

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

FORM 10-K

<input checked="" type="checkbox"/>	ANNUAL REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934
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For the Fiscal Year Ended December 31, 2023
OR

<input type="checkbox"/>	TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934
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For the transition period from _____ to _____
Commission File Number: 1-12252 (Equity Residential)
Commission File Number: 0-24920 (ERP Operating Limited Partnership)

EQUITY RESIDENTIAL
ERP OPERATING LIMITED PARTNERSHIP
(Exact name of registrant as specified in its charter)

Maryland (Equity Residential)	13-3675988 (Equity Residential)
Illinois (ERP Operating Limited Partnership)	36-3894853 (ERP Operating Limited Partnership)
(State or other jurisdiction of incorporation or organization)	(I.R.S. Employer Identification No.)
Two North Riverside Plaza, Chicago, Illinois 60606	(312) 474-1300
(Address of principal executive offices) (Zip Code)	(Registrant's telephone number, including area code)

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

Title of each class	Trading Symbol(s)	Name of each exchange on which registered
Common Shares of Beneficial Interest, \$0.01 Par Value (Equity Residential)	EQR	New York Stock Exchange
7.57% Notes due August 15, 2026 (ERP Operating Limited Partnership)	N/A	New York Stock Exchange

Securities registered pursuant to Section 12(g) of the Act:
None (Equity Residential)

Units of Limited Partnership Interest (ERP Operating Limited Partnership)

(Title of each class)

Indicate by check mark if the registrant is a well-known seasoned issuer, as defined in Rule 405 of the Securities Act.

Equity Residential Yes <input checked="" type="checkbox"/> No <input type="checkbox"/>	ERP Operating Limited Partnership Yes <input checked="" type="checkbox"/> No <input type="checkbox"/>
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Indicate by check mark if the registrant is not required to file reports pursuant to Section 13 or Section 15(d) of the Act.

Equity Residential Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>	ERP Operating Limited Partnership Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>
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Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days.

Equity Residential Yes <input checked="" type="checkbox"/> No <input type="checkbox"/>	ERP Operating Limited Partnership Yes <input checked="" type="checkbox"/> No <input type="checkbox"/>
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Indicate by check mark whether the registrant has submitted electronically every Interactive Data File required to be submitted pursuant to Rule 405 of Regulation S-T (§ 232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit such files).

Equity Residential Yes <input checked="" type="checkbox"/> No <input type="checkbox"/>	ERP Operating Limited Partnership Yes <input checked="" type="checkbox"/> No <input type="checkbox"/>
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Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, a smaller reporting company, or an emerging growth company. See the definitions of “large accelerated filer,” “accelerated filer,” “smaller reporting company,” and “emerging growth company” in Rule 12b-2 of the Exchange Act.

Equity Residential:			
Large accelerated filer		<input checked="" type="checkbox"/>	Accelerated filer
Non-accelerated filer		<input type="checkbox"/>	Smaller reporting company
Emerging growth company		<input type="checkbox"/>	

ERP Operating Limited Partnership:		
Large accelerated filer	<input type="checkbox"/>	Accelerated filer
Non-accelerated filer	<input checked="" type="checkbox"/>	Smaller reporting company
Emerging growth company	<input type="checkbox"/>	

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

Equity Residential	<input type="checkbox"/>	ERP Operating Limited Partnership
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Indicate by check mark whether the registrant has filed a report on and attestation to its management’s assessment of the effectiveness of its internal control over financial reporting under Section 404(b) of the Sarbanes-Oxley Act (15 U.S.C. 7262(b)) by the registered public accounting firm that prepared or issued its audit report.

Equity Residential		<input checked="" type="checkbox"/>		ERP Operating Limited Partnershi
If securities are registered pursuant to Section 12(b) of the Act, indicate by check mark whether the financial statements of the registrant included in the filing reflect the correction of an error to previous financial statements.				
Equity Residential		<input type="checkbox"/>		ERP Operating Limited Partnershi
Indicate by check mark whether any of those error corrections are restatements that required a recovery analysis of incentive-based compensation received by any of the registrant's executive officers during the recovery period pursuant to §240.10D-1(b).				
Equity Residential		<input type="checkbox"/>		ERP Operating Limited Partnershi

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

Equity Residential	Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>	ERP Operating Limited Partnership	Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>
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The aggregate market value of Common Shares held by non-affiliates of the Registrant was approximately \$25.0 billion based upon the closing price on June 30, 2023 of \$65.97 using beneficial ownership of shares rules adopted pursuant to Section 13 of the Securities Exchange Act of 1934 to exclude voting shares owned by Trustees and Executive Officers, some of whom may not be held to be affiliates upon judicial determination.

The number of Common Shares of Beneficial Interest, \$0.01 par value, outstanding on February 8, 2024 was 379,553,591.

Auditor Firm Id:	42	Auditor Name:	Ernst and Young LLP	Auditor Location:	Chicago, Illinois, U
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DOCUMENTS INCORPORATED BY REFERENCE

Part III incorporates by reference certain information that will be contained in Equity Residential's Proxy Statement relating to its 2024 Annual Meeting of Shareholders, which Equity Residential intends to file no later than 120 days after the end of its fiscal year ended December 31, 2023, and thus these items have been omitted in accordance with General Instruction G(3) to Form 10-K. Equity Residential is the general partner and 97.0% owner of ERP Operating Limited Partnership.

EXPLANATORY NOTE

This report combines the annual reports on Form 10-K for the year ended December 31, 2023 of Equity Residential and ERP Operating Limited Partnership. Unless stated otherwise or the context otherwise requires, references to “EQR” mean Equity Residential, a Maryland real estate investment trust (“REIT”), and references to “ERPOP” mean ERP Operating Limited Partnership, an Illinois limited partnership. References to the “Company,” “we,” “us” or “our” mean collectively EQR, ERPOP and those entities/subsidiaries owned or controlled by EQR and/or ERPOP. References to the “Operating Partnership” mean collectively ERPOP and those entities/subsidiaries owned or controlled by ERPOP. The following chart illustrates the Company’s and the Operating Partnership’s corporate structure:

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EQR is the general partner of, and as of December 31, 2023 owned an approximate 97.0% ownership interest in, ERPOP. The remaining 3.0% interest is owned by limited partners. As the sole general partner of ERPOP, EQR has exclusive control of ERPOP’s day-to-day management. Management operates the Company and the Operating Partnership as one business. The management of EQR consists of the same members as the management of ERPOP.

The Company is structured as an umbrella partnership REIT (“UPREIT”) and EQR contributes all net proceeds from its various equity offerings to ERPOP. In return for those contributions, EQR receives a number of OP Units (see definition below) in ERPOP equal to the number of Common Shares it has issued in the equity offering. The Company may acquire properties in transactions that include the issuance of OP Units as consideration for the acquired properties. Such transactions may, in certain circumstances, enable the sellers to defer in whole or in part, the recognition of taxable income or gain that might otherwise result from the sales. This is one of the reasons why the Company is structured in the manner shown above. Based on the terms of ERPOP’s partnership agreement, OP Units can be exchanged with Common Shares on a one-for-one basis because the Company maintains a one-for-one relationship between the OP Units of ERPOP issued to EQR and the outstanding Common Shares.

The Company believes that combining the reports on Form 10-K of EQR and ERPOP into this single report provides the following benefits:

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

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The Company believes it is important to understand the few differences between EQR and ERPOP in the context of how EQR and ERPOP operate as a consolidated company. All of the Company's property ownership, development and related business operations are conducted through the Operating Partnership and EQR has no material assets or liabilities other than its investment in ERPOP. EQR's primary function is acting as the general partner of ERPOP. EQR also issues equity from time to time, the net proceeds of which it is obligated to contribute to ERPOP. EQR does not have any indebtedness as all debt is incurred by the Operating Partnership. The Operating Partnership holds substantially all of the assets of the Company, including the Company's ownership interests in its joint ventures. The Operating Partnership conducts the operations of the business and is structured as a partnership with no publicly traded equity. Except for the net proceeds from equity offerings by EQR (which are contributed to the capital of ERPOP in exchange for additional partnership interests in ERPOP ("OP Units") (on a one-for-one Common Share per OP Unit basis) or additional preference units in ERPOP (on a one-for-one preferred share per preference unit basis)), the Operating Partnership generates all remaining capital required by the Company's business. These sources include the Operating Partnership's working capital, net cash provided by operating activities, borrowings under its revolving credit facility and/or commercial paper program, the issuance of secured and unsecured debt and partnership interests, and proceeds received from disposition of certain properties and joint venture interests.

Shareholders' equity, partners' capital and noncontrolling interests are the main areas of difference between the consolidated financial statements of the Company and those of the Operating Partnership. The limited partners of the Operating Partnership are accounted for as partners' capital in the Operating Partnership's financial statements and as noncontrolling interests in the Company's financial statements. The noncontrolling interests in the Operating Partnership's financial statements include the interests of unaffiliated partners in various consolidated partnerships. The noncontrolling interests in the Company's financial statements include the same noncontrolling interests at the Operating Partnership level and limited partner OP Unit holders of the Operating Partnership. The differences between shareholders' equity and partners' capital result from differences in the equity issued at the Company and Operating Partnership levels.

To help investors understand the differences between the Company and the Operating Partnership, this report provides separate consolidated financial statements for the Company and the Operating Partnership; a single set of consolidated notes to such financial statements that includes separate discussions of each entity's debt, noncontrolling interests and shareholders' equity or partners' capital, as applicable; and a combined Management's Discussion and Analysis of Financial Condition and Results of Operations section that includes discrete information related to each entity.

This report also includes separate Part II, Item 9A, *Controls and Procedures*, sections and separate Exhibits 31 and 32 certifications for each of the Company and the Operating Partnership in order to establish that the requisite certifications have been made and that the Company and the Operating Partnership are compliant with Rule 13a-15 or Rule 15d-15 of the Securities Exchange Act of 1934, as amended (the "Exchange Act"), and 18 U.S.C. §1350.

In order to highlight the differences between the Company and the Operating Partnership, the separate sections in this report for the Company and the Operating Partnership specifically refer to the Company and the Operating Partnership. In the sections that combine disclosure of the Company and the Operating Partnership, this report refers to actions or holdings as being actions or holdings of the Company. Although the Operating Partnership is generally the entity that directly or indirectly enters into contracts and joint ventures and holds assets and debt, reference to the Company is appropriate because the Company is one business and the Company operates that business through the Operating Partnership.

As general partner with control of ERPOP, EQR consolidates ERPOP for financial reporting purposes, and EQR essentially has no assets or liabilities other than its investment in ERPOP. Therefore, the assets and liabilities of the Company and the Operating Partnership are the same on their respective financial statements. The separate discussions of the Company and the Operating Partnership in this report should be read in conjunction with each other to understand the results of the Company on a consolidated basis and how management operates the Company.

**EQUITY RESIDENTIAL
ERP OPERATING LIMITED PARTNERSHIP**
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PART I

Item 1. Business

General

Equity Residential (“EQR”) is committed to creating communities where people thrive. The Company, a member of the S&P 500, is focused on the acquisition, development and management of residential properties located in and around dynamic cities that attract affluent long-term renters. ERP Operating Limited Partnership (“ERPOP”) is focused on conducting the multifamily property business of EQR. EQR is a Maryland real estate investment trust (“REIT”) formed in March 1993 and ERPOP is an Illinois limited partnership formed in May 1993. References to the “Company,” “we,” “us” or “our” mean collectively EQR, ERPOP and those entities/subsidiaries owned or controlled by EQR and/or ERPOP. References to the “Operating Partnership” mean collectively ERPOP and those entities/subsidiaries owned or controlled by ERPOP.

EQR is the general partner of, and as of December 31, 2023 owned an approximate 97.0% ownership interest in, ERPOP. All of the Company’s property ownership, development and related business operations are conducted through the Operating Partnership and EQR has no material assets or liabilities other than its investment in ERPOP. EQR issues equity from time to time, the net proceeds of which it is obligated to contribute to ERPOP, but does not have any indebtedness as all debt is incurred by the Operating Partnership. The Operating Partnership holds substantially all of the assets of the Company, including the Company’s ownership interests in its joint ventures. The Operating Partnership conducts the operations of the business and is structured as a partnership with no publicly traded equity.

The Company’s corporate headquarters is located in Chicago, Illinois and the Company also operates regional property management offices in most of its markets.

On May 18, 2023, the Company announced that Samuel Zell, its Founder and Chairman of the Board of Trustees, had passed away earlier that same day. David J. Neithercut, the Company’s former Chief Executive Officer and a member of the Company’s Board of Trustees since 2006, has been appointed as Chairman.

Certain capitalized terms used herein are defined in the Notes to Consolidated Financial Statements or the Definitions section of Item 7, *Management’s Discussion and Analysis of Financial Condition and Results of Operations*. See also Note 17 in the Notes to Consolidated Financial Statements for additional discussion regarding the Company’s segment disclosures.

Available Information

You may access our Annual Report on Form 10-K, our Quarterly Reports on Form 10-Q, our Current Reports on Form 8-K, our proxy statements and any amendments to any of those reports/statements we file with or furnish to the Securities and Exchange Commission (“SEC”) free of charge on our website, www.equityapartments.com. These reports/statements are made available on our website as soon as reasonably practicable after we file them with or furnish them to the SEC. The information contained on our website, including any information referred to in this report as being available on our website, is not a part of or incorporated into this report.

Business Objectives and Operating and Investing Strategies

Overview

The Company is one of the largest U.S. publicly-traded owners and operators of high quality rental apartment properties, with an established presence in Boston, New York, Washington, D.C., Southern California (including Los Angeles, Orange County and San Diego), San Francisco and Seattle, and an expanding presence in Denver, Atlanta, Dallas/Ft. Worth and Austin. Through our ownership in these markets, we seek to optimize our portfolio by balancing risk and maximizing returns. We believe that this portfolio will allow us to produce more consistent cash flows in a volatile world where local market conditions may cause operating fundamentals to change rapidly. We believe our markets are knowledge centers of the U.S. economy that draw employers and their talented affluent workers that drive economic growth in the United States. We believe the locations of our properties in these markets are attractive to these affluent knowledge workers (who often choose to rent for lifestyle reasons) that we hope to convert into satisfied long-term residents.

We believe we have created an industry-leading operating platform and balance sheet to run our properties. Our employees are focused on delivering remarkable customer service to our residents so they will stay with us longer, be willing to pay higher

rent for a great experience and will tell others about how much they love living in an Equity Residential property. We utilize technology and other innovative methods of engagement with our residents to foster relationships and community, improve the resident experience and operate our business more efficiently. We pair that with disciplined balance sheet management that enhances returns and value creation

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while maintaining flexibility to take advantage of future opportunities. We believe that our stakeholders value stability, liquidity, predictability and accountability and that is the mission to which we remain unwaveringly committed.

Despite overall economic concerns, demand to live in our apartment communities remains healthy and we believe that the long-term prospects for our business remain strong. Our business benefits from elevated single family home ownership costs, positive household formation trends and the overall deficit in housing across the country, especially in the areas in which we are investing. Our well-located communities provide an exceptional experience for our residents around dynamic cities that we believe will continue to attract affluent long-term renters.

Equity Residential is committed to creating communities where people thrive. We carry this, our corporate purpose, through our relationships with our customers, our employees, our shareholders and the communities in which we operate. It drives our commitments to sustainability, diversity and inclusion, the total wellbeing of our employees and being a responsible corporate citizen in the communities in which we operate.

Investment Strategy

The Company's long-term strategy is to invest in apartment properties located in strategically targeted markets with the goal of maximizing our risk-adjusted total returns by balancing current cash flow generation with long-term capital appreciation. We seek to meet this goal by investing in markets that are characterized by conditions favorable to multifamily property operations over the long-term. Our multi-pronged investment strategy featuring acquisitions, new stand-alone and expansion developments, densifying developments and accretive renovations of existing properties is focused on optimizing and balancing our portfolio in terms of location, including between our established and expansion markets and between urban and suburban submarkets within those markets. The markets we focus on generally feature one or more of the following characteristics that allow us to drive performance:

Large and diverse economic drivers. Our markets are some of the largest cities in the United States. They are markets that generally attract a variety of large and diverse industries and businesses. They include a number of submarkets that are attractive for long-term multifamily ownership and are positioned to capture future demand.

High costs of single family home ownership. Elevated single family home ownership costs (large down payments, high interest rates, etc.), low for sale inventory and existing homeowners that are reluctant to sell given favorable locked-in financing all support renting in the long-term, especially in the markets in which we operate.

Strong high quality job growth. Our markets attract and create high quality jobs that are often focused in growing areas of the knowledge-based economy. These jobs result in the significant presence and growth in affluent renters that work in the highest earning sectors of the economy, are not rent burdened and are attracted to our type of properties. This creates the ability to raise rents more readily in good economic times and reduces risk during downturns. Many of these affluent workers are employed in the fields of Science, Technology, Engineering and Mathematics, or STEM jobs, as well as financial services, medical, legal and other higher-earning professions.

Significant apartment demand that meets new apartment supply. We remain focused on owning and operating properties in markets and submarkets where the supply of apartments is met with strong demand. While at times supply and demand imbalances may occur, over the long-term we believe that the dynamics in our markets will support superior long-term returns.

We also focus on resiliency/environmental and regulatory issues when choosing which markets/submarkets in which to concentrate our investment efforts. We conduct climate resilience analyses and assess the regulatory climate to identify potential risks and opportunities as part of our due diligence process for new acquisitions and developments, as well as potential markets for portfolio expansion. Resiliency and regulatory issues also factor into our decisions to dispose of certain properties and/or exit certain submarkets.

We believe our strategy capitalizes on the preference of renters of all ages to live in the locations where we operate which typically are near transportation (both public transit and convenient highway access), entertainment, employment centers/universities and cultural and outdoor amenities. Furthermore, we believe that demand for rental housing will continue to be driven primarily through household formations from the younger segments of our population, particularly Generation Z, while retaining Millennials for longer, and to a lesser extent, capturing the aging Baby Boomer generation.

•Generation Z is approximately 70 million people born between 1997 and 2012. This cohort is entering prime renter age and is expected to continue to be an important source of demand.

Millennials are individuals born between 1981 and 1996, totaling approximately 72 million people, and continue to be a significant portion of the renter population. They also tend to remain renters longer due to the high cost of single family home ownership, societal trends favoring delays in marriage and having children and caution around making large financial commitments during uncertain economic times.

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- Baby Boomers, a demographic of more than 68 million people born between 1946 and 1964, also may trend toward apartment rentals as they downsize and enter retirement in vibrant cities.

The Company continues to allocate capital in order to optimize performance by balancing current cash flow growth with long-term capital appreciation. We have done so by adding expansion markets to our portfolio when certain submarkets in those markets meet many of the same characteristics listed above. Expansion into these markets of Denver, Atlanta, Dallas/Ft. Worth and Austin includes investments in both urban and suburban properties in select submarkets and is generally being funded by reducing exposure to older or lower returning assets in selected established markets. Development also plays an important role in our capital allocation. Development activity is focused on our in-house pipeline and redevelopment of some existing operating properties and our strategic partnerships and joint-ventures with third-party developers in both established and expansion markets. The Company remains committed to development as a driver of external growth but acknowledges its incremental risk, particularly in higher inflationary cost environments, when evaluating it as a method of expansion.

Competition

All of the Company's properties are located in developed areas with multiple housing choices, including other multifamily properties. The number of competitive housing choices or multifamily properties in a particular area could have a material effect on the Company's ability to lease apartment units at its properties and on the rents charged. The Company may be competing with other housing providers that have greater resources than the Company and whose managers have more experience than the Company's managers. In addition, other forms of rental properties and single family housing provide housing alternatives to potential residents of multifamily properties. See Item 1A, *Risk Factors*, for additional information with respect to competition.

Operations and Innovation

We attempt to balance occupancy and rental rates to maximize our revenue while exercising tight cost control to generate the highest possible cash flow generation to our shareholders. Our focus on operating efficiency and delivery of an exceptional resident living experience has driven strong Physical Occupancy and a high Percentage of Residents Renewing while achieving strong renewal rate growth.

We deliver this performance through rapidly evolving technology and innovation that is increasingly prevalent in our industry. We have been and continue to be a leader in deploying and investing in property technology to serve our customers better and operate more efficiently. Having a history as a first mover in such important areas as online leasing, we are focused on technology that drives superior margins and improves customer experience. We use a standardized purchasing system to control our operating expenses and a business intelligence platform and other data analytics that allow our team members to quickly identify and address issues and opportunities. Many of these initiatives allow us to interact with our customers in a safe, responsible and convenient manner, including self-guided tours, automated responses to customer inquiries and enhanced service and maintenance management. While we believe areas such as "smart home" technology and others will provide the foundation for current and future improvements to how we do business, we will continue to consider the cost and longevity of technology capital investments and their benefits.

Our Commitment to Corporate Responsibility

At Equity Residential, we believe focusing on corporate responsibility is a key way to programmatically address stakeholder concerns as part of our corporate purpose as we recognize the profound impact that the real estate industry can have on our environment and society as a whole. We strive to create and maintain a sustainable portfolio that not only has a low environmental footprint, but also one that is attractive to our customers and the community and resilient to the changing climate. We apply best practices for sustainability across all aspects of our real estate business. We have a dedicated in-house team that initiates and applies sustainable practices in all aspects of our business, including investment activities, development, property operations and property management activities. Multifamily housing is one of the most environmentally-friendly uses of real estate, as each property provides homes for hundreds of families in a denser shared environment. We consider building locations based on walkability, accessibility, neighborhoods and communities. Our properties support amenities such as fitness centers and we select locations near shops, restaurants, outdoor amenities such as bike/running paths and health clubs, enabling a low carbon footprint lifestyle for our residents to live, work and play.



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Equity Residential's sustainability program actively manages environmental impacts and climate-related risks and opportunities through optimized, financially responsible capital investments and technologies. We methodically focus on energy, water, waste and emissions to advance the program's policies, targets and resilience outcomes as well as our shareholders' long-term financial interests. Together, we believe our program drives long-term asset value, responsibly manages risks and engages our communities, residents, employees and shareholders as part of our broader sustainability strategy and commitment to good corporate citizenship and maximizing investment performance. Our expertise has shown that as real estate owners, developers and managers, we have the ability to make a positive impact on the environment while also enhancing our financial performance and strengthening our organization's sense of purpose.

To further strengthen our commitments to sustainability initiatives, we set ambitious targets to reduce our environmental impact across the portfolio aligned with global climate change initiatives. For example, we recently set a science-based target to reduce our absolute Scope 1, 2, and 3 greenhouse gas emissions (from our two biggest categories) by 30% by 2030 from a 2018 base year. We continue to enhance our environmental disclosure efforts by calculating and disclosing our Scope 3 emissions.

We also issued two sustainable fixed-income instruments (each a "green bond") designed to support projects that contribute to environmental sustainability, becoming the first multifamily REIT to ever issue a green bond. The Company also has a \$10.0 million investment in a fund focused on early stage sustainability and climate change mitigation technology relevant to the built environment.

As detailed below, we have a commitment to our employees' engagement, diversity and inclusion and wellness that serves as the foundation of our corporate purpose. We celebrate differences and are committed to cultivating an inclusive environment of belonging for all employees, driving excellence through shared perspectives and collaborative innovation. We also recognize that a successful company must incorporate the best corporate governance practices in order to better serve its stakeholders. Consistent with the Company's purpose and commitment to the incorporation of corporate responsibility concepts in all aspects of its business, executive compensation includes a goal which focuses on environmental, social and governance factors.

For additional information regarding our corporate responsibility efforts, see our 2023 Environmental, Social and Governance Report at our website, www.equityapartments.com, which includes third-party limited assurance covering some of the environmental metrics included in the report. The report, which includes Sustainability Accounting Standards Board disclosures and incorporates recommendations from the Task Force on Climate-Related Financial Disclosures, was reviewed and approved by the Corporate Governance Committee of our Board of Trustees, which monitors the Company's ongoing corporate responsibility efforts. The Environmental, Social and Governance Report is not part of or incorporated into this report. Furthermore, our annual proxy statements contain additional information on our corporate responsibility efforts, including detailed information regarding our corporate governance practices. Such annual proxy statements and the information contained therein are not part of nor incorporated into this report, except as otherwise provided herein.

Human Capital

At Equity Residential, our team of approximately 2,400 employees is the driving force of our success. We believe that our richly diverse work environment captures top talent, cultivates the best ideas and creates the widest possible platform for this success in line with our corporate purpose of "*Creating communities where people thrive*". Our core principles, affectionately named "*Ten Ways to Be a Winner*," guide our behavior as individuals and collectively as a team, helping us in our goal to deliver market-leading performance. As part of our Ten Ways to Be a Winner, we encourage our team members to raise questions, take educated risks, offer new ideas and help us make the right decisions. One way we live the "Ten Ways" is by enriching our culture through our core "Equity Values," which include Diversity & Inclusion, Social Responsibility, Sustainability and Total Wellbeing. We have assembled the Equity Values Council, a diverse employee group reflective of the broader Company, to lead our efforts on these values by acting as change agents to drive initiatives, create goals and awareness, and encourage colleagues to participate in community service activities and wellness initiatives.

Diversity and Inclusion

- Our commitment to diversity and inclusion starts with a highly skilled and diverse Board of Trustees.
- We are committed to fostering a safe, inclusive and productive workplace for all employees. We believe providing a work environment based on respect, trust and collaboration creates an exceptional employee experience where employees can bring their whole selves to work and thrive in their careers. In recent years, we have created dedicated Diversity and Inclusion staffing to oversee this crucial work.

- To further prioritize the importance of our diversity and inclusion efforts, our executives' annual compensation goals include an evaluation of objective metrics measuring our Company's progress in this regard.

- We have the benefit of a diverse workforce, of which over 60% currently identify as ethnically diverse.

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- A diversity and inclusion lens is embedded in our talent review processes. This includes the development of our *Overcoming Bias in Performance Review Toolkit*, which is designed to provide practical bias interrupters and guidelines to improve fairness in the performance evaluation process.

- We strategically identify opportunities to increase the diversity of our talent pipeline at all levels, including by actively seeking to source a pool of diverse candidates for mid-management and above positions in the communities where we serve, such as from Project Destined, Fannie Mae's Future Housing Leaders, Howard University, Roosevelt University and Evanston Scholars.

- We employ interns from universities across the nation and local colleges to provide pathways for students of various backgrounds interested in real estate.

Pay Equity

- In order to develop, attract and retain the best employees, we are committed to providing a total compensation package which is market-based, performance driven, fair and internally equitable.

- Our goal is to be competitive both within the general employment market as well as with our competitors in the real estate industry, with our strongest performers being paid more.

- Base pay is reviewed annually, as is Equity Residential's compensation framework, by partnering with managers to create and update job descriptions that reflect the duties, skills, experience and education required to perform the role, and then benchmarking the Company's pay practices and budget as well as our jobs against third-party compensation surveys to determine the market value of the job.

- During the year-end performance evaluation process, managers review and calibrate compensation for all employees on their team, in an effort to ensure equity around our pay practices and allow us to reward and motivate our top talent.

Employee Engagement

- Employee engagement and experience are extremely important at Equity Residential. Our Employee Experience (EX) Survey measures employee engagement and diversity and inclusion, among other components of the employee experience.

- Our 2023 engagement score of 78% favorability is very strong, especially given changes in employee expectations in the wake of the pandemic. Our Diversity & Inclusion Index score of 84% demonstrated significant employee favorability for the initiatives taking place and a greater sense of belonging.

- Executive leaders are assessed annually on their leadership results for diversity and inclusion, engagement and manager completion of Ethics and Positive Workplace training, which for 2023 were measured by an employee experience survey and course completion rates.

Training and Development

- We believe a successful workplace is one where employees constantly learn and grow. Our HR Transformation Learning & Development ("L&D") team works regularly with leaders and employees to expand their knowledge and skills. L&D develops and delivers a wide range of training and development opportunities, from tactical to strategic, face-to-face to virtual, social learning to self-directed learning, and more.

Health, Safety and Wellness

- Equity Residential is committed to providing the tools and resources to help our employees achieve total wellbeing. Having a thriving employee base is the pinnacle of our total wellbeing efforts. When employees bring their whole self to work, perform their best and are well supported, they can make powerful contributions to the business, culture and our communities. Whether physical, mental, financial, career, social or community wellbeing, Equity Residential offers benefits to help meet our employee needs.

- **Physical Wellbeing:** Equity Residential is focused on providing benefits that help our employees achieve balance and address good health proactively, with coverage for ongoing needs and emergencies that can arise as well. Long before healthcare reform, Equity Residential made a commitment to cover 100% of employee preventive care. This commitment—and our robust and highly popular wellness program—has made proactive personal healthcare more accessible and manageable for employees, while encouraging ongoing healthy behaviors and rewarding employees for taking a proactive approach to their health.

•Mental Wellbeing: We strive to make mental healthcare accessible. Our communications are designed to highlight awareness-building and our resources are centered around culturally competent care that scales toward employees’

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needs. This includes educational resources for maintaining mental health, online mobile apps to address or discuss ways to improve, and partnerships with virtual care providers and support networks for those who need immediate and critical support. All employees and their family members have access to five free counseling sessions (per year per presenting matter) through our Employee Assistance Program. Understanding the importance of a mentally healthy workforce, we also added an industry-leading meditation app, free to all employees and their family members, designed to promote mental health. Our dedication to mental wellness is reflected in providing tools like this, fostering a culture that values self-care and effective mental health practices.

Financial Wellbeing: These benefits and resources help our employees manage their money better today, while preparing for financial milestones and retirement in the future. Financial peace of mind is at the core of these offerings, whether it's our generous 401(k) match, basic and supplemental insurance to ensure our loved ones and possessions are cared for, rent discounts at our properties or additional savings and investment options like our employee share purchase plan.

Career Wellbeing: When employees move up in skill and experience, so does Equity Residential. We encourage our employees to *Test their Limits* (one of the Ten Ways), push the boundaries of their comfort zones and seek new challenges through several learning resources and courses, in addition to tuition reimbursement. We actively promote from within, and many senior corporate and property leaders have risen from entry level or junior positions.

Social and Community Wellbeing: We offer a number of benefits that foster social and community wellbeing, including paid time off to volunteer in our communities.

Equity Residential continues to partner with Employees1st to provide financial relief via a crisis fund for employees struck by personal hardships or unforeseen disasters. The Company contributes funds to further support employees who experience unforeseen or catastrophic hardship. We are proud that this program allows yet another avenue for us to tangibly demonstrate a one team culture by ensuring that employees feel safe and supported during extreme circumstances.

Regulatory Considerations

See Item 1A, *Risk Factors*, for information concerning the potential effects of governmental regulations, including environmental regulations, on our operations.

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Item 1A. Risk Factors

General

This Item 1A includes forward-looking statements. You should refer to our discussion of the qualifications and limitations on forward-looking statements included in Item 7, Management's Discussion and Analysis of Financial Condition and Results of Operations.

The occurrence of the events discussed in the following risk factors could adversely affect, possibly in a material manner, our business, financial condition or results of operations, which could affect the value of our common shares of beneficial interest or preferred shares of beneficial interest (which we refer to collectively as "Shares"), Preference Units, OP Units, restricted units and our public unsecured debt. In this section, we refer to the Shares, Preference Units, OP Units, restricted units and public unsecured debt together as our "securities" and the investors who own such securities as our "security holders."

Risks Related to our Business Strategy

Investing in real estate is inherently subject to risks that could negatively impact our business.

Investing in real estate is subject to varying degrees and types of risk. While we seek to mitigate these risks through various strategies, including geographic diversification, market research and proactive asset management, among other techniques, these risks cannot be eliminated entirely. Factors that may impact cash flows and real estate values include, but are not limited to:

- Local economic conditions, particularly oversupply or reductions in demand;
- National, regional and local political and regulatory climates, governmental fiscal health and governmental policies;
- The inability or unwillingness of residents to pay rent increases;
- Increases in our operating expenses due to inflationary or other pressures;
- Cost and availability of labor and materials required to maintain our properties at acceptable standards;
- Availability of attractive financing opportunities;
- Changes in social preferences, demographics or migration patterns; and
- Additional risks that are discussed below.

The geographic concentration of our properties could have an adverse effect on our operations.

While the Company continues to diversify its portfolio with the addition of the expansion markets, the Company's properties are still predominantly concentrated in our established coastal markets (generally within certain dense urban and suburban submarkets). If one or more of these markets is unfavorably impacted by specific geopolitical and/or economic conditions, local real estate conditions, increases in social unrest, increases in real estate and other taxes, reduced quality of life, deterioration of local or state government health, rent control or rent stabilization laws, other similar regulations, or localized environmental and climate issues, the impact of such conditions may have a more negative impact on our results of operations than if our properties were more geographically diverse. Additionally, to the extent that these markets or submarkets become less desirable to operate in, including changes in multifamily housing supply and demand, our results of operations could be more negatively impacted than if we were more diversified within our markets or invested in a greater number of markets.

Competition for housing may negatively affect operations and demand for the Company's properties or residents.

Our properties face competition for residents from other existing or new multifamily properties, condominiums, single family homes and other living arrangements, whether owned or rental, that may attract residents from our properties or prospective residents that would otherwise choose to live with us. As a result, we may not be able to renew existing resident leases or enter into new resident leases, or if we are able to renew or enter into new leases, they may be at rates or terms that are less favorable than our current rates or terms, resulting in a material impact on our results of operations.

Additionally, our properties face competition for residents as a result of innovations in technology and amenities. Therefore, we may not be able to retain residents or attract new residents if we are unable to identify and cost effectively implement new, relevant technologies/amenities and keep up with constantly changing resident demand for the latest innovations in these areas.



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The short-term nature of apartment leases exposes us more quickly to the effects of declining market rents, potentially making our results of operations and cash flows more volatile.

Generally, our residential apartment leases are for twelve months or less. If the terms of the renewal or releasing are less favorable than current terms, then the Company's results of operations and financial condition could be negatively affected. Given our generally shorter-term lease structure, our rental revenues are impacted by declines in market rents more quickly than if our leases were for longer terms. In addition, operating expenses associated with each property, such as real estate taxes, insurance, utilities, maintenance costs and employee wages and benefits, may not decline at all or decline at the same rate as revenues when circumstances might cause a reduction of those revenues at our properties.

Because real estate investments are illiquid, we may not be able to sell properties when appropriate.

Real estate investments often cannot be sold quickly due to regulatory constraints, market conditions or otherwise. As a result, we may not be able to reconfigure our portfolio, including the diversification of our portfolio into the expansion markets, as promptly as desired or as quickly in response to changing economic or other conditions. We may also be unable to consummate dispositions in a timely manner, on attractive terms, or at all. The capitalization rates/disposition yields at which properties may be sold could also be higher than historic rates, thereby reducing our potential proceeds from sale. In some cases, we may also determine that we will not recover the carrying amount of the property upon disposition, potentially causing an impairment charge. This inability to reallocate our capital promptly could negatively affect our financial condition, including our ability to make distributions to our security holders.

Competition may prevent us from acquiring properties on favorable terms.

We may not be successful in pursuing acquisition and development opportunities. We expect that other real estate investors will compete with us for attractive investment opportunities or may also develop properties in markets where we focus our development and acquisition efforts. We may not be in a position or have the opportunity in the future to make suitable property acquisitions on favorable terms.

Operations from new acquisitions, development projects and renovations may fail to perform as expected.

We intend to actively acquire, develop and renovate multifamily operating properties as part of our business strategy. Newly acquired, developed or renovated properties may not perform as we expect. We may overestimate the revenue (or underestimate the expenses) that these new or repositioned properties may generate. The occupancy and rental rates at these properties may also fail to meet our expectations for these investments. Land parcels acquired for development may lose significant value prior to the start of construction. Development and renovations are subject to even greater uncertainties and risks due to the complexities and lead time to build or complete these projects. We may also underestimate the costs to complete a development property or to complete a renovation.

Additionally, we have and may in the future acquire large portfolios of properties or companies that could increase our size and result in alterations to our capital structure. We may be unable to integrate the operations of newly acquired large portfolios or companies and realize the anticipated synergies and other benefits or do so within the anticipated time frame.

Furthermore, we have in the past and may in the future decide to invest in expansion markets outside of our existing established markets by acquiring and/or developing properties in accordance with the Company's long-term investment strategy. Our historical experience in our established markets does not ensure that we will be able to operate successfully in new markets, should we choose to enter them. Entering into new markets may expose us to a variety of risks, including an inability to accurately evaluate local market conditions and local economies, to identify appropriate acquisition and/or development opportunities, to hire and retain key personnel and a lack of familiarity with local governmental regulations.

Construction risks on our development projects could affect our profitability.

We intend to continue to develop multifamily properties through both wholly owned and joint venture arrangements as part of our business strategy. Development often includes long planning and entitlement timelines, subjecting the projects to changes in market conditions. It can involve complex and costly activities, including significant environmental remediation or construction work in our markets. We have experienced and may continue to experience an increase in costs due to general disruptions that affect the cost of labor and/or materials, such as supply chain disruptions, trade disputes, tariffs, labor unrest, geopolitical conflicts

or other factors that create inflationary pressures. We may abandon opportunities that we have already begun to explore for a number of reasons, and as a result, we may fail to recover costs already incurred in exploring those opportunities. We may also be unable to obtain, or experience delays in obtaining, necessary zoning, occupancy, or other required governmental or third-party permits and authorizations. These and other risks inherent in development projects, including the joint venture risks noted below, could result in increased costs or the delay or abandonment of opportunities.

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We are subject to risks involved in real estate activity through joint ventures.

We currently, and may continue to in the future, develop and acquire properties in joint ventures with unrelated third parties. Joint ventures create risks including the following:

- The possibility that our partners might refuse or be financially unable to make capital contributions when due or may fail to meet contractual obligations to cover development cost overruns and therefore we may be forced to make contributions to protect our investments;
- These projects generally use mortgage debt (including variable rate constructions loans) to finance their activities at a higher leverage level than how we finance the Company as a whole;
- We may be responsible to our partners for indemnifiable losses;
- Our partners might at any time have business, tax planning or economic goals that are inconsistent with ours;
- Our partners may be in a position to take action or withhold consent contrary to our recommendations, instructions or requests; and
- The possibility that our partner is either unable to or unwilling to complete their contractual development activities.

At times we have entered into agreements providing for joint and several liability with our partners. We have in the past and may in the future choose to guarantee part of or all of certain joint venture debt or to act as a lender to the joint venture itself. We and our respective joint venture partners may each have the right to trigger a buy-sell arrangement that could cause us to sell our interest, or acquire our partner's interest, at a time or price that is unfavorable to us. Each joint venture agreement is individually negotiated and our ability to operate, finance or dispose of properties and interests in such joint ventures in our sole discretion may be limited to varying degrees depending on the terms of the applicable joint venture agreement. To the extent we have commitments to, on behalf of or are dependent on any such off-balance sheet commitments, or if those commitments or their properties or leases are subject to material contingencies, our liquidity and financial condition could be adversely affected.

In some instances, our joint venture partners may also have competing interests or objectives that could create conflicts of interest similar to those noted above. These objectives may be contrary to our compliance with the REIT requirements, and our REIT status could be jeopardized if any of our joint ventures do not operate in compliance with those requirements. To the extent our partners do not meet their obligations to us or our joint ventures, or they take actions inconsistent with the interests of the joint venture, it could have a negative effect on our results of operations and financial condition, including distributions to our security holders.

We are subject to risks involved in activity through real estate technology and other real estate fund investments.

We have entered into, and may continue in the future to enter into, real estate technology and other real estate fund investments. Noncontrolling interests and passive investments are inherently risky because we have limited ability to influence business decisions. The managers of such investments have autonomy over the day-to-day operations of the business and may make business, financial or management decisions with which we do not agree or take risks or otherwise act in a manner that does not serve our interests. In addition, the market for the technologies or products these companies are developing are typically in the early stages and may not materialize to the expected scale, causing these companies to abandon, modify or alter their product, service or overall strategy. Further, there is no assurance that these companies can obtain additional capital or resources or generate sufficient cash flow to sustain operations and successfully execute their strategy. The performance of these investments may also rely on the services of a limited number of key individuals, the loss of whom could significantly adversely affect such investments' performance. As a result, we may recognize an impairment of our investment or be unable to sell or otherwise monetize any of the investments we have acquired or may acquire in the future.

We are subject to risks related to our properties that are subject to ground leases.

We have entered into, and may continue in the future to enter into, long-term ground leases with respect to assets that may restrict our ability to finance, sell or otherwise transfer our interests in these properties, limit our use and expose us to loss of the properties if such agreements are breached by us or terminated. These restrictions may limit our ability to timely sell or exchange the properties, impair the properties' value or negatively impact our ability to operate the properties. In addition, as we get closer to the lease termination dates, the values of the properties could decrease if we are unable to agree upon an extension of the lease

with the lessor. Certain of these ground leases have payments subject to annual escalations and/or periodic fair market value adjustments which could adversely affect our financial condition or results of operations.

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We face certain risks related to our Non-Residential operating activities.

The Non-Residential space (includes retail and public parking garage operations) at our properties primarily serves as an additional amenity for our residents and neighbors. The longer-term nature of our Non-Residential leases (generally five to ten years with market based renewal options) and the characteristics of many of our Non-Residential tenants (generally small, local businesses) may subject us to certain risks. We may not be able to lease new space for rents that are consistent with our projections or for market rates. Also, when leases for our existing Non-Residential space expire, the space may not be relet or the terms of reletting, including the cost of allowances and concessions to tenants, may be less favorable than the current lease terms. The presence of competitive alternatives and other market conditions (including online shopping) may affect our ability to lease our Non-Residential space and impact the level of rents we can obtain. If our Non-Residential tenants experience financial distress or bankruptcy, they may fail to comply with their contractual obligations, seek concessions, such as rent abatements and deferrals, in order to continue operations or cease their operations, any or all of which could lead us to record a non-cash write-off of a tenant's straight-line rent receivable (like we did in 2023 due to the Rite Aid bankruptcy) and could adversely impact our results of operations and financial condition.

The Company's real estate assets may be subject to impairment charges.

A decline in the fair value of our assets may require us to recognize an impairment against our assets under accounting principles generally accepted in the United States ("GAAP") if we were to determine that, with respect to any assets in unrealized loss positions, we do not have the ability and intent to hold such assets for a period of time sufficient to allow for recovery of the depreciated cost of such assets. If such a determination were to be made, we would recognize unrealized losses through earnings and write-down the depreciated cost of such assets to a new cost basis, based on the fair value of such assets on the date they are considered to be impaired. Such impairment charges reflect non-cash losses at the time of recognition; subsequent disposition or sale of such assets could further affect our future losses or gains, as they are based on the difference between the sale price received and adjusted depreciated cost of such assets at the time of sale. If we are required to recognize material asset impairment charges, these charges could adversely affect our financial condition and results of operations.

Corporate responsibility, specifically related to sustainability efforts, may impose additional costs and expose us to new risks.

Corporate responsibility evaluations remain highly important to some investors and other stakeholders. Certain organizations that provide corporate governance and other corporate risk advisory services to investors have developed scores and ratings to evaluate companies and investment funds based upon corporate responsibility metrics. Many investors focus on positive corporate responsibility-related business practices and scores when choosing to allocate their capital and may consider a company's score as a reputational or other factor in making an investment decision. Government regulators' and investors' increased focus and activism related to corporate responsibility and similar matters may constrain our business operations or increase expenses or capital expenditures. In addition, investors may decide to refrain from investing in us as a result of their assessment of our approach to and consideration of corporate responsibility factors. We may face reputational damage in the event our corporate responsibility procedures or standards do not meet the standards set by various constituencies. In addition, the criteria by which companies are rated for their efforts may change, which could cause us to receive lower scores than in previous years. A low rating could result in a negative perception of the Company, exclusion of our securities from consideration by certain investors who may elect to invest with our competition instead and/or cause investors to reallocate their capital away from the Company, all of which could have an adverse impact on the price of our securities.

Our various technology-related initiatives to improve our operating margins and customer experience may fail to perform as expected.

We have developed and may continue to develop initiatives that are intended to serve our customers better and operate more efficiently, including "smart home" technology and self-service options that are accessible to residents through smart devices or otherwise. Such initiatives have involved and may involve our employees having new or different responsibilities and processes with which they may be unfamiliar. We may incur significant costs and divert resources in connection with such initiatives, and these initiatives may not perform as expected, which could adversely affect our business, results of operations, cash flows and financial condition.

Risks Related to our Financing Strategy and Capital Structure

Disruptions in the financial markets could hinder our ability to obtain debt and equity financing and impact our acquisitions and dispositions.

Dislocations and disruptions in capital markets could result in increased costs or lack of availability of debt financing (including under our commercial paper program) and equity financing. Such events may affect our ability to refinance existing debt, require us to

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utilize higher cost alternatives and/or impair our ability to adjust to changing economic and business conditions. Capital market disruptions have and could continue to negatively impact our ability to make acquisitions or make it more difficult or not possible for us to sell properties or may unfavorably affect the price we receive for properties that we do sell. Such disruptions could cause the price of our securities to decline.

Changes in market conditions and volatility of share prices could decrease the market price of our Common Shares.

The stock markets, including the New York Stock Exchange on which we list our Common Shares, have experienced significant price and volume fluctuations over time, including in recent years. As a result, the market price of our Common Shares has been and could continue to be similarly volatile. Investors in our Common Shares consequently may experience a decrease in the value of their shares, including decreases due to this volatility and not necessarily related to our operating performance or prospects. Additionally, the market price of our Common Shares may decline or fluctuate significantly in response to the sale of substantial amounts of our Common Shares, or the anticipation of the sale of such shares, by large holders of our securities, as well as our inclusion or exclusion from stock indices. The issuance of additional Common Shares by the Company, or the perception that such issuances might occur, could also cause significant volatility and decreases in the value of our shares. Continuing high interest rates can also negatively impact the value of our Common Shares, not just through higher interest expense on our debt, but also as investors and markets discount our earnings more and/or assume slower growth in earnings.

Our financial counterparties may not perform their obligations.

Disruptions in financial and credit markets or other events could impair the ability of our counterparties to perform under their contractual obligations to us. There are multiple financial institutions that are individually committed to provide borrowings under our revolving credit facility and to pay us amounts due under various interest rate derivative agreements. Should any of these institutions fail to perform their obligations when contractually required, our financial condition could be adversely affected.

Rising interest rates can increase costs and impact the value of the Company's assets.

The Company is exposed to market risk from financial instruments primarily from changes in market interest rates. Such risks derive from the refinancing of debt at or prior to maturity, from exposure to interest rate fluctuations on floating rate debt and from derivative instruments utilized to swap fixed rate debt to floating rates or to hedge rates in anticipation of future debt issuances. Rising interest rates increased and may continue to increase our interest expense and the costs of refinancing existing debt. Higher interest rates also increased and could continue to increase capitalization rates, which may lead to reduced valuations of the Company's assets.

Failure to hedge effectively against interest rate changes may adversely affect our results of operations.

From time to time when we anticipate issuing debt securities, we may seek to limit our exposure to fluctuations in interest rates during the period prior to the pricing of the securities by entering into interest rate hedging contracts. Also, from time to time we may rely on interest rate hedging contracts to limit our exposure under variable rate debt to unfavorable changes in market interest rates. The settlement of interest rate hedging contracts may involve material charges. In addition, our use of interest rate hedging arrangements may expose us to additional risks, including a risk that a counterparty to a hedging arrangement may default on the contract. There can be no assurance that our hedging activities will be effective and have the desired beneficial impact on our results of operations or financial condition.

Insufficient cash flow could affect our ability to service existing debt and create refinancing risk.

We are subject to risks normally associated with debt financing, including the risk that our cash flow will be insufficient to meet required payments. We may not be able to refinance existing debt and if we can, the terms of such refinancing may be less favorable than the terms of existing indebtedness. Our inability to refinance, extend or repay debt with proceeds from other capital market transactions would negatively impact our financial condition. If the debt is secured, the mortgage holder may also foreclose on the property.

A significant downgrade in our credit ratings could adversely affect our performance.

A significant downgrade in our credit ratings, while not affecting our ability to draw proceeds under the Company's revolving credit facility, would cause the corresponding borrowing costs to increase, impact our ability to borrow secured and

unsecured debt, and potentially impair our ability to access the commercial paper market or otherwise limit our access to capital. In addition, a downgrade below investment grade would likely cause us to lose access to the commercial paper markets and would require us to post cash collateral and/or letters of credit in favor of some of our secured lenders to cover our self-insured property and liability insurance deductibles or to obtain lower deductible insurance compliant with the lenders' requirements at the lower ratings level.

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Financial covenants could limit operational flexibility and affect our overall financial position.

The terms of our credit agreements, including our revolving credit facility and the indentures under which a substantial portion of our unsecured debt was issued, require us to comply with a number of financial covenants. These covenants may limit our flexibility to run our business and breaches of these covenants could result in defaults under the instruments governing the applicable indebtedness and trigger a cross default of other debt.

Some of our properties are financed with tax-exempt bonds or otherwise contain restrictive covenants or deed restrictions, including affordability requirements, which limit income from certain properties. The Company monitors compliance with the restrictive covenants and deed restrictions that affect these properties. While we generally believe that the interest rate benefit from financing properties with tax-exempt bonds more than outweighs any loss of income due to restrictive covenants or deed restrictions, this may not always be the case. Some of these requirements are complex, and our failure to comply with them may subject us to material fines or liabilities.

We may change the dividend policy for our securities in the future.

The decision to declare and pay dividends on our securities, as well as the timing, amount and composition of any such future dividends, is at the discretion of the Board of Trustees and will depend on actual and projected financial conditions, the Company's actual and projected liquidity and operating results, the Company's projected cash needs for capital expenditures and other investment activities and such other factors as the Company's Board of Trustees deems relevant. The Board of Trustees may modify our dividend policy from time to time and any change in our dividend policy could negatively impact the market price of our securities.

Issuances or sales of our Common Shares or Units may be dilutive.

Any additional issuance of Common Shares (including those issued under our At-The-Market ("ATM") program) or Units would reduce the percentage of our Common Shares and Units owned by existing investors. In most circumstances, shareholders and unitholders will not be entitled to vote on whether or not we issue additional Common Shares or Units. In addition, depending on the terms and pricing of additional offerings of our Common Shares or Units along with the value of our properties, our shareholders and unitholders could experience dilution in both the book value and fair value of their Common Shares or Units, as well as dilution in our actual and expected earnings per share, funds from operations ("FFO") per share and Normalized FFO per share.

Regulatory and Tax Risks

The adoption of, or changes in, rent control or rent stabilization regulations and eviction restrictions could have an adverse effect on our operations and property values.

In part due to increasing pressure from advocacy groups, a growing number of state and local governments have enacted and may continue to consider enacting and/or expanding rent control, rent stabilization, eviction moratoriums or other similar regulations. In addition, the federal government has recently considered imposing rent regulations on multifamily properties secured by government-sponsored debt. These regulations specifically and/or effectively limit or could continue to limit our ability to raise rents or charge certain fees (either of which could have a retroactive effect), enforce residents' or tenants' contractual rent obligations or pursue collections, all of which could have an adverse impact on our operations and property values.

Compliance or failure to comply with regulatory requirements could result in substantial costs.

Our properties are subject to various federal, state and local regulatory requirements, such as state and local fire and life safety requirements, building and zoning codes, environmental and other related regulations, and federal, state and local accessibility requirements, including and in addition to those imposed by the Americans with Disabilities Act and the Fair Housing Act. Noncompliance could result in fines, subject us to lawsuits and require us to remediate or repair the noncompliance. Existing requirements could change and compliance with future requirements may require significant unanticipated expenditures that could adversely affect our financial condition or results of operations.

Environmental problems are possible and can be costly.

Federal, state and local laws and regulations relating to the protection of the environment may require current or previous owners or operators of real estate to investigate and clean up hazardous or toxic substances at such properties. The owner or operator may have to pay a governmental entity or third parties for property damage and for investigation and clean-up costs incurred by such parties in connection with the contamination. These laws typically impose clean-up responsibility and liability without regard to whether the owner or operator knew of or caused the presence of the contaminants. Even if more than one person may have been responsible for the contamination, each person covered by the environmental laws may be held responsible for all of the clean-up costs incurred. Third parties may also sue the owner or operator of a site for damages and costs resulting from environmental contamination emanating from

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that site. We cannot be assured that existing environmental assessments of our properties reveal all environmental liabilities, that any prior owner of any of our properties did not create a material environmental condition not known to us, or that a material environmental condition does not otherwise exist as to any of our properties.

Changes in U.S. accounting standards may materially and adversely affect the reporting of our operations.

The Company follows GAAP, which is established by the Financial Accounting Standards Board (“FASB”), an independent body whose standards are recognized by the Securities and Exchange Commission (“SEC”) as authoritative for publicly held companies. The FASB and the SEC create and interpret accounting standards and may issue new accounting pronouncements or change the interpretation and application of these standards that govern the preparation of our financial statements. These changes could have a material impact on our reported consolidated results of operations and financial position.

Any weaknesses identified in our internal control over financial reporting could result in a decrease of our share price.

Section 404 of the Sarbanes-Oxley Act of 2002 requires us to evaluate and report on our internal control over financial reporting. If we identify one or more material weaknesses in our internal control over financial reporting, we could lose investor confidence in the accuracy and completeness of our financial reports, which in turn could have a negative impact on our share price.

Our failure to qualify as a REIT would have serious adverse consequences to our security holders.

We plan to continue to meet the requirements for taxation as a REIT. Many of these requirements, for which there is limited judicial and administrative interpretation, however, are highly technical and complex. Therefore, we cannot guarantee that we have qualified or will qualify as a REIT in the future. The determination that we are a REIT requires an analysis of various factual matters that may not be totally within our control. To qualify as a REIT, our assets must be substantially comprised of real estate assets as defined in the Internal Revenue Code of 1986, as amended (the “Code”), and related guidance and our gross income must generally come from rental and other real estate or passive related sources that are itemized in the REIT tax laws. We are also required to distribute to security holders at least 90% of our REIT taxable income excluding net capital gains.

If we fail to qualify as a REIT, we would be subject to U.S. federal income tax at regular corporate rates and would have to pay significant income taxes unless the Internal Revenue Service (“IRS”) granted us relief under certain statutory provisions. In addition, we would remain disqualified from taxation as a REIT for four years following the year in which we failed to qualify as a REIT. We would therefore have less money available for investments or for distributions to security holders and would no longer be required to make distributions to security holders. This would likely have a significant negative impact on the value of our securities.

In addition, certain of our subsidiary entities have elected to be taxed as REITs. As such, each must separately satisfy all of the requirements to qualify for REIT status. If a subsidiary REIT did not satisfy such requirements, and certain relief provisions did not apply, it would be taxed as a regular corporation and its income would be subject to U.S. federal income taxation. Failure to comply with these complex REIT rules at the subsidiary REIT level can have a material and detrimental impact to EQR’s REIT status.

Gain on disposition of assets held for sale in the ordinary course of business is subject to 100% tax.

Any gain resulting from transfers of properties we hold as inventory or primarily for sale to customers in the ordinary course of business is treated as income from a prohibited transaction subject to a 100% penalty tax unless certain safe harbor exceptions set forth in the Code apply. We do not believe that our transfers or disposals of property are prohibited transactions. However, whether property is held for investment purposes is a question that depends on all the facts and circumstances surrounding the particular transaction. The IRS may contend that certain transfers or dispositions of properties by us or contributions of properties are prohibited transactions. While we believe the IRS would not prevail in any such dispute, if the IRS were to argue successfully that a transfer or disposition of property constituted a prohibited transaction, we would be required to pay a 100% penalty tax on any gain allocable to us from the prohibited transaction. In addition, income from a prohibited transaction might adversely affect our ability to satisfy the income tests for qualification as a REIT.



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We may be subject to legislative or regulatory tax changes that could negatively impact our financial condition.

At any time, U.S. federal income tax laws governing REITs or impacting real estate or the administrative interpretations of those laws may be enacted or amended. We cannot predict if or when any new U.S. federal income tax law, regulation or administrative interpretation, or any amendment to any existing U.S. federal income tax law, IRS and U.S. Department of Treasury regulations or other administrative guidance, will be adopted or become effective and any such law, regulation or interpretation may take effect retroactively. The Company and our shareholders could be negatively impacted by any such change in, or any new, U.S. federal income tax law, regulations or administrative guidance.

Distribution requirements may limit our flexibility to manage our portfolio.

In order to maintain qualification as a REIT under the Code, a REIT must annually distribute to its shareholders at least 90% of its REIT taxable income, excluding the dividends paid deduction and net capital gains. To the extent the REIT does not distribute all of its net capital gain, or distributes at least 90%, but less than 100% of its REIT taxable income, it will be required to pay regular U.S. federal income tax on the undistributed amount at corporate rates. In addition, we will be subject to a 4% nondeductible excise tax on amounts, if any, by which distributions we pay in any calendar year are less than the sum of 85% of our ordinary income, 95% of our net capital gains and 100% of our undistributed income from prior years. We may not have sufficient cash or other liquid assets to meet the 90% distribution requirement. We may be required from time to time, under certain circumstances, to accrue as income for tax purposes interest and rent earned but not yet received. We may incur a reduction in tax depreciation without a reduction in capital expenditures. Difficulties in meeting the 90% distribution requirement might arise due to competing demands for our funds or due to timing differences between tax reporting and cash distributions, because deductions may be disallowed, income may be reported before cash is received, expenses may have to be paid before a deduction is allowed or because the IRS may make a determination that adjusts reported income. In addition, gain from the sale of property may exceed the amount of cash received on a leverage-neutral basis. A substantial increase to our taxable income may reduce the flexibility of the Company to manage its portfolio through dispositions of properties other than through tax deferred transactions, such as Section 1031 exchanges, or cause the Company to borrow funds or liquidate investments on unfavorable terms in order to meet these distribution requirements. If we do not dispose of our properties through tax deferred transactions, we may be required to distribute the gain proceeds to shareholders or pay income tax. If we fail to satisfy the 90% distribution requirement and are unable to cure the deficiency, we would cease to be taxed as a REIT, resulting in substantial tax-related liabilities.

We have a share ownership limit for REIT tax purposes.

To remain qualified as a REIT for U.S. federal income tax purposes, not more than 50% in value of our outstanding Shares may be owned, directly or indirectly, by five or fewer individuals at any time during the last half of any year. To facilitate maintenance of our REIT qualification, our Declaration of Trust, subject to certain exceptions, prohibits ownership by any single shareholder of more than five percent of the lesser of the number or value of any outstanding class of common or preferred shares (the "Ownership Limit"). Absent an exemption or waiver granted by our Board of Trustees, securities acquired or held in violation of the Ownership Limit will be transferred to a trust for the exclusive benefit of a designated charitable beneficiary, and the security holder's rights to distributions and to vote would terminate. A transfer of Shares may automatically be deemed void if it causes a person to violate the Ownership Limit. The Ownership Limit could delay or prevent a change in control and, therefore, could affect our security holders' ability to realize a premium over the then-prevailing market price for their Shares. To reduce the ability of the Board to use the Ownership Limit as an anti-takeover device, the Company's Ownership Limit requires, rather than permits, the Board to grant a waiver of the Ownership Limit if the individual seeking a waiver demonstrates that such ownership would not jeopardize the Company's status as a REIT.

Tax elections regarding distributions may impact future liquidity of the Company or our shareholders.

Under certain circumstances we have made and/or may consider making in the future, a tax election to treat certain distributions to shareholders made after the close of a taxable year as having been distributed during such closed taxable year. This election, which is provided for in the Code, may allow us to avoid increasing our dividends or paying additional income taxes in the current year. However, this could result in a constraint on our ability to decrease our dividends in future years without creating risk of either violating the REIT distribution requirements or generating additional income tax liability. In addition, the Company may be required to pay interest to the IRS based on such a distribution.

In order to retain liquidity and continue to satisfy the REIT distribution requirements, the Company could issue shares rather than pay a dividend entirely in cash to shareholders. The IRS has published several rulings which have allowed REITs to offer shareholders the choice between shares or cash as a form of payment of a dividend (an “elective stock dividend”). However, REITs are generally required to structure the cash component to be no less than 20% of the total dividend paid. Therefore, it is possible that the total tax burden to shareholders resulting from an elective stock dividend may exceed the amount of cash received by the shareholder.

Inapplicability of Maryland law limiting certain changes in control.

Certain provisions of Maryland law applicable to REITs prohibit “business combinations” (including certain issuances of equity securities) with any person who beneficially owns ten percent or more of the voting power of outstanding securities, or with an affiliate

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who, at any time within the two-year period prior to the date in question, was the beneficial owner of ten percent or more of the voting power of the Company's outstanding voting securities (an "Interested Shareholder"), or with an affiliate of an Interested Shareholder. These prohibitions last for five years after the most recent date on which the Interested Shareholder became an Interested Shareholder. After the five-year period, a business combination with an Interested Shareholder must be approved by two super-majority shareholder votes unless, among other conditions, holders of common shares receive a minimum price for their shares and the consideration is received in cash or in the same form as previously paid by the Interested Shareholder for its common shares. As permitted by Maryland law, however, the Board of Trustees of the Company has opted out of these restrictions with respect to any business combination involving certain of Samuel Zell's affiliates and persons acting in concert with them. Consequently, the five-year prohibition and the super-majority vote requirements will not apply to a business combination involving us and/or any of them. Such business combinations may not be in the best interest of our security holders.

General Risk Factors

Risk of Pandemics or Other Health Crises.

Pandemics, epidemics or other health crises have and could in the future disrupt our business. Both global and locally targeted health events could materially affect areas where our properties, corporate/regional offices or major service providers are located. These events have and could in the future have an adverse effect on our business, results of operations, financial condition and liquidity in a number of ways, including, but not limited to:

- The deterioration of global economic conditions as a result of such a crisis could ultimately decrease occupancy levels and pricing across our portfolio and/or increase concessions, reduce or defer our residents' spending, result in changes in resident preferences (including changes resulting from increased employer flexibility to work from home) or negatively impact our residents' and tenants' ability to pay their rent on time or at all;
- Local and national authorities expanding or extending certain measures that impose restrictions on our ability to enforce residents' or tenants' contractual rental obligations (such as eviction moratoriums or rental forgiveness) and limit our ability to raise rents or charge certain fees;
- The risk of a prolonged outbreak and/or multiple waves of an outbreak could cause long-term damage to economic conditions, which in turn could diminish our access to capital at attractive terms and/or cause material declines in the fair value of our assets, leading to asset impairment charges; and
- The potential inability to maintain adequate staffing at our properties and corporate/regional offices due to an outbreak and/or changes in employee preferences causing them to leave their jobs.

To the extent a pandemic, epidemic or other health crisis adversely affects our business, results of operations, cash flows and financial condition, it may also continue to heighten many of the other risks described elsewhere in this Item 1A, *Risk Factors*.

Significant inflation could negatively impact our business.

Substantial inflationary pressures can adversely affect us by disproportionately increasing the costs of land, materials, labor and other costs needed to operate our business. In a highly inflationary environment, we may not be able to raise rental rates at or above the rate of inflation, which could reduce our profit margins. If we are unable to increase our rental prices to offset the effects of inflation, our business, results of operations, cash flows and financial condition could be adversely affected. In addition, interest rate increases enacted to combat inflation have caused market disruption and could continue to prevent us from acquiring or disposing of assets on favorable terms or at all.

The occurrence of cyber incidents, or a deficiency in our cybersecurity, could negatively impact our business by causing a disruption to our operations, a compromise or corruption of our confidential information, and/or damage to our reputation and business relationships, all of which could negatively impact our financial results.

A cybersecurity incident is an unauthorized occurrence, or a series of related unauthorized occurrences, on or conducted through the Company's information systems that jeopardizes the confidentiality, integrity, or availability of our information systems or any information residing therein. These events can include gaining unauthorized access to systems to disrupt operations, corrupt data or steal confidential information, including information regarding our residents, prospective residents, employees and employees' dependents.

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Despite system redundancy, the implementation of security measures, required employee awareness training and the existence of a disaster recovery plan for our internal information technology systems, our systems and systems maintained by third-party vendors with which we do business are vulnerable to damage from any number of sources. We face risks associated with security breaches, whether through cyber attacks or cyber intrusions over the Internet, malware, computer viruses, attachments to emails, phishing attempts, social engineering, ransomware or other scams, persons inside our organization or persons/vendors with access to our systems and other significant disruptions of our information technology networks and related systems, including property infrastructure. These risks have increased due to increased reliance on remote working and other electronic interactions with our current and prospective residents. Our information technology networks and related systems are essential to the operation of our business and our ability to perform day-to-day operations. We use these systems to manage our resident and vendor relationships, internal communications, accounting and record-keeping systems and many other key aspects of our business. Our operations rely on the secure processing, storage and transmission of confidential and other information in our computer systems and networks, which also depend on the strength of our procedures and the effectiveness of our internal controls as well as those of vendors with whom we do business. Even the most well-protected information, networks, systems and facilities remain potentially vulnerable because the techniques used in such attempted security breaches evolve and generally are not recognized until launched against a target, and in some cases are designed not to be detected and, in fact, may not be detected. Accordingly, we may be unable to anticipate these techniques or to implement adequate security barriers or other preventative measures, and thus it is impossible for us to entirely mitigate this risk.

We may periodically collect and store personally identifiable information of our residents and prospective residents in connection with our leasing activities, and we may collect and store personally identifiable information of our employees and their dependents. In addition, we often engage third-party service providers that may have access to such personally identifiable information in connection with providing necessary information technology, security and other business services to us. Despite the fact that we monitor and perform a comprehensive review of businesses that we contract with that represent a cybersecurity risk to the organization, the systems of these third-party service providers may contain defects in design or other problems that could unexpectedly compromise personally identifiable information. Although we make efforts to maintain the security and integrity of our information technology networks and those of our third-party providers and we have implemented various measures to manage the risk of a security breach or disruption, there can be no assurance that our security efforts and measures will be effective or that attempted security breaches or disruptions would not be successful or damaging.

A breach or significant and extended disruption in the function of our systems, including our primary website, could damage our reputation and cause us to lose residents and revenues, result in a violation of applicable privacy and other laws, generate third-party claims, result in the unintended and/or unauthorized public disclosure or the misappropriation of proprietary, personally identifiable and confidential information and require us to incur significant expenses to address and remediate or otherwise resolve these kinds of issues. We may not be able to recover these expenses in whole or in any part from our service providers, our insurers or any other responsible parties. As a result, there can be no assurance that our financial results would not be negatively impacted.

We are also subject to laws, rules, and regulations in the United States, such as the California Privacy Rights Act (“CPRA”), relating to the collection, use, and security of resident, customer, employee and other data. Evolving compliance and operational requirements under the CPRA and the privacy laws of other jurisdictions in which we operate may impose significant costs that are likely to increase over time. Our failure to comply with laws, rules and regulations related to privacy and data protection could harm our business or reputation or subject us to fines and penalties.

Our business and operations rely on specialized information technology systems, the failure of or inadequacy of which could impact our business.

Our ability to identify, implement and maintain appropriate information technology systems differentiates and creates competitive advantages for us in the operations of our business. These systems often are developed and hosted by third-party vendors whom we rely upon for ongoing maintenance, upgrades and enhancements. While we maintain a rigorous process around selecting appropriate information technology systems and partnering with vendors, our failure to adequately do so could negatively impact our operations and competitive position.

Our approach to artificial intelligence may not be successful and could adversely affect our business.

We have incorporated and may continue to incorporate the use of generative artificial intelligence ("AI") within our business, and these solutions and features may become more important to our operations or to our future growth over time. Our research and development of AI remains ongoing. There can be no assurance that we will realize the desired or anticipated benefits, or any benefits, and we may fail to properly implement such technology. AI presents risks, challenges and unintended consequences that could affect our adoption and use of this technology. Our competitors or other third parties may incorporate AI in their business operations more quickly or more successfully than we do, which could impair our ability to compete effectively and adversely affect our results of

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operations. Additionally, the complex and rapidly evolving landscape around AI may expose us to claims, demands and proceedings by private parties and regulatory authorities and subject us to legal liability as well as reputational harm.

We depend on our key personnel.

We depend on the efforts of our trustees and executive officers. If one or more of them resign or otherwise cease to be employed by us, our business and results of operations and financial condition could be adversely affected.

Litigation risk could affect our business.

We are involved and may continue to be involved in legal proceedings, claims, class actions, inquiries and governmental investigations in the ordinary course of business. These legal proceedings may include, but are not limited to, proceedings related to consumer, shareholder, securities, antitrust, employment, environmental, development, condominium conversion, tort, eviction and commercial legal issues. Litigation can be lengthy and expensive, and it can divert management's attention and resources. Results cannot be predicted with certainty, and an unfavorable outcome in litigation could result in liability material to our financial condition or results of operations.

Insurance policies can be costly and may not cover all losses, which may adversely affect our financial condition or results of operations.

The Company's property, general liability and workers compensation insurance policies provide coverage with substantial per occurrence deductibles and/or self-insured retentions. These self-insurance retentions can be a material portion of insurance losses in excess of the base deductibles. While the Company has previously purchased incremental insurance coverage in the event of multiple non-catastrophic occurrences within the same policy year, these substantial deductible and self-insured retention amounts do expose the Company to greater potential for uninsured losses and this additional coverage may not be available at all or on commercially reasonable terms in the future. We believe the policy specifications and insured limits of these policies are adequate and appropriate; however, we may not always be able to place the desired amount of third-party coverage due to a significant increase in insurance premiums and deductibles or a decrease in the availability of coverage, a combination of which have exposed and could further expose the Company to uninsured losses. As a result, our financial results could be adversely affected and may vary significantly from period to period.

The Company relies on third-party insurance providers for its property, general liability, workers compensation and other insurance, and should any of them experience liquidity issues or other financial distress, it could negatively impact their ability to pay claims under the Company's policies.

Earthquake risk: Our policies insuring against earthquake losses have substantial deductibles which are applied to the values of the buildings involved in the loss. With the geographic concentration of our properties, a single earthquake affecting a market may have a significant negative effect on our financial condition and results of operations. We cannot assure that an earthquake would not cause damage or losses greater than insured levels. In the event of a loss in excess of insured limits, we could lose our capital invested in the affected property or market, as well as anticipated future revenue.

Terrorism risk: The Company has terrorism insurance coverage which excludes losses from nuclear, biological and chemical attacks. In the event of a terrorist attack impacting one or more of our properties, we could lose the revenues from the property, our capital investment in the property and possibly face liability claims from residents or others suffering injuries or losses.

Catastrophic weather and natural disaster risk: Our properties may be located in areas that could experience catastrophic weather and other natural disasters from time to time, including wildfires, snow or ice storms, hail, windstorms or hurricanes, drought, flooding or other severe disasters. These severe weather and natural disasters could cause substantial damages or losses to our properties which may not be covered or could exceed our insurance coverage. Exposure to this risk could also result in a decrease in demand for properties located in these areas or affected by these conditions.

Climate change risk: To the extent that significant changes in the climate occur in areas where our properties are located, we may experience severe weather, which may result in physical damage to or decrease the demand for properties located in these areas or affected by these conditions. Should the impact of climate change be material in nature, significant property damage or destruction of our properties could result. Our financial condition or results of operations may be adversely affected. In addition, changes in federal, state and local legislation and regulation based on concerns about climate change could adversely impact the

value of our properties or result in increased capital expenditures or operating expenses on our existing properties and our new development properties.

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Provisions of our Declaration of Trust and Bylaws could inhibit changes in control.

Certain provisions of our Declaration of Trust and Bylaws may delay or prevent a change in control of the Company or other transactions that could provide the security holders with a premium over the then-prevailing market price of their securities or which might otherwise be in the best interest of our security holders. This includes the Ownership Limit described above. While our existing preferred shares/preference units do not have all of these provisions, any future series of preferred shares/preference units may have certain voting provisions that could delay or prevent a change in control or other transactions that might otherwise be in the interest of our security holders. Our Bylaws require certain information to be provided by any security holder, or persons acting in concert with such security holder, who proposes business or a nominee at an annual meeting of shareholders, including disclosure of information related to hedging activities and investment strategies with respect to our securities. These requirements could delay or prevent a change in control or other transactions that might otherwise be in the interest of our security holders. The Board of Trustees may use its powers to issue preferred shares and to set the terms of such securities to delay or prevent a change in control of the Company even if a change in control were in the interest of the security holders.

Item 1B. Unresolved Staff Comments

None.

Item 1C. Cybersecurity

Risk management and strategy

We have an enterprise-wide information security program designed to protect our information systems from cybersecurity threats. We identify and assess risks from cybersecurity threats by monitoring and evaluating our digital assets and our risk profile using various methods. We monitor security events that are internally discovered or externally reported that may affect our systems and have processes and procedures to assess those events for potential cybersecurity impact or risk and consequently improve our security measures and planning. Additionally, we work with third parties from time to time that assist us in refining our cybersecurity risk strategy in order to identify, assess and manage cybersecurity risks, including professional services firms and consulting firms. We seek to detect and investigate unauthorized attempts and attacks against our network and services, and to minimize their occurrence and recurrence through changes or updates to our internal processes and tools and changes or updates to our services; however, we remain potentially vulnerable to known or unknown threats.

Our cybersecurity incident response processes are designed to escalate certain cybersecurity events to members of management depending on the circumstances. Key members of management, including representatives from IT, operations, legal, finance, risk management and internal audit, serve on the Company's senior security incident response team to help the Company mitigate and remediate cybersecurity incidents of which they are notified, and certain cybersecurity incidents are escalated to the Company's executives. In addition, the Company's incident response processes include potential reporting to the Audit Committee of our Board of Trustees for certain cybersecurity incidents.

We also have a third-party risk management program in place to manage cybersecurity risks associated with third-party service providers. While we do maintain processes and procedures to identify, prioritize and assess risks associated with third-party service providers, we must rely on third parties to augment our security program, and we cannot ensure in all circumstances that their efforts will be successful.

While to date we have not experienced a cybersecurity threat or incident that resulted in a material adverse impact to our business or operations, there can be no guarantee that we will not experience such an incident in the future. Any significant disruption to our systems could adversely affect our business and results of operations. Further, a cyber incident impacting our systems or a third-party's systems could subject us to business, regulatory, litigation and reputational risk, which could have a negative effect on our business, financial condition and results of operations.

Notwithstanding the extensive approach we take to cybersecurity, we may not be successful in preventing or mitigating a cybersecurity incident that could have a material adverse effect on us. While we maintain cybersecurity insurance, the costs related to cybersecurity threats or disruptions may not be fully insured. See Item 1A, *Risk Factors*, for a discussion of cybersecurity risks.



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Governance

Our Information Technology Security Team, under the oversight of our Senior Vice President of IT and the leadership of our VP of IT Infrastructure and Security, is responsible for our overall information security strategy, policy, security engineering, operations and cyber threat detection and response. The Information Technology Security Team manages and continually enhances a robust enterprise security structure with the ultimate goal of minimizing cybersecurity incidents to the extent feasible, while simultaneously increasing our system resilience in an effort to minimize the business impact should an incident occur. Our Information Technology Security Team possesses decades of experience in navigating cybersecurity threats and mitigating associated risks as a result of holding similar positions at other large companies. Most members of the team hold degrees in cybersecurity and/or related disciplines, have cybersecurity certifications such as Certified Information Systems Security Professional (CISSP) and/or periodically attend various cyber-focused conferences and training programs. Specifically, our Senior Vice President of IT and our VP of IT Infrastructure and Security combined have over 30 years of technology and cybersecurity experience. The team provides regular reports to senior management and affected departments on various cybersecurity threats, assessments and findings.

The Audit Committee of our Board of Trustees oversees our annual enterprise risk management assessment, where we assess key risks within the Company, including security and technology risks and cybersecurity threats. The Audit Committee oversees our ongoing cybersecurity risk management efforts and regularly receives detailed reports from representatives of our Information Technology Security Team addressing a wide range of related topics. At least annually, our IT leadership (and external cybersecurity experts if applicable) reviews key cybersecurity strategies and policies with the full Board of Trustees, including risk assessments, mitigation strategies, areas of emerging risks, incidents and industry trends and other areas of importance.

Item 2. Properties

As of December 31, 2023, the Company, directly or indirectly through investments in title holding entities, owned all or a portion of 302 properties located in 10 states and the District of Columbia consisting of 80,191 apartment units. See Item 1, *Business*, for additional information regarding the Company's properties and the markets/metro areas upon which we are focused. The Company's properties are summarized by building type in the following table:

Type	Properties	Apartment Units	Apa
Garden	90	24,553	
Mid/High-Rise	212	55,638	
	302	80,191	

Garden is generally defined as properties with two and/or three story buildings while mid/high-rise is generally defined as properties with greater than three story buildings. These two property types typically provide residents with amenities, such as rooftop decks and swimming pools, fitness centers and community rooms. In addition, many of our urban properties have non-residential components, such as parking garages and/or retail spaces.

The Company's properties are summarized by ownership type in the following table:

	Properties	Apartment Units
Wholly Owned Properties	288	77,1

Partially Owned Properties – Consolidated			14				3,0
			302				80,1

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The following table sets forth certain information by market relating to the Company's properties at December 31, 2023:

Portfolio Summary									
Markets/Metro Areas		Properties			Apartment Units			% of Stabilized Budgeted NOI (1)	
Established Markets:									
Los Angeles		58			14,732			17.1	
Orange County		13			4,028			5.4	
San Diego		12			2,878			4.0	
Subtotal – Southern California		83			21,638			26.5	
Washington, D.C.		48			15,028			16.3	
San Francisco		43			11,667			15.4	
New York		34			8,536			14.1	
Boston		27			7,170			11.8	
Seattle		44			9,267			10.4	
Subtotal – Established Markets		279			73,306			94.5	
Expansion Markets:									
Denver		9			2,792			2.8	
Atlanta		7			2,111			1.6	
Dallas/Ft. Worth		4			1,241			0.7	
Austin		3			741			0.4	
Subtotal – Expansion Markets		23			6,885			5.5	
Total		302			80,191			100.0	

Note: Projects under development are not included in the Portfolio Summary until construction has been completed.

(1) % of Stabilized Budgeted NOI - Represents original budgeted 2024 NOI for stabilized properties and projected annual NOI at stabilization (defined as having achieved 90% occupancy for three consecutive months) for properties that are in lease-up.

(2) Average Rental Rate - Total Residential rental revenues reflected on a straight-line basis in accordance with GAAP divided by the weighted average occupied apartment units for the reporting period presented.

The following tables provide a rollforward of the apartment units included in Same Store Properties (please refer to the Definitions section in Item 7, *Management's Discussion and Analysis of Financial Condition and Results of Operations*) and a reconciliation of apartment units included in Same Store Properties to those included in Total Properties for the year ended December 31, 2023:

		Year Ended December 31, 2023			
		Properties			Apartment Units
Same Store Properties at December 31, 2022		283			72,8
2021 acquisitions		16			4,3
2023 dispositions		(11)			(9
Other		—			
Same Store Properties at December 31, 2023		288			76,2

		Year Ended December 31, 2023			
		Properties			Apartment Units
Same Store		288			76,2
Non-Same Store:					
2023 acquisitions		4			1,1
2022 acquisitions		1			1
2021 acquisitions not yet stabilized		1			4
Properties removed from same store (1)		2			8
Lease-up properties not yet stabilized (2)		5			1,2
Other		1			
Total Non-Same Store		14			3,8
Total Properties and Apartment Units		302			80,1

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Note: Properties are considered “stabilized” when they have achieved 90% occupancy for three consecutive months. Properties are included in same store when they are stabilized for all of the current and comparable periods presented.

(1) Consists of two properties which were removed from the same store portfolio as discussed further below:

Laguna Clara located in Santa Clara, CA containing 222 apartment units was removed from the same store portfolio in the second quarter of 2022 due to a major renovation and redevelopment project, including the demolition of 42 apartment units. As of December 31, 2023, the property had a Physical Occupancy of 67.4%. This property will not return to the same store portfolio until it is stabilized for all of the current and comparable periods presented.

Pearl MDR located in Marina Del Rey, CA containing 597 apartment units was removed from the same store portfolio in the third quarter of 2022 due to a large scale re-piping and renovation project in which significant portions of the property are being taken offline for extended time periods. As of December 31, 2023, the property had a Physical Occupancy of 64.5%. This property will not return to the same store portfolio until it is stabilized for all of the current and comparable periods presented.

(2) Consists of properties in various stages of lease-up and properties where lease-up has been completed but the properties were not stabilized for the comparable periods presented. Also includes one former third-party master-leased property that was not stabilized.

For the year ended December 31, 2023, the Company’s same store Physical Occupancy was 95.9% and its total portfolio-wide Physical Occupancy, which includes completed development properties in various stages of lease-up, was 95.4%. Certain of the Company’s properties are encumbered by mortgages and additional detail can be found on Schedule III – Real Estate and Accumulated Depreciation.

The properties in various stages of development and lease-up at December 31, 2023 are included in the following table:

Development and Lease-Up Projects as of December 31, 2023													
(Amounts in thousands except for project and apartment unit amounts)													
Projects	Location	Ownership Percentage	No. of Apartment Units	Total Budgeted Capital Cost (1)	Total Book Value to Date								
CONSOLIDATED:													
Projects Under Development:													
Laguna Clara II	Santa Clara, CA	100%	225	\$ 152,621	\$ 78,036								
Projects Under Development - Consolidated			225	152,621	78,036								
Projects Completed Not Stabilized:													
Reverb (fka 9th and W) (3)	Washington, D.C.	92%	312	108,027	104,651								
Projects Completed Not Stabilized - Consolidated			312	108,027	104,651								
UNCONSOLIDATED:													
Projects Under Development:													
Alloy Sunnyside (4)	Denver, CO	80%	209	70,004	62,071								
Alexan Harrison (4)	Harrison, NY	62%	450	200,664	175,135								
Solana Beeler Park (4)	Denver, CO	90%	270	85,206	56,178								
Remy (Toll) (4)	Frisco, TX	75%	357	98,937	77,170								

Sadie (fka Settler) (Toll) (4)	Fort Worth, TX	75%	362	82,775	55,522
Lyle (Toll) (3)	Dallas, TX	75%	334	86,332	52,914
Projects Under Development - Unconsolidated			1,982	623,918	478,990
Total Development Projects - Consolidated			537	260,648	182,687
Total Development Projects - Unconsolidated			1,982	623,918	478,990
Total Development Projects			2,519	\$ 884,566	\$ 661,677

(Total Budgeted Capital Cost – Estimated remaining cost for projects under development and/or developed plus all capitalized costs incurred to date, including land acquisition costs, construction costs, capitalized real estate taxes and insurance, capitalized interest and loan fees, permits, professional fees, allocated development overhead and other regulatory fees, plus any estimates of costs remaining to be funded for all projects, all in accordance with GAAP. Amounts for partially owned consolidated and unconsolidated properties are presented at 100% of the project.

(Except for Reverb where the Company paid off the third-party construction loan during the year ended December 31, 2023, all non-wholly owned projects are being partially funded with project-specific construction loans. None of these loans are recourse to the Company.

(3)The land parcels under these projects are subject to long-term ground leases.

(4)The Total Budgeted Capital Cost on these projects increased by an aggregate of \$13.0 million or 2.5% of initial budget primarily due to higher than budgeted interest incurred on construction loans.

Item 3. Legal Proceedings

The Company has been named as a defendant in a number of cases filed in late 2022 and 2023 alleging antitrust violations by RealPage, Inc., a seller of revenue management software products, and various owners and/or operators of multifamily housing, including us, that have utilized these products. The complaints allege collusion among the defendants to illegally fix and inflate the pricing of multifamily rents and seek monetary damages, injunctive relief, fees and costs. All of the cases except for one have been consolidated into a single putative class action in the United States District Court for the Middle District of Tennessee. On December 28, 2023, motions to dismiss this consolidated action, filed by RealPage, Inc. as well as us and our multifamily co-defendants, were denied by the Court and the case is proceeding. Another case with similar allegations has been filed by the District of Columbia against

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RealPage, Inc. and a number of multifamily owners and/or operators, including us. We believe these various lawsuits are without merit and we intend to vigorously defend against them. As these proceedings are in the early stages, it is not possible for the Company to predict the outcome nor is it possible to estimate the amount of loss, if any, which may be associated with an adverse decision in any of these cases.

As of December 31, 2023, the Company does not believe there is any litigation pending or threatened against it that, individually or in the aggregate, may reasonably be expected to have a material adverse effect on the Company.

Item 4. Mine Safety Disclosures

Not applicable.

PART II

Item 5. Market for Registrant's Common Equity, Related Stockholder Matters and Issuer Purchases of Equity Securities

Common Share/Unit Information (Equity Residential and ERP Operating Limited Partnership)

The Company's Common Shares trade on the New York Stock Exchange under the trading symbol EQR. There is no established public market for the Operating Partnership's Units (OP Units and restricted units). At February 8, 2024, the number of record holders of Common Shares was approximately 1,710 and 379,553,591 Common Shares were outstanding. At February 8, 2024, the number of record holders of Units in the Operating Partnership was approximately 450 and 391,291,526 Units were outstanding.

Unregistered Common Shares Issued in the Quarter Ended December 31, 2023 (Equity Residential)

During the quarter ended December 31, 2023, EQR issued 151,199 Common Shares in exchange for 151,199 OP Units held by various limited partners of ERPOP. OP Units are generally exchangeable into Common Shares on a one-for-one basis or, at the option of ERPOP, the cash equivalent thereof, at any time one year after the date of issuance. These shares were either registered under the Securities Act of 1933, as amended (the "Securities Act"), or issued in reliance on an exemption from registration under Section 4(a)(2) of the Securities Act and the rules and regulations promulgated thereunder, as these were transactions by an issuer not involving a public offering. In light of the manner of the sale and information obtained by EQR from the limited partners in connection with these transactions, EQR believes it may rely on these exemptions.

Common Shares Repurchased in the Quarter Ended December 31, 2023

The Company repurchased and retired the following Common Shares during the quarter ended December 31, 2023:

Period	Total Number of Common Shares Purchased (1)	Weighted Average Price Paid Per Share (1), (2)	Total Number of Common Shares Purchased as Part of Publicly Announced Plans or Programs (1)
October 1, 2023 - October 31, 2023	—	\$ —	—
November 1, 2023 - November 30, 2023	664,696	\$ 55.44	664,696
December 1, 2023 - December 31, 2023	199,690	\$ 61.28	199,690
Total	864,386	\$ 56.79	864,386

The Common Shares repurchased during the quarter ended December 31, 2023 represent Common Shares repurchased under the Company's publicly announced share repurchase program approved by its Board of Trustees. The Company's share repurchase program was publicly announced on July 30, 2013 and the increase to its 13.0 million shares capacity was publicly announced on August 4, 2016. The program does not have an expiration date and may be suspended or discontinued at any time and does not obligate the Company to make any repurchases of its Common Shares. In January 2024, the Company's Board of Trustees approved replenishing the Company's share repurchase program authorization back to its original 13.0 million shares.

(2) Weighted average price paid per share excludes costs associated with the repurchases.

The number of shares available for purchase under the Company's publicly announced share repurchase program authorized by the Board of Trustees. The Company may repurchase Common Shares under its share repurchase program in open market or privately negotiated transactions. The timing and actual number of shares repurchased under the repurchase program depend on a variety of factors, including price, general business and market conditions and other investment opportunities.

Item 6. Reserved

Item 7. Management's Discussion and Analysis of Financial Condition and Results of Operations

The following discussion and analysis of the results of operations and financial condition of the Company and the Operating Partnership should be read in connection with the Consolidated Financial Statements and Notes thereto. Due to the Company's ability to control the Operating Partnership and its subsidiaries, the Operating Partnership and each such subsidiary entity has been consolidated with the Company for financial reporting purposes, except for any unconsolidated properties/entities. Capitalized terms used herein and not defined are as defined elsewhere in this Annual Report on Form 10-K. In addition, please refer to the Definitions section below for various capitalized terms not immediately defined in this Item 7, *Management's Discussion and Analysis of Financial Condition and Results of Operations*.

Forward-Looking Statements

Forward-looking statements are intended to be made pursuant to the safe harbor provisions of the Private Securities Litigation Reform Act of 1995. These statements are based on current expectations, estimates, projections and assumptions made by management. While the Company's management believes the assumptions underlying its forward-looking statements are reasonable, such information is inherently subject to uncertainties and may involve certain risks, which could cause actual results, performance or achievements of the Company to differ materially from anticipated future results, performance or achievements expressed or implied by such forward-looking statements. Many of these uncertainties and risks are difficult to predict and beyond management's control. Additional factors that might cause such differences are discussed in Part I of this Annual Report on Form 10-K, particularly those under Item 1A, *Risk Factors*. Forward-looking statements and related uncertainties are also included in the Notes to Consolidated Financial Statements in this report. Forward-looking statements are not guarantees of future performance, results or events. The forward-looking statements contained herein are made as of the date hereof and the Company undertakes no obligation to update or supplement these forward-looking statements.

Overview

See Item 1, *Business*, for discussion regarding the Company's overview.

Business Objectives and Operating and Investing Strategies

See Item 1, *Business*, for discussion regarding the Company's business objectives and operating and investing strategies.

Results of Operations

2022 and 2023 Transactions

In conjunction with our business objectives and operating and investing strategies, the following table provides a rollforward of the transactions that occurred during the years ended December 31, 2022 and 2023:

Portfolio Rollforward (\$ in thousands)

		Properties			Apartment Units			Purchase Price
12/31/2021		310			80,407			
Acquisitions:								
Consolidated Rental Properties		1			172		\$	113,000
Unconsolidated Land Parcels (1)		—			—		\$	56,886
								Sales Price
Dispositions:								
Consolidated Rental Properties		(3)			(945)		\$	(746,150)
Configuration Changes		—			(37)			
12/31/2022		308			79,597			
								Purchase Price
Acquisitions:								
Consolidated Rental Properties		2			577		\$	189,734
Consolidated Rental Properties – Not Stabilized (2)		2			606		\$	176,600
								Sales Price
Dispositions:								
Consolidated Rental Properties		(11)			(912)		\$	(379,893)
Completed Developments – Consolidated		1			312			
Configuration Changes		—			11			
12/31/2023		302			80,191			

- (1)The purchase price listed represents the total consideration for the closing of the respective joint ventures.
- (2)The Company acquired two properties in the Atlanta market during the year ended December 31, 2023 that are in lease-up and are expected to stabilize in their second year of ownership at the weighted average Acquisition Cap Rate listed above.
- (3)Purchase price is net of a mark-to-market discount of approximately \$11.2 million on a mortgage assumed in connection with the purchase of a property.

Acquisitions

- The consolidated property acquired in 2022 is located in the San Diego market;
- In 2022, the Company acquired its joint venture partner's 25% interest in a 432-unit apartment property located in the Washington, D.C. market for \$32.2 million, and the property is now wholly owned;
- The consolidated properties acquired in 2023 are located in the Atlanta (3) and Denver markets; and
- In 2023, the Company acquired its joint venture partner's 10% interest in a 200-unit apartment property located in the San Francisco market for \$4.6 million, of which the Company paid \$3.7 million in cash and ERPOP issued \$0.9 million of 3.00% Series Q Preference Units. The property is now wholly owned. The Company also repaid \$64.7 million of mortgage debt at par prior to maturity in conjunction with the buyout.

Dispositions

- The consolidated properties disposed of in 2022 were located in the New York (2) and Washington, D.C. markets and the sales generated an Unlevered IRR of 5.3%; and
- The consolidated properties disposed of in 2023 were located in the Los Angeles (8), Seattle (2) and San Francisco markets

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and the sales generated an Unlevered IRR of 11.4%.

Developments

- The Company commenced construction on one consolidated and three unconsolidated apartment properties during 2022, located in the San Francisco and Dallas/Ft. Worth (3) markets, consisting of 1,278 apartment units totaling approximately \$417.7 million of expected development costs;
- The Company stabilized two consolidated apartment properties during 2022, located in the Washington, D.C. and Boston markets, consisting of 624 apartment units totaling approximately \$482.1 million of development costs;
- The Company spent approximately \$203.6 million during 2022, primarily for consolidated and unconsolidated development projects;
- The Company stabilized one consolidated apartment property during 2023, located in the San Francisco market, consisting of 200 apartment units totaling approximately \$116.4 million of development costs;
- The Company completed construction on one consolidated apartment property during 2023, located in the Washington, D.C. market, consisting of 312 apartment units totaling approximately \$108.0 million of development costs; and
- The Company spent approximately \$118.2 million during 2023, primarily for consolidated and unconsolidated development projects.

Investments in Unconsolidated Entities

- The Company entered into three separate unconsolidated joint ventures during 2022 for the purpose of developing vacant land parcels in the Dallas/Ft. Worth and Boston (2) markets. The Company's total investment in these three joint ventures was approximately \$66.8 million as of December 31, 2022. One of the projects is related to the Company's joint venture development program with Toll Brothers, Inc. ("Toll"), which commenced construction during the first quarter of 2022 prior to our entrance into the joint venture; and
- The Company entered into two separate unconsolidated joint ventures during 2023 for the purpose of developing vacant land parcels in the Boston and Seattle markets. The Company's total investment in these two joint ventures was approximately \$4.9 million as of December 31, 2023.

See Notes 4 and 6 in the Notes to Consolidated Financial Statements for additional discussion regarding the Company's real estate investments and investments in partially owned entities.

Comparison of the year ended December 31, 2023 to the year ended December 31, 2022

The following table presents a reconciliation of diluted earnings per share/unit for the year ended December 31, 2023 as compared to the same period in 2022:

			Year Ended December 31	
Diluted earnings per share/unit for full year 2022		\$	2.05	
Property NOI			0.29	
Interest expense			0.02	
Corporate overhead (1)			(0.03))
Net gain/loss on property sales			(0.06))
Non-operating asset gains/losses			0.04	

Depreciation expense			(0.01)
Other			(0.10)
Diluted earnings per share/unit for full year 2023		\$	2.20	

(1)Corporate overhead includes property management and general and administrative expenses.

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

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The following tables present reconciliations of operating income per the consolidated statements of operations to NOI, along with rental income, operating expenses and NOI per the consolidated statements of operations allocated between same store and non-same store/other results (amounts in thousands):

		Year Ended December 31,							
		2023				2022			\$ C
Operating income	\$	1,160,585				\$	1,116,046		\$
Adjustments:									
Property management		119,804				110,304			
General and administrative		60,716				58,710			
Depreciation		888,709				882,168			
Net (gain) loss on sales of real estate properties		(282,539)	)			(304,325))		
Total NOI	\$	1,947,275				\$	1,862,903		\$
Rental income:									
Same store	\$	2,754,711				\$	2,609,766		\$
Non-same store/other		119,253				125,414			
Total rental income		2,873,964				2,735,180			
Operating expenses:									
Same store		873,448				837,602			
Non-same store/other		53,241				34,675			
Total operating expenses		926,689				872,277			
NOI:									
Same store		1,881,263				1,772,164			
Non-same store/other		66,012				90,739			
Total NOI	\$	1,947,275				\$	1,862,903		\$

Note: See Note 17 in the Notes to Consolidated Financial Statements for detail by reportable segment/market. Non-same store/other NOI results consist primarily of properties acquired in calendar years 2022 and 2023, operations from the Company's development properties, other corporate operations and operations prior to disposition from 2022 and 2023 sold properties.

•The increase in same store rental income is primarily driven by strong demand and limited new supply, partially offset by a non-cash write-off of approximately \$1.5 million in straight-line receivables due to the bankruptcy of Rite Aid.

- The increase in same store operating expenses is due primarily to:
 - Repairs and maintenance – A \$9.9 million increase primarily driven by greater outsourcing due to higher internal staffing utilization to address issues from California rain storms that occurred earlier in 2023;
 - Real estate taxes – A \$5.8 million increase due to modest escalation in rates and assessed values; and
 - On-site payroll – An \$8.0 million increase due primarily to fewer staffing vacancies as compared to 2022 and elevated employee benefit costs, partially offset by the impact of innovation initiatives.
- The decrease in non-same store/other NOI is due primarily to:
 - A negative impact of lost NOI from 2022 and 2023 dispositions of \$20.2 million;
 - A negative impact of \$2.8 million in lower NOI from two properties that have been removed from same store while undergoing major renovations;
 - A negative impact of \$18.1 million from a real estate tax transaction adjustment in 2022 that did not reoccur in 2023; and
 - A positive impact of higher NOI from non-stabilized properties acquired during 2021, 2022 and 2023 of \$11.2 million and higher NOI from development and other properties in lease-up of \$10.9 million.
- The increase in consolidated total NOI is a result of the Company's higher NOI from same store properties, largely due to improvement in same store revenues as noted above.

See the *Same Store Results* section below for additional discussion of those results.

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Property management expenses include off-site expenses associated with the self-management of the Company's properties as well as management fees paid to any third-party management companies. These expenses increased approximately \$9.5 million or 8.6% during the year ended December 31, 2023 as compared to 2022. This increase is primarily attributable to increases in payroll-related costs, workforce/contractors costs and information technology expenses, partially offset by decreases in training/marketing costs and third-party management fees.

General and administrative expenses, which include corporate operating expenses, increased approximately \$2.0 million or 3.4% during the year ended December 31, 2023 as compared to 2022, primarily due to increases in payroll-related costs and public company expenses, partially offset by decreases in legal and professional fees and training/marketing costs.

Depreciation expense, which includes depreciation on non-real estate assets, increased approximately \$6.5 million or 0.7% during the year ended December 31, 2023 as compared to 2022, primarily as a result of additional depreciation expense on properties acquired in 2023 and 2022, partially offset by lower depreciation from properties sold in 2022 and 2023.

Net gain on sales of real estate properties decreased approximately \$21.8 million or 7.2% during the year ended December 31, 2023 as compared to 2022, primarily as a result of the sale of eleven consolidated apartment properties for a lower gain in 2023 as compared to the sale of three consolidated apartment properties in the same period in 2022.

Interest and other income increased approximately \$20.2 million during the year ended December 31, 2023 as compared to 2022. The increase is primarily due to an increase in unrealized gains of \$13.5 million and realized gains of \$2.7 million on various investment securities as well as short-term investment income on cash and restricted deposit accounts due to a higher rate environment and higher overall invested balances, partially offset by decreases in insurance/litigation settlement proceeds received during 2022 that did not occur in 2023.

Other expenses increased approximately \$15.8 million during the year ended December 31, 2023 as compared to 2022, primarily due to increases in litigation reserves and data transformation project costs.

Interest expense, including amortization of deferred financing costs, decreased approximately \$13.2 million or 4.5% during the year ended December 31, 2023 as compared to 2022. The decrease is primarily due to lower overall debt balances outstanding as compared to the prior year period and higher capitalized interest, partially offset by higher rates on floating debt. The effective interest cost on all indebtedness, excluding debt extinguishment costs/prepayment penalties, for the year ended December 31, 2023 was 3.82% as compared to 3.68% in 2022. The Company capitalized interest of approximately \$12.3 million and \$7.1 million during the years ended December 31, 2023 and 2022, respectively.

For comparison of the year ended December 31, 2022 to the year ended December 31, 2021, refer to Item 7, *Management's Discussion and Analysis of Financial Condition and Results of Operations*, included in the Company's and the Operating Partnership's Annual Report on Form 10-K for the year ended December 31, 2022.

Same Store Results

Properties that the Company owned and were stabilized for all of both 2023 and 2022 (the "2023 Same Store Properties"), which represented 76,297 apartment units, drove the Company's results of operations. Properties are considered "stabilized" when they have achieved 90% occupancy for three consecutive months. Properties are included in same store when they are stabilized for all of the current and comparable periods presented.

The following table provides comparative total same store results and statistics for the 2023 Same Store Properties:

2023 vs. 2022
Same Store Results/Statistics Including 76,297 Same Store Apartment Units
(\$ in thousands except for Average Rental Rate)

2023

	Residential			% Change			Non-Residential				% Change			Total			% Change	
Revenues	\$	2,657,868			5.7	%	\$	96,843		(1)		1.9	%	\$	2,754,711			
Expenses	\$	846,546			4.1	%	\$	26,902				8.9	%	\$	873,448			
NOI	\$	1,811,322			6.4	%	\$	69,941				(0.6	%)	\$	1,881,263			
Average Rental Rate	\$	3,029			6.2	%												
Physical Occupancy		95.9	%		(0.4	%)												
Turnover		43.7	%		0.1	%												

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Note: Same store revenues for all leases are reflected on a straight-line basis in accordance with GAAP for the current and comparable periods.

(1)Includes the negative impact from the non-cash write-off of approximately \$1.5 million in straight-line receivables during the year ended December 31, 2023 due to the bankruptcy of Rite Aid.

The following table provides results and statistics related to our Residential same store operations for the years ended December 31, 2023 and 2022:

2023 vs. 2022
Same Store Residential Results/Statistics by Market

Markets/Metro Areas	Apartment Units	2023 % of Actual NOI	2023 Average Rental Rate	2023 Weighted Average Physical Occupancy %
Los Angeles	14,135	17.6 %	\$ 2,861	95.3 %
Orange County	4,028	5.6 %	2,801	96.3 %
San Diego	2,706	4.0 %	2,993	95.4 %
Subtotal – Southern California	20,869	27.2 %	2,867	95.5 %
San Francisco	11,245	16.4 %	3,290	95.6 %
Washington, D.C.	14,400	16.3 %	2,597	96.8 %
New York	8,536	14.4 %	4,504	96.8 %
Seattle	9,266	10.8 %	2,579	95.2 %
Boston	6,700	10.3 %	3,422	96.0 %
Denver	2,505	2.7 %	2,404	96.3 %
Other Expansion Markets	2,776	1.9 %	1,987	94.7 %
Total	76,297	100.0 %	\$ 3,029	95.9 %

Note: The above table reflects Residential same store results only. Residential operations account for approximately 96.4% of total revenues for the year ended December 31, 2023.

During 2023, demand to live in our apartment communities remained healthy, which our financial results reflected. This steady demand for our apartments supported healthy Physical Occupancy with pricing that was largely in-line with our expectations, with the exceptions of the San Francisco and Seattle markets where pricing pressure during the second half of the year led to a greater than originally anticipated seasonal deceleration. The East Coast markets outperformed our West Coast markets, as we expected. Key operating drivers for this performance during 2023 included:

•Pricing – Pricing (net of Leasing Concessions) generally continued to be healthy and consistent with expectations in most of our major markets except San Francisco and Seattle. In most of our markets, pricing peaked in early August 2023, which was typical pre-pandemic, and began to moderate thereafter through the fourth quarter of 2023.

•Physical Occupancy – Physical Occupancy was 95.9% for the year ended December 31, 2023, which remained strong despite some increased move-out activity (see further discussion below).

•Percentage of Residents Renewing and Turnover – We continued to see a high Percentage of Residents Renewing in our portfolio, which we believe reflects both the strength of demand and quality of our product and team. The Percentage of Residents Renewing was strong at 59.0% for the fourth quarter of 2023. Turnover remained at some of the lowest levels in the Company's history at 43.7% for the full year of 2023, reflecting a healthy and consistent trend of historically high resident retention.

The Company continued to have increased move-out activity related to delinquent residents during the year ended December 31, 2023, which put modest pressure on Physical Occupancy, especially in our Los Angeles market. While we have made significant progress in reducing delinquency in our portfolio, the backlog and slow pace of the eviction process led to slower improvement during the year ended December 31, 2023 than we had hoped for.

Overall, the fundamentals of our business remain healthy. Long-term, we expect elevated single family home ownership costs, positive household formation trends, manageable competitive new supply in our established coastal markets and the overall deficit in housing across the country to buffer the impact on our business from the risks of potential economic weakness. We also see our affluent

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resident base as being resilient to economic uncertainty, including elevated inflation, due to higher levels of disposable income and lower relative rent-to-income ratios.

Liquidity and Capital Resources

With approximately \$2.1 billion in readily available liquidity, a strong balance sheet, limited near-term debt maturities, very strong credit metrics and ample access to capital markets, the Company believes it is well positioned to meet its future obligations and take advantage of opportunities. See further discussion below.

Statements of Cash Flows

The following table sets forth our sources and uses of cash flows for the years ended December 31, 2023, 2022 and 2021 (amounts in thousands):

		Year Ended December 31,					
		2023			2022		
Cash flows provided by (used for):							
Operating activities		\$	1,532,798		\$	1,454,756	
Investing activities		\$	(409,504)	)	\$	107,792	
Financing activities		\$	(1,120,471)	)	\$	(1,785,612))

The following provides information regarding the Company's cash flows from operating, investing and financing activities for the year ended December 31, 2023.

Operating Activities

Our operating cash flows are primarily impacted by NOI and its components, such as Average Rental Rates, Physical Occupancy levels and operating expenses related to our properties. Cash provided by operating activities for the year ended December 31, 2023 as compared to 2022, increased by approximately \$78.0 million as a direct result of the NOI and other changes discussed above in *Results of Operations*.

Investing Activities

Our investing cash flows are primarily impacted by our transaction activity (acquisitions/dispositions), development spend and capital expenditures. For the year ended December 31, 2023, key drivers were:

- Acquired four consolidated rental properties for approximately \$324.5 million in cash, inclusive of \$53.5 million in assumed mortgage debt with a discount of approximately \$11.2 million on one acquired property;
- Disposed of eleven consolidated rental properties, receiving net proceeds of approximately \$374.0 million;
- Invested \$78.2 million primarily in consolidated development projects;
- Invested \$50.0 million primarily in unconsolidated development joint venture entities as well as unconsolidated investments in real estate technology funds/companies for various technology initiatives; and
- Invested \$319.3 million in capital expenditures to real estate presented in the table below.

For the year ended December 31, 2023, our actual capital expenditures to real estate included the following (amounts in thousands except for apartment unit and per apartment unit amounts):

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**Capital Expenditures to Real Estate
For the Year Ended December 31, 2023**

		Same Store Properties			Non-Same Store Properties/Other			Total
Total Apartment Units		76,297			3,894			
Building Improvements	\$	137,058		\$	11,907	(2)	\$	1
Renovation Expenditures		79,291	(1)		22,863	(2)		1
Replacements		66,496			1,727			
Total Capital Expenditures to Real Estate	\$	282,845		\$	36,497		\$	3

(1) Renovation Expenditures – Amounts for 2,799 same store apartment units approximated \$28,328 per apartment unit renovated.

(2) Includes expenditures for two properties that have been removed from same store while undergoing major renovations requiring a significant number of apartment units to be vacated to accommodate the extensive planned improvements. The renovation at one property is expected to continue through the second quarter of 2024 with the other continuing into 2025.

Financing Activities

Our financing cash flows primarily relate to our borrowing activity (debt proceeds or repayment), distributions/dividends to shareholders/unitholders and other Common Share activity. For the year ended December 31, 2023, key drivers were:

- Obtained \$550.0 million in fixed rate mortgage debt;
- Obtained \$22.9 million in variable rate construction mortgage debt;
- Repaid \$936.0 million on mortgage loans (inclusive of scheduled principal repayments);
- Received \$25.2 million to settle nine forward starting swaps in conjunction with an interest rate lock of \$530.0 million of secured notes;
- Acquired our joint venture partner's 10% interest in an apartment property for \$3.7 million in cash (remaining \$0.9 million was funded by ERPOP's issuance of 3.00% Series Q Preference Units);
- Issued Common Shares related to share option exercises and ESPP purchases and received net proceeds of \$27.1 million;
- Paid dividends/distributions on Common Shares, Preferred Shares, Units (including OP Units and restricted units) and noncontrolling interests in partially owned properties totaling approximately \$1.0 billion; and
- Repurchased and retired 864,386 Common Shares, at a weighted average purchase price of \$56.79 per share, for an aggregate purchased amount of approximately \$49.1 million. See Note 3 in the Notes to Consolidated Financial Statements for further discussion.

Short-Term Liquidity and Cash Proceeds

The Company generally expects to meet its short-term liquidity requirements, including capital expenditures related to maintaining its existing properties and scheduled unsecured note and mortgage note repayments, through its working capital, net cash provided by operating activities and borrowings under the Company's revolving credit facility and commercial paper

program. Currently, the Company considers its cash provided by operating activities to be adequate to meet operating requirements and payments of distributions.

The following table presents the Company’s balances for cash and cash equivalents, restricted deposits and the available borrowing capacity on its revolving credit facility as of December 31, 2023 and 2022 (amounts in thousands):

		December 31, 2023				December 31, 2022		
Cash and cash equivalents		\$	50,743			\$	53,869	
Restricted deposits		\$	89,252			\$	83,303	
Unsecured revolving credit facility availability		\$	2,086,585			\$	2,366,537	

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Credit Facility and Commercial Paper Program

The Company has a \$2.5 billion unsecured revolving credit facility maturing October 26, 2027. The Company has the ability to increase available borrowings by an additional \$750.0 million by adding lenders to the facility, obtaining the agreement of existing lenders to increase their commitments or incurring one or more term loans. The interest rate on advances under the facility will generally be the Secured Overnight Financing Rate ("SOFR") plus a spread (currently 0.725%), or based on bids received from the lending group, and the Company pays an annual facility fee (currently 0.125%). Both the spread and the facility fee are dependent on the Company's senior unsecured credit rating. See Note 9 in the Notes to Consolidated Financial Statements for additional discussion of the Company's credit facility.

The Company may borrow up to a maximum of \$1.0 billion under its commercial paper program subject to market conditions. The notes will be sold under customary terms in the United States commercial paper note market and will rank pari passu with all of the Company's other unsecured senior indebtedness.

The Company limits its utilization of the revolving credit facility in order to maintain liquidity to support its \$1.0 billion commercial paper program along with certain other obligations. The following table presents the availability on the Company's unsecured revolving credit facility as of February 8, 2024 (amounts in thousands):

			February 8, 2024	
Unsecured revolving credit facility commitment		\$	2,500,000	
Commercial paper balance outstanding			(354,000)
Unsecured revolving credit facility balance outstanding			—	
Other restricted amounts			(3,438)
Unsecured revolving credit facility availability		\$	2,142,562	

Dividend Policy

The Company declared a dividend/distribution for each quarter in 2023 of \$0.6625 per share/unit, an annualized increase of 6.0% over the amount paid in 2022. All future dividends/distributions remain subject to the discretion of the Company's Board of Trustees.

Total dividends/distributions paid in January 2024 amounted to \$259.2 million (excluding distributions on Partially Owned Properties), which consisted of certain distributions declared during the quarter ended December 31, 2023.

Long-Term Financing and Capital Needs

The Company expects to meet its long-term liquidity requirements, such as lump sum unsecured note and mortgage debt maturities, property acquisitions and financing of development activities, through the issuance of secured and unsecured debt and equity securities (including additional OP Units), proceeds received from the disposition of certain properties and joint ventures, along with cash generated from operations after all distributions. The Company has a significant number of unencumbered properties available to secure additional mortgage borrowings should unsecured capital be unavailable or the cost of alternative sources of capital be too high. The value of and cash flow from these unencumbered properties are in excess of the requirements the Company must maintain in order to comply with covenants under its unsecured notes and line of credit. Of the \$28.7 billion in investment in real estate on the Company's balance sheet at December 31, 2023, \$25.6 billion or 89.1% was unencumbered. However, there can be no assurances that these sources of capital will be available to the Company in the future on acceptable terms or otherwise. For additional details, see Item 1A, *Risk Factors*.

EQR issues equity and guarantees certain debt of the Operating Partnership from time to time. EQR does not have any indebtedness as all debt is incurred by the Operating Partnership.

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The Company's total debt summary schedule as of December 31, 2023 is as follows:

Debt Summary as of December 31, 2023
(\$ in thousands)

		Debt Balances			% of Total	
Secured	\$	1,632,902			22.1	%
Unsecured		5,757,548			77.9	%
Total	\$	7,390,450			100.0	%
Fixed Rate Debt:						
Secured – Conventional	\$	1,398,598			18.9	%
Unsecured – Public		5,348,417			72.4	%
Fixed Rate Debt		6,747,015			91.3	%
Floating Rate Debt:						
Secured – Conventional		—			—	
Secured – Tax Exempt		234,304			3.2	%
Unsecured – Revolving Credit Facility		—			—	
Unsecured – Commercial Paper Program		409,131			5.5	%
Floating Rate Debt		643,435			8.7	%
Total	\$	7,390,450			100.0	%

The following table summarizes the Company's debt maturity schedule as of December 31, 2023:

Debt Maturity Schedule as of December 31, 2023
(\$ in thousands)

Year		Fixed Rate			Floating Rate			Total			% of Total
2024	\$	—			\$	416,200	(1)	\$	416,200		
2025		450,000				8,100			458,100		

2026			592,025				9,000				601,025				
2027			400,000				9,800				409,800				
2028			900,000				10,700				910,700				
2029			888,120				11,500				899,620				
2030			1,148,462				12,700				1,161,162				
2031			528,500				39,800				568,300				
2032			—				28,000				28,000				
2033			550,000				2,300				552,300				
2034+			1,350,850				108,600				1,459,450				
Subtotal			6,807,957				656,700				7,464,657				
Deferred Financing Costs and Unamortized (Discount)			(60,942)				(13,265)				(74,207)				
Total		\$	6,747,015			\$	643,435			\$	7,390,450				

(1)Includes \$410.0 million in principal outstanding on the Company's commercial paper program.

Interest expected to be incurred on the Company's secured and unsecured debt based on obligations outstanding at December 31, 2023, inclusive of capitalized interest, approximates \$223.0 million annually for the next five years, with total remaining obligations of approximately \$2.4 billion. For floating rate debt, the current rate in effect for the most recent payment through December 31, 2023 is assumed to be in effect through the respective maturity date of each instrument.

See Note 9 in the Notes to Consolidated Financial Statements for additional discussion of debt at December 31, 2023. See also Notes 8 and 16 in the Notes to Consolidated Financial Statements for additional discussion of contractual obligations and commitments as of December 31, 2023.

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Capital Structure

The Company's "Consolidated Debt-to-Total Market Capitalization Ratio" as of December 31, 2023 is presented in the following table. The Company calculates the equity component of its market capitalization as the sum of (i) the total outstanding Common Shares and assumed conversion of all Units at the equivalent market value of the closing price of the Company's Common Shares on the New York Stock Exchange and (ii) the liquidation value of all perpetual preferred shares outstanding.

Equity Residential
Capital Structure as of December 31, 2023
(Amounts in thousands except for share/unit and per share amounts)

Secured Debt								\$	1,632,902
Unsecured Debt									5,757,548
Total Debt									7,390,450
Common Shares (includes Restricted Shares)			379,291,417			97.0	%		
Units (includes OP Units and Restricted Units)			11,581,306			3.0	%		
Total Shares and Units			390,872,723			100.0	%		
Common Share Price at December 31, 2023		\$	61.16						
									23,905,776
Perpetual Preferred Equity									37,280
Total Equity									23,943,056
Total Market Capitalization								\$	31,333,506

The Operating Partnership's "Consolidated Debt-to-Total Market Capitalization Ratio" as of December 31, 2023 is presented in the following table. The Operating Partnership calculates the equity component of its market capitalization as the sum of (i) the total outstanding Units at the equivalent market value of the closing price of the Company's Common Shares on the New York Stock Exchange and (ii) the liquidation value of all perpetual preference units outstanding.

ERP Operating Limited Partnership
Capital Structure as of December 31, 2023
(Amounts in thousands except for unit and per unit amounts)

Secured Debt								\$	1,632,902
Unsecured Debt									5,757,548
Total Debt									7,390,450

Total Outstanding Units			390,872,723							
Common Share Price at December 31, 2023		\$	61.16							
								23,905,776		
Perpetual Preference Units								37,280		
Total Equity								23,943,056		
Total Market Capitalization								\$ 31,333,506		

Financial Flexibility

EQR and ERPOP currently have an active universal shelf registration statement for the issuance of equity and debt securities that automatically became effective upon filing with the SEC in May 2022 and expires in May 2025. Per the terms of ERPOP's partnership agreement, EQR contributes the net proceeds of all equity offerings to the capital of ERPOP in exchange for additional OP Units (on a one-for-one Common Share per OP Unit basis) or preference units (on a one-for-one preferred share per preference unit basis).

The Company has an ATM share offering program which allows EQR to issue Common Shares from time to time into the existing trading market at current market prices or through negotiated transactions, including under forward sale arrangements. The current program matures in May 2025 and gives us the authority to issue up to 13.0 million shares, all of which remain available for issuance as of February 8, 2024.

Forward sale agreements under the ATM program allow the Company, at its election, to settle the agreements by issuing Common Shares in exchange for net proceeds at the then-applicable forward sale price specified by the agreement or, alternatively, to settle the

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agreements in whole or in part through the delivery or receipt of Common Shares or cash. Issuances of shares under these forward sale agreements are classified as equity transactions. Accordingly, no amounts relating to the forward sale agreements are recorded in the consolidated financial statements until settlement occurs. Prior to any settlements, the only impact to the consolidated financial statements is the inclusion of incremental shares, if any, within the calculation of diluted net income per share using the treasury stock method (see Note 11 in the Notes to Consolidated Financial Statements for additional discussion). The actual forward price per share to be received by the Company upon settlement will be determined on the applicable settlement date based on adjustments made to the initial forward price to reflect the then-current overnight federal funds rate and the amount of dividends paid to holders of the Company's Common Shares over the term of the forward sale agreement.

During the year ended December 31, 2021 and part of the year ended December 31, 2022, the Company had forward sale agreements outstanding for approximately 1.7 million Common Shares at a weighted average initial forward price per share of \$83.25. During the quarter ended December 31, 2022, the Company settled all of the outstanding forward sale agreements, at a weighted average forward price per share of \$80.22, which is inclusive of adjustments made to reflect the then-current federal funds rate and the amount of dividends paid to holders of the Company's Common Shares, for net proceeds of approximately \$139.6 million. Concurrent with this transaction, ERPOP issued the same amount of OP Units to EQR in exchange for the net proceeds.

During the year ended December 31, 2023, the Company repurchased and subsequently retired approximately \$49.1 million (864,386 shares at a weighted average price per share of \$56.79) of its Common Shares in the open market under its share repurchase program. Concurrent with these transactions, ERPOP repurchased and retired the same amount of OP Units previously issued to EQR. In January 2024, the Company's Board of Trustees approved replenishing the Company's share repurchase program authorization back to its original 13.0 million shares. As of February 8, 2024, EQR has remaining authorization to repurchase up to 13.0 million of its shares.

We believe our ability to access capital markets is enhanced by ERPOP's long-term senior debt ratings and short-term commercial paper ratings, as well as EQR's long-term preferred equity ratings. As of February 8, 2024, the ratings are as follows:

	Standard & Poor's	Moody's
ERPOP's long-term senior debt rating	A-	A3
ERPOP's short-term commercial paper rating	A-2	P-2
EQR's long-term preferred equity rating	BBB	Baa1

See Note 18 in the Notes to Consolidated Financial Statements for discussion of the events, if any, which occurred subsequent to December 31, 2023.

Inflation

Inflation primarily impacts our results of operations as a result of wage/payroll pressures, increases in utilities through escalation of commodity costs and increases in repair and maintenance costs through higher contractor costs. In addition, inflation could also impact the interest we pay on our floating rate debt and upon refinancing of fixed rate debt in a high-inflationary environment, our cost of capital and our cost of development, renovation and capital expenditure activities. However, the majority of our apartment leases have initial terms of 12 months or less, which generally enables us to compensate for inflationary effects by increasing rents on our apartment homes, subject to supply and demand conditions. Although an extreme or sustained escalation in costs could have a negative impact on our residents and their ability to absorb rent increases, we do not believe this had a material impact on our results of operations for the years ended December 31, 2023, 2022 and 2021.

Definitions

The definition of certain terms described above or below are as follows:

• **Acquisition Cap Rate** – NOI that the Company anticipates receiving in the next 12 months (or the year two or three stabilized NOI for properties that are in lease-up at acquisition) less an estimate of property management costs/management fees allocated to the project (generally ranging from 2.0% to 4.0% of revenues depending on the size and income streams of the asset) and less an estimate for in-the-unit replacement capital expenditures (generally ranging from \$100-\$450 per apartment unit depending on the age and condition of the asset) divided by the gross purchase price of the asset. The weighted average Acquisition Cap Rate for acquired properties is weighted based on the projected NOI streams and the relative purchase price for each respective property.

• **Average Rental Rate** – Total Residential rental revenues reflected on a straight-line basis in accordance with GAAP divided by the weighted average occupied apartment units for the reporting period presented.

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• **Building Improvements** – Includes roof replacement, paving, building mechanical equipment systems, exterior siding and painting, major landscaping, furniture, fixtures and equipment for amenities and common areas, vehicles and office and maintenance equipment.

• **Disposition Yield** – NOI that the Company anticipates giving up in the next 12 months less an estimate of property management costs/management fees allocated to the project (generally ranging from 2.0% to 4.0% of revenues depending on the size and income streams of the asset) and less an estimate for in-the-unit replacement capital expenditures (generally ranging from \$150-\$450 per apartment unit depending on the age and condition of the asset) divided by the gross sales price of the asset. The weighted average Disposition Yield for sold properties is weighted based on the projected NOI streams and the relative sales price for each respective property.

• **Leasing Concessions** – Reflects upfront discounts on both new move-in and renewal leases on a straight-line basis.

• **Non-Residential** – Consists of revenues and expenses from retail and public parking garage operations.

• **Non-Same Store Properties** – For annual comparisons, primarily includes all properties acquired during 2022 and 2023, plus any properties in lease-up and not stabilized as of January 1, 2022.

• **Percentage of Residents Renewing** – Leases renewed expressed as a percentage of total renewal offers extended during the reporting period.

• **Physical Occupancy** – The weighted average occupied apartment units for the reporting period divided by the average of total apartment units available for rent for the reporting period.

• **Renovation Expenditures** – Apartment unit renovation costs (primarily kitchens and baths) designed to reposition these units for higher rental levels in their respective markets.

• **Replacements** – Includes appliances, mechanical equipment, fixtures and flooring (including hardwood and carpeting).

• **Residential** – Consists of multifamily apartment revenues and expenses.

• **Same Store Properties** – For annual comparisons, primarily includes all properties acquired or completed that are stabilized prior to January 1, 2022, less properties subsequently sold. Properties are included in Same Store when they are stabilized for all of the current and comparable periods presented.

• **Same Store Residential Revenues** – Revenues from our Same Store Properties presented on a GAAP basis which reflects the impact of Leasing Concessions on a straight-line basis.

• **% of Stabilized Budgeted NOI** – Represents original budgeted 2024 NOI for stabilized properties and projected annual NOI at stabilization (defined as having achieved 90% occupancy for three consecutive months) for properties that are in lease-up.

• **Total Budgeted Capital Cost** – Estimated remaining cost for projects under development and/or developed plus all capitalized costs incurred to date, including land acquisition costs, construction costs, capitalized real estate taxes and insurance, capitalized interest and loan fees, permits, professional fees, allocated development overhead and other regulatory fees, plus any estimates of costs remaining to be funded for all projects, all in accordance with GAAP. Amounts for partially owned consolidated and unconsolidated properties are presented at 100% of the project.

• **Turnover** – Total Residential move-outs (including inter-property and intra-property transfers) divided by total Residential apartment units.

• **Unlevered Internal Rate of Return (“IRR”)** – The Unlevered IRR on sold properties is the compound annual rate of return calculated by the Company based on the timing and amount of: (i) the gross purchase price of the property plus any direct acquisition costs incurred by the Company; (ii) total revenues earned during the Company’s ownership period; (iii) total direct property operating expenses (including real estate taxes and insurance) incurred during the Company’s ownership period; (iv) capital expenditures incurred during the Company’s ownership period; and (v) the gross sales price of the property net of selling costs.

Critical Accounting Policies and Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States requires management to use judgment in the application of accounting policies, including making estimates and assumptions. If our judgment or interpretation of the facts and circumstances relating to various transactions had been different or different assumptions were made, it is possible that different accounting policies would have been applied, resulting in different financial results or different presentation of our financial statements.

The Company's significant accounting policies are described in Note 2 in the Notes to Consolidated Financial Statements. These policies were followed in preparing the consolidated financial statements at and for the year ended December 31, 2023.

The Company has identified the significant accounting policies below as critical accounting policies. These critical accounting policies are those that have the most impact on the reporting of our financial condition and those requiring significant judgments and estimates. With respect to these critical accounting policies, management believes that the application of judgments and estimates is consistently applied and produces financial information that fairly presents the results of operations for all periods presented.

Impairment of Long-Lived Assets

The Company evaluates its long-lived assets, including its investment in real estate, for indicators of impairment at least quarterly. The judgments regarding the existence of impairment indicators are based on factors such as operational performance, market conditions, legal, regulatory and environmental concerns, the Company's intent and ability to hold the related asset, as well as any significant cost overruns on development properties. Future events could occur which would cause the Company to conclude that impairment indicators exist and an impairment loss is warranted. Assessing impairment can be complex and involves a high degree of subjectivity in determining if indicators are present and in estimating the future undiscounted cash flows or the fair value of an asset. In particular, these estimates are sensitive to significant assumptions, including the estimation of future rental revenues, operating expenses, discount and capitalization rates and our intent and ability to hold the related asset, all of which could be affected by our expectations about future market or economic conditions. Assumptions are primarily subject to property-specific characteristics, especially with respect to our intent and ability to hold the related asset. While these property-specific assumptions can have a significant impact on the undiscounted cash flows or estimated fair value of a particular asset, our evaluation of the reported carrying values of long-lived assets during the current year were not particularly sensitive to external or market assumptions.

Acquisition of Investment Properties

The Company allocates the purchase price of properties that meet the definition of an asset acquisition to net tangible and identified intangible assets acquired based on their relative fair values using assumptions primarily based upon property-specific characteristics. In making estimates of relative fair values for purposes of allocating purchase price, the Company utilizes a number of sources, including independent appraisals that may be obtained in connection with the acquisition or financing of the respective property, our own analysis of recently acquired or developed and existing comparable properties in our portfolio and other market data. The Company also considers information obtained about each property as a result of its pre-acquisition due diligence, marketing and leasing activities in estimating the relative fair value of the tangible and intangible assets/liabilities acquired.

Funds From Operations and Normalized Funds From Operations

The following is the Company's and the Operating Partnership's reconciliation of net income to FFO available to Common Shares and Units / Units and Normalized FFO available to Common Shares and Units / Units for each of the three years ended December 31, 2023:

Funds From Operations and Normalized Funds From Operations (Amounts in thousands)

		Year Ended December			
		2023		2022	
Net income	\$	868,488		\$	806,995
Net (income) loss attributable to Noncontrolling Interests – Partially Owned Properties		(6,340)	)		(3,774)
Preferred/preference distributions		(3,090)	)		(3,090)
Net income available to Common Shares and Units / Units		859,058			800,131
Adjustments:					
Depreciation		888,709			882,168
Depreciation – Non-real estate additions		(4,268)	)		(4,306)
Depreciation – Partially Owned Properties		(2,130)	)		(2,640)
Depreciation – Unconsolidated Properties		2,860			2,898
Net (gain) loss on sales of unconsolidated entities - operating assets		—			(9)
Net (gain) loss on sales of real estate properties		(282,539)	)		(304,325)
Noncontrolling Interests share of gain (loss) on sales of real estate properties		2,336			—
FFO available to Common Shares and Units / Units (1) (3) (4)		1,464,026			1,373,917
Adjustments:					
Impairment – non-operating real estate assets		—			—
Write-off of pursuit costs		3,647			4,780
Debt extinguishment and preferred share redemption (gains) losses		1,143			4,664
Non-operating asset (gains) losses		(13,323)	)		2,368
Other miscellaneous items		21,588			(13,901)

Normalized FFO available to Common Shares and Units / Units (2) (3) (4)		\$	1,477,081		\$	1,371,828
FFO (1) (3)		\$	1,467,116		\$	1,377,007
Preferred/preference distributions			(3,090)			(3,090)
FFO available to Common Shares and Units / Units (1) (3) (4)		\$	1,464,026		\$	1,373,917
Normalized FFO (2) (3)		\$	1,480,171		\$	1,374,918
Preferred/preference distributions			(3,090)			(3,090)
Normalized FFO available to Common Shares and Units / Units (2) (3) (4)		\$	1,477,081		\$	1,371,828

(The National Association of Real Estate Investment Trusts (“Nareit”) defines funds from operations (“FFO”) (December 2018 White Paper) as net income (computed in accordance with accounting principles generally accepted in the United States (“GAAP”)), excluding gains or losses from sales and impairment write-downs of depreciable real estate and land when connected to the main business of a REIT, impairment write-downs of investments in entities when the impairment is directly attributable to decreases in the value of depreciable real estate held by the entity and depreciation and amortization related to real estate. Adjustments for partially owned consolidated and unconsolidated partnerships and joint ventures are calculated to reflect funds from operations on the same basis.

(2) Normalized funds from operations (“Normalized FFO”) begins with FFO and excludes:

- the impact of any expenses relating to non-operating real estate asset impairment;*
- pursuit cost write-offs;*
- gains and losses from early debt extinguishment and preferred share redemptions;*
- gains and losses from non-operating assets; and*
- other miscellaneous items.*

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The Company believes that FFO and FFO available to Common Shares and Units / Units are helpful to investors as supplemental measures of the operating performance of a real estate company, because they are recognized measures of performance by the real estate industry and by excluding gains or losses from sales and impairment write-downs of depreciable real estate and excluding depreciation related to real estate (which can vary among owners of identical assets in similar condition based on historical cost accounting and useful life estimates), FFO and FFO available to Common Shares and Units / Units can help compare the operating performance of a company's real estate between periods or as compared to different companies. The Company also believes that Normalized FFO and Normalized FFO available to Common Shares and Units / Units are helpful to investors as supplemental measures of the operating performance of a real estate company because they allow investors to compare the Company's operating performance to its performance in prior reporting periods and to the operating performance of other real estate companies without the effect of items that by their nature are not comparable from period to period and tend to obscure the Company's actual operating results. FFO, FFO available to Common Shares and Units / Units, Normalized FFO and Normalized FFO available to Common Shares and Units / Units do not represent net income, net income available to Common Shares / Units or net cash flows from operating activities in accordance with GAAP. Therefore, FFO, FFO available to Common Shares and Units / Units, Normalized FFO and Normalized FFO available to Common Shares and Units / Units should not be exclusively considered as alternatives to net income, net income available to Common Shares / Units or net cash flows from operating activities as determined by GAAP or as a measure of liquidity. The Company's calculation of FFO, FFO available to Common Shares and Units / Units, Normalized FFO and Normalized FFO available to Common Shares and Units / Units 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.

FFO available to Common Shares and Units / Units and Normalized FFO available to Common Shares and Units / Units are calculated on a basis consistent with net income available to Common Shares / Units and reflects adjustments to net income for preferred distributions and premiums on redemption of preferred shares/preference units in accordance with GAAP. The equity positions of various individuals and entities that contributed their properties to the Operating Partnership in exchange for OP Units are collectively referred to as the "Noncontrolling Interests – Operating Partnership". Subject to certain restrictions, the Noncontrolling Interests – Operating Partnership may exchange their OP Units for Common Shares on a one-for-one basis.

Item 7A. Quantitative and Qualitative Disclosures about Market Risk

The Company is exposed to market risk from financial instruments primarily from changes in interest rates. Such risks derive from the refinancing of debt maturities, from exposure to interest rate fluctuations on floating rate debt and from derivative instruments utilized to swap fixed rate debt to floating or to hedge rates in anticipation of future debt issuances. Our operating results are, therefore, affected by changes in short-term interest rates, primarily SOFR and Securities Industry and Financial Markets Association ("SIFMA") indices, which directly impact borrowings under our revolving credit facility and/or interest on secured and unsecured borrowings contractually tied to such rates. Short-term interest rates also indirectly affect the discount on notes issued under our commercial paper program. Additionally, we have exposure to long-term interest rates, particularly U.S. Treasuries, as they are utilized to price our long-term borrowings and therefore affect the cost of refinancing existing debt or incurring additional debt.

The Alternative Reference Rates Committee (the "ARRC") identified SOFR as the preferred alternative rate for USD LIBOR, which was discontinued in June 2023. During the year ended December 31, 2022, SOFR became the primary basis for determining interest payments on borrowings on the Company's \$2.5 billion revolving credit facility. The transition did not have a material impact on the Company's financial position or cash flows.

The Company monitors and manages interest rates as part of its risk management process, by targeting adequate levels of floating rate exposure and an appropriate debt maturity profile. From time to time, we may utilize derivative instruments to manage interest rate exposure and to comply with the requirements of certain lenders, but not for trading or speculative purposes.

The Company had total variable rate debt of \$0.6 billion, representing 8.7% of total debt, and \$0.5 billion, representing 6.4% of total debt, as of December 31, 2023 and 2022, respectively. If interest rates had been 100 basis points higher in 2023 and 2022 and average balances coincided with year end balances, our annual interest expense would have been \$6.4 million and \$4.7 million higher, respectively. Unsecured notes issued under the Company's commercial paper program are treated as variable rate debt for the purposes of this calculation even though they do not have a stated interest rate, given their short-term nature. The effect of derivatives, if applicable, is also considered when computing the total amount of variable rate debt.

Changes in interest rates also affect the estimated fair market value of our fixed rate debt, computed using a discounted cash flow model. As of December 31, 2023, the Company had total outstanding fixed rate debt of \$6.7 billion, or 91.3% of total debt, with an estimated fair market value of \$6.2 billion. If interest rates had been 100 basis points lower as of December 31, 2023, the estimated fair market value would have increased by approximately \$411.2 million. As of December 31, 2022, the Company had total outstanding fixed rate debt of \$7.0 billion, or 93.6% of total debt, with an estimated fair market value of \$6.2 billion. If interest rates had been 100 basis points lower as of December 31, 2022, the estimated fair market value would have increased by approximately \$397.5 million.

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As of December 31, 2023, the Company did not have any outstanding derivative instruments used for hedging purposes. As of December 31, 2022, the Company's derivative instruments had a net asset fair value of approximately \$20.7 million. If interest rates increased by 35 basis points across the curve relative to market quotes as of December 31, 2022 (a 10% upward "parallel shift"), the net asset fair value of the Company's derivative instruments would be approximately \$39.4 million. If interest rates decreased by 35 basis points (a 10% downward "parallel shift"), the net asset fair value of the Company's derivative instruments would be approximately \$1.5 million.

These amounts were determined by considering the impact of hypothetical interest rates on the Company's financial instruments. These analyses do not consider the effects of the changes in overall economic activity that could exist in such an environment. Further, in the event of changes of such magnitude, management would likely take actions to further mitigate its exposure to these changes. However, due to the uncertainty of the specific actions that would be taken and their possible effects, this analysis assumes no changes in the Company's financial structure or results.

The Company cannot predict the effect of adverse changes in interest rates on its debt and derivative instruments and, therefore, its exposure to market risk, nor can there be any assurance that long-term debt will be available at advantageous pricing. Consequently, future results may differ materially from the estimated adverse changes discussed above.

Item 8. Financial Statements and Supplementary Data

See Index to Consolidated Financial Statements and Schedule on page F-1 of this Form 10-K.

Item 9. Changes in and Disagreements with Accountants on Accounting and Financial Disclosure

None.

Item 9A. Controls and Procedures

Equity Residential

(a) Evaluation of Disclosure Controls and Procedures:

Effective as of December 31, 2023, the Company carried out an evaluation, under the supervision and with the participation of the Company's management, including the Chief Executive Officer and Chief Financial Officer, of the effectiveness of the Company's disclosure controls and procedures pursuant to Exchange Act Rules 13a-15 and 15d-15. Based on that evaluation, the Chief Executive Officer and Chief Financial Officer concluded that the disclosure controls and procedures are effective to ensure that information required to be disclosed by the Company in its Exchange Act filings is recorded, processed, summarized and reported within the time periods specified in the SEC's rules and forms.

(b) Management's Report on Internal Control over Financial Reporting:

Equity Residential's management is responsible for establishing and maintaining adequate internal control over financial reporting, as such term is defined in Rule 13a-15(f) under the Exchange Act. Under the supervision and with the participation of management, including the Company's Chief Executive Officer and Chief Financial Officer, management conducted an evaluation of the effectiveness of internal control over financial reporting based on the framework in Internal Control – Integrated Framework issued by the Committee of Sponsoring Organizations of the Treadway Commission (2013 framework).

Because of its inherent limitations, internal control over financial reporting may not prevent or detect misstatements. Therefore, even those systems determined to be effective can only provide reasonable assurance with respect to financial statement preparation and presentation.

Based on the Company's evaluation under the framework in Internal Control – Integrated Framework, management concluded that its internal control over financial reporting was effective as of December 31, 2023. Our internal control over financial reporting has been audited as of December 31, 2023 by Ernst & Young LLP, an independent registered public accounting firm, as stated in their report which is included herein.

(c) Changes in Internal Control over Financial Reporting:

There were no changes to the internal control over financial reporting of the Company identified in connection with the Company's evaluation referred to above that occurred during the fourth quarter of 2023 that have materially affected, or are reasonably likely to materially affect, the Company's internal control over financial reporting.

ERP Operating Limited Partnership

(a) Evaluation of Disclosure Controls and Procedures:

Effective as of December 31, 2023, the Operating Partnership carried out an evaluation, under the supervision and with the participation of the Operating Partnership's management, including the Chief Executive Officer and Chief Financial Officer of EQR, of the effectiveness of the Operating Partnership's disclosure controls and procedures pursuant to Exchange Act Rules 13a-15 and 15d-15. Based on that evaluation, the Chief Executive Officer and Chief Financial Officer concluded that the disclosure controls and procedures are effective to ensure that information required to be disclosed by the Operating Partnership in its Exchange Act filings is recorded, processed, summarized and reported within the time periods specified in the SEC's rules and forms.

(b) Management's Report on Internal Control over Financial Reporting:

ERP Operating Limited Partnership's management is responsible for establishing and maintaining adequate internal control over financial reporting, as such term is defined in Rule 13a-15(f) under the Exchange Act. Under the supervision and with the participation of management, including the Chief Executive Officer and Chief Financial Officer of EQR, management conducted an evaluation of the effectiveness of internal control over financial reporting based on the framework in Internal Control – Integrated Framework issued by the Committee of Sponsoring Organizations of the Treadway Commission (2013 framework).

Because of its inherent limitations, internal control over financial reporting may not prevent or detect misstatements. Therefore, even those systems determined to be effective can only provide reasonable assurance with respect to financial statement preparation and presentation.

Based on the Operating Partnership's evaluation under the framework in Internal Control – Integrated Framework, management concluded that its internal control over financial reporting was effective as of December 31, 2023. Our internal control over financial reporting has been audited as of December 31, 2023 by Ernst & Young LLP, an independent registered public accounting firm, as stated in their report which is included herein.

(c) Changes in Internal Control over Financial Reporting:

There were no changes to the internal control over financial reporting of the Operating Partnership identified in connection with the Operating Partnership's evaluation referred to above that occurred during the fourth quarter of 2023 that have materially affected, or are reasonably likely to materially affect, the Operating Partnership's internal control over financial reporting.

Item 9B. Other Information

During the quarter ended December 31, 2023, no trustee or officer of the Company adopted or terminated a "Rule 10b5-1 trading arrangement" or "non-Rule 10b5-1 trading arrangement," as each term is defined in Item 408 of Regulation S-K.

Item 9C. Disclosure Regarding Foreign Jurisdictions that Prevent Inspections

Not applicable.

PART III

Items 10, 11, 12, 13 and 14.

Trustees, Executive Officers and Corporate Governance; Executive Compensation; Security Ownership of Certain Beneficial Owners and Management and Related Stockholder Matters; Certain Relationships and Related Transactions, and Trustee Independence; and Principal Accountant Fees and Services

The information required by Item 10, Item 11, Item 12 (with the exception of the *Equity Compensation Plan Information* provided below), Item 13 and Item 14 is incorporated by reference to, and will be contained in, Equity Residential's Proxy Statement, which the Company intends to file no later than 120 days after the end of its fiscal year ended December 31, 2023, and thus these items have been omitted in accordance with General Instruction G(3) to Form 10-K. Equity Residential is the general partner and 97.0% owner of ERP Operating Limited Partnership.

Equity Compensation Plan Information

The following table provides information as of December 31, 2023 with respect to the Company's Common Shares that may be issued under its existing equity compensation plans.

Plan Category	Number of securities to be issued upon exercise of outstanding options, warrants and rights	Weighted-average exercise price of outstanding options, warrants and rights	Number remaining for future issuance under compensation plans (excluding in cash)
	(a) (1)	(b) (1)	
Equity compensation plans approved by shareholders	3,958,252	\$64.76	10,000,000
Equity compensation plans not approved by shareholders	N/A	N/A	

(1) The amounts shown in columns (a) and (b) of the above table do not include 320,070 outstanding Common Shares (all of which are restricted and subject to vesting requirements) that were granted under the Company's 2019 Share Incentive Plan, as amended (the "2019 Plan"), and outstanding Common Shares that have been purchased by employees and trustees under the Company's ESPP.

(2) Includes 8,213,508 Common Shares that may be issued under the 2019 Plan and 2,418,463 Common Shares that may be sold to employees and trustees under the ESPP.

On June 27, 2019, the shareholders of EQR approved the Company's 2019 Plan and the Company filed a Form S-8 registration statement to register 11,331,958 Common Shares under this plan. As of December 31, 2023, 8,213,508 shares were available for future issuance. The 2019 Plan expires on June 27, 2029.

Any Common Shares issued pursuant to EQR's incentive equity compensation and employee share purchase plans will result in ERPOP issuing OP Units to EQR on a one-for-one basis, with ERPOP receiving the net cash proceeds of such issuances.

PART IV

Item 15. Exhibit and Financial Statement Schedules

(a) The following documents are filed as part of this Report:

(1) Financial Statements: See Index to Consolidated Financial Statements and Schedule on page F-1 of this Form 10-K.

(2) Exhibits: See the Exhibit Index.

(3) Financial Statement Schedules: See Index to Consolidated Financial Statements and Schedule on page F-1 of this Form 10-K.

Item 16. Form 10-K Summary

None.

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EXHIBIT INDEX

The exhibits listed below are filed as part of this report. References to exhibits or other filings under the caption “Location” indicate that the exhibit or other filing has been filed, that the indexed exhibit and the exhibit referred to are the same and that the exhibit referred to is incorporated by reference. The Commission file numbers for our Exchange Act filings referenced below are 1-12252 (Equity Residential) and 0-24920 (ERP Operating Limited Partnership).

Exhibit	Description	Location
3.1	Articles of Restatement of Declaration of Trust of Equity Residential dated December 9, 2004.	Included as Exhibit 3.1 to Equity Residential’s Form 10-K for the year ended December 31, 2004.
3.2	Eighth Amended and Restated Bylaws of Equity Residential, effective as of October 1, 2015.	Included as Exhibit 3.1 to Equity Residential's Form 8-K dated and filed on October 1, 2015.
3.3	First Amendment to Eighth Amended and Restated Bylaws of Equity Residential, dated November 20, 2017.	Included as Exhibit 3.1 to Equity Residential's Form 8-K dated and filed on November 20, 2017.
3.4	Second Amendment to Eighth Amended and Restated Bylaws of Equity Residential, effective as of May 4, 2020.	Included as Exhibit 3.1 to Equity Residential's Form 8-K dated May 4, 2020, filed on May 8, 2020.
3.5	Seventh Amended and Restated Agreement of Limited Partnership for ERP Operating Limited Partnership, dated as of March 18, 2021 and effective as of January 1, 2020.	Included as Exhibit 10.1 to Equity Residential's and ERP Operating Limited Partnership's Form 8-K dated March 18, 2021, filed on March 24, 2021.
3.6	Form of Preference Unit Term Sheet for 3.00% Series Q Cumulative Redeemable Preference Units.	Included as Exhibit 3.1 to ERP Operating Limited Partnership's Form 8-K dated April 13, 2023, filed on April 19, 2023.
4.1	Description of Equity Residential Common Shares Registered Under Section 12 of the Securities Exchange Act of 1934.	Attached herein.
4.2	Description of ERP Operating Limited Partnership Notes Registered Under Section 12 of the Securities Exchange Act of 1934.	Included as Exhibit 4.2 to Equity Residential's and ERP Operating Limited Partnership's Form 10-K for the year ended December 31, 2019.
4.3	Description of ERP Operating Limited Partnership OP Units Registered Under Section 12 of the Securities Exchange Act of 1934.	Attached herein.
4.4	Indenture, dated October 1, 1994, between the Operating Partnership and The Bank of New York Mellon Trust Company, N.A., as successor trustee (“Indenture”).	Included as Exhibit 4(a) to ERP Operating Limited Partnership's Form S-3 filed on October 7, 1994. **
4.5	First Supplemental Indenture to Indenture, dated as of September 9, 2004.	Included as Exhibit 4.2 to ERP Operating Limited Partnership's Form 8-K, filed on September 10, 2004.
4.6	Second Supplemental Indenture to Indenture, dated as of August 23, 2006.	Included as Exhibit 4.1 to ERP Operating Limited Partnership's Form 8-K dated August 16, 2006, filed on August 23, 2006.
4.7	Third Supplemental Indenture to Indenture, dated as of June 4, 2007.	Included as Exhibit 4.1 to ERP Operating Limited Partnership's Form 8-K dated May 30, 2007, filed on June 1, 2007.

4.8	Fourth Supplemental Indenture to Indenture, dated as of December 12, 2011.	Included as Exhibit 4.2 to ERP Operating Limited Partnership's Form 8-K dated December 7, 2011, filed on December 9, 2011.
4.9	Fifth Supplemental Indenture to Indenture, dated as of February 1, 2016.	Included as Exhibit 4.6 to Equity Residential's and ERP Operating Limited Partnership's Form 10-K for the year ended December 31, 2015.
4.10	Form of 3.375% Note due June 1, 2025.	Included as Exhibit 4.1 to ERP Operating Limited Partnership's Form 8-K dated May 11, 2015, filed on May 13, 2015.
4.11	Terms Agreement regarding 7.57% Notes due August 15, 2026.	Included as Exhibit 1 to ERP Operating Limited Partnership's Form 8-K, filed on August 13, 1996.
4.12	Form of 2.850% Note due November 1, 2026.	Included as Exhibit 4.1 to ERP Operating Limited Partnership's Form 8-K dated October 4, 2016, filed on October 7, 2016.
4.13	Form of 3.250% Note due August 1, 2027.	Included as Exhibit 4.1 to Equity Residential's and ERP Operating Limited Partnership's Form 8-K dated July 31, 2017, filed on August 2, 2017.
4.14	Form of 3.500% Note due March 1, 2028.	Included as Exhibit 4.1 to Equity Residential's and ERP Operating Limited Partnership's Form 8-K dated February 1, 2018, filed on February 6, 2018.

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4.15		Form of 4.150% Note due December 1, 2028.	Included as Exhibit 4.1 to Equity Residential's and ERP Operating Limited Partnership's Form 8-K dated November 28, 2018, filed on November 29, 2018.
4.16		Form of 3.000% Note due July 1, 2029.	Included as Exhibit 4.1 to Equity Residential's and ERP Operating Limited Partnership's Form 8-K dated June 17, 2019, filed on June 20, 2019.
4.17		Form of 2.500% Note due February 15, 2030.	Included as Exhibit 4.1 to Equity Residential's and ERP Operating Limited Partnership's Form 8-K dated August 20, 2019, filed on August 22, 2019.
4.18		Form of 1.850% Note due August 1, 2031.	Included as Exhibit 4.1 to Equity Residential's and ERP Operating Limited Partnership's Form 8-K dated August 3, 2021, filed on August 5, 2021.
4.19		Form of 4.500% Note due July 1, 2044.	Included as Exhibit 4.2 to ERP Operating Limited Partnership's Form 8-K dated June 16, 2014, filed on June 18, 2014.
4.20		Form of 4.500% Note due June 1, 2045.	Included as Exhibit 4.2 to ERP Operating Limited Partnership's Form 8-K dated May 11, 2015, filed on May 13, 2015.
4.21		Form of 4.000% Note due August 1, 2047.	Included as Exhibit 4.2 to Equity Residential's and ERP Operating Limited Partnership's Form 8-K dated July 31, 2017, filed on August 2, 2017.
10.1	*	Noncompetition Agreement (Zell).	Included as an exhibit to Equity Residential's Form S-11 Registration Statement, File No. 33-63158. **
10.2		Revolving Credit Agreement, dated as of October 26, 2022, among ERP Operating Limited Partnership, Bank of America, N.A., as Administrative Agent, and the financial institutions party thereto.	Included as Exhibit 10.1 to Equity Residential's and ERP Operating Limited Partnership's Form 8-K dated October 26, 2022, filed on October 27, 2022.
10.3		Amended and Restated Limited Partnership Agreement of Lexford Properties, L.P.	Included as Exhibit 10.16 to Equity Residential's Form 10-K for the year ended December 31, 1999.
10.4	*	Equity Residential 2019 Share Incentive Plan.	Included as Exhibit 99.1 to Equity Residential's and ERP Operating Limited Partnership's Form 8-K dated June 27, 2019, filed on June 27, 2019.
10.5	*	Equity Residential 2011 Share Incentive Plan.	Included as Exhibit 99.1 to Equity Residential's and ERP Operating Limited Partnership's Form 8-K dated June 16, 2011, filed on June 22, 2011.
10.6	*	First Amendment to 2011 Share Incentive Plan.	Included as Exhibit 10.1 to Equity Residential's and ERP Operating Limited Partnership's Form 10-Q for the quarterly period ended June 30, 2012.
10.7	*	Second Amendment to 2011 Share Incentive Plan.	

			Included as Exhibit 10.1 to Equity Residential's and ERP Op Limited Partnership's Form 10-Q for the quarterly period end September 30, 2013.
10.8	*	Third Amendment to 2011 Share Incentive Plan.	Included as Exhibit 10.1 to Equity Residential's and ERP Op Limited Partnership's Form 10-Q for the quarterly period end March 31, 2014.
10.9	*	Fourth Amendment to 2011 Share Incentive Plan.	Included as Exhibit 10.1 to Equity Residential's and ERP Op Limited Partnership's Form 10-Q for the quarterly period end September 30, 2014.
10.10	*	Fifth Amendment to 2011 Share Incentive Plan.	Included as Exhibit 10.1 to Equity Residential's and ERP Op Limited Partnership's Form 10-Q for the quarterly period end 30, 2016.
10.11	*	Sixth Amendment to 2011 Share Incentive Plan.	Included as Exhibit 10.18 to Equity Residential's and ERP Op Limited Partnership's Form 10-K for the year ended Decembe 2016.
10.12	*	Seventh Amendment to 2011 Share Incentive Plan.	Included as Exhibit 10.1 to Equity Residential's and ERP Op Limited Partnership's Form 10-Q for the quarterly period end September 30, 2017.
10.13	*	Form of 2022 Long-Term Incentive Plan Award Agreement.	Included as Exhibit 10.1 to Equity Residential's and ERP Op Limited Partnership's Form 10-Q for the quarterly period end March 31, 2022.

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10.14	*	Form of Change in Control/Severance Agreement between the Company and other executive officers.	Included as Exhibit 10.13 to Equity Residential's Form 10-K year ended December 31, 2001.
10.15	*	Form of First Amendment to Amended and Restated Change in Control/Severance Agreement with each executive officer.	Included as Exhibit 10.1 to Equity Residential's Form 10-Q for the quarterly period ended March 31, 2009.
10.16	*	Form of Indemnification Agreement between the Company and each trustee and executive officer.	Included as Exhibit 10.18 to Equity Residential's Form 10-K year ended December 31, 2003.
10.17	*	Form of Executive Retirement Benefits Agreement.	Included as Exhibit 10.24 to Equity Residential's Form 10-K year ended December 31, 2006.
10.18	*	Retirement Benefits Agreement between Samuel Zell and the Company dated October 18, 2001.	Included as Exhibit 10.18 to Equity Residential's Form 10-K year ended December 31, 2001.
10.19	*	Age 62 Retirement Agreement, dated September 4, 2018, by and between Equity Residential and David J. Neithercut.	Included as Exhibit 10.1 to Equity Residential's and ERP Operating Limited Partnership's Form 10-Q for the quarterly period ended September 30, 2018.
10.20	*	The Equity Residential Supplemental Executive Retirement Plan as Amended and Restated effective April 1, 2017.	Included as Exhibit 10.2 to Equity Residential's and ERP Operating Limited Partnership's Form 10-Q for the quarterly period ended March 30, 2017.
10.21	*	Amendment to the Equity Residential Supplemental Executive Retirement Plan, effective as of June 1, 2020.	Included as Exhibit 10.1 to Equity Residential's and ERP Operating Limited Partnership's Form 10-Q for the quarterly period ended September 30, 2020.
10.22	*	Amendment to the Equity Residential Supplemental Executive Retirement Plan, effective as of October 1, 2022.	Included as Exhibit 10.1 to Equity Residential's and ERP Operating Limited Partnership's Form 10-Q for the quarterly period ended September 30, 2022.
10.23	*	The Equity Residential Grandfathered Supplemental Executive Retirement Plan as Amended and Restated effective January 1, 2005.	Included as Exhibit 10.2 to Equity Residential's Form 10-Q for the quarterly period ended March 31, 2008.
10.24		Distribution Agreement, dated May 18, 2022.	Included as Exhibit 1.1 to Equity Residential's and ERP Operating Limited Partnership's Form 8-K dated and filed on May 18, 2022.
10.25		Form of Master Forward Sale Confirmation.	Included as Exhibit 1.2 to Equity Residential's and ERP Operating Limited Partnership's Form 8-K dated and filed on May 18, 2022.
10.26		Archstone Residual JV, LLC Limited Liability Company Agreement.	Included as Exhibit 10.3 to Equity Residential's and ERP Operating Limited Partnership's Form 8-K dated February 27, 2013, filed February 28, 2013.
10.27		Archstone Parallel Residual JV, LLC Limited Liability Company Agreement.	Included as Exhibit 10.4 to Equity Residential's and ERP Operating Limited Partnership's Form 8-K dated February 27, 2013, filed February 28, 2013.
10.28			

		<u>Archstone Parallel Residual JV 2, LLC Limited Liability Company Agreement.</u>	Included as Exhibit 10.5 to Equity Residential's and ERP Operating Limited Partnership's Form 8-K dated February 27, 2013, filed February 28, 2013.
10.29		<u>Legacy Holdings JV, LLC Limited Liability Company Agreement.</u>	Included as Exhibit 10.6 to Equity Residential's and ERP Operating Limited Partnership's Form 8-K dated February 27, 2013, filed February 28, 2013.
21		<u>List of Subsidiaries of Equity Residential and ERP Operating Limited Partnership.</u>	Attached herein.
23.1		<u>Consent of Ernst & Young LLP - Equity Residential.</u>	Attached herein.
23.2		<u>Consent of Ernst & Young LLP - ERP Operating Limited Partnership.</u>	Attached herein.
24		<u>Power of Attorney.</u>	See the signature page to this report.
31.1		<u>Equity Residential - Certification of Mark J. Parrell, Chief Executive Officer.</u>	Attached herein.
31.2		<u>Equity Residential - Certification of Robert A. Garechana, Chief Financial Officer.</u>	Attached herein.
31.3		<u>ERP Operating Limited Partnership - Certification of Mark J. Parrell, Chief Executive Officer of Registrant's General Partner.</u>	Attached herein.
31.4		<u>ERP Operating Limited Partnership - Certification of Robert A. Garechana, Chief Financial Officer of Registrant's General Partner.</u>	Attached herein.

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32.1		Equity Residential - Certification Pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, of Mark J. Parrell, Chief Executive Officer of the Company.	Attached herein.
32.2		Equity Residential - Certification Pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, of Robert A. Garechana, Chief Financial Officer of the Company.	Attached herein.
32.3		ERP Operating Limited Partnership - Certification Pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, of Mark J. Parrell, Chief Executive Officer of Registrant's General Partner.	Attached herein.
32.4		ERP Operating Limited Partnership - Certification Pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, of Robert A. Garechana, Chief Financial Officer of Registrant's General Partner.	Attached herein.
97		Incentive-Based Compensation Clawback Policy.	Attached herein.
101.INS		Inline XBRL Instance Document – the instance document does not appear in the Interactive Data File because XBRL tags are embedded within the Inline XBRL document.	
101.SCH		Inline XBRL Taxonomy Extension Schema With Embedded Linkbase Documents.	
104		Cover Page Interactive Data File (embedded within the Inline XBRL document).	

*Management contracts and compensatory plans or arrangements filed as exhibits to this report are identified by an asterisk.

**Filed on paper – hyperlink is not required pursuant to Rule 105 of Regulation S-T.

SIGNATURES

Pursuant to the requirements of Section 13 or 15(d) of the Securities Exchange Act of 1934, each registrant has duly caused this report to be signed on its behalf by the undersigned thereunto duly authorized.

		EQUITY RESIDENTIAL		
		By:		/s/ Mark J. Parrell
				Mark J. Parrell President and Chief Executive Officer (Principal Executive Officer)
		Date:		February 15, 2024
		ERP OPERATING LIMITED PARTNERSHIP BY: EQUITY RESIDENTIAL ITS GENERAL PARTNER		
		By:		/s/ Mark J. Parrell
				Mark J. Parrell President and Chief Executive Officer (Principal Executive Officer)
		Date:		February 15, 2024

**EQUITY RESIDENTIAL
ERP OPERATING LIMITED PARTNERSHIP
POWER OF ATTORNEY**

KNOW ALL MEN/WOMEN BY THESE PRESENTS, that each person whose signature appears below, hereby constitutes and appoints Mark J. Parrell, Robert A. Garechana and Ian S. Kaufman, or any of them, his or her attorneys-in-fact and agents, with full power of substitution and resubstitution for him or her in any and all capacities, to do all acts and things which said attorneys and agents, or any of them, deem advisable to enable the company to comply with the Securities Exchange Act of 1934, as amended, and any requirements or regulations of the Securities and Exchange Commission in respect thereof, in connection with the company's filing of an annual report on Form 10-K for the company's fiscal year 2023, including specifically, but without limitation of the general authority hereby granted, the power and authority to sign his or her name as a trustee or officer, or both, of the company, as indicated below opposite his or her signature, to the Form 10-K, and any amendment thereto; and each of the undersigned does hereby fully ratify and confirm all that said attorneys and agents, or any of them, or the substitute of any of them, shall do or cause to be done by virtue hereof.

Pursuant to the requirements of the Securities Exchange Act of 1934, this report has been signed below by the following persons on behalf of each registrant and in the capacities set forth below and on the dates indicated:

Name	Title	Date
/s/ Mark J. Parrell	President, Chief Executive Officer and Trustee	February 15, 2024
Mark J. Parrell	(Principal Executive Officer)	
/s/ Robert A. Garechana	Executive Vice President and Chief Financial Officer	February 15, 2024
Robert A. Garechana	(Principal Financial Officer)	
/s/ Ian S. Kaufman	Senior Vice President and Chief Accounting Officer	February 15, 2024
Ian S. Kaufman	(Principal Accounting Officer)	
/s/ Angela M. Aman	Trustee	February 15, 2024
Angela M. Aman		
/s/ Linda Walker Bynoe	Trustee	February 15, 2024
Linda Walker Bynoe		
/s/ Mary Kay Haben	Trustee	February 15, 2024
Mary Kay Haben		

/s/ T. Zia Huque		Trustee		February 15, 2024
T. Zia Huque				
/s/ John E. Neal		Trustee		February 15, 2024
John E. Neal				
/s/ David J. Neithercut		Chairman of the Board of Trustees		February 15, 2024
David J. Neithercut				
/s/ Mark S. Shapiro		Trustee		February 15, 2024
Mark S. Shapiro				
/s/ Stephen E. Sterrett		Trustee		February 15, 2024
Stephen E. Sterrett				

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EQUITY RESIDENTIAL
ERP OPERATING LIMITED PARTNERSHIP

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All other schedules have been omitted because they are inapplicable, not required or the information is included elsewhere in the consolidated financial statements or notes thereto.

REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

To the Shareholders and the Board of Trustees of Equity Residential

Opinion on the Financial Statements

We have audited the accompanying consolidated balance sheets of Equity Residential (the Company) as of December 31, 2023 and 2022, the related consolidated statements of operations and comprehensive income, changes in equity and cash flows for each of the three years in the period ended December 31, 2023, and the related notes and financial statement schedule listed in the Index at Item 15(a) (collectively referred to as the “consolidated financial statements”). In our opinion, the consolidated financial statements present fairly, in all material respects, the financial position of the Company at December 31, 2023 and 2022, and the results of its operations and its cash flows for each of the three years in the period ended December 31, 2023, in conformity with U.S. generally accepted accounting principles.

We also have audited, in accordance with the standards of the Public Company Accounting Oversight Board (United States) (PCAOB), the Company's internal control over financial reporting as of December 31, 2023, based on criteria established in Internal Control – Integrated Framework issued by the Committee of Sponsoring Organizations of the Treadway Commission (2013 framework) and our report dated February 15, 2024 expressed an unqualified opinion thereon.

Basis for Opinion

These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on the Company’s financial statements based on our audits. We are a public accounting firm registered with the PCAOB and are required to be independent with respect to the Company in accordance with the U.S. federal securities laws and the applicable rules and regulations of the Securities and Exchange Commission and the PCAOB.

We conducted our audits in accordance with the standards of the PCAOB. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement, whether due to error or fraud. Our audits included performing procedures to assess the risks of material misstatement of the financial statements, whether due to error or fraud, and performing procedures that respond to those risks. Such procedures included examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements. Our audits also included evaluating the accounting principles used and significant estimates made by management, as well as evaluating the overall presentation of the financial statements. We believe that our audits provide a reasonable basis for our opinion.

Critical Audit Matter

The critical audit matter communicated below is a matter arising from the current period audit of the financial statements that was communicated or required to be communicated to the audit committee and that: (1) relates to accounts or disclosures that are material to the financial statements and (2) involved our especially challenging, subjective or complex judgments. The communication of the critical audit matter does not alter in any way our opinion on the consolidated financial statements, taken as a whole, and we are not, by communicating the critical audit matter below, providing a separate opinion on the critical audit matter or on the accounts or disclosures to which it relates.

	<i>Impairment of Long-Lived Assets</i>
<i>Description of the Matter</i>	At December 31, 2023, the Company’s net investment in real estate was approximately \$18.9 billion. As more fully described in Note 2 to the consolidated financial statements, the Company periodically evaluates its long-lived assets, including its investment in real estate, for impairment. The judgments and assumptions regarding the existence of impairment indicators are based on factors such as operational performance, market conditions, legal and environmental concerns, the Company’s intent and ability to hold the related

asset, as well as any significant cost overruns on development properties. If the expected future undiscounted cash flows are less than the carrying amount of the long-lived asset, an impairment loss is recognized for the difference between the estimated fair value and the carrying amount.

Auditing the Company's process to evaluate indicators of impairment was complex due to a high degree of subjectivity in the identification of events or changes in circumstances that may indicate impairment was present. Changes in these judgments could have a material impact on the Company's analysis.

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<i>How We Addressed the Matter in Our Audit</i>	<p>We obtained an understanding, evaluated the design and tested the operating effectiveness of controls over the Company’s long-lived asset impairment evaluation, including controls over management’s determination and review of the significant assumptions used in the analyses described above.</p> <p>We performed audit procedures that included, among others, evaluating the judgments used by management to identify whether indicators of impairment were present and testing the significant assumptions and completeness and accuracy of market and operating data used by the Company in its analyses. We reviewed costs incurred on development properties. We compared the significant assumptions used by management to current market data and performed sensitivity analyses of certain significant assumptions, such as market capitalization rates. We also held discussions with management and read the minutes of meetings of the Board of Trustees and related committees to understand whether there were any changes in management’s operating and development plans that would result in the disposal of a property significantly before the end of its useful life.</p>

		/s/ ERNST & YOUNG LLP
		ERNST & YOUNG LLP
We have served as the Company’s auditor since 1996.		
Chicago, Illinois		
February 15, 2024		

REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

To the Partners of ERP Operating Limited Partnership

Opinion on the Financial Statements

We have audited the accompanying consolidated balance sheets of ERP Operating Limited Partnership (the Operating Partnership) as of December 31, 2023 and 2022, the related consolidated statements of operations and comprehensive income, changes in capital and cash flows for each of the three years in the period ended December 31, 2023, and the related notes and financial statement schedule listed in the Index at Item 15(a) (collectively referred to as the “consolidated financial statements”). In our opinion, the consolidated financial statements present fairly, in all material respects, the financial position of the Operating Partnership at December 31, 2023 and 2022, and the results of its operations and its cash flows for each of the three years in the period ended December 31, 2023, in conformity with U.S. generally accepted accounting principles.

We also have audited, in accordance with the standards of the Public Company Accounting Oversight Board (United States) (PCAOB), the Operating Partnership’s internal control over financial reporting as of December 31, 2023, based on criteria established in Internal Control – Integrated Framework issued by the Committee of Sponsoring Organizations of the Treadway Commission (2013 framework) and our report dated February 15, 2024 expressed an unqualified opinion thereon.

Basis for Opinion

These financial statements are the responsibility of the Operating Partnership’s management. Our responsibility is to express an opinion on the Operating Partnership’s financial statements based on our audits. We are a public accounting firm registered with the PCAOB and are required to be independent with respect to the Operating Partnership in accordance with the U.S. federal securities laws and the applicable rules and regulations of the Securities and Exchange Commission and the PCAOB.

We conducted our audits in accordance with the standards of the PCAOB. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement, whether due to error or fraud. Our audits included performing procedures to assess the risks of material misstatement of the financial statements, whether due to error or fraud, and performing procedures that respond to those risks. Such procedures included examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements. Our audits also included evaluating the accounting principles used and significant estimates made by management, as well as evaluating the overall presentation of the financial statements. We believe that our audits provide a reasonable basis for our opinion.

Critical Audit Matter

The critical audit matter communicated below is a matter arising from the current period audit of the financial statements that was communicated or required to be communicated to the audit committee and that: (1) relates to accounts or disclosures that are material to the financial statements and (2) involved our especially challenging, subjective or complex judgments. The communication of the critical audit matter does not alter in any way our opinion on the consolidated financial statements, taken as a whole, and we are not, by communicating the critical audit matter below, providing a separate opinion on the critical audit matter or on the accounts or disclosures to which it relates.

	<i>Impairment of Long-Lived Assets</i>
<i>Description of the Matter</i>	At December 31, 2023, the Operating Partnership’s net investment in real estate was approximately \$18.9 billion. As more fully described in Note 2 to the consolidated financial statements, the Operating Partnership periodically evaluates its long-lived assets, including its investment in real estate, for impairment. The judgments and assumptions regarding the existence of impairment indicators are based on factors such as operational performance, market conditions, legal and environmental concerns, the

Operating Partnership's intent and ability to hold the related asset, as well as any significant cost overruns on development properties. If the expected future undiscounted cash flows are less than the carrying amount of the long-lived asset, an impairment loss is recognized for the difference between the estimated fair value and the carrying amount.

Auditing the Operating Partnership's process to evaluate indicators of impairment was complex due to a high degree of subjectivity in the identification of events or changes in circumstances that may indicate impairment was present. Changes in these judgments could have a material impact on the Operating Partnership's analysis.

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<i>How We Addressed the Matter in Our Audit</i>	<p>We obtained an understanding, evaluated the design and tested the operating effectiveness of controls over the Operating Partnership’s long-lived asset impairment evaluation, including controls over management’s determination and review of the significant assumptions used in the analyses described above.</p> <p>We performed audit procedures that included, among others, evaluating the judgments used by management to identify whether indicators of impairment were present and testing the significant assumptions and completeness and accuracy of market and operating data used by the Operating Partnership in its analyses. We reviewed costs incurred on development properties. We compared the significant assumptions used by management to current market data and performed sensitivity analyses of certain significant assumptions, such as market capitalization rates. We also held discussions with management and read the minutes of meetings of the Board of Trustees and related committees to understand whether there were any changes in management’s operating and development plans that would result in the disposal of a property significantly before the end of its useful life.</p>

		/s/ ERNST & YOUNG LLP
		ERNST & YOUNG LLP
We have served as the Operating Partnership’s auditor since 1996.		
Chicago, Illinois		
February 15, 2024		

REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

To the Shareholders and the Board of Trustees of Equity Residential

Opinion on Internal Control Over Financial Reporting

We have audited Equity Residential’s internal control over financial reporting as of December 31, 2023, based on criteria established in Internal Control – Integrated Framework issued by the Committee of Sponsoring Organizations of the Treadway Commission (2013 framework) (the COSO criteria). In our opinion, Equity Residential (the Company) maintained, in all material respects, effective internal control over financial reporting as of December 31, 2023, based on the COSO criteria.

We also have audited, in accordance with the standards of the Public Company Accounting Oversight Board (United States) (PCAOB), the consolidated balance sheets of the Company as of December 31, 2023 and 2022, the related consolidated statements of operations and comprehensive income, changes in equity and cash flows for each of the three years in the period ended December 31, 2023, and the related notes and financial statement schedule listed in the Index at Item 15(a) and our report dated February 15, 2024 expressed an unqualified opinion thereon.

Basis for Opinion

The Company’s management is responsible for maintaining effective internal control over financial reporting, and for its assessment of the effectiveness of internal control over financial reporting included in the accompanying Management's Report on Internal Control over Financial Reporting. Our responsibility is to express an opinion on the Company’s internal control over financial reporting based on our audit. We are a public accounting firm registered with the PCAOB and are required to be independent with respect to the Company in accordance with the U.S. federal securities laws and the applicable rules and regulations of the Securities and Exchange Commission and the PCAOB.

We conducted our audit in accordance with the standards of the PCAOB. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether effective internal control over financial reporting was maintained in all material respects.

Our audit included obtaining an understanding of internal control over financial reporting, assessing the risk that a material weakness exists, testing and evaluating the design and operating effectiveness of internal control based on the assessed risk, and performing such other procedures as we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion.

Definition and Limitations of Internal Control Over Financial Reporting

A company’s internal control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company’s internal control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and trustees of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company’s assets that could have a material effect on the financial statements.

Because of its inherent limitations, internal control over financial reporting may not prevent or detect misstatements. Also, projections of any evaluation of effectiveness to future periods are subject to the risk that controls may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

	/s/ ERNST & YOUNG LLP
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		ERNST & YOUNG LLP
Chicago, Illinois		
February 15, 2024		

REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

To the Partners of ERP Operating Limited Partnership

Opinion on Internal Control Over Financial Reporting

We have audited ERP Operating Limited Partnership's internal control over financial reporting as of December 31, 2023, based on criteria established in Internal Control – Integrated Framework issued by the Committee of Sponsoring Organizations of the Treadway Commission (2013 framework) (the COSO criteria). In our opinion, ERP Operating Limited Partnership (the Operating Partnership) maintained, in all material respects, effective internal control over financial reporting as of December 31, 2023, based on the COSO criteria.

We also have audited, in accordance with the standards of the Public Company Accounting Oversight Board (United States) (PCAOB), the consolidated balance sheets of the Operating Partnership as of December 31, 2023 and 2022, the related consolidated statements of operations and comprehensive income, changes in capital and cash flows for each of the three years in the period ended December 31, 2023, and the related notes and financial statement schedule listed in the Index at Item 15(a) and our report dated February 15, 2024 expressed an unqualified opinion thereon.

Basis for Opinion

The Operating Partnership's management is responsible for maintaining effective internal control over financial reporting, and for its assessment of the effectiveness of internal control over financial reporting included in the accompanying Management's Report on Internal Control over Financial Reporting. Our responsibility is to express an opinion on the Operating Partnership's internal control over financial reporting based on our audit. We are a public accounting firm registered with the PCAOB and are required to be independent with respect to the Operating Partnership in accordance with the U.S. federal securities laws and the applicable rules and regulations of the Securities and Exchange Commission and the PCAOB.

We conducted our audit in accordance with the standards of the PCAOB. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether effective internal control over financial reporting was maintained in all material respects.

Our audit included obtaining an understanding of internal control over financial reporting, assessing the risk that a material weakness exists, testing and evaluating the design and operating effectiveness of internal control based on the assessed risk, and performing such other procedures as we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion.

Definition and Limitations of Internal Control Over Financial Reporting

A company's internal control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and trustees of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Because of its inherent limitations, internal control over financial reporting may not prevent or detect misstatements. Also, projections of any evaluation of effectiveness to future periods are subject to the risk that controls may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

		ERNST & YOUNG LLP
Chicago, Illinois		
February 15, 2024		

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

		December 31,			D
		2023			
ASSETS					
Land	\$	5,581,876		\$	
Depreciable property		22,938,426			
Projects under development		78,036			
Land held for development		114,300			
Investment in real estate		28,712,638			
Accumulated depreciation		(9,810,337)			
Investment in real estate, net		18,902,301			
Investments in unconsolidated entities		282,049			
Cash and cash equivalents		50,743			
Restricted deposits		89,252			
Right-of-use assets		457,266			
Other assets		252,953			
Total assets	\$	20,034,564		\$	
LIABILITIES AND EQUITY					
Liabilities:					
Mortgage notes payable, net	\$	1,632,902		\$	
Notes, net		5,348,417			
Line of credit and commercial paper		409,131			
Accounts payable and accrued expenses		104,430			
Accrued interest payable		65,716			

Lease liabilities			311,640				
Other liabilities			255,543				
Security deposits			69,178				
Distributions payable			259,231				
Total liabilities			8,456,188				
<i>Commitments and contingencies</i>							
Redeemable Noncontrolling Interests – Operating Partnership			289,248				
Equity:							
Shareholders' equity:							
Preferred Shares of beneficial interest, \$0.01 par value; 100,000,000 shares authorized; 745,600 shares issued and outstanding as of December 31, 2023 and December 31, 2022			37,280				
Common Shares of beneficial interest, \$0.01 par value; 1,000,000,000 shares authorized; 379,291,417 shares issued and outstanding as of December 31, 2023 and 378,429,708 shares issued and outstanding as of December 31, 2022			3,793				
Paid in capital			9,601,866				
Retained earnings			1,437,185				
Accumulated other comprehensive income (loss)			5,704				
Total shareholders' equity			11,085,828				
Noncontrolling Interests:							
Operating Partnership			202,306				
Partially Owned Properties			994				
Total Noncontrolling Interests			203,300				
Total equity			11,289,128				
Total liabilities and equity		\$	20,034,564			\$	

See accompanying notes

EQUITY RESIDENTIAL
CONSOLIDATED STATEMENTS OF OPERATIONS AND COMPREHENSIVE INCOME
(Amounts in thousands except per share data)

		Year Ended December 31,			
		2023		2022	
REVENUES					
Rental income	\$	2,873,964		\$	2,735,180
EXPENSES					
Property and maintenance		514,575			483,865
Real estate taxes and insurance		412,114			388,412
Property management		119,804			110,304
General and administrative		60,716			58,710
Depreciation		888,709			882,168
Total expenses		1,995,918			1,923,459
Net gain (loss) on sales of real estate properties		282,539			304,325
Impairment		—			—
Operating income		1,160,585			1,116,046
Interest and other income		22,345			2,193
Other expenses		(29,419)			(13,664)
Interest:					
Expense incurred, net		(269,556)			(282,920)
Amortization of deferred financing costs		(8,941)			(8,729)
Income before income and other taxes, income (loss) from investments in unconsolidated entities and net gain (loss) on sales of land parcels		875,014			812,926

Income and other tax (expense) benefit			(1,148)			(900)
Income (loss) from investments in unconsolidated entities			(5,378)			(5,031)
Net gain (loss) on sales of land parcels			—			—
Net income			868,488			806,995
Net (income) loss attributable to Noncontrolling Interests:						
Operating Partnership			(26,710)			(26,310)
Partially Owned Properties			(6,340)			(3,774)
Net income attributable to controlling interests			835,438			776,911
Preferred distributions			(3,090)			(3,090)
Net income available to Common Shares		\$	832,348		\$	773,821
Earnings per share – basic:						
Net income available to Common Shares		\$	2.20		\$	2.06
Weighted average Common Shares outstanding			378,773			376,209
Earnings per share – diluted:						
Net income available to Common Shares		\$	2.20		\$	2.05
Weighted average Common Shares outstanding			390,897			389,450

See accompanying notes

EQUITY RESIDENTIAL
CONSOLIDATED STATEMENTS OF OPERATIONS AND COMPREHENSIVE INCOME (Continued)
(Amounts in thousands except per share data)

		Year Ended December 31,			
		2023		2022	
Comprehensive income:					
Net income	\$	868,488		\$	806,995
Other comprehensive income (loss):					
Other comprehensive income (loss) – derivative instruments:					
Unrealized holding gains (losses) arising during the year		4,514			20,654
Losses reclassified into earnings from other comprehensive income		3,737			11,071
Other comprehensive income (loss)		8,251			31,725
Comprehensive income		876,739			838,720
Comprehensive (income) attributable to Noncontrolling Interests		(33,307)	)		(31,132)
Comprehensive income attributable to controlling interests	\$	843,432		\$	807,588

See accompanying notes

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EQUITY RESIDENTIAL
CONSOLIDATED STATEMENTS OF CASH FLOWS
(Amounts in thousands)

		Year Ended December 31,					
		2023			2022		
CASH FLOWS FROM OPERATING ACTIVITIES:							
Net income		\$	868,488		\$	806,995	
<i>Adjustments to reconcile net income to net cash provided by operating activities:</i>							
Depreciation			888,709			882,168	
Amortization of deferred financing costs			8,941			8,729	
Amortization of above/below market lease intangibles			—			—	
Amortization of discounts and premiums on debt			4,091			5,004	
Amortization of deferred settlements on derivative instruments			3,725			11,059	
Amortization of right-of-use assets			12,795			12,157	
Impairment			—			—	
Write-off of pursuit costs			3,647			4,780	
(Income) loss from investments in unconsolidated entities			5,378			5,031	
Distributions from unconsolidated entities – return on capital			559			398	
Net (gain) loss on sales of real estate properties			(282,539	)		(304,325	
Net (gain) loss on sales of land parcels			—			—	
Realized (gain) loss on investment securities			(1,504	)		(2,061	
Unrealized (gain) loss on investment securities			(13,466)		—	
Compensation paid with Company Common Shares			31,815			29,513	
<i>Changes in assets and liabilities:</i>							
(Increase) decrease in other assets			(10,203	)		10,893	
Increase (decrease) in accounts payable and accrued expenses			8,911			(266	
Increase (decrease) in accrued interest payable			(594	)		(3,200	

Increase (decrease) in lease liabilities			(1,551	)			(1,524
Increase (decrease) in other liabilities			5,358				(13,394
Increase (decrease) in security deposits			238				2,799
Net cash provided by operating activities			1,532,798				1,454,756
CASH FLOWS FROM INVESTING ACTIVITIES:							
Investment in real estate – acquisitions			(324,497	)			(113,046
Investment in real estate – development/other			(78,197	)			(109,345
Capital expenditures to real estate			(319,342	)			(221,086
Non-real estate capital additions			(1,851	)			(4,050
Interest capitalized for real estate and unconsolidated entities under development			(12,347	)			(7,105
Proceeds from disposition of real estate, net			374,018				720,302
Investments in unconsolidated entities – acquisitions			(2,800	)			(49,855
Investments in unconsolidated entities – development/other			(47,180	)			(109,846
Distributions from unconsolidated entities – return of capital			42				300
Purchase of investment securities and other investments			(2,500	)			(2,061
Proceeds from sale of investment securities			3,042				3,584
Consolidation of previously unconsolidated entities			2,108				—
Net cash provided by (used for) investing activities			(409,504)			107,792

See accompanying notes

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EQUITY RESIDENTIAL
CONSOLIDATED STATEMENTS OF CASH FLOWS (Continued)
(Amounts in thousands)

		Year Ended December 31,					
		2023			2022		
CASH FLOWS FROM FINANCING ACTIVITIES:							
Debt financing costs		\$	(4,106	)	\$	(9,894	
<i>Mortgage notes payable, net:</i>							
Proceeds			572,896			48,054	
Lump sum payoffs			(932,598	)		(286,461	
Scheduled principal repayments			(3,354	)		(3,392	
<i>Notes, net:</i>							
Proceeds			—			—	
Lump sum payoffs			—			(500,000	
<i>Line of credit and commercial paper:</i>							
Line of credit proceeds			—			—	
Line of credit repayments			—			—	
Commercial paper proceeds			6,124,068			6,036,083	
Commercial paper repayments			(5,844,892	)		(6,221,158	
Proceeds from (payments on) settlement of derivative instruments			25,169			—	
Finance ground lease principal payments			(2,662	)		(2,463	
Proceeds from sale of Common Shares			—			139,623	
Proceeds from Employee Share Purchase Plan (ESPP)			3,517			4,178	
Proceeds from exercise of options			23,632			25,069	
Common Shares repurchased and retired			(49,105)		—	
Payment of offering costs			—			(783	
Other financing activities, net			(75	)		(63	

Acquisition of Noncontrolling Interests – Partially Owned Properties			(3,737	)			(32,178
Contributions – Noncontrolling Interests – Partially Owned Properties			9				603
Contributions – Noncontrolling Interests – Operating Partnership			1				1
<i>Distributions:</i>							
Common Shares			(990,148	)			(931,783
Preferred Shares			(3,090	)			(2,318
Noncontrolling Interests – Operating Partnership			(30,253	)			(30,324
Noncontrolling Interests – Partially Owned Properties			(5,743	)			(18,406
Net cash provided by (used for) financing activities			(1,120,471	)			(1,785,612
Net increase (decrease) in cash and cash equivalents and restricted deposits			2,823				(223,064
Cash and cash equivalents and restricted deposits, beginning of year			137,172				360,236
Cash and cash equivalents and restricted deposits, end of year		\$	139,995			\$	137,172
Cash and cash equivalents and restricted deposits, end of year							
Cash and cash equivalents		\$	50,743			\$	53,869
Restricted deposits			89,252				83,303
Total cash and cash equivalents and restricted deposits, end of year		\$	139,995			\$	137,172

See accompanying notes

EQUITY RESIDENTIAL
CONSOLIDATED STATEMENTS OF CASH FLOWS (Continued)
(Amounts in thousands)

		Year Ended December 31,			
		2023		2022	
SUPPLEMENTAL INFORMATION:					
Cash paid for interest, net of amounts capitalized	\$	248,990		\$	267,612
Net cash paid (received) for income and other taxes	\$	1,091		\$	748
<i>Real estate acquisitions/dispositions/other:</i>					
Mortgage loans assumed	\$	42,256		\$	—
<i>Amortization of deferred financing costs:</i>					
Investment in real estate, net	\$	(211)	)	\$	(506)
Other assets	\$	2,785		\$	2,768
Mortgage notes payable, net	\$	2,527		\$	2,080
Notes, net	\$	3,840		\$	4,387
<i>Amortization of discounts and premiums on debt:</i>					
Mortgage notes payable, net	\$	1,843		\$	2,184
Notes, net	\$	2,248		\$	2,820
<i>Amortization of deferred settlements on derivative instruments:</i>					
Other liabilities	\$	(12)	)	\$	(12)
Accumulated other comprehensive income	\$	3,737		\$	11,071
<i>Write-off of pursuit costs:</i>					
Investment in real estate, net	\$	527		\$	1,150
Investments in unconsolidated entities	\$	2,186		\$	2,898
Other assets	\$	934		\$	732
Accounts payable and accrued expenses	\$	—		\$	—
<i>(Income) loss from investments in unconsolidated entities:</i>					

Investments in unconsolidated entities		\$	4,132			\$	3,778
Other liabilities		\$	1,246			\$	1,253
<i>Realized/unrealized (gain) loss on derivative instruments:</i>							
Other assets		\$	(3,749	)		\$	(21,865
Other liabilities		\$	(765	)		\$	1,211
Accumulated other comprehensive income		\$	4,514			\$	20,654
<i>Interest capitalized for real estate and unconsolidated entities under development:</i>							
Investment in real estate, net		\$	(4,010	)		\$	(2,365
Investments in unconsolidated entities		\$	(8,337	)		\$	(4,740
<i>Investments in unconsolidated entities – development/other:</i>							
Investment in real estate, net		\$	—			\$	—
Investments in unconsolidated entities		\$	(45,770	)		\$	(108,556
Other liabilities		\$	(1,410	)		\$	(1,290
<i>Consolidation of previously unconsolidated entities:</i>							
Investment in real estate, net		\$	(50,315)		\$	—
Investments in unconsolidated entities		\$	46,327			\$	—
Accounts payable and accrued expenses		\$	75			\$	—
Other liabilities		\$	2,000			\$	—
Noncontrolling Interests – Partially Owned Properties		\$	4,021			\$	—
<i>Debt financing costs:</i>							
Other assets		\$	—			\$	(9,566
Mortgage notes payable, net		\$	(4,106	)		\$	(228
Notes, net		\$	—			\$	(100
<i>Proceeds from (payments on) settlement of derivative instruments:</i>							
Other assets		\$	25,613			\$	—
Other liabilities		\$	(444)		\$	—

See accompanying notes



EQUITY RESIDENTIAL
CONSOLIDATED STATEMENTS OF CASH FLOWS (Continued)
(Amounts in thousands)

		Year Ended December 31,					
		2023			2022		
<i>Right-of-use assets and lease liabilities initial measurement and reclassifications:</i>							
Right-of-use assets		\$	(7,105	)	\$	(400	
Lease liabilities		\$	7,105		\$	400	
<i>Non-cash share distribution and other transfers from unconsolidated entities:</i>							
Investments in unconsolidated entities		\$	636		\$	4,201	
Other assets		\$	(636)	\$	(4,201	

See accompanying notes

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EQUITY RESIDENTIAL
CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY
(Amounts in thousands except per share data)

		Year Ended December 31,			
		2023		2022	
<u>SHAREHOLDERS' EQUITY</u>					
PREFERRED SHARES					
Balance, beginning of year		\$	37,280	\$	37,280
Balance, end of year		\$	37,280	\$	37,280
COMMON SHARES, \$0.01 PAR VALUE					
Balance, beginning of year		\$	3,784	\$	3,755
Conversion of OP Units into Common Shares			10		4
Issuance of Common Shares			—		17
Exercise of share options			5		5
Employee Share Purchase Plan (ESPP)			1		1
Common Shares repurchased and retired			(9)		—
Share-based employee compensation expense:					
Restricted shares			2		2
Balance, end of year		\$	3,793	\$	3,784
PAID IN CAPITAL					
Balance, beginning of year		\$	9,476,085	\$	9,121,122
Common Share Issuance:					
Conversion of OP Units into Common Shares			23,938		11,919
Issuance of Common Shares			—		139,606
Exercise of share options			23,627		25,064
Employee Share Purchase Plan (ESPP)			3,516		4,177
Share-based employee compensation expense:					

Restricted shares			12,484				11,593
Share options			4,628				2,321
ESPP discount			644				796
Offering costs			—				(783)
Supplemental Executive Retirement Plan (SERP)			32,078				(269)
Acquisition of Noncontrolling Interests – Partially Owned Properties			(900)	)			(27,383)
Change in market value of Redeemable Noncontrolling Interests – Operating Partnership			7,667				176,490
Adjustment for Noncontrolling Interests ownership in Operating Partnership			18,099				11,432
Balance, end of year		\$	9,601,866			\$	9,476,085
RETAINED EARNINGS							
Balance, beginning of year		\$	1,658,837			\$	1,827,063
Net income attributable to controlling interests			835,438				776,911
Common Share distributions			(1,004,904)	)			(942,047)
Preferred Share distributions			(3,090)	)			(3,090)
Common Shares repurchased and retired			(49,096))			—
Balance, end of year		\$	1,437,185			\$	1,658,837
ACCUMULATED OTHER COMPREHENSIVE INCOME (LOSS)							
Balance, beginning of year		\$	(2,547)	)		\$	(34,272)
Accumulated other comprehensive income (loss) – derivative instruments:							
Unrealized holding gains (losses) arising during the year			4,514				20,654
Losses reclassified into earnings from other comprehensive income			3,737				11,071
Balance, end of year		\$	5,704			\$	(2,547)
DISTRIBUTIONS							
Distributions declared per Common Share outstanding		\$	2.65			\$	2.50

See accompanying notes

EQUITY RESIDENTIAL
CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY (Continued)
(Amounts in thousands except per share data)

		Year Ended December 31,			
		2023		2022	
<u>NONCONTROLLING INTERESTS</u>					
OPERATING PARTNERSHIP					
Balance, beginning of year		\$	209,961	\$	214,094
Issuance of restricted units to Noncontrolling Interests			1		1
Conversion of OP Units held by Noncontrolling Interests into OP Units held by General Partner			(23,948)		(11,923)
Equity compensation associated with Noncontrolling Interests			16,430		19,104
Net income attributable to Noncontrolling Interests			26,710		26,310
Distributions to Noncontrolling Interests			(30,107)		(30,407)
Change in carrying value of Redeemable Noncontrolling Interests – Operating Partnership			21,358		4,214
Adjustment for Noncontrolling Interests ownership in Operating Partnership			(18,099)		(11,432)
Balance, end of year		\$	202,306	\$	209,961
PARTIALLY OWNED PROPERTIES					
Balance, beginning of year		\$	(721)	\$	18,166
Net income attributable to Noncontrolling Interests			6,340		3,774
Contributions by Noncontrolling Interests			9		603
Distributions to Noncontrolling Interests			(5,818)		(18,469)
Acquisition of Noncontrolling Interests – Partially Owned Properties			(2,837)		(4,795)
Consolidation of previously unconsolidated entities			4,021		—
Balance, end of year		\$	994	\$	(721)

See accompanying notes



ERP OPERATING LIMITED PARTNERSHIP
CONSOLIDATED BALANCE SHEETS
(Amounts in thousands)

		December 31,			D
		2023			
ASSETS					
Land	\$	5,581,876		\$	
Depreciable property		22,938,426			
Projects under development		78,036			
Land held for development		114,300			
Investment in real estate		28,712,638			
Accumulated depreciation		(9,810,337)			
Investment in real estate, net		18,902,301			
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LIABILITIES AND CAPITAL					
Liabilities:					
Mortgage notes payable, net	\$	1,632,902		\$	
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Line of credit and commercial paper		409,131			
Accounts payable and accrued expenses		104,430			
Accrued interest payable		65,716			

Lease liabilities			311,640				
Other liabilities			255,543				
Security deposits			69,178				
Distributions payable			259,231				
Total liabilities			8,456,188				
<i>Commitments and contingencies</i>							
Redeemable Limited Partners			289,248				
Capital:							
Partners' Capital:							
Preference Units			37,280				
General Partner			11,042,844				
Limited Partners			202,306				
Accumulated other comprehensive income (loss)			5,704				
Total partners' capital			11,288,134				
Noncontrolling Interests – Partially Owned Properties			994				
Total capital			11,289,128				
Total liabilities and capital		\$	20,034,564			\$	

See accompanying notes

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ERP OPERATING LIMITED PARTNERSHIP
CONSOLIDATED STATEMENTS OF OPERATIONS AND COMPREHENSIVE INCOME
(Amounts in thousands except per Unit data)

		Year Ended December 31,			
		2023		2022	
REVENUES					
Rental income	\$	2,873,964		\$	2,735,180
EXPENSES					
Property and maintenance		514,575			483,865
Real estate taxes and insurance		412,114			388,412
Property management		119,804			110,304
General and administrative		60,716			58,710
Depreciation		888,709			882,168
Total expenses		1,995,918			1,923,459
Net gain (loss) on sales of real estate properties		282,539			304,325
Impairment		—			—
Operating income		1,160,585			1,116,046
Interest and other income		22,345			2,193
Other expenses		(29,419)	)		(13,664)
Interest:					
Expense incurred, net		(269,556)	)		(282,920)
Amortization of deferred financing costs		(8,941)	)		(8,729)
Income before income and other taxes, income (loss) from investments in unconsolidated entities and net gain (loss) on sales of land parcels		875,014			812,926

Income and other tax (expense) benefit			(1,148)			(900)
Income (loss) from investments in unconsolidated entities			(5,378)			(5,031)
Net gain (loss) on sales of land parcels			—			—
Net income			868,488			806,995
Net (income) loss attributable to Noncontrolling Interests – Partially Owned Properties			(6,340)			(3,774)
Net income attributable to controlling interests		\$	862,148		\$	803,221
ALLOCATION OF NET INCOME:						
Preference Units		\$	3,090		\$	3,090
General Partner		\$	832,348		\$	773,821
Limited Partners			26,710			26,310
Net income available to Units		\$	859,058		\$	800,131
Earnings per Unit – basic:						
Net income available to Units		\$	2.20		\$	2.06
Weighted average Units outstanding			389,954			388,045
Earnings per Unit – diluted:						
Net income available to Units		\$	2.20		\$	2.05
Weighted average Units outstanding			390,897			389,450

See accompanying notes

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ERP OPERATING LIMITED PARTNERSHIP
CONSOLIDATED STATEMENTS OF OPERATIONS AND COMPREHENSIVE INCOME (Continued)
(Amounts in thousands except per Unit data)

		Year Ended December 31,			
		2023		2022	
Comprehensive income:					
Net income	\$	868,488		\$	806,995
Other comprehensive income (loss):					
Other comprehensive income (loss) – derivative instruments:					
Unrealized holding gains (losses) arising during the year		4,514			20,654
Losses reclassified into earnings from other comprehensive income		3,737			11,071
Other comprehensive income (loss)		8,251			31,725
Comprehensive income		876,739			838,720
Comprehensive (income) attributable to Noncontrolling Interests – Partially Owned Properties		(6,340)	)		(3,774)
Comprehensive income attributable to controlling interests	\$	870,399		\$	834,946

See accompanying notes

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ERP OPERATING LIMITED PARTNERSHIP
CONSOLIDATED STATEMENTS OF CASH FLOWS
(Amounts in thousands)

		Year Ended December 31,					
		2023			2022		
CASH FLOWS FROM OPERATING ACTIVITIES:							
Net income		\$	868,488		\$	806,995	
<i>Adjustments to reconcile net income to net cash provided by operating activities:</i>							
Depreciation			888,709			882,168	
Amortization of deferred financing costs			8,941			8,729	
Amortization of above/below market lease intangibles			—			—	
Amortization of discounts and premiums on debt			4,091			5,004	
Amortization of deferred settlements on derivative instruments			3,725			11,059	
Amortization of right-of-use assets			12,795			12,157	
Impairment			—			—	
Write-off of pursuit costs			3,647			4,780	
(Income) loss from investments in unconsolidated entities			5,378			5,031	
Distributions from unconsolidated entities – return on capital			559			398	
Net (gain) loss on sales of real estate properties			(282,539	)		(304,325	
Net (gain) loss on sales of land parcels			—			—	
Realized (gain) loss on investment securities			(1,504	)		(2,061	
Unrealized (gain) loss on investment securities			(13,466)		—	
Compensation paid with Company Common Shares			31,815			29,513	
<i>Changes in assets and liabilities:</i>							
(Increase) decrease in other assets			(10,203	)		10,893	
Increase (decrease) in accounts payable and accrued expenses			8,911			(266	
Increase (decrease) in accrued interest payable			(594	)		(3,200	

Increase (decrease) in lease liabilities			(1,551	)			(1,524
Increase (decrease) in other liabilities			5,358				(13,394
Increase (decrease) in security deposits			238				2,799
Net cash provided by operating activities			1,532,798				1,454,756
CASH FLOWS FROM INVESTING ACTIVITIES:							
Investment in real estate – acquisitions			(324,497	)			(113,046
Investment in real estate – development/other			(78,197	)			(109,345
Capital expenditures to real estate			(319,342	)			(221,086
Non-real estate capital additions			(1,851	)			(4,050
Interest capitalized for real estate and unconsolidated entities under development			(12,347	)			(7,105
Proceeds from disposition of real estate, net			374,018				720,302
Investments in unconsolidated entities – acquisitions			(2,800	)			(49,855
Investments in unconsolidated entities – development/other			(47,180	)			(109,846
Distributions from unconsolidated entities – return of capital			42				300
Purchase of investment securities and other investments			(2,500	)			(2,061
Proceeds from sale of investment securities			3,042				3,584
Consolidation of previously unconsolidated entities			2,108				—
Net cash provided by (used for) investing activities			(409,504)			107,792

See accompanying notes

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ERP OPERATING LIMITED PARTNERSHIP
CONSOLIDATED STATEMENTS OF CASH FLOWS (Continued)
(Amounts in thousands)

		Year Ended December 31,					
		2023			2022		
CASH FLOWS FROM FINANCING ACTIVITIES:							
Debt financing costs		\$	(4,106	)	\$	(9,894	
<i>Mortgage notes payable, net:</i>							
Proceeds			572,896			48,054	
Lump sum payoffs			(932,598	)		(286,461	
Scheduled principal repayments			(3,354	)		(3,392	
<i>Notes, net:</i>							
Proceeds			—			—	
Lump sum payoffs			—			(500,000	
<i>Line of credit and commercial paper:</i>							
Line of credit proceeds			—			—	
Line of credit repayments			—			—	
Commercial paper proceeds			6,124,068			6,036,083	
Commercial paper repayments			(5,844,892	)		(6,221,158	
Proceeds from (payments on) settlement of derivative instruments			25,169			—	
Finance ground lease principal payments			(2,662	)		(2,463	
Proceeds from sale of OP Units			—			139,623	
Proceeds from EQR's Employee Share Purchase Plan (ESPP)			3,517			4,178	
Proceeds from exercise of EQR options			23,632			25,069	
OP Units repurchased and retired			(49,105)		—	
Payment of offering costs			—			(783	
Other financing activities, net			(75	)		(63	

Acquisition of Noncontrolling Interests – Partially Owned Properties			(3,737	)			(32,178
Contributions – Noncontrolling Interests – Partially Owned Properties			9				603
Contributions – Limited Partners			1				1
<i>Distributions:</i>							
OP Units – General Partner			(990,148	)			(931,783
Preference Units			(3,090	)			(2,318
OP Units – Limited Partners			(30,253	)			(30,324
Noncontrolling Interests – Partially Owned Properties			(5,743	)			(18,406
Net cash provided by (used for) financing activities			(1,120,471	)			(1,785,612
Net increase (decrease) in cash and cash equivalents and restricted deposits			2,823				(223,064
Cash and cash equivalents and restricted deposits, beginning of year			137,172				360,236
Cash and cash equivalents and restricted deposits, end of year		\$	139,995			\$	137,172
Cash and cash equivalents and restricted deposits, end of year							
Cash and cash equivalents		\$	50,743			\$	53,869
Restricted deposits			89,252				83,303
Total cash and cash equivalents and restricted deposits, end of year		\$	139,995			\$	137,172

See accompanying notes

ERP OPERATING LIMITED PARTNERSHIP
CONSOLIDATED STATEMENTS OF CASH FLOWS (Continued)
(Amounts in thousands)

		Year Ended December 31,			
		2023		2022	
SUPPLEMENTAL INFORMATION:					
Cash paid for interest, net of amounts capitalized	\$	248,990		\$	267,612
Net cash paid (received) for income and other taxes	\$	1,091		\$	748
<i>Real estate acquisitions/dispositions/other:</i>					
Mortgage loans assumed	\$	42,256		\$	—
<i>Amortization of deferred financing costs:</i>					
Investment in real estate, net	\$	(211)	)	\$	(506)
Other assets	\$	2,785		\$	2,768
Mortgage notes payable, net	\$	2,527		\$	2,080
Notes, net	\$	3,840		\$	4,387
<i>Amortization of discounts and premiums on debt:</i>					
Mortgage notes payable, net	\$	1,843		\$	2,184
Notes, net	\$	2,248		\$	2,820
<i>Amortization of deferred settlements on derivative instruments:</i>					
Other liabilities	\$	(12)	)	\$	(12)
Accumulated other comprehensive income	\$	3,737		\$	11,071
<i>Write-off of pursuit costs:</i>					
Investment in real estate, net	\$	527		\$	1,150
Investments in unconsolidated entities	\$	2,186		\$	2,898
Other assets	\$	934		\$	732
Accounts payable and accrued expenses	\$	—		\$	—
<i>(Income) loss from investments in unconsolidated entities:</i>					

Investments in unconsolidated entities		\$	4,132			\$	3,778
Other liabilities		\$	1,246			\$	1,253
<i>Realized/unrealized (gain) loss on derivative instruments:</i>							
Other assets		\$	(3,749	)		\$	(21,865
Other liabilities		\$	(765	)		\$	1,211
Accumulated other comprehensive income		\$	4,514			\$	20,654
<i>Interest capitalized for real estate and unconsolidated entities under development:</i>							
Investment in real estate, net		\$	(4,010	)		\$	(2,365
Investments in unconsolidated entities		\$	(8,337	)		\$	(4,740
<i>Investments in unconsolidated entities – development/other:</i>							
Investment in real estate, net		\$	—			\$	—
Investments in unconsolidated entities		\$	(45,770	)		\$	(108,556
Other liabilities		\$	(1,410	)		\$	(1,290
<i>Consolidation of previously unconsolidated entities:</i>							
Investment in real estate, net		\$	(50,315)		\$	—
Investments in unconsolidated entities		\$	46,327			\$	—
Accounts payable and accrued expenses		\$	75			\$	—
Other liabilities		\$	2,000			\$	—
Noncontrolling Interests – Partially Owned Properties		\$	4,021			\$	—
<i>Debt financing costs:</i>							
Other assets		\$	—			\$	(9,566
Mortgage notes payable, net		\$	(4,106	)		\$	(228
Notes, net		\$	—			\$	(100
<i>Proceeds from (payments on) settlement of derivative instruments:</i>							
Other assets		\$	25,613			\$	—
Other liabilities		\$	(444)		\$	—

See accompanying notes

ERP OPERATING LIMITED PARTNERSHIP
CONSOLIDATED STATEMENTS OF CASH FLOWS (Continued)
(Amounts in thousands)

		Year Ended December 31,					
		2023			2022		
<i>Right-of-use assets and lease liabilities initial measurement and reclassifications:</i>							
Right-of-use assets		\$	(7,105	)	\$	(400	
Lease liabilities		\$	7,105		\$	400	
<i>Non-cash share distribution and other transfers from unconsolidated entities:</i>							
Investments in unconsolidated entities		\$	636		\$	4,201	
Other assets		\$	(636)	\$	(4,201	

See accompanying notes

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ERP OPERATING LIMITED PARTNERSHIP
CONSOLIDATED STATEMENTS OF CHANGES IN CAPITAL
(Amounts in thousands except per Unit data)

		Year Ended December 31,			
		2023		2022	
<u>PARTNERS' CAPITAL</u>					
PREFERENCE UNITS					
Balance, beginning of year		\$	37,280	\$	37,280
Balance, end of year		\$	37,280	\$	37,280
GENERAL PARTNER					
Balance, beginning of year		\$	11,138,706	\$	10,951,940
OP Unit Issuance:					
Conversion of OP Units held by Limited Partners into OP Units held by General Partner			23,948		11,923
Issuance of OP Units			—		139,623
Exercise of EQR share options			23,632		25,069
EQR's Employee Share Purchase Plan (ESPP)			3,517		4,178
Share-based employee compensation expense:					
EQR restricted shares			12,486		11,595
EQR share options			4,628		2,321
EQR ESPP discount			644		796
OP Units repurchased and retired			(49,105))	—
Net income available to Units – General Partner			832,348		773,821
OP Units – General Partner distributions			(1,004,904)	)	(942,047)
Offering costs			—		(783)
Supplemental Executive Retirement Plan (SERP)			32,078		(269)
Acquisition of Noncontrolling Interests – Partially Owned Properties			(900)	)	(27,383)
Change in market value of Redeemable Limited Partners			7,667		176,490

Adjustment for Limited Partners ownership in Operating Partnership			18,099			11,432
Balance, end of year		\$	11,042,844		\$	11,138,706
LIMITED PARTNERS						
Balance, beginning of year		\$	209,961		\$	214,094
Issuance of restricted units to Limited Partners			1			1
Conversion of OP Units held by Limited Partners into OP Units held by General Partner			(23,948)			(11,923
Equity compensation associated with Units – Limited Partners			16,430			19,104
Net income available to Units – Limited Partners			26,710			26,310
Units – Limited Partners distributions			(30,107)			(30,407
Change in carrying value of Redeemable Limited Partners			21,358			4,214
Adjustment for Limited Partners ownership in Operating Partnership			(18,099)			(11,432
Balance, end of year		\$	202,306		\$	209,961
ACCUMULATED OTHER COMPREHENSIVE INCOME (LOSS)						
Balance, beginning of year		\$	(2,547)		\$	(34,272
Accumulated other comprehensive income (loss) – derivative instruments:						
Unrealized holding gains (losses) arising during the year			4,514			20,654
Losses reclassified into earnings from other comprehensive income			3,737			11,071
Balance, end of year		\$	5,704		\$	(2,547
DISTRIBUTIONS						
Distributions declared per Unit outstanding		\$	2.65		\$	2.50

See accompanying notes

ERP OPERATING LIMITED PARTNERSHIP
CONSOLIDATED STATEMENTS OF CHANGES IN CAPITAL (Continued)
(Amounts in thousands except per Unit data)

		Year Ended December 31,					
		2023			2022		
<u>NONCONTROLLING INTERESTS</u>							
NONCONTROLLING INTERESTS – PARTIALLY OWNED PROPERTIES							
Balance, beginning of year		\$	(721	)	\$	18,166	
Net income attributable to Noncontrolling Interests			6,340			3,774	
Contributions by Noncontrolling Interests			9			603	
Distributions to Noncontrolling Interests			(5,818	)		(18,469	
Acquisition of Noncontrolling Interests – Partially Owned Properties			(2,837	)		(4,795	
Consolidation of previously unconsolidated entities			4,021			—	
Balance, end of year		\$	994		\$	(721	

See accompanying notes

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**EQUITY RESIDENTIAL
ERP OPERATING LIMITED PARTNERSHIP
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**

1. Business

Equity Residential (“EQR”) is an S&P 500 company focused on the acquisition, development and management of residential properties located in and around dynamic cities that attract affluent long-term renters, a business that is conducted on its behalf by ERP Operating Limited Partnership (“ERPOP”). EQR is a Maryland real estate investment trust (“REIT”) formed in March 1993 and ERPOP is an Illinois limited partnership formed in May 1993. References to the “Company,” “we,” “us” or “our” mean collectively EQR, ERPOP and those entities/subsidiaries owned or controlled by EQR and/or ERPOP. References to the “Operating Partnership” mean collectively ERPOP and those entities/subsidiaries owned or controlled by ERPOP. Unless otherwise indicated, the notes to consolidated financial statements apply to both the Company and the Operating Partnership.

EQR is the general partner of, and as of December 31, 2023 owned an approximate 97.0% ownership interest in, ERPOP. All of the Company’s property ownership, development and related business operations are conducted through the Operating Partnership and EQR has no material assets or liabilities other than its investment in ERPOP. EQR issues equity from time to time, the net proceeds of which it is obligated to contribute to ERPOP, but does not have any indebtedness as all debt is incurred by the Operating Partnership. The Operating Partnership holds substantially all of the assets of the Company, including the Company’s ownership interests in its joint ventures. The Operating Partnership conducts the operations of the business and is structured as a partnership with no publicly traded equity.

As of December 31, 2023, the Company, directly or indirectly through investments in title holding entities, owned all or a portion of 302 properties located in 10 states and the District of Columbia consisting of 80,191 apartment units. The ownership breakdown includes (table does not include any uncompleted development properties):

	Properties			Apartment Units		
Wholly Owned Properties			288			77,131
Partially Owned Properties – Consolidated			14			3,060
			302			80,191

2. Summary of Significant Accounting Policies

Basis of Presentation

Due to the Company’s ability as general partner to control either through ownership or by contract the Operating Partnership and its subsidiaries, the Operating Partnership and each such subsidiary has been consolidated with the Company for financial reporting purposes, except for any unconsolidated properties/entities.

Real Estate Assets and Depreciation of Investment in Real Estate

The Company expects that substantially all of its acquisitions will be accounted for as asset acquisitions. In an asset acquisition, the Company is required to capitalize transaction costs and allocate the purchase price on a relative fair value basis (including any identified intangible assets). For the years ended December 31, 2023 and 2022, all acquisitions were considered asset acquisitions.

In making estimates of relative fair values for purposes of allocating purchase price, the Company utilizes a number of sources, including independent appraisals that may be obtained in connection with the acquisition or financing of the respective property, our own analysis of recently acquired or developed and existing comparable properties in our portfolio and other market data. The Company also considers information obtained about each property as a result of its pre-acquisition due diligence,

marketing and leasing activities in estimating the relative fair value of the tangible and intangible assets/liabilities acquired. The Company allocates the purchase price of acquired real estate to various components as follows:

- Land – Based on actual purchase price adjusted to an allocation of the relative fair value (as necessary) if acquired separately or market research/comparables if acquired with an operating property.
- Furniture, Fixtures and Equipment – Based on an estimate of the allocation of the relative fair value of the appliances and fixtures inside an apartment unit. The per-apartment unit amount applied depends on the economic age of the apartment units acquired. Depreciation is calculated on the straight-line method over an estimated useful life of five to ten years.

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- **Lease Intangibles** – The Company considers the value of acquired in-place leases and above/below market leases and the amortization period is the average remaining term of each respective acquired lease.
- **Other Intangible Assets** – The Company considers whether it has acquired other intangible assets, including any customer relationship intangibles and the amortization period is the estimated useful life of the acquired intangible asset.
- **Building** – Based on the allocation of the relative fair value determined on an “as-if vacant” basis. Depreciation is calculated on the straight-line method over an estimated useful life of thirty years.
- **Long-Term Debt** – The Company calculates the allocation of the relative fair value by discounting the remaining contractual cash flows on each instrument at the current market rate for those borrowings.

Replacements inside an apartment unit such as appliances and carpeting are depreciated over an estimated useful life of five to ten years. Expenditures for ordinary maintenance and repairs are expensed to operations as incurred and significant renovations and building improvements that improve and/or extend the useful life of the asset are capitalized over their estimated useful life, generally five to fifteen years. Initial direct leasing costs are expensed as incurred as such expense approximates the deferral and amortization of initial direct leasing costs over the lease terms.

The Company classifies real estate assets as real estate held for sale when it is probable a property will be disposed of. The Company classifies properties under development and/or expansion and properties in the lease-up phase (including land) as construction-in-progress until construction has been completed and certificates of occupancy permits have been obtained.

Impairment of Long-Lived Assets

At least quarterly, the Company evaluates its long-lived assets, including its investment in real estate, for indicators of impairment. The judgments regarding the existence of impairment indicators are based on factors such as operational performance, market conditions, legal, regulatory and environmental concerns, the Company’s intent and ability to hold the related asset, as well as any significant cost overruns on development properties. Future events could occur which would cause the Company to conclude that impairment indicators exist and an impairment loss is warranted. If an impairment indicator exists, the Company performs the following:

For long-lived operating assets to be held and used, the Company compares the expected future undiscounted cash flows for the long-lived asset against the carrying amount of that asset. If the sum of the estimated undiscounted cash flows is less than the carrying amount of the asset, the Company would make an estimate of the fair value for the particular asset and would record an impairment loss for the difference between the estimated fair value and the carrying amount of the asset. In determining the future undiscounted cash flows or the estimated fair value of an asset there is judgment in estimating the expected future rental revenues, operating expenses and discount and capitalization rates.

For long-lived non-operating assets (projects under development and land held for development), management evaluates major cost overruns, market conditions that could affect lease-up projections, intent and ability to hold the asset, and any other indicators of impairment. If any of the indicators were to suggest impairment was present, a recoverability analysis would be performed and the carrying value of the asset would be adjusted accordingly to fair value.

For long-lived assets to be disposed of, an impairment loss is recognized when the estimated fair value of the asset, less the estimated cost to sell, is less than the carrying amount of the asset measured at the time that the Company has determined it is probable that the asset will be disposed of. Long-lived assets held for sale and the related liabilities are separately reported, with the long-lived assets reported at the lower of their carrying amounts or their estimated fair values, less their costs to sell, and are not depreciated after reclassification to real estate held for sale.

See Note 4 for further discussion of the Company’s impairment charge on a land parcel in 2021.

Impairment of Investments in Unconsolidated Entities and Other Investments

At least quarterly, the Company evaluates its investments in unconsolidated entities and other investments for indicators of other than temporary impairment, considering whether there has been a change to events or circumstances that would impact recoverability of the Company’s investment as well as any changes with regards to the Company’s intent and ability to hold the investment to recover its carrying value.

Cost Capitalization

See the *Real Estate Assets and Depreciation of Investment in Real Estate* section for a discussion of the Company's policy with respect to capitalization vs. expensing of fixed asset/repair and maintenance costs. For all development, capital and renovation projects,

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the Company uses its professional judgment in determining whether such costs meet the criteria for capitalization or must be expensed as incurred. The Company capitalizes interest, real estate taxes and insurance, as well as payroll for those individuals directly responsible for and who spend their time on the execution and supervision of development activities. Additionally, the Company capitalizes payroll for those individuals directly responsible for and who spend their time on the execution and supervision of major capital and/or renovation projects. Capitalization ends when the asset, or a portion of the asset, is substantially completed and ready for its intended use. These costs are reflected on the balance sheets as increases to depreciable property and/or construction-in-progress.

During the years ended December 31, 2023 and 2022, the Company capitalized \$15.4 million and \$15.6 million, respectively, of payroll and associated costs of employees directly responsible for and who spend their time on the execution and supervision of development activities as well as major capital and/or renovation projects.

Cash and Cash Equivalents

The Company considers all demand deposits, money market accounts and investments in certificates of deposit with a maturity of three months or less at the date of purchase to be cash equivalents. The Company maintains its cash and cash equivalents at financial institutions. The combined account balances at one or more institutions typically exceed the Federal Deposit Insurance Corporation ("FDIC") insurance coverage, and, as a result, there is a concentration of credit risk related to amounts on deposit in excess of FDIC insurance coverage. The Company believes that the risk is not significant, as the Company does not anticipate the financial institutions' non-performance.

Fair Value of Financial Instruments

The valuation of financial instruments requires the Company to make estimates and judgments that affect the fair value of the instruments. The Company, where possible, bases the fair values of its financial instruments on listed market prices and third-party quotes. Where these are not available, the Company bases its estimates on current instruments with similar terms and maturities or on other factors relevant to the financial instruments.

In the normal course of business, the Company is exposed to the effect of interest rate changes. The Company may seek to manage these risks by following established risk management policies and procedures, including the use of derivatives to hedge interest rate risk on debt instruments. The Company may also use derivatives to manage commodity prices in the daily operations of the business.

The Company has a policy of only entering into derivative contracts with major financial institutions based upon their credit ratings and other factors. When viewed in conjunction with the underlying and offsetting exposure that the derivatives are designed to hedge, the Company has not sustained a material loss from these instruments nor does it anticipate any material adverse effect on its net income or financial position in the future.

The Company recognizes all derivatives as either assets or liabilities in the consolidated balance sheets and measures those instruments at fair value. In addition, fair value adjustments will affect either shareholders' equity/partners' capital or net income depending on whether the derivative instruments qualify as a hedge for accounting purposes and, if so, the nature of the hedging activity. When the terms of an underlying transaction are modified, or when the underlying transaction is terminated or completed, all changes in the fair value of the instrument are marked-to-market with changes in value included in net income each period until the instrument matures. Any derivative instrument used for risk management that does not meet the hedging criteria is marked-to-market each period. The Company does not use derivatives for trading or speculative purposes. See Note 10 for additional derivatives discussion.

Leases and Revenue Recognition

Rental income attributable to residential leases is recorded on a straight-line basis over the term of the lease when reasonably assured they are collectible, which is not materially different than if it were recorded when due from residents and recognized monthly as it was earned. Residential apartment leases may include lease income related to such items as utility recoveries, parking rent, storage rent and pet rent that the Company treats as a single lease component because the amenities cannot be leased on their own and the timing and pattern of revenue recognition are the same. Leases entered into between a resident and a property

for the rental of an apartment unit are generally year-to-year, renewable upon consent of both parties on an annual or monthly basis.

Rental income attributable to non-residential leases is also recorded on a straight-line basis over the term of the lease when reasonably assured they are collectible. Non-residential leases may include lease income related to such items as utility recoveries, parking rent and storage rent that the Company treats as a single lease component because the amenities cannot be leased on their own and the timing and pattern of revenue recognition are the same. Non-residential leases generally have five to ten year lease terms with market-based renewal options and consist of ground floor retail spaces and master-leased parking garages that serve as additional amenities for our residents.

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The majority of the Company's revenue is derived from residential, non-residential and other lease income. Our revenue streams have the same timing and pattern of revenue recognition across our reportable segments, with consistent allocations between the lease and revenue recognition standards. The Company elected an accounting policy to account for both its lease and non-lease components (specifically common area maintenance charges) as a single lease component under the lease standard.

The Company is a lessor for its residential and non-residential leases and is a lessee for its corporate headquarters and regional offices and ground leases for land underlying current operating properties or projects under development. If applicable, lease agreements must be evaluated to determine the accounting treatment as a finance or operating lease in accordance with the lease standard.

The lease standard also requires lessees to recognize on the balance sheet: (a) a liability for the lease obligation (initially measured at the present value of the future lease payments not yet paid over the lease term); and (b) an asset for its right to use the underlying asset (initially equal to the lease liability). The Company uses estimates and judgments on the discount rate used to calculate the present value of the future lease payments. The Company uses its incremental borrowing rate as the discount rate because the Company typically cannot readily determine the rate implicit in the lease. Since the Company's credit backs the corporate office lease obligations and the lease terms are generally ten years or less, the discount rate range was estimated by using the Company's borrowing rates for actual pricing data. The discount rate range for ground leases takes into account various factors, including the longer life of the ground leases, and was estimated by using the Company's borrowing rates for actual pricing data through 30 years and other long-term market rates.

The Company's income streams that are not accounted for under the lease standard include:

- **Parking revenue** – The Company's parking revenue, not related to leasing, is derived primarily from monthly and transient daily parking and is accounted for at the point in time when control of the goods or services transfers to the customer and our performance obligation is satisfied.

- **Other rental and non-rental related revenue** – The Company receives other income, including, but not limited to: (a) ancillary income, such as laundry, renters insurance and cable income; and (b) miscellaneous fee income.

- **Fee and asset management revenue and interest income** – The Company's fee and asset management revenue and interest income are recorded on an accrual basis.

- **Gains or losses on sales of real estate properties** – The Company accounts for the sale of real estate properties and any related gain recognition in accordance with the accounting guidance applicable to sales of real estate, which establishes standards for recognition of profit on all real estate sales transactions. The Company recognizes the sale and associated gain or loss from the disposition when control transfers to unrelated third parties, contingencies have been removed and sufficient cash consideration has been received by the Company.

See Note 8 for the Company's rental income detail allocated between the lease and revenue recognition standards.

The Company's allowance for doubtful accounts (which offsets accounts receivable and is included within other assets on the consolidated balance sheets) and bad debts (which reduce rental income on the consolidated statements of operations and comprehensive income) have historically been very modest, particularly in our residential business, given the quality of our resident base and asset class. However, due to the impact of the novel coronavirus ("COVID-19") pandemic and extended eviction moratoriums enacted during the pandemic, the allowance for doubtful accounts and bad debts were elevated in 2021, 2022 and 2023, though gradually declined throughout 2023. In accordance with the lease standard, if we determine the lease payments are not probable of collection (based on known troubled accounts, rent deferral plans granted, historical experience and other currently available evidence), we fully reserve for any unpaid amounts, deferred rent receivable, variable lease payments and straight-line receivable balances and recognize rental income only if cash is received. If we later determine that these lease payments are probable of collection (based on sustained clean payment history, no deferral plans granted and other currently available evidence), we will no longer fully reserve for the respective current receivable balances, we will reinstate the straight-line balances for the respective leases and we will no longer recognize rental income only if cash is received. If the Company's estimates of collectibility differ from the cash received, then the timing and amount of the Company's reported revenue could be impacted. See Note 8 for additional details.

Share-Based Compensation

The Company expenses share-based compensation for employee and trustee grants of restricted shares, restricted units and share options. Any common share of beneficial interest, \$0.01 par value per share (the “Common Shares”), issued pursuant to EQR’s incentive equity compensation and employee share purchase plans will result in ERPOP issuing units of partnership interest (“OP Units”) to EQR on a one-for-one basis, with ERPOP receiving the net cash proceeds of such issuances. See Note 12 for further discussion.

Income and Other Taxes

EQR has elected to be taxed as a REIT. This, along with the nature of the operations of its operating properties, resulted in no provision for federal income taxes at the EQR level. In addition, ERPOP generally is not liable for federal income taxes as the partners

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recognize

their allocable share of income or loss in their tax returns; therefore no provision for federal income taxes has been made at the ERPOP level. Historically, the Company has generally only incurred certain state and local income, excise and franchise taxes. The Company has elected taxable REIT subsidiary status for certain of its corporate subsidiaries and, as a result, these entities will incur both federal and state income taxes on any taxable income of such entities after consideration of any net operating losses.

The Company's provision for income and other tax expense (benefit) was as follows for the years ended December 31, 2023, 2022 and 2021 (amounts in thousands):

		Year Ended December 31,			
		2023		2022	
State and local income, franchise and excise tax (benefit)	\$	1,148		\$	900
Income and other tax expense (benefit) (1)	\$	1,148		\$	900

(1) All provisions for income tax amounts are current and none are deferred.

During the years ended December 31, 2023, 2022 and 2021, the tax character of the Company's dividends and distributions were as follows:

		Year Ended December 31,			
		2023 (1)		2022 (2)	
Tax character of dividends and distributions:					
Ordinary dividends	\$	1.85676		\$	1.75466
Long-term capital gain		0.57857			0.42850
Unrecaptured section 1250 gain		0.17717			0.29434
Dividends and distributions per					
Common Share/Unit outstanding	\$	2.61250		\$	2.47750

(1) The Company's fourth quarter 2023 dividends and distributions of \$0.6625 per Common Share/Unit outstanding will be included as taxable income in calendar year 2024.

(2) The Company's fourth quarter 2022 dividends and distributions of \$0.625 per Common Share/Unit outstanding was included as taxable income in calendar year 2023.

(3) The Company's fourth quarter 2021 dividends and distributions of \$0.6025 per Common Share/Unit outstanding was included as taxable income in calendar year 2022.

The Company issued Internal Revenue Service ("IRS") Form 1099-DIV to shareholders to report the tax character of Company distributions consistent with these amounts. The Company provides additional information to assist shareholders in the preparation of their tax returns. For 2023, the Company reported an Alternative Minimum Tax ("AMT") preference adjustment

equal to \$0.01 per share and disclosed amounts defined under Treasury Regulation §1.1061-6(c) as “One Year Amounts Disclosure” and “Three Year Amounts Disclosure” equal to \$0.04101 per share and \$0.04071 per share, respectively.

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Principles of Consolidation

The Company may hold an interest in subsidiaries, partnerships, joint ventures and other similar entities and accounts for these interests in accordance with the consolidation guidance. The Company first determines whether to consolidate the entity as a variable interest entity (“VIE”) or voting interest entity, or to account for the interest under the equity method of accounting as an unconsolidated entity. In situations in which we have concluded that an entity qualifies as a VIE, it is generally because the equity investors of VIEs do not have sufficient equity at risk to finance their activities without additional subordinated financial support or do not have substantive voting rights. The Company consolidates an entity when it is considered to be the primary beneficiary of the VIE or when it controls the entity through ownership of a majority voting interest. A primary beneficiary has the power to direct the activities that most significantly impact the VIE’s performance and has the obligation to absorb the expected losses or the right to receive the expected residual returns that could potentially be significant to the VIE. In evaluating whether the entity is a VIE and/or the Company is the primary beneficiary of the entity, the Company considers several factors, including, but not limited to, proportionate share or ownership of the VIE, funding and financing sources, the business purpose of the entity, related parties, developer and property management fees and agreement terms regarding major decisions, participating and voting rights, contributions and distributions.

Investments in Unconsolidated Entities

The Company accounts for investments in unconsolidated entities under the equity method of accounting and measures the investments initially at cost. The Company subsequently adjusts the carrying amount by additional cash and non-cash contributions and distributions and its proportionate share of the earnings and losses of such entities. The proportionate share of the earnings and losses are also recognized in the consolidated statements of operations and comprehensive income. In addition, we may earn fees for providing property management services or construction oversight.

Noncontrolling Interests

A noncontrolling interest in a subsidiary (minority interest) is an ownership interest in the consolidated entity that should be reported as equity in the consolidated financial statements and separate from the parent company’s equity. In addition, consolidated net income is required to be reported at amounts that include the amounts attributable to both the parent and the noncontrolling interest and the amount of consolidated net income attributable to the parent and the noncontrolling interest are required to be disclosed on the face of the consolidated statements of operations and comprehensive income. See Note 3 for further discussion.

Operating Partnership: Net income is allocated to noncontrolling interests based on their respective ownership percentage of the Operating Partnership. The ownership percentage is calculated by dividing the number of OP Units held by the noncontrolling interests by the total OP Units held by the noncontrolling interests and EQR. Issuances and retirements of Common Shares and OP Units changes the ownership interests of both the noncontrolling interests and EQR. Such transactions and the related proceeds/payments are treated as capital transactions.

Partially Owned Properties: The Company reflects noncontrolling interests in partially owned properties on the balance sheet for the portion of properties consolidated by the Company that are not wholly owned by the Company. The earnings or losses from those properties attributable to the noncontrolling interests are generally based on ownership percentage and are reflected as noncontrolling interests in partially owned properties in the consolidated statements of operations and comprehensive income.

Partners’ Capital

The “Limited Partners” of ERPOP include various individuals and entities that contributed their properties to ERPOP in exchange for OP Units. The “General Partner” of ERPOP is EQR. Net income is allocated to the Limited Partners based on their respective ownership percentage of ERPOP. The ownership percentage is calculated by dividing the number of OP Units held by the Limited Partners by the total OP Units held by the Limited Partners and the General Partner. Issuances and retirements of Common Shares and OP Units changes the ownership interests of both the Limited Partners and EQR. Such transactions and the related proceeds/payments are treated as capital transactions.

Redeemable Noncontrolling Interests – Operating Partnership / Redeemable Limited Partners

The Company classifies Redeemable Noncontrolling Interests – Operating Partnership / Redeemable Limited Partners in the mezzanine section of the consolidated balance sheets for the portion of OP Units that EQR is required, either by contract or securities law, to deliver registered Common Shares to the exchanging OP Unit holder. The redeemable noncontrolling interest units / redeemable limited partner units are adjusted to the greater of carrying value or fair market value based on the Common Share price of EQR at the end of each respective reporting period. See Note 3 for further discussion.

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Use of Estimates

In preparation of the Company's financial statements in conformity with accounting principles generally accepted in the United States, management makes estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements as well as the reported amounts of revenues and expenses during the reporting period. Actual results could differ from these estimates.

Recent Accounting Pronouncements

In December 2023, the Financial Accounting Standards Board ("FASB") issued an amendment to the income tax standards which requires disclosure enhancements and further transparency to certain income tax disclosures, most notably the tax rate reconciliation and income taxes paid. The new standard will be effective for annual periods beginning January 1, 2025 and will be applied on a prospective basis with the option to apply the standard retrospectively. The Company is currently evaluating the impact of adopting the standard on its consolidated results of operations and financial position.

In November 2023, the FASB issued an amendment to the segment reporting standards which requires disclosure for each reportable segment, on an interim and annual basis, the significant expense categories and amounts that are regularly provided to the chief operating decision maker and included in each reported measure of a segment's profit or loss. Additionally, it requires a disclosure of the title and position of the individual or the name of the group or committee identified as the chief operating decision maker. The new standard will be effective for annual periods beginning on January 1, 2024 and interim periods beginning on January 1, 2025 on a retrospective basis. The Company is currently evaluating the impact of adopting the standard on its consolidated results of operations and financial position.

In August 2020, the FASB issued an amendment to the debt and equity financial instruments standards which simplifies the accounting for convertible instruments and accounting for contracts in an entity's own equity. The Company adopted the standard when effective on January 1, 2022 and it had no impact on its consolidated results of operations and financial position.

In March 2020, the FASB issued an amendment to the reference rate reform standard which provides the option for a limited period of time to ease the potential burden in accounting for, or recognizing the effects of, reference rate reform on contract modifications and hedge accounting. The new standard was effective for the Company upon issuance and elections could be made through December 31, 2024. The Company elected to apply the hedge accounting expedients and application of these expedients preserves the presentation of derivatives consistent with past presentation. The Company continues to evaluate the impact of the guidance and may apply other elections as applicable as additional changes in the market occur.

Other

The Company is the controlling partner in various consolidated partnerships owning 14 properties consisting of 3,060 apartment units having a noncontrolling interest balance of \$1.0 million at December 31, 2023. The Company is required to make certain disclosures regarding noncontrolling interests in consolidated limited-life subsidiaries. Of the consolidated entities described above, the Company is the controlling partner in limited-life partnerships owning two properties having a noncontrolling interest deficit balance of \$3.5 million. These two partnership agreements contain provisions that require the partnerships to be liquidated through the sale of their assets upon reaching a date specified in each respective partnership agreement. The Company, as controlling partner, has an obligation to cause the property owning partnerships to distribute the proceeds of liquidation to the Noncontrolling Interests in these Partially Owned Properties only to the extent that the net proceeds received by the partnerships from the sale of their assets warrant a distribution based on the partnership agreements. As of December 31, 2023, the Company estimates the value of Noncontrolling Interest distributions for these two properties would have been approximately \$49.1 million ("Settlement Value") had the partnerships been liquidated. This Settlement Value is based on estimated third-party consideration realized by the partnerships upon disposition of the two Partially Owned Properties and is net of all other assets and liabilities, including yield maintenance on the mortgages encumbering the properties, that would have been due on December 31, 2023 had those mortgages been prepaid. Due to, among other things, the inherent uncertainty in the sale of real estate assets, the amount of any potential distribution to the Noncontrolling Interests in the Company's Partially Owned Properties is subject to change. To the extent that the partnerships' underlying assets are worth less than the underlying liabilities, the Company has no obligation to remit any consideration to the Noncontrolling Interests in these Partially Owned Properties.

3. Equity, Capital and Other Interests

The Company refers to “Common Shares” and “Units” (which refer to both OP Units and restricted units) as equity securities for EQR and “General Partner Units” and “Limited Partner Units” as equity securities for ERPOP. To provide a streamlined and more readable presentation of the disclosures for the Company and the Operating Partnership, several sections below refer to the respective terminology for each with the same financial information and separate sections are provided, where needed, to further distinguish any differences in financial information and terminology.

The following table presents the changes in the Company’s issued and outstanding Common Shares and Units for the years ended December 31, 2023, 2022 and 2021:

		2023			2022
<u>Common Shares</u>					
Common Shares outstanding at January 1,		378,429,708			375,527,195
<u>Common Shares Issued:</u>					
Conversion of OP Units		1,013,795			452,532
Issuance of Common Shares		—			1,740,550
Exercise of share options		495,690			468,021
Employee Share Purchase Plan (ESPP)		68,136			66,835
Restricted share grants, net		148,474			174,575
<u>Common Shares Other:</u>					
Repurchased and retired		(864,386))		—
Common Shares outstanding at December 31,		379,291,417			378,429,708
<u>Units</u>					
Units outstanding at January 1,		12,429,737			12,659,027
Restricted unit grants, net		165,364			223,242
Conversion of OP Units to Common Shares		(1,013,795)	)		(452,532)
Units outstanding at December 31,		11,581,306			12,429,737
Total Common Shares and Units outstanding at December 31,		390,872,723			390,859,445
Units Ownership Interest in Operating Partnership		3.0	%		3.2

The following table presents the changes in the Operating Partnership's issued and outstanding General Partner Units and Limited Partner Units for the years ended December 31, 2023, 2022 and 2021:

		2023		2022
<u>General and Limited Partner Units</u>				
General and Limited Partner Units outstanding at January 1,		390,859,445		388,186,222
<u>Issued to General Partner:</u>				
Issuance of OP Units		—		1,740,550
Exercise of EQR share options		495,690		468,021
EQR's Employee Share Purchase Plan (ESPP)		68,136		66,835
EQR's restricted share grants, net		148,474		174,575
<u>Issued to Limited Partners:</u>				
Restricted unit grants, net		165,364		223,242
<u>General Partner Other:</u>				
OP Units repurchased and retired		(864,386))	—
General and Limited Partner Units outstanding at December 31,		390,872,723		390,859,445
<u>Limited Partner Units</u>				
Limited Partner Units outstanding at January 1,		12,429,737		12,659,027
Limited Partner restricted unit grants, net		165,364		223,242
Conversion of Limited Partner OP Units to EQR Common Shares		(1,013,795)	)	(452,532)
Limited Partner Units outstanding at December 31,		11,581,306		12,429,737
Limited Partner Units Ownership Interest in Operating Partnership		3.0	%	3.2

The equity positions of various individuals and entities that contributed their properties to the Operating Partnership in exchange for OP Units, as well as the equity positions of the holders of restricted units, are collectively referred to as the "Noncontrolling Interests – Operating Partnership" and "Limited Partners Capital," respectively, for the Company and the Operating Partnership. Subject to certain exceptions (including the "book-up" requirements of restricted units), the Noncontrolling Interests – Operating Partnership/Limited Partners Capital may exchange their Units with EQR for Common Shares on a one-for-one basis. The carrying value of the Noncontrolling Interests – Operating Partnership/Limited Partners Capital (including redeemable interests) is allocated based on the number of Noncontrolling Interests – Operating Partnership/Limited Partners Capital in total in proportion to the number

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of Noncontrolling Interests – Operating Partnership/Limited Partners Capital in total plus the total number of Common Shares/General Partner Units. Net income is allocated to the Noncontrolling Interests – Operating Partnership/Limited Partners Capital based on the weighted average ownership percentage during the period.

The Operating Partnership has the right but not the obligation to make a cash payment instead of issuing Common Shares to any and all holders of Noncontrolling Interests – Operating Partnership/Limited Partners Capital requesting an exchange of their Noncontrolling Interests – Operating Partnership/Limited Partners Capital with EQR. Once the Operating Partnership elects not to redeem the Noncontrolling Interests – Operating Partnership/Limited Partners Capital for cash, EQR is obligated to deliver Common Shares to the exchanging holder of the Noncontrolling Interests – Operating Partnership/Limited Partners Capital.

The Noncontrolling Interests – Operating Partnership/Limited Partners Capital are classified as either mezzanine equity or permanent equity. If EQR is required, either by contract or securities law, to deliver registered Common Shares, such Noncontrolling Interests – Operating Partnership/Limited Partners Capital are differentiated and referred to as “Redeemable Noncontrolling Interests – Operating Partnership” and “Redeemable Limited Partners,” respectively. Instruments that require settlement in registered shares cannot be classified in permanent equity as it is not always completely within an issuer’s control to deliver registered shares. Therefore, settlement in cash is assumed and that responsibility for settlement in cash is deemed to fall to the Operating Partnership as the primary source of cash for EQR, resulting in presentation in the mezzanine section of the balance sheet. The Redeemable Noncontrolling Interests – Operating Partnership/Redeemable Limited Partners are adjusted to the greater of carrying value or fair market value based on the Common Share price of EQR at the end of each respective reporting period. EQR has the ability to deliver unregistered Common Shares for the remaining portion of the Noncontrolling Interests – Operating Partnership/Limited Partners Capital that are classified in permanent equity at December 31, 2023 and 2022.

The carrying value of the Redeemable Noncontrolling Interests – Operating Partnership/Redeemable Limited Partners is allocated based on the number of Redeemable Noncontrolling Interests – Operating Partnership/Redeemable Limited Partners in proportion to the number of Noncontrolling Interests – Operating Partnership/Limited Partners Capital in total. Such percentage of the total carrying value of Units/Limited Partner Units which is ascribed to the Redeemable Noncontrolling Interests – Operating Partnership/Redeemable Limited Partners is then adjusted to the greater of carrying value or fair market value as described above. As of December 31, 2023 and 2022, the Redeemable Noncontrolling Interests – Operating Partnership/Redeemable Limited Partners have a redemption value of approximately \$289.2 million and \$318.3 million, respectively, which represents the value of Common Shares that would be issued in exchange for the Redeemable Noncontrolling Interests – Operating Partnership/Redeemable Limited Partners.

The following table presents the changes in the redemption value of the Redeemable Noncontrolling Interests – Operating Partnership/Redeemable Limited Partners for the years ended December 31, 2023, 2022 and 2021, respectively (amounts in thousands):

		2023				2022				2021		
Balance at January 1,		\$	318,273			\$	498,977			\$	338,951	
Change in market value			(7,667)				(176,490)				158,598	
Change in carrying value			(21,358)				(4,214)				1,428	
Balance at December 31,		\$	289,248			\$	318,273			\$	498,977	

Net proceeds from EQR Common Share and Preferred Share (see definition below) offerings and proceeds from exercise of options for Common Shares are contributed by EQR to ERPOP. In return for those contributions, EQR receives a number of OP Units in ERPOP equal to the number of Common Shares it has issued in the equity offering (or in the case of a preferred equity offering, a number of preference units in ERPOP equal in number and having the same terms as the Preferred Shares issued in the equity offering). As a result, the net proceeds from Common Shares and Preferred Shares are allocated for the Company between

shareholders' equity and Noncontrolling Interests – Operating Partnership and for the Operating Partnership between General Partner's Capital and Limited Partners Capital to account for the change in their respective percentage ownership of the underlying equity.

The Company's declaration of trust authorizes it to issue up to 100,000,000 preferred shares of beneficial interest, \$0.01 par value per share (the "Preferred Shares"), with specific rights, preferences and other attributes as the Board of Trustees may determine, which may include preferences, powers and rights that are senior to the rights of holders of the Company's Common Shares.

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The following table presents the Company's issued and outstanding Preferred Shares/Preference Units as of December 31, 2023 and 2022:

				Annual			
		Call		Dividend Per			December
		Date (1)		Share/Unit (2)			2023
Preferred Shares/Preference Units of beneficial interest, \$0.01 par value; 100,000,000 shares authorized:							
8.29% Series K Cumulative Redeemable Preferred Shares/Preference Units; liquidation value \$50 per share/unit; 745,600 shares/units issued and outstanding as of December 31, 2023 and 2022		12/10/2026	\$	4.145		\$	
						\$	

(1) On or after the call date, redeemable Preferred Shares/Preference Units may be redeemed for cash at the option of the Company or the Operating Partnership, respectively, in whole or in part, at a redemption price equal to the liquidation price per share/unit, plus accrued and unpaid distributions, if any.

(2) Dividends on Preferred Shares/Preference Units are payable quarterly.

Other

EQR and ERPOP currently have an active universal shelf registration statement for the issuance of equity and debt securities that automatically became effective upon filing with the SEC in May 2022 and expires in May 2025. Per the terms of ERPOP's partnership agreement, EQR contributes the net proceeds of all equity offerings to the capital of ERPOP in exchange for additional OP Units (on a one-for-one Common Share per OP Unit basis) or preference units (on a one-for-one preferred share per preference unit basis).

The Company has an At-The-Market ("ATM") share offering program which allows EQR to issue Common Shares from time to time into the existing trading market at current market prices or through negotiated transactions, including under forward sale arrangements. The current program matures in May 2025 and gives us the authority to issue up to 13.0 million shares, all of which remain available for issuance as of December 31, 2023.

Forward sale agreements under the ATM program allow the Company, at its election, to settle the agreements by issuing Common Shares in exchange for net proceeds at the then-applicable forward sale price specified by the agreement or, alternatively, to settle the agreements in whole or in part through the delivery or receipt of Common Shares or cash. Issuances of shares under these forward sale agreements are classified as equity transactions. Accordingly, no amounts relating to the forward sale agreements are recorded in the consolidated financial statements until settlement occurs. Prior to any settlements, the only impact to the consolidated financial statements is the inclusion of incremental shares, if any, within the calculation of diluted net income per share using the treasury stock method (see Note 11 for additional discussion). The actual forward price per share to be received by the Company upon settlement will be determined on the applicable settlement date based on adjustments made to the initial forward price to reflect the then-current overnight federal funds rate and the amount of dividends paid to holders of the Company's Common Shares over the term of the forward sale agreement.

During the year ended December 31, 2021 and part of the year ended December 31, 2022, the Company had forward sale agreements outstanding for approximately 1.7 million Common Shares at a weighted average initial forward price per share of

\$83.25. During the quarter ended December 31, 2022, the Company settled all of the outstanding forward sale agreements, at a weighted average forward price per share of \$80.22, which is inclusive of adjustments made to reflect the then-current federal funds rate and the amount of dividends paid to holders of the Company's Common Shares, for net proceeds of approximately \$139.6 million. Concurrent with this transaction, ERPOP issued the same amount of OP Units to EQR in exchange for the net proceeds.

During the year ended December 31, 2023, the Company repurchased and subsequently retired approximately \$49.1 million (864,386 shares at a weighted average price per share of \$56.79) of its Common Shares in the open market under its share repurchase program. Concurrent with these transactions, ERPOP repurchased and retired the same amount of OP Units previously issued to EQR. As of December 31, 2023, EQR had remaining authorization to repurchase up to 12,135,614 of its shares. See Note 18 for further discussion.

During the year ended December 31, 2023, ERPOP issued \$0.9 million of 3.00% Series Q Cumulative Redeemable Preference Units (the "Series Q Preference Units") in connection with the buyout of the noncontrolling interest in a consolidated operating property. The 933,454 Series Q Preference Units have a liquidation value of \$1.00 per unit and pay distributions quarterly at the annual rate of

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\$0.03 per unit. The Series Q Preference Units can be redeemed for, at EQR's/ERPOP's option, Common Shares, OP Units and/or cash upon the occurrence of specific events laid out in the agreement. If redeemed for Common Shares or OP Units, the number of shares/units issued is based on the Common Share price. The Series Q Preference Units increased the balance of Noncontrolling Interests - Partially Owned Properties in the consolidated balance sheets.

4.Real Estate

The following table summarizes the carrying amounts for the Company's investment in real estate (at cost) as of December 31, 2023 and 2022 (amounts in thousands):

			2023			2022	
Land			\$ 5,581,876			\$ 5,580,878	
Depreciable property:							
Buildings and improvements			19,809,432			19,471,503	
Furniture, fixtures and equipment			2,609,600			2,352,050	
In-Place lease intangibles			519,394			510,816	
Projects under development:							
Land			3,201			3,201	
Construction-in-progress			74,835			109,739	
Land held for development:							
Land			82,026			46,160	
Construction-in-progress			32,274			14,407	
Investment in real estate			28,712,638			28,088,754	
Accumulated depreciation			(9,810,337)			(9,027,850)	
Investment in real estate, net			\$ 18,902,301			\$ 19,060,904	

During the year ended December 31, 2023, the Company acquired the following from unaffiliated parties (purchase price and purchase price allocation in thousands):

		Properties			Apartment Units			Purchase Price (1)	

Rental Properties – Consolidated			4			1,183			\$	366,334			\$
Total			4			1,183			\$	366,334			\$

(1)Purchase price and purchase price allocation are both net of a mark-to-market discount of approximately \$11.2 million on a mortgage assumed in connection with the purchase of a property.

(2)Purchase price allocation includes capitalized closing costs.

During the year ended December 31, 2022, the Company acquired the following from unaffiliated parties (purchase price and purchase price allocation in thousands):

			Properties			Apartment Units				Purchase Price			
Rental Properties – Consolidated			1			172			\$	113,000			\$
Total			1			172			\$	113,000			\$

(1)Purchase price allocation includes capitalized closing costs.

During the year ended December 31, 2023, the Company disposed of the following to unaffiliated parties (sales price and net gain in thousands):

			Properties			Apartment Units				Sales Price			
Rental Properties – Consolidated			11			912			\$	379,893			
Total			11			912			\$	379,893			

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During the year ended December 31, 2022, the Company disposed of the following to unaffiliated parties (sales price and net gain in thousands):

		Properties			Apartment Units			Sales Price	
Rental Properties – Consolidated		3			945			\$	746,150
Total		3			945			\$	746,150

Impairment

During the year ended December 31, 2021, the Company recorded an approximate \$16.8 million non-cash asset impairment charge on a land parcel which is included in land held for development on the consolidated balance sheets and included in the non-same store/other segment discussed in Note 17. The charge was the result of an analysis of the parcel's estimated fair value (determined using internally developed models based on market assumptions and potential sales data from the marketing process) compared to its current capitalized carrying value after reassessment of our expected hold period for the parcel. As of December 31, 2023 and 2022, the land parcel's carrying value was \$15.0 million.

5.Commitments to Acquire/Dispose of Real Estate

The Company has not entered into any agreements to acquire rental properties or land parcels as of the date of filing.

The Company has entered into an agreement to dispose of the following (sales price and net book value in thousands):

		Properties			Apartment Units			Sales Price	
Rental Properties – Consolidated		2			300			\$	80,000
Total		2			300			\$	80,000

The closing of pending transactions is subject to certain conditions and restrictions; therefore there can be no assurance that the transactions will be consummated or that the final terms will not differ in material respects from any agreements summarized above. See Note 18 for discussion of the properties acquired or disposed of, if any, subsequent to December 31, 2023.

6.Investments in Partially Owned Entities

The Company has invested in various entities with unrelated third parties which are either consolidated or accounted for under the equity method of accounting (unconsolidated).

Consolidated VIEs

In accordance with accounting standards for consolidation of VIEs, the Company consolidates ERPOP on EQR's financial statements. As the sole general partner of ERPOP, EQR has exclusive control of ERPOP's day-to-day management. The limited partners are not able to exercise substantive kick-out or participating rights. As a result, ERPOP qualifies as a VIE. EQR has a controlling financial interest in ERPOP and, thus, is ERPOP's primary beneficiary. EQR has the power to direct the activities of ERPOP that most significantly impact ERPOP's economic performance as well as the obligation to absorb losses or the right to receive benefits from ERPOP that could potentially be significant to ERPOP.

The Company has various equity interests in certain joint ventures that have been deemed to be VIEs, and the Company is the VIEs’ primary beneficiary. As a result, the joint ventures are required to be consolidated on the Company’s financial statements. The following table summarizes the Company’s consolidated joint ventures as of December 31, 2023 and 2022:

	Operating Properties (1)							Projects Under Development (2), (3)				
	Properties				Apartment Units			Projects				Apartment Units
2023 Consolidated Joint Ventures (VIE)	14				3,060			—				
2022 Consolidated Joint Ventures (VIE)	15				3,114			1				

- (1)The land parcel under one of the properties in 2023 is subject to a long-term ground lease.
- (2)The land parcel under this project is subject to a long-term ground lease.
- (3)Represents separate consolidated joint ventures for the purpose of developing multifamily rental properties.
- (4)Represents separate consolidated joint ventures that have not yet started.

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(5)Represents the intended number of apartment units to be developed.

The following table provides consolidated assets and liabilities related to the Company's VIEs as of December 31, 2023 and 2022 (amounts in thousands):

	December 31, 2023			December 31, 2022		
Consolidated Assets	\$	599,788		\$	691,880	
Consolidated Liabilities	\$	41,153		\$	158,932	

During the years ended December 31, 2023 and 2022, the Company completed the following transactions:

2023

Acquired its joint venture partner's 10% interest in a 200-unit apartment property for \$4.6 million, of which the Company paid \$3.7 million in cash and ERPOP issued \$0.9 million of 3.00% Series Q Preference Units (see Note 3 for additional discussion). The property is now wholly owned. In connection with the buyout, the carrying amount of the Noncontrolling Interests – Partially Owned Properties totaling \$3.7 million was reduced to zero and the remaining \$0.9 million was recorded to paid in capital/General Partner's Capital. The Company also repaid \$64.7 million of mortgage debt at par prior to maturity in conjunction with the buyout;

Repaid the \$67.9 million outstanding principal balance of the variable rate construction mortgage for one of its consolidated development joint ventures;

Sold one partially owned property consisting of 166 apartment units for approximately \$60.1 million; and

Entered into an amended joint venture agreement for one of the unconsolidated projects held for development for the purpose of making the Company the joint venture manager and responsible for funding any further budgeted project costs up to a \$139.0 million commitment as preferred and mezzanine contributions. The project is now consolidated. There was no funding at the closing of the amended joint venture. See the supplemental information in the consolidated statements of cash flows for disclosure of the consolidated amounts.

2022

Acquired its joint venture partner's 25% interest in a 432-unit apartment property for \$32.2 million, and the property is now wholly owned. In connection with the buyout, the carrying amount of the Noncontrolling Interests – Partially Owned Properties totaling \$4.8 million was reduced to zero and the remaining \$27.4 million was recorded to paid in capital/General Partner's Capital.

The following table and information summarizes the variable rate construction mortgage debt that was non-recourse to the Company at December 31, 2022 (there was no outstanding consolidated construction mortgage debt at December 31, 2023) (aggregate and amounts borrowed under loan commitments in thousands):

	December 31, 2022					
	Recently Completed Operating Property			Project Under Development		
Number of joint ventures with debt financing		1			1	
Aggregate loan commitments	\$	67,589		\$	73,344	

Amounts borrowed under loan commitments (1)	\$	64,776		\$	44,980
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(1)See Note 9 for the proceeds of secured conventional floating rate debt under *Mortgage Notes Payable*.

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Investments in Unconsolidated Entities

The Company has various equity interests in certain joint ventures that are unconsolidated and accounted for using the equity method of accounting. Most of these have been deemed to be VIEs and the Company is not the VIEs' primary beneficiary. The remaining have been deemed not to be VIEs and the Company does not have a controlling voting interest.

The following table and information summarizes the Company's investments in unconsolidated entities as of December 31, 2023 and 2022 (amounts in thousands except for ownership percentage):

	December 31, 2023			December 31, 2022		
Investments in Unconsolidated Entities:						
Various Real Estate Holdings (VIE)	\$	35,421		\$	35,974	
Projects Under Development and Land Held for Development (VIE)		220,192			218,043	
Real Estate Technology Funds/Companies (VIE)		26,691			25,249	
Other		(255)			(242)	
Investments in Unconsolidated Entities	\$	282,049		\$	279,024	

In certain instances, the joint venture agreements contain provisions for promoted interests in favor of our joint venture partner. If the terms of the promoted interest are attained, then our share of the proceeds from a sale or other capital event of the unconsolidated entity may be less than the indicated ownership percentage.

The following table summarizes the Company's unconsolidated joint ventures that were deemed to be VIEs as of December 31, 2023 and 2022:

	Real Estate Holdings (1)			Projects Under Development (2), (5)		
	Entities			Projects		
				Apartment Units (4)		
2023 Unconsolidated Joint Ventures (VIE)		3		6		1,982
2022 Unconsolidated Joint Ventures (VIE)		2		6		1,982

(1)Represents entities that hold various real estate investments.

(2)Represents separate unconsolidated joint ventures for the purpose of developing multifamily rental properties.

(3)Represents separate unconsolidated joint ventures that have not yet started.

(4)Represents the intended number of apartment units to be developed.

(5)The land parcel under one of the projects is subject to a long-term ground lease.

New Development Joint Ventures

The following table provides information on total unconsolidated development joint ventures entered into during the years ended December 31, 2023 and 2022 (amounts in thousands except for number of unconsolidated joint ventures and apartment units):

	December 31, 2023			December 31, 2022		
Number of unconsolidated joint ventures (1)		2			3	
Apartment units (2)		638			1,019	
Investments in unconsolidated entities – acquisitions	\$	2,800		\$	49,855	

(1)The entities qualify as VIEs, but the Company is not the primary beneficiary because it does not have the power to direct the activities that most significantly impact the VIE's performance. Therefore, the entities are unconsolidated and recorded using the equity method of accounting. See Note 2 for additional discussion.

(2)Represents the intended number of apartment units to be developed.

7.Restricted Deposits

The following table presents the Company's restricted deposits as of December 31, 2023 and 2022 (amounts in thousands):

	December 31, 2023			December 31, 2022		
Mortgage escrow deposits:						
Real estate taxes and insurance	\$	307		\$	—	
Mortgage principal reserves/sinking funds		29,270			25,304	
Mortgage escrow deposits		29,577			25,304	
Restricted cash:						
Earnest money on pending acquisitions		524			4,500	
Restricted deposits on real estate investments		2,181			229	
Resident security and utility deposits		40,149			38,432	
Replacement reserves		15,571			12,549	
Other		1,250			2,289	
Restricted cash		59,675			57,999	
Restricted deposits	\$	89,252		\$	83,303	

8.Leases

Lessor Accounting

The Company is the lessor for its residential and non-residential leases and these leases are accounted for as operating leases under the lease standard.

The following table presents the lease income types relating to lease payments for residential and non-residential leases along with the total other rental income for the years ended December 31, 2023, 2022 and 2021 (amounts in thousands):

Income Type	Year Ended December 31, 2023						Year Ended December 31, 2022					
	Residential Leases			Non-Residential Leases			Residential Leases			Non-Residential Leases		
Residential and non-residential rent	\$	2,578,565		\$	62,193		\$	2,640,758		\$	2,446,516	

Utility recoveries (RUBS income) (1)			86,628			906			87,534			81,140		
Parking rent			44,081			449			44,530			43,335		
Other lease revenue (2)			(25,095)			(142)			(25,237)			(12,637)		
Total lease revenue		\$	2,684,179			\$	63,406		2,747,585			\$	2,558,354	\$
Parking revenue									40,836					
Other revenue									85,543					
Total other rental income (3)									126,379					
Rental income								\$	2,873,964					

(1) RUBS income primarily consists of variable payments representing the recovery of utility costs from residents.

(2) Other lease revenue consists of the revenue adjustment related to bad debt (see below for further discussion) and other miscellaneous lease revenue.

(3) Other rental income is accounted for under the revenue recognition standard and primarily consists of third-party transient parking revenue and ancillary income such as cable and laundry revenue.

The following table presents residential and non-residential accounts receivable and straight-line receivable balances for the Company's properties as of December 31, 2023 and 2022 (amounts in thousands):

		Residential							
Balance Sheet (Other assets):		December 31, 2023				December 31, 2022			December 31,
Resident/tenant accounts receivable balances	\$	21,477				\$	35,688		\$
Allowance for doubtful accounts		(15,846)					(31,405)		
Net receivable balances	\$	5,631				\$	4,283		\$
Straight-line receivable balances	\$	9,183				\$	4,398		\$

(1) During the year ended December 31, 2023, the Company recorded a non-cash write-off of approximately \$1.5 million in straight-line receivables due to the bankruptcy of Rite Aid.

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The following table presents residential bad debt for the Company's properties for the years ended December 31, 2023, 2022 and 2021 (amounts in thousands):

		Year Ended December 31,						
Income Statement (Rental income):		2023			2022			2021
Bad debt, net (1)	\$	38,117		\$	26,570		\$	31,485
% of residential rental income		1.4	%		1.0	%		1.3

(1) Bad debt, net benefited from additional resident payments due to governmental rental assistance programs of approximately \$2.8 million, \$34.7 million and \$34.8 million for the years ended December 31, 2023, 2022 and 2021, respectively.

Lessee Accounting

The Company is the lessee under various corporate office and ground leases for which the Company recognizes right-of-use ("ROU") assets and related lease liabilities. The following table presents the Company's ROU assets and related lease liabilities as of December 31, 2023 and 2022 (amounts in thousands):

		2023			2022		
Right-of-use assets:							
Corporate office leases (operating)	\$	38,745		\$	34,767		
Ground leases (finance)		94,091			95,834		
Ground leases (operating)		324,430			332,355		
Right-of-use assets	\$	457,266		\$	462,956		
Lease liabilities:							
Corporate office leases (operating)	\$	40,485		\$	35,747		
Ground leases (finance)		68,143			68,919		
Ground leases (operating)		203,012			204,082		
Lease liabilities	\$	311,640		\$	308,748		

Corporate office leases

The Company leases ten corporate offices with lease expiration dates ranging from 2024 through 2042 (inclusive of applicable extension options). During the year ended December 31, 2023, the Company entered into two new corporate office leases which are being accounted for as operating leases and recorded initial lease liabilities and ROU assets of approximately \$7.1 million.

Ground leases

The Company maintains consolidated long-term ground leases for 16 operating properties with lease expiration dates ranging from 2042 through 2118 (inclusive of applicable purchase options). The Company owns the building and improvements.

Additional disclosures

The following tables illustrate the quantitative disclosures for lessees as of and for the years ended December 31, 2023, 2022 and 2021 (amounts in thousands):

		Year Ended December 31, 2023				Year Ended December 31, 2022		
Lease cost:								
Finance lease cost:								
Amortization of right-of-use assets (capitalized)		\$	146			\$	351	
Amortization of right-of-use assets (expensed)			1,781				1,391	
Interest on lease liabilities (capitalized)			—				—	
Interest on lease liabilities (expensed)			1,886				1,904	
Operating lease cost:								
Corporate office leases			4,738				4,061	
Ground leases			18,338				18,338	
Variable lease cost:								
Corporate office leases			599				430	
Ground leases			4,338				4,342	
Total lease cost		\$	31,826			\$	30,817	

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		December 31, 2023					December 31, 2022				
Other information:											
Cash paid for amounts included in the measurement of lease liabilities:											
Investing cash flows from finance leases		\$		—			\$		—		
Financing cash flows from finance leases		\$		2,847			\$		2,463		
Operating cash flows from operating leases:											
Corporate office leases		\$		4,576			\$		4,385		
Ground leases		\$		15,911			\$		15,037		
Weighted-average remaining lease term – finance leases				23.1 years					24.1 years		
Weighted-average remaining lease term – operating leases:											
Corporate office leases				17.7 years					16.1 years		
Ground leases				60.7 years					61.2 years		
Weighted-average discount rate – finance leases				2.8	%				2.8	%	
Weighted-average discount rate – operating leases:											
Corporate office leases				4.3	%				3.2	%	
Ground leases				5.1	%				5.1	%	

The following table summarizes the Company's undiscounted cash flows for contractual obligations for minimum rent payments/receipts under operating and financing leases for the next five years and thereafter as of December 31, 2023:

(Payments)/Receipts Due by Year (in thousands)																	
		2024					2025					2026					2027
Finance Leases:																	
Minimum Rent Payments (a)		\$	(2,881	)			\$	(2,946	)			\$	(2,959)			\$
Operating Leases:																	
Minimum Rent Payments (a)		\$	(15,797)			\$	(16,028)			\$	(15,881)			\$

Minimum Rent Receipts (b)		\$	53,000		\$	48,410		\$	44,582		\$
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(a) Minimum basic rent due for corporate office leases and base rent due on ground leases where the Company is the lessee.

(b) Minimum basic rent receipts due for various non-residential space where the Company is the lessor. Excludes residential leases due to their short-term nature.

The following table provides a reconciliation of lease liabilities from our undiscounted cash flows for minimum rent payments as of December 31, 2023 (amounts in thousands):

		2023	
Total minimum rent payments	\$	982,971	
Less: Lease discount		(671,331))
Lease liabilities	\$	311,640	

9. Debt

EQR does not have any indebtedness as all debt is incurred by the Operating Partnership. Weighted average interest rates noted below for the years ended December 31, 2023 and 2022 include the effect of any derivative instruments and amortization of premiums/discounts/OCI (other comprehensive income) on debt and derivatives.

Mortgage Notes Payable

The following tables summarize the Company's mortgage notes payable activity for the years ended December 31, 2023 and 2022, respectively (amounts in thousands):

		Mortgage notes payable, net as of December 31, 2022			Proceeds			Assumptions			Lump sum payoffs		
Fixed Rate Debt:													
Secured – Conventional	\$	1,608,838		\$	550,000	(2)	\$	42,256	(3)	\$	(800,000)	)	(2)
Floating Rate Debt:													
Secured – Conventional		108,378			22,896			—			(132,598))	
Secured – Tax Exempt		236,222			—			—			—		
Floating Rate Debt		344,600			22,896			—			(132,598))	
Total	\$	1,953,438		\$	572,896		\$	42,256		\$	(932,598))	

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(1) Represents amortization of deferred financing costs, net of debt financing costs.

(2) Obtained \$200.0 million of 5.18% fixed rate mortgage debt maturing in September 2033 and \$350.0 million of 5.25% fixed rate mortgage debt maturing in September 2033. The secured notes totaling \$550.0 million have an all-in effective interest rate of approximately 4.7%. The proceeds from these loans were used, along with funding from the Company's commercial paper note program, to repay \$800.0 million of 4.21% fixed rate mortgage debt that was due to mature in November 2023.

(3) Assumed \$53.5 million of 2.24% fixed rate mortgage debt maturing in September 2030 on one acquired property and recorded an initial discount of approximately \$11.2 million.

		Mortgage notes payable, net as of December 31, 2021			Proceeds			Lump sum payoffs			Scheduled principal repayments	
Fixed Rate Debt:												
Secured – Conventional	\$	1,896,472			\$	—		\$	(286,461)	)	\$	(3,311)
Floating Rate Debt:												
Secured – Conventional		59,890				48,054	(2)		—			(81)
Secured – Tax Exempt		234,839				—			—			—
Floating Rate Debt		294,729				48,054			—			(81)
Total	\$	2,191,201			\$	48,054		\$	(286,461)	)	\$	(3,392)

(1) Represents amortization of deferred financing costs, net of debt financing costs.

(2) See Note 6 for additional discussion of the variable rate construction mortgage debt.

The following table summarizes certain interest rate and maturity date information as of and for the years ended December 31, 2023 and 2022, respectively:

	December 31, 2023	December 31, 2022
Interest Rate Ranges (ending)	0.10% - 5.25%	0.10% - 7.10%
Weighted Average Interest Rate	3.68%	3.46%
Maturity Date Ranges	2029-2061	2023-2061

As of December 31, 2023 and 2022, the Company had \$246.7 million and \$250.0 million, respectively, of secured tax-exempt bonds subject to third-party credit enhancement.

The historical cost, net of accumulated depreciation, of encumbered properties was \$2.1 billion and \$2.5 billion at December 31, 2023 and 2022, respectively.

The following tables summarize the Company’s notes activity for the years ended December 31, 2023 and 2022, respectively (amounts in thousands):

		Notes, net as of December 31, 2022			Proceeds			Lump sum payoffs			Amortizati of premiun discount	
Fixed Rate Debt:												
Unsecured – Public		\$	5,342,329		\$	—		\$	—		\$	2

(1)Represents amortization of deferred financing costs, net of debt financing costs.

		Notes, net as of December 31, 2021			Proceeds			Lump sum payoffs			Amortizati of premiun discount	
Fixed Rate Debt:												
Unsecured – Public		\$	5,835,222		\$	—		\$	(500,000)		\$	2

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(1)Represents amortization of deferred financing costs, net of debt financing costs.

The following table summarizes certain interest rate and maturity date information as of and for the years ended December 31, 2023 and 2022, respectively:

		December 31, 2023		December 31, 2022
Interest Rate Ranges (ending)		1.85% - 7.57%		1.85% - 7.57%
Weighted Average Interest Rate		3.51%		3.61%
Maturity Date Ranges		2025-2047		2025-2047

The Company's unsecured public notes contain certain financial and operating covenants including, among other things, maintenance of certain financial ratios. The Company was in compliance with its unsecured public debt covenants for both the years ended December 31, 2023 and 2022.

EQR and ERPOP currently have an active universal shelf registration statement for the issuance of equity and debt securities that automatically became effective upon filing with the SEC in May 2022 and expires in May 2025.

Line of Credit and Commercial Paper

The Company has a \$2.5 billion unsecured revolving credit facility maturing on October 26, 2027. The Company has the ability to increase available borrowings by an additional \$750.0 million by adding lenders to the facility, obtaining the agreement of existing lenders to increase their commitments or incurring one or more term loans. The interest rate on advances under the facility will generally be the Secured Overnight Financing Rate ("SOFR") plus a spread (currently 0.725%), or based on bids received from the lending group, and the Company pays an annual facility fee (currently 0.125%). Both the spread and the facility fee are dependent on the Company's senior unsecured credit rating. The Company did not borrow any amounts under its revolving credit facility during the years ended December 31, 2023 and 2022.

The Company has an unsecured commercial paper note program under which it may borrow up to a maximum of \$1.0 billion subject to market conditions. The notes will be sold under customary terms in the United States commercial paper note market and will rank pari passu with all of the Company's other unsecured senior indebtedness.

The following table summarizes certain weighted average interest rate, maturity and amounts outstanding information for the commercial paper program as of and for the years ended December 31, 2023 and 2022, respectively:

		December 31, 2023		December 31, 2022
Weighted Average Interest Rate (1)		5.47%		1.52%
Weighted Average Maturity (in days)		14		4
Weighted Average Amounts Outstanding		\$276.0 million		\$156.1 million

(1)The notes bear interest at various floating rates.

The Company limits its utilization of the revolving credit facility in order to maintain liquidity to support its \$1.0 billion commercial paper program along with certain other obligations. The following table presents the availability on the Company's unsecured revolving credit facility as of December 31, 2023 and 2022, respectively (amounts in thousands):

		December 31, 2023				December 31, 2022		
Unsecured revolving credit facility commitment		\$	2,500,000			\$	2,500,000	
Commercial paper balance outstanding			(410,000)				(130,000)	
Unsecured revolving credit facility balance outstanding			—				—	
Other restricted amounts			(3,415)				(3,463)	
Unsecured revolving credit facility availability		\$	2,086,585			\$	2,366,537	

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Other

The following table summarizes the Company's total debt extinguishment costs recorded as additional expense for the years ended December 31, 2023, 2022 and 2021, respectively (amounts in thousands):

		December 31, 2023			December 31, 2022		
Write-offs of unamortized deferred financing costs	\$	1,143			\$	717	
Write-offs of unamortized (premiums)/discounts/OCI		—				3,947	
Total	\$	1,143			\$	4,664	

The following table provides a summary of the aggregate payments of principal on all debt for each of the next five years and thereafter as of December 31, 2023 (amounts in thousands):

Year		Total	
2024 (1)	\$	416,200	
2025		458,100	
2026		601,025	
2027		409,800	
2028		910,700	
Thereafter		4,668,832	
Subtotal		7,464,657	
Deferred Financing Costs and Unamortized (Discount)		(74,207))
Total	\$	7,390,450	

(1)Includes \$410.0 million in principal outstanding on the Company's commercial paper program.

10.Fair Value Measurements

The valuation of financial instruments requires the Company to make estimates and judgments that affect the fair value of the instruments. The Company, where possible, bases the fair values of its financial instruments on listed market prices and third-party quotes. Where these are not available, the Company bases its estimates on current instruments with similar terms and maturities or on other factors relevant to the financial instruments.

In the normal course of business, the Company is exposed to the effect of interest rate changes. The Company may seek to manage these risks by following established risk management policies and procedures including the use of derivatives to hedge

interest rate risk on debt instruments. The Company may also use derivatives to manage commodity prices in the daily operations of the business.

A three-level valuation hierarchy exists for disclosure of fair value measurements. The valuation hierarchy is based upon the transparency of inputs to the valuation of an asset or liability as of the measurement date. A financial instrument's categorization within the valuation hierarchy is based upon the lowest level of input that is significant to the fair value measurement. The three levels are defined as follows:

- Level 1 – Inputs to the valuation methodology are quoted prices (unadjusted) for identical assets or liabilities in active markets.
- Level 2 – Inputs to the valuation methodology include quoted prices for similar assets and liabilities in active markets, and inputs that are observable for the asset or liability, either directly or indirectly, for substantially the full term of the financial instrument.
- Level 3 – Inputs to the valuation methodology are unobservable and significant to the fair value measurement.

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The following table summarizes the inputs to the valuations for each type of fair value measurement:

Fair Value Measurement Type	Valuation Inputs
Employee holdings (other than Common Shares) within the supplemental executive retirement plan (the “SERP”)	Quoted market prices for identical assets. These holdings are included in other assets and other liabilities on the consolidated balance sheets.
Redeemable Noncontrolling Interests – Operating Partnership/ Redeemable Limited Partners	Quoted market price of Common Shares.
Mortgage notes payable and private unsecured debt (including its commercial paper and line of credit, if applicable)	Indicative rates provided by lenders of similar loans.
Public unsecured notes	Quoted market prices for each underlying issuance.
Derivatives	Readily observable market parameters such as forward yield curves and credit default swap data.

The fair values of the Company’s financial instruments (other than mortgage notes payable, unsecured notes, commercial paper, line of credit and derivative instruments), including cash and cash equivalents and other financial instruments, approximate their carrying or contract value. The following table provides a summary of the carrying and fair values for the Company’s mortgage notes payable and unsecured debt (including its commercial paper and line of credit, if applicable) at December 31, 2023 and 2022, respectively (amounts in thousands):

	December 31, 2023				
	Carrying Value		Estimated Fair Value (Level 2)		Carrying Value
Mortgage notes payable, net	\$ 1,632,902		\$ 1,509,706		1,632,902
Unsecured debt, net	5,757,548		5,346,488		5,757,548
Total debt, net	\$ 7,390,450		\$ 6,856,194		7,390,450

The following tables provide a summary of the fair value measurements for each major category of assets and liabilities measured at fair value on a recurring basis and the location within the accompanying consolidated balance sheets at December 31, 2023 and 2022, respectively (amounts in thousands):

				Fair Value Measurement
Description	Balance Sheet Location	12/31/2023		Quoted Prices in Active Markets for Identical Assets/Liabilities (Level 1)

<i>Assets</i>									
Supplemental Executive Retirement Plan		Other Assets	\$	108,478			\$	108,478	
<i>Liabilities</i>									
Supplemental Executive Retirement Plan		Other Liabilities	\$	108,478			\$	108,478	
Redeemable Noncontrolling Interests –									
Operating Partnership/Redeemable									
Limited Partners		Mezzanine	\$	289,248			\$	—	

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							Fair Value Measurement		
Description	Balance Sheet Location		12/31/2022				Quoted Prices in Active Markets for Identical Assets/Liabilities (Level 1)		
Assets									
Derivatives designated as hedging instruments:									
Interest Rate Contracts:									
Forward Starting Swaps	Other Assets		\$ 21,864			\$	—		
Supplemental Executive Retirement Plan	Other Assets		133,245				133,245		
Total			\$ 155,109			\$	133,245		
Liabilities									
Derivatives designated as hedging instruments:									
Interest Rate Contracts:									
Forward Starting Swaps	Other Liabilities		\$ 1,210			\$	—		
Supplemental Executive Retirement Plan	Other Liabilities		133,245				133,245		
Total			\$ 134,455			\$	133,245		
Redeemable Noncontrolling Interests –									
Operating Partnership/Redeemable									
Limited Partners	Mezzanine		\$ 318,273			\$	—		

The following tables provide a summary of the effect of cash flow hedges on the Company's accompanying consolidated statements of operations and comprehensive income for the years ended December 31, 2023, 2022 and 2021, respectively (amounts in thousands):

December 31, 2023 Type of Cash Flow Hedge	Amount of Gain/(Loss)	Location of Gain/(Loss) Reclassified from
--	--------------------------	---

		Recognized in OCI on Derivative				Accumulated OCI into Income		
Derivatives designated as hedging instruments:								
Interest Rate Contracts:								
Forward Starting Swaps		\$	4,514			Interest expense		\$
Total		\$	4,514					\$

		Amount of Gain/(Loss) Recognized in OCI on Derivative				Location of Gain/(Loss) Reclassified from Accumulated OCI into Income		
December 31, 2022 Type of Cash Flow Hedge								
Derivatives designated as hedging instruments:								
Interest Rate Contracts:								
Forward Starting Swaps		\$	20,654			Interest expense		\$
Total		\$	20,654					\$

		Amount of Gain/(Loss) Recognized in OCI on Derivative				Location of Gain/(Loss) Reclassified from Accumulated OCI into Income		
December 31, 2021 Type of Cash Flow Hedge								
Derivatives designated as hedging instruments:								
Interest Rate Contracts:								
Forward Starting Swaps		\$	—			Interest expense		\$
Total		\$	—					\$

As of December 31, 2023 and 2022, there were approximately \$5.7 million in deferred gains, net, and \$2.5 million in deferred losses, net, included in accumulated other comprehensive income (loss), respectively, related to previously settled and unsettled derivative instruments, of which an estimated \$2.3 million may be recognized as additional interest expense during the twelve months ending December 31, 2024.

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During the year ended December 31, 2023, the Company received a net \$27.1 million to settle nine forward starting swaps in conjunction with the interest rate lock on \$530.0 million of ten-year secured conventional mortgage notes. The Company ultimately closed on \$550.0 million of secured notes. The accrued interest of approximately \$1.9 million was recorded as a decrease to interest expense. The remaining \$25.2 million was initially deferred as a component of accumulated other comprehensive income (loss) and will be recognized as a decrease to interest expense over the first nine years and eight months of the mortgage notes.

Other

The Company has invested in various equity securities without readily determinable fair values and has elected to measure them using the measurement alternative in accordance with the applicable accounting standards for equity securities. These investments are carried at cost less any impairment and adjusted to fair value if there are observable price changes for an identical or similar investment of the same issuer.

The following table summarizes the Company's real estate technology investment securities included in other assets as of December 31, 2023 and 2022 (amounts in thousands):

		December 31, 2023				December 31, 2022		
Real Estate Technology Investments		\$	19,312			\$	4,312	

During the year ended December 31, 2023, the Company sold a portion of one of these investment securities for proceeds of approximately \$2.5 million and realized a gain on sale of approximately \$1.6 million, which is included in interest and other income in the consolidated statements of operations. During the year ended December 31, 2023, the Company adjusted certain of these investment securities to observable market prices and recorded an unrealized gain of approximately \$13.5 million, which is included in interest and other income in the consolidated statements of operations.

During the year ended December 31, 2021, the Company purchased and sold investment securities with readily determinable fair values and recognized a net gain on sale of \$23.4 million, which is included in interest and other income in the consolidated statements of operations. The Company did not own any of these investment securities at December 31, 2023, 2022 and 2021.

11.Earnings Per Share and Earnings Per Unit

Equity Residential

The following tables set forth the computation of net income per share – basic and net income per share – diluted for the Company (amounts in thousands except per share amounts):

		Year Ended December 31,							
		2023			2022			2021	
Numerator for net income per share – basic:									
Net income		\$	868,488		\$	806,995		\$	1,396,7
Allocation to Noncontrolling Interests – Operating Partnership			(26,710)			(26,310)			(45,9
Net (income) loss attributable to Noncontrolling Interests – Partially Owned Properties			(6,340)			(3,774)			(17,9

Preferred distributions			(3,090)			(3,090)			(3,090)
Numerator for net income per share – basic		\$	832,348			\$	773,821		\$ 1,329,7
Numerator for net income per share – diluted:									
Net income		\$	868,488			\$	806,995		\$ 1,396,7
Net (income) loss attributable to Noncontrolling Interests – Partially Owned Properties			(6,340)			(3,774)			(17,9
Preferred distributions			(3,090)			(3,090)			(3,090)
Numerator for net income per share – diluted		\$	859,058			\$	800,131		\$ 1,375,0
Denominator for net income per share – basic and diluted:									
Denominator for net income per share – basic			378,773			376,209			373,8
Effect of dilutive securities:									
OP Units			11,181			11,836			12,2
Long-term compensation shares/units			943			1,402			1,9
ATM forward sales			—			3			
Denominator for net income per share – diluted			390,897			389,450			388,0
Net income per share – basic		\$	2.20			\$	2.06		\$ 3
Net income per share – diluted		\$	2.20			\$	2.05		\$ 3

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ERP Operating Limited Partnership

The following tables set forth the computation of net income per Unit – basic and net income per Unit – diluted for the Operating Partnership (amounts in thousands except per Unit amounts):

		Year Ended December 31,					
		2023		2022		2021	
Numerator for net income per Unit – basic and diluted:							
Net income	\$	868,488		\$	806,995		\$ 1,396,7
Net (income) loss attributable to Noncontrolling Interests – Partially Owned Properties		(6,340)		(3,774)			(17,9
Allocation to Preference Units		(3,090)		(3,090)			(3,0
Numerator for net income per Unit – basic and diluted	\$	859,058		\$	800,131		\$ 1,375,0
Denominator for net income per Unit – basic and diluted:							
Denominator for net income per Unit – basic		389,954		388,045			386,0
Effect of dilutive securities:							
Dilution for Units issuable upon assumed exercise/vesting of the Company’s long-term compensation shares/units		943		1,402			1,9
ATM forward sales		—		3			
Denominator for net income per Unit – diluted		390,897		389,450			388,0
Net income per Unit – basic	\$	2.20		\$	2.06		\$ 3
Net income per Unit – diluted	\$	2.20		\$	2.05		\$ 3

12.Share Incentive Plans

Any Common Shares issued pursuant to EQR’s incentive equity compensation and employee share purchase plans will result in ERPOP issuing OP Units to EQR on a one-for-one basis with ERPOP receiving the net cash proceeds of such issuances.

Overview of Share Incentive Plans

The 2019 Share Incentive Plan (the “2019 Plan”), as approved by the Company’s shareholders on June 27, 2019, expires on June 27, 2029 and reserves 11,331,958 Common Shares for issuance. All future awards will be granted under the 2019 Plan. As of December 31, 2023, 8,213,508 shares were available for future issuance.

Pursuant to the 2019 Plan and the 2011 Share Incentive Plan (the “2011 Plan”) (collectively the “Share Incentive Plans”), officers, trustees, key employees and consultants of the Company and its subsidiaries may be granted share options to acquire Common Shares (“Options”), including non-qualified share options (“NQSOs”), incentive share options (“ISOs”) and share appreciation rights (“SARs”), or may be granted restricted or non-restricted shares/units (including long-term incentive plan awards), subject to conditions and restrictions. Options, SARs, restricted shares and restricted units are sometimes collectively referred to herein as “Awards.”

The 2011 Plan will terminate when all outstanding Awards have expired or have been exercised/vested. The Board of Trustees may at any time amend or terminate the Share Incentive Plans, but termination will not affect Awards previously granted, absent immediate vesting and cash settlement. Any Options which had vested prior to such a termination would remain exercisable by the holder.

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Employee Long-Term Compensation Awards

The following table summarizes the terms of Awards generally granted to employees:

		Options		Restricted Shares		Restricted Units
Overview		Options exercised after vesting result in issuance of new Common Shares.		Restricted shareholders generally have the same voting rights and receive quarterly dividend payments on their shares at the same rate and on the same date as any other Common Share holder (1).		When certain conditions are met, restricted units convert into a specified number of OP Units, which may exchange for Common Shares on a one-for-one basis or at the discretion of the Company the cash value of the units. Restricted unitholders receive quarterly distribution payments on the units at the same rate and on the same date as any other OP Unit holder.
Grant/Exercise Price		Granted at the fair market value of Common Shares as of the grant date using the Black-Scholes model as described below.		Granted at the fair market value of Common Shares as of the grant date.		Granted at varying discounts to the fair market value of Common Shares as of the grant date (2).
Vesting Period		In three equal installments over a three-year period from the grant date.		Three years from the grant date.		Three years from the grant date.
Expiration		Ten years from the grant date.		Not applicable.		Ten years from the grant date.
Upon Employee Termination		Unvested options are canceled.		Unvested restricted shares are canceled.		Unvested restricted units are canceled.

(Dividends/distributions paid on unvested restricted shares and units are included as a component of retained earnings and Noncontrolling Interest – Operating Partnership/Limited Partners Capital, respectively, and have not been considered in reducing net income available to Common Shares/Units in a manner similar to the Company’s preferred share/preference unit dividends for the earnings per share/Unit calculation.

(A) restricted unit will automatically convert to an OP Unit when the capital account of each restricted unit increases (“books-up”) to a specified target. The probability of a book-up occurring within the ten-year contractual life along with the liquidity risk associated with various hold period restrictions are both reflected in the discount. If the capital target is not attained within ten years following the date of issuance, the restricted unit will automatically be canceled and no compensation will be payable to the holder of such canceled restricted unit. If the capital target is attained and the restricted unit is converted to an OP Unit, it will not expire.

Valuation Method of Share Options

The fair value of the Option grants is recognized over the requisite service/vesting period of the Options. The fair value for the Company’s Options was estimated at the time the Options were granted using the Black-Scholes option pricing model with the primary grant in each year having the following weighted average assumptions:

			2023			2022	
Expected volatility (1)			23.8	%		21.7	%

Expected life (2)			5 years			5 years	
Expected dividend yield (3)			3.30	%		3.26	%
Risk-free interest rate (4)			4.04	%		1.66	%
Exercise price per share (5)		\$	66.59		\$	91.59	
Option valuation per share		\$	12.67		\$	12.57	

(1)Expected volatility – Estimated based on the historical five-year volatility (the period matching the expected life) of EQR’s share price measured on a monthly basis.

(2)Expected life – Approximates the actual weighted average life of all Options granted since the Company went public in 1993.

(3)Expected dividend yield – Calculated by averaging the historical annual yield on EQR shares for a period matching the expected life of each grant, with the annual yield calculated by dividing actual regular dividends (excluding any special dividends) by the average price of EQR’s shares in a given year.

(4)Risk-free interest rate – The most current U.S. Treasury rate available at the grant date for a period matching the expected life of each grant.

(5)Exercise price per share – The closing share price of the Common Shares on the grant date.

The valuation method and assumptions are the same as those the Company used in accounting for Option expense in its consolidated financial statements. The Black-Scholes option valuation model was developed for use in estimating the fair value of traded options that have no vesting restrictions and are fully transferable. This model is only one method of valuing options. Because the Company’s Options have characteristics significantly different from those of traded options, and because changes in the subjective input assumptions can materially affect the fair value estimate, the actual value of the Options to the recipient may be significantly different.

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Long-Term Incentive Plan

The Company's executive compensation program allows the Chief Executive Officer and certain other executive officers to earn from 0% to 200% of the target number of long-term incentive ("LTI") awards, payable in the form of restricted shares and/or restricted units. Additionally, the program allowed participation of Samuel Zell, the Company's former Chairman of the Board of Trustees, prior to his death. No payout would be made for any result below 50% of the target performance metric. The Company's Total Shareholder Return ("TSR"), Normalized Funds from Operations ("FFO") and Net Debt to Normalized EBITDAre (Earnings Before Interest, Taxes, Depreciation and Amortization for Real Estate) results over a forward-looking three-year performance period determine the restricted shares and/or restricted units awarded and are compared to pre-established quantitative performance metrics. The grant date fair value of the awards is estimated using a Monte Carlo model for the TSR portion of the awards, and the resulting expense is recorded over the service period regardless of whether the TSR performance measures are achieved, while the Normalized FFO and Net Debt to Normalized EBITDAre portions of the awards are adjusted based on the final achievement obtained. If the executive is retirement-eligible, the grant date fair value is amortized into expense over the first year. All other awards are amortized into expense over the three-year performance and vesting period. If employment is terminated prior to vesting, the restricted shares and restricted units are generally canceled, subject to the retirement benefit provisions discussed below as well as the death and disability provisions of the plan.

The LTI participants receive distributions only on restricted units awarded equal to 10% of the quarterly distributions paid on OP Units during the performance period. At the end of the performance period, LTI participants receive dividends/distributions actually earned on restricted shares or restricted units awarded during the performance period, less any distributions already paid on the restricted units.

The grant date fair value of the TSR portion of the LTI awards is estimated using a multifactor Monte Carlo model to determine share prices for a set of relative awards for which the payout of the award depends on the spread of EQR's TSR to the TSR of two indices: (a) the FTSE Nareit Apartment Index; and (b) the FTSE Nareit Equity Index. The absolute Company TSR metric previously included in the TSR portion of the LTI awards for which the payout of the award only depended on EQR's TSR was replaced with a Net Debt to Normalized EBITDAre metric for the 2022 LTI plan and onward, covering a forward-looking three-year performance period. The grant date fair value of the Normalized FFO and Net Debt to Normalized EBITDAre portions of the LTI awards are estimated using the closing price of EQR Common Shares on the grant date for the restricted shares and a discounted closing price of EQR Common Shares on the grant date for the restricted units to reflect the "book-up" and liquidity risk inherent in the units. The individual prices determined above are then weighted to arrive at the final values for each restricted share/unit as follows:

		2023			2022	
Weighted average fair value per restricted share	\$	61.18		\$	96.84	
Weighted average fair value per restricted unit	\$	58.78		\$	93.32	

The valuation method and assumptions are the same as those the Company used in accounting for the LTI award expense in its consolidated financial statements. The Monte Carlo valuation model is only one method of valuing awards. Because the Company's restricted shares/units have characteristics significantly different from those of traded shares/units, and because changes in the subjective input assumptions can materially affect the fair value estimate, the actual value of the restricted shares/units to the recipient may be significantly different.

Trustees

All non-employee Trustees, including the Company's current Chairman, are granted Options, restricted shares and/or restricted units that vest one year from the grant date that corresponds to the term for which he or she has been elected to serve.

The Company's former Chairman of the Board of Trustees, Samuel Zell, did not receive these awards. Since 2016, he only received awards under the LTI plan (see further discussion above).

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Retirement Benefits

The Company's Share Incentive Plans provide for certain benefits upon retirement. The following table summarizes the terms of each retirement eligibility category.

		Age 62 for Employees		Rule of 70 for Employees		Age 72 for Employees
Eligibility		For employees hired prior to January 1, 2009 and who were age 59 or older as of February 1, 2019.		All employees (1).		All non-employees
Effect on unvested restricted shares, restricted units and Options		Awards immediately vest, Options continue to be exercisable for the balance of the applicable ten-year option period and restricted units are still subject to the book-up provisions.		Awards continue to vest per the original vesting schedule, subject to certain conditions, Options continue to be exercisable for the balance of the applicable ten-year option period and restricted units are still subject to the book-up provisions.		Awards immediately vest, Options continue to be exercisable for the balance of the applicable ten-year option period and restricted units are still subject to the book-up provisions.
Effect on LTI Plan		Awards are prorated in proportion to the number of days worked in the first year of the three-year performance period. If an individual does not receive any payout of shares or units until the final payout is determined at the end of the three-year performance period.				

(1) The Rule of 70 is met when an employee's years of service with the Company (which must be at least 15 years) plus his or her age (which must be at least 55 years) on the date of termination equals or exceeds 70 years. In addition, the employee must give the Company at least six months' advance written notice of his or her intention to retire along with agreeing to certain other conditions.

Under the Company's definitions of retirement, some of its executive officers, including its Chief Executive Officer, are retirement eligible.

Compensation Expense and Award Activity

The following tables summarize compensation information regarding the restricted shares, restricted units, Options and Employee Share Purchase Plan ("ESPP") for the three years ended December 31, 2023, 2022 and 2021.

		Year Ended December 31, 2023									
		Compensation Expense			Compensation Capitalized			Restricted Units/Options In-Lieu of Bonus (1)			
Restricted shares	\$	11,006			\$	1,480		\$	—		
Restricted units		15,809			96			525			
Options		4,436			192			—			
ESPP discount		564			80			—			

Total	\$	31,815	\$	1,848	\$	525
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		Year Ended December 31, 2022															
		Compensation Expense					Compensation Capitalized					Restricted Units/Options In-Lieu of Bonus (1)					
Restricted shares		\$	10,419			\$	1,176			\$	—						
Restricted units			16,487				87				2,530						
Options			1,889				169				263						
ESPP discount			718				78				—						
Total		\$	29,513			\$	1,510			\$	2,793						

		Year Ended December 31, 2021														
		Compensation Expense					Compensation Capitalized					Restricted Units/Options In-Lieu of Bonus (1)				
Restricted shares		\$	7,258			\$	1,131			\$	—					
Restricted units			16,689				70				1,038					
Options			2,980				121				—					
ESPP discount			883				108				—					
Total		\$	27,810			\$	1,430			\$	1,038					

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(1)The Company allows eligible officers the ability to receive immediately vested restricted units (subject to the book-up provisions described above and a two-year hold restriction) or immediately vested Options in-lieu of any percentage of their annual cash bonus.

Compensation expense is generally recognized for Awards as follows:

- Restricted shares, restricted units and Options – Straight-line method over the vesting period of the Options, shares or units regardless of cliff or ratable vesting distinctions.
- LTI plan awards – Target amount is recognized under the straight-line method over the vesting period of the shares or units.
- ESPP discount – Immediately upon the purchase of Common Shares each quarter.

The Company accelerates the recognition of compensation expense for all Awards for those individuals approaching or meeting the retirement age criteria discussed above. The total compensation expense related to Awards not yet vested at December 31, 2023 is \$10.7 million (including the accelerated expenses for individuals approaching or meeting the retirement age criteria discussed above), which is expected to be recognized over a weighted average term of 1.34 years.

The table below summarizes the Award activity of the Share Incentive Plans for the three years ended December 31, 2023, 2022 and 2021:

		Common Shares Subject to Options			Weighted Average Exercise Price per Option			Restricted Shares			Wei Avera Valu Restrict
Balance at December 31, 2020		5,642,752			\$ 56.91			353,634			\$
Awards granted		489,853			\$ 67.58			96,224			\$
Awards exercised/vested		(1,710,692)			\$ 50.09			(133,351)			\$
Awards forfeited		(23,317)			\$ 73.33			(6,631)			\$
Awards expired		(10,763)			\$ 68.00			—			\$
Balance at December 31, 2021		4,387,833			\$ 60.65			309,876			\$
Awards granted		164,199			\$ 88.22			182,801			\$
Awards exercised/vested		(468,021)			\$ 52.87			(194,533)			\$
Awards forfeited		(12,968)			\$ 77.29			(8,226)			\$
Awards expired		(9,683)			\$ 60.02			—			\$
Balance at December 31, 2022		4,061,360			\$ 62.60			289,918			\$
Awards granted		395,280			\$ 66.56			152,217			\$
Awards exercised/vested		(495,690)			\$ 48.52			(118,322)			\$
Awards forfeited		(1,717)			\$ 66.73			(3,743)			\$

Awards expired			(981)		\$	67.50			—		\$	
Balance at December 31, 2023			3,958,252		\$	64.76			320,070		\$	

		Amounts in thousands except per share amounts					
		Year Ended December 31,					
		2023			2022		
Weighted average grant date fair value per share for Options granted		\$	12.61		\$	12.45	
Aggregate intrinsic value of Options exercised (1)		\$	6,023		\$	14,511	
Fair value of restricted shares vested		\$	7,783		\$	17,353	
Fair value of restricted units vested		\$	4,965		\$	10,662	

(1) These values were calculated as the difference between the strike price of the underlying awards and the per share price at which each respective award was exercised.

The following table summarizes information regarding Options outstanding and exercisable at December 31, 2023 (aggregate intrinsic value is in thousands):

		Options			Weighted Average Remaining Contractual Life in Years			Weighted Average Exercise Price
Options Outstanding		3,958,252			4.81		\$	
Options Exercisable		3,342,785			4.12		\$	
Vested and expected to vest		611,238			8.54		\$	

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(1)The aggregate intrinsic values were calculated as the excess, if any, between the Company's closing share price of \$61.16 per share on December 31, 2023 and the strike price of the underlying awards.

As of December 31, 2022 and 2021, 3,549,325 Options (with a weighted average exercise price of \$60.80) and 3,710,888 Options (with a weighted average exercise price of \$58.70) were exercisable, respectively.

13.Employee Plans

The Company established an Employee Share Purchase Plan to provide each employee and trustee the ability to annually acquire up to \$100,000 of Common Shares of EQR. The Company registered 7,000,000 Common Shares under the ESPP, of which 2,418,463 Common Shares remained available for purchase at December 31, 2023. The Common Shares may be purchased quarterly at a price equal to 85% of the lesser of: (a) the closing price for a share on the last day of such quarter; and (b) the greater of: (i) the closing price for a share on the first day of such quarter, and (ii) the average closing price for a share for all the business days in the quarter.

The following table summarizes information regarding the Common Shares issued under the ESPP with the net proceeds noted below being contributed to ERPOP in exchange for OP Units (amounts in thousands except share and per share amounts):

	Year Ended December 31,					
		2023		2022		2021
Shares issued		68,136		66,835		70,702
Issuance price ranges		\$47.97–\$55.11		\$52.33 – \$72.51		\$53.13 – \$71.04
Issuance proceeds		\$3,517		\$4,178		\$4,265

The Company established a defined contribution plan (the “401(k) Plan”) to provide retirement benefits for employees that meet minimum employment criteria. The Company matches dollar for dollar up to the first 4% of eligible compensation that a participant contributes to the 401(k) Plan for all employees except those defined as highly compensated employees, whose match is 3%. Participants are vested in the Company's contributions over five years. The Company recognized an expense in the amount of \$5.2 million, \$4.8 million and \$4.9 million for the years ended December 31, 2023, 2022 and 2021, respectively.

The Company established the SERP to provide certain officers and trustees an opportunity to defer a portion of their eligible compensation in order to save for retirement. The SERP is restricted to investments in Common Shares, certain marketable securities that have been specifically approved and cash equivalents. The deferred compensation liability represented in the SERP and the securities issued to fund such deferred compensation liability are consolidated by the Company and carried on the Company's balance sheets, and the Company's Common Shares held in the SERP are accounted for as a reduction to paid in capital (included in general partner's capital in the Operating Partnership's financial statements).

14.Distribution Reinvestment Plan

On September 30, 2014, the Company filed with the SEC a Form S-3 Registration Statement to register 4,790,000 Common Shares pursuant to a Distribution Reinvestment Plan (the “2014 DRIP”), which included the remaining shares available for issuance under a previous registration. The registration was automatically declared effective the same day and will expire when all 4,790,000 shares have been issued. The Company has 4,619,250 Common Shares available for issuance under the 2014 DRIP at December 31, 2023.

The 2014 DRIP provides holders of record and beneficial owners of Common Shares and Preferred Shares with a simple and convenient method of reinvesting cash dividends/distributions in additional Common Shares. Common Shares purchased under the 2014 DRIP may, at the option of EQR, be directly issued by EQR or purchased by EQR's transfer agent in the open market

using participants' funds. The net proceeds from any Common Share issuances are contributed to ERPOP in exchange for OP Units.

15. Transactions with Related Parties

The Company leases its corporate headquarters from an entity affiliated with Samuel Zell, who was EQR's Chairman of the Board of Trustees until his death in May 2023. This lease is no longer a related party lease as of December 31, 2023. The lease term expires on November 30, 2032 and contains two five-year extension options. The amount incurred for such office space for the years ended December 31, 2023, 2022 and 2021 were approximately \$1.9 million, \$1.7 million and \$1.7 million, respectively. The Company believes these amounts approximate market rates for such rental space.

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16.Commitments and Contingencies

Commitments

Real Estate Development Commitments

As of December 31, 2023, the Company has both consolidated and unconsolidated real estate projects under development. The following table summarizes the gross remaining total project costs for the Company's projects under development at December 31, 2023 (total project costs remaining in thousands):

		Projects			Apartment Units			Total Project Costs Remaining (1)
Projects Under Development								
Consolidated		1			225		\$	74,5
Unconsolidated		6			1,982			144,9
Total Projects Under Development		7			2,207		\$	219,5

(1) The Company's share of the \$219.5 million in total project costs remaining approximates \$76.6 million, with the balance funded by the Company's joint venture partners (approximately \$0.7 million) and/or applicable construction loans (approximately \$142.2 million).

We have entered into, and may continue in the future to enter into, joint venture agreements with third-party partners for the development of multifamily rental properties. The joint venture agreements with each development partner include buy-sell provisions that provide the right, but not the obligation, for the Company to acquire each respective partner's interests or sell its interests at any time following the occurrence of certain pre-defined events described in the joint venture agreements. See Note 6 for additional discussion.

Other Commitments

We have entered into, and may continue in the future to enter into, real estate technology and other real estate fund investments. As of December 31, 2023, the Company has invested in ten separate such investments totaling \$38.8 million with aggregate remaining commitments of approximately \$19.2 million.

Employment Agreements

The Company entered into a retirement benefits agreement with its former Chairman and a deferred compensation agreement with one former executive officer. During the years ended December 31, 2023, 2022 and 2021, the Company recognized compensation expense of \$0.6 million, \$(0.2) million and \$0.1 million, respectively, related to these agreements.

The following table summarizes the Company's contractual obligations for deferred compensation for the next five years and thereafter as of December 31, 2023:

		(Payments) Due by Year									
		2024			2025			2026			2027
Other Long-Term Liabilities:											

Deferred Compensation (1)		\$	(840)		\$	(840)		\$	(840)		\$	(8
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(1)Includes payments due to the estate of the Company’s former Chairman. As of December 31, 2023, no payments remain due to the Company's former executive officer.

Contingencies

Litigation and Legal Matters

The Company, as an owner of real estate, is subject to various federal, state and local laws. Compliance by the Company with existing laws has not had a material adverse effect on the Company. However, the Company cannot predict the impact of new or changed laws or regulations on its current properties or on properties that it may acquire in the future.

The Company has been named as a defendant in a number of cases filed in late 2022 and 2023 alleging antitrust violations by RealPage, Inc., a seller of revenue management software products, and various owners and/or operators of multifamily housing, including us, that have utilized these products. The complaints allege collusion among the defendants to illegally fix and inflate the pricing of multifamily rents and seek monetary damages, injunctive relief, fees and costs. All of the cases except for one have been

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consolidated into a single putative class action in the United States District Court for the Middle District of Tennessee. On December 28, 2023, motions to dismiss this consolidated action, filed by RealPage, Inc. as well as us and our multifamily co-defendants, were denied by the Court and the case is proceeding. Another case with similar allegations has been filed by the District of Columbia against RealPage, Inc. and a number of multifamily owners and/or operators, including us. We believe these various lawsuits are without merit and we intend to vigorously defend against them. As these proceedings are in the early stages, it is not possible for the Company to predict the outcome nor is it possible to estimate the amount of loss, if any, which may be associated with an adverse decision in any of these cases.

The Company does not believe there is any litigation pending or threatened against it that, individually or in the aggregate, may reasonably be expected to have a material adverse effect on the Company.

17. Reportable Segments

Operating segments are defined as components of an enterprise that engage in business activities from which they may earn revenues and incur expenses and about which discrete financial information is available that is evaluated regularly by the chief operating decision maker. The chief operating decision maker decides how resources are allocated and assesses performance on a recurring basis at least quarterly.

The Company's primary business is the acquisition, development and management of multifamily residential properties, which includes the generation of rental and other related income through the leasing of apartment units to residents. The chief operating decision maker evaluates the Company's operating performance geographically by market and both on a same store and non-same store basis. While the Company does maintain a non-residential presence, it accounts for less than 4.0% of total revenues for the year ended December 31, 2023 and is designed as an amenity for our residential residents. The chief operating decision maker evaluates the performance of each property on a consolidated residential and non-residential basis. The Company's geographic consolidated same store operating segments represent its reportable segments.

The Company's development activities are other business activities that do not constitute an operating segment and as such, have been aggregated in the "Other" category in the tables presented below.

All revenues are from external customers and there is no customer who contributed 10% or more of the Company's total revenues during the years ended December 31, 2023, 2022 and 2021, respectively.

The primary financial measure for the Company's rental real estate segment is net operating income ("NOI"), which represents rental income less: 1) property and maintenance expense and 2) real estate taxes and insurance expense (all as reflected in the accompanying consolidated statements of operations and comprehensive income). The Company believes that NOI is helpful to investors as a supplemental measure of its operating performance because it is a direct measure of the actual operating results of the Company's apartment properties. Revenues for all leases are reflected on a straight-line basis in accordance with GAAP for the current and comparable periods.

The following table presents a reconciliation of NOI from our rental real estate for the years ended December 31, 2023, 2022 and 2021, respectively (amounts in thousands):

		Year Ended December 31,					
		2023		2022		2021	
Rental income	\$	2,873,964		\$	2,735,180	\$	2,463,9
Property and maintenance expense		(514,575)	)		(483,865)		(453,5
Real estate taxes and insurance expense		(412,114)	)		(388,412)		(397,1
Total operating expenses		(926,689))		(872,277)		(850,6

Net operating income	\$	1,947,275	\$	1,862,903	\$	1,613,3
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The following tables present NOI from our rental real estate for each segment for the years ended December 31, 2023, 2022 and 2021, respectively, as well as total assets and capital expenditures at December 31, 2023 and 2022, respectively (amounts in thousands):

		Year Ended December 31, 2023										Year Ended							
		Rental Income				Operating Expenses				NOI				Rental Income				C E	
Same store (1)																			
Los Angeles		\$	466,980			\$	143,983			\$	322,997			\$	450,635			\$	
Orange County			130,343				28,699				101,644				122,660				
San Diego			92,691				20,602				72,089				86,728				
Subtotal - Southern California			690,014				193,284				496,730				660,023				
Washington, D.C.			441,676				140,696				300,980				417,210				
San Francisco			430,390				129,480				300,910				415,173				
New York			476,319				193,311				283,008				434,820				
Seattle			290,894				81,787				209,107				281,959				
Boston			289,423				85,579				203,844				270,899				
Denver			71,067				21,328				49,739				67,785				
Other Expansion Markets			64,928				27,983				36,945				61,897				
Total same store			2,754,711				873,448				1,881,263				2,609,766				
Non-same store/other																			
Non-same store (2)			100,970				36,836				64,134				74,379				
Other (3)			18,283				16,405				1,878				51,035				
Total non-same store/other			119,253				53,241				66,012				125,414				
Totals		\$	2,873,964			\$	926,689			\$	1,947,275			\$	2,735,180			\$	

For the years ended December 31, 2023 and 2022, same store primarily includes all properties acquired or completed that were stabilized prior to January 1, 2022, less properties subsequently sold, which represented 76,297 apartment units. For the year ended December 31, 2021, same store primarily includes all properties acquired or completed that were stabilized prior to January 1, 2021, less properties subsequently sold, which represented 72,872 apartment units.

For the years ended December 31, 2023 and 2022, non-same store primarily includes properties acquired after January 1, 2022, plus any properties in lease-up and not stabilized as of January 1, 2022, and any properties undergoing major renovations. For the year ended December 31, 2021, non-same store primarily includes properties acquired after January 1, 2021, plus any properties in lease-up and not stabilized as of January 1, 2021, and any properties undergoing major renovations.

(3) Other includes development, other corporate operations and operations prior to disposition for properties sold.

		Year Ended December 31, 2023								Y			
		Total Assets					Capital Expenditures				Total Assets		
Same store (1)													
Los Angeles		\$	2,489,180				\$	54,688			\$	2,5	
Orange County			343,219					9,888				3	
San Diego			231,549					17,137				2	
Subtotal - Southern California			3,063,948					81,713				3,1	
Washington, D.C.			2,995,509					50,504				3,0	
San Francisco			2,972,476					53,963				3,0	
New York			3,326,831					21,908				3,4	
Seattle			2,075,966					34,011				2,1	
Boston			1,748,887					30,852				1,8	
Denver			824,264					4,220				8	
Other Expansion Markets			782,977					5,674				8	
Total same store			17,790,858					282,845				18,3	
Non-same store/other													
Non-same store (2)			1,493,139					35,615				1,1	
Other (3)			750,567					882				7	
Total non-same store/other			2,243,706					36,497				1,9	
Totals		\$	20,034,564				\$	319,342			\$	20,2	

(1) Same store primarily includes all properties acquired or completed that were stabilized prior to January 1, 2022, less properties subsequently sold, which represented 76,297 apartment units.

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(2)Non-same store primarily includes properties acquired after January 1, 2022, plus any properties in lease-up and not stabilized as of January 1, 2022, and any properties undergoing major renovations.

(3)Other includes development, other corporate operations and capital expenditures for properties sold.

18.Subsequent Events

Subsequent to December 31, 2023, the Company:

- Disposed of the following to unaffiliated parties (sales price in thousands):

		Properties			Apartment Units			Sales Price
Rental Properties – Consolidated		3			504			\$ 248,5
Total		3			504			\$ 248,5

- Following the Company's share repurchase activity in 2023, its Board of Trustees approved replenishing the Company's share repurchase program authorization back to its original 13.0 million shares.

**EQUITY RESIDENTIAL
ERP OPERATING LIMITED PARTNERSHIP
Schedule III - Real Estate and Accumulated Depreciation
Overall Summary
December 31, 2023**

		Properties		Apartment Units		Investment in Real Estate, Gross		
Wholly Owned Unencumbered		255		68,916		\$ 24,800,990,957		\$
Wholly Owned Encumbered		33		8,215		3,097,180,778		
Wholly Owned Properties		288		77,131		27,898,171,735		
Partially Owned Unencumbered		13		2,792		779,454,558		
Partially Owned Encumbered		1		268		35,011,634		
Partially Owned Properties		14		3,060		814,466,192		
Total Unencumbered Properties		268		71,708		25,580,445,515		
Total Encumbered Properties		34		8,483		3,132,192,412		
Total Consolidated Investment in Real Estate		302		80,191		\$ 28,712,637,927		\$

(1)See attached Encumbrances Reconciliation.

EQUITY RESIDENTIAL
ERP OPERATING LIMITED PARTNERSHIP
Schedule III - Real Estate and Accumulated Depreciation
Encumbrances Reconciliation
December 31, 2023

Portfolio/Entity Encumbrances			Number of Properties Encumbered by			See Properties With Note:	
Archstone Master Property Holdings LLC			8			H	
Portfolio/Entity Encumbrances			8				
Individual Property Encumbrances							
Total Encumbrances per Financial Statements							

EQUITY RESIDENTIAL
ERP OPERATING LIMITED PARTNERSHIP
Schedule III – Real Estate and Accumulated Depreciation
(Amounts in thousands)

The changes in total real estate for the years ended December 31, 2023, 2022 and 2021 are as follows:

		2023				2022		
Balance, beginning of year		\$	28,088,754			\$	28,272,906	
Acquisitions and development			500,221				214,903	
Improvements			321,082				225,136	
Dispositions and other			(197,419)	)			(624,191)	
Balance, end of year		\$	28,712,638			\$	28,088,754	

The changes in accumulated depreciation for the years ended December 31, 2023, 2022 and 2021 are as follows:

		2023				2022		
Balance, beginning of year		\$	9,027,850			\$	8,354,282	
Depreciation			888,709				882,168	
Dispositions and other			(106,222))			(208,600)	
Balance, end of year		\$	9,810,337			\$	9,027,850	

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EQUITY RESIDENTIAL
ERP OPERATING LIMITED PARTNERSHIP
Schedule III - Real Estate and Accumulated Depreciation
December 31, 2023

Description												Initial Cost to Company					
Apartment Name		Location		Non-Residential Components			Date of Construction		Apartment Units			Land				Building & Fixtures	
Wholly Owned Unencumbered:																	
100 K Apartments (fka 100K Street)		Washington, D.C.		—			2018		222			\$	15,600,000			\$	70,296,069
170 Amsterdam		New York, NY		G			2015		236				—				112,096,955
175 Kent		Brooklyn, NY		G			2011		113				22,037,831				53,962,169
180 Montague (fka Brooklyn Heights)		Brooklyn, NY		G			2000		193				32,400,000				92,675,228
180 Riverside Boulevard		New York, NY		G			1998		516				144,968,250				138,346,681
1210 Mass		Washington, D.C.		G			2004		144				9,213,512				36,559,189
1401 Joyce on Pentagon Row		Arlington, VA		—			2004		326				9,780,000				89,668,165
1500 Mass Ave		Washington, D.C.		G			1951		556				54,638,298				40,361,702
1800 Oak (fka Rosslyn)		Arlington, VA		G			2003		314				31,400,000				109,005,734
2201 Pershing Drive		Arlington, VA		G			2012		188				11,321,198				49,674,175
2201 Wilson		Arlington, VA		G			2000		219				21,900,000				78,724,663
2400 M St		Washington, D.C.		G			2006		359				30,006,593				114,013,785
2501 Porter		Washington, D.C.		—			1988		202				13,000,000				75,271,179
315 on A		Boston, MA		G			2013		202				14,450,070				115,824,930
340 Fremont (fka Rincon Hill)		San Francisco, CA		—			2016		348				42,000,000				248,607,902
341 Nevins		Brooklyn, NY		—			(F)		—				3,621,717				308,661
3003 Van Ness (fka Van Ness)		Washington, D.C.		—			1970		625				56,300,000				141,191,580
425 Broadway		Santa Monica, CA		G			2001		101				12,600,000				34,394,772
425 Mass				G			2009										

		Washington, D.C.							559					28,150,000			138,600,000
455 Eye Street		Washington, D.C.			G			2017			174			11,941,407			61,418,689
4th and Hill		Los Angeles, CA			—			(F)			—			13,131,456			1,868,544
55 West Fifth I & II (fka Townhouse Plaza and Gardens)		San Mateo, CA			—			1964/1972			241			21,041,710			71,931,323
600 Washington		New York, NY			G			2004			135			32,852,000			43,140,551
660 Washington (fka Boston Common)		Boston, MA			G			2006			420			106,100,000			166,311,679
70 Greene		Jersey City, NJ			G			2010			480			28,108,899			236,763,553
71 Broadway		New York, NY			G			1997			238			22,611,600			77,492,171
77 Bluxome		San Francisco, CA			—			2007			102			5,249,124			18,609,876
77 Park Avenue (fka Hoboken)		Hoboken, NJ			G			2000			301			27,900,000			168,992,440
777 Sixth		New York, NY			G			2002			294			65,352,706			65,747,294
88 Hillside		Daly City, CA			G			2011			95			7,786,800			31,587,325
855 Brannan		San Francisco, CA			G			2018			449			41,363,921			282,730,067
929 Mass (fka 929 House)		Cambridge, MA			G			1975			127			3,252,993			21,745,595
Academy Village		North Hollywood, CA			—			1989			248			25,000,000			23,593,194
Acappella		Pasadena, CA			—			2002			143			5,839,548			29,360,452
Aero Apartments		Alameda, CA			G			2021			200			13,107,242			100,519,872
Alban Towers		Washington, D.C.			—			1934			229			18,900,000			89,794,201
Alborada		Fremont, CA			—			1999			442			24,310,000			59,214,129
Alcott Apartments (fka West End Tower)		Boston, MA			G			2021			470			10,424,000			398,024,518
Alcyone		Seattle, WA			G			2004			162			11,379,497			49,360,503
Altitude (fka Village at Howard Hughes, The (Lots 1 & 2))		Los Angeles, CA			—			2016			545			43,783,485			150,234,305
Alton, The (fka Millikan)		Irvine, CA			—			2017			344			11,049,027			96,523,927

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EQUITY RESIDENTIAL
ERP OPERATING LIMITED PARTNERSHIP
Schedule III - Real Estate and Accumulated Depreciation
December 31, 2023

Description												Initial Cost to Company							
Apartment Name		Location		Non-Residential Components				Date of Construction					Land					Building & Fixtures	
Arbor Terrace		Sunnyvale, CA			—			1979						9,057,300					18,483,642
Arches, The		Sunnyvale, CA			—			1974						26,650,000					62,850,000
Artisan on Second		Los Angeles, CA			—			2008						8,000,400					36,074,600
Artistry Emeryville (fka Emeryville)		Emeryville, CA			—			1994						12,300,000					61,466,267
Atelier		Brooklyn, NY		G				2015						32,401,680					47,135,432
Axis at Shady Grove		Rockville, MD			—			2016						14,745,774					90,503,831
Azure (fka Mission Bay-Block 13)		San Francisco, CA			—			2015						32,855,115					153,566,841
Bay Hill		Long Beach, CA			—			2002						7,600,000					27,437,239
Beatrice, The		New York, NY			—			2010						114,351,405					165,648,595
Bella Vista I, II, III Combined		Woodland Hills, CA			—			2003-2007						31,682,754					121,095,786
Belle Arts Condominium Homes, LLC		Bellevue, WA			—			2000						63,158					236,157
Belle Fontaine		Marina Del Rey, CA			—			2003						9,098,808					28,701,192
Breakwater at Marina Del Rey		Marina Del Rey, CA			—			1964-1969						—					73,189,262
Briarwood (CA)		Sunnyvale, CA			—			1985						9,991,500					22,247,278
Brodie, The		Westminster, CO			—			2016						8,639,904					79,257,130
Brooklyner, The (fka 111 Lawrence)		Brooklyn, NY		G				2010						40,099,922					221,438,631
C on Pico		Los Angeles, CA			—			2014						17,125,766					28,074,234
Carlyle Mill		Alexandria, VA			—			2002						10,000,000					51,367,913

Carmel Terrace		San Diego, CA			—			1988-1989			384				2,288,300			20,596,281
Cascade		Seattle, WA			G			2017			477				23,751,564			149,406,957
Centennial (fka Centennial Court & Centennial Tower)		Seattle, WA			G			1991/2001			408				9,700,000			70,080,378
Centre Club Combined		Ontario, CA			—			1994 & 2002			412				7,436,000			33,014,789
Chelsea Square		Redmond, WA			—			1991			113				3,397,100			9,289,074
Chloe on Madison (fka 1401 E. Madison)		Seattle, WA			G			2019			137				10,401,958			53,913,565
Chloe on Union (fka Chloe)		Seattle, WA			G			2010			117				14,835,571			39,359,650
Church Corner		Cambridge, MA			G			1987			85				5,220,000			16,744,643
Circa Fitzsimons		Denver, CO			—			2020			280				9,241,400			86,070,796
City Gate at Cupertino (fka Cupertino)		Cupertino, CA			—			1998			311				40,400,000			95,937,046
City Square Bellevue (fka Bellevue)		Bellevue, WA			G			1998			191				15,100,000			41,876,257
Clarendon, The		Arlington, VA			G			2005			292				30,400,340			103,824,660
Cleo, The		Los Angeles, CA			—			1989			92				6,615,467			14,829,335
Cleveland House		Washington, D.C.			—			1953			214				18,300,000			66,392,414
Connecticut Heights		Washington, D.C.			—			1974			518				27,600,000			114,002,295
Corcoran House at DuPont Circle (fka DuPont Circle)		Washington, D.C.			G			1961			138				13,500,000			26,913,113
Courthouse Plaza		Arlington, VA			G			1990			396				—			87,386,024
Creekside (San Mateo)		San Mateo, CA			—			1985			192				9,606,600			21,193,232
Cronins Landing		Waltham, MA			G			1998			281				32,300,000			85,119,324
Crystal Place		Arlington, VA			—			1986			181				17,200,000			47,918,975
Dalton, The		Alexandria, VA			G			2018			270				22,947,777			95,334,754
Deerwood (SD)		San Diego, CA			—			1990			316				2,082,095			18,739,815
Del Mar Ridge		San Diego, CA			—			1998			181				7,801,824			36,948,176
Eagle Canyon		Chino Hills, CA			—			1985			252				1,808,900			16,274,361
Edge, The (fka 4885 Edgemoor Lane)		Bethesda, MD			—			2021			154				—			72,836,851
Edgemont at Bethesda Metro		Bethesda, MD			—			1989			123				13,092,552			43,907,448

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EQUITY RESIDENTIAL
ERP OPERATING LIMITED PARTNERSHIP
Schedule III - Real Estate and Accumulated Depreciation
December 31, 2023

Description												Initial Cost to Company							
Apartment Name		Location		Non-Residential Components				Date of Construction				Apartment Units				Land			Building & Fixtures
Emerson Place		Boston, MA		G				1962				444				14,855,000			57,566,636
Encore at Sherman Oaks, The		Sherman Oaks, CA		—				1988				174				8,700,000			25,446,003
Estancia at Santa Clara (fka Santa Clara)		Santa Clara, CA		—				2000				450				—			123,759,804
Eviva on Cherokee		Denver, CO		—				2017				274				10,507,626			100,037,204
Flora		Austin, TX		—				2019				194				5,733,088			32,343,349
Fremont Center		Fremont, CA		G				2002				322				25,800,000			78,753,114
Gaithersburg Station		Gaithersburg, MD		G				2013				400				17,500,000			74,678,917
Gateway at Malden Center		Malden, MA		G				1988				203				9,209,780			25,722,666
Geary Court Yard		San Francisco, CA		—				1990				165				1,722,400			15,471,429
Girard		Boston, MA		G				2016				160				—			102,450,328
Hampshire Place		Los Angeles, CA		—				1989				259				10,806,000			30,335,330
Harbor Steps		Seattle, WA		G				2000				761				59,403,601			158,829,432
Hathaway		Long Beach, CA		—				1987				385				2,512,500			22,611,912
Helios (fka 2nd+Pine)		Seattle, WA		G				2017				398				18,061,674			206,762,591
Heritage at Stone Ridge		Burlington, MA		—				2005				180				10,800,000			31,808,335
Heritage Ridge		Lynwood, WA		—				1999				197				6,895,000			18,983,597
Hesby		North Hollywood, CA		—				2013				308				23,299,892			102,700,108
Highlands at South Plainfield		South Plainfield, NJ		—				2000				252				10,080,000			37,526,912
Hikari		Los Angeles, CA		G				2007				128				9,435,760			32,564,240

Hudson Crossing		New York, NY			G			2003			259				23,420,000				69,977,699
Hudson Pointe		Jersey City, NJ			G			2003			182				5,350,000				41,114,074
Huxley, The		Redwood City, CA			—			2018			137				18,775,028				89,336,651
Indie Deep Ellum		Dallas, TX			G			2020			231				12,253,503				63,853,833
Ivory Wood		Bothell, WA			—			2000			144				2,732,800				13,888,282
Jia (fka Chinatown Gateway)		Los Angeles, CA			G			2014			280				14,791,831				78,286,423
Junction 47 (fka West Seattle)		Seattle, WA			G			2015			206				11,726,305				56,581,665
Juniper Sandy Springs		Sandy Springs, GA			—			2017			230				8,668,700				64,989,813
Kelvin, The (fka Modera)		Irvine, CA			—			2015			194				15,521,552				64,853,448
Kilby		Frisco, TX			—			2020			258				6,431,940				64,187,474
Laguna Clara		Santa Clara, CA			—			1972			222				10,441,994				22,572,843
Laguna Clara II		Santa Clara, CA			—			(F)			—				3,200,426				74,835,894
Landings at Port Imperial		W. New York, NJ			—			1999			276				27,246,045				37,741,049
Lane		Seattle, WA			G			2019			217				13,142,946				71,942,751
Lex, The		San Jose, CA			—			2017			387				21,817,512				158,778,598
Liberty Park		Braintree, MA			—			2000			202				5,977,504				26,749,111
Liberty Tower		Arlington, VA			G			2008			235				16,382,822				83,817,078
Lincoln Heights		Quincy, MA			—			1991			336				5,928,400				33,595,262
Lofts at Kendall Square (fka Kendall Square)		Cambridge, MA			—			1998			186				18,696,674				78,445,657
Lofts at Kendall Square II (fka 249 Third Street)		Cambridge, MA			G			2019			84				4,603,326				44,187,266
Longacre House		New York, NY			G			2000			293				73,170,045				53,962,510
Longfellow Place		Boston, MA			G			1975			710				38,264,917				132,175,915
Luna Upper Westside		Atlanta, GA			—			2020			345				14,847,420				108,325,394
Madox		Jersey City, NJ			G			2013			131				9,679,635				64,594,205

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Apartment Name		Location		Non-Residential Components			Date of Construction		Apartment Units			Land			Building & Fixtures
Mantena		New York, NY			G		2012		98			22,346,513			61,501,158
Mara Pacific Beach		San Diego, CA			G		2020		172			25,360,682			87,755,429
Marina 41 (fka Marina Del Rey)		Marina Del Rey, CA			—		1973		623			—			168,842,442
Mariposa at Playa Del Rey (fka Playa Del Rey)		Playa Del Rey, CA			—		2004		354			60,900,000			89,311,482
Market Street Village		San Diego, CA			—		2006		229			13,740,000			40,757,301
Marlowe (fka Oakwood Crystal City)		Arlington, VA			—		1987		162			15,400,000			35,474,336
Milano Lofts		Los Angeles, CA			G		1925/2006		99			8,125,216			27,378,784
Mill Creek		Milpitas, CA			—		1991		516			12,858,693			57,168,503
Milo		Denver, CO			—		2020		319			15,957,975			153,331,358
Mosaic at Metro		Hyattsville, MD			—		2008		260			—			59,580,898
Mountain View Redevelopment		Mountain View, CA			—		(F)		—			—			2,690,285
Mozaic at Union Station		Los Angeles, CA			—		2007		272			8,500,000			52,529,446
Murray Hill Tower (fka Murray Hill)		New York, NY			G		1974		270			75,800,000			102,705,401
Next on Sixth		Los Angeles, CA			G		2017		398			52,509,906			136,635,650
North Pier at Harborside		Jersey City, NJ			—		2003		297			4,000,159			94,290,590
Northglen		Valencia, CA			—		1988		234			9,360,000			20,778,553
Northpark		Burlingame, CA			—		1972		510			38,607,000			77,472,217
Oak Park Combined					—										

		Agoura Hills, CA						1989 & 1990			444				3,390,700				30,517,274
Oaks		Santa Clarita, CA			—			2000			520				23,400,000				61,020,438
Ocean Crest		Solana Beach, CA			—			1986			146				5,111,200				11,910,438
Odin (fka Tallman)		Seattle, WA			—			2015			301				16,807,519				64,519,515
Olivian at the Realm		Lewisville, TX			—			2021			421				14,854,564				109,313,571
One Henry Adams		San Francisco, CA			G			2016			241				30,224,393				139,704,146
One India Street (fka Oakwood Boston)		Boston, MA			G			1901			94				22,200,000				28,672,979
Osprey		Atlanta, GA			G			2020			320				18,121,932				116,950,910
Pacific Place		Los Angeles, CA			—			2008			430				32,250,000				110,750,000
Packard Building		Seattle, WA			G			2010			61				5,911,041				19,954,959
Parc 77		New York, NY			G			1903			137				40,504,000				18,025,679
Parc Cameron		New York, NY			G			1927			166				37,600,000				9,855,597
Parc Coliseum		New York, NY			G			1910			177				52,654,000				23,045,751
Parc East Towers		New York, NY			G			1977			324				102,163,000				108,989,402
Parc on Powell (fka Parkside at Emeryville)		Emeryville, CA			G			2015			173				16,667,059				65,473,337
Park Connecticut		Washington, D.C.			—			2000			142				13,700,000				59,087,519
Park West (CA)		Los Angeles, CA			—			1987/1990			444				3,033,500				27,302,383
Parkside		Union City, CA			—			1979			208				6,246,700				11,827,453
Pearl, The (WA)		Seattle, WA			G			2008			80				6,972,585				26,527,415
Pearl MDR (fka Oakwood Marina Del Rey)		Marina Del Rey, CA			G			1969			597				—				120,795,359
Pegasus		Los Angeles, CA			G			1949/2003			322				18,094,052				81,905,948
Penman, The		Atlanta, GA			G			2023			262				9,942,043				68,917,572
Portofino		Chino Hills, CA			—			1989			176				3,572,400				14,660,994
Portofino (Val)		Valencia, CA			—			1989			216				8,640,000				21,487,126
Portside Towers		Jersey City, NJ			G			1992-1997			527				22,487,006				96,842,913

Potrero 1010		San Francisco, CA		G			2016			453				40,830,011			181,924,463
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Prado (fka Glendale)		Glendale, CA		—			1988		264				—				67,977,31
Prime, The		Arlington, VA		—			2002		281				34,625,000				77,879,74
Prism at Park Avenue South (fka 400 Park Avenue South)		New York, NY		G			2015		269				76,292,169				171,812,1
Promenade at Town Center I & II		Valencia, CA		—			2001		564				28,200,000				69,795,91
Providence		Bothell, WA		—			2000		200				3,573,621				19,055,50
Quarry Hills		Quincy, MA		—			2006		316				26,900,000				84,411,16
Radiant Fairfax Ridge		Fairfax, VA		—			2016		213				7,352,547				63,018,74
Radius Uptown		Denver, CO		—			2017		372				13,644,960				121,899,0
Redmond Court		Bellevue, WA		—			1977		206				10,300,000				33,488,74
Regency Palms		Huntington Beach, CA		—			1969		310				1,857,400				16,713,25
Reserve at Burlington, The		Burlington, MA		—			2019		270				20,250,000				114,476,9
Reserve at Clarendon Centre, The		Arlington, VA		G			2003		252				10,500,000				52,812,93
Reserve at Eisenhower, The		Alexandria, VA		—			2002		226				6,500,000				34,585,05
Reserve at Empire Lakes		Rancho Cucamonga, CA		—			2005		467				16,345,000				73,080,67
Reserve at Fairfax Corner		Fairfax, VA		—			2001		652				15,804,057				63,129,05
Reserve at Mountain View (fka Mountain View)		Mountain View, CA		—			1965		180				27,000,000				33,029,60
Reserve at Potomac Yard		Alexandria, VA		—			2002		588				11,918,917				68,862,64
Reserve at Town Center I-III (WA)		Mill Creek, WA		G			2001, 2009, 2014		584				16,768,705				77,623,66
Rianna I & II		Seattle, WA		G			2000/2002		156				4,430,000				29,298,09

Richmond Row		Suwanee, GA			—			2023			344				10,030,008				88,340,26
Ridgewood Village I&II		San Diego, CA			—			1997			408				11,809,500				34,004,04
Riva Terra I (fka Redwood Shores)		Redwood City, CA			—			1986			304				34,963,355				84,587,65
Riva Terra II (fka Harborside)		Redwood City, CA			—			1986			149				17,136,645				40,536,53
Riverpark		Redmond, WA			G			2009			321				14,355,000				80,894,04
Rivington, The		Hoboken, NJ			—			1999			240				34,340,640				112,112,11
Rivington II, The		Hoboken, NJ			—			(F)			—				—				882,999
Rosecliff II		Quincy, MA			—			2005			130				4,922,840				30,202,16
Sakura Crossing		Los Angeles, CA			G			2009			230				14,641,990				42,858,01
Savanna Nine Mile		Erie, CO			—			2022			287				9,386,048				98,792,00
Saxton		Seattle, WA			G			2019			325				38,805,400				128,652,0
Sheffield Court		Arlington, VA			—			1986			597				3,342,381				31,337,33
Siena Terrace		Lake Forest, CA			—			1988			356				8,900,000				24,083,02
Skycrest		Valencia, CA			—			1999			264				10,560,000				25,574,45
Skyhouse South		Atlanta, GA			G			2014			320				14,182,277				101,911,4
Skylark		Union City, CA			—			1986			174				1,781,600				16,731,91
Skyview		Rancho Santa Margarita, CA			—			1999			260				3,380,000				21,952,86
SoMa II		San Francisco, CA			—			(F)			—				29,406,606				5,946,220
Sonterra at Foothill Ranch		Foothill Ranch, CA			—			1997			300				7,503,400				24,048,50
South City Station (fka South San Francisco)		San Francisco, CA			G			2007			368				68,900,000				79,476,86
Southwood		Palo Alto, CA			—			1985			100				6,936,600				14,324,06
Springline		Seattle, WA			G			2016			136				9,163,667				47,910,98
Square One		Seattle, WA			—			2014			112				7,222,544				26,277,45
STOA		Los Angeles, CA			G			2017			237				25,326,048				79,976,03

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Ten23 (fka 500 West 23rd Street)		New York, NY		G			2011			111			—		
Terraces, The		San Francisco, CA		G			1975			117			14,087,610		
Theo		Denver, CO		G			2018			275			15,322,049		
Third Square		Cambridge, MA		G			2008/2009			471			26,767,171		
Three20		Seattle, WA		G			2013			134			7,030,766		
Toscana		Irvine, CA		—			1991/1993			563			39,410,000		
Town Square at Mark Center I&II		Alexandria, VA		—			1996			678			39,928,464		
Troy Boston		Boston, MA		G			2015			378			34,641,051		
Urbana (fka Market Street Landing)		Seattle, WA		G			2014			289			12,542,418		
Uwajimaya Village		Seattle, WA		—			2002			176			8,800,000		
Vantage Hollywood		Los Angeles, CA		—			1987			298			42,580,326		
Veloce		Redmond, WA		G			2009			322			15,322,724		
Venue at the Promenade		Castle Rock, CO		—			2017			312			8,355,048		
Verde Condominium Homes (fka Mission Verde, LLC)		San Jose, CA		—			1986			108			5,190,700		
Veridian (fka Silver Spring)		Silver Spring, MD		G			2009			457			18,539,817		
Versailles		Woodland Hills, CA		—			1991			253			12,650,000		
Versailles (K-Town)		Los Angeles, CA		—			2008			225			10,590,975		

Victor on Venice		Los Angeles, CA			G			2006				115				10,350,000			
Villa Solana		Laguna Hills, CA			—			1984				272				1,665,100			
Village at Del Mar Heights, The (fka Del Mar Heights)		San Diego, CA			—			1986				168				15,100,000			
Vintage at 425 Broadway (fka Promenade)		Santa Monica, CA			G			1934/2001				60				9,000,000			
Virginia Square		Arlington, VA			G			2002				231				—			
Vista 99 (fka Tasman)		San Jose, CA			—			2016				554				27,709,329			
Vista Del Lago		Mission Viejo, CA			—			1986-1988				608				4,525,800			
Walden Park		Cambridge, MA			—			1966				232				12,448,888			
Water Park Towers		Arlington, VA			—			1989				362				34,400,000			
Watertown Square		Watertown, MA			G			2005				134				16,800,000			
Weaver, The		Austin, TX			G			2020				250				25,405,232			
West 96th		New York, NY			G			1987				209				84,800,000			
West End Apartments (fka Emerson Place/CRP II)		Boston, MA			G			2008				310				469,546			
Westchester at Rockville		Rockville, MD			—			2009				192				10,600,000			
Westerly		Dallas, TX			G			2021				331				11,958,829			
Westmont		New York, NY			G			1986				163				64,900,000			
Westside		Los Angeles, CA			—			2004				204				34,200,000			
Windridge (CA)		Laguna Niguel, CA			—			1989				344				2,662,900			
Wisconsin Place		Chevy Chase, MD			—			2009				432				—			
Woodleaf		Campbell, CA			—			1984				178				8,550,600			
Zephyr on the Park		Redmond, WA			G			2021				193				15,637,106			
Management Business		N/A			—			(D)				—				—			
Operating Partnership		N/A			—			(F)				—				—			
Other		N/A			—			—				—				—			
Wholly Owned Unencumbered												68,916				4,803,002,687			

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Wholly Owned Encumbered:																	
1111 Belle Pre (fka The Madison)		Alexandria, VA		G				2014		360				18,937,702			94,758,679
300 East 39th (fka East 39th)		New York, NY		G				2001		254				48,900,000			96,174,639
303 East 83rd (fka Camargue)		New York, NY		G				1976		261				79,400,000			79,122,624
Artisan Square		Northridge, CA			—			2002		140				7,000,000			20,537,359
Avanti		Anaheim, CA			—			1987		162				12,960,000			18,497,683
Avenir Apartments		Boston, MA		G				2009		241				—			114,321,619
Baxter Decatur, The		Decatur, GA			—			2019		290				11,783,860			70,317,555
City Pointe		Fullerton, CA		G				2004		183				6,863,792			36,476,208
Elevé		Glendale, CA		G				2013		208				14,080,560			56,419,440
Fairchase		Fairfax, VA			—			2007		392				23,500,000			87,722,321
Flats at DuPont Circle		Washington, D.C.			—			1967		306				35,200,000			108,768,198
Glo		Los Angeles, CA		G				2008		201				16,047,023			48,650,963
Heights on Capitol Hill		Seattle, WA		G				2006		104				5,425,000			21,138,028
Kelvin Court (fka Alta Pacific)		Irvine, CA			—			2008		132				10,752,145			34,846,856
Kenwood Mews		Burbank, CA			—			1991		141				14,100,000			24,662,883
La Terrazza at Colma Station		Colma, CA		G				2005		155				—			41,251,044
Lindley Apartments		Encino, CA			—			2004		129				5,805,000			25,705,000
Lofts 590		Arlington, VA			—			2005		212				20,100,000			67,909,023
Longview Place					—			2004									

		Waltham, MA								348					20,880,000				90,255,509
Mark on 8th		Seattle, WA			G			2016			174				23,004,387				51,116,647
Metro on First		Seattle, WA			G			2002			106				8,540,000				12,209,981
Moda		Seattle, WA			G			2009			251				12,649,228				36,842,012
Montierra (CA)		San Diego, CA			—			1990			272				8,160,000				29,360,938
Notch		Newcastle, WA			—			2020			158				5,463,324				43,490,989
Old Town Lofts		Redmond, WA			G			2014			149				7,740,467				44,146,181
Olympus Towers		Seattle, WA			G			2000			328				14,752,034				73,335,425
Park Place at San Mateo (fka San Mateo)		San Mateo, CA			G			2001			575				71,900,000				211,907,141
Red 160 (fka Redmond Way)		Redmond, WA			G			2011			250				15,546,376				65,320,010
Skyhouse Denver		Denver, CO			G			2017			361				13,562,331				126,360,318
SoMa Square Apartments (fka South Market)		San Francisco, CA			G			1986			410				79,900,000				177,316,977
Teresina		Chula Vista, CA			—			2000			440				28,600,000				61,916,670
Vintage		Ontario, CA			—			2005-2007			300				7,059,230				47,677,762
West 54th		New York, NY			G			2001			222				60,900,000				48,193,837
Portfolio/Entity Encumbrances (1)																			
Wholly Owned Encumbered											8,215				709,512,459				2,166,730,511

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Partially Owned Unencumbered:																	
2300 Elliott		Seattle, WA			G		1992		92				796,800			7,173,725	
Basin, The		Wakefield, MA			G		(F)		—				35,866,372			15,195,498	
Bellevue Meadows		Bellevue, WA			—		1983		180				4,507,100			12,574,814	
Canyon Ridge		San Diego, CA			—		1989		162				4,869,448			11,955,064	
Country Oaks		Agoura Hills, CA			—		1985		256				6,105,000			29,561,865	
Lantern Cove		Foster City, CA			—		1985		232				6,945,000			23,064,976	
Radius Koreatown		Los Angeles, CA			—		2014/2016		301				32,494,154			84,645,202	
Reverb (fka 9th and W)		Washington, D.C.			G		2023		312				—			104,651,437	
Rosecliff		Quincy, MA			—		1990		156				5,460,000			15,721,570	
Schooner Bay I		Foster City, CA			—		1985		168				5,345,000			20,390,618	
Schooner Bay II		Foster City, CA			—		1985		144				4,550,000			18,064,764	
St Johns West		Austin, TX			—		2020		297				10,097,109			47,928,229	
Venn at Main		Bellevue, WA			G		2016		350				26,626,497			151,520,448	
Virgil Square		Los Angeles, CA			—		1979		142				5,500,000			15,216,613	
Partially Owned Unencumbered									2,792				149,162,480			557,664,823	
Partially Owned Encumbered:																	
Canyon Creek (CA)		San Ramon, CA			—		1984		268				5,425,000			18,812,121	

Partially Owned Encumbered									268			5,425,000			18,812,121
Total Consolidated Investment in Real Estate									80,191		\$	5,667,102,626		\$	20,578,599,1

(1)See attached Encumbrances Reconciliation.

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NOTES:

- (A) The balance of furniture & fixtures included in the total investment in real estate amount was \$2,609,600,391 as of December 31, 2023.
- (B) The cost, net of accumulated depreciation, for Federal Income Tax purposes as of December 31, 2023 was approximately \$12.7 billion (unaudited).
- (C) The life to compute depreciation for building is 30 years, for building improvements ranges from 5 to 15 years, for furniture & fixtures, replacements and renovations is 5 to 10 years and for lease intangibles is the average remaining term of each respective lease.
- (D) This asset consists of costs owned by the Management Business acquired/added at various acquisition dates and largely represents furniture, fixtures and equipment and computer equipment and software costs, which are generally depreciated over periods ranging from 3 to 7 years, and leasehold improvements, which are generally depreciated over the term of each respective lease.
- (E) Primarily represents capital expenditures for building improvements, replacements and renovations incurred subsequent to each property's acquisition date.
- (F) Primarily represents land and/or construction-in-progress on projects either held for future development or projects currently under development.
- (G) A portion of these properties includes and/or will include non-residential components (consisting of retail and/or public parking garage operations).
- (H) See Encumbrances Reconciliation schedule.
- (I) Boot property for Bond Partnership mortgage pool.