

June 4, 2018



AvalonBay Communities, Inc. Provides Mid-Second Quarter 2018 Update

ARLINGTON, Va.--(BUSINESS WIRE)-- **AVALONBAY COMMUNITIES, INC. (NYSE:AVB)** (the "Company") announced today that it expects total rental revenue for Established Communities for the three months ending June 30, 2018 to increase between 2.4% and 2.5% over the prior year period. The midpoint of this range is approximately 15 basis-points above what the Company's expectation for second quarter performance was when the Company published its outlook for full year Established Communities total rental revenue growth on January 31, 2018.

The Company further announced that, during the quarter to date, it (i) sold two wholly-owned operating communities for an aggregate sale price of approximately \$195 million, (ii) has two additional wholly-owned communities under contract or in advanced marketing for an expected aggregate sale price of approximately \$280 million, and (iii) started construction on two new communities for an expected aggregate Total Capital Cost of approximately \$205 million.

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 occupancy as of the beginning of the prior year. The Established Communities for 2018 are communities that (i) are consolidated for financial reporting purposes, (ii) had stabilized occupancy as of January 1, 2017, (iii) are not conducting or planning to conduct substantial redevelopment activities and (iv) are not held for sale or planned for disposition within the current year. A community is considered to have stabilized occupancy at the earlier of (i) attainment of 95% physical occupancy or (ii) the one-year anniversary of completion of development or redevelopment.

Total Capital Cost includes all capitalized costs projected to be or actually incurred to develop the respective Development Community including land acquisition costs, construction costs, real estate taxes, capitalized interest and loan fees, permits, professional fees, allocated development overhead and other regulatory fees, offset by proceeds from the sale of any associated land or improvements, all as determined in accordance with GAAP.

Forward-Looking Statements

The projected increase in total rental revenue for Established Communities and information concerning communities under contract or in advanced marketing and communities for which construction has started during the current fiscal quarter that is contained in this release are forward-looking statements under federal securities laws and are based on the Company's expectations, forecasts and assumptions at the time of this release. The actual increase, if any, the timing and sales proceeds, if any, and the actual Total Capital Cost for which construction has started, may differ materially from the projected information in this release. Risks and uncertainties that might cause such differences include the following, among others: we may abandon development opportunities for which we have already incurred costs because of adverse capital, credit or market conditions or for other reasons; costs of construction may increase; we may fail to consummate the sale of communities under contract or in advanced marketing or may agree to price adjustments thereto; and changes in rent levels and occupancy caused by changes in market conditions may result in unexpected changes in rental revenue. Additional 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, 2017 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.

About AvalonBay Communities, Inc.

As of March 31, 2018, the Company owned or held a direct or indirect ownership interest in 288 apartment communities containing 84,162 apartment homes in 12 states and the District of Columbia, of which 18 communities were under development and 15 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 primarily in New England, the New York/New Jersey Metro area, the Mid-Atlantic, the Pacific Northwest, and the Northern and Southern California regions of the United States. More information may be found on the Company's website at <http://www.avalonbay.com>.

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