

Third Quarter 2005

Earnings Release and Supplemental Financial Information



EQUITY RESIDENTIAL



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Third Quarter 2005 Results

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EQUITY RESIDENTIAL

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Note: This press release supplement contains certain non-GAAP financial measures that management believes are helpful in understanding our business, as further discussed within this press release supplement. These financial measures, which include but are not limited to Funds From Operations and Same Store Net Operating Income, should not be considered as an alternative to net earnings or any other GAAP measurement of performance or as an alternative to cash flows from operating, investing or financing activities. Furthermore, these non-GAAP financial measures are not intended to be a measure of cash flow or liquidity.

Information included in this supplemental package is unaudited.



NEWS RELEASE

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FOR IMMEDIATE RELEASE
NOVEMBER 1, 2005

EQUITY RESIDENTIAL REPORTS THIRD QUARTER RESULTS **Announces Additional \$500 Million Share Buyback Program**

CHICAGO, IL – NOVEMBER 1, 2005 - Equity Residential (NYSE: EQR) today reported results for the quarter and nine months ended September 30, 2005. All per share results are reported on a fully diluted basis.

“Our third quarter results were driven by very good same-store revenue growth, strong condominium sales and excellent progress on our portfolio reconfiguration. Continued success in these areas as well as good job growth and household formations in our key markets should lead to a strong finish to 2005 and a very good 2006,” said Bruce W. Duncan, Equity Residential’s CEO.

Third Quarter 2005

For the quarter ended September 30, 2005, the company reported earnings of \$0.86 per share compared to \$0.26 per share in the third quarter of 2004. The quarterly increase is primarily attributable to \$0.63 per share in higher gains on property and condominium sales, partially offset by \$0.04 per share in higher interest expense.

Funds from Operations (FFO) for the quarter ended September 30, 2005 were \$0.56 per share compared to \$0.50 per share in the same period of 2004. The positive variance was primarily the result of \$0.07 per share in higher gains on condominium sales and \$0.02 per share of improved same-store results, offset by the previously mentioned \$0.04 per share of higher interest expense.

Total revenues from continuing operations for the quarter were \$504.4 million compared to \$456.6 million in the third quarter of 2004. The primary components of this

\$47.8 million increase in revenues include the properties acquired since October 1, 2004 as well as an approximate \$18.4 million increase in third quarter same-store revenues.

Nine Months Ended September 30, 2005

For the nine months ended September 30, 2005, the company reported earnings of \$2.05 per share compared to \$1.00 per share in the same period of 2004. The increase for the period is primarily attributable to higher gains on property and condominium sales and the previously announced gain due to eBay Inc.'s acquisition of the company's ownership interest in Rent.com.

FFO for the nine months ended September 30, 2005 were \$1.86 per share compared to \$1.58 per share in the same period of 2004.

Total revenues from continuing operations for the nine months ended September 30, 2005 were \$1.5 billion compared to \$1.3 billion in the same period of 2004.

Same-Store Results

On a same-store third quarter to third quarter comparison, which includes 165,673 units, revenues increased 4.3 percent, expenses increased 6.2 percent and net operating income (NOI) increased 3.0 percent. The increase in same-store expenses in the third quarter of 2005 includes approximately \$3.7 million of additional insurance expense related to the impact of two property fires and Hurricane Katrina. Without the fire and hurricane related insurance expenses, the same-store expense and NOI increases would have been 4.1 percent and 4.4 percent, respectively, for the quarter.

On a sequential same-store comparison for these same 165,673 units from second quarter 2005 to third quarter 2005, revenues increased 1.5 percent, expenses increased 5.0 percent and NOI decreased 0.8 percent. Without the fire and hurricane related insurance expenses, the same-store expense and NOI increases for the sequential period would have been 2.9 percent and 0.6 percent, respectively.

On a same-store nine-month to nine-month comparison, which includes 158,005 units, revenues increased 3.2 percent, expenses increased 5.6 percent and NOI increased 1.6 percent. Without the fire and hurricane related insurance expenses, the same-store expense and NOI increases for the period would have been 4.8 percent and 2.2 percent, respectively.

Acquisitions/Dispositions

During the third quarter of 2005, the company acquired six properties, consisting of 2,294 units, for an aggregate purchase price of \$416.0 million at an average capitalization (cap) rate of 5.7 percent and one land parcel for \$1.4 million.

Also during the quarter, the company sold 15 properties, consisting of 4,218 units, for an aggregate sale price of \$433.0 million at an average cap rate of 5.2 percent. In addition, the company sold 569 condominium units for \$183.9 million and a 248-unit property in the process of being converted to condominiums for \$45.9 million.

In the first nine months of 2005, the company acquired 26 properties, consisting of 7,168 units, for an aggregate purchase price of \$1.1 billion at an average cap rate of 5.6 percent and three land parcels for \$46.7 million. In addition, the company sold 39 properties, consisting of 10,212 units, for an aggregate sale price of \$1.1 billion at an average cap rate of 5.0 percent. In addition, the company sold 1,341 condominium units for \$382.2 million, a 248-unit property in the process of being converted to condominiums for \$45.9 million and two land parcels for \$36.3 million.

“We have had an excellent year in our transaction activity, garnering very good prices on the sale of assets and executing on opportunities to add high-quality, well-located properties to our portfolio,” said David J. Neithercut, Equity Residential’s President.

Share Buyback Authorization

The company also announced a new common share repurchase program in the amount of \$500 million. The new authorization is in addition to the \$85 million remaining under the company’s existing \$200 million authorization approved in July 2002.

The new program authorizes the company to repurchase common shares from time to time through the open market or privately negotiated transactions, subject to financial and market conditions and legal requirements.

Fourth Quarter/Full Year 2005 Results

Equity Residential expects to announce fourth quarter/full year 2005 results on Wednesday, February 1, 2006 and host a conference call to discuss those results at 10:00 a.m. CT that day.

Equity Residential is the largest publicly traded apartment company in America. Nationwide, Equity Residential owns or has investments in 922 properties in 32 states and the District of Columbia consisting of 195,575 units. For more information on Equity Residential, please visit our website at www.equityresidential.com.

Forward-Looking Statements

The company lists parameters for 2005 results in the final page of this release. 2005 results will depend upon a slowdown in multifamily starts and economic recovery and job growth. The forward-looking statements contained in this news release regarding 2005 results are further subject to certain risks and uncertainties including, without limitation, the risks described under the heading “Risk Factors” in our Annual Report on Form 10-K filed with the Securities and Exchange Commission (SEC) and available on our website, www.equityresidential.com. This news release also contains forward-looking statements concerning development properties. The total number of units and cost of development and completion dates reflect the company’s best estimates and are subject to uncertainties arising from changing economic conditions (such as costs of labor and construction materials), completion and local government regulation. The company assumes no obligation to update or supplement forward-looking statements that become untrue because of subsequent events.

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A live web cast of the company’s conference call discussing these results and outlook for the remainder of 2005 will take place today at 10:00 a.m. Central. Please visit the Investor Information section of the company’s web site at www.equityresidential.com for the link. A replay of the web cast will be available for two weeks at this site.

EQUITY RESIDENTIAL
CONSOLIDATED STATEMENTS OF OPERATIONS
(Amounts in thousands except per share data)
(Unaudited)

	<u>Nine Months Ended September 30,</u>		<u>Quarter Ended September 30,</u>	
	<u>2005</u>	<u>2004</u>	<u>2005</u>	<u>2004</u>
REVENUES				
Rental income	\$ 1,453,829	\$ 1,316,790	\$ 501,776	\$ 454,128
Fee and asset management	8,456	9,268	2,630	2,436
Total revenues	<u>1,462,285</u>	<u>1,326,058</u>	<u>504,406</u>	<u>456,564</u>
EXPENSES				
Property and maintenance	411,187	362,372	146,341	129,612
Real estate taxes and insurance	162,711	159,407	59,701	62,480
Property management	63,254	56,850	21,924	18,865
Fee and asset management	7,518	6,500	2,595	2,144
Depreciation	378,123	334,352	129,701	116,170
General and administrative	45,012	34,778	14,243	11,961
Total expenses	<u>1,067,805</u>	<u>954,259</u>	<u>374,505</u>	<u>341,232</u>
Operating income	394,480	371,799	129,901	115,332
Interest and other income	65,471	6,841	2,878	2,655
Interest:				
Expense incurred, net	(281,762)	(242,361)	(97,997)	(81,862)
Amortization of deferred financing costs	(4,996)	(4,583)	(1,730)	(1,781)
Income before allocation to Minority Interests, income (loss) from investments in unconsolidated entities, net gain on sales of unconsolidated entities and discontinued operations	173,193	131,696	33,052	34,344
Allocation to Minority Interests:				
Operating Partnership	(43,060)	(21,223)	(18,078)	(5,485)
Preference Interests	(6,431)	(15,158)	(1,159)	(5,052)
Junior Preference Units	(11)	(67)	(4)	(5)
Partially Owned Properties	672	1,107	(1,624)	811
Premium on redemption of Preference Interests	(4,134)	(1,117)	(22)	(1,117)
Income (loss) from investments in unconsolidated entities	(450)	(7,468)	(235)	329
Net gain on sales of unconsolidated entities	124	4,407	-	2
Income from continuing operations	119,903	92,177	11,930	23,827
Net gain on sales of discontinued operations	513,419	207,653	254,178	58,394
Discontinued operations, net	2,585	21,866	1,416	5,288
Net income	635,907	321,696	267,524	87,509
Preferred distributions	(39,004)	(40,671)	(12,961)	(13,346)
Premium on redemption of Preferred Shares	(4,316)	-	(4,316)	-
Net income available to Common Shares	<u>\$ 592,587</u>	<u>\$ 281,025</u>	<u>\$ 250,247</u>	<u>\$ 74,163</u>
Earnings per share - basic:				
Income from continuing operations available to Common Shares	<u>\$ 0.39</u>	<u>\$ 0.24</u>	<u>\$ 0.04</u>	<u>\$ 0.05</u>
Net income available to Common Shares	<u>\$ 2.08</u>	<u>\$ 1.01</u>	<u>\$ 0.87</u>	<u>\$ 0.26</u>
Weighted average Common Shares outstanding	<u>285,331</u>	<u>278,876</u>	<u>286,182</u>	<u>280,167</u>
Earnings per share - diluted:				
Income from continuing operations available to Common Shares	<u>\$ 0.39</u>	<u>\$ 0.24</u>	<u>\$ 0.04</u>	<u>\$ 0.05</u>
Net income available to Common Shares	<u>\$ 2.05</u>	<u>\$ 1.00</u>	<u>\$ 0.86</u>	<u>\$ 0.26</u>
Weighted average Common Shares outstanding	<u>310,211</u>	<u>302,739</u>	<u>311,564</u>	<u>304,028</u>
Distributions declared per Common Share outstanding	<u>\$ 1.2975</u>	<u>\$ 1.2975</u>	<u>\$ 0.4325</u>	<u>\$ 0.4325</u>

EQUITY RESIDENTIAL
CONSOLIDATED STATEMENTS OF FUNDS FROM OPERATIONS
(Amounts in thousands except per share data)
(Unaudited)

	Nine Months Ended September 30,		Quarter Ended September 30,	
	2005	2004	2005	2004
Net income	\$ 635,907	\$ 321,696	\$ 267,524	\$ 87,509
Allocation to Minority Interests - Operating Partnership	43,060	21,223	18,078	5,485
Adjustments:				
Depreciation	378,123	334,352	129,701	116,170
Depreciation - Non-real estate additions	(3,928)	(4,025)	(1,243)	(1,308)
Depreciation - Partially Owned and Unconsolidated Properties	2,136	2,828	2,774	(880)
Net (gain) on sales of unconsolidated entities	(124)	(4,407)	-	(2)
Discontinued operations:				
Depreciation	13,028	33,530	2,182	9,951
Net (gain) on sales of discontinued operations	(513,419)	(207,653)	(254,178)	(58,394)
Net incremental gain on sales of condominium units	56,667	15,669	27,631	7,199
Net gain on sales of land parcels	10,366	5,483	-	(53)
FFO (1)(2)	621,816	518,696	192,469	165,677
Preferred distributions	(39,004)	(40,671)	(12,961)	(13,346)
Premium on redemption of Preferred Shares	(4,316)	-	(4,316)	-
FFO available to Common Shares and OP Units - basic	<u>\$ 578,496</u>	<u>\$ 478,025</u>	<u>\$ 175,192</u>	<u>\$ 152,331</u>
FFO available to Common Shares and OP Units - diluted	<u>\$ 579,432</u>	<u>\$ 480,890</u>	<u>\$ 175,466</u>	<u>\$ 153,225</u>
FFO per share and OP Unit - basic	<u>\$ 1.89</u>	<u>\$ 1.59</u>	<u>\$ 0.57</u>	<u>\$ 0.51</u>
FFO per share and OP Unit - diluted	<u>\$ 1.86</u>	<u>\$ 1.58</u>	<u>\$ 0.56</u>	<u>\$ 0.50</u>
Weighted average Common Shares and OP Units outstanding - basic	<u>306,171</u>	<u>299,929</u>	<u>306,915</u>	<u>300,900</u>
Weighted average Common Shares and OP Units outstanding - diluted	<u>311,015</u>	<u>305,189</u>	<u>312,272</u>	<u>306,315</u>

- (1) The National Association of Real Estate Investment Trusts ("NAREIT") defines funds from operations ("FFO") (April 2002 White Paper) as net income (computed in accordance with accounting principles generally accepted in the United States ("GAAP")), excluding gains (or losses) from sales of depreciable property, plus depreciation and amortization, and after adjustments for unconsolidated partnerships and joint ventures. Adjustments for unconsolidated partnerships and joint ventures will be calculated to reflect funds from operations on the same basis. The April 2002 White Paper states that gain or loss on sales of property is excluded from FFO for previously depreciated operating properties only. Once the Company commences the conversion of units to condominiums, it simultaneously discontinues depreciation of such property.
- (2) The Company believes that FFO is helpful to investors as a supplemental measure of the operating performance of a real estate company, because it is a recognized measure of performance by the real estate industry and by excluding gains or losses related to dispositions of depreciable property 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 compare the operating performance of a company's real estate between periods or as compared to different companies. FFO in and of itself does not represent net income or net cash flows from operating activities in accordance with GAAP. Therefore, FFO should not be exclusively considered as an alternative to net income or to net cash flows from operating activities as determined by GAAP or as a measure of liquidity. The Company's calculation of FFO may differ from other real estate companies due to, among other items, variations in cost capitalization policies for capital expenditures and, accordingly, may not be comparable to such other real estate companies.

EQUITY RESIDENTIAL
CONSOLIDATED BALANCE SHEETS
(Amounts in thousands except for share amounts)
(Unaudited)

	September 30, 2005	December 31, 2004
	<u> </u>	<u> </u>
ASSETS		
Investment in real estate		
Land	\$ 2,283,157	\$ 2,183,818
Depreciable property	12,670,716	12,350,900
Construction in progress (including land)	330,965	317,903
Investment in real estate	<u>15,284,838</u>	<u>14,852,621</u>
Accumulated depreciation	(2,805,552)	(2,599,827)
Investment in real estate, net	<u>12,479,286</u>	<u>12,252,794</u>
Cash and cash equivalents	306,933	83,505
Investments in unconsolidated entities	11,390	11,461
Rents receivable	940	1,681
Deposits - restricted	305,366	82,194
Escrow deposits - mortgage	36,389	35,800
Deferred financing costs, net	40,041	34,986
Goodwill, net	30,000	30,000
Other assets	<u>101,484</u>	<u>112,854</u>
Total assets	<u>\$ 13,311,829</u>	<u>\$ 12,645,275</u>
LIABILITIES AND SHAREHOLDERS' EQUITY		
Liabilities:		
Mortgage notes payable	\$ 3,323,932	\$ 3,166,739
Notes, net	3,443,588	3,143,067
Lines of credit	-	150,000
Accounts payable and accrued expenses	124,908	87,422
Accrued interest payable	64,201	70,411
Rents received in advance and other liabilities	490,894	227,588
Security deposits	49,977	49,501
Distributions payable	<u>143,572</u>	<u>142,437</u>
Total liabilities	<u>7,641,072</u>	<u>7,037,165</u>
<i>Commitments and contingencies</i>		
Minority Interests:		
Operating Partnership	340,037	319,841
Preference Interests	60,000	206,000
Junior Preference Units	184	184
Partially Owned Properties	<u>10,716</u>	<u>9,557</u>
Total Minority Interests	<u>410,937</u>	<u>535,582</u>
Shareholders' equity:		
Preferred Shares of beneficial interest, \$0.01 par value; 100,000,000 shares authorized; 3,349,630 shares issued and outstanding as of September 30, 2005 and 4,108,658 shares issued and outstanding as of December 31, 2004	504,741	636,216
Common Shares of beneficial interest, \$0.01 par value; 1,000,000,000 shares authorized; 288,165,764 shares issued and outstanding as of September 30, 2005 and 285,076,915 shares issued and outstanding as of December 31, 2004	2,882	2,851
Paid in capital	5,207,399	5,112,311
Deferred compensation	-	(18)
Distributions in excess of accumulated earnings	(437,639)	(657,462)
Accumulated other comprehensive loss	<u>(17,563)</u>	<u>(21,370)</u>
Total shareholders' equity	<u>5,259,820</u>	<u>5,072,528</u>
Total liabilities and shareholders' equity	<u>\$ 13,311,829</u>	<u>\$ 12,645,275</u>

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September YTD 2005 vs. September YTD 2004 YTD over YTD Same-Store Results

\$ in Millions - 158,005 Same-Store Units

<u>Description</u>	<u>Revenues</u>	<u>Expenses</u>	<u>NOI (1)</u>
YTD 2005	\$ 1,240.3	\$ 512.9	\$ 727.4
YTD 2004	\$ 1,201.5	\$ 485.8	\$ 715.7
Change	<u>\$ 38.8</u>	<u>\$ 27.1</u>	<u>\$ 11.7</u>
Change	3.2%	5.6%	1.6%

Third Quarter 2005 vs. Third Quarter 2004 Quarter over Quarter Same-Store Results

\$ in Millions - 165,673 Same-Store Units

<u>Description</u>	<u>Revenues</u>	<u>Expenses</u>	<u>NOI (1)</u>
Q3 2005	\$ 446.6	\$ 187.4	\$ 259.2
Q3 2004	\$ 428.2	\$ 176.5	\$ 251.7
Change	<u>\$ 18.4</u>	<u>\$ 10.9</u>	<u>\$ 7.5</u>
Change	4.3%	6.2%	3.0%

Third Quarter 2005 vs. Second Quarter 2005 Sequential Quarter over Quarter Same-Store Results

\$ in Millions - 165,673 Same-Store Units*

<u>Description</u>	<u>Revenues</u>	<u>Expenses</u>	<u>NOI (1)</u>
Q3 2005	\$ 446.6	\$ 187.4	\$ 259.2
Q2 2005	\$ 439.8	\$ 178.4	\$ 261.4
Change	<u>\$ 6.8</u>	<u>\$ 9.0</u>	<u>\$ (2.2)</u>
Change	1.5%	5.0%	(0.8%)

* Includes the same units as the Third Quarter 2005 vs. Third Quarter 2004 Same Store results for comparability purposes.

Same-Store Occupancy Statistics

YTD 2005	94.2%	Q3 2005	94.7%	Q3 2005	94.7%
YTD 2004	<u>93.5%</u>	Q3 2004	<u>93.6%</u>	Q2 2005	<u>94.2%</u>
Change	0.7%	Change	1.1%	Change	0.5%

(1) The Company's primary financial measure for evaluating each of its apartment communities is net operating income ("NOI"). NOI represents rental income less property and maintenance expense, real estate tax and insurance expense, and property management expense. The Company believes that NOI is helpful to investors as a supplemental measure of the operating performance of a real estate company because it is a direct measure of the actual operating results of the Company's apartment communities.

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Same Store NOI Reconciliation

September YTD 2005 vs. September YTD 2004

The following table provides a reconciliation of operating income per the consolidated statements of operations to NOI for the Nine-Month 2005 Same Store Properties:

	Nine Months Ended September 30,	
	2005	2004
	(Amounts in millions)	
Operating income	\$ 394.5	\$ 371.8
Adjustments:		
Insurance (hurricane property damage)	-	14.1
Non-same store operating results	(89.2)	(36.6)
Fee and asset management revenue	(8.5)	(9.3)
Fee and asset management expense	7.5	6.5
Depreciation	378.1	334.4
General and administrative	45.0	34.8
Same store NOI	<u>\$ 727.4</u>	<u>\$ 715.7</u>

Same Store NOI Reconciliation

Third Quarter 2005 vs. Third Quarter 2004

The following table presents a reconciliation of operating income per the consolidated statements of operations to NOI for the Third Quarter 2005 Same Store Properties:

	Quarter Ended September 30,	
	2005	2004
	(Amounts in millions)	
Operating income	\$ 129.9	\$ 115.3
Adjustments:		
Insurance (hurricane property damage)	-	14.1
Non-same store operating results	(14.6)	(5.6)
Fee and asset management revenue	(2.6)	(2.4)
Fee and asset management expense	2.6	2.1
Depreciation	129.7	116.2
General and administrative	14.2	12.0
Same store NOI	<u>\$ 259.2</u>	<u>\$ 251.7</u>

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September YTD 2005 vs. September YTD 2004 Same-Store Results by Market

				Increase (Decrease) from Prior Year				
Markets	Units	Sep YTD 05 % of Actual NOI	Sep YTD 05 Weighted Average Occupancy %	Revenues	Expenses	NOI	Occupancy	
1	South Florida	9,346	6.8%	95.4%	7.6%	5.4%	9.2%	1.2%
2	Boston	5,397	6.4%	93.9%	(2.2%)	6.9%	(7.3%)	(1.3%)
3	San Francisco Bay Area	5,990	6.1%	95.7%	2.6%	5.9%	0.8%	0.8%
4	Los Angeles	4,781	5.7%	95.5%	4.6%	7.8%	3.1%	0.7%
5	Phoenix	8,988	4.9%	94.3%	7.7%	5.8%	9.1%	3.4%
6	DC Suburban Virginia	4,078	4.3%	94.8%	6.6%	1.9%	8.9%	(0.2%)
7	Atlanta	9,082	4.2%	94.3%	0.7%	3.5%	(1.6%)	0.6%
8	New England (excl Boston)	6,210	4.1%	93.6%	0.2%	7.7%	(5.2%)	(1.4%)
9	San Diego	3,486	4.0%	95.2%	4.3%	8.0%	2.6%	0.1%
10	Dallas/Ft Worth	8,608	3.8%	94.8%	1.2%	6.4%	(3.8%)	1.2%
11	Seattle/Tacoma	6,290	3.7%	95.4%	4.5%	5.7%	3.7%	1.7%
12	Denver	6,360	3.5%	94.6%	0.5%	4.7%	(1.8%)	1.6%
13	New York Metro Area	2,574	3.4%	95.6%	5.5%	5.6%	5.4%	1.0%
14	DC Suburban Maryland	4,739	3.4%	93.7%	3.3%	5.9%	1.9%	(0.2%)
15	Inland Empire, CA	3,504	3.3%	94.3%	5.6%	10.9%	3.2%	(1.0%)
16	Orange Co	3,013	3.3%	95.2%	4.6%	9.6%	2.3%	0.3%
17	Orlando	5,382	3.2%	96.0%	10.0%	5.3%	13.3%	1.6%
18	Houston	5,282	2.3%	92.5%	(2.2%)	5.6%	(9.6%)	1.5%
19	Minn/St Paul	3,826	2.2%	92.1%	0.0%	0.7%	(0.6%)	1.3%
20	Jacksonville	3,917	2.2%	94.4%	6.5%	3.6%	8.5%	2.2%
	Top 20 Markets	110,853	80.8%	94.6%	3.4%	5.8%	1.9%	0.9%
	All Other Markets	47,152	19.2%	93.2%	2.6%	4.8%	0.7%	0.1%
	Total	158,005	100.0%	94.2%	3.2%	5.6%	1.6%	0.7%

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Third Quarter 2005 vs. Third Quarter 2004 Same-Store Results by Market

	Markets	Units	3Q 2005 % of Actual NOI	3Q 2005 Weighted Average Occupancy %	Increase (Decrease) from Prior Quarter			
					Revenues	Expenses	NOI	Occupancy
1	South Florida	10,166	7.1%	95.0%	8.7%	4.8%	11.5%	0.8%
2	Los Angeles	5,630	6.3%	96.2%	5.9%	9.7%	4.1%	1.7%
3	Boston	5,533	6.3%	94.8%	(2.2%)	4.5%	(5.8%)	(0.7%)
4	San Francisco Bay Area	5,990	5.8%	96.5%	4.1%	7.0%	2.5%	1.6%
5	DC Suburban Virginia	4,956	5.1%	95.1%	5.6%	4.1%	6.3%	0.0%
6	Atlanta	10,772	4.8%	94.8%	1.1%	6.9%	(3.3%)	0.6%
7	Phoenix	8,988	4.5%	94.7%	9.5%	5.8%	12.3%	3.2%
8	Seattle/Tacoma	7,351	4.4%	95.4%	6.2%	7.2%	5.5%	1.9%
9	New England (excl Boston)	6,210	3.9%	93.9%	0.6%	7.6%	(4.2%)	(0.5%)
10	San Diego	3,486	3.8%	95.9%	3.8%	6.5%	2.5%	(0.1%)
11	New York Metro Area	2,756	3.6%	96.3%	6.5%	8.9%	5.1%	1.2%
12	Orlando	5,978	3.5%	96.5%	10.9%	5.9%	14.5%	0.8%
13	Denver	6,804	3.5%	95.4%	4.0%	2.6%	4.9%	2.3%
14	Dallas/Ft Worth	8,608	3.3%	94.7%	2.3%	8.8%	(4.6%)	1.2%
15	DC Suburban Maryland	4,739	3.2%	93.3%	3.6%	5.5%	2.5%	0.1%
16	Inland Empire, CA	3,504	3.1%	94.4%	6.7%	11.3%	4.5%	0.1%
17	Orange Co	3,013	3.1%	95.7%	5.1%	10.6%	2.5%	0.6%
18	Minn/St Paul	3,826	2.2%	95.0%	5.3%	(2.0%)	11.8%	4.5%
19	Houston	5,282	2.1%	94.9%	(0.1%)	7.5%	(7.9%)	3.4%
20	Jacksonville	3,988	2.1%	94.3%	8.3%	6.1%	9.9%	1.7%
	Top 20 Markets	117,580	81.7%	95.1%	4.6%	6.4%	3.4%	1.3%
	All Other Markets	48,093	18.3%	93.9%	3.2%	5.4%	1.1%	0.8%
	Total	165,673	100.0%	94.7%	4.3%	6.2%	3.0%	1.1%

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Third Quarter 2005 vs. Second Quarter 2005* Sequential Same-Store Results by Market

	Markets	Units	3Q 2005 % of Actual NOI	3Q 2005 Weighted Average Occupancy %	Increase (Decrease) from Prior Quarter			
					Revenues	Expenses	NOI	Occupancy
1	South Florida	10,166	7.1%	95.0%	2.2%	4.0%	1.0%	(0.3%)
2	Los Angeles	5,630	6.3%	96.2%	2.3%	7.2%	(0.1%)	0.8%
3	Boston	5,533	6.3%	94.8%	(0.5%)	0.1%	(0.9%)	0.9%
4	San Francisco Bay Area	5,990	5.8%	96.5%	2.2%	7.1%	(0.6%)	1.0%
5	DC Suburban Virginia	4,956	5.1%	95.1%	1.3%	4.6%	(0.2%)	(0.9%)
6	Atlanta	10,772	4.8%	94.8%	0.4%	8.0%	(5.3%)	0.5%
7	Phoenix	8,988	4.5%	94.7%	1.7%	7.3%	(2.0%)	0.9%
8	Seattle/Tacoma	7,351	4.4%	95.4%	1.3%	8.1%	(3.3%)	(0.4%)
9	New England (excl Boston)	6,210	3.9%	93.9%	1.0%	(0.7%)	2.3%	0.2%
10	San Diego	3,486	3.8%	95.9%	2.3%	3.5%	1.7%	0.8%
11	New York Metro Area	2,756	3.6%	96.3%	2.7%	5.4%	1.1%	0.3%
12	Orlando	5,978	3.5%	96.5%	4.3%	5.2%	3.7%	0.7%
13	Denver	6,804	3.5%	95.4%	1.1%	8.2%	(3.0%)	0.5%
14	Dallas/Ft Worth	8,608	3.3%	94.7%	0.9%	7.2%	(5.6%)	(0.1%)
15	DC Suburban Maryland	4,739	3.2%	93.3%	(0.2%)	1.2%	(1.0%)	(1.1%)
16	Inland Empire, CA	3,504	3.1%	94.4%	1.9%	9.2%	(1.6%)	(0.3%)
17	Orange Co	3,013	3.1%	95.7%	2.2%	6.6%	0.2%	0.6%
18	Minn/St Paul	3,826	2.2%	95.0%	4.5%	(2.1%)	10.2%	2.1%
19	Houston	5,282	2.1%	94.9%	3.1%	6.7%	(1.0%)	3.0%
20	Jacksonville	3,988	2.1%	94.3%	1.9%	5.9%	(0.6%)	(0.7%)
	Top 20 Markets	117,580	81.7%	95.1%	1.7%	5.2%	(0.5%)	0.4%
	All Other Markets	48,093	18.3%	93.9%	1.0%	4.6%	(2.1%)	0.7%
	Total	165,673	100.0%	94.7%	1.5%	5.0%	(0.8%)	0.5%

* Includes the same units as the Third Quarter 2005 vs. Third Quarter 2004 Same Store results for comparability purposes.

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Portfolio as of September 30, 2005

	Properties	Units
Wholly Owned Properties	829	173,411
Partially Owned Properties (Consolidated)	36	6,134
Unconsolidated Properties	57	16,030
	922	195,575

Portfolio Rollforward 2005

		Properties	Units	\$ Millions	Cap Rate
	12/31/2004	939	200,149		
Acquisitions:					
Rental Properties		26	7,168	\$ 1,145.8	5.6%
Land Parcels		-	-	\$ 46.7	
Dispositions:					
Rental Properties (1)		(39)	(10,212)	\$ (1,077.0)	5.0%
Condominium Units		(5)	(1,589)	\$ (428.1)	
Land Parcels		-	-	\$ (36.3)	
Completed Developments		1	141		
Unit Configuration Changes		-	(82)		
	9/30/2005	922	195,575		

Portfolio Rollforward Q3 2005

		Properties	Units	\$ Millions	Cap Rate
	6/30/2005	933	198,420		
Acquisitions:					
Rental Properties		6	2,294	\$ 416.0	5.7%
Land Parcels		-	-	\$ 1.4	
Dispositions:					
Rental Properties		(15)	(4,218)	\$ 433.0	5.2%
Condominium Units		(2)	(817)	\$ 229.8	
Unit Configuration Changes		-	(104)		
	9/30/2005	922	195,575		

(1) Cap rate was 5.6% excluding the sale of Water Terrace.

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Portfolio Summary As of September 30, 2005

Market	Properties	Units	% of Units	% of 2005 NOI Budget
Boston	34	6,566	3.4%	5.9%
DC Northern Virginia	17	5,578	2.9%	4.9%
New York Metro Area	15	4,064	2.1%	4.8%
New England (excluding Boston)	45	6,118	3.1%	3.6%
DC Suburban Maryland	24	5,351	2.7%	3.1%
Atlantic Region	135	27,677	14.2%	22.4%
South Florida	48	10,684	5.5%	6.3%
Orlando	33	7,234	3.7%	3.8%
North Florida	50	7,733	4.0%	3.2%
Tampa/Ft Myers	27	4,694	2.4%	1.7%
Florida Region	158	30,345	15.5%	14.8%
Raleigh/Durham	16	4,100	2.1%	1.4%
Charlotte	11	3,391	1.7%	1.0%
Carolina Region	27	7,491	3.8%	2.4%
Atlanta	61	12,702	6.5%	5.0%
Georgia Region	61	12,702	6.5%	5.0%
Minneapolis/St Paul	18	3,982	2.0%	1.9%
Chicago	9	3,241	1.7%	1.6%
Southeastern Michigan	21	2,845	1.5%	1.2%
Nashville	11	2,729	1.4%	1.0%
Columbus	31	3,415	1.7%	0.8%
Indianapolis	29	3,056	1.6%	0.7%
Northern Ohio	24	1,944	1.0%	0.5%
Southern Ohio	20	1,634	0.8%	0.4%
Milwaukee	3	686	0.4%	0.4%
Lexington	7	656	0.3%	0.2%
Louisville	8	608	0.3%	0.1%
St Louis	1	192	0.1%	0.0%
Midwest Region	182	24,988	12.8%	9.0%
Lexford Other	44	3,653	1.9%	0.9%

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Portfolio Summary As of September 30, 2005

Market	Properties	Units	% of Units	% of 2005 NOI Budget
Dallas/Ft Worth	34	10,225	5.2%	3.5%
Houston	17	5,282	2.7%	1.9%
Austin	13	3,868	2.0%	1.3%
Tulsa	7	1,828	0.9%	0.5%
San Antonio	6	1,861	1.0%	0.4%
Kansas City	1	288	0.1%	0.2%
Texas Region	78	23,352	11.9%	7.8%
Phoenix	37	10,628	5.4%	4.4%
Tucson	2	558	0.3%	0.1%
Albuquerque	2	369	0.2%	0.1%
Arizona Region	41	11,555	5.9%	4.5%
Denver	28	8,899	4.6%	4.3%
Colorado Region	28	8,899	4.6%	4.3%
Los Angeles	31	6,479	3.3%	6.3%
San Diego	11	3,486	1.8%	3.5%
Inland Empire, CA	12	3,971	2.0%	3.0%
Orange County, CA	8	3,013	1.5%	2.9%
Southern Cal Region	62	16,949	8.7%	15.7%
San Francisco Bay Area	26	6,249	3.2%	4.9%
Central Valley, CA	10	1,595	0.8%	0.5%
Northern Cal Region	36	7,844	4.0%	5.4%
Seattle	38	8,308	4.2%	5.1%
Portland, OR	12	4,153	2.1%	1.8%
Tacoma	7	2,341	1.2%	1.0%
Washington Region	57	14,802	7.6%	7.8%
Total	909	190,257	97.3%	100.0%
Condominium Conversion	12	1,585	0.8%	0.0%
Ft. Lewis - Military Housing	1	3,733	1.9%	0.0%
Grand Total	922	195,575	100.0%	100.0%

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Debt Summary as of September 30, 2005

	\$ Millions (1)	Weighted Average Rate (1)
Secured	\$ 3,324	5.65%
Unsecured	3,443	5.93%
Total	\$ 6,767	5.80%
Fixed Rate	\$ 5,679	6.39%
Floating Rate	1,088	3.61%
Total	\$ 6,767	5.80%
<u>Above Totals Include:</u>		
Tax Exempt:		
Fixed	\$ 135	3.80%
Floating	616	2.83%
Total	\$ 751	3.14%
Unsecured Revolving Credit Facilities	\$ -	3.52%

(1) Net of the effect of any derivative instruments.

Debt Maturity Schedule as of September 30, 2005

Year	\$ Millions	% of Total
2005	\$ 39	0.6%
2006 (1)	596	8.8%
2007	378	5.6%
2008	616	9.1%
2009	860	12.7%
2010	262	3.9%
2011	721	10.6%
2012	523	7.7%
2013	567	8.4%
2014+	2,205	32.6%
Total	\$ 6,767	100.0%

(1) Includes \$150 million of unsecured debt with a final maturity of 2026 that is puttable in 2006.

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Selected Unsecured Public Debt Covenants

	<u>September 30, 2005</u>
Total Debt to Adjusted Total Assets (not to exceed 60%)	42.1%
Secured Debt to Adjusted Total Assets (not to exceed 40%)	20.7%
Consolidated Income Available For Debt Service To Maximum Annual Service Charges (must be at least 1.5 to 1)	2.79
Total Unsecured Assets to Unsecured Debt (must be at least 150%)	298.8%

These selected covenants relate to ERP Operating Limited Partnership's ("ERPOP") outstanding unsecured public debt. Equity Residential is the general partner of ERPOP. The terms are defined in the original indenture.

EQUITY RESIDENTIAL

Capital Structure as of September 30, 2005

(Amounts in thousands except for share and per share amounts)

Secured Debt	\$ 3,323,932	49%		
Unsecured Debt	3,443,588	51%		
Lines of Credit	-	-		
Total Debt	6,767,520	100%		36%
Common Shares	288,165,764	93%		
OP Units	20,606,812	7%		
Total Shares and OP Units	308,772,576	100%		
Common Share Equivalents (see below)	1,679,537			
Total outstanding at quarter-end	310,452,113			
Common Share Price at September 30, 2005	\$ 37.85			
Perpetual Preferred Equity (see below)	11,750,612	96%		
Total Equity	12,266,112	100%		64%
Total Market Capitalization	\$ 19,033,632			100%

Convertible Preferred Equity as of September 30, 2005

(Amounts in thousands except for share and per share amounts)

Series	Outstanding Shares/Units	Liquidation Value	Annual Dividend Rate Per Share/Unit	Annual Dividend Amount	Weighted Average Rate	Conversion Ratio	Common Share Equivalents
Preferred Shares:							
7.00% Series E	554,696	\$ 13,868	\$ 1.75	\$ 971		1.1128	617,266
7.00% Series H	34,934	873	1.75	61		1.4480	50,584
Preference Interests:							
7.625% Series H	190,000	9,500	3.8125	724		1.5108	287,052
7.625% Series I	270,000	13,500	3.8125	1,029		1.4542	392,634
7.625% Series J	230,000	11,500	3.8125	877		1.4108	324,484
Junior Preference Units:							
8.00% Series B	7,367	184	2.00	15		1.020408	7,517
Total Convertible Preferred Equity	1,286,997	\$ 49,425		\$ 3,677	7.44%		1,679,537

Perpetual Preferred Equity as of September 30, 2005 ⁽¹⁾

(Amounts in thousands except for share and per share amounts)

Series	Outstanding Shares/Units	Liquidation Value	Annual Dividend Rate Per Share/Unit	Annual Dividend Amount	Weighted Average Rate
Preferred Shares:					
9 1/8% Series C	460,000	\$ 115,000	\$ 22.81252	\$ 10,494	
8.60% Series D	700,000	175,000	21.50	15,050	
8.29% Series K	1,000,000	50,000	4.145	4,145	
6.48% Series N	600,000	150,000	16.20	9,720	
Preference Interests:					
7.875% Series G	510,000	25,500	3.9375	2,008	
Total Perpetual Preferred Equity	3,270,000	\$ 515,500		\$ 41,417	8.03%

(1) Excludes \$125.0 million for the 9 1/8% Series B Preferred Shares which was redeemed for cash on 10/17/05 and was included in rents received in advance and other liabilities in the consolidated balance sheets at 9/30/05.

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Common Share and Operating Partnership Unit (OP Unit)

Weighted Average Amounts Outstanding

	YTD 3Q05	YTD 3Q04	3Q05	3Q04
Weighted Average Amounts Outstanding for Net Income Purposes:				
Common Shares - basic	285,331,211	278,876,118	286,181,532	280,167,146
Shares issuable from assumed conversion/vesting of:				
- OP Units	20,839,532	21,052,706	20,733,194	20,732,726
- share options/restricted shares	4,040,522	2,809,917	4,648,912	3,127,725
Total Common Shares and OP Units - diluted	310,211,265	302,738,741	311,563,638	304,027,597
Weighted Average Amounts Outstanding for FFO Purposes:				
OP Units - basic	20,839,532	21,052,706	20,733,194	20,732,726
Common Shares - basic	285,331,211	278,876,118	286,181,532	280,167,146
Total Common Shares and OP Units - basic	306,170,743	299,928,824	306,914,726	300,899,872
Shares issuable from assumed conversion/vesting of:				
- convertible preferred shares/units	803,417	2,450,609	708,559	2,287,258
- share options/restricted shares	4,040,522	2,809,917	4,648,912	3,127,725
Total Common Shares and OP Units - diluted	311,014,682	305,189,350	312,272,197	306,314,855
Period Ending Amounts Outstanding:				
OP Units	20,606,812			
Common Shares	288,165,764			
Total Common Shares and OP Units	308,772,576			

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Unconsolidated Entities as of September 30, 2005 (Amounts in thousands except for project and unit amounts)

	<u>Institutional Joint Ventures</u>	<u>Lexford / Other</u>	<u>Totals</u>
Total projects	45	11	56 (1)
Total units	10,846	1,451	12,297 (1)
Company's ownership percentage	25.0%	10.7%	
Company's share of outstanding debt (2)	\$ 121,200	\$ 2,847	\$ 124,047
Operating information for the nine-months ended 9/30/05 (at 100%):			
Operating revenue	\$ 70,023	\$ 6,645	\$ 76,668
Operating expenses	31,723	3,490	35,213
Net operating income	38,300	3,155	41,455
Depreciation	16,391	1,421	17,812
Other	286	2	288
Operating income	21,623	1,732	23,355
Interest and other income	300	27	327
Interest:			
Expense incurred, net	(28,085)	(1,553)	(29,638)
Amortization of deferred financing costs	(463)	(136)	(599)
Net (loss) income	<u>\$ (6,625)</u>	<u>\$ 70</u>	<u>\$ (6,555)</u>

(1) Totals exclude Fort Lewis Military Housing consisting of one property and 3,733 units, which is not accounted for under the equity method of accounting, but is included in the Company's property/unit counts at September 30, 2005.

(2) All debt is non-recourse to the Company.

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Consolidated Development Projects as of September 30, 2005
(Amounts in thousands except for project and unit amounts)

Projects	Location	No. of Units	Total Capital Cost (1)	Total Book Value To Date (1) (2)	Percentage Completed	Percentage Leased	Percentage Occupied	Estimated Completion Date	Estimated Stabilization Date
<u>Projects Under Development</u>									
2400 M St	Washington, D.C.	359	\$ 111,947	\$ 95,479	85%	-	-	1Q 2006	3Q 2007
Union Station	Los Angeles, CA	278	57,727	39,711	59%	-	-	1Q 2006	4Q 2006
Indian Ridge	Waltham, MA	264	47,032	42,538	96%	53%	51%	4Q 2005	4Q 2006
Bella Vista III (3)	Woodland Hills, CA	264	70,649	30,817	15%	-	-	4Q 2006	3Q 2007
Vintage	Ontario, CA	300	52,412	13,896	4%	-	-	1Q 2007	4Q 2007
Total Projects Under Development		1,465	339,767	222,441					
<u>Completed Not Stabilized:</u>									
1210 Massachusetts Ave. (Sovereign Park)	Washington, D.C.	144	39,702	39,441	100%	92%	90%	Completed	4Q 2005
Total Projects Completed Not Stabilized		144	39,702	39,441					
<u>Completed And Stabilized During the Quarter:</u>									
City View at the Highlands (3)	Lombard, IL	403	65,539	64,932	100%	99%	97%	Completed	3Q 2005
Total Projects Completed And Stabilized During the Quarter		403	65,539	64,932					
Total Projects		2,012	\$ 445,008	\$ 326,814					

NOI CONTRIBUTION FROM DEVELOPMENT PROJECTS

	<u>Total Capital Cost (1)</u>	<u>Q3 2005 NOI</u>
Projects Under Development	\$ 339,767	\$ 50
Completed Not Stabilized	39,702	284
Completed And Stabilized During the Quarter	65,539	726
Total Development/Newly Stabilized NOI Contribution	\$ 445,008	\$ 1,060

(1) Total capital cost represents estimated development cost for projects under development and all capitalized costs incurred to date plus any estimates of costs remaining to be funded for all completed projects.

(2) Of the total book value to date, \$129.1 million has been transferred to land and depreciable property and \$197.7 million is currently reflected as construction in progress ("CIP"). The remaining \$133.3 million of CIP represents land held for future development and related costs and land and related development costs for uncompleted condominium projects. Of the \$118.2 million remaining to be invested, \$77.4 million will be funded through third party construction mortgages.

(3) Projects are wholly owned. All others are partially owned.

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Consolidated Condominium Conversion Projects as of September 30, 2005
(Amounts in thousands except for project and unit amounts)

Projects	Location	Project Start Date	Estimated Close Out Date	Units				2005 YTD Activity			3Q 2005		
				Total	Units Closed	Sold Not Closed	Available	Units Closed	Sales Price	FFO Incremental Gain on Sale	Units Closed	Sales Price	FFO Incremental Gain on Sale
For Sale													
Four Lakes	Lisle, IL	Q4 2001	Q1 2006	942	813	30	99	166	\$ 24,993	\$ 3,891	70	\$ 11,131	\$ 1,836
Venetian I & II	Phoenix, AZ	Q1 2004	Q4 2005	264	218	46	-	125	24,490	6,879	70	13,563	3,958
Watermarke (1)	Irvine, CA	Q3 2004	Q1 2006	535	426	77	32	381	165,565	17,160	172	73,403	8,326
Atlas (1)	Washington, DC	Q4 2004	Q1 2006	141	106	22	13	106	60,131	5,858	106	60,131	5,858
Grand Marquis	Plantation, FL	Q4 2004	Q1 2006	198	71	126	1	71	12,277	3,815	71	12,277	3,815
Tuscany Villas	Scottsdale, AZ	Q4 2004	Q1 2006	180	79	100	1	79	13,046	4,185	79	13,046	4,185
Fairway Greens	Pembroke Pines, FL	Q1 2005	Q2 2006	152	-	131	21	-	-	-	-	-	-
Magnuson Pointe	Seattle, WA	Q1 2005	Q2 2006	105	-	32	73	-	-	-	-	-	-
Timber Ridge	Woodinville, WA	Q1 2005	Q1 2007	203	-	18	185	-	-	-	-	-	-
Braewood	Bothell, WA	Q2 2005	Q2 2006	84	-	-	84	-	-	-	-	-	-
Fifth Avenue North	Seattle, WA	Q2 2005	Q2 2006	62	-	-	62	-	-	-	-	-	-
Milano Terrace	Scottsdale, AZ	Q2 2005	Q3 2006	224	-	-	224	-	-	-	-	-	-
South Palm Place	Tamarac, FL	Q2 2005	Q4 2006	208	-	-	208	-	-	-	-	-	-
				3,298	1,713	582	1,003	928	300,502	41,788	568	183,551	27,978
Closed Out													
Country Club Estates	Mill Creek, WA	Q1 2004	Q2 2005	151	151	-	-	86	14,883	2,850	-	-	(17)
Grand Oasis	Coral Springs, FL	Q2 2004	Q2 2005	198	198	-	-	89	12,875	3,430	-	-	(43)
Sterling Heights	Bellevue, WA	Q2 2004	Q2 2005	116	116	-	-	76	16,083	2,991	-	-	12
Verona	Scottsdale, AZ	Q2 2004	Q2 2005	108	108	-	-	108	16,092	3,314	-	-	(20)
Radius at Logan Circle (1)	Washington, DC	Q2 2004	Q3 2005	170	170	-	-	54	21,837	3,676	1	400	449
Riviera Palms (2)	Coconut Creek, FL	Q2 2005	Q3 2005	248	248	-	-	248	45,880	4,568	248	45,880	4,568
Projects closed out prior to 2005				388	388	-	-	-	-	(103)	-	-	(32)
				1,379	1,379	-	-	661	127,650	20,726	249	46,280	4,917
Totals			19	4,677	3,092	582	1,003	1,589	\$ 428,152	\$ 62,514	817	\$ 229,831	\$ 32,895
Gross incremental gain on sales of condominium units										\$ 62,514			\$ 32,895
Provision for income taxes										(5,847)			(5,264)
Net incremental gain on sales of condominium units										56,667			27,631
Property management and general and administrative expenses										(2,174)			(701)
Discontinued operating income										1,193			943
Net Income - Condominium Division (3)										\$ 55,686			\$ 27,873

(1) Partially owned projects; incremental gain on sale represents portion attributable to the Company.

(2) Riviera Palms was purchased on May 4, 2005 and was disposed of in its entirety on September 15, 2005

(3) Excludes interest income and interest expense specific to condominium conversion projects.

EQUITY RESIDENTIAL

Maintenance Expenses and Capitalized Improvements to Real Estate For the Nine Months Ended September 30, 2005 (Amounts in thousands except for unit and per unit amounts)

	Maintenance Expenses						Capitalized Improvements to Real Estate						Total Expenditures	
	Total Units (1)	Expense (2)	Avg. Per Unit	Payroll (3)	Avg. Per Unit	Avg. Per Unit	Replacements (4)	Avg. Per Unit	Building Improvements (5)	Avg. Per Unit	Total	Avg. Per Unit	Grand Total	Avg. Per Unit
Established Properties (6)	148,198	\$ 69,103	\$ 466	\$ 61,705	\$ 416	\$ 882	\$ 43,850	\$ 296	\$ 63,303	\$ 427	\$ 107,153	\$ 723	\$ 237,961	\$ 1,605
New Acquisition Properties (7)	23,468	11,322	574	8,093	411	985	4,022	204	12,557	637	16,579	841	35,994	1,826
Other (8)	<u>7,879</u>	<u>10,070</u>		<u>7,565</u>			<u>16,719</u>		<u>26,823</u>		<u>43,542</u>		<u>61,177</u>	
Total	<u>179,545</u>	<u>\$ 90,495</u>		<u>\$ 77,363</u>			<u>\$ 64,591</u>		<u>\$ 102,683</u>		<u>\$ 167,274</u>		<u>\$ 335,132</u>	

(1) Total units exclude 16,030 unconsolidated units.

(2) Maintenance expenses include general maintenance costs, unit turnover costs including interior painting, regularly scheduled landscaping and tree trimming costs, security, exterminating, fire protection, snow and ice removal, elevator repairs, and other miscellaneous building repair costs.

(3) Maintenance payroll includes employee costs for maintenance, cleaning, housekeeping, and landscaping.

(4) Replacements include new expenditures inside the units such as carpets, appliances, mechanical equipment, fixtures and vinyl flooring.

(5) Building improvements include roof replacement, paving, amenities and common areas, building mechanical equipment systems, exterior painting and siding, major landscaping, vehicles and office and maintenance equipment.

(6) Wholly Owned Properties acquired prior to January 1, 2003.

(7) Wholly Owned Properties acquired during 2003, 2004 and 2005. Per unit amounts are based on a weighted average of 19,707 units.

(8) Includes properties either Partially Owned or sold during the period, commercial space, condominium conversions and \$4.5 million included in building improvements spent on eight specific assets related to major renovations and repositioning of these assets.

EQUITY RESIDENTIAL

Discontinued Operations (Amounts in thousands)

	Nine Months Ended September 30,		Quarter Ended September 30,	
	2005	2004	2005	2004
REVENUES				
Rental income	\$ 59,432	\$ 131,939	\$ 12,026	\$ 39,796
Total revenues	59,432	131,939	12,026	39,796
EXPENSES (1)				
Property and maintenance	25,380	49,077	5,219	14,993
Real estate taxes and insurance	8,758	15,710	1,486	4,851
Property management	338	374	135	182
Depreciation	13,028	33,530	2,182	9,951
Total expenses	47,504	98,691	9,022	29,977
Discontinued operating income	11,928	33,248	3,004	9,819
Interest and other income	210	142	64	43
Interest (2):				
Expense incurred, net	(9,079)	(10,658)	(1,415)	(4,258)
Amortization of deferred financing costs	(474)	(866)	(237)	(316)
Discontinued operations, net	\$ 2,585	\$ 21,866	\$ 1,416	\$ 5,288

(1) Includes expenses paid in the current period for properties sold in prior periods related to the Company's period of ownership.

(2) Includes only interest expense specific to secured mortgage notes payable for properties sold.

EQUITY RESIDENTIAL

As a result of the Securities and Exchange Commission's Regulation FD, the Company will provide earnings guidance in its quarterly earnings release. These projections are based on current expectations and are forward-looking.

2005 Earnings Guidance (per share diluted)

	<u>Q4 2005</u>	<u>2005</u>
Expected EPS (1)	\$0.39 to \$0.42	\$2.44 to \$2.47
Add: Expected depreciation expense	0.41	1.66
Less: Expected net gain on sales (1)	(0.23)	(1.67)
Expected FFO (2)	<u>\$0.57 to \$0.60</u>	<u>\$2.43 to \$2.46</u>

Same-Store Assumptions

	<u>2005</u>
Physical occupancy	94.3%
Revenue change	3.6%
Expense change	5.3%
NOI change	2.5%
Acquisitions	\$2.0 billion
Dispositions	\$1.4 billion

- (1) Earnings per share ("EPS") represents net income per share calculated in accordance with accounting principles generally accepted in the United States. Expected EPS is calculated on a basis consistent with actual EPS. Due to the uncertain timing and extent of property dispositions and the resulting gains/losses on sales, actual EPS could differ materially from expected EPS.
- (2) The National Association of Real Estate Investment Trusts ("NAREIT") defines funds from operations ("FFO") (April 2002 White Paper) as net income (computed in accordance with accounting principles generally accepted in the United States), excluding gains (or losses) from sales of depreciable property, plus depreciation and amortization, and after adjustments for unconsolidated partnerships and joint ventures. Adjustments for unconsolidated partnerships and joint ventures will be calculated to reflect funds from operations on the same basis. Expected FFO is calculated on a basis consistent with actual FFO.