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May 1, 2012

Ms. Louise Dorsey
Associate Chief Accountant
Division of Corporation Finance
United States Securities and Exchange Commission
100 F Street, N.E.
Mail Stop 4561
Washington, DC 20549

Re: Proposed Acquisitions by Equity Residential

Dear Ms. Dorsey:

Equity Residential, a Maryland real estate investment trust ("EQR"), and its subsidiary and operating partnership, ERP Operating Limited Partnership, an Illinois limited partnership ("ERP OP", and, together with EQR, the "Company"), respectfully request the concurrence of the staff (the "Staff") of the Securities and Exchange Commission (the "SEC") with their view regarding the historical financial statements and pro forma financial information that would be required to be filed as a result of the potential acquisition by the Company of certain real estate assets directly or indirectly held by a privately held owner and operator of multifamily real estate properties ("Target"), a third party unrelated to the Company. To facilitate the Staff's analysis, we have summarized the potential transaction below (the "Acquisition Transactions") and our proposed application of Regulation S-X thereto.

1. The Company and Target.

EQR is one of the largest publicly traded real estate companies with an equity market capitalization of over \$18 billion and is the largest publicly traded owner of multifamily properties in the United States. As of December 31, 2011, EQR had a book value of approximately \$16.7 billion in total assets, consisting primarily of 427 multifamily properties located in 15 states and the District of Columbia with an aggregate of over 120,000 apartment units.

Target owns a group of apartment properties primarily located in top U.S. growth markets. As of December 31, 2011, the portfolio consisted of 47,270 consolidated and stabilized apartment units, 1,332 apartment units under construction, land sites for the potential development of 5,243 apartment units and approximately 10,000 apartment units owned in unconsolidated joint ventures with third parties. The portfolio also includes approximately 800 wholly-owned and approximately 13,000 unconsolidated joint-venture owned apartment units in Germany.

2. Potential Acquisition Transactions.

On March 28, 2012, the Company, together with another unrelated third party purchaser (the "Other Purchaser"), submitted a non-binding indication of interest to the owners of Target to acquire the assets and liabilities of Target. Under the proposed transaction structure, the Company

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and the Other Purchaser expect that the Company would acquire approximately 60% of Target's assets through various transactions described below and the Other Purchaser would acquire approximately 40% of Target's assets through various transactions. As currently contemplated, the structure with respect to the acquisition of Target's assets and liabilities would consist of the following transactions. A diagram highlighting the structure of the assets being acquired following the Acquisition Transactions is attached to this letter as Exhibit A.

- a. Acquisition of Real Estate Assets by the Company: At the closing of the Acquisition Transactions (the "Closing"), the Company will acquire the following assets (collectively, the "Company Acquired Assets") from Target and certain of its subsidiaries (including assets to be acquired from Continuing Interest JV, as described in paragraph e below) in exchange for cash and/or limited partnership interests in the Company or one of its subsidiaries: (i) 82 wholly owned operating real estate assets with an approximate allocated gross purchase price of \$8.85 billion (either by deed or acquisition of the interests in the single-purpose entity that owns the applicable property), (ii) interests in unconsolidated joint ventures whose sole assets consist of four operating real property assets with an approximate allocated gross purchase price of \$265.4 million, and (iii) wholly owned and joint venture assets consisting of vacant land and under development real estate with an approximate allocated gross purchase price of \$238.6 million.
- b. Acquisition of Real Estate Assets by the Other Purchaser: At the Closing, the Other Purchaser will acquire the following assets from Target and certain of its subsidiaries (including assets to be acquired from Continuing Interest JV, as described in paragraph e below) in exchange for cash and/or limited partnership interests in the Other Purchaser or one of its subsidiaries: (i) wholly owned operating real estate assets (either by deed or acquisition of the interests in the single-purpose entity that owns the applicable property), (ii) interests in unconsolidated joint ventures whose sole assets consist of operating real property assets, and (iii) wholly owned and joint venture assets consisting of vacant land and under development real estate. The aggregate approximate allocated gross purchase price of the assets described in this paragraph 2b expected to be acquired by the Other Purchaser is \$6.22 billion.
- c. Acquisition of Certain Other Real Estate Assets: At the Closing, interests in various real estate assets will be acquired from Target for cash by (i) the Company, or (ii) the Other Purchaser, or (iii) a newly-formed joint venture between the Company and the Other Purchaser ("Residual Asset JV"), or (iv) a combination of the foregoing. Initially, these assets will consist of the following:
- interests in unconsolidated joint ventures whose sole assets consist of 26 operating real property assets with an approximate allocated gross purchase price of \$300.3 million;
 - wholly-owned and joint venture assets consisting of vacant land and under development real estate with an approximate allocated gross purchase price of \$224.1 million;
 - 10 wholly owned and approximately 235 unconsolidated joint venture real estate assets in Target's German fund portfolio and Target's wholly owned German fund manager with an approximate allocated gross purchase price of \$178.2 million;

- management contracts with respect to the management by Target of various real estate properties accounted for by Target under the equity method of accounting, with annual fee income of approximately \$18 million (we note that the annual revenue of the consolidated Company Acquired Assets described in paragraph 2a above is currently estimated to be approximately \$660 million);
- management contracts with respect to the management by Target of various real estate properties owned entirely by third parties, with annual fee income of approximately \$2 million; and
- as described below, for a limited period of time, the operating platform, including certain Target employees.

In the event that any of these assets are acquired by Residual Asset JV, Residual Asset JV's assets will solely consist of assets that were not selected for acquisition by the Company or the Other Purchaser because they do not fit the Company's or the Other Purchaser's core strategy or asset class, and the Company and the Other Purchaser have determined to divest such assets as promptly as reasonably possible, subject to market and other economic conditions. It is also expected that the Company will hold an approximately 60% interest in Residual Asset JV and the Other Purchaser will hold approximately 40% of the interests in Residual Asset JV. While the accounting treatment of Residual Asset JV has not yet been finally determined, it is currently expected that the Company will account for Residual Asset JV using the equity method of accounting.

- d. Target Employees and Operating Platform: Because both the Company and the Other Purchaser are large real estate companies with already existing national operating platforms, neither the Company nor the Other Purchaser is currently anticipating acquiring Target's operating platform (which is engaged in only a de minimis amount of third party property management) and the Company has not attributed any transaction value to such operating platform. The Company views the operating platform of Target as duplicative of the Company's operational infrastructure and, as such, does not require but may utilize Target's operating platform for a transitional period only. As stated above, neither the Company nor the Other Purchaser intend to hold the assets to be owned by Residual Asset JV for an extended period of time because such assets do not fit their current strategy or asset class. As a result, it is currently expected that the operating platform and corporate level personnel will be owned by Residual Asset JV for a limited transition period necessary to divest of the assets that will be acquired by Residual Asset JV, which divestiture, as stated above, is expected to occur as promptly as reasonably possible, subject to market and other economic conditions. Regional and property-level employees will be interviewed by the acquirer purchasing the relevant property and may be retained. These employees are generally engaged solely in the operation of the real estate assets being acquired. Instead, the Company expects to allocate substantially all of the purchase price it is paying in the Acquisition Transactions to the real estate assets it is acquiring directly or indirectly.
- e. Joint Venture Arrangement: At the Closing, the Company and the Other Purchaser will form another joint venture (separate from the Residual Asset JV) (the "Continuing

Interest JV") that will acquire all of the then-outstanding equity interests held by Target in each of its subsidiaries for cash. Immediately prior to such transaction, it is expected that the sole assets of the remaining subsidiaries of Target will consist of indirect interests in real property assets.

Immediately following the acquisition by the Continuing Interest JV of such interests in Target's subsidiaries, the Company will acquire from the applicable Target subsidiary real property assets in exchange for the issuance to such subsidiary of limited partnership interests in the Company or one of its subsidiaries. These real property assets comprise a portion of the Company Acquired Assets described in paragraph 2a above. In addition, the Other Purchaser will acquire from the applicable Target subsidiary real property assets in exchange for the issuance to such subsidiary of limited partnership interests in the Other Purchaser or one of its subsidiaries. These real property assets comprise a portion of the assets described in paragraph 2b above.

Continuing Interest JV is being created as a means to acquire a portion of the assets from Target in a tax deferred contribution transaction. Following the acquisition of these real property assets by the Company or the Other Purchaser, as applicable, it is expected that (i) the Continuing Interest JV's sole assets will be indirect interests in the limited partnership interests in the Company and the Other Purchaser or one or more of their respective subsidiaries, (ii) the Company will hold approximately 33% of the interests in the Continuing Interest JV, and (iii) the Other Purchaser will hold approximately 67% of the interests in the Continuing Interest JV, with each party only having control over and economic rights with respect to profits and losses relating to the indirectly-held limited partnership interests in itself or one or more of its subsidiaries. As a result, the Company has preliminarily determined that the Continuing Interest JV should be disregarded for accounting purposes (because the Company's interest in its own limited partnership interests will be eliminated in consolidation) and for purposes of the presentation of the Target's historical financial statements under Regulation S-X.

3. Identification of Financial Statement Requirements for Real Estate Operations to be Acquired under Rule 3-14.

- a. Company Acquired Assets: With respect to the Company Acquired Assets, we considered whether separate pre-acquisition historical financial statements prepared in accordance with S-X Rule 3-14 or S-X Rule 3-05 would be required. Rule 3-05 financial statements are required when the acquisition of a significant business has occurred or is probable. Rule 3-14 provides for reduced financial statement requirements for acquisitions of real estate operations. Indeed, Section 2305.2 of the Division of Corporation Finance's Financial Reporting Manual (the "Reporting Manual") clarifies that the application of Rule 3-14 is limited to real estate operations and is "premised on the continuity and predictability of cash flows ordinarily associated with commercial and apartment property leasing." Approximately 97.5% of the Company Acquired Assets are operating real estate assets (or investments in entities the sole assets of which are operating real estate assets) with

predictable and continuous cash flows under short- and long-term operating leases with unrelated tenants. The remaining Company Acquired Assets consist of vacant land and newly constructed properties that would be excluded from the reporting requirements of Rule 3-14 in accordance with Section 2330.10 of the Reporting Manual.

The Company has concluded that the Acquisition Transactions, when taken as a whole, do not represent the acquisition of a "business" for reporting purposes as defined in Section 11-01(d) of Regulation S-X. First, substantially all of the assets proposed to be acquired represent direct or indirect interests in apartment buildings, and the Company Acquired Assets represent only approximately 60% of the assets of Target. Second, although the nature of the revenue producing activity of the assets acquired will generally remain the same after the Acquisition Transactions, such activities are real estate operations more appropriately represented through Rule 3-14 financial statements. Furthermore, financial statements prepared in accordance with Rule 3-05 would not be meaningful to investors because the real estate assets, related depreciation expense, financing costs, management costs, property tax expense and other financial information would not be comparable prior to and after the acquisition by the Company of such assets. As such, we believe that the financial statements of the Company Acquired Assets should be prepared in accordance with Rule 3-14, rather than Rule 3-05, and will include (i) an audited combined income statement of the Company Acquired Assets for the most recent fiscal year and (ii) an unaudited combined income statement for the most recent year-to-date interim period.

- b. Residual Asset JV: As noted above, following the Closing, the Company expects to hold approximately 60% of the interests in Residual Asset JV, which entity's assets will consist primarily of unconsolidated indirect interests in real property. The Company requests that the Staff confirm that such interests in Residual Asset JV should be considered as an acquisition of real estate operations requiring Rule 3-14 financial statements (rather than the acquisition of a business for reporting purposes requiring Rule 3-05 financial statements). In particular, Residual Asset JV is expected to own the assets described in paragraph 2c above.

Because substantially all of the assets of Residual Asset JV will consist of wholly-owned or joint venture investments in real estate properties, the Company expects that, consistent with Sections 2305.2, 2305.3 and 2305.4 of the Reporting Manual, that Residual Asset JV should be reported presenting Rule 3-14 financial statements in lieu of Rule 3-05 financial statements. The Company notes that Section 2305.3 of the Reporting Manual contemplates that, with respect to a pre-existing partnership, 3-14 financial statements are appropriate where the partnership has "no operations other than holding real estate and related debt." However, the Company believes that, because Residual Asset JV will have only de minimis assets other than real estate, that 2305.3 should still be applicable to the acquisition of Residual Asset JV.

Residual Asset JV's assets will consist primarily of interests in joint-venture owned real property assets with predictable and continuous cash flows under short- and long-term operating leases with unrelated tenants. Following the Closing, these real property assets will be managed and operated by the Company and/or the Other Purchaser and the depreciation expense, financing costs, management costs, property tax expense and other financial information related to these assets will not be comparable to the operation of the assets by Target prior to Closing. As noted above, the Target employee platform held by Residual Asset JV is expected to be discontinued shortly following Closing. Therefore, the Company respectfully requests that the Staff concur with the Company's view that the acquisition of the assets to be held by Residual Asset JV be considered the acquisition of real estate operating assets rather than the acquisition of a business.

Notwithstanding the above, the Company requests that the Staff not object if the historical financial statements relating to assets to be held by the Residual Asset JV are wholly excluded from the Company's S-X 3-14 financial statement presentation because they represent a very small and separate part of the acquisition of real estate assets from the Target. Residual Asset JV includes approximately \$702.6 million in assets, of which the Company's ownership will be only 60%, or \$421.6 million, as compared to \$9.78 billion, or approximately 4.3% of the assets being acquired by the Company in the Acquisition Transactions. As a result, Residual Asset JV is immaterial to an investor's understanding of the Company and the assets it is acquiring and should be evaluated separately from the Company's acquisition of the Company Acquired Assets. The Company believes that the presentation of historical financial statements of the properties to be held by Residual Asset JV would not be meaningful to investors and would not materially impact the financial statements of the Company Acquired Assets. Because the assets in Residual Asset JV consist of miscellaneous assets that the Company and the Other Purchaser have determined to divest as promptly as possible, the Company only expects to have an interest in Residual Asset JV for a limited period of time. Further, the audit of the 235 foreign assets held indirectly by Residual Asset JV, as minority unconsolidated equity method investments of Target, will require the Company to expend unreasonable time and expense relative to the importance to investors. As such, the Company has concluded that no historical financial statements should be required with respect to the Residual Asset JV in the Company's acquisition-related filings and respectfully requests that the Staff not object to the exclusion of such assets from the S-X 3-14 financial statements to be prepared in connection with the Acquisition Transactions. The Company will, however, include the necessary pro forma adjustments for its investment in Residual Asset JV in its pro forma financial statements (as set forth below).

- c. Pro forma Financial Information: As required by Article 11 of Regulation S-X, the

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Company will also provide pro forma financial information as described by Rule 11.02 as follows: (x) pro forma consolidated balance sheet of the Company as of the end of the most recent period for which a consolidated balance sheet is required by S-X Rule 3-01; (y) pro forma consolidated statement of operations of the Company for the fiscal year ended December 31, 2011; and (z) pro forma consolidated statement of operations to the most recent interim date for which a balance sheet is required. The pro forma adjustments will reflect the acquisition of the Company Acquired Assets and the acquisition of an investment in Residual Asset JV as if the Acquisition Transactions occurred on January 1, 2011, including the assumption of any indebtedness in connection therewith. The pro forma financial adjustments will also provide for the factually supportable information about the properties to be acquired that is required under Rule 11.02.

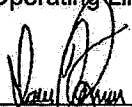
The Company has concluded that the Company's acquisition of the Company Acquired Assets are properly treated as acquisitions of real estate operations requiring Rule 3-14 financial statements. If the staff does not object to the Company's request to exclude the assets to be held by Residual Asset JV, this treatment will result in the Company providing the financial statements under Rule 3-14 for approximately \$9.35 billion of the \$9.78 billion in total assets to be acquired by the Company and properly balances the protection of investors with the practicality of financial reporting for this complex transaction.

We have reviewed the contents of this letter with our independent public accounting firm, who do not object to our proposed presentation.

We respectfully request the Staff's views regarding our application of Regulation S-X to the transactions described in this letter and thank you in advance for your consideration of these issues. We welcome the opportunity to speak with you to discuss the analyses set forth in this letter. Please contact me at 312-928-1298 to set up a time that is convenient for you.

Very Truly Yours,

Equity Residential and
ERP Operating Limited Partnership

By: 
Name: Ian Kaufman
Title: Senior Vice President and Chief
Accounting Officer

cc: Mike Kamienski
Ernst & Young LLP

Exhibit A: Structure Following Transaction

