UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM 8-K

CURRENT REPORT

PURSUANT TO SECTION 13 OR 15(d)
OF THE SECURITIES EXCHANGE ACT OF 1934

Date of Report (Date of earliest event reported): April 27, 2011

AVALONBAY COMMUNITIES, INC.
(Exact name of registrant as specified in its charter)

Commission file number 1-12672

Maryland	77-0404318
(State or other jurisdiction of incorporation or organization)	*(I.R.S. Employer Identification No.)*

Ballston Tower
671 N. Glebe Rd, Suite 800
Arlington, Virginia 22203
(Address of principal executive offices)(Zip code)

(703) 329-6300
(Registrant's telephone number, including area code)

(Former name, if changed since last report)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions:

o Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)

o Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)

o Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))

o Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

Item 2.02. Results of Operations and Financial Condition.

On April 27, 2011, AvalonBay Communities, Inc. issued a press release announcing its financial results for the first quarter 2011. That release referred to certain attachments with supplemental information that were available on the Company's website. The full text of the press release, including the supplemental information and attachments referred to within the release, are furnished as Exhibit 99.1 and Exhibit 99.2 hereto.

Item 9.01. Financial Statements and Exhibits.

(c) Exhibits.

99.1	Press Release of AvalonBay Communities, Inc. dated April 27, 2011, including Attachments.
99.2	Supplemental discussion of first quarter 2011 operating results (the "Full Release") dated April 27, 2011, including Attachments.

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SIGNATURE

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be filed on its behalf by the undersigned hereunto duly authorized.

AVALONBAY COMMUNITIES, INC.

Dated: April 27, 2011

By: /s/ Thomas J. Sargeant
Thomas J. Sargeant
Chief Financial Officer

Exhibit Index

99.1	Press Release of AvalonBay Communities, Inc. dated April 27, 2011, including Attachments.
99.2	Supplemental discussion of first quarter 2011 operating results (the “Full Release”) dated April 27, 2011, including Attachments.

Exhibit 99.1

AvalonBay COMMUNITIES, INC.

PRESS RELEASE

For Immediate News Release
April 27, 2011

AVALONBAY COMMUNITIES, INC. ANNOUNCES
FIRST QUARTER 2011 OPERATING RESULTS

(Arlington, VA) AvalonBay Communities, Inc. (NYSE: AVB) (the "Company") reported today that Net Income Attributable to Common Stockholders ("Net Income") for the quarter ended March 31, 2011 was $30,341,000. This resulted in Earnings per Share — diluted ("EPS") of $0.35 for the quarter ended March 31, 2011, compared to EPS of $0.88 for the comparable period of 2010, a decrease of 60.2%.

The decrease in EPS for the quarter ended March 31, 2011 from the prior year period is due primarily to a decrease in real estate sales and related gains with no comparable activity in 2011, offset partially by an increase in NOI from communities.

Funds from Operations attributable to common stockholders — diluted ("FFO") per share for the quarter ended March 31, 2011 increased 12.5% to $1.08 from $0.96 for the comparable period of 2010.

The Company's FFO and EPS for the quarter ended March 31, 2011 include the recognition of a one-time benefit of approximately $0.03 per share for interest income associated with escrow funds for certain tax exempt financings. FFO and EPS for the quarter ended March 31, 2010 include approximately $0.01 per share for costs related to the severe weather experienced by the East Coast communities in the first quarter of 2010. Adjusting for these non-routine items, FFO per share for the three months ended March 31, 2011 would have increased by 8.2% from the prior year period.

The following table compares the Company's first quarter 2011 actual results to its February 2011 outlook:

First Quarter 2011 Results
Comparison to February 2011 Outlook

	Per Share
FFO 1Q 2011 — February 2011 Outlook (1)	$ 1.02
Community NOI	0.03
Non-routine items — interest income	0.03
FFO 1Q 2011 Reported Results	$ 1.08

(1) Represents the mid-point of the Company's 1Q 2011 Outlook.

Commenting on the Company's results, Bryce Blair, Chairman and CEO, said, "Our operating results reflect strengthening apartment fundamentals that accelerated during the quarter. Job growth, particularly among younger workers, is driving higher rental demand while new supply remains muted. We expect fundamentals will continue to accelerate during the year such that FFO per share for the year will meet or exceed the high end of the range we provided in February."

Operating Results for the Quarter Ended March 31, 2011 Compared to the Prior Year Period

For the Company, including discontinued operations, total revenue increased by $17,019,000, or 7.8% to $235,808,000. *For Established Communities*, rental revenue increased 3.7%, all attributable to an increase in Average Rental Rates. As a result, total revenue for Established Communities increased $6,177,000 to $171,155,000. Operating expenses for Established Communities decreased $53,000, or 0.1%, to $56,990,000. Accordingly, Net Operating Income ("NOI") for Established Communities increased by 5.8%, or $6,230,000, to $114,165,000.

The following table reflects the percentage changes in rental revenue, operating expenses and NOI for Established Communities from the first quarter of 2011 compared to the first quarter of 2010:

	Q1 2011 Compared to Q1 2010			
	Rental Revenue	Operating Expenses	NOI	% of NOI (1)
New England	4.1%	0.2%	6.7%	19.9%
Metro NY/NJ	4.0%	1.1%	5.5%	27.8%
Mid-Atlantic/Midwest	4.4%	(4.1%)	8.3%	16.3%
Pacific NW	2.1%	5.0%	0.8%	4.3%
No. California	4.1%	(1.2%)	6.5%	19.9%
So. California	1.6%	0.9%	1.9%	11.8%
Total	3.7%	(0.1%)	5.8%	100.0%

(1) Total represents each region's % of total NOI from the Company, including discontinued operations.

Development Activity

The Company had no development starts during the first quarter of 2011.

During the first quarter of 2011, the Company completed three communities containing 888 apartment homes for a Total Capital Cost of $234,400,000:

- Avalon West Long Branch, located in West Long Branch, NJ, a garden-style community containing 180 apartment homes was completed for a Total Capital Cost of $25,800,000;
- Avalon Towers Bellevue, located in Bellevue, WA, a high-rise community containing 397 apartment homes was completed for a Total Capital Cost of $124,500,000; and
- Avalon Norwalk, located in Norwalk, CT, a mid-rise community containing 311 apartment homes was completed for a Total Capital Cost of $84,100,000.

Acquisition/Disposition Activity

In April 2011, the Company completed an exchange of assets with UDR, Inc. ("UDR"). The transaction included exchanging a portfolio of three communities and a parcel of land owned by the Company for a portfolio of six UDR communities and $26,000,000 in cash. The Company's portfolio consisted of two properties and a small land parcel located in metropolitan Boston and one property located in San Francisco. The UDR portfolio is located in Southern California (Los Angeles, Orange County and San Diego).

As part of the transaction, the Company assumed a $55,400,000 fixed-rate mortgage loan with a 5.24% interest rate and a maturity date of June 2013. In exchange, the Company relinquished a $55,800,000 mortgage loan with a fixed rate of 5.86% that matures in May 2019. Excluding one-time transaction costs, the Company expects the asset exchange will be modestly accretive to FFO per share in 2011.

Also in April 2011, the Company acquired Fairfax Towers for its wholly-owned portfolio. Fairfax Towers is a high-rise community consisting of 415 apartment homes, located in Falls Church, VA, and was acquired for a purchase price of $89,200,000. In conjunction with this acquisition, the Company assumed the existing 4.75% fixed-rate mortgage loan of $44,044,000, which matures in August 2015.

Transaction costs for the asset exchange and acquisition of Fairfax Towers will be approximately $1,000,000. These one-time charges will be reflected in the Company's second quarter 2011 earnings.

Investment and Investment Management Fund Activity

During the first quarter of 2011, AvalonBay Value Added Fund II, L.P. ("Fund II", a private, discretionary real estate investment vehicle in which the Company holds an equity interest of approximately 31%) acquired Waterstone Carlsbad, a garden-style community consisting of 448 apartment homes located in Carlsbad (San Diego County), CA. The community was acquired for a purchase price of $78,100,000, or approximately $174,000 per apartment home.

Also in the first quarter of 2011, the Company purchased its joint venture partner's interest in the venture that owns Avalon at Rock Spring, which is subject to a ground lease. Avalon at Rock Spring, a 386 apartment home community located in Rockville, MD, was developed through the joint venture in 2003. The Company purchased the partner's interest in the joint venture for a gross purchase price of approximately $6,570,000. The Company plans to sell Avalon at Rock Spring during the second half of 2011. The Company expects to recognize an increase in 2011 operating results subsequent to disposition of the community of approximately $0.10 per share, as discussed in its February 2011 outlook.

Financing, Liquidity and Balance Sheet Statistics

At March 31, 2011, the Company had no amounts outstanding under its $1,000,000,000 unsecured credit facility.

At March 31, 2011, the Company had $476,932,000 in unrestricted cash and cash in escrow. The cash in escrow is available for development activity and includes $93,440,000 in bond proceeds related to an existing Development Right.

Unencumbered NOI as a percentage of total NOI generated by real estate assets for the quarter ended March 31, 2011 was 69%. Interest Coverage for the first quarter of 2011 was 3.1 times.

New Financing Activity

In November 2010, the Company commenced a new continuous equity offering program, under which the Company can issue up to $500,000,000 of common stock during a 36-month period. During the three months ended March 31, 2011, the Company sold 1,247,910 shares at an average price of $115.99 per share, for net proceeds of $142,569,000. No shares have been sold subsequent to March 31, 2011.

Debt Repayment Activity

In March 2011, the Company repaid a variable rate secured mortgage note in the amount of $28,785,000 in accordance with its scheduled maturity date.

Capital Markets Activity

In April 2011, the Company entered into $430,000,000 of forward starting interest rate swaps where the Company has agreed to pay a fixed rate of interest in exchange for a floating rate of interest at a future date. These swaps were transacted to reduce the Company's exposure to fluctuations in interest rates on future debt issuances, and are not expected to impact the Company's 2011 operating results.

Second Quarter 2011 Financial Outlook

First Quarter results were better than anticipated and the Company's operating results are now expected to continue to improve at a faster pace than originally assumed in its 2011 financial outlook provided in February 2011. The Company now expects full year 2011 FFO per share will meet or exceed the high end of the range provided in the February outlook. The Company will provide revised ranges for the full year in early June 2011.

For the second quarter of 2011, the Company expects EPS in the range of $0.47 to $0.51 and expects Projected FFO per share in the range of $1.06 to $1.10. These expected results do not include the impact of expensed acquisition costs discussed earlier in this release.

The Company expects to release its second quarter 2011 earnings on July 27, 2011 after the market closes. The Company expects to hold a conference call on July 28, 2011 at 1:00 PM ET to discuss the second quarter 2011 results.

Second Quarter 2011 Conference/Event Schedule

The Company is scheduled to participate in the NAREIT Institutional Investor Forum in New York, NY, from June 7-9, 2011. The Company will present and conduct a question and answer session at the conference. Management may discuss the Company's current operating environment; operating trends; development, redevelopment, disposition and acquisition activity; financial outlook; portfolio strategy and other business and financial matters affecting the Company. Details on how to access a webcast of the Company's presentation will be available in advance of the conference event at the Company's website at http://www.avalonbay.com/events.

Other Matters

The Company will hold a conference call on April 28, 2011 at 1:00 PM ET to review and answer questions about this release, its first quarter 2011 results, the Attachments (described below) and related matters. To participate on the call, dial 1-877-510-2397 domestically and 1-763-416-6924 internationally.

To hear a replay of the call, which will be available from April 28, 2011 at 6:00 PM ET to May 5, 2011 at 11:59 PM ET, dial 1-800-642-1687 domestically and 1-706-645-9291 internationally, and use Access Code: 56294779. 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 at least 30 days following the call.

The Company produces Earnings Release Attachments (the "Attachments") that provide detailed information regarding operating, development, redevelopment, disposition and acquisition activity. These Attachments are considered a part of this earnings release and are available in full with this earnings release via the Company's website at http://www.avalonbay.com/earnings. To receive future press releases via e-mail, please submit a request through http://www.avalonbay.com/email.

About AvalonBay Communities, Inc.

As of March 31, 2011, the Company owned or held a direct or indirect ownership interest in 187 apartment communities containing 55,027 apartment homes in ten states and the District of Columbia, of which 11 communities were under construction and nine communities were under reconstruction. The Company is an equity REIT in the business of developing, redeveloping, acquiring and managing apartment communities in high barrier-to-entry markets of the United States. More information may be found on the Company's website at http://www.avalonbay.com. For additional information, please contact John Christie, Senior Director of Investor Relations and Research at 1-703-317-4747 or Thomas J. Sargeant, Chief Financial Officer at 1-703-317-4635.

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. You can identify these forward-looking statements by the Company's use of words such as "expects," "plans," "estimates," "anticipates," "projects," "intends," "believes," "outlook" and similar expressions that do not relate to historical matters. Actual results may differ materially from those expressed or implied by the forward-looking statements as a result of risks and uncertainties, which include the following: we may abandon development or redevelopment opportunities for which we have already incurred costs; adverse capital and credit market conditions may affect our access to various sources of capital and/or cost of capital, which may affect our business activities, earnings and common stock price, among other things; changes in local employment conditions, demand for apartment homes, supply of competitive housing products, and other economic conditions may result in lower than expected occupancy and/or rental rates and adversely affect the profitability of our communities; delays in completing development, redevelopment and/or lease-up may result in increased financing and construction costs and may delay and/or reduce the profitability of a community; debt and/or equity financing for development, redevelopment or acquisitions of communities may not be available or may not be available on favorable terms; we may be unable to obtain, or experience delays in obtaining, necessary governmental permits and authorizations; and increases in costs of materials, labor or other expenses may result in communities that we develop or redevelop failing to achieve expected profitability. Additional discussions of risks and uncertainties appear 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, 2010 under the headings "Risk Factors" and under the heading "Management's Discussion and Analysis of Financial Condition and Results of Operations - Forward-Looking Statements" and in subsequent quarterly reports on Form 10-Q. The Company does not undertake a duty to update forward-looking statements, including its expected second quarter and full year 2011 operating results. The Company may, in its discretion, provide information in future public announcements regarding its outlook that may be of interest to the investment community. The format and extent of future outlooks may be different from the format and extent of the information contained in this release.

Definitions and Reconciliations

Non-GAAP financial measures and other capitalized terms, as used in this earnings release, are defined and further explained on Attachment 13, “Definitions and Reconciliations of Non-GAAP Financial Measures and Other Terms.” Attachment 13 is included in the full earnings release available at the Company’s website at http://www.avalonbay.com/earnings. This wire distribution includes only definitions and reconciliations of the following non-GAAP financial measures:

FFO is determined based on a definition adopted by the Board of Governors of the National Association of Real Estate Investment Trusts (“NAREIT”). FFO is calculated by the Company as Net income or loss attributable to common stockholders computed in accordance with GAAP, adjusted for gains or losses on sales of previously depreciated operating communities, extraordinary gains or losses (as defined by GAAP), cumulative effect of a change in accounting principle and depreciation of real estate assets, including adjustments for unconsolidated partnerships and joint ventures. Management generally considers FFO to be an appropriate supplemental measure of operating performance because, by excluding gains or losses related to dispositions of previously depreciated operating communities and excluding real estate depreciation (which can vary among owners of identical assets in similar condition based on historical cost accounting and useful life estimates), FFO can help one compare the operating performance of a company’s real estate between periods or as compared to different companies. A reconciliation of FFO to Net income attributable to common stockholders is as follows (dollars in thousands):

	Q1 2011	Q1 2010
Net income attributable to common stockholders	$ 30,341	$ 72,523
Depreciation — real estate assets, including discontinued operations and joint venture adjustments	63,194	57,011
Distributions to noncontrolling interests, including discontinued operations	7	14
Gain on sale of previously depreciated real estate assets	—	(50,291)
FFO attributable to common stockholders	$ 93,542	$ 79,257
Average shares outstanding — diluted	86,997,530	82,310,670
Earnings per share — diluted	$ 0.35	$ 0.88
FFO per common share — diluted	$ 1.08	$ 0.96

Projected FFO, as provided within this release in the Company's outlook, is calculated on a basis consistent with historical FFO, and is therefore considered to be an appropriate supplemental measure to projected net income from projected operating performance. A reconciliation of the range provided for Projected FFO per share (diluted) for the second quarter 2011 to the range provided for projected EPS (diluted) is as follows:

	Low range	High range
Projected EPS (diluted) — Q2 2011	$ 0.47	$ 0.51
Projected depreciation (real estate related)	0.68	0.72
Projected gain on sale of operating communities	(0.09)	(0.13)
Projected FFO per share (diluted) — Q2 2011	$ 1.06	$ 1.10

NOI is defined by the Company as total property revenue less direct property operating expenses (including property taxes), and excludes corporate-level income (including management, development and other fees), corporate-level property management and other indirect operating expenses, investments and investment management expenses, expensed development and other pursuit costs, net interest expense, gain (loss) on extinguishment of debt, general and administrative expense, joint venture income (loss), depreciation expense, impairment loss on land holdings, gain on sale of real estate assets and income from discontinued operations. The Company considers NOI to be an appropriate supplemental measure to net income of operating performance of a community or communities because it helps both investors and management to understand the core operations of a community or communities prior to the allocation of corporate-level property management overhead or general and administrative costs. This is more reflective of the operating performance of a community, and allows for an easier comparison of the operating performance of single assets or groups of assets. In addition, because prospective buyers of real estate have different overhead structures, with varying marginal impact to overhead by acquiring real estate, NOI is considered by many in the real estate industry to be a useful measure for determining the value of a real estate asset or groups of assets.

A reconciliation of NOI (from continuing operations) to Net income, as well as a breakdown of NOI by operating segment, is as follows (dollars in thousands):

	Q1 2011	Q1 2010	Q4 2010
Net income	$ 30,537	$ 72,366	$ 26,668
Indirect operating expenses, net of corporate income	7,027	7,232	7,978
Investments and investment management expense	1,191	1,039	712
Expensed development and other pursuit costs	651	505	1,057
Interest expense, net	44,271	42,541	46,948
General and administrative expense	7,292	8,895	6,870
Joint venture loss (income)	(503)	(227)	(397)
Depreciation expense	61,299	55,972	60,614
Gain on sale of real estate assets	—	(50,291)	(1,854)
(Income) loss from discontinued operations	—	(1,875)	(23)
NOI from continuing operations	$ 151,765	$ 136,157	$ 148,573
Established:			
New England	$ 25,482	$ 23,881	$ 25,839
Metro NY/NJ	31,559	29,912	31,745
Mid-Atlantic/Midwest	21,643	19,988	21,760
Pacific NW	6,140	6,090	5,796
No. California	17,386	16,329	16,179
So. California	11,955	11,735	11,522
Total Established	114,165	107,935	112,841
Other Stabilized	18,711	12,903	18,499
Development/Redevelopment	18,889	15,319	17,233
NOI from continuing operations	$ 151,765	$ 136,157	$ 148,573

NOI as reported by the Company does not include the operating results from discontinued operations (i.e., assets sold during the period January 1, 2010 through March 31, 2011 or classified as held for sale at March 31, 2011). A reconciliation of NOI from communities sold or classified as discontinued operations to net income for these communities is as follows (dollars in thousands):

	Q1 2011	Q1 2010
Income from discontinued operations	$ —	$ 1,875
Interest expense, net	—	—
Depreciation expense	—	123
NOI from discontinued operations	$ —	$ 1,998
NOI from assets sold	$ —	$ 1,998
NOI from assets held for sale	—	—
NOI from discontinued operations	$ —	$ 1,998

Projected NOI, as used within this release for certain development communities and in calculating the Initial Year Market Cap Rate for dispositions, represents management's estimate, as of the date of this release (or as of the date of the buyer's valuation in the case of dispositions), of projected stabilized rental revenue minus projected stabilized operating expenses. For development communities, Projected NOI is calculated based on the first twelve months of stabilized operations following the completion of construction. In calculating the Initial Year Market Cap Rate, Projected NOI for dispositions is calculated for the first twelve months following the date of the buyer's valuation. Projected stabilized rental revenue represents management's estimate of projected gross potential minus projected stabilized economic vacancy and adjusted for projected stabilized concessions plus projected stabilized other rental revenue. Projected stabilized operating expenses do not include interest, income taxes (if any), depreciation or amortization, or any allocation of corporate-level property management overhead or general and administrative costs. Projected gross potential for development communities and dispositions is based on leased rents for occupied homes and management's best estimate of rental levels for homes which are currently unleased, as well as those homes which will become available for lease during the twelve month forward period used to develop Projected NOI. The weighted average Projected NOI as a percentage of Total Capital Cost is weighted based on the Company's share of the Total Capital Cost of each community, based on its percentage ownership.

Management believes that Projected NOI of the development communities, on an aggregated weighted average basis, assists investors in understanding management's estimate of the likely impact on operations of the development communities when the assets are complete and achieve stabilized occupancy (before allocation of any corporate-level property management overhead, general and administrative costs or interest expense). However, in this release the Company has not given a projection of NOI on a company-wide basis. Given the different dates and fiscal years for which NOI is projected for these communities, the projected allocation of corporate-level property management overhead, general and administrative costs and interest expense to communities under development is complex, impractical to develop, and may not be meaningful. Projected NOI of these communities is not a projection of the Company's overall financial performance or cash flow. There can be no assurance that the communities under development or redevelopment will achieve the Projected NOI as described in this release.

<u>Rental Revenue with Concessions on a Cash Basis</u> is considered by the Company to be a supplemental measure to rental revenue in conformity with GAAP to help investors evaluate the impact of both current and historical concessions on GAAP based rental revenue and to more readily enable comparisons to revenue as reported by other companies. In addition, rental revenue (with concessions on a cash basis) allows an investor to understand the historical trend in cash concessions.

A reconciliation of rental revenue from Established Communities in conformity with GAAP to rental revenue (with concessions on a cash basis) is as follows (dollars in thousands):

	Q1 2011	Q1 2010
Rental revenue (GAAP basis)	$ 171,018	$ 164,838
Concessions amortized	573	2,130
Concessions granted	(129)	(906)
Rental revenue (with concessions on a cash basis)	$ 171,462	$ 166,062
% change — GAAP revenue		3.7%
% change — cash revenue		3.3%

<u>Economic Gain (Loss)</u> is calculated by the Company as the gain (loss) on sale in accordance with GAAP, less accumulated depreciation through the date of sale and any other non-cash adjustments that may be required under GAAP accounting. Management generally considers Economic Gain (Loss) to be an appropriate supplemental measure to gain (loss) on sale in accordance with GAAP because it helps investors to understand the relationship between the cash proceeds from a sale and the cash invested in the sold community. The Economic Gain (Loss) for each of the communities presented is estimated based on their respective final settlement statements. A reconciliation of Economic Gain (Loss) to gain on sale in accordance with GAAP for the quarter ended March 31, 2011 as well as prior years' activities is presented in the full earnings release.

<u>Interest Coverage</u> is calculated by the Company as EBITDA from continuing operations, excluding land gains and gain on the sale of investments in real estate joint ventures, divided by the sum of interest expense, net, and preferred dividends. Interest Coverage is presented by the Company because it provides rating agencies and

investors an additional means of comparing our ability to service debt obligations to that of other companies. EBITDA is defined by the Company as net income attributable to the Company before interest income and expense, income taxes, depreciation and amortization.

A reconciliation of EBITDA and a calculation of Interest Coverage for the first quarter of 2011 are as follows (dollars in thousands):

Net income attributable to common stockholders	$ 30,341
Interest expense, net	44,271
Depreciation expense	61,299
EBITDA	$ 135,911
EBITDA from continuing operations	$ 135,911
EBITDA from discontinued operations	—
EBITDA	$ 135,911
EBITDA from continuing operations	$ 135,911
Interest charges	$ 44,271
Interest coverage	3.1

Total Capital Cost includes all capitalized costs projected to be or actually incurred to develop the respective development or redevelopment community, or development right, including land acquisition costs, construction costs, real estate taxes, capitalized interest and loan fees, permits, professional fees, allocated development overhead and other regulatory fees, all as determined in accordance with GAAP. For redevelopment communities, Total Capital Cost excludes costs incurred prior to the start of redevelopment when indicated. With respect to communities where development or redevelopment was completed in a prior or the current period, Total Capital Cost reflects the actual cost incurred, plus any contingency estimate made by management. Total Capital Cost for communities identified as having joint venture ownership, either during construction or upon construction completion, represents the total projected joint venture contribution amount. For joint ventures not in construction, Total Capital Cost is equal to gross real estate cost.

Initial Year Market Cap Rate is defined by the Company as Projected NOI of a single community for the first 12 months of operations (assuming no repositioning), less estimates for non-routine allowance of approximately $200 — $300 per apartment home, divided by the gross sales price for the community. Projected NOI, as referred to above, represents management's estimate of projected rental revenue minus projected operating expenses before interest, income taxes (if any), depreciation, amortization and extraordinary items. For this purpose, management's projection of operating expenses for the community includes a management fee of 3.0% — 3.5%. The Initial Year Market Cap Rate, which may be determined in a different manner by others, is a measure frequently used in the real estate industry when determining the appropriate purchase price for a property or estimating the value for a property. Buyers may assign different Initial Year Market Cap Rates to different communities when determining the appropriate value because they (i) may project different rates of change in operating expenses and capital expenditure estimates and (ii) may project different rates of change in future rental revenue due to different estimates for changes in rent and occupancy levels. The weighted average Initial Year Market Cap Rate is weighted based on the gross sales price of each community.

Unleveraged IRR on sold communities refers to the internal rate of return calculated by the Company considering the timing and amounts of (i) total revenue during the period owned by the Company and (ii) the gross sales price net of selling costs, offset by (iii) the undepreciated capital cost of the communities at the time of sale and (iv) total direct operating expenses during the period owned by the Company. Each of the items (i), (ii), (iii) and (iv) are calculated in accordance with GAAP.

The calculation of Unleveraged IRR does not include an adjustment for the Company's general and administrative expense, interest expense, or corporate-level property management and other indirect operating expenses. Therefore, Unleveraged IRR is not a substitute for Net income as a measure of our performance. Management believes that the Unleveraged IRR achieved during the period a community is owned by the Company is useful because it is one indication of the gross value created by the Company's acquisition, development or redevelopment, management and sale of a community, before the impact of indirect expenses and Company overhead. The Unleveraged IRR achieved on the communities as cited in this release should not be viewed as an indication of the gross value created with respect to other communities owned by the Company, and the Company does not represent that it will achieve similar Unleveraged IRRs upon the disposition of other communities. The weighted average Unleveraged IRR for sold communities is weighted based on all cash flows over the holding period for each respective community, including net sales proceeds.

Unencumbered NOI as calculated by the Company represents NOI generated by real estate assets unencumbered by either outstanding secured debt or land leases (excluding land leases with purchase options that were put in place for governmental incentives or tax abatements) as a percentage of total NOI generated by real estate assets. The Company believes that current and prospective unsecured creditors of the Company view Unencumbered NOI as one indication of the borrowing capacity of the Company. Therefore, when reviewed together with the Company's Interest Coverage, EBITDA and cash flow from operations, the Company believes that investors and creditors view Unencumbered NOI as a useful supplemental measure for determining the financial flexibility of an entity. A calculation of Unencumbered NOI for the quarter ended March 31, 2011 is as follows (dollars in thousands):

NOI for Established Communities	$ 114,165
NOI for Other Stabilized Communities	18,711
NOI for Development/Redevelopment Communities	18,889
Total NOI generated by real estate assets	151,765
NOI on encumbered assets	46,571
NOI on unencumbered assets	105,194
Unencumbered NOI	69%

Established Communities are identified by the Company as communities where a comparison of operating results from the prior year to the current year is meaningful, as these communities were owned and had stabilized operations as of the beginning of the prior year. Therefore, for 2011, Established Communities are consolidated communities that have stabilized operations as of January 1, 2010 and are not conducting or planning to conduct substantial redevelopment activities within the current year. Established Communities do not include communities that are currently held for sale or planned for disposition during the current year.

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. 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.

Exhibit 99.2

AvalonBay COMMUNITIES, INC.

PRESS RELEASE

For Immediate News Release
April 27, 2011

AVALONBAY COMMUNITIES, INC. ANNOUNCES FIRST QUARTER 2011 OPERATING RESULTS

(Arlington, VA) AvalonBay Communities, Inc. (NYSE: AVB) (the "Company") reported today that Net Income Attributable to Common Stockholders ("Net Income") for the quarter ended March 31, 2011 was $30,341,000. This resulted in Earnings per Share — diluted ("EPS") of $0.35 for the quarter ended March 31, 2011, compared to EPS of $0.88 for the comparable period of 2010, a decrease of 60.2%.

The decrease in EPS for the quarter ended March 31, 2011 from the prior year period is due primarily to a decrease in real estate sales and related gains with no comparable activity in 2011, offset partially by an increase in NOI from communities.

Funds from Operations attributable to common stockholders — diluted ("FFO") per share for the quarter ended March 31, 2011 increased 12.5% to $1.08 from $0.96 for the comparable period of 2010.

The Company's FFO and EPS for the quarter ended March 31, 2011 include the recognition of a one-time benefit of approximately $0.03 per share for interest income associated with escrow funds for certain tax exempt financings. FFO and EPS for the quarter ended March 31, 2010 include approximately $0.01 per share for costs related to the severe weather experienced by the East Coast communities in the first quarter of 2010. Adjusting for these non-routine items, FFO per share for the three months ended March 31, 2011 would have increased by 8.2% from the prior year period.

The following table compares the Company's first quarter 2011 actual results to its February 2011 outlook:

First Quarter 2011 Results
Comparison to February 2011 Outlook

	Per Share
FFO 1Q 2011 — February 2011 Outlook (1)	$ 1.02
Community NOI	0.03
Non-routine items — interest income	0.03
FFO 1Q 2011 Reported Results	$ 1.08

(1) Represents the mid-point of the Company's 1Q 2011 Outlook.

Commenting on the Company's results, Bryce Blair, Chairman and CEO, said, "Our operating results reflect strengthening apartment fundamentals that accelerated during the quarter. Job growth, particularly among younger workers, is driving higher rental demand while new supply remains muted. We expect fundamentals will continue to accelerate during the year such that FFO per share for the year will meet or exceed the high end of the range we provided in February."

Operating Results for the Quarter Ended March 31, 2011 Compared to the Prior Year Period

For the Company, including discontinued operations, total revenue increased by $17,019,000, or 7.8% to $235,808,000. *For Established Communities*, rental revenue increased 3.7%, all attributable to an increase in Average Rental Rates. As a result, total revenue for Established Communities increased $6,177,000 to $171,155,000. Operating expenses for Established Communities decreased $53,000, or 0.1%, to $56,990,000. Accordingly, Net Operating Income ("NOI") for Established Communities increased by 5.8%, or $6,230,000, to $114,165,000.

The following table reflects the percentage changes in rental revenue, operating expenses and NOI for Established Communities from the first quarter of 2011 compared to the first quarter of 2010:

Q1 2011 Compared to Q1 2010

	Rental Revenue	Operating Expenses	NOI	% of NOI (1)
New England	4.1%	0.2%	6.7%	19.9%
Metro NY/NJ	4.0%	1.1%	5.5%	27.8%
Mid-Atlantic/Midwest	4.4%	(4.1%)	8.3%	16.3%
Pacific NW	2.1%	5.0%	0.8%	4.3%
No. California	4.1%	(1.2%)	6.5%	19.9%
So. California	1.6%	0.9%	1.9%	11.8%
Total	3.7%	(0.1%)	5.8%	100.0%

(1) Total represents each region's % of total NOI from the Company, including discontinued operations.

Development Activity

The Company had no development starts during the first quarter of 2011.

During the first quarter of 2011, the Company completed three communities containing 888 apartment homes for a Total Capital Cost of $234,400,000:

- Avalon West Long Branch, located in West Long Branch, NJ, a garden-style community containing 180 apartment homes was completed for a Total Capital Cost of $25,800,000;
- Avalon Towers Bellevue, located in Bellevue, WA, a high-rise community containing 397 apartment homes was completed for a Total Capital Cost of $124,500,000; and
- Avalon Norwalk, located in Norwalk, CT, a mid-rise community containing 311 apartment homes was completed for a Total Capital Cost of $84,100,000.

Acquisition/Disposition Activity

In April 2011, the Company completed an exchange of assets with UDR, Inc. ("UDR"). The transaction included exchanging a portfolio of three communities and a parcel of land owned by the Company for a portfolio of six UDR communities and $26,000,000 in cash. The Company's portfolio consisted of two properties and a small land parcel located in metropolitan Boston and one property located in San Francisco. The UDR portfolio is located in Southern California (Los Angeles, Orange County and San Diego).

As part of the transaction, the Company assumed a $55,400,000 fixed-rate mortgage loan with a 5.24% interest rate and a maturity date of June 2013. In exchange, the Company relinquished a $55,800,000 mortgage loan with a fixed rate of 5.86% that matures in May 2019. Excluding one-time transaction costs, the Company expects the asset exchange will be modestly accretive to FFO per share in 2011.

Also in April 2011, the Company acquired Fairfax Towers for its wholly-owned portfolio. Fairfax Towers is a high-rise community consisting of 415 apartment homes, located in Falls Church, VA, and was acquired for a purchase price of $89,200,000. In conjunction with this acquisition, the Company assumed the existing 4.75% fixed-rate mortgage loan of $44,044,000, which matures in August 2015.

Transaction costs for the asset exchange and acquisition of Fairfax Towers will be approximately $1,000,000. These one-time charges will be reflected in the Company's second quarter 2011 earnings.

Investment and Investment Management Fund Activity

During the first quarter of 2011, AvalonBay Value Added Fund II, L.P. ("Fund II", a private, discretionary real estate investment vehicle in which the Company holds an equity interest of approximately 31%) acquired Waterstone Carlsbad, a garden-style community consisting of 448 apartment homes located in Carlsbad (San Diego County), CA. The community was acquired for a purchase price of $78,100,000, or approximately $174,000 per apartment home.

Also in the first quarter of 2011, the Company purchased its joint venture partner's interest in the venture that Avalon at Rock Spring, which is subject to a ground lease. Avalon at Rock Spring, a 386 apartment home community located in Rockville, MD, was developed through the joint venture in 2003. The Company purchased the partner's interest in the joint venture for a gross purchase price of approximately $6,570,000. The Company plans to sell Avalon at Rock Spring during the second half of 2011. The Company expects to recognize an increase in 2011 operating results subsequent to disposition of the community of approximately $0.10 per share, as discussed in its February 2011 outlook.

Financing, Liquidity and Balance Sheet Statistics

At March 31, 2011, the Company had no amounts outstanding under its $1,000,000,000 unsecured credit facility.

At March 31, 2011, the Company had $476,932,000 in unrestricted cash and cash in escrow. The cash in escrow is available for development activity and includes $93,440,000 in bond proceeds related to an existing Development Right.

Unencumbered NOI as a percentage of total NOI generated by real estate assets for the quarter ended March 31, 2011 was 69%. Interest Coverage for the first quarter of 2011 was 3.1 times.

New Financing Activity

In November 2010, the Company commenced a new continuous equity offering program, under which the Company can issue up to $500,000,000 of common stock during a 36-month period. During the three months ended March 31, 2011, the Company sold 1,247,910 shares at an average price of $115.99 per share, for net proceeds of $142,569,000. No shares have been sold subsequent to March 31, 2011.

Debt Repayment Activity

In March 2011, the Company repaid a variable rate secured mortgage note in the amount of $28,785,000 in accordance with its scheduled maturity date.

Capital Markets Activity

In April 2011, the Company entered into $430,000,000 of forward starting interest rate swaps where the Company has agreed to pay a fixed rate of interest in exchange for a floating rate of interest at a future date. These swaps were transacted to reduce the Company's exposure to fluctuations in interest rates on future debt issuances, and are not expected to impact the Company's 2011 operating results.

Second Quarter 2011 Financial Outlook

First Quarter results were better than anticipated and the Company's operating results are now expected to continue to improve at a faster pace than originally assumed in its 2011 financial outlook provided in February 2011. The Company now expects full year 2011 FFO per share will meet or exceed the high end of the range provided in the February outlook. The Company will provide revised ranges for the full year in early June 2011.

For the second quarter of 2011, the Company expects EPS in the range of $0.47 to $0.51 and expects Projected FFO per share in the range of $1.06 to $1.10. These expected results do not include the impact of expensed acquisition costs discussed earlier in this release.

The Company expects to release its second quarter 2011 earnings on July 27, 2011 after the market closes. The Company expects to hold a conference call on July 28, 2011 at 1:00 PM ET to discuss the second quarter 2011 results.

Second Quarter 2011 Conference/Event Schedule

The Company is scheduled to participate in the NAREIT Institutional Investor Forum in New York, NY, from June 7-9, 2011. The Company will present and conduct a question and answer session at the conference. Management may discuss the Company's current operating environment; operating trends; development, redevelopment, disposition and acquisition activity; financial outlook; portfolio strategy and other business and financial matters affecting the Company. Details on how to access a webcast of the Company's presentation will be available in advance of the conference event at the Company's website at http://www.avalonbay.com/events.

Other Matters

The Company will hold a conference call on April 28, 2011 at 1:00 PM ET to review and answer questions about this release, its first quarter 2011 results, the Attachments (described below) and related matters. To participate on the call, dial 1-877-510-2397 domestically and 1-763-416-6924 internationally.

To hear a replay of the call, which will be available from April 28, 2011 at 6:00 PM ET to May 5, 2011 at 11:59 PM ET, dial 1-800-642-1687 domestically and 1-706-645-9291 internationally, and use Access Code: 56294779. 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 at least 30 days following the call.

The Company produces Earnings Release Attachments (the "Attachments") that provide detailed information regarding operating, development, redevelopment, disposition and acquisition activity. These Attachments are considered a part of this earnings release and are available in full with this earnings release via the Company's website at http://www.avalonbay.com/earnings. To receive future press releases via e-mail, please submit a request through http://www.avalonbay.com/email.

About AvalonBay Communities, Inc.

As of March 31, 2011, the Company owned or held a direct or indirect ownership interest in 187 apartment communities containing 55,027 apartment homes in ten states and the District of Columbia, of which 11 communities were under construction and nine communities were under reconstruction. The Company is an equity REIT in the business of developing, redeveloping, acquiring and managing apartment communities in high barrier-to-entry markets of the United States. More information may be found on the Company's website at http://www.avalonbay.com. For additional information, please contact John Christie, Senior Director of Investor Relations and Research at 1-703-317-4747 or Thomas J. Sargeant, Chief Financial Officer at 1-703-317-4635.

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. You can identify these forward-looking statements by the Company's use of words such as "expects," "plans," "estimates," "anticipates," "projects," "intends," "believes," "outlook" and similar expressions that do not relate to historical matters. Actual results may differ materially from those expressed or implied by the forward-looking statements as a result of risks and uncertainties, which include the following: we may abandon development or redevelopment opportunities for which we have already incurred costs; adverse capital and credit market conditions may affect our access to various sources of capital and/or cost of capital, which may affect our business activities, earnings and common stock price, among other things; changes in local employment conditions, demand for apartment homes, supply of competitive housing products, and other economic conditions may result in lower than expected occupancy and/or rental rates and adversely affect the profitability of our communities; delays in completing development, redevelopment and/or lease-up may result in increased financing and construction costs and may delay and/or reduce the profitability of a community; debt and/or equity financing for development, redevelopment or acquisitions of communities may not be available or may not be available on favorable terms; we may be unable to obtain, or experience delays in obtaining, necessary governmental permits and authorizations; and increases in costs of materials, labor or other expenses may result in communities that we develop or redevelop failing to achieve expected profitability. Additional discussions of risks and uncertainties appear 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, 2010 under the headings "Risk Factors" and under the heading "Management's Discussion and Analysis of Financial Condition and Results of Operations - Forward-Looking Statements" and in subsequent quarterly reports on Form 10-Q. The Company does not undertake a duty to update forward-looking statements, including its expected second quarter and full year 2011 operating results. The Company may, in its discretion, provide information in future public announcements regarding its outlook that may be of interest to the investment community. The format and extent of future outlooks may be different from the format and extent of the information contained in this release.

Definitions and Reconciliations

Non-GAAP financial measures and other capitalized terms, as used in this earnings release, are defined and further explained on Attachment 13, "Definitions and Reconciliations of Non-GAAP Financial Measures and Other Terms." Attachment 13 is included in the full earnings release available at the Company's website at http://www.avalonbay.com/earnings.

AvalonBay

COMMUNITIES, INC.

FIRST QUARTER 2011

Supplemental Operating and Financial Data

Avalon Burbank
Burbank, CA

Avalon Towers Bellevue
Bellevue, WA

Avalon West Long Branch
West Long Branch, NJ

Avalon Norwalk
Norwalk, CT

AvalonBay offers a diverse, high quality portfolio of apartment homes in the nation's premier supply constrained markets. The Company is expanding its investment activity with increased development and acquisitions, growth platforms we expect will create value in an environment of improving apartment fundamentals.

FIRST QUARTER 2011

Supplemental Operating and Financial Data

Table of Contents

The following is a “Safe Harbor” Statement under the Private Securities Litigation Reform Act of 1995, Section 27A of the Securities Act of 1933 as amended, and Section 21E of the Securities Exchange Act of 1934, as amended. The projections and estimates contained in the following attachments are forward-looking statements that 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, are discussed in the paragraph titled “Forward-Looking Statements” in the release to which these attachments relate. In particular, development opportunities may be abandoned; Total Capital Cost of a community may exceed original estimates, possibly making the community uneconomical and/or affecting projected returns; construction and lease-up may not be completed on schedule, resulting in increased debt service and construction costs; and other risks described 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, 2010 and the Company’s Quarterly Reports on Form 10-Q for subsequent quarters.

Attachment 1

AvalonBay Communities, Inc.
Selected Operating and Other Information
March 31, 2011
(Dollars in thousands except per share data)
(unaudited)

SELECTED OPERATING INFORMATION

	Q1 2011	Q1 2010	$ Change	% Change
Net income attributable to common stockholders	$ 30,341	$ 72,523	$ (42,182)	(58.2%)
Per common share — basic	$ 0.35	$ 0.89	$ (0.54)	(60.7%)
Per common share — diluted	$ 0.35	$ 0.88	$ (0.53)	(60.2%)
Funds from Operations	$ 93,542	$ 79,257	$ 14,285	18.0%
Per common share — diluted	$ 1.08	$ 0.96	$ 0.12	12.5%
Dividends declared — common	$ 77,929	$ 73,804	$ 4,125	5.6%
Per common share	$ 0.8925	$ 0.8925	$ —	0.0%
Common shares outstanding	87,315,258	82,693,377	4,621,881	5.6%
Outstanding operating partnership units	7,707	15,351	(7,644)	(49.8%)
Total outstanding shares and units	87,322,965	82,708,728	4,614,237	5.6%
Average shares outstanding — basic	86,405,976	81,897,566	4,508,410	5.5%
Weighted shares — basic	86,168,732	81,637,686	4,531,046	5.6%
Average operating partnership units outstanding	10,291	15,351	(5,060)	(33.0%)
Effect of dilutive securities	818,507	657,633	160,874	24.5%
Average shares outstanding — diluted	86,997,530	82,310,670	4,686,860	5.7%

DEBT COMPOSITION AND MATURITIES

Debt Composition (1)	Amount	Average Interest Rate (2)	Remaining Maturities (1)	
Conventional Debt			2011	$ 205,157
Long-term, fixed rate	$ 3,062,621		2012	$ 503,170
Long-term, variable rate	249,221		2013	$ 379,607
Variable rate facilities (3)	—		2014	$ 198,903
Subtotal, Conventional	3,311,842	5.6%	2015	$ 380,003
Tax-Exempt Debt				
Long-term, fixed rate	183,480			
Long-term, variable rate	542,975			
Subtotal, Tax-Exempt	726,455	3.0%		
Total Debt	$ 4,038,297	5.1%		

CAPITALIZED COSTS

	Cap Interest	Cap Overhead	Non-Rev Capex per Home
Q111	$ 6,343	$ 5,868	$ 53
Q410	$ 6,128	$ 5,399	$ 175
Q310	$ 7,774	$ 5,179	$ 122
Q210	$ 9,655	$ 5,406	$ 106
Q110	$ 9,836	$ 5,491	$ 38

COMMUNITY INFORMATION

	Communities	Apartment Homes
Current Communities	176	52,581
Development Communities	11	2,446
Development Rights	34	9,424

(1) Excludes debt associated with assets classified as held for sale.

(2) Includes costs of financing such as credit enhancement fees, trustees' fees, etc.

(3) Represents the Company's $1 billion unsecured credit facility, under which no amounts were drawn at March 31, 2011.

Attachment 2

AvalonBay Communities, Inc.
Detailed Operating Information
March 31, 2011
(Dollars in thousands except per share data)
(unaudited)

	Q1 2011	Q1 2010	% Change
Revenue:			
Rental and other income	$233,488	$213,600	9.3%
Management, development and other fees	2,320	1,849	25.5%
Total	235,808	215,449	9.4%
Operating expenses:			
Direct property operating expenses, excluding property taxes	56,870	54,324	4.7%
Property taxes	24,850	23,146	7.4%
Property management and other indirect operating expenses	9,350	9,054	3.3%
Total operating expenses	91,070	86,524	5.3%
Interest expense, net	(44,271)	(42,541)	4.1%
General and administrative expense	(7,292)	(8,895)	(18.0%)
Joint venture income (loss)	503	227	121.6%
Investments and investment management expense	(1,191)	(1,039)	14.6%
Expensed development and other pursuit costs	(651)	(505)	28.9%
Depreciation expense	(61,299)	(55,972)	9.5%
Income (loss) from continuing operations	30,537	20,200	51.2%
Income from discontinued operations (1)	—	1,875	n/a
Gain on sale of real estate	—	50,291	n/a
Total discontinued operations	—	52,166	n/a
Net income	30,537	72,366	(57.8%)
Net (income) loss attributable to redeemable noncontrolling interests	(196)	157	(224.8%)
Net income attributable to common stockholders	$ 30,341	$ 72,523	(58.2%)
Net income attributable to common stockholders per common share — basic	$ 0.35	$ 0.89	(60.7%)
Net income attributable to common stockholders per common share — diluted	$ 0.35	$ 0.88	(60.2%)

(1) Reflects net income or loss for investments in real estate classified as discontinued operations as of March 31, 2011 and investments in real estate sold during the period from January 1, 2010 through March 31, 2011. The following table details income from discontinued operations for the periods shown:

	Q1 2011	Q1 2010
Rental income	$ —	$ 3,340
Operating and other expenses	—	(1,342)
Interest expense, net	—	—
Depreciation expense	—	(123)
Income from discontinued operations	$ —	$ 1,875

Attachment 3

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

	March 31, 2011	December 31, 2010
Real estate	$ 8,246,721	$ 8,167,357
Less accumulated depreciation	(1,767,133)	(1,705,566)
Net operating real estate	6,479,588	6,461,791
Construction in progress, including land	330,243	309,704
Land held for development	193,593	184,150
Operating real estate assets held for sale, net	—	—
Total real estate, net	7,003,424	6,955,645
Cash and cash equivalents	291,800	306,426
Cash in escrow	185,132	173,343
Resident security deposits	23,109	22,289
Other assets	378,297	363,785
Total assets	$ 7,881,762	$ 7,821,488
Unsecured notes, net	$ 1,819,786	$ 1,820,141
Notes payable	2,217,397	2,247,516
Resident security deposits	35,384	34,030
Liabilities related to assets held for sale	—	—
Other liabilities	381,681	389,948
Total liabilities	$ 4,454,248	$ 4,491,635
Redeemable noncontrolling interests	6,691	14,262
Stockholders' equity	3,420,823	3,315,591
Total liabilities and stockholders' equity	$ 7,881,762	$ 7,821,488

Attachment 4

AvalonBay Communities, Inc.
Sequential Operating Information by Business Segment (1)
March 31, 2011
(Dollars in thousands)
(unaudited)

	Total Homes	Quarter Ended March 31, 2011	Quarter Ended December 31, 2010
RENTAL REVENUE			
Established (2)	31,611	$ 171,018	$ 169,781
Other Stabilized (2) (3)	6,124	33,576	32,124
Redevelopment (2)	4,899	23,506	23,332
Development (2)	3,752	5,191	3,844
Total Consolidated Communities	46,386	$ 233,291	$ 229,081
OPERATING EXPENSE			
Established		$ 56,990	$ 57,170
Other Stabilized		14,899	14,167
Redevelopment		7,022	7,655
Development		2,809	2,304
Total Consolidated Communities		$ 81,720	$ 81,296
NOI (2)			
Established		$ 114,165	$ 112,841
Other Stabilized		18,711	18,499
Redevelopment		16,499	15,697
Development		2,390	1,536
Total Consolidated Communities		$ 151,765	$ 148,573
AVERAGE REVENUE PER OCCUPIED HOME			
Established		$ 1,879	$ 1,873
Other Stabilized		1,869	1,854
Redevelopment		1,692	1,674
Development (4)		1,902	1,909
ECONOMIC OCCUPANCY			
Established		96.0%	95.6%
Other Stabilized		95.4%	92.4%
Redevelopment		94.5%	94.9%
Development		69.5%	51.4%
STABILIZED COMMUNITIES TURNOVER 2011 / 2010 (5)		43.5% / 42.1%	45.4%

(1) Excludes amounts related to communities that have been sold, or that are classified as held for sale.

(2) See Attachment #13 — Definitions and Reconciliations of Non-GAAP Financial Measures and Other Terms.

(3) Results for these communities for quarters prior to January 1, 2011 may reflect community operations prior to stabilization, including periods of lease-up, such that occupancy levels are below what would be considered stabilized.

(4) Average revenue per occupied home for Development Communities includes only those assets with at least one full quarter of lease-up activity.

(5) Turnover represents the annualized number of units turned over during the quarter, divided by the total number of apartment homes for communities with stabilized occupancy for the respective reporting period.

Attachment 5

AvalonBay Communities, Inc.
Quarterly Revenue and Occupancy Changes — Established Communities (1)
March 31, 2011

	Apartment Homes	Average Rental Rates (2)			Economic Occupancy			Rental Revenue ($000's) (3)		
		Q1 11	Q1 10	% Change	Q1 11	Q1 10	% Change	Q1 11	Q1 10	% Change
New England										
Boston, MA	4,866	$ 1,937	$ 1,859	4.2%	95.8%	95.9%	(0.1%)	$ 27,080	$ 26,011	4.1%
Fairfield-New Haven, CT	2,449	1,969	1,892	4.1%	96.3%	96.2%	0.1%	13,939	13,379	4.2%
New England Average	7,315	1,948	1,871	4.1%	96.0%	96.0%	0.0%	41,019	39,390	4.1%
Metro NY/NJ										
New York, NY	3,099	2,745	2,624	4.6%	96.0%	96.0%	0.0%	24,498	23,414	4.6%
New Jersey	2,462	1,905	1,849	3.0%	95.9%	96.4%	(0.5%)	13,501	13,171	2.5%
Long Island, NY	1,420	2,347	2,239	4.8%	95.9%	96.3%	(0.4%)	9,588	9,180	4.4%
Metro NY/NJ Average	6,981	2,368	2,272	4.2%	96.0%	96.2%	(0.2%)	47,587	45,765	4.0%
Mid-Atlantic/Midwest										
Washington Metro	5,349	1,802	1,714	5.1%	95.5%	96.1%	(0.6%)	27,608	26,428	4.5%
Chicago, IL	601	1,492	1,425	4.7%	96.2%	96.7%	(0.5%)	2,589	2,485	4.2%
Mid-Atlantic/Midwest Average	5,950	1,771	1,685	5.1%	95.5%	96.2%	(0.7%)	30,197	28,913	4.4%
Pacific Northwest										
Seattle, WA	2,533	1,259	1,227	2.6%	95.3%	95.8%	(0.5%)	9,122	8,932	2.1%
Pacific Northwest Average	2,533	1,259	1,227	2.6%	95.3%	95.8%	(0.5%)	9,122	8,932	2.1%
Northern California										
San Jose, CA	2,790	1,856	1,790	3.7%	96.7%	96.4%	0.3%	15,021	14,445	4.0%
Oakland-East Bay, CA	1,569	1,429	1,378	3.7%	96.2%	95.4%	0.8%	6,459	6,183	4.5%
San Francisco, CA	470	2,391	2,283	4.7%	95.7%	96.5%	(0.8%)	3,225	3,104	3.9%
Northern California Average	4,829	1,768	1,702	3.9%	96.4%	96.2%	0.2%	24,705	23,732	4.1%
Southern California										
Los Angeles, CA	1,911	1,655	1,624	1.9%	96.7%	96.2%	0.5%	9,180	8,961	2.4%
Orange County, CA	1,167	1,506	1,522	(1.1%)	96.3%	95.0%	1.3%	5,077	5,066	0.2%
San Diego, CA	925	1,537	1,547	(0.6%)	96.9%	95.0%	1.9%	4,131	4,079	1.3%
Southern California Average	4,003	1,584	1,576	0.5%	96.7%	95.6%	1.1%	18,388	18,106	1.6%
Average/Total Established	31,611	$ 1,879	$ 1,812	3.7%	96.0%	96.0%	0.0%	$ 171,018	$ 164,838	3.7%

(1) Established Communities are communities with stabilized occupancy and operating expenses as of January 1, 2010 such that a comparison of 2010 to 2011 is meaningful.

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

(3) With concessions reflected on a cash basis, rental revenue from Established Communities increased 3.3% between years.

Attachment 6

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

March 31, 2011

	Apartment Homes	Average Rental Rates (2)			Economic Occupancy			Rental Revenue ($000's)		
		Q1 11	Q4 10	% Change	Q1 11	Q4 10	% Change	Q1 11	Q4 10	% Change
New England										
Boston, MA	4,866	$ 1,937	$ 1,933	0.2%	95.8%	95.7%	0.1%	$ 27,080	$ 26,988	0.3%
Fairfield-New Haven, CT	2,449	1,969	1,981	(0.6%)	96.3%	95.7%	0.6%	13,939	13,945	0.0%
New England Average	7,315	1,948	1,950	(0.1%)	96.0%	95.7%	0.3%	41,019	40,933	0.2%
Metro NY/NJ										
New York, NY	3,099	2,745	2,727	0.7%	96.0%	96.1%	(0.1%)	24,498	24,361	0.6%
New Jersey	2,462	1,905	1,909	(0.2%)	95.9%	95.9%	0.0%	13,501	13,531	(0.2%)
Long Island, NY	1,420	2,347	2,364	(0.7%)	95.9%	94.6%	1.3%	9,588	9,531	0.6%
Metro NY/NJ Average	6,981	2,368	2,367	0.0%	96.0%	95.7%	0.3%	47,587	47,423	0.3%
Mid-Atlantic/Midwest										
Washington Metro	5,349	1,802	1,790	0.7%	95.5%	95.7%	(0.2%)	27,608	27,481	0.5%
Chicago, IL	601	1,492	1,479	0.9%	96.2%	95.9%	0.3%	2,589	2,558	1.2%
Mid-Atlantic/Midwest Average	5,950	1,771	1,759	0.7%	95.5%	95.7%	(0.2%)	30,197	30,039	0.5%
Pacific Northwest										
Seattle, WA	2,533	1,259	1,245	1.1%	95.3%	93.9%	1.4%	9,122	8,900	2.5%
Pacific Northwest Average	2,533	1,259	1,245	1.1%	95.3%	93.9%	1.4%	9,122	8,900	2.5%
Northern California										
San Jose, CA	2,790	1,856	1,843	0.7%	96.7%	96.1%	0.6%	15,021	14,823	1.3%
Oakland-East Bay, CA	1,569	1,429	1,417	0.8%	96.2%	95.6%	0.6%	6,459	6,377	1.3%
San Francisco, CA	470	2,391	2,353	1.6%	95.7%	94.7%	1.0%	3,225	3,143	2.6%
Northern California Average	4,829	1,768	1,753	0.9%	96.4%	95.8%	0.6%	24,705	24,343	1.5%
Southern California										
Los Angeles, CA	1,911	1,655	1,637	1.1%	96.7%	95.6%	1.1%	9,180	8,978	2.2%
Orange County, CA	1,167	1,506	1,514	(0.5%)	96.3%	95.5%	0.8%	5,077	5,061	0.3%
San Diego, CA	925	1,537	1,561	(1.5%)	96.9%	94.7%	2.2%	4,131	4,104	0.7%
Southern California Average	4,003	1,584	1,583	0.1%	96.7%	95.4%	1.3%	18,388	18,143	1.4%
Average/Total Established	31,611	$ 1,879	$ 1,873	0.3%	96.0%	95.6%	0.4%	$ 171,018	$ 169,781	0.7%

(1) Established Communities are communities with stabilized occupancy and operating expenses as of January 1, 2010 such that a comparison of 2010 to 2011 is meaningful.

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

Attachment 7

AvalonBay Communities, Inc.
Operating Expenses (“Opex”) — Established Communities (1)

March 31, 2011

(Dollars in thousands)
(unaudited)

	Q1 2011	Q1 2010	% Change	Q1 2011 % of Total Opex
Property taxes	$ 17,857	$ 17,916	(0.3%)	31.3%
Payroll (2)	13,199	12,216	8.0%	23.2%
Repairs & maintenance (3)	8,809	9,040	(2.6%)	15.5%
Office operations (4)	5,083	5,763	(11.8%)	8.9%
Utilities (5)	7,519	7,657	(1.8%)	13.2%
Land lease expense (6)	1,227	1,297	(5.4%)	2.2%
Marketing	1,689	1,778	(5.0%)	3.0%
Insurance (7)	1,607	1,376	16.8%	2.8%
Total Established Communities Operating Expenses (8)	**$ 56,990**	**$ 57,043**	**(0.1%)**	**100.0%**

(1) See Attachment #13 — Definitions and Reconciliations of Non-GAAP Financial Measures and Other Terms.

(2) Payroll includes expenses directly related to on-site operations. The increase over the prior year is due primarily to the impact of increased compensation for better than expected community operating performance as well as from increased benefits costs.

(3) Repairs & maintenance includes costs associated with preparing an apartment home for new residents including carpet and appliance maintenance or replacement, as well as redecorating, landscaping, snow removal and regular maintenance costs.

(4) Office operations includes administrative costs, bad debt expense and association and license fees. The decrease from the prior year period is due primarily to a decrease in bad debt expense.

(5) Utilities represents aggregate utility costs, net of resident reimbursements.

(6) Land lease expense represents GAAP-based rental expense, which is higher than actual cash payments made. Expensed land lease payments were $519 higher than cash payments during the quarter ended ended March 31, 2011.

(7) Insurance costs consist of premiums, expected claims activity and associated reductions from receipt of claims proceeds. Changes between years consist of deposits for insurance settlements received in 2010 not present in 2011 and expected claims adjustments. Insurance costs can exhibit volatility due to the amounts and timing of estimated and actual claim activity and the related proceeds received.

(8) Operating expenses for Established Communities excludes indirect costs for off-site corporate level property management related expenses, and other support related expenses.

Attachment 8

AvalonBay Communities, Inc.
Development Communities as of March 31, 2011

	Percentage Ownership Upon Completion	# of Apt Homes	Total Capital Cost (1) (millions)	Schedule: Start	Schedule: Initial Occupancy	Schedule: Complete	Schedule: Stabilized Ops (1)	Avg Rent Per Home (1) Inclusive of Concessions See Attachment #13	% Comp (2)	% Leased (3)	% Occ: Physical (4)	% Occ: Economic (1) (5)
Under Construction:												
1. Avalon Rockville Centre Rockville Centre, NY	100%	349	$ 109.7	Q1 2010	Q2 2011	Q3 2012	Q1 2013	$ 2,615	N/A	N/A	N/A	N/A
2. Avalon Queen Anne Seattle, WA	100%	203	56.7	Q3 2010	Q4 2011	Q2 2012	Q4 2012	1,925	N/A	N/A	N/A	N/A
3. Avalon at the Pinehills II Plymouth, MA	100%	91	18.4	Q3 2010	Q2 2011	Q3 2011	Q1 2012	1,860	17.6%	14.3%	3.3%	N/A
4. Avalon Springs II Wilton, CT	100%	100	31.3	Q3 2010	Q2 2011	Q3 2011	Q1 2012	2,575	15.0%	10.0%	2.0%	N/A
5. Avalon Green II Greenburgh, NY	100%	444	110.6	Q3 2010	Q4 2011	Q1 2013	Q3 2013	2,525	N/A	N/A	N/A	N/A
6. Avalon Brandemoor II Lynnwood, WA	100%	82	15.5	Q3 2010	Q3 2011	Q4 2011	Q2 2012	1,445	N/A	N/A	N/A	N/A
7. Avalon Cohasset Cohasset, MA	100%	220	53.1	Q4 2010	Q4 2011	Q2 2012	Q4 2012	1,995	N/A	N/A	N/A	N/A
8. Avalon Ocean Avenue San Francisco, CA	100%	173	61.1	Q4 2010	Q2 2012	Q4 2012	Q2 2013	2,485	N/A	N/A	N/A	N/A
9. Avalon North Bergen North Bergen, NJ	100%	164	45.2	Q4 2010	Q3 2012	Q3 2012	Q1 2013	1,975	N/A	N/A	N/A	N/A
10. Avalon at Wesmont Station I Wood-Ridge, NJ	100%	266	64.2	Q4 2010	Q2 2012	Q1 2013	Q3 2013	1,955	N/A	N/A	N/A	N/A
11. Avalon Park Crest Tysons Corner, VA	100%	354	77.6	Q4 2010	Q2 2012	Q2 2013	Q4 2013	1,910	N/A	N/A	N/A	N/A
Subtotal/Weighted Average		2,446	$ 643.4					$ 2,190				
Completed this Quarter:												
1. Avalon Norwalk Norwalk, CT	100%	311	$ 84.1	Q3 2008	Q2 2010	Q1 2011	Q3 2011	$ 2,080	100.0%	84.2%	80.7%	66.2%
2. Avalon Towers Bellevue Bellevue, WA	100%	397	124.5	Q4 2008	Q2 2010	Q1 2011	Q3 2011	2,035	100.0%	91.7%	83.9%	64.0%
3. Avalon West Long Branch West Long Branch, NJ	100%	180	25.8	Q4 2009	Q3 2010	Q1 2011	Q3 2011	1,825	100.0%	93.3%	91.7%	66.0%
Subtotal/Weighted Average		888	$ 234.4					$ 2,010				
Total/Weighted Average		3,334	$ 877.8					$ 2,145				
Weighted Average Projected NOI as a % of Total Capital Cost (1) (6)			6.8%	Inclusive of Concessions - See Attachment #13								

Non-Stabilized Development Communities:(7)

			% Economic Occ (1) (5)
Prior Completions:			
Avalon Walnut Creek (8)	418	$ 151.3	
Avalon Fort Greene	631	303.0	
Avalon Northborough II	219	35.0	
	1,268	$ 489.3	88.7%

Asset Cost Basis (millions):

		Source
Asset Under Construction and Non-Stabilized Completions		
Capital Cost, Under Construction	$ 643.4	Att. 8
Capital Cost, Current Completions	234.4	Att. 8
Less: Remaining to Invest, Under Construction	(386.6)	Att. 10
Subtotal, Assets Under Construction and Current Completions	491.2	
Capital Cost, Prior Quarter Completions	489.3	Att. 8
Total Asset Cost Basis, Under Construction and Non-Stabilized Development	$ 980.5	

Q1 2011 Net Operating Income/(Deficit) for communities under construction and non-stabilized development communities was $6.0 million. See Attachment #13.

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(1) See Attachment #13 — Definitions and Reconciliations of Non-GAAP Financial Measures and Other Terms.

(2) Includes apartment homes for which construction has been completed and accepted by management as of April 22, 2011.

(3) Includes apartment homes for which leases have been executed or non-refundable deposits have been paid as of April 22, 2011.

(4) Physical occupancy based on apartment homes occupied as of April 22, 2011.

(5) Represents Economic Occupancy for the first quarter of 2011.

(6) The Weighted Average calculation is based on the Company's pro rata share of the Total Capital Cost for each community.

(7) Represents Development Communities completed in prior quarters that had not achieved Stabilized Operations for the entire current quarter. Estimates are based on the Company's pro rata share of the Total Capital Cost for each community.

(8) This community is being financed in part by a combination of third-party tax-exempt and taxable debt.

This chart contains forward-looking statements. Please see the paragraph regarding forward-looking statements on the Table of Contents page relating to the Company's Supplemental Operating and Financial Data for the first quarter of 2011.

Attachment 9

AvalonBay Communities, Inc.
Redevelopment Communities as of March 31, 2011

	Percentage Ownership	# of Apt Homes	Cost (millions) Pre-Redevelopment Capital Cost	Cost (millions) Total Capital Cost (1)(2)	Schedule Acquisition / Completion	Schedule Start	Schedule Complete	Schedule Restabilized Ops (2)	Avg Rent Per Home (2) Inclusive of Concessions See Attachment #13	Homes Completed @ 3/31/2011
Under Redevelopment:(3)										
1. Avalon Pleasanton Pleasanton, CA	100%	456	$ 63.0	$ 80.5	Q1 1994	Q2 2009	Q4 2011	Q2 2012	$ 1,540	327
2. Avalon Princeton Junction West Windsor, NJ	100%	512	30.2	49.7	Q4 1988	Q2 2009	Q1 2012	Q3 2012	1,545	374
3. Avalon Summit Quincy, MA	100%	245	17.7	26.2	Q3 1995	Q2 2010	Q2 2011	Q4 2011	1,505	123
4. Avalon at Decoverly (4) Rockville, MD	100%	564	63.5	71.1	Q3 1995	Q3 2010	Q2 2011	Q4 2011	1,565	368
5. Avalon Commons Smithtown, NY	100%	312	34.1	38.4	Q4 1997	Q4 2010	Q3 2011	Q1 2012	2,165	112
6. Avalon at South Coast Costa Mesa, CA	100%	258	26.0	33.8	Q3 1996	Q4 2010	Q1 2012	Q3 2012	1,470	17
7. Crowne Ridge San Rafael, CA	100%	254	33.1	46.8	Q3 1996	Q4 2010	Q2 2012	Q4 2012	1,645	25
8. Avalon Cove Jersey City, NJ	100%	504	93.7	114.0	Q1 1997	Q4 2010	Q3 2012	Q1 2013	3,030	57
9. Avalon Sunset Towers San Francisco, CA	100%	243	28.9	42.0	Q2 1996	Q4 2010	Q3 2013	Q1 2014	2,255	33
Total / Weighted Average		3,348	$ 390.2	$ 502.6					$ 1,880	1,436

(1) Inclusive of acquisition cost.

(2) See Attachment #13 — Definitions and Reconciliations of Non-GAAP Financial Measures and Other Terms.

(3) The Company commenced the redevelopment of Avalon at Prudential Center in Boston, MA during the second quarter 2010 for an estimated Total Capital Cost of $28.4 million.
The redevelopment is primarily focused on the exterior and/or common area and is not expected to have a material impact on community operations, including occupancy, or the expected future level of rental revenue. This community is therefore included in the Established Community portfolio and not classified as a Redevelopment Community.

(4) Redevelopment efforts will be focused on the 368 units associated with the initial phase of this community which was acquired by a predecessor of the Company in Q3 1995.

This chart contains forward-looking statements. Please see the paragraph regarding forward-looking statements on the Table of Contents page relating to the Company's Supplemental Operating and Financial Data for the first quarter of 2011.

Attachment 10

AvalonBay Communities, Inc.
Summary of Development and Redevelopment Community Activity (1) as of March 31, 2011
(Dollars in Thousands)

DEVELOPMENT (2)

	Apt Homes Completed & Occupied	Total Capital Cost Invested During Period (3)	Cost of Homes Completed & Occupied (4)	Remaining to Invest (5)	Construction in Progress at Period End
Total - 2009 Actual	2,493	$ 451,372	$ 809,384	$ 245,046	$ 500,671
2010 Actual:					
Quarter 1	279	$ 122,151	$ 101,286	$ 228,620	$ 552,899
Quarter 2	475	63,860	160,070	164,050	475,275
Quarter 3	511	98,774	169,856	292,611	383,115
Quarter 4	465	120,125	146,947	466,991	296,292
Total - 2010 Actual	1,730	$ 404,910	$ 578,159		
2011 Projected:					
Quarter 1 (Actual)	281	$ 78,278	$ 84,438	$ 386,632	$ 306,219
Quarter 2 (Projected)	314	99,916	86,515	286,716	324,218
Quarter 3 (Projected)	266	90,727	67,080	195,989	331,793
Quarter 4 (Projected)	213	71,551	55,785	124,438	338,676
Total - 2011 Projected	1,074	$ 340,472	$ 293,818		

REDEVELOPMENT

	Total Capital Cost Invested During Period (3)	Remaining to Invest (5)	Reconstruction in Progress at Period End
Total - 2009 Actual	$ 50,911	$ 49,527	$ 30,628
2010 Actual:			
Quarter 1	$ 12,654	$ 36,873	$ 27,915
Quarter 2	10,843	34,445	16,881
Quarter 3	8,870	33,046	19,606
Quarter 4	15,321	73,518	13,412
Total - 2010 Actual	$ 47,688		
2011 Projected:			
Quarter 1 (Actual)	$ 12,657	$ 59,144	$ 24,024
Quarter 2 (Projected)	17,775	41,369	31,750
Quarter 3 (Projected)	12,993	28,376	26,994
Quarter 4 (Projected)	11,547	16,829	19,918
Total - 2011 Projected	$ 54,972		

(1) Data is presented for all communities currently under development or redevelopment.

(2) Projected periods include data for consolidated joint ventures at 100%. The offset for joint venture partners' participation is reflected as redeemable noncontrolling interest.

(3) Represents Total Capital Cost incurred or expected to be incurred during the quarter, year or in total. See Attachment #13 — Definitions and Reconciliations of Non-GAAP Financial Measures and Other Terms.

(4) Represents projected Total Capital Cost of apartment homes completed and occupied during the quarter. Calculated by dividing Total Capital Cost for each Development Community by number of homes for the community, multiplied by the number of homes completed and occupied during the quarter.

(5) Represents projected Total Capital Cost remaining to invest on communities currently under construction or reconstruction.

This chart contains forward-looking statements. Please see the paragraph regarding forward-looking statements on the Table of Contents page relating to the Company's Supplemental Operating and Financial Data for the first quarter of 2011.

Attachment 11

AvalonBay Communities, Inc.
Future Development as of March 31, 2011

DEVELOPMENT RIGHTS (1)

Market	# of Rights	Estimated Number of Homes	Total Capital Cost (1) (2) (millions)
Boston, MA	5	1,289	$ 423
Fairfield-New Haven, CT	4	781	154
New York, NY	3	1,720	754
New Jersey	10	2,444	489
Long Island, NY	2	507	143
Washington, DC Metro	4	1,247	312
Seattle, WA	2	578	150
Oakland-East Bay, CA	2	505	143
San Francisco, CA	1	174	75
Orange County, CA	1	179	49
Total	34	9,424	$ 2,692

(1) See Attachment #13 — Definitions and Reconciliations of Non-GAAP Financial Measures and Other Terms.

(2) The Company currently owns $154 million of land related to 10 of 34 development rights, and is currently under a ground lease obligation for one development right in New York, NY.

This chart contains forward-looking statements. Please see the paragraph regarding forward-looking statements on the Table of Contents page relating to the Company's Supplemental Operating and Financial Data for the first quarter of 2011.

Attachment 12

AvalonBay Communities, Inc.
Summary of Disposition Activity (1) as of March 31, 2011
(Dollars in thousands)

Number of Communities Sold (2)	Gross Sales Price	GAAP Gain	Accumulated Depreciation and Other	Economic Gain (4)	Weighted Average Initial Year Mkt. Cap Rate (3) (4)	Weighted Average Unleveraged IRR (3) (4)
1998: 9 Communities	$ 170,312	$ 25,270	$ 23,438	$ 1,832	8.1%	16.2%
1999: 16 Communities	$ 317,712	$ 47,093	$ 27,150	$ 19,943	8.3%	12.1%
2000: 8 Communities	$ 160,085	$ 40,779	$ 6,262	$ 34,517	7.9%	15.3%
2001: 7 Communities	$ 241,130	$ 62,852	$ 21,623	$ 41,229	8.0%	14.3%
2002: 1 Community	$ 80,100	$ 48,893	$ 7,462	$ 41,431	5.4%	20.1%
2003: 12 Communities, 1 Land Parcel (5)	$ 460,600	$ 184,438	$ 52,613	$ 131,825	6.3%	15.3%
2004: 5 Communities, 1 Land Parcel	$ 250,977	$ 122,425	$ 19,320	$ 103,105	4.8%	16.8%
2005: 7 Communities, 1 Office Building, 3 Land Parcels (6)	$ 382,720	$ 199,767	$ 14,929	$ 184,838	3.8%	18.0%
2006: 4 Communities, 3 Land Parcels (7)	$ 281,485	$ 117,539	$ 21,699	$ 95,840	4.6%	15.2%
2007: 5 Communities, 1 Land Parcel (8)	$ 273,896	$ 163,352	$ 17,588	$ 145,764	4.6%	17.8%
2008: 11 Communities (9)	$ 646,200	$ 288,384	$ 56,469	$ 231,915	5.1%	14.1%
2009: 5 Communities, 2 Land Parcels (10)	$ 193,186	$ 68,717	$ 16,692	$ 52,025	6.5%	13.0%
2010: 3 Communities, 1 Office Building (10)	$ 198,600	$ 74,074	$ 51,977	$ 22,097	5.8%	8.9%
2011: No sales as of March 31, 2011	$ -	$ -	$ -	$ -		
1998 - 2011 Total	$ 3,657,003	$ 1,443,583	$ 337,222	$ 1,106,361	5.8%	15.0%

(1) Activity excludes dispositions to joint venture entities in which the Company retains an economic interest.

(2) For dispositions from January 1, 1998 through March 31, 2011 the Weighted Average Holding Period is 7.9 years.

(3) For purposes of this attachment, land sales and the disposition of an office building are not included in the calculation of Weighted Average Holding Period, Weighted Average Initial Year Market Cap Rate, or Weighted Average Unleveraged IRR.

(4) See Attachment #13 — Definitions and Reconciliations of Non-GAAP Financial Measures and Other Terms.

(5) 2003 GAAP gain, for purposes of this attachment, includes $23,448 related to the sale of a community in which the Company held a 50% membership interest.

(6) 2005 GAAP gain includes the recovery of an impairment loss of $3,000 recorded in 2002 related to one of the land parcels sold in 2005. This loss was recorded to reflect the land at fair value based on its entitlement status at the time it was determined to be planned for disposition.

(7) 2006 GAAP gain, for purposes of this attachment, includes $6,609 related to the sale of a community in which the Company held a 25% equity interest.

(8) 2007 GAAP gain, for purposes of this attachment, includes $56,320 related to the sale of a partnership interest in which the Company held a 50% equity interest.

(9) 2008 GAAP gain, for purposes of this attachment, includes $3,483 related to the sale of a community held by the Fund in which the Company holds a 15.2% equity interest.

(10) 2009 and 2010 GAAP and Economic Gain include the settlement recognition of approximately $2,770 and $2,675 ,respectively, in deferred gains for prior year dispositions, recognition of which occurred in conjunction with settlement of associated legal matters.

Attachment 13

AvalonBay Communities, Inc.
Definitions and Reconciliations of Non-GAAP Financial Measures and Other Terms

This release, including its attachments, contains certain non-GAAP financial measures and other terms. The definition and calculation of these non-GAAP financial measures and other terms may differ from the definitions and methodologies used by other REITs and, accordingly, may not be comparable. The non-GAAP financial measures referred to below should not be considered an alternative to net income as an indication of our performance. In addition, these non-GAAP financial measures do not represent cash generated from operating activities in accordance with GAAP and therefore should not be considered as an alternative measure of liquidity or as indicative of cash available to fund cash needs.

FFO is determined based on a definition adopted by the Board of Governors of the National Association of Real Estate Investment Trusts ("NAREIT"). FFO is calculated by the Company as Net income or loss attributable to common stockholders computed in accordance with GAAP, adjusted for gains or losses on sales of previously depreciated operating communities, extraordinary gains or losses (as defined by GAAP), cumulative effect of a change in accounting principle and depreciation of real estate assets, including adjustments for unconsolidated partnerships and joint ventures. Management generally considers FFO to be an appropriate supplemental measure of operating performance because, by excluding gains or losses related to dispositions of previously depreciated operating communities and excluding real estate depreciation (which can vary among owners of identical assets in similar condition based on historical cost accounting and useful life estimates), FFO can help one compare the operating performance of a company's real estate between periods or as compared to different companies. A reconciliation of FFO to Net income attributable to common stockholders is as follows (dollars in thousands):

	Q1 2011	Q1 2010
Net income attributable to common stockholders	$ 30,341	$ 72,523
Depreciation — real estate assets, including discontinued operations and joint venture adjustments	63,194	57,011
Distributions to noncontrolling interests, including discontinued operations	7	14
Gain on sale of previously depreciated real estate assets	—	(50,291)
FFO attributable to common stockholders	$ 93,542	$ 79,257
Average shares outstanding — diluted	86,997,530	82,310,670
Earnings per share — diluted	$ 0.35	$ 0.88
FFO per common share — diluted	$ 1.08	$ 0.96

Projected FFO, as provided within this release in the Company's outlook, is calculated on a basis consistent with historical FFO, and is therefore considered to be an appropriate supplemental measure to projected net income from projected operating performance. A reconciliation of the range provided for Projected FFO per share (diluted) for the second quarter 2011 to the range provided for projected EPS (diluted) is as follows:

	Low range	High range
Projected EPS (diluted) — Q2 2011	$ 0.47	$ 0.51
Projected depreciation (real estate related)	0.68	0.72
Projected gain on sale of operating communities	(0.09)	(0.13)
Projected FFO per share (diluted) — Q2 2011	$ 1.06	$ 1.10

Attachment 13 (continued)

NOI is defined by the Company as total property revenue less direct property operating expenses (including property taxes), and excludes corporate-level income (including management, development and other fees), corporate-level property management and other indirect operating expenses, investments and investment management expenses, expensed development and other pursuit costs, net interest expense, gain (loss) on extinguishment of debt, general and administrative expense, joint venture income (loss), depreciation expense, impairment loss on land holdings, gain on sale of real estate assets and income from discontinued operations. The Company considers NOI to be an appropriate supplemental measure to net income of operating performance of a community or communities because it helps both investors and management to understand the core operations of a community or communities prior to the allocation of corporate-level property management overhead or general and administrative costs. This is more reflective of the operating performance of a community, and allows for an easier comparison of the operating performance of single assets or groups of assets. In addition, because prospective buyers of real estate have different overhead structures, with varying marginal impact to overhead by acquiring real estate, NOI is considered by many in the real estate industry to be a useful measure for determining the value of a real estate asset or groups of assets.

A reconciliation of NOI (from continuing operations) to Net income, as well as a breakdown of NOI by operating segment, is as follows (dollars in thousands):

	Q1 2011	Q1 2010	Q4 2010
Net income	$ 30,537	$ 72,366	$ 26,668
Indirect operating expenses, net of corporate income	7,027	7,232	7,978
Investments and investment management expense	1,191	1,039	712
Expensed development and other pursuit costs	651	505	1,057
Interest expense, net	44,271	42,541	46,948
General and administrative expense	7,292	8,895	6,870
Joint venture loss (income)	(503)	(227)	(397)
Depreciation expense	61,299	55,972	60,614
Gain on sale of real estate assets	—	(50,291)	(1,854)
(Income) loss from discontinued operations	—	(1,875)	(23)
NOI from continuing operations	$ 151,765	$ 136,157	$ 148,573
Established:			
New England	$ 25,482	$ 23,881	$ 25,839
Metro NY/NJ	31,559	29,912	31,745
Mid-Atlantic/Midwest	21,643	19,988	21,760
Pacific NW	6,140	6,090	5,796
No. California	17,386	16,329	16,179
So. California	11,955	11,735	11,522
Total Established	114,165	107,935	112,841
Other Stabilized	18,711	12,903	18,499
Development/Redevelopment	18,889	15,319	17,233
NOI from continuing operations	$ 151,765	$ 136,157	$ 148,573

Attachment 13 (continued)

NOI as reported by the Company does not include the operating results from discontinued operations (i.e., assets sold during the period January 1, 2010 through March 31, 2011 or classified as held for sale at March 31, 2011). A reconciliation of NOI from communities sold or classified as discontinued operations to net income for these communities is as follows (dollars in thousands):

	Q1 2011	Q1 2010
Income from discontinued operations	$ —	$ 1,875
Interest expense, net	—	—
Depreciation expense	—	123
NOI from discontinued operations	$ —	$ 1,998
NOI from assets sold	$ —	$ 1,998
NOI from assets held for sale	—	—
NOI from discontinued operations	$ —	$ 1,998

Projected NOI, as used within this release for certain Development Communities and in calculating the Initial Year Market Cap Rate for dispositions, represents management's estimate, as of the date of this release (or as of the date of the buyer's valuation in the case of dispositions), of projected stabilized rental revenue minus projected stabilized operating expenses. For Development Communities, Projected NOI is calculated based on the first twelve months of Stabilized Operations, as defined below, following the completion of construction. In calculating the Initial Year Market Cap Rate, Projected NOI for dispositions is calculated for the first twelve months following the date of the buyer's valuation. Projected stabilized rental revenue represents management's estimate of projected gross potential minus projected stabilized economic vacancy and adjusted for projected stabilized concessions plus projected stabilized other rental revenue. Projected stabilized operating expenses do not include interest, income taxes (if any), depreciation or amortization, or any allocation of corporate-level property management overhead or general and administrative costs. Projected gross potential for Development Communities and dispositions is based on leased rents for occupied homes and management's best estimate of rental levels for homes which are currently unleased, as well as those homes which will become available for lease during the twelve month forward period used to develop Projected NOI. The weighted average Projected NOI as a percentage of Total Capital Cost is weighted based on the Company's share of the Total Capital Cost of each community, based on its percentage ownership.

Management believes that Projected NOI of the Development Communities, on an aggregated weighted average basis, assists investors in understanding management's estimate of the likely impact on operations of the Development Communities when the assets are complete and achieve stabilized occupancy (before allocation of any corporate-level property management overhead, general and administrative costs or interest expense). However, in this release the Company has not given a projection of NOI on a company-wide basis. Given the different dates and fiscal years for which NOI is projected for these communities, the projected allocation of corporate-level property management overhead, general and administrative costs and interest expense to communities under development is complex, impractical to develop, and may not be meaningful. Projected NOI of these communities is not a projection of the Company's overall financial performance or cash flow. There can be no assurance that the communities under development or redevelopment will achieve the Projected NOI as described in this release.

Rental Revenue with Concessions on a Cash Basis is considered by the Company to be a supplemental measure to rental revenue in conformity with GAAP to help investors evaluate the impact of both current and historical concessions on GAAP based rental revenue and to more readily enable comparisons to revenue as reported by other companies. In addition, rental revenue (with concessions on a cash basis) allows an investor to understand the historical trend in cash concessions.

Attachment 13 (continued)

A reconciliation of rental revenue from Established Communities in conformity with GAAP to rental revenue (with concessions on a cash basis) is as follows (dollars in thousands):

	Q1 2011	Q1 2010
Rental revenue (GAAP basis)	$ 171,018	$ 164,838
Concessions amortized	573	2,130
Concessions granted	(129)	(906)
Rental revenue (with concessions on a cash basis)	$ 171,462	$ 166,062
% change — GAAP revenue		3.7%
% change — cash revenue		3.3%

Economic Gain (Loss) is calculated by the Company as the gain (loss) on sale in accordance with GAAP, less accumulated depreciation through the date of sale and any other non-cash adjustments that may be required under GAAP accounting. Management generally considers Economic Gain (Loss) to be an appropriate supplemental measure to gain (loss) on sale in accordance with GAAP because it helps investors to understand the relationship between the cash proceeds from a sale and the cash invested in the sold community. The Economic Gain (Loss) for each of the communities presented is estimated based on their respective final settlement statements. A reconciliation of Economic Gain (Loss) to gain on sale in accordance with GAAP for the quarter ended March 31, 2011 as well as prior years' activities is presented on Attachment 12.

Interest Coverage is calculated by the Company as EBITDA from continuing operations, excluding land gains and gain on the sale of investments in real estate joint ventures, divided by the sum of interest expense, net, and preferred dividends. Interest Coverage is presented by the Company because it provides rating agencies and investors an additional means of comparing our ability to service debt obligations to that of other companies. EBITDA is defined by the Company as net income attributable to the Company before interest income and expense, income taxes, depreciation and amortization.

A reconciliation of EBITDA and a calculation of Interest Coverage for the first quarter of 2011 are as follows (dollars in thousands):

Net income attributable to common stockholders	$ 30,341
Interest expense, net	44,271
Depreciation expense	61,299
EBITDA	$ 135,911
EBITDA from continuing operations	$ 135,911
EBITDA from discontinued operations	—
EBITDA	$ 135,911
EBITDA from continuing operations	$ 135,911
Interest charges	$ 44,271
Interest coverage	3.1

Total Capital Cost includes all capitalized costs projected to be or actually incurred to develop the respective Development or Redevelopment Community, or Development Right, including land acquisition costs, construction costs, real estate taxes, capitalized interest and loan fees, permits, professional fees, allocated development overhead and other regulatory fees, all as determined in accordance with GAAP. For Redevelopment Communities, Total Capital Cost excludes costs incurred prior to the start of redevelopment when indicated. With respect to communities where development or redevelopment was completed in a prior or the current period, Total Capital Cost reflects the actual cost incurred, plus any contingency estimate made by management. Total Capital Cost for communities identified as having joint venture ownership, either during construction or upon construction completion, represents the total projected joint venture contribution amount. For joint ventures not in construction, Total Capital Cost is equal to gross real estate cost.

Initial Year Market Cap Rate is defined by the Company as Projected NOI of a single community for the first 12 months of operations (assuming no repositioning), less estimates for non-routine allowance of approximately $200 — $300 per apartment home, divided by the gross sales price for the community. Projected NOI, as referred to above, represents management's estimate of projected rental revenue minus projected operating expenses before interest, income taxes (if any), depreciation, amortization and extraordinary items. For this purpose, management's projection of operating expenses for the community includes a management fee of 3.0% — 3.5%. The Initial Year Market Cap Rate, which may be determined in a different manner by others, is a measure frequently used in the real estate industry when determining the appropriate purchase price for a property or estimating the value for a property. Buyers may assign different Initial Year Market Cap Rates to different communities when determining the appropriate value because they (i) may project different rates of change in operating expenses and capital expenditure estimates and (ii) may project different rates of change in future rental revenue due to different estimates for changes in rent and occupancy levels. The weighted average Initial Year Market Cap Rate is weighted based on the gross sales price of each community.

Unleveraged IRR on sold communities refers to the internal rate of return calculated by the Company considering the timing and amounts of (i) total revenue during the period owned by the Company and (ii) the gross sales price net of selling costs, offset by (iii) the undepreciated capital cost of the communities at the time of sale and (iv) total direct operating expenses during the period owned by the Company. Each of the items (i), (ii), (iii) and (iv) are calculated in accordance with GAAP.

The calculation of Unleveraged IRR does not include an adjustment for the Company's general and administrative expense, interest expense, or corporate-level property management and other indirect operating expenses. Therefore, Unleveraged IRR is not a substitute for Net income as a measure of our performance. Management believes that the Unleveraged IRR achieved during the period a community is owned by the Company is useful because it is one indication of the gross value created by the Company's acquisition, development or redevelopment, management and sale of a community, before the impact of indirect expenses and Company overhead. The Unleveraged IRR achieved on the communities as cited in this release should not be viewed as an indication of the gross value created with respect to other communities owned by the Company, and the Company does not represent that it will achieve similar Unleveraged IRRs upon the disposition of other communities. The weighted average Unleveraged IRR for sold communities is weighted based on all cash flows over the holding period for each respective community, including net sales proceeds.

Unencumbered NOI as calculated by the Company represents NOI generated by real estate assets unencumbered by either outstanding secured debt or land leases (excluding land leases with purchase options that were put in place for governmental incentives or tax abatements) as a percentage of total NOI generated by real estate assets. The Company believes that current and prospective unsecured creditors of the Company view Unencumbered NOI as one indication of the borrowing capacity of the Company. Therefore, when reviewed together with the Company's Interest Coverage, EBITDA and cash flow from operations, the Company believes that investors and creditors view Unencumbered NOI as a useful supplemental measure for determining the financial flexibility of an entity. A calculation of Unencumbered NOI for the quarter ended March 31, 2011 is as follows (dollars in thousands):

Attachment 13 (continued)

NOI for Established Communities	$ 114,165
NOI for Other Stabilized Communities	18,711
NOI for Development/Redevelopment Communities	18,889
Total NOI generated by real estate assets	151,765
NOI on encumbered assets	46,571
NOI on unencumbered assets	105,194
Unencumbered NOI	69%

Established Communities are identified by the Company as communities where a comparison of operating results from the prior year to the current year is meaningful, as these communities were owned and had Stabilized Operations, as defined below, as of the beginning of the prior year. Therefore, for 2011, Established Communities are consolidated communities that have Stabilized Operations as of January 1, 2010 and are not conducting or planning to conduct substantial redevelopment activities within the current year. Established Communities do not include communities that are currently held for sale or planned for disposition during the current year.

Other Stabilized Communities are completed consolidated communities that the Company owns, which did not have stabilized operations as of January 1, 2010, but have stabilized occupancy as of January 1, 2011. Other Stabilized Communities do not include communities that are planning to conduct substantial redevelopment activities or that are planned for disposition within the current year.

Development Communities are communities that are under construction during the current year. These communities may be partially or fully complete and operating.

Redevelopment Communities are communities where the Company owns a majority interest and where substantial redevelopment is in progress or is planned to begin during the current year. Redevelopment is generally considered substantial when capital invested during the reconstruction effort is expected to exceed either $5,000,000 or 10% of the community's pre-development basis and is expected to have a material impact on the community's operations, including occupancy levels and future rental rates.

Average Rental Rates are calculated by the Company as rental revenue in accordance with GAAP, divided by the weighted average number of occupied apartment homes.

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. 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.

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 and do not reflect any impact for cash concessions.

Non-Revenue Generating Capex represents capital expenditures that will not directly result in revenue earnings or expense savings.

Stabilized/Restabilized Operations is defined as the earlier of (i) attainment of 95% physical occupancy or (ii) the one-year anniversary of completion of development or redevelopment.

Average Rent per Home as calculated for certain Development and Redevelopment Communities in lease-up, reflects management's projected stabilized rents net of estimated stabilized concessions and including estimated stabilized other rental revenue. Projected stabilized rents are based on one or more of the following: (i) actual average leased rents on apartments leased through quarter end; (ii) projected rollover rents on apartments leased through quarter end where the lease term expires within the first twelve months of Stabilized Operations, and Market Rents on unleased homes.

Attachment 13 (continued)

Development Rights are development opportunities in the early phase of the development process for which the Company either has an option to acquire land or enter into a leasehold interest, for which the Company is the buyer under a long-term conditional contract to purchase land or where the Company controls the land through a ground lease or owns land to develop a new community. The Company capitalizes related pre-development costs incurred in pursuit of new developments for which future development is probable.