AvalonBay
COMMUNITIES

INVESTOR PRESENTATION

SEPTEMBER 2024

Avalon Montville
Montville, NJ

IMPORTANT INFORMATION

See Appendix for information about forward-looking statements and definitions and reconciliations of non-GAAP financial measures and other terms. For the reasons described in the referenced forward-looking statements our historical results may not be indicative of future results.

The projections for AvalonBay Communities, Inc. included in this presentation were originally included in its July 31, 2024, earnings release, or its August 1, 2024, earnings conference call, both of which are available under “Investor Relations” at www.avalonbay.com. These projections are provided for historical reference and have not been reviewed or updated for purposes of this presentation, and the inclusion of these projections in this presentation is not a reaffirmation of these projections or a confirmation with respect to the accuracy of the projections as of any date after the date of the earnings release or the date of the earnings conference call, as applicable. The projections were based on the expectations, forecasts, and assumptions on the date of the earnings release or the date of the earnings conference call, as applicable, which may not be realized and/or may have changed since that date and involve risks and uncertainties that might not be anticipated or could not be predicted accurately. These could cause these projections to be inaccurate as of any date after the date of the earnings release or the date of the earnings conference call, as applicable, and may also cause actual results to differ materially from those expressed or implied by the projections, as described in “Forward-Looking Statements” in the Appendix.

AvalonBay does not undertake a duty to update any projections or other forward-looking statements contained in this presentation, including but not limited to its expected 2024 operating results and other financial and economic data forecasts. AvalonBay may, in its discretion, provide information in future public announcements regarding its outlook that may be of interest to the investors, analysts and other members of the financial and investment communities. The format and extent of future outlooks may be different from the format and extent of the information contained in this presentation.

AvalonBay files annual, quarterly and current reports, proxy statements and other information with the Securities and Exchange Commission (the “SEC”). Our SEC filings are available to the public free of charge from the SEC website at www.sec.gov and on our website at the address above. You should read this presentation in conjunction with our Annual Report on Form 10-K for the year ended December 31, 2023, and the Quarterly Reports on Form 10-Q, Current Reports on Form 8-K and other reports and documents we file with the SEC after the date of this presentation before you make any investment decisions involving AvalonBay and its securities.

The date of this presentation is September 4, 2024.

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Avalon Woburn
Woburn, MA

2024 YTD HIGHLIGHTS

SECTOR-LEADING PROJECTED FULL YEAR 2024[1]
CORE FFO PER SHARE GROWTH
SAME STORE REVENUE GROWTH

➢ Operating fundamentals stronger-than-anticipated

- → 1H results exceeded expectations
- → In July, increased full year Projected Core FFO per share, Same Store Residential revenue and NOI growth outlooks by 110 bps, 40 bps, and 80 bps, respectively[2]
- → Increased projected new Development start volume from $870M to $1.05B

➢ Same Store Residential portfolio continues to perform well in 3Q

- → Economic occupancy stable in the mid-95% range; turnover below historical levels
- → Like-Term Effective Rent Change healthy; Suburban > Urban

➢ Lease-ups materially outperforming expectations[3]

- → > $900 million of new Development in lease-up
- → Rents 11% > initial projections and yields 40 bps > initial projections

➢ Balance sheet well-positioned

- → 4.2x Net Debt-to-Core EBITDAre; Development activity underway > 95% Match-Funded at the end of 2Q

Source: Internal company reports.
See Appendix for a definition of Projected Core FFO, Same Store, Residential, Like-Term Effective Rent Change, and Match-Funded (Development Underway), including a reconciliation.
(1) Includes the most recent publicly available full year 2024 guidance midpoints, as of September 1, 2024, for Projected Core FFO per share growth and Same Store Residential revenue growth (or the equivalent metrics) for AVB, EQR, ESS, UDR, MAA, and CPT.
(2) Outlook provided on July 31, 2024; prior outlook provided on April 25, 2024 (basis point increases based on the midpoints of the ranges provided).
(3) See page 26 in this presentation for additional details.

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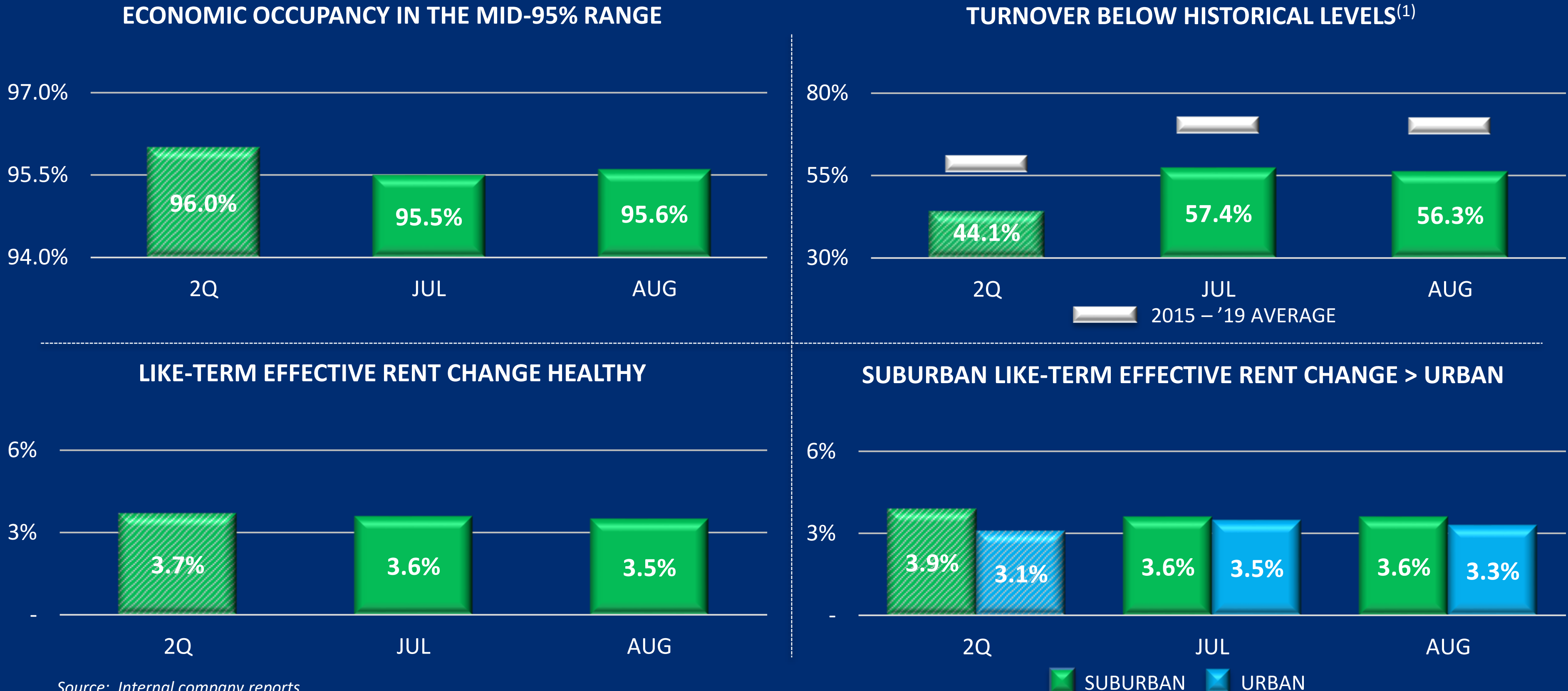
3Q 2024 OPERATING UPDATE

2024 SAME STORE RESIDENTIAL



Source: Internal company reports.
See Appendix for a definition of Suburban and Urban.
(1) Turnover is the annualized number of units turned over during the period, divided by the total number of Same Store apartment homes for the respective period, and excludes any third-party managed communities.

AvalonBay COMMUNITIES

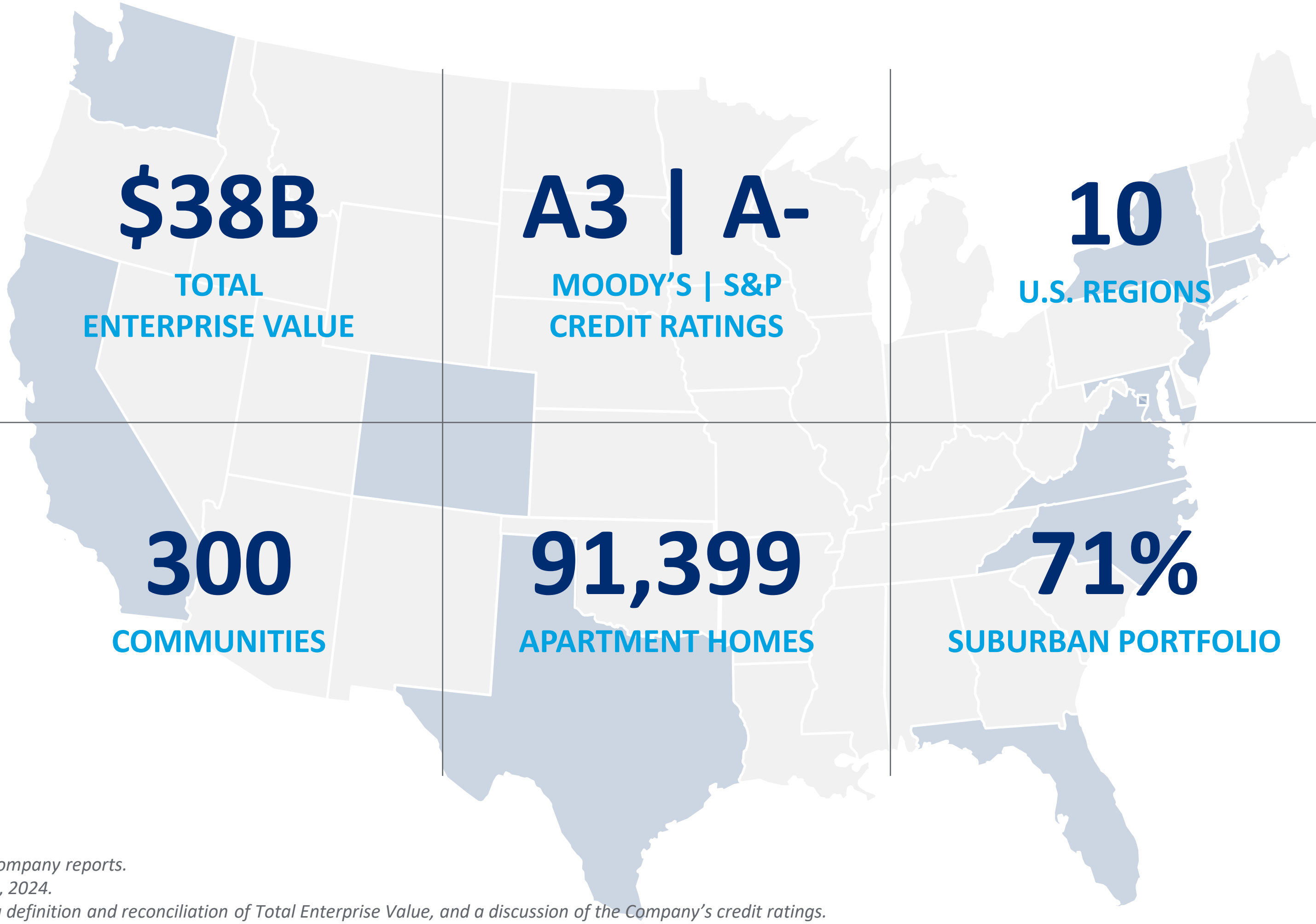
Strategic focus areas

- Advance ***operating model transformation*** by driving efficiency and incremental revenue
- ***Leverage development capabilities*** to deliver differentiated growth, while increasing Structured Investment Program commitments
- ***Optimize portfolio*** by increasing allocation to Suburban submarkets and Expansion Regions, and by making accretive investments in the existing portfolio
- ***Utilize balance sheet strength*** to pursue accretive investment opportunities that align with strategic objectives

ABOUT AVALONBAY

Avalon Brea Place
Brea, CA

LARGEST PUBLICLY-TRADED MULTIFAMILY REIT; S&P 500 COMPANY



$38B
TOTAL ENTERPRISE VALUE

A3 | A-
MOODY'S | S&P CREDIT RATINGS

10
U.S. REGIONS

300
COMMUNITIES

91,399
APARTMENT HOMES

71%
SUBURBAN PORTFOLIO

Source: Internal company reports.
Data as of June 30, 2024.
See Appendix for a definition and reconciliation of Total Enterprise Value, and a discussion of the Company's credit ratings.
Largest publicly-traded multifamily REIT based on Total Enterprise Value.

30-YEARS OF OUTSTANDING GROWTH

1993	1998	2007	2011	2013	2017	2021
AVALON PROPERTIES IPO	AVALON & BAY MERGER	JOINS S&P 500 CENTRALIZED CUSTOMER CARE CENTER OPENS	FIRST ESG REPORT	ARCHSTONE ACQUISITION	EXPANDS TO DENVER & SOUTHEAST FLORIDA	EXPANDS TO CHARLOTTE, RALEIGH-DURHAM, DALLAS-FORT WORTH, & AUSTIN

POWERED BY PEOPLE, PURPOSE & CULTURE

CREATING A BETTER WAY TO LIVE —

- COMMITMENT TO INTEGRITY
- SPIRIT OF CARING
- FOCUS ON CONTINUOUS IMPROVEMENT

Source: Internal company reports.

AvalonBay COMMUNITIES

STRONG SHAREHOLDER RETURNS, AND A RECOGNIZED INDUSTRY LEADER

2,939%

CUMULATIVE TOTAL SHAREHOLDER RETURN SINCE IPO[(1)]

11.8%

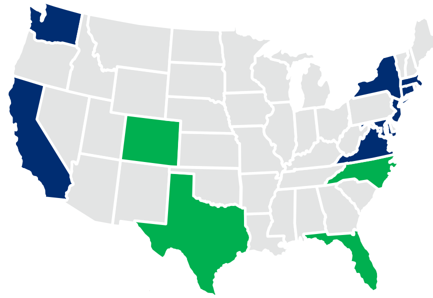
ANNUALIZED TOTAL SHAREHOLDER RETURN SINCE IPO[(1)]

4.9%

ANNUALIZED DIVIDEND GROWTH SINCE 2000

Source: Internal company reports.
Data as of June 30, 2024.
See Appendix for an explanation of the Total Shareholder Return and Dividend Growth calculations.
(1) IPO (initial public offering) for Avalon Properties completed November 18, 1993.

Irreplaceable portfolio in Established Regions; optimizing portfolio for growth in Expansion Regions



ESTABLISHED REGIONS		EXPANSION REGIONS
NEW ENGLAND, METRO NY/NJ, MID-ATLANTIC, SEATTLE (WA), NORTHERN AND SOUTHERN CALIFORNIA		RALEIGH-DURHAM & CHARLOTTE (NC), SOUTHEAST FLORIDA, DALLAS & AUSTIN (TX), DENVER (CO)
92%	CURRENT ALLOCATION	**8%**
21	AVERAGE AGE YEARS	**5**
69% | 31%	SUBMARKET ALLOCATION SUBURBAN | URBAN	**88% | 12%**
70% | 30%	QUALITY CLASS A | CLASS B	**93% | 7%**

Source: Internal company reports.
Data as of June 30, 2024.
See Appendix for a discussion of Current Allocation, and definitions of Suburban, Urban, Class A, and Class B.

STRATEGIC FOCUS AREA: OPERATING MODEL TRANSFORMATION

DIGITAL, SELF-SERVE CUSTOMER EXPERIENCES

TECHNOLOGY, AI, DATA, DIGITAL TOOLS

CENTRALIZATION

NEIGHBORHOOD ORGANIZATIONAL MODEL

HORIZON 1		HORIZON 2		TOTAL
$ 55M	+	$ 25M	=	$ 80M
PROJECTED ANNUAL INCREMENTAL NOI		PROJECTED ANNUAL INCREMENTAL NOI		PROJECTED ANNUAL INCREMENTAL NOI
≈ 2/3RDS PROJECTED TO BE ACHIEVED BY YEAR-END 2024; REMAINDER BY YEAR-END 2025		OVER THE NEXT FEW YEARS		

Source: Internal company reports.
See Appendix for a discussion of Incremental NOI.

AvalonBay COMMUNITIES

STRATEGIC FOCUS AREA: LEVERAGE DEVELOPMENT CAPABILITIES

LONG-STANDING TRACK RECORD

VERTICAL INTEGRATION GENERATES UNIQUE VALUE

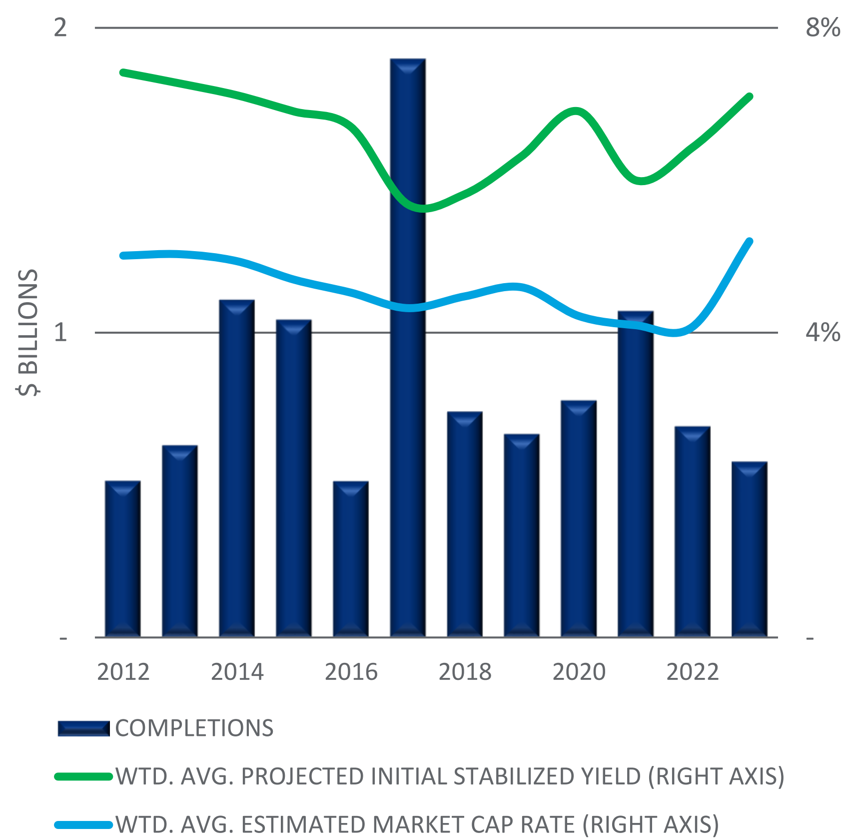
DEVELOPMENT
CONSTRUCTION
OPERATIONS

MEANINGFUL NEAR-TERM EARNINGS GROWTH FROM DEVELOPMENT UNDERWAY

NEW SOURCES OF GROWTH

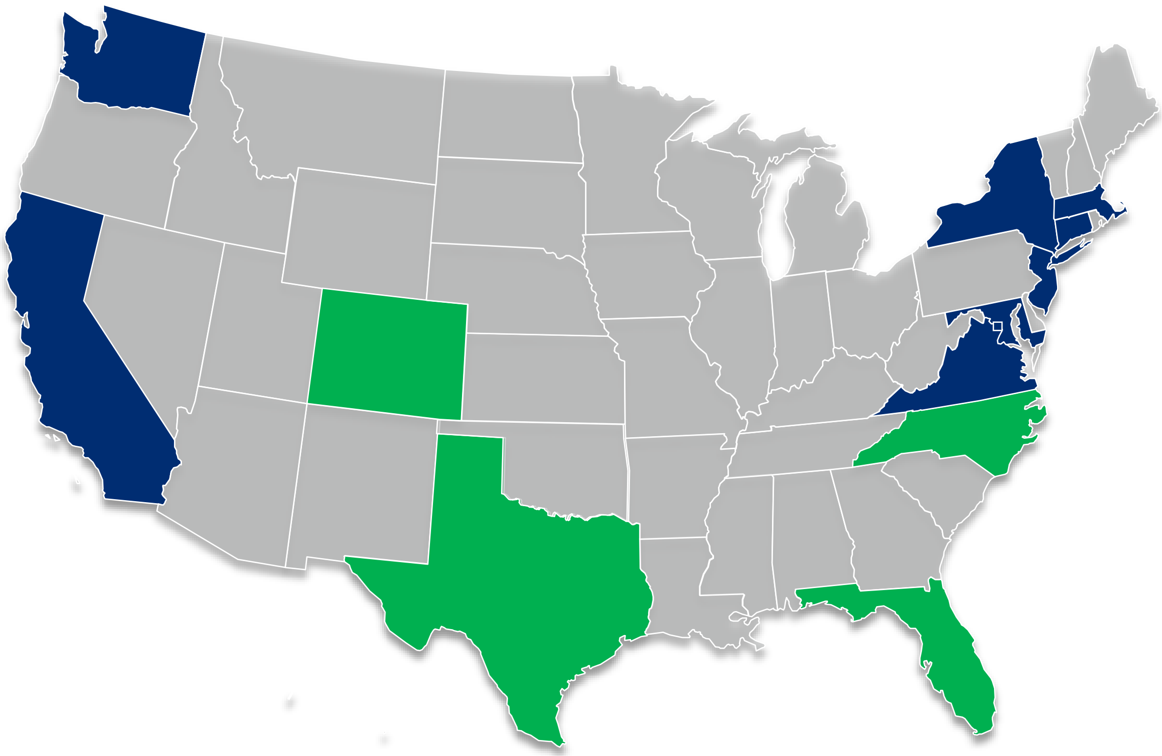
DEVELOPER FUNDING PROGRAM
STRUCTURED INVESTMENT PROGRAM

DEVELOPMENT ACTIVITY



Source: Internal company reports.
See Appendix for definitions of Initial Stabilized Yield and Market Cap Rate.

STRATEGIC FOCUS AREA: OPTIMIZE PORTFOLIO



AVB ESTABLISHED REGIONS

AVB EXPANSION REGIONS

SUBURBAN SUBMARKET ALLOCATION

71% → 80%

CURRENT | TARGET

EXPANSION REGION ALLOCATION

8% → 25%

CURRENT | TARGET

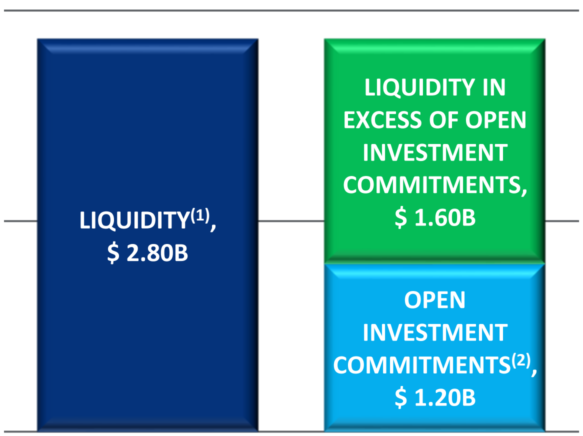
DENVER
SOUTHEAST FLORIDA
RALEIGH-DURHAM
CHARLOTTE
DALLAS-FORT WORTH
AUSTIN

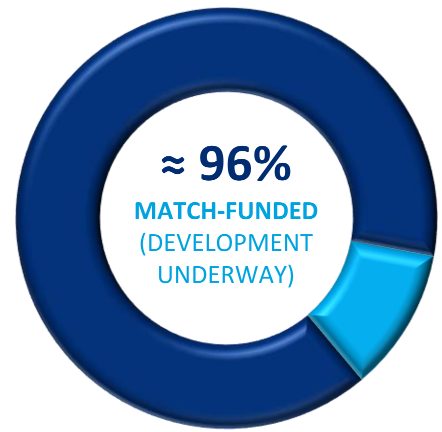
Source: Internal company reports.
See Appendix for a discussion of Current Allocation and Target Allocation.
Data as of June 30, 2024.

STRATEGIC FOCUS AREA: PRESERVE BALANCE SHEET STRENGTH

INTEGRATED CAPITAL MANAGEMENT

- **MANAGE LIQUIDITY & BORROWING CAPACITY**
- **OPTIMIZE SOURCING OF CAPITAL**
- **MATCH-FUND NEW COMMITMENTS**





Source: Internal company reports.
Data as of June 30, 2024.
See Appendix for a definition and reconciliation of Match-Funded (Development Underway).
(1) Includes cash and cash equivalents and the Company's $2.25 billion unsecured revolving credit facility, which did not have any borrowings outstanding as of June 30, 2024.
(2) Includes Development – Total Capital Cost, remaining to invest and unfunded Structured Investment Program commitments.

Adding value through ESG priorities

COMMUNITY IMPACT

- Jurisdictional reputation
- Community involvement
- Associate engagement

INCLUSION & DIVERSITY

- Associate | resident alignment
- Innovation & creativity
- Attracting & retaining top talent

ENVIRONMENTAL SUSTAINABILITY

- Operating cost savings
- Alignment with rapidly changing codes
- Manage physical climate risk
- Reduce resident utility costs

Source: Internal company reports.

2Q 2024
PERFORMANCE REVIEW

Avalon at Cahill Park
San Jose, CA

REVIEW OF 2Q AND 1H RESULTS AND ACTIVITY

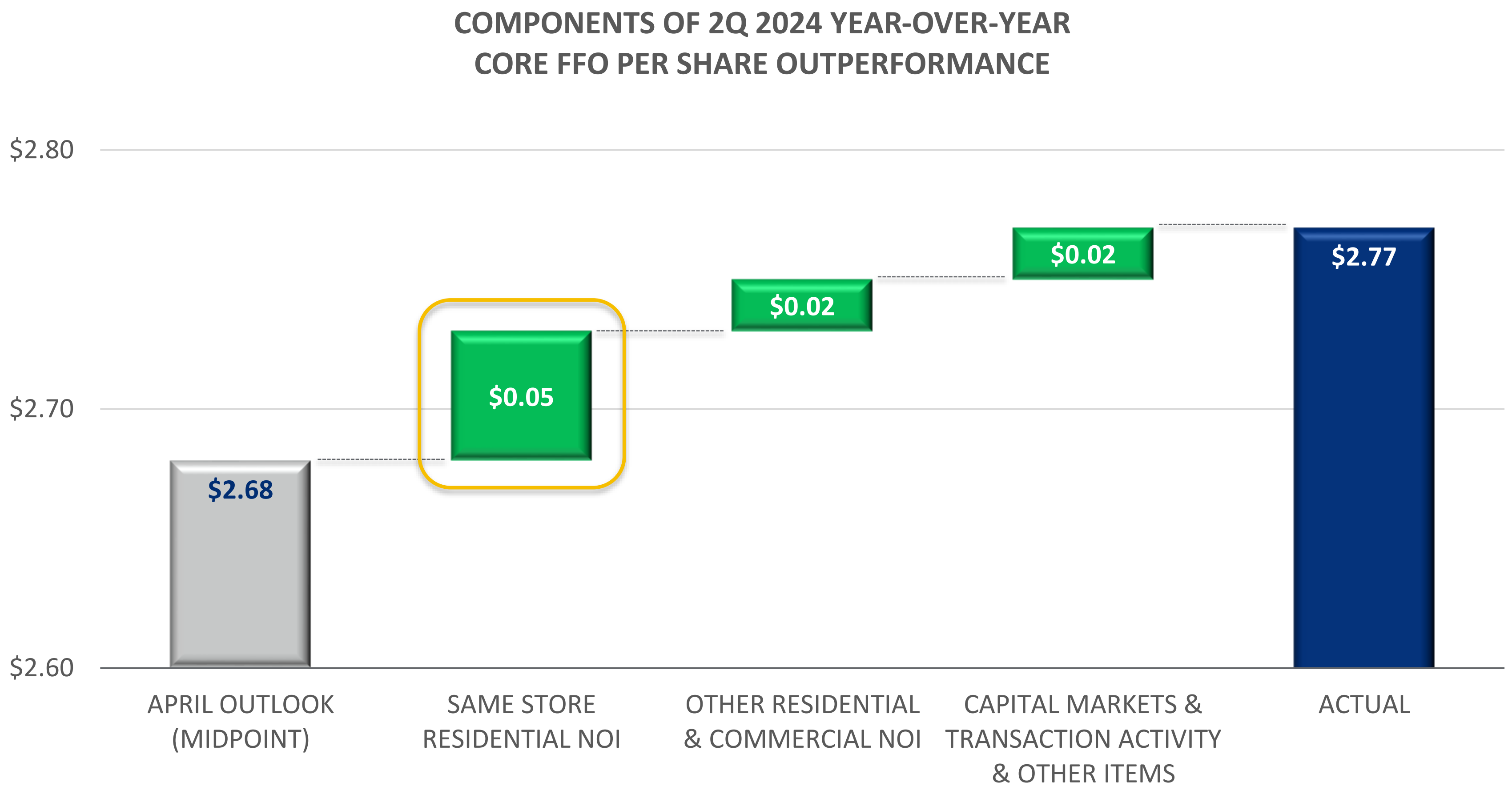
2Q AND 1H 2024 RESULTS AND ACTIVITY	2Q	1H
CORE FFO PER SHARE YEAR-OVER-YEAR GROWTH	4.1%	4.6%
SAME STORE RESIDENTIAL REVENUE YEAR-OVER-YEAR GROWTH	3.2%	3.7%
DEVELOPMENT COMPLETIONS | WTD. AVG. PROJECTED INITIAL STABILIZED YIELD(1)	$ 350M | 7.7%	$ 350M | 7.7%
DEVELOPMENT STARTS	$ 385M	$ 385M

OTHER ACTIVITY	YTD THRU JULY
CAPITAL RAISED | WTD. AVG. COST OF CAPITAL(2)	$ 905M | 5.1%

Source: Internal company reports.
See Appendix for a reconciliation of Net Income attributable to common stockholders to FFO and to Core FFO.
(1) Development completions include Avalon Redmond Campus, which is a densification of the Company's existing eaves Redmond Campus community. As a densification, this community is included in Total Capital Cost of Development completions but excluded from the weighted average projected Initial Stabilized Yield.
(2) Capital raised includes net proceeds from debt issuances, wholly-owned dispositions, and distributions from unconsolidated real estate entities. Weighted average initial cost of capital includes all debt (inclusive of the effect of interest rate hedges) issuances, and wholly-owned dispositions only.

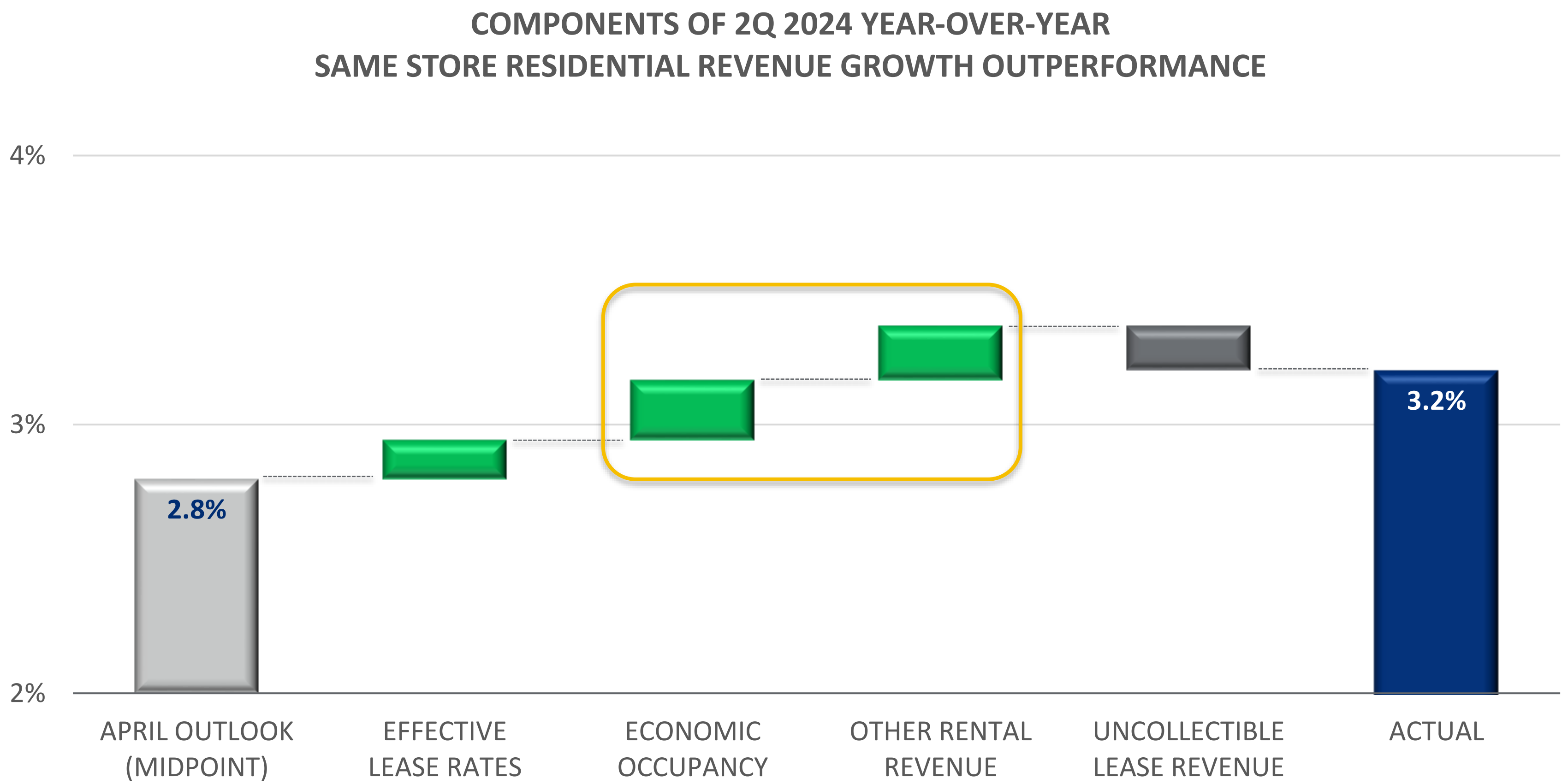
AvalonBay COMMUNITIES

2Q CORE FFO PER SHARE OUTPERFORMANCE PRIMARILY DRIVEN BY BETTER-THAN-EXPECTED RESULTS FROM THE SAME STORE PORTFOLIO



Source: Internal company reports.
See Appendix for a reconciliation of Net Income attributable to common stockholders to FFO and to Core FFO.
April outlook provided on April 25, 2024.

HIGHER OCCUPANCY AND OTHER RENTAL REVENUE DROVE 2Q REVENUE GROWTH OUTPERFORMANCE



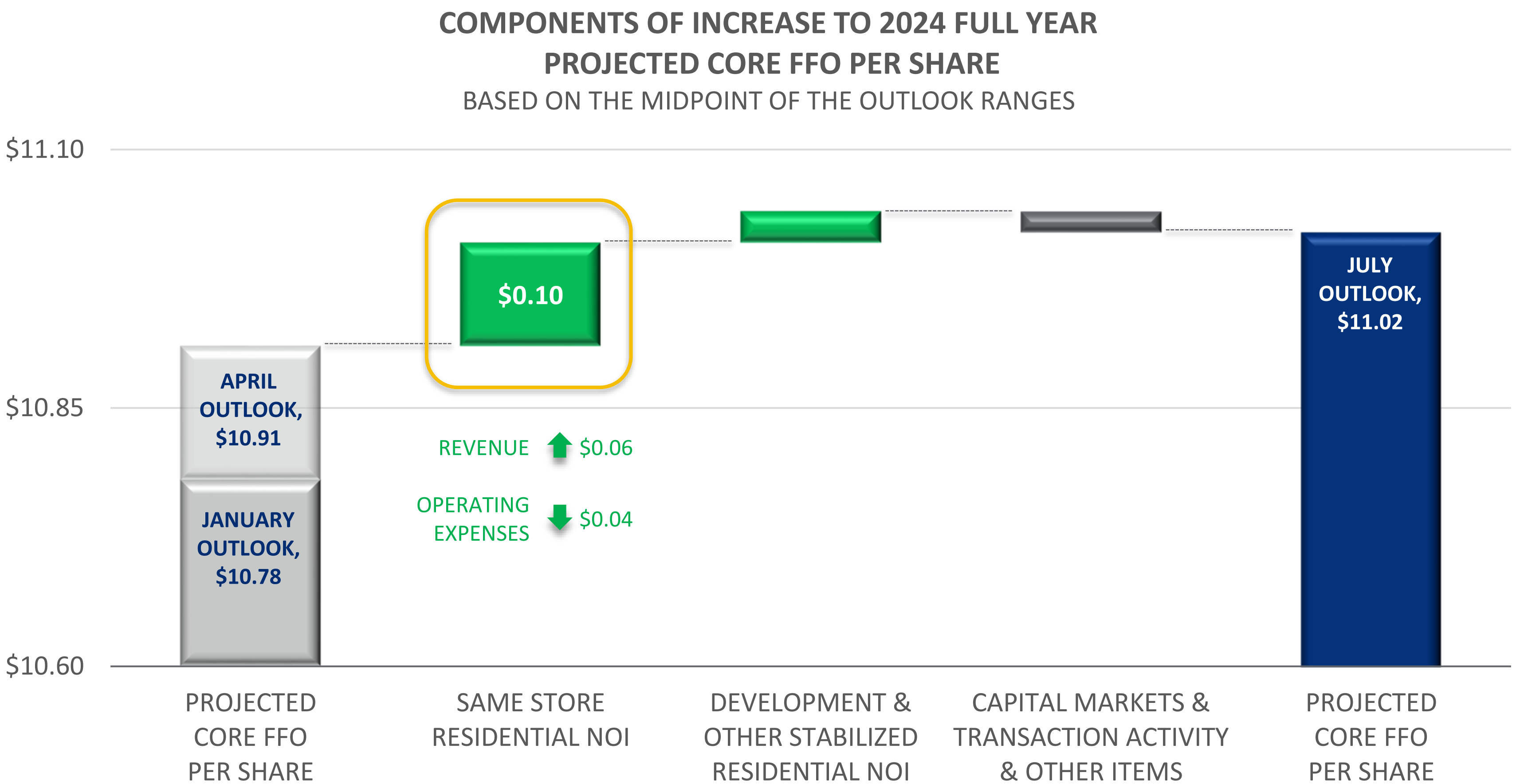
Source: Internal company reports.
April outlook provided on April 25, 2024, and represents the Company's expectation for second quarter 2024 Same Store year-over-year Residential revenue growth when the Company published its outlook for full year 2024 Same Store Residential revenue growth on April 25, 2024.

UPDATED 2024 FY OUTLOOK

FY 2024 OUTLOOK SUMMARY[1]	JULY	APRIL	JANUARY
PROJECTED CORE FFO PER SHARE GROWTH	↑ 3.7%	2.6%	1.4%
SAME STORE RESIDENTIAL			
REVENUE GROWTH	↑ 3.5%	3.1%	2.6%
OPERATING EXPENSE GROWTH	↓ 4.8%	5.4%	5.6%
NOI GROWTH	↑ 2.9%	2.1%	1.25%
DEVELOPMENT STARTS	↑ $ 1,050M	$ 870M	$ 870M

Source: Internal company reports.
See Appendix for a reconciliation of Projected Net Income attributable to common stockholders to Projected FFO and to Projected Core FFO.
(1) All amounts based on the midpoints of the outlook ranges provided by the Company. July, April, and January outlooks provided on July 31, April 25, and January 31, 2024, respectively.

Upward revision to FY Projected Core FFO per share driven by stronger Same Store NOI forecast



Source: Internal company reports.
See Appendix for a reconciliation of Net Income attributable to common stockholders to FFO and to Core FFO.
January, April, and July outlooks provided on January 31, April 25, and July 31, 2024, respectively.

3Q PROJECTED CORE FFO PER SHARE IMPACTED SEQUENTIALLY BY SEASONAL INCREASE IN SAME STORE EXPENSES AND DISPOSITION TIMING

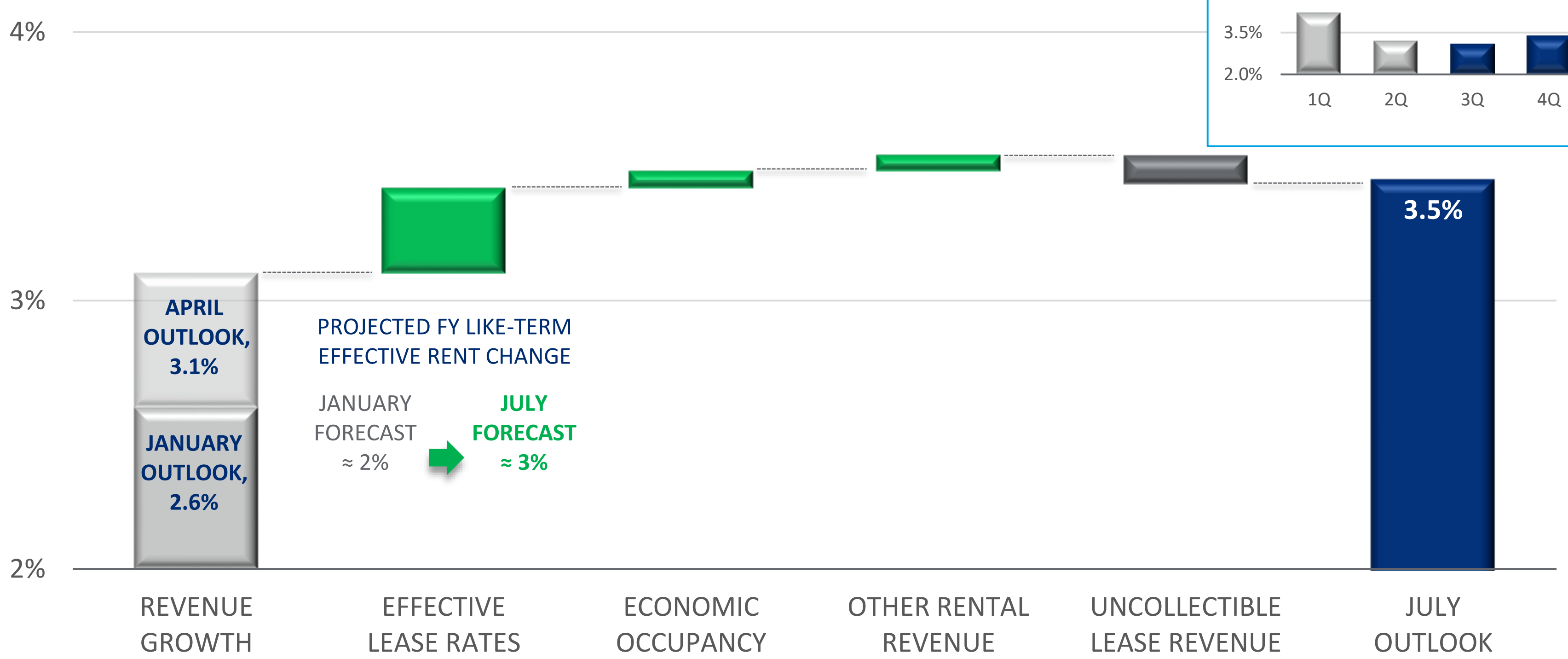
COMPONENTS OF 2Q 2024 CORE FFO PER SHARE TO 3Q 2024 PROJECTED CORE FFO PER SHARE CHANGE

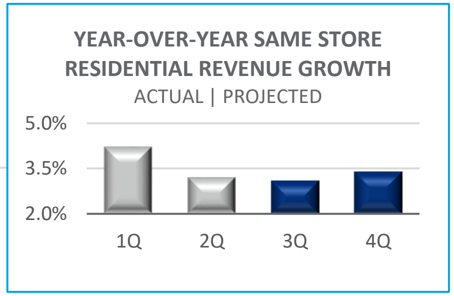
BASED ON THE MIDPOINT OF THE OUTLOOK RANGE

Source: Internal company reports.

See Appendix for a reconciliation of Net Income attributable to common stockholders to FFO, Core FFO, Projected FFO, and Projected Core FFO.

FY PROJECTED SAME STORE REVENUE FORECAST INCREASE DRIVEN BY STRONGER EFFECTIVE LEASE RATES

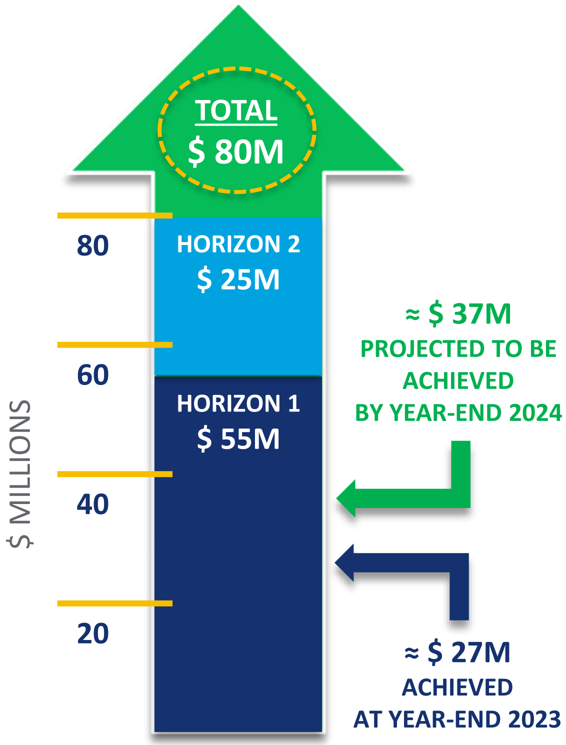




Source: Internal company reports.
January, April, and July outlooks provided on January 31, April 25, and July 31, 2024, respectively.

CONTINUED PROGRESS ON OPERATING MODEL TRANSFORMATION; ≈ $10M OF PROJECTED INCREMENTAL NOI IN 2024

$ 80M INCREMENTAL NOI TARGET[1]



2024 PRIORITIES

AVALON CONNECT

EXPAND BULK INTERNET AND SMART ACCESS OFFERING

NEIGHBORHOOD STAFFING MODEL

INCREASE DEPLOYMENT OF MAINTENANCE NEIGHBORHOODS TO 70+% OF THE PORTFOLIO

LABOR EFFICIENCIES

ENHANCE TECHNOLOGY PLATFORMS (E.G., AUTOMATION, AI) TO INCREASE PRODUCTIVITY

CENTRALIZATION

EXPAND REMOTE SALES AND SERVICE TO SUPPORT CUSTOMERS AND ONSITE ASSOCIATES

Source: Internal company reports.
Incremental NOI target and achievements are presented on a portfolio-wide basis.
(1) Excludes ≈ $7 million in lost Residential rental revenue associated with the termination of legacy telecom contracts.

AvalonBay COMMUNITIES

Lease-ups continue to exceed expectations

LEASE-UP SUMMARY[1] 6 COMMUNITIES | ≈ $ 920 IN PROJECTED TOTAL CAPITAL COST	CURRENT PROJECTION	INITIAL PROJECTION	VARIANCE
WTD. AVG. MONTHLY REVENUE PER HOME	$ 3,250	$ 2,930	$ 320 | 11%
WTD. AVG. PROJECTED INITIAL STABILIZED YIELD	6.0%	5.6%	40 BPS

AVALON BOTHELL COMMONS
BOTHELL, WA

KANSO MILFORD
MILFORD, MA

Source: Internal company reports.

(1) Lease-ups include Avalon Amityville, Avalon Bothell Commons I, Avalon West Dublin, Avalon Montville, Avalon Redmond Campus, and Kanso Milford.

(2) Avalon Redmond Campus is a densification of the Company's existing eaves Redmond Campus community. As a densification, this community is excluded from the weighted average projected Initial Stabilized Yield.

Increasing start activity to > $1B, concentrated on the East Coast and in Expansion Regions; predominately in Suburban submarkets

PROJECTED 2024 DEVELOPMENT STARTS

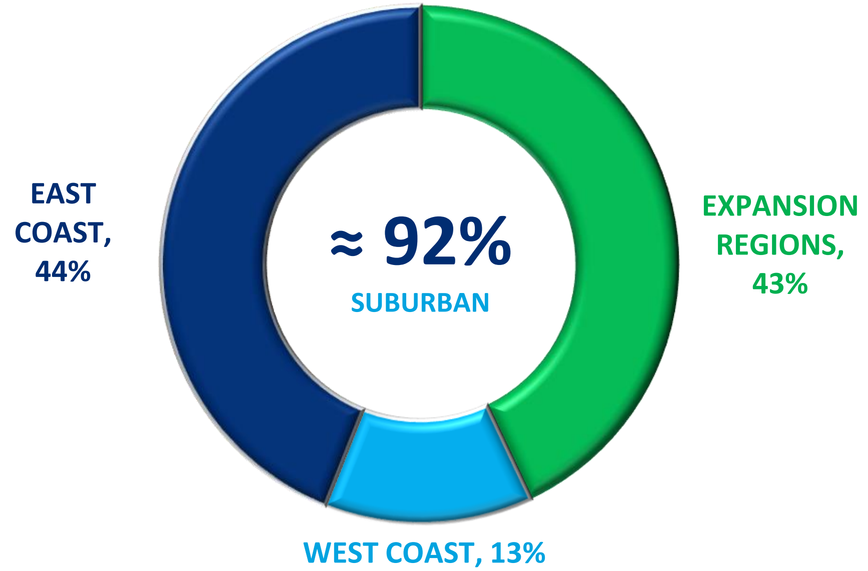
9	$1.05B	6.4%
COMMUNITIES	PROJECTED TOTAL CAPITAL COST	WTD. AVG. PROJECTED INITIAL STABILIZED YIELD

QUINCY, MA
288 APARTMENT HOMES
MID-RISE

PLANO, TX (DFP)
150 TOWNHOMES
BUILD-TO-RENT (BTR)

GEOGRAPHIC ALLOCATION

BASED ON PROJECTED TOTAL CAPITAL COST



DEVELOPMENT RIGHTS PIPELINE
≈ $4.5B OF FUTURE INVESTMENT OPPORTUNITIES

Source: Internal company reports.

> $500M IN DISPOSITIONS THRU JULY; RECYCLING CAPITAL INTO EXPANSION REGIONS AT AN ATTRACTIVE BASIS

DISPOSITION ACTIVITY

$515M
AGGREGATE SALES PROCEEDS

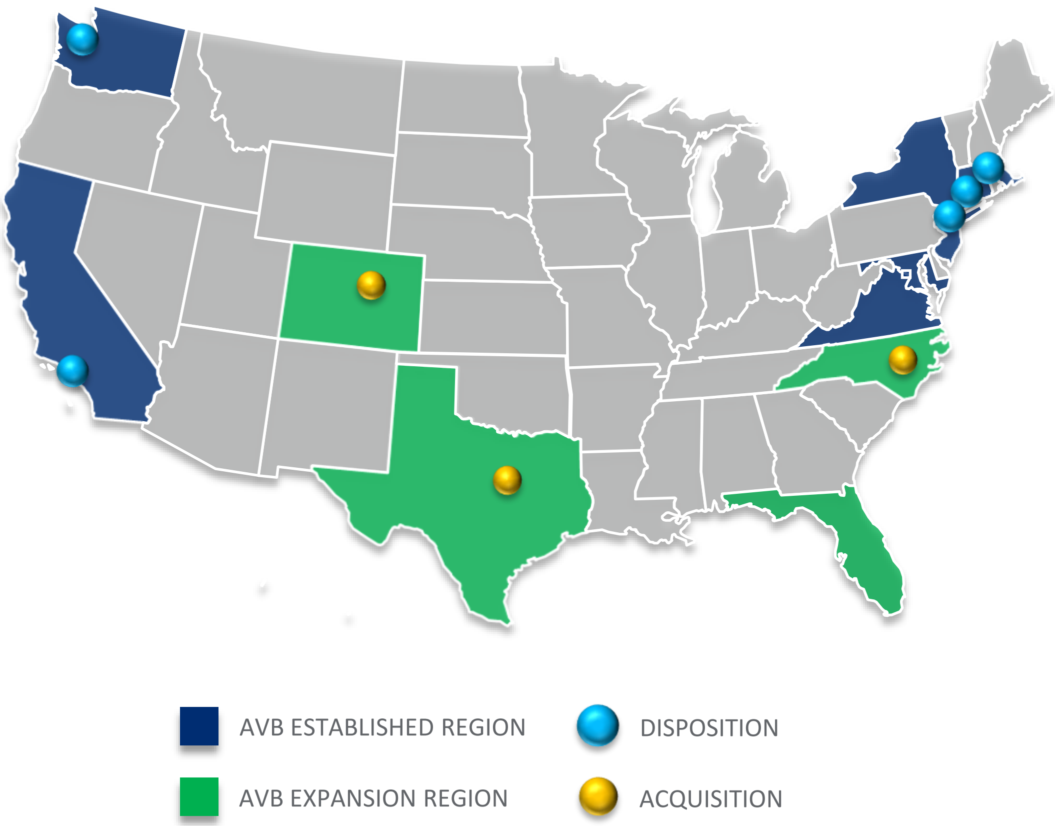
$475,000(1)
PRICE PER HOME

ACQUISITION ACTIVITY

$225M
AGGREGATE PURCHASE PRICE

$260,000
PRICE PER HOME

GEOGRAPHIC ALLOCATION
TRANSACTION ACTIVITY



Source: Internal company reports.
(1) Excludes value allocated to commercial space.

13TH ANNUAL ESG REPORT HIGHLIGHTS LEADERSHIP AND IMPACT

SCIENCE-BASED TARGETS

REDUCTION IN SCOPE 1 & 2 GHG EMISSIONS PER SQUARE FOOT BY 2030	REDUCTION SINCE 2017 BASELINE YEAR	REDUCTION IN SCOPE 3 GHG EMISSIONS PER SQUARE FOOT BY 2030	REDUCTION SINCE 2017 BASELINE YEAR
53% GOAL	46%	47% GOAL	20%

SOLAR SITES

ACTIVATED IN 2023	AS OF YEAR-END 2023
9 DELIVERING ≈ 1.5 MW	60 DELIVERING ≈ 8.5 MW

INCLUSION AND DIVERSITY(1)

WOMEN IN LEADERSHIP BY 2025	AS OF YEAR-END 2023	UNDERREPRESENTED MINORITIES IN LEADERSHIP BY 2025	AS OF YEAR-END 2023
41% VISION	37%	20% VISION	21%

COMMUNITY INVESTMENT(2)

ANNUAL COMMUNITY INVESTMENT BY 2025	DURING 2023
$ 2.75M GOAL	$ 2.6M

AWARDS AND RECOGNITION

CDP	GREEN LEASE LEADER	EQUALITY 100
A- CLIMATE CHANGE SCORE	GOLD GREEN LEASE LEADERSHIP	PERFECT SCORE

Source: AVB's Environmental, Social and Governance Report.
(1) Leadership is defined as director-level associates and above.
(2) Includes cash and in-kind donations.

AvalonBay COMMUNITIES

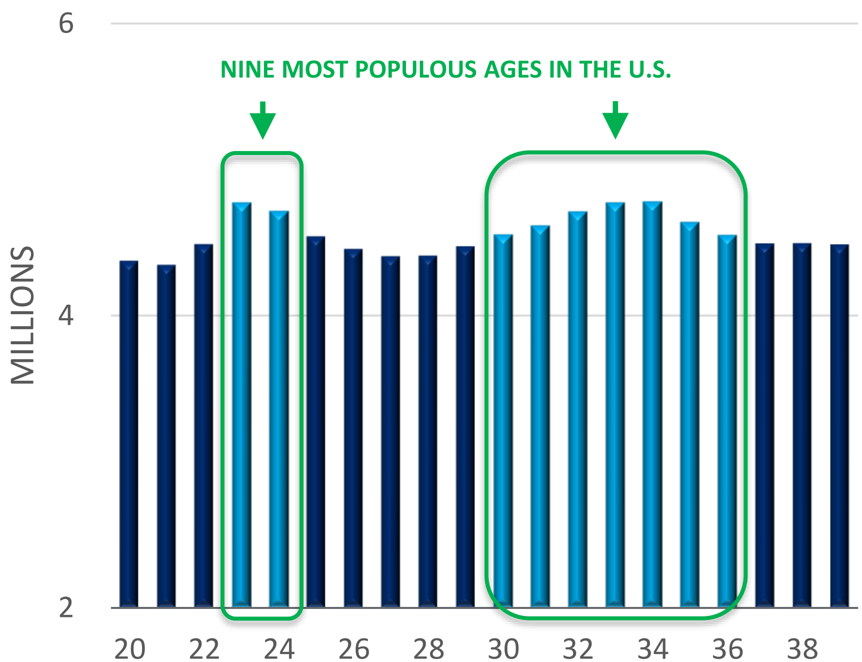
INCREMENTAL INFORMATION

Avalon Potomac Yard
Alexandria, VA

Demographics continue to support apartment demand; delays in family formation are extending rental tenures

DEMOGRAPHICS REMAIN FAVORABLE FOR APARTMENT OWNERS

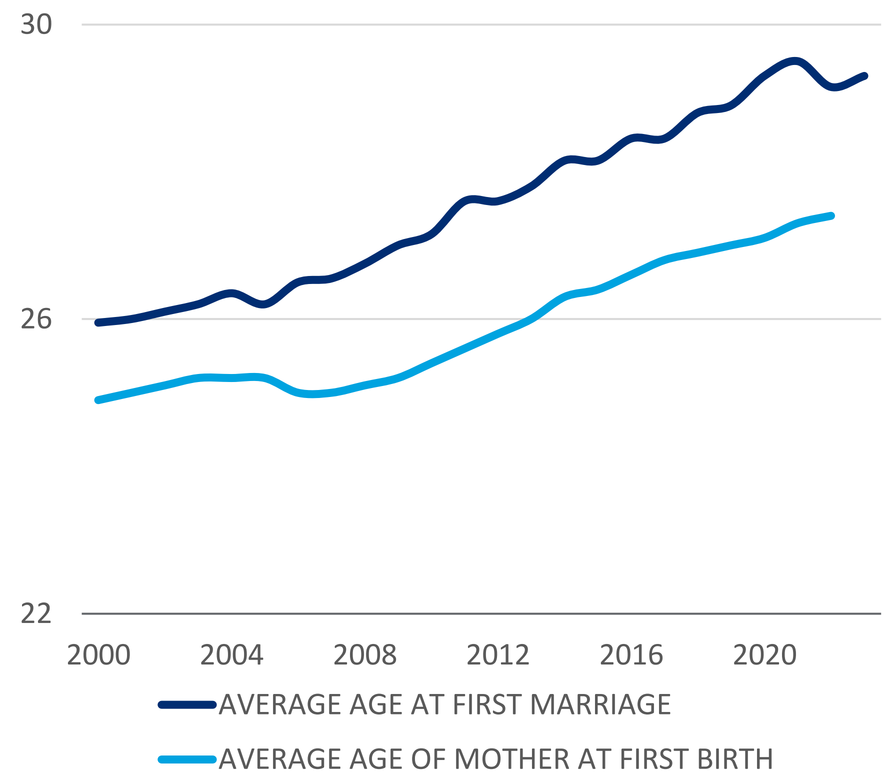
PROJECTED POPULATION BY AGE



AVERAGE AGE OF AVB RENTER ≈ 33

YOUNG ADULTS CONTINUE TO DELAY FAMILY FORMATION

AVERAGE AGE AT FIRST MARRIAGE AND MOTHER AT FIRST BIRTH

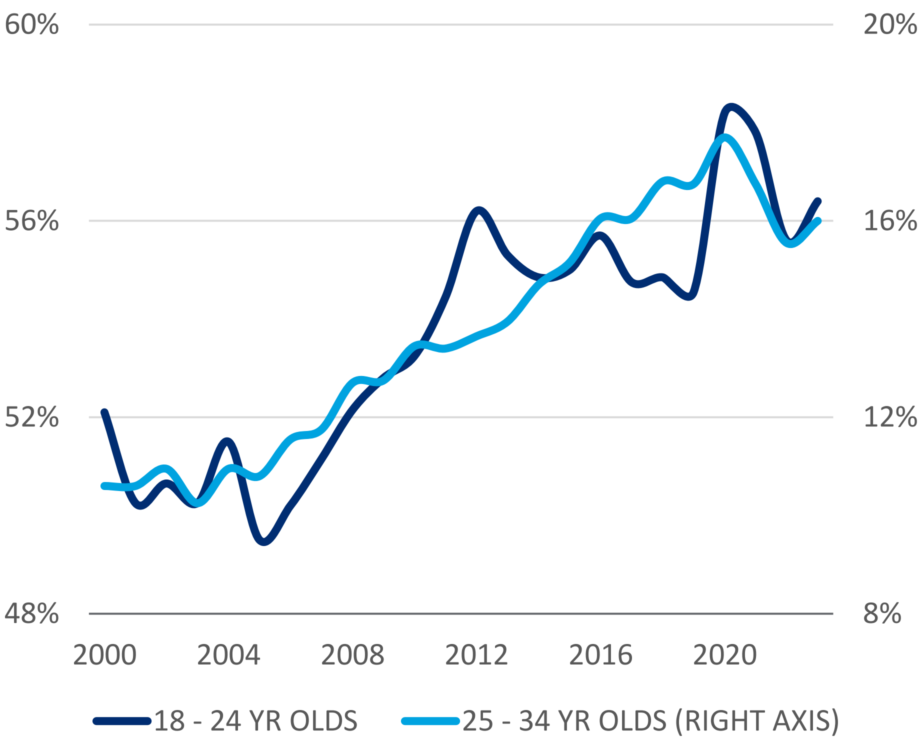


Source: U.S. Census Bureau, Centers for Disease Control and Prevention, internal company reports (average age of AVB renter).

PENT-UP HOUSING DEMAND EXPECTED TO BE RELEASED AND ECONOMICS FAVOR RENTERSHIP, PARTICULARLY IN OUR ESTABLISHED REGIONS

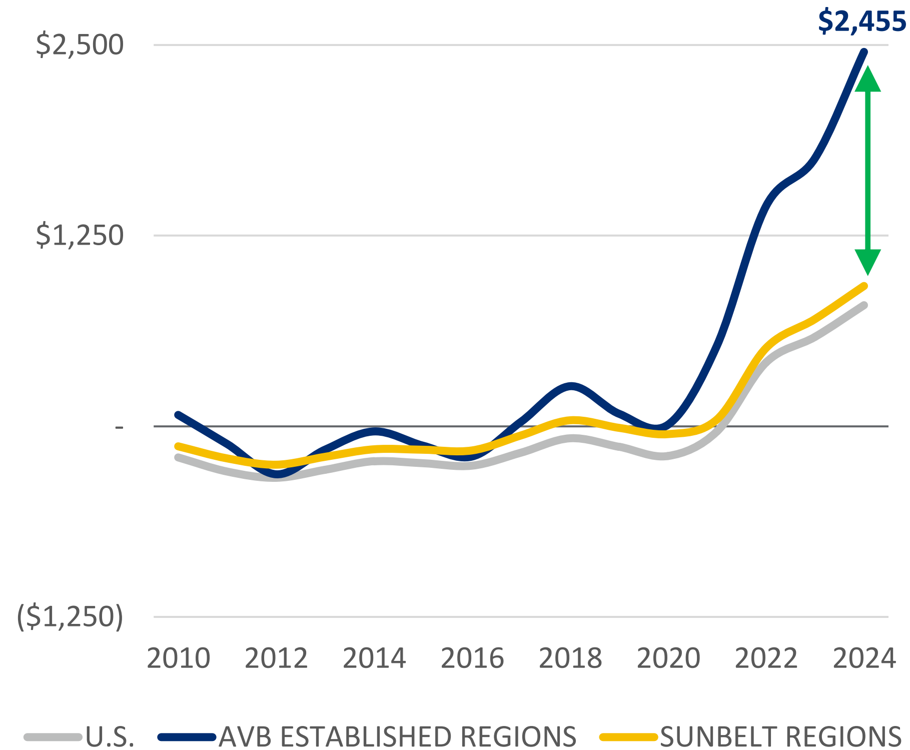
PERCENTAGE OF YOUNG ADULTS LIVING AT HOME WITH THEIR PARENTS IS ELEVATED

% OF YOUNG ADULTS LIVING AT HOME



RENTAL ECONOMICS SCREEN FAVORABLY RELATIVE TO HOMEOWNERSHIP

MEDIAN MORTGAGE PAYMENT LESS APARTMENT RENT(1)



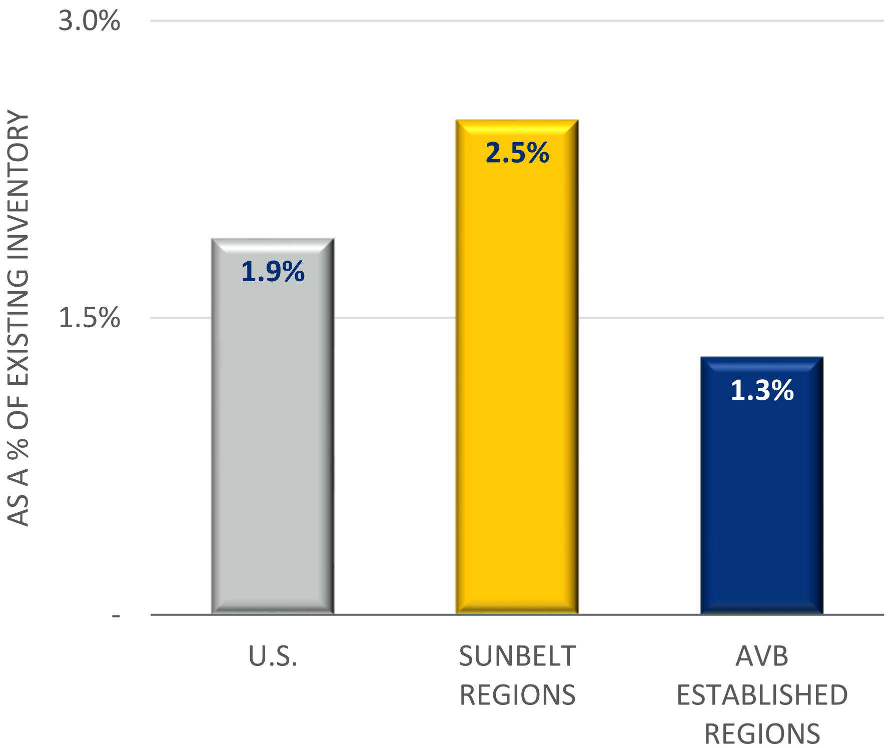
Source: U.S. Census Bureau, Moody's Analytics, National Association of Realtors, Freddie Mac, National Association of Home Builders, CoStar, AVB Market Research Group.

(1) Based on a median monthly mortgage payment (30-year fixed rate, 20% down payment, average property tax) minus monthly apartment rent (80+ unit buildings) in the second quarter of each year presented.

2025 SUPPLY OUTLOOK IN AVB ESTABLISHED REGIONS FAVORABLE ON RELATIVE AND ABSOLUTE BASIS

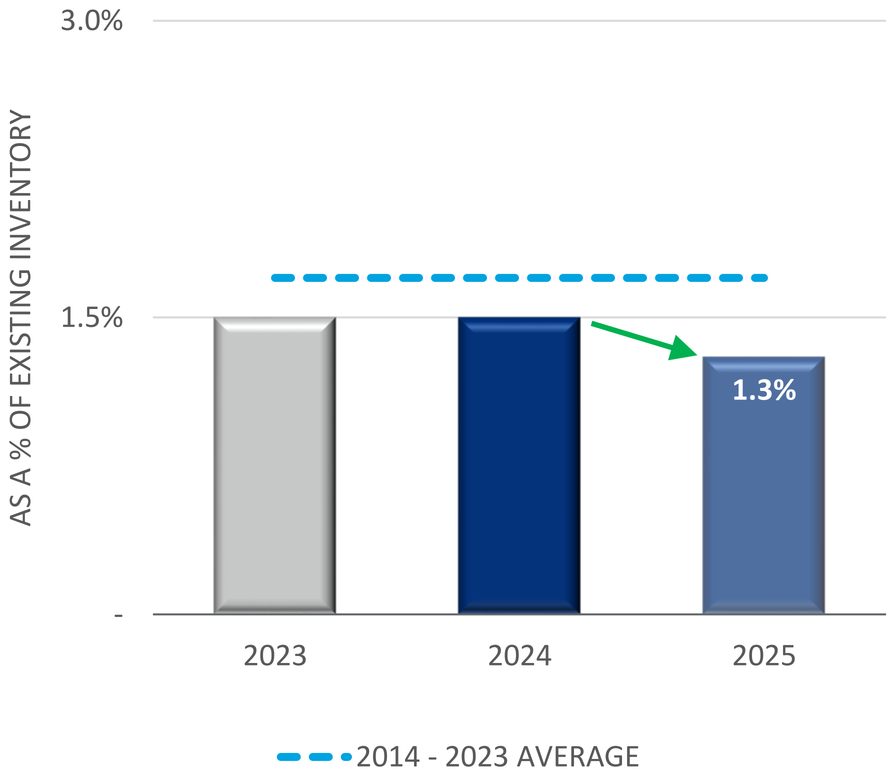
FAVORABLE SUPPLY OUTLOOK FOR AVB ESTABLISHED REGIONS IN 2025

PROJECTED 2025 NEW MARKET RATE APARTMENT DELIVERIES



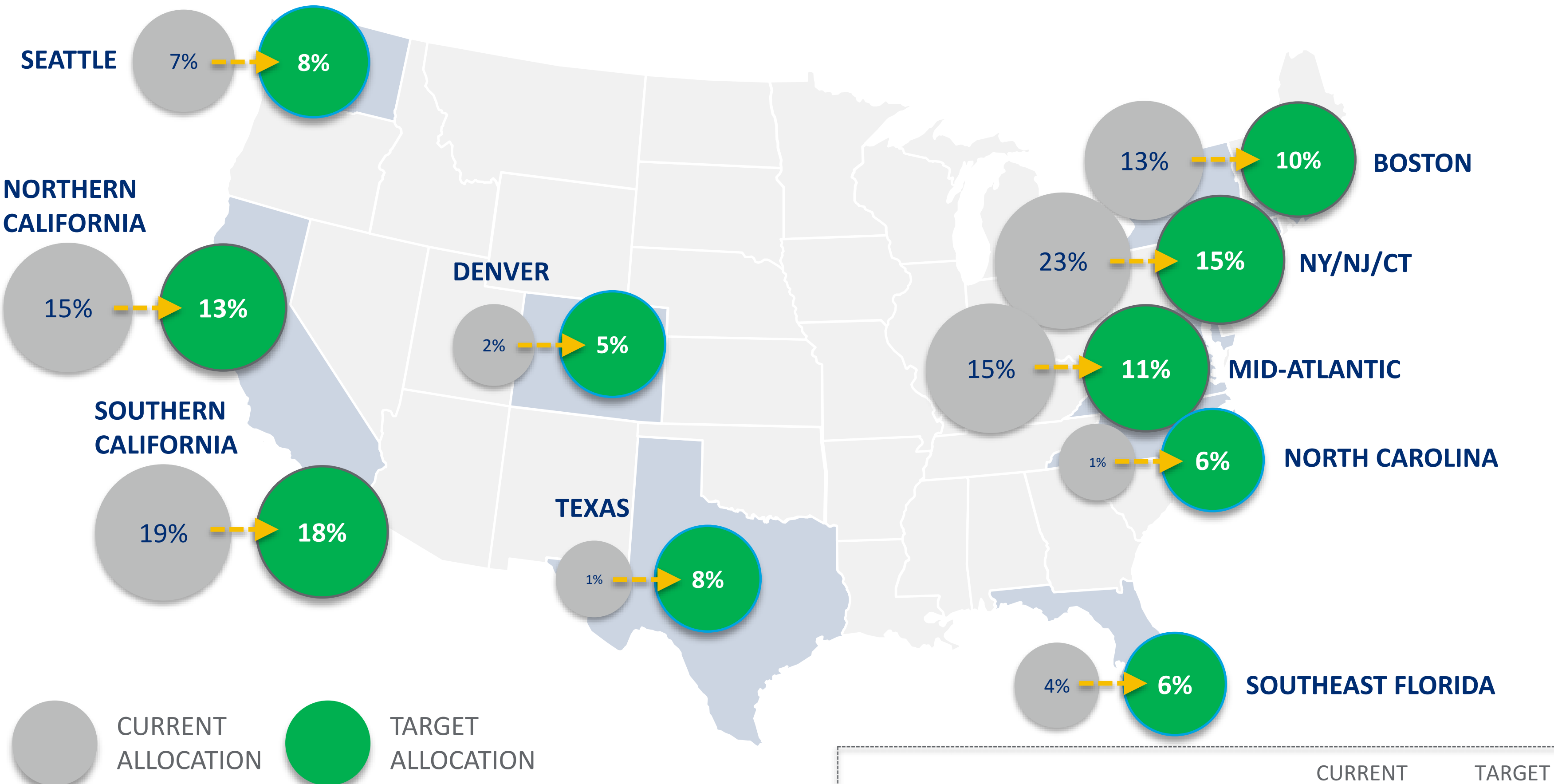
SUPPLY < LONG-TERM AVERAGE IN AVB ESTABLISHED REGIONS; PROJECTED TO DECLINE IN '25

NEW MARKET RATE APARTMENT DELIVERIES
AVB ESTABLISHED REGIONS



Source: CoStar, AVB Market Research Group, U.S. Census Bureau.

OPTIMIZING GROWTH THROUGH PROACTIVE PORTFOLIO MANAGEMENT

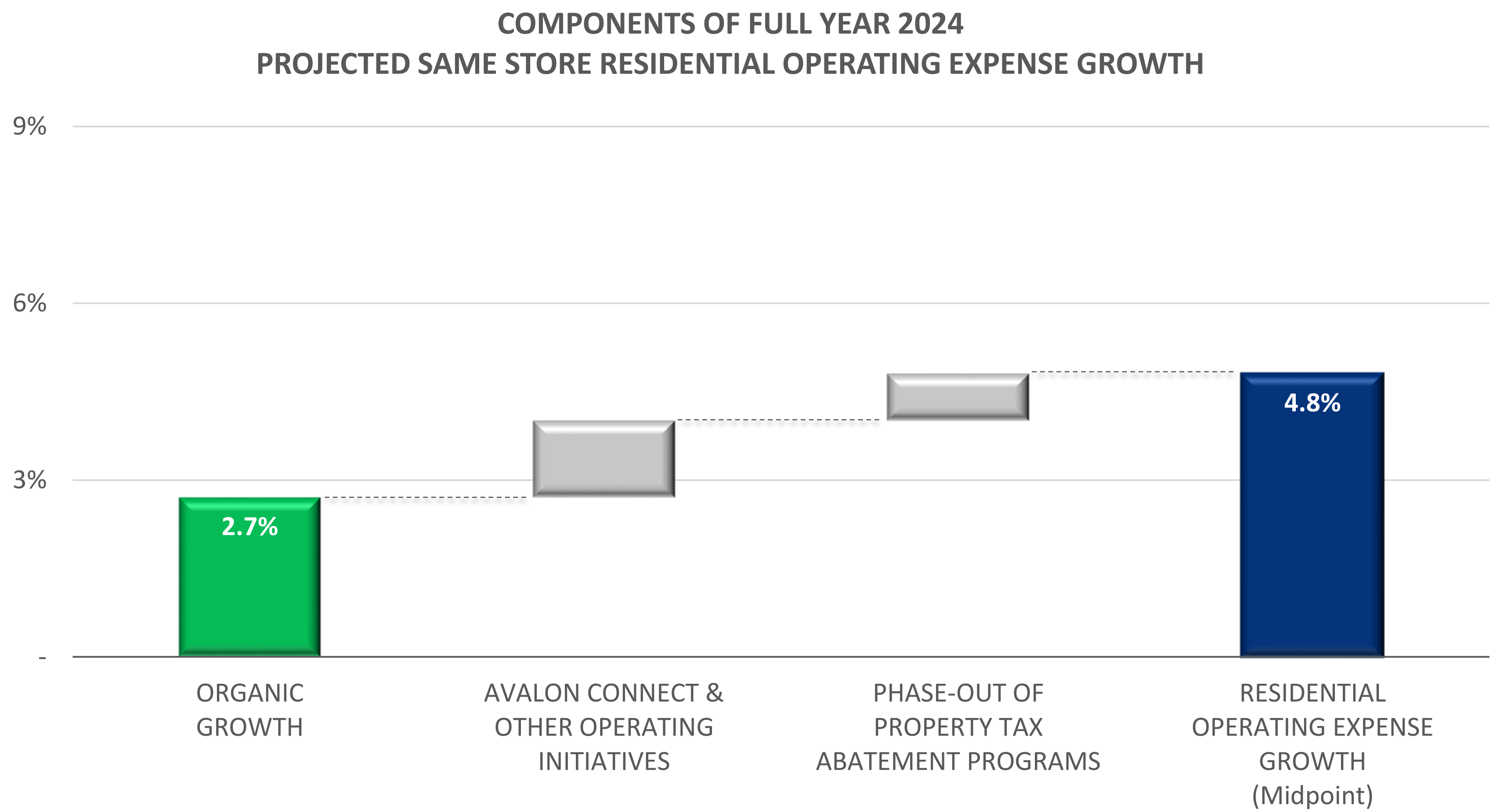


	CURRENT	TARGET
AVB EAST COAST ESTABLISHED REGIONS	51%	36%
AVB WEST COAST ESTABLISHED REGIONS	41%	39%
AVB EXPANSION REGIONS	8%	25%

Source: Internal company reports.
See Appendix for a discussion of Current Allocation and Target Allocation.
Data as of June 30, 2024.

AvalonBay COMMUNITIES

≈ 25% of Projected Same Store Residential operating expense growth expected to be driven by profitable operating initiatives



Source: Internal company reports.

BULK WI-FI DEPLOYMENT ANTICIPATED TO BE COMPLETE BY YEAR-END 2024; SMART HOME DEPLOYMENT RAMPING

AVALON CONNECT DEPLOYMENT STATUS

BULK INTERNET | MANAGED WI-FI

RELIABLE, HIGH-SPEED INTERNET SERVICES THAT ARE PRODUCING MEANINGFUL ECONOMIC RETURNS

% OF APARTMENT HOMES AT YEAR-END	ACTUAL 2022	ACTUAL 2023	PROJECTED 2024	PROJECTED 2025
	≈ 25%	≈ 60%	FULLY DEPLOYED	N/A

SMART HOME TECHNOLOGY

SMART HOME ACCESS AND SMART HOME DEVICES THAT ARE IMPROVING OPERATING EFFICIENCIES AND ENHANCING RESIDENT EXPERIENCES

% OF APARTMENT HOMES AT YEAR-END	ACTUAL 2022	ACTUAL 2023	PROJECTED 2024	PROJECTED 2025
	≈ 5%	≈ 15%	≈ 35%	≈ 55%

Source: Internal company reports.

APPENDIX

Avalon Esterra Park
Redmond, WA

FORWARD-LOOKING STATEMENTS

This presentation contains “forward-looking statements” within the meaning of Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, as amended. The Company intends such forward-looking statements to be covered by the safe harbor provisions for forward-looking statements contained in the Private Securities Litigation Reform Act of 1995. You can identify forward-looking statements by the Company’s use of the words “believe,” “expect,” “anticipate,” “intend,” “estimate,” “assume,” “project,” “plan,” “may,” “shall,” “will,” “pursue,” “outlook” and other similar expressions that predict or indicate future events and trends and that do not report historical matters. These statements include, among other things, statements regarding the Company’s intent, belief, forecasts, assumptions or expectations with respect to: potential development, redevelopment, acquisition or disposition of communities; the timing and cost of completion of apartment communities under construction, reconstruction, development or redevelopment; the timing of lease-up, occupancy and stabilization of communities; the pursuit of land for future development; the anticipated operating performance of communities; cost, yield, revenue, NOI and earnings estimates; the impact of landlord-tenant laws and rent regulations; the Company’s expansion into new regions; declaration or payment of dividends; joint venture activities; the Company’s policies regarding investments, indebtedness, acquisitions, dispositions, financings and other matters; the Company’s qualification as a REIT under the Code; the real estate markets in regions where the Company operates; the availability of debt and equity financing; interest rates, inflation and other general economic conditions and their potential impacts; trends affecting the Company’s financial condition or results of operations; regulatory changes that may affect the Company; and the impact of legal proceedings.

The Company cannot assure the future results or outcome of the matters described in these statements; rather, these statements merely reflect the Company’s current expectations of the approximate outcomes of the matters discussed. The Company does not undertake a duty to update these forward-looking statements, and therefore they may not represent the Company’s estimates and assumptions after the date of this presentation. You should not rely on forward-looking statements because they involve known and unknown risks, uncertainties and other factors, some of which are beyond the Company’s control. These risks, uncertainties and other factors may cause the Company’s actual results, performance or achievements to differ materially from the anticipated future results, performance or achievements expressed or implied by these forward-looking statements. You should carefully review the discussion under Part I, Item 1A. “Risk Factors” of the Company’s Form 10-K for the fiscal year ended December 31, 2023 and Part II, Item 1A. “Risk Factors” in subsequent quarterly reports on Form 10-Q for further discussion of risks associated with forward-looking statements.

Some of the factors that could cause the Company’s actual results, performance or achievements to differ materially from those expressed or implied by these forward-looking statements include, but are not limited to, the following: the Company may fail to secure development opportunities due to an inability to reach agreements with third parties to obtain land at attractive prices or to obtain desired zoning and other local approvals; the Company may abandon or defer development opportunities for a number of reasons, including changes in local market conditions which make development less desirable, increases in costs of development, increases in the cost of capital or lack of capital availability, resulting in losses; construction costs of a community may exceed original estimates; the Company may not complete construction and lease-up of communities under development or redevelopment on schedule, resulting in increased interest costs and construction costs and a decrease in expected rental revenues; occupancy rates and market rents may be adversely affected by competition and local economic and market conditions which are beyond the Company’s control; the Company’s cash flows from operations and access to cost-effective capital may be insufficient for the development of the Company’s pipeline, which could limit the Company’s pursuit of opportunities; an outbreak of disease or other public health event may affect the multifamily industry and general economy; the Company’s cash flows may be insufficient to meet required payments of principal and interest, and the Company may be unable to refinance existing indebtedness or the terms of such refinancing may not be as favorable as the terms of existing indebtedness; the Company may be unsuccessful in its management of joint ventures and the REIT vehicles that are used with certain joint ventures; new or existing laws and regulations implementing rent control or rent stabilization, or otherwise limiting the Company’s ability to increase rents, charge fees or evict tenants, may impact its revenue or increase costs; the Company’s expectations, estimates and assumptions as of the date of this filing regarding legal proceedings are subject to change; the Company’s assumptions and expectations in its financial outlook may prove to be too optimistic; the possibility that the Company may choose to pay dividends in its stock instead of cash, which may result in stockholders having to pay taxes with respect to such dividends in excess of the cash received, if any; and investments made under the SIP may not be repaid as expected or the development may not be completed on schedule, which could require the Company to engage in litigation, foreclosure actions, and/or first party project completion to recover its investment, which may not be recovered in full or at all in such event.

DEFINITIONS AND RECONCILIATIONS OF NON-GAAP FINANCIAL MEASURES AND OTHER TERMS

Asset Preservation Capex represents capital expenditures that the Company does not expect will directly result in increased revenue or expense savings.

AVB Established Regions include markets located in New England, the New York/New Jersey Metro area, the Mid-Atlantic, the Pacific Northwest, and Northern and Southern California.

AVB Expansion Regions include markets located in Raleigh-Durham and Charlotte, North Carolina, Southeast Florida, Dallas and Austin, Texas, and Denver, Colorado.

Average Monthly Revenue per Home, as calculated for certain Development communities in lease-up, reflects management's projected stabilized rents net of estimated stabilized concessions, including estimated stabilized other revenue and excluding projected commercial revenue. Projected stabilized rents are based on one or more of the following: (i) actual average leased rents on apartments leased through quarter end, (ii) projected rollover rents on apartments leased through quarter end where the lease term expires within the first twelve months of Stabilized Operations and (iii) Market Rents on unleased homes.

Class A refers to apartment communities with rents per home above the submarket median.

Class B refers to apartment communities with rents per home equal to or below the submarket median.

Commercial represents results attributable to the non-apartment components of the Company's mixed-use communities and other non-residential operations.

Credit ratings, as provided in this presentation, may not reflect the potential impact of risks relating to the structure or trading of the Company's securities and are provided solely for informational purposes. Credit ratings are not recommendations to buy, sell or hold any security, and may be revised or withdrawn at any time by the issuing organization in its sole discretion. The Company does not undertake any obligation to maintain the ratings or to advise of any change in ratings. Each agency's rating should be evaluated independently of any other agency's rating. An explanation of the significance of the ratings may be obtained from each of the rating agencies.

Current Allocation represents the Company's 2024 projected revenue for all communities with Stabilized Operations throughout the entire 12-month period ending December 31, 2024, and Management's expectation for revenue for the first full year of Stabilized Operations for all acquisitions and Development communities in 2024.

DEFINITIONS AND RECONCILIATIONS OF NON-GAAP FINANCIAL MEASURES AND OTHER TERMS

Development is composed of consolidated communities that are either currently under construction, or were under construction and were completed during the current year. These communities may be partially or fully complete and operating.

Development Rights are development opportunities in the early phase of the development process for which the Company either has an option to acquire land or enter into a leasehold interest, for which the Company is the buyer under a long-term conditional contract to purchase land, where the Company controls the land through a ground lease or owns land to develop a new community, or where the Company is the designated developer in a public-private partnership. The Company capitalizes related pre-development costs incurred in pursuit of new developments for which the Company currently believes future development is probable.

Dividend Growth, presented as annualized dividend growth in this presentation, represents the change in the Company's annual common dividend per share as a compound annual growth rate.

EBITDA, EBITDAre and Core EBITDAre are considered by management to be supplemental measures of our financial performance. EBITDA is defined by the Company as net income or loss computed in accordance with GAAP before interest expense, income taxes, depreciation and amortization. EBITDAre is calculated by the Company in accordance with the definition adopted by the Board of Governors of the National Association of Real Estate Investment Trusts ("Nareit"), as EBITDA plus or minus losses and gains on the disposition of depreciated property, plus impairment write-downs of depreciated property, with adjustments to reflect the Company's share of EBITDAre of unconsolidated entities. Core EBITDAre is the Company's EBITDAre as adjusted for non-core items outlined in the table below. By further adjusting for items that are not considered part of the Company's core business operations, Core EBITDAre can help one compare the core operating and financial performance of the Company between periods. A reconciliation of EBITDA, EBITDAre and Core EBITDAre to net income is as follows (dollars in thousands):

DEFINITIONS AND RECONCILIATIONS OF NON-GAAP FINANCIAL MEASURES AND OTHER TERMS

	Q2 2024
Net income	$ 254,007
Interest expense and loss on extinguishment of debt	63,140
Income tax benefit	(62)
Depreciation expense	206,923
EBITDA	$ 524,008
Gain on sale of communities	(68,556)
Unconsolidated entity EBITDAre adjustments (1)	4,050
EBITDAre	$ 459,502
Unconsolidated entity gains, net	(1,177)
Structured Investment Program loan reserve	(16)
Advocacy contributions	2,107
Hedge accounting activity	16
Severance related costs	1,030
Expensed transaction, development and other pursuit costs, net of recoveries	471
Other real estate activity	(181)
Legal settlements and costs	644
Core EBITDAre	$ 462,396

(1) Includes joint venture interest, taxes, depreciation, gain on dispositions of depreciated real estate and impairment losses, if applicable, included in net income.

DEFINITIONS AND RECONCILIATIONS OF NON-GAAP FINANCIAL MEASURES AND OTHER TERMS

Economic Occupancy is defined as total possible Residential revenue less vacancy loss as a percentage of total possible Residential revenue. Total possible Residential revenue (also known as “gross potential”) is determined by valuing occupied units at contract rates and vacant units at Market Rents. Vacancy loss is determined by valuing vacant units at current Market Rents. By measuring vacant apartments at their Market Rents, Economic Occupancy takes into account the fact that apartment homes of different sizes and locations within a community have different economic impacts on a community’s gross revenue.

FFO and Core FFO are generally considered by management to be appropriate supplemental measures of our operating and financial performance. FFO is calculated by the Company in accordance with the definition adopted by Nareit. FFO is calculated by the Company as Net income or loss attributable to common stockholders computed in accordance with GAAP, adjusted for gains or losses on sales of previously depreciated operating communities, cumulative effect of a change in accounting principle, impairment write-downs of depreciable real estate assets, write-downs of investments in affiliates due to a decrease in the value of depreciable real estate assets held by those affiliates and depreciation of real estate assets, including similar adjustments for unconsolidated partnerships and joint ventures, including those from a change in control. FFO can help one compare the operating and financial performance of a real estate company between periods or as compared to different companies because adjustments such as (i) gains or losses on sales of previously depreciated property or (ii) real estate depreciation may impact comparability between companies as the amount and timing of these or similar items can vary among owners of identical assets in similar condition based on historical cost accounting and useful life estimates. Core FFO is the Company’s FFO as adjusted for non-core items outlined in the table below. By further adjusting for items that we do not consider be part of our core business operations, Core FFO can help with the comparison of core operating performance of the Company between periods. A reconciliation of Net income attributable to common stockholders to FFO and to Core FFO is as follows (dollars in thousands):

DEFINITIONS AND RECONCILIATIONS OF NON-GAAP FINANCIAL MEASURES AND OTHER TERMS

	Q2 2024	Q2 2023	YTD 2024	YTD 2023
Net income attributable to common stockholders	$ 253,934	$ 367,923	$ 427,383	$ 514,825
Depreciation - real estate assets, including joint venture adjustments	206,338	199,197	417,685	402,477
Distributions to noncontrolling interests	-	13	-	25
Gain on sale of previously depreciated real estate	(68,556)	(187,322)	(68,486)	(187,309)
Casualty loss on real estate	-	-	2,935	5,051
FFO attributable to common stockholders	391,716	379,811	779,517	735,069
Adjusting items:				
Unconsolidated entity gains, net (1)	(1,177)	(1,795)	(9,562)	(4,851)
Joint venture promote (2)	-	(1,072)	-	(1,072)
Structured Investment Program loan reserve (3)	(16)	(105)	42	(124)
Hedge accounting activity	16	(37)	55	191
Advocacy contributions	2,107	200	2,182	200
Executive transition compensation costs	-	297	104	644
Severance related costs	1,030	327	1,241	1,500
Expensed transaction, development and other pursuit costs, net of recoveries	471	797	3,605	3,248
Other real estate activity	(181)	(341)	(322)	(470)
For-sale condominium imputed carry cost (4)	21	169	41	424
Legal settlements and costs	644	148	1,508	50
Income tax (benefit) expense (5)	(62)	(217)	(84)	3,343
Core FFO attributable to common stockholders	$ 394,569	$ 378,182	$ 778,327	$ 738,152
Weighted average common shares outstanding - diluted	142,389,866	142,124,117	142,306,310	141,073,964
Earnings per common share - diluted	$ 1.78	$ 2.59	$ 3.00	$ 3.65
FFO per common share - diluted	$ 2.75	$ 2.67	$ 5.48	$ 5.21
Core FFO per common share - diluted	$ 2.77	$ 2.66	$ 5.47	$ 5.23

** FOOTNOTES PRESENTED ON THE FOLLOWING PAGE **

DEFINITIONS AND RECONCILIATIONS OF NON-GAAP FINANCIAL MEASURES AND OTHER TERMS

(1) Amounts consist primarily of net unrealized gains on technology investments.
(2) Amount for 2023 is for the Company's recognition of its promoted interest in Archstone Multifamily Partners AC LP.
(3) Changes are the expected credit losses associated with the Company's lending commitments primarily under its SIP. The timing and amount of any actual losses that will be incurred, if any, is to be determined.
(4) Represents the imputed carry cost of the for-sale residential condominiums at The Park Loggia. The Company computes this adjustment by multiplying the Total Capital Cost of completed and unsold for-sale residential condominiums by the Company's weighted average unsecured debt effective interest rate.
(5) Amount for 2023 is primarily for the recognition of taxes associated with The Park Loggia dispositions.

Incremental NOI represents additional NOI that was not achieved in the prior period before the implementation of the initiatives and that is attributable, in future periods, to the implementation of the initiatives. When referenced in relation to the total benefits of the Company’s Horizon 1 and Horizon 2 opportunities, the benefits from the Horizon 1 opportunities began to be achieved in 2022, while the Company expects to begin to achieve the Horizon 2 benefits in 2024. The benefit of Horizon 1 and Horizon 2 Incremental NOI on a full year basis is expected to occur by year end 2028.

Initial Stabilized Yield represents Projected NOI as a percentage of projected Total Capital Cost for the first 12 months after Stabilized Operations and is weighted based on the Total Capital Cost of each community.

DEFINITIONS AND RECONCILIATIONS OF NON-GAAP FINANCIAL MEASURES AND OTHER TERMS

Like-Term Effective Rent Change for an individual apartment home represents the percentage change in effective rent between two leases of the same lease term category for the same apartment. The Company defines effective rent as the contractual rent for an apartment less amortized concessions and discounts. Like-Term Effective Rent Change with respect to multiple apartment homes represents an average. New Move-In Like-Term Effective Rent Change is the change in effective rent between the contractual rent for a resident who moves out of an apartment, and the contractual rent for a resident who moves into the same apartment with the same lease term category. Renewal Like-Term Effective Rent Change is the change in effective rent between two consecutive leases of the same lease term category for the same resident occupying the same apartment.

Market Cap Rate is defined by the Company as Projected NOI of a single community for the first 12 months of operations (assuming no repositioning), less an estimate of typical capital expenditure allowance per apartment home, divided by the gross sales price for the community. Projected NOI, as referred to above, represents management's estimate of projected rental revenue minus projected operating expenses before interest, income taxes (if any), depreciation and amortization. For this purpose, management's projection of operating expenses for the community includes a management fee of 2.5% and an estimate of typical market costs for insurance, payroll and other operating expenses for which the Company may have proprietary advantages not available to a typical buyer. The Market Cap Rate, which may be determined in a different manner by others, is a measure frequently used in the real estate industry when determining the appropriate purchase price for a property or estimating the value for a property. Buyers may assign different Market Cap Rates to different communities when determining the appropriate value because they (i) may project different rates of change in operating expenses and capital expenditure estimates and (ii) may project different rates of change in future rental revenue due to different estimates for changes in rent and occupancy levels. The weighted average Market Cap Rate is weighted based on the gross sales price of each community.

Market Rents as reported by the Company are based on the current market rates set by the Company based on its experience in renting apartments and publicly available market data. Market Rents for a period are based on the average Market Rents during that period and do not reflect any impact for cash concessions.

DEFINITIONS AND RECONCILIATIONS OF NON-GAAP FINANCIAL MEASURES AND OTHER TERMS

Match-Funded (Development Underway) is calculated by the Company as the sum of (i) Total Capital Cost, disbursed to date for all wholly-owned Development communities that had not achieved Stabilized Operations for the entire three month period ended June 30, 2024, (ii) cash and cash equivalents, and (iii) Q2 2024 cash from operations available for investment, annualized divided by the Total Capital Cost, under construction for all wholly-owned Development communities that had not achieved Stabilized Operations for the entire three month period ended June 30, 2024. A calculation of Match-funded (Development Underway) is as follows (dollars in millions):

	Q2 2024
Total Capital Cost, disbursed to date	$ 1,832
Cash and cash equivalents	546
Q2 2024 cash from operations available for investment, annualized	486
Total	$ 2,863
Total Capital Cost, under construction and completed	$ 2,977
Match-funded (Development underway)	96%

Net Debt-to-Core EBITDAre is calculated by the Company as total debt (secured and unsecured notes, and the Company's Credit Facility and commercial paper program) that is consolidated for financial reporting purposes, less consolidated cash and restricted cash, divided by annualized second quarter 2024 Core EBITDAre. A calculation of Net Debt-to-Core EBITDAre is as follows (dollars in thousands):

DEFINITIONS AND RECONCILIATIONS OF NON-GAAP FINANCIAL MEASURES AND OTHER TERMS

Total debt principal (1)	$	8,436,061
Cash and cash equivalents and restricted cash		(725,660)
Net debt	$	7,710,401
Core EBITDAre	$	462,396
Core EBITDAre, annualized	$	1,849,584
Net Debt-to-Core EBITDAre		4.2x

(1) Balance at June 30, 2024 excludes $44,848 of debt discount and deferred financing costs as reflected in unsecured notes, net, and $17,182 of debt discount and deferred financing costs as reflected in notes payable, net, on the Condensed Consolidated Balance Sheets.

NOI is defined by the Company as total property revenue less direct property operating expenses (including property taxes), and excluding corporate-level income (including management, development and other fees), corporate-level property management and other indirect operating expenses, expensed transaction, development and other pursuit costs, net of recoveries, interest expense, net, loss on extinguishment of debt, net, general and administrative expense, income from unconsolidated investments, depreciation expense, income tax (benefit) expense, casualty loss, loss (gain) on sale of communities, other real estate activity and net operating income from real estate assets sold or held for sale. The Company considers NOI to be an important and appropriate supplemental performance measure to net income of operating performance of a community or communities because it helps both investors and management to understand the core operations of a community or communities prior to the allocation of any corporate-level property management overhead or financing-related costs. NOI reflects the operating performance of a community, and allows for an easier comparison of the operating performance of individual assets or groups of assets. In addition, because prospective buyers of real estate have different financing and overhead structures, with varying marginal impact to overhead as a result of acquiring real estate, NOI is considered by many in the real estate industry to be a useful measure for determining the value of a real estate asset or groups of assets.

Other Stabilized is composed of completed consolidated communities that the Company owns, which have Stabilized Operations as of January 1, 2024, or which were acquired subsequent to January 1, 2023. Other Stabilized excludes communities that are conducting or are probable to conduct substantial redevelopment activities.

AvalonBay COMMUNITIES

DEFINITIONS AND RECONCILIATIONS OF NON-GAAP FINANCIAL MEASURES AND OTHER TERMS

Projected FFO and Projected Core FFO, as provided within this presentation in the Company's outlook, are calculated on a basis consistent with historical FFO and Core FFO, and are therefore considered to be appropriate supplemental measures to projected net income from projected operating performance. A reconciliation of the ranges provided for Projected FFO per share (diluted) for the third quarter and full year 2024 to the ranges provided for projected EPS (diluted) and corresponding reconciliation of the ranges for Projected FFO per share to the ranges for Projected Core FFO per share are as follows:

	Low Range	High Range
Projected EPS (diluted) - Q3 2024	$ 2.69	$ 2.79
Depreciation (real estate related)	1.49	1.49
Gain on sale of communities	(1.59)	(1.59)
Projected FFO per share (diluted) - Q3 2024	$ 2.59	$ 2.69
Unconsolidated entity gains, net	0.01	0.01
Expensed transaction, development and other pursuit costs, net of recoveries	0.01	0.01
Advocacy contributions	0.05	0.05
Projected Core FFO per share (diluted) - Q3 2024	$ 2.66	$ 2.76
Projected EPS (diluted) - Full Year 2024	$ 7.34	$ 7.54
Depreciation (real estate related)	5.95	5.95
Gain on sale of communities	(2.47)	(2.47)
Casualty loss on real estate	0.02	0.02
Projected FFO per share (diluted) - Full Year 2024	$ 10.84	$ 11.04
Unconsolidated entity gains, net	(0.05)	(0.05)
Severance related costs	0.01	0.01
Expensed transaction, development and other pursuit costs, net of recoveries	0.04	0.04
Legal settlements and costs	0.01	0.01
Advocacy contributions	0.07	0.07
Projected Core FFO per share (diluted) - Full Year 2024	$ 10.92	$ 11.12

DEFINITIONS AND RECONCILIATIONS OF NON-GAAP FINANCIAL MEASURES AND OTHER TERMS

Projected NOI, as used within this presentation for certain Development communities and in calculating the Market Cap Rate for dispositions, represents management's estimate, as of the date of this presentation (or as of the date of the buyer's valuation in the case of dispositions), of projected stabilized rental revenue minus projected stabilized operating expenses. For Development communities, Projected NOI is calculated based on the first twelve months of Stabilized Operations following the completion of construction. In calculating the Market Cap Rate, Projected NOI for dispositions is calculated for the first twelve months following the date of the buyer's valuation. Projected stabilized rental revenue represents management's estimate of projected gross potential minus projected stabilized economic vacancy and adjusted for projected stabilized concessions plus projected stabilized other rental revenue. Projected stabilized operating expenses do not include interest, income taxes (if any), depreciation or amortization, or any allocation of corporate-level property management overhead or general and administrative costs. In addition, projected stabilized operating expenses for Development communities do not include property management fee expense. Projected gross potential for Development communities and dispositions is generally based on leased rents for occupied homes and management's best estimate of rental levels for homes which are currently unleased, as well as those homes which will become available for lease during the twelve-month forward period used to develop Projected NOI. The weighted average Projected NOI as a percentage of Total Capital Cost is weighted based on the Company's share of the Total Capital Cost of each community, based on its percentage ownership.

Management believes that Projected NOI of the Development communities, on an aggregated weighted average basis, assists investors in understanding management's estimate of the likely impact on operations of the Development communities when the assets are complete and achieve stabilized occupancy (before allocation of any corporate-level property management overhead, general and administrative costs or interest expense). However, in this presentation the Company has not given a projection of NOI on a company-wide basis. Given the different dates and fiscal years for which NOI is projected for these communities, the projected allocation of corporate-level property management overhead, general and administrative costs and interest expense to communities under development is complex, impractical to develop, and may not be meaningful. Projected NOI of these communities is not a projection of the Company's overall financial performance or cash flow. There can be no assurance that the communities under development will achieve the Projected NOI as described in this presentation.

AvalonBay COMMUNITIES

DEFINITIONS AND RECONCILIATIONS OF NON-GAAP FINANCIAL MEASURES AND OTHER TERMS

Q2 2024 cash from operations available for investment, annualized is the Company's second quarter 2024 Core FFO, less (i) second quarter 2024 dividends declared – common and (ii) second quarter 2024 Asset Preservation Capex, annualized. Q2 2024 cash from operations available for investment, annualized does not represent the Company's Net cash provided by operating activities as presented in the Company's consolidated financial statements. A reconciliation of Q2 2024 cash from operations available for investment, annualized to Core FFO is as follows (dollars in thousands):

	Q2 2024
Core FFO attributable to common stockholders	$ 394,569
Dividends declared - common	(242,174)
Established and Other Stabilized Asset Preservation Capex	(31,010)
Q2 2024 cash from operations available for investment	$ 121,385
Q2 2024 cash from operations available for investment, annualized	$ 485,540

Redevelopment is composed of consolidated communities where substantial redevelopment is in progress or is probable to begin during the current year. Redevelopment is considered substantial when (i) capital invested during the reconstruction effort is expected to exceed the lesser of $5,000,000 or 10% of the community's pre-redevelopment basis and (ii) physical occupancy is below or is expected to be below 90% during or as a result of the redevelopment activity.

Renewal Offers generally represent initial offers made to market rate apartments with expiring leases for which the residents have not provided notice of their intent to vacate.

Residential represents results attributable to the Company's apartment rental operations, including parking and other ancillary Residential revenue.

Same Store is composed of consolidated communities where a comparison of operating results from the prior year to the current year is meaningful as these communities were owned and had Stabilized Operations, as defined below, as of the beginning of the respective prior year period. Therefore, for 2024 operating results, Same Store is composed of consolidated communities that have Stabilized Operations as of January 1, 2023, are not conducting or are not probable to conduct substantial redevelopment activities and are not held for sale or probable for disposition within the current year.

Stabilized Operations is defined as operations of a community that occur after the earlier of (i) attainment of 90% physical occupancy or (ii) the one-year anniversary of completion of development or redevelopment.

AvalonBay COMMUNITIES

DEFINITIONS AND RECONCILIATIONS OF NON-GAAP FINANCIAL MEASURES AND OTHER TERMS

Suburban represents results attributable to, or communities located in, submarkets having less than 3,500 households per square mile.

Sunbelt Regions include Alabama, Arizona, Florida, Georgia, Kentucky, Louisiana, Mississippi, North Carolina, New Mexico, Nevada, South Carolina, Tennessee, and Texas.

Target Allocation represents the Company's future target allocation based on the Company's Current Allocation.

Total Capital Cost includes all capitalized costs projected to be or actually incurred to develop the respective Development or Redevelopment community, including land acquisition costs, construction costs, real estate taxes, capitalized interest and loan fees, permits, professional fees, allocated development overhead and other regulatory fees and a contingency estimate, offset by proceeds from the sale of any associated land or improvements, all as determined in accordance with GAAP. Total Capital Cost also includes costs incurred related to first generation commercial tenants, such as tenant improvements and leasing commissions. For Redevelopment communities, Total Capital Cost excludes costs incurred prior to the start of redevelopment when indicated. With respect to communities where development or redevelopment was completed in a prior period or the current period, Total Capital Cost reflects the actual cost incurred, plus any contingency estimate made by management. Total Capital Cost for communities identified as having joint venture ownership, either during construction or upon construction completion, represents the total projected joint venture contribution amount. For joint ventures not in construction, Total Capital Cost is equal to gross real estate cost.

Total Enterprise Value represents the aggregate of the market value of a company's common stock and the outstanding principal balance of a company's debt. A calculation of the Company's Total Enterprise Value is as follows (dollars in thousands):

	As of June 30, 2024
Common stock	$ 29,423,279
Total debt	8,436,061
Total Enterprise Value	$ 37,859,340

Total Shareholder Return, presented as cumulative total shareholder return and annualized total shareholder return in this presentation, represents the change in value with all dividends reinvested. Annualized total shareholder return is presented as the compound annual growth rate.

Urban represents results attributable to, or communities located in, submarkets having 3,500 or more households per square mile.

AvalonBay COMMUNITIES