AVALONBAY COMMUNITIES INC
Form 4
August 11, 2010

FORM 4

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

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

OMB APPROVAL

OMB Number:	3235-0287
Expires:	January 31, 2005
Estimated average burden hours per response...	0.5

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

(Print or Type Responses)

1. Name and Address of Reporting Person *
SARGEANT THOMAS J

(Last) (First) (Middle)

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

(Street)

ARLINGTON, VA 22203

(City) (State) (Zip)

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

3. Date of Earliest Transaction (Month/Day/Year)
08/09/2010

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

5. Relationship of Reporting Person(s) to Issuer

(Check all applicable)

_____ Director _____ 10% Owner
__X__ Officer (give title below) _____ Other (specify below)
EVP and CFO

6. Individual or Joint/Group Filing(Check Applicable Line)
_X_ 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	(A) or (D)	Price			
Common Stock, par value $.01 per share	06/22/2010		G	V	1,000	D	$ 0 (1)	138,864.5091 (2)	D	
Common Stock, par value $.01 per share	08/09/2010		M		10,000	A	$ 67.86	148,864.5091 (2)	D	
	08/09/2010		S		10,000	D	$ 103.5		D	

Common Stock, par value $.01 per share						138,864.5091 (2)		
Common Stock, par value $.01 per share	08/10/2010		M	20,000	A	$ 67.86	158,864.5091 (2)	D	
Common Stock, par value $.01 per share	08/10/2010		S	15,000	D	$ 104.17 (3)	143,864.5091 (2)	D	
Common Stock, par value $.01 per share	08/10/2010		S	5,000	D	$ 105.5 (4)	138,864.5091 (2)	D	
Common Stock, par value $.01 per share							1,352 (5)	I	Owned by spouse

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

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SEC 1474 (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 Securities (Instr. 3 and 4)	
				Code	V	(A)	(D)	Date Exercisable	Expiration Date	Title	Amount or Number of Shares
Stock Options (Right to Buy)	$ 67.86	08/09/2010		M			10,000	02/11/2006 (6)	02/11/2015	Common Stock	10,000
Stock Options (Right to	$ 67.86	08/10/2010		M			20,000	02/11/2006 (6)	02/11/2015	Common Stock	20,000

Buy)

Reporting Owners

Reporting Owner Name / Address	Relationships			
	Director	10% Owner	Officer	Other
SARGEANT THOMAS J C/O AVALONBAY COMMUNITIES, INC. BALLSTON TOWER, 671 N. GLEBE ROAD ARLINGTON, VA 22203			EVP and CFO	

Signatures

Catherine T. White, as attorney-in-fact under Power of Attorney dated February 6, 2009	08/11/2010
**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) Reflects gift of 1,000 shares.

(2) The amount of securities owned following the reported transaction reflects direct ownership of all shares of common stock, including restricted shares.

(3) The transaction was executed in multiple trades at prices ranging from $104.00 to $104.50. 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.

(4) This transaction was executed in multiple trades at prices ranging from $105.50 to $105.52. 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.

(5) No transaction is reported. The amount of securities owned indirectly following the reported transaction is included for information purposes only.

(6) The options exercised were included in options granted under the issuer's stock option and incentive plan on February 11, 2005, which become exercisable in three annual installments beginning on February 11, 2006.

(7) Following the reported transaction, the reporting person held a total of 236,037 options to purchase the issuer's common stock granted on various dates and with varying exercise prices and vesting dates.

(8) Following the reported transaction, the reporting person holds a total of 216,037 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.
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