

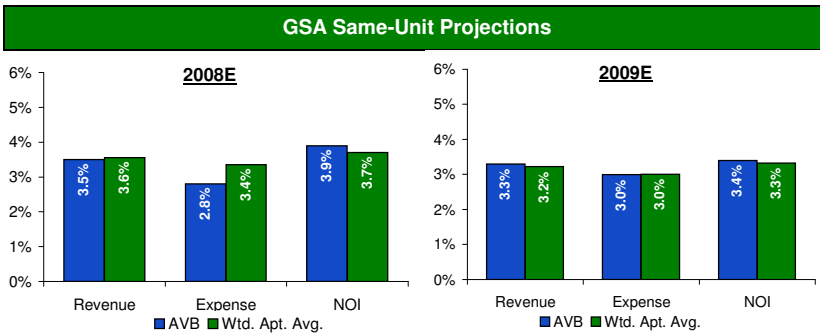
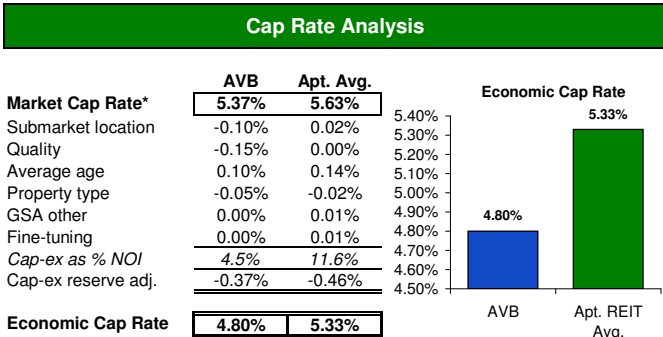
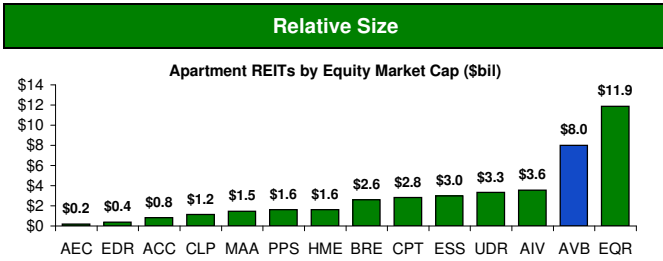
NAV / REC
\$118.25
BUY

CEO	CFO	COO / CIO / Other	Chairman
Bryce Blair	Thomas J. Sargeant	Timothy J. Naughton	Bryce Blair

AvalonBay Communities (AVB) is a self-administered, fully integrated equity REIT headquartered in Washington, D.C. The company develops, redevelops, acquires, and manages one of the highest quality portfolios of apartment properties in the sector, primarily in densely populated East and West coast markets. AVB was formed in 1998 by the merger of Avalon Properties with Bay Apartment Communities, REITs that went public in 1993 and 1994, respectively. As a percent of existing assets, AVB is one of the most active developers in the apartment universe, and has historically achieved above-average risk adjusted returns. The company is considered a best-in-class REIT.

Recent Green Street Research

- | | |
|---------------------------------------------------------------------------------------------------|-----------------------------------|
| 1.) AvalonBay Communities (AVB): Boston Asset Sale Highlights Development Prowess | Date:
December 13, 2007 |
| 2.) Avalon Bay (AVB): Jumping the Gun, but Staying Mum | July 31, 2007 |
| 3.) AvalonBay Communities (AVB): Is Another Great Company in Play? | June 13, 2007 |



Same-Unit Performance - Historical

	2003	2004	2005	2006	2007	YTD'08	CAGR
NOI	-8.2%	-1.1%	4.3%	9.1%	7.2%	4.4%	2.2%
Wtd. apt. avg.	-5.8%	-1.0%	4.0%	7.9%	5.7%	4.3%	2.2%
Revenue	-4.3%	-0.2%	3.7%	6.9%	5.6%	4.4%	2.3%
Wtd. apt. avg.	-2.1%	0.6%	4.0%	6.2%	4.9%	3.7%	2.7%
Expense	5.3%	1.8%	2.5%	2.3%	2.2%	4.2%	2.9%
Wtd. apt. avg.	4.4%	3.4%	4.1%	3.6%	3.4%	2.8%	3.7%
Occupancy	93.8%	95.3%	96.1%	96.6%	96.3%	96.4%	
Wtd. apt. avg.	93.2%	93.5%	94.5%	95.0%	94.9%	95.0%	

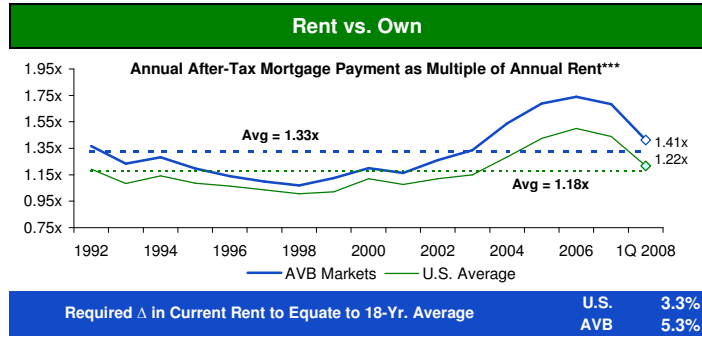
Portfolio

Units	39,875	Submarket	A-/B+
Average age (yrs.)	14 to 15	Quality	A-
Property type	Mid / Garden	Value/unit	\$274,200

Top 20 Markets

Markets	% NOI	Mrkt. Cap Rate	Mrkt. Rent**	Mrkt. Occ.**
1 Boston	12.1%	5.9%	\$1,621	94.0%
2 San Jose	12.0%	4.9%	\$1,493	96.5%
3 New York	7.8%	4.7%	\$2,790	97.8%
4 Fairfield County	7.7%	5.9%	\$1,734	95.0%
5 Central New Jersey	6.2%	5.9%	\$1,107	96.8%
6 San Francisco	6.0%	4.9%	\$1,801	95.9%
7 Los Angeles	6.0%	4.9%	\$1,396	96.2%
8 Long Island	5.3%	5.7%	\$1,513	97.2%
9 Oakland-East Bay	5.0%	5.1%	\$1,290	95.8%
10 Northern New Jersey	4.9%	5.7%	\$1,453	96.4%
11 Seattle	4.6%	5.1%	\$970	95.7%
12 District of Columbia	4.1%	5.1%	\$1,311	95.9%
13 Suburban Maryland	3.6%	5.7%	\$1,171	94.8%
14 Baltimore	3.5%	5.9%	\$936	94.9%
15 Chicago	3.4%	6.3%	\$985	95.3%
16 Orange County	3.1%	5.3%	\$1,503	96.0%
17 Suburban Virginia	2.6%	5.7%	\$1,351	93.8%
18 San Diego	2.0%	5.5%	\$1,275	96.1%

AVB Average	\$1,897	96.4%
Apt. REIT Average	\$1,305	95.0%
U.S. Average	\$982	93.9%



NAV

Multifamily Forward 12-month NOI	3/31/2008
Total "nominal" NOI	\$549,680
Cap-ex reserve per unit	\$625
Cap-ex reserve (% of NOI)	4.5%
Total "economic" NOI	\$524,758
Economic cap rate	4.80%
Equivalent nominal cap rate	5.03%
Value of operating real estate	\$10,932,452
Development pipeline ⁽¹⁾	\$1,348,495
Current assets	\$429,172
Other tangible assets	\$610,143
Total assets	\$13,320,262
Current liabilities	\$677,871
Other liabilities	\$3,339,037
Adj. for marking debt to market	\$56,110
Preferred stock	\$100,000
Total Liabilities	\$4,173,018
Leverage (w/preferreds)	31%
Net asset value	\$9,147,244
# of shares (diluted)	77,422
NAV / sh	\$118.15

*Cap rates are value weighted averages based on a company's geographic exposure (NOI by market). Nominal cap rate is pre cap-ex. Market cap rate is after \$300/unit of cap-ex. Economic cap rate is after GSA estimate of cap-ex/unit.

**Occupancy and rental rate data for U.S. and by market provided by REIS. Rental rates are on an effective basis.

***Average annual mortgage payments were calculated based on a 20% down, 30-year mortgage with mortgage rates from Freddie Mac. 2008 interest rate is 6.05% as of 5/8/08. Assumes a market specific income tax rate based on household income levels and a 1.2% property tax rate. Source: Freddie Mac, National Association of Realtors, Reis, GSA.

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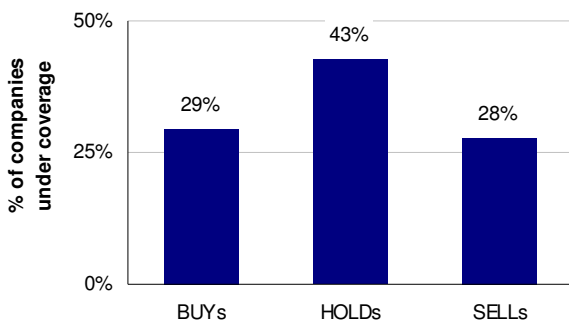
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**Green Street Recommendation Distribution
(as of 5/1/08)**



Green Street's "BUYs" have historically achieved far higher total returns than its "HOLDS", which, in turn, have outperformed its "SELLs".^{1, 2}

Total Return of Green Street's Recommendations

Year	Buy	Hold	Sell	NAREIT Eqty ⁴
2008 YTD ³	15.0%	13.7%	7.8%	7.3%
2007	-6.5%	-22.3%	-27.6%	-15.7%
2006	45.4%	29.9%	18.4%	35.1%
2005	26.3%	18.3%	-1.9%	12.2%
2004	42.3%	28.4%	15.6%	31.6%
2003	42.7%	37.2%	20.9%	37.1%
2002	17.7%	2.6%	1.9%	3.8%
2001	35.7%	19.1%	11.9%	13.9%
2000	53.6%	29.3%	4.4%	26.4%
1999	14.2%	-9.2%	-20.2%	-4.6%
1998	-0.6%	-15.1%	-16.4%	-17.5%
1997	37.1%	14.2%	5.8%	20.3%
1996	47.3%	30.2%	17.5%	35.3%
1995	23.6%	14.3%	-0.4%	15.3%
1994	20.5%	-0.7%	-9.3%	3.2%
1993 ³	29.4%	5.4%	6.7%	12.4%
Total Return³	4239.6%	417.4%	20.3%	532.8%
Annualized	28.0%	11.4%	1.2%	12.9%

1) Historical results through January 3, 2005 were independently verified by Ernst & Young, LLP. E&Y did not verify stated results subsequent to January 3, 2005. Past performance results cannot be used to predict future performance. For a complete explanation of study, see 5/9/03 report "How are We Doing?".
 2) Company inclusion in the calculation of total return has been based on whether the companies were listed in the primary exhibit of Green Street's "Real Estate Securities Monthly", pg. 13-16. Beginning with May 2000, Gaming C-Corps and Hotel C-Corps, with the exception of Starwood Hotels and Homestead Village, are not included in the primary exhibit and therefore not included in the calculation of total return. Beginning with March 2003, all Hotel companies are excluded.
 3) Study uses recommendations given in Green Street's "Real Estate Securities Monthly" from January 29, 1993 through May 1, 2008.
 4) Not directly comparable to Green Street's performance indices because NAREIT includes more companies and uses market-cap weightings. Green Street's returns are equally-weighted averages.