

November 9, 2010



## AvalonBay Communities Prices \$250 Million Medium-Term Notes Offering

ARLINGTON, Va.--(BUSINESS WIRE)-- AvalonBay Communities, Inc. (NYSE: AVB) announced today that it priced a \$250 million offering of medium-term unsecured notes with a maturity of 2021 under its existing shelf registration statement. Details of the transaction are set forth in the table below:

|                                                          | Principal Amount | Maturity Date    | Issue Price | Coupon Rate | Yield to Investors |
|----------------------------------------------------------|------------------|------------------|-------------|-------------|--------------------|
| 3.95%<br>Medium-Term<br>Notes due<br>January 15,<br>2021 | \$250 Million    | January 15, 2021 | 99.834%     | 3.95%       | 3.969%             |

Interest on the notes will be paid semi-annually on January 15 and July 15, with the first payment to be made on July 15, 2011. Settlement is scheduled for November 17, 2010.

AvalonBay intends to use the net proceeds of approximately \$247,835,000, after underwriting discounts and other transaction-related expenses, for working capital, capital expenditures and other general corporate purposes, which may include development and redevelopment of apartment communities and repayment and refinancing of other debt. Deutsche Bank Securities Inc. and J.P. Morgan Securities LLC acted as lead representatives of the agents for the notes offering.

This announcement shall not constitute an offer to sell or a solicitation of an offer to buy the notes. The offering will be made under an effective shelf registration statement. A copy of the prospectus supplement and related base prospectus may be obtained from the SEC's website at <http://www.sec.gov>. Alternatively, copies will be provided upon written request to: AvalonBay Communities, Inc., 671 N. Glebe Road, Suite 800, Arlington, Virginia 22203, Attention: Chief Financial Officer.

## About AvalonBay Communities, Inc.

AvalonBay is in the business of developing, redeveloping, acquiring, and managing apartment communities in high barrier-to-entry markets of the United States. As of September 30, 2010, the Company owned or held a direct or indirect ownership interest in 179 apartment communities containing 52,490 apartment homes in ten states and the District of Columbia, of which 12 communities were under construction and seven communities were under reconstruction. More information on AvalonBay may be found on the Company's Web site at <http://www.avalonbay.com>.

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