ESSEX

PROPERTY TRUST, INC.

ESSEX ANNOUNCES FIRST QUARTER 2019 RESULTS

San Mateo, California—April 24, 2019—Essex Property Trust, Inc. (NYSE: ESS) (the "Company") announced today its first quarter 2019 earnings results and related business activities.

Net Income, Funds from Operations ("FFO"), and Core FFO per diluted share for the quarter ended March 31, 2019 are detailed below.

	Three Months Ended March 31,		%
	2019	2018	Change
Per Diluted Share			
Net Income	**$1.81**	$1.38	31.2%
Total FFO	**$3.34**	$3.35	-0.3%
Core FFO	**$3.23**	$3.09	4.5%

First Quarter 2019 Highlights:

- Reported Net Income per diluted share for the first quarter of 2019 of $1.81, compared to $1.38 in the first quarter of 2018. The increase is largely attributable to a gain on remeasurement of co-investments in the first quarter of 2019.
- Grew Core FFO per diluted share by 4.5% compared to the first quarter of 2018.
- Achieved same-property gross revenue and net operating income ("NOI") growth of 3.1% and 2.8%, respectively, compared to the first quarter of 2018.
- Increased the dividend by 4.8% to an annual distribution of $7.80 per common share, our 25th consecutive annual increase.
- Revised full-year Net Income per diluted share guidance range to $5.49 to $5.83. Provided Net Income guidance range for the second quarter of $1.18 to $1.28 per diluted share.
- Revised full-year Total FFO per diluted share guidance range to $13.01 to $13.35, raising the midpoint by $0.16 per share. Provided Total FFO guidance range for the second quarter of $3.18 to $3.28 per diluted share.
- Increased full-year Core FFO per diluted share guidance by $0.05 per share at the midpoint to a range of $12.90 to $13.25. Provided Core FFO guidance range for the second quarter of $3.17 to $3.27 per diluted share.
- Reaffirmed full-year guidance for same-property revenues, expenses, and NOI growth.

1100 Park Place Suite 200 San Mateo California 94403 telephone 650 655 7800 facsimile 650 655 7810

www.essex.com

"We are pleased with our first quarter results as operating fundamentals in our West Coast markets continue to be healthy, resulting in Core FFO exceeding guidance. Our Northern California and Seattle regions continue to lead the portfolio with solid demand, led by the technology sector, which is driving above-average job and wage growth relative to the U.S. Our results in Southern California continue to be strong, even though job growth underperformed our expectations. Overall, we remain on-track to achieve rent growth of approximately 3% in our markets for the full-year 2019," 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, 2019 compared to the quarter ended March 31, 2018, and the sequential percentage change for the quarter ended March 31, 2019 compared to the quarter ended December 31, 2018, by submarket for the Company:

	Q1 2019 vs. Q1 2018	Q1 2019 vs. Q4 2018	% of Total
	Gross Revenues	**Gross Revenues**	**Q1 2019 Revenues**
Southern California			
Los Angeles County	3.7%	1.1%	19.1%
Orange County	2.0%	0.2%	10.9%
San Diego County	2.9%	0.5%	8.5%
Ventura County and Other	3.2%	1.3%	4.8%
Total Southern California	**3.0%**	**0.8%**	**43.3%**
Northern California			
Santa Clara County	3.8%	1.3%	18.8%
Alameda County	2.6%	0.7%	6.9%
San Mateo County	4.5%	1.8%	5.0%
Contra Costa County	1.7%	0.8%	4.8%
San Francisco	3.1%	0.9%	3.3%
Total Northern California	**3.4%**	**1.2%**	**38.8%**
Seattle Metro	**2.6%**	**0.8%**	**17.9%**
Same-Property Portfolio	**3.1%**	**0.9%**	**100.0%**

	Year-Over-Year Growth Q1 2019 compared to Q1 2018		
	Gross Revenues	**Operating Expenses**	**NOI**
Southern California	3.0%	3.0%	3.1%
Northern California	3.4%	0.9%	4.2%
Seattle Metro	2.6%	12.2%	-1.2%
Same-Property Portfolio	**3.1%**	**3.9%**	**2.8%**

	Sequential Growth		
	Q1 2019 compared to Q4 2018		
	Gross Revenues	**Operating Expenses**	**NOI**
Southern California	0.8%	-0.2%	1.1%
Northern California	1.2%	-2.5%	2.5%
Seattle Metro	0.8%	4.4%	-0.8%
Same-Property Portfolio	**0.9%**	**-0.2%**	**1.3%**

	Financial Occupancies		
	Quarter Ended		
	3/31/2019	**12/31/2018**	**3/31/2018**
Southern California	96.8%	96.7%	96.9%
Northern California	97.1%	96.9%	97.4%
Seattle Metro	96.9%	96.7%	96.9%
Same-Property Portfolio	**96.9%**	**96.8%**	**97.1%**

INVESTMENT ACTIVITY

Real Estate

In March 2019, the Company purchased its joint venture partner's 45.0% interest in One South Market, a 312 unit apartment community located in San Jose, CA for a pro rata contract price of $80.6 million. Concurrent with the closing of the acquisition, $86.0 million in mortgage debt was repaid. As a result of this acquisition, the Company realized a gain on remeasurement of co-investment of $31.5 million, which has been excluded from Total and Core FFO. Furthermore, the company recognized $0.8 million in promote income, which has been excluded from the calculation of Core FFO.

Preferred Equity

In February 2019, the Company originated a $24.5 million preferred equity investment in a multifamily development, located in Mountain View, CA. The investment has an initial preferred return of 11.0% and matures in 2024.

In February 2019, the Company received cash of $10.9 million from the redemption of a preferred equity investment in a property located in San Jose, CA. The Company recorded $0.1 million of income from prepayment penalties as a result of the early redemption, which has been excluded from Core FFO.

In March 2019, the Company originated a $36.0 million preferred equity investment in a multifamily development, located in Irvine, CA. The initial funding for this investment is expected to occur at the beginning of the third quarter of 2019 and be fully funded by the end of September. The investment has an initial preferred return of 10.2% and matures in 2022.

Subsequent to quarter end, the Company received $16.3 million from the redemption of a preferred equity investment in a property located in Orange County, CA.

LIQUIDITY AND BALANCE SHEET

Common Stock

In January 2019, the Company repurchased 234,061 shares of its common stock totaling $57.0 million, including commissions, at an average price of $243.48 per share. In February 2019, Essex's Board of Directors approved the replenishment of the stock repurchase plan, increasing the repurchase authority to $250.0 million. As of March 31, 2019, the Company had $250.0 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 2019.

Balance Sheet

During the first quarter of 2019, the Company issued $500.0 million of 10-year senior unsecured notes due in 2029 at an interest rate per annum of 4.0% and an effective yield of 4.0%. The proceeds were used to repay $441.4 million of secured debt during the quarter with a cash rate of 5.3% and an effective rate of 4.0%.

As of April 22, 2019, the Company had $1.1 billion in undrawn capacity on its unsecured credit facilities.

Guidance

For the first quarter of 2019, the Company exceeded the midpoint of the guidance range provided in its fourth quarter 2018 earnings release for Core FFO by $0.04 per share.

The following table provides a reconciliation of first quarter 2019 Core FFO per share to the midpoint of the guidance provided in the fourth quarter 2018 earnings release, which was dated January 30, 2019.

		Per Diluted Share
Projected midpoint of Core FFO per share for Q1 2019	$	3.19
NOI from consolidated communities		0.04
FFO from Co-Investments		0.02
G&A and other		(0.02)
Core FFO per share for Q1 2019 reported	**$**	**3.23**

The table below provides key changes to the 2019 full-year assumptions for Net Income, Total FFO, Core FFO per diluted share, and same-property growth. For additional details regarding the Company's 2019 assumptions, please see page S-14 of the accompanying supplemental financial information. For the second quarter of 2019, the Company has established a range for Core FFO per diluted share of $3.17 to $3.27.

2019 Full-Year Guidance

	Previous Range	Previous Midpoint	Revised Range	Revised Midpoint
Per Diluted Share				
Net Income	\$4.81 - \$5.21	\$5.01	\$5.49 - \$5.83	\$5.66
Total FFO	\$12.82 - \$13.22	\$13.02	\$13.01 - \$13.35	\$13.18
Core FFO	\$12.83 - \$13.23	\$13.03	\$12.90 - \$13.25	\$13.08
Same-Property Growth				
Gross Revenues	2.5% to 3.5%	3.0%	2.5% to 3.5%	3.0%
Operating Expenses	2.5% to 3.5%	3.0%	2.5% to 3.5%	3.0%
NOI	2.1% to 3.9%	3.0%	2.1% to 3.9%	3.0%

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 4 - 6, 2019. The Company's President and Chief Executive Officer, Michael J. Schall, will present at the conference on June 4, 2019 at 3 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, April 25, 2019 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 2019 earnings link. To access the replay, dial (844) 512-2921 using the replay pin number 13688957. 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. Essex currently has ownership interests in 245 apartment communities comprising approximately 60,000 apartment homes with an additional 6 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 Securities and Exchange Commission 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 Web, please contact the Investor Relations Department at (650) 655-7800.

FFO RECONCILIATION

FFO, as defined by the National Association of Real Estate Investment Trusts ("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 non-core items, which is referred to as "Core FFO," to be useful supplemental operating 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 to pay dividends. By excluding gains or losses related to sales of depreciated operating properties 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), 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. 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 alternatives 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, 2019 and 2018 (in thousands, except for share and per share amounts):

	Three Months Ended March 31,	
Funds from Operations attributable to common stockholders and unitholders	**2019**	2018
Net income available to common stockholders	**$ 118,858**	$ 90,918
Adjustments:		
Depreciation and amortization	**120,568**	119,105
Gains not included in FFO	**(31,535)**	-
Depreciation and amortization add back from unconsolidated co-investments	**15,190**	15,859
Noncontrolling interest related to Operating Partnership units	**4,171**	3,132
Depreciation attributable to third party ownership and other	**(230)**	(232)
Funds from Operations attributable to common stockholders and unitholders	**$ 227,022**	$ 228,782
FFO per share – diluted	**$ 3.34**	$ 3.35
Expensed acquisition and investment related costs	**$ 32**	$ 57
Loss (gain) on sale of marketable securities	**58**	(680)
Unrealized (gains) losses on marketable securities	**(4,510)**	876
Unrealized gain on unconsolidated co-investments	**(314)**	-
Interest rate hedge ineffectiveness [(1)]	**181**	56
Gain on early retirement of debt, net	**(1,336)**	-
Co-investment promote income	**(809)**	(20,541)
Income from early redemption of preferred equity investments	**(100)**	(24)
General and administrative and other, net	**-**	2,433
Insurance reimbursements and legal settlements, net	**(210)**	-
Core Funds from Operations attributable to common stockholders and unitholders	**$ 220,014**	$ 210,959
Core FFO per share – diluted	**$ 3.23**	$ 3.09
Weighted average number of shares outstanding diluted [(2)]	**68,048,908**	68,318,012

(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. On January 1, 2019, the Company adopted ASU No. 2017-12 "Derivatives and Hedging - Targeted Improvements to Accounting for Hedging Activities," which resulted in a cumulative effect adjustment of $181,000 from interest expense to accumulated other comprehensive income.

(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,	
	2019	2018
Earnings from operations	**$ 115,695**	$ 110,547
Adjustments:		
Corporate-level property management expenses	**8,153**	7,770
Depreciation and amortization	**120,568**	119,105
Management and other fees from affiliates	**(2,335)**	(2,308)
General and administrative	**13,459**	14,813
Expensed acquisition and investment related costs	**32**	57
NOI	**255,572**	249,984
Less: Non-same property NOI	**(12,738)**	(13,662)
Same-Property NOI	**$ 242,834**	$ 236,322

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 annual report on Form 10-K, quarterly reports on Form 10-Q, and other reports that the Company files with the SEC from time to time. 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.

Contact Information

Rylan Burns
Director of Investor Relations
(650) 655-7800
rburns@essex.com