

AVALONBAY COMMUNITIES INC

Form 4

February 27, 2006

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

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

OMB APPROVAL

OMB
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2005
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(Print or Type Responses)

1. Name and Address of Reporting Person *
NAUGHTON TIMOTHY J

(Last) (First) (Middle)

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

(Street)

ALEXANDRIA, VA 22314

(City) (State) (Zip)

2. Issuer Name and Ticker or Trading
Symbol

AVALONBAY COMMUNITIES
INC [AVB]

3. Date of Earliest Transaction
(Month/Day/Year)
02/23/2006

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

5. Relationship of Reporting Person(s) to
Issuer

(Check all applicable)

☒ Director ☐ 10% Owner
☒ Officer (give title below) ☐ Other (specify below)
President

6. Individual or Joint/Group Filing(Check
Applicable Line)
☒ 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	02/23/2006		M		4,400	A \$ 33.75	91,584.871 (1) D
Common Stock, par value \$.01 per share	02/23/2006		S		4,400	D \$ 104.01	87,184.871 (1) D
Common Stock, par	02/23/2006		G		100	D \$ 0 (2)	87,084.871 (1) D

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value \$.01
per share

Common
Stock, par
value \$.01
per share

02/24/2006

M

6,900 A

\$ 33.75

93,984.871
(1)

D

Common
Stock, par
value \$.01
per share

02/24/2006

S

6,900 D

\$
104.0459

87,084.871
(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 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
Employee Stock Options (Right to Buy)	\$ 33.75	02/23/2006		M	4,400	02/28/2001 ⁽³⁾ 02/28/2010	Common Stock 4,400
Employee Stock Options (Right to Buy)	\$ 33.75	02/24/2006		M	6,900	02/28/2001 ⁽³⁾ 02/28/2010	Common Stock 6,900

Reporting Owners

Reporting Owner Name / Address

Relationships

Director 10% Owner Officer Other

Reporting Owners

NAUGHTON TIMOTHY J
C/O AVALONBAY COMMUNITIES, INC.
2900 EISENHOWER AVE., SUITE 300
ALEXANDRIA, VA 22314

X

President

Signatures

Edward M. Schulman under Power of Attorney dated January 1,
2000

02/27/2006

__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) Reflects gift of 100 shares.

(3) The options exercised were included in options granted on February 28, 2000, which became exercisable in three equal annual installments, beginning on February 28, 2001.

(4) The number of derivative securities beneficially owned following the reported transaction includes options with varying exercise prices and vesting dates. Following the reported transaction, the reporting person held 6,900 more options that expire on February 28, 2010 with an exercise price of \$33.75.

(5) The number of derivative securities beneficially owned following the reported transaction includes options with varying exercise prices and vesting dates. Following the reported transaction the reporting person holds no more options that expire on February 28, 2010 with an exercise price of \$33.75.

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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