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AvalonBay Communities, Inc. Provides First Quarter 2022 Operating Update

ARLINGTON, Va.--(BUSINESS WIRE)-- **AVALONBAY COMMUNITIES, INC. (NYSE: AVB)** (the "Company") announced today that Same Store Residential rental revenue for the two months ended February 28, 2022, increased 7.3% over the prior year period. This is approximately 60 basis points above what the Company's expectation was for Same Store Residential rental revenue growth for this two-month period when the Company published its outlook for full year 2022 Same Store Residential rental revenue growth on February 2, 2022.

The Company also provided the following Same Store Residential operating information:

Economic Occupancy

	2021	2022	
	Q4	January	February
Total	96.2%	96.3%	96.4%

Like-Term Effective Rent Change

	2021	2022	
	Q4	January	February
New England	11.2%	12.3%	11.7%
Metro NY / NJ	13.3%	13.8%	14.6%
Mid-Atlantic	7.8%	9.1%	10.5%
Southeast FL	26.3%	30.0%	23.5%
Denver, CO	11.7%	10.2%	11.1%
Pacific NW	13.8%	16.1%	15.9%
No. California	7.7%	11.9%	13.0%

So. California	11.5%	11.4%	11.0%
Total	11.0%	12.4%	12.7%
Suburban communities	9.7%	10.5%	10.8%
Urban communities	14.0%	16.9%	17.5%
Total	11.0%	12.4%	12.7%

Definitions

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.

Like-Term Effective Rent Change 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.

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 in the markets where the Company has a significant presence and 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 2022 operating results, Same Store is composed of consolidated communities that have Stabilized Operations as of January 1, 2021, 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 the earlier of (i) attainment of 90% physical occupancy or (ii) the one-year anniversary of completion of development.

Suburban communities are communities located in submarkets with less than 3,500 households per square mile.

Urban communities are communities located in submarkets with 3,500 households or more per square mile.

About AvalonBay Communities, Inc.

As of December 31, 2021, the Company owned or held a direct or indirect ownership interest in 297 apartment communities containing 87,992 apartment homes in 12 states and the District of Columbia, of which 19 communities were under development and one

community was under redevelopment. The Company 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 markets of Raleigh-Durham and Charlotte, North Carolina, Southeast Florida, Dallas and Austin, Texas, and Denver, Colorado. More information may be found on the Company's website at <http://www.avalonbay.com>.

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