



For over 17 years as a public company, Mid-America Apartment Communities has stood

Rooted in disciplined capital deployment,
Strengthened by sound financial practices,
Proven by multiple market cycles,
Guided by our founding principles.

We have brought the brightest talent, the latest technology and the right locations together and have delivered the greatest 10 year returns in the multifamily REIT sector to our shareholders. Now, as we reflect on 2010, as our economy and capital markets continue to recover and rebuild, we are well positioned for growth in the new cycle.

We are offering **A BRIGHTER VIEW.**
We are **MAA.**



1225 South Church Street, Charlotte, North Carolina







MAA: A Brighter View

Mid-America Apartment Communities became MAA as the culmination of a rebranding effort unveiled March 2011. Our new identity as MAA retains a commitment to our founding principles while recognizing the dynamic markets and operating capabilities that define us today.





Brighter Living

MAA's suite of enhanced resident services makes apartment living a smart, easy choice. Services include myMAA.com—a mobile friendly, online portal for paying rent, submitting and tracking service requests and keeping up with community events.







Greener Living

MAA's green program creates a socially responsible environment and a better quality of life for residents and associates. Recycling discarded carpet, installing low-flow water devices and employing water conservation practices are but a few of MAA's green initiatives.



BRIGHT Growth

MAA is committed to growing our company by capturing opportunities that bring value to the company and enhance our portfolio. In 2010, MAA completed \$272 million in acquisitions and committed \$78 million to new development.



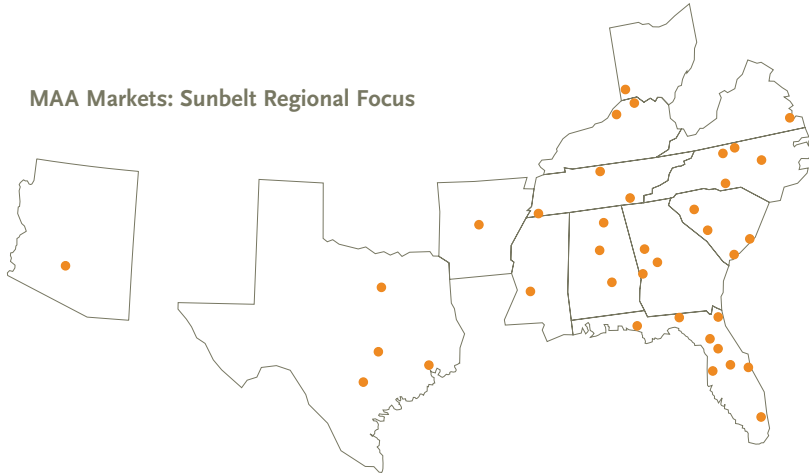
To My Fellow Shareholders:

As the economy and capital markets continue to recover, we are more optimistic about the prospects for the apartment business than at any point in our company's history. After years of overly-aggressive mortgage financing practices, we've entered a correction phase with a greater percentage of households in the U.S. that will now choose to rent their housing as opposed to take on the obligations associated with owning a home. And with a significant pull-back in the availability of construction financing, the level of new apartment development is well below historic norms. Growing demand, with a limited new supply of apartment housing, should support strong leasing conditions for apartment housing over the next few years.

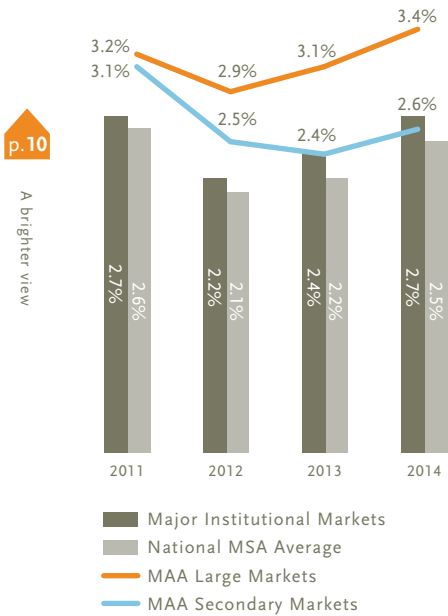
We will eventually need a recovery in the employment markets to further fuel the demand for apartments and sustain our ability to capture higher pricing. However, as the economy slowly finds traction, I'm optimistic that the job market will continue to improve, particularly in our strong Sunbelt markets, and support a long positive cycle for apartment leasing fundamentals.

Signs of recovery in apartment leasing emerged in early 2010 and the momentum accelerated over the course of the year. During 2010, rents increased just over 4% and occupancy averaged a very strong 96% across our portfolio of properties owned for a year or more. The strong performance was largely due to a significant decline in the move-out of existing residents. During 2010, resident move-outs dropped to the lowest level we've seen in our seventeen year history as a publicly owned company. Given the weak employment market and the trend away from home ownership, the resulting fall off in resident turnover is not surprising. We expect resident retention will remain high during the coming year.

MAA Markets: Sunbelt Regional Focus



Employment Growth Projections 2011-2014



During 2010, we were active in the acquisition market as we sought opportunities to create new value. The aggressive financing and construction environment, contributing to the stress in the capital markets over the last few years, began to yield some very attractive buying opportunities in 2010 and we're optimistic that good opportunities will continue to be available this year. Over the course of 2010, we acquired a total of \$272 million in new properties, below replacement value, at pricing that we believe will create positive cash flow and significant new value growth over the coming years. In addition, we committed \$78 million to new development projects that will likewise make a solid contribution to future earnings.

To support our growth plans and ensure we are well positioned to capture strong performance from our existing properties, we were also very active in 2010 with efforts to strengthen both the balance sheet and the operating platform of our company.

At the end of 2010, MAA's debt to gross assets was 48.8% and our fixed charge coverage was 3.4 times. Both of these metrics are stronger than they've ever been in our company's history. During 2010, we called and retired the outstanding \$155 million of Series H Preferred Stock, carrying a coupon rate of 8.3%, which will help to further lower our aggregate cost of capital.



BRIGHT Communities

MAA's award winning landscapes and exceptionally maintained buildings are well positioned throughout the Sunbelt Region. Selective renovation programs create value for our shareholders and enable our communities to remain competitive.





Focus on Technology

- * Our Lease Revenue Optimizer or LRO system allows us to maximize rent decisions on a real-time basis by unit.
- * Our mobile-friendly website allows potential residents to check apartment availability in real time, view photos and get directions to any community using GPS technology. Units can be reserved and the leasing process can be initiated all online.
- * Our online resident portal allows our residents to stay connected with their community. This resource allows them to view and pay rent online, make maintenance requests and access community news and upcoming events.

We continue to introduce new technologies and efficiencies to our operating platform designed to better meet the lifestyle and needs of our residents, while also driving more efficiency into our operations. During 2010, we rolled out a new and more cost efficient cable television service for our residents, a new 24 hour call center for our existing residents as well as those shopping for a new apartment home, and continued to improve operating efficiencies with enhanced web-based services and advertising.

Over the past seventeen years as a publicly owned company, we've experienced a number of changes in both the capital markets and in the apartment business. The financing environment continues to ebb and flow as investment capital cycles through an appetite for yield and risk tolerances. We've managed our balance sheet and deployed capital to take advantage of these cycles. We've introduced numerous changes to our operating platform to meet our customer's desire to make greater use of the internet and changes in how they want to interact with our properties and staff. And, of course, technology continues to create more opportunity for us to capture improved efficiencies in how we execute our operations. In adapting to these influences, we've worked to make a number of improvements that we believe position the company to out-perform in the region and markets where we invest, and to deliver superior long-term results on the capital invested. We believe that investing in real estate should be viewed as a long-term commitment. Our approach has



BRIGHT Technology

MAA's real-time technology and online resources allow us to make better, more timely decisions and communicate with our residents the way they want to communicate with us.

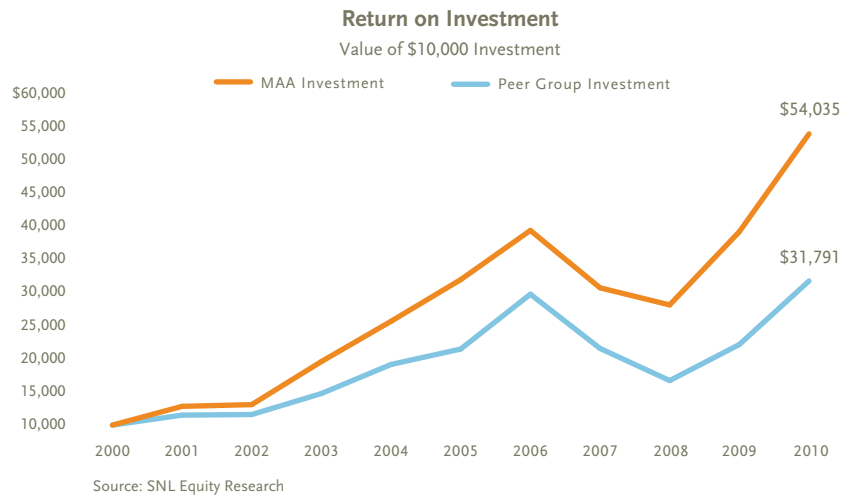




BRIGHT People

People are what define us. It is only through our associates that our properties are transformed into communities and our apartments into homes. Our seasoned management and talented team of on-site professionals are committed to providing top notch service for our residents and consistent returns for our shareholders.





focused on establishing a portfolio of investments, an operating platform and a balance sheet that are designed to generate high quality revenue, more stable cash flow and superior results for capital over the long-haul; delivering superior “full cycle performance.”

Through calendar year 2010, MAA shareholders captured an annual compound ten-year total investment return of 18.4%. This result is the best performance among all publicly traded apartment REITs traded on the New York Stock Exchange.

My sincere thanks and appreciation go to all our MAA associates. Our company’s ability to out-perform in this highly competitive industry is due to the hard-work, creativity and passion that our employees bring to their responsibilities to serve our residents, perform for our shareholders and to support one another.

We appreciate your investment in MAA and the trust you place in our team.

Eric Bolton
Chairman and CEO



MAA Management (from left to right):
Don Aldridge, Acquisitions; Thomas L. Grimes, Jr., EVP and Director of Property Management Operations; H. Eric Bolton, Jr., CEO and Chairman of the Board; Albert M. Campbell, III, EVP and CFO; James Andrew Taylor, EVP and Director of Asset Management.

★ 96% Year-end Physical Occupancy

★ 50% Record Low Resident Turnover

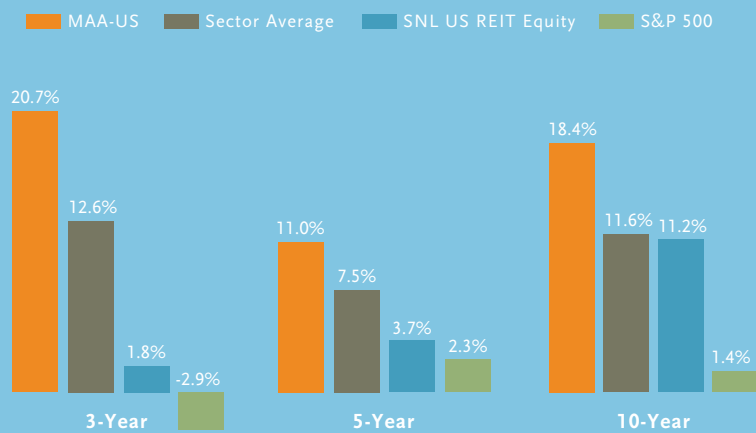
★ \$272 Million in Acquisitions

★ \$78 Million in New Development

★ 48.8% Year-end Debt to Gross Assets

★ 3.4 Times Year-end Fixed Charge Coverage

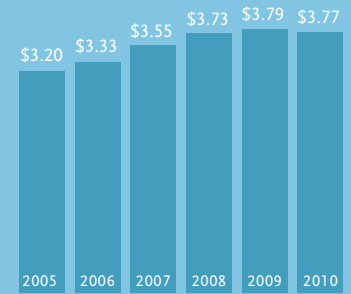
Total Annual Shareholder Returns



Source: SNL Equity Research

FFO Per Share/Unit*

*FFO/Share for 2010 excludes non-routine items



Source: Company Data

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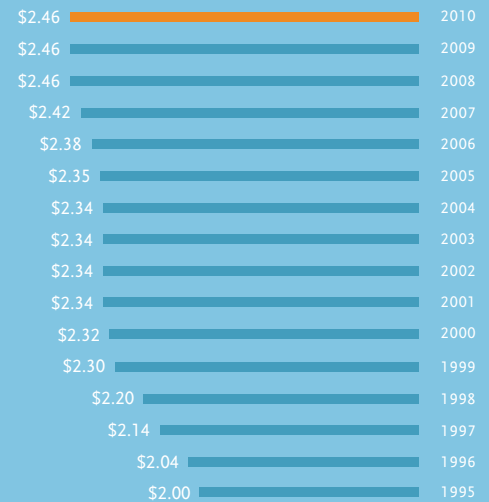
A brighter view



BRIGHT Results

2010 again showed that our strategy aimed at a full cycle performance with lower volatility continues to provide consistent long-term returns for our shareholders.

Annual Cash Dividends Paid



Source: Company Data

Financial Highlights

	Years Ended December 31,		
<i>(Dollars and shares in thousands, except per share data)</i>	2010	2009	2008
Net income attributable to Mid-America Apartment Communities, Inc.	\$ 29,761	\$ 37,211	\$ 30,249
Preferred dividend distribution	6,549	12,865	12,865
Premiums and original issuance costs associated with the redemption of preferred stock	5,149	—	—
Net income available for common shareholders	18,063	24,346	17,384
Depreciation of real estate assets	102,000	94,020	88,555
Net casualty (gains) loss and other settlement proceeds	(330)	(32)	247
Gains on properties contributed to joint ventures	(752)	—	—
Gains on dispositions within real estate joint ventures	—	—	(38)
Loss (gains) on sales of discontinued operations	2	(4,649)	120
Depreciation of real estate assets of discontinued operations	—	—	706
Depreciation of real estate assets of real estate joint ventures	1,896	970	953
Net income attributable to noncontrolling interests	1,114	2,010	1,822
Funds from operations	\$ 121,993	\$ 116,665	\$ 109,749
Non-routine items:			
Premiums and original issuance costs associated with the redemption of preferred stock	5,149	—	—
Asset impairment	1,914	—	—
Funds from operations before non-routine items	\$ 129,056	\$ 116,665	\$ 109,749
Weighted average shares, diluted	31,977	28,348	27,084
Net income per share available for common shareholders, diluted	\$ 0.56	\$ 0.85	\$ 0.64
Weighted average shares and units, diluted	34,219	30,802	29,459
Funds from operations per share and unit, diluted	\$ 3.57	\$ 3.79	\$ 3.73
Funds from operations before non-routine items per share and unit, diluted	\$ 3.77	\$ 3.79	\$ 3.73
Dividends paid per share	\$ 2.46	\$ 2.46	\$ 2.46
Real estate owned, at cost	\$2,985,447	\$2,732,218	\$2,552,808
Capital improvements in progress	\$ 11,501	\$ 10,517	\$ 25,268
Investments in real estate joint ventures	\$ 17,505	\$ 8,619	\$ 6,824
Total debt	\$1,500,193	\$1,399,596	\$1,323,056
Shareholders' equity, redeemable stock and minority interest	\$ 544,392	\$ 456,028	\$ 444,422
Market capitalization (shares and units) ⁽¹⁾	\$2,353,115	\$1,671,036	\$1,293,145
Number of properties, including joint venture ownership interest ⁽²⁾	157	147	145
Number of apartment units, including joint venture ownership interest ⁽²⁾	46,310	43,604	42,554

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

Consolidated Balance Sheets

December 31,

(Dollars in thousands, except per share data)

2010 2009

Assets:

Real estate assets:

Land	\$ 288,890	\$ 255,425
Buildings and improvements	2,564,887	2,364,918
Furniture, fixtures and equipment	83,251	73,975
Capital improvements in progress	11,501	10,517

	2,948,529	2,704,835
Less accumulated depreciation	(889,841)	(788,260)

	2,058,688	1,916,575
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Land held for future development	1,306	1,306
Commercial properties, net	8,141	8,721
Investments in real estate joint ventures	17,505	8,619

Real estate assets, net	2,085,640	1,935,221
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Cash and cash equivalents	45,942	13,819
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Restricted cash	1,514	561
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Deferred financing costs, net	13,713	13,369
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Other assets	25,133	19,731
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Goodwill	4,106	4,106
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Assets held for sale	—	19
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Total assets	\$2,176,048	\$1,986,826
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Liabilities and Shareholders' Equity:

Liabilities:

Notes payable	\$1,500,193	\$1,399,596
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Accounts payable	1,815	1,702
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Fair market value of interest rate swaps	48,936	51,160
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Accrued expenses and other liabilities	73,999	69,528
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Security deposits	6,693	8,789
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Liabilities associated with assets held for sale	20	23
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Total liabilities	1,631,656	1,530,798
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Redeemable stock	3,764	2,802
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Shareholders' equity:

Preferred stock, \$0.01 par value per share, 20,000,000 shares authorized, \$25 per share liquidation preference;		
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8.30% Series H Cumulative Redeemable Preferred Stock, 6,200,000 shares authorized, 0 and 6,200,000 shares issued and outstanding at December 31, 2010 and December 31, 2009, respectively	—	62
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Common stock, \$0.01 par value per share, 50,000,000 shares authorized; 34,871,399 and 29,095,251 shares issued and outstanding at December 31, 2010 and December 31, 2009, respectively	348	290
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Additional paid-in capital	1,142,023	988,642
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Accumulated distributions in excess of net income	(575,021)	(510,993)
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Accumulated other comprehensive income	(48,847)	(47,435)
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Total Mid-America Apartment Communities, Inc. shareholders' equity	518,503	430,566
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Noncontrolling interest	22,125	22,660
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Total equity	540,628	453,226
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Total liabilities and equity	\$2,176,048	\$1,986,826
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Consolidated Statements of Operations

Years ended December 31,

(Dollars in thousands, except per share data)

	2010	2009	2008
Operating revenues:			
Rental revenues	\$ 369,547	\$ 357,008	\$ 352,414
Other property revenues	32,002	21,243	17,391
Total property revenues	401,549	378,251	369,805
Management fee income	680	293	206
Total operating revenues	402,229	378,544	370,011
Property operating expenses:			
Personnel	51,363	47,633	46,139
Building repairs and maintenance	15,150	14,161	13,688
Real estate taxes and insurance	45,850	45,572	45,652
Utilities	24,447	22,334	21,908
Landscaping	10,129	9,548	9,146
Other operating	27,681	20,457	18,777
Depreciation	104,064	96,019	90,168
Total property operating expenses	278,684	255,724	245,478
Acquisition expenses	2,512	950	—
Property management expenses	18,035	17,220	16,799
General and administrative expenses	12,354	11,320	11,837
Income from continuing operations before non-operating items	90,644	93,330	95,897
Interest and other non-property income	837	385	509
Interest expense	(55,996)	(57,094)	(62,010)
Loss on debt extinguishment	—	(140)	(116)
Amortization of deferred financing costs	(2,627)	(2,374)	(2,307)
Asset impairment	(1,914)	—	—
Net casualty gains (loss) and other settlement proceeds	330	32	(247)
Gain (loss) on sale of non-depreciable assets	—	15	(3)
Gain on properties contributed to joint ventures	752	—	—
Income from continuing operations before loss from real estate joint ventures	32,026	34,154	31,723
Loss from real estate joint ventures	(1,149)	(816)	(844)
Income from continuing operations	30,877	33,338	30,879
Discontinued operations:			
Income from discontinued operations before (loss) gain on sale	—	1,234	1,312
(Loss) gain on sale of discontinued operations	(2)	4,649	(120)
Consolidated net income	30,875	39,221	32,071
Net income attributable to noncontrolling interests	1,114	2,010	1,822
Net income attributable to Mid-America Apartment Communities, Inc.	29,761	37,211	30,249
Preferred dividend distributions	6,549	12,865	12,865
Premiums and original issuance costs associated with the redemption of preferred stock	5,149	—	—
Net income available for common shareholders	\$ 18,063	\$ 24,346	\$ 17,384
Weighted average shares outstanding (in thousands):			
Basic	31,856	28,341	26,943
Effect of dilutive securities	121	7	141
Diluted	31,977	28,348	27,084
Net income available for common shareholders	\$ 18,063	\$ 24,346	\$ 17,384
Discontinued property operations	2	(5,883)	(1,192)
Income from continuing operations available for common shareholders	\$ 18,065	\$ 18,463	\$ 16,192
Earnings per share—basic:			
Income from continuing operations available for common shareholders	\$ 0.57	\$ 0.65	\$ 0.60
Discontinued property operations	—	0.20	0.04
Net income available for common shareholders	\$ 0.57	\$ 0.85	\$ 0.64
Earnings per share—diluted:			
Income from continuing operations available for common shareholders	\$ 0.56	\$ 0.65	\$ 0.60
Discontinued property operations	—	0.20	0.04
Net income available for common shareholders	\$ 0.56	\$ 0.85	\$ 0.64
Dividends declared per common share	\$ 2.4725	\$ 2.4600	\$ 2.4600

Corporate Information

Corporate Headquarters

MAA
6584 Poplar Avenue
Memphis, TN 38138
901-682-6600
www.maac.com

General Counsel

Baker, Donelson, Bearman, Caldwell & Berkowitz, PC, Memphis, TN

Independent Registered Public Accounting Firm

Ernst & Young LLP, Memphis, TN

Annual Shareholders Meeting

MAA will hold its 2011 Annual Meeting of Shareholders on Thursday, May 26, 2011, at 1:00 p.m. CDT at the Reserve at Dexter Lake apartments in Memphis, TN.

Stock Listings

MAA's common stock is listed on the New York Stock Exchange (NYSE) and is traded under the stock symbol MAA.

Transfer Agent and Registrar

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

Registered 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 enroll in our dividend reinvestment plan or direct stock purchase program should contact America Stock Transfer & Trust Company at the shareholder service number listed above or access their account at the web-site listed above.

Beneficial owners who own shares held in "street name" should contact their broker or bank for all questions.

Limited partners of Mid-America Apartments, L.P. wishing to transfer their units or convert units into shares of common stock of MAA should contact MAA directly at the corporate headquarters.

Annual Report and Form 10-K

A copy of MAA's Annual Report and Form 10-K for the year ended December 31, 2010, 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.com. MAA's other SEC filings as well as 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 MAA's Form 10-K.

The Open Arms Foundation

The Open Arms Foundation is MAA's award-winning corporate charity that provides fully-furnished, two-bedroom apartment homes free of charge to families displaced from their own homes while seeking medical treatment. In addition to rent, the Open Arms Foundation also pays for basic utilities including electricity/gas, phone, cable and internet. At the time of printing of this report, The Open Arms Foundation was providing 40 homes to families in medical crisis across 10 states. In its 17-year history, the foundation has provided 2,200 families with nearly 120,000 nights of rest away from home. To find out more about The Open Arms Foundation please visit www.maac.com.



Board of Directors

H. Eric Bolton, Jr.

Chief Executive Officer and
Chairman of the Board of Directors
MAA

Alan B. Graf, Jr.

Executive Vice President and
Chief Financial Officer
FedEx Corporation
Committees: Audit (Chairman)

Major General John S. Grinalds, USMC (Ret.)

Past President
The Citadel
Committees: Audit

Ralph Horn

Past President, Chief Executive Officer and
Chairman of the Board of Directors
First Horizon National Corporation
Committees: Compensation; Nominating
and Corporate Governance (Chairman)

Philip W. Norwood

President and Chief Executive Officer
Faison Enterprises, Inc.
Committees: Compensation; (Chairman);
Nominating and Corporate Governance

W. Reid Sanders

Managing Partner
Chickasaw Partners
Committees: Audit

William B. Sansom

President, Chief Executive Officer and
Chairman of the Board of Directors
H.T. Hackney Co.
Committees: Compensation; Nominating
and Corporate Governance

Simon R.C. Wadsworth

Past Executive Vice President and
Chief Financial Officer
MAA





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www.maac.com

