

AvalonBay Communities, Inc.

For Immediate News Release
January 22, 2002

AVALONBAY COMMUNITIES, INC. ANNOUNCES FOURTH QUARTER AND FULL YEAR 2001 OPERATING RESULTS

(Alexandria, VA) **AvalonBay Communities, Inc. (NYSE/PCX: AVB)** reported today that Earnings per Share ("EPS") for the quarter ended December 31, 2001 was \$0.81 (diluted), compared to \$0.65 (diluted) for the comparable period of 2000, a per share increase of 24.6%. This increase is attributable to a gain on communities sold of \$18,852,000 in Q4 2001 compared to \$7,506,000 in Q4 2000. EPS for the year ended December 31, 2001 was \$3.12 (diluted), compared to \$2.53 (diluted) for the comparable period of 2000, a 23.3% increase.

Earnings per Share excluding gain on sale of communities ("Operating EPS") for the quarter ended December 31, 2001 was \$0.54 (diluted), equal to the comparable period of 2000. For the year ended December 31, 2001, Operating EPS was \$2.22 (diluted) compared to \$1.93 (diluted) for the comparable period of 2000, a per share increase of 15.0%.

Funds from Operations ("FFO") for the quarter ended December 31, 2001 was \$72,107,000 or \$1.03 per share (diluted) compared to \$67,931,000 or \$0.99 per share (diluted) for the comparable period of 2000, a per share increase of 4.0%. FFO per share for the year ended December 31, 2001 increased by 9.7% to \$4.06 from \$3.70 for the comparable period in 2000.

Operating Results for the Quarter Ended December 31, 2001 Compared to the Prior Year Period

Total revenue increased by \$8,274,000, or 5.4% to \$160,272,000, and earnings before interest, income taxes, depreciation and amortization ("EBITDA") increased by \$5,668,000 or 5.8% to \$104,101,000.

Established Communities Operating Results

4Q 01 Compared to 4Q 00

	Rental Revenue	Operating Expenses	NOI
Northeast	4.7%	(4.5%)	8.3%
Mid-Atlantic	4.6%	(4.8%)	8.0%
Midwest	0.5%	0.6%	0.5%
Pacific NW	(4.9%)	(15.8%)	(0.2%)
No. California	(8.0%)	(5.8%)	(8.6%)
So. California	5.6%	1.3%	7.3%
Total	(0.5%)	(4.2%)	0.9%

For Established Communities, rental revenue decreased 0.5%, comprised of rental rate growth of 3.8% and a decrease in economic occupancy of 4.3%. Total revenue at these communities decreased \$491,000 to \$103,904,000 and operating expenses decreased \$1,155,000, or 4.2%. Accordingly, net operating income ("NOI") at these communities increased by \$664,000 or 0.9%.

Operating Results for the Year Ended December 31, 2001 Compared to the Prior Year Period

Total revenue increased by \$68,262,000, or 11.9% to \$641,657,000, and EBITDA increased by \$41,324,000 or 11.1% to \$412,604,000.

Established Communities Operating Results

2001 Compared to 2000

	Rental Revenue	Operating Expenses	NOI
Northeast	6.8%	3.2%	8.4%
Mid-Atlantic	7.2%	4.3%	8.4%
Midwest	3.0%	5.2%	1.7%
Pacific NW	1.6%	(2.7%)	3.3%
No. California	6.5%	5.1%	6.9%
So. California	7.9%	5.0%	9.2%
Total	6.6%	4.2%	7.5%

For Established Communities, rental revenue increased 6.6%, comprised of rental rate growth of 8.8% and a decrease in economic occupancy of 2.2%. Total revenue at these communities increased \$26,311,000 to \$423,591,000 and operating expenses increased \$4,528,000, or 4.2%. Accordingly, NOI increased by \$21,783,000 or 7.5%.

Development Activity

During the fourth quarter, the Company commenced construction on two development communities in the Washington, D.C. area, Avalon at Rock Spring (located in North Bethesda, Maryland) and Avalon at Gallery Place I (located in downtown Washington, D.C.). When completed, these communities will contain a total of 589 apartment homes with a projected total investment of \$95.9 million.

During the fourth quarter, the Company completed the construction of two apartment communities. Avalon on the Sound, located in New Rochelle, New York, is a 412 apartment home community that was developed in a joint venture partnership in which AvalonBay holds a 25% interest, for a total construction cost of \$92.5 million. Avalon Belltown is a 100 home mid-rise community located in Seattle, Washington, which was completed for a total construction cost of \$18.7 million.

AvalonBay Communities, Inc. completed six development communities during 2001 consisting of 1,656 apartment homes for a total development cost of \$274 million at an initial stabilized yield of 10.7%.

Disposition Activity

During the fourth quarter, the Company sold three communities, Avalon Colchester (located in the Boston, Massachusetts area), Arbor Heights and Timberwood (both located in the Los Angeles, California area). The net proceeds from the sale of these communities, which contain a total of 617 apartment homes, were approximately \$63.3 million.

In aggregate, the Company sold seven communities with 2,551 apartment homes during 2001 for a gross sales price of approximately \$241.1 million at a weighted average initial year market capitalization rate of 8.0% and a gain on sale of communities as reported in accordance with Generally Accepted Accounting Principles of approximately \$62.9 million.

Through these dispositions, the Company exited certain non-core markets including Portland, Oregon and Hartford, Connecticut in addition to disposing of certain non-core assets. Consistent with its market penetration strategy, the Company redeployed the disposition proceeds of approximately \$230.4 million into new development and redevelopment in its core high barrier-to-entry markets.

Financing, Liquidity and Balance Sheet Statistics

The Company currently has no outstanding balance under its \$500 million unsecured credit facility. Unrestricted cash totaled approximately \$73 million and cash held in escrow (primarily from two Section 1031 exchanges) totaled approximately \$50 million at the end of December. This available cash, the unsecured credit facility and approximately \$100 million of cash retained from operations annually, is primarily intended for both the development and acquisition of new communities as well as for the redevelopment of existing assets.

Leverage, as measured by debt as a percentage of total capitalization (i.e., market value of common stock, liquidation preference of preferred stock, plus face value of debt) was 37.1% at December 31, 2001. Earnings for the fourth quarter covered Fixed Charges by 3.3 times and EBITDA covered interest by 4.0 times.

Other Matters

In January 2002, the Company amended its shareholder rights plan to change the final expiration date to March 31, 2002.

The Company will hold a conference call on January 23, 2002 at 11:00 AM Eastern Time (EST) to review these results. The domestic number to call to participate is 1-877-510-2397. The international number to call to participate is 1-706-634-5877. The domestic number to hear a replay of this call is 1-800-642-1687, and the international number to hear a replay of this call is 1-706-645-9291 - Access Code: 2839979. A webcast of the conference call will also be available at <http://www.avalonbay.com/earnings>, and an on-line playback of the webcast will be available for 30 days following the call.

About AvalonBay Communities, Inc.

As of December 31, 2001, AvalonBay owned or held an ownership interest in 141 apartment communities containing 41,191 apartment homes in eleven states and the District of Columbia, of which fifteen communities were under construction and three communities were under reconstruction. AvalonBay is an equity REIT in the business of developing, redeveloping, acquiring and managing luxury apartment communities in high barrier-to-entry markets of the United States. More information on AvalonBay may be found on AvalonBay's Website at <http://www.avalonbay.com>. For additional information, please contact Bryce Blair, Chairman, President and Chief Executive Officer, at (703) 317-4652 or Thomas J. Sargeant, Executive Vice President and Chief Financial Officer, at (703) 317-4635.

Forward-Looking Statements

This release, including its attachments, contains forward-looking statements within the meaning of Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, as amended. The forward-looking statements contained in this release are statements that are subject to certain risks and uncertainties, including, but not limited to, possible changes in demand for apartment homes, the effects of economic conditions, the impact of competition and competitive pricing, changes in construction costs, the results of financing efforts, potential acquisitions under agreement, the effects of the Company's accounting policies and other matters detailed in the Company's filings with the Securities and Exchange Commission, including the Company's Annual Report on Form 10-K for the fiscal year ended December 31, 2000 under the heading "Management's Discussion and Analysis of Financial Condition and Results of Operations - Forward-Looking Statements".

Definition of FFO

Management generally considers FFO to be an appropriate measure of the operating performance of the Company because it provides investors an understanding of the ability of the Company to incur and service debt and to make capital expenditures. FFO is determined based on a definition adopted by the Board of Governors of the National Association of Real Estate Investment Trusts ("NAREIT"), which may differ from the methodology for computing FFO used by other REITs, and, accordingly, the Company's calculation of FFO may not be comparable to the FFO reported by other REITs. FFO does not represent cash generated from operating activities in accordance with GAAP. Therefore it should not be considered an alternative to net income as an indication of our performance. FFO should also not be considered an alternative to net cash flows from operating activities as determined by GAAP as a measure of liquidity. Additionally, it is not necessarily indicative of cash available to fund cash needs.

Earnings Release Attachments

The Company produces Earnings Release Attachments (the "Attachments") that provide detailed information regarding operating, development, redevelopment, disposition and acquisition activity. These Attachments are available via the Company's website and through e-mail distribution. Access to the Attachments through the Company's website is available at <http://www.avalonbay.com/earnings>. If you would like to receive future press releases via e-mail, please register through the Company's website at <http://www.avalonbay.com/Template.cfm?Section=Subscribe>. Some items referenced in the earnings release may require the Adobe Acrobat 4.0 Reader. If you do not have the Adobe Acrobat 4.0 Reader, you may download it at the following website address: <http://www.adobe.com/products/acrobat/readstep.html>.

AvalonBay

COMMUNITIES, INC.

FOURTH QUARTER 2001

Supplemental Operating and Financial Data



Avalon on the Sound is conveniently located in New Rochelle, New York near the downtown New Rochelle Central Business District and within two blocks of the Metro-North train station, offering frequent service to Grand Central station.

After work, residents can shop at the New Roc City Mall, enjoy a meal at one of the area's many restaurants or browse through the local galleries. If they prefer relaxation, residents can enjoy a swim at Avalon on the Sound's heated pool, workout in the community's fully-equipped fitness center or enjoy the panoramic views of Long Island Sound.

With everything Avalon on the Sound has to offer, residents will have more time for the things most important to them. We call that Time Well Spent.

FOURTH QUARTER 2001

Supplemental Operating and Financial Data

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Attachment 1

AvalonBay Communities, Inc.
Selected Operating and Other Information
December 31, 2001
(Dollars in thousands except per share data)
(unaudited)

Selected Operating Information:	Q4 2001	Q4 2000	% Change	YTD 2001	YTD 2000	% Change
Net income available to common stockholders:						
Per common share - basic	\$ 56,486	\$ 44,336	27.4%	\$ 216,500	\$ 170,825	26.7%
Per common share - diluted	\$ 0.83	\$ 0.66	25.8%	\$ 3.19	\$ 2.58	23.6%
Funds from Operations :	\$ 0.81	\$ 0.65	24.6%	\$ 3.12	\$ 2.53	23.3%
Per common share - basic	\$ 72,107	\$ 67,931	6.1%	\$ 283,293	\$ 252,013	12.4%
Per common share - diluted	\$ 1.05	\$ 1.01	4.0%	\$ 4.15	\$ 3.77	10.1%
Dividends declared - common:	\$ 1.03	\$ 0.99	4.0%	\$ 4.06	\$ 3.70	9.7%
Per common share	\$ 43,977	\$ 37,627	16.9%	\$ 174,578	\$ 149,163	17.0%
Total EBITDA	\$ 0.64	\$ 0.56	14.3%	\$ 2.56	\$ 2.24	14.3%
Common shares outstanding	\$ 104,101	\$ 98,433	5.8%	\$ 412,604	\$ 371,280	11.1%
Outstanding units	68,713,384	67,191,542		68,713,384	67,191,542	
Total outstanding shares and units	905,946	671,226		905,946	671,226	
Average shares outstanding - basic	69,619,330	67,862,768		69,619,330	67,862,768	
Average units outstanding	68,424,199	66,913,916		67,842,752	66,309,707	
Effect of dilutive securities	715,201	694,178		682,134	861,755	
Average shares outstanding - diluted	1,167,160	1,278,829		1,256,833	969,536	
	70,306,560	68,886,923		69,781,719	68,140,998	

Debt Composition and Maturities

	Conventional		Tax-Exempt		
	Amt	% of Mkt Cap	Amt	% of Mkt Cap	
Long-term notes:					
Variable rate	\$ --	--	\$ 67,960	1.2%	
Fixed rate	1,659,907	29.6%	297,588	5.3%	
Variable rate facility & short term note	57,314	1.0%	--	--	
Total debt	\$ 1,717,221	30.6%	\$ 365,548	6.5%	
Average interest rates ⁽¹⁾	6.9%		5.9%		
Combined average interest rate ⁽²⁾	6.7%				
Maturities ⁽²⁾	2002	2003	2004	2005	2006
	\$ 160,612	\$ 153,538	\$ 152,759	\$ 153,705	\$ 153,971

(1) Includes credit enhancement fees, facility fees, trustees, etc.

(2) Excludes \$500 million credit facility that, after all extensions, matures in 2005.

Community Information

	Communities	Apt Homes
Current Communities	126	37,228
Development Communities	15	3,963
Development Rights	30	8,918
Third-party management	2	478

Analysis of Capitalized Costs

	Q1 01	Q2 01	Q3 01	Q4 01
Cap Interest	\$ 5,597	\$ 6,522	\$ 7,221	\$ 8,295
Cap Overhead	\$ 4,921	\$ 4,726	\$ 5,094	\$ 5,683
Non-Revenue Cap/X per Home	\$ 16	\$ 50	\$ 125	\$ 60

Attachment 2

AvalonBay Communities, Inc.
Detailed Operating Information
December 31, 2001
(Dollars in thousands except per share data)
(unaudited)

	Q4 2001	Q4 2000	% Change	YTD 2001	YTD 2000	% Change
Revenue:						
Rental income	\$ 157,296	\$ 151,572	3.8%	\$ 637,379	\$ 571,943	11.4%
Management fees	340	290	17.2%	1,325	1,051	26.1%
Other income (1)	2,636	136	1,838.2%	2,953	401	636.4%
Total	160,272	151,998	5.4%	641,657	573,395	11.9%
Operating Expenses:						
Property operating expenses, excluding property taxes	31,085	30,115	3.2%	128,920	114,553	12.5%
Property taxes	13,120	12,241	7.2%	52,201	46,958	11.2%
Other operating expenses	7,965	7,689	3.6%	32,967	28,111	17.3%
Total	52,170	50,045	4.2%	214,088	189,622	12.9%
Interest income	1,947	1,519	28.2%	6,823	4,764	43.2%
Interest expense	(28,065)	(21,794)	28.8%	(103,203)	(83,609)	23.4%
General and administrative	(4,255)	(3,422)	24.3%	(15,224)	(13,013)	17.0%
Joint venture income and minority interest	254	(98)	359.2%	259	520	(50.2%)
Depreciation	(34,623)	(31,383)	10.3%	(130,079)	(122,610)	6.1%
Income before gain on sale	43,360	46,775	(7.3%)	186,145	169,825	9.6%
Gain on sale of communities	18,852	7,506	151.2%	62,852	40,779	54.1%
Net income	62,212	54,281	14.6%	248,997	210,604	18.2%
Dividends attributable to preferred stock	(5,726)	(9,945)	(42.4%)	(32,497)	(39,779)	(18.3%)
Net income available to common stockholders	<u>\$ 56,486</u>	<u>\$ 44,336</u>	<u>27.4%</u>	<u>\$ 216,500</u>	<u>\$ 170,825</u>	<u>26.7%</u>
Net income per common share- basic	<u>\$ 0.83</u>	<u>\$ 0.66</u>	<u>25.8%</u>	<u>\$ 3.19</u>	<u>\$ 2.58</u>	<u>23.6%</u>
Net income per common share- diluted	<u>\$ 0.81</u>	<u>\$ 0.65</u>	<u>24.6%</u>	<u>\$ 3.12</u>	<u>\$ 2.53</u>	<u>23.3%</u>
Calculation of Funds from Operations ("FFO"):						
Net income available to common stockholders	\$ 56,486	\$ 44,336	27.4%	\$ 216,500	\$ 170,825	26.7%
Depreciation (real estate related)	33,801	30,539	10.7%	126,984	119,416	6.3%
Joint venture adjustments	289	202	43.1%	1,102	792	39.1%
Minority interest	383	360	6.4%	1,559	1,759	(11.4%)
Gain on sale of communities	(18,852)	(7,506)	151.2%	(62,852)	(40,779)	54.1%
FFO available to Common Stockholders	<u>\$ 72,107</u>	<u>\$ 67,931</u>	<u>6.1%</u>	<u>\$ 283,293</u>	<u>\$ 252,013</u>	<u>12.4%</u>
FFO per Common Share - Basic	<u>\$ 1.05</u>	<u>\$ 1.01</u>	<u>4.0%</u>	<u>\$ 4.15</u>	<u>\$ 3.77</u>	<u>10.1%</u>
FFO per Common Share - Diluted	<u>\$ 1.03</u>	<u>\$ 0.99</u>	<u>4.0%</u>	<u>\$ 4.06</u>	<u>\$ 3.70</u>	<u>9.7%</u>

(1) Other income includes \$2.5 million which represents recognition of a portion of business interruption insurance proceeds related to the Avalon at Edgewater insurance settlement.

Attachment 3

AvalonBay Communities, Inc.
Condensed Consolidated Balance Sheets
December 31, 2001
(Dollars in thousands)
(unaudited)

	December 31, 2001	December 31, 2000
Net real estate	\$ 3,956,536	\$ 3,781,376
Construction in progress (including land)	434,307	418,583
Total real estate, net	4,390,843	4,199,959
Cash and cash equivalents	72,986	57,234
Cash in escrow	49,965	16,733
Resident security deposits	20,370	18,281
Other assets	130,198	105,018
Total assets	<u>\$ 4,664,362</u>	<u>\$ 4,397,225</u>
Unsecured senior notes	\$ 1,635,000	\$ 1,335,000
Unsecured facility ⁽¹⁾	--	--
Notes payable	447,769	394,924
Other liabilities	211,772	175,307
Total liabilities	<u>2,294,541</u>	<u>1,905,231</u>
Minority interest	55,179	49,501
Stockholders' equity	<u>2,314,642</u>	<u>2,442,493</u>
Total liabilities and stockholders' equity	<u>\$ 4,664,362</u>	<u>\$ 4,397,225</u>

⁽¹⁾ Due to the timing of certain financing and investing activities, there were no outstanding borrowings under the Company's variable rate unsecured credit facility as of December 31, 2001 and December 31, 2000.

Attachment 4

AvalonBay Communities, Inc.
Quarter to Date Revenue and Occupancy Changes - Established Communities ⁽¹⁾
December 31, 2001

	Apartment Homes	Average Rental Rates			Economic Occupancy ⁽²⁾			Rental Revenue (\$000's)		
		Q4 01	Q4 00	% Change	Q4 01	Q4 00	% Change	Q4 01	Q4 00	% Change
Northeast										
Boston, MA	1,163	\$ 1,860	\$ 1,660	12.0%	95.3%	98.4%	(3.1%)	\$ 6,183	\$ 5,680	8.9%
Fairfield-New Haven, CT	1,444	1,550	1,468	5.6%	96.4%	98.8%	(2.4%)	6,476	6,274	3.2%
Northern New Jersey	773	2,732	2,520	8.4%	93.6%	98.9%	(5.3%)	5,933	5,753	3.1%
Central New Jersey	718	1,431	1,325	8.0%	96.1%	98.6%	(2.5%)	2,962	2,807	5.5%
Long Island, NY	421	2,038	1,897	7.4%	96.1%	98.5%	(2.4%)	2,474	2,357	5.0%
New York, NY	897	1,772	1,676	5.7%	92.8%	96.0%	(3.2%)	4,426	4,318	2.5%
Northeast Average	5,416	1,848	1,711	8.0%	94.9%	98.2%	(3.3%)	28,454	27,189	4.7%
Mid-Atlantic										
Washington, DC	4,243	1,451	1,353	7.2%	94.3%	97.2%	(2.9%)	17,403	16,692	4.3%
Baltimore, MD	1,054	1,080	992	8.9%	96.1%	98.5%	(2.4%)	3,280	3,079	6.5%
Mid-Atlantic Average	5,297	1,377	1,281	7.5%	94.5%	97.4%	(2.9%)	20,683	19,771	4.6%
Midwest										
Minneapolis, MN	1,104	1,055	1,012	4.3%	93.9%	96.7%	(2.8%)	3,280	3,231	1.5%
Chicago, IL	487	1,414	1,397	1.2%	94.8%	97.1%	(2.3%)	1,958	1,979	(1.1%)
Midwest Average	1,591	1,165	1,130	3.1%	94.2%	96.8%	(2.6%)	5,238	5,210	0.5%
Pacific Northwest										
Seattle, WA	486	1,218	1,221	(0.2%)	91.0%	95.7%	(4.7%)	1,617	1,701	(4.9%)
Pacific Northwest Average	486	1,218	1,221	(0.2%)	91.0%	95.7%	(4.7%)	1,617	1,701	(4.9%)
Northern California										
San Jose, CA	4,284	1,837	1,884	(2.5%)	88.4%	97.7%	(9.3%)	20,860	23,662	(11.8%)
Oakland, CA	2,090	1,446	1,422	1.7%	93.8%	97.6%	(3.8%)	8,503	8,682	(2.1%)
San Francisco, CA	1,477	1,805	1,820	(0.8%)	96.0%	98.0%	(2.0%)	7,681	7,902	(2.8%)
Northern California Average	7,851	1,725	1,749	(1.4%)	91.1%	97.7%	(6.6%)	37,044	40,246	(8.0%)
Southern California										
Orange County, CA	1,846	1,181	1,105	6.9%	94.8%	97.1%	(2.3%)	6,200	5,926	4.6%
San Diego, CA	376	1,244	1,161	7.1%	96.0%	98.3%	(2.3%)	1,347	1,285	4.8%
Los Angeles, CA	890	1,280	1,169	9.5%	96.0%	97.7%	(1.7%)	3,280	3,042	7.8%
Southern California Average	3,112	1,217	1,130	7.7%	95.3%	97.4%	(2.1%)	10,827	10,253	5.6%
Average/Total Established	23,753	\$ 1,561	\$ 1,504	3.8%	93.4%	97.7%	(4.3%)	103,863	104,370	(0.5%)

(1) Established Communities are communities with stabilized operating costs as of January 1, 2000 such that a comparison of 2000 to 2001 is meaningful.

(2) Economic Occupancy reflects the percentage of Gross Potential Revenue that is earned from apartment homes that were occupied during the applicable quarter.

Attachment 5

AvalonBay Communities, Inc.
Year to Date Revenue and Occupancy Changes - Established Communities ⁽¹⁾
December 31, 2001

	Apartment Homes	Average Rental Rates			Economic Occupancy ⁽²⁾			Rental Revenue (\$000's)		
		YTD 01	YTD 00	% Change	YTD 01	YTD 00	% Change	YTD 01	YTD 00	% Change
Northeast										
Boston, MA	1,163	\$ 1,795	\$ 1,607	11.7%	96.7%	98.0%	(1.3%)	\$ 24,221	\$ 21,942	10.4%
Fairfield-New Haven, CT	1,444	1,531	1,434	6.8%	97.8%	98.1%	(0.3%)	25,952	24,364	6.5%
Northern New Jersey	773	2,674	2,484	7.6%	96.6%	98.2%	(1.6%)	23,968	22,618	6.0%
Central New Jersey	718	1,413	1,296	9.0%	96.9%	98.1%	(1.2%)	11,792	10,942	7.8%
Long Island, NY	421	1,979	1,867	6.0%	97.8%	98.8%	(1.0%)	9,778	9,308	5.0%
New York, NY	897	1,734	1,629	6.4%	95.3%	97.6%	(2.3%)	17,779	17,083	4.1%
Northeast Average	5,416	1,804	1,669	8.1%	96.8%	98.1%	(1.3%)	113,490	106,257	6.8%
Mid-Atlantic										
Washington, DC	4,243	1,416	1,299	9.0%	95.9%	97.7%	(1.8%)	69,134	64,519	7.2%
Baltimore, MD	1,054	1,047	964	8.6%	97.0%	97.9%	(0.9%)	12,839	11,917	7.7%
Mid-Atlantic Average	5,297	1,342	1,233	8.8%	96.1%	97.7%	(1.6%)	81,973	76,436	7.2%
Midwest										
Minneapolis, MN	1,104	1,035	994	4.1%	95.9%	96.3%	(0.4%)	13,148	12,683	3.7%
Chicago, IL	487	1,420	1,380	2.9%	95.5%	96.5%	(1.0%)	7,922	7,772	1.9%
Midwest Average	1,591	1,153	1,112	3.7%	95.7%	96.4%	(0.7%)	21,070	20,455	3.0%
Pacific Northwest										
Seattle, WA	486	1,232	1,195	3.1%	94.4%	95.9%	(1.5%)	6,784	6,677	1.6%
Pacific Northwest Average	486	1,232	1,195	3.1%	94.4%	95.9%	(1.5%)	6,784	6,677	1.6%
Northern California										
San Jose, CA	4,284	1,909	1,718	11.1%	93.3%	97.8%	(4.5%)	91,572	85,920	6.6%
Oakland, CA	2,090	1,469	1,312	12.0%	94.7%	97.9%	(3.2%)	34,873	32,055	8.8%
San Francisco, CA	1,477	1,858	1,738	6.9%	94.9%	97.9%	(3.0%)	31,264	30,083	3.9%
Northern California Average	7,851	1,782	1,614	10.4%	93.9%	97.8%	(3.9%)	157,709	148,058	6.5%
Southern California										
Orange County, CA	1,846	1,149	1,060	8.4%	95.6%	96.5%	(0.9%)	24,341	22,646	7.5%
San Diego, CA	376	1,218	1,109	9.8%	96.7%	97.9%	(1.2%)	5,315	4,896	8.6%
Los Angeles, CA	890	1,244	1,143	8.8%	96.3%	96.5%	(0.2%)	12,805	11,794	8.6%
Southern California Average	3,112	1,185	1,091	8.6%	96.0%	96.7%	(0.7%)	42,461	39,336	7.9%
Average/Total Established	23,753	\$ 1,558	\$ 1,432	8.8%	95.4%	97.6%	(2.2%)	423,487	397,219	6.6%

(1) Established Communities are communities with stabilized operating costs as of January 1, 2000 such that a comparison of 2000 to 2001 is meaningful.

(2) Economic Occupancy reflects the percentage of Gross Potential Revenue that is earned from apartment homes that were occupied during the applicable period.

Attachment 6

AvalonBay Communities, Inc.
Summary of Development, Redevelopment and Acquisition Activity as of December 31, 2001

		Number of Communities	Number of Homes	Dollar Value (millions)
<u>Portfolio Additions:</u>				
2001 Annual (Actual)				
Development		6	1,656	\$ 273.8
Redevelopment	(1)	1	--	10.2
Presale Communities	(2)	3	995	129.3
Total Additions		<u>10</u>	<u>2,651</u>	<u>\$ 413.3</u>
2002 Annual (Projected)				
Development		9	2,208	\$ 454.9
Redevelopment	(1)	3	--	64.1
Presale Communities	(2)	1	306	70.0
Total Additions		<u>13</u>	<u>2,514</u>	<u>\$ 589.0</u>
<u>Pipeline Activity:</u>				
Currently Under Construction				
Development Communities		15	3,963	\$ 750.3
Redevelopment Communities	(1)	3	--	64.1
Presale Communities		1	306	70.0
Subtotal		<u>19</u>	<u>4,269</u>	<u>\$ 884.4</u>
Planning				
Development Rights		30	8,918	\$ 1,699.0
Total Pipeline		<u>49</u>	<u>13,187</u>	<u>\$ 2,583.4</u>

- (1) Represents only cost of redevelopment activity, does not include original acquisition cost or number of apartment homes acquired.
- (2) Represents total acquisition cost, however, presale community costs were invested in the form of construction loans.

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Attachment 7

**AvalonBay Communities, Inc.
Development Communities as of December 31, 2001**

	# of Apt Homes	Budgeted Cost (1) (millions)	Schedule				Avg Rent Per Home (3)	% Comp (4)	% Leased (5)	% Occ (6)
			Start	Initial Occupancy	Complete	Stabilized Ops (2)				
Under Construction:										
1. Avalon at Edgewater Edgewater, NJ	408	\$ 75.6	Q3 1999	Q2 2001	Q2 2002	Q4 2002	\$ 2,416	84.1%	48.8%	42.2%
3. Avalon at Freehold Freehold, NJ	296	\$ 33.1	Q2 2000	Q3 2001	Q1 2002	Q3 2002	\$ 1,557	56.1%	54.4%	45.6%
4. Avalon Harbor Stamford, CT	323	\$ 60.7	Q3 2000	Q1 2002	Q4 2002	Q2 2003	\$ 2,192	N/A	N/A	N/A
4. Avalon Towers on the Peninsula Mountain View, CA	211	\$ 65.9	Q3 2000	Q1 2002	Q2 2002	Q4 2002	\$ 2,441	35.5%	19.4%	N/A
5. Avalon at Cahill Park San Jose, CA	218	\$ 50.5	Q4 2000	Q4 2001	Q3 2002	Q1 2003	\$ 2,173	8.3%	9.2%	8.3%
6. Avalon Riverview I Long Island City, NY	372	\$ 102.5	Q4 2000	Q2 2002	Q4 2002	Q2 2003	\$ 2,970	N/A	N/A	N/A
7. Avalon at Mission Bay North San Francisco, CA	250	\$ 79.5	Q1 2001	Q4 2002	Q1 2003	Q3 2003	\$ 3,575	N/A	N/A	N/A
8. Avalon Oaks West Wilmington, MA	120	\$ 17.7	Q1 2001	Q4 2001	Q2 2002	Q4 2002	\$ 1,621	60.0%	50.8%	25.0%
9. Avalon Ledges Weymouth, MA	304	\$ 37.7	Q2 2001	Q2 2002	Q1 2003	Q3 2003	\$ 1,645	N/A	N/A	N/A
10. Avalon Orchards Marlborough, MA	156	\$ 21.7	Q2 2001	Q1 2002	Q4 2002	Q2 2003	\$ 1,558	16.7%	32.1%	9.0%
11. Avalon at Arlington Square II Arlington, VA	332	\$ 43.9	Q3 2001	Q3 2002	Q1 2003	Q3 2003	\$ 1,695	N/A	N/A	N/A
12. Avalon at Flanders Hill Westborough, MA	280	\$ 38.4	Q3 2001	Q3 2002	Q2 2003	Q4 2003	\$ 1,770	N/A	N/A	N/A
13. Avalon New Canaan (7) New Canaan, CT	104	\$ 27.2	Q3 2001	Q3 2002	Q4 2002	Q2 2003	\$ 2,840	N/A	N/A	N/A
14. Avalon at Rock Spring (7) North Bethesda, MD	386	\$ 45.9	Q4 2001	Q1 2003	Q3 2003	Q1 2004	\$ 1,660	N/A	N/A	N/A
15. Avalon at Gallery Place I (8) Washington, DC	203	\$ 50.0	Q4 2001	Q3 2003	Q4 2003	Q2 2004	\$ 2,485	N/A	N/A	N/A
Subtotal	<u>3,963</u>	<u>\$ 750.3</u>								
Completed this Quarter:										
1. Avalon on the Sound (9) New Rochelle, NY	412	\$ 92.5	Q4 1999	Q2 2001	Q4 2001	Q3 2002	\$ 2,470	100.0%	83.0%	79.6%
2. Avalon Belltown Seattle, WA	100	\$ 18.7	Q3 2000	Q3 2001	Q4 2001	Q3 2002	\$ 1,660	100.0%	48.0%	44.0%
Subtotal	<u>512</u>	<u>\$ 111.2</u>								
Total	<u>4,475</u>	<u>\$ 861.5</u>								
Weighted Average Projected EBITDA as a % of Total Budgeted Cost (10)		9.4%								

- (1) Total Budgeted Cost includes all capitalized costs projected to be 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 determined in accordance with generally accepted accounting principles ("GAAP").
- (2) Stabilized operations is defined as the first full quarter of 95% or greater occupancy after completion of construction.
- (3) For communities in lease-up, "Avg Rent Per Home" reflects (a) actual average leased rents for those apartments leased through the end of the quarter, and (b) projected market rents for all unleased apartments. For communities not yet in lease-up, "Average Rent Per Home" reflects pro forma projections.
- (4) Includes apartment homes for which construction has been completed and accepted by management as of January 18, 2002.
- (5) Includes apartment homes for which leases have been executed or non-refundable deposits have been paid as of January 18, 2002.
- (6) Includes apartment homes occupied as of January 18, 2002.
- (7) The land for this community is currently owned by a limited partnership in which the Company is a majority partner. It is currently anticipated that the land seller will retain a minority limited partner interest. The costs reflected above exclude construction and management fees due to AvalonBay.
- (8) The total budgeted costs for this community excludes approximately \$4 million of proceeds that the Company expects to receive upon the sale of transferable development rights associated with the development of the community. These rights do not become transferable until construction completion and there can be no assurance that the projected amount of proceeds will be achieved.
- (9) This community was developed under a joint venture structure with third party financing. AvalonBay's portion of the Budgeted Costs for this consolidated JV is projected to be \$13.3 million after project based debt.
- (10) Projected EBITDA represents management's estimate, as of the date of release of this information, of gross potential community-level earnings projected to be achieved for the first stabilized year following the completion of construction before interest, income taxes (if any), depreciation, amortization and extraordinary items, minus (a) projected economic vacancy and (b) projected stabilized operating expenses. Projected EBITDA does not include either a management fee or any allocation of corporate overhead and is not a measure that can be determined in accordance with GAAP. Management uses its determination of Projected EBITDA to help measure the projected impact that a community under construction may have on company-wide performance once such community is complete and achieves stabilization (i.e., a 95% rate of occupancy.) Projected EBITDA is also a tool that management uses to measure and compare the performance and projected performance of different communities. Projected EBITDA should not be considered as an alternative to operating income, as determined in accordance with GAAP, as an indicator of the Company's or a community's operating performance, or to cash flows from operating activities (as determined in accordance with GAAP) as a measure of liquidity. Projected EBITDA, and in particular community-level EBITDA reflected here for these communities under development as well as completed this quarter, as disclosed by other REITs may not be comparable to the Company's calculation of EBITDA.

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Attachment 8

**AvalonBay Communities, Inc.
Redevelopment Communities (1) as of December 31, 2001**

	# of Apt Homes	Cost (in millions)		Schedule				Avg Rent Per Home	Number of Homes	
		Acquisition Cost	Total Budgeted Cost (2)	Acquisition	Start	Complete	Restabilized Ops (3)		Completed to date	Out of Service @ 12/31/01
Under Redevelopment:										
1. Avalon at Media Center Burbank, CA	748	\$ 55.3	\$ 75.3	Q2 1999	Q1 2000	Q1 2002	Q2 2002	\$ 1,146	706	15
2. Avalon at Prudential Center (4) Boston, MA	781	\$ 133.9	\$ 154.5	Q3 1998	Q4 2000	Q4 2002	Q2 2003	\$ 2,866	226	27
3. Avalon Terrace (5) Stamford, CT	367	\$ 37.5	\$ 61.0	Q4 1998	Q4 2000	Q2 2002	Q4 2002	\$ 1,674	325	33
Total	1,896	\$ 226.7	\$ 290.8						1,257	75

Weighted Average Projected EBITDA
as a % of Total Budgeted Cost (6) 9.8%

- (1) Redevelopment Communities are communities acquired for which redevelopment costs are expected to exceed 10% of the original acquisition cost or \$5,000,000.
- (2) Total Budgeted Cost includes all capitalized costs projected to be incurred to redevelop the respective Redevelopment Community, including costs to acquire the community, reconstruction costs, real estate taxes, capitalized interest and loan fees, permits, professional fees, allocated redevelopment overhead and other regulatory fees determined in accordance with generally accepted accounting principles ("GAAP").
- (3) Restabilized operations is defined as the first full quarter of 95% or greater occupancy after completion of reconstruction.
- (4) The Acquisition Cost of \$133.9 million is comprised of the initial acquisition cost of \$130 million plus capital expenditures of \$3.9 million that were made following the acquisition and were unrelated to redevelopment costs.
- (5) This community will be redeveloped in a joint venture structure with third party financing. AvalonBay's portion of the Total Budgeted Cost for this unconsolidated joint venture is projected to be \$9.6 million after project based debt.
- (6) Projected EBITDA represents management's estimate, as of the date of release of this information, of gross potential community-level earnings projected to be achieved for the first stabilized year following the completion of construction before interest, income taxes (if any), depreciation, amortization and extraordinary items, minus (a) projected economic vacancy and (b) projected stabilized operating expenses. Projected EBITDA does not include either a management fee or any allocation of corporate overhead and is not a measure that can be determined in accordance with GAAP. Management uses its determination of Projected EBITDA to help measure the projected impact that a community under construction may have on company-wide performance once such community is complete and achieves stabilization (i.e., a 95% rate of occupancy.) Projected EBITDA is also a tool that management uses to measure and compare the performance and projected performance of different communities. Projected EBITDA should not be considered as an alternative to operating income, as determined in accordance with GAAP, as an indicator of the Company's or a community's operating performance, or to cash flows from operating activities (as determined in accordance with GAAP) as a measure of liquidity. Projected EBITDA, and in particular community-level EBITDA reflected here for these communities under redevelopment as well as completed during the quarter, as disclosed by other REITs may not be comparable to the Company's calculation of EBITDA.

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Attachment 9

AvalonBay Communities, Inc.
Historical Development and Redevelopment Communities Yield Analysis as of December 31, 2001

Year of Development/Redevelopment Completion	Number of Communities	Number of Apartment Homes	Total Capital Cost (2) (millions)	EBITDA as % of Total Capital Costs (1)			
				Original Projection	Initial Year Stabilized Yield (3)	Current Actual or Projected (4)	
<u>Development Communities</u>							
1994	3	958	\$ 67.6	11.4%	11.8%	18.3%	
1995	3	777	84.4	9.6%	11.1%	14.4%	
1996	6	866	70.6	10.0%	11.0%	16.5%	
1997	8	2,672	331.9	10.1%	11.6%	14.6%	
1998	6	2,175	263.2	10.6%	11.4%	12.8%	
1999	10	2,335	391.6	10.1%	10.8%	11.1%	
2000	6	1,209	175.2	10.4%	11.1%	11.8%	
2001	6	1,656	273.8	10.2%	10.7%	10.4%	
Total/Weighted Average	48	12,648	\$ 1,658.3	10.3%	11.1%	12.7%	
<u>Redevelopment Communities</u>							
1995	(5)	2	406	\$ 23.6	9.8%	10.0%	18.5%
1996		6	1,689	114.9	9.6%	10.4%	14.4%
1997		9	2,037	196.1	9.8%	9.7%	11.7%
1998		8	1,969	195.7	9.5%	9.8%	12.5%
1999		13	4,051	385.5	9.2%	8.9%	9.3%
2000 and 2001		5	1,749	191.2	9.0%	10.5%	9.1%
Total/Weighted Average		43	11,901	\$ 1,107.0	9.4%	9.6%	10.9%

- (1) EBITDA represents management's estimate, as of the date of release of this information, of gross community-level earnings achieved at the communities whose development was completed during the indicated year, before interest, income taxes, depreciation, amortization and extraordinary items. EBITDA does not include a management fee or any allocation of corporate overhead and is not a measure that can be determined in accordance with generally accepted accounting principles ("GAAP"). Management uses its determination of community-level EBITDA to help measure the impact that a community has on company-wide performance and to measure and compare the performance and projected performance of different communities. EBITDA should not be considered as an alternative to operating income, as determined in accordance with GAAP, as an indicator of the Company's or a community's operating performance, or to cash flows from operating activities (as determined in accordance with GAAP) as a measure of liquidity, EBITDA, and in particular community-level EBITDA, as disclosed by other REITs may not be comparable to the Company's calculation of EBITDA.
- (2) Total capital cost includes all capitalized costs projected to be incurred to develop or redevelop the respective community, including land acquisition costs, construction costs, reconstruction costs, real estate taxes, capitalized interest and loan fees, permits, professional fees, allocated development overhead and other regulatory fees determined in accordance with GAAP.
- (3) Represents actual or projected yield for first full calendar year of stabilized operations.
- (4) Based on 2002 community operating budgets.
- (5) 1995 Redevelopment was adjusted to exclude Crossbrook which is included in 1999 Redevelopment completions.

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Attachment 10

AvalonBay Communities, Inc.
Summary of Development and Redevelopment Community Activity (1) as of December 31, 2001

DEVELOPMENT (2)

	Apt Homes Completed & Occupied	Development Community Investments (3)	Value of Homes Completed & Occupied	Remaining to Invest (4)	Construction in Progress at Period End (5)
Total - 2000 Actual	870	\$ 279,213,264	\$ 123,782,173	\$ 344,130,668	\$ 260,767,381
2001 (Actual):					
Quarter 1	300	\$ 57,470,918	\$ 42,917,063	\$ 385,741,788	\$ 277,080,921
Quarter 2	464	80,399,302	81,517,437	366,846,857	310,500,411
Quarter 3	510	137,502,765	85,129,879	389,645,493	322,365,168
Quarter 4	308	129,213,149	49,029,084	431,505,675	415,617,828
Total - 2001	1,582	\$ 404,586,134	\$ 258,593,463		
2002 (Projected):					
Quarter 1	446	\$ 132,994,102	\$ 76,159,637	\$ 298,511,573	\$ 361,823,697
Quarter 2	735	83,556,818	130,390,566	214,954,755	308,091,310
Quarter 3	752	67,723,207	131,507,366	147,231,548	255,856,552
Quarter 4	552	59,636,612	93,449,014	87,594,936	151,093,076
Total - 2002	2,485	\$ 343,910,739	\$ 431,506,583		

REDEVELOPMENT

	Avg Homes Out of Service (6)	Redevelopment Community Investments (3)	Remaining to Invest (4)	Reconstruction in Progress at Period End (5) (6)
Total - 2000 Actual		\$ 47,789,657	\$ 33,558,647	\$ 23,561,778
2001 (Actual):				
Quarter 1	146	\$ 7,416,521	\$ 30,689,515	\$ 25,599,083
Quarter 2	96	6,971,789	23,753,732	24,260,594
Quarter 3	91	6,639,194	20,961,216	14,268,547
Quarter 4	42	5,804,501	10,190,945	14,000,460
Total - 2001		\$ 26,832,005		
2002 (Projected):				
Quarter 1	25	\$ 4,201,305	\$ 5,989,640	\$ 2,750,000
Quarter 2	25	2,445,055	3,544,585	1,833,333
Quarter 3	15	2,009,320	1,535,265	1,585,000
Quarter 4	--	1,535,265	-	-
Total - 2002		\$ 10,190,945		

- (1) Data is presented for all Historical and Current Development Communities; all Historical and Current Redevelopment Communities currently under construction; and those communities for which construction or reconstruction is expected to begin within the next 90 days. Does not include data for Presale Communities.
- (2) Projected Periods include data for consolidated joint ventures at 100%. The offset for joint venture partners' participation is reflected in the minority interest line items of the Financial Statements.
- (3) Represents amount incurred or expected to be incurred during the quarter for Current and Future Development/Redevelopment Communities under construction or reconstruction during the quarter and those for which construction or reconstruction is expected to begin within the next 90 days.
- (4) Represents amount remaining by AvalonBay to invest on Current and Future Development/Redevelopment Communities under construction or reconstruction during the quarter and those for which construction or reconstruction is expected to begin within the next 90 days.
- (5) Represents period end balance of construction or reconstruction costs.
- (6) Projected periods do not include any data for unconsolidated joint ventures. Construction in Progress for unconsolidated joint ventures is reflected in investment in Joint Ventures on the Company's Balance Sheet.

Attachment 11

AvalonBay Communities, Inc.
Future Development and Presale Commitments as of December 31, 2001

DEVELOPMENT RIGHTS			
Location of Development Right		Estimated Number of Homes	Estimated Budgeted Cost (millions)
1. North Bethesda, MD	(1)	499	\$85
2. Newton, MA		294	58
3. Lawrence, NJ		312	43
4. Los Angeles, CA	(1)	309	59
5. Darien, CT	(1)	189	39
6. Danbury, CT	(1)	253	36
7. Glen Cove, NY	(1)	256	71
8. Coram, NY		450	65
9. Orange, CT	(1)	168	21
10. Bedford, MA		139	21
11. North Potomac, MD		520	61
12. New Rochelle, NY Phase II and III		588	144
13. Washington, D.C.	(1)	144	30
14. Hingham, MA		270	44
15. Oakland, CA	(1)	180	40
16. Seattle, WA	(1)	154	50
17. Bellevue, WA		347	63
18. Long Island City, NY Phase II and III		539	162
19. Glendale, CA		223	49
20. Cohasset, MA		240	38
21. Kirkland, WA		215	50
22. Milford, CT		284	35
23. Greenburgh, NY Phase II and III		766	139
24. Stratford, CT		146	18
25. Andover, MA		136	21
26. College Park, MD		320	44
27. Wilton, CT		106	24
28. San Francisco, CA		303	106
29. Hopewell, NJ Phase I		280	40
30. Hopewell, NJ Phase II		288	43
		8,918	\$1,699
Totals		8,918	\$1,699

PRESALE COMMITMENTS			
Community Name	Estimated Homes	Est. Budgeted Cost (millions)	Projected Closing Date
<u>Under Construction:</u>			
1. Avalon Greyrock (2) Stamford, CT	306	\$ 70.0	Q2 2002

(1) Company owns land, but construction has not yet begun.

(2) The acquisition of Avalon Greyrock will occur at completion of construction, there will be no investment in this asset prior to completion.

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Attachment 12

**AvalonBay Communities, Inc.
Summary of Disposition Activity as of December 31, 2001**

Community Name	Location	Gross Sales Price
----------------	----------	-------------------

2000 Total \$ 160,085,000

Weighted Average Initial Year Market Cap Rate (1) 7.8%

Q1 2001:

1. Crossbrook Rohnert Park, CA \$ 23,250,000

Q3 2001:

1. Avalon Pavilions Manchester, CT 81,500,000

2. Waterhouse Place Beaverton, OR 20,900,000

3. Avalon Palladia Hillsboro, OR 51,250,000

Subtotal 153,650,000

Q4 2001:

1. Avalon Colchester Brookline, MA 6,000,000

2. Timberwood West Covina, CA 22,900,000

3. Arbor Heights Hacienda Heights, CA 35,330,000

Subtotal 64,230,000

2001 Total \$ 241,130,000

Weighted Average Initial Year Market Cap Rate (1) 8.0%

2000 and 2001 Total \$ 401,215,000

Weighted Average Initial Year Market Cap Rate (1) 7.9%

(1) Based on the next 12 months of NOI after adjustments for management fee (3.5%) and reserves (\$225/apt).