

Wilson Stephen W  
 Form 4  
 February 15, 2011

**FORM 4** UNITED STATES SECURITIES AND EXCHANGE COMMISSION  
 Washington, D.C. 20549

OMB APPROVAL

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**STATEMENT OF CHANGES IN BENEFICIAL OWNERSHIP OF SECURITIES**

Filed pursuant to Section 16(a) of the Securities Exchange Act of 1934, Section 17(a) of the Public Utility Holding Company Act of 1935 or Section 30(h) of the Investment Company Act of 1940

(Print or Type Responses)

1. Name and Address of Reporting Person \*  
 Wilson Stephen W

2. Issuer Name and Ticker or Trading Symbol  
 AVALONBAY COMMUNITIES INC [AVB]

5. Relationship of Reporting Person(s) to Issuer

(Check all applicable)

(Last) (First) (Middle)

3. Date of Earliest Transaction (Month/Day/Year)  
 02/14/2011

\_\_\_\_ Director \_\_\_\_\_ 10% Owner  
 Officer (give title below) \_\_\_\_\_ Other (specify below)  
 Executive Vice President

C/O AVALONBAY COMMUNITIES, INC., BALLSTON TOWER, 671 N. GLEBE ROAD

(Street)

4. If Amendment, Date Original Filed(Month/Day/Year)

6. Individual or Joint/Group Filing(Check Applicable Line)  
 Form filed by One Reporting Person  
 Form filed by More than One Reporting Person

ARLINGTON, VA 22203

(City) (State) (Zip)

**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 (Month/Day/Year)	3. Transaction Code (Instr. 8)	4. Securities Acquired (A) or Disposed of (D) (Instr. 3, 4 and 5)	5. Amount of Securities Beneficially Owned Following Reported Transaction(s) (Instr. 3 and 4)	6. Ownership Form: Direct (D) or Indirect (I) (Instr. 4)	7. Nature of Indirect Beneficial Ownership (Instr. 4)
			Code	V Amount (D)	Price		
Common Stock, par value \$.01 per share	02/14/2011		M	14,431 A	\$ 96.19	29,655.6257 <sup>(1)</sup>	D
Common Stock, par value \$.01 per	02/14/2011		M	6,233 A	\$ 86.4	35,888.6257 <sup>(1)</sup>	D

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share

Common Stock, par value 02/14/2011 M 3,781 A \$ 48.6 39,669.6257<sup>(1)</sup> D  
\$.01 per share

Common Stock, par value 02/14/2011 M 1,433 A \$ 74.2 41,102.6257<sup>(1)</sup> D  
\$.01 per share

Common Stock, par value 02/14/2011 S 25,878 D \$ 116.0693<sup>(2)</sup> 15,224.6257<sup>(1)</sup> D  
\$.01 per share

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

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(9-02)

**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)	5. Number of Derivative Securities Acquired (A) or Disposed of (D) (Instr. 3, 4, and 5)	6. Date Exercisable and Expiration Date (Month/Day/Year)	7. Title and Amount of Underlying Security (Instr. 3 and 4)	Amount or Number of Shares	
				Code	V (A) (D)	Date Exercisable	Expiration Date	Title	Amount or Number of Shares
Employee Stock Options (Right to Buy)	\$ 96.19	02/14/2011		M	14,431	02/09/2007 <sup>(3)</sup> 02/09/2016	Common Stock	14,431	
Employee Stock Options (Right to Buy)	\$ 86.4	02/14/2011		M	6,233	02/11/2009 <sup>(5)</sup> 02/11/2018	Common Stock	6,233	
	\$ 48.6	02/14/2011		M	3,781	02/11/2010 <sup>(7)</sup> 02/11/2019		3,781	

Employee Stock Options (Right to Buy)								Common Stock	
Employee Stock Options (Right to Buy)	\$ 74.2	02/14/2011	M	1,433	02/11/2011 <sup>(9)</sup>	02/11/2020		Common Stock	1,433

## Reporting Owners

Reporting Owner Name / Address	Relationships			
	Director	10% Owner	Officer	Other
Wilson Stephen W C/O AVALONBAY COMMUNITIES, INC. BALLSTON TOWER, 671 N. GLEBE ROAD ARLINGTON, VA 22203			Executive Vice President	

## Signatures

Catherine T. White, as attorney-in-fact under Power of Attorney dated February 17, 2010. 02/15/2011

\_\_Signature of Reporting Person

Date

## Explanation of Responses:

- \* 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).
- (1) The amount of securities owned following the reported transaction reflects direct ownership of all shares of common stock, including restricted shares.  
This transaction was executed in multiple trades at prices ranging from \$116.00 to \$116.185. The price reported above reflects the weighted average sale price. The reporting person hereby undertakes to provide upon request to the SEC staff, the issuer or a security holder of the issuer full information regarding the number of shares and prices at which the transaction was effected.
- (2) The options exercised were included in options granted under the issuer's stock option and incentive plan on February 9, 2006, which become exercisable in three annual installments beginning on February 9, 2007.
- (3) Following the reported transaction, the reporting person held 26,524 options to purchase the issuer's common stock granted on various dates and with varying exercise prices and vesting dates.
- (4) The options exercised were included in options granted under the issuer's stock option and incentive plan on February 11, 2008 which became exercisable in three equal installments beginning on February 11, 2009.
- (5) Following the reported transaction, the reporting person held 20,291 options to purchase the issuer's common stock granted on various dates and with varying exercise prices and vesting dates.
- (6) The options exercised were included in options granted under the issuer's stock option and incentive plan on February 11, 2009 which became exercisable in three equal installments beginning on February 11, 2010.
- (7) Following the reported transaction, the reporting person held 16,510 options to purchase the issuer's common stock granted on various dates and with varying exercise prices and vesting dates.
- (8) The options exercised were included in options granted under the issuer's stock option and incentive plan on February 11, 2010 which became exercisable in three equal installments beginning on February 11, 2011.
- (9)

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- (10) Following the reported transaction, the reporting person holds 15,077 options to purchase the issuer's common stock granted on various dates and with varying exercise prices and vesting dates.

Note: File three copies of this Form, one of which must be manually signed. If space is insufficient, *see* Instruction 6 for procedure. Potential persons who are to respond to the collection of information contained in this form are not required to respond unless the form displays a currently valid OMB number.