



DIVISION OF  
CORPORATION FINANCE

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

June 28, 2010

Bryce Blair  
Chief Executive Officer  
Avalonbay Communities, Inc.  
Ballston Tower  
671 N. Glebe Rd, Suite 800  
Arlington, Virginia 22203

**Re: Avalonbay Communities, Inc.  
Form 10-K for Fiscal Year Ended December 31, 2009  
Filed March 1, 2010  
Proxy Statement on Schedule 14A  
Filed March 31, 2010  
File No. 001-12672**

Dear Mr. Blair:

We have reviewed your response letter dated June 14, 2010, and have the following additional comment. In our comment, we may ask you to provide us with information so we may better understand your disclosure.

Please respond to this letter within ten business days by providing the requested information, or by advising us when you will provide the requested response. If you do not believe our comment applies to your facts and circumstances, please tell us why in your response.

After reviewing the information you provide in response to this comment, we may have additional comments.

Form 10-K

Management's Discussion and Analysis

Off Balance Sheet Arrangements, page 53

1. We have read and considered your response to comment one. Please tell us how you have analyzed paragraphs 810-10-25-45 through 25-47 of the FASB ASC in determining whether the equity investment at risk of Fund II is sufficient to permit the Fund to finance its activities without subordinated financial support.

Bryce Blair  
Avalonbay Communities, Inc.  
June 28, 2010  
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You may contact Yolanda Crittendon, Staff Accountant at (202) 551-3472 or me at (202) 551-3498 with any other questions.

Sincerely,

Linda VanDoorn  
Senior Assistant Chief Accountant