

Dunn Lili F
Form 4
February 16, 2010

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

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).

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

11/11/2009

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 Ownership (Instr. 4)
				(A) or (D)	Price		
				Code	V	Amount	
Common Stock, Par value \$.01 per share	11/11/2009		J	15,491 ⁽¹⁾	D	\$ 0	29,298.314 D
Common Stock, par value \$.01 per share	11/13/2009		J	1 ⁽¹⁾	D	\$ 0	29,297.314 D
Common Stock, par value \$.01	02/11/2010		A	2,161	A	\$ 0 ⁽²⁾	31,458.314 ⁽³⁾ D

per share

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.

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 (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)	Amount or Number of Shares
Employee Stock Options (Right to Buy)	\$ 74.2	02/11/2010		A	3,417	02/11/2011 ⁽⁴⁾ 02/11/2020	Common Stock	3,417

Reporting Owners

Reporting Owner Name / Address	Relationships			
	Director	10% Owner	Officer	Other
Dunn Lili F 2900 EISENHOWER AVE., SUITE 300 ALEXANDRIA, VA 22314			Senior Vice President	

Signatures

Catherine T. White, as attorney-in-fact under Power of Attorney dated January 26, 2009, 02/16/2010

**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 transfer of shares to reporting person's spouse's account.
- (2)

Edgar Filing: Dunn Lili F - Form 4

Reflects grant of shares of restricted stock under the Company's Stock Option and Incentive Plan, which shares are subject to vesting requirements.

- (3) The amount of securities owned following the reported transaction reflects direct ownership of all shares of common stock, including restricted shares.
- (4) These options vest in three annual installments, with the first installment vesting on 2/11/2011.
- (5) Reflects grant of options under the Company's Stock Option and Incentive Plan.
- (6) Following the reported transaction, the reporting person holds a total of 94,298 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.