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A self-managed Equity REIT

PRESS RELEASE

FROM: **SIMON R. C. WADSWORTH**

SUBJECT: **MID-AMERICA SECOND QUARTER FUNDS FROM OPERATIONS GROW 4.7%**

DATE: **AUGUST 7, 2003**

Mid-America Funds From Operations Grow 4.7%

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 $15,069,000, or $0.73 per share/unit for the quarter ended June 30, 2003, a record high FFO/share performance for any second quarter period for the company and $0.02 ahead of First Call's estimate. This compares to FFO of $14,392,000, or $0.70 per share/unit for the same period last year. Net income for the quarter ended June 30, 2003, was $5,105,000, or $0.07 per common share, as compared to $4,970,000, or $0.05 per common share for the same quarter of last year. A reconciliation of FFO to net income is attached as a schedule to this press release.

Highlights for the quarter were:

- The company will complete a new $155 million Series H Preferred Stock offering on August 12th and retire three outstanding preferred stock series, increasing adjusted funds from operations by $0.04/share/unit on a full year basis.
- Same store operating conditions remain competitive, with quarter end occupancy trailing occupancy at the same point last year by 2.2%. However, occupancy increased from the preceeding quarter end by 0.7%.
- Expense control and efforts to generate new levels of productivity in property management operations continue with same store property controlled operating expenses down 0.1% from prior year.
- The company renewed its property and casualty insurance program effective July 1, reducing overall costs by 5% with coverage and retention levels consistent with prior year's program.
- Fixed charge coverage ratio continued at a five year high, improving to 2.65 from 2.37 for the same quarter a year ago and 2.48 at the end of the immediately preceeding quarter.
- The company announced that a tentative agreement has been reached to acquire 100% of the joint venture interest owned by Blackstone Realty Advisors, which it expects to be accretive to FFO.

Eric Bolton, Chairman and CEO said, "Second quarter results reflect continued progress on strengthening FFO performance and dividend coverage. While market conditions remain very competitive, we remain confident that portfolio occupancy and revenue performance should hold steady over the course of this year. A combination of improved job growth in the economy and a rise in interest rates will be required to materially improve demand levels for apartment housing. While the timing is difficult to predict, we believe that we should see more robust occupancy performance and improved pricing leverage in 2004.

Our unique strategy focused on diversifying in large, middle and small tier markets, coupled with very strong property management capabilities, has continued to deliver one of the strongest performances of the apartment REIT sector during this weak operating environment. The current interest rate environment has provided a number of opportunities to lower our cost of capital and has, along with several opportunistic new acquisitions, driven our ability to grow FFO, improve fixed charge coverage and strengthen dividend safety despite the current weak property operating environment. Our shareholder value is growing and the portfolio is well positioned to generate stronger revenue growth as the economy and market conditions improve."

Simon Wadsworth, Executive Vice-President and CFO said, "We were very pleased with the results of our recently completed Preferred Stock Series H offering and the corresponding redemption of our Series A, Series B and Series C preferred stock. This refinancing will add $0.04/share in additional adjusted funds from operations. During the quarter we successfully renegotiated our bank credit facility, lowering it to $40 million, and also refinanced a $40 million mortgage, resulting in annualized savings of $0.03/share. While state and local government funding continues to put pressure on property taxes, we're expecting to keep our increase below 2% for this year."

"We have a preliminary agreement with Blackstone to buy their two-thirds interest in our joint venture of ten properties. We expect to close the purchase in the next two months and anticipate that the transaction will add to FFO per share/unit next year, after the existing debt is refinanced mid-year 2004. The total value of the portfolio is $117 million, or $41,900 per unit. We anticipate assuming $79.8 million of debt and using $22 million of our available credit facility and other funding sources to buy Blackstone's equity interest."

"We are raising the mid-point of our forecast of FFO by three and a half cents per share/unit to a range of $2.79 to $2.83 per share/unit, with $0.67 to $0.69 per share/unit for the third quarter and $0.69 to $0.71 per share/unit for the fourth quarter, excluding any possible impact of the accounting treatment of the preferred stock redemption. The forecast assumes the continuation of a weak operating environment through 2003. Based on early forecast assumptions, an FFO/share/unit range of $2.82 to $2.90 for 2004 seems to be reasonable, especially if the Blackstone joint venture purchase is concluded."

The Company provides guidance on FFO and does not forecast net income. It is not possible to reasonably predict the timing and certainty of acquisitions and dispositions that would materially affect depreciation, capital gains or losses and minority interest, or to forecast extraordinary items, which, combined, generally represent the differences between net income and FFO.

MAA is a self-administered, self-managed apartment-only real estate investment trust which currently owns or has ownership interest in 34,815 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 market conditions, anticipated acquisitions, redevelopment opportunities, 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, shortage of acceptable property acquisition candidates, changes in interest rates and other items that are difficult to control, 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 June 30,		Six months ended June 30,	
	2003	2002	2003	2002
Property revenues	$ 57,842	$ 57,971	$ 115,249	$ 114,843
Property operating expenses	23,808	22,732	46,926	45,132
Net operating income	34,034	35,239	68,323	69,711
Interest and other non-property income	234	168	463	302
Management and fee income, net	266	193	514	379
FFO from real estate joint ventures	350	155	723	475
Property management expenses	2,276	2,292	4,731	4,605
General & administrative	1,788	1,697	3,420	3,302
Interest expense	10,772	12,362	22,407	24,724
Loss on debt extinguishment(1)	205	33	205	33
Preferred dividend distribution	3,925	4,029	7,850	8,057
Depreciation and amortization non-real estate assets	345	286	689	556
Amortization of deferred financing costs	504	664	1,128	1,321
Funds from operations(1)	**15,069**	**14,392**	**29,593**	**28,269**
Depreciation and amortization	13,678	13,361	27,249	26,600
Joint venture depreciation adjustment included in FFO	533	345	1,031	688
Preferred dividend distribution add back	(3,925)	(4,029)	(7,850)	(8,057)
Income before gain on disposition of assets and minority interest	4,783	4,715	9,163	9,038
Net gain on disposition of assets and insurance settlement proceeds	528	501	607	565
Minority interest in operating partnership income	(206)	(246)	(339)	(333)
Net income	**5,105**	**4,970**	**9,431**	**9,270**
Preferred dividend distribution	3,925	4,029	7,850	8,057
Net income available for common shareholders	$ 1,180	$ 941	$ 1,581	$ 1,213
Weighted average common shares and units - Diluted	20,781	20,659	20,719	20,586
Funds from operations per share and units - Diluted	$0.73	$0.70	$1.43	$1.37
Weighted average common shares - Diluted	18,047	17,749	17,984	17,673
Net income available for common shareholders	$0.07	$0.05	$0.09	$0.07

(1) Prior periods have been reclassified to conform with the 2003 presentation of FASB Statement No. 145.

CONSOLIDATED BALANCE SHEETS

In thousands

	June 30, 2003	December 31, 2002
Assets		
Gross real estate assets	$ 1,482,769	$ 1,452,362
Accumulated depreciation	(310,585)	(283,277)
Other real estate assets, net	27,541	23,454
Real estate assets, net	1,199,725	1,192,539
Cash and cash equivalents, including restricted cash	24,912	18,057
Other assets	28,933	28,871
Total assets	$ 1,253,570	$ 1,239,467
Liabilities		
Bonds and notes payable	$ 833,212	$ 803,703
Other liabilities	74,194	64,188
Total liabilities	907,406	867,891
Shareholders' equity and minority interest	346,164	371,576
Total liabilities & shareholders' equity	$ 1,253,570	$ 1,239,467

OPERATING RESULTS

Dollars and shares in thousands except per share data

ROA

	Three Months Ended June 30, 2003	Trailing 4 Quarters
Net income	$ 5,105	$ 16,302
Net gain on disposition of assets and insurance settlement proceeds	(528)	(439)
Depreciation and amortization	14,023	56,045
Amortization of deferred financing costs	504	2,519
Interest expense	10,772	47,131
EBITDA	$ 29,876	$ 121,558

	Annualized 2Q03	Trailing 4 Quarters
Gross Real Estate Assets, Average	$1,513,392	$1,498,384
EBITDA	$119,504	$121,558
EBITDA/Gross Real Estate Assets	7.9%	8.1%

	Three Months Ended June 30,	
	2003	2002
Common and Preferred Dividends as % of FFO (12 month rolling)	88%	88%
EBITDA/Debt Service	2.63x	2.34x
EBITDA/Fixed Charges	2.65x	2.37x
Total Debt as % of Gross Real Estate Assets	55%	54%
MAA portion of JV debt	$41,548	$26,974
Capitalized Interest YTD	$0	$111

For purposes of these computations, EBITDA is composed of net income before net gain on disposition of assets and insurance settlement proceeds, plus depreciation and amortization, interest expense, and amortization of deferred financing costs. EBITDA is a non-GAAP financial measure we use as a performance measure. As an owner and operator of real estate, we consider EBITDA to be an important measure of performance from core operations because EBITDA does not include various income and expense items that are not indicative of our operating performance. EBITDA should not be considered as an alternative to net income as an indicator of financial performance. Our computation of EBITDA may differ from the methodology utilized by other companies to calculate EBITDA.

AFFO

	Three Months Ended June 30,		Six Months Ended June 30,	
	2003	2002	2003	2002
FFO	$ 15,069	$ 14,392	$ 29,593	$ 28,269
Recurring Capex	3,723	3,595	6,216	5,395
AFFO	$ 11,346	$ 10,797	$ 23,377	$ 22,874
Average Common Shares and Units - Diluted	20,781	20,659	20,719	20,586
PER SHARE (DILUTED)				
FFO	$0.73	$0.70	$1.43	$1.37
AFFO	$0.55	$0.52	$1.13	$1.11

For purposes of these computations, adjusted funds from operations ("AFFO") is composed of FFO less recurring capital expenditures. AFFO is a non-GAAP financial measure. As an owner and operator of real estate, we consider AFFO to be an important measure of performance from core operations because AFFO measures our ability to control revenues, expenses and recurring capital expenditures.

COMMUNITY STATISTICS

Properties are grouped by operational responsibility and exclude properties in lease-up

	At June 30, 2003			
	Number of Units	Portfolio Concentration	Occupancy	Average Rental Rate Per Unit
Tennessee				
Memphis	4,593	13.6%	92.4%	$ 630.22
Nashville	966	2.8%	91.6%	$ 662.43
Chattanooga	943	2.8%	90.9%	$ 566.32
Jackson	664	1.9%	96.7%	$ 579.33
Florida				
Jacksonville	3,130	9.2%	95.5%	$ 722.84
Tampa	1,120	3.3%	90.2%	$ 764.71
Other	2,518	7.4%	94.0%	$ 725.44
Georgia				
Atlanta	2,116	6.2%	87.1%	$ 757.38
Columbus / LaGrange	1,509	4.4%	96.8%	$ 653.52
Augusta / Aiken / Savannah	1,132	3.3%	94.6%	$ 634.57
Other	1,742	5.1%	95.4%	$ 661.00
Texas				
Dallas	2,356	6.9%	86.9%	$ 654.82
Austin	1,254	3.7%	93.1%	$ 629.46
Houston	1,310	3.8%	93.2%	$ 731.73
South Carolina				
Greenville	1,492	4.4%	87.6%	$ 558.02
Other	784	2.3%	80.5%	$ 681.95
Kentucky				
Lexington	924	2.7%	91.1%	$ 694.51
Other	624	1.8%	98.7%	$ 609.27
Mississippi	1,673	4.9%	94.7%	$ 587.78
Alabama	952	2.8%	96.1%	$ 646.21
Arkansas	808	2.4%	93.8%	$ 622.21
North Carolina	738	2.2%	87.4%	$ 549.46
Ohio	414	1.2%	89.1%	$ 677.25
Virginia	296	0.9%	95.6%	$ 727.81
Total	**34,058**	**100.0%**	**92.2%**	**$ 661.81**

SAME STORE STATISTICS

Dollars in thousands except Average Rental Rate

	Three Months Ended Jun 30, 2003	Three Months Ended Jun 30, 2002	Percent Change From Jun 30, 2002	Three Months Ended Mar 31, 2003	Percent Change From Mar 31, 2003
Revenues	$53,702	$54,689	-1.8%	$53,461	0.5%
Property Operating Expenses	14,818	14,828	-0.1%	14,136	4.8%
RE Taxes and Insurance	6,951	6,403	8.6%	7,070	-1.7%
Other Expenses	169	107	57.9%	192	-12.0%
Total Operating Expenses	21,938	21,338	2.8%	21,398	2.5%
NOI	$31,764	$33,351	-4.8%	$32,063	-0.9%
Units [1]	29,043	29,043		28,723	
Average Rental Rate [1]	$656.05	$658.95	-0.4%	$655.97	0.0%
Average Physical Occupancy [1]	92.6%	94.8%	-2.2%	91.9%	0.7%

[1] Values are at June 30, 2003 and 2002.

DEBT AS OF JUNE 30, 2003

Dollars in thousands

	Principal Balance	Average Years to Maturity[1]	Average Rate
Conventional - Fixed Rate or Swapped	$ 506,178	10.1	6.6%
Conventional - Forward Swapped[2]	50,000	8.0	2.1%
Tax-free - Fixed Rate or Swapped	121,633	23.5	5.4%
Conventional - Variable Rate	137,741	8.4	2.0%
Tax-free - Variable Rate	17,660	27.7	1.8%
Total	**$ 833,212**	**12.0**	**5.3%**

[1] Maturities on swapped balances are calculated using the life of the underlying variable debt.

[2] As the forward swaps are not yet in effect, the average rate represents the rate on the underlying variable debt.

FUTURE PAYMENTS

	Scheduled Amortization	Maturities	Total	Average Rate for Maturities
2003	$ 1,289	$ 20,000	$ 21,289	1.9%
2004	2,733	71,168	73,901	7.0%
2005	2,916	-	2,916	
2006	3,086	4,459	7,545	8.8%
2007	3,205	-	3,205	
Thereafter	109,043	615,313	724,356	5.2%
Total	**$ 122,272**	**$ 710,940**	**$ 833,212**	**5.3%**

OTHER DATA

Shares and units in thousands except per share data

	Three Months Ended June 30,		Six Months Ended June 30,	
	2003	**2002**	**2003**	**2002**
Weighted average common shares and units - Basic	20,558	20,408	20,523	20,390
Weighted average common shares and units - Diluted	20,781	20,659	20,719	20,586
Weighted average common shares - Diluted	18,047	17,749	17,984	17,673
Number of apartment units with ownership interest (excluding development units not delivered)	34,815	33,459	34,815	33,459
Apartment units added(sold) during period, net	308	25	892	48
PER SHARE DATA				
Funds from operations per share and units - Basic	$0.73	$0.71	$1.44	$1.39
Funds from operations per share and units - Diluted	$0.73	$0.70	$1.43	$1.37
Net income available for common shareholders per share - Diluted	$0.07	$0.05	$0.09	$0.07
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	7/31/2003	7/24/2003
Preferred Series A - monthly[1]	$0.1979	8/12/2003	8/1/2003
Preferred Series B - monthly[1]	$0.1849	8/12/2003	8/1/2003
Preferred Series C - quarterly[1]	$0.5859	7/15/2003	7/1/2003
Preferred Series F - monthly	$0.1927	8/15/2003	8/1/2003

[1] The Company has announced the redemption of all issued and outstanding shares of its Preferred Series A and C effective August 12, 2003, and for its Preferred Series B effective August 12 and 18, 2003.