



Come inside and see the difference

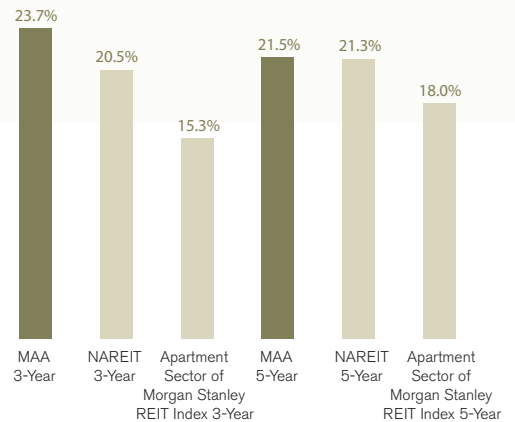
2004 Annual Report

Asset quality, innovation, stability, financial strength.
The difference in Mid-America.

Mid-America Apartment Communities

(MAA: NYSE) is a publicly traded real estate investment trust which currently owns or has an ownership interest in 38,561 apartment homes throughout the Southeast and Texas.

Annualized Common Shareholder Returns
(March 2005)



Financial Highlights

	Years Ended December 31,		
	2004	2003	2002
<i>(Dollars and shares in thousands, except per share data)</i>			
Net income	\$ 25,198	\$ 20,206	\$ 16,141
Preferred dividend distribution	(14,825)	(15,419)	(16,029)
Premiums and original issuance costs associated with the redemption of preferred stock ⁽¹⁾	—	(5,987)	(2,041)
Net income (loss) available for common shareholders	10,373	(1,200)	(1,929)
Depreciation real estate assets	67,302	56,701	52,928
Net gain on insurance and other settlement proceeds	(2,683)	(2,860)	(397)
Gain on disposition within unconsolidated entities	(3,249)	—	—
Net gain on insurance and other settlement proceeds of discontinued operations	(526)	(82)	—
Depreciation real estate assets of discontinued operations	681	1,022	978
Gain on sale of discontinued operations	(5,825)	(1,919)	—
Depreciation real estate assets of unconsolidated entities	1,688	2,345	1,430
Gain on sale of non-depreciable assets	—	—	(45)
Minority interest in operating partnership income	2,264	1,360	388
Funds from operations	\$ 70,025	\$ 55,367	\$ 53,353
Weighted average shares, diluted ⁽²⁾	20,652	18,374	17,561
Net income (loss) available for common shareholders, diluted ⁽²⁾	\$ 0.50	\$ (0.07)	\$ (0.11)
Weighted average shares and units, diluted	23,316	21,354	20,613
Funds from operations per share and unit, diluted	\$ 3.00	\$ 2.59	\$ 2.59
Funds from operations before premiums and original issuance costs associated with the redemption of preferred stock per share and unit, diluted	\$ 3.00	\$ 2.87	\$ 2.69
Dividends per share	\$ 2.34	\$ 2.34	\$ 2.34
Real estate owned, at cost	\$1,862,850	\$1,695,111	\$1,478,793
Capital improvements in progress	\$ 6,519	\$ 7,335	\$ 3,223
Investments in and advances to real estate joint ventures	\$ 14,143	\$ 12,620	\$ 15,000
Total debt	\$1,083,473	\$ 951,941	\$ 803,703
Shareholders' equity and minority interest	\$ 388,701	\$ 393,313	\$ 371,576
Market capitalization, shares and units	\$1,145,183	\$ 939,581	\$ 673,431
Number of properties, including ownership interest and held for sale	132	127	123
Number of apartment units, including ownership interest and held for sale	37,904	35,734	33,923

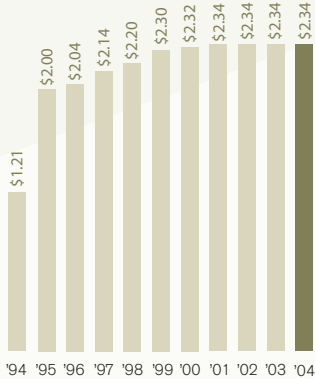
(1) Original issuance costs represent non-cash charges.

(2) For periods where the company reported a net loss available for common shareholders, the effect of dilutive shares has been excluded from net loss available for common shareholders per common share computations as including such shares would be anti-dilutive.

To My Fellow Shareholders



H. Eric Bolton, Jr.



Annual Dividends Paid Per Common Share

Your company had a terrific year of progress in 2004. While we are proud of the 29.7% total investment return generated, we are also excited about the progress made in strengthening our operating platform, improving our asset quality and further increasing our balance sheet flexibility. The recovering economy and job market, likelihood of rising mortgage rates and continued emergence of a growing demand for apartment housing, combined with new and stronger operating capabilities for our company, set the stage for what we believe will be even stronger results for Mid-America over the next few years. The future looks bright for your company.

Superior Performance. Mid-America had a significantly improved year of operating performance in 2004. Internal, or same store, net operating growth of 1.5%, excluding hurricane expense, was the highest level of performance we have achieved since 2001. The demand for apartment housing is improving. New growth continued with nearly \$200 million of high-quality properties in major growth markets added to the portfolio last year. Funds from operations for 2004 were \$3.00 per share, a new record for your company. Mid-America paid a dividend of \$2.34 per share in 2004 and has compiled a record of 44 straight quarters of paying a dividend to its shareholders. Mid-America's 3-year, 5-year and 10-year shareholder returns continue to exceed the NAREIT Index.

Mid-America properties received more than 50 civic and industry awards in 2004 supporting the superior quality and curb appeal of your portfolio. We are recognized by the National Apartment Association as being the only apartment REIT offering the Certified Apartment Manager and National Association of Leasing Professional certifications through in-house training programs. We currently have 106 Certified Apartment Manager professionals managing your portfolio of properties, a key component of our superior operating capabilities. During 2004 we successfully completed the installation of a new web-based property management system that will enable our operation to drive a higher level of revenue performance and productivity into what we do. As you can see,

while Mid-America has a very solid history of financial performance, the groundwork is being laid for even better results to come.

Solid Strategy. The stable and superior performance of Mid-America is in large part due to our unique strategy centered on allocating capital across three market tiers. By investing in both higher growth and more stable markets, we believe Mid-America's portfolio is best able to generate one of the highest, risk-adjusted, returns for shareholders over the long haul. We anticipate this strategy will enable us to support our dividend, during both good times as well as weak parts of the market cycle.

Mid-America's record of strong, stable and predictable results is also tied to the fact that we are focused on the southeast and southcentral regions of the country. We believe markets across these regions will continue to generate the most robust job growth and household formation performance, over the long haul. Mid-America's out-performance of the apartment REIT sector over the last couple of years has supported the value in this strategy and we expect that the improvements we have made over this period will enable Mid-America to remain a top-tier performer.

Disciplined. Our priorities remain the same...protect the value of your real estate, strengthen dividend coverage, carefully consider new investment opportunities through realistic and conservative underwriting, and position for an improving operating environment. By remaining committed to our priorities and disciplined in our practices, we expect to continue to generate superior performance for our shareholders.

The last couple of years of difficult operating conditions, along with a very competitive environment for property acquisitions, have certainly been a challenge. And while I'm proud of the performance that our associates have produced during this tough operating phase, I am perhaps most proud of the discipline that our management team has shown in not compromising leasing standards to easily "buy" more occupancy with a lower credit quality and resident profile. In addition, our discipline in remaining true to our long established investment criteria and avoiding a compromise of underwriting standards has been extremely important. Over-paying to simply make an acquisition is a clear recipe for disaster. We believe that our discipline will be rewarded in both a quick recovery in operating performance as market conditions strengthen and in superior return on investment in the acquisitions that we have made.

Responsible. We take our responsibilities to you very seriously and fully appreciate the trust that you have placed with us. We are fortunate to have an outstanding group of directors on our Board. Each brings a wealth of experience, expertise and dedication to making Mid-America successful. Our commitment is to serve you in the very best manner possible and to "think like owners" as we approach the management of your company. We are, in fact, fellow owners. The members of your Board of Directors and the management team own approximately 10% of the outstanding shares of common stock and we are working to enhance the long-term value of our company for all of us.

Thank you for your continued support and investment in Mid-America.

See the difference



H. Eric Bolton, Jr.
Chairman and Chief Executive Officer

See the difference

“We are very optimistic about the earnings upside to recapture as market conditions continue to strengthen. Because we have remained committed to maintaining the high quality and excellent condition of our properties, continued to adhere to our strict leasing and credit standards and protected the portfolio’s rent structure, we are poised to recapture a much higher level of earnings from our portfolio as market conditions recover and leasing conditions improve.”

Tom Grimes, SVP and Director of Property Management



Asset Quality—Mid-America’s apartment properties are one of the newer portfolios in the REIT sector. Through an extensive program aimed at continually assessing and addressing maintenance and capital needs of each property, the portfolio remains in top condition. We place a very high priority on curb appeal and landscaping upgrades at each property...and this focus continues to garner recognition through various civic and industry groups as evidenced by the more than 50 awards for beautification and operating excellence captured during 2004.

Asset Quality



Innovation



See the difference



“Our business is very competitive. As such, we believe that consistently driving innovations and improvement into how we operate is critical to capturing continual gain in revenue performance and productivity. During 2004 we completed an extensive overhaul of our operating platform and support systems. We are excited about the new opportunities this new technology will bring to our company.”

Drew Taylor, SVP and Director of Asset Management

Innovation—Driven by a guiding principle to “stay one step ahead,” Mid-America is continuously looking to introduce new technology into its operation. In 2004 a new web-based operating system was implemented that introduces a host of opportunities to take revenue performance to higher levels and drive more efficiencies into property operations. And it doesn’t stop there. In 2005 we plan to install additional modules that will further expand the efficiencies in accounting and reporting operations.

See the difference



“The market for buying high-quality apartment real estate remains very competitive. Because of our regional focus and a high degree of familiarity with the markets in the southeastern US, in addition to our ability to quickly underwrite and close on acquisitions, we have been successful in continuing to capture new earnings growth without compromising on our disciplined and conservative approach to investing.”

Simon Wadsworth, EVP and Chief Financial Officer

Stability—We believe that our shareholders are interested in a degree of stability. By remaining focused on high-quality properties, conservative underwriting, being well diversified across a stable growth region and staying constantly in touch with our properties, we deliver superior performance. Our three-tier market strategy across large, middle and small markets has allowed for growth during economic upturns while also providing stability and protection during economic downturns.

Stability



Financial Strength



See the difference

"We have made significant progress over the last three years in improving the flexibility and strength of our balance sheet. As a result of our refinancing efforts, we ended 2004 with 81% of our debt fixed, swapped, forward swapped or capped, resulting in a 120 basis point reduction in the cost of interest over the last three years."

Al Campbell, SVP and Treasurer



Financial Strength—Mid-America's balance sheet reinforces our business strategy and is positioned to support operating and investment plans well into the future. Over the last few years we've taken advantage of the low interest rate environment to restructure debt to provide very low cost and flexible financing for our business. We've increased financial strength and flexibility by expanding agency credit facilities, which provide the low cost of agency backed borrowings, the flexibility of cross-collateralized pools and the additional capacity needed for future growth. Additionally, the combination of our diversified investment strategy, fundamental operating strength and focus on growth through acquiring existing properties in lieu of new construction, provides a more stable and growing cash flow from the portfolio. This lower operating and business risk strategy further enhances financial strength.

Consolidated Balance Sheets

(Dollars in thousands)	December 31,	
	2004	2003
Assets:		
Real estate assets:		
Land	\$ 163,381	\$ 142,416
Buildings and improvements	1,625,194	1,481,854
Furniture, fixtures and equipment	41,682	38,812
Capital improvements in progress	6,519	7,335
	1,836,776	1,670,417
Less accumulated depreciation	(399,762)	(339,704)
	1,437,014	1,330,713
Land held for future development	1,366	1,366
Commercial properties, net	7,429	7,150
Investments in and advances to real estate joint ventures	14,143	12,620
Real estate assets, net	1,459,952	1,351,849
Cash and cash equivalents	9,133	8,795
Restricted cash	6,041	10,728
Deferred financing costs, net	16,365	13,185
Other assets	16,837	16,214
Goodwill, net	5,400	5,762
Assets held for sale	8,579	—
Total assets	\$1,522,307	\$1,406,533
Liabilities and Shareholders' Equity:		
Liabilities:		
Notes payable	\$1,083,473	\$ 951,941
Accounts payable	767	1,696
Accrued expenses and other liabilities	43,381	54,547
Security deposits	5,821	5,036
Liabilities associated with assets held for sale	164	—
Total liabilities	1,133,606	1,013,220
Minority interest	31,376	32,019
Shareholders' equity:		
Preferred stock, \$.01 par value, 20,000,000 shares authorized, \$176,862,500 or \$25 per share liquidation preference:		
9.25% Series F Cumulative Redeemable Preferred Stock, 3,000,000 shares authorized, 474,500 shares issued and outstanding	5	5
8.625% Series G Cumulative Redeemable Preferred Stock, 400,000 shares authorized, 400,000 shares issued and outstanding	4	4
8.30% Series H Cumulative Redeemable Preferred Stock, 6,200,000 shares authorized, 6,200,000 shares issued and outstanding	62	62
Common stock, \$.01 par value per share, 50,000,000 shares authorized; 20,856,791 and 20,031,614 shares issued and outstanding at December 31, 2004 and December 31, 2003, respectively	209	200
Additional paid-in capital	644,516	622,406
Other	(3,252)	(3,711)
Accumulated distributions in excess of net income	(269,482)	(232,224)
Accumulated other comprehensive loss	(14,737)	(25,448)
Total shareholders' equity	357,325	361,294
Total liabilities and shareholders' equity	\$1,522,307	\$1,406,533

See Form 10-K/A for related footnote disclosures.

Consolidated Statements of Operations

Years Ended December 31,

(Dollars in thousands, except per share data)

	2004	2003	2002
Operating revenues:			
Rental revenues	\$257,265	\$227,541	\$220,123
Other property revenues	9,937	8,399	7,953
Total property revenues	267,202	235,940	228,076
Management fee income	582	822	775
Total operating revenues	267,784	236,762	228,851
Property operating expenses:			
Personnel	32,154	27,485	25,647
Building repairs and maintenance	9,994	9,119	9,137
Real estate taxes and insurance	35,135	31,331	28,374
Utilities	14,734	12,117	11,207
Landscaping	7,251	6,462	6,100
Other operating	13,480	12,178	10,404
Depreciation	68,653	58,074	54,285
Total property operating expenses	181,401	156,766	145,154
Property management expenses	10,357	8,435	8,633
General and administrative expenses	9,240	7,235	6,665
Income from continuing operations before non-operating items	66,786	64,326	68,399
Interest and other non-property income	593	835	729
Interest expense	(50,858)	(44,991)	(48,381)
Gain (loss) on debt extinguishment	1,095	111	(1,441)
Amortization of deferred financing costs	(1,753)	(2,050)	(2,700)
Minority interest in operating partnership income	(2,264)	(1,360)	(388)
Loss from investments in unconsolidated entities	(287)	(949)	(532)
Net gain on insurance and other settlement proceeds	2,683	2,860	397
Gain on dispositions within unconsolidated entities	3,249	—	—
Income from continuing operations	19,244	18,782	16,083
Discontinued operations:			
Income (loss) from discontinued operations before asset impairment, settlement proceeds and gain on sale	(197)	(577)	58
Asset impairment on discontinued operations	(200)	—	—
Net gain on insurance and other settlement proceeds on discontinued operations	526	82	—
Gain on sale of discontinued operations	5,825	1,919	—
Net income	25,198	20,206	16,141
Preferred dividend distribution	14,825	15,419	16,029
Premiums and original issuance costs associated with the redemption of preferred stock	—	5,987	2,041
Net income (loss) available for common shareholders	\$ 10,373	\$ (1,200)	\$ (1,929)
Weighted average shares outstanding (in thousands):			
Basic	20,317	18,374	17,561
Effect of dilutive stock options	335	—	—
Diluted	20,652	18,374	17,561
Net income (loss) available for common shareholders	\$ 10,373	\$ (1,200)	\$ (1,929)
Discontinued property operations	(5,954)	(1,424)	(58)
Income (loss) from continuing operations available for common shareholders	\$ 4,419	\$ (2,624)	\$ (1,987)
Earnings per share (basic):			
Income (loss) from continuing operations available for common shareholders	\$ 0.22	\$ (0.14)	\$ (0.11)
Discontinued property operations	0.29	0.07	—
Net income (loss) available for common shareholders	\$ 0.51	\$ (0.07)	\$ (0.11)
Earnings per share (diluted):			
Income (loss) from continuing operations available for common shareholders	\$ 0.21	\$ (0.14)	\$ (0.11)
Discontinued property operations	0.29	0.07	—
Net income (loss) available for common shareholders	\$ 0.50	\$ (0.07)	\$ (0.11)

See Form 10-K/A for related footnote disclosures.

2004 Civic and Industry Awards

THE TOWNSHIP IN HAMPTON WOODS, HAMPTON VA: Community of the Year, Richmond Apartment Association, January

PATRICIA VASILOFF, THE PADDOCK CLUB, JACKSONVILLE, FL: Property Manager of the Year, First Coast Apartment Association, January

TERRACES AT TOWNE LAKE, WOODSTOCK, GA: Most Beautiful Lawn in Towne, Towne Lake Council, June

KIRBY STATION APARTMENTS, MEMPHIS, TN: Beautiful Business Award and Hall of Fame induction, Memphis City Beautiful Commission, June

ABBINGTON PLACE AT SOUTH POINTE, HUNTSVILLE, AL: Beautification Honor Roll, City of Huntsville, June

THE PADDOCK CLUB, HUNTSVILLE, AL: Beautification Award, City of Huntsville, June

HIDDEN CREEK, CHATTANOOGA, TN: First Place Beautification Award, Chattanooga Apartment Association, July

EAGLE RIDGE APARTMENTS, BIRMINGHAM, AL: Beautification Award, Greater Birmingham Association of Home Builders Association of Apartment Homes, July

EAGLE RIDGE APARTMENTS, BIRMINGHAM, AL: Best Seasonal Color Program, Greater Birmingham Association of Home Builders Association of Apartment Homes, July

EAGLE RIDGE APARTMENTS, BIRMINGHAM, AL: Best Seasonal Color Program Designer, Greater Birmingham Association of Home Builders Association of Apartment Homes, July

THE SAVANNAHS AT JAMES LANDING, MELBOURNE, FL: Beautification Award, City of Melbourne, August

THE TOWNSHIP IN HAMPTON WOODS, HAMPTON, VA: Best Overall Merit Winner, Peninsula Apartment Council, August

STONEMILL VILLAGE, LOUISVILLE, KY: Second Place Beautification Award, Louisville and Jefferson County Beautification Committee

RIVERHILLS, GRENADA, MS: Civic Pride Award, Grenada County Chamber of Commerce, September

THE OAKS, JACKSON, TN: Jackson City Beautiful Civic Pride Award, City of Jackson, Tenn., September

POST HOUSE NORTH, JACKSON, TN: Jackson City Beautiful Civic Pride Award, City of Jackson, Tenn., September

PAMELA COMBS AND TAMI LAWRENCE, COURTYARDS AT CAMPBELL, DALLAS, TX: Crime Watch Recognition Award, City of Dallas and Dallas Mayor Laura Miller, September

SHENANDOAH RIDGE APARTMENTS, AUGUSTA, GA: First Place Beautification Award, The Central Savannah River Area Apartment Association, September

BRADFORD POINTE, AUGUSTA, GA: First Place Beautification Award, The Central Savannah River Area Apartment Association, September

THE COLONY AT SOUTH PARK, AIKEN, SC: Second Place Beautification Award, The Central Savannah River Area Apartment Association, September

WOODWINDS APARTMENTS, AIKEN, SC: Third Place Beautification Award, The Central Savannah River Area Apartment Association, September

THE LANE AT TOWNE CROSSING, DALLAS, TX: Best Apartment Community for 2004, Mesquite, TX News Readers Choice Poll, October

PEAR ORCHARD APARTMENTS, JACKSON, MS: Beautification Award, Mississippi Multifamily Council, October

CROSSWINDS APARTMENTS, JACKSON, MS: Beautification Award, Mississippi Multifamily Council, October

CURTIS GIBSON, CROSSWINDS, JACKSON, MS: Maintenance Technician of the Year, Mississippi Multifamily Council, October

RANDI KALE, PEAR ORCHARD APARTMENTS, JACKSON, MS: Assistant Manager of the Year, Mississippi Multifamily Council, October

SONDRA CALHOUN KESSIE,
PEAR ORCHARD APART-
MENTS, JACKSON, MS: Leasing
Consultant of the Year, Mississippi
Multifamily Council, October

RANDY HALL, GRAND RESERVE
APARTMENTS, LEXINGTON,
KY: Landscape Technician of the Year,
Lexington Apartment Association,
November

LESLIE CORNETT, THE VILLAGE
APARTMENTS, LEXINGTON,
KY: Leasing Specialist of the Year,
Lexington Apartment Association,
November

GRAND RESERVE APART-
MENTS, LEXINGTON, KY:
Overall Team of the Year, Lexington
Apartment Association, November

KIM SARTIPI, THE MANSION,
LEXINGTON, KY: Property
Manager of the Year, Lexington
Apartment Association, November

MELISSA WEST, MID-AMERICA
APARTMENT COMMUNITIES:
Supervisor of the Year, Lexington
Apartment Association, November

GRAND RESERVE APART-
MENTS, LEXINGTON, KY: First
Place Triple Crowne Beautification
Award, Lexington Apartment
Association, November

THE VILLAGE APARTMENTS,
LEXINGTON, KY: First Place
Triple Crowne Beautification Award,
Lexington Apartment Association,
November

THE MANSION, LEXINGTON,
KY: First Place Triple Crowne
Beautification Award, Lexington
Apartment Association, November

LAKEPOINTE APARTMENTS,
LEXINGTON, KY: Second Place
Kentucky Derby Beautification Award,
Lexington Apartment Association,
November

PARK PLACE APARTMENTS,
SPARTANBURG, SC: Crowne
Excellence Award in Landscape
Design, Upper State Apartment
Association, November

HIGHLAND RIDGE APART-
MENTS, TAYLORS, SC: Crowne
Excellence Award in Floral Design,
Upper State Apartment Association,
November

THE PADDOCK CLUB,
GREENVILLE, SC: Crowne
Excellence Award in Floral Design,
Upper State Apartment Association,
November

BRADFORD CHASE APART-
MENTS, JACKSON, TN: Best
Landscape Award, Apartment
Association of Greater Memphis,
December

RITA VAN PELT, GREENBROOK
APARTMENTS, MEMPHIS, TN:
Assistant Property Manager of the
Year, Apartment Association of
Greater Memphis, December

JOHN HENRY, GREENBROOK
APARTMENTS, MEMPHIS, TN:
Leasing Professional of the Year,
Apartment Association of Greater
Memphis, December

LORETTA WILLIAMS,
GREENBROOK APARTMENTS,
MEMPHIS, TN: White Glove
Award, Apartment Association of
Greater Memphis, December

KIRBY STATION, MEMPHIS, TN:
Best Landscape Award, Apartment
Association of Greater Memphis,
December

PARK ESTATE APARTMENTS,
MEMPHIS, TN: Best Landscape
Award, Apartment Association of
Greater Memphis, December

THE RESERVE AT DEXTER
LAKE, MEMPHIS, TN:
Outstanding Maintenance Team of
the Year, Apartment Association of
Greater Memphis, December

BRENTWOOD DOWNS,
NASHVILLE, TN: First Place
Beautification Award, Greater
Nashville Apartment Association,
December

THE PADDOCK CLUB,
MURFREESBORO, TN: First Place
Beautification Award, Greater
Nashville Apartment Association,
December

GRANDE VIEW, NASHVILLE,
TN: Best of the Best Award, Greater
Nashville Apartment Association,
December

GINA MIZE, GREENBROOK
APARTMENTS, MEMPHIS, TN:
Accredited Residential Manager of
the Year, Institute of Real Estate
Management, Memphis Chapter,
December

PEAR ORCHARD APART-
MENTS, JACKSON, MS: Overall
Winner for the City of Ridgeland
Beautification Award, City of
Ridgeland and the Ridgeland
Chamber of Commerce, December

Board of Directors

H. ERIC BOLTON, JR.

A director since February 1997, Mr. Bolton is our Chairman of the Board of Directors, President and Chief Executive Officer. Mr. Bolton joined us in 1994 as Vice President of Development and was named Chief Operating Officer in February 1996 and promoted to President in December 1996. Mr. Bolton assumed the position of Chief Executive Officer following the retirement of George E. Cates in October 2001 and became Chairman of the Board in September 2002.

GEORGE E. CATES

A director since 1994, Mr. Cates served as Chairman of the Board of Directors from the time of its initial public offering in February 1994 until September 2002. Mr. Cates served as our President and Chief Executive Officer from February 1994 until his planned retirement in October 2001. Mr. Cates was President and Chief Executive Officer of The Cates Company from 1977 until its merger with us in February 1994.

JOHN F. FLOURNOY

A director since November 1997, Mr. Flournoy has been the Chairman and Chief Executive Officer of Flournoy Development Company for 38 years. Flournoy Development Company has been in multi-family housing development and construction primarily in the Southeastern United States for over 30 years.

ROBERT F. FOGELMAN

Committees: Compensation, Nominating and Corporate Governance. A director since July 1994, Mr. Fogelman has been the President of Fogelman Investment Company, a privately owned investment firm, for more than eight years.

ALAN B. GRAF, JR.

Committees: Audit (Chairman). A director since June 2002, Mr. Graf is the Executive Vice President and Chief Financial Officer of FedEx Corporation, a position he has held since 1998. Prior to that time, he was Executive Vice President and Chief Financial Officer for FedEx Express, FedEx's predecessor, from 1991 to 1998. Mr. Graf joined FedEx in 1980.

JOHN S. GRINALDS

Committees: Audit, Compensation, Nominating and Corporate Governance. A director since November 1997, General Grinalds became the President of The Citadel in Charleston, South Carolina in 1997. Prior to assuming the presidency of The Citadel, General Grinalds was the headmaster of Woodberry Forest School in Virginia. From 1989 to 1991, General Grinalds held the rank of Major General and was the commanding general of the Marine Corps Recruit Depot in San Diego, California.

RALPH HORN

Committees: Compensation (Chairman), Nominating and Corporate Governance (Chairman). A director since April 1998, Mr. Horn was elected President, Chief Operating Officer, and a director of First Tennessee National Corporation ("FTNC"), now First Horizon National Corporation, in July 1991 and Chief Executive Officer in April 1994. Mr. Horn was elected Chairman of the Board of FTNC in January 1996. Mr. Horn served as Chief Executive Officer and President of FTNC until July 2002, and as Chairman of the Board through December 2003.

MICHAEL S. STARNES

Committees: Audit, Compensation, Nominating and Corporate Governance. A director since July 1998, Mr. Starnes founded M.S. Carriers, Inc., a truckload transportation and logistics company, in 1978 and served as Chairman and Chief Executive Officer until its merger with Swift Transportation Co., Inc. in June 2001. Mr. Starnes served as President of M.S. Carriers, a subsidiary of Swift Transportation Co., Inc., from June 2001 until his planned retirement in June 2004.

SIMON R. C. WADSWORTH

A director since March 1994, Mr. Wadsworth joined us in March 1994 and has served as Executive Vice President and Chief Financial Officer since that time.

Report of Independent Registered Public Accounting Firm

The Board of Directors and Shareholders Mid-America Apartment Communities, Inc.

We have audited, in accordance with the Public Company Accounting Oversight Board (United States), the consolidated balance sheets of Mid-America Apartment Communities, Inc. and subsidiaries as of December 31, 2004 and 2003, and the related consolidated statements of operations, shareholders' equity and cash flows for each of the years in the three-year period ended December 31, 2004 (not presented herein); and in our report dated March 8, 2005, we expressed an unqualified opinion on those consolidated financial statements.

In our opinion, the information set forth in the accompanying consolidated financial statements is fairly stated, in all material respects, in relation to the consolidated financial statements from which it has been derived.

KPMG LLP

Memphis, Tennessee
March 8, 2005

Corporate Information

Corporate headquarters

Mid-America Apartment Communities, Inc.
6584 Poplar Avenue, Suite 300
Memphis, TN 38138
901-682-6600
www.maac.net

Annual shareholders meeting

Mid-America Apartment Communities, Inc. will hold its 2005 annual meeting of shareholders on Thursday, May 19th, at 1:00 p.m. CST at the Reserve at Dexter Lake apartments in Memphis, TN.

Annual report and Form 10-K/A

A copy of Mid-America's Annual Report and Form 10-K/A for the year ended December 31, 2004, as filed with the Securities and Exchange Commission will be sent without charge upon written request to the corporate headquarters address, attention Investor Relations, and is also available on our web-site at www.maac.net.

Transfer agent and registrar

Wachovia Bank, N.A.
800-829-8432

Shareholders who have questions about their accounts or who wish to change ownership or address of stock; to report lost, stolen or destroyed certificates; or wish to sign up for our dividend reinvestment plan should contact Wachovia Bank. Limited partners wishing to convert units into shares should contact Mid-America directly at the corporate headquarters.

Independent registered public accountants

KPMG LLP, Memphis, TN

General counsel

Bass, Berry & Sims PLC, Memphis, TN

Stock listings

Mid-America's stock is listed on the New York Stock Exchange (NYSE). Our common stock is traded under the stock symbol MAA. We have two series of publicly traded preferred stock and they are traded under the stock symbols MAA Pr F and MAA Pr H.

CEO and CFO certifications

As is required by Section 303A.12(a) of the NYSE's corporate governance standards, the CEO Certification was filed without qualification to the NYSE last year. Certifications of the CEO and CFO pursuant to Section 302 of the Sarbanes-Oxley Act of 2002 have been filed as exhibits to Mid-America's Form 10-K/A.

The Open Arms Foundation

The Open Arms Foundation is Mid-America's corporate charity that provides fully-furnished two-bedroom apartment homes free of charge to families with long-term medical care needs away from their own home. The Open Arms Foundation currently offers 29 homes to families in medical crisis.



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