

Section 1: 8-K (8-K)

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM 8-K

CURRENT REPORT
Pursuant to Section 13 or 15(d)
of the Securities Exchange Act of 1934

Date of Report (Date of earliest event reported): October 28, 2020

MID-AMERICA APARTMENT COMMUNITIES, INC.
(Exact name of registrant as specified in its charter)

TENNESSEE
(State or Other Jurisdiction of incorporation)

001-12762
(Commission File Number)

62-1543819
(I.R.S. Employer Identification No.)

MID-AMERICA APARTMENTS, L.P.
(Exact name of registrant as specified in its charter)

TENNESSEE
(State or Other Jurisdiction of incorporation)

333-190028-01
(Commission File Number)

62-1543816
(I.R.S. Employer Identification No.)

6815 Poplar Avenue, Suite 500
Germantown, Tennessee
(Address of Principal Executive Offices)

38138
(Zip Code)

(901) 682-6600
(Registrant's telephone number, including area code)

N/A
(Former name or former address, if changed since last report)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions (see General Instruction A.2. below):

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
- Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
- Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
- Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

Securities registered pursuant to Section 12(b) of the Act:

Title of each class	Trading Symbol(s)	Name of each exchange on which registered
Common Stock, par value \$.01 per share (Mid-America Apartment Communities, Inc.)	MAA	New York Stock Exchange
8.50% Series I Cumulative Redeemable Preferred Stock, \$.01 par value per share (Mid-America Apartment Communities, Inc.)	MAA*I	New York Stock Exchange

Indicate by check mark whether the registrant is an emerging growth company as defined in Rule 405 of the Securities Act of 1933 (17 CFR §230.405) or Rule 12b-2 of the Securities Exchange Act of 1934 (17 CFR §240.12b-2).

Emerging growth company

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act.

ITEM 2.02 Results of Operations and Financial Condition.

On October 28, 2020, Mid-America Apartment Communities, Inc. (“MAA”) issued a press release announcing its consolidated results of operations and financial condition as of September 30, 2020 and for the three and nine months then ended. Copies of the press release and supplemental data schedules are furnished as Exhibit 99.1 and Exhibit 99.2, respectively, to this Current Report.

The information in this Current Report under this Item 2.02 (including Exhibits 99.1 and 99.2) is being “furnished” and shall not be deemed to be “filed” for any purpose, including for the purposes of Section 18 of the Securities Exchange Act of 1934, as amended (the “Exchange Act”), or otherwise subject to the liabilities of that section, nor shall it be deemed to be incorporated by reference into any previous or future filings by MAA or Mid-America Apartments, L.P. (“MAALP”) under the Exchange Act or the Securities Act of 1933, as amended (the “Securities Act”).

ITEM 7.01 Regulation FD Disclosure.

On October 28, 2020, MAA issued a press release announcing its consolidated results of operations and financial condition as of September 30, 2020 and for the three and nine months then ended. In that press release, MAA also provided an update regarding the financial impact of COVID-19 on MAA’s business in October 2020. Copies of the press release and supplemental data schedules are furnished as Exhibit 99.1 and Exhibit 99.2, respectively, to this Current Report.

The information in this Current Report under this Item 7.01 (including Exhibits 99.1 and 99.2) is being “furnished” and shall not be deemed to be “filed” for any purpose, including for the purposes of Section 18 of the Exchange Act or otherwise subject to the liabilities of that section, nor shall it be deemed to be incorporated by reference into any previous or future filings by MAA or MAALP under the Exchange Act or the Securities Act.

ITEM 9.01 Financial Statements and Exhibits.

(d) Exhibits.

Exhibit Number	Description
99.1	Press Release dated October 28, 2020
99.2	Supplemental Data Schedules (Third Quarter 2020)
104	Cover Page Interactive Data File (embedded within the Inline XBRL document)

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned thereunto duly authorized.

MID-AMERICA APARTMENT COMMUNITIES, INC.

Date: October 28, 2020

/s/Albert M. Campbell, III

Albert M. Campbell, III
Executive Vice President and Chief Financial Officer
(Principal Financial Officer)

MID-AMERICA APARTMENTS, L.P.

By: Mid-America Apartment Communities, Inc., its general partner

Date: October 28, 2020

/s/Albert M. Campbell, III

Albert M. Campbell, III
Executive Vice President and Chief Financial Officer
(Principal Financial Officer)

[\(Back To Top\)](#)

Section 2: EX-99.1 (EX-99.1)

Exhibit 99.1



Earnings Release | Supplemental Data | Third Quarter 2020

www.maac.com

TABLE OF CONTENTS

Overview	1
Financial Highlights	6
Consolidated Statements of Operations	8
Share and Unit Data	9
Consolidated Balance Sheets	10
Reconciliation of Non-GAAP Financial Measures	11
Non-GAAP Financial Measures	14
Other Key Definitions	15
Portfolio Statistics	S-1
Components of Net Operating Income/Components of Same Store Portfolio Property Operating Expenses	S-3
NOI Contribution Percentage by Market	S-4
Multifamily Same Store Portfolio Comparisons	S-5
Multifamily Development Pipeline/Multifamily Redevelopment Pipeline/Multifamily Lease-up Communities/2020 Acquisition Activity/2020 Disposition Activity	S-8
Investments In Unconsolidated Real Estate Entities/Debt and Debt Covenants as of September 30, 2020	S-9
Credit Ratings/Common Stock	S-11
COVID-19 Update	S-12
Investor Relations Data	S-13

MAA REPORTS THIRD QUARTER RESULTS

GERMANTOWN, TN, October 28, 2020/PRNewswire/ -- Mid-America Apartment Communities, Inc., or MAA (NYSE: MAA), today announced operating results for the quarter ended September 30, 2020.

Net Income Available for Common Shareholders

For the quarter ended September 30, 2020, net income available for MAA common shareholders was \$59.0 million, or \$0.52 per diluted common share, compared to \$77.7 million, or \$0.68 per diluted common share, for the quarter ended September 30, 2019. Results for the quarter ended September 30, 2020, included \$1.3 million, or \$0.01 per diluted common share, of non-cash income related to the fair value adjustment of the embedded derivative in the MAA Series I preferred shares. Results for the quarter ended September 30, 2019, included \$15.5 million, or \$0.14 per diluted common share, of non-cash income related to the embedded derivative in the preferred shares.

For the nine months ended September 30, 2020, net income available for MAA common shareholders was \$168.9 million, or \$1.47 per diluted common share, compared to \$201.5 million, or \$1.77 per diluted common share, for the nine months ended September 30, 2019. Results for the nine months ended September 30, 2020, included \$14.6 million, or \$0.13 per diluted common share, of non-cash expense related to the fair value adjustment of the embedded derivative in the preferred shares. Results for the nine months ended September 30, 2019, included \$19.6 million, or \$0.17 per diluted common share, of non-cash income related to the embedded derivative in the preferred shares.

Core Funds from Operations (FFO) and FFO

Core FFO, which adjusts FFO for items that are not considered part of MAA's core business operations, for the quarter ended September 30, 2020 was \$185.9 million, or \$1.57 per diluted common share and unit, or per Share, as compared to \$185.0 million, or \$1.57 per Share, for the quarter ended September 30, 2019. For the quarter ended September 30, 2020, FFO was \$187.2 million, or \$1.58 per Share, compared to \$202.9 million, or \$1.72 per Share, for the quarter ended September 30, 2019. FFO results for the quarter ended September 30, 2020, included \$1.3 million, or \$0.01 per Share, of non-cash income related to the fair value adjustment of the embedded derivative in the preferred shares. FFO results for the quarter ended September 30, 2019, included \$15.5 million, or \$0.13 per Share, of non-cash income related to the embedded derivative in the preferred shares.

Core FFO for the nine months ended September 30, 2020 was \$565.9 million, or \$4.78 per Share, as compared to \$543.2 million, or \$4.60 per Share, for the nine months ended September 30, 2019. For the nine months ended September 30, 2020, FFO was \$551.8 million, or \$4.66 per Share, compared to \$575.0 million, or \$4.87 per Share, for the nine months ended September 30, 2019. FFO results for the nine months ended September 30, 2020, included \$14.6 million, or \$0.13 per Share, of non-cash expense related to the fair value adjustment of the embedded derivative in the preferred shares. FFO results for the nine months ended September 30, 2019, included \$19.6 million, or \$0.17 per Share, of non-cash income related to the embedded derivative in the preferred shares.

A reconciliation of FFO and Core FFO to net income available for MAA common shareholders, and an expanded discussion of the components of FFO and Core FFO, can be found later in this release.

Eric Bolton, Chairman and Chief Executive Officer, said, "Our third quarter results were better than expected. MAA's portfolio of high quality communities, well diversified across the Sunbelt markets, supported by a strong operating platform and a dedicated team of associates, is performing well. While recovery in the economy and employment markets from the impact of COVID-19 is still underway, we were encouraged by the positive sequential revenue growth in the third quarter as compared to the second quarter in each of our markets."

Third Quarter 2020 Highlights

- Property revenues from the Same Store Portfolio increased 2.1% during the third quarter of 2020 as compared to the same period in the prior year. Results were driven by a 1.8% growth in Average Effective Rent per Unit for the Same Store Portfolio.
- Property operating expenses for the Same Store Portfolio increased 7.2% during the third quarter of 2020 as compared to the same period in the prior year. As expected, growth in real estate taxes, insurance expenses, and marketing costs drove the majority of the increase.
- Net Operating Income, or NOI, from the Same Store Portfolio decreased 1.1% during the third quarter of 2020 as compared to the same period in the prior year.
- Resident turnover continued to decline and remained low as resident move outs for the Same Store Portfolio for the third quarter of 2020 was 45.9% on a rolling twelve month basis.

- As of the end of the third quarter of 2020, MAA had six properties under development, representing 1,940 units once complete, with a total projected cost of \$459.5 million and an estimated \$195.5 million remaining to be funded.
- As of the end of the third quarter of 2020, MAA had two properties in their initial lease-up with physical occupancy averaging 83.6%. One property is expected to stabilize in the fourth quarter of 2020 and the other property is expected to stabilize in the second quarter of 2021.
- During the third quarter of 2020, MAA's operating partnership, Mid-America Apartments, L.P. (referred to as MAALP or the Operating Partnership), issued \$450.0 million of 10-year senior unsecured notes at a coupon of 1.7% and an issue price of 99.465%.

COVID-19 Developments

MAA believes the best way it can continue to help its residents is to work with those who have lost wages or compensation due to the COVID-19 pandemic so that they can remain in their homes. MAA has offered these impacted residents amendments to their leases that provided varying degrees of payment flexibility with respect to rent and waived late fees and interest charges under the original lease for rent that was deferred under a lease amendment.

MAA's on-site leasing offices have remained open throughout the COVID-19 pandemic while adhering to orders and directives issued by state and local governments. During the third quarter of 2020, MAA continued normal operations at its on-site leasing offices, permitting public access and walk-in traffic, subject to social distancing restrictions. Further, property amenities were open as permitted by governmental orders, directives and guidelines.

MAA continues to support its on-site associates with enhanced leave and sick time policies, enhanced flextime arrangements and additional COVID-19 paid time off, among other benefits. MAA continues to monitor and comply with the various federal, state and local laws, orders and directives issued in response to the COVID-19 pandemic that affect apartment owners and operators, including the Temporary Halt in Residential Evictions to Prevent the Further Spread of COVID-19 issued by the Centers for Disease Control and Prevention in September 2020.

Operating metrics for the third quarter of 2020 and the month of October (through October 26, 2020) include the following:

- Through October 26, 2020, rent cash collections and promises to pay under lease amendments signed by residents financially impacted by COVID-19, combined, represented 99.2% of billed residential rent for the third quarter of 2020.
- Through October 26, 2020, rent cash collections represented 98.6% of billed residential rent for October 2020. This compares to 98.4% average cash collections of July, August and September rents through the 26th of each such month. Rent cash collections and promises to pay under lease amendments signed by residents financially impacted by COVID-19, combined, represented 98.8% of billed residential rent for October 2020. This compares to 98.6% average combined collections and deferrals of July, August and September rents through the 26th of each such month.
- Through October 26, 2020, Average Physical Occupancy for the Same Store Portfolio was 95.6% for the month of October.

Additional metrics related to the impact of the COVID-19 pandemic on MAA's business are included in the supplemental schedules accompanying this release.

Same Store Portfolio Operating Results

To ensure comparable reporting with prior periods, the Same Store Portfolio includes properties that were stabilized and owned by MAA at the beginning of the previous year.

The Same Store Portfolio revenue growth of 2.1% during the third quarter of 2020 was primarily a result of a 1.8% increase in Average Effective Rent per Unit, as compared to the same period in the prior year. Rent growth for the Same Store Portfolio for both new and renewing leases, as compared to the prior lease, on a combined basis increased an average of 0.8% during the third quarter of 2020. Average Physical Occupancy for the Same Store Portfolio was 95.6% for the third quarter of 2020, as compared to 96.1% in the same period in the prior year. Property operating expenses for the Same Store Portfolio increased 7.2% for the third quarter of 2020 as compared to the same period in the prior year. Growth in real estate taxes, insurance expense, and marketing costs drove the majority of the increase. In addition, MAA incurred \$0.8 million of storm costs during the third quarter of 2020. The rollout of the new high-speed bulk cable internet package contributed 0.7% in revenue growth and 0.5% in expense growth for the Same Store Portfolio during the third quarter of 2020. All of this resulted in a Same Store NOI decrease of 1.1% for the third quarter of 2020 as compared to the same period in the prior year.

The Same Store Portfolio revenue growth of 2.8% during the nine months ended September 30, 2020 was primarily a result of a 3.1% increase in Average Effective Rent per Unit, as compared to the same period in the prior year. Rent growth for the Same Store Portfolio for both new and renewing leases, as compared to the prior lease, on a combined basis increased an average of 1.4% during the nine months ended September 30, 2020. Average Physical Occupancy for the Same Store Portfolio

was 95.6% for the nine months ended September 30, 2020, as compared to 96.0% in the same period in the prior year. Property operating expenses for the Same Store Portfolio increased 4.3% for the nine months ended September 30, 2020 as compared to the same period in the prior year. All of this resulted in Same Store NOI growth of 1.9% for the nine months ended September 30, 2020 as compared to the same period in the prior year.

A reconciliation of NOI, including Same Store NOI, to net income available for MAA common shareholders, and an expanded discussion of the components of NOI, can be found later in this release.

Development and Lease-up Activity

As of the end of the third quarter of 2020, MAA had six development communities under construction. MAA expects to complete construction of one of these development communities in 2020, four in 2021 and one in 2022. Total development costs for the six communities are projected to be \$459.5 million, of which an estimated \$195.5 million remained to be funded as of the end of the third quarter of 2020. The expected average stabilized NOI yield on these communities is 6.1%. During the third quarter of 2020, MAA funded \$49.7 million of construction costs on current development projects.

As of the end of the third quarter of 2020, MAA had two apartment communities, representing a total of 439 units, remaining in initial lease-up: The Greene, located in Greenville, South Carolina and Copper Ridge II, located in Ft. Worth, Texas. Physical occupancy for these lease-up projects averaged 83.6% at the end of the third quarter of 2020.

Acquisition and Disposition Activity

In September 2020, MAA closed on the disposition of a 27 acre land parcel located in the Huntsville, Alabama market for net proceeds of \$2.6 million, resulting in a gain on sale of non-depreciable real estate assets of \$1.3 million.

MAA did not acquire any apartment communities, land parcels or commercial properties during the three months ended September 30, 2020.

Property Redevelopment and Repositioning Activity

MAA continued its interior redevelopment program at select apartment communities throughout the portfolio. During the third quarter of 2020, MAA redeveloped the interior of 1,205 units, bringing the total units renovated during the nine months ended September 30, 2020 to 3,300 at an average cost of \$5,939 per unit, achieving average rental rate increases of approximately 9.3% above non-renovated units.

MAA restarted its SmartHome technology initiative (mobile control of lights, thermostat and security, as well as leak monitoring) in July 2020. During the third quarter of 2020, 13,887 units were installed, bringing the total units installed during the nine months ended September 30, 2020 to 21,884 at an average cost of approximately \$1,350 per unit and achieved an average rent increase of \$25 per unit. MAA expects to complete a total of 24,000 units by the end of 2020.

During the third quarter of 2020, MAA continued its program to upgrade and reposition the amenity and common areas at select properties. The program includes targeted plans to move all units at the properties to higher rents that are expected to deliver yields on cost averaging 8% beginning in calendar year 2021. During the third quarter of 2020, repositioning work continued at eight of these properties. For the nine months ended September 30, 2020, MAA has spent \$6.8 million on this program. MAA expects to begin work at two additional properties later this year or early in 2021 as market conditions stabilize.

Capital Expenditures

Recurring capital expenditures totaled \$19.7 million for the third quarter of 2020, or approximately \$0.17 per Share, as compared to \$21.5 million, or \$0.18 per Share, for the same period in the prior year. These expenditures led to Core Adjusted Funds from Operations, or Core AFFO, of \$1.40 per Share for the third quarter of 2020, compared to \$1.38 per Share for the same period in the prior year.

Redevelopment, revenue enhancing, commercial and other capital expenditures during the third quarter of 2020 were \$26.9 million, as compared to \$33.9 million for the same period in the prior year. These expenditures led to Funds Available for Distribution, or FAD, of \$139.2 million for the third quarter of 2020, compared to \$129.6 million for the same period in the prior year.

Recurring capital expenditures totaled \$59.4 million for the nine months ended September 30, 2020, or approximately \$0.50 per Share, as compared to \$58.5 million, or \$0.50 per Share, for the same period in the prior year. These expenditures led to Core AFFO of \$4.28 per Share for the nine months ended September 30, 2020, compared to \$4.10 per Share for the same period in the prior year.

Redevelopment, revenue enhancing, commercial and other capital expenditures during the nine months ended September 30, 2020 were \$79.5 million, as compared to \$89.6 million for the same period in the prior year. These expenditures led to FAD of \$427.0 million for the nine months ended September 30, 2020, compared to \$395.1 million for the same period in the prior year.

A reconciliation of FFO, Core FFO, Core AFFO and FAD to net income available for MAA common shareholders, and an expanded discussion of the components of FFO, Core FFO, Core AFFO and FAD, can be found later in this release.

Financing Activities

In August 2020, MAALP issued \$450.0 million of 1.70% senior unsecured notes due in 2031 at an effective interest rate of 1.76%.

During the third quarter of 2020, MAALP retired a \$300.0 million unsecured term loan before maturity, \$63.6 million of secured property mortgages at maturity and \$72.2 million of secured property mortgages before maturity with proceeds received from borrowings under MAALP's unsecured commercial paper program. Those commercial paper borrowings were then repaid with the proceeds received from the senior unsecured notes issued in August 2020.

As of September 30, 2020, MAA had approximately \$980.0 million of combined cash and available capacity under MAALP's unsecured revolving credit facility, net of commercial paper borrowings.

Dividends and distributions paid on shares of common stock and noncontrolling interests during the third quarter of 2020 were \$118.2 million, as compared to \$113.4 million for the same period in the prior year.

Balance Sheet

As of September 30, 2020:

- Total debt to adjusted total assets (as defined in the covenants for the bonds issued by MAALP) was 30.6%;
- Total debt outstanding was \$4.4 billion with an average effective interest rate of approximately 3.7%;
- 99.2% of total debt was fixed against rising interest rates for an average of approximately 8.0 years; and
- Unencumbered NOI was 93.2% of total NOI.

107th Consecutive Quarterly Common Dividend Declared

MAA declared its 107th consecutive quarterly common dividend, which will be paid on October 30, 2020 to holders of record on October 15, 2020. The current annual dividend rate is \$4.00 per common share.

2020 Net Income per Diluted Common Share, Core FFO and Core AFFO per Share Guidance

As a result of the material change in broad economic conditions in the U.S., in late March, MAA withdrew its calendar year 2020 guidance for Net income per diluted common share, Core FFO per Share and Core AFFO per Share. Given continued higher than normal uncertainty in the outlook for the U.S. economy and the number and timing of actions enacted by federal, state and local governments to help stop the spread of COVID-19, and the potential for wide-ranging impact on rent collections, fees and occupancy, MAA is not providing guidance for Net income per diluted common share, Core FFO per Share or Core AFFO per Share for the remainder of the year. The supplemental schedules accompanying this release include an update on certain third quarter of 2020 operating metrics as well as certain October 2020 operating metrics. MAA will continue to monitor conditions related to the COVID-19 pandemic and expects to provide full year guidance for 2021 in its fourth quarter 2020 earnings release.

Supplemental Material and Conference Call

Supplemental data to this release can be found on the "For Investors" page of our website at www.maac.com. MAA will host a conference call to further discuss third quarter results on Thursday, October 29, 2020, at 9:00 AM Central Time. The conference call-in number is 877-830-2596. You may also join the live webcast of the conference call by accessing the "For Investors" page of our website at www.maac.com. MAA's filings with the Securities and Exchange Commission, or SEC, are filed under the registrant names of Mid-America Apartment Communities, Inc. and Mid-America Apartments, L.P.

About MAA

MAA, an S&P 500 company, is a real estate investment trust, or REIT, focused on delivering full-cycle and superior investment performance for shareholders through the ownership, management, acquisition, development and redevelopment of quality apartment communities in the Southeast, Southwest, and Mid-Atlantic regions of the United States. As of September 30, 2020, MAA had ownership interest in 102,105 apartment units, including communities currently in development, across 16 states and the District of Columbia. For further details, please visit the MAA website at www.maac.com or contact Investor Relations at investor.relations@maac.com, or via mail at MAA, 6815 Poplar Ave., Suite 500, Germantown, TN 38138, Attn: Investor Relations.

Forward-Looking Statements

Sections of this release contain forward-looking statements within the meaning of Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, as amended, with respect to our expectations for future periods. Forward-looking statements do not discuss historical fact, but instead include statements related to expectations, projections, intentions or other items related to the future. Such forward-looking statements include, without limitation, statements regarding the potential impact of the COVID-19 pandemic on our business, statements regarding expected operating performance and results, property stabilizations, property acquisition and disposition activity, joint venture activity,

development and renovation activity and other capital expenditures, and capital raising and financing activity, as well as lease pricing, revenue and expense growth, occupancy, interest rate and other economic expectations. Words such as “expects,” “anticipates,” “intends,” “plans,” “believes,” “seeks,” “estimates,” “forecasts,” “projects,” “assumes,” “will,” “may,” “could,” “should,” “target,” “outlook,” “guidance” and variations of such words and similar expressions are intended to identify such forward-looking statements. Such forward-looking statements involve known and unknown risks, uncertainties and other factors, as described below, which may cause our actual results, performance or achievements to be materially different from the results of operations, financial conditions or plans expressed or implied by such forward-looking statements. Although we believe that the assumptions underlying the forward-looking statements contained herein are reasonable, any of the assumptions could be inaccurate, and therefore such forward-looking statements included in this release may not prove to be accurate. In light of the significant uncertainties inherent in the forward-looking statements included herein, the inclusion of such information should not be regarded as a representation by us or any other person that the results or conditions described in such statements or our objectives and plans will be achieved.

The following factors, among others, could cause our actual results, performance or achievements to differ materially from those expressed or implied in the forward-looking statements:

- the COVID-19 pandemic and measures taken or that may be taken by federal, state and local governmental authorities to combat the spread of the disease;
- inability to generate sufficient cash flows due to unfavorable economic and market conditions, changes in supply and/or demand, competition, uninsured losses, changes in tax and housing laws, or other factors;
- exposure, as a multifamily focused REIT, to risks inherent in investments in a single industry and sector;
- adverse changes in real estate markets, including, but not limited to, the extent of future demand for multifamily units in our significant markets, barriers of entry into new markets which we may seek to enter in the future, limitations on our ability to increase rental rates, competition, our ability to identify and consummate attractive acquisitions or development projects on favorable terms, our ability to consummate any planned dispositions in a timely manner on acceptable terms, and our ability to reinvest sale proceeds in a manner that generates favorable returns;
- failure of new acquisitions to achieve anticipated results or be efficiently integrated;
- failure of development communities to be completed within budget and on a timely basis, if at all, to lease-up as anticipated or to achieve anticipated results;
- unexpected capital needs;
- changes in operating costs, including real estate taxes, utilities and insurance costs;
- inability to obtain appropriate insurance coverage at reasonable rates, or at all, or losses from catastrophes in excess of our insurance coverage;
- ability to obtain financing at favorable rates, if at all, and refinance existing debt as it matures;
- level and volatility of interest or capitalization rates or capital market conditions;
- price volatility, dislocations and liquidity disruptions in the financial markets and the resulting impact on financing;
- the effect of any rating agency actions on the cost and availability of new debt financing;
- the effect of the phase-out of the London Interbank Offered Rate, or LIBOR, as a variable rate debt benchmark by the end of 2021 and the transition to a different benchmark interest rate;
- significant decline in market value of real estate serving as collateral for mortgage obligations;
- significant change in the mortgage financing market that would cause single-family housing, either as an owned or rental product, to become a more significant competitive product;
- our ability to continue to satisfy complex rules in order to maintain our status as a REIT for federal income tax purposes, the ability of MAALP to satisfy the rules to maintain its status as a partnership for federal income tax purposes, the ability of our taxable REIT subsidiaries to maintain their status as such for federal income tax purposes, and our ability and the ability of our subsidiaries to operate effectively within the limitations imposed by these rules;
- inability to attract and retain qualified personnel;
- cyber liability or potential liability for breaches of our or our service providers’ information technology systems, or business operations disruptions;
- potential liability for environmental contamination;
- adverse legislative or regulatory developments;
- extreme weather, natural disasters, disease outbreak and public health events;
- legal proceedings relating to various issues, which, among other things, could result in a class action lawsuit;
- compliance costs associated with numerous federal, state and local laws and regulations, including those costs associated with laws requiring access for disabled persons; and
- other risks identified in this release and in reports we file with the SEC or in other documents that we publicly disseminate.

New factors may also emerge from time to time that could have a material adverse effect on our business. Except as required by law, we undertake no obligation to publicly update or revise forward-looking statements contained in this release to reflect events, circumstances or changes in expectations after the date of this release.

FINANCIAL HIGHLIGHTS
Dollars in thousands, except per share data

	Three months ended September 30,		Nine months ended September 30,	
	2020	2019	2020	2019
Rental and other property revenues	\$ 423,199	\$ 415,632	\$ 1,254,323	\$ 1,224,200
Net income available for MAA common shareholders	\$ 58,988	\$ 77,723	\$ 168,854	\$ 201,456
Total NOI ⁽¹⁾	\$ 253,385	\$ 256,093	\$ 773,866	\$ 761,142
Earnings per common share: ⁽²⁾				
Basic	\$ 0.52	\$ 0.68	\$ 1.48	\$ 1.77
Diluted	\$ 0.52	\$ 0.68	\$ 1.47	\$ 1.77
Funds from operations per Share - diluted: ⁽²⁾				
FFO ⁽¹⁾	\$ 1.58	\$ 1.72	\$ 4.66	\$ 4.87
Core FFO ⁽¹⁾	\$ 1.57	\$ 1.57	\$ 4.78	\$ 4.60
Core AFFO ⁽¹⁾	\$ 1.40	\$ 1.38	\$ 4.28	\$ 4.10
Dividends declared per common share	\$ 1.00	\$ 0.96	\$ 3.00	\$ 2.88
Dividends/Core FFO (diluted) payout ratio	63.7%	61.1%	62.8%	62.6%
Dividends/Core AFFO (diluted) payout ratio	71.4%	69.6%	70.1%	70.2%
Consolidated interest expense	\$ 41,010	\$ 44,513	\$ 126,610	\$ 136,149
Mark-to-market debt adjustment	(83)	51	9	222
Debt discount and debt issuance cost amortization	(1,223)	(1,288)	(3,603)	(4,928)
Capitalized interest	1,764	754	4,783	1,847
Total interest incurred	\$ 41,468	\$ 44,030	\$ 127,799	\$ 133,290
Amortization of principal on notes payable	\$ 1,055	\$ 1,796	\$ 4,538	\$ 5,468

(1) A reconciliation of the following items and an expanded discussion of their respective components can be found later in this release: (i) NOI to Net income available for MAA common shareholders; and (ii) FFO, Core FFO and Core AFFO to Net income available for MAA common shareholders.

(2) See the "Share and Unit Data" section for additional information.

FINANCIAL HIGHLIGHTS (CONTINUED)*Dollars in thousands, except share price*

	September 30, 2020	December 31, 2019
Gross Assets ⁽¹⁾	\$ 14,445,414	\$ 14,185,703
Gross Real Estate Assets ⁽¹⁾	\$ 14,263,492	\$ 13,996,700
Total debt	\$ 4,425,594	\$ 4,454,598
Common shares and units outstanding	118,428,070	118,313,567
Share price	\$ 115.95	\$ 131.86
Book equity value	\$ 6,133,096	\$ 6,303,590
Market equity value	\$ 13,731,735	\$ 15,600,827
Net Debt/Adjusted EBITDA _{re} ⁽²⁾	4.66x	4.71x

(1) A reconciliation of Gross Assets to Total assets and Gross Real Estate Assets to Real estate assets, net, along with an expanded discussion of their components, can be found later in this release.

(2) Adjusted EBITDA_{re} in this calculation represents the trailing twelve month period for each date presented. A reconciliation of the following items and an expanded discussion of their respective components can be found later in this release: (i) EBITDA, EBITDA_{re} and Adjusted EBITDA_{re} to Net income; and (ii) Net Debt to Unsecured notes payable and Secured notes payable.

CONSOLIDATED STATEMENTS OF OPERATIONS

Dollars in thousands, except per share data

	Three months ended		Nine months ended	
	September 30,		September 30,	
	2020	2019	2020	2019
Revenues:				
Rental and other property revenues	\$ 423,199	\$ 415,632	\$ 1,254,323	\$ 1,224,200
Expenses:				
Operating expenses, excluding real estate taxes and insurance	105,108	100,319	292,031	286,284
Real estate taxes and insurance	64,706	59,220	188,426	176,774
Depreciation and amortization	127,679	124,684	381,257	371,417
Total property operating expenses	297,493	284,223	861,714	834,475
Property management expenses	12,691	13,899	39,064	41,195
General and administrative expenses	11,360	10,225	35,181	32,960
Interest expense	41,010	44,513	126,610	136,149
(Gain) loss on sale of depreciable real estate assets	(20)	(1,000)	7	(987)
Gain on sale of non-depreciable real estate assets	(1,366)	—	(995)	(9,260)
Other non-operating (income) expense	(242)	(18,800)	13,647	(23,494)
Income before income tax expense	62,273	82,572	179,095	213,162
Income tax expense	(665)	(1,491)	(2,532)	(2,814)
Income from continuing operations before real estate joint venture activity	61,608	81,081	176,563	210,348
Income from real estate joint venture	428	378	1,153	1,210
Net income	62,036	81,459	177,716	211,558
Net income attributable to noncontrolling interests	2,126	2,814	6,096	7,336
Net income available for shareholders	59,910	78,645	171,620	204,222
Dividends to MAA Series I preferred shareholders	922	922	2,766	2,766
Net income available for MAA common shareholders	\$ 58,988	\$ 77,723	\$ 168,854	\$ 201,456
Earnings per common share - basic:				
Net income available for common shareholders	\$ 0.52	\$ 0.68	\$ 1.48	\$ 1.77
Earnings per common share - diluted:				
Net income available for common shareholders	\$ 0.52	\$ 0.68	\$ 1.47	\$ 1.77

SHARE AND UNIT DATA*Shares and units in thousands*

	Three months ended		Nine months ended	
	September 30,		September 30,	
	2020	2019	2020	2019
Net Income Shares ⁽¹⁾				
Weighted average common shares - basic	114,216	113,877	114,177	113,814
Effect of dilutive securities	252	260	310	238
Weighted average common shares - diluted	114,468	114,137	114,487	114,052
Funds From Operations Shares And Units				
Weighted average common shares and units - basic	118,274	117,958	118,238	117,910
Weighted average common shares and units - diluted	118,432	118,151	118,400	118,104
Period End Shares And Units				
Common shares at September 30,	114,370	114,066	114,370	114,066
Operating Partnership units at September 30,	4,058	4,074	4,058	4,074
Total common shares and units at September 30,	118,428	118,140	118,428	118,140

- (1) For additional information on the calculation of diluted common shares and earnings per common share, please refer to the Notes to Condensed Consolidated Financial Statements in MAA's Quarterly Report on Form 10-Q for the three and nine months ended September 30, 2020, expected to be filed with the SEC on or about October 29, 2020.

CONSOLIDATED BALANCE SHEETS
Dollars in thousands

	September 30, 2020	December 31, 2019
Assets		
Real estate assets:		
Land	\$ 1,909,343	\$ 1,905,757
Buildings and improvements and other	12,037,042	11,841,978
Development and capital improvements in progress	220,685	116,424
	<u>14,167,070</u>	<u>13,864,159</u>
Less: Accumulated depreciation	(3,316,710)	(2,955,253)
	<u>10,850,360</u>	<u>10,908,906</u>
Undeveloped land	34,548	34,548
Investment in real estate joint venture	43,467	43,674
Real estate assets, net	<u>10,928,375</u>	<u>10,987,128</u>
Cash and cash equivalents	18,407	20,476
Restricted cash	9,182	50,065
Other assets	172,740	172,781
Total assets	<u>\$ 11,128,704</u>	<u>\$ 11,230,450</u>
Liabilities and equity		
Liabilities:		
Unsecured notes payable	\$ 3,939,425	\$ 3,828,201
Secured notes payable	486,169	626,397
Accrued expenses and other liabilities	570,014	472,262
Total liabilities	<u>4,995,608</u>	<u>4,926,860</u>
Redeemable common stock	13,841	14,131
Shareholders' equity:		
Preferred stock	9	9
Common stock	1,140	1,140
Additional paid-in capital	7,173,391	7,166,073
Accumulated distributions in excess of net income	(1,258,072)	(1,085,479)
Accumulated other comprehensive loss	(12,396)	(13,178)
Total MAA shareholders' equity	<u>5,904,072</u>	<u>6,068,565</u>
Noncontrolling interests - Operating Partnership units	208,072	214,647
Total Company's shareholders' equity	<u>6,112,144</u>	<u>6,283,212</u>
Noncontrolling interests - consolidated real estate entities	7,111	6,247
Total equity	<u>6,119,255</u>	<u>6,289,459</u>
Total liabilities and equity	<u>\$ 11,128,704</u>	<u>\$ 11,230,450</u>

RECONCILIATION OF FFO, CORE FFO, CORE AFFO AND FAD TO NET INCOME AVAILABLE FOR MAA COMMON SHAREHOLDERS
Amounts in thousands, except per share and unit data

	Three months ended		Nine months ended	
	September 30,		September 30,	
	2020	2019	2020	2019
Net income available for MAA common shareholders	\$ 58,988	\$ 77,723	\$ 168,854	\$ 201,456
Depreciation and amortization of real estate assets	125,916	123,171	376,430	366,704
(Gain) loss on sale of depreciable real estate assets	(20)	(1,000)	7	(987)
Depreciation and amortization of real estate assets of real estate joint venture	153	154	458	465
Net income attributable to noncontrolling interests	2,126	2,814	6,096	7,336
Funds from operations attributable to the Company	187,163	202,862	551,845	574,974
(Income) loss on embedded derivative in preferred shares ⁽¹⁾	(1,342)	(15,522)	14,603	(19,592)
Gain on sale of non-depreciable real estate assets	(1,366)	—	(995)	(9,260)
Loss (gain) from unconsolidated limited partnerships, net of tax ⁽¹⁾⁽²⁾	100	(3,493)	(4,085)	(3,169)
Net casualty loss (gain) and other settlement proceeds ⁽¹⁾	511	(46)	1,207	(1,899)
Loss on debt extinguishment ⁽¹⁾	345	5	344	60
Non-routine legal costs and settlements ⁽¹⁾	—	1,260	40	2,276
COVID-19 related costs ⁽¹⁾	376	—	2,983	—
Mark-to-market debt adjustment ⁽³⁾	83	(51)	(9)	(222)
Core funds from operations	185,870	185,015	565,933	543,168
Recurring capital expenditures	(19,720)	(21,543)	(59,412)	(58,461)
Core adjusted funds from operations	166,150	163,472	506,521	484,707
Redevelopment capital expenditures	(11,627)	(17,789)	(35,650)	(45,060)
Revenue enhancing capital expenditures	(8,135)	(8,215)	(24,510)	(26,067)
Commercial capital expenditures	(765)	(2,563)	(2,303)	(5,019)
Other capital expenditures	(6,389)	(5,330)	(17,065)	(13,494)
Funds available for distribution	\$ 139,234	\$ 129,575	\$ 426,993	\$ 395,067
Dividends and distributions paid	\$ 118,232	\$ 113,408	\$ 354,976	\$ 340,052
Weighted average common shares - diluted	114,468	114,137	114,487	114,052
FFO weighted average common shares and units - diluted	118,432	118,151	118,400	118,104
Earnings per common share - diluted:				
Net income available for common shareholders	\$ 0.52	\$ 0.68	\$ 1.47	\$ 1.77
Funds from operations per Share - diluted	\$ 1.58	\$ 1.72	\$ 4.66	\$ 4.87
Core funds from operations per Share - diluted	\$ 1.57	\$ 1.57	\$ 4.78	\$ 4.60
Core adjusted funds from operations per Share - diluted	\$ 1.40	\$ 1.38	\$ 4.28	\$ 4.10

⁽¹⁾ Included in Other non-operating (income) expense in the Consolidated Statements of Operations.

⁽²⁾ For the nine months ended September 30, 2020, \$4.8 million of gains from unconsolidated limited partnerships are offset by \$0.7 million of income tax expense. For the three and nine months ended September 30, 2019, \$4.3 million and \$4.0 million, respectively, of gains from unconsolidated limited partnerships are offset by \$0.8 million of income tax expense.

⁽³⁾ Included in Interest expense in the Consolidated Statements of Operations.

RECONCILIATION OF NET OPERATING INCOME TO NET INCOME AVAILABLE FOR MAA COMMON SHAREHOLDERS
Dollars in thousands

	Three Months Ended			Nine Months Ended	
	September 30, 2020	June 30, 2020	September 30, 2019	September 30, 2020	September 30, 2019
Net Operating Income					
Same Store NOI	\$ 238,702	\$ 242,713	\$ 241,362	\$ 730,702	\$ 717,216
Non-Same Store and Other NOI	14,683	12,842	14,731	43,164	43,926
Total NOI	253,385	255,555	256,093	773,866	761,142
Depreciation and amortization	(127,679)	(127,190)	(124,684)	(381,257)	(371,417)
Property management expenses	(12,691)	(11,730)	(13,899)	(39,064)	(41,195)
General and administrative expenses	(11,360)	(10,557)	(10,225)	(35,181)	(32,960)
Interest expense	(41,010)	(42,118)	(44,513)	(126,610)	(136,149)
Gain (loss) on sale of depreciable real estate assets	20	2	1,000	(7)	987
Gain on sale of non-depreciable real estate assets	1,366	5	-	995	9,260
Other non-operating income (expense)	242	14,643	18,800	(13,647)	23,494
Income tax expense	(665)	(1,200)	(1,491)	(2,532)	(2,814)
Income from real estate joint venture	428	318	378	1,153	1,210
Net income attributable to noncontrolling interests	(2,126)	(2,666)	(2,814)	(6,096)	(7,336)
Dividends to MAA Series I preferred shareholders	(922)	(922)	(922)	(2,766)	(2,766)
Net income available for MAA common shareholders	\$ 58,988	\$ 74,140	\$ 77,723	\$ 168,854	\$ 201,456

RECONCILIATION OF EBITDA, EBITDA_{re} AND ADJUSTED EBITDA_{re} TO NET INCOME
Dollars in thousands

	Three Months Ended		Twelve Months Ended	
	September 30, 2020	September 30, 2019	September 30, 2020	December 31, 2019
Net income	\$ 62,036	\$ 81,459	\$ 332,776	\$ 366,618
Depreciation and amortization	127,679	124,684	506,683	496,843
Interest expense	41,010	44,513	170,308	179,847
Income tax expense	665	1,491	3,414	3,696
EBITDA	231,390	252,147	1,013,181	1,047,004
Gain on sale of depreciable real estate assets	(20)	(1,000)	(79,994)	(80,988)
Adjustments to reflect the Company's share of EBITDA _{re} of unconsolidated affiliates	337	338	1,345	1,351
EBITDA_{re}	231,707	251,485	934,532	967,367
(Gain) loss on embedded derivative in preferred shares ⁽¹⁾	(1,342)	(15,522)	16,309	(17,886)
Gain on sale of non-depreciable real estate assets	(1,366)	—	(3,782)	(12,047)
Loss (gain) from unconsolidated limited partnerships, net of tax ⁽¹⁾⁽²⁾	100	(3,493)	(3,870)	(2,954)
Net casualty loss (gain) and other settlement proceeds ⁽¹⁾	511	(46)	(284)	(3,390)
Loss on debt extinguishment ⁽¹⁾	345	5	537	253
Non-routine legal costs and settlements ⁽¹⁾	—	1,260	40	2,276
COVID-19 related costs ⁽¹⁾	376	—	2,983	—
Mark-to-market debt adjustment ⁽³⁾	83	(51)	(43)	(256)
Adjusted EBITDA_{re}	\$ 230,414	\$ 233,638	\$ 946,422	\$ 933,363

⁽¹⁾ Included in Other non-operating (income) expense in the Consolidated Statements of Operations.

⁽²⁾ For the three months ended September 30, 2019, \$4.3 million of gains from unconsolidated limited partnerships are offset by \$0.8 million of income tax expenses. For the twelve months ended September 30, 2020, \$4.7 million of gains from unconsolidated limited partnerships are offset by \$0.8 million of income tax expense. For the twelve months ended December 31, 2019, \$3.9 million of gains from unconsolidated limited partnerships are offset by \$0.9 million of income tax expense.

⁽³⁾ Included in Interest expense in the Consolidated Statements of Operations.

RECONCILIATION OF NET DEBT TO UNSECURED NOTES PAYABLE AND SECURED NOTES PAYABLE*Dollars in thousands*

	September 30, 2020	December 31, 2019
Unsecured notes payable	\$ 3,939,425	\$ 3,828,201
Secured notes payable	486,169	626,397
Total debt	4,425,594	4,454,598
Cash and cash equivalents	(18,407)	(20,476)
1031(b) exchange proceeds included in Restricted cash ⁽¹⁾	—	(33,843)
Net Debt	\$ 4,407,187	\$ 4,400,279

⁽¹⁾ Included in Restricted cash in the Consolidated Balance Sheets.**RECONCILIATION OF GROSS ASSETS TO TOTAL ASSETS***Dollars in thousands*

	September 30, 2020	December 31, 2019
Total assets	\$ 11,128,704	\$ 11,230,450
Accumulated depreciation	3,316,710	2,955,253
Gross Assets	\$ 14,445,414	\$ 14,185,703

RECONCILIATION OF GROSS REAL ESTATE ASSETS TO REAL ESTATE ASSETS, NET*Dollars in thousands*

	September 30, 2020	December 31, 2019
Real estate assets, net	\$ 10,928,375	\$ 10,987,128
Accumulated depreciation	3,316,710	2,955,253
Cash and cash equivalents	18,407	20,476
1031(b) exchange proceeds included in Restricted cash ⁽¹⁾	—	33,843
Gross Real Estate Assets	\$ 14,263,492	\$ 13,996,700

⁽¹⁾ Included in Restricted cash in the Consolidated Balance Sheets.

Adjusted EBITDA_{re}

For purposes of calculations in this release, Adjusted Earnings Before Interest, Income Taxes, Depreciation and Amortization for real estate, or Adjusted EBITDA_{re}, represents EBITDA_{re} further adjusted for items that are not considered part of MAA's core operations such as adjustments related to the fair value of the embedded derivative in the MAA Series I preferred shares, gain or loss on sale of non-depreciable assets, adjustments for gains or losses from unconsolidated limited partnerships, net casualty gain or loss, gain or loss on debt extinguishment, non-routine legal costs and settlements, COVID-19 related costs and mark-to-market debt adjustments. As an owner and operator of real estate, MAA considers Adjusted EBITDA_{re} to be an important measure of performance from core operations because Adjusted EBITDA_{re} does not include various income and expense items that are not indicative of operating performance. MAA's computation of Adjusted EBITDA_{re} may differ from the methodology utilized by other companies to calculate Adjusted EBITDA_{re}. Adjusted EBITDA_{re} should not be considered as an alternative to Net income as an indicator of operating performance.

Core Adjusted Funds from Operations (Core AFFO)

Core AFFO is composed of Core FFO less recurring capital expenditures. Core AFFO should not be considered as an alternative to Net income available for MAA common shareholders as an indicator of operating performance. As an owner and operator of real estate, MAA considers Core AFFO to be an important measure of performance from operations because Core AFFO measures the ability to control revenues, expenses and recurring capital expenditures.

Core Funds from Operations (Core FFO)

Core FFO represents FFO as adjusted for items that are not considered part of MAA's core business operations such as adjustments related to the fair value of the embedded derivative in the MAA Series I preferred shares, gain or loss on sale of non-depreciable assets, adjustments for gains or losses from unconsolidated limited partnerships, net casualty gain or loss, gain or loss on debt extinguishment, non-routine legal costs and settlements, COVID-19 related costs and mark-to-market debt adjustments. While MAA's definition of Core FFO may be similar to others in the industry, MAA's methodology for calculating Core FFO may differ from that utilized by other REITs and, accordingly, may not be comparable to such other REITs. Core FFO should not be considered as an alternative to Net income available for MAA common shareholders as an indicator of operating performance. MAA believes that Core FFO is helpful in understanding its core operating performance between periods in that it removes certain items that by their nature are not comparable over periods and therefore tend to obscure actual operating performance.

EBITDA

For purposes of calculations in this release, Earnings Before Interest, Income Taxes, Depreciation and Amortization, or EBITDA, is composed of net income plus depreciation and amortization, interest expense, and income taxes. As an owner and operator of real estate, MAA considers EBITDA to be an important measure of performance from core operations because EBITDA does not include various expense items that are not indicative of operating performance. EBITDA should not be considered as an alternative to Net income as an indicator of operating performance.

EBITDA_{re}

For purposes of calculations in this release, Earnings Before Interest, Income Taxes, Depreciation and Amortization for real estate, or EBITDA_{re}, is composed of EBITDA further adjusted for the gain or loss on sale of depreciable asset sales and plus adjustments to reflect MAA's share of EBITDA_{re} of unconsolidated affiliates. As an owner and operator of real estate, MAA considers EBITDA_{re} to be an important measure of performance from core operations because EBITDA_{re} does not include various expense items that are not indicative of operating performance. While MAA's definition of EBITDA_{re} is in accordance with NAREIT's definition, it may differ from the methodology utilized by other companies to calculate EBITDA_{re}. EBITDA_{re} should not be considered as an alternative to Net income as an indicator of operating performance.

Funds Available for Distribution (FAD)

FAD is composed of Core FFO less total capital expenditures, excluding development spending and property acquisitions. FAD should not be considered as an alternative to Net income available for MAA common shareholders as an indicator of operating performance. As an owner and operator of real estate, MAA considers FAD to be an important measure of performance from core operations because FAD measures the ability to control revenues, expenses and total capital expenditures.

Funds From Operations (FFO)

FFO represents net income available for MAA common shareholders (calculated in accordance with GAAP) excluding gains or losses on disposition of operating properties and asset impairment, plus depreciation and amortization of real estate assets, net income attributable to noncontrolling interests, and adjustments for joint ventures. Because net income attributable to noncontrolling interests is added back, FFO, when used in this document, represents FFO attributable to the Company. While MAA's definition of FFO is in accordance with NAREIT's definition, it may differ from the methodology for calculating FFO utilized by other companies and, accordingly, may not be comparable to such other companies. FFO should not be considered as an alternative to Net income available for MAA common shareholders as an indicator of operating performance. MAA believes that FFO is helpful in understanding operating performance in that FFO excludes depreciation and amortization of real estate assets. MAA believes that GAAP historical cost depreciation of real estate assets is generally not correlated with changes in the value of those assets, whose value does not diminish predictably over time, as historical cost depreciation implies.

Gross Assets

Gross Assets represents Total assets plus Accumulated depreciation. MAA believes that Gross Assets can be used as a helpful tool in evaluating its balance sheet positions. MAA believes that GAAP historical cost depreciation of real estate assets is generally not correlated with changes in the value of those assets, whose value does not diminish predictably over time, as historical cost depreciation implies.

Gross Real Estate Assets

Gross Real Estate Assets represents Real estate assets, net plus Accumulated depreciation and Cash and cash equivalents. MAA believes that Gross Real Estate Assets can be used as a helpful tool in evaluating its balance sheet positions. MAA believes that GAAP historical cost depreciation of real estate assets is generally not correlated with changes in the value of those assets, whose value does not diminish predictably over time, as historical cost depreciation implies.

Net Debt

Net Debt represents Unsecured notes payable and Secured notes payable less Cash and cash equivalents. MAA believes Net Debt is a helpful tool in evaluating its debt position.

Net Operating Income (NOI)

Net Operating Income represents Rental and other property revenues less Total property operating expenses, excluding depreciation and amortization, for all properties held during the period, regardless of their status as held for sale. NOI should not be considered as an alternative to Net income available for MAA common shareholders. MAA believes NOI by market is a helpful tool in evaluating the operating performance within MAA's markets because it measures the core operations of property performance by excluding corporate level expenses and other items not related to property operating performance.

Same Store NOI

Same Store NOI represents Rental and other property revenues less Total property operating expenses, excluding depreciation and amortization, for all properties classified within the Same Store Portfolio during the period. Same Store NOI should not be considered as an alternative to Net income available for MAA common shareholders. MAA believes Same Store NOI is a helpful tool in evaluating the operating performance within MAA's markets because it measures the core operations of property performance by excluding corporate level expenses and other items not related to property operating performance.

Non-Same Store and Other NOI

Non-Same Store and Other NOI represents Rental and other property revenues less Total property operating expenses, excluding depreciation and amortization, for all properties classified within the Non-Same Store and Other Portfolio during the period. Non-Same Store and Other NOI should not be considered as an alternative to Net income available for MAA common shareholders. MAA believes Non-Same Store and Other NOI is a helpful tool in evaluating the operating performance within MAA's markets because it measures the core operations of property performance by excluding corporate level expenses and other items not related to property operating performance.

OTHER KEY DEFINITIONS

Average Effective Rent per Unit

Average Effective Rent per Unit represents the average of gross rent amounts after the effect of leasing concessions for occupied units plus prevalent market rates asked for unoccupied units, divided by the total number of units. Leasing concessions represent discounts to the current market rate. MAA believes average effective rent is a helpful measurement in evaluating average pricing. It does not represent actual rental revenue collected per unit.

OTHER KEY DEFINITIONS (Continued)

Average Physical Occupancy

Average Physical Occupancy represents the average of the daily physical occupancy for the respective period.

Development Communities

Communities remain identified as development until certificates of occupancy are obtained for all units under development. Once all units are delivered and available for occupancy, the community moves into the Lease-up Communities portfolio.

Lease-up Communities

New acquisitions acquired during lease-up and newly developed communities remain in the Lease-up Communities portfolio until stabilized. Communities are considered stabilized after achieving at least 90% occupancy for 90 days.

Non-Same Store and Other Portfolio

Non-Same Store and Other Portfolio includes recently acquired communities, communities in development or lease-up, communities that have been identified for disposition, communities that have undergone a significant casualty loss, stabilized communities that do not meet the requirements defined by the Same Store Portfolio, retail properties and commercial properties.

Same Store Portfolio

MAA reviews its Same Store Portfolio at the beginning of each calendar year, or as significant transactions or events warrant. Communities are generally added into the Same Store Portfolio if they were owned and stabilized at the beginning of the previous year. Communities are considered stabilized after achieving at least 90% occupancy for 90 days. Communities that have been approved by MAA's Board of Directors for disposition are excluded from the Same Store Portfolio. Communities that have undergone a significant casualty loss are also excluded from the Same Store Portfolio.

Unencumbered NOI

Unencumbered NOI represents NOI generated by unencumbered assets (as defined in MAALP's bond covenants).

CONTACT: Investor Relations of MAA, 866-576-9689 (toll free), investor.relations@maac.com

16

[\(Back To Top\)](#)

Section 3: EX-99.2 (EX-99.2)

Exhibit 99.2

PORTFOLIO STATISTICS

TOTAL MULTIFAMILY PORTFOLIO AT SEPTEMBER 30, 2020 (In apartment units) ⁽¹⁾

	Same Store	Non-Same Store	Lease-up	Total Completed Communities	Development Units Delivered	Total
Atlanta, GA	10,996	438	—	11,434	—	11,434
Dallas, TX	9,405	362	—	9,767	240	10,007
Austin, TX	7,117	—	—	7,117	—	7,117
Charlotte, NC	6,149	—	—	6,149	—	6,149
Raleigh/Durham, NC	4,397	953	—	5,350	—	5,350
Orlando, FL	5,274	—	—	5,274	—	5,274
Tampa, FL	5,220	—	—	5,220	—	5,220
Houston, TX	4,867	—	—	4,867	—	4,867
Fort Worth, TX	4,249	—	168	4,417	—	4,417
Nashville, TN	4,375	—	—	4,375	—	4,375
Washington, DC	4,080	—	—	4,080	—	4,080
Jacksonville, FL	3,496	—	—	3,496	—	3,496
Charleston, SC	2,726	442	—	3,168	—	3,168
Phoenix, AZ	2,623	—	—	2,623	—	2,623
Greenville, SC	2,084	—	271	2,355	—	2,355
Savannah, GA	2,219	—	—	2,219	—	2,219
Richmond, VA	2,004	—	—	2,004	—	2,004

Memphis, TN	1,811	—	—	1,811	—	1,811
San Antonio, TX	1,504	—	—	1,504	—	1,504
Birmingham, AL	1,462	—	—	1,462	—	1,462
Huntsville, AL	1,228	—	—	1,228	—	1,228
Kansas City, MO-KS	1,110	—	—	1,110	—	1,110
Other	6,717	2,149	—	8,866	—	8,866
Total Multifamily Units	95,113	4,344	439	99,896	240	100,136

(1) Schedule excludes a 269 unit joint venture property in Washington, D.C.

Supplemental Data S-1

PORTFOLIO STATISTICS (CONTINUED)

TOTAL MULTIFAMILY COMMUNITY STATISTICS ⁽¹⁾

Dollars in thousands, except Average Effective Rent per Unit

	As of September 30, 2020			Average Effective Rent per Unit for the Three Months Ended September 30, 2020	As of September 30, 2020	
	Gross Real Assets	Percent to Total of Gross Real Assets	Physical Occupancy		Completed Units	Total Units, Including Development
Atlanta, GA	\$ 1,993,602	14.4%	95.5%	\$ 1,465	11,434	
Dallas, TX	1,400,619	10.1%	95.1%	1,298	9,767	
Charlotte, NC	963,208	7.0%	95.9%	1,247	6,149	
Washington, DC	959,434	6.9%	96.3%	1,806	4,080	
Tampa, FL	879,023	6.3%	96.6%	1,505	5,220	
Austin, TX	842,119	6.1%	95.3%	1,277	7,117	
Orlando, FL	828,470	6.0%	94.4%	1,458	5,274	
Raleigh/Durham, NC	697,545	5.0%	96.0%	1,176	5,350	
Houston, TX	602,904	4.4%	93.5%	1,218	4,867	
Nashville, TN	531,984	3.8%	94.0%	1,316	4,375	
Charleston, SC	401,450	2.9%	95.6%	1,250	3,168	
Fort Worth, TX	394,859	2.9%	95.5%	1,185	4,249	
Phoenix, AZ	376,347	2.7%	96.1%	1,299	2,623	
Jacksonville, FL	292,488	2.1%	96.9%	1,160	3,496	
Richmond, VA	265,846	1.9%	96.8%	1,236	2,004	
Savannah, GA	242,277	1.7%	97.3%	1,113	2,219	
Denver, CO	210,736	1.5%	91.5%	1,652	812	
Kansas City, MO-KS	184,782	1.3%	95.0%	1,298	1,110	
San Antonio, TX	162,834	1.2%	96.3%	1,119	1,504	
Birmingham, AL	158,756	1.1%	96.5%	1,083	1,462	
Greenville, SC	155,805	1.1%	96.3%	948	2,084	
All Other Markets by State (individual markets <1% gross real assets)						
Tennessee	\$ 184,385	1.3%	97.4%	\$ 1,007	2,754	
Florida	176,226	1.3%	96.5%	1,376	1,806	
Alabama	159,508	1.2%	97.3%	1,056	1,648	
Virginia	152,802	1.1%	97.3%	1,359	1,039	
Kentucky	94,146	0.7%	95.9%	911	1,308	
Mississippi	74,368	0.5%	97.8%	930	1,241	
Nevada	70,648	0.5%	95.0%	1,160	721	
South Carolina	36,702	0.3%	94.3%	915	576	
Stabilized Communities	\$ 13,493,873	97.3%	95.6%	\$ 1,293	99,457	
Orlando, FL	\$ 83,017	0.6%				633
Greenville, SC	72,326	0.5%	93.4%	\$ 1,614	271	271
Phoenix, AZ	63,739	0.5%				345
Dallas, TX	62,827	0.5%	32.5%	1,375	240	348
Denver, CO	32,374	0.2%				306
Fort Worth, TX	26,219	0.2%	67.9%	1,331	168	168
Houston, TX	22,024	0.2%				308
Lease-up / Development Communities	\$ 362,526	2.7%	61.0%	\$ 1,460	679	2,379
Total Multifamily Communities	\$ 13,856,399	100.0%	95.4%	\$ 1,294	100,136	101,836

⁽¹⁾ Schedule excludes one joint venture property in Washington, D.C.

COMPONENTS OF NET OPERATING INCOME
Dollars in thousands

	As of September 30, 2020		Three Months Ended		Percent Change
	Apartment Units	Gross Real Assets	September 30, 2020	September 30, 2019	
Operating Revenues					
Same Store Communities	95,113	\$ 12,824,842	\$ 397,600	\$ 389,600	2.1%
Non-Same Store Communities	4,344	669,031	18,273	20,219	
Lease-up/Development Communities	679	362,526	2,097	54	
Total Multifamily Portfolio	100,136	\$ 13,856,399	\$ 417,970	\$ 409,873	
Commercial Property/Land	—	231,691	5,229	5,759	
Total Operating Revenues	100,136	\$ 14,088,090	\$ 423,199	\$ 415,632	
Property Operating Expenses					
Same Store Communities			\$ 158,898	\$ 148,238	7.2%
Non-Same Store Communities			7,069	8,837	
Lease-up/Development Communities			1,284	65	
Total Multifamily Portfolio			\$ 167,251	\$ 157,140	
Commercial Property/Land			2,563	2,399	
Total Property Operating Expenses			\$ 169,814	\$ 159,539	
Net Operating Income					
Same Store Communities			\$ 238,702	\$ 241,362	-1.1%
Non-Same Store Communities			11,204	11,382	
Lease-up/Development Communities			813	(11)	
Total Multifamily Portfolio			\$ 250,719	\$ 252,733	
Commercial Property/Land			2,666	3,360	
Total Net Operating Income			\$ 253,385	\$ 256,093	-1.1%

COMPONENTS OF SAME STORE PORTFOLIO PROPERTY OPERATING EXPENSES
Dollars in thousands

	Three Months Ended			Nine Months Ended		
	September 30, 2020	September 30, 2019	Percent Change	September 30, 2020	September 30, 2019	Percent Change
Personnel	\$ 36,788	\$ 35,854	2.6%	\$ 105,431	\$ 104,343	1.0%
Building Repair and Maintenance	17,712	17,067	3.8%	48,461	47,788	1.4%
Utilities	30,771	29,009	6.1%	84,616	81,505	3.8%
Marketing	6,539	4,835	35.2%	16,826	13,847	21.5%
Office Operations	6,018	5,501	9.4%	16,279	15,784	3.1%
Property Taxes	55,749	52,787	5.6%	165,823	158,480	4.6%
Insurance	5,321	3,185	67.1%	11,718	8,930	31.2%
Total Property Operating Expenses	\$ 158,898	\$ 148,238	7.2%	\$ 449,154	\$ 430,677	4.3%

Supplemental Data S-3

NOI CONTRIBUTION PERCENTAGE BY MARKET

Same Store Portfolio

	Apartment Units	Percent of Same Store NOI	Average Physical Occupancy			
			Three Months Ended		Nine Months Ended	
			September 30, 2020	September 30, 2019	September 30, 2020	September 30, 2019
Atlanta, GA	10,996	13.1%	95.0%	95.6%	94.9%	95.7%
Dallas, TX	9,405	8.7%	95.1%	95.5%	95.3%	95.3%
Charlotte, NC	6,149	7.1%	96.2%	96.2%	96.1%	96.2%
Washington, DC	4,080	6.6%	96.3%	96.8%	96.3%	96.9%
Tampa, FL	5,220	6.6%	96.1%	96.1%	95.7%	96.1%
Austin, TX	7,117	6.2%	95.2%	96.0%	95.4%	95.9%
Orlando, FL	5,274	6.1%	93.7%	95.5%	94.5%	95.6%
Raleigh/Durham, NC	4,397	4.8%	96.2%	96.6%	96.2%	96.5%
Nashville, TN	4,375	4.7%	94.5%	96.6%	95.1%	96.0%
Houston, TX	4,867	4.1%	93.7%	95.3%	94.4%	95.4%
Fort Worth, TX	4,249	3.9%	95.4%	95.9%	95.4%	95.6%
Jacksonville, FL	3,496	3.4%	96.6%	96.2%	96.2%	96.3%
Phoenix, AZ	2,623	3.3%	96.0%	97.1%	96.1%	96.7%
Charleston, SC	2,726	2.8%	95.9%	95.6%	95.8%	95.6%
Richmond, VA	2,004	2.2%	96.9%	96.5%	96.6%	96.7%
Savannah, GA	2,219	2.1%	96.8%	95.5%	95.9%	95.5%
Greenville, SC	2,084	1.6%	95.8%	95.4%	95.4%	95.7%
Memphis, TN	1,811	1.6%	97.2%	96.1%	96.5%	95.8%
Birmingham, AL	1,462	1.4%	97.1%	97.6%	96.5%	96.7%
San Antonio, TX	1,504	1.2%	96.7%	96.5%	96.4%	96.6%
Huntsville, AL	1,228	1.2%	97.3%	97.8%	97.2%	97.4%
Kansas City, MO-KS	1,110	1.2%	96.0%	95.7%	95.6%	95.8%
Other	6,717	6.1%	96.6%	96.6%	95.9%	96.5%
Total Same Store	95,113	100.0%	95.6%	96.1%	95.6%	96.0%

MULTIFAMILY SAME STORE PORTFOLIO QUARTER OVER QUARTER COMPARISONS

Dollars in thousands, except unit and per unit data

	Units	Revenues			Expenses			NOI			Average Effective Rent per Unit		
		Q3 2020	Q3 2019	% Chg	Q3 2020	Q3 2019	% Chg	Q3 2020	Q3 2019	% Chg	Q3 2020	Q3 2019	% Chg
Atlanta, GA	10,996	\$ 51,356	\$ 50,787	1.1%	\$ 20,063	\$ 19,287	4.0%	\$ 31,293	\$ 31,500	(0.7)%	\$ 1,463	\$ 1,453	0.7%
Dallas, TX	9,405	39,024	38,543	1.2%	18,281	16,243	12.5%	20,743	22,300	(7.0)%	1,312	1,295	1.3%
Charlotte, NC	6,149	25,015	24,416	2.5%	8,105	7,772	4.3%	16,910	16,644	1.6%	1,249	1,233	1.3%
Washington, DC	4,080	23,275	23,442	(0.7)%	7,496	7,202	4.1%	15,779	16,240	(2.8)%	1,812	1,804	0.5%
Tampa, FL	5,220	25,176	24,534	2.6%	9,387	8,793	6.8%	15,789	15,741	0.3%	1,502	1,466	2.4%
Austin, TX	7,117	29,554	28,940	2.1%	14,645	12,704	15.3%	14,909	16,236	(8.2)%	1,281	1,250	2.4%
Orlando, FL	5,274	24,161	24,477	(1.3)%	9,686	8,959	8.1%	14,475	15,518	(6.7)%	1,462	1,458	0.3%
Raleigh/Durham, NC	4,397	17,123	16,254	5.3%	5,773	5,841	(1.2)%	11,350	10,413	9.0%	1,147	1,113	3.1%
Nashville, TN	4,375	18,430	18,345	0.5%	7,118	6,304	12.9%	11,312	12,041	(6.1)%	1,310	1,280	2.3%
Houston, TX	4,867	18,735	18,647	0.5%	9,003	8,356	7.7%	9,732	10,291	(5.4)%	1,222	1,207	1.3%
Fort Worth, TX	4,249	17,010	16,538	2.9%	7,627	7,015	8.7%	9,383	9,523	(1.5)%	1,184	1,165	1.6%
Jacksonville, FL	3,496	12,860	12,620	1.9%	4,671	4,854	(3.8)%	8,189	7,766	5.4%	1,157	1,137	1.7%
Phoenix, AZ	2,623	11,117	10,504	5.8%	3,300	3,189	3.5%	7,817	7,315	6.9%	1,294	1,234	4.8%
Charleston, SC	2,726	10,896	10,486	3.9%	4,329	4,055	6.8%	6,567	6,431	2.1%	1,199	1,180	1.6%
Richmond, VA	2,004	8,187	7,858	4.2%	2,908	2,508	15.9%	5,279	5,350	(1.3)%	1,229	1,206	1.8%
Savannah, GA	2,219	8,147	7,894	3.2%	3,171	3,038	4.4%	4,976	4,856	2.5%	1,108	1,094	1.3%
Greenville, SC	2,084	6,698	6,331	5.8%	2,782	2,658	4.7%	3,916	3,673	6.6%	945	923	2.5%
Memphis, TN	1,811	6,245	5,876	6.3%	2,546	2,485	2.5%	3,699	3,391	9.1%	1,043	1,007	3.6%
Birmingham, AL	1,462	5,466	5,178	5.6%	2,154	2,275	(5.3)%	3,312	2,903	14.1%	1,081	1,043	3.7%
San Antonio, TX	1,504	5,536	5,443	1.7%	2,663	2,464	8.1%	2,873	2,979	(3.6)%	1,117	1,113	0.3%
Huntsville, AL	1,228	4,293	3,893	10.3%	1,492	1,361	9.6%	2,801	2,532	10.6%	1,004	934	7.4%
Kansas City, MO-KS	1,110	4,600	4,479	2.7%	1,848	1,759	5.1%	2,752	2,720	1.2%	1,295	1,257	3.0%
Other	6,717	24,696	24,115	2.4%	9,850	9,116	8.1%	14,846	14,999	(1.0)%	1,138	1,102	3.2%
Total Same Store	95,113	\$397,600	\$389,600	2.1%	\$158,898	\$148,238	7.2%	\$238,702	\$241,362	(1.1)%	\$ 1,293	\$ 1,270	1.8%

Supplemental Data S-5

MULTIFAMILY SAME STORE PORTFOLIO SEQUENTIAL QUARTER COMPARISONS

Dollars in thousands, except unit and per unit data

	Units	Revenues			Expenses			NOI			Average Effective Rent per Unit		
		Q3 2020	Q2 2020	% Chg	Q3 2020	Q2 2020	% Chg	Q3 2020	Q2 2020	% Chg	Q3 2020	Q2 2020	% Chg
Atlanta, GA	10,996	\$ 51,356	\$ 50,277	2.1%	\$ 20,063	\$ 18,813	6.6%	\$ 31,293	\$ 31,464	(0.5)%	\$ 1,463	\$ 1,462	0.1%
Dallas, TX	9,405	39,024	38,662	0.9%	18,281	16,985	7.6%	20,743	21,677	(4.3)%	1,312	1,310	0.1%
Charlotte, NC	6,149	25,015	24,616	1.6%	8,105	7,866	3.0%	16,910	16,750	1.0%	1,249	1,251	(0.1)%
Washington, DC	4,080	23,275	23,171	0.4%	7,496	6,862	9.2%	15,779	16,309	(3.2)%	1,812	1,809	0.2%
Tampa, FL	5,220	25,176	24,504	2.7%	9,387	8,606	9.1%	15,789	15,898	(0.7)%	1,502	1,493	0.6%
Austin, TX	7,117	29,554	29,204	1.2%	14,645	12,902	13.5%	14,909	16,302	(8.5)%	1,281	1,277	0.3%
Orlando, FL	5,274	24,161	24,039	0.5%	9,686	9,098	6.5%	14,475	14,941	(3.1)%	1,462	1,468	(0.4)%
Raleigh/Durham, NC	4,397	17,123	16,713	2.5%	5,773	5,936	(2.7)%	11,350	10,777	5.3%	1,147	1,140	0.6%
Nashville, TN	4,375	18,430	18,090	1.9%	7,118	6,826	4.3%	11,312	11,264	0.4%	1,310	1,311	(0.1)%
Houston, TX	4,867	18,735	18,656	0.4%	9,003	7,683	17.2%	9,732	10,973	(11.3)%	1,222	1,223	(0.1)%
Fort Worth, TX	4,249	17,010	16,656	2.1%	7,627	7,041	8.3%	9,383	9,615	(2.4)%	1,184	1,179	0.4%
Jacksonville, FL	3,496	12,860	12,532	2.6%	4,671	4,441	5.2%	8,189	8,091	1.2%	1,157	1,151	0.5%
Phoenix, AZ	2,623	11,117	10,755	3.4%	3,300	3,055	8.0%	7,817	7,700	1.5%	1,294	1,283	0.9%
Charleston, SC	2,726	10,896	10,584	2.9%	4,329	3,934	10.0%	6,567	6,650	(1.2)%	1,199	1,195	0.3%
Richmond, VA	2,004	8,187	7,966	2.8%	2,908	2,611	11.4%	5,279	5,355	(1.4)%	1,229	1,219	0.8%
Savannah, GA	2,219	8,147	7,867	3.6%	3,171	2,851	11.2%	4,976	5,016	(0.8)%	1,108	1,105	0.3%
Greenville, SC	2,084	6,698	6,523	2.7%	2,782	2,711	2.6%	3,916	3,812	2.7%	945	938	0.8%
Memphis, TN	1,811	6,245	6,007	4.0%	2,546	2,372	7.3%	3,699	3,635	1.8%	1,043	1,032	1.0%
Birmingham, AL	1,462	5,466	5,273	3.7%	2,154	2,137	0.8%	3,312	3,136	5.6%	1,081	1,071	0.9%
San Antonio, TX	1,504	5,536	5,444	1.7%	2,663	2,424	9.9%	2,873	3,020	(4.9)%	1,117	1,117	(0.0)%
Huntsville, AL	1,228	4,293	4,043	6.2%	1,492	1,379	8.2%	2,801	2,664	5.1%	1,004	984	2.0%
Kansas City, MO-KS	1,110	4,600	4,493	2.4%	1,848	1,594	15.9%	2,752	2,899	(5.1)%	1,295	1,286	0.7%
Other	6,717	24,696	23,819	3.7%	9,850	9,054	8.8%	14,846	14,765	0.5%	1,138	1,125	1.1%
Total Same Store	95,113	\$397,600	\$389,894	2.0%	\$158,898	\$147,181	8.0%	\$238,702	\$242,713	(1.7)%	\$ 1,293	\$ 1,289	0.3%

MULTIFAMILY SAME STORE PORTFOLIO YEAR TO DATE COMPARISONS AS OF SEPTEMBER 30, 2020 AND 2019

Dollars in thousands, except unit and per unit data

	Units	Revenues			Expenses			NOI			Average Effective Rent per Unit		
		Q3 2020	Q3 2019	% Chg	Q3 2020	Q3 2019	% Chg	Q3 2020	Q3 2019	% Chg	Q3 2020	Q3 2019	% Chg
Atlanta, GA	10,996	\$ 152,417	\$ 150,119	1.5%	\$ 57,298	\$ 55,484	3.3%	\$ 95,119	\$ 94,635	0.5%	\$ 1,464	\$ 1,432	2.2%
Dallas, TX	9,405	116,590	114,181	2.1%	51,644	49,343	4.7%	64,946	64,838	0.2%	1,308	1,282	2.0%
Charlotte, NC	6,149	74,448	71,838	3.6%	23,262	22,759	2.2%	51,186	49,079	4.3%	1,247	1,213	2.8%
Austin, TX	7,117	88,212	84,865	3.9%	40,226	37,928	6.1%	47,986	46,937	2.2%	1,273	1,226	3.8%
Washington, DC	4,080	69,673	69,226	0.6%	21,425	21,001	2.0%	48,248	48,225	0.0%	1,805	1,778	1.5%
Tampa, FL	5,220	74,465	72,178	3.2%	26,600	25,630	3.8%	47,865	46,548	2.8%	1,494	1,445	3.4%
Orlando, FL	5,274	72,836	72,540	0.4%	27,651	26,390	4.8%	45,185	46,150	(2.1)%	1,464	1,440	1.7%
Nashville, TN	4,375	54,759	53,151	3.0%	19,978	18,197	9.8%	34,781	34,954	(0.5)%	1,309	1,252	4.6%
Raleigh/Durham, NC	4,397	50,435	47,593	6.0%	17,024	16,156	5.4%	33,411	31,437	6.3%	1,140	1,087	4.8%
Houston, TX	4,867	56,211	55,432	1.4%	25,011	24,128	3.7%	31,200	31,304	(0.3)%	1,221	1,191	2.5%
Fort Worth, TX	4,249	50,269	48,825	3.0%	21,344	20,707	3.1%	28,925	28,118	2.9%	1,178	1,151	2.4%
Jacksonville, FL	3,496	38,013	37,385	1.7%	13,395	12,881	4.0%	24,618	24,504	0.5%	1,152	1,122	2.6%
Phoenix, AZ	2,623	32,636	30,480	7.1%	9,296	9,007	3.2%	23,340	21,473	8.7%	1,285	1,197	7.3%
Charleston, SC	2,726	32,026	31,084	3.0%	12,015	11,456	4.9%	20,011	19,628	2.0%	1,196	1,160	3.1%
Richmond, VA	2,004	24,019	23,101	4.0%	8,050	7,335	9.7%	15,969	15,766	1.3%	1,223	1,180	3.6%
Savannah, GA	2,219	23,991	23,506	2.1%	9,005	8,795	2.4%	14,986	14,711	1.9%	1,106	1,080	2.4%
Greenville, SC	2,084	19,687	18,784	4.8%	7,978	7,763	2.8%	11,709	11,021	6.2%	939	904	3.9%
Memphis, TN	1,811	18,213	17,310	5.2%	7,284	7,239	0.6%	10,929	10,071	8.5%	1,032	988	4.4%
Birmingham, AL	1,462	16,028	14,952	7.2%	6,322	6,358	(0.6)%	9,706	8,594	12.9%	1,075	1,017	5.8%
San Antonio, TX	1,504	16,471	16,091	2.4%	7,467	7,032	6.2%	9,004	9,059	(0.6)%	1,118	1,096	2.0%
Kansas City, MO-KS	1,110	13,592	13,104	3.7%	5,069	4,938	2.7%	8,523	8,166	4.4%	1,287	1,230	4.6%
Huntsville, AL	1,228	12,316	11,288	9.1%	4,183	3,988	4.9%	8,133	7,300	11.4%	987	904	9.2%
Other	6,717	72,549	70,860	2.4%	27,627	26,162	5.6%	44,922	44,698	0.5%	1,141	1,125	1.4%
Total Same Store	95,113	\$ 1,179,856	\$ 1,147,893	2.8%	\$ 449,154	\$ 430,677	4.3%	\$ 730,702	\$ 717,216	1.9%	\$ 1,289	\$ 1,250	3.1%

Supplemental Data S-7

MULTIFAMILY DEVELOPMENT PIPELINE
Dollars in thousands

	Location	Units as of			Projected				Development Costs		
		September 30, 2020			Start Date	Initial Occupancy Date	Completion Date	Stabilization Date ⁽¹⁾	Total Cost	Thru Q3 2020	After
		Total	Delivered	Leased							
MAA Frisco Bridges II	Dallas, TX	348	240	127	2Q18	2Q20	4Q20	1Q22	\$ 69,000	\$ 62,827	\$ 6,173
Novel Midtown ⁽²⁾	Phoenix, AZ	345	—	—	1Q19	1Q21	2Q21	4Q22	82,000	63,739	18,261
Westglenn	Denver, CO	306	—	—	3Q19	2Q21	4Q21	4Q22	84,500	32,374	52,126
The Robinson ⁽³⁾	Orlando, FL	369	—	—	3Q19	2Q21	4Q21	1Q23	99,000	51,061	47,939
Long Point	Houston, TX	308	—	—	4Q19	3Q21	1Q22	1Q23	57,000	22,024	34,976
Sand Lake ⁽⁴⁾	Orlando, FL	264	—	—	4Q19	2Q21	4Q21	1Q23	68,000	31,956	36,044
Total Active		1,940	240	127					\$459,500	\$263,981	\$195,519

⁽¹⁾ Communities are considered stabilized after achieving 90% occupancy for 90 days.

⁽²⁾ MAA owns 80% of the joint venture that owns this property.

⁽³⁾ Previously reported as 336 N. Orange.

⁽⁴⁾ MAA owns 95% of the joint venture that owns this property.

MULTIFAMILY REDEVELOPMENT PIPELINE
Dollars in thousands, except per unit data

Nine months ended September 30, 2020					
Units Redeveloped	Redevelopment Spend	Spend per Unit	Increase in Average Effective Rent per Unit	Increase in Average Effective Rent per Unit	Estimated Units Remaining in Pipeline
3,300	\$ 19,599	\$ 5,939	\$ 108	9.3%	9,000 - 11,000

MULTIFAMILY LEASE-UP COMMUNITIES
Dollars in thousands

As of September 30, 2020						
	Location	Total Units	Percent Occupied	Construction Finished	Expected Stabilization ⁽¹⁾	Total Cost
The Greene	Greenville, SC	271	93.4%	(2)	4Q20	\$ 72,326
Copper Ridge II	Fort Worth, TX	168	67.9%	2Q20	2Q21	26,219
Total		439	83.6%			\$ 98,545

⁽¹⁾ Communities are considered stabilized after achieving 90% occupancy for 90 days.

⁽²⁾ Property was acquired while in lease-up; construction was complete prior to acquisition by MAA.

2020 ACQUISITION ACTIVITY (THROUGH SEPTEMBER 30, 2020)

Land Acquisition	Market	Acreage	Closing Date
Georgetown	Austin, TX	22	January 2020

2020 DISPOSITION ACTIVITY (THROUGH SEPTEMBER 30, 2020)

Land Disposition	Market	Acreage	Closing Date
Colonial Promenade	Huntsville, AL	27	September 2020

INVESTMENTS IN UNCONSOLIDATED REAL ESTATE ENTITIES

MAA holds an investment in a real estate joint venture with an institutional investor and accounts for its investment using the equity method of accounting. A summary of non-financial and financial information for this joint venture is provided below.

Joint Venture Property	Market	# of units	Ownership Interest
Post Massachusetts Avenue	Washington, D.C.	269	35%

Dollars in thousands

Joint Venture Property	As of September 30, 2020		
	Gross Investment in Real Estate	Mortgage Notes Payable	Company's Equity Investment
Post Massachusetts Avenue	\$ 79,641 ⁽¹⁾ \$	51,744 ⁽²⁾ \$	43,467

Joint Venture Property	Three months ended September 30, 2020		Nine months ended September 30, 2020	
	Entity NOI	Company's Equity in Income	Entity NOI	Company's Equity in Income
Post Massachusetts Avenue	\$ 1,837	\$ 428	\$ 5,781	\$ 1,153

⁽¹⁾Represents GAAP basis net book value plus accumulated depreciation.

⁽²⁾This mortgage note has an outstanding principal value of \$52 million, bears interest at a stated fixed rate of 3.93% and matures in December 2025.

DEBT AND DEBT COVENANTS AS OF SEPTEMBER 30, 2020

Dollars in thousands

DEBT SUMMARIES

Floating Versus Fixed Rate Debt	Balance	Percent of Total	Effective Interest Rate	Average Years to Rate Maturity
Fixed rate debt	\$ 4,390,594	99.2%	3.7%	8.0
Floating (unhedged) debt	35,000	0.8%	0.2%	0.1
Total	\$ 4,425,594	100.0%	3.7%	7.9

Secured Versus Unsecured Debt	Balance	Percent of Total	Effective Interest Rate	Average Years to Contract Maturity
Unsecured debt	\$ 3,939,425	89.0%	3.6%	6.3
Secured debt	486,169	11.0%	4.6%	21.3
Total	\$ 4,425,594	100.0%	3.7%	7.9

Unencumbered Versus Encumbered Assets	Total Cost	Percent of Total	Q3 2020 NOI	Percent of Total
Unencumbered gross assets	\$ 13,186,477	91.3%	\$ 236,235	93.2%
Encumbered gross assets	1,258,937	8.7%	17,150	6.8%
Total	\$ 14,445,414	100.0%	\$ 253,385	100.0%

FIXED INTEREST RATE MATURITIES

Maturity	Fixed Rate Debt	Effective Rate
2021	\$ 192,023	5.2%
2022	366,031	3.6%
2023	360,222	4.2%
2024	416,968	4.0%
2025	403,155	4.2%
2026	—	—
2027	594,785	3.7%
2028	395,326	4.2%
2029	562,082	3.7%
Thereafter	1,100,002	3.0%
Total	\$ 4,390,594	3.7%

DEBT AND DEBT COVENANTS AS OF SEPTEMBER 30, 2020 (CONTINUED)
Dollars in thousands
DEBT MATURITIES OF OUTSTANDING BALANCES

	Revolving Credit Facility & Commercial Paper ^{(1) (2)}	Public Bonds	Other Unsecured	Secured	Total
2020	\$ 35,000	\$ —	\$ —	\$ —	\$ 35,000
2021	—	—	72,711	119,312	192,023
2022	—	249,182	116,849	—	366,031
2023	—	347,992	12,230	—	360,222
2024	—	397,010	19,958	—	416,968
2025	—	396,030	—	7,125	403,155
2026	—	—	—	—	—
2027	—	594,785	—	—	594,785
2028	—	395,326	—	—	395,326
2029	—	562,082	—	—	562,082
Thereafter	—	740,270	—	359,732	1,100,002
Total	\$ 35,000	\$ 3,682,677	\$ 221,748	\$ 486,169	\$ 4,425,594

(1) The \$35.0 million maturing in 2020 reflects the principal outstanding on MAALP's unsecured commercial paper program as of September 30, 2020. Under the terms of the program, MAALP may issue up to a maximum aggregate amount outstanding at any time of \$500.0 million. For the three months ended September 30, 2020, average daily borrowings outstanding under the commercial paper program were \$118.0 million.

(2) There were no borrowings outstanding under MAALP's \$1.0 billion unsecured revolving credit facility as of September 30, 2020. The unsecured revolving credit facility has a maturity date of May 2023 with two six-month extensions.

DEBT COVENANT ANALYSIS ⁽¹⁾

Bond Covenants	Required	Actual	Compliance
Total debt to adjusted total assets	60% or less	30.6%	Yes
Total secured debt to adjusted total assets	40% or less	3.4%	Yes
Consolidated income available for debt service to total annual debt service charge	1.5x or greater for trailing 4 quarters	5.4x	Yes
Total unencumbered assets to total unsecured debt	Greater than 150%	334%	Yes
Bank Covenants	Required	Actual	Compliance
Total debt to total capitalized asset value	60% or less	27.3%	Yes
Total secured debt to total capitalized asset value	40% or Less	3.1%	Yes
Total adjusted EBITDA to fixed charges	1.5x or greater for trailing 4 quarters	5.1x	Yes
Total unsecured debt to total unsecured capitalized asset value	60% or less	26.0%	Yes

(1) The calculations of the Bond Covenants and Bank Covenants above are specifically defined in MAALP's debt agreements.

CREDIT RATINGS

	Commercial Paper Rating	Long-Term Debt Rating	Outlook
Fitch Ratings ⁽¹⁾	F2	BBB+	Stable
Moody's Investors Service ⁽²⁾	P-2	Baa1	Stable
Standard & Poor's Ratings Services ⁽¹⁾	A-2	BBB+	Stable

⁽¹⁾ Corporate credit rating assigned to MAA and MAALP

⁽²⁾ Corporate credit rating assigned to MAALP

COMMON STOCK

Stock Symbol: MAA

Exchange Traded: NYSE

Estimated Future Dates:	Q4 2020	Q1 2021	Q2 2021	Q3 2021
Earnings release & conference call	Late January	Late April	Late July	Late October

Dividend Information - Common Shares:	Q3 2019	Q4 2019	Q1 2020	Q2 2020	Q3 2020
Declaration date	9/26/2019	12/10/2019	3/19/2020	5/19/2020	9/24/2020
Record date	10/15/2019	1/15/2020	4/15/2020	7/15/2020	10/15/2020
Payment date	10/31/2019	1/31/2020	4/30/2020	7/31/2020	10/30/2020
Distributions per share	\$ 0.9600	\$ 1.0000	\$ 1.0000	\$ 1.0000	\$ 1.0000

COVID-19 UPDATE
Third Quarter 2020 Operating Metrics
Dollars in thousands
Third Quarter 2020 Residential Rents (through October 26, 2020)

	Dollars	% of Total Billed
Total billed	\$ 374,226	
Cash collected to date	370,975	99.1%
Deferred payments outstanding ⁽¹⁾	416	0.1%
Total cash collected and deferred payments	\$ 371,391	99.2%
Bad debt reserve (as of September 30, 2020)	\$ 3,411	0.9%

Third Quarter 2020 Commercial Rents (through October 26, 2020)

Total billed	\$ 5,666	
Cash collected to date	5,188	91.6%
Rent abatements ⁽²⁾	440	7.8%
Total cash collected and rent abatements	\$ 5,628	99.3%
Bad debt reserve (as of September 30, 2020)	\$ 478	8.4%

⁽¹⁾ Pursuant to a lease amendment signed by residents who were financially impacted by the COVID-19 pandemic.

⁽²⁾ Pursuant to a lease amendment signed whereby the commercial lease is extended by the number of months abated.

October 2020 Operating Metrics
Dollars in thousands
October 2020 Residential Rents (through October 26, 2020)

	Dollars	% of Total Billed	Third Quarter 2020 Average ⁽¹⁾
Total billed	\$ 124,932		
Cash collected to date	123,220	98.6%	98.4%
Deferred payments outstanding ⁽²⁾	167	0.1%	0.2%
Total cash collected and deferred payments	\$ 123,387	98.8%	98.6%

⁽¹⁾ Represents the average cash collections and deferrals for July, August, and September 2020 through the 26th of each such month.

⁽²⁾ Pursuant to a lease amendment signed by residents who were financially impacted by the COVID-19 pandemic.

Same Store Pricing/Occupancy (through October 26, 2020)

	October 2020	October 2019
Lease over lease pricing growth for new leases effective in October ⁽³⁾⁽⁴⁾	(2.0)%	0.6%
Lease over lease pricing growth for renewals effective in October ⁽⁴⁾⁽⁵⁾	4.8%	7.4%
Blended lease over lease pricing growth for new leases and renewals effective in October ⁽⁴⁾	1.3%	4.0%
Lease over lease pricing growth on new leases signed during October ⁽⁴⁾	(2.0)%	(0.6)%
Lease over lease pricing growth on renewal leases signed during October ⁽⁴⁾	5.8%	7.0%
Blended lease over lease pricing growth for new leases and renewals signed during October ⁽⁴⁾	1.2%	2.7%
Average Physical Occupancy	95.6%	95.6%

⁽³⁾ Represents leases for move-ins that occurred in October; lease price is typically set on average 28 days ahead of lease start date.

⁽⁴⁾ Lease over lease pricing growth includes the impact of concessions.

⁽⁵⁾ Represents leases for renewals that went into effect in October; lease price is typically set on average 60 days ahead of lease start date.

INVESTOR RELATIONS DATA

MAA does not send quarterly reports, earnings releases and supplemental data to shareholders, but provides them upon request.

For recent press releases, SEC filings and other information, call 866-576-9689 (toll free) or email investor.relations@maac.com. This information, as well as access to MAA's quarterly conference call, is also available on the "For Investors" page of MAA's website at www.maac.com.

For Questions Contact:

<u>Name</u>	<u>Title</u>
Tim Argo	Senior Vice President, Director of Finance
Jennifer Patrick	Director of Investor Relations
Phone: 866-576-9689 (toll free)	
Email: investor.relations@maac.com	

Supplemental Data S-13

[\(Back To Top\)](#)