

Third Quarter 2007

Earnings Release and Supplemental Financial Information



Greenwood Park
Centennial, CO



Citrus Falls
Tampa, FL



La Terrazza
Colma, CA



Greenwood Plaza
Centennial, CO



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Third Quarter 2007 Results

Table of Contents

Earnings Release	1-6
Consolidated Statements of Operations	7
Consolidated Statements of Funds From Operations	8
Consolidated Balance Sheets	9
Portfolio Summary	10
Portfolio Rollforward	11
Same Store Results	12-16
Debt Summary	17-19
Capital Structure	20
Common Share and Operating Partnership Unit Weighted Average Amounts Outstanding.....	21
Partially Owned Entities	22
Consolidated Development Projects	23
Consolidated Condominium Conversion Projects	24
Maintenance Expenses and Capitalized Improvements to Real Estate	25
Discontinued Operations	26
Additional Reconciliations and Non-Comparable Items	27
Earnings Guidance and Assumptions	28-29



EQUITY RESIDENTIAL

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

Information included in this supplemental package is unaudited.



NEWS RELEASE

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FOR IMMEDIATE RELEASE
OCTOBER 30, 2007

EQUITY RESIDENTIAL REPORTS THIRD QUARTER RESULTS **Announces Retirement of Chief Operating Officer Gerald A. Spector**

CHICAGO, IL – OCTOBER 30, 2007 - Equity Residential (NYSE: EQR) today reported results for the quarter and nine months ended September 30, 2007. All per share results are reported on a fully diluted basis.

“Third quarter operations were much as we expected as we continue to experience moderating yet solid market conditions,” said David J. Neithercut, Equity Residential’s President and CEO. “And while our quarterly results were affected by the markets which have been most negatively impacted by single family housing and condominium supply issues, our diversified portfolio delivered good overall revenue growth. For the full year we should produce same-store revenue growth of 4.25 percent and expect that 2008 could produce similar results.”

Third Quarter 2007

For the quarter ended September 30, 2007, the company reported earnings of \$1.62 per share compared to \$0.19 per share in the third quarter of 2006. The increase is primarily attributable to higher gains on property sales in the third quarter of 2007.

Funds from Operations (FFO) for the quarter ended September 30, 2007 were \$0.58 per share compared to \$0.62 per share in the same period of 2006. The decrease is primarily the result of the following items:

- Lower net gains on sales of condominium units and land sales than in the third quarter of 2006;
- Higher interest expense due primarily to higher debt balances, partially offset by reduced share count from share repurchase;
- Lower interest and other income from items such as Rent.com proceeds and forfeited deposits received in the third quarter of 2006; and

- Lower property net operating income (NOI) primarily attributable to dilution from the Lexford sale in October 2006 and other property disposition activity throughout the past two years, which is only partially offset by NOI from new acquisitions and same-store NOI increases.

Nine Months Ended September 30, 2007

For the nine months ended September 30, 2007, the company reported earnings of \$2.93 per share compared to \$1.95 per share in the same period of 2006.

FFO for the nine months ended September 30, 2007 were \$1.73 per share compared to \$1.78 per share in the same period of 2006.

Same-Store Results

On a same-store third quarter to third quarter comparison, revenues increased 3.7 percent, expenses increased 1.1 percent and NOI increased 5.3 percent. The increase in same-store revenues was driven primarily by increases in average rental rates.

On a same-store nine-month to nine-month comparison, revenues increased 4.4 percent, expenses increased 2.7 percent and NOI increased 5.5 percent.

Acquisitions/Dispositions

“We continue to see good pricing on assets we are selling in the markets we are exiting and are successfully executing on our portfolio transformation strategy,” said Mr. Neithercut. “Having purchased \$1.6 billion in assets through the first nine months of the year, we expect that our acquisitions volume will be negligible for the remainder of the year as we assess pricing trends in our target markets.”

During the third quarter of 2007, the company acquired six properties, consisting of 1,411 apartment units, for an aggregate purchase price of \$393.7 million at an average capitalization (cap) rate of 4.8 percent. The company also acquired two land parcels for \$83.4 million during the quarter.

Also during the quarter, the company sold 29 properties, consisting of 9,663 apartment units, for an aggregate sale price of \$957.8 million at an average cap rate of 5.3 percent generating an unlevered internal rate of return (IRR) of 11.2 percent. In addition, the company sold 169 condominium units for \$45.2 million and one land parcel for \$5.0 million.

In the first nine months of 2007, the company acquired 34 properties, consisting of 7,620 apartment units, for an aggregate purchase price of \$1.6 billion at an average

cap rate of 4.8 percent. The company also acquired seven land parcels for \$148.8 million during the first nine months of 2007.

During the nine months ended September 30, 2007, the company sold 66 properties, consisting of 19,681 apartment units, for an aggregate sale price of \$1.7 billion at an average cap rate of 5.6 percent generating an unlevered IRR of 11.2 percent. In addition, the company sold 552 condominium units for \$148.2 million and two land parcels for \$45.7 million.

Share Repurchase

During the third quarter of 2007, the company repurchased and retired 6,634,140 of its common shares at an average price of \$40.82 per share for an aggregate purchase of approximately \$270.8 million.

Through the first nine months of 2007, the company repurchased and retired 25,094,346 of its common shares at an average price of \$45.30 per share for an aggregate purchase of approximately \$1.1 billion.

The company has not repurchased any of its shares since the end of the third quarter and currently has authorization to repurchase an additional \$65.0 million under its share repurchase program.

Preferred Share Redemption

On July 16, 2007, the company redeemed its 8.60 percent Series D Preferred Shares at its cash liquidation value of \$175.0 million plus accrued and unpaid dividends. As a result of this redemption, the company recorded a non-cash expense of approximately \$6.1 million, or approximately \$0.02 per share, in the third quarter of 2007 for the write-off of the original issuance costs.

Debt Offering

On July 19, 2007, the company issued \$300.0 million of mortgage notes maturing February 1, 2019. The all-in effective interest rate is 6.0 percent. Proceeds from the issuance were used to pay down the company's unsecured revolving credit facility.

Unsecured Term Loan Facility

On October 11, 2007, the company closed on a new \$500.0 million senior unsecured credit facility. The new facility matures on October 5, 2010, subject to two one-year extension options exercisable by the company. The rate on the facility will generally be LIBOR plus a spread which is dependent on the current credit rating on the company's long-term senior unsecured debt and is currently 42.5 basis points.

Proceeds from the issuance were used to pay down the company's unsecured revolving credit facility, which has approximately \$1.36 billion available as of October 30, 2007.

Retirement of Chief Operating Officer Gerald A. Spector

The company also announced that Gerald A. "Gerry" Spector, Equity Residential's Executive Vice President and Chief Operating Officer, after a 35 year career with Equity Residential and its predecessor companies, will retire effective December 31, 2007. Mr. Spector, 60, will continue to serve on the company's Board of Trustees in the role of Vice Chairman. The company will not name a successor. Instead Frederick C. Tuomi, the company's Executive Vice President and President of Property Management, and David S. Santee, the company's Executive Vice President of Operations, will continue to be responsible for day to day operations of the company's portfolio and all property management activities. Both executives, who had previously reported to Mr. Spector, will report directly to David J. Neithercut, Equity Residential's President and CEO. The company will not record any additional charges to either 2007 or 2008 earnings as a result of Mr. Spector's retirement.

Mr. Tuomi, 52, joined Equity Residential in 1994 as Executive Vice President and President of Property Management. In this role, Mr. Tuomi has led the company's property management organization through the tremendous expansion of the company's portfolio and is responsible for the day to day operations of the company's portfolio of more than 154,000 apartment units. Mr. Tuomi began his career in the apartment industry in 1979.

Mr. Santee, 48, has been the company's Executive Vice President – Property Operations since January 2007. In this role, he is responsible for the company's Revenue, Marketing, Information Technology, Facilities and Procurement groups. Mr. Santee joined Equity Residential in 1994 and has served in various senior management roles in property operations and management including serving as Executive Vice President of the company's Eastern Division with responsibility for the day-to-day operations of 70,000 apartment units. Mr. Santee began his career in the apartment industry in 1983.

Mr. Spector said, "While it is never easy to step away from something you love, this change is a result of a long planned process that allows us to have our next generation of leaders take the helm. I have worked closely with Fred Tuomi and David Santee for years and am very proud of all that we have accomplished. I have great confidence in their ability to continue the work we have done together in driving our

organization to leverage our state of the art operating platform across the portfolio. I look forward to continuing to make a contribution to Equity Residential by working with David Neithercut and our Board in creating value for our shareholders.”

“Gerry has been a great friend and mentor to me and the entire Equity Residential family for many years. He is the architect of our property management organization and led our operations through the tremendous growth and the major transformation of our portfolio. While we will miss our daily interactions with him, he will remain an important adviser to me and our board. As a testament to the terrific organization that Gerry built, we have two very talented executives with decades of experience to lead our property operations,” said Mr. Neithercut.

Fourth Quarter and Full Year 2007 Earnings Guidance

The company has established an FFO guidance range of \$0.59 to \$0.62 per share for the fourth quarter of 2007 and raised the low end of its guidance range for full year 2007 to \$2.32 from \$2.25, resulting in a full year guidance range of \$2.32 to \$2.35 per share.

Equity Residential expects to announce fourth quarter 2007 results on Tuesday, February 5, 2008 and host a conference call to discuss those results at 10:00 a.m. CT on Wednesday, February 6, 2008.

Equity Residential is an S&P 500 company focused on the acquisition, development and management of high quality apartment properties in top U.S. growth markets. Equity Residential owns or has investments in 584 properties located in 24 states and the District of Columbia, consisting of 154,152 apartment units. For more information on Equity Residential, please visit our website at www.equityresidential.com.

Forward-Looking Statements

In addition to historical information, this press release contains forward-looking statements and information within the meaning of the federal securities laws. These statements are based on current expectations, estimates, projections and assumptions made by management. While Equity Residential’s management believes the assumptions underlying its forward-looking statements are reasonable, such information is inherently subject to uncertainties and may involve certain risks, including, without limitation, changes in general market conditions, including the rate of job growth and cost of labor and construction material, the level of new multifamily construction and development, competition and local government regulation. Other risks and uncertainties are described under the heading “Risk Factors” in our Annual Report on

Form 10-K filed with the Securities and Exchange Commission (SEC) and available on our website, www.equityresidential.com. Many of these uncertainties and risks are difficult to predict and beyond management's control. Forward-looking statements are not guarantees of future performance, results or events. Equity Residential assumes no obligation to update or supplement forward-looking statements that become untrue because of subsequent events.

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A live web cast of the company's conference call discussing these results and outlook for the remainder of 2007 will take place tomorrow, Wednesday, October 31, at 10:00 a.m. Central. Please visit the Investor Information section of the company's web site at www.equityresidential.com for the link. A replay of the web cast will be available for two weeks at this site.

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

	Nine Months Ended September 30,		Quarter Ended September 30,	
	2007	2006	2007	2006
REVENUES				
Rental income	\$ 1,517,357	\$ 1,329,578	\$ 525,222	\$ 463,279
Fee and asset management	6,937	6,878	2,234	2,071
Total revenues	<u>1,524,294</u>	<u>1,336,456</u>	<u>527,456</u>	<u>465,350</u>
EXPENSES				
Property and maintenance	399,863	350,752	139,363	124,877
Real estate taxes and insurance	160,458	129,648	53,452	46,006
Property management	68,956	70,079	21,694	23,418
Fee and asset management	6,604	6,477	2,100	2,151
Depreciation	441,517	374,007	151,103	129,467
General and administrative	34,651	35,875	13,137	13,522
Impairment	1,020	1,718	626	913
Total expenses	<u>1,113,069</u>	<u>968,556</u>	<u>381,475</u>	<u>340,354</u>
Operating income	411,225	367,900	145,981	124,996
Interest and other income	12,350	11,538	6,125	7,299
Interest:				
Expense incurred, net	(361,879)	(312,206)	(128,964)	(108,968)
Amortization of deferred financing costs	(8,191)	(6,254)	(2,036)	(1,882)
Income before allocation to Minority Interests, income (loss) from investments in unconsolidated entities, net gain on sales of unconsolidated entities and land parcels and discontinued operations	53,505	60,978	21,106	21,445
Allocation to Minority Interests:				
Operating Partnership, net	(2,246)	(1,657)	(907)	(664)
Preference Interests and Units	(437)	(1,779)	(3)	(223)
Partially Owned Properties	(997)	(2,550)	(218)	(482)
Premium on redemption of Preference Interests	-	(684)	-	(1)
Income (loss) from investments in unconsolidated entities	185	(565)	548	(190)
Net gain on sales of unconsolidated entities	2,629	370	2,629	18
Net gain on sales of land parcels	5,230	3,183	714	2,937
Income from continuing operations, net of minority interests	57,869	57,296	23,869	22,840
Discontinued operations, net of minority interests	808,476	550,487	433,838	46,971
Net income	866,345	607,783	457,707	69,811
Preferred distributions	(19,157)	(29,682)	(4,317)	(9,514)
Premium on redemption of Preferred Shares	(6,144)	(3,941)	(6,144)	(3,941)
Net income available to Common Shares	<u>\$ 841,044</u>	<u>\$ 574,160</u>	<u>\$ 447,246</u>	<u>\$ 56,356</u>
Earnings per share - basic:				
Income from continuing operations available to Common Shares	<u>\$ 0.12</u>	<u>\$ 0.08</u>	<u>\$ 0.05</u>	<u>\$ 0.03</u>
Net income available to Common Shares	<u>\$ 2.97</u>	<u>\$ 1.98</u>	<u>\$ 1.64</u>	<u>\$ 0.19</u>
Weighted average Common Shares outstanding	<u>282,847</u>	<u>289,463</u>	<u>272,086</u>	<u>290,036</u>
Earnings per share - diluted:				
Income from continuing operations available to Common Shares	<u>\$ 0.11</u>	<u>\$ 0.08</u>	<u>\$ 0.05</u>	<u>\$ 0.03</u>
Net income available to Common Shares	<u>\$ 2.93</u>	<u>\$ 1.95</u>	<u>\$ 1.62</u>	<u>\$ 0.19</u>
Weighted average Common Shares outstanding	<u>306,052</u>	<u>314,982</u>	<u>294,331</u>	<u>315,886</u>
Distributions declared per Common Share outstanding	<u>\$ 1.3875</u>	<u>\$ 1.3275</u>	<u>\$ 0.4625</u>	<u>\$ 0.4425</u>

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

	Nine Months Ended September 30,		Quarter Ended September 30,	
	2007	2006	2007	2006
Net income	\$ 866,345	\$ 607,783	\$ 457,707	\$ 69,811
Allocation to Minority Interests - Operating Partnership, net	2,246	1,657	907	664
Adjustments:				
Depreciation	441,517	374,007	151,103	129,467
Depreciation - Non-real estate additions	(6,137)	(5,615)	(1,964)	(1,933)
Depreciation - Partially Owned and Unconsolidated Properties	3,262	3,473	1,181	910
Net gain on sales of unconsolidated entities	(2,629)	(370)	(2,629)	(18)
Discontinued operations:				
Depreciation	24,518	66,601	3,191	13,788
Gain on sales of discontinued operations, net of minority interests	(794,700)	(487,907)	(433,251)	(18,705)
Net incremental gain on sales of condominium units	19,965	31,431	6,371	12,878
Provision for income taxes - Non-condo sales	(187)	-	-	-
Minority Interests - Operating Partnership	933	4,415	41	2,004
FFO (1)(2)	555,133	595,475	182,657	208,866
Preferred distributions	(19,157)	(29,682)	(4,317)	(9,514)
Premium on redemption of Preferred Shares	(6,144)	(3,941)	(6,144)	(3,941)
FFO available to Common Shares and OP Units - basic (1) (2)	<u>\$ 529,832</u>	<u>\$ 561,852</u>	<u>\$ 172,196</u>	<u>\$ 195,411</u>
FFO available to Common Shares and OP Units - diluted (1) (2)	<u>\$ 530,420</u>	<u>\$ 562,551</u>	<u>\$ 172,385</u>	<u>\$ 195,630</u>
FFO per share and OP Unit - basic	<u>\$ 1.75</u>	<u>\$ 1.81</u>	<u>\$ 0.59</u>	<u>\$ 0.63</u>
FFO per share and OP Unit - diluted	<u>\$ 1.73</u>	<u>\$ 1.78</u>	<u>\$ 0.58</u>	<u>\$ 0.62</u>
Weighted average Common Shares and OP Units outstanding - basic	<u>301,986</u>	<u>310,012</u>	<u>290,977</u>	<u>310,671</u>
Weighted average Common Shares and OP Units outstanding - diluted	<u>306,557</u>	<u>315,584</u>	<u>294,819</u>	<u>316,455</u>

(1) The National Association of Real Estate Investment Trusts ("NAREIT") defines funds from operations ("FFO") (April 2002 White Paper) as net income (computed in accordance with accounting principles generally accepted in the United States ("GAAP")), excluding gains (or losses) from sales of depreciable property, plus depreciation and amortization, and after adjustments for unconsolidated partnerships and joint ventures. Adjustments for unconsolidated partnerships and joint ventures will be calculated to reflect funds from operations on the same basis. The April 2002 White Paper states that gain or loss on sales of property is excluded from FFO for previously depreciated operating properties only. Once the Company commences the conversion of units to condominiums, it simultaneously discontinues depreciation of such property. FFO available to Common Shares and OP Units is calculated on a basis consistent with net income available to Common Shares and reflects adjustments to net income for preferred distributions and premiums on redemption of preferred shares in accordance with accounting principles generally accepted in the United States. 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 "Minority Interests - Operating Partnership". Subject to certain restrictions, the Minority Interests - Operating Partnership may exchange their OP Units for EQR Common Shares on a one-for-one basis.

(2) The Company believes that FFO and FFO available to Common Shares and OP 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 related to dispositions of depreciable property and excluding real estate depreciation (which can vary among owners of identical assets in similar condition based on historical cost accounting and useful life estimates), FFO and FFO available to Common Shares and OP Units can help compare the operating performance of a company's real estate between periods or as compared to different companies. FFO and FFO available to Common Shares and OP Units do not represent net income, net income available to Common Shares or net cash flows from operating activities in accordance with GAAP. Therefore, FFO and FFO available to Common Shares and OP Units should not be exclusively considered as alternatives to net income, net income available to Common Shares or net cash flows from operating activities as determined by GAAP or as a measure of liquidity. The Company's calculation of FFO and FFO available to Common Shares and OP 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.

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

	September 30, 2007	December 31, 2006
ASSETS		
Investment in real estate		
Land	\$ 3,610,743	\$ 3,217,672
Depreciable property	13,557,202	13,376,359
Projects under development	539,009	403,216
Land held for development	395,550	237,928
Investment in real estate	18,102,504	17,235,175
Accumulated depreciation	(3,064,347)	(3,022,480)
Investment in real estate, net	15,038,157	14,212,695
Cash and cash equivalents	62,734	260,277
Investments in unconsolidated entities	3,535	4,448
Deposits - restricted	449,672	391,825
Escrow deposits - mortgage	23,042	25,528
Deferred financing costs, net	56,227	43,384
Other assets	156,218	124,062
Total assets	\$ 15,789,585	\$ 15,062,219
LIABILITIES AND SHAREHOLDERS' EQUITY		
Liabilities:		
Mortgage notes payable	\$ 3,576,301	\$ 3,178,223
Notes, net	5,311,232	4,419,433
Lines of credit	640,000	460,000
Accounts payable and accrued expenses	154,363	96,699
Accrued interest payable	89,922	91,172
Other liabilities	314,696	311,557
Security deposits	62,196	58,072
Distributions payable	137,259	151,382
Total liabilities	10,285,969	8,766,538
<i>Commitments and contingencies</i>		
Minority Interests:		
Operating Partnership	337,613	372,961
Preference Interests and Units	184	11,684
Partially Owned Properties	26,879	26,814
Total Minority Interests	364,676	411,459
Shareholders' equity:		
Preferred Shares of beneficial interest, \$0.01 par value; 100,000,000 shares authorized; 2,014,275 shares issued and outstanding as of September 30, 2007 and 2,762,950 shares issued and outstanding as of December 31, 2006	210,357	386,574
Common Shares of beneficial interest, \$0.01 par value; 1,000,000,000 shares authorized; 271,060,946 shares issued and outstanding as of September 30, 2007 and 293,551,633 shares issued and outstanding as of December 31, 2006	2,711	2,936
Paid in capital	4,324,541	5,349,194
Retained earnings	609,991	159,528
Accumulated other comprehensive loss	(8,660)	(14,010)
Total shareholders' equity	5,138,940	5,884,222
Total liabilities and shareholders' equity	\$ 15,789,585	\$ 15,062,219

EQUITY RESIDENTIAL

Portfolio Summary As of September 30, 2007

	Markets	Properties	Units	% of Total Units	% of 2007 Stabilized NOI	Average Rental Rate (1)
1	New York Metro Area	22	6,246	4.1%	9.9%	\$ 2,538
2	South Florida	37	12,193	7.9%	8.8%	1,280
3	Los Angeles	38	7,973	5.2%	7.8%	1,730
4	DC Northern Virginia	24	8,057	5.2%	7.3%	1,605
5	Seattle/Tacoma	49	11,285	7.3%	7.0%	1,224
6	Phoenix	40	11,640	7.6%	5.8%	943
7	Boston	36	5,907	3.8%	5.8%	1,537
8	San Francisco Bay Area	33	6,623	4.3%	5.6%	1,574
9	Denver	28	9,342	6.1%	4.9%	937
10	Orlando	25	7,825	5.1%	4.8%	1,033
11	Atlanta	33	9,862	6.4%	4.4%	922
12	San Diego	14	4,491	2.9%	4.1%	1,579
13	Inland Empire CA	15	4,655	3.0%	3.5%	1,378
14	Orange County	9	3,175	2.1%	3.0%	1,563
15	Suburban Maryland	21	5,145	3.3%	3.0%	1,079
16	New England (excl Boston)	38	5,597	3.6%	2.9%	1,087
17	Dallas/Ft Worth	24	6,499	4.2%	2.5%	882
18	Portland OR	11	3,713	2.4%	1.7%	926
19	Jacksonville	11	3,471	2.3%	1.6%	911
20	Tampa/Ft Myers	11	3,414	2.2%	1.5%	931
	Top 20 Total	519	137,113	89.0%	95.9%	1,269
21	Raleigh/Durham	16	4,032	2.6%	1.5%	770
22	Austin	9	2,985	1.9%	1.1%	863
23	Central Valley CA	10	1,595	1.0%	0.8%	1,071
24	Other EQR	18	3,942	2.6%	0.7%	840
	Total	572	149,667	97.1%	100.0%	1,233
	Condominium Conversion	11	823	0.5%	-	-
	Military Housing	1	3,662	2.4%	-	-
	Grand Total	584	154,152	100.0%	100.0%	\$ 1,233

(1) Average rental rate is defined as total rental revenues divided by the weighted average occupied units for the month of September 2007.

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Portfolio as of September 30, 2007

	Properties	Units
Wholly Owned Properties	512	134,589
Partially Owned Properties:		
Consolidated	27	5,455
Unconsolidated	44	10,446
Military Housing (Fee Managed)	1	3,662
	584	154,152

Portfolio Rollforward Q3 2007

	Properties	Units	\$ Thousands	Cap Rate
6/30/2007	608	162,532		
Acquisitions:				
Rental Properties	6	1,411	\$ 393,680	4.8%
Land Parcels (two)	-	-	\$ 83,397	
Dispositions:				
Rental Properties	(29)	(9,663)	\$ (957,805)	5.3%
Condominium Units	(1)	(169)	\$ (45,179)	
Land Parcel (one)	-	-	\$ (5,000)	
Configuration Changes	-	41		
9/30/2007	584	154,152		

Portfolio Rollforward 2007

	Properties	Units	\$ Thousands	Cap Rate
12/31/2006	617	165,716		
Acquisitions:				
Rental Properties	34	7,620	\$ 1,619,465	4.8%
Land Parcels (seven)	-	-	\$ 148,847	
Dispositions:				
Rental Properties	(66)	(19,681)	\$ (1,748,434)	5.6%
Condominium Units	(5)	(552)	\$ (148,237)	
Land Parcels (two)	-	-	\$ (45,662)	
Completed Developments	4	938		
Configuration Changes	-	111		
9/30/2007	584	154,152		

EQUITY RESIDENTIAL

Third Quarter 2007 vs. Third Quarter 2006 Quarter over Quarter Same-Store Results/Statistics

\$ in Thousands (except for Average Rental Rate) - 123,139 Same-Store Units

Description	Results			Statistics		
	Revenues	Expenses	NOI (1)	Average Rental Rate (2)	Occupancy	Turnover
Q3 2007	\$ 439,470	\$ 163,462	\$ 276,008	\$ 1,259	94.6%	(18.8%)
Q3 2006	\$ 423,652	\$ 161,658	\$ 261,994	\$ 1,214	94.6%	(18.9%)
Change	\$ 15,818	\$ 1,804	\$ 14,014	\$ 45	0.0%	0.1%
Change	3.7%	1.1%	5.3%	3.7%		

Third Quarter 2007 vs. Second Quarter 2007 Sequential Quarter over Quarter Same-Store Results/Statistics

\$ in Thousands (except for Average Rental Rate) - 131,011 Same-Store Units

Description	Results			Statistics		
	Revenues	Expenses	NOI (1)	Average Rental Rate (2)	Occupancy	Turnover
Q3 2007	\$ 469,517	\$ 174,896	\$ 294,621	\$ 1,266	94.5%	(19.0%)
Q2 2007	\$ 463,636	\$ 171,833	\$ 291,803	\$ 1,247	94.7%	(16.4%)
Change	\$ 5,881	\$ 3,063	\$ 2,818	\$ 19	(0.2%)	(2.6%)
Change	1.3%	1.8%	1.0%	1.5%		

September YTD 2007 vs. September YTD 2006 YTD over YTD Same-Store Results/Statistics

\$ in Thousands (except for Average Rental Rate) - 118,029 Same-Store Units

Description	Results			Statistics		
	Revenues	Expenses	NOI (1)	Average Rental Rate (2)	Occupancy	Turnover
YTD 2007	\$ 1,243,288	\$ 463,918	\$ 779,370	\$ 1,237	94.7%	(48.6%)
YTD 2006	\$ 1,190,619	\$ 451,687	\$ 738,932	\$ 1,185	94.7%	(49.5%)
Change	\$ 52,669	\$ 12,231	\$ 40,438	\$ 52	0.0%	0.9%
Change	4.4%	2.7%	5.5%	4.4%		

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

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

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Same-Store NOI Reconciliation

Third Quarter 2007 vs. Third Quarter 2006

The following table presents a reconciliation of operating income per the consolidated statements of operations to NOI for the Third Quarter 2007 Same-Store Properties:

	Quarter Ended September 30,	
	2007	2006
	(Amounts in thousands)	
Operating income	\$ 145,981	\$ 124,996
Adjustments:		
Non-same-store operating results	(34,705)	(6,984)
Fee and asset management revenue	(2,234)	(2,071)
Fee and asset management expense	2,100	2,151
Depreciation	151,103	129,467
General and administrative	13,137	13,522
Impairment	626	913
Same-store NOI	\$ 276,008	\$ 261,994

Same-Store NOI Reconciliation

September YTD 2007 vs. September YTD 2006

The following table presents a reconciliation of operating income per the consolidated statements of operations to NOI for the Nine-Month 2007 Same-Store Properties:

	Nine Months Ended September 30,	
	2007	2006
	(Amounts in thousands)	
Operating income	\$ 411,225	\$ 367,900
Adjustments:		
Non-same-store operating results	(108,710)	(40,167)
Fee and asset management revenue	(6,937)	(6,878)
Fee and asset management expense	6,604	6,477
Depreciation	441,517	374,007
General and administrative	34,651	35,875
Impairment	1,020	1,718
Same-store NOI	\$ 779,370	\$ 738,932

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Third Quarter 2007 vs. Third Quarter 2006 Same-Store Results by Market

Markets	Units	3Q 2007 % of Actual NOI	3Q 2007 Average Rental Rate (1)	3Q 2007 Weighted Average Occupancy %	Increase (Decrease) from Prior Quarter				
					Revenues	Expenses	NOI	Average Rental Rate (1)	Occupancy
1 New York Metro Area	5,288	10.0%	\$ 2,653	95.8%	5.9%	(0.9%)	9.4%	7.0%	(1.0%)
2 Los Angeles	6,754	8.0%	1,712	95.0%	4.9%	1.3%	6.8%	5.5%	(0.6%)
3 Seattle/Tacoma	8,863	7.4%	1,262	95.7%	8.8%	2.2%	12.9%	5.7%	2.6%
4 South Florida	9,347	7.1%	1,302	91.9%	(0.2%)	0.6%	(0.8%)	(0.7%)	0.3%
5 DC Northern Virginia	6,652	6.9%	1,500	94.4%	1.4%	1.7%	1.3%	2.4%	(0.9%)
6 Boston	5,025	6.0%	1,804	95.7%	2.8%	0.6%	4.1%	2.2%	0.7%
7 San Francisco Bay Area	5,541	5.9%	1,557	96.2%	6.7%	4.0%	8.1%	6.2%	0.4%
8 Phoenix	9,026	5.2%	931	93.5%	1.6%	2.3%	1.1%	2.8%	(1.1%)
9 Atlanta	8,496	4.7%	949	95.1%	4.5%	6.9%	2.7%	5.1%	(0.5%)
10 Denver	7,349	4.3%	897	95.0%	5.2%	4.1%	5.9%	5.1%	0.1%
11 San Diego	3,822	4.3%	1,606	95.4%	3.8%	(3.7%)	8.0%	3.8%	0.0%
12 Orlando	6,473	4.2%	1,033	94.1%	(1.6%)	2.7%	(4.1%)	(0.9%)	(0.7%)
13 New England (excl Boston)	5,597	3.6%	1,091	94.5%	3.5%	0.4%	5.9%	3.5%	0.0%
14 Orange County	3,013	3.4%	1,566	95.8%	4.0%	(4.8%)	8.5%	4.2%	(0.2%)
15 Inland Empire CA	3,712	3.3%	1,350	92.5%	2.8%	(0.7%)	4.8%	4.4%	(1.6%)
16 Dallas/Ft Worth	5,469	2.9%	924	95.4%	4.3%	(1.7%)	9.7%	3.5%	0.6%
17 Suburban Maryland	4,041	2.5%	1,089	91.4%	1.1%	7.2%	(2.8%)	2.0%	(0.8%)
18 Portland OR	3,409	2.0%	938	95.9%	6.7%	2.6%	9.5%	6.6%	0.0%
19 Jacksonville	3,231	1.9%	921	95.0%	4.0%	0.0%	6.7%	3.3%	0.5%
20 Raleigh/Durham	3,640	1.7%	784	94.4%	4.6%	0.2%	8.1%	5.1%	(0.5%)
Top 20 Markets	114,748	95.3%	1,281	94.5%	3.7%	1.4%	5.2%	3.8%	(0.1%)
All Other Markets	8,391	4.7%	964	94.9%	3.4%	(3.0%)	8.9%	3.0%	0.4%
Total	123,139	100.0%	\$ 1,259	94.6%	3.7%	1.1%	5.3%	3.7%	0.0%

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

EQUITY RESIDENTIAL

Third Quarter 2007 vs. Second Quarter 2007 Sequential Same-Store Results by Market

					Increase (Decrease) from Prior Quarter					
Markets	Units	3Q 2007 % of Actual NOI	3Q 2007 Average Rental Rate (1)	3Q 2007 Weighted Average Occupancy %	Revenues	Expenses	NOI	Average Rental Rate (1)	Occupancy	
1	New York Metro Area	5,443	9.5%	\$ 2,642	95.7%	1.9%	(1.1%)	3.3%	2.6%	(0.7%)
2	South Florida	11,433	8.3%	1,316	91.7%	(1.9%)	(0.1%)	(3.0%)	(0.2%)	(1.6%)
3	Los Angeles	7,179	8.0%	1,737	94.9%	2.0%	5.9%	0.2%	2.4%	(0.4%)
4	Seattle/Tacoma	9,262	7.2%	1,260	95.7%	3.5%	2.7%	4.0%	2.6%	0.8%
5	DC Northern Virginia	6,870	6.8%	1,508	94.4%	1.6%	(4.9%)	4.9%	2.3%	(0.7%)
6	Boston	5,649	6.4%	1,827	95.9%	0.5%	(5.1%)	4.0%	0.2%	0.3%
7	San Francisco Bay Area	5,793	5.7%	1,542	95.9%	2.4%	3.8%	1.6%	2.5%	(0.1%)
8	Phoenix	9,986	5.4%	930	92.9%	(0.8%)	6.3%	(4.8%)	(0.4%)	(0.4%)
9	Orlando	7,543	4.6%	1,040	94.3%	0.6%	1.8%	(0.1%)	0.0%	0.6%
10	Denver	8,045	4.5%	921	95.0%	3.2%	8.6%	0.3%	3.7%	(0.5%)
11	Atlanta	8,678	4.5%	951	95.1%	2.2%	5.9%	(0.5%)	2.2%	0.0%
12	San Diego	3,822	4.0%	1,606	95.4%	1.7%	4.4%	0.5%	1.0%	0.6%
13	Inland Empire CA	4,355	3.6%	1,366	92.7%	0.6%	7.9%	(3.1%)	1.8%	(1.1%)
14	New England (excl Boston)	5,597	3.3%	1,091	94.5%	1.1%	(6.6%)	7.8%	1.3%	(0.2%)
15	Orange County	3,175	3.3%	1,559	95.7%	1.9%	2.4%	1.7%	1.6%	0.3%
16	Dallas/Ft Worth	5,469	2.7%	924	95.4%	2.1%	2.5%	1.8%	1.6%	0.4%
17	Suburban Maryland	4,041	2.4%	1,089	91.4%	(1.3%)	6.8%	(6.3%)	1.1%	(2.2%)
18	Portland OR	3,409	1.9%	938	95.9%	2.6%	2.8%	2.5%	2.8%	(0.2%)
19	Jacksonville	3,231	1.8%	921	95.0%	1.3%	0.0%	2.2%	0.9%	0.4%
20	Raleigh/Durham	3,640	1.6%	784	94.4%	2.0%	5.4%	(0.4%)	2.8%	(0.7%)
Top 20 Markets		122,620	95.5%	1,287	94.4%	1.3%	1.9%	0.9%	1.6%	(0.3%)
All Other Markets		8,391	4.5%	964	94.9%	1.4%	0.5%	2.1%	1.1%	0.2%
Total		131,011	100.0%	\$ 1,266	94.5%	1.3%	1.8%	1.0%	1.5%	(0.2%)

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

EQUITY RESIDENTIAL

September YTD 2007 vs. September YTD 2006

Same-Store Results by Market

Markets	Units	Sep YTD 07 % of Actual NOI	Sep YTD 07 Average Rental Rate (1)	Sep YTD 07 Weighted Average Occupancy %	Increase (Decrease) from Prior Year					
					Revenues	Expenses	NOI	Average Rental Rate (1)	Occupancy	
1 New York Metro Area	5,153	9.8%	\$ 2,572	96.1%	6.4%	1.3%	9.2%	6.7%	(0.3%)	
2 Los Angeles	6,221	7.9%	1,697	95.3%	5.5%	0.7%	7.9%	4.8%	0.6%	
3 Seattle/Tacoma	8,532	7.2%	1,229	95.0%	7.0%	2.7%	9.7%	6.4%	0.5%	
4 DC Northern Virginia	6,246	6.6%	1,470	94.8%	3.3%	7.5%	1.3%	3.9%	(0.5%)	
5 South Florida	7,662	6.5%	1,314	93.3%	1.1%	4.5%	(1.2%)	1.6%	(0.6%)	
6 San Francisco Bay Area	5,541	6.1%	1,527	96.0%	7.0%	3.6%	8.8%	6.7%	0.2%	
7 Boston	4,677	5.7%	1,804	94.8%	2.5%	0.3%	3.9%	2.6%	0.0%	
8 Phoenix	9,026	5.7%	931	93.8%	4.8%	3.6%	5.5%	6.0%	(1.0%)	
9 Atlanta	7,938	4.6%	910	95.4%	4.9%	3.8%	5.7%	4.7%	0.2%	
10 Orlando	6,473	4.5%	1,037	93.8%	0.9%	6.0%	(2.0%)	1.8%	(0.8%)	
11 Denver	7,013	4.3%	877	95.3%	4.9%	4.8%	4.9%	4.3%	0.5%	
12 San Diego	3,486	4.1%	1,583	94.9%	4.2%	(1.3%)	7.0%	3.8%	0.4%	
13 New England (excl Boston)	5,597	3.6%	1,079	94.4%	5.2%	1.5%	8.4%	3.7%	1.3%	
14 Inland Empire CA	3,712	3.5%	1,331	93.6%	4.0%	2.6%	4.6%	3.4%	0.4%	
15 Orange County	3,013	3.5%	1,541	95.6%	4.4%	(0.4%)	6.8%	3.9%	0.4%	
16 Dallas/Ft Worth	5,319	2.9%	901	95.0%	3.5%	0.5%	6.1%	3.2%	0.3%	
17 Suburban Maryland	4,041	2.8%	1,076	92.8%	1.3%	7.8%	(2.7%)	1.9%	(0.6%)	
18 Portland OR	3,409	2.1%	920	95.7%	7.7%	2.1%	11.7%	7.4%	0.3%	
19 Jacksonville	3,231	2.0%	912	94.7%	3.1%	2.3%	3.6%	3.1%	(0.1%)	
20 Raleigh/Durham	3,348	1.6%	764	94.9%	4.5%	2.1%	6.4%	4.9%	(0.4%)	
Top 20 Markets	109,638	95.0%	1,259	94.7%	4.4%	2.9%	5.3%	4.4%	0.0%	
All Other Markets	8,391	5.0%	954	95.1%	4.8%	0.5%	8.3%	4.4%	0.3%	
Total	118,029	100.0%	\$ 1,237	94.7%	4.4%	2.7%	5.5%	4.4%	0.0%	

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

EQUITY RESIDENTIAL

Debt Summary as of September 30, 2007

(Amounts in thousands)

	Amounts (1)	% of Total	Weighted Average Rates (1)	Weighted Average Maturities (years)
Secured	\$ 3,576,301	37.5%	5.75%	7.7
Unsecured	5,951,232	62.5%	5.66%	6.6
Total	\$ 9,527,533	100.0%	5.70%	7.0
Fixed Rate Debt:				
Secured - Conventional	\$ 2,426,424	25.4%	6.14%	4.8
Unsecured - Public/Private	5,052,255	53.0%	5.64%	6.6
Unsecured - Tax Exempt	111,390	1.2%	5.06%	21.6
Fixed Rate Debt	7,590,069	79.6%	5.79%	6.3
Floating Rate Debt:				
Secured - Conventional	494,942	5.2%	7.48%	5.4
Secured - Tax Exempt	654,935	6.9%	3.06%	20.3
Unsecured - Public	147,587	1.6%	6.61%	1.7
Unsecured - Revolving Credit Facility	640,000	6.7%	5.69%	4.4
Floating Rate Debt	1,937,464	20.4%	5.37%	9.6
Total	\$ 9,527,533	100.0%	5.70%	7.0

(1) Net of the effect of any derivative instruments. Weighted average rates are for the nine months ended September 30, 2007.

Note: The Company capitalized interest of approximately \$30.8 million and \$13.2 million during the nine months ended September 30, 2007 and 2006, respectively. The Company capitalized interest of approximately \$12.9 million and \$5.4 million during the quarters ended September 30, 2007 and 2006, respectively.

Debt Maturity Schedule as of September 30, 2007

(Amounts in thousands)

Year	Fixed Rate (1)	Floating Rate (1)	Total	% of Total	Weighted Average Rates on Fixed Rate Debt (1)	Weighted Average Rates on Total Debt (1)
2007	\$ 69,011	\$ 37,678	\$ 106,689	1.1%	5.60%	6.19%
2008	465,027	137,016	602,043	6.3%	6.65%	6.58%
2009	457,861	426,641	884,502	9.3%	6.35%	5.42%
2010	279,947	26,236	306,183	3.2%	7.05%	7.11%
2011 (2)	1,488,370	24,150	1,512,520	15.9%	5.55%	5.52%
2012 (3)	907,448	640,000	1,547,448	16.3%	6.08%	5.81%
2013	565,757	-	565,757	5.9%	5.93%	5.93%
2014	504,809	-	504,809	5.3%	5.27%	5.27%
2015	355,314	-	355,314	3.7%	6.41%	6.41%
2016	1,089,046	-	1,089,046	11.4%	5.32%	5.32%
2017+	1,407,479	645,743	2,053,222	21.6%	6.11%	5.68%
Total	\$ 7,590,069	\$ 1,937,464	\$ 9,527,533	100.0%	5.91%	5.74%

(1) Net of the effect of any derivative instruments. Weighted average rates are as of September 30, 2007.

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

(3) Includes \$640.0 million outstanding on the Company's \$1.5 billion unsecured revolving credit facility, which matures on February 28, 2012.

EQUITY RESIDENTIAL

Unsecured Debt Summary as of September 30, 2007

(Amounts in thousands)

	Coupon Rate	Due Date	Face Amount	Unamortized Premium/ (Discount)	Net Balance
Fixed Rate Notes:					
	4.861%	11/30/07	\$ 50,000	\$ -	\$ 50,000
	7.500%	08/15/08 (1)	130,000	-	130,000
	4.750%	06/15/09 (2)	300,000	(468)	299,532
	6.950%	03/02/11	300,000	3,061	303,061
	6.625%	03/15/12	400,000	(1,309)	398,691
	5.500%	10/01/12	350,000	(1,726)	348,274
	5.200%	04/01/13	400,000	(651)	399,349
	5.250%	09/15/14	500,000	(428)	499,572
	6.584%	04/13/15	300,000	(837)	299,163
	5.125%	03/15/16	500,000	(453)	499,547
	5.375%	08/01/16	400,000	(1,639)	398,361
	5.750%	06/15/17	650,000	(4,959)	645,041
	7.125%	10/15/17	150,000	(651)	149,349
	7.570%	08/15/26	140,000	-	140,000
	3.850%	08/15/26 (3)	650,000	(7,685)	642,315
Floating Rate Adjustments		(2)	(150,000)	-	(150,000)
			<u>5,070,000</u>	<u>(17,745)</u>	<u>5,052,255</u>
Fixed Rate Tax Exempt Notes:					
	4.750%	12/15/28 (1)	35,600	-	35,600
	5.200%	06/15/29 (1)	75,790	-	75,790
			<u>111,390</u>	<u>-</u>	<u>111,390</u>
Floating Rate Notes:					
		06/15/09 (2)	150,000	-	150,000
FAS 133 Adjustments - net		(2)	(2,413)	-	(2,413)
			<u>147,587</u>	<u>-</u>	<u>147,587</u>
Revolving Credit Facility:		02/28/12 (4)	<u>640,000</u>	<u>-</u>	<u>640,000</u>
Total Unsecured Debt			<u>\$ 5,968,977</u>	<u>\$ (17,745)</u>	<u>\$ 5,951,232</u>

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

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

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

(4) Represents amount outstanding on the Company's \$1.5 billion unsecured revolving credit facility which matures on February 28, 2012.

EQUITY RESIDENTIAL

Selected Unsecured Public Debt Covenants

	<u>September 30, 2007</u>	<u>June 30, 2007</u>
Total Debt to Adjusted Total Assets (not to exceed 60%)	50.6%	49.7%
Secured Debt to Adjusted Total Assets (not to exceed 40%)	19.0%	17.0%
Consolidated Income Available for Debt Service to Maximum Annual Service Charges (must be at least 1.5 to 1)	2.16	2.28
Total Unsecured Assets to Unsecured Debt (must be at least 150%)	215.0%	208.9%

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

EQUITY RESIDENTIAL

Capital Structure as of September 30, 2007

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

Secured Debt		\$	3,576,301	37.5%	
Unsecured Debt			5,311,232	55.8%	
Revolving Credit Facility			640,000	6.7%	
Total Debt			9,527,533	100.0%	43.3%
Common Shares	271,060,946			93.6%	
OP Units	18,567,974			6.4%	
Total Shares and OP Units	289,628,920			100.0%	
Common Share Equivalents (see below)	477,023				
Total outstanding at quarter-end	290,105,943				
Common Share Price at September 30, 2007	\$ 42.36				
Perpetual Preferred Equity (see below)			12,288,888	98.4%	
Total Equity			12,488,888	100.0%	56.7%
Total Market Capitalization			\$ 22,016,421		100.0%

Convertible Preferred Equity as of September 30, 2007

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

Series	Redemption Date	Outstanding Shares/Units	Liquidation Value	Annual Dividend Per Share/Unit	Annual Dividend Amount	Weighted Average Rate	Conversion Ratio	Common Share Equivalents
Preferred Shares:								
7.00% Series E	11/1/98	388,916	\$ 9,723	\$ 1.75	\$ 681		1.1128	432,786
7.00% Series H	6/30/98	25,359	634	1.75	44		1.4480	36,720
Junior Preference Units:								
8.00% Series B	7/29/09	7,367	184	2.00	15		1.020408	7,517
Total Convertible Preferred Equity		421,642	\$ 10,541		\$ 740	7.02%		477,023

Perpetual Preferred Equity as of September 30, 2007

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

Series	Redemption Date	Outstanding Shares/Units	Liquidation Value	Annual Dividend Per Share/Unit	Annual Dividend Amount	Weighted Average Rate
Preferred Shares:						
8.29% Series K	12/10/26	1,000,000	\$ 50,000	\$ 4.145	\$ 4,145	
6.48% Series N	6/19/08	600,000	150,000	16.20	9,720	
Total Perpetual Preferred Equity		1,600,000	\$ 200,000		\$ 13,865	6.93%

EQUITY RESIDENTIAL

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

	YTD 3Q07	YTD 3Q06	3Q07	3Q06
Weighted Average Amounts Outstanding for Net Income Purposes:				
Common Shares - basic	282,846,740	289,462,778	272,086,433	290,035,523
Shares issuable from assumed conversion/vesting of:				
- OP Units	19,139,417	20,549,456	18,890,937	20,635,182
- share options/restricted shares	4,065,352	4,970,074	3,353,744	5,215,312
Total Common Shares and OP Units - diluted	306,051,509	314,982,308	294,331,114	315,886,017
Weighted Average Amounts Outstanding for FFO Purposes:				
Common Shares - basic	282,846,740	289,462,778	272,086,433	290,035,523
OP Units - basic	19,139,417	20,549,456	18,890,937	20,635,182
Total Common Shares and OP Units - basic	301,986,157	310,012,234	290,977,370	310,670,705
Shares issuable from assumed conversion/vesting of:				
- convertible preferred shares/units	505,601	601,388	488,324	568,801
- share options/restricted shares	4,065,352	4,970,074	3,353,744	5,215,312
Total Common Shares and OP Units - diluted	306,557,110	315,583,696	294,819,438	316,454,818
Period Ending Amounts Outstanding:				
Common Shares - basic	271,060,946			
OP Units - basic	18,567,974			
Total Common Shares and OP Units - basic	289,628,920			

EQUITY RESIDENTIAL

Partially Owned Entities as of September 30, 2007 (Amounts in thousands except for project and unit amounts)

	Consolidated					Unconsolidated
	Development Projects					Institutional Joint Ventures
	Held for and/or Under Development	Completed, Not Stabilized (4)	Completed and Stabilized	Other	Total	
Total projects	(1) -	2	4	21	27	44
Total units	(1) -	572	977	3,906	5,455	10,446
Operating information for the nine months ended 9/30/07 (at 100%):						
Operating revenue	\$ 7	\$ 3,186	\$ 12,510	\$ 42,006	\$ 57,709	\$ 78,456
Operating expenses	784	3,724	4,361	14,715	23,584	36,105
Net operating income (loss)	(777)	(538)	8,149	27,291	34,125	42,351
Depreciation	-	2,547	4,383	10,353	17,283	16,218
Other	28	-	-	111	139	319
Operating income (loss)	(805)	(3,085)	3,766	16,827	16,703	25,814
Interest and other income	53	20	116	859	1,048	486
Interest:						
Expense incurred, net	(406)	(3,473)	(2,539)	(15,079)	(21,497)	(28,090)
Amortization of deferred financing costs	(12)	-	(36)	(84)	(132)	(463)
Net income (loss)	<u>\$ (1,170)</u>	<u>\$ (6,538)</u>	<u>\$ 1,307</u>	<u>\$ 2,523</u>	<u>\$ (3,878)</u>	<u>\$ (2,253)</u>
Debt - Secured (2):						
EQR Ownership (3)	\$ 336,037	\$ 98,141	\$ 61,000	\$ 286,823	\$ 782,001	\$ 121,200
Minority Ownership	-	-	-	13,321	13,321	363,600
Total (at 100%)	<u>\$ 336,037</u>	<u>\$ 98,141</u>	<u>\$ 61,000</u>	<u>\$ 300,144</u>	<u>\$ 795,322</u>	<u>\$ 484,800</u>

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

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

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

(4) Projects included here are substantially complete. However, they may still require additional exterior and interior work for all units to be available for leasing.

EQUITY RESIDENTIAL

Consolidated Development Projects as of September 30, 2007
(Amounts in thousands except for project and unit amounts)

Projects	Location	No. of Units	Total Capital Cost (1)	Total Book Value To Date	Total Book Value Not Placed in Service	Total Debt	Percentage Completed	Percentage Leased	Percentage Occupied	Estimated Completion Date	Estimated Stabilization Date
Projects Under Development - Wholly Owned:											
West End Apartments (a.k.a. Emerson/CRP II)	Boston, MA	310	\$ 167,953	\$ 116,730	\$ 116,730	\$ -	81%	14%	-	2Q 2008	1Q 2009
Redmond Ridge	Redmond, WA	321	55,457	32,401	32,401	-	60%	5%	-	2Q 2008	3Q 2010
70 Greene (a.k.a. 77 Hudson)	Jersey City, NJ	480	269,958	88,132	88,132	-	35%	-	-	3Q 2009	4Q 2010
Crowntree Lakes	Orlando, FL	352	58,628	25,157	25,157	-	32%	-	-	3Q 2008	3Q 2009
Key Isle at Windermere II	Orlando, FL	165	29,058	12,995	12,995	-	31%	-	-	4Q 2008	1Q 2009
Reserve at Town Center II	Mill Creek, WA	100	23,485	4,772	4,772	-	4%	-	-	2Q 2010	4Q 2010
Projects Under Development - Wholly Owned		1,728	604,539	280,187	280,187	-					
Projects Under Development - Partially Owned:											
Silver Spring	Silver Spring, MD	457	147,454	73,101	73,101	38,546	44%	-	-	4Q 2008	3Q 2010
303 Third Street	Cambridge, MA	531	248,307	101,864	101,864	26,235	34%	-	-	3Q 2008	1Q 2010
City Lofts	Chicago, IL	278	71,109	40,588	40,588	14,899	64%	-	-	3Q 2008	2Q 2009
Alta Pacific	(2) Irvine, CA	132	46,416	35,916	35,916	28,260	69%	-	-	1Q 2008	3Q 2008
Montclair Metro	Montclair, NJ	163	48,730	7,353	7,353	1	5%	-	-	2Q 2009	1Q 2010
Projects Under Development - Partially Owned		1,561	562,016	258,822	258,822	107,941					
Projects Under Development		3,289	1,166,555	539,009	539,009	107,941					
Land Held for Development		N/A	-	395,550	395,550	228,096					
Land/Projects Held for and/or Under Development		3,289	1,166,555	934,559	934,559	336,037					
Completed Not Stabilized - Wholly Owned (4):											
Bella Vista III	Woodland Hills, CA	264	73,336	73,097	-	-		45%	39%	Completed	2Q 2008
Highland Glen II	Westwood, MA	102	21,620	18,700	-	-		26%	19%	Completed	2Q 2008
Projects Completed Not Stabilized - Wholly Owned		366	94,956	91,797	-	-					
Completed Not Stabilized - Partially Owned (4):											
Mozaic (a.k.a. Union Station)	Los Angeles, CA	272	69,661	67,832	-	44,333		90%	87%	Completed	1Q 2008
Vintage	Ontario, CA	300	54,364	54,364	-	53,808		91%	89%	Completed	1Q 2008
Projects Completed Not Stabilized - Partially Owned		572	124,025	122,196	-	98,141					
Projects Completed Not Stabilized		938	218,981	213,993	-	98,141					
Completed and Stabilized During the Quarter:											
2400 M St	(3) Washington, D.C.	359	111,947	107,896	-	-		97%	96%	Completed	Stabilized
Projects Completed and Stabilized During the Quarter		359	111,947	107,896	-	-					
Total Projects		4,586	\$ 1,497,483	\$ 1,256,448	\$ 934,559	\$ 434,178					
NOI CONTRIBUTION FROM DEVELOPMENT PROJECTS							Total Capital Cost (1)	Q3 2007 NOI			
Projects Under Development							\$ 1,166,555	\$ (199)			
Completed Not Stabilized							218,981	677			
Completed and Stabilized During the Quarter							111,947	2,255			
Total Development/Newly Stabilized NOI Contribution							\$ 1,497,483	\$ 2,733			

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

(2) Debt is primarily tax-exempt bonds that are entirely outstanding, with \$12.3 million held in escrow by the lender and released as draw requests are made. This amount is classified as deposits - restricted in the consolidated balance sheets at 9/30/07.

(3) EQR acquired its partner's interest on 4/28/06 and now wholly-owns the property. Total Book Value to Date does not include additional purchase consideration of \$30.7 million.

(4) Projects included here are substantially complete. However, they may still require additional exterior and interior work for all units to be available for leasing.

EQUITY RESIDENTIAL

Consolidated Condominium Conversion Projects as of September 30, 2007 (Amounts in thousands except for project and unit amounts)

Projects	Location	Project Start Date (1)	Estimated Close Out Date	Units				2007 YTD Activity			3Q 2007		
				Total	Units Closed	Sold Not Closed	Available	Units Closed	Sales Price	FFO Incremental Gain on Sale (3)	Units Closed	Sales Price	FFO Incremental Gain on Sale (3)
For Sale													
Milano Terrace	Scottsdale, AZ	Q2 2005	Q1 2008	224	201	4	19	48	\$ 11,756	\$ 2,019	9	\$ 2,258	\$ 407
South Palm Place	Tamarac, FL	Q2 2005	Q4 2007	208	200	4	4	91	18,537	802	20	4,109	(90)
Chantecleer Lakes	Naperville, IL	Q4 2005	Q4 2007	304	295	5	4	89	14,363	2,127	30	5,065	619
Park Bloomingdale	Bloomington, IL	Q2 2006	Q2 2008	250	164	11	75	86	14,209	1,200	31	5,740	313
Belle Arts	Bellevue, WA	Q4 2006	Q1 2008	128	108	4	16	108	35,954	4,990	27	9,068	1,283
Pacific Cove	Playa Del Ray, CA	Q3 2006	Q4 2007	80	77	2	1	77	38,029	5,564	20	10,273	1,470
Arrington Place	Issaquah, WA	Q1 2007	Q3 2008	130	31	6	93	31	7,584	1,063	31	7,584	1,063
Sage	Everett, WA	Q2 2007	Q3 2008	123	-	1	122	-	-	-	-	-	-
The Alexandria	Los Angeles, CA	Q3 2007	Q4 2008	104	-	-	104	-	-	-	-	-	-
Mission Verde	San Jose, CA	Q3 2007	Q1 2009	108	-	-	108	-	-	-	-	-	-
				1,659	1,076	37	546	530	140,432	17,765	168	44,097	5,065
Closed Out													
Timber Ridge	Woodinville, WA	Q1 2005	Q1 2007	203	203	-	-	4	1,059	414	-	-	(21)
Braewood	Bothell, WA	Q2 2005	Q1 2007	84	84	-	-	2	573	(32)	-	-	(54)
Fairway Greens	Pembroke Pines, FL	Q1 2005	Q2 2007	152	152	-	-	2	410	138	-	-	(4)
Fifth Avenue North	Seattle, WA	Q2 2005	Q2 2007	62	62	-	-	6	2,001	298	-	-	(13)
Parkside (2)	Seattle, WA	Q4 2005	Q3 2007	44	44	-	-	8	3,762	310	1	1,082	277
Projects closed out prior to 2007				3,744	3,744	-	-	-	-	(120)	-	-	(64)
				4,289	4,289	-	-	22	7,805	1,008	1	1,082	121
Totals			15	5,948	5,365	37	546	552	\$ 148,237	\$ 18,773	169	\$ 45,179	\$ 5,186
Gross incremental gain on sales of condominium units (3)										\$ 18,773	\$ 5,186		
Provision for income taxes										1,192	1,185		
Net incremental gain on sales of condominium units (3)										19,965	6,371		
Corporate overhead (property management expense)										(3,677)	(1,235)		
Other expenses										(465)	(247)		
Discontinued operating income (loss)										(3,925)	(1,211)		
Operating income of halted conversions (4)										2,852	1,546		
Net Income - Condominium Division (5)										\$ 14,750	\$ 5,224		

(1) Project start date represents the date that each respective property was acquired by the taxable REIT subsidiary and included in discontinued operations.

(2) Includes the sale of approximately 2,600 square feet of retail space, which amounted to a gain of \$279,600 on proceeds of \$650,000.

(3) Amounts are net of \$1,682,000 and \$491,000 in reserves for potential homeowners' disputes for the nine months and quarter ended September 30, 2007, respectively.

(4) Halted conversions includes the results of Dania Beach Club, Azure Creek, Alameda Ranch, Bella Vista, Oaks at Falls Church and Regency Park.

(5) Excludes interest income, interest expense and certain other items specific to condominium conversion projects that ultimately eliminate in consolidation. Also excludes depreciation expense on halted conversions (active conversions are not depreciated).

EQUITY RESIDENTIAL

Maintenance Expenses and Capitalized Improvements to Real Estate
For the Nine Months Ended September 30, 2007
(Amounts in thousands except for unit and per unit amounts)

	Maintenance Expenses						Capitalized Improvements to Real Estate						Total Expenditures		
	Total Units (1)	Expense (2)	Avg. Per Unit	Payroll (3)	Avg. Per Unit	Avg. Per Unit	Replacements (4)	Avg. Per Unit	Building Improvements (5)	Avg. Per Unit	Total	Avg. Per Unit	Grand Total	Avg. Per Unit	
Established Properties (6)	105,442	\$ 59,147	\$ 561	\$ 51,463	\$ 488	\$ 110,610	\$ 1,049	\$ 28,795	\$ 273	\$ 53,747	\$ 510	\$ 82,542	\$ 783	\$ 193,152	\$ 1,832
New Acquisition Properties (7)	27,216	15,711	634	12,846	519	28,557	1,153	7,115	287	46,013	1,857	53,128	2,144	81,685	3,297
Other (8)	<u>7,386</u>	<u>13,246</u>		<u>11,869</u>		<u>25,115</u>		<u>14,364</u>		<u>35,267</u>		<u>49,631</u>		<u>74,746</u>	
Total	<u>140,044</u>	<u>\$ 88,104</u>		<u>\$ 76,178</u>		<u>\$ 164,282</u>		<u>\$ 50,274</u>		<u>\$ 135,027</u>		<u>\$ 185,301</u>		<u>\$ 349,583</u>	

(1) Total units exclude 10,446 unconsolidated units and 3,662 military housing (fee managed) units.

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

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

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

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

(6) Wholly Owned Properties acquired prior to January 1, 2005.

(7) Wholly Owned Properties acquired during 2005, 2006 and 2007. Per unit amounts are based on a weighted average of 24,776 units.

(8) Includes properties either partially owned or sold during the period, commercial space, corporate housing, condominium conversions and \$16.8 million included in building improvements spent on eighteen specific assets related to major renovations and repositioning of these assets.

EQUITY RESIDENTIAL

Discontinued Operations (Amounts in thousands)

	Nine Months Ended, September 30,		Quarter Ended September 30,	
	2007	2006	2007	2006
REVENUES				
Rental income	\$ 90,916	\$ 304,160	\$ 13,503	\$ 95,225
Total revenues	<u>90,916</u>	<u>304,160</u>	<u>13,503</u>	<u>95,225</u>
EXPENSES (1)				
Property and maintenance	36,881	101,064	8,111	32,023
Real estate taxes and insurance	11,271	38,408	1,565	11,087
Property management	291	8,896	27	2,959
Depreciation	24,518	66,720	3,191	13,788
General and administrative	34	704	22	197
Impairment	-	351	-	-
Total expenses	<u>72,995</u>	<u>216,143</u>	<u>12,916</u>	<u>60,054</u>
Discontinued operating income	17,921	88,017	587	35,171
Interest and other income	170	1,649	37	508
Interest (2):				
Expense incurred, net	(2,053)	(21,833)	4	(5,345)
Amortization of deferred financing costs	(1,329)	(838)	-	(64)
Discontinued operations	14,709	66,995	628	30,270
Minority Interests - Operating Partnership	(933)	(4,415)	(41)	(2,004)
Discontinued operations, net of minority interests	<u>13,776</u>	<u>62,580</u>	<u>587</u>	<u>28,266</u>
Net gain on sales of discontinued operations	848,495	522,328	463,172	20,031
Minority Interests - Operating Partnership	(53,795)	(34,421)	(29,921)	(1,326)
Gain on sales of discontinued operations, net of minority interests	<u>794,700</u>	<u>487,907</u>	<u>433,251</u>	<u>18,705</u>
Discontinued operations, net of minority interests	<u>\$ 808,476</u>	<u>\$ 550,487</u>	<u>\$ 433,838</u>	<u>\$ 46,971</u>

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

(2) Includes only interest expense specific to secured mortgage notes payable for properties sold and/or held for sale.

EQUITY RESIDENTIAL

Additional Reconciliations and Non-Comparable Items

(Amounts in thousands except per share data)
(All per share data is diluted)

FFO Reconciliations

	FFO Reconciliations Guidance Midpoint Q3 2007 to Actual Q3 2007	
	Amounts	Per Share
Guidance midpoint Q3 2007 FFO - Diluted (1) (2)	\$ 166,762	\$ 0.557
Property NOI	1,609	0.005
CFO charge (general and administrative expense)	(923)	(0.003)
Interest expense (excluding debt extinguishment):		
Share repurchase	(1,571)	(0.005)
Net acquisition/disposition activity and other	2,817	0.009
Amortization of deferred financing costs (excluding debt extinguishment)	(127)	-
Debt extinguishment costs:		
Prepayment penalties	516	0.002
Write-off of unamortized deferred financing costs	781	0.003
Net income - Condominium division (after taxes/overhead/operations)	1,231	0.004
Net gain on sales of land parcels	714	0.002
Other	576	0.002
Weighted average share count adjustment	-	0.009
Actual Q3 2007 FFO - Diluted (1) (2)	<u>\$ 172,385</u>	<u>\$ 0.585</u>

Non-Comparable Items (3)

	Nine Months Ended September 30,		Quarter Ended September 30,	
	2007	2006	2007	2006
Florida litigation reserve reduction (general and administrative expense)	\$ 1,667	\$ 2,843	\$ -	\$ -
Performance shares (general and administrative expense)	(429)	(2,702)	(210)	(1,131)
CFO charge (general and administrative expense)	(923)	-	(923)	-
Impairment (including discontinued operations)	(1,020)	(2,069)	(626)	(913)
Additional Rent.com proceeds (interest and other income)	-	3,690	-	3,690
Forfeited deposits (interest and other income)	144	2,315	104	2,125
Debt extinguishment costs (interest):				
Prepayment penalties	(3,339)	(2,901)	(298)	(9)
Write-off of unamortized deferred financing costs	(3,835)	(1,608)	(7)	(66)
Premium on redemption of Preference Interests	-	(684)	-	(1)
Premium on redemption of Preferred Shares	(6,144)	(3,941)	(6,144)	(3,941)
Net gain on sales of land parcels	5,230	3,183	714	2,937
Net incremental gain on sales of condominium units	19,965	31,431	6,371	12,878
Other	659	782	659	-
Net non-comparable items (3)	<u>\$ 11,975</u>	<u>\$ 30,339</u>	<u>\$ (360)</u>	<u>\$ 15,569</u>

Note: See page 29 for definitions, footnotes and reconciliations of EPS to FFO.

EQUITY RESIDENTIAL

The earnings guidance/projections provided below are based on current expectations and are forward-looking.

2007 Earnings Guidance (per share diluted)

	<u>Q4 2007</u>	<u>2007</u>
Expected FFO (1) (2)	\$0.59 to \$0.62	\$2.32 to \$2.35

2007 Same-Store Assumptions

Physical occupancy	94.5%
Revenue change	4.25%
Expense change	2.50%
NOI change	5.25%

(Note: 30 basis point change in NOI percentage = \$0.01 per share change in EPS/FFO)

2007 Transaction Assumptions

Rental acquisitions	\$1.6 billion
Rental dispositions	\$1.9 billion
Capitalization rate spread	100 basis points

2007 Debt Assumptions

Weighted average debt outstanding	\$9.1 billion - \$9.3 billion
Weighted average interest rate (reduced for capitalized interest and including prepayment penalties)	5.32%
Interest expense (including discontinued operations)	\$484.0 million - \$494.0 million

2007 Condominium Conversion Assumptions

Net incremental gain on sales of condominium units	\$21.0 million - \$22.8 million
Net income - Condominium division (after taxes/overhead/operations)	\$15.6 million - \$17.8 million
Number of condominium unit sales	620 units - 670 units

2007 Other Guidance Assumptions

General and administrative expense	\$46.0 million - \$48.0 million
Interest and other income	\$13.5 million - \$15.5 million
Net gain on sales of land parcels	\$6.4 million
Weighted average Common Shares and OP Units - Diluted	303.0 million

Note: See page 29 for definitions, footnotes and reconciliations of EPS to FFO.

EQUITY RESIDENTIAL

The earnings guidance/projections provided below are based on current expectations and are forward-looking.

Reconciliations of EPS to FFO for Pages 27 and 28

(Amounts in thousands except per share data)
(All per share data is diluted)

	Expected Q3 2007		Expected	Expected
	Amounts	Per Share	Q4 2007 Per Share	2007 Per Share
Expected Earnings - Diluted (4)	\$ 540,200	\$ 1.806	\$0.48 to \$0.51	\$3.41 to \$3.44
Add: Expected depreciation expense	156,700	0.524	0.52	2.03
Less: Expected net gain on sales (4)	(530,138)	(1.773)	(0.41)	(3.12)
Expected FFO - Diluted (1) (2)	<u>\$ 166,762</u>	<u>\$ 0.557</u>	<u>\$0.59 to \$0.62</u>	<u>\$2.32 to \$2.35</u>

Definitions and Footnotes for Pages 27 and 28

- (1) The National Association of Real Estate Investment Trusts ("NAREIT") defines funds from operations ("FFO") (April 2002 White Paper) as net income (computed in accordance with accounting principles generally accepted in the United States ("GAAP")), excluding gains (or losses) from sales of depreciable property, plus depreciation and amortization, and after adjustments for unconsolidated partnerships and joint ventures. Adjustments for unconsolidated partnerships and joint ventures will be calculated to reflect funds from operations on the same basis. The April 2002 White Paper states that gain or loss on sales of property is excluded from FFO for previously depreciated operating properties only. Once the Company commences the conversion of units to condominiums, it simultaneously discontinues depreciation of such property. FFO available to Common Shares and OP Units is calculated on a basis consistent with net income available to Common Shares and reflects adjustments to net income for preferred distributions and premiums on redemption of preferred shares in accordance with accounting principles generally accepted in the United States. 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 "Minority Interests - Operating Partnership". Subject to certain restrictions, the Minority Interests - Operating Partnership may exchange their OP Units for EQR Common Shares on a one-for-one basis.
- (2) The Company believes that FFO and FFO available to Common Shares and OP 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 related to dispositions of depreciable property and excluding real estate depreciation (which can vary among owners of identical assets in similar condition based on historical cost accounting and useful life estimates), FFO and FFO available to Common Shares and OP Units can help compare the operating performance of a company's real estate between periods or as compared to different companies. FFO and FFO available to Common Shares and OP Units do not represent net income, net income available to Common Shares or net cash flows from operating activities in accordance with GAAP. Therefore, FFO and FFO available to Common Shares and OP Units should not be exclusively considered as alternatives to net income, net income available to Common Shares or net cash flows from operating activities as determined by GAAP or as a measure of liquidity. The Company's calculation of FFO and FFO available to Common Shares and OP 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.
- (3) Non-comparable items are those items included in FFO that by their nature are not comparable from period to period, such as net incremental gain on sales of condominium units, impairment charges, debt extinguishment costs and redemption premiums on Preferred Shares/Preference Interests.
- (4) Earnings represents net income per share calculated in accordance with accounting principles generally accepted in the United States. Expected earnings is calculated on a basis consistent with actual earnings. Due to the uncertain timing and extent of property dispositions and the resulting gains/losses on sales, actual earnings could differ materially from expected earnings.