AMERICA APARTMENT COMMUNITIES

A self-managed Equity REIT

PRESS RELEASE

FROM: SIMON R. C. WADSWORTH

SUBJECT: SECOND QUARTER 2002 EARNINGS IN-LINE WITH FORECAST

DATE: **JULY 31, 2002**

Mid-America Second Quarter Earnings In-Line With Forecast

Memphis, TN, Mid-America Apartment Communities, Inc. (NYSE: MAA) reported Funds From Operations ("FFO"), the generally accepted measure of operating performance for real estate investment trusts, of $14,425,000 or $0.70 per share for the quarter ended June 30, 2002. This is in line with the company's earnings estimates for the quarter. The second quarter FFO performance is an improvement over the $0.68 per share reported for the first quarter of this year and is only slightly below the $0.71 per share reported for the second quarter of last year. Net income available for common shareholders (after non-cash expense for property depreciation) for the second quarter was $941,000 or $0.05/share. This compares to $573,000 or $0.03/share of net income available for common shareholders for the comparable quarter of a year ago.

Highlights for the second quarter were:

- Occupancy improved to 94.7% by quarter end, from 94.2% at the end of the first quarter and 94.4% at the end of the second quarter last year.
- A partnership with Crow Holdings was established to pursue acquisition and redevelopment opportunities; first joint venture related acquisition was closed in early July.
- Solid balance sheet continues to strengthen further as coverage ratios show steady improvement.
- Leasing remains challenging as a strong home buying environment and slow job growth lowers demand.

Eric Bolton, President and CEO said, "Market conditions remain tough. The combination of a vibrant home buying market and slow job growth, continue to create a very competitive leasing market. However, we are encouraged by the significant pull back in new apartment construction starts and believe that once the economy begins to recover, coupled with an increase in mortgage rates, we will see apartment leasing in the southeast strengthen. We have planned for this presently slower part of the cycle and remain comfortable with our balance sheet and current dividend pay-out."

"We have revisited our forecast for the remainder of this year. Our earlier outlook included assumptions anticipating a slight improvement in job growth and a slow down in the robust home buying market later this year. These assumptions are becoming increasingly dubious, and we now believe that it will be early 2003 before conditions improve. In our updated forecast we foresee that significant leasing concessions will persist through the remainder of the year. We have accordingly made a small downward adjustment in our FFO per share forecast from $2.80 to $2.77, with a range of $2.76 to $2.80."

"It is important to note that this forecast assumes that no additional property acquisitions are made. New acquisitions that we may close with Crow Holdings between now and year end are expected to have only a minor impact to earnings for the remainder of this year and will create more significant contribution in 2003."

"The outlook for increasing demand for multifamily housing over the next 5 to 7 years remains strong, particularly in the solid growth markets of the southeast and south central regions of the country. Even now, during this slower part of the economic cycle, we continue to enjoy relatively stable occupancy and investment performance. Our properties are in great condition and we are confident that our portfolio will continue to perform in a satisfactory manner as we wait for improved economic conditions."

Simon Wadsworth, Executive Vice-President and CFO said, "We continue to strengthen our balance sheet. At the end of the quarter our blended average interest cost has been reduced to 6.2%, with 87% of our total debt now at a fixed rate. We have reached a preliminary agreement with Fannie Mae on an additional credit facility which will be used to refinance $200 million of debt maturities and prepayments in the next 18 months. We've prelocked the rate on $100 million of next year's refinancings at a 5.9% average interest rate, with plans underway to lock in the majority of the remainder of next year's refinancings. The 5.9% debt pricing will be replacing maturing bonds at an average interest rate of 6.4%."

"Through proactively addressing next year's refinancings and taking advantage of the historically low current interest rate environment, we have further strengthened our balance sheet and reduced exposure to potential increases in interest rates. Our debt service coverage grew to 2.34 from 2.15 for the same quarter of a year ago and our fixed charge coverage improved to 1.80 from 1.70 as of a year ago. Both of these coverage ratios were also up year over year during the first quarter of this year."

"During the second quarter we successfully renewed our property and casualty insurance program. Given the very difficult pricing and reduced capacity within the insurance industry, our overall cost of premiums and deductibles will increase approximately 40% over the prior year's policy costs, which is in line with what we had anticipated in our forecast."

Al Campbell, Vice-President and Director of Financial Planning said, "Property revenues remain pressured by competitive market conditions. On a same store basis, property revenues posted a 1.2% decline from prior year performance. Property occupancy continues to improve and show steady performance, but leasing concessions are currently more than off-setting this occupancy improvement. Our properties continue to outperform market wide occupancy and rent growth trends. Same store property operating expenses remain under good control with only a 3.4% increase over the prior year, with the largest percentage increase generated by property insurance costs."

Eric Bolton said, "Our balance sheet continues to strengthen. Coverage ratios show steady improvement and our dividend remains secure. We are committed to the current level of cash paid to our owners.   Our strategy focuses on generating a steady improvement to our earnings and per share value growth, along with further strengthening dividend coverage and remains solidly on track."

MAA is a self-administered, self-managed apartment-only real estate investment trust which currently owns or has ownership interest in 33,923 apartment units throughout the southeast and southcentral U.S. For further details, please refer to our website at *www.maac.net* or contact Simon R. C. Wadsworth at (901) 682-6668, ext. 105. 6584 Poplar Ave., Suite 300, Memphis, TN 38138.

CONSOLIDATED STATEMENTS OF OPERATIONS

In thousands except per share data

	Three months ended June 30, 2002	Three months ended June 30, 2001	Six months ended June 30, 2002	Six months ended June 30, 2001
Property revenues	$ 56,692	$ 57,453	$ 112,351	$ 113,734
Property operating expenses	21,453	21,170	42,640	41,972
Net operating income	35,239	36,283	69,711	71,762
Interest and other non-property income	168	429	302	716
Management and development income, net	193	191	379	379
FFO from real estate joint ventures	155	348	475	516
Property management expenses	2,478	2,693	4,950	5,282
General & administrative	1,511	1,472	2,957	2,913
Interest expense	12,362	13,843	24,724	27,302
Gain on disposition of non-depreciable assets	-	(5)	-	229
Preferred dividend distribution	4,029	4,029	8,057	8,057
Depreciation and amortization non-real estate assets	286	158	556	325
Amortization of deferred financing costs	664	636	1,321	1,165
Funds from operations	**14,425**	**14,415**	**28,302**	**28,558**
Depreciation and amortization	13,361	12,936	26,600	25,766
Joint venture depreciation adjustment included in FFO	345	314	688	627
Gain on disposition of non-depreciable assets included in FFO	-	(5)	-	229
Preferred dividend distribution add back	(4,029)	(4,029)	(8,057)	(8,057)
Income before gain on disposition of assets, minority interest and extraordinary items	4,748	5,199	9,071	9,993
Net gain on disposition of assets and insurance settlement proceeds	501	(5)	565	164
Minority interest in operating partnership income	(251)	(149)	(338)	(251)
Income before extraordinary items	4,998	5,045	9,298	9,906
Ex item - Loss on debt extinguishment , net of MI	28	443	28	443
Preferred dividend distribution	4,029	4,029	8,057	8,057
Net income available for common shareholders	$ 941	$ 573	$ 1,213	$ 1,406
Weighted average common shares - Diluted	17,749	17,480	17,673	17,495
Weighted average common shares and units - Diluted	20,659	20,416	20,586	20,431
Funds from operations per share and units - Diluted	$0.70	$0.71	$1.37	$1.40
Net income available for common shareholders before extraordinary items - Diluted	$0.05	$0.06	$0.07	$0.11
Net income available for common shareholders after extraordinary items - Diluted	$0.05	$0.03	$0.07	$0.08

CONSOLIDATED BALANCE SHEETS

In thousands

	June 30, 2002	December 31, 2001
Assets		
Real estate assets, net	$1,198,938	$1,216,933
Cash and cash equivalents, including restricted cash	25,344	23,432
Other assets	26,680	23,123
Total assets	$1,250,962	$1,263,488
Liabilities		
Bonds and notes payable	$788,136	$779,664
Other liabilities	46,516	41,564
Total liabilities	834,652	821,228
Shareholders' equity and minority interest	416,310	442,260
Total liabilities & shareholders' equity	$1,250,962	$1,263,488

OPERATING RESULTS

Dollars and shares in thousands except per share data

ROA	Annualized 2Q02	Trailing 4 Quarters
Gross Real Estate Assets, Average	$1,458,661	$1,451,744
EBITDA	$124,408	$123,914
EBITDA/Gross Real Estate Assets	8.5%	8.5%

	Three Months Ended June 30,		Six Months Ended June 30,	
	2002	2001	2002	2001
Common and Preferred Dividends as % of FFO	87%	88%		
EBITDA/Debt Service (1)	2.34	2.15		
EBITDA/Fixed Charges (2)	1.80	1.70		
Total Debt as % of Gross Real Estate Assets	53%	55%		
MAA portion of JV debt	$26,974	$27,779		
Capitalized Interest YTD	$239	$811		
FAD				
FFO	$14,425	$14,415	$28,302	$28,558
Average Units	30,662	30,985	30,634	30,944
Average Shares - Diluted	20,659	20,416	20,586	20,431
Recurring Capex	$3,595	$3,429	$5,395	$6,377
FAD	$10,830	$10,986	$22,907	$22,181
Free Cash Flow (3)	$11,780	$11,780	$24,784	$23,671
PER SHARE (DILUTED)				
FFO	$0.70	$0.71	$1.37	$1.40
FAD	$0.52	$0.54	$1.11	$1.09
Free Cash Flow (3)	$0.57	$0.58	$1.20	$1.16
Distribution	$0.585	$0.585	$1.170	$1.170

(1) Annualized EBITDA for trailing six months to annualized debt service (aggregate of principal and interest) for same period.

(2) Annualized EBITDA for trailing six months to annualized fixed charges (aggregate of preferred distributions, principal and interest) for same period.

(3) Includes addback of other non-cash items, primarily non-real estate depreciation and amortization.

OTHER DATA

Shares and units in thousands except per share data

	Three Months Ended June 30,		Six Months Ended June 30,	
	2002	2001	2002	2001
Weighted average common shares and units - Basic	20,408	20,332	20,390	20,374
Weighted average common shares and units - Diluted	20,659	20,416	20,586	20,431
Number of apartment units with ownership interest (excluding development units not delivered)	33,459	33,778	33,459	33,778
Apartment units added during period, net	25	-	48	166
PER SHARE DATA				
Funds from operations per share and units - Basic	$0.71	$0.71	$1.39	$1.40
Funds from operations per share and units - Diluted	$0.70	$0.71	$1.37	$1.40
Net income available for common shareholders before extraordinary items - Diluted	$0.05	$0.06	$0.07	$0.11
Net income available for common shareholders after extraordinary items - Diluted	$0.05	$0.03	$0.07	$0.08
Dividend declared per common share	$0.585	$0.585	$1.170	$1.170

DIVIDEND INFORMATION (latest declaration)	Payment per Share	Payment Date	Record Date
Common Dividend - quarterly	$0.5850	7/31/2002	7/24/2002
Preferred Series A - monthly	$0.1979	8/15/2002	8/1/2002
Preferred Series B - monthly	$0.1849	8/15/2002	8/1/2002
Preferred Series C - quarterly	$0.5859	7/15/2002	7/1/2002

COMMUNITY STATISTICS

Represents current stabilized communities

	At June 30, 2002			
	Number of Units	Portfolio Concentration	MAA Occupancy	MAA Average Rental Rate Per Unit
Tennessee				
Memphis	4,429	13.9%	95.3%	$ 622.30
Nashville	966	3.0%	93.8%	$ 692.05
Chattanooga	943	2.9%	94.1%	$ 557.62
Jackson	664	2.1%	92.8%	$ 612.68
Florida				
Jacksonville	2,846	8.9%	93.9%	$ 685.03
Tampa	1,120	3.5%	94.2%	$ 752.96
Other	2,518	7.8%	94.6%	$ 714.22
Georgia				
Atlanta	1,652	5.1%	95.7%	$ 778.20
Columbus / LaGrange	1,509	4.7%	94.9%	$ 650.87
Augusta / Aiken / Savannah	1,132	3.5%	94.6%	$ 622.45
Other	1,742	5.4%	96.6%	$ 658.77
Texas				
Dallas	2,056	6.4%	90.9%	$ 656.40
Austin	1,254	3.9%	95.0%	$ 713.55
Houston	1,002	3.1%	94.6%	$ 670.10
South Carolina				
Greenville	1,492	4.6%	96.0%	$ 561.94
Other	784	2.4%	96.4%	$ 675.34
Kentucky				
Lexington	554	1.7%	94.0%	$ 607.13
Other	624	1.9%	96.0%	$ 615.45
Mississippi	1,673	5.2%	97.2%	$ 581.76
Arkansas	808	2.5%	97.4%	$ 608.30
Alabama	952	3.0%	94.0%	$ 655.07
North Carolina	738	2.3%	91.7%	$ 582.14
Ohio	414	1.3%	89.6%	$ 702.19
Virginia	296	0.9%	99.0%	$ 681.33
Total	**32,168**	**100.0%**	**94.7%**	**$ 655.40**

SAME STORE STATISTICS

Dollars in thousands except Average Rental Rate

	Three Months Ended June 30,		
	2002	2001	Percent Change
Revenues	$52,896	$53,520	-1.2%
Property Operating Expenses	13,597	13,292	2.3%
RE Taxes and Insurance	6,274	5,933	5.7%
Total Operating Expenses	19,871	19,225	3.4%
NOI	$33,025	$34,295	-3.7%
Units	28,761	28,797	
Average Rental Rate	$657.47	$650.54	1.1%
Average Physical Occupancy	94.9%	94.3%	0.6%

DEBT AS OF JUNE 30, 2002

Dollars in thousands

	Principal Balance	Average Years to Maturity	Average Rate
Conventional - Fixed Rate or Swapped	$ 570,018	6.3	6.9%
Tax-free - Fixed Rate or Swapped	117,819	23.0	6.1%
Conventional - Variable Rate	77,739	7.4	2.5%
Tax-free - Variable Rate	22,560	25.6	2.4%
Total	**$ 788,136**	**9.5**	**6.2%**

FUTURE PAYMENTS

	Scheduled Amortization	Maturities	Total	Average Rate for Maturities
2002	$ 1,957	$ 19,183	$ 21,140	5.1%
2003	3,691	154,120	157,811	6.5%
2004	3,808	71,168	74,976	7.0%
2005	4,063	-	4,063	
2006	4,167	36,010	40,177	6.4%
Thereafter	129,754	360,215	489,969	5.9%
Total	**$ 147,440**	**$ 640,696**	**$ 788,136**	**6.2%**

DEVELOPMENT PIPELINE

		Units				Percentage of Available Units to Lease	
		Total	Available to Lease	Occupied	Leased	Occupied	Leased
Properties in Lease-up							
Grand Reserve Lexington	Lexington, KY	370	370	348	363	94%	98%
Grande View Nashville	Nashville, TN	433	431	366	398	85%	92%
Reserve at Dexter Lake Phase II	Memphis, TN	244	244	180	183	74%	75%
Reserve at Dexter Lake Phase III	Memphis, TN	244	244	144	156	59%	64%
	Total	**1,291**	**1,289**	**1,038**	**1,100**	**81%**	**85%**