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For Immediate Release

**AVALONBAY COMMUNITIES ANNOUNCES
 2014 DIVIDEND INCOME TAX TREATMENT**

ARLINGTON, VA (January 16, 2015) – AvalonBay Communities, Inc. (NYSE: AVB) (the “Company”) announced today the final income allocations of the Company’s 2014 dividend distributions on its Common Stock. The final income allocations as they will be reported on Form 1099-DIV are set forth in the following table:

Common Shares (CUSIP #053484101)

<u>Declaration</u> <u>Date</u>	<u>Record Date</u>	<u>Payable Date</u>	<u>Distribution</u> <u>Per Share</u>	<u>Taxable</u> <u>Ordinary</u> <u>Income (1)</u>	<u>Return of</u> <u>Capital</u>	<u>Capital Gain</u>	<u>Unrecap.</u> <u>Section 1250</u> <u>Gain</u>
01/27/14	03/31/14	04/15/14	\$ 1.16000	\$ 0.71920	\$ 0.00000	\$ 0.33640	\$ 0.10440
05/21/14	06/30/14	07/15/14	1.16000	0.71920	0.00000	0.33640	0.10440
09/04/14	09/30/14	10/15/14	1.16000	0.71920	0.00000	0.33640	0.10440
11/19/14	12/31/14	01/15/15	1.16000	0.71920	0.00000	0.33640	0.10440
Totals			\$ 4.64000	\$ 2.87680	\$ 0.00000	\$ 1.34560	\$ 0.41760
			100%	62%	0%	29%	9%

Components may not sum to the totals due to rounding differences. The information above presents final income allocations.

(1) \$0.0464 of each quarterly dividend classified as taxable ordinary income represents “qualified dividend income.”

About AvalonBay Communities, Inc.

As of September 30, 2014, the Company owned or held a direct or indirect ownership interest in 274 apartment communities containing 82,333 apartment homes in eleven states and the District of Columbia, of which 27 communities were under construction and six communities were under reconstruction. The Company is an equity REIT in the business of developing, redeveloping, acquiring and managing apartment communities in high barrier-to-entry markets of the United States. More information may be found on the Company’s website at <http://www.avalonbay.com>