Fourth Quarter 2006

Earnings Release and Supplemental Financial Information

EQUITY RESIDENTIAL


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Fourth Quarter 2006 Results

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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. Futhermore, 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.

EQUITY RESIDENTIAL

NEWS RELEASE

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FOR IMMEDIATE RELEASE
FEBRUARY 6, 2007

EQUITY RESIDENTIAL REPORTS 2006 RESULTS
Year over Year Same-Store NOI Increases 7.0 Percent

CHICAGO, IL – FEBRUARY 6, 2007 - Equity Residential (NYSE: EQR) today reported results for the quarter and year ended December 31, 2006. All per share results are reported on a fully diluted basis.

"2006 was a terrific year for Equity Residential, having produced some of the best same-store results in our history. In addition, we successfully continued the transformation of our portfolio with the sale of our Lexford portfolio and the addition of numerous high-quality assets across our core markets," said David J. Neithercut, Equity Residential's President and CEO. "2007 should be another very good year as favorable apartment fundamentals continue to drive strong same-store results. Our 2007 FFO guidance range of $2.25 to $2.35 per share reflects our expectations for solid core growth offset by dilution from the Lexford sale and lower profits from condominium sales. Despite this short-term dilution, Equity Residential is positioned for greater long-term growth and capital appreciation."

Fourth Quarter 2006

For the quarter ended December 31, 2006, the company reported earnings of $1.54 per share compared to $0.74 per share in the fourth quarter of 2005. The quarterly increase is primarily attributable to $0.94 per share in higher gains on sales of properties in the fourth quarter of 2006, which includes the sale of the company's Lexford Housing Division, net of the goodwill impairment charge discussed below.

The company's fourth quarter and full year results reflect the previously announced goodwill impairment charge of $0.09 per share taken by the company in relation to its corporate housing business.

Funds from Operations (FFO) for the quarter ended December 31, 2006 were $0.49 per share compared to $0.66 per share in the same period of 2005. This decrease is primarily attributable to the above referenced goodwill impairment charge as well as a gain of $0.06 per share from the sale of a land parcel in the fourth quarter of 2005.

Total revenues from continuing operations for the quarter were $517.9 million compared to $449.5 million in the fourth quarter of 2005. The primary components of this $68.4 million increase are the properties acquired in 2005 and 2006.

Year Ended December 31, 2006

For the year ended December 31, 2006, the company reported earnings of $3.50 per share compared to $2.79 per share in the same period of 2005.

FFO for the year ended December 31, 2006 were $2.27 per share compared to $2.52 per share in the same period of 2005.

Total revenues from continuing operations for the year ended December 31, 2006 were $2.0 billion compared to $1.7 billion in the same period of 2005.

Same-Store Results

On a same-store fourth quarter to fourth quarter comparison, which includes 133,988 units, revenues increased 5.3 percent, expenses increased 5.2 percent and NOI increased 5.4 percent. The increase in same-store revenues was driven primarily by continued increases in rental rate.

On a same-store year to year comparison, which includes 128,133 units, revenues increased 5.8 percent, expenses increased 4.0 percent and NOI increased 7.0 percent.

Portfolio Activity

During the fourth quarter of 2006, the company acquired seven properties, consisting of 1,288 units, for an aggregate purchase price of $311.1 million at an average capitalization (cap) rate of 4.4 percent, and three land parcels for $40.9 million.

Also during the quarter, the company sold, including its Lexford Housing Division, 295 properties, consisting of 28,947 units, for an aggregate sale price of $1.2 billion at an average cap rate of 7.3 percent generating an unlevered internal rate of return (IRR) of 14.1 percent. The average cap rate and IRR for the non-Lexford property sales were 6.1 percent and 10.1 percent, respectively. In addition, the company sold 240 condominium units for $45.3 million.

During 2006, the company acquired 35 properties, consisting of 8,768 units, for an aggregate purchase price of $1.75 billion at an average cap rate of 4.9 percent, and nine land parcels for $134.4 million.

During 2006, the company sold 335 properties, consisting of 39,608 units, for an aggregate sale price of $2.26 billion at an average cap rate of 6.4 percent generating an unlevered IRR of 13.1 percent. The average cap rate and IRR for the non-Lexford property sales were 5.5 percent and 11.9 percent, respectively. In addition, the company sold 1,069 condominium units for $216.0 million and two land parcels for $1.6 million.

Lexford Housing Division Sale

On October 5, 2006, Equity Residential completed the sale of its Lexford Housing Division, comprised of 289 properties consisting of 27,115 apartment units, for a cash purchase price of $1.086 billion.

First Quarter Results

Equity Residential expects to announce results for the first quarter of 2007 on Tuesday, May 1, 2007 and host a conference call to discuss those results at 10:00 a.m. CT on Wednesday, May 2, 2007.

Equity Residential is an S&P 500 company focused on the acquisition, development and management of high quality apartment properties in top U.S. growth markets. Equity Residential owns or has investments in 617 properties totaling 165,716 units. For more information on Equity Residential, please visit our website at www.equityresidential.com.

Forward-Looking Statements

In addition to historical information, this press release contains forward-looking statements and information within the meaning of the federal securities laws. These statements are based on current expectations, estimates, projections and assumptions made by management. While Equity Residential's management believes the assumptions underlying its forward-looking statements are reasonable, such information is inherently subject to uncertainties and may involve certain risks, including, without limitation, changes in general market conditions, including the rate of job growth and cost of labor and construction material, the level of new multifamily construction and development, competition and local government regulation. Other risks and uncertainties are 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. Many of these uncertainties and risks are difficult to predict and beyond management's control. Forward-looking statements are not guarantees of future performance, results or events. Equity Residential assumes no obligation to update or supplement forward-looking statements that become untrue because of subsequent events.

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A live web cast of the company's conference call discussing these results will take place tomorrow, Wednesday, February 7, 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)

	Year Ended December 31,		Quarter Ended December 31,	
	2006	2005	2006	2005
REVENUES				
Rental income	$ 1,981,335	$ 1,672,418	$ 515,657	$ 447,064
Fee and asset management	9,101	10,240	2,223	2,477
Total revenues	1,990,436	1,682,658	517,880	449,541
EXPENSES				
Property and maintenance	527,154	451,245	136,840	116,226
Real estate taxes and insurance	199,582	191,679	51,867	56,557
Property management	96,417	87,103	26,160	23,752
Fee and asset management	8,934	8,555	2,457	2,197
Depreciation	562,739	439,594	150,996	119,274
General and administrative	48,465	70,405	12,545	24,980
Impairment	34,002	613	32,284	94
Total expenses	1,477,293	1,249,194	413,149	343,080
Operating income	513,143	433,464	104,731	106,461
Interest and other income	31,131	68,399	19,461	3,575
Interest:				
Expense incurred, net	(427,952)	(362,347)	(108,760)	(97,346)
Amortization of deferred financing costs	(8,302)	(6,503)	(1,887)	(1,679)
Income before allocation to Minority Interests, (loss) income from investments in unconsolidated entities, net gain (loss) on sales of unconsolidated entities and land parcels and discontinued operations	108,020	133,013	13,545	11,011
Allocation to Minority Interests:				
Operating Partnership, net	(4,201)	(6,796)	(322)	(1,427)
Preference Interests and Units	(2,002)	(7,606)	(223)	(1,164)
Partially Owned Properties	(3,132)	801	(582)	129
Premium on redemption of Preference Interests	(684)	(4,134)	-	-
(Loss) income from investments in unconsolidated entities	(631)	470	(66)	920
Net gain on sales of unconsolidated entities	370	1,330	-	1,206
Net gain (loss) on sales of land parcels	2,792	30,245	(391)	19,879
Income from continuing operations, net of minority interests	100,532	147,323	11,961	30,554
Discontinued operations, net of minority interests	972,312	714,470	453,100	195,332
Net income	1,072,844	861,793	465,061	225,886
Preferred distributions	(37,113)	(49,642)	(7,431)	(10,638)
Premium on redemption of Preferred Shares	(3,965)	(4,359)	(24)	(43)
Net income available to Common Shares	$ 1,031,766	$ 807,792	$ 457,606	$ 215,205
Earnings per share - basic:				
Income from continuing operations available to Common Shares	$ 0.21	$ 0.33	$ 0.02	$ 0.07
Net income available to Common Shares	$ 3.56	$ 2.83	$ 1.57	$ 0.75
Weighted average Common Shares outstanding	290,019	285,760	291,669	287,033
Earnings per share - diluted:				
Income from continuing operations available to Common Shares	$ 0.20	$ 0.32	$ 0.02	$ 0.07
Net income available to Common Shares	$ 3.50	$ 2.79	$ 1.54	$ 0.74
Weighted average Common Shares outstanding	315,579	310,785	317,076	312,408
Distributions declared per Common Share outstanding	$ 1.79	$ 1.74	$ 0.4625	$ 0.4425

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

	Year Ended December 31,		Quarter Ended December 31,	
	2006	2005	2006	2005
Net income	$ 1,072,844	$ 861,793	$ 465,061	$ 225,886
Allocation to Minority Interests - Operating Partnership, net	4,201	6,796	322	1,427
Adjustments:				
Depreciation	562,739	439,594	150,996	119,274
Depreciation - Non-real estate additions	(7,840)	(5,541)	(2,225)	(1,772)
Depreciation - Partially Owned and Unconsolidated Properties	4,338	2,487	865	351
Net gain on sales of unconsolidated entities	(370)	(1,330)	-	(1,206)
Discontinued operations:				
Depreciation	29,779	89,153	914	18,481
Gain on sales of discontinued operations, net of minority interests (3)	(955,863)	(650,563)	(467,950)	(181,564)
Net incremental gain on sales of condominium units	45,800	91,611	14,369	34,944
Minority Interests - Operating Partnership	1,593	4,626	(606)	989
FFO (1)(2)	757,221	838,626	161,746	216,810
Preferred distributions	(37,113)	(49,642)	(7,431)	(10,638)
Premium on redemption of Preferred Shares	(3,965)	(4,359)	(24)	(43)
FFO available to Common Shares and OP Units - basic	$ 716,143	$ 784,625	$ 154,291	$ 206,129
FFO available to Common Shares and OP Units - diluted	$ 717,056	$ 785,818	$ 154,501	$ 206,387
FFO per share and OP Unit - basic	$ 2.31	$ 2.56	$ 0.49	$ 0.67
FFO per share and OP Unit - diluted	$ 2.27	$ 2.52	$ 0.49	$ 0.66
Weighted average Common Shares and OP Units outstanding - basic	310,452	306,579	311,757	307,792
Weighted average Common Shares and OP Units outstanding - diluted	316,168	311,553	317,620	313,071

(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.

(3) Gain on sales of discontinued operations, net of minority interests, has been reduced by approximately $4.5 million in one-time accrued retention benefits for the year ended December 31, 2006, related to the previously announced October 5, 2006 closing of the Lexford Housing Division disposition.

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

	December 31, 2006	December 31, 2005
ASSETS		
Investment in real estate		
Land	$ 3,217,672	$ 2,848,601
Depreciable property	13,376,359	13,336,636
Projects under development	386,917	240,980
Land held for development	254,227	164,153
Investment in real estate	17,235,175	16,590,370
Accumulated depreciation	(3,022,480)	(2,888,140)
Investment in real estate, net	14,212,695	13,702,230
Cash and cash equivalents	260,277	88,828
Investments in unconsolidated entities	4,448	6,838
Rents receivable	390	789
Deposits - restricted	391,825	77,093
Escrow deposits - mortgage	25,528	35,225
Deferred financing costs, net	43,384	40,636
Goodwill, net	-	30,000
Other assets	123,672	127,112
Total assets	**$ 15,062,219**	**$ 14,108,751**
LIABILITIES AND SHAREHOLDERS' EQUITY		
Liabilities:		
Mortgage notes payable	$ 3,178,223	$ 3,379,289
Notes, net	4,419,433	3,442,784
Lines of credit	460,000	769,000
Accounts payable and accrued expenses	100,605	115,543
Accrued interest payable	91,172	78,441
Rents received in advance and other liabilities	307,651	305,536
Security deposits	58,072	54,823
Distributions payable	151,382	145,812
Total liabilities	**8,766,538**	**8,291,228**
Commitments and contingencies		
Minority Interests:		
Operating Partnership	372,961	345,034
Preference Interests and Units	11,684	60,184
Partially Owned Properties	26,814	16,965
Total Minority Interests	**411,459**	**422,183**
Shareholders' equity:		
Preferred Shares of beneficial interest, $0.01 par value; 100,000,000 shares authorized; 2,762,950 shares issued and outstanding as of December 31, 2006 and 3,323,830 shares issued and outstanding as of December 31, 2005	386,574	504,096
Common Shares of beneficial interest, $0.01 par value; 1,000,000,000 shares authorized; 293,551,633 shares issued and outstanding as of December 31, 2006 and 289,536,344 shares issued and outstanding as of December 31, 2005	2,936	2,895
Paid in capital	5,349,194	5,253,188
Retained earnings (deficit)	159,528	(350,367)
Accumulated other comprehensive loss	(14,010)	(14,472)
Total shareholders' equity	**5,884,222**	**5,395,340**
Total liabilities and shareholders' equity	**$ 15,062,219**	**$ 14,108,751**

Portfolio Summary
As of December 31, 2006

	Markets	Properties	Units	% of Total Units	% of 2007 Stabilized NOI	Average Rental Rate (1)
1	New York Metro Area	18	5,443	3.3%	8.6%	$ 2,415
2	DC Northern Virginia	25	8,473	5.1%	7.4%	1,523
3	Los Angeles	35	7,321	4.4%	7.1%	1,628
4	South Florida	31	9,779	5.9%	7.0%	1,288
5	Seattle/Tacoma	48	11,083	6.7%	6.8%	1,128
6	Boston	37	6,889	4.2%	6.4%	1,504
7	Phoenix	40	11,381	6.9%	5.6%	922
8	San Francisco Bay Area	27	6,501	3.9%	5.0%	1,474
9	Denver	29	9,547	5.8%	4.7%	864
10	Atlanta	34	10,537	6.4%	4.5%	877
11	Orlando	23	7,231	4.4%	4.4%	1,039
12	San Diego	12	3,822	2.3%	3.7%	1,558
13	Dallas/Ft Worth	33	9,671	5.8%	3.4%	802
14	Inland Empire CA	14	4,355	2.6%	3.3%	1,319
15	New England (excl Boston)	41	5,823	3.5%	3.0%	1,068
16	Suburban Maryland	21	5,145	3.1%	2.9%	1,101
17	Orange County	8	3,013	1.8%	2.9%	1,517
18	Houston	16	4,806	2.9%	2.0%	864
19	Jacksonville	12	3,755	2.3%	1.7%	896
20	Portland OR	11	3,713	2.2%	1.6%	874
	Top 20 Total	**515**	**138,288**	**83.5%**	**92.0%**	**1,194**
21	Raleigh/Durham	17	4,392	2.7%	1.6%	729
22	Tampa/Ft Myers	10	3,141	1.9%	1.3%	930
23	Austin	12	3,671	2.2%	1.3%	791
24	Charlotte	11	3,391	2.0%	1.0%	640
25	Nashville	8	2,325	1.4%	0.9%	799
26	Central Valley CA	10	1,595	1.0%	0.5%	1,022
27	Minneapolis/St Paul	6	817	0.5%	0.4%	1,098
28	Other	16	3,871	2.3%	1.1%	867
	Total	**605**	**161,491**	**97.5%**	**100.0%**	**1,138**
	Condominium Conversion	11	670	0.4%	-	-
	Military Housing	1	3,555	2.1%	-	-
	Grand Total	**617**	**165,716**	**100.0%**	**100.0%**	**$ 1,138**

(1) Average rental rate is defined as total rental revenues divided by the weighted average occupied units for the month of December 2006.

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Portfolio as of December 31, 2006

	Properties	Units
Wholly Owned Properties	546	146,442
Partially Owned Properties:		
Consolidated	25	4,873
Unconsolidated	45	10,846
Military Housing (Fee Managed)	1	3,555
	617	165,716

Portfolio Rollforward Q4 2006

	Properties	Units	$ Millions	Cap Rate
9/30/2006	905	193,692		
Acquisitions:				
Rental Properties	7	1,288	$ 311.1	4.4%
Land Parcels (three)	-	-	$ 40.9	
Dispositions:				
Rental Properties (1)	(295)	(28,947)	$ (1,223.0)	7.3%
Condominium Units	-	(240)	$ (45.3)	
Configuration Changes	-	(77)		
12/31/2006	617	165,716		

Portfolio Rollforward 2006

	Properties	Units	$ Millions	Cap Rate
12/31/2005	926	197,404		
Acquisitions:				
Rental Properties	35	8,768	$ 1,753.1	4.9%
Land Parcels (nine)	-	-	$ 134.4	
Dispositions:				
Rental Properties (1)	(335)	(39,608)	$ (2,255.5)	6.4%
Condominium Units	(5)	(1,069)	$ (216.0)	
Land Parcels (two)	-	-	$ (1.6)	
Completed Developments	1	359		
Configuration Changes	(5)	(138)		
12/31/2006	617	165,716		

(1) Excluding the Lexford Housing Division, the cap rates were 6.1% and 5.5% for the quarter and year ended December 31, 2006, respectively.

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Fourth Quarter 2006 vs. Fourth Quarter 2005
Quarter over Quarter Same-Store Results/Statistics

$ in Thousands (except for Average Rental Rate) - 133,988 Same-Store Units

	Results			Statistics		
Description	Revenues	Expenses	NOI (1)	Average Rental Rate (2)	Occupancy	Turnover
Q4 2006	$ 431,841	$ 166,094	$ 265,747	$ 1,138	94.5%	(15.4%)
Q4 2005	$ 410,108	$ 157,909	$ 252,199	$ 1,083	94.4%	(15.2%)
Change	$ 21,733	$ 8,185	$ 13,548	$ 55	0.1%	(0.2%)
Change	5.3%	5.2%	5.4%	5.1%		

Fourth Quarter 2006 vs. Third Quarter 2006
Sequential Quarter over Quarter Same-Store Results/Statistics

$ in Thousands (except for Average Rental Rate) - 143,320 Same-Store Units

	Results			Statistics		
Description	Revenues	Expenses	NOI (1)	Average Rental Rate (2)	Occupancy	Turnover
Q4 2006	$ 474,358	$ 182,237	$ 292,121	$ 1,170	94.4%	(15.4%)
Q3 2006	$ 471,891	$ 183,709	$ 288,182	$ 1,162	94.6%	(18.8%)
Change	$ 2,467	$ (1,472)	$ 3,939	$ 8	(0.2%)	3.4%
Change	0.5%	(0.8%)	1.4%	0.7%		

2006 vs. 2005
Year over Year Same-Store Results/Statistics

$ in Thousands (except for Average Rental Rate) - 128,133 Same-Store Units

	Results			Statistics		
Description	Revenues	Expenses	NOI (1)	Average Rental Rate (2)	Occupancy	Turnover
2006	$ 1,612,529	$ 628,210	$ 984,319	$ 1,110	94.6%	(64.6%)
2005	$ 1,523,858	$ 604,318	$ 919,540	$ 1,050	94.6%	(65.5%)
Change	$ 88,671	$ 23,892	$ 64,779	$ 60	0.0%	0.9%
Change	5.8%	4.0%	7.0%	5.7%		

(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.

(2) Average rental rate is defined as total rental revenues divided by the weighted average occupied units for the period.

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Same-Store NOI Reconciliation

Fourth Quarter 2006 vs. Fourth Quarter 2005

The following table presents a reconciliation of operating income per the consolidated statements of operations to NOI for the Fourth Quarter 2006 Same-Store Properties:

	Quarter Ended December 31,	
	2006	2005
	(Amounts in thousands)	
Operating income	$ 104,731	$ 106,461
Adjustments:		
Non-same-store operating results	(35,043)	1,670
Fee and asset management revenue	(2,223)	(2,477)
Fee and asset management expense	2,457	2,197
Depreciation	150,996	119,274
General and administrative	12,545	24,980
Impairment	32,284	94
Same-store NOI	$ 265,747	$ 252,199

Same-Store NOI Reconciliation

2006 vs. 2005

The following table presents a reconciliation of operating income per the consolidated statements of operations to NOI for the 2006 Same-Store Properties:

	Year Ended December 31,	
	2006	2005
	(Amounts in thousands)	
Operating income	$ 513,143	$ 433,464
Adjustments:		
Non-same-store operating results	(173,863)	(22,851)
Fee and asset management revenue	(9,101)	(10,240)
Fee and asset management expense	8,934	8,555
Depreciation	562,739	439,594
General and administrative	48,465	70,405
Impairment	34,002	613
Same-store NOI	$ 984,319	$ 919,540

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Fourth Quarter 2006 vs. Fourth Quarter 2005

Same-Store Results by Market

	Markets	Units	4Q 2006 % of Actual NOI	4Q 2006 Average Rental Rate (1)	4Q 2006 Weighted Average Occupancy %	Increase (Decrease) from Prior Quarter: Revenues	Expenses	NOI	Average Rental Rate (1)	Occupancy
1	Los Angeles	6,221	7.5%	$ 1,657	95.1%	5.7%	3.2%	6.9%	5.6%	0.0%
2	Seattle/Tacoma	8,532	6.6%	1,189	93.4%	6.3%	9.0%	4.7%	6.4%	(0.2%)
3	Boston	5,761	6.5%	1,715	94.3%	1.0%	1.1%	1.0%	1.6%	(0.5%)
4	South Florida	7,662	6.5%	1,319	94.0%	6.1%	10.4%	3.5%	8.4%	(2.2%)
5	San Francisco Bay Area	5,990	6.2%	1,479	95.1%	5.9%	1.7%	8.2%	5.7%	0.1%
6	New York Metro Area	3,828	5.8%	2,149	96.0%	8.0%	3.7%	10.5%	7.1%	0.7%
7	Phoenix	9,247	5.8%	915	94.4%	10.2%	4.6%	13.7%	10.5%	(0.3%)
8	DC Northern Virginia	5,183	5.4%	1,456	94.2%	5.4%	11.9%	2.5%	4.9%	0.4%
9	Atlanta	8,465	4.6%	872	95.3%	4.7%	4.6%	4.8%	4.3%	0.3%
10	Denver	7,775	4.4%	837	94.9%	4.4%	4.6%	4.2%	2.9%	1.2%
11	Orlando	5,801	4.0%	1,042	94.1%	6.3%	13.4%	2.4%	6.7%	(0.5%)
12	San Diego	3,486	3.9%	1,536	95.7%	2.8%	0.8%	3.8%	3.5%	(0.6%)
13	Dallas/Ft Worth	8,091	3.7%	836	94.3%	3.4%	(2.1%)	9.1%	2.8%	0.4%
14	New England (excl Boston)	5,823	3.6%	1,059	94.6%	6.3%	9.9%	3.4%	2.8%	3.1%
15	Orange County	3,013	3.3%	1,515	95.9%	5.4%	8.2%	4.1%	5.3%	0.1%
16	Inland Empire, CA	3,504	3.3%	1,305	95.0%	4.2%	4.8%	3.9%	2.0%	1.9%
17	Suburban Maryland	4,629	3.0%	1,073	88.3%	0.3%	5.0%	(2.4%)	3.9%	(3.2%)
18	Houston	4,806	2.2%	868	94.3%	3.1%	3.8%	2.3%	4.5%	(1.5%)
19	Jacksonville	3,515	2.0%	902	94.2%	5.1%	6.9%	3.9%	4.2%	0.8%
20	Portland	3,409	1.9%	890	94.3%	7.6%	0.3%	13.1%	7.0%	0.3%
	Top 20 Markets	114,741	90.2%	1,188	94.3%	5.2%	5.2%	5.2%	5.1%	0.0%
	All Other Markets	19,247	9.8%	843	95.4%	6.0%	5.3%	6.5%	5.0%	0.8%
	Total	133,988	100.0%	$ 1,138	94.5%	5.3%	5.2%	5.4%	5.1%	0.1%

(1) Average rental rate is defined as total rental revenues divided by the weighted average occupied units for the period.

Fourth Quarter 2006 vs. Third Quarter 2006

Sequential Same-Store Results by Market

	Markets	Units	4Q 2006 % of Actual NOI	4Q 2006 Average Rental Rate (1)	4Q 2006 Weighted Average Occupancy %	Increase (Decrease) from Prior Quarter: Revenues	Expenses	NOI	Average Rental Rate (1)	Occupancy
1	New York Metro Area	5,288	8.6%	$ 2,510	96.6%	1.1%	4.2%	(0.5%)	1.4%	(0.3%)
2	Los Angeles	6,754	7.2%	1,636	94.8%	0.1%	(1.1%)	0.7%	0.9%	(0.7%)
3	South Florida	9,347	7.0%	1,314	93.5%	2.4%	0.8%	3.6%	0.3%	1.8%
4	Boston	6,109	6.4%	1,727	93.9%	1.4%	(1.8%)	3.4%	2.2%	(0.7%)
5	DC Northern Virginia	7,068	6.4%	1,445	93.2%	(1.3%)	7.3%	(5.4%)	0.1%	(1.4%)
6	Seattle/Tacoma	8,863	6.2%	1,192	93.5%	0.3%	(0.4%)	0.8%	(0.2%)	0.4%
7	San Francisco Bay Area	5,990	5.6%	1,479	95.1%	0.0%	(0.6%)	0.3%	0.6%	(0.6%)
8	Phoenix	9,247	5.2%	915	94.4%	1.2%	(5.8%)	5.7%	1.4%	(0.2%)
9	Atlanta	9,353	4.8%	900	95.0%	0.9%	(0.3%)	1.8%	1.4%	(0.4%)
10	Denver	8,111	4.2%	837	95.0%	(0.2%)	(1.2%)	0.5%	(0.3%)	0.1%
11	Orlando	6,473	4.1%	1,045	94.0%	(0.6%)	(0.8%)	(0.4%)	0.3%	(0.8%)
12	San Diego	3,822	3.9%	1,543	95.8%	0.1%	(5.7%)	3.4%	(0.3%)	0.4%
13	Dallas/Ft Worth	8,241	3.4%	843	94.3%	(0.5%)	0.8%	(1.6%)	(0.1%)	(0.3%)
14	New England (excl Boston)	5,823	3.2%	1,059	94.6%	1.0%	4.0%	(1.4%)	1.0%	(0.1%)
15	Inland Empire, CA	3,712	3.2%	1,298	95.2%	1.6%	(12.6%)	9.8%	0.4%	1.1%
16	Orange County	3,013	3.0%	1,515	95.9%	0.7%	(2.9%)	2.6%	0.8%	(0.1%)
17	Suburban Maryland	4,837	2.8%	1,069	88.3%	(2.7%)	(1.4%)	(3.5%)	1.2%	(3.6%)
18	Houston	4,806	2.0%	868	94.3%	0.2%	3.3%	(2.6%)	(0.2%)	0.4%
19	Jacksonville	3,515	1.9%	902	94.2%	1.3%	(0.1%)	2.3%	1.6%	(0.2%)
20	Raleigh/Durham	4,000	1.8%	748	95.9%	2.8%	(9.0%)	12.4%	1.9%	0.8%
	Top 20 Markets	124,372	90.9%	1,216	94.3%	0.5%	(0.5%)	1.1%	0.7%	(0.2%)
	All Other Markets	18,948	9.1%	871	95.1%	0.6%	(3.4%)	3.9%	0.6%	0.1%
	Total	143,320	100.0%	$ 1,170	94.4%	0.5%	(0.8%)	1.4%	0.7%	(0.2%)

(1) Average rental rate is defined as total rental revenues divided by the weighted average occupied units for the period.

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2006 vs. 2005

Same-Store Results by Market

	Markets	Units	2006 % of Actual NOI	2006 Average Rental Rate (1)	2006 Weighted Average Occupancy %	Increase (Decrease) from Prior Year: Revenues	Expenses	NOI	Average Rental Rate (1)	Occupancy
1	Los Angeles	6,079	7.7%	$ 1,638	94.7%	6.5%	4.0%	7.8%	6.9%	(0.5%)
2	Boston	5,761	6.8%	1,690	94.1%	2.4%	4.7%	1.0%	2.5%	(0.1%)
3	South Florida	7,398	6.7%	1,300	93.9%	8.9%	5.8%	11.0%	10.4%	(1.4%)
4	San Francisco Bay Area	5,990	6.5%	1,445	95.6%	5.7%	2.7%	7.4%	5.5%	0.0%
5	Phoenix	9,247	5.9%	885	94.8%	11.2%	2.9%	16.7%	10.6%	0.4%
6	DC Northern Virginia	5,183	5.9%	1,424	95.1%	6.1%	4.7%	6.8%	5.6%	0.3%
7	New York Metro Area	3,406	5.7%	2,169	96.4%	8.1%	1.0%	12.3%	7.7%	0.3%
8	Seattle/Tacoma	7,153	5.0%	1,015	94.2%	6.6%	5.7%	7.3%	7.4%	(0.8%)
9	Atlanta	8,263	4.7%	844	95.1%	3.8%	3.6%	4.0%	3.7%	(0.1%)
10	Denver	6,921	4.2%	816	94.9%	3.8%	3.3%	4.1%	3.1%	0.4%
11	San Diego	3,486	4.1%	1,528	94.8%	4.3%	5.7%	3.6%	5.1%	(0.7%)
12	Dallas/Ft Worth	7,904	3.9%	825	94.5%	4.1%	(1.8%)	10.2%	4.1%	(0.1%)
13	Orlando	5,151	3.8%	1,009	94.7%	8.8%	6.9%	10.0%	9.4%	(0.7%)
14	New England (excl Boston)	5,823	3.7%	1,040	93.6%	2.9%	7.7%	(1.0%)	2.3%	0.5%
15	Orange County	3,013	3.5%	1,491	95.3%	6.7%	7.0%	6.6%	6.7%	0.0%
16	Inland Empire, CA	3,504	3.4%	1,295	93.6%	4.4%	5.4%	3.9%	4.8%	(0.4%)
17	Suburban Maryland	4,325	3.1%	1,056	92.1%	2.4%	6.5%	(0.1%)	3.4%	(0.9%)
18	Houston	4,806	2.4%	859	94.0%	5.7%	1.7%	9.9%	4.9%	0.5%
19	Portland	3,409	2.0%	865	95.1%	5.4%	3.1%	7.1%	4.3%	0.8%
20	Tampa	2,581	1.6%	927	94.4%	9.4%	7.9%	10.6%	9.1%	(0.1%)
	Top 20 Markets	109,403	90.6%	1,161	94.5%	5.9%	4.1%	7.0%	5.9%	(0.1%)
	All Other Markets	18,730	9.4%	813	94.9%	5.4%	2.8%	7.5%	4.6%	0.6%
	Total	128,133	100.0%	$ 1,110	94.6%	5.8%	4.0%	7.0%	5.7%	0.0%

(1) Average rental rate is defined as total rental revenues divided by the weighted average occupied units for the period.

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Debt Summary as of December 31, 2006
(Amounts in thousands)

	Amounts (1)	% of Total	Weighted Average Rates (1)	Weighted Average Maturities (years)
Secured	$ 3,178,223	39.4%	5.82%	6.4
Unsecured	4,879,433	60.6%	5.84%	6.6
Total	$ 8,057,656	100.0%	5.83%	6.5
Fixed Rate Debt:				
Secured - Conventional	$ 2,286,529	28.4%	6.30%	4.4
Secured - Tax Exempt	18,260	0.2%	6.39%	18.3
Unsecured - Public/Private	4,158,043	51.6%	5.90%	6.9
Unsecured - Tax Exempt	111,390	1.4%	5.06%	22.3
Fixed Rate Debt	6,574,222	81.6%	6.04%	6.3
Floating Rate Debt:				
Secured - Conventional	338,278	4.2%	6.31%	2.4
Secured - Tax Exempt	535,156	6.6%	3.45%	17.4
Unsecured - Public	150,000	1.9%	6.13%	2.4
Unsecured - Revolving Credit Facilities	460,000	5.7%	5.40%	1.4
Floating Rate Debt	1,483,434	18.4%	4.90%	7.5
Total	$ 8,057,656	100.0%	5.83%	6.5

(1) Net of the effect of any derivative instruments. Weighted average rates are for the year ended December 31, 2006.

Debt Maturity Schedule as of December 31, 2006
(Amounts in thousands)

Year		Fixed Rate (1)	Floating Rate (1)	Total	% of Total	Weighted Average Rates on Fixed Rate Debt (1)	Weighted Average Rates on Total Debt (1)
2007		$ 360,411	$ 101,052	$ 461,463	5.7%	6.34%	6.51%
2008	(2)	520,499	489,335	1,009,834	12.5%	6.71%	6.17%
2009		452,953	382,564	835,517	10.4%	6.37%	5.36%
2010		279,323	-	279,323	3.5%	7.05%	7.05%
2011	(3)	1,448,445	24,150	1,472,595	18.3%	5.52%	5.50%
2012		558,396	-	558,396	6.9%	6.48%	6.48%
2013		567,355	-	567,355	7.1%	5.93%	5.93%
2014		504,141	34,460	538,601	6.7%	5.27%	5.26%
2015		316,459	-	316,459	3.9%	6.53%	6.53%
2016		1,089,170	-	1,089,170	13.5%	5.32%	5.32%
2017+		477,070	451,873	928,943	11.5%	6.70%	5.88%
Total		$ 6,574,222	$ 1,483,434	$ 8,057,656	100.0%	5.98%	5.82%

(1) Net of the effect of any derivative instruments. Weighted average rates are as of December 31, 2006.

(2) Includes $460.0 million outstanding on the Company's $1.0 billion unsecured revolving credit facility, which matures on May 29, 2008.

(3) Includes $650.0 million of 3.85% convertible unsecured debt with a final maturity of 2026. The notes are callable by the Company on or after August 18, 2011. The notes are putable by the holders on August 18, 2011, August 15, 2016 and August 15, 2021.

Unsecured Debt Summary as of December 31, 2006
(Amounts in thousands)

	Coupon Rate	Due Date		Face Amount	Unamortized Premium/ (Discount)	Net Balance
Fixed Rate Notes:						
	7.625%	04/15/07		$ 50,000	$ 51	$ 50,051
	6.900%	08/01/07		50,000	(14)	49,986
	7.540%	09/01/07	(1)	4,286	-	4,286
	4.861%	11/30/07		50,000	-	50,000
	7.500%	08/15/08	(1)	130,000	-	130,000
	4.750%	06/15/09	(2)	300,000	(674)	299,326
	6.950%	03/02/11		300,000	3,632	303,632
	6.625%	03/15/12		400,000	(1,529)	398,471
	5.200%	04/01/13		400,000	(740)	399,260
	5.250%	09/15/14		500,000	(474)	499,526
	6.584%	04/13/15		300,000	(919)	299,081
	5.125%	03/15/16		500,000	(493)	499,507
	5.375%	08/01/16		400,000	(1,778)	398,222
	7.125%	10/15/17		150,000	(700)	149,300
	7.570%	08/15/26		140,000	-	140,000
	3.850%	08/15/26	(3)	650,000	(7,990)	642,010
Floating Rate Adjustments			(2)	(150,000)	-	(150,000)
FAS 133 Adjustments - net			(2)	(4,615)	-	(4,615)
				4,169,671	(11,628)	4,158,043
Fixed Rate Tax Exempt Notes:						
	4.750%	12/15/28	(1)	35,600	-	35,600
	5.200%	06/15/29	(1)	75,790	-	75,790
				111,390	-	111,390
Floating Rate Notes:		06/15/09	(2)	150,000	-	150,000
Revolving Credit Facilities:		05/29/08	(4)	460,000	-	460,000
Total Unsecured Debt				$ 4,891,061	$ (11,628)	$ 4,879,433

(1) Notes are private. All other unsecured debt is public.

(2) $150.0 million in fair value interest rate swaps converts 50% of the 4.750% Notes due June 15, 2009 to a floating interest rate.

(3) Convertible notes mature on August 15, 2026. The notes are callable by the Company on or after August 18, 2011. The notes are putable by the holders on August 18, 2011, August 15, 2016 and August 15, 2021.

(4) Represents amount outstanding on the Company's $1.0 billion unsecured revolving credit facility.

Selected Unsecured Public Debt Covenants

	December 31, 2006	December 31, 2005
Total Debt to Adjusted Total Assets (not to exceed 60%)	44.6%	44.9%
Secured Debt to Adjusted Total Assets (not to exceed 40%)	17.6%	20.0%
Consolidated Income Available for Debt Service to Maximum Annual Service Charges (must be at least 1.5 to 1)	2.59	2.89
Total Unsecured Assets to Unsecured Debt (must be at least 150%)	250.6%	261.4%

These selected covenants relate to ERP Operating Limited Partnership's ("ERPOP") outstanding unsecured public debt. Equity Residential is the general partner of ERPOP.

Capital Structure as of December 31, 2006
(Amounts in thousands except for share and per share amounts)

Secured Debt			$	3,178,223	39.4%	
Unsecured Debt				4,419,433	54.9%	
Lines of Credit				460,000	5.7%	
Total Debt				**8,057,656**	**100.0%**	**33.0%**
Common Shares	293,551,633	93.6%				
OP Units	19,914,583	6.4%				
Total Shares and OP Units	313,466,216	100.0%				
Common Share Equivalents (see below)	856,602					
Total outstanding at quarter-end	314,322,818					
Common Share Price at December 31, 2006	$ 50.75					
				15,951,883	97.7%	
Perpetual Preferred Equity (see below)				375,000	2.3%	
Total Equity				**16,326,883**	**100.0%**	**67.0%**
Total Market Capitalization			**$**	**24,384,539**		**100.0%**

Convertible Preferred Equity as of December 31, 2006
(Amounts in thousands except for share and per share amounts)

Series	Redemption Date	Outstanding Shares/Units	Liquidation Value	Annual Dividend Per Share/Unit	Annual Dividend Amount	Weighted Average Rate	Conversion Ratio	Common Share Equivalents
Preferred Shares:								
7.00% Series E	11/1/98	434,816	$ 10,871	$ 1.75	$ 761		1.1128	483,863
7.00% Series H	6/30/98	28,134	703	1.75	49		1.4480	40,738
Preference Interests:								
7.625% Series J	12/14/06	230,000	11,500	3.8125	877		1.4108	324,484
Junior Preference Units:								
8.00% Series B	7/29/09	7,367	184	2.00	15		1.020408	7,517
Total Convertible Preferred Equity		700,317	$ 23,258		$ 1,702	7.32%		856,602

Perpetual Preferred Equity as of December 31, 2006

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

Series	Redemption Date	Outstanding Shares/Units	Liquidation Value	Annual Dividend Per Share/Unit	Annual Dividend Amount	Weighted Average Rate
Preferred Shares:						
8.60% Series D	7/15/07	700,000	$ 175,000	$ 21.50	$ 15,050	
8.29% Series K	12/10/26	1,000,000	50,000	4.145	4,145	
6.48% Series N	6/19/08	600,000	150,000	16.20	9,720	
Total Perpetual Preferred Equity		2,300,000	$ 375,000		$ 28,915	7.71%

Common Share and Operating Partnership Unit (OP Unit)
Weighted Average Amounts Outstanding

	2006	2005	4Q06	4Q05
Weighted Average Amounts Outstanding for Net Income Purposes:				
Common Shares - basic	290,018,793	285,760,114	291,668,842	287,032,842
Shares issuable from assumed conversion/vesting of:				
- OP Units	20,433,196	20,819,217	20,088,178	20,758,907
- share options/restricted shares	5,127,102	4,205,901	5,318,852	4,616,552
Total Common Shares and OP Units - diluted	315,579,091	310,785,232	317,075,872	312,408,301
Weighted Average Amounts Outstanding for FFO Purposes:				
Common Shares - basic	290,018,793	285,760,114	291,668,842	287,032,842
OP Units - basic	20,433,196	20,819,217	20,088,178	20,758,907
Total Common Shares and OP Units - basic	310,451,989	306,579,331	311,757,020	307,791,749
Shares issuable from assumed conversion/vesting of:				
- convertible preferred shares/units	588,838	767,878	544,086	662,414
- share options/restricted shares	5,127,102	4,205,901	5,318,852	4,616,552
Total Common Shares and OP Units - diluted	316,167,929	311,553,110	317,619,958	313,070,715
Period Ending Amounts Outstanding:				
Common Shares	293,551,633			
OP Units	19,914,583			
Total Common Shares and OP Units	313,466,216			

Partially Owned Entities as of December 31, 2006
(Amounts in thousands except for project and unit amounts)

		Consolidated				Unconsolidated
		Development Projects				
		Held for and/or Under Development	Completed and Stabilized	Other	Total	Institutional Joint Ventures
Total projects	(1)	-	4	21	25	45
Total units	(1)	-	977	3,896	4,873	10,846
Operating information for the year ended 12/31/06 (at 100%):						
Operating revenue		$ 11	$ 15,809	$ 53,632	$ 69,452	$ 100,123
Operating expenses		1,818	5,968	18,653	26,439	45,072
Net operating income (loss)		(1,807)	9,841	34,979	43,013	55,051
Depreciation		-	5,800	13,951	19,751	21,017
Other		789	-	(734)	55	348
Operating income (loss)		(2,596)	4,041	21,762	23,207	33,686
Interest and other income		11,599	121	1,219	12,939	597
Interest:						
Expense incurred, net		(997)	(3,405)	(20,081)	(24,483)	(37,443)
Amortization of deferred financing costs		-	(47)	(110)	(157)	(617)
Net income (loss)		$ 8,006	$ 710	$ 2,790	$ 11,506	$ (3,777)
Debt - Secured (2):						
EQR Ownership (3)		$ 159,154	$ 61,000	$ 287,022	$ 507,176	$ 121,200
Minority Ownership		-	-	13,321	13,321	363,600
Total (at 100%)		$ 159,154	$ 61,000	$ 300,343	$ 520,497	$ 484,800

(1) Project and unit counts exclude all uncompleted development projects until those projects are completed. See the Consolidated Development Projects schedule for more detail.

(2) All debt is non-recourse to the Company with the exception of $28.3 million in mortgage bonds on one development project.

(3) Represents the Company's economic ownership interest.

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Consolidated Development Projects as of December 31, 2006
(Amounts in thousands except for project and unit amounts)

Projects	Location	No. of Units	Total Capital Cost (1)	Total Book Value To Date	Total Book Value Not Placed in Service	Total Debt	Percentage Completed	Percentage Leased	Percentage Occupied	Estimated Completion Date	Estimated Stabilization Date
Projects Under Development - Wholly Owned:											
Bella Vista III	Woodland Hills, CA	264	$ 73,336	$ 59,682	$ 59,682	$ -	81%	3%	-	2Q 2007	4Q 2007
Highland Glen II	Westwood, MA	102	21,620	7,069	7,069	1,384	43%	-	-	2Q 2007	1Q 2008
Emerson/CRP II	Boston, MA	310	167,953	42,597	42,597	-	33%	-	-	2Q 2008	1Q 2009
Redmond Ridge	Redmond, WA	321	55,457	13,648	13,648	-	12%	-	-	2Q 2008	3Q 2010
77 Hudson	Jersey City, NJ	481	242,129	43,821	43,821	-	9%	-	-	2Q 2009	4Q 2010
Projects Under Development - Wholly Owned		1,478	560,495	166,817	166,817	1,384					
Projects Under Development - Partially Owned:											
Mozaic (a.k.a. Union Station)	Los Angeles, CA	272	69,661	64,852	42,757	39,787	98%	18%	11%	1Q 2007	1Q 2008
Vintage	Ontario, CA	300	53,810	45,143	45,143	40,775	80%	22%	14%	3Q 2007	1Q 2008
Silver Spring	Silver Spring, MD	457	147,454	40,684	40,684	-	14%	-	-	4Q 2008	3Q 2010
303 Third Street	Cambridge, MA	531	248,307	55,878	55,878	-	7%	-	-	3Q 2008	1Q 2010
City Lofts	Chicago, IL	278	71,109	13,848	13,848	-	6%	-	-	3Q 2008	2Q 2009
Alta Pacific (2)	Irvine, CA	132	46,416	21,790	21,790	28,260	22%	-	-	4Q 2007	3Q 2008
Projects Under Development - Partially Owned		1,970	636,757	242,195	220,100	108,822					
Projects Under Development		**3,448**	**1,197,252**	**409,012**	**386,917**	**110,206**					
Land Held for Development		**N/A**	**-**	**254,227**	**254,227**	**50,332**					
Land/Projects Held for and/or Under Development		**3,448**	**1,197,252**	**663,239**	**641,144**	**160,538**					
Completed Not Stabilized:											
2400 M St (3)	Washington, D.C.	359	111,947	107,888	-	75,936	100%	65%	58%	Completed	3Q 2007
Projects Completed Not Stabilized		**359**	**111,947**	**107,888**	**-**	**75,936**					
Completed and Stabilized During the Quarter:											
Projects Completed and Stabilized During the Quarter		**-**	**-**	**-**	**-**	**-**					
Total Projects		**3,807**	**$ 1,309,199**	**$ 771,127**	**$ 641,144**	**$ 236,474**					

NOI CONTRIBUTION FROM DEVELOPMENT PROJECTS	Total Capital Cost (1)	Q4 2006 NOI
Projects Under Development	$ 1,197,252	$ (456)
Completed Not Stabilized	111,947	924
Completed and Stabilized During the Quarter	-	-
Total Development/Newly Stabilized NOI Contribution	$ 1,309,199	$ 468

(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 projects, all in accordance with GAAP.

(2) Debt is primarily tax-exempt bonds that are entirely outstanding, with $18.8 million unfunded and classified as deposits - restricted in the consolidated balance sheets at 12/31/06.

(3) EQR acquired its partner's interest on 4/28/2006 and now wholly-owns the property. Total Book Value to Date does not include additional purchase consideration of $30.7MM.

Consolidated Condominium Conversion Projects as of December 31, 2006
(Amounts in thousands except for project and unit amounts)

				Units				2006 YTD Activity			4Q 2006		
						Available for Sale							
Projects	**Location**	**Project Start Date (1)**	**Estimated Close Out Date**	**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													
Fairway Greens	Pembroke Pines, FL	Q1 2005	Q1 2007	152	150	-	2	47	$ 9,517	$ 2,428	2	$ 432	$ 105
Timber Ridge	Woodinville, WA	Q1 2005	Q1 2007	203	199	-	4	171	32,290	9,312	24	4,905	1,538
Milano Terrace	Scottsdale, AZ	Q2 2005	Q3 2007	224	153	13	58	143	33,246	8,789	28	6,118	908
Braewood	Bothell, WA	Q2 2005	Q1 2007	84	82	-	2	82	18,233	4,990	12	2,952	536
South Palm Place	Tamarac, FL	Q2 2005	Q3 2007	208	109	8	91	109	20,757	3,102	28	5,848	736
Chantecleer Lakes	Naperville, IL	Q4 2005	Q4 2007	304	206	5	93	206	32,107	5,510	54	8,778	1,628
Fifth Avenue North (2)	Seattle, WA	Q2 2005	Q1 2007	62	56	2	4	56	16,082	3,210	6	2,112	9
Parkside	Seattle, WA	Q4 2005	Q2 2007	44	36	-	8	36	9,631	1,241	8	2,681	(87)
Park Bloomingdale	Bloomingdale, IL	Q2 2006	Q1 2008	250	78	12	160	78	11,485	1,793	78	11,485	1,793
Pacific Cove	Playa Del Ray, CA	Q3 2006	Q4 2007	80	-	-	80	-	-	-	-	-	-
Belle Arts	Bellevue, WA	Q4 2006	Q1 2008	128	-	-	128	-	-	-	-	-	-
				1,739	**1,069**	**40**	**630**	**928**	**183,348**	**40,375**	**240**	**45,311**	**7,166**
Closed Out													
Tuscany Villas	Scottsdale, AZ	Q4 2004	Q1 2006	180	180	-	-	2	331	(85)	-	-	(184)
Venetian I & II	Phoenix, AZ	Q1 2004	Q1 2006	264	264	-	-	1	204	(190)	-	-	(24)
Four Lakes	Lisle, IL	Q4 2001	Q2 2006	942	942	-	-	46	7,688	815	-	-	(74)
Atlas (3)	Washington, DC	Q4 2004	Q2 2006	141	141	-	-	6	3,006	401	-	-	(15)
Grand Marquis	Plantation, FL	Q4 2004	Q2 2006	198	198	-	-	16	2,998	549	-	-	32
Magnuson Pointe	Seattle, WA	Q1 2005	Q3 2006	105	105	-	-	70	18,397	5,892	-	-	(348)
Projects closed out prior to 2006				1,914	1,914	-	-	-	-	1,204	-	-	(9)
				3,744	**3,744**	**-**	**-**	**141**	**32,624**	**8,586**	**-**	**-**	**(622)**
Other miscellaneous adjustments				-	-	-	-	-	-	-	-	-	**(180)**
Totals			**17**	**5,483**	**4,813**	**40**	**630**	**1,069**	**$ 215,972**	**$ 48,961**	**240**	**$ 45,311**	**$ 6,364**

	2006 YTD	4Q 2006
Gross incremental gain on sales of condominium units	**$ 48,961**	**$ 6,364**
Provision for income taxes	**(3,161)**	**8,005**
Net incremental gain on sales of condominium units	**45,800**	**14,369**
Property management and general and administrative expenses	**(5,902)**	**(1,458)**
Discontinued operating income (loss)	**(5,018)**	**(1,564)**
Operating income (loss) of halted conversions	**731**	**(2,198)**
Net Income - Condominium Division (4)	**$ 35,611**	**$ 9,149**

(1) Project start date represents the date that each respective property was acquired by the taxable REIT subsidiary and included in discontinued operations.
(2) Includes the sale of 3,744 square feet of retail space, which amounted to a gain of $89,100 on proceeds of $956,500.
(3) Partially owned project; incremental gain on sale represents portion attributable to the Company.
(4) Excludes interest income, interest expense and certain other items specific to condominium conversion projects that ultimately eliminate in consolidation. Also excludes depreciation expense on halted conversions (active conversions are not depreciated).

Maintenance Expenses and Capitalized Improvements to Real Estate
For the Year Ended December 31, 2006
(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	Total	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)	115,152	$ 80,984	$ 703	$ 70,012	$ 608	$ 150,996	$ 1,311	$ 46,094	$ 400	$ 81,127	$ 705	$ 127,221	$ 1,105	$ 278,217	$ 2,416
New Acquisition Properties (7)	29,512	22,008	805	15,335	561	37,343	1,366	9,194	336	35,854	1,311	45,048	1,647	82,391	3,013
Other (8)	6,651	20,916		16,804		37,720		30,384		52,527		82,911		120,631	
Total	151,315	$ 123,908		$ 102,151		$ 226,059		$ 85,672		$ 169,508		$ 255,180		$ 481,239	

(1) Total units exclude 10,846 unconsolidated units and 3,555 military housing (fee managed) 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 appliances, mechanical equipment, fixtures and flooring, including carpeting.

(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, 2004.

(7) Wholly Owned Properties acquired during 2004, 2005 and 2006. Per unit amounts are based on a weighted average of 27,346 units.

(8) Includes properties either Partially Owned or sold during the period, commercial space, condominium conversions and $21.4 million included in building improvements spent on seventeen specific assets related to major renovations and repositioning of these assets.

EQUITY RESIDENTIAL

Discontinued Operations
(Amounts in thousands)

	Year Ended December 31,		Quarter Ended December 31,	
	2006	**2005**	**2006**	**2005**
REVENUES				
Rental income	$ 173,907	$ 365,492	$ 5,847	$ 77,585
Fee and asset management	-	908	-	215
Total revenues	173,907	366,400	5,847	77,800
EXPENSES (1)				
Property and maintenance	65,871	120,104	4,369	26,846
Real estate taxes and insurance	20,028	46,069	(313)	9,722
Property management	8,695	10,409	(23)	2,574
Depreciation	29,898	89,364	914	18,533
General and administrative	579	1,142	(80)	218
Impairment	351	-	-	-
Total expenses	125,422	267,088	4,867	57,893
Discontinued operating income	48,485	99,312	980	19,907
Interest and other income	1,507	1,411	(10)	554
Interest (2):				
Expense incurred, net	(24,918)	(31,527)	(10,071)	(5,687)
Amortization of deferred financing costs	(832)	(663)	(155)	(17)
Discontinued operations	24,242	68,533	(9,256)	14,757
Minority Interests - Operating Partnership	(1,593)	(4,626)	606	(989)
Discontinued operations, net of minority interests	22,649	63,907	(8,650)	13,768
Net gain on sales of discontinued operations	1,016,443	697,655	494,115	194,602
Minority Interests - Operating Partnership	(66,780)	(47,092)	(32,365)	(13,038)
Gain on sales of discontinued operations, net of minority interests	949,663	650,563	461,750	181,564
Discontinued operations, net of minority interests	$ 972,312	$ 714,470	$ 453,100	$ 195,332

Note: Discontinued operations includes the Lexford Housing Division.

(1) Includes expenses paid in the current period for properties sold or held for sale 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 and/or held for sale.

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.

2007 Earnings Guidance (per share diluted)

	Q1 2007	2007
Expected EPS (1)	$0.69 to $0.73	$3.01 to $3.11
Add: Expected depreciation expense	0.47	1.96
Less: Expected net gain on sales (1)	(0.68)	(2.72)
Expected FFO (2)	$0.48 to $0.52	$2.25 to $2.35

Same-Store Assumptions

	2007
Physical occupancy	95.0%
Revenue change	5.00% to 6.00%
Expense change	3.50% to 4.50%
NOI change	5.50% to 7.50%
Acquisitions	$2.0 billion
Dispositions	$2.0 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.