

AVALONBAY COMMUNITIES INC

Form 424B2

November 04, 2015

Use these links to rapidly review the document

[Table of Contents](#)

[TABLE OF CONTENTS](#)

Filed Pursuant to Rule 424(b)(2)
Registration No. 333-202185

CALCULATION OF REGISTRATION FEE

Title of Securities Being Registered	Maximum Aggregate Offering Price	Amount of Registration Fee
3.5000% Notes due November 15, 2025	\$300,000,000	\$30,210(1)

(1)

The registration fee of \$30,210 is calculated in accordance with Rules 457(o) and 457(r) under the Securities Act of 1933, as amended (the "Securities Act"). In accordance with Rules 456(b) and 457(r) under the Securities Act, the registrant initially deferred payment of all of the registration fee for Registration Statement No. 333-202185 filed by the registrant on February 19, 2015.

Edgar Filing: AVALONBAY COMMUNITIES INC - Form 424B2

Table of Contents

Pricing Supplement No. 20 dated November 4, 2015
(To Prospectus dated February 19, 2015 and
Prospectus Supplement dated May 6, 2015)

Medium-Term Notes Fixed Rate

3.500% Notes due 2025

Principal Amount: \$300,000,000

Net Proceeds (before expenses) to Issuer: \$297,072,000

Stated Maturity Date: November 15, 2025

Original Issue Date: November 16, 2015

Interest Payment Dates: May 15 and November 15

Redemption:

Issue Price (Public Offering Price): 99.674%

Agents' Discount Commission: 0.65%

Interest Rate: 3.500%

CUSIP: 05348E AW9

First Interest Payment Date: May 15, 2016

o

The Notes cannot be redeemed prior to the Stated Maturity Date at the option of the issuer.

ý

The Notes may be redeemed prior to the Stated Maturity Date at the option of the issuer.

Initial Redemption Date: At any time prior to the Stated Maturity Date. See Additional/Other Terms of the Notes.

Initial Redemption Percentage/Redemption Price: See Additional/Other Terms of the Notes.

Annual Redemption Percentage Reduction: N/A

Optional Repayment:

ý

The Notes cannot be required to be repaid prior to the Stated Maturity Date at the option of the Holder of the Notes.

o

The Notes can be repaid prior to the Stated Maturity Date at the option of the Holder of the Notes.

Optional Repayment Dates:

Repayment Price: %

Currency:

Edgar Filing: AVALONBAY COMMUNITIES INC - Form 424B2

Specified Currency: U.S. Dollars (If other than U.S. Dollars, see attached)

Minimum Denominations:

(Applicable only if Specified Currency is other than U.S. Dollars)

Original Issue Discount ("OID"): Yes No

Total Amount of OID:

Yield to Maturity:

Initial Accrual Period:

Form: Book-Entry Certificated

Agent: Barclays Capital Inc. Morgan Stanley & Co. LLC
 Deutsche Bank Securities Inc. UBS Securities LLC
 Goldman, Sachs & Co. Wells Fargo Securities, LLC
 J.P. Morgan Securities LLC Other
 Merrill Lynch, Pierce, Fenner & Smith
Incorporated
BB&T Capital Markets,
a division of BB&T Securities, LLC
BNY Mellon Capital Markets, LLC
Mitsubishi UFJ Securities (USA), Inc.

Agent acting in the capacity as indicated below:

Agent Principal

If as Principal:

The Notes are being offered at varying prices related to prevailing market prices at the time of resale.

The Notes are being offered at a fixed initial public offering price of 99.674% of Principal Amount.

If as Agent:

The Notes are being offered at a fixed initial public offering price of % of Principal Amount.

Exchange Rate Agent: N/A

Table of Contents

Table of Contents

	Page
Pricing Supplement	
<u>Additional/Other Terms of the Notes</u>	<u>PS-1</u>
<u>Risk Factors</u>	<u>PS-3</u>
<u>Forward-Looking Statements</u>	<u>PS-3</u>
<u>Use of Proceeds</u>	<u>PS-5</u>
<u>United States Federal Income Tax Considerations</u>	<u>PS-5</u>
<u>Plan of Distribution (Conflicts of Interest)</u>	<u>PS-6</u>
Prospectus Supplement	
<u>Risk Factors</u>	<u>S-1</u>
<u>About This Prospectus Supplement: Pricing Supplements</u>	<u>S-3</u>
<u>Description of the Notes</u>	<u>S-3</u>
<u>Special Provisions Relating to Foreign Currency Notes</u>	<u>S-28</u>
<u>Supplemental Plan of Distribution</u>	<u>S-31</u>
<u>Legal Matters</u>	<u>S-32</u>
Prospectus	
<u>Risk Factors</u>	<u>1</u>
<u>Forward-looking Statements</u>	<u>14</u>
<u>About this Prospectus</u>	<u>15</u>
<u>Where You Can Find More Information</u>	<u>15</u>
<u>About AvalonBay Communities, Inc.</u>	<u>16</u>
<u>Ratios of Earnings to Combined Fixed Charges and Preferred Stock Dividends</u>	<u>17</u>
<u>Ratios of Earnings to Fixed Charges</u>	<u>18</u>
<u>How We Intend to Use the Proceeds</u>	<u>18</u>
<u>Description of the Debt Securities</u>	<u>18</u>
<u>Description of Preferred Stock</u>	<u>33</u>
<u>Description of Common Stock</u>	<u>39</u>
<u>Limits on Ownership of Stock</u>	<u>40</u>
<u>Federal Income Tax Considerations and Consequences of Your Investment</u>	<u>42</u>
<u>Plan of Distribution</u>	<u>62</u>
<u>Experts</u>	<u>63</u>
<u>Legal Matters</u>	<u>63</u>

Table of Contents

Additional/Other Terms of the Notes

Other Terms:

Reopening of Issue. We may, from time to time and without the consent of the noteholders, reopen an issue of notes and issue additional notes having the same terms and conditions (including maturity, interest payment terms and CUSIP number) as notes issued on an earlier date, except for the issue date, issue price and, if applicable, the first payment of interest. After such additional notes are issued, they will be fungible with the notes issued on such earlier date.

Optional Redemption. The Notes may be redeemed at any time at the option of AvalonBay, in whole or in part, upon notice of not more than 45 and not less than 15 days prior to the date fixed for redemption (each, a "Redemption Date"), at a Redemption Price equal to the sum of (i) the principal amount of the Notes being redeemed, plus accrued interest thereon to the Redemption Date and (ii) the Make-Whole Amount, if any, with respect to such Notes. If the Notes are redeemed on or after 90 days prior to the Maturity Date, the Redemption Price will equal 100% of the principal amount of the Notes being redeemed plus accrued interest thereon to the Redemption Date.

Acceleration of Maturity; Make-Whole Amount. If an Event of Default with respect to the Notes that are then outstanding occurs and is continuing, and pursuant to Section 2.7 of the Amended and Restated Third Supplemental Indenture dated as of July 10, 2000 (the "Third Supplemental Indenture"), the Trustee or the Holders of not less than 25% in principal amount of the then outstanding Notes of this series shall have declared the principal amount (or, if the Notes of this series are Original Issue Discount Securities or Indexed Securities, such portion of the principal as may be specified in the terms hereof) of all the Notes of this series to be due and payable immediately, by a notice in writing to AvalonBay (and to the Trustee if given by the Holders), then upon any such declaration such principal, or specified portion thereof, plus accrued interest to the date the Notes of this series are paid, plus the Make-Whole Amount on the Notes, shall become immediately due and payable. With respect to the Notes of this series, if an Event of Default set forth in Section 501(6) of the Indenture, dated as of January 16, 1998, between AvalonBay and the Trustee (the "Indenture") occurs and is continuing, such that pursuant to Section 2.7 of the Third Supplemental Indenture all the Notes of this series are immediately due and payable, without notice to AvalonBay, at the principal amount thereof (or, if the Notes of this series are Original Issue Discount Securities or Indexed Securities, such portion of the principal as may be specified in the terms of the Notes), plus accrued interest to the date the Notes are paid, then the Make-Whole Amount on the Notes shall also be immediately due and payable.

Definitions. Terms used but not defined herein shall have the meanings set forth in the Indenture and the Third Supplemental Indenture. The following terms shall have the following meanings:

"Make-Whole Amount" means, in connection with any optional redemption or accelerated payment of any Note, the excess, if any, of (i) the aggregate present value as of the date of such redemption or accelerated payment of each dollar of principal being redeemed or paid and the amount of interest (exclusive of interest accrued to the date of redemption or accelerated payment) that would have been payable in respect of such dollar if such redemption or accelerated payment had not been made, determined by discounting, on a semi-annual basis, such principal and interest at the Reinvestment Rate (determined on the third Business Day preceding the date such notice of Redemption is given or declaration of acceleration is made) from the respective dates on which such principal and interest would have been payable if such redemption or accelerated payment had not been made, over (ii) the aggregate principal amount of the Notes being redeemed or paid.

"Reinvestment Rate" means 0.20% (20) basis points plus the arithmetic mean of the yields under the respective headings "This Week" and "Last Week" published in the Statistical Release under the caption "Treasury Constant Maturities" for the maturity (rounded to the nearest month) corresponding

Table of Contents

to the remaining life to maturity, as of the payment date of the principal being redeemed or paid. If no maturity exactly corresponds to such maturity, yields for the two published maturities most closely corresponding to such maturity shall be calculated pursuant to the immediately preceding sentence and the Reinvestment Rate shall be interpolated or extrapolated from such yields on a straight-line basis, rounding in each of such relevant periods to the nearest month. For such purposes of calculating the Reinvestment Rate, the most recent Statistical Release published prior to the date of determination of the Make-Whole Amount shall be used.

"Statistical Release" means the statistical release designated "H.15(519)" or any successor publication which is published weekly by the Federal Reserve System and which establishes yields on actively traded United States government securities adjusted to constant maturities or, if such statistical release is not published at the time of any determination of the Make-Whole Amount, then such other reasonably comparable index which shall be designated by AvalonBay.

PS-2

Table of Contents

Risk Factors

In addition to the other information contained in this pricing supplement and the accompanying prospectus supplement and prospectus, you should carefully consider the risks described in the accompanying prospectus supplement and prospectus under the heading "Risk Factors" and any additional information and risk factors described in the documents incorporated by reference in the accompanying prospectus supplement and prospectus, including (i) our Annual Report on Form 10-K, (ii) our Quarterly Reports on Form 10-Q and (iii) any other documents we file with the SEC after the date of the prospectus that are deemed incorporated by reference in the prospectus before making a decision to invest in the Notes. These risks are not the only risks we face. Additional risks not presently known to us or that we currently deem immaterial may also adversely affect our business operations. These risks could adversely affect, among other things, our business, financial condition, results of operations or cash flows, and could cause the trading price of the Notes to decline, resulting in the loss of all or part of your investment.

Forward-Looking Statements

This pricing supplement and the accompanying prospectus supplement and prospectus and any related free writing prospectus, including the information incorporated by reference, contain statements that are forward-looking statements within the meaning of Section 27A of the Securities Act of 1933, as amended, or the Securities Act, and Section 21E of the Securities Exchange Act of 1934, as amended, or the Exchange Act. You can identify forward-looking statements by the use of the words "believe," "expect," "anticipate," "intend," "estimate," "assume," "project," "plan," "may," "shall," "will," "outlook" and other similar expressions that predict or indicate future events and trends and which do not relate to historical matters. We cannot assure the future results or outcome of the matters described in these statements; rather, these statements merely reflect our current expectations of the approximate outcomes of the matters discussed. You should not rely on forward-looking statements because they involve known and unknown risks, uncertainties and other factors, some of which are beyond our control. In addition, these forward-looking statements represent our estimates and assumptions only as of the date of this pricing supplement. We do not undertake to update these forward-looking statements and, therefore, they may not represent our estimates and assumptions after the date of this pricing supplement. These risks, uncertainties and other factors, which are described below and under the headings "Risk Factors" and "Forward-Looking Statements" in the accompanying prospectus supplement and prospectus and in the documents incorporated by reference, may cause our actual results, performance or achievements to differ materially, and potentially in adverse ways, from the anticipated future results, performance or achievements expressed or implied by these forward-looking statements.

Some of the factors that could cause our actual results, performance or achievements to differ materially from those expressed or implied by these forward-looking statements include, but are not limited to, the following:

our expectations and assumptions as of the date of this pricing supplement regarding insurance coverage, potential uninsured loss amounts and the outcome of any current or future civil or governmental lawsuits, investigations and/or legal proceedings resulting from the Avalon at Edgewater fire, as well as the ultimate cost and timing of replacing the Edgewater building and achieving stabilized occupancy in the event that we choose to rebuild this community, are subject to change, which could materially affect our current expectations regarding the impact of the fire on our business, financial condition and results of operations;

we may fail to secure development opportunities due to an inability to reach agreements with third-parties to obtain land at attractive prices or to obtain desired zoning and other local approvals;

Table of Contents

we may abandon or defer development opportunities for a number of reasons, including changes in local market conditions which may make development less desirable, increases in costs of development, increases in the cost of capital or lack of capital availability, resulting in losses;

construction costs of a community may exceed our original estimates;

we may not complete construction and lease-up of communities under development or redevelopment on schedule, resulting in increased interest costs and construction costs and a decrease in our expected rental revenues;

occupancy rates and market rents may be adversely affected by competition and local economic and market conditions which are beyond our control;

financing may not be available on favorable terms or at all, and our cash flows from operations and access to cost effective capital may be insufficient for the development of our pipeline which could limit our pursuit of opportunities;

our cash flows may be insufficient to meet required payments of principal and interest, and we may be unable to refinance existing indebtedness or the terms of such refinancing may not be as favorable as the terms of existing indebtedness;

we may be unsuccessful in our management of investment funds and joint ventures, or any real estate investment trust, or REIT, vehicles that are used with any specific fund or joint venture, described in greater detail in the periodic reports we file with the SEC that are incorporated by reference into this prospectus supplement; and

we may be unsuccessful in managing changes in our portfolio composition.

Table of Contents

Use of Proceeds

We will use the net proceeds, after estimated issuance costs, of approximately \$296,572,000 from the sale of the Notes for working capital, capital expenditures and other general corporate purposes, which may include the acquisition, development and redevelopment of apartment communities and repayment and refinancing of existing indebtedness. Pending such uses, we may invest the net proceeds from the sale of the Notes in short-term demand deposits, short-term money market funds or investment grade securities or other similar investments.

United States Federal Income Tax Considerations

The amount of original issue discount, or OID, for the Notes will be *de minimis* under the rules described in the section entitled "Federal Income Tax Considerations and Consequences of Your Investment" in the accompanying prospectus, and thus the Notes will not be treated as having OID for U.S. federal income tax purposes.

You are urged both to review the discussion in the section entitled "Federal Income Tax Considerations and Consequences of Your Investment" in the accompanying prospectus and to consult with your own tax advisor to determine the effect of the ownership and disposition of our debt securities on your individual tax situation, including any state, local or non-U.S. tax consequences.

Federal Income Tax Changes and Updates

The following discussion updates the disclosures under "*Federal Income Tax Considerations and Consequences of Your Investment*" in the prospectus dated February 19, 2015 contained in our Registration Statement on Form S-3 filed with the SEC on February 19, 2015.

The last sentence of the section captioned "*Other U.S. Federal Income Tax Withholding and Reporting Requirements*" is replaced with the following:

Withholding under this legislation will apply after December 31, 2018 with respect to the gross proceeds of a disposition of property that can produce U.S. source interest or dividends and currently applies with respect to other withholdable payments.

Table of Contents**Plan of Distribution (Conflicts of Interest)**

Each of the Agents has severally agreed to purchase from AvalonBay, and AvalonBay has agreed to sell to the Agents, the principal amount of Notes set forth opposite the Agent's name below:

Agent	Principal Amount
Wells Fargo Securities, LLC	\$ 87,000,000
Goldman, Sachs & Co.	87,000,000
Barclays Capital Inc.	87,000,000
BB&T Capital Markets, a division of BB&T Securities, LLC	13,000,000
BNY Mellon Capital Markets, LLC	13,000,000
Mitsubishi UFJ Securities (USA), Inc.	13,000,000
Total	\$ 300,000,000

Each of the Agents will receive a discount commission for the Notes to be sold by them as set forth above. The Agents propose to offer the Notes initially at the public offering price set forth above and to certain dealers at that price less a concession not in excess of .40% of the principal amount of the Notes. The Agents may allow, and the dealers may reallow, a discount not in excess of .25% of the principal amount of the Notes on sales to certain other dealers. After this offering of the Notes, the Agents may vary the public offering price and other selling terms from time to time.

It is expected that delivery of the Notes will be made against payment therefor on or about November 16, 2015, the seventh business day following the date hereof. Trades in the secondary market generally are required to settle in three business days, unless the parties to any such trade expressly agree otherwise. Accordingly, purchasers who wish to trade the Notes prior to the delivery of the Notes hereunder will be required, by virtue of the fact that the Notes will settle in T+7, to specify an alternative settlement cycle at the time of any such trade to prevent a failed settlement.

Conflicts of Interest

Affiliates of all of the Agents are lenders under our \$1,300,000,000 unsecured revolving credit facility, and affiliates of certain of the Agents are lenders under our \$300,000,000 term loan. To the extent that we use the net proceeds from the sale of the Notes to reduce indebtedness outstanding under the unsecured revolving credit facility or the term loan, these affiliates will receive their pro rata portion of such payments.

As described in the accompanying prospectus supplement, in the ordinary course of business, each of the Agents and/or their affiliates have engaged, or may in the future engage, in commercial banking or investment banking transactions with us and our affiliates for which they have received, and will in the future receive, customary compensation. In addition, the Agents and their affiliates have provided, and may in the future provide, construction loans, letter of credit facilities and other credit-related arrangements to us.

In addition, the Agents and their affiliates have provided, and may in the future provide, construction loans, letter of credit facilities and other credit-related arrangements to us. The Agents and their affiliates have participated in, and may in the future participate in, debt offerings for us. The Agents and their affiliates have provided, or may in the future provide, various investment banking, commercial banking, financial advisory, brokerage and other services to us and our affiliates for which services they have received, and may in the future receive, customary fees. In the ordinary course of their various business activities, the Agents and their respective affiliates may make or hold a broad array of investments and actively trade debt and equity securities (or related derivative securities) and financial instruments (including bank loans) for their own account and for the accounts of their

Table of Contents

customers and such investment and securities activities may involve securities and/or instruments of us. Certain of the Agents and/or their affiliates that have a lending relationship with us may hedge their credit exposure to us consistent with their customary risk management policies. Typically, such Agents and their affiliates would hedge such exposure by entering into transactions which consist of either the purchase of credit default swaps or the creation of short positions in our securities, including potentially the Notes. Any such short positions could adversely affect future trading prices of the Notes. The Agents and their respective affiliates may also make investment recommendations and/or publish or express independent research views in respect of such securities or instruments and may at any time hold, or recommend to clients that they acquire, long and/or short positions in such securities and instruments.

For additional information concerning the offering and sale of the Notes, see "Supplemental Plan of Distribution" in the accompanying prospectus supplement and "Plan of Distribution" in the accompanying prospectus.

Selling Restrictions

Canada

The Notes may be sold only to purchasers purchasing, or deemed to be purchasing, as principal that are accredited investors, as defined in National Instrument 45-106 *Prospectus Exemptions* or subsection 73.3(1) of the *Securities Act* (Ontario), and are permitted clients, as defined in National Instrument 31-103 *Registration Requirements, Exemptions and Ongoing Registrant Obligations*. Any resale of the Notes must be made in accordance with an exemption from, or in a transaction not subject to, the prospectus requirements of applicable securities laws.

Securities legislation in certain provinces or territories of Canada may provide a purchaser with remedies for rescission or damages if this prospectus supplement (including any amendment thereto) contains a misrepresentation, provided that the remedies for rescission or damages are exercised by the purchaser within the time limit prescribed by the securities legislation of the purchaser's province or territory. The purchaser should refer to any applicable provisions of the securities legislation of the purchaser's province or territory for particulars of these rights or consult with a legal advisor.

Pursuant to section 3A.3 (or, in the case of securities issued or guaranteed by the government of a non-Canadian jurisdiction, section 3A.4) of National Instrument 33-105 *Underwriting Conflicts* (NI 33-105), the agents are not required to comply with the disclosure requirements of NI 33-105 regarding underwriter conflicts of interest in connection with this offering.

European Economic Area

In relation to each member state of the European Economic Area that has implemented the Prospectus Directive (each, a relevant member state), with effect from and including the date on which the Prospectus Directive is implemented in that relevant member state (the relevant implementation date), an offer of notes may not be made to the public in that relevant member state other than under the following exemptions if they have been implemented in that member state:

- (a) to any legal entity which is a qualified investor as defined in the Prospectus Directive;
- (b) to fewer than 100 or, if the relevant member state has implemented the relevant provision of the 2010 PD Amending Directive, 150, natural or legal persons (other than qualified investors as defined in the Prospectus Directive), as permitted under the Prospectus Directive, subject to obtaining the prior consent of the representatives of the several agents; or
- (c) in any other circumstances falling within Article 3(2) of the Prospectus Directive,

Table of Contents

provided that no such offer of notes shall require us or any agent to publish a prospectus pursuant to Article 3 of the Prospectus Directive.

For purposes of this provision, the expression an "offer of notes to the public" in any relevant member state means the communication in any form and by any means of sufficient information on the terms of the offer and the notes to be offered so as to enable an investor to decide to purchase or subscribe for the notes, as the expression may be varied in that member state by any measure implementing the Prospectus Directive in that member state, and the expression "Prospectus Directive" means Directive 2003/71/EC (and amendments thereto, including the 2010 PD Amending Directive, to the extent implemented in the relevant member state) and includes any relevant implementing measure in each relevant member state. The expression 2010 PD Amending Directive means Directive 2010/73/EU.

United Kingdom

This document is only being distributed to, and is only directed at, (i) persons who are outside the United Kingdom, (ii) investment professionals falling within Article 19(5) of the Financial Services and Markets Act 2000 (Financial Promotion) Order 2005 (the "Order") or (iii) high net worth companies, and other persons to whom it may lawfully be communicated, falling within Article 49(2)(a) to (d) of the Order (all such persons together being referred to as "relevant persons"). The notes are only available to, and any invitation, offer or agreement to subscribe, purchase or otherwise acquire such notes will be engaged in only with, relevant persons. Any person who is not a relevant person should not act or rely on this document or any of its contents.

Each agent has represented, warranted and agreed that:

- (d) it has only communicated or caused to be communicated and will only communicate or cause to be communicated an invitation or inducement to engage in investment activity (within the meaning of Section 21 of the Financial Services and Market Act 2000 ("FSMA")) received by it in connection with the issue or sale of any notes in circumstances in which Section 21(1) of the FSMA does not apply to us; and
- (e) it has complied and will comply with all applicable provisions of the FSMA with respect to anything done by it in relation to such notes in, from or otherwise involving the United Kingdom.

Japan

The notes have not been and will not be registered under the Financial Instruments and Exchange Act of Japan (Act No. 25 of 1948, as amended) ("FIEA"). The notes may not be offered or sold, directly or indirectly, in Japan or to or for the benefit of any resident of Japan (including any person resident in Japan or any corporation or other entity organized under the laws of Japan) or to others for reoffering or resale, directly or indirectly, in Japan or to or for the benefit of any resident of Japan, except pursuant to an exemption from the registration requirements of, and otherwise in compliance with, the FIEA and any other applicable laws, regulations and ministerial guidelines of Japan.

Hong Kong

The notes have not been and may not be offered or sold in Hong Kong by means of any document, any notes (except for notes which are "structured product" as defined in the Securities and Futures Ordinance (Cap. 571 of the Laws of Hong Kong) (the "Securities and Futures Ordinance") other than (i) in circumstances which do not constitute an offer to the public within the meaning of the Companies (Winding Up and Miscellaneous Provisions) Ordinance (Cap. 32 of the Laws of Hong Kong) (the "Companies (Winding Up and Miscellaneous Provisions) Ordinance") or which do not

Table of Contents

constitute an invitation to the public within the meaning of the Securities and Futures Ordinance, or (ii) to "professional investors" as defined in the Securities and Futures Ordinance and any rules made thereunder, or (iii) in other circumstances which do not result in the document being a "prospectus" as defined in the Companies (Winding Up and Miscellaneous Provisions) Ordinance, and no advertisement, invitation or document relating to the notes have been or may be issued or have been or may be in the possession of any person for the purpose of issue (in each case whether in Hong Kong or elsewhere), which is directed at, or the contents of which are likely to be accessed or read by, the public in Hong Kong (except if permitted to do so under the securities laws of Hong Kong) other than with respect to notes which are or are intended to be disposed of only to persons outside Hong Kong or only to "professional investors" in Hong Kong as defined in the Securities and Futures Ordinance and any rules made thereunder.

Singapore

The notes do not represent units in a collective investment scheme which is authorized or recognized by the Monetary Authority of Singapore ("MAS") under Section 286 or 287 of the Securities and Futures Act (Chapter 289 of Singapore) ("SFA") and this document has not been registered as a prospectus with the Monetary Authority of Singapore under the SFA. This document and any other document or material in connection with the offer or sale, or invitation for subscription or purchase, of the notes will not be circulated or distributed, nor will the notes be offered or sold, or be made the subject of an invitation for subscription or purchase, whether directly or indirectly, to persons in Singapore, other than institutional investors as defined in Section 4A of the SFA or relevant regulations thereunder.

Switzerland

The notes may not be publicly offered in Switzerland and will not be listed on the SIX Swiss Exchange ("SIX") or on any other stock exchange or regulated trading facility in Switzerland. This document has been prepared without regard to the disclosure standards for issuance prospectuses under art. 652a or art. 1156 of the Swiss Code of Obligations or the disclosure standards for listing prospectuses under art. 27 ff. of the SIX Listing Rules or the listing rules of any other stock exchange or regulated trading facility in Switzerland. Neither this document nor any other offering or marketing material relating to the notes or the offering may be publicly distributed or otherwise made publicly available in Switzerland.

Neither this document nor any other offering or marketing material relating to the offering, the Company, the notes have been or will be filed with or approved by any Swiss regulatory authority. In particular, this document will not be filed with, and the offer of notes will not be supervised by, the Swiss Financial Market Supervisory Authority FINMA (FINMA), and the offer of notes has not been and will not be authorized under the Swiss Federal Act on Collective Investment Schemes (CISA). The investor protection afforded to acquirers of interests in collective investment schemes under the CISA does not extend to acquirers of notes.

Table of Contents

Prospectus Supplement
(To Prospectus dated February 19, 2015)

\$750,000,000

Medium-Term Notes
Due nine months or more from date of issue

AvalonBay Communities, Inc.

The Company: AvalonBay Communities, Inc. Our executive offices are located at Ballston Tower, 671 N. Glebe Road, Suite 800, Arlington, Virginia 22203 and our telephone number is (703) 329-6300.

Terms: We plan to offer and sell medium-term notes from time to time, in various amounts. The medium-term notes will have various terms, including the following:

Ranking as senior unsecured indebtedness of AvalonBay

Stated maturities of nine months or more from date of issue

Redemption and/or repayment provisions, if applicable, whether mandatory or at the option of AvalonBay or noteholders

Payments in U.S. dollars or one or more foreign currencies

Minimum denominations of \$1,000 or other specified denominations for foreign currencies

Book-entry, through The Depository Trust Company, or certificated form

Interest at fixed or floating rates, or no interest at all. The floating interest rate may be based on one or more indices plus or minus a spread and/or multiplied by a spread multiplier.

Interest payments on fixed rate notes as specified in a pricing supplement and on the maturity date

Interest payments on floating rate notes on a monthly, quarterly, semiannual or annual basis

We will specify the final terms for each medium-term note, which may be different from the terms described in this prospectus supplement, in the applicable pricing supplement.

Investing in the notes involves risks. See "Risk Factors" beginning on Page S-1.

Edgar Filing: AVALONBAY COMMUNITIES INC - Form 424B2

Neither the SEC nor any state securities commission has approved or disapproved of these securities or determined if this prospectus supplement, the accompanying prospectus or any pricing supplement is truthful or complete. Any representation to the contrary is a criminal offense.

	Price to public	Agents' discounts and commissions		Proceeds to AvalonBay	
Per Note	100%	0.125%	0.750%	99.875%	99.250%
Total	\$ 750,000,000	\$937,500	\$5,625,000	\$749,062,500	\$744,375,000

We are offering the medium-term notes on a continuous basis to or through the agents listed below acting as agents or principals using their reasonable efforts on our behalf. AvalonBay reserves the right to cancel or modify this offer without notice. AvalonBay or an agent, if the agent solicits the offer on an agency basis, may reject any offer to purchase notes in whole or in part. See "Supplemental Plan of Distribution."

Barclays

BofA Merrill Lynch

Deutsche Bank Securities

Goldman, Sachs & Co.

J.P. Morgan

Morgan Stanley

UBS Investment Bank

Wells Fargo Securities

The date of this prospectus supplement is May 6, 2015

Edgar Filing: AVALONBAY COMMUNITIES INC - Form 424B2

You should rely only on the information contained or incorporated by reference in this prospectus supplement, the accompanying prospectus and any pricing supplement. Neither we nor any agent has authorized any other person to provide you with different or additional information. If anyone provides you with different or additional information, you should not rely on it. Neither we nor any agent is making an offer to sell these medium-term notes in any jurisdiction where the offer or sale is not permitted. You should assume that the information contained or incorporated by reference in this prospectus supplement, the accompanying prospectus and any pricing supplement is accurate only as of the date on the front cover of the applicable document.

References in this prospectus supplement to "AvalonBay," "the Company," "our company," "we," "us," or "our" or similar expressions in this prospectus supplement refer collectively to AvalonBay Communities, Inc., a Maryland corporation, and its subsidiaries, and their respective predecessor entities for the applicable periods, considered as a single enterprise.

TABLE OF CONTENTS

	Page
Prospectus Supplement	
<u>Risk Factors</u>	<u>S-1</u>
<u>About This Prospectus Supplement; Pricing Supplements</u>	<u>S-3</u>
<u>Description of the Notes</u>	<u>S-3</u>
<u>Special Provisions Relating to Foreign Currency Notes</u>	<u>S-28</u>
<u>Supplemental Plan of Distribution</u>	<u>S-31</u>
<u>Legal Matters</u>	<u>S-32</u>
Prospectus	
<u>Risk Factors</u>	<u>1</u>
<u>Forward-looking Statements</u>	<u>14</u>
<u>About this Prospectus</u>	<u>15</u>
<u>Where You Can Find More Information</u>	<u>15</u>
<u>About AvalonBay Communities, Inc.</u>	<u>16</u>
<u>Ratios of Earnings to Combined Fixed Charges and Preferred Stock Dividends</u>	<u>17</u>
<u>Ratios of Earnings to Fixed Charges</u>	<u>18</u>
<u>How We Intend to Use the Proceeds</u>	<u>18</u>
<u>Description of the Debt Securities</u>	<u>18</u>
<u>Description of Preferred Stock</u>	<u>33</u>
<u>Description of Common Stock</u>	<u>39</u>
<u>Limits on Ownership of Stock</u>	<u>40</u>
<u>Federal Income Tax Considerations and Consequences of Your Investment</u>	<u>42</u>
<u>Plan of Distribution</u>	<u>62</u>
<u>Experts</u>	<u>63</u>
<u>Legal Matters</u>	<u>63</u>

(i)

Table of Contents

Risk Factors

Before you invest in the medium-term notes, you should carefully consider the risks described below as well as other information contained in this prospectus supplement, the accompanying prospectus and any pricing supplement and the documents incorporated or deemed incorporated by reference herein or therein.

Notes indexed to interest rates, currencies or other indices or formulas have inherent risks not associated with a conventional debt security.

If you invest in notes indexed to one or more interest rates, currencies or composite currencies or other indices or formulas, you will be subject to significant risks not associated with a conventional fixed rate or floating rate debt security. These risks include fluctuation of the indices or formulas and the possibility that you will receive a lower, or no, amount of principal, premium or interest and at different times than you expected. We have no control over a number of matters, including economic, financial and political events, that are important in determining the existence, magnitude and longevity of these risks and their results. In addition, if an index or formula used to determine any amounts payable in respect of the notes contains a multiplier or leverage factor, the effect of any change in the particular index or formula will be magnified. In recent years, values of these indices and formulas have been volatile and volatility in those and other indices and formulas may be expected in the future.

There may not be any trading market for your notes.

We cannot assure you that a trading market for your notes will be maintained or ever develop. Many factors independent of our creditworthiness may affect the trading market of your notes and the value of the applicable index or indices, or formula or formulas. These factors include:

the complexity and volatility of the index or formula applicable to the notes;

the possibility that each index or formula may be subject to significant changes;

the method of calculating the principal, premium and interest in respect of the notes;

the time remaining to the maturity of the notes;

the outstanding amount of the notes;

the redemption features of the notes;

the amount of other securities linked to the index or formula applicable to the notes; and

the level, direction and volatility of market interest rates generally.

Finally, because some notes may be designed for specific investment objectives or strategies, those notes will have a more limited trading market and may experience more price volatility than other forms of debt securities. The notes will not have an established trading market when issued, and there can be no assurance of a secondary market for the notes or the liquidity of this market if one develops. This may affect the price you receive for these notes, your anticipated yield, or your ability to sell the notes at all. You should not purchase any of these notes unless you understand and know that you can bear the related investment risks.

Redemption may adversely affect your return on the notes.

Edgar Filing: AVALONBAY COMMUNITIES INC - Form 424B2

If the notes are redeemable at our option, we may choose to redeem the notes at times when prevailing interest rates are relatively low. In addition, if the notes are subject to mandatory redemption, we may also be required to redeem the notes at times when prevailing interest rates are relatively low. As a result, you may be required to reinvest redemption proceeds at a time that is not chosen by you and generally will not be able to reinvest the redemption proceeds in a comparable security at an effective interest rate as high as the notes being redeemed.

S-1

Table of Contents

Repayment procedures may limit your ability to obtain repayment of the notes.

Your notes may be repayable at your option if specified in the pricing supplement relating to the notes. If your notes are repayable at your option under specific circumstances, you will be required to follow specified procedures. Among these procedures is a requirement that the holder must provide the Trustee with the required documentation at least 30 days and no more than 60 days prior to the repayment date. If the note is a global note, there may be additional notice deadlines imposed by DTC or any broker or other intermediary through which the notes are held. Accordingly, these repayment procedures may limit your ability to obtain repayment of the notes on an expedited basis, and your failure to comply with the repayment procedures may adversely affect your ability to obtain repayment of your notes.

The credit ratings assigned to our notes may not reflect all risks of an investment in the notes.

The credit ratings assigned to our medium-term notes reflect the rating agencies' assessments of our ability to make payments on the notes when due. Recently, rating agencies