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AvalonBay Communities to Offer 4.75 Million Shares of Common Stock

ARLINGTON, Va.--(BUSINESS WIRE)-- **AvalonBay Communities, Inc. (NYSE: AVB)** announced today that it intends to offer approximately 4,750,000 shares of its common stock. All of the shares of common stock will be offered by the Company and will be issued under an existing shelf registration statement. The Company expects to use the net proceeds from the offering to fund investment activity, including development, redevelopment and acquisitions and general corporate purposes.

Morgan Stanley will act as bookrunner for the offering. A prospectus supplement relating to the offering will be filed with the Securities and Exchange Commission. When available, the prospectus supplement and accompanying base prospectus relating to the offering may be obtained from Morgan Stanley & Co. LLC, 180 Varick Street, 2nd Floor, New York, New York 10014, Attention: Prospectus Department, telephone: (866) 718-1649 or email: prospectus@morganstanley.com.

A registration statement relating to the common stock has been filed with the Securities and Exchange Commission and has become effective. This press release shall not constitute an offer to sell or the solicitation of an offer to buy, nor shall there be any sale of the common stock in any jurisdiction in which such offer, solicitation or sale would be unlawful prior to registration or qualification under the securities laws of any such jurisdiction. Any offer or sale will be made only by means of a prospectus supplement, prospectus or authorized free writing prospectus which have or will be filed with the Securities and Exchange Commission.

About AvalonBay Communities

As of June 30, 2011, AvalonBay Communities, Inc., headquartered in Arlington, Virginia, owned or held an ownership interest in 195 apartment communities containing 56,516 apartment homes in ten states and the District of Columbia, of which 13 communities were under construction and eight communities were under reconstruction. AvalonBay is in the business of developing, redeveloping, acquiring, and managing apartment communities in high barrier-to-entry markets of the United States. More information on AvalonBay, an S&P 500 company, may be found on the Company's Web site at <http://www.avalonbay.com>.

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