

AVALONBAY COMMUNITIES INC  
 Form 4  
 March 01, 2006

**FORM 4**

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

OMB APPROVAL

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

**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 \*  
**SARGEANT THOMAS J**

(Last) (First) (Middle)

C/O AVALONBAY COMMUNITIES, INC., 2900 EISENHOWER AVE., SUITE 300

(Street)

ALEXANDRIA, VA 22314

(City) (State) (Zip)

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

3. Date of Earliest Transaction (Month/Day/Year)  
**02/27/2006**

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

5. Relationship of Reporting Person(s) to Issuer

(Check all applicable)

Director  10% Owner  
 Officer (give title below)  Other (specify below)  
 EVPand CFO

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

**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) or Price   |  |   |
| Common Stock, par value \$0.01 per share | 02/27/2006                           |  | M                              |   | 10,000 A \$ 45.95   | D  |   |
| Common Stock, par value \$0.01 per share | 02/27/2006                           |  | S                              |   | 10,000 D \$ 104.1237  | D  |   |

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|  |            |   |       |   |             |                    |   |                |
|--|------------|---|-------|---|-------------|--------------------|---|----------------|
| Common Stock, par value \$0.01 per share | 02/28/2006 | M | 2,300 | A | \$ 45.95    | 114,554.545<br>(1) | I | Held by spouse |
| Common Stock, par value \$0.01 per share | 02/28/2006 | S | 2,300 | D | \$ 104.1043 | 112,254.545<br>(1) | D |                |
| Common Stock, par value \$0.01 per share |            |   |       |   |             | 1,352 (2)          | I | Held by spouse |

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

**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 control number.**

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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)      | \$ 45.95   | 02/27/2006                           |  | M                              | 10,000  | 02/13/2002 <sup>(3)</sup>                                | 02/13/2011  | Common Stock               | 10,000                     |
| Employee Stock Options (Right to Buy)      | \$ 45.95   | 02/28/2006                           |  | M                              | 2,300   | 02/13/2002 <sup>(3)</sup>                                | 02/13/2011  | Common Stock               | 2,300                      |

# Reporting Owners

| Reporting Owner Name / Address  | Relationships |           |         |            |
|---|---------------|-----------|---------|------------|
|   | Director      | 10% Owner | Officer | Other      |
| SARGEANT THOMAS J<br>C/O AVALONBAY COMMUNITIES, INC.<br>2900 EISENHOWER AVE., SUITE 300<br>ALEXANDRIA, VA 22314 |               |           |         | EVPand CFO |

# Signatures

Edward M. Schulman under Power of Attorney dated January 1, 2000 03/01/2006

\*\*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.
- (2) No transaction is reported. Indirect holdings reported for information only.
- (3) The options exercised were included in options granted under the issuer's stock option and incentive plan on February 13, 2001 which became exercisable in three annual installments beginning on February 13, 2002.
- (4) The number of derivative securities beneficially owned following the reported transaction includes options granted in prior periods with varying exercise prices and vesting dates. Following the reported transaction the reporting person holds 3,371 options that expire on February 13, 2011 with an exercise price of \$45.95.
- (5) The number of derivative securities beneficially owned following the reported transaction includes options granted in prior periods with varying exercise prices and vesting dates. Following the reported transaction the reporting person holds 1,071 more options that expire on February 13, 2011 with an exercise price of \$45.95.

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.