

SCHULMAN EDWARD M  
Form 4  
February 14, 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 \*  
SCHULMAN EDWARD M

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)  
02/13/2006

\_\_\_\_ Director \_\_\_\_\_ 10% Owner  
 Officer (give title below) \_\_\_\_\_ Other (specify below)  
SVP-General Counsel

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

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

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

ALEXANDRIA, VA 22314

(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) |
|---|--------------------------------------|--|--------------------------------|---|---|--|-----------------------------------|
|   |                                      |  | Code                           | V   | Amount or Price   |  |                                   |
| Common Stock, par value \$.01 per share | 02/13/2006                           |  | M                              |   | 3,000 A \$ 36.02  | 13,198.032 (1)   | D                                 |
| Common Stock, par value \$.01 per share | 02/13/2006                           |  | M                              |   | 5,089 A \$ 50.6   | 18,287.032 (1)   | D                                 |
| Common Stock, par                       | 02/13/2006                           |  | S                              |   | 6,700 D \$ 99   | 11,587.032 (1)   | D                                 |

value \$.01  
per share

Common  
Stock, par  
value \$.01  
per share

02/13/2006

S

289

D

\$ 11,298.032  
99.05 (1)

D

Common  
Stock, par  
value \$.01  
per share

02/13/2006

F

562

D

\$ 10,736.032  
99.01 (1)

D

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 (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)      | \$ 36.02   | 02/13/2006                           |  | M                              | 3,000  | 02/12/2004 <sup>(2)</sup> 02/12/2013                     | Common Stock  | 3,000                      |
| Employee Stock Options (Right to Buy)      | \$ 50.6  | 02/13/2006                           |  | M                              | 5,089  | 02/12/2005 <sup>(4)</sup> 02/12/2014                     | Common Stock  | 5,089                      |

## Reporting Owners

Reporting Owner Name / Address

Relationships

Director 10% Owner Officer Other

SCHULMAN EDWARD M  
C/O AVALONBAY COMMUNITIES, INC.  
2900 EISENHOWER AVE., SUITE 300  
ALEXANDRIA, VA 22314

SVP-General Counsel

## Signatures

/s/ Edward M.  
Schulman 02/14/2006

  Signature of Reporting                      Date  
Person

## 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 February 12, 2003 under the issuer's Stock Option and Incentive Plan, which become exercisable in three equal annual installments beginning on February 12, 2004.
- (3) 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 no more options that expire on February 12, 2013 with an exercise price of \$36.02.
- (4) The options exercised were included in options granted on February 12, 2004 under the issuer's Stock Option and Incentive Plan, which become exercisable in three equal annual installments beginning on February 12, 2005.
- (5) The amount of securities owned following the reported transaction includes options granted in various periods with varying exercise prices and vesting dates. Following the reported transaction, the reporting person has 6,842 more options that expire on February 12, 2014 with an exercise price of \$50.60.

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.