

ASSOCIATED ESTATES REALTY CORP
 Form 4
 March 02, 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 *
FRIEDMAN JEFFREY I

2. Issuer Name and Ticker or Trading Symbol
ASSOCIATED ESTATES REALTY CORP [AEC]

5. Relationship of Reporting Person(s) to Issuer
 (Check all applicable)

(Last) (First) (Middle)
5025 SWETLAND COURT
 (Street)

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

Director 10% Owner
 Officer (give title below) Other (specify below)
Chairman, President & CEO

CLEVELAND, OH 4143
 (City) (State) (Zip)

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

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	(A) or (D)	Price
Common Shares	02/23/2006		F		1,059	D	\$ 11.2
Common Shares (Restricted)	02/28/2006		A		4,229	A	\$ 0
Common Shares (Restricted)	02/28/2006		A		16,108	A	\$ 0
Common Shares							374,865
						I	By wife

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

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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 Number Shares
Stock Options	\$ 11.26	02/28/2006		A	125,000	02/28/2007 ⁽¹⁾ 02/27/2016	Common Shares 125,000

Reporting Owners

Reporting Owner Name / Address

Relationships

FRIEDMAN JEFFREY I
5025 SWETLAND COURT
CLEVELAND, OH 4143

Director 10% Owner

X

Officer

Chairman, President & CEO

Other

Signatures

Suzanne K. Hanselman,
Attorney-in-fact

03/02/2006

**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) Options vest in annual one-third increments beginning February 28, 2007.

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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