

September 15, 2021



AvalonBay Communities Announces Completion of Its First Green Bond Offering and Redemption of Outstanding 2022 Unsecured Notes

ARLINGTON, Va.--(BUSINESS WIRE)-- **AVALONBAY COMMUNITIES, INC. (NYSE: AVB)** (the "Company") announced today that on September 15, 2021 it completed an underwritten public offering of \$700 million aggregate principal amount of 2.050% senior notes due 2032 (the "2032 Notes"). Details of the offering 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>
2.050% Notes due 2032	\$700 million	January 15, 2032	99.881%	2.050%	2.063%

The effective interest rate of the 2032 Notes is 2.153%, including the impact of a prior interest rate hedge and offering costs.

Interest on the 2032 Notes will be paid semi-annually on January 15 and July 15, with the first payment to be made on January 15, 2022. The 2032 Notes will mature on January 15, 2032 unless earlier redeemed.

The Company expects to allocate the net proceeds, after deducting the underwriting discount and estimated offering expenses, of approximately \$693.3 million from the sale of the 2032 Notes to finance or refinance, in whole or in part, one or more new or existing eligible green projects. Pending such allocation, the Company may use the net proceeds from the offering for general corporate purposes, which may include the acquisition, development and redevelopment of apartment communities and repayment and refinancing of other indebtedness, including the repayment of outstanding indebtedness under its \$1,750,000,000 revolving variable rate unsecured credit facility. Pending such uses, the Company may temporarily invest all or a portion of the net proceeds from the offering in cash or cash equivalents and/or hold such proceeds in accordance with its internal liquidity policy.

The Company also announced that as of September 11, 2021 it redeemed all of the Company's outstanding \$450,000,000 aggregate principal amount of 2.95% Medium-Term Notes due 2022 (the "2022 Notes") at an aggregate redemption amount of \$468,637,249, which is equal to the sum of (i) the principal amount of the 2022 Notes plus accrued interest thereon to the redemption date, and (ii) the make-whole amount with respect to the 2022 Notes. The Company funded the redemption of the 2022 Notes with available cash balances and borrowings under its credit facility.

Forward-Looking Statements

This release contains forward-looking statements within the meaning of the federal securities laws, including Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, as amended, which include, but are not limited to, statements related to the intended use of the net proceeds from the offering. The Company intends these forward-looking statements to be covered by the safe harbor provisions for forward-looking statements contained in the Private Securities Litigation Reform Act of 1995 and is including this statement for purposes of complying with those safe harbor provisions, in each case, to the extent applicable. The Company cautions investors that any such forward-looking statements are based on current beliefs or expectations of future events and on assumptions made by, and information currently available to, management. You can identify forward-looking statements by the use of the words "believe," "expect," "anticipate," "intend," "estimate," "assume," "project," "plan," "may," "shall," "will," "pursue" and other similar expressions in this press release, that predict or indicate future events and trends and that do not report historical matters. Such forward-looking statements are subject to various risks and uncertainties, including, among others, those related to the COVID-19 pandemic; the Company's ability to finance or refinance eligible green projects; the availability of debt and equity financing; and the trends affecting the Company's financial condition or results of operations. These factors should not be construed as exhaustive and should be read in conjunction with the other cautionary statements that are described under the sections entitled "Forward-Looking Statements" and "Risk Factors" in the Company's Annual Report on Form 10-K for the year ended December 31, 2020, as such factors may be updated from time to time in the Company's periodic filings with the Securities and Exchange Commission (the "SEC"), which are accessible on the SEC's website at www.sec.gov. Accordingly, there are or will be important factors that could cause actual outcomes or results to differ materially from those indicated in these statements. The forward-looking statements speak only as of the date of this press release, and the Company expressly disclaims any obligation or undertaking to publicly update or review any forward-looking statement, whether as a result of new information, future developments or otherwise, except to the extent otherwise required by law.

About AvalonBay Communities, Inc.

As of June 30, 2021, the Company owned or held a direct or indirect ownership interest in 288 apartment communities containing 85,749 apartment homes in 11 states and the District of Columbia, of which 16 communities were under development and two communities were 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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