

June 3, 2022



AvalonBay Communities, Inc. Provides Second 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 May 31, 2022, increased 13.0% over the prior year period. This is approximately 190 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 most recent outlook for full year 2022 Same Store Residential rental revenue growth on April 27, 2022. This outperformance is attributable to (i) favorable underlying resident uncollectible lease revenue, (ii) the recognition of higher-than-expected delinquent rent payments from COVID rental assistance programs, and (iii) better-than-expected occupancy and effective lease rates.

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

Economic Occupancy

	2022	2022	
	Q1	April	May
Total	96.3%	96.4%	96.5%

Like-Term Effective Rent Change

	2022	2022	
	Q1	April	May
New England	12.8%	14.0%	15.0%
Metro NY / NJ	15.5%	15.9%	17.2%
Mid-Atlantic	10.5%	11.3%	11.4%
Southeast FL	25.4%	21.3%	21.4%
Denver, CO	11.2%	13.7%	12.7%

Pacific NW	16.7%	19.6%	17.1%
No. California	12.2%	14.1%	13.5%
So. California	10.8%	10.5%	9.9%
Total	12.9%	13.6%	13.8%
Suburban communities	10.9%	11.4%	11.6%
Urban communities	17.8%	19.4%	18.5%
Total	12.9%	13.6%	13.8%

- The average asking rent on May 31, 2022 was approximately 9% above the average asking rent on January 1, 2022.
- Loss-to-Lease for the month of May 2022 was approximately 14%.

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.

Loss-to-Lease represents the percentage difference between the average market rent and average gross potential rent and excludes the impact of regulatory constraints (e.g., rent regulation, rent control, other) that limit rent increases in certain regions.

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.

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 March 31, 2022, the Company owned or held a direct or indirect ownership interest in 296 apartment communities containing 87,918 apartment homes in 12 states and the District of Columbia, of which 18 communities were under development and two communities were 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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