

PRESS RELEASE

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FOR IMMEDIATE RELEASE

**AVALONBAY COMMUNITIES ANNOUNCES
 2020 DIVIDEND INCOME TAX TREATMENT**

ARLINGTON, VA (January 21, 2021) – AvalonBay Communities, Inc. (the “Company”) (NYSE: AVB) announced today the final income allocations of the Company’s 2020 dividend distributions on its Common Stock. The final dividend allocations as they will be reported on Form 1099-DIV are set forth in the following table:

Common Shares (CUSIP #053484101)

<u>Declaration</u> <u>Date</u>	<u>Record Date</u>	<u>Payment</u> <u>Date</u>	<u>Distribution</u> <u>Per Share</u>	<u>Ordinary</u> <u>Taxable</u> <u>Dividend</u> (1)(2)	<u>Return of</u> <u>Capital</u>	<u>Long Term</u> <u>Capital Gain</u>	<u>Unrecap.</u> <u>Section 1250</u> <u>Gain</u>
02/05/20	03/31/20	04/15/20	\$ 1.59000	\$ 1.04940	\$ 0.00000	\$ 0.38160	\$ 0.15900
05/12/20	06/30/20	07/15/20	1.59000	1.04940	0.00000	0.38160	0.15900
09/16/20	09/30/20	10/15/20	1.59000	1.04940	0.00000	0.38160	0.15900
11/12/20	12/31/20	01/15/21	1.59000	1.04940	0.00000	0.38160	0.15900
Totals			\$ 6.36000	\$ 4.19760	\$ 0.00000	\$ 1.52640	\$ 0.63600
			100%	66%	0%	24%	10%

Components may not sum to the totals due to rounding differences. The information above presents final dividend allocations.

(1) \$0.06360 of each quarterly dividend classified as taxable ordinary dividend represents “qualified dividend income”.

(2) \$0.98580 of each quarterly dividend classified as taxable ordinary dividend is treated as qualified REIT dividends for purposes of Internal Revenue Code (IRC) Section 199A.

Please consult your tax advisor.

About AvalonBay Communities, Inc.

As of September 30, 2020, the Company owned or held a direct or indirect ownership interest in 294 apartment communities containing 86,676 apartment homes in 11 states and the District of Columbia, of which 19 communities were under development. The Company is an equity REIT in the business of developing, redeveloping, acquiring and managing apartment communities in leading metropolitan areas primarily in New England, the New York/New Jersey Metro area, the Mid-Atlantic, the Pacific Northwest, and the Northern and Southern California, as well as in the Company's expansion markets consisting of Southeast Florida and Denver, Colorado. More information may be found on the Company's website at <http://www.avalonbay.com>.