

September 6, 2023



AvalonBay Communities, Inc. Provides Third Quarter 2023 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 August 31, 2023, increased 5.3% over the prior year period. This is approximately 40 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 updated outlook for full year 2023 Same Store Residential rental revenue growth on July 31, 2023.

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

Physical Occupancy

	2023	2023	
	June	July	August
Total	95.5%	95.2%	95.6%

Like-Term Effective Rent Change⁽¹⁾

	2023	2023	
	June	July	August
New England	5.3%	4.1%	4.0%
Metro NY / NJ	6.3%	5.2%	4.7%
Mid-Atlantic	5.4%	5.2%	3.6%
Southeast FL	2.4%	0.9%	0.2%
Denver, CO	5.1%	2.5%	2.3%
Pacific NW	1.3%	(0.3%)	(0.8%)
Northern California	3.1%	2.3%	0.3%

Southern California	5.3%	4.2%	3.0%
Other Expansion Regions	3.8%	0.6%	(1.4%)
Total	4.9%	3.9%	3.0%
East Coast	5.5%	4.6%	4.0%
West Coast	3.9%	2.7%	1.6%
Total	4.9%	3.9%	3.0%

Renewal Offers for September and October 2023 were delivered to residents at an average increase in the mid-5% range over the existing lease.

(1)

New Move-In Like-Term Effective Rent Change was 3.9%, 2.7%, and 1.8% for June, July, and August 2023, respectively. Renewal Like-Term Effective Rent Change was 5.7%, 4.9%, and 4.2% for June, July, and August 2023, respectively.

Definitions

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. Like-Term Effective Rent Change is weighted based on the number of leases meeting the criteria for new move-in and renewal like-term effective rent change. 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. Like-term effective rent change as presented excludes any third-party managed communities.

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.

Renewal Offers generally represent initial offers made to market rate apartments with expiring leases for which the residents have not provided notice of their intent to vacate.

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 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 2023 operating results, Same Store is composed

of consolidated communities that have Stabilized Operations as of January 1, 2022, 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.

About AvalonBay Communities, Inc.

As of June 30, 2023, the Company owned or held a direct or indirect ownership interest in 294 apartment communities containing 88,659 apartment homes in 12 states and the District of Columbia, of which 18 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, the Pacific Northwest, and Northern and Southern California, as well as in the Company's expansion regions 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 <https://www.avalonbay.com>.

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