FORM 5

Check this box if no longer subject to Section 16. Form 4 or Form 5 obligations may continue. See Instruction 1(b).

UNITED STATES SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

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ANNUAL STATEMENT OF CHANGES IN BENEFICIAL OWNERSHIP

Form 3 Holdings Reported.

Filed pursuant to Section 16(a) of the Securities Exchange Act of 1934 or Section 30(h) of the Investment Company Act of 1940

Form 4 Transactions	s Reported.	rı	or Section 30(h) of the Investment Company Act of 1934						
1. Name and Address NAUGHTON			2. Issuer Name and Ticker or Trading Symbol AVALONBAY COMMUNITIES INC [AVB]	Relationship of Reporting Person(s) to Issuer (Check all applicable) X Director 10% Owner					
I	(First) Y COMMUNITIES, VER, 671 N. GLEBE		3. Statement for Issuer's Fiscal Year Ended (Month/Day/Year) 12/31/2010	X	Officer (give title below) Preside	Other (specify below)			
(Street) ARLINGTON (City)	VA (State)	22203 (Zip)	4. If Amendment, Date of Original Filed (Month/Day/Year)	6. Indivi	idual or Joint/Group Filing Form filed by One Repo Form filed by More than	` ' ' '			

Table I - Non-Derivative Securities Acquired, Disposed of, or Beneficially Owned

1. Title of Security (Instr. 3)	2. Transaction Date (Month/Day/Year)	2A. Deemed Execution Date, if any	3. Transaction Code (Instr.	4. Securities Acquir (Instr. 3, 4 and 5)	ed (A) or D	Disposed Of (D)	5. Amount of Securities Beneficially Owned	6. Ownership Form: Direct (D) or Indirect	7. Nature of Indirect Beneficial
		(Month/Day/Year)	8)	Amount	(A) or (D)	Price	at end of Issuer's Fiscal Year (Instr. 3 and 4)		Ownership (Instr. 4)
Common Stock, par value \$.01 per share	12/13/2010		G	500	D	\$0.00(1)	89,795.76 ⁽²⁾	D	

Table II - Derivative Securities Acquired, Disposed of, or Beneficially Owned (e.g., puts, calls, warrants, options, convertible securities)

1. Title of Derivative Security (Instr. 3)	2. Conversion or Exercise Price of Derivative Security	3. Transaction Date (Month/Day/Year)	3A. Deemed Execution Date, if any (Month/Day/Year)	4. Transaction Code (Instr. 8)			ve Expiration Date es (Month/Day/Year) id (A) or ed of (D)		7. Title and Amount of Securities Underlying Derivative Security (Instr. 3 and 4)			9. Number of derivative Securities Beneficially Owned Following	10. Ownership Form: Direct (D) or Indirect (I) (Instr. 4)	Beneficial Ownership (Instr. 4)	1
					(A)	(D)	Date Exercisable	Expiration Date	Title	Amount or Number of Shares	Tra	Reported Transaction(s) (Instr. 4)			

Explanation of Responses:

- 1. Reflects gift of 500 shares.
- 2. The amount of securities held following the reported transaction reflects direct ownership of all shares of common stock, including restricted shares.

Remarks:

By Catherine T. White, attorneyin-fact, under Power of Attorney

dated January 29, 2009 ** Signature of Reporting Person Date

01/31/2011

Reminder: Report on a separate line for each class of securities beneficially owned directly or indirectly.

Note: File three copies of this Form, one of which must be manually signed. If space is insufficient, see Instruction 6 for procedure.

Persons who respond to the collection of information contained in this form are not required to respond unless the form displays a currently valid OMB Number.

^{*} If the form is filed by more than one reporting person, see Instruction 4 (b)(v).

^{**} Intentional misstatements or omissions of facts constitute Federal Criminal Violations See 18 U.S.C. 1001 and 15 U.S.C. 78ff(a).