AvalonBay COMMUNITIES

# INVESTOR RELATIONS UPDATE

## THIRD QUARTER 2025

SEPTEMBER 3, 2025

**Avalon Somerville Station**
Somerville, NJ

# IMPORTANT INFORMATION

See Appendix for information about forward-looking statements and definitions and reconciliations of non-GAAP financial measures and other terms. For the reasons described in the referenced forward-looking statements our historical results may not be indicative of future results.

The projections for AvalonBay Communities, Inc. included in this presentation were originally included in its July 30, 2025, earnings release, or its July 31, 2025, earnings conference call, both of which are available under "Investor Relations" at www.avalonbay.com. These projections are provided for historical reference and have not been reviewed or updated for purposes of this presentation, and the inclusion of these projections in this presentation is not a reaffirmation of these projections or a confirmation with respect to the accuracy of the projections as of any date after the date of the earnings release or the date of the earnings conference call, as applicable. The projections were based on the expectations, forecasts, and assumptions on the date of the earnings release or the date of the earnings conference call, as applicable, which may not be realized and/or may have changed since that date and involve risks and uncertainties that might not be anticipated or could not be predicted accurately. These could cause these projections to be inaccurate as of any date after the date of the earnings release or the date of the earnings conference call, as applicable, and may also cause actual results to differ materially from those expressed or implied by the projections, as described in "Forward-Looking Statements" in the Appendix.

AvalonBay does not undertake a duty to update any projections or other forward-looking statements contained in this presentation, including but not limited to its expected 2025 operating results and other financial and economic data forecasts. AvalonBay may, in its discretion, provide information in future public announcements regarding its outlook that may be of interest to the investors, analysts and other members of the financial and investment communities. The format and extent of future outlooks may be different from the format and extent of the information contained in this presentation.

AvalonBay files annual, quarterly and current reports, proxy statements and other information with the Securities and Exchange Commission (the "SEC"). Our SEC filings are available to the public free of charge from the SEC website at www.sec.gov and on our website at the address above. You should read this presentation in conjunction with our Annual Report on Form 10-K for the year ended December 31, 2024, our Quarterly Report on Form 10-Q for the quarter ended June 30, 2025, and Current Reports on Form 8-K and other reports and documents we file with the SEC after the date of this presentation before you make any investment decisions involving AvalonBay and its securities.

The date of this presentation is September 3, 2025.

# KEY CONFERENCE THEMES

- **Full year Same Store Residential NOI outlook increased to 2.7%[(1)]**
  - → Same Store Residential revenue growth for July and August is generally consistent with the Company's expectations for revenue growth for the two-month period when the Company published its current outlook
- **Favorable fundamentals in Established Regions expected to persist; new supply projected to decline to historically low levels in 2026**
- **~$3B of Development underway expected to provide incremental earnings and value creation upon stabilization**
  - → Projected Initial Stabilized Yields trending above initial projections
- **Transaction activity advancing our portfolio allocation objectives; increasing our Suburban and Expansion Region allocations**
- **Opportunistically addressed full year capital plan, raising $1.3B YTD[(2)] at 5.0% wtd. avg. initial cost of capital**

*(1) Current outlook provided July 30, 2025, represents midpoint of outlook.*
*(2) YTD through July 30, 2025.*

Avalon Bothell Commons
Bothell, WA

AvalonBay
COMMUNITIES

# ABOUT AVALONBAY


**Avalon Redmond Campus**
Redmond, WA

# LARGEST PUBLICLY-TRADED MULTIFAMILY REIT; S&P 500 COMPANY WITH STRONG SHAREHOLDER RETURNS

**$38B**
TOTAL ENTERPRISE VALUE

**A3 | A-**
MOODY'S | S&P CREDIT RATINGS

**315**
COMMUNITIES

**97,212**
APARTMENT HOMES

**10**
U.S. REGIONS

**76%**
SUBURBAN PORTFOLIO(1)

**11.4%**
TOTAL SHAREHOLDER RETURN SINCE IPO(2)

**4.8%**
ANNUALIZED DIVIDEND GROWTH SINCE 2000

*Source: Internal company reports.*
*Data as of June 30, 2025.*
*Largest publicly-traded multifamily REIT based on Total Enterprise Value.*
*See Appendix for a definition and reconciliation of Total Enterprise Value, a discussion of the Company's credit ratings, and an explanation of the Total Shareholder Return and Dividend Growth calculations.*
*(1) See Appendix for a discussion of Current Allocation.*
*(2) IPO (initial public offering) for Avalon Properties completed November 18, 1993.*

# 30-YEARS OF OUTSTANDING GROWTH AS INDUSTRY LEADER

AvalonBay COMMUNITIES

| | |
|---|---|
| 1993 | AVALON PROPERTIES IPO |
| 1998 | AVALON & BAY MERGER |
| 2007 | JOINS S&P 500<br>CENTRALIZED CUSTOMER CARE CENTER OPENS |
| 2011 | FIRST ESG REPORT |
| 2013 | ARCHSTONE ACQUISITION |
| 2017 | EXPANDS TO DENVER & SOUTHEAST FLORIDA |
| 2021 | EXPANDS TO CHARLOTTE, RALEIGH-DURHAM, DALLAS-FORT WORTH, & AUSTIN |

HUMAN RIGHTS CAMPAIGN FOUNDATION EQUALITY 100 2023 2024 Leader in LGBTQ+ Workplace Inclusion

Nareit Leader in the Light 2022 ESG Award Winner

100 Best Corporate Citizens 2023

GRESB REAL ESTATE sector leader 2022

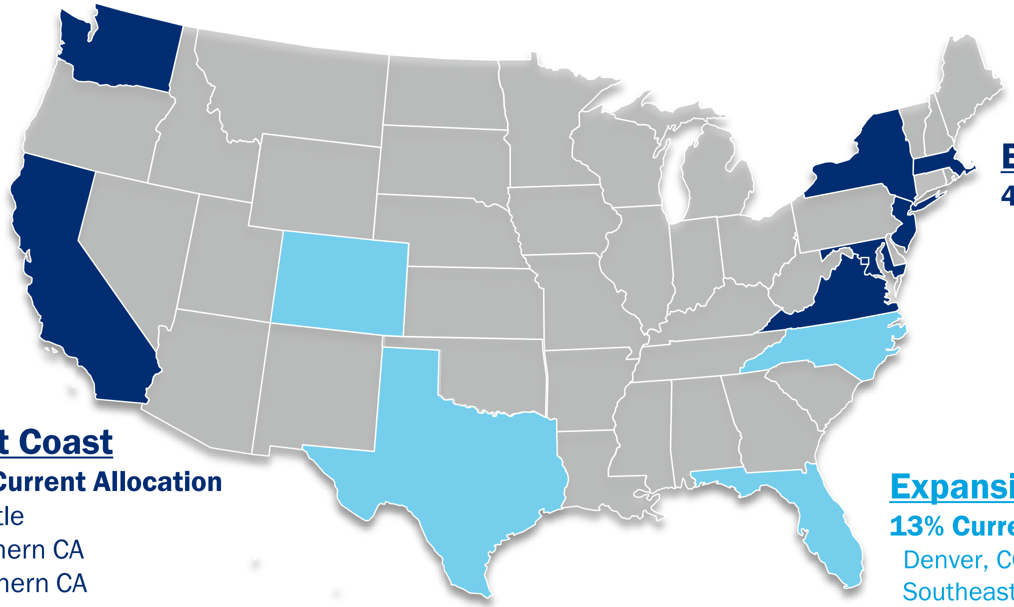
CDP DISCLOSURE INSIGHT ACTION

2024 AGC DIVERSITY & INCLUSION AWARDS Willis Towers Watson

*Source: Internal company reports.*

# DIVERSIFIED PORTFOLIO ACROSS LEADING MARKETS AND SUBMARKETS, AND ACROSS PRODUCT TYPES AND PRICE POINTS

## Regional Allocation

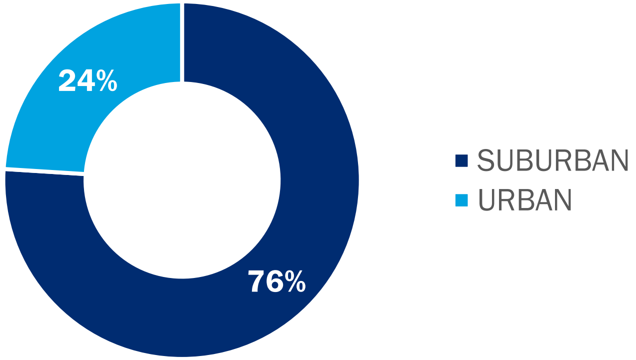


**East Coast**
**47% Current Allocation**
Boston
Metro NY/NJ
Mid-Atlantic

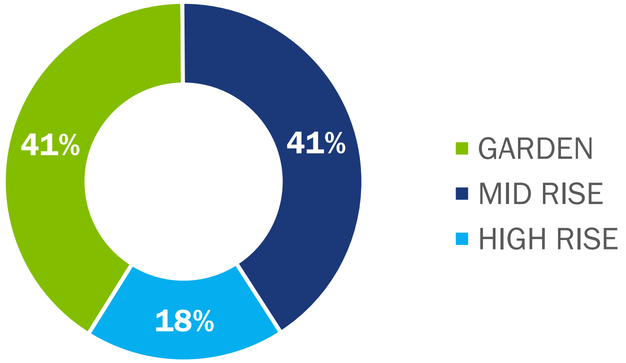
**West Coast**
**40% Current Allocation**
Seattle
Northern CA
Southern CA

**Expansion Regions**
**13% Current Allocation**
Denver, CO
Southeast FL
Charlotte & Raleigh-Durham, NC
Austin & Dallas, TX

## Submarket Allocation




## Product Type




*Source: Internal company reports.*
*See Appendix for a discussion of the Company's Current Allocation.*

# INTENTIONAL PORTFOLIO ALLOCATION TO SELECTED EXPANSION REGIONS; CONSISTENT FOCUS ON ASSET AGE, SUBURBAN AND GARDEN PRODUCT

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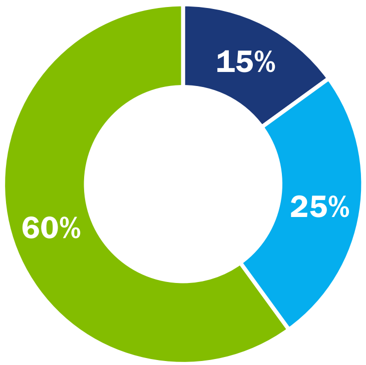
## Expansion Region Allocation

**13%** → **25%**

Current Allocation → Target Allocation

## Investment Mix




| | Communities \| Homes | Avg. Asset Age | Suburban (%) | Garden (%) |
|---|---|---|---|---|
| **Denver** ANNOUNCED 2017 | 11 \| 3,120 | 5 yrs. | 80% | 50% |
| **Southeast Florida** ANNOUNCED 2017 | 12 \| 3,890 | 5 yrs. | 100% | 40% |
| **Charlotte & Raleigh-Durham (NC)** ANNOUNCED 2021 | 11 \| 3,130 | 3 yrs. | 85% | 40% |
| **Austin & Dallas (TX)** ANNOUNCED 2021 | 16 \| 5,280 | 10 yrs. | 100% | 90% |

*Source: Internal company reports.*
*See Appendix for a discussion of Current Allocation and Target Allocation.*

# POSITIONED FOR CONTINUED GROWTH IN 2025

Strategic Focus Areas To Deliver Superior Growth

1. **INNOVATE AND TRANSFORM OPERATIONS**
   Driving Incremental NOI

2. **OPTIMIZE PORTFOLIO ALLOCATION AND PERFORMANCE**
   Positioning for continued growth

3. **GROW BY LEVERAGING DEVELOPMENT CAPABILITIES**
   Generating accretive external growth

4. **LEVERAGE GROWTH-ORIENTED BALANCE SHEET**
   Ensuring continuous access to cost effective capital

**Avalon Montville**
Pine Brook, NJ

❶ INNOVATE AND TRANSFORM OPERATIONS

# DELIVERED $39M OF ANNUAL INCREMENTAL NOI THROUGH YEAR-END 2024; ADVANCING TOWARD $80M TARGET

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## KEY OPERATING INITIATIVES

Create an efficient operating platform that delivers excellent service and NOI growth

### STRATEGIC PRIORITIES: ACCOMPLISHMENTS & NEXT STEPS

**DELIVER SEAMLESS, DIGITAL, SELF-SERVE EXPERIENCES**

**Align with customer expectations & reduce staff involvement**

- Fully digitally enabled self-guided touring
- Application & lease signing
- Renewals
- *Resident App*
- *Parking*

**IMPLEMENT NEIGHBORHOOD & CENTRALIZED STAFFING MODELS**

**Leverage market scale & long-standing Customer Care Center capabilities to drive efficiency**

- Expanding neighborhoods to include more communities
- New centralized functions: renewals, leasing / sales support

**ACCELERATE AI SOLUTIONS**

**Automate key tasks for efficiency**

- Virtual leasing assistant
- *Back-office automation (RPA)*
- *Collections*
- *Voice AI*
- *Associate Resource Assistant*

**VALUE-ADD RESIDENT SERVICES**

**Generate income and enable digital service experiences**

- Bulk Wifi at 90% of communities
- *Smart Access at 70% of communities*

*Items in italics are in-progress*

### IMPACT

→ **Reduced FTEs by ≈ 15%** from onsite staff and regional overhead from 2021 baseline

→ **Deployed Neighborhood model** to 70% of portfolio at YE24

**For Same Store Communities:**

→ **Delivered Other Rental Revenue Growth of 14% in 2024,** with 9% forecasted in 2025

→ **Payroll growth rate flat in 2024,** and declined by 4% in 2023

*Source: Internal company reports.*
*See Appendix for an explanation of Incremental NOI.*

❷ OPTIMIZE PORTFOLIO ALLOCATION AND PERFORMANCE

# INCREASING ALLOCATION TO THE SUBURBS AND EXPANSION REGIONS

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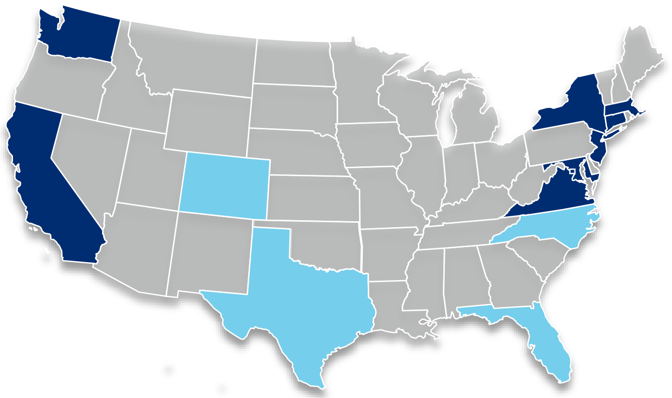
## Suburban Allocation

| 70% | → | 76% | → | 80% |
|---|---|---|---|---|
| Year-End 2023 | | Current Allocation | | Target Allocation |

## Expansion Region Allocation

| 8% | → | 13% | → | 25% |
|---|---|---|---|---|
| Year-End 2023 | | Current Allocation | | Target Allocation |

## YEAR-TO-DATE TRANSACTION ACTIVITY[(1)]



| Dispositions<br>100% AVB ESTABLISHED REGIONS | | Acquisitions<br>90% AVB EXPANSION REGIONS |
|---|---|---|
| $810M | VOLUME ($) | $915M |
| 5.4% | MARKET CAP RATE | 4.8% |
| 65% \| 35% | URBAN \| SUBURBAN | --% \| 100% |

*Source: Internal company reports.*
*See Appendix for a discussion of Current Allocation and Target Allocation.*
*(1) YTD transaction activity includes activity completed or under agreement through 8/31/2025.*

③ GROW BY LEVERAGING DEVELOPMENT CAPABILITIES

# DEVELOPMENT UNDERWAY FULLY MATCH-FUNDED; PROJECTED INITIAL STABILIZED YIELDS TRENDING ABOVE UNDERWRITING

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## KEY METRICS

**>100%**
**MATCH-FUNDED**
(DEVELOPMENT UNDERWAY)

**6.2%**
**PROJECTED INITIAL STABILIZED YIELD**
(UNTRENDED)

**100-150bps**
**SPREAD TO COST OF CAPITAL AND UNDERLYING CAP RATES**

## Development Underway

$2.9B Projected Total Capital Cost
21 Communities | 7,500 Homes

| | Communities | Regions | Projected Initial Stabilized Yield | Projected Total Capital Cost | Rents[1] |
|---|---|---|---|---|---|
| **Current Lease-up Communities** | 3 | MD, NJ | • 6.5% +30bps vs. underwriting | • $385M ↓$10M (~3%) vs. underwriting | • +$80/month (+3%) vs. underwriting |
| **Additional 2025 Lease-ups** | 7 | CA, FL, NC, NJ | • 6.2% | • **$1.2B** positioned well for savings at completion | • Opening rents at 6 of 7 communities with pre-leasing **~3%** above underwriting[2] |
| **2026 & Beyond** | 11 | CA, CO, FL, MA, MD, NC, TX | • 6.2% | • **$1.3B** strong early construction buyout savings | • Rents untrended; underwritten at time of construction start |

*Source: Internal company reports.*
*For incremental detail, please refer to Attachment 9 in the Company's earnings supplement dated July 30, 2025.*
*(1) Represents avg. monthly revenue per home.*
*(2) Reflects initial leasing at Avalon Lake Norman, Avalon West Windsor, Avalon South Miami, Avalon Wayne, Avalon Parsippany and Avalon Pleasonton Phase I.*

4 LEVERAGE GROWTH-ORIENTED BALANCE SHEET

# FURTHER STRENGTHENING OUR PREEMINENT BALANCE SHEET; PROVIDING FLEXIBILITY TO FUND ACCRETIVE GROWTH

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## KEY METRICS

**A3 | A-**

**CREDIT RATINGS**
(MOODY'S | S&P)

**4.4x**

**NET DEBT-TO-CORE EBITDARE**

**95%**

**UNENCUMBERED NOI**

## RECENT HIGHLIGHTS

**$400M**

**10 YEAR UNSECURED DEBT OFFERING (JULY)**

- 5.05% effective interest rate
- 85bps above U.S. 10-year Treasury Yield

**$550M**

**UPSIZED TERM LOAN APRIL 2029 MATURITY**

- $450M drawn 5/30/25; $100M accordion exercised on 8/1/25
- Swapped to fixed 4.4% interest rate

PRIOR ACTIVITY

**$890M**

**FORWARD EQUITY ACTIVITY**

- Sourced to Match-Fund anticipated 2025 Development starts at wtd. avg. price of $226/shr
- 100-150bps of accretive spread to projected Initial Stabilized Yields on Development

## CURRENT LIQUIDITY $2.7B(1,2)


*Source: Internal company reports.*
*See Appendix for a definition and reconciliation of Net Debt-to-Core EBITDAre, and a discussion of the Company's Credit Ratings and Forward Equity Activity.*
*(1) Reflects activity through June 30, 2025*
*(2) Includes the Company's $2.5 billion unsecured revolving credit facility ("Credit Facility") and commercial paper program ("Commercial Paper"), and $890M of undrawn forward equity, partially offset by $665M of Commercial Paper outstanding as of June 30, 2025*

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# 2Q 2025 EARNINGS REVIEW

**Avalon North Andover**
Andover, MA

# REVIEW OF 2Q25 RESULTS AND YTD ACTIVITY

| RESULTS AND ACTIVITY | 2Q | 1H |
|---|---|---|
| **CORE FFO PER SHARE GROWTH**<br>YEAR-OVER-YEAR | **1.8%** | **3.3%** |
| **SAME STORE RESIDENTIAL REVENUE GROWTH**<br>YEAR-OVER-YEAR | **3.0%** | **3.0%** |
| **DEVELOPMENT STARTS**(1) | **$370M** | **$610M** |
| **OTHER ACTIVITY** | **YTD THRU JULY** | |
| **CAPITAL RAISED**(2)<br>WTD. AVG. INITIAL COST OF CAPITAL(3) | **$1.3B**<br>5.0% | |


**Avalon Newcastle Commons**
Newcastle, WA

*Source: Internal company reports.*
*See Appendix for a reconciliation of Net Income attributable to common stockholders to FFO and to Core FFO.*
*(1) Includes the Company's expansion of Avalon Pleasanton, representing an incremental $160M of projected Total Capital Cost.*
*(2) Capital raised includes net proceeds from all debt and equity issuances (inclusive of DownREIT Units), wholly-owned dispositions, and distributions from unconsolidated real estate entities.*
*(3) Weighted average initial cost of capital includes all equity (inclusive of DownREIT Units) and debt (inclusive of the effect of interest rate hedges) issuances, and wholly-owned dispositions only.*

# 2Q CORE FFO PER SHARE EXCEEDED OUR OUTLOOK DRIVEN BY FAVORABLE SAME STORE RESIDENTIAL REVENUE AND OPERATING EXPENSE PERFORMANCE

## COMPONENTS OF 2Q 2025 CORE FFO PER SHARE CHANGE OUTPERFORMANCE

BASED ON THE MIDPOINT OF THE OUTLOOK RANGE


*Source: Internal company reports.*

*See Appendix for a reconciliation of Net Income attributable to common stockholders to FFO and to Core FFO.*

*(1) Outlook provided April 30, 2025.*

*(2) Other items includes effective lease rates, other rental revenue, and uncollectible lease revenue.*

# ESTABLISHED REGIONS INSULATED FROM STANDING INVENTORY OVERHANG, NEW SUPPLY EXPECTED TO DECLINE TO HISTORICALLY LOW LEVELS IN ‘26

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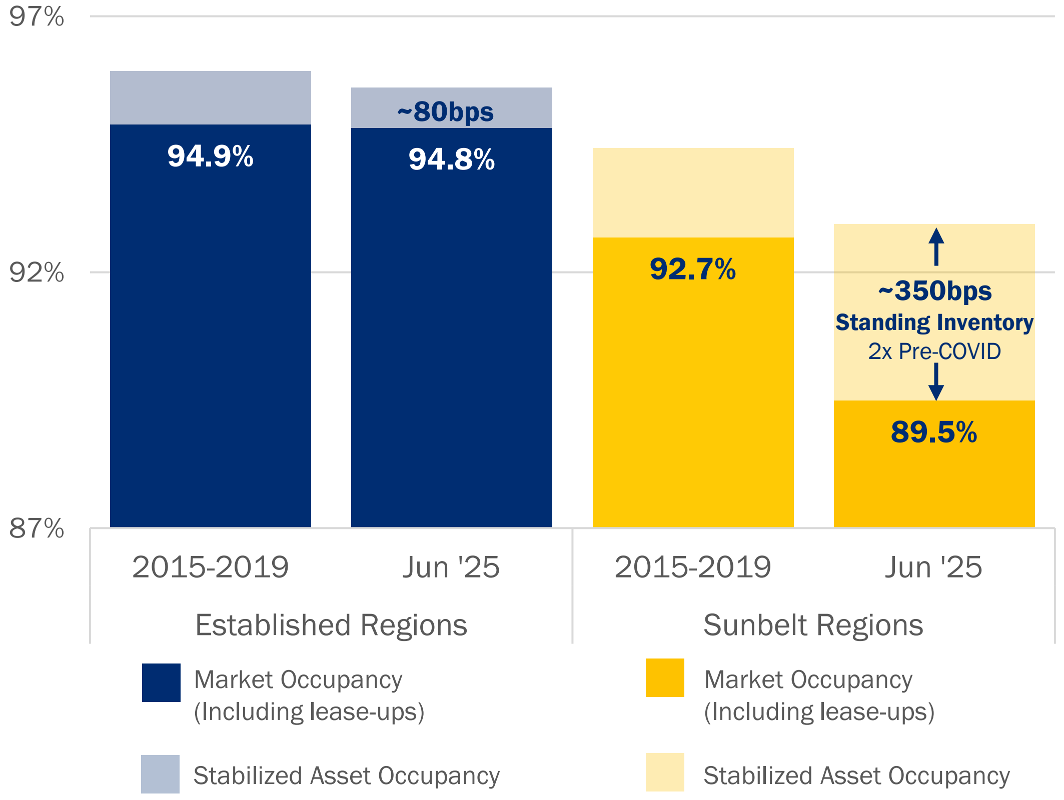
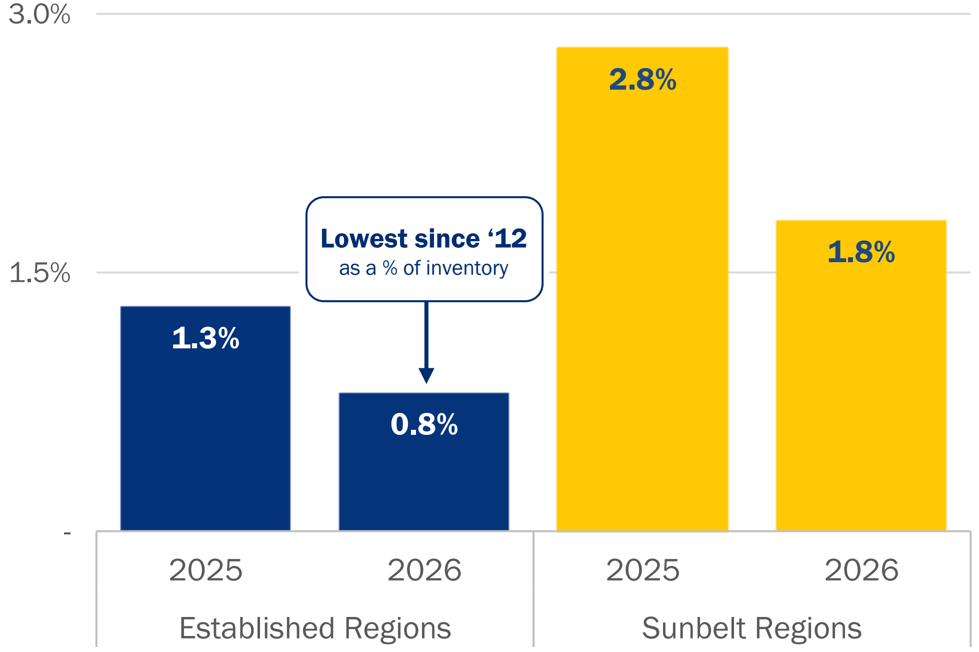
## MARKET OCCUPANCY (INCLUDING LEASE-UPS)

2015-2019 AVERAGE AND JUNE 2025




## PROJECTED NEW MARKET RATE APARTMENT DELIVERIES

2025 AND 2026 AS A % OF INVENTORY




*Source: CoStar, AVB Market Research Group.*
*Sunbelt Regions include Austin, Albuquerque, Atlanta, Charlotte, Dallas-Fort Worth, El Paso, Ft. Lauderdale, Gainesville, Huntsville, Houston, Jacksonville, Louisville, Lubbock, Memphis, Miami, Mobile, Myrtle Beach, Naples, Nashville, New Orleans, Oklahoma City, Orlando, Phoenix, Raleigh-Durham, Reno, San Antonio, Savannah, Tampa, Tucson, Tulsa, and West Palm Beach.*

# UPDATED 2025 FULL YEAR OUTLOOK

| 2025 FULL YEAR OUTLOOK SUMMARY | CURRENT[(1)] | INITIAL[(2)] |
|---|---|---|
| **PROJECTED CORE FFO PER SHARE GROWTH** | | |
| MIDPOINT OF OUTLOOK RANGE | 3.5% | 3.5% |
| **SAME STORE RESIDENTIAL** | | |
| REVENUE GROWTH[(3)] | 2.8% | 3.0% |
| OPERATING EXPENSE GROWTH | 3.1% | 4.1% |
| NOI GROWTH | 2.7% | 2.4% |
| **DEVELOPMENT ACTIVITY** | | |
| TOTAL CAPITAL COST FOR DEVELOPMENT STARTS | $ 1.7B | $ 1.6B |
| 2025 NOI FROM DEVELOPMENT COMMUNITIES | $ 25M | $ 30M |
| **KEY CAPITAL ITEMS** | | |
| NEW CAPITAL | $ 1.1B | $ 960M |
| CAPITAL USED FOR INVESTMENT ACTIVITIES[(4)] | $ 1.2B | $ 1.3B |
| CAPITAL USED FOR DEBT REDEMPTIONS AND AMORTIZATION | $ 835M | $ 835M |

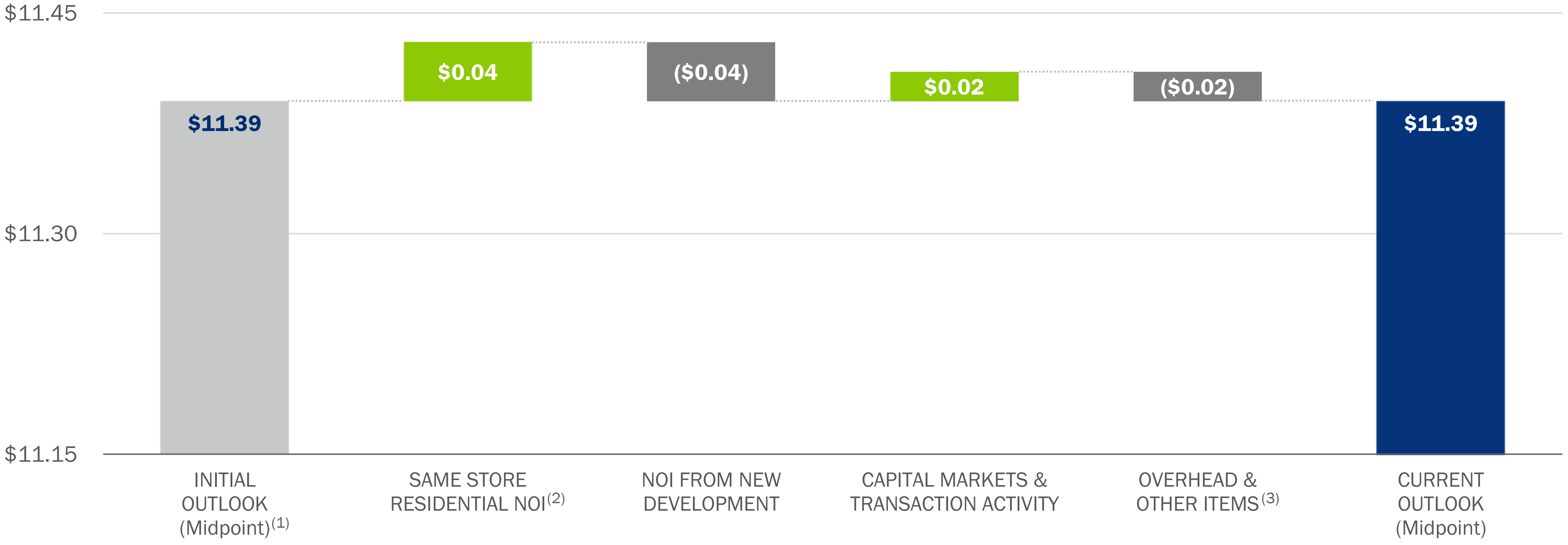
Avalon Castle Rock at the Meadows
Castle Rock, CO

*Source: Internal company reports.*
*See Appendix for a reconciliation of Projected Net Income attributable to common stockholders to Projected FFO and to Projected Core FFO.*
*(1) Based on the midpoints of the outlook ranges as provided on Attachment 12 in the Company's earnings supplement dated July 30, 2025.*
*(2) Based on the midpoints of the outlook ranges as provided on Attachment 13 in the Company's earnings supplement dated February 5, 2025.*
*(3) The decrease in the Company's projected full year Same Store Residential revenue growth relative to its initial outlook is partially due to changes in the composition of the Same Store segment attributable to completed and planned disposition activity.*
*(4) Includes (i) Development and redevelopment activity, including land, (ii) funding the Company's SIP commitments, and (iii) joint venture funding.*

# REVISED PROJECTED CORE FFO PER SHARE OUTLOOK REFLECTS HIGHER SAME STORE NOI, OFFSET BY DELAYED OCCUPANCIES IMPACT TO DEVELOPMENT NOI

## COMPONENTS OF UPDATED FULL YEAR 2025 PROJECTED CORE FFO PER SHARE

BASED ON THE MIDPOINT OF THE OUTLOOK RANGE




*Source: Internal company reports.*

*(1) Outlook provided February 5, 2025.*

*(2) Includes unfavorable Same Store Residential revenue $0.02, offset by favorable Same Store Residential operating expenses $0.06.*

*(3) Includes Commercial NOI*

# 3Q PROJECTED CORE FFO PER SHARE REFLECTS SEASONAL UPTICK IN SAME STORE REVENUE, OPERATING EXPENSES, AND DEVELOPMENT NOI

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## 2Q25 TO 3Q25 PROJECTED CORE FFO PER SHARE CHANGE

BASED ON THE MIDPOINT OF THE OUTLOOK RANGE


*Source: Internal company reports.*

*(1) Includes Commercial NOI.*

# 4Q PROJECTED CORE FFO PER SHARE REFLECTS SEQUENTIAL SEASONAL INCREASE IN SAME STORE NOI AND RAMP IN DEVELOPMENT NOI

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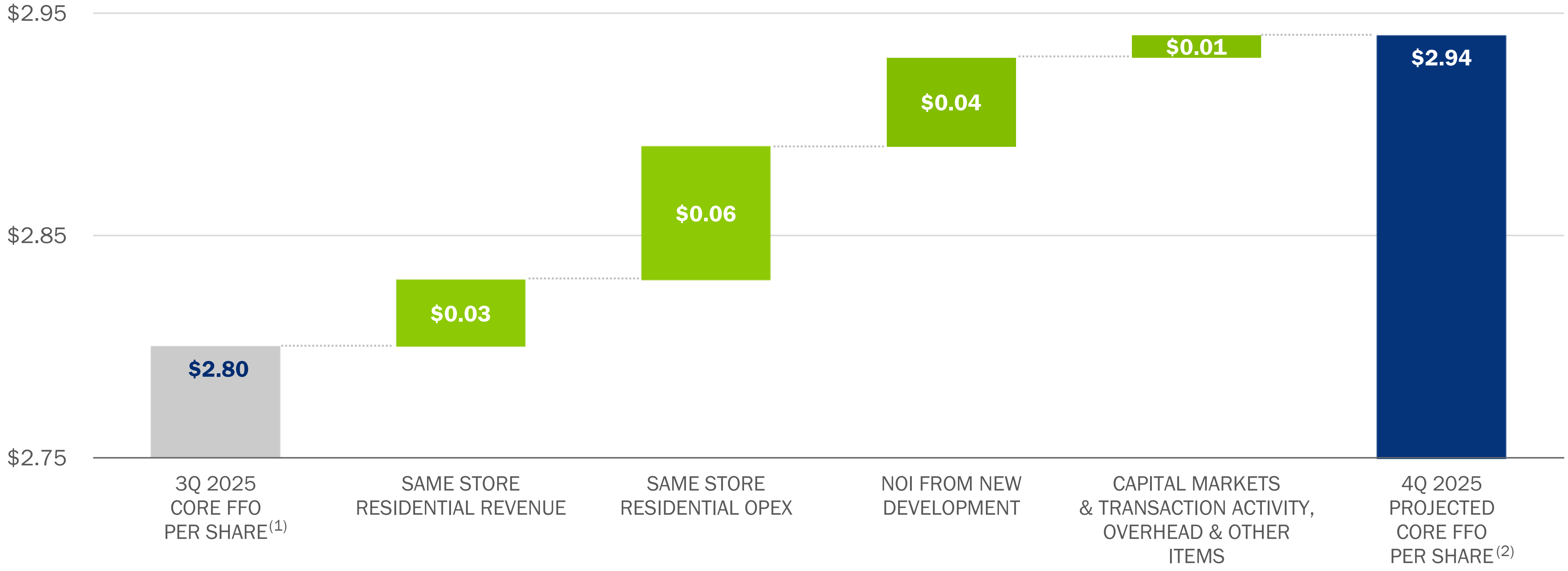
## 3Q25 TO 4Q25 PROJECTED CORE FFO PER SHARE CHANGE

BASED ON THE MIDPOINT OF THE OUTLOOK RANGE




*Source: Internal company reports.*

*(1) Outlook provided July 30, 2025.*

*(2) The Company's fourth quarter Projected Core FFO ($2.94) per share is implied by the Company's current full year outlook provided July 30, 2025 ($11.39), actual results for YTD 2025 ($5.65), and the 3Q 2025 Outlook provided July 30, 2025 ($2.80).*

# FULL YEAR SAME STORE REVENUE OUTLOOK REVISED FOR SAME STORE SEGMENT CHANGE DUE TO EXPECTED DISPOSITIONS AND SLIGHTLY HIGHER BAD DEBT

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## COMPONENTS OF PROJECTED FULL YEAR 2025 SAME STORE RESIDENTIAL REVENUE GROWTH CHANGE

BASED ON THE MIDPOINT OF THE OUTLOOK RANGE

| | |
|---|---|
| **INITIAL OUTLOOK PROJECTED FULL YEAR SAME STORE RESIDENTIAL REVENUE GROWTH** | **3.0%** |
| Same Store segment change[1] | (0.1%) |
| Effective lease rates | (0.1%) |
| Economic Occupancy | 0.1% |
| Uncollectible Residential lease revenue[2] | (0.1%) |
| **CURRENT FULL YEAR SAME STORE RESIDENTIAL REVENUE GROWTH (MIDPOINT)** | **2.8%** |

*Source: Internal company reports.*

*(1) The decrease in the Company's projected full year Same Store Residential revenue growth relative to its initial outlook is partially due to changes in the composition of the Same Store segment attributable to completed and planned disposition activity.*

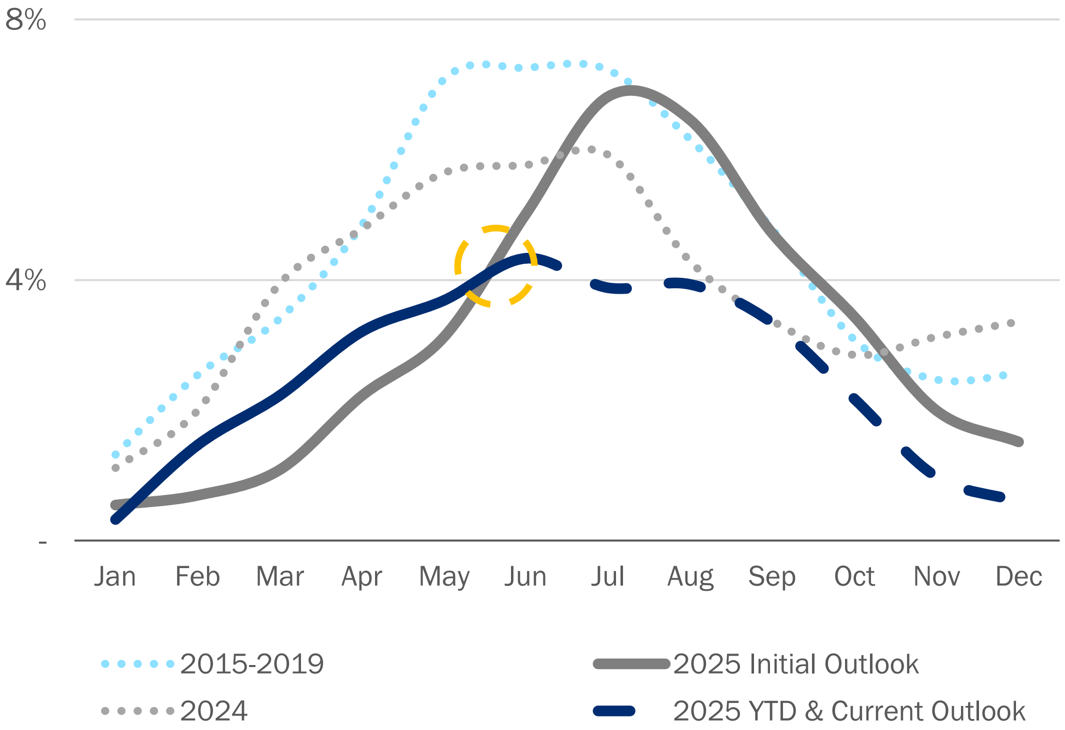
*(2) Uncollectible Residential lease revenue as a % of gross Residential revenue before government rent relief is now expected to be ≈ 1.5%, decreasing from ≈ 1.7% in 2024.*

# ASKING RENT GROWTH AHEAD OF INITIAL OUTLOOK THRU MAY, PEAKED EARLIER THAN FORECAST; BAD DEBT CONTINUES TO IMPROVE, BUT PACE BELOW OUTLOOK

## 2025 SAME STORE RESIDENTIAL

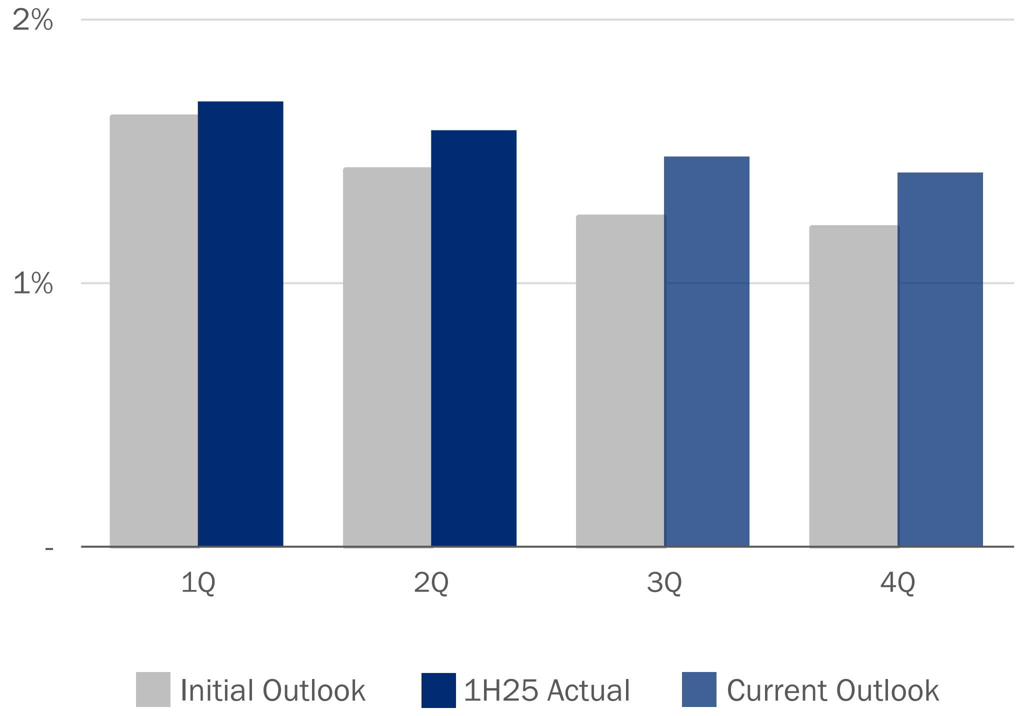
### INDEXED ASKING RENT TREND

INITIAL VS. CURRENT OUTLOOK




### BAD DEBT

UNCOLLECTIBLE LEASE REVENUE
AS A % OF TOTAL RESIDENTIAL RENTAL REVENUE

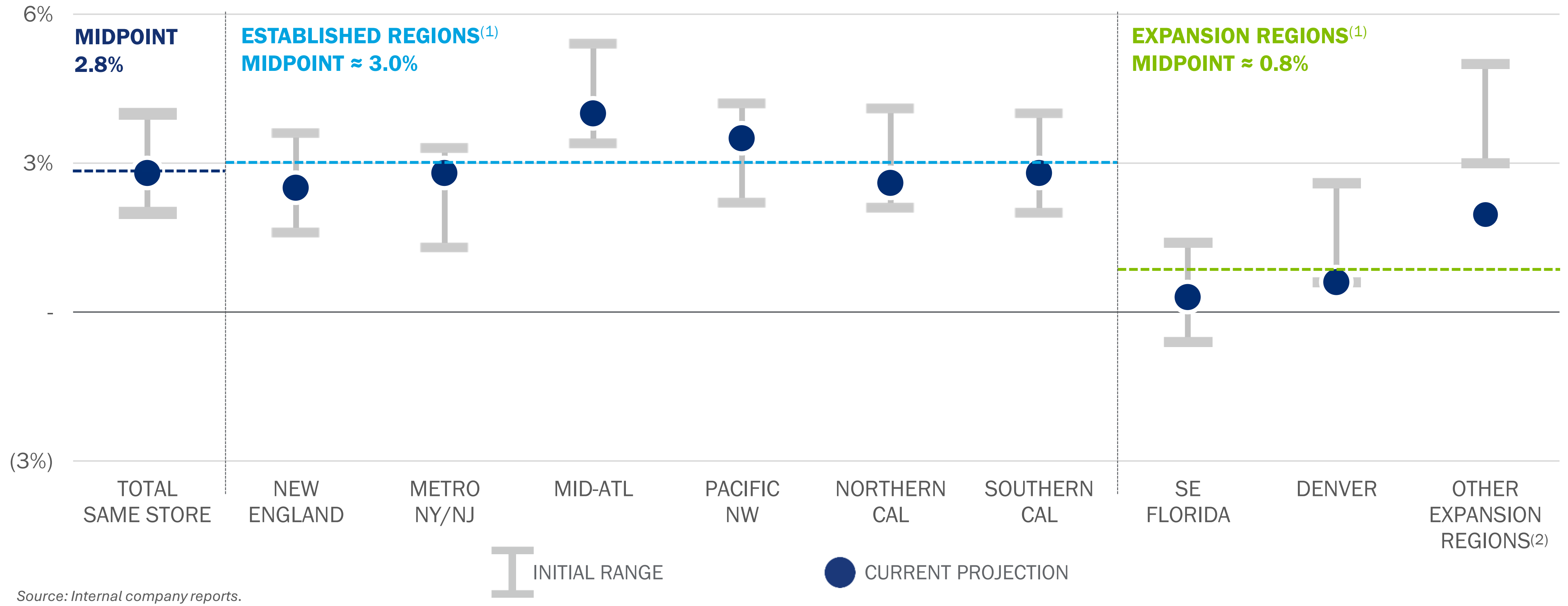



*Source: Internal company reports.*
*Initial Outlook reflects the Company's expectation for asking rents and uncollectible lease revenue for 2025 when the Company published its outlook for the full year 2025 on February 5th, 2025.*
*Current Outlook reflects the Company's expectation for asking rents and uncollectible lease revenue for 2025 when the Company published its updated outlook for the full year 2025 on July 30th, 2025.*

# ESTABLISHED REGIONS EXPECTED TO CONTINUE TO OUTPERFORM EXPANSIONS REGIONS

## INITIAL AND CURRENT 2025 FULL YEAR SAME STORE RESIDENTIAL REVENUE GROWTH PROJECTIONS

BY REGION




*Source: Internal company reports.*

*(1) Established Regions projected to represent ≈ 93% of Same Store Residential revenue in 2025; Expansion Regions projected to represent approximately ≈ 7% of Same Store Residential revenue in 2025.*

*(2) Represents 2,512 homes in Charlotte, North Carolina and Dallas, Texas.*

# DEVELOPMENT NOI IMPACTED BY DELAYED OCCUPANCIES; RAMPING OCCUPANCIES THROUGH 2026 PROJECTED TO PROVIDE EARNINGS UPLIFT

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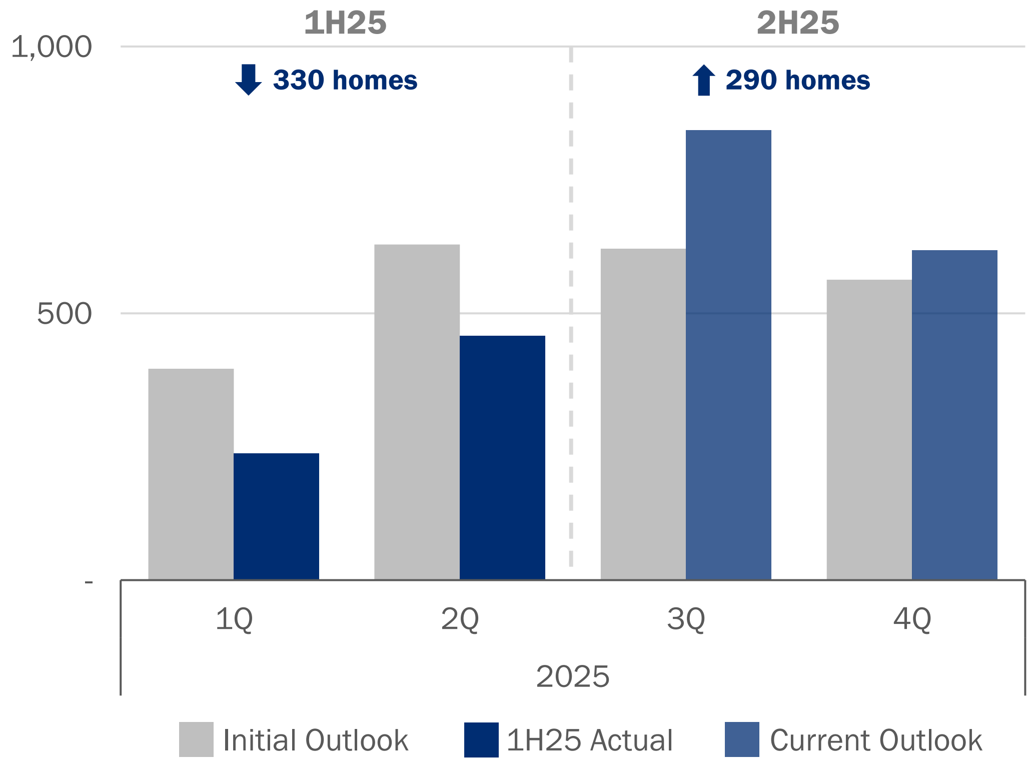
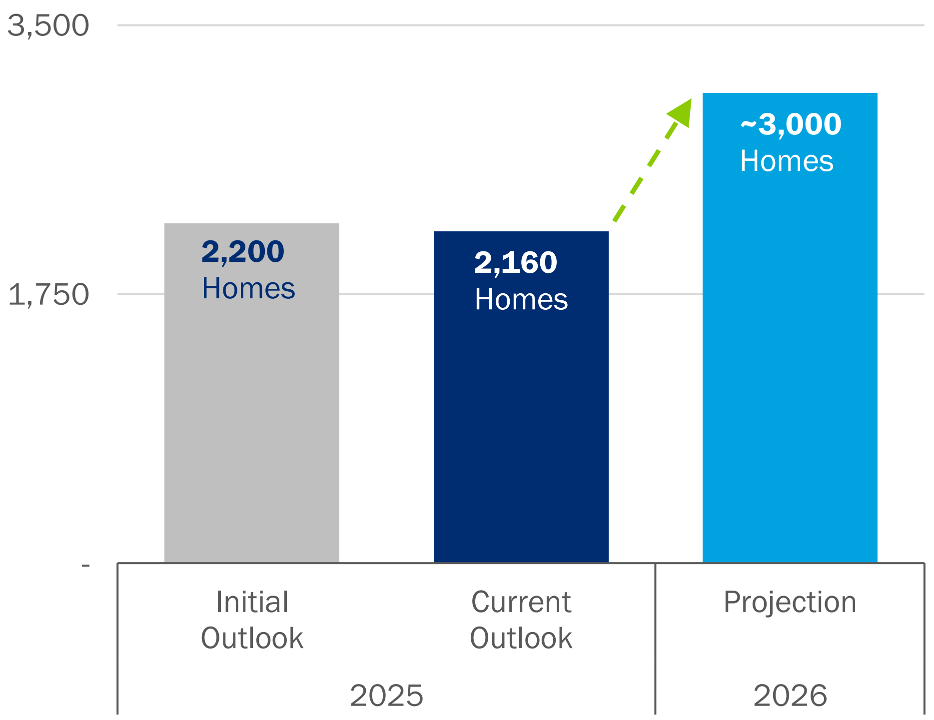
## DEVELOPMENT HOMES OCCUPIED

INTIAL OUTLOOK, YTD ACTUALS AND CURRENT OUTLOOK, QUARTERLY




## DEVELOPMENT HOMES OCCUPIED

ANNUAL OCCUPANCIES




*Source: Internal company reports.*
*Initial Outlook reflects the Company's expectation for Development occupancies for 2025 when the Company published its outlook for the full year 2025 on February 5th, 2025.*
*Current Outlook reflects the Company's expectation for Development occupancies for 2025 when the Company published its updated outlook for the full year 2025 on July 30th, 2025.*

# APPENDIX

**Avalon Bothell Commons**
Bothell, WA

# FORWARD-LOOKING STATEMENTS

This presentation contains "forward-looking statements" within the meaning of Section 27A of the Securities Act and Section 21E of the Exchange Act. We intend such 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. The Company's forward-looking statements generally use the words "believe," "expect," "anticipate," "intend," "estimate," "assume," "project," "plan," "may,“ "shall," "will," "pursue" and other similar expressions that indicate future events and trends and do not report historical matters. These statements, among other things, address the Company's intent, belief or expectations with respect to: development, redevelopment, acquisition or disposition of communities; the timing and cost of completion of communities under development or redevelopment; the timing of lease-up, occupancy and stabilization of communities; the pursuit of land for future development; the anticipated operating performance of our communities; cost, yield, revenue, NOI and earnings estimates; the impact of landlord-tenant laws and rent regulations, including rent caps; our expansion into new regions; our declaration or payment of dividends; our joint venture activities; our policies regarding investments, indebtedness, acquisitions, dispositions, financings and other matters; our qualification as a REIT under the Code; the real estate markets in regions where we operate and in general; the availability of debt and equity financing; interest rates; inflation, tariffs and other economic conditions, and their potential impacts; trends affecting our financial condition or results of operations; regulatory changes that may affect us; and the impact of legal proceedings.

The Company cannot assure the future results or outcome of the matters described in these statements; rather, these statements merely reflect our current expectations of the outcomes of the matters discussed. We do not undertake a duty to update these forward-looking statements, and therefore they may not represent our estimates and assumptions after the date of this presentation. You should not rely on forward-looking statements because they involve known and unknown risks, uncertainties and other factors, some of which are beyond our control. These risks, uncertainties and other factors may cause our actual results, performance or achievements to differ materially from the anticipated future results, performance or achievements expressed or implied by these forward-looking statements. You should carefully review the discussion under Part I, Item 1A. "Risk Factors" in our Form 10-K for further discussion of risks associated with forward-looking statements.

Some of the factors that could cause our actual results, performance or achievements to differ materially from those expressed or implied by these forward-looking statements include, but are not limited to, the following: we may fail to secure development opportunities due to an inability to reach agreements with third parties to obtain land at attractive prices or to obtain desired zoning and other local approvals; we may abandon or defer development opportunities for a number of reasons, including changes in local market conditions which make development less desirable, increases in costs of development, increases in the cost of capital or lack of capital availability, resulting in losses; construction costs of a community may exceed original estimates; we may not complete construction and lease-up of communities under development or redevelopment on schedule, resulting in increased interest costs and construction costs and a decrease in expected rental revenues; occupancy rates and market rents may be adversely affected by competition and local economic and market conditions which are beyond our control; our cash flows from operations and access to cost-effective capital may be insufficient for the development of our pipeline, which could limit our pursuit of opportunities; an outbreak of disease or other public health event may affect the multifamily industry and general economy; our cash flows may be insufficient to meet required payments of principal and interest, and we may be unable to refinance existing indebtedness or the terms of such refinancing may not be as favorable as the terms of existing indebtedness; we may be unsuccessful in our management of joint ventures and the REIT vehicles that are used with certain joint ventures; we may experience a casualty loss, natural disaster or severe weather event, including those caused by climate change; new or existing laws and regulations implementing rent control or rent stabilization, or otherwise limiting our ability to increase rents, charge fees or evict tenants, may impact our revenue or increase our costs; our expectations, estimates and assumptions as of the date of this filing regarding legal proceedings are subject to change; our assumptions and expectations in our financial outlook may prove to be too optimistic; the possibility that we may choose to pay dividends in our stock instead of cash, which may result in stockholders having to pay taxes with respect to such dividends in excess of the cash received, if any; and investments made under the SIP may not be repaid as expected or the development may not be completed on schedule, which could require us to engage in litigation, foreclosure actions, and/or first party project completion to recover our investment, which may not be recovered in full or at all in such event.

# DEFINITIONS AND RECONCILIATIONS OF NON-GAAP FINANCIAL MEASURES AND OTHER TERMS

AvalonBay COMMUNITIES

Asset Preservation Capex represents capital expenditures that the Company does not expect will directly result in increased revenue or expense savings.

Commercial represents results attributable to the non-apartment components of the Company's mixed-use communities and other non-residential operations.

Current Allocation represents the Company’s projected 2025 Net Operating Income for all communities with Stabilized Operations throughout the entire 12 month period ending December 31, 2025, including Management’s expectation for Net Operating Income for the first full year of Stabilized Operations for all acquisitions and Development communities in 2025.

Development is composed of consolidated communities that are either currently under construction or were under construction and were completed during the current year. These communities may be partially or fully complete and operating.

DownREIT Units means units representing limited partnership interests in the "downREIT" partnership that acquired the Dallas-Fort Worth assets. Each DownREIT Unit will be entitled to receive quarterly distributions at the same rate as quarterly dividends on a share of the Company’s common stock (pro rated for the time outstanding during the first quarter of issuance). Following the one-year anniversary of the closing date, each holder of a DownREIT Unit will have the right to initiate a transaction in which each DownREIT Unit may be redeemed for a cash amount related to the then-current trading price of one share of the Company’s common stock or, at the Company’s election, one share of the Company’s common stock.

Established Regions include markets located in New England, the New York/New Jersey Metro area, the Mid-Atlantic, the Pacific Northwest, and Northern and Southern California.

Expansion Regions include markets located in Raleigh-Durham and Charlotte, North Carolina, Southeast Florida, Dallas and Austin, Texas, and Denver, Colorado.

# DEFINITIONS AND RECONCILIATIONS OF NON-GAAP FINANCIAL MEASURES AND OTHER TERMS

FFO and Core FFO are generally considered by management to be appropriate supplemental measures of our operating and financial performance. FFO is calculated by the Company in accordance with the definition adopted by Nareit. FFO is calculated by the Company as Net income or loss attributable to common stockholders computed in accordance with GAAP, adjusted for gains or losses on sales of previously depreciated operating communities, cumulative effect of a change in accounting principle, impairment write-downs of depreciable real estate assets, write-downs of investments in affiliates due to a decrease in the value of depreciable real estate assets held by those affiliates and depreciation of real estate assets, including similar adjustments for unconsolidated partnerships and joint ventures, including those from a change in control. FFO can help one compare the operating and financial performance of a real estate company between periods or as compared to different companies because adjustments such as (i) gains or losses on sales of previously depreciated property or (ii) real estate depreciation may impact comparability between companies as the amount and timing of these or similar items can vary among owners of identical assets in similar condition based on historical cost accounting and useful life estimates. Core FFO is the Company's FFO as adjusted for non-core items outlined in the table below. By further adjusting for items that we do not consider to be part of our core business operations, Core FFO can help with the comparison of core operating performance of the Company between periods. A reconciliation of Net income attributable to common stockholders to FFO and to Core FFO is as follows (dollars in thousands):

# DEFINITIONS AND RECONCILIATIONS OF NON-GAAP FINANCIAL MEASURES AND OTHER TERMS

| | Q2 2025 | Q2 2024 | YTD 2025 | YTD 2024 |
|---|---|---|---|---|
| Net income attributable to common stockholders | $ 268,665 | $ 253,934 | $ 505,262 | $ 427,383 |
| Depreciation - real estate assets, including joint venture adjustments | 230,264 | 206,338 | 446,891 | 417,685 |
| Income attributable to noncontrolling interests | 1,190 | - | 1,190 | - |
| (Gain) loss on sale of previously depreciated real estate | (99,457) | (68,556) | (155,926) | (68,486) |
| Casualty loss on real estate | 858 | - | 858 | 2,935 |
| FFO | 401,520 | 391,716 | 798,275 | 779,517 |
| | | | | |
| Adjusting items: | | | | |
| Unconsolidated entity losses (gains), net (1) | 1,223 | (1,177) | 2,465 | (9,562) |
| Structured Investment Program loan reserve (2) | (247) | (16) | (230) | 42 |
| Hedge accounting activity | 3 | 16 | 22 | 55 |
| Advocacy contributions | 87 | 2,107 | 87 | 2,182 |
| Executive transition compensation costs | - | - | - | 104 |
| Severance related costs | 26 | 1,030 | 202 | 1,241 |
| Expensed transaction, development and other pursuit costs, net of recoveries (3) | 1,407 | 471 | 5,295 | 3,605 |
| Other real estate activity (4) | (3,614) | (160) | (3,747) | (281) |
| Legal settlements and costs (5) | 4,098 | 644 | 5,576 | 1,508 |
| Income tax benefit | (531) | (62) | (647) | (84) |
| Core FFO | $ 403,972 | $ 394,569 | $ 807,298 | $ 778,327 |
| | | | | |
| Weighted average common shares outstanding - diluted | 143,292,306 | 142,389,866 | 142,889,432 | 142,306,310 |
| | | | | |
| Earnings per common share - diluted | $ 1.88 | $ 1.78 | $ 3.54 | $ 3.00 |
| FFO per common share - diluted | $ 2.80 | $ 2.75 | $ 5.59 | $ 5.48 |
| Core FFO per common share - diluted | $ 2.82 | $ 2.77 | $ 5.65 | $ 5.47 |

# DEFINITIONS AND RECONCILIATIONS OF NON-GAAP FINANCIAL MEASURES AND OTHER TERMS

AvalonBay COMMUNITIES

(1) Amounts consist primarily of net unrealized losses (gains) on property technology and environmental investments.

(2) Changes are the expected credit losses associated with the Company's lending commitments primarily under its Structured Investment Program (SIP). The timing and amount of any actual losses that will be incurred, if any, is to be determined.

(3) Amount for YTD 2025 includes a write-off of $3,668 for one development opportunity that the Company determined is no longer probable.

(4) Amounts for Q2 and YTD 2025 consist primarily of the gain on the sale of a development right. Amounts for the Q2 and YTD 2024 consist primarily consist primarily of gains on sale of other non-operating real estate, as well as the imputed carry cost of for-sale residential condominiums at The Park Loggia. We compute this adjustment by multiplying the total capitalized cost of the unsold for-sale residential condominiums by our weighted average unsecured debt effective interest rate.

(5) Amounts for Q2 and YTD 2025 and Q2 and YTD 2024 include legal costs and legal settlements.

Forward Equity Activity, as discussed in this presentation, describes forward contracts the Company entered into during the year ended December 31, 2024. The Company entered into forward contracts to sell 3,680,000 shares of our common stock at a discount to the closing price of $226.52 per share, net of fees, for approximate proceeds of $808,606,000. On August 6, 2025, the Company amended each of the related forward contracts to extend the settlement date to no later than December 31, 2026. Under the Company’s continuous equity program (the "CEP"), the Company also entered into forward contracts under the CEP to sell 367,113 shares of common stock for approximate proceeds, net of fees, of $80,687,000, based on the gross weighted average price of $223.27 per share, with settlement of the forward contracts expected to occur on one or more dates not later than December 31, 2025.

Incremental NOI represents additional NOI that was not achieved in the prior period before the implementation of the initiatives and that is attributable, in future periods, to the implementation of the initiatives.

Initial Stabilized Yield represents NOI as a percentage of Total Capital Cost for the first 12 months after Stabilized Operations and is weighted based on the Total Capital Cost of each community.

Like-Term Effective Rent Change for an individual apartment home 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. Like-Term Effective Rent Change with respect to multiple apartment homes represents an average. New Move-In Like-Term Effective Rent Change is the change in effective rent between the contractual rent for a resident who moves out of an apartment, and the contractual rent for a resident who moves into the same apartment with the same lease term category. Renewal Like-Term Effective Rent Change is the change in effective rent between two consecutive leases of the same lease term category for the same resident occupying the same apartment.

# DEFINITIONS AND RECONCILIATIONS OF NON-GAAP FINANCIAL MEASURES AND OTHER TERMS

AvalonBay COMMUNITIES

NOI is defined by the Company as total property revenue less direct property operating expenses (including property taxes), and excluding corporate-level income (including management, development and other fees), property management and other indirect operating expenses, net of corporate income, expensed transaction, development and other pursuit costs, net of recoveries, interest expense, net, loss on extinguishment of debt, net, general and administrative expense, income from unconsolidated investments, depreciation expense, income tax (benefit) expense, casualty loss, (gain) loss on sale of communities, other real estate activity and net operating income from real estate assets sold or held for sale. The Company considers NOI to be an important and appropriate supplemental performance measure to net income because it helps both investors and management to understand the core operations of a community or communities prior to the allocation of any corporate-level property management overhead or financing-related costs. NOI reflects the operating performance of a community and allows for an easier comparison of the operating performance of individual assets or groups of assets. In addition, because prospective buyers of real estate have different financing and overhead structures, with varying marginal impact to overhead as a result of acquiring real estate, NOI is considered by many in the real estate industry to be a useful measure for determining the value of a real estate asset or group of assets.

Match-Funded (Development Underway) is calculated by the Company as the sum of (i) Total Capital Cost, disbursed through 6/30/25 for all wholly-owned Development communities that had not achieved Stabilized Operations for the entire three month period ended June 30, 2025, (ii) cash and cash equivalents, (iii) unsettled Forward Equity Activity, and (iv) Q2 2025 cash from operations available for investment, annualized divided by the Total Capital Cost, under construction for all wholly-owned Development communities that had not achieved Stabilized Operations for the entire three month period ended June 30, 2025. A calculation of Match-funded (Development Underway) is as follows (dollars in millions):

| | Q2 2025 |
|---|---|
| Total Capital Cost, disbursed to date | $ 1,855 |
| Cash and cash equivalents | 103 |
| Unsettled Forward Equity Activity | 889 |
| Q2 2025 cash from operations available for investment, annualized | 472 |
| Total | $ 3,319 |
| | |
| Total Capital Cost, under construction and completed | $ 3,232 |
| | |
| Match-funded (Development underway) | 103% |

# DEFINITIONS AND RECONCILIATIONS OF NON-GAAP FINANCIAL MEASURES AND OTHER TERMS

AvalonBay COMMUNITIES

Projected FFO and Projected Core FFO, as provided within this presentation in the Company's outlook, are calculated on a basis consistent with historical FFO and Core FFO, and are therefore considered to be appropriate supplemental measures to projected net income from projected operating performance. A reconciliation of the ranges provided for Projected FFO per share (diluted) for the third quarter and full year 2025 to the ranges provided for projected EPS (diluted) and corresponding reconciliation of the ranges for Projected FFO per share to the ranges for Projected Core FFO per share are as follows:

| | Low Range | High Range |
|---|---|---|
| Projected EPS (diluted) - Q3 2025 | $ 2.41 | $ 2.51 |
| Depreciation (real estate related) | 1.59 | 1.59 |
| Gain on sale of communities | (1.28) | (1.28) |
| Projected FFO per share (diluted) - Q3 2025 | 2.72 | 2.82 |
| Expensed transaction, development and other pursuit costs, net of recoveries | 0.01 | 0.01 |
| Legal settlements and costs | 0.02 | 0.02 |
| Projected Core FFO per share (diluted) - Q3 2025 | $ 2.75 | $ 2.85 |
| | | |
| Projected EPS (diluted) - Full Year 2025 | $ 7.75 | $ 8.15 |
| Depreciation (real estate related) | 6.25 | 6.25 |
| Gain on sale of communities | (2.95) | (2.95) |
| Casualty loss on real estate | 0.01 | 0.01 |
| Projected FFO per share (diluted) - Full Year 2025 | 11.06 | 11.46 |
| Unconsolidated entity losses, net | 0.02 | 0.02 |
| Expensed transaction, development and other pursuit costs, net of recoveries | 0.05 | 0.05 |
| Legal settlements and costs | 0.08 | 0.08 |
| Other real estate activity | (0.03) | (0.03) |
| Other | 0.01 | 0.01 |
| Projected Core FFO per share (diluted) - Full Year 2025 | $ 11.19 | $ 11.59 |

# DEFINITIONS AND RECONCILIATIONS OF NON-GAAP FINANCIAL MEASURES AND OTHER TERMS

Projected NOI, as used within this presentation for certain Development communities and in calculating the Market Cap Rate for dispositions, represents management’s estimate, as of the date of this presentation (or as of the date of the buyer’s valuation in the case of dispositions), of projected stabilized rental revenue minus projected stabilized operating expenses. For Development communities, Projected NOI is calculated based on the first twelve months of Stabilized Operations following the completion of construction. In calculating the Market Cap Rate, Projected NOI for dispositions is calculated for the first twelve months following the date of the buyer’s valuation. Projected stabilized rental revenue represents management’s estimate of projected gross potential minus projected stabilized economic vacancy and adjusted for projected stabilized concessions plus projected stabilized other rental revenue. Projected stabilized operating expenses do not include interest, income taxes (if any), depreciation or amortization, or any allocation of corporate-level property management overhead or general and administrative costs. In addition, projected stabilized operating expenses for Development communities do not include property management fee expense. Projected gross potential for Development communities and dispositions is generally based on leased rents for occupied homes and management’s best estimate of rental levels for homes which are currently unleased, as well as those homes which will become available for lease during the twelve-month forward period used to develop Projected NOI. The weighted average Projected NOI as a percentage of Total Capital Cost is weighted based on the Company’s share of the Total Capital Cost of each community, based on its percentage ownership.

Residential represents results attributable to the Company's apartment rental operations, including parking and other ancillary Residential revenue.

Q2 2025 cash from operations available for investment, annualized is the Company’s second quarter 2025 Core FFO, less (i) second quarter 2025 dividends declared – common and (ii) second quarter 2025 Asset Preservation Capex, annualized. Q2 2025 cash from operations available for investment, annualized does not represent the Company’s Net cash provided by operating activities as presented in the Company’s consolidated financial statements. A reconciliation of Q2 2025 cash from operations available for investment, annualized to Core FFO is as follows (dollars in thousands):

| | | Q2 2025 |
|---|---|---|
| Core FFO attributable to common stockholders | $ | 403,972 |
| Dividends declared - common | | (250,874) |
| Established and Other Stabilized Asset Preservation Capex | | (35,155) |
| Q2 2025 cash from operations available for investment | $ | 117,943 |
| | | |
| Q2 2025 cash from operations available for investment, annualized | $ | 471,772 |

# DEFINITIONS AND RECONCILIATIONS OF NON-GAAP FINANCIAL MEASURES AND OTHER TERMS

Same Store is composed of consolidated communities 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 2024 operating results, Same Store is composed of consolidated communities that have Stabilized Operations as of January 1, 2023, 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 operations of a community that occur after the earlier of (i) attainment of 90% physical occupancy or (ii) the one-year anniversary of completion of development or redevelopment.

Suburban locations are defined as submarkets having less than 3,500 households per square mile.

Sunbelt Regions include Austin, Albuquerque, Atlanta, Charlotte, Dallas-Fort Worth, El Paso, Ft. Lauderdale, Gainesville, Huntsville, Houston, Jacksonville, Louisville, Lubbock, Memphis, Miami, Mobile, Myrtle Beach, Naples, Nashville, New Orleans, Oklahoma City, Orlando, Phoenix, Raleigh-Durham, Reno, San Antonio, Savannah, Tampa, Tucson, Tulsa, and West Palm Beach.

Target Allocation represents the Company’s future target allocation based on the Company’s Current Allocation.

Total Capital Cost includes all capitalized costs projected to be or actually incurred to develop the respective Development or Redevelopment community, including land acquisition costs, construction costs, real estate taxes, capitalized interest and loan fees, permits, professional fees, allocated development overhead and other regulatory fees and a contingency estimate, offset by proceeds from the sale of any associated land or improvements, all as determined in accordance with GAAP. Total Capital Cost also includes costs incurred related to first generation commercial tenants, such as tenant improvements and leasing commissions. For Redevelopment communities, Total Capital Cost excludes costs incurred prior to the start of redevelopment when indicated. With respect to communities where development or redevelopment was completed in a prior period or the current period, Total Capital Cost reflects the actual cost incurred, plus any contingency estimate made by management. Total Capital Cost for communities identified as having joint venture ownership, either during construction or upon construction completion, represents the total projected joint venture contribution amount. For joint ventures not in construction, Total Capital Cost is equal to gross real estate cost.

Urban (locations) are defined as submarkets having 3,500 or more households per square mile.

AvalonBay
COMMUNITIES