HORN JOSEPH B Form 4

February 21, 2006

FORM 4

UNITED STATES SECURITIES AND EXCHANGE COMMISSION

STATEMENT OF CHANGES IN BENEFICIAL OWNERSHIP OF

Washington, D.C. 20549

OMB 3235-0287 Number: January 31, Expires:

OMB APPROVAL

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Check this box if no longer subject to Section 16.

SECURITIES Form 4 or Form 5 Filed pursuant to Section 16(a) of the Securities Exchange Act of 1934, obligations Section 17(a) of the Public Utility Holding Company Act of 1935 or Section

may continue. See Instruction

30(h) of the Investment Company Act of 1940

1(b).

(Last)

(Print or Type Responses)

1. Name and Address of Reporting Person * HORN JOSEPH B

(First)

(Street)

2. Issuer Name and Ticker or Trading Symbol

5. Relationship of Reporting Person(s) to Issuer

AVI BIOPHARMA INC [AVII]

3. Date of Earliest Transaction

(Check all applicable)

(Middle)

(Month/Day/Year)

Director 10% Owner X_ Officer (give title Other (specify

6. Individual or Joint/Group Filing(Check

ONE SW COLUMBIA, SUITE 1105 02/16/2006

below) below)

Vice President of Cardiology

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

Applicable Line)

X Form filed by One Reporting Person Form filed by More than One Reporting

Person

PORTLAND, OR 97258

(City) (State) (Zip)

Table I - Non-Derivative Securities Acquired, Disposed of, or Beneficially Owned

1.Title of Security (Instr. 3)

2. Transaction Date 2A. Deemed (Month/Day/Year)

Execution Date, if

(Month/Day/Year)

3. 4. Securities TransactionAcquired (A) or Code Disposed of (D) (Instr. 3, 4 and 5) (Instr. 8)

Code V Amount (D) Price

5. Amount of Securities Beneficially Owned Following

Reported

6. Ownership 7. Nature of Form: Direct Indirect (D) or Indirect Beneficial Ownership (I)

(Instr. 4) (Instr. 4)

(A)

Transaction(s) (Instr. 3 and 4)

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

Persons who respond to the collection of SEC 1474 information contained in this form are not (9-02)required to respond unless the form displays a currently valid OMB control number.

Table II - Derivative Securities Acquired, Disposed of, or Beneficially Owned (e.g., puts, calls, warrants, options, convertible securities)

1. Title of 3. Transaction Date 3A. Deemed 5. Number of 6. Date Exercisable and 7. Title and Ar 4. Derivative Conversion (Month/Day/Year) Execution Date, if **Transaction**Derivative **Expiration Date** Underlying Se Code Securities Security or Exercise (Month/Day/Year) (Instr. 3 and 4) any

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(Instr. 3)	Price of Derivative Security		(Month/Day/Year)	(Instr. 8)	Acquired (A) or Disposed of (D) (Instr. 3, 4, and 5)			
				Code V	(A) (D)	Date Exercisable	Expiration Date	Title
Incentive Stock Option (right to buy)	\$ 7.35	02/16/2006		A	20,406	02/16/2007(1)	02/16/2016	Common Stock
Non-Qualified Stock Option (right to buy)	\$ 7.35	02/16/2006		A	54,594	02/16/2007(1)	02/16/2016	Common Stock
Incentive Stock Option (right to buy)	\$ 2					01/12/2006(2)	01/12/2015	Common Stock

Reporting Owners

Reporting Owner Name / Address

Relationships

Director 10% Owner Officer Other

HORN JOSEPH B ONE SW COLUMBIA, SUITE 1105 PORTLAND, OR 97258

Vice President of Cardiology

Signatures

By: Mark M. Webber, Attorney-in-fact For: Joseph B.
Horn

02/21/2006

**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 Stock Option Grant vest as follows: 1/3 vest one year from date of grant and 1/3 each year thereafter until all shares vest three years from grant date.
- (2) Vesting: 25% of the shares vest each year from the date of grant with all shares vesting in four years.

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.

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