

AvalonBay Communities, Inc.

For Immediate News Release
October 22, 2002

AVALONBAY COMMUNITIES, INC. ANNOUNCES THIRD QUARTER 2002 OPERATING RESULTS

(Alexandria, VA) AvalonBay Communities, Inc. (NYSE/PCX: AVB) reported today that Earnings per Share ("EPS") for the quarter ended September 30, 2002 was \$0.35 (diluted), compared to \$1.14 (diluted) for the comparable period of 2001, a per share decrease of 69.3%. For the nine month period ended September 30, 2002, EPS was \$1.32 (diluted) compared to \$2.32 (diluted) for the comparable period of 2001, a per share decrease of 43.1%. These decreases are primarily attributable to the absence of gains on sale of communities in 2002 coupled with decreased net operating income from the overall portfolio.

Funds from Operations ("FFO") for the quarter ended September 30, 2002 was \$61,810,000 or \$0.87 per share (diluted) compared to \$72,319,000 or \$1.03 per share (diluted) for the comparable period of 2001, a per share decrease of 15.5%. FFO per share for the nine months ended September 30, 2002 decreased by 7.3% to \$2.81 from \$3.03 for the comparable period in 2001. These FFO per share results conform to the Company's financial outlook provided on October 7, 2002.

Net Operating Income ("NOI") from the entire portfolio for the quarter ended September 30, 2002 decreased by \$7,074,000 or 6.2% to \$106,433,000 compared to the comparable period of 2001. NOI for the nine months ended September 30, 2002 decreased by 3.5% to \$328,812,000 from \$340,615,000 for the comparable period in 2001.

Included in EPS, NOI and FFO for the nine month period ending September 30, 2002 is the recognition of \$5,800,000 of business interruption insurance related to Avalon at Edgewater.

Operating Results for the Quarter Ended September 30, 2002 Compared to the Prior Year Period

Total revenue decreased by \$861,000, or 0.5% to \$160,358,000, and earnings before interest, income taxes, depreciation and amortization ("EBITDA") decreased by \$8,270,000 or 7.9% to \$96,567,000.

For Established Communities, rental revenue decreased 7.8%, comprised of a rental rate decline of 6.3% and a decrease in economic occupancy of 1.5%. Total revenue decreased \$9,859,000 to \$117,202,000 and operating expenses increased \$1,570,000, or 4.4%. Accordingly, NOI decreased by \$11,429,000 or 12.5%.

3Q 02 Compared to 3Q 01				
	Established Communities			Total*
	Rental Revenue	Operating Expenses	NOI	% of NOI
Northeast	(5.5%)	7.1%	(10.7%)	35.6%
Mid-Atlantic	(2.3%)	8.7%	(6.3%)	16.0%
Midwest	(6.1%)	(7.5%)	(5.1%)	4.6%
Pacific NW	(7.8%)	8.0%	(16.5%)	5.3%
No. California	(15.3%)	2.2%	(20.7%)	25.9%
So. California	1.3%	6.7%	(1.0%)	12.6%
Total	(7.8%)	4.4%	(12.5%)	100.0%

* Total represents each region's % of total NOI from the entire portfolio.

Operating Results for the Nine Months Ended September 30, 2002 Compared to the Prior Year Period

Total revenue increased by \$2,222,000, or 0.5% to \$477,619,000, and EBITDA decreased by \$10,906,000 or 3.5% to \$297,597,000.

For Established Communities, rental revenue decreased 6.0%, comprised of a rental rate decline of 3.2% and a decrease in economic occupancy of 2.8%. Total revenue at these communities decreased \$22,833,000 to \$357,433,000 and operating expenses increased \$2,981,000, or 2.9%. Accordingly, NOI decreased by \$25,813,000 or 9.3%.

YTD 02 Compared to YTD 01			
	Established Communities		Total*
	Rental Revenue	Operating Expenses	NOI
Northeast	(3.2%)	5.6%	(6.6%)
Mid-Atlantic	(0.3%)	4.3%	(2.0%)
Midwest	(4.8%)	(5.4%)	(4.4%)
Pacific NW	(5.1%)	11.6%	(13.4%)
No. California	(13.5%)	2.1%	(17.9%)
So. California	1.8%	0.5%	2.3%
Total	(6.0%)	2.9%	(9.3%)
			100.0%

* Total represents each region's % of total NOI from the entire portfolio.

Established Communities Operating Statistics

Market Rents, as defined below under "Definitions of FFO and Other Terms," declined by an average of 5.0% in the third quarter compared to the same quarter in the prior year. The greatest declines, on a year over year basis, continue to be in Northern California with a decline of 10.6% from the third quarter of 2001. Market Rents in the Pacific Northwest also declined 8.5% as compared to the third quarter of 2001. Sequentially, as compared to the second quarter of 2002, average Market Rents remained flat across the portfolio.

Economic Occupancy, as defined below under "Definitions of FFO and Other Terms," during the third quarter 2002 was 93.9%, declining 1.5% over the same quarter last year.

Economic Occupancy increased 0.3% from the second quarter 2002. The most significant changes in the third quarter 2002 as compared to the second quarter of 2002 occurred in the following selected submarkets:

Economic Occupancy	
Q3 02 Compared to Q2 02	
Submarket	Change
Los Angeles	5.5%
Northern New Jersey	4.6%
New York	2.2%
San Diego	2.1%
Orange County	1.3%
Boston	(1.2%)
Fairfield-New Haven	(1.4%)
San Francisco	(2.4%)

Early lease termination fees decreased 48% across the Established Communities portfolio in the third quarter of 2002 as compared to the third quarter of 2001, and decreased 35% sequentially as compared to the second quarter of 2002.

Cash concessions as a percentage of Market Rent for Established Communities averaged 2.0% during the third quarter of 2002, as compared to 0.6% in the third quarter of 2001 and 1.2% in the second quarter of 2002. Cash concessions are amortized over the approximate lease term, generally one year.

Development and Redevelopment Activity

During the third quarter, the Company commenced construction on two development communities, Avalon at Steven's Pond (located in the greater Boston area) and Avalon at Glen Cove South (located in Long Island, New York). When completed, these communities are expected to contain a total of 582 apartment homes for a projected total investment of \$117,400,000.

During the third quarter, the Company completed the construction of Avalon at Arlington Square II, the second phase of a two-phase community located in Arlington, Virginia. Arlington Square II is a garden-style community containing 332 apartment homes and was completed for a total construction cost of \$42,600,000.

Financing, Liquidity and Balance Sheet Statistics

As of September 30, 2002, the Company had \$273,000,000 outstanding under its \$500,000,000 unsecured credit facility (expandable to \$650,000,000) and unrestricted cash of approximately \$3,285,000. This available cash, the unsecured credit facility, anticipated asset sales in the fourth quarter 2002 and approximately \$60,000,000 to \$70,000,000 of cash retained from operations annually, will be used to fund development and redevelopment activity, provide letters of credit and redeem debt and equity securities.

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 43.6% at September 30, 2002. Earnings for the third quarter covered Fixed Charges by 2.8 times and EBITDA covered interest by 3.1 times.

Stock Repurchase

In July 2002, the Company announced that its Board of Directors authorized a common stock repurchase program. Under this program, the Company may acquire shares of its common stock in open market or negotiated transactions up to an aggregate purchase price of \$100,000,000. As of October 18, 2002, the Company had repurchased 857,900 shares of common stock through this program.

Other Matters

The Company will hold a conference call on October 23, 2002 at 11:00 AM Eastern Time (EDT) to review and answer questions about these results and projections, the earnings release attachments described below, and related matters. 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: 5948468.

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 September 30, 2002, AvalonBay owned or held an ownership interest in 148 apartment communities containing 43,496 apartment homes in eleven states and the District of Columbia, of which 14 communities were under construction and one community was under reconstruction. AvalonBay is an equity REIT in the business of developing, redeveloping, acquiring and managing upscale 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, Chief Executive Officer and President, 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, 2001 under the heading

"Management's Discussion and Analysis of Financial Condition and Results of Operations - Forward-Looking Statements".

Definitions of FFO and Other Terms

Management generally considers FFO to be an appropriate supplemental 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 as used by AvalonBay means net income or loss computed in accordance with generally accepted accounting principles ("GAAP"), except that excluded from net income or loss are gains or losses on sales of property and extraordinary (as defined by GAAP) gains or losses on debt restructuring; plus depreciation of real estate assets; and after adjustments for unconsolidated partnerships and joint ventures. A reconciliation of the Company's reported GAAP income to FFO is contained in the earnings release attachments described below. 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.

Market Rents as reported by the Company are based on the current market rates set by the managers of the Company's communities based on their experience in renting their communities' apartments and publicly available market data. Trends in market rents for a region as reported by others could vary. Market Rents for a period are based on the average Market Rents during that period.

By measuring vacant apartments at their Market Rents, Economic Occupancy takes into account the fact that apartment homes of different sizes and locations within a community have different economic impacts on a community's gross revenue. Economic Occupancy is defined as total possible revenue less vacancy loss as a percentage of total possible revenue. Total possible revenue is determined by valuing occupied units at contract rates and vacant units at Market Rents. Vacancy loss is determined by valuing vacant units at current Market Rents. Concessions are considered in

calculating average rental rates although they are not taken into account in the contract rates used to determine Economic Occupancy.

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.

THIRD QUARTER 2002

Supplemental Operating and Financial Data



Avalon at Arlington Square II, the second phase of a two-phase community in Arlington, Virginia, combines traditional design values with the latest amenities and floorplans. Located off I-395 and Glebe Rd., and just minutes from Old Town Alexandria and downtown Washington, DC, Avalon at Arlington Square II was created with today's busy lifestyles in mind.

This unique neighborhood is combined of one, two and three-bedroom apartment homes and offers residents luxurious amenities such as a resident telecommuting center with high-speed internet access, extensive fitness center with indoor basketball, swimming pools with sundecks and more.

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

THIRD QUARTER 2002

Supplemental Operating and Financial Data

Table of Contents

Company Profile

Attachment 1	Selected Operating and Other Information
Attachment 2	Detailed Operating Information
Attachment 3	Condensed Consolidated Balance Sheets

Sub-Market Profile

Attachment 4	Quarterly Revenue and Occupancy Changes (Established Communities)
Attachment 5	Sequential Quarterly Revenue and Occupancy Changes (Established Communities)
Attachment 6	YTD Revenue and Occupancy Changes (Established Communities)

Development, Redevelopment, Acquisition and Disposition Profile

Attachment 7	Summary of Development, Redevelopment and Acquisition Activity
Attachment 8	Development Communities
Attachment 9	Redevelopment Communities
Attachment 10	Historical Development and Redevelopment Communities Yield Analysis
Attachment 11	Summary of Development and Redevelopment Community Activity
Attachment 12	Future Development and Presale Commitments

Attachment 1

AvalonBay Communities, Inc.
Selected Operating and Other Information
September 30, 2002
(Dollars in thousands except per share data)
(unaudited)

Selected Operating Information:	Q3 2002	Q3 2001	% Change	YTD 2002	YTD 2001	% Change
Net income available to common stockholders:	\$ 24,685	\$ 79,229	(68.8%)	\$ 92,689	\$ 160,014	(42.1%)
Per common share - basic	\$ 0.36	\$ 1.16	(69.0%)	\$ 1.34	\$ 2.37	(43.5%)
Per common share - diluted	\$ 0.35	\$ 1.14	(69.3%)	\$ 1.32	\$ 2.32	(43.1%)
Funds from Operations :	\$ 61,810	\$ 72,319	(14.5%)	\$ 199,017	\$ 211,187	(5.8%)
Per common share - basic	\$ 0.89	\$ 1.06	(16.0%)	\$ 2.87	\$ 3.10	(7.4%)
Per common share - diluted	\$ 0.87	\$ 1.03	(15.5%)	\$ 2.81	\$ 3.03	(7.3%)
Dividends declared - common:	\$ 48,561	\$ 43,884	10.7%	\$ 145,413	\$ 130,601	11.3%
Per common share	\$ 0.70	\$ 0.64	9.4%	\$ 2.10	\$ 1.92	9.4%
Total EBITDA	\$ 96,567	\$ 104,837	(7.9%)	\$ 297,597	\$ 308,503	(3.5%)
Common shares outstanding	69,398,518	68,571,151		69,398,518	68,571,151	
Outstanding units	1,018,448	671,083		1,018,448	671,083	
Total outstanding shares and units	70,416,966	69,242,234		70,416,966	69,242,234	
Average shares outstanding - basic	69,154,045	68,100,249		68,940,901	67,652,285	
Average units outstanding	1,018,448	671,083		983,443	670,992	
Effect of dilutive securities	877,206	1,344,541		1,019,697	1,298,254	
Average shares outstanding - diluted	71,049,699	70,115,873		70,944,041	69,621,531	

Debt Composition and Maturities

	Conventional		Tax-Exempt	
	Amt	% of Mkt Cap	Amt	% of Mkt Cap
Long-term notes:				
Variable rate	\$ --	--	\$ 101,860	1.8%
Fixed rate	1,709,694	30.9%	295,305	5.3%
Variable rate credit facility & short term note	309,089	5.6%	--	--
Total debt	\$ 2,018,783	36.5%	\$ 397,165	7.1%
Average interest rates ⁽¹⁾	6.5%		5.6%	
Combined average interest rate ⁽²⁾	6.7%			

	2002	2003	2004	2005	2006
Maturities ⁽²⁾	\$ 36,891	\$ 153,538	\$ 152,759	\$ 153,705	\$ 153,971

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

(2) Excludes amounts under the \$500 million variable rate credit facility that, after all extensions, matures in 2005.

Community Information

	Communities	Apt Homes
Current Communities	134	39,458
Development Communities	14	4,038
Development Rights	36	9,907
Third-party management	1	101

Analysis of Capitalized Costs

	Q4 01	Q1 02	Q2 02	Q3 02
Cap Interest	\$ 8,295	\$ 8,651	\$ 8,020	\$ 6,733
Cap Overhead	\$ 5,683	\$ 5,602	\$ 4,665	\$ 4,856
Non-Revenue				
Cap/X per Home	\$ 60	\$ 50	\$ 82	\$ 81

Attachment 2

AvalonBay Communities, Inc.
Detailed Operating Information
September 30, 2002
(Dollars in thousands except per share data)
(unaudited)

	Q3 2002	Q3 2001	% Change	YTD 2002	YTD 2001	% Change
Revenue:						
Rental income	\$ 159,997	\$ 160,772	(0.5%)	\$ 469,572	\$ 474,095	(1.0%)
Management fees	233	336	(30.7%)	1,092	985	10.9%
Other income ⁽¹⁾	128	111	15.3%	6,955	317	2,094.0%
Total	160,358	161,219	(0.5%)	477,619	475,397	0.5%
Operating expenses:						
Property operating expenses, excluding property taxes	39,482	34,512	14.4%	107,323	96,125	11.6%
Property taxes	14,443	13,200	9.4%	41,484	38,657	7.3%
Other operating expenses	7,153	7,057	1.4%	23,436	25,002	(6.3%)
Total	61,078	54,769	11.5%	172,243	159,784	7.8%
Interest income	909	1,599	(43.2%)	3,013	4,875	(38.2%)
Interest expense	(31,817)	(26,693)	19.2%	(87,901)	(75,120)	17.0%
General and administrative	(3,042)	(3,421)	(11.1%)	(10,220)	(10,969)	(6.8%)
Joint venture income and minority interest	(772)	565	(236.6%)	(1,042)	5	(20,940.0%)
Depreciation	(36,942)	(31,802)	16.2%	(105,223)	(94,369)	11.5%
Income before gain on sale	27,616	46,698	(40.9%)	104,003	140,035	(25.7%)
Gain on sale of communities	--	39,098	(100.0%)	--	43,999	(100.0%)
Income from continuing operations	27,616	85,796	(67.8%)	104,003	184,034	(43.5%)
Discontinued operations ⁽²⁾	1,095	872	25.6%	2,773	2,751	0.8%
Net income	28,711	86,668	(66.9%)	106,776	186,785	(42.8%)
Dividends attributable to preferred stock	(4,026)	(7,439)	(45.9%)	(14,087)	(26,771)	(47.4%)
Net income available to common stockholders	\$ 24,685	\$ 79,229	(68.8%)	\$ 92,689	\$ 160,014	(42.1%)
Net income per common share- basic	\$ 0.36	\$ 1.16	(69.0%)	\$ 1.34	\$ 2.37	(43.5%)
Net income per common share- diluted	\$ 0.35	\$ 1.14	(69.3%)	\$ 1.32	\$ 2.32	(43.1%)
Calculation of Funds from Operations ("FFO"):						
Net income	\$ 28,711	\$ 86,668	(66.9%)	\$ 106,776	\$ 186,785	(42.8%)
Dividends attributable to preferred stock	(4,026)	(7,439)	(45.9%)	(14,087)	(26,771)	(47.4%)
Depreciation (real estate related)	36,393	31,149	16.8%	103,452	92,097	12.3%
Depreciation (discontinued operations)	--	363	(100.0%)	695	1,086	(36.0%)
Joint venture adjustments	326	283	15.2%	965	813	18.7%
Minority interest	406	393	3.3%	1,216	1,176	3.4%
Gain on sale of communities	--	(39,098)	(100.0%)	--	(43,999)	(100.0%)
FFO available to Common Stockholders	\$ 61,810	\$ 72,319	(14.5%)	\$ 199,017	\$ 211,187	(5.8%)
FFO per Common Share - Basic	\$ 0.89	\$ 1.06	(16.0%)	\$ 2.87	\$ 3.10	(7.4%)
FFO per Common Share - Diluted	\$ 0.87	\$ 1.03	(15.5%)	\$ 2.81	\$ 3.03	(7.3%)

⁽¹⁾ In 2002, year-to-date Other income includes \$5.8 million of business interruption insurance proceeds related to the Avalon at Edgewater insurance settlement.

⁽²⁾ Reflects net income for communities designated as held for sale as of September 30, 2002.

Attachment 3

AvalonBay Communities, Inc.
Condensed Consolidated Balance Sheets
September 30, 2002
(Dollars in thousands)
(unaudited)

	September 30, 2002	December 31, 2001
Net real estate	\$ 4,431,667	\$ 3,956,536
Construction in progress (including land)	326,882	434,307
Total real estate, net ⁽¹⁾	4,758,549	4,390,843
Cash and cash equivalents	3,285	72,990
Cash in escrow	10,884	49,965
Resident security deposits	21,682	20,370
Other assets ⁽¹⁾	125,410	130,121
Total assets	<u>\$ 4,919,810</u>	<u>\$ 4,664,289</u>
Unsecured senior notes	\$ 1,685,000	\$ 1,635,000
Unsecured facility	273,000	--
Notes payable	457,948	447,769
Other liabilities ⁽¹⁾	205,760	211,772
Total liabilities	<u>\$ 2,621,708</u>	<u>\$ 2,294,541</u>
Minority interest	74,181	55,193
Stockholders' equity	<u>2,223,921</u>	<u>2,314,555</u>
Total liabilities and stockholders' equity	<u>\$ 4,919,810</u>	<u>\$ 4,664,289</u>

⁽¹⁾ September 30, 2002 amounts include discontinued operations with net real estate of \$30,050, other assets of \$160 and other liabilities of \$850. December 31, 2001 amounts include discontinued operations with net real estate of \$30,642, other assets of \$103 and other liabilities of \$820.

Attachment 4

AvalonBay Communities, Inc.
Quarterly Revenue and Occupancy Changes - Established Communities ⁽¹⁾
September 30, 2002

	Apartment Homes	Average Rental Rates ⁽²⁾			Economic Occupancy			Rental Revenue (\$000's)		
		Q3 02	Q3 01	% Change	Q3 02	Q3 01	% Change	Q3 02	Q3 01	% Change
Northeast										
Boston, MA	1,163	\$ 1,800	\$ 1,842	(2.3%)	92.4%	96.6%	(4.2%)	\$ 5,802	\$ 6,205	(6.5%)
Fairfield-New Haven, CT	2,042	1,675	1,631	2.7%	92.1%	98.0%	(5.9%)	9,455	9,765	(3.2%)
Northern New Jersey	1,124	2,325	2,590	(10.2%)	89.3%	95.8%	(6.5%)	7,000	8,406	(16.7%)
Central New Jersey	718	1,466	1,446	1.4%	92.5%	97.0%	(4.5%)	2,921	3,013	(3.1%)
Long Island, NY	915	2,152	2,075	3.7%	98.7%	98.4%	0.3%	5,830	5,605	4.0%
New York, NY	1,234	2,000	2,015	(0.7%)	93.6%	96.0%	(2.4%)	6,929	7,148	(3.1%)
Northeast Average	<u>7,196</u>	<u>1,892</u>	<u>1,920</u>	<u>(1.5%)</u>	<u>92.9%</u>	<u>96.9%</u>	<u>(4.0%)</u>	<u>37,937</u>	<u>40,142</u>	<u>(5.5%)</u>
Mid-Atlantic										
Washington, DC	4,100	1,387	1,411	(1.7%)	94.6%	96.4%	(1.8%)	16,128	16,715	(3.5%)
Baltimore, MD	1,054	1,115	1,065	4.7%	96.0%	97.1%	(1.1%)	3,383	3,264	3.6%
Mid-Atlantic Average	<u>5,154</u>	<u>1,331</u>	<u>1,339</u>	<u>(0.6%)</u>	<u>94.8%</u>	<u>96.5%</u>	<u>(1.7%)</u>	<u>19,511</u>	<u>19,979</u>	<u>(2.3%)</u>
Midwest										
Minneapolis, MN	1,328	1,049	1,075	(2.4%)	93.7%	94.6%	(0.9%)	3,913	4,046	(3.3%)
Chicago, IL	1,296	1,190	1,262	(5.7%)	92.6%	95.4%	(2.8%)	4,286	4,686	(8.5%)
Midwest Average	<u>2,624</u>	<u>1,118</u>	<u>1,166</u>	<u>(4.1%)</u>	<u>93.1%</u>	<u>95.1%</u>	<u>(2.0%)</u>	<u>8,199</u>	<u>8,732</u>	<u>(6.1%)</u>
Pacific Northwest										
Seattle, WA	907	1,044	1,131	(7.7%)	92.8%	92.9%	(0.1%)	2,636	2,860	(7.8%)
Pacific Northwest Average	<u>907</u>	<u>1,044</u>	<u>1,131</u>	<u>(7.7%)</u>	<u>92.8%</u>	<u>92.9%</u>	<u>(0.1%)</u>	<u>2,636</u>	<u>2,860</u>	<u>(7.8%)</u>
Northern California										
San Jose, CA	5,034	1,554	1,918	(19.0%)	94.1%	92.1%	2.0%	22,070	26,602	(17.0%)
Oakland-East Bay, CA	2,090	1,301	1,475	(11.8%)	94.5%	95.3%	(0.8%)	7,708	8,821	(12.6%)
San Francisco, CA	1,477	1,684	1,852	(9.1%)	92.3%	95.4%	(3.1%)	6,882	7,837	(12.2%)
Northern California Average	<u>8,601</u>	<u>1,514</u>	<u>1,798</u>	<u>(15.8%)</u>	<u>93.8%</u>	<u>93.3%</u>	<u>0.5%</u>	<u>36,660</u>	<u>43,260</u>	<u>(15.3%)</u>
Southern California										
Orange County, CA	1,574	1,210	1,187	1.9%	95.3%	96.4%	(1.1%)	5,446	5,405	0.8%
San Diego, CA	940	1,243	1,239	0.3%	97.5%	97.7%	(0.2%)	3,417	3,414	0.1%
Los Angeles, CA	890	1,285	1,257	2.2%	97.9%	96.8%	1.1%	3,353	3,246	3.3%
Southern California Average	<u>3,404</u>	<u>1,238</u>	<u>1,219</u>	<u>1.6%</u>	<u>96.6%</u>	<u>96.9%</u>	<u>(0.3%)</u>	<u>12,216</u>	<u>12,065</u>	<u>1.3%</u>
Average/Total Established	<u>27,886</u>	<u>\$ 1,492</u>	<u>\$ 1,592</u>	<u>(6.3%)</u>	<u>93.9%</u>	<u>95.4%</u>	<u>(1.5%)</u>	<u>\$ 117,159</u>	<u>\$ 127,038</u>	<u>(7.8%)</u>

(1) Established Communities are communities with stabilized operating costs as of January 1, 2001 such that a comparison of 2001 to 2002 is meaningful.

(2) Reflects the effect of concessions amortized over the lease term.

Attachment 5

AvalonBay Communities, Inc.
***Sequential Quarterly* Revenue and Occupancy Changes - Established Communities ⁽¹⁾**

September 30, 2002

	Apartment Homes	Average Rental Rates ⁽²⁾			Economic Occupancy			Rental Revenue (\$000's)		
		Q3 02	Q2 02	% Change	Q3 02	Q2 02	% Change	Q3 02	Q2 02	% Change
Northeast										
Boston, MA	1,163	\$ 1,800	\$ 1,796	0.2%	92.4%	93.6%	(1.2%)	\$ 5,802	\$ 5,864	(1.1%)
Fairfield-New Haven, CT	2,042	1,675	1,682	(0.4%)	92.1%	93.5%	(1.4%)	9,455	9,633	(1.8%)
Northern New Jersey	1,124	2,325	2,473	(6.0%)	89.3%	84.7%	4.6%	7,000	7,088	(1.2%)
Central New Jersey	718	1,466	1,480	(0.9%)	92.5%	91.5%	1.0%	2,921	2,915	0.2%
Long Island, NY	915	2,152	2,152	0.0%	98.7%	98.4%	0.3%	5,830	5,813	0.3%
New York, NY	1,234	2,000	2,016	(0.8%)	93.6%	91.4%	2.2%	6,929	6,817	1.6%
Northeast Average	<u>7,196</u>	<u>1,892</u>	<u>1,922</u>	<u>(1.6%)</u>	<u>92.9%</u>	<u>91.9%</u>	<u>1.0%</u>	<u>37,937</u>	<u>38,130</u>	<u>(0.5%)</u>
Mid-Atlantic										
Washington, DC	4,100	1,387	1,412	(1.8%)	94.6%	93.6%	1.0%	16,128	16,257	(0.8%)
Baltimore, MD	1,054	1,115	1,108	0.6%	96.0%	96.2%	(0.2%)	3,383	3,371	0.4%
Mid-Atlantic Average	<u>5,154</u>	<u>1,331</u>	<u>1,350</u>	<u>(1.4%)</u>	<u>94.8%</u>	<u>94.0%</u>	<u>0.8%</u>	<u>19,511</u>	<u>19,628</u>	<u>(0.6%)</u>
Midwest										
Minneapolis, MN	1,328	1,049	1,063	(1.3%)	93.7%	94.6%	(0.9%)	3,913	4,008	(2.4%)
Chicago, IL	1,296	1,190	1,200	(0.8%)	92.6%	93.2%	(0.6%)	4,286	4,348	(1.4%)
Midwest Average	<u>2,624</u>	<u>1,118</u>	<u>1,131</u>	<u>(1.1%)</u>	<u>93.1%</u>	<u>93.9%</u>	<u>(0.8%)</u>	<u>8,199</u>	<u>8,356</u>	<u>(1.9%)</u>
Pacific Northwest										
Seattle, WA	907	1,044	1,069	(2.3%)	92.8%	93.5%	(0.7%)	2,636	2,720	(3.1%)
Pacific Northwest Average	<u>907</u>	<u>1,044</u>	<u>1,069</u>	<u>(2.3%)</u>	<u>92.8%</u>	<u>93.5%</u>	<u>(0.7%)</u>	<u>2,636</u>	<u>2,720</u>	<u>(3.1%)</u>
Northern California										
San Jose, CA	5,034	1,554	1,636	(5.0%)	94.1%	95.0%	(0.9%)	22,070	23,467	(6.0%)
Oakland-East Bay, CA	2,090	1,301	1,366	(4.8%)	94.5%	94.2%	0.3%	7,708	8,063	(4.4%)
San Francisco, CA	1,477	1,684	1,719	(2.0%)	92.3%	94.7%	(2.4%)	6,882	7,209	(4.5%)
Northern California Average	<u>8,601</u>	<u>1,514</u>	<u>1,584</u>	<u>(4.4%)</u>	<u>93.8%</u>	<u>94.8%</u>	<u>(1.0%)</u>	<u>36,660</u>	<u>38,739</u>	<u>(5.4%)</u>
Southern California										
Orange County, CA	1,574	1,210	1,216	(0.5%)	95.3%	94.0%	1.3%	5,446	5,398	0.9%
San Diego, CA	940	1,243	1,244	(0.1%)	97.5%	95.4%	2.1%	3,417	3,347	2.1%
Los Angeles, CA	890	1,285	1,286	(0.1%)	97.9%	92.4%	5.5%	3,353	3,174	5.6%
Southern California Average	<u>3,404</u>	<u>1,238</u>	<u>1,242</u>	<u>(0.3%)</u>	<u>96.6%</u>	<u>93.9%</u>	<u>2.7%</u>	<u>12,216</u>	<u>11,919</u>	<u>2.5%</u>
Average/Total Established	<u>27,886</u>	<u>\$ 1,492</u>	<u>\$ 1,527</u>	<u>(2.3%)</u>	<u>93.9%</u>	<u>93.6%</u>	<u>0.3%</u>	<u>\$ 117,159</u>	<u>\$ 119,492</u>	<u>(2.0%)</u>

(1) Established Communities are communities with stabilized operating costs as of January 1, 2001 such that a comparison of 2001 to 2002 is meaningful.

(2) Reflects the effect of concessions amortized over the lease term.

Attachment 6

AvalonBay Communities, Inc.
Year to Date Revenue and Occupancy Changes - Established Communities ⁽¹⁾
September 30, 2002

	Apartment Homes	Average Rental Rates ⁽²⁾			Economic Occupancy			Rental Revenue (\$000's)		
		YTD 02	YTD 01	% Change	YTD 02	YTD 01	% Change	YTD 02	YTD 01	% Change
Northeast										
Boston, MA	1,163	\$ 1,807	\$ 1,776	1.7%	93.6%	97.2%	(3.6%)	\$ 17,692	\$ 18,038	(1.9%)
Fairfield-New Haven, CT	2,042	1,663	1,606	3.5%	93.7%	98.3%	(4.6%)	28,624	28,937	(1.1%)
Northern New Jersey	1,124	2,456	2,545	(3.5%)	87.4%	97.1%	(9.7%)	21,701	24,990	(13.2%)
Central New Jersey	718	1,470	1,411	4.2%	92.2%	97.2%	(5.0%)	8,754	8,829	(0.8%)
Long Island, NY	915	2,138	2,015	6.1%	98.3%	98.9%	(0.6%)	17,304	16,406	5.5%
New York, NY	1,234	2,014	1,984	1.5%	91.8%	96.4%	(4.6%)	20,535	21,201	(3.1%)
Northeast Average	<u>7,196</u>	<u>1,911</u>	<u>1,879</u>	<u>1.7%</u>	<u>92.6%</u>	<u>97.5%</u>	<u>(4.9%)</u>	<u>114,610</u>	<u>118,401</u>	<u>(3.2%)</u>
Mid-Atlantic										
Washington, DC	4,100	1,409	1,388	1.5%	93.6%	96.5%	(2.9%)	48,697	49,389	(1.4%)
Baltimore, MD	1,054	1,103	1,037	6.4%	96.1%	97.3%	(1.2%)	10,055	9,560	5.2%
Mid-Atlantic Average	<u>5,154</u>	<u>1,347</u>	<u>1,317</u>	<u>2.3%</u>	<u>94.0%</u>	<u>96.6%</u>	<u>(2.6%)</u>	<u>58,752</u>	<u>58,949</u>	<u>(0.3%)</u>
Midwest										
Minneapolis, MN	1,328	1,062	1,064	(0.2%)	93.9%	96.3%	(2.4%)	11,923	12,237	(2.6%)
Chicago, IL	1,296	1,207	1,252	(3.6%)	93.2%	96.3%	(3.1%)	13,116	14,064	(6.7%)
Midwest Average	<u>2,624</u>	<u>1,133</u>	<u>1,157</u>	<u>(2.1%)</u>	<u>93.6%</u>	<u>96.3%</u>	<u>(2.7%)</u>	<u>25,039</u>	<u>26,301</u>	<u>(4.8%)</u>
Pacific Northwest										
Seattle, WA	907	1,062	1,108	(4.2%)	93.3%	94.2%	(0.9%)	8,088	8,520	(5.1%)
Pacific Northwest Average	<u>907</u>	<u>1,062</u>	<u>1,108</u>	<u>(4.2%)</u>	<u>93.3%</u>	<u>94.2%</u>	<u>(0.9%)</u>	<u>8,088</u>	<u>8,520</u>	<u>(5.1%)</u>
Northern California										
San Jose, CA	5,034	1,640	1,921	(14.6%)	93.2%	94.9%	(1.7%)	69,245	82,706	(16.3%)
Oakland-East Bay, CA	2,090	1,361	1,476	(7.8%)	93.8%	94.9%	(1.1%)	24,013	26,370	(8.9%)
San Francisco, CA	1,477	1,722	1,876	(8.2%)	94.2%	94.6%	(0.4%)	21,558	23,583	(8.6%)
Northern California Average	<u>8,601</u>	<u>1,586</u>	<u>1,805</u>	<u>(12.1%)</u>	<u>93.5%</u>	<u>94.9%</u>	<u>(1.4%)</u>	<u>114,816</u>	<u>132,659</u>	<u>(13.5%)</u>
Southern California										
Orange County, CA	1,574	1,215	1,170	3.8%	94.0%	96.2%	(2.2%)	16,176	15,915	1.6%
San Diego, CA	940	1,245	1,209	3.0%	95.7%	97.2%	(1.5%)	10,079	9,932	1.5%
Los Angeles, CA	890	1,286	1,234	4.2%	94.7%	96.5%	(1.8%)	9,757	9,525	2.4%
Southern California Average	<u>3,404</u>	<u>1,242</u>	<u>1,199</u>	<u>3.6%</u>	<u>94.7%</u>	<u>96.5%</u>	<u>(1.8%)</u>	<u>36,012</u>	<u>35,372</u>	<u>1.8%</u>
Average/Total Established	<u>27,886</u>	<u>\$ 1,524</u>	<u>\$ 1,575</u>	<u>(3.2%)</u>	<u>93.4%</u>	<u>96.2%</u>	<u>(2.8%)</u>	<u>\$ 357,317</u>	<u>\$ 380,202</u>	<u>(6.0%)</u>

(1) Established Communities are communities with stabilized operating costs as of January 1, 2001 such that a comparison of 2001 to 2002 is meaningful.

(2) Reflects the effect of concessions amortized over the lease term.

Attachment 7

AvalonBay Communities, Inc.
Summary of Development, Redevelopment and Acquisition Activity as of September 30, 2002

		Number of Communities	Number of Homes	Dollar Value (millions)
Portfolio Additions:				
2001 Annual (Actual)				
Development		6	1,656	\$ 273.8
Redevelopment	(1)	1	--	10.2
Presale Communities		3	995	129.3
Total Additions		<u>10</u>	<u>2,651</u>	<u>\$ 413.3</u>
2002 Annual (2)				
Development		10	2,521	\$ 469.7
Redevelopment	(1)	3	--	64.8
Presale Communities		1	306	69.9
Total Additions		<u>14</u>	<u>2,827</u>	<u>\$ 604.4</u>
Pipeline Activity: (2)				
Currently Under Construction				
Development Communities		14	4,038	\$ 786.2
Redevelopment Communities	(1)	1	--	20.6
Subtotal		<u>15</u>	<u>4,038</u>	<u>\$ 806.8</u>
Planning				
Presale Communities		1	208	\$ 59.2
Development Rights		36	9,907	2,013.0
Subtotal		<u>37</u>	<u>10,115</u>	<u>\$ 2,072.2</u>
Total Pipeline		<u>52</u>	<u>14,153</u>	<u>\$ 2,879.0</u>

(1) Represents only cost of redevelopment activity, does not include original acquisition cost or number of apartment homes acquired.

(2) Contains projections and estimates.

The following is a "Safe Harbor" Statement under the Private Securities Litigation Reform Act of 1995 and Section 21E of the Securities and Exchange Act of 1934, as amended. The projections and estimates contained in the table above are forward-looking statements. These forward-looking statements involve risks and uncertainties, and actual results may differ materially from those projected in such statements. Risks associated with the Company's development, redevelopment, construction, and lease-up activities, which could impact the forward-looking statements made, include: development opportunities may be abandoned; construction costs of a community may exceed original estimates, possibly making the community uneconomical and/or affecting projected returns; and construction and lease-up may not be completed on schedule, resulting in increased debt service and construction costs.

Attachment 8

**AvalonBay Communities, Inc.
Development Communities as of September 30, 2002**

	# 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 on Stamford Harbor Stamford, CT	323	\$ 60.7	Q3 2000	Q1 2002	Q1 2003	Q3 2003	\$ 2,192	86.7%	52.6%	45.8%
2. Avalon at Cahill Park San Jose, CA	218	\$ 50.5	Q4 2000	Q4 2001	Q4 2002	Q1 2003	\$ 1,820	88.1%	89.0%	78.4%
3. Avalon Riverview I Long Island City, NY	372	\$ 97.5	Q4 2000	Q2 2002	Q4 2002	Q2 2003	\$ 2,730	88.2%	68.8%	62.4%
4. Avalon at Mission Bay North San Francisco, CA	250	\$ 79.5	Q1 2001	Q4 2002	Q1 2003	Q3 2003	\$ 3,065	N/A	N/A	N/A
5. Avalon Ledges Weymouth, MA	304	\$ 37.7	Q2 2001	Q2 2002	Q4 2002	Q2 2003	\$ 1,645	100.0%	64.8%	62.2%
6. Avalon at Flanders Hill Westborough, MA	280	\$ 38.4	Q3 2001	Q2 2002	Q2 2003	Q4 2003	\$ 1,685	65.7%	43.6%	39.6%
7. Avalon New Canaan (7) New Canaan, CT	104	\$ 27.2	Q3 2001	Q2 2002	Q4 2002	Q2 2003	\$ 2,840	86.5%	61.5%	61.5%
8. Avalon at Rock Spring (7) North Bethesda, MD	386	\$ 45.9	Q4 2001	Q1 2003	Q3 2003	Q1 2004	\$ 1,660	N/A	11.4%	N/A
9. Avalon at Gallery Place I (8) Washington, DC	203	\$ 50.0	Q4 2001	Q2 2003	Q4 2003	Q2 2004	\$ 2,485	N/A	N/A	N/A
10. Avalon at Glendale Court Glendale, CA	223	\$ 40.4	Q1 2002	Q2 2003	Q1 2004	Q3 2004	\$ 2,480	N/A	N/A	N/A
11. Avalon at Grosvenor Station (9) (10) North Bethesda, MD	499	\$ 82.3	Q1 2002	Q3 2003	Q4 2004	Q2 2005	\$ 1,695	N/A	N/A	N/A
12. Avalon at Newton Highlands (9) Newton, MA	294	\$ 58.7	Q2 2002	Q3 2003	Q1 2004	Q3 2004	\$ 2,355	N/A	N/A	N/A
13. Avalon at Glen Cove South Glen Cove, NY	256	\$ 62.0	Q3 2002	Q1 2004	Q2 2004	Q4 2004	\$ 2,825	N/A	N/A	N/A
14. Avalon at Steven's Pond Saugus, MA	326	\$ 55.4	Q3 2002	Q2 2003	Q2 2004	Q4 2004	\$ 1,875	N/A	N/A	N/A
Subtotal	<u>4,038</u>	<u>\$ 786.2</u>								
Completed this Quarter:										
1. Avalon at Arlington Square II Arlington, VA	332	\$ 42.6	Q3 2001	Q2 2002	Q3 2002	Q2 2003	\$ 1,730	100.0%	63.3%	60.8%
Subtotal	<u>332</u>	<u>\$ 42.6</u>								
Total	<u>4,370</u>	<u>\$ 828.8</u>								
Weighted Average Projected EBITDA as a % of Total Budgeted Cost (11)		9.1%								

- (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) estimated 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 October 12, 2002.
- (5) Includes apartment homes for which leases have been executed or non-refundable deposits have been paid as of October 12, 2002.
- (6) Physical occupancy based on apartment homes occupied as of October 12, 2002.
- (7) The community is owned by a limited liability company or a limited partnership in which the Company is a majority partner. The costs reflected above exclude construction and management fees due to AvalonBay. This community is consolidated for financial reporting purposes.
- (8) The Budgeted Cost 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) The community is owned by a partnership in which a wholly-owned subsidiary of AvalonBay is the general partner with a majority interest. This community is consolidated for financial reporting purposes.
- (10) For purposes of calculating EBITDA as a % of Total Budgeted Cost for this community and its related impact on the Weighted Average calculation, the Company has included in Total Budgeted Cost the present value of a projected residual land payment that is a priority distribution upon a sale or refinancing transaction in the future.
- (11) 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.

The following is a "Safe Harbor" Statement under the Private Securities Litigation Reform Act of 1995 and Section 21E of the Securities and Exchange Act of 1934, as amended. The projections and estimates contained in the table above are forward-looking statements. These forward-looking statements involve risks and uncertainties, and actual results may differ materially from those projected in such statements. Risks associated with the Company's development, redevelopment, construction, and lease-up activities, which could impact the forward-looking statements made, include: development opportunities may be abandoned; construction costs of a community may exceed original estimates, possibly making the community uneconomical and/or affecting projected returns; and construction and lease-up may not be completed on schedule, resulting in increased debt service and construction costs.

Attachment 9

**AvalonBay Communities, Inc.
Redevelopment Communities (1) as of September 30, 2002**

	# 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 @ 9/30/02
Under Redevelopment:										
1. Avalon at Prudential Center (4) Boston, MA	781	\$ 133.9	\$ 154.5	Q3 1998	Q4 2000	Q4 2002	Q2 2003	\$ 2,866	351	35
Total	<u>781</u>	<u>\$ 133.9</u>	<u>\$ 154.5</u>						<u>351</u>	<u>35</u>

- (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.

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Attachment 10

AvalonBay Communities, Inc.
Historical Development and Redevelopment Communities Yield Analysis as of September 30, 2002

Year of Development/Redevelopment Completion	Number of Communities	Number of Apartment Homes	Total Capital Cost (1) (millions)	EBITDA as % of Total Capital Costs (2)		
				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%
2002	6	1,523	256.8	10.3%	9.5%	9.5%
Total/Weighted Average	<u>54</u>	<u>14,171</u>	<u>\$ 1,915.1</u>	<u>10.3%</u>	<u>10.9%</u>	<u>12.3%</u>
<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	4	1,455	156.6	8.9%	10.8%	9.1%
2001 and 2002	3	1,410	171.6	8.9%	8.9%	8.9%
Total/Weighted Average	<u>45</u>	<u>13,017</u>	<u>\$ 1,244.0</u>	<u>9.3%</u>	<u>9.5%</u>	<u>10.6%</u>

- (1) Total capital cost reflects all capitalized costs at completion and delivery incurred (or for 2002 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. Includes communities developed or redeveloped by the Company during the indicated year even if no longer owned by the Company.
- (2) 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 (if any), 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.
- (3) Represents actual (through 2001) or projected EBITDA (for 2002) for first full calendar year of stabilized operations, divided by Total Development Cost.
- (4) Determined with respect to communities currently owned by AvalonBay. 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 11

AvalonBay Communities, Inc.
Summary of Development and Redevelopment Community Activity (1) as of September 30, 2002

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 - 2001 Actual	1,582	\$ 404,586,134	\$ 258,593,463	\$ 431,505,675	\$ 415,617,828
2002 :					
Quarter 1 (Actual)	565	\$ 119,213,893	\$ 102,870,891	\$ 369,248,732	\$ 407,887,099
Quarter 2 (Actual)	798	119,760,121	154,985,308	367,499,307	350,311,849
Quarter 3 (Actual)	692	94,377,426	133,106,593	404,565,295	313,104,399
Quarter 4 (Projected)	498	114,762,679	91,042,889	289,802,616	284,658,440
Total - 2002	2,553	\$ 448,114,119	\$ 482,005,681		
2003 Projected:					
Quarter 1	408	\$ 65,466,230	\$ 77,461,035	\$ 224,336,386	\$ 247,048,252
Quarter 2	463	66,266,023	92,241,278	158,070,363	251,929,725
Quarter 3	669	62,841,366	129,353,987	95,228,997	230,104,747
Quarter 4	654	49,104,323	119,460,290	46,124,674	124,201,295
Total - 2003	2,194	\$ 243,677,942	\$ 418,516,590		

REDEVELOPMENT				
	Avg Homes Out of Service	Redevelopment Community Investments (3)	Remaining to Invest (4)	Reconstruction in Progress at Period End (5)
Total - 2001 Actual		\$ 26,832,005	\$ 10,190,945	\$ 14,000,460
2002 :				
Quarter 1 (Actual)	34	\$ 3,426,482	\$ 7,568,111	\$ 6,500,000
Quarter 2 (Actual)	31	2,102,054	5,083,139	14,002,156
Quarter 3 (Actual)	26	2,004,800	10,406,023	13,778,043
Quarter 4 (Projected)	43	3,053,194	7,352,828	4,730,000
Total - 2002		\$ 10,586,530		
2003 Projected:				
Quarter 1	28	\$ 2,694,427	\$ 4,658,401	\$ 3,080,000
Quarter 2	28	1,792,720	2,865,681	3,080,000
Quarter 3	28	1,751,992	1,113,689	3,080,000
Quarter 4	--	1,113,689	-	-
Total - 2003		\$ 7,352,828		

(1) Data is presented for all Historical and Current Development Communities currently under construction; all Historical and Current Redevelopment Communities; 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 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. Remaining to invest for Q302 includes \$136.8 million attributable to three anticipated Q402 development starts and \$7.0 million related to one anticipated Q402 redevelopment start.

(5) Represents period end balance of construction or reconstruction costs.

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Attachment 12

AvalonBay Communities, Inc.
Future Development and Presale Commitments as of September 30, 2002

DEVELOPMENT RIGHTS			
Location of Development Right		Estimated Number of Homes	Estimated Budgeted Cost (millions)
1. North Potomac, MD		520	\$72
2. Darien, CT	(1)	189	43
3. Orange, CT	(1)	168	22
4. Lawrence, NJ		312	43
5. Plymouth, MA Phase I	(1)	98	21
6. New York, NY	(2)	361	138
7. Danvers & Peabody, MA		387	63
8. Danbury, CT	(1)	234	36
9. Coram, NY		450	72
10. Kirkland, WA		211	50
11. Los Angeles, CA	(1)	309	63
12. Bedford, MA		139	21
13. San Francisco, CA		313	100
14. Quincy, MA	(1)	156	24
15. Washington, D.C.	(1)	144	30
16. Hingham, MA		236	44
17. Andover, MA		115	21
18. Oakland, CA	(1)	180	40
19. Norwalk, CT		314	63
20. New Rochelle, NY Phase II and III		588	144
21. Cohasset, MA		200	38
22. Milford, CT		284	35
23. Long Island City, NY Phase II and III		552	162
24. Stratford, CT		146	18
25. Glen Cove, NY		111	31
26. Plymouth, MA Phase II		72	13
27. Seattle, WA	(1)	154	50
28. Bellevue, WA		368	71
29. Newton, MA		235	60
30. Los Angeles, CA		173	47
31. Camarillo, CA		253	43
32. Greenburgh, NY Phase II		766	139
33. Long Beach, CA		302	57
34. Wilton, CT		97	24
35. Yaphank, NY		450	71
36. College Park, MD		320	44
Totals		9,907	\$2,013

PRESALE COMMITMENTS			
Community Name	Number of Homes	Estimated Budgeted Cost (millions)(3)	Estimated Closing Date
<u>Under Contract:</u>			
1. Avalon on the Hudson (4) Edgewater, NJ	208	\$ 59.2	Q3 2004

- (1) Company owns land, but construction has not yet begun.
- (2) Estimated Budgeted Cost for this community includes costs associated with the construction of 89,000 square feet of retail space and 30,000 square feet for a community facility.
- (3) Estimated Budgeted Cost does not include any AvalonBay overhead allocations incurred during the construction of the Presale Communities.
- (4) The acquisition of Avalon on the Hudson will occur at completion of construction, there will be no investment in this asset prior to completion.

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