

OMB APPROVAL	
OMB Number:	3235-0287
Estimated average burden hours per response:	0.5

STATEMENT OF CHANGES IN BENEFICIAL OWNERSHIP

Check this box if no longer subject to Section 16. Form 4 or Form 5 obligations may continue. See Instruction 1(b).

Filed pursuant to Section 16(a) of the Securities Exchange Act of 1934 or Section 30(h) of the Investment Company Act of 1940

1. Name and Address of Reporting Person* FORREST K MICHAEL (Last) (First) (Middle) 4575 SW RESEARCH WAY, SUITE 200 (Street) CORVALLIS OR 97333 (City) (State) (Zip)	2. Issuer Name and Ticker or Trading Symbol AVI BIOPHARMA INC [AVII]	5. Relationship of Reporting Person(s) to Issuer (Check all applicable) <input checked="" type="checkbox"/> Director 10% Owner <input checked="" type="checkbox"/> Officer (give title below) Other (specify below) Outside Director
	3. Date of Earliest Transaction (Month/Day/Year) 05/19/2009	
	4. If Amendment, Date of Original Filed (Month/Day/Year)	6. Individual or Joint/Group Filing (Check Applicable Line) <input checked="" type="checkbox"/> Form filed by One Reporting Person <input type="checkbox"/> 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	05/19/2009		A		5,000 ⁽¹⁾	A	\$0	15,000	D	

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 Securities Underlying Derivative Security (Instr. 3 and 4)	8. Price of Derivative Security (Instr. 5)	9. Number of derivative Securities Beneficially Owned Following Reported Transaction(s) (Instr. 4)	10. Ownership Form: Direct (D) or Indirect (I) (Instr. 4)	11. Nature of Indirect Beneficial Ownership (Instr. 4)	
				Code	V	(A)	(D)	Date Exercisable	Expiration Date						Title
Non-Qualified Stock Option (right to buy)	\$1.1	05/19/2009		A		20,000		06/19/2009 ⁽²⁾	05/19/2019	Common Stock	20,000	\$0 ⁽³⁾	20,000	D	
Incentive Stock Option (right to buy)	\$2.45							04/27/2007 ⁽²⁾	03/27/2017	Common Stock	81,632		81,632	D	
Non-Qualified Stock Option (right to buy)	\$1.55							06/20/2008 ⁽²⁾	05/20/2018	Common Stock	20,000		20,000	D	
Non-Qualified Stock Option (right to buy)	\$2.24							06/15/2005 ⁽²⁾	05/18/2015	Common Stock	10,000		10,000	D	
Non-Qualified Stock Option (right to buy)	\$2.45							04/27/2007 ⁽²⁾	03/27/2017	Common Stock	218,368		218,368	D	
Non-Qualified Stock Option (right to buy)	\$2.64							03/04/2006 ⁽⁴⁾	03/04/2015	Common Stock	33,000		33,000	D	
Non-Qualified Stock Option (right to buy)	\$4.64							06/24/2006 ⁽²⁾	05/24/2016	Common Stock	10,000		10,000	D	

Explanation of Responses:

- Restricted Stock Award granted 5/19/2009 to active non-employee Director. Award vests one year from date of grant and will be released provided the Director still is an active member of the Board.
- Option Grant vests monthly until all shares are vested one year from date of grant.
- Price not required on initial report of stock option granted.

4. Vesting: 25% of the shares vest each year from the date of grant with all shares vesting in four years.

K. Michael Forrest

05/21/2009

** Signature of Reporting Person

Date

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

* 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).

Note: File three copies of this Form, one of which must be manually signed. If space is insufficient, see Instruction 6 for procedure.

Persons who respond to the collection of information contained in this form are not required to respond unless the form displays a currently valid OMB Number.