

June 4, 2021



AvalonBay Communities, Inc. Provides Second Quarter 2021 Operating Update

ARLINGTON, Va.--(BUSINESS WIRE)-- **AVALONBAY COMMUNITIES, INC. (NYSE: AVB)** (the "Company") announced today that it has reaffirmed the outlook, as provided in its April 28, 2021 earnings release, for Established Communities total residential rental revenue change for the three months ending June 30, 2021, which was that the Company expected Established Communities total residential rental revenue to decrease 5.5% from the prior year period, resulting in a 0.0% change in Established Communities total residential rental revenue as compared to what the Company reported for the three months ended March 31, 2021.

The Company also provided the following residential operating information for Established Communities:

	Average Physical Occupancy			
	2020	2021		
	Q4	Q1	April	May
Suburban Communities	94.9%	95.5%	96.1%	96.3%
Urban Communities	91.4%	93.6%	94.5%	95.1%
Total	93.9%	95.0%	95.7%	96.0%

	Like-Term Effective Rent Change			
	2020	2021		
	Q4	Q1	April	May
New England	(12.1%)	(10.4%)	(7.0%)	(2.6%)
Metro New York / New Jersey	(9.7%)	(7.8%)	(4.9%)	(2.9%)
Mid-Atlantic	(10.2%)	(8.0%)	(4.7%)	(2.7%)
Southeast Florida	(2.9%)	1.0%	5.2%	6.8%
Denver	4.1%	5.2%	8.7%	9.5%
Pacific Northwest	(11.5%)	(11.2%)	(5.2%)	(0.7%)

Northern California	(20.4%)	(15.7%)	(12.5%)	(8.3%)
Southern California	(2.7%)	(1.4%)	0.3%	4.0%
Total	(11.0%)	(8.3%)	(5.1%)	(1.9%)
Suburban Communities	(6.0%)	(3.9%)	(0.8%)	2.3%
Urban Communities	(20.3%)	(17.4%)	(14.1%)	(9.7%)
Total	(11.0%)	(8.3%)	(5.1%)	(1.9%)

Average Move-In Rent Values

	2020		2021		% Change Q4 2020 to May 2021
	Q4	Q1	April	May	
New England	\$ 2,390	\$ 2,351	\$ 2,526	\$ 2,678	12.1%
Metro New York / New Jersey	2,729	2,716	2,787	2,917	6.9%
Mid-Atlantic	1,852	1,835	1,948	2,030	9.6%
Southeast Florida	2,033	2,136	2,268	2,368	16.5%
Denver	1,733	1,736	1,794	1,862	7.4%
Pacific Northwest	1,886	1,878	1,982	2,102	11.5%
Northern California	2,328	2,366	2,452	2,524	8.4%
Southern California	2,244	2,252	2,298	2,360	5.2%
Total	\$ 2,248	\$ 2,247	\$ 2,340	\$ 2,436	8.3%
Suburban Communities	\$ 2,190	\$ 2,191	\$ 2,278	\$ 2,357	7.6%
Urban Communities	2,393	2,386	2,493	2,632	10.0%
Total	\$ 2,248	\$ 2,247	\$ 2,340	\$ 2,436	8.3%

- The average asking rent in May of 2021 was approximately 14% above the average monthly asking rent during the fourth quarter of 2020.
- The average concession per new move-in lease executed in May of 2021 was \$465 as compared to \$1,872 during the fourth quarter of 2020.

Definitions

Established Communities are 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 2021 operating results, Established Communities are consolidated communities that have Stabilized Operations as of January 1, 2020, 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.

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.

Move-in Rent Value reflects the average effective rent that our apartments would rent for based on recent leasing activity, adjusting for apartment specific characteristics (e.g., view premiums, renovation premiums). For a given month, up to the ten most recent leases during the immediately preceding last three months are used for each unit type at a property. If no recent leasing activity has occurred for a sparse unit type, then active leases or current asking rents, in that order, would be used.

Stabilized Operations is defined as the earlier of (i) attainment of 90% physical occupancy or (ii) the one-year anniversary of completion of development or redevelopment.

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.

Forward-Looking Statements

The projected change in total residential rental revenue for Established Communities in this release is a forward-looking statement under federal securities laws and is based on the Company's expectations, forecasts, and assumptions at the time of this release. The actual change, if any, may differ materially from the projected change. Factors that could result in a material difference are discussed in the Company's filings with the Securities and Exchange Commission, including the Company's Form 10-K for the fiscal year ended December 31, 2020 under the heading "Risk Factors" and under the heading "Management's Discussion and Analysis of Financial Condition and Results of Operations - Forward-Looking Statements" and in subsequent quarterly reports on Form 10-Q.

The Company does not undertake a duty to update forward-looking statements, including its expected 2021 operating results and other financial data forecasts contained in this release. The Company may, in its discretion, provide information in future public announcements regarding its outlook that may be of interest to the investment community. The format and extent of future outlooks may be different from the format and extent of the information contained in this release.

About AvalonBay Communities, Inc.

As of March 31, 2021, the Company owned or held a direct or indirect ownership interest in 290 apartment communities containing 85,787 apartment homes in 11 states and the District of Columbia, of which 15 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, Southeast Florida, Denver, Colorado, the Pacific Northwest, and Northern and Southern California. More information may be found on the Company's website at <http://www.avalonbay.com>.

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Source: AvalonBay Communities, Inc.