

May 26, 2020



## AvalonBay Communities Completes \$600 Million Medium-Term Notes Offering

ARLINGTON, Va.--(BUSINESS WIRE)-- **AVALONBAY COMMUNITIES, INC. (NYSE: AVB)** (the "Company") announced today that on May 22, 2020 it completed a \$600 million offering of unsecured notes (the "Notes") with a maturity of January 15, 2031 under its existing shelf registration statement. Details of the transaction are set forth in the table below:

	<u>Principal Amount</u>	<u>Maturity Date</u>	<u>Issue Price</u>	<u>Coupon Rate</u>	<u>Yield to Investors</u>
2.450% Notes due 2031	\$600 Million	January 15, 2031	99.555%	2.450%	2.498%

The effective interest rate of the notes is 2.646%, including the impact of a prior interest rate hedge and offering costs.

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, 2020.

The Company used the net proceeds, after estimated issuance costs, of approximately \$592.4 million from the sale of the Notes to redeem its Floating Rate Notes due 2021 (the "2021 Notes") in the aggregate principal amount of \$300 million, plus accrued interest to the date of redemption. The redemption date for the 2021 Notes was May 23, 2020. The Company will use the proceeds from the sale of the Notes that were not used to redeem the 2021 Notes for general corporate purposes, which may include the acquisition, development and redevelopment of apartment communities and repayment and refinancing of other indebtedness, which may include indebtedness outstanding under our \$1,750,000,000 unsecured revolving credit facility.

After giving effect to these transactions, the Company will have approximately \$100 million of debt maturities and amortization, excluding bond redemptions from previously funded principal reserve accounts, remaining before 2022, consisting of approximately \$70 million of secured debt maturities and amortization remaining in 2020, and approximately \$30 million of secured debt maturities and amortization in 2021.

**About AvalonBay Communities, Inc.**

As of March 31, 2020, the Company owned or held a direct or indirect ownership interest in 296 apartment communities containing 86,596 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 in New England, the New York/New Jersey Metro area, the MidAtlantic, the Pacific Northwest, and 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>.

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