not limited to its products and services) or the reputation of any of the Essex Related Parties; and (iii) talk or otherwise communicate by any means to any third party in any manner likely to be harmful to Essex (including but not limited to its products and services), any of the Essex Related Parties, or their business, business reputation or personal reputation; *provided that* Employee may respond accurately and fully to any question, inquiry or request for information when required by legal process (*e.g.*, a valid subpoena or other similar compulsion of law) or as part of a government investigation.

23. Governing Law. This Agreement is made and entered into in the state of California and will, in all respects, be interpreted, enforced, and governed by and under the laws of the state of California or Federal law, where applicable.

24. Modifications. The Parties agree that the provisions of this Agreement may not be modified by any subsequent agreement unless the modifying agreement is: (i) in writing; (ii) specifically references this Agreement; (iii) signed by Employee; and (iv) signed and approved by an authorized officer of Essex.

25. Execution in Counterparts. This Agreement may be executed in counterparts and as so executed, shall constitute one agreement binding on all Parties.

26. Severability and Waiver. The Parties acknowledge and agree that each provision of this Agreement shall be enforceable independently of every other provision. Furthermore, in the event that any provision is deemed to be unenforceable for any reason, the remaining provisions shall remain effective, binding, and enforceable. The Parties further acknowledge and agree that the failure of any party to enforce any provision of this Agreement shall not constitute a waiver of that provision, or of any other provision of this Agreement.

27. Assignment and Successors.This Agreement shall be binding upon and inure to the benefit of Essex, Employee and their respective successors, assigns, personal and legal representatives, executors, administrators, heirs, distributees, devisees, and legatees, as applicable. None of Employee's rights or obligations may be assigned or transferred by Employee, other than Employee's rights to payments hereunder, which may be transferred only by will or operation of law.

28. Notices. All notices required or permitted hereunder shall be in writing and shall be deemed effectively given: (i) upon personal delivery to the party to be notified, (ii) when sent by confirmed electronic mail or facsimile if sent during normal business hours of the recipient, if not, then on the next business day, (iii) five (5) days after having been sent by registered or certified mail, return receipt requested, postage prepaid, or (iv) one day after deposit with a nationally recognized overnight courier, specifying next day delivery, with written verification of receipt. All communications by Employee to Essex shall be mailed or delivered to Essex at its principal offices, and all notices or communications by Essex to Employee may be sent to Employee at his last known address or email address, as reflected in Essex's personnel records .

29. Section 409A. The intent of the parties is that payments and benefits under this Separation Agreement comply with, or be exempt from Section 409A of the Internal Revenue Code, and the final regulations and any guidance promulgated thereunder ("Section 409A"), and, accordingly, to the maximum extent permitted, this Agreement shall be interpreted to be in compliance with such intention. To the extent that any provision in this Agreement is ambiguous as to its compliance with or exemption from Section 409A, the provision shall be read in such a manner that no payments payable under this Agreement shall be subject to an "additional tax" as defined in Section 409A(a)(1)(B). The Termination Date will be the date of Employee's "separation from service" within the meaning of Section 409A. Each payment and benefit payable under this Agreement is intended to constitute a separate payment under Section 1.409A-2(b)(2) of the Treasury Regulations. Any reimbursement of expenses or in-kind benefits payable under this Agreement shall be made in accordance with Treasury Regulation Section 1.409A-3(i)(1)(iv) and shall be paid on or before the last day of Employee's taxable year following the taxable year in which Employee incurred the expenses. The amount of expenses reimbursed or in-kind benefits payable in one year shall not affect the amount eligible for reimbursement or in-kind benefits payable in any other taxable year of Employee's, and Employee's right to reimbursement for such amounts shall not be subject to liquidation or exchange for any other benefit.

30. Review Of The Agreement and Right to Revoke Acceptance. Employee fully understands, acknowledges, and agrees that he:

a. Has been given at least twenty-one (21) days within which to consider this Agreement before executing it (although Employee may voluntarily choose to execute the Agreement earlier).The Parties agree that such time period to review this Agreement shall not be extended upon any material or immaterial changes to this Agreement.

b. Has carefully read and fully understands all of the provisions of this Agreement.

c. Is, by the execution of this Agreement, waiving, releasing and forever discharging the Released Parties from all rights and claims Employee has or may have against the Released Parties including but not limited to all rights relating to and claims of age discrimination.

d. Knowingly and voluntarily agrees to all of the terms of this Agreement.

e. Knowingly and voluntarily intends to be legally bound by all of the terms of this Agreement.

f. Employee has a period of seven (7) days following execution of this Agreement to revoke this Agreement by providing written notice of such revocation to Sudarshana Rangachary, SVP Human Resources. This Agreement shall not become effective or enforceable until this seven (7) day revocation period has expired without Employee having exercised the right of revocation. Employee understands that he will relinquish any right he has to the consideration specified in this Agreement if he exercises his right to revoke it.

31. Effective Date. The "Effective Date" of this Agreement shall be the eighth (8th) day after Employee executes this Agreement, provided the Employee has not revoked his acceptance of this Agreement. Employee acknowledges and agrees that he will not be eligible for any of the Severance Benefits unless he signs this Agreement prior to the expiration of the review period described in Section 30(a) above and allows the revocation period described in Section 30(f) above to lapse without revoking his acceptance of this Agreement. Employee acknowledges and agrees that he will not sign this Agreement before the Termination Date.

(Signature Page Follows)

THIS AGREEMENT AND RELEASE INCLUDES A RELEASE OF ALL KNOWN AND UNKNOWN CLAIMS.

EMPLOYEE SHOULD NOT SIGN THIS AGREEMENT BEFORE THE TERMINATION DATE

ADAM W. BERRY

By: /s/ ADAM W. BERRY Date: September 15, 2023
Name: Adam W. Berry
Title: Executive Vice President and Chief Investment Officer

ESSEX PROPERTY TRUST, INC.

By: /s/ ANNE MORRISON Date: September 15, 2023
Name: Anne Morrison
Title: Senior Vice President, General Counsel and Secretary

REFINITIV

EXHIBIT A

SUMMARY OF BENEFITS LETTER DATED AUGUST 28, 2023

Exhibit 31.1

ESSEX PROPERTY TRUST, INC.
Certification of Chief Executive Officer
Pursuant to Section 302 of the Sarbanes-Oxley Act of 2002

I, Angela L. Kleiman, certify that:

1. I have reviewed this quarterly report on Form 10-Q of Essex Property Trust, Inc.;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
    a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
    b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
    c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
    d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):
    a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
    b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: October 27, 2023 May 1, 2024

/s/ Angela L. Kleiman

Angela L. Kleiman
Chief Executive Officer and President
Essex Property Trust, Inc.

Exhibit 31.2

ESSEX PROPERTY TRUST, INC.
Certification of Chief Financial Officer
Pursuant to Section 302 of the Sarbanes-Oxley Act of 2002

I, Barbara Pak, certify that:

1. I have reviewed this quarterly report on Form 10-Q of Essex Property Trust, Inc.;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
    a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
    b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
    c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
    d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):
    a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
    b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: October 27, 2023 May 1, 2024

/s/ Barbara Pak

Barbara Pak
Executive Vice President and Chief Financial Officer
Essex Property Trust, Inc.

Exhibit 31.3

ESSEX PORTFOLIO, L.P.
Certification of Chief Executive Officer
Pursuant to Section 302 of the Sarbanes-Oxley Act of 2002

I, Angela L. Kleiman, certify that:

1. I have reviewed this quarterly report on Form 10-Q of Essex Portfolio, L.P.;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
    a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
    b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
    c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
    d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):
    a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
    b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: October 27, 2023 May 1, 2024

/s/ Angela L. Kleiman

Angela L. Kleiman
Chief Executive Officer and President
Essex Property Trust, Inc., general partner of
Essex Portfolio, L.P.

Exhibit 31.4

ESSEX PORTFOLIO, L.P.
Certification of Chief Financial Officer
Pursuant to Section 302 of the Sarbanes-Oxley Act of 2002

I, Barbara Pak, certify that:

1. I have reviewed this quarterly report on Form 10-Q of Essex Portfolio, L.P.;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:

a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):

a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: October 27, 2023 May 1, 2024

/s/ Barbara Pak

Barbara Pak
Executive Vice President and Chief Financial Officer
Essex Property Trust, Inc., general partner of
Essex Portfolio, L.P.

Exhibit 32.1

ESSEX PROPERTY TRUST, INC.
Certification of Chief Executive Officer
Pursuant to 18 U.S.C. Section 1350 as adopted
Pursuant to Section 906 of the Sarbanes-Oxley Act of 2002

Pursuant to Section 906 of the Sarbanes-Oxley Act of 2002 (Subsections (a) and (b) of Section 1350, chapter 63 of title 18, United States Code), I, Angela L. Kleiman, hereby certify, to the best of my knowledge, that the Quarterly Report on Form 10-Q for the period ended September 30, 2023 March 31, 2024 (the "Form 10-Q") of Essex Property Trust, Inc. fully complies with the requirements of Section 13(a) or 15(d), as applicable, of the Securities Exchange Act of 1934, as amended, and information contained in the Form 10-Q fairly presents, in all material respects, the financial condition and results of operations of Essex Property Trust, Inc.

Date: October 27, 2023 May 1, 2024

/s/ Angela L. Kleiman

Angela L. Kleiman
Chief Executive Officer and President
Essex Property Trust, Inc.

Exhibit 32.2

ESSEX PROPERTY TRUST, INC.
Certification of Chief Financial Officer
Pursuant to 18 U.S.C. Section 1350 as adopted

Pursuant to Section 906 of the Sarbanes-Oxley Act of 2002

Pursuant to Section 906 of the Sarbanes-Oxley Act of 2002 (Subsections (a) and (b) of Section 1350, chapter 63 of title 18, United States Code), I, Barbara Pak, hereby certify, to the best of my knowledge, that the Quarterly Report on Form 10-Q for the period ended September 30, 2023 March 31, 2024 (the “Form 10-Q”) of Essex Property Trust, Inc. fully complies with the requirements of Section 13(a) or 15(d), as applicable, of the Securities Exchange Act of 1934, as amended, and information contained in the Form 10-Q fairly presents, in all material respects, the financial condition and results of operations of Essex Property Trust, Inc.

Date: October 27, 2023 May 1, 2024

/s/ Barbara Pak

Barbara Pak
Executive Vice President and Chief Financial Officer
Essex Property Trust, Inc.

Exhibit 32.3

ESSEX PORTFOLIO, L.P.
Certification of Chief Executive Officer
Pursuant to 18 U.S.C. Section 1350 as adopted
Pursuant to Section 906 of the Sarbanes-Oxley Act of 2002

Pursuant to Section 906 of the Sarbanes-Oxley Act of 2002 (Subsections (a) and (b) of Section 1350, chapter 63 of title 18, United States Code), I, Angela L. Kleiman, hereby certify, to the best of my knowledge, that the Quarterly Report on Form 10-Q for the period ended September 30, 2023 March 31, 2024 (the “Form 10-Q”) of Essex Portfolio, L.P. fully complies with the requirements of Section 13(a) or 15(d), as applicable, of the Securities Exchange Act of 1934, as amended, and information contained in the Form 10-Q fairly presents, in all material respects, the financial condition and results of operations of Essex Portfolio, L.P.

Date: October 27, 2023 May 1, 2024

/s/ Angela L. Kleiman

Angela L. Kleiman
Chief Executive Officer and President
Essex Property Trust, Inc., general partner of
Essex Portfolio, L.P.

Exhibit 32.4

ESSEX PORTFOLIO, L.P.
Certification of Chief Financial Officer
Pursuant to 18 U.S.C. Section 1350 as adopted
Pursuant to Section 906 of the Sarbanes-Oxley Act of 2002

Pursuant to Section 906 of the Sarbanes-Oxley Act of 2002 (Subsections (a) and (b) of Section 1350, chapter 63 of title 18, United States Code), I, Barbara Pak, hereby certify, to the best of my knowledge, that the Quarterly Report on Form 10-Q for the period ended September 30, 2023 March 31, 2024 (the “Form 10-Q”) of Essex Portfolio, L.P. fully complies with the requirements of Section 13(a) or 15(d), as applicable, of the Securities Exchange Act of 1934, as amended, and information contained in the Form 10-Q fairly presents, in all material respects, the financial condition and results of operations of Essex Portfolio, L.P.

Date: October 27, 2023 May 1, 2024

/s/ Barbara Pak

Barbara Pak
Executive Vice President and Chief Financial Officer
Essex Property Trust, Inc., general partner of
Essex Portfolio, L.P.

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