

AVALONBAY COMMUNITIES INC  
 Form 4  
 May 25, 2005

**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 \*  
 Dunn Lili F

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)

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

2900 EISENHOWER AVE., SUITE 300

05/24/2005

Senior Vice President

(Street)

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

6. Individual or Joint/Group Filing(Check Applicable Line)

ALEXANDRIA, VA 22314

Form filed by One Reporting Person  
 Form filed by More than One Reporting Person

(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 Ownership (Instr. 4)
			Code	V	Amount or Price		
Common Stock, par value \$.01 per share	05/24/2005		M		3,805 A \$ 38.15	30,212.259 (1)	D
Common Stock, par value \$.01 per share	05/24/2005		M		10,082 A \$ 36.3125	40,294.259 (1)	D
Common Stock, par value \$.01	05/24/2005		S		13,887 D \$ 75.54	26,407.259 (1)	D

per share

Common Stock, par value \$.01 per share	05/24/2005	M	5,000	A	\$ 38.15	<u>31,407.259</u> (1)	D
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Common Stock, par value \$.01 per share	05/24/2005	F	2,523	D	\$ 75.59	<u>28,884.259</u> (1)	D
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Reminder: Report on a separate line for each class of securities beneficially owned directly or indirectly.

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**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
Employee Stock Options (Right to Buy)	\$ 38.15	05/24/2005		M	8,805	10/29/1998 <sup>(2)</sup> 10/29/2007	Common Stock	8,805
Employee Stock Options (Right to Buy)	\$ 36.3125	05/24/2005		M	10,082	06/05/1999 <sup>(4)</sup> 06/05/2008	Common Stock	10,082

## Reporting Owners

Reporting Owner Name / Address	Relationships			
	Director	10% Owner	Officer	Other
Dunn Lili F 2900 EISENHOWER AVE., SUITE 300			Senior Vice President	

ALEXANDRIA, VA 22314

## Signatures

By Edward M. Schulman, as attorney in fact under Power of Attorney dated March 1, 2005

05/25/2005

\_\_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) The options exercised were included in options granted on October 29, 1997 which became exercisable in three equal annual installments beginning on October 29, 1998.
- (3) The amount of securities owned following the reported transaction includes options granted on various dates with varying exercise prices and vesting dates. After the exercise described above, the reporting person has 2,403 remaining options that expire on October 29, 2007 with an exercise price of \$38.15.
- (4) The options exercised were included in options granted on June 5, 1998, which became exercisable in three equal annual installments beginning on June 5, 1999.
- (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 4,918 more options that expire on June 5, 2008 with an exercise price of \$36.3125.

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.