

September 5, 2024



AvalonBay Communities, Inc. Prices Public Offering of 3,200,000 Shares of Common Stock

ARLINGTON, Va.--(BUSINESS WIRE)-- **AVALONBAY COMMUNITIES, INC. (NYSE: AVB)** (the "Company") announced today that it has priced an underwritten public offering of 3,200,000 shares of common stock, all of which are being offered in connection with the forward sale agreements described below, for expected gross proceeds of approximately \$710.4 million.

Goldman Sachs & Co. LLC, BofA Securities, Deutsche Bank Securities Inc. and Morgan Stanley are acting as joint book-running managers for the offering.

The Company has entered into forward sale agreements with Goldman Sachs & Co. LLC, Bank of America, N.A., Deutsche Bank AG, London Branch and Morgan Stanley & Co. LLC or their affiliates (the "forward purchasers") with respect to 3,200,000 shares of its common stock. In connection with the forward sale agreements, the forward purchasers or their affiliates are expected to borrow and sell to the underwriters an aggregate of 3,200,000 shares of the common stock that will be delivered in the offering. Subject to its right to elect cash or net share settlement, which right is subject to certain conditions, the Company intends to deliver, upon physical settlement of such forward sale agreements on one or more dates specified by the Company occurring no later than December 31, 2025, an aggregate of 3,200,000 shares of its common stock to the forward purchasers in exchange for cash proceeds per share equal to the applicable forward sale price, subject to certain adjustments as provided in the forward sale agreements.

The Company has granted the underwriters a 30-day option to purchase up to an additional 480,000 shares of common stock. If the underwriters exercise such option, the Company expects to enter into additional forward sale agreements with the forward purchasers in respect of the number of shares sold by the forward purchasers (or their respective affiliates) in connection with the exercise of such option.

The offering is expected to close on September 9, 2024, subject to customary closing conditions.

The Company will not initially receive any proceeds from the sale of shares of its common stock by the forward purchasers or their affiliates in the offering. The Company intends to use the net proceeds, if any, it receives upon the future settlement of the forward sale agreements for identified and prospective land acquisitions, the development and redevelopment of apartment communities, the acquisition of communities, funding of its structured investment program investments, and working capital and general corporate purposes. General corporate purposes may include the repayment of outstanding indebtedness, including borrowings under the Company's commercial paper program, which allows the Company to issue, from time to time, unsecured commercial paper notes with varying maturities of less than one year up to a maximum amount outstanding at any one time of \$500 million, or its \$2.25 billion revolving variable rate unsecured credit facility, and the repayment and refinancing of other indebtedness. Pending the application of such net proceeds, the Company may temporarily invest all or a portion of the net proceeds from the offering in cash or cash equivalents and/or hold such proceeds in accordance with its internal liquidity policy.

Selling common stock through the forward sale agreements enables the Company to set the price of such shares upon the pricing of the offering (subject to certain adjustments) while delaying the issuance of such shares and the receipt of the net proceeds by the Company until a time closer to the funding requirements described above.

The offering is being conducted pursuant to the Company's currently effective shelf registration statement, which was previously filed with the Securities and Exchange Commission (the "SEC"). This press release does not constitute an offer to sell or the solicitation of an offer to buy any of the Company's securities, nor shall there be any sale of these securities in any state in which such offer, solicitation or sale would be unlawful prior to registration or qualification under the securities laws of any such state.

You may obtain copies of the prospectus supplement and prospectus relating to the offering without charge from the SEC at www.sec.gov. Alternatively, copies of these documents may be obtained by contacting (i) Goldman Sachs & Co. LLC, Prospectus Department, 200 West Street, New York, NY 10282, telephone: 1-866-471-2526, facsimile: 212-902-9316 or by email at Prospectus-ny@ny.email.gs.com; (ii) BofA Securities, NC1-022-02-25, 201 North Tryon Street, Charlotte, North Carolina 28255-0001, Attention: Prospectus Department or by email at dq.prospectus_requests@bofa.com; (iii) Deutsche Bank Securities Inc., Attention: Prospectus Department, at 1 Columbus Circle, New York, NY 10019, by telephone at (800) 503-4611 or by email at Prospectus.Ops@db.com; and (iv) Morgan Stanley & Co. LLC, Attention: Prospectus Department, 180 Varick Street, 2nd Floor, New York, NY 10014, or email: prospectus@morganstanley.com.

Forward-Looking Statements

This release contains forward-looking statements within the meaning of the federal securities laws, including Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, as amended, which include, but are not limited to, statements related to the intended use of the net proceeds from the offering and the date of the closing of the offering. The Company intends these 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 and is including this statement for purposes of complying with those safe harbor provisions, in each case, to the extent applicable. The

Company cautions investors that any such forward-looking statements are based on current beliefs or expectations of future events and on assumptions made by, and information currently available to, management. You can identify forward-looking statements by the use of the words “believe,” “expect,” “anticipate,” “intend,” “estimate,” “assume,” “project,” “plan,” “may,” “shall,” “will,” “pursue” and other similar expressions in this press release, that predict or indicate future events and trends and that do not report historical matters. Such forward-looking statements are subject to various risks and uncertainties, including, among others, the availability of debt and equity financing; and the trends affecting the Company’s financial condition or results of operations. These factors should not be construed as exhaustive and should be read in conjunction with the other cautionary statements that are described under the sections entitled “Forward-Looking Statements” and “Risk Factors” in the Company’s Annual Report on Form 10-K for the year ended December 31, 2023, as such factors may be updated from time to time in the Company’s periodic filings with the SEC, which are accessible on the SEC’s website at www.sec.gov. Accordingly, there are or will be important factors that could cause actual outcomes or results to differ materially from those indicated in these statements. The forward-looking statements speak only as of the date of this press release, and the Company expressly disclaims any obligation or undertaking to publicly update or review any forward-looking statement, whether as a result of new information, future developments or otherwise, except to the extent otherwise required by law.

About AvalonBay Communities, Inc.

AvalonBay Communities, Inc., a member of the S&P 500, is an equity REIT in the business of developing, redeveloping, acquiring and managing apartment communities in leading metropolitan areas in New England, the New York/New Jersey Metro area, the Mid-Atlantic, the Pacific Northwest, and Northern and Southern California, as well as in the Company’s expansion regions of Raleigh-Durham and Charlotte, North Carolina, Southeast Florida, Dallas and Austin, Texas, and Denver, Colorado. As of June 30, 2024, the Company owned or held a direct or indirect ownership interest in 300 apartment communities containing 91,399 apartment homes in 12 states and the District of Columbia, of which 17 communities were under development.

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