MID-AMERICA APARTMENT COMMUNITIES

A self-managed Equity REIT

PRESS RELEASE

FROM: SIMON R. C. WADSWORTH

SUBJECT: THIRD QUARTER 2002 FFO IN-LINE WITH FORECAST

DATE: **OCTOBER 31, 2002**

Mid-America Third Quarter FFO 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 $14,211,000 or $0.69 per share for the quarter ended September 30, 2002. This is in line with the company's estimate for the quarter and a slight decline from the $0.70 per share reported for the same quarter of last year. Net income available for common shareholders (after considering the non-cash deduction for depreciation) for the third quarter was a net loss available for common shareholders of $231,000 or -$0.01/share. This compares to net income available for common shareholders of $9,062,000 or $0.52/share for the comparable quarter of a year ago, when the company recorded a gain of $9,900,000 from the sale of two apartment properties.

Highlights for the third quarter were:

- Leasing remains challenging as a strong home buying market and continued weak job growth temporarily dampen demand for apartments.
- Same store occupancy at quarter end of 93.8% was down slightly from the occupancy of 94.4% as of the end of the third quarter last year.
- Despite the tough operating environment, the balance sheet continues to strengthen as coverage ratios show steady improvement and dividend coverage remains sound.
- Closed on the purchase of Preston Hills, a new 464-unit community in Atlanta, which is expected to become the initial investment in the company's acquisition joint venture with Crow Holdings.
- During October the company concluded a successful refinancing of its Series E 9½% Preferred Stock.

Eric Bolton, Chairman and CEO said, "The leasing environment remains very competitive. Historically low mortgage rate pricing, coupled with continued slow job growth, dampen demand levels for multifamily housing. We are, however, encouraged to see that new construction starts are slowing and remain comfortable that market conditions for apartment housing have bottomed out in most of our markets. Same store leasing concessions improved 6.8% in the third quarter as compared to the proceeding second quarter of 2002. While we believe that the leasing and revenue environment will now remain weak until well into 2003, we do not believe that overall performance from our portfolio will deteriorate from current performance levels.

" We anticipate FFO for the 4th Quarter of $0.69 to $0.70 per share, and $2.75 to $2.76 for the full year 2002. For 2003, we now forecast FFO in a range of $2.76 to $2.82, down slightly from an earlier estimate of $2.82 to $2.85. This change reflects the continued pressure on occupancy and a forecast that assumes market conditions will remain weak until the latter part of next year. The pace of acquisitions in our joint venture with Crow Holdings is a key variable which may help us achieve the upper end of next year's FFO forecast. Our current forecast for 2003 assumes that no additional acquisitions are made.

"The long term outlook for the multifamily housing market remains strong, particularly in the southeastern region of the country. By diversifying our investments over large, middle and small tier markets throughout this solid growth region of the country, we are able to deliver a more consistent and steady performance. Furthermore, at an average age of only twelve years, our portfolio of properties is in great shape and well positioned to not only compete in this environment, but produce strong long term results as the economy begins to strengthen."

Simon Wadsworth, Executive Vice-President and CFO said, "Our coverage ratios have improved this year as our cost of debt has dropped and our completed development pipeline has become increasingly productive. Our fixed charge coverage has increased to 2.36 from 2.29 for the same period of a year ago. Our dividend continues to be secure and we remain committed to further enhancing coverage.

"During the quarter we concluded an agreement with Fannie Mae to increase our credit facility to $550 million, addressing next year's planned refinancing needs. We were pleased with the results of our recently announced refinancing of the $25 million 9½% Series E preferred stock issue, which contained "put" provisions beginning in 2004 that starting next year would have impaired the ability to achieve more productivity and flexibility with our balance sheet. We replaced the Series E preferred issue with a public 9¼% Series F preferred issue, a privately placed 8 5/8% Series G preferred issue, and $5 million of debt. The net result is to enhance capital deployment flexibility in 2003 and slightly lower our cost of capital."

Al Campbell, Vice-President and Director of Financial Planning said, "Same store property revenues in the third quarter decreased by -0.2% as compared to the comparable period of a year ago. Total operating expenses on a same store basis were up 3.3% as higher costs from the renewal of our property and casualty insurance made an impact starting July 1st. Same store NOI performance was down -2.3% as a result.

"We are encouraged by the continued improvement in our Memphis portfolio, as occupancy was up 2.5% over the prior year, while concession levels also began to ease. Dallas is our most challenging market as occupancy slipped to an average of 89.2% for the quarter. We expect Dallas to remain weak for the next several quarters. Our Atlanta portfolio continues to be stable as market conditions in the Atlanta metro remain weak, making progress difficult. Revenues from our Atlanta portfolio remained essentially unchanged from the previous quarter, as slightly declining occupancy levels were largely offset by lower concession costs. We continue to see steady performance from our other markets, such as Jacksonville, Houston, and Greenville. In addition, our smaller markets continue to generate stable results during the quarter, producing revenue growth of 3.2% over the prior year."

Eric Bolton said, "Our balance sheet is strengthening as our regional focus and solid portfolio diversification across large, middle and small markets continues to deliver fairly steady and predictable performance. Coverage ratios show continued 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 FFO and per share value growth, along with further strengthening dividend coverage, and it 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.

Certain matters in this press release may constitute forward-looking statements within the meaning of Section 27-A of the Securities Act of 1933 and Section 21E of the Securities and Exchange Act of 1934. Such statements include, but are not limited to, statements made about anticipated growth rate of revenues, expenses, and net operating income at Mid-America's properties, anticipated lease-up (and rental concessions) at development properties, planned acquisitions and dispositions, and property financing. Actual results and the timing of certain events could differ materially from those projected in or contemplated by the forward-looking statements due to a number of factors, including a downturn in general economic conditions or the capital markets, competitive factors including overbuilding or other supply/demand imbalances in some or all of our markets, changes in interest rates and other items that are difficult to control such as insurance rates, increases in real estate taxes in numerous markets, as well as the other general risks inherent in the apartment and real estate businesses. Reference is hereby made to the filings of Mid-America Apartment Communities, Inc., with the Securities and Exchange Commission, including quarterly reports on Form 10-Q, reports on Form 8-K, and its Annual Report on Form 10-K, particularly including the risk factors contained in the latter filing.

CONSOLIDATED STATEMENTS OF OPERATIONS

In thousands except per share data

	Three months ended September 30, 2002	Three months ended September 30, 2001	Nine months ended September 30, 2002	Nine months ended September 30, 2001
Property revenues	$ 58,038	$ 56,779	$ 170,389	$ 170,513
Property operating expenses	22,660	21,726	65,300	63,698
Net operating income	35,378	35,053	105,089	106,815
Interest and other non-property income	169	271	471	987
Management and development income, net	191	190	570	569
FFO from real estate joint ventures	140	253	615	769
Property management expenses	2,297	2,241	7,247	7,523
General & administrative	1,686	1,514	4,643	4,427
Interest expense	12,657	13,024	37,381	40,326
Gain on disposition of non-depreciable assets	-	-	-	229
Preferred dividend distribution	4,028	4,028	12,085	12,085
Depreciation and amortization non-real estate assets	309	156	865	481
Amortization of deferred financing costs	690	530	2,011	1,695
Funds from operations	**14,211**	**14,274**	**42,513**	**42,832**
Depreciation and amortization	13,943	12,760	40,543	38,526
Joint venture depreciation adjustment included in FFO	344	316	1,032	943
Gain on disposition of non-depreciable assets included in FFO	-	-	-	229
Preferred dividend distribution add back	(4,028)	(4,028)	(12,085)	(12,085)
Income before gain on disposition of assets, minority interest and extraordinary items	3,952	5,226	13,023	15,219
Net gain(loss) on disposition of assets and insurance settlement proceeds	(128)	9,900	437	10,064
Minority interest in operating partnership income	(28)	(1,853)	(366)	(2,104)
Income before extraordinary items	3,796	13,273	13,094	23,179
Ex item - Loss on debt extinguishment , net of MI	(1)	183	27	626
Preferred dividend distribution	4,028	4,028	12,085	12,085
Net income(loss) available for common shareholders	$ (231)	$ 9,062	$ 982	$ 10,468
Weighted average common shares - Diluted	17,794	17,569	17,714	17,520
Weighted average common shares and units - Diluted	20,646	20,503	20,606	20,455
Funds from operations per share and units - Diluted	$0.69	$0.70	$2.06	$2.09
Net income(loss) available for common shareholders before extraordinary items - Diluted	-$0.01	$0.53	$0.06	$0.63
Net income(loss) available for common shareholders after extraordinary items - Diluted	-$0.01	$0.52	$0.06	$0.60

CONSOLIDATED BALANCE SHEETS

In thousands

	September 30, 2002	December 31, 2001
Assets		
Real estate assets, net	$1,225,333	$1,216,933
Cash and cash equivalents, including restricted cash	24,231	23,432
Other assets	28,929	23,123
Total assets	$1,278,493	$1,263,488
Liabilities		
Bonds and notes payable	$822,732	$779,664
Other liabilities	63,287	41,564
Total liabilities	886,019	821,228
Shareholders' equity and minority interest	392,474	442,260
Total liabilities & shareholders' equity	$1,278,493	$1,263,488

OPERATING RESULTS

Dollars and shares in thousands except per share data

ROA	**Annualized 3Q02**	**Trailing 4 Quarters**
Gross Real Estate Assets, Average	$1,497,866	$1,464,839
EBITDA	$126,204	$124,948
EBITDA/Gross Real Estate Assets	8.4%	8.5%

	Three Months Ended September 30,		**Nine Months Ended September 30,**	
	2002	**2001**	**2002**	**2001**
Common and Preferred Dividends as % of FFO	88%	87%		
EBITDA/Debt Service	2.31x	2.27x		
EBITDA/Fixed Charges	2.36x	2.29x		
Total Debt as % of Gross Real Estate Assets	55%	54%		
MAA portion of JV debt	$27,958	$26,903		
Capitalized Interest YTD	$239	$1,067		
FAD				
FFO	$14,211	$14,274	$42,513	$42,832
Average Units	31,130	30,606	30,772	30,856
Average Shares - Diluted	20,646	20,503	20,606	20,455
Recurring Capex	$1,762	$3,783	$7,157	$10,160
FAD	$12,449	$10,491	$35,356	$32,672
Free Cash Flow [1]	$13,448	$11,177	$38,232	$34,848
PER SHARE (DILUTED)				
FFO	$0.69	$0.70	$2.06	$2.09
FAD	$0.60	$0.51	$1.72	$1.60
Free Cash Flow [1]	$0.65	$0.55	$1.86	$1.70
Distribution	$0.585	$0.585	$1.755	$1.755

[1] 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 September 30,		**Nine Months Ended September 30,**	
	2002	**2001**	**2002**	**2001**
Weighted average common shares and units - Basic	20,432	20,340	20,404	20,362
Weighted average common shares and units - Diluted	20,646	20,503	20,606	20,455
Number of apartment units with ownership interest (excluding development units not delivered)	33,923	33,291	33,923	33,291
Apartment units added during period, net	464	(487)	512	(321)
PER SHARE DATA				
Funds from operations per share and units - Basic	$0.70	$0.70	$2.08	$2.10
Funds from operations per share and units - Diluted	$0.69	$0.70	$2.06	$2.09
Net income(loss) available for common shareholders before extraordinary items - Diluted	-$0.01	$0.53	$0.06	$0.63
Net income(loss) available for common shareholders after extraordinary items - Diluted	-$0.01	$0.52	$0.06	$0.60
Dividend declared per common share	$0.585	$0.585	$1.755	$1.755

DIVIDEND INFORMATION (latest declaration)	**Payment per Share**	**Payment Date**	**Record Date**
Common Dividend - quarterly	$0.5850	10/31/2002	10/24/2002
Preferred Series A - monthly	$0.1979	11/15/2002	11/1/2002
Preferred Series B - monthly	$0.1849	11/15/2002	11/1/2002
Preferred Series C - quarterly	$0.5859	10/15/2002	10/1/2002
Preferred Series F - monthly [2]	$0.0932	11/15/2002	11/1/2002

[2] Represents initial partial month payment.

COMMUNITY STATISTICS

Prpoerties are grouped by operational responsibilty and exclude properties in lease-up

	At September 30, 2002				
	Number of Units	**Portfolio Concentration**	**Occupancy**	**Average Rental Rate Per Unit**	
Tennessee					
Memphis	4,429	13.5%	93.4%	$	621.38
Nashville	966	2.9%	93.1%	$	692.57
Chattanooga	943	2.9%	93.5%	$	562.79
Jackson	664	2.0%	90.2%	$	617.98
Florida					
Jacksonville	2,846	8.6%	94.9%	$	688.68
Tampa	1,120	3.4%	92.9%	$	756.04
Other	2,518	7.6%	95.4%	$	717.31
Georgia					
Atlanta	2,116	6.4%	91.5%	$	791.39
Columbus / LaGrange	1,509	4.6%	95.8%	$	654.07
Augusta / Aiken / Savannah	1,132	3.4%	95.8%	$	623.54
Other	1,742	5.3%	93.0%	$	657.31
Texas					
Dallas	2,056	6.2%	87.8%	$	658.31
Austin	1,254	3.8%	96.0%	$	691.28
Houston	1,002	3.0%	95.7%	$	672.29
South Carolina					
Greenville	1,492	4.5%	94.2%	$	554.10
Other	784	2.4%	94.3%	$	674.89
Kentucky					
Lexington	924	2.8%	94.2%	$	725.84
Other	624	1.9%	93.8%	$	619.59
Mississippi	1,673	5.1%	95.6%	$	581.85
Alabama	952	2.9%	93.6%	$	647.90
Arkansas	808	2.4%	96.9%	$	609.80
North Carolina	738	2.2%	90.8%	$	569.69
Ohio	414	1.3%	89.4%	$	706.27
Virginia	296	0.9%	97.3%	$	695.28
Total	**33,002**	**100.0%**	**93.7%**	**$**	**660.45**

SAME STORE STATISTICS

Dollars in thousands except Average Rental Rate

	Three Months Ended September 30,		
	2002	**2001**	**Percent Change**
Revenues	$53,146	$53,239	-0.2%
Property Operating Expenses	14,258	14,002	1.8%
RE Taxes and Insurance	6,458	6,058	6.6%
Total Operating Expenses	20,716	20,060	3.3%
NOI	$32,430	$33,179	-2.3%
Units[1]	28,802	28,803	
Average Rental Rate[1]	$657.47	$654.83	0.4%
Average Physical Occupancy[1]	93.8%	94.4%	-0.6%

[1] Values are at September 30, 2002 and 2001

DEBT AS OF SEPTEMBER 30, 2002

Dollars in thousands

	Principal Balance	Average Years to Maturity	Average Rate
Conventional - Fixed Rate or Swapped	$ 560,395	8.4	6.9%
Tax-free - Fixed Rate or Swapped	117,218	22.8	6.1%
Conventional - Variable Rate	122,559	8.4	2.6%
Tax-free - Variable Rate	22,560	25.4	2.8%
Total	**$ 822,732**	**10.9**	**6.0%**

FUTURE PAYMENTS

	Scheduled Amortization	Maturities	Total	Average Rate for Maturities
2002	$ 916	$ 15,000	$ 15,916	3.1%
2003	3,690	154,120	157,810	6.5%
2004	3,808	96,168	99,976	6.0%
2005	4,063	-	4,063	
2006	4,166	36,010	40,176	6.4%
Thereafter	129,756	375,035	504,791	6.0%
Total	**$ 146,399**	**$ 676,333**	**$ 822,732**	**6.0%**

DEVELOPMENT PIPELINE

		Units				Percentage of Available Units to Lease	
		Total	Available to Lease	Occupied	Leased	Occupied	Leased
Properties in Lease-up							
Grande View Nashville	Nashville, TN	433	433	403	407	93%	94%
Reserve at Dexter Lake Phase II	Memphis, TN	244	244	205	221	84%	91%
Reserve at Dexter Lake Phase III	Memphis, TN	244	244	156	158	64%	65%
	Total	**921**	**921**	**764**	**786**	**83%**	**85%**