

September 16, 2013



AvalonBay Communities Prices \$400 Million Unsecured Notes Offering

ARLINGTON, Va.--(BUSINESS WIRE)-- **AvalonBay Communities, Inc. (NYSE: AVB)** announced today that it priced a \$400 million offering of unsecured notes with a maturity of 2020 under its existing shelf registration statement. Details of the transaction are set forth in the table below:

	<u>Principal Amount</u>	<u>Maturity Date</u>	<u>Issue Price</u>	<u>Coupon Rate</u>	<u>Yield to Investors</u>
3.625% Medium Term Notes due October 1, 2020	\$400 million	October 1, 2020	99.728%	3.625%	3.669%

Interest on the notes will be paid semi-annually on April 1 and October 1, with the first payment to be made on April 1, 2014. Settlement is scheduled for September 20, 2013.

The Company expects to use the net proceeds from the offering of approximately \$396.2 million after estimated issuance costs, to reduce indebtedness outstanding under the Company's \$1.3 billion unsecured revolving credit facility and for general corporate purposes, which may include the acquisition, development and redevelopment of apartment communities and repayment and refinancing of other indebtedness.

The offering is being made pursuant to an automatic shelf registration statement that became effective upon filing with the Securities and Exchange Commission on February 27, 2012. Deutsche Bank, Morgan Stanley and UBS Investment Bank acted as lead representatives of the agents for the notes offering. A prospectus supplement and related prospectus will be filed with the Securities and Exchange Commission. The prospectus supplement and accompanying base prospectus relating to the offering may be obtained by contacting: Deutsche Bank Securities Inc., Attn: Prospectus Group, 60 Wall Street, New

York, New York 10005, telephone: (800) 503-4611 (email: prospectus.CPDG@db.com); Morgan Stanley & Co. LLC, Attn: Prospectus Department, 180 Varick Street, 2nd Floor, New York, New York 10014, telephone: (866) 718-1649 (email: prospectus@morganstanley.com); or UBS Investment Bank, Attn: Prospectus Department, 299 Park Avenue, New York, New York 10171, telephone: (888) 827-7275.

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 Notes 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 pricing supplement and the related prospectus supplement and prospectus, and, to the extent applicable, a free writing prospectus which has or will be filed with the Securities and Exchange Commission.

About AvalonBay Communities

As of June 30, 2013, the Company owned or held a direct or indirect ownership interest in 273 apartment communities containing 81,499 apartment homes in twelve 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.

Forward-Looking Statements

This release 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, with respect to the financial condition, results of operations and businesses of the Company. These forward-looking statements, which can be identified by the use of words such as “expects,” “plans,” “estimates,” “anticipates,” “projects,” “intends,” “believes,” “outlook” and similar expressions that do not relate to historical matters, are based on current expectations, forecasts and assumptions which may not be realized and involve risks and uncertainties, many of which cannot be predicted with accuracy and some of which might not even be anticipated, that could cause actual outcomes and results, financial and otherwise, to differ materially, including the size and intended use of proceeds of the offering. Risks and other factors related to the Company that might cause such differences include, among others, the following: the Company may abandon development or redevelopment opportunities for which it has already incurred costs; adverse capital market conditions may affect the Company’s access to various sources of capital and/or cost of capital, which may affect its business activities, earnings and common stock price, among other things; changes in local employment conditions, demand for apartment homes, supply of competitive housing products, and other economic conditions may result in lower than expected occupancy and/or rental rates and adversely affect the profitability of the Company’s communities; delays in completing development, redevelopment and/or lease-up may result in increased financing and construction costs and may delay and/or reduce the profitability of a community; debt and/or equity financing for development, redevelopment or acquisitions of communities may not be available or may not be available on favorable terms; the Company may be unable to obtain, or experience delays in obtaining, necessary governmental permits and authorizations; and increases in costs of materials, labor or other expenses may result in communities that the Company develops or redevelops failing to achieve expected profitability. In addition, the Company’s forecasts are subject to a variety of

additional factors and risks, including the risks set forth under “Risk Factors” in the Company’s Form 10-K and in the Company’s other periodic and Form 8-K filings with the Securities and Exchange Commission. The Company undertakes no obligation to publicly update any forward-looking statements, whether as a result of new information, future events or the occurrence of unanticipated events except as required by applicable law.

AvalonBay Communities, Inc.

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Source: AvalonBay Communities, Inc.