

2006
Annual Report

MID-AMERICA APARTMENT COMMUNITIES, INC.

2006
Annual Report

4

Words *that drive us...*

Growth Quality

MID-AMERICA APARTMENT COMMUNITIES' RECORD OF PRODUCING STRONG AND STEADY RESULTS, THROUGH BOTH THE UPS AND DOWNS OF REAL ESTATE MARKET CYCLES HAS GENERATED SIGNIFICANT VALUE FOR OUR INVESTORS, LENDERS, RESIDENTS AND EMPLOYEES. BY REMAINING FOCUSED AND COMMITTED TO THE GOALS OF DISCIPLINED GROWTH, HIGH-QUALITY CREATIVE INNOVATION AND STRONG ACCOUNTABILITY AND COMMUNICATION TO THOSE WE SERVE, WE ARE WELL POSITIONED TO MEET THE HIGH EXPECTATIONS WE HAVE FOR OUR COMPANY IN THE COMING YEARS.

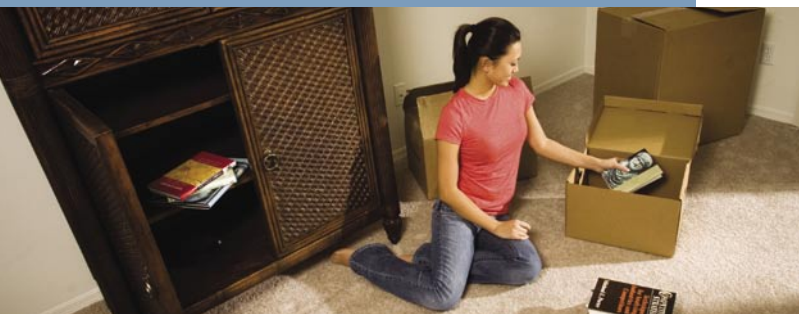
Community

Innovation

MID-AMERICA APARTMENT
COMMUNITIES, INC.

(NYSE: MAA)

IS A PUBLICLY TRADED REAL ESTATE INVESTMENT TRUST
WHICH OWNED OR HAD AN OWNERSHIP INTEREST IN
138 MULTIFAMILY APARTMENT COMMUNITIES WITH
40,293 APARTMENT HOMES THROUGHOUT THE
SUNBELT REGION OF THE UNITED STATES AT YEAR END.



TALUS RANCH AT SONORAN FOOTHILLS

Phoenix, Arizona

Acquired 2006



PRESERVE AT BRIER CREEK

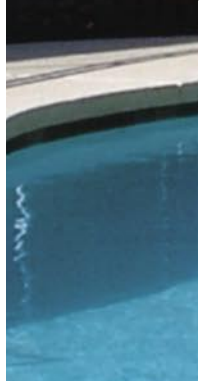
Raleigh, North Carolina

Phase II Development

SILVERADO

Austin, Texas

Acquired 2006





MID-AMERICA APARTMENT COMMUNITIES, INC.

Growth

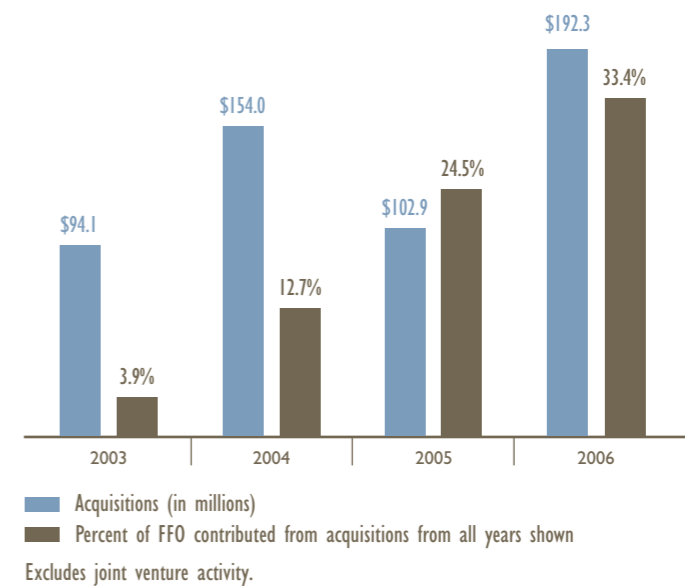
MID-AMERICA IS COMMITTED TO A STRATEGY OF DISCIPLINED GROWTH THROUGH LEVERAGING THE COMPANY'S STRONG OPERATING PLATFORM AND STEADY PIPELINE OF INVESTMENT OPPORTUNITIES.



MID-AMERICA APARTMENT COMMUNITIES, INC.

Through extensive and disciplined due diligence, Mid-America has added \$543 million of newer high-quality properties over the last four years. Steady expansion in high-growth markets is a key focus in our plan to ensure the company is positioned to drive robust earnings performance in the future. Through selective acquisitions, value-added new development and expansion of existing communities, and renovation of a number of owned properties...and a significantly strengthened balance sheet to support these activities...Mid-America is well positioned to capture steady growth over the next few years.

ACQUISITION ACTIVITY AND FFO CONTRIBUTION



LIGHTHOUSE AT FLEMING ISLAND

Jacksonville, Florida

Landscape Beautification Award -
First Coast Apartment Association



BRENTWOOD DOWNS

Nashville, Tennessee

Kitchen Renovation





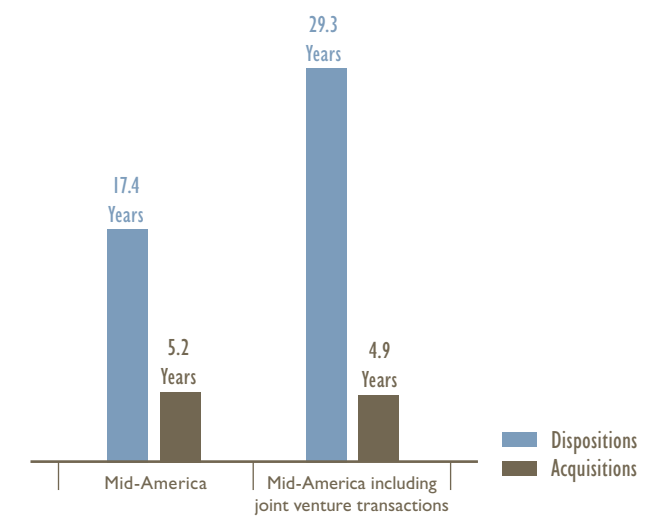
Quality

**AT MID-AMERICA WE BELIEVE THAT
A COMMITMENT TO QUALITY IS
FUNDAMENTAL TO CREATING
LONG-TERM AND STEADY VALUE
CREATION FOR THOSE WE SERVE.**



A commitment to quality in the properties we buy and operate, in the service provided to residents, in the performance generated for our shareholders and in support of our fellow associates, is key in defining Mid-America's culture of quality service and accountability. Creating value is fundamentally tied to a goal of exceeding expectations and we believe that is only achievable through a commitment to quality in execution and delivery.

AVERAGE AGE OF PROPERTY DISPOSITIONS AND ACQUISITIONS OVER LAST FIVE YEARS





BOB WINKLER



MARY SANDOMIR





KIM BROWN



JON OWINGS



MARTHA KILLEN



Community

MID-AMERICA'S RECORD OF HONEST, TIMELY AND THOROUGH COMMUNICATION TO RESIDENTS, SHAREHOLDERS, LENDERS AND EMPLOYEES IS A CORNERSTONE OF OUR COMPANY'S CULTURE.



KIM BROWN



JON OWINGS



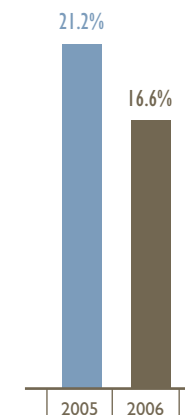
MARTHA KILLEN



Our company's record of strong and stable performance is a result of the dedication and superior capabilities of the team of associates working at Mid-America. With a long-established culture of service oriented leadership, Mid-America employees work every day to build a sense of community at each of our properties; an environment that generates value in the service and product that we deliver to our residents. This sense of responsibility is the foundation for the culture that drives our company and the execution of our responsibility to those served by Mid-America's success.

REDUCTION IN COMMUNITY LEADER TURNOVER

33.3% 2006 NMHC Industry Average







TRAINING CENTER
Memphis, Tennessee



TRACY WEST
Leasing Office, Reserve at Dexter Lake
Memphis, Tennessee



Innovation

SIGNIFICANT CHANGES AND UPGRADES TO OPERATING SYSTEMS IS GENERATING A MORE RESPONSIVE “LEASING AND LIVING” EXPERIENCE FOR RESIDENTS AND MORE EFFICIENCIES IN COMPANY OPERATIONS.



TRAINING CENTER
Memphis, Tennessee

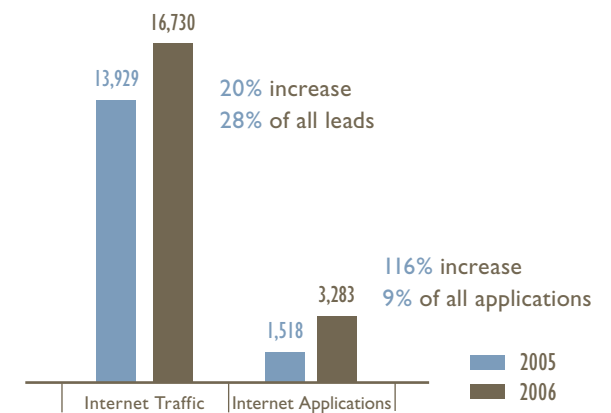


TRACY WEST
Leasing Office, Reserve at Dexter Lake
Memphis, Tennessee



In 2006 we successfully completed an extensive test and evaluation of new “yield management” pricing processes that we will implement across the portfolio during 2007. We continue to broaden our use of the internet to efficiently attract new residents and manage on-site operations at each of our properties. We believe the enhanced capabilities generated from this new technology will create a very positive long-term impact to Mid-America’s ability to out-perform and generate higher levels of value for shareholders.

INTERNET LEASING ACTIVITY





H. Eric Bolton, Jr.
Chairman and CEO

2006 was a year of record performance for Mid-America. Our portfolio of high-quality properties located across the Sunbelt region of the country generated the strongest year of same store growth in net operating income in our company's history. Funds from operations achieved for the year also set a new record of results for Mid-America. With increasing demand for apartment housing, fueled by solid job growth and household formation trends throughout our high-growth region of the country, we are in solid position to capture continued steady and robust performance from Mid-America's portfolio of property investments.

We have made significant changes and improvements in our operating systems over the past couple of years that are really just now starting to make an impact. The introduction of new technologies will allow us to capture more efficiency in our operation, more robust pricing performance for leases written and generate more value from each property. Internet based advertising and leasing is growing rapidly and bringing about significant change in how we capture new residents and better serve our existing residents. We will be rolling out a new yield management pricing program in 2007 that will further revolutionize how we execute our business and holds great potential for continuing to drive higher levels of value from our existing properties.

As part of our \$192 million of acquisitions completed in 2006, we made an initial investment in the high-growth Phoenix market and are excited about establishing a larger presence there. Like many of our other high-growth markets across the Sunbelt states, we believe the long-term job growth prospects in Phoenix will deliver strong and steady demand for apartment housing over the next ten years. We expect to capture additional growth this year as a result of a very active deal pipeline. The disciplined investment practices that have guided our company so successfully over the past thirteen years continue to ensure that capital deployment is executed in ways that add meaningfully to shareholder value over the long-term. In addition to the growth captured through our acquisition of existing properties, during 2007 we will be under construction and initial lease-up of new development projects in Raleigh, NC, Jacksonville, FL and Dallas, TX which are highly profitable expansions of existing communities.

Mid-America's balance sheet is in great shape. Debt as a percentage of gross assets was 52% at year-end, down from 56% a year earlier. Our fixed-charge coverage ratio of 2.15x is near the highest in the company's history. With over \$200 million of capacity under our existing credit facilities, we believe the company is in a very strong position to support our steady growth plans.

Total shareholder return for the year 2006 was a very solid 23%. Mid-America's annual total return to shareholders over the last five years is 24.9% and represents one of the strongest five-year shareholder performances among all apartment real estate investment trusts.

Of course our company's history of success and prospects for strong long-term performance is ultimately a result of the energy, commitment and industry leading capabilities of our team of associates. The average tenure at Mid-America of the senior management team, those with a title of vice-president or above, now stands at 10 years. This dedication is a key component of our company's ability to deliver strong, stable "out performance" in an industry that is marked with high levels of employee turnover.

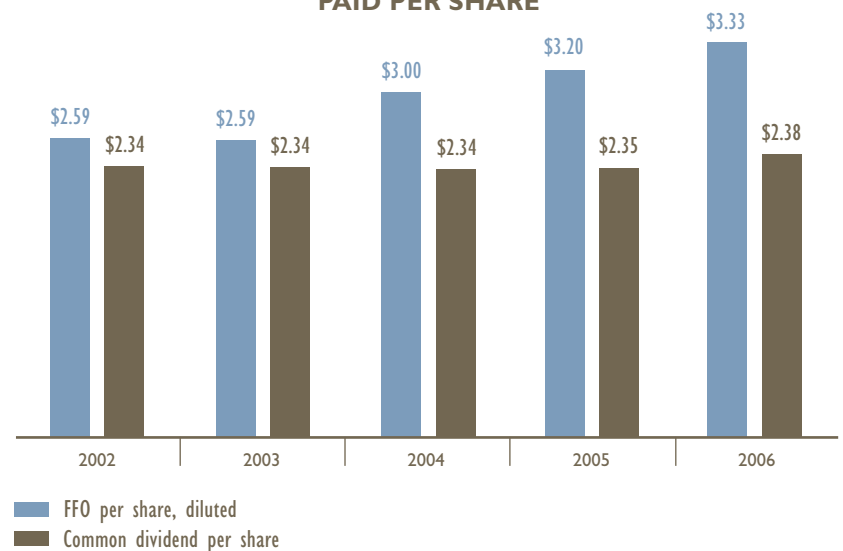
In addition to the dedication from the team of associates working at Mid-America, our company's outstanding Board of Directors has been an important part of our success. I am grateful for their wise counsel. Two members of our Board of Directors, Robert Fogelman and Michael Starnes, will be retiring from the Board concurrent with this year's shareholder meeting. I am grateful for their years of service and the valuable contributions they have provided.

On behalf of all of us at Mid-America, thank you for your investment in our company and the trust that you have placed in our team. We are excited about the progress and performance captured over the last few years. Our team is motivated and excited about plans to generate higher value for all our stakeholders at Mid-America.

Sincerely,

H. Eric Bolton, Jr.
Chairman and CEO

HISTORICAL FFO AND COMMON DIVIDENDS PAID PER SHARE



2006 FINANCIAL HIGHLIGHTS

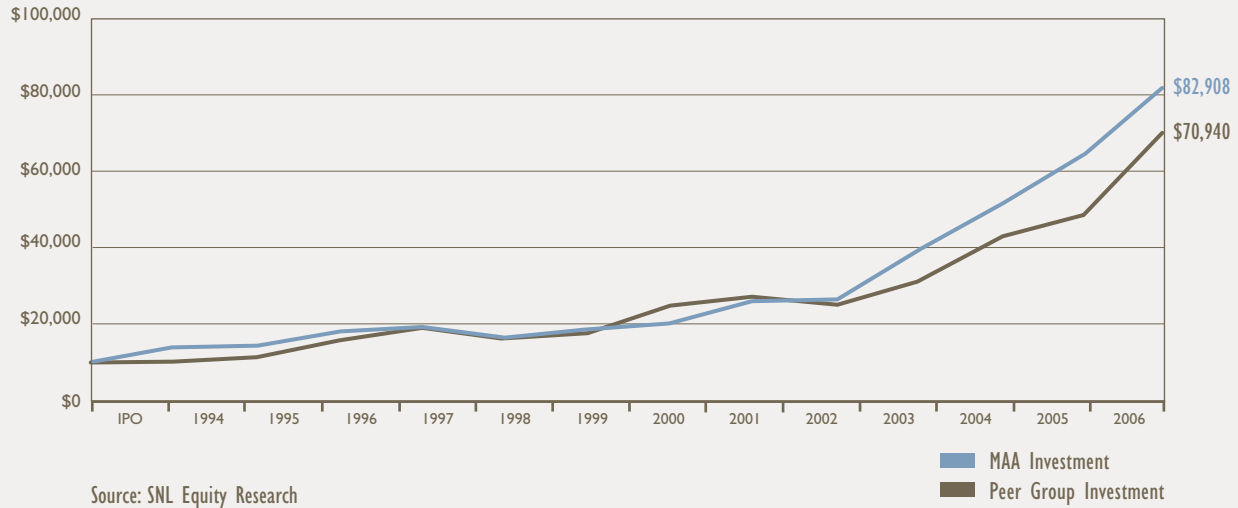
	<i>Years Ended December 31,</i>		
	2006	2005	2004
<i>(Dollars and shares in thousands, except per share data)</i>			
Net income	\$ 20,945	\$ 19,744	\$ 25,198
Preferred dividend distribution	13,962	14,329	14,825
Net income available for common shareholders	6,983	5,415	10,373
Depreciation of real estate assets	78,048	73,067	66,659
Net gain on insurance and other settlement proceeds	(84)	(749)	(2,683)
Gain on disposition within unconsolidated entities	—	(3,034)	(3,249)
Net (gain) loss on insurance and other settlement proceeds of discontinued operations	—	25	(526)
Depreciation of real estate assets of discontinued operations	160	637	1,324
Gain on sale of discontinued operations	—	—	(5,825)
Depreciation of real estate assets of unconsolidated entities	500	482	1,688
Minority interest in operating partnership income	1,590	1,571	2,264
Funds from operations	\$ 87,197	\$ 77,414	\$ 70,025
Weighted average shares, diluted	23,698	21,607	20,652
Net income available for common shareholders, diluted	\$ 0.29	\$ 0.25	\$ 0.50
Weighted average shares and units, diluted	26,204	24,227	23,316
Funds from operations per share, diluted	\$ 3.33	\$ 3.20	\$ 3.00
Dividends paid per share	\$ 2.38	\$ 2.35	\$ 2.34
Real estate owned, at cost	\$ 2,218,532	\$ 1,987,853	\$ 1,862,850
Capital improvements in progress	\$ 20,689	\$ 4,175	\$ 6,519
Investments in and advances to real estate joint ventures	\$ 3,718	\$ 4,182	\$ 14,143
Total debt	\$ 1,196,349	\$ 1,140,046	\$ 1,083,473
Shareholders' equity and minority interest	\$ 481,666	\$ 392,324	\$ 378,701
Market capitalization (shares and units) ⁽¹⁾	\$ 1,745,674	\$ 1,358,725	\$ 1,145,183
Number of properties, including joint venture ownership interest ⁽²⁾	138	132	132
Number of apartment units, including joint venture ownership interest ⁽²⁾	40,293	38,227	37,904

(1) Market capitalization includes all series of preferred shares (value based on \$25 per share liquidation preference) regardless of classification on balance sheet, common shares and partnership units (value based on common stock equivalency).

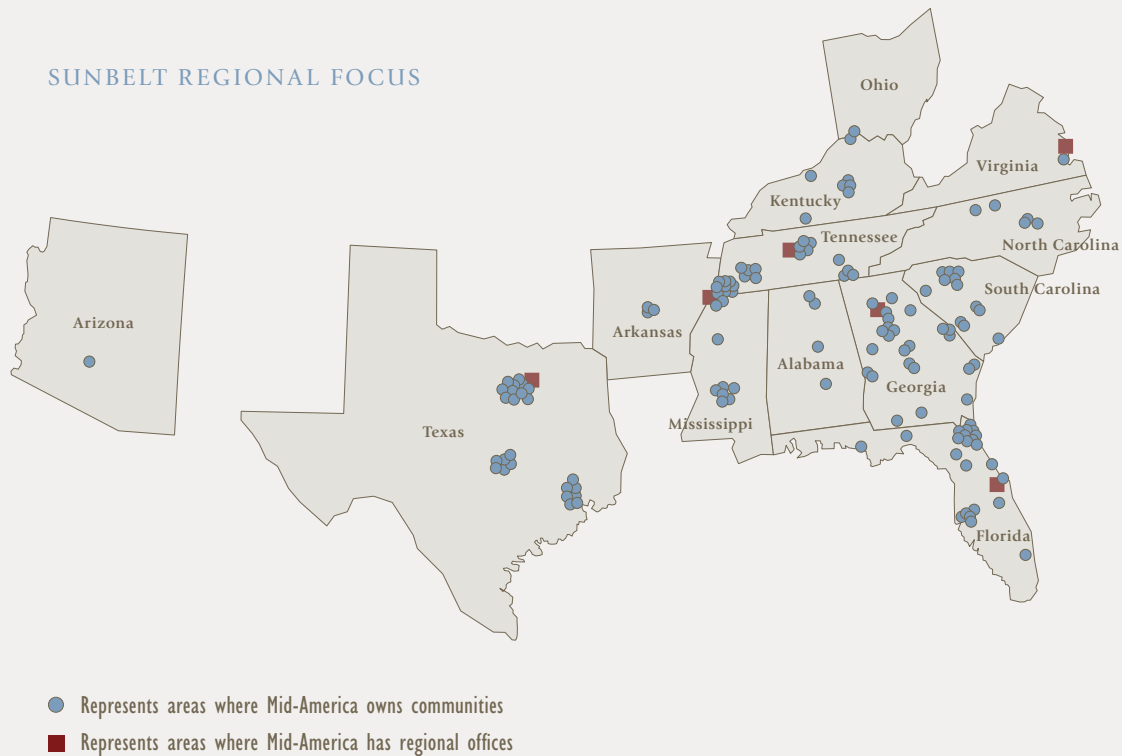
(2) Property and apartment unit totals have not been adjusted to exclude properties held for sale.

RETURN ON INVESTMENT

Value of \$10,000 Investment



SUNBELT REGIONAL FOCUS



CONSOLIDATED BALANCE SHEETS

	<i>December 31,</i>	
	2006	2005
<i>(Dollars in thousands, except per share data)</i>		
ASSETS:		
Real Estate Assets:		
Land	\$ 206,635	\$ 179,523
Buildings and improvements	1,921,462	1,740,818
Furniture, fixtures and equipment	51,374	46,301
Capital improvements in progress	20,689	4,175
	2,200,160	1,970,817
Less accumulated depreciation	(543,802)	(473,421)
	1,656,358	1,497,396
Land held for future development	2,360	1,366
Commercial properties, net	7,103	7,345
Investments in and advances to real estate joint venture	3,718	4,182
Real estate assets, net	1,669,539	1,510,289
Cash and cash equivalents	5,545	14,064
Restricted cash	4,145	5,534
Deferred financing costs, net	16,033	15,338
Other assets	38,865	29,849
Goodwill	5,051	5,051
Assets held for sale	7,468	—
Total assets	\$1,746,646	\$1,580,125
LIABILITIES AND SHAREHOLDERS' EQUITY:		
Liabilities:		
Notes payable	\$1,196,349	\$1,140,046
Accounts payable	2,773	3,278
Accrued expenses and other liabilities	57,919	38,048
Security deposits	7,670	6,429
Liabilities associated with assets held for sale	269	—
Total liabilities	1,264,980	1,187,801
Minority interest	32,600	29,798
Shareholders' equity:		
Preferred stock, \$.01 par value per share, 20,000,000 shares authorized, \$166,863 or \$25 per share liquidation preference;		
9 1/4% Series F Cumulative Redeemable Preferred Stock, 3,000,000 shares authorized, 474,500 shares issued and outstanding	5	5
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;		
25,093,156 and 22,048,372 shares issued and outstanding at December 31, 2006, and 2005, respectively	251	220
Additional paid-in capital	815,941	671,885
Other	—	(2,422)
Accumulated distributions in excess of net income	(378,090)	(314,352)
Accumulated other comprehensive income	10,897	7,128
Total shareholders' equity	449,066	362,526
Total liabilities and shareholders' equity	\$1,746,646	\$1,580,125

See Form 10-K for related footnote disclosures.

	<i>Years ended December 31,</i>		
	2006	2005	2004
<i>(Dollars and shares in thousands, except per share data)</i>			
Operating revenues:			
Rental revenues	\$ 311,524	\$ 283,650	\$ 254,902
Other property revenues	14,265	12,157	10,645
Total property revenues	325,789	295,807	265,547
Management fee income	210	325	582
Total operating revenues	325,999	296,132	266,129
Property operating expenses:			
Personnel	38,022	35,423	31,782
Building repairs and maintenance	12,072	10,965	9,838
Real estate taxes and insurance	40,878	37,341	34,752
Utilities	19,704	17,686	15,374
Landscaping	8,649	7,885	7,176
Other operating	14,991	14,363	13,427
Depreciation	79,388	74,413	68,010
Total property operating expenses	213,704	198,076	180,359
Property management expenses	13,077	11,871	10,357
General and administrative expenses	11,886	10,354	9,240
Income from continuing operations before non-operating items	87,332	75,831	66,173
Interest and other non-property income	673	498	593
Interest expense	(63,512)	(58,442)	(50,683)
Loss on debt extinguishment	(551)	(409)	1,095
Amortization of deferred financing costs	(2,036)	(2,011)	(1,753)
Minority interest in operating partnership income	(1,590)	(1,571)	(2,264)
(Loss) income from investments in real estate joint ventures	(114)	65	(287)
Incentive fee from real estate joint ventures	—	1,723	—
Net gain on insurance and other settlement proceeds	84	749	2,683
Gain on sale of non-depreciable assets	50	334	—
Gain on disposition within real estate joint ventures	—	3,034	3,249
Income from continuing operations	20,336	19,801	18,806
Discontinued operations:			
Income from discontinued operations before asset impairment, settlement proceeds and gain on sale	609	211	241
Asset impairment on discontinued operations	—	(243)	(200)
Net loss on insurance and other settlement proceeds on discontinued operations	—	(25)	526
Gain on sale of discontinued operations	—	—	5,825
Net income	20,945	19,744	25,198
Preferred dividend distribution	13,962	14,329	14,825
Net income available for common shareholders	\$ 6,983	\$ 5,415	\$ 10,373
Weighted average shares outstanding			
Basic	23,474	21,405	20,317
Effect of dilutive stock options	224	202	335
Diluted	23,698	21,607	20,652
Net income available for common shareholders	\$ 6,983	\$ 5,415	\$ 10,373
Discontinued property operations	(609)	57	(6,392)
Income from continuing operations available for common shareholders	\$ 6,374	\$ 5,472	\$ 3,981
Earnings per share—basic:			
Income from continuing operations available for common shareholders	\$ 0.27	\$ 0.26	\$ 0.20
Discontinued property operations	0.03	(0.01)	0.31
Net income available for common shareholders	\$ 0.30	\$ 0.25	\$ 0.51
Earnings per share—diluted:			
Income from continuing operations available for common shareholders	\$ 0.27	\$ 0.25	\$ 0.19
Discontinued property operations	0.02	—	0.31
Net income available for common shareholders	\$ 0.29	\$ 0.25	\$ 0.50

See Form 10-K for related footnote disclosures.

REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

THE BOARD OF DIRECTORS AND SHAREHOLDERS OF MID-AMERICA APARTMENT COMMUNITIES, INC.

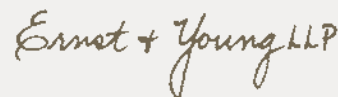
We have audited the accompanying consolidated balance sheets of Mid-America Apartment Communities, Inc. as of December 31, 2006 and 2005, and the related consolidated statements of income, shareholders' equity, and cash flows for each of the years then ended. These consolidated financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these consolidated financial statements based on our audits. The consolidated financial statements of Mid-America Apartment Communities, Inc. for the year ended December 31, 2004 were audited by other auditors whose report dated March 8, 2005 expressed an unqualified opinion on those statements.

We conducted our audits in accordance with the standards of the Public Company Accounting Oversight Board (United States). Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the consolidated financial position of Mid-America Apartment Communities, Inc. at December 31, 2006 and 2005, and the consolidated results of its operations and its cash flows for each of the years then ended, in conformity with U.S. generally accepted accounting principles.

As discussed in Note 2 of the Notes to Consolidated Financial Statements, effective January 1, 2006, the Company adopted Statement of Financial Accounting Standards No. 123(R), *Share-Based Payment*.

We also have audited, in accordance with the standards of the Public Company Accounting Oversight Board (United States), the effectiveness of Mid-America Apartment Communities, Inc.'s internal control over financial reporting as of December 31, 2006, based on criteria established in Internal Control-Integrated Framework issued by the Committee of Sponsoring Organizations of the Treadway Commission and our report dated February 27, 2007 expressed an unqualified opinion thereon.

The signature of Ernst & Young LLP is written in a cursive, handwritten style in black ink.

Memphis, Tennessee
February 27, 2007

REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

THE BOARD OF DIRECTORS AND SHAREHOLDERS OF MID-AMERICA APARTMENT COMMUNITIES, INC.

We have audited management's assessment, included in the accompanying Management's Report on Internal Control over Financial Reporting, that Mid-America Apartment Communities, Inc. maintained effective internal control over financial reporting as of December 31, 2006, based on criteria established in Internal Control—Integrated Framework issued by the Committee of Sponsoring Organizations of the Treadway Commission (the COSO criteria). Mid-America Apartment Communities, Inc.'s management is responsible for maintaining effective internal control over financial reporting and for its assessment of the effectiveness of internal control over financial reporting. Our responsibility is to express an opinion on management's assessment and an opinion on the effectiveness of the company's internal control over financial reporting based on our audit.

We conducted our audit in accordance with the standards of the Public Company Accounting Oversight Board (United States). Those standards require that we plan and perform the audit to obtain reasonable assurance about whether effective internal control over financial reporting was maintained in all material respects. Our audit included obtaining an understanding of internal control over financial reporting, evaluating management's assessment, testing and evaluating the design and operating effectiveness of internal control, and performing such other procedures as we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion.

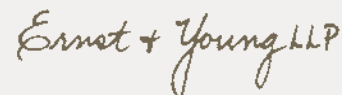
A company's internal control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Because of its inherent limitations, internal control over financial reporting may not prevent or detect misstatements. Also, projections of any evaluation of effectiveness to future periods are subject to the risk that controls may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

In our opinion, management's assessment that Mid-America Apartment Communities, Inc. maintained effective internal control over financial reporting as of December 31, 2006, is fairly stated, in all material respects, based on the COSO criteria. Also, in our opinion, Mid-America Apartment Communities, Inc. maintained, in all material respects, effective internal control over financial reporting as of December 31, 2006, based on the COSO criteria.

We also have audited, in accordance with the standards of the Public Company Accounting Oversight Board (United States), the consolidated balance sheets of Mid-America Apartment Communities, Inc. as of December 31, 2006 and 2005, and the related consolidated statements of income, shareholders' equity, and cash flows for the years then ended of Mid-America Apartment Communities, Inc. and our report dated February 27, 2007 expressed an unqualified opinion thereon.

Memphis, Tennessee
February 27, 2007

The logo for Ernst & Young LLP, featuring the company name in a stylized, handwritten-style font.

2006

CIVIC AND INDUSTRY AWARDS

MID-AMERICA: Best Employers in TN—Best Companies Group, Business Tennessee Magazine

MID-AMERICA: Best Places to Work—Finalist Large Company Category, Memphis Business Journal

MID-AMERICA: American Hero Company, American Values Investments, Inc.

MID-AMERICA: Bronze Award—Web Site Design, National Association of Real Estate Investment Trusts

HUMAN RESOURCES DEPARTMENT: Best of HR, SHRM—Memphis Chapter

CYNTHIA Y. THOMPSON: 50 Women Who Make a Difference, Memphis Woman Magazine

JAMES MACLIN: Top 40 Under 40, Memphis Business Journal

TOM GRIMES: Meet 20 Up-and-Comers, Multifamily Executive Magazine

ABBINGTON: Beautification Award Honor Roll, The City of Huntsville Beautification Board

BRENTWOOD DOWNS: Best of the Best Award, Nashville Apartment Association

EAGLE RIDGE: Assistant Manager of the Year, Greater Birmingham Apartment Association

EAGLE RIDGE: First Place Award—Best Mini Model, Greater Birmingham Apartment Association

EAGLE RIDGE: Best Landscape and Color Program, Greater Birmingham Apartment Association

EAGLE RIDGE: First Place Beautification Award, Greater Birmingham Apartment Association

FOUNTAIN LAKE: Clean Sweep Award, Savannah Apartment Association

GEORGETOWN GROVE: Gold Beautification Award, Brunswick Chamber of Commerce

GRAND RESERVE: Beautification Award, Lexington Apartment Association

GRANDE VIEW: First Place Beautification, Nashville Apartment Association

HIDDEN CREEK: First Place Beautification, Chattanooga Apartment Association

HIDDEN CREEK: Star Excellence Award, Chattanooga Apartment Association

LAKE LANIER CLUB: Landscape Maintenance Award, Georgia Green Apartment Association

LAKE LANIER CLUB: Landscape Maintenance Award, Metro Atlanta Landscape and Turf Association

LAKESHORE LANDING: Landscape Excellence, Mississippi Multifamily Council

LAKESHORE LANDING: Best Entrance Landscape, Mississippi Multifamily Council

LIGHTHOUSE AT FLEMING ISLAND: Property Manager of the Year, First Coast Apartment Association

LIGHTHOUSE AT FLEMING ISLAND: Marketing Concept of the Year, First Coast Apartment Association

LIGHTHOUSE AT FLEMING ISLAND: Landscape Beautification Award, First Coast Apartment Association

OAKS AT WILMINGTON ISLAND: Gold Winner Landscape Award, Savannah Apartment Association

PARK PLACE: Honorable Mention Beautification Award, Spartanburg Chamber of Commerce

PARK PLACE: First Place—Overall Landscaping, Upper State Apartment Association

PARK PLACE: First Place—Floral Design, Upper State Apartment Association

PEAR ORCHARD: Landscape Excellence, Mississippi Multifamily Council

RESERVE AT DEXTER LAKE: Beautiful Business Award, Memphis City Beautiful Commission

SILVERADO: Leasing Consultant of the Year, Austin Apartment Association

THE CORNERS AT CRYSTAL LAKE: Property of the Year, Triad Apartment Association

THE CORNERS AT CRYSTAL LAKE: NOI Turnaround Award, Triad Apartment Association

THE FAIRWAYS: Best Property, Apartment Association of Greater Columbia

THE FAIRWAYS: Beautification Award (11-20 y/o category), Apartment Association of Greater Columbia

THE MANSION: Beautification Award, Lexington Apartment Association

THE OAKS: Civic Pride Award "Keep Jackson Beautiful," City of Jackson

THE PADDOCK CLUB HUNTSVILLE: Mayor's Beautification Award, City of Huntsville Beautification Board

THE PADDOCK CLUB MURFREESBORO: Reader's Choice—Best Place to Live, Daily News Journal

THE TOWNSHIP IN HAMPTON WOODS: Award of Excellence—Property of the Year, Peninsula Apartment Association

THE TOWNSHIP IN HAMPTON WOODS: Maintenance Person of the Year, Peninsula Apartment Association

THE TOWNSHIP IN HAMPTON WOODS: In recognition of outstanding contributions in commercial beautification and recycling, Virginia Peninsula Clean Business Forum

WINDRIDGE: First Place Landscaping, Chattanooga Apartment Association

WOODSTREAM: Property of the Year, 2nd Runner-Up, Triad Apartment Association

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, 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 planned 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 Chief Executive Officer of The Cates Company from 1977 until its merger with us in February 1994.

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 ten years. In compliance with the retirement age in the Company's Corporate Governance Guidelines, Mr. Fogelman will not be sitting for re-election at the 2007 Annual Meeting for Shareholders.

ALAN B. GRAF, JR.

Committees: Audit (Chairman). A director since June 2002, Mr. Graf is the Execu-

tive 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 served as the President of The Citadel from 1997 until August 2005. Prior to assuming the presidency of The Citadel, General Grinalds was the headmaster of Woodberry Forest School. From 1989 to 1991, General Grinalds held the rank of Major General in the United States Marine Corps.

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 Horizon National Corporation ("FHNC") in July 1991 and Chief Executive Officer in April 1994. Mr. Horn was elected Chairman of the Board of FHNC in January 1996. Mr. Horn served as Chief Executive Officer and President of FHNC until July 2002, and as Chairman of the Board through December 2003.

MARY E. MCCORMICK

Committees: Audit. A director since March 2006, Ms. McCormick served the Ohio Public Employees Retirement System from 1988 through 2005, most recently directing real estate investments and overseeing an internally managed

REIT portfolio. From 2005 to 2006 Ms. McCormick was a strategy consultant for Hawkeye Partners, an investment management firm. Ms. McCormick has also held a number of leadership positions on a variety of national and regional real estate associations.

WILLIAM B. SANSOM

Committees: Compensation, Nominating and Corporate Governance. A director since November 2006, Mr. Sansom is the Chairman of the Board of Directors, Chief Executive Officer and President of the H.T. Hackney Co. From 1979 to 1981, Mr. Sansom served as the Tennessee Commissioner of Transportation, and from 1981 to 1983 as the Tennessee Commissioner of Finance and Administration. In 2006, Mr. Sansom was named the Chairman of the Board of the Tennessee Valley Authority.

MICHAEL S. STARNES

Committees: Audit. 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. Mr. Starnes has elected not to sit for re-election at the 2007 Annual Meeting for Shareholders.

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.

CORPORATE INFORMATION

CORPORATE HEADQUARTERS

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

INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

Ernst & Young LLP, Memphis, TN

GENERAL COUNSEL

Bass, Berry & Sims, PLC, Memphis, TN

ANNUAL SHAREHOLDERS MEETING

Mid-America Apartment Communities, Inc. will hold its 2007 Annual Meeting of Shareholders on Tuesday, May 22, 2007, at 1:00 p.m. CST at the Reserve at Dexter Lake apartments in 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.

TRANSFER AGENT AND REGISTRAR

American Stock Transfer & Trust Company
866-668-6550 shareholder toll-free line
www.amstock.com

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 or direct stock purchase plan should contact American Stock Transfer & Trust Company at the shareholder service number listed above or access their account at the web-site listed above. Limited partners of Mid-America Apartments, L.P. wishing to transfer their units or convert units into shares of common stock of Mid-America Apartment Communities, Inc. should contact Mid-America directly at the corporate headquarters.

ANNUAL REPORT AND FORM 10-K

A copy of Mid-America's Annual Report and Form 10-K for the year ended December 31, 2006, as filed with the Securities and Exchange Commission (SEC) will be sent without charge upon written request to the corporate headquarters address, attention Investor Relations, and is also available on the Investor Relations page of our web-site at www.maac.net. Mid-America's other SEC filings as well as our corporate governance documents are also available.

CEO AND CFO CERTIFICATIONS

As is required by Section 303A.12(a) of the NYSE's corporate governance standards, the CEO Certification has been previously filed without qualification with the NYSE. 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.

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 displaced from their own homes by long-term medical care needs. The Open Arms Foundation currently offers 36 homes to families in medical crisis.



MID-AMERICA APARTMENT COMMUNITIES, INC.

