ESSEX

PROPERTY TRUST, INC.

ESSEX ANNOUNCES FIRST QUARTER 2018 RESULTS

San Mateo, California—May 2, 2018—Essex Property Trust, Inc. (NYSE: ESS) (the "Company") announced today its first quarter 2018 earnings results and related business activities.

Net Income and Funds from Operations ("FFO") per diluted share for the quarter ended March 31, 2018 are detailed below. Core FFO excludes acquisition and investment related costs and certain non-routine items.

	Three Months Ended March 31,		%
	2018	2017	Change
Per Diluted Share			
Net Income	**$1.38**	$2.72	-49.3%
Total FFO	**$3.35**	$2.95	13.6%
Core FFO	**$3.09**	$2.94	5.1%

First Quarter 2018 Highlights:

- Reported Net Income per diluted share for the first quarter of 2018 of $1.38, compared to $2.72 in the first quarter of 2017. In the first quarter of 2017, a gain on remeasurement of co-investment of $86.5 million was recognized. No such gain was recognized in the first quarter of 2018.
- Grew Core FFO per diluted share by 5.1% compared to the first quarter of 2017, achieving the high-end of the guidance range.
- Achieved same-property gross revenue and net operating income ("NOI") growth of 3.3% and 3.6%, respectively, compared to the first quarter of 2017.
- Realized a sequential quarterly increase in same-property revenue growth of 0.7%.
- Increased the dividend by 6.3% to an annual distribution of $7.44 per common share.
- Raised the midpoint of guidance for same-property revenue growth for the full-year by 15 basis points to 2.7% and NOI growth by 20 basis points to 2.7%.
- Revised full-year Net Income per diluted share guidance range to $4.66 to $5.00. Provided Net Income guidance range for the second quarter of $1.02 to $1.12 per diluted share.
- Revised full-year Total FFO per diluted share guidance range to $12.54 to $12.88, raising the midpoint by $0.28 per share, primarily attributable to promote income from co-investments. Provided Total FFO guidance range for the second quarter of $3.00 to $3.10 per diluted share.
- Increased full-year Core FFO per diluted share guidance by $0.02 per share at the midpoint to a range of $12.28 to $12.64. Provided Core FFO guidance range for the second quarter of $3.00 to $3.10 per diluted share.

“We have experienced healthy momentum in the early part of 2018, leading to improving revenues driven by occupancy rates across our portfolio. As a result, we performed ahead of the midpoint of initial guidance for Core FFO and same-property revenue growth. Positive job growth in the coastal markets of California and Washington is generating strong demand for housing, demonstrated by extraordinary increases in for-sale housing values and steady rent growth for apartments. Consistent with our first quarter results, we anticipate periodic disruption in apartment pricing power during 2018 from deliveries of new apartment communities offering large lease concessions in certain urban submarkets. We are well-positioned as we enter peak leasing season and remain on track to achieve our 2018 operating plan,” commented Michael Schall, President and CEO of the Company.

SAME-PROPERTY OPERATIONS

Same-property operating results exclude any properties that are not comparable for the periods presented. The table below illustrates the percentage change in same-property gross revenues for the quarter ended March 31, 2018 compared to the quarter ended March 31, 2017, and the sequential percentage change for the quarter ended March 31, 2018 versus the quarter ended December 31, 2017, by submarket for the Company:

	Q1 2018 vs. Q1 2017	Q1 2018 vs. Q4 2017	% of Total
	Gross Revenues	**Gross Revenues**	**Q1 2018 Revenues**
Southern California			
Los Angeles County	2.8%	0.7%	20.3%
Orange County	3.2%	0.4%	11.2%
San Diego County	3.8%	0.8%	9.4%
Ventura County	5.1%	1.6%	4.4%
Other Southern California	5.0%	3.1%	0.5%
Total Southern California	**3.3%**	**0.8%**	**45.8%**
Northern California			
Santa Clara County	2.0%	0.8%	15.5%
Alameda County	4.5%	0.6%	7.0%
San Mateo County	1.9%	1.4%	5.0%
Contra Costa County	2.8%	0.7%	5.0%
San Francisco	3.3%	-0.3%	3.3%
Other Northern California	6.9%	-0.5%	0.3%
Total Northern California	**2.7%**	**0.7%**	**36.1%**
Seattle Metro	**4.5%**	**0.7%**	**18.1%**
Same-Property Portfolio	**3.3%**	**0.7%**	**100.0%**

	Year-Over-Year Growth Q1 2018 compared to Q1 2017		
	Gross Revenues	**Operating Expenses**	**NOI**
Southern California	3.3%	3.7%	3.2%
Northern California	2.7%	-0.7%	4.0%
Seattle Metro	4.5%	5.7%	4.0%
Same-Property Portfolio	**3.3%**	**2.5%**	**3.6%**

	Sequential Growth		
	Q1 2018 compared to Q4 2017		
	Gross Revenues	Operating Expenses	NOI
Southern California	0.8%	-0.9%	1.4%
Northern California	0.7%	0.8%	0.7%
Seattle Metro	0.7%	-2.8%	2.1%
Same-Property Portfolio	**0.7%**	**-0.7%**	**1.3%**

	Financial Occupancies		
	Quarter Ended		
	3/31/2018	12/31/2017	3/31/2017
Southern California	96.9%	96.8%	96.4%
Northern California	97.4%	96.9%	96.6%
Seattle Metro	96.9%	96.4%	96.6%
Same-Property Portfolio	**97.1%**	**96.8%**	**96.5%**

INVESTMENT ACTIVITY

In March 2018, the BEXAEW, LLC joint venture operating agreement was amended, and the joint venture was extended. As part of the amendment, the Company received a cash payment for promote income of approximately $20.5 million, which has been included in Net Income and Total FFO but has been excluded from Core FFO.

DEVELOPMENT ACTIVITY

The following table represents the development community in lease-up during the first quarter of 2018 and the current leasing status as of April 27, 2018.

Project Name	Location	Total Apartment Homes	ESS Ownership	% Leased as of 4/27/18	Status
Station Park Green – Phase I	San Mateo, CA	121	100%	40%	In Lease-Up

LIQUIDITY AND BALANCE SHEET

Common Stock

During the first quarter of 2018, the Company repurchased 16,834 shares of its common stock totaling $3.8 million, including commissions, at an average price of $224.13 per share. As of March 31, 2018, the Company had $245.2 million of purchase authority remaining under the stock repurchase plan.

The Company did not issue any shares of common stock through its equity distribution program in the first quarter of 2018.

Balance Sheet

In January 2018, the Company amended one of its unsecured credit facilities, increasing the maximum amount available for borrowing from $1.0 billion to $1.2 billion and extending the maturity to December 2021.

In March 2018, the Company issued $300.0 million of 30-year senior unsecured notes due 2048 at an interest rate per annum of 4.500%.

As of April 27, 2018, the Company had $1.2 billion in undrawn capacity on its unsecured credit facilities.

Guidance

For the first quarter of 2018, the Company exceeded the midpoint of the guidance range provided in its fourth quarter 2017 earnings release for Core FFO by $0.05 per share.

The following table provides a reconciliation of first quarter 2018 Core FFO per share to the midpoint of the guidance provided in the fourth quarter 2017 earnings release, which was dated February 7, 2018.

		Per Diluted Share
Projected midpoint of Core FFO per share for Q1 2018	$	3.04
NOI from consolidated communities		0.05
FFO from Co-Investments		0.01
G&A and other income		(0.01)
Core FFO per share for Q1 2018 reported	**$**	**3.09**

The table below provides key changes to the 2018 full-year assumptions for Net Income, Total FFO, Core FFO per diluted share, and same-property growth. For additional details regarding the Company's 2018 assumptions, please see page S-14 of the accompanying supplemental financial information. For the second quarter of 2018, the Company has established a range for Core FFO per diluted share of $3.00 to $3.10.

2018 Full-Year Guidance

	Previous Range	Previous Midpoint	Revised Range	Revised Midpoint
Per Diluted Share				
Net Income	$4.42 - $4.81	$4.62	$4.66 - $5.00	$4.83
Total FFO	$12.23 - $12.62	$12.43	$12.54 - $12.88	$12.71
Core FFO	$12.24 - $12.64	$12.44	$12.28 - $12.64	$12.46
Same-Property Growth				
Gross Revenues	2.0% to 3.0%	2.5%	2.3% to 3.0%	2.7%
Operating Expenses	2.1% to 3.1%	2.6%	2.1% to 3.1%	2.6%
NOI	1.6% to 3.4%	2.5%	2.0% to 3.4%	2.7%

Upcoming Events

The Company is scheduled to participate in the National Association of Real Estate Investment Trusts ("NAREIT") Institutional Investor Forum in New York from June 5 through June 7, 2018, and the Company's President and Chief Executive Officer, Michael J. Schall, will present at the conference on June 5 at 4:30 p.m. ET. The presentation will be webcast and can be accessed on the Investors section of the Company's website at www.essex.com. A copy of any materials provided by the Company at the conference will also be made available on the Investors section of the Company's website.

Conference Call with Management

The Company will host an earnings conference call with management to discuss its quarterly results on Thursday, May 3, 2018 at 9 a.m. PT (12 p.m. ET), which will be broadcast live via the Internet at www.essex.com, and accessible via phone by dialing toll-free, (877) 407-0784, or toll/international, (201) 689-8560. No passcode is necessary.

A rebroadcast of the live call will be available online for 30 days and digitally for 7 days. To access the replay online, go to www.essex.com and select the first quarter 2018 earnings link. To access the replay digitally, dial (844) 512-2921 using the replay pin number 13678159. If you are unable to access the information via the Company's website, please contact the Investor Relations Department at investors@essex.com or by calling (650) 655-7800.

Corporate Profile

Essex Property Trust, Inc., an S&P 500 company, is a fully integrated real estate investment trust (REIT) that acquires, develops, redevelops, and manages multifamily residential properties in selected West Coast markets. The Company currently has ownership interests in 247 apartment communities comprising more than 60,000 apartment homes with an additional 7 properties in various stages of active development. Additional information about the Company can be found on the Company's website at www.essex.com.

This press release and accompanying supplemental financial information has been furnished to the SEC electronically on Form 8-K and can be accessed from the Company's website at www.essex.com. If you are unable to obtain the information via the Internet, please contact the Investor Relations Department at (650) 655-7800.

Funds from Operations ("FFO") Reconciliation

FFO, as defined by NAREIT, is generally considered by industry analysts as an appropriate measure of performance of an equity REIT. Generally, FFO adjusts the net income of equity REITs for non-cash charges such as depreciation and amortization of rental properties, impairment charges, gains on sales of real estate and extraordinary items. Management considers FFO and FFO which excludes merger, integration and acquisition costs and items that are not routine or not related to the Company's core business activities, which is referred to as "Core FFO", to be useful financial performance measures of an equity REIT because, together with net income and cash flows, FFO and Core FFO provide investors with additional bases to evaluate the operating performance and ability of a REIT to incur and service debt and to fund acquisitions and other capital expenditures and the ability to pay dividends.

FFO and Core FFO do not represent net income or cash flows from operations as defined by U.S. generally accepted accounting principles ("GAAP") and are not intended to indicate whether cash flows will be sufficient to fund cash needs. These measures should not be considered as an alternative to net income as an indicator of the REIT's operating performance or to cash flows as a measure of liquidity. FFO and Core FFO do not measure whether cash flow is sufficient to fund all cash needs including principal amortization, capital improvements and distributions to stockholders. FFO and Core FFO also do not represent cash flows generated from operating, investing or financing activities as defined under GAAP. Management 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 disclosures of FFO may not be comparable to the Company's calculation.

The following table sets forth the Company's calculation of diluted FFO and Core FFO for the three months ended March 31, 2018 and 2017 (in thousands, except for share and per share amounts):

	Three Months Ended March 31,	
Funds from Operations attributable to common stockholders and unitholders	**2018**	2017
Net income available to common stockholders	**$ 90,918**	$ 178,964
Adjustments:		
Depreciation and amortization	**119,105**	115,503
Gains not included in FFO	**-**	(112,656)
Depreciation and amortization add back from unconsolidated co-investments	**15,859**	12,854
Noncontrolling interest related to Operating Partnership units	**3,132**	6,146
Depreciation attributable to third party ownership and other	**(232)**	(25)
Funds from Operations attributable to common stockholders and unitholders	**$ 228,782**	$ 200,786
FFO per share – diluted	**$ 3.35**	$ 2.95
Expensed acquisition and investment related costs	**$ 57**	$ 556
Gain on sale of marketable securities	**(680)**	(1,605)
Unrealized losses on marketable securities	**876**	-
Interest rate hedge ineffectiveness [(1)]	**56**	(6)
Co-investment promote income	**(20,541)**	-
Income from early redemption of preferred equity investments	**(24)**	-
Insurance reimbursements, legal settlements, and other, net	**2,433**	(25)
Core Funds from Operations attributable to common stockholders and unitholders	**$ 210,959**	$ 199,706
Core FFO per share – diluted	**$ 3.09**	$ 2.94
Weighted average number of shares outstanding diluted [(2)]	**68,318,012**	67,974,466

(1) Interest rate swaps are generally adjusted to fair value through other comprehensive income (loss). However, because certain of our interest rate swaps do not have a 0% LIBOR floor, while related hedged debt in these cases is subject to a 0% LIBOR floor, the portion of the change in fair value of these interest rate swaps attributable to this mismatch is recorded as noncash interest rate hedge ineffectiveness through interest expense.

(2) Assumes conversion of all outstanding limited partnership units in Essex Portfolio, L.P. (the "Operating Partnership") into shares of the Company's common stock and excludes all DownREIT limited partnership units for which the Operating Partnership has the ability and intention to redeem the units for cash and does not consider them to be common stock equivalents.

NET OPERATING INCOME ("NOI") AND SAME-PROPERTY NOI RECONCILIATIONS

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 revenue 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 (dollars in thousands):

	Three Months Ended March 31,	
	2018	2017
Earnings from operations	**$ 110,547**	$ 109,231
Adjustments:		
Corporate-level property management expenses	**7,770**	7,509
Depreciation and amortization	**119,105**	115,503
Management and other fees from affiliates	**(2,308)**	(2,236)
General and administrative	**14,813**	10,601
Expensed acquisition and investment related costs	**57**	556
NOI	**249,984**	241,164
Less: Non-same property NOI	**(17,255)**	(16,596)
Same-Property NOI	**$ 232,729**	$ 224,568

SAFE HARBOR STATEMENT UNDER THE PRIVATE LITIGATION REFORM ACT OF 1995:

This press release includes "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," "believes," "seeks," "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 intent, beliefs or expectations with respect to the timing of completion of current development and redevelopment projects and the stabilization of such projects, the timing of lease-up 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, 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 the economic conditions, trends affecting the Company's 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, and other information that is not historical information.

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: 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 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 and operating costs; the Company may be unsuccessful in the management of its relationships with its co-investment partners; 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; there may be a downturn in general economic conditions, the real estate industry, and the markets in which the Company's communities are located; changes in laws or regulations; the terms of any refinancing may not be as favorable as the terms of existing indebtedness; and those risks, special considerations, and other factors referred to in the Company’s quarterly reports on Form 10-Q, in the Company's annual report on Form 10-K for the year ended December 31, 2017, and in the Company's other filings with the Securities and Exchange Commission (the “SEC”). 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 press release.

DEFINITIONS AND RECONCILIATIONS

Non-GAAP financial measures and certain other capitalized terms, as used in this earnings release, are defined and further explained on pages S-17.1 through S-17.4, "Reconciliations of Non-GAAP Financial Measures and Other Terms," of the accompanying supplemental financial information. The supplemental financial information is available on the Company's website at www.essex.com.

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