



Fixed Income Investor Update
June 2021

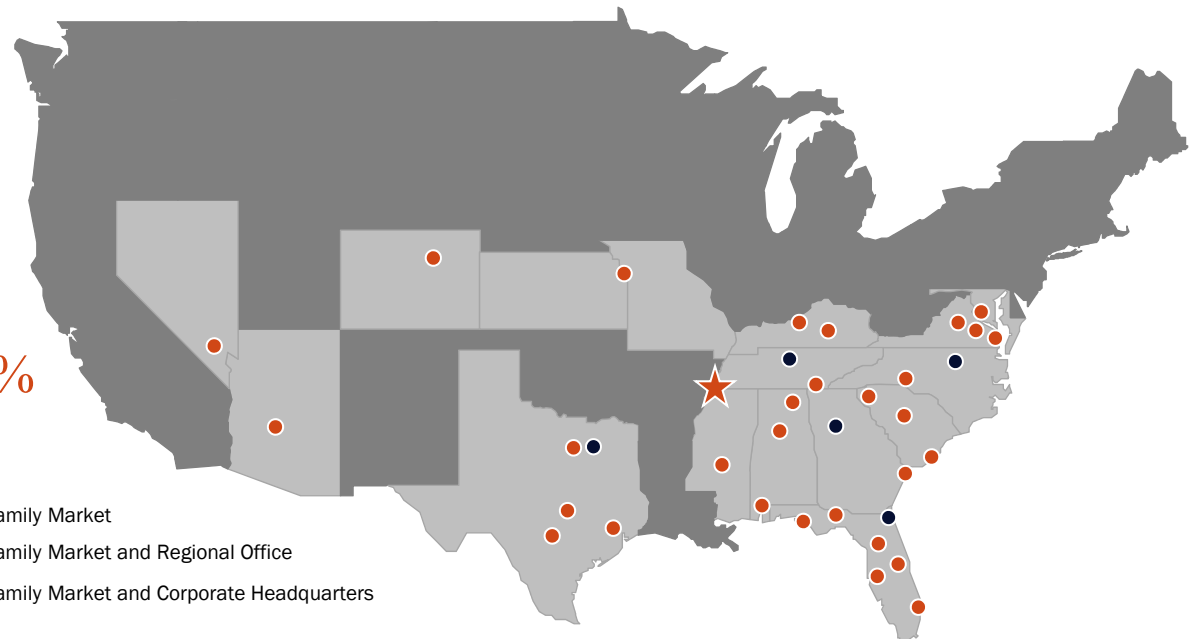
Unique Market Diversification and Submarket Balance across the Sunbelt Region

TOP 10 MARKETS

	% 1Q 2021 SS NOI
Atlanta, GA	13.2%
Dallas, TX	8.6%
Tampa, FL	6.6%
Charlotte, NC	6.5%
Washington, DC	6.2%
Austin, TX	6.1%
Orlando, FL	6.1%
Raleigh/Durham, NC	5.6%
Nashville, TN	4.6%
Houston, TX	4.0%

67.5%

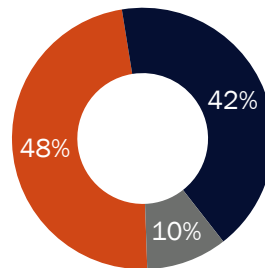
- Multifamily Market
- Multifamily Market and Regional Office
- ★ Multifamily Market and Corporate Headquarters



289
SAME STORE
COMMUNITIES

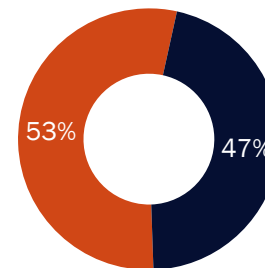
97,003
SAME STORE
UNITS

DIVERSIFIED WITHIN SUBMARKETS¹



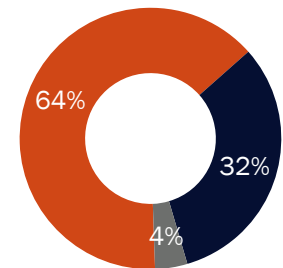
- Inner Loop
- Suburban/Satellite City
- Downtown/CBD

DIVERSIFIED IN PRICE POINTS^{1,2}



- A to A+
- B to B+

DIVERSIFIED IN ASSET TYPES^{1,3}



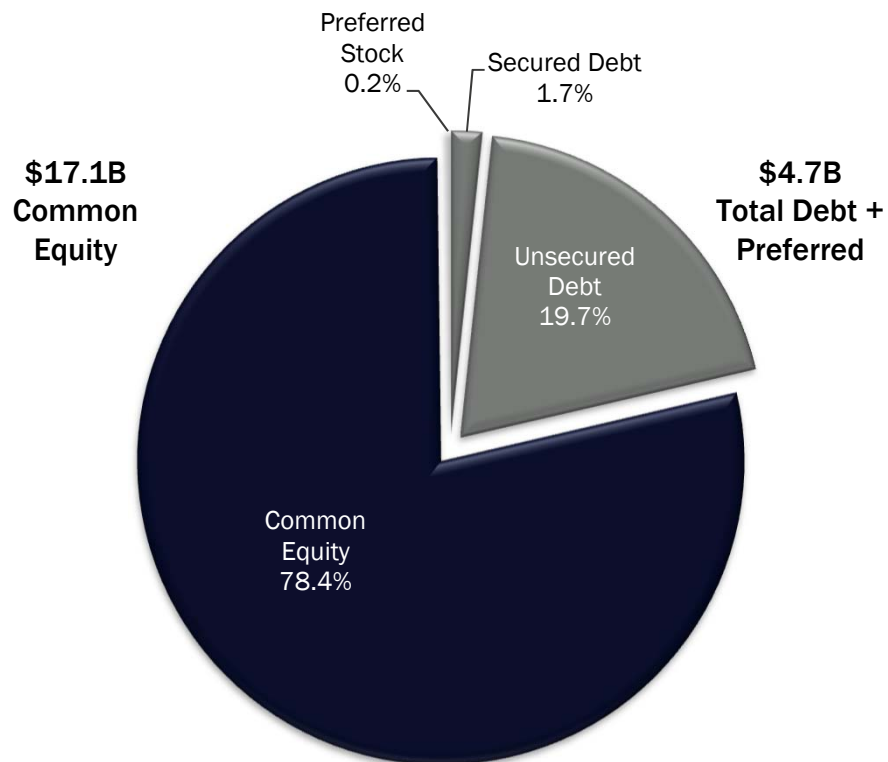
- Garden
- Mid-Rise
- High Rise

¹ Based on gross asset value at 3/31/2021 for total multifamily portfolio

² Average effective rent/unit for 1Q 2021 of \$1,325 or higher for A to A+ and below \$1,325 for B to B+ for total multifamily portfolio

³ Garden style = 3 stories or less; Mid-rise = 4 to 9 stories; High rise = 10+ stories
Source: Company and Company 1Q 2021 Earnings Release Supplemental

Investment Grade Balance Sheet



DEBT + PREFERRED/TOTAL CAPITALIZATION: 21.6%

Note: Total Capitalization is defined here as common shares and units outstanding multiplied by the closing stock price on 3/31/2021, plus total debt outstanding at 3/31/2021, plus Preferred stock (\$50 redeemable stock price multiplied by total shares outstanding).

DEBT SUMMARY (\$ IN MILLIONS)

AT 3/31/2021		
Unsecured Public Bonds	\$3,684.5	79.1%
Unsecured Private Bonds	221.8	4.7%
Commercial Paper	385.0	8.3%
Total Unsecured Debt¹	\$4,291.3	92.1%
Total Secured Debt	\$366.3	7.9%
TOTAL DEBT	\$4,657.6	

CREDIT RATINGS	SHORT TERM LONG TERM OUTLOOK		
	Standard & Poor's Ratings Services ²	A-2	BBB+ STABLE
	Moody's Investors Service ³	P-2	Baa1 STABLE
	Fitch Ratings ²	F2	BBB+ POSITIVE

¹ At 3/31/2021, there was no outstanding balance on the revolving credit facility.

² Corporate credit rating assigned to MAA and MAALP

³ Corporate credit rating assigned to MAALP, the operating partnership of MAA

Bond Covenants & Other Ratios

	<u>Required</u>	<u>3/31/2021</u>	<u>12/31/2020</u>	<u>9/30/2020</u>	<u>6/30/2020</u>	<u>3/31/2020</u>
Total debt / total assets ¹	<60%	31.6%	31.2%	30.6%	31.2%	31.5%
Total secured debt / total assets ¹	<40%	2.5%	3.3%	3.4%	4.3%	4.4%
Consolidated income available for debt service to total annual debt service charge ¹	>1.5x	5.60x	5.40x	5.40x	5.30x	5.20x
Total unencumbered assets to total unsecured debt ¹	>150%	318%	327%	334%	333%	330%
Net debt / adjusted EBITDAre ²	n/a	4.90x	4.81x	4.66x	4.69x	4.71x
Unencumbered NOI / total NOI	n/a	95.3%	93.4%	93.2%	91.1%	90.6%
Unsecured debt / Total debt	n/a	92.1%	89.4%	89.0%	86.1%	86.1%
Weighted avg. maturity of debt (in years)	n/a	7.1	7.4	7.9	7.0	7.2

¹ MAA calculations as specifically defined in Mid-America Apartments, L.P.'s debt agreements.

² Adjusted EBITDAre in this calculation represents the trailing twelve month period ended from the date represented. A reconciliation of the following items and an expanded discussion of their respective components can be found in the accompanying appendix: (i) EBITDA, EBITDAre and Adjusted EBITDAre to Net income; and (ii) Net Debt to Unsecured notes payable and Secured notes payable.

Strong Balance Sheet and Manageable Debt Maturity Profile

CREDIT METRICS AT 3/31/2021

	MAA	SECTOR AVG ^{2,3}
Total debt / adjusted total assets ¹	31.6%	32.9%
Total secured debt / adjusted total assets ¹	2.5%	4.6%
Unencumbered NOI / total NOI	95.3%	92.8%
Net Debt / Adjusted EBITDAre ⁴	4.90x	5.85x
Consolidated income available for debt service to total annual debt service charge ¹	5.60x	5.35x
Weighted average maturity of debt (in years)	7.1	8.6

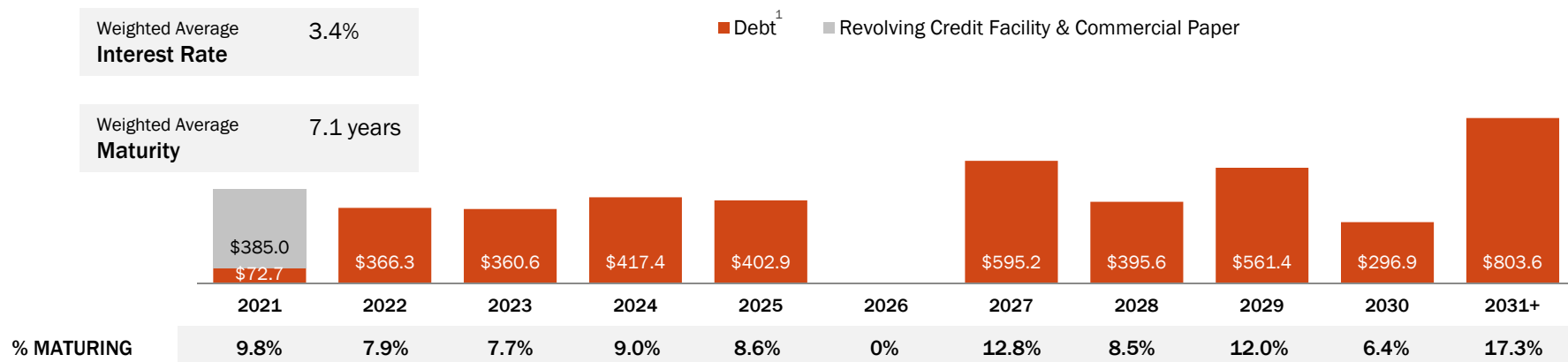
¹ MAA calculations as specifically defined in Mid-America Apartments, L.P.'s debt agreements.

² Sector average represents publicly disclosed sector equivalent.

³ Sector constituents include AVB, CPT, EQR, ESS and UDR; data is from 1Q 2021 company filings

⁴ Adjusted EBITDAre in this calculation represents the trailing twelve month period ended March 31, 2021. A reconciliation of the following items and an expanded discussion of their respective components can be found in the accompanying Appendix: (i) EBITDA, EBITDAre and Adjusted EBITDAre to Net income; and (ii) Net Debt to Unsecured notes payable and Secured notes payable.

DEBT MATURITY PROFILE (\$ IN MILLIONS) AT 3/31/2021



¹ Debt excluding unsecured revolving credit facility and unsecured commercial paper program.



For questions, please contact:

Al Campbell

EVP, CFO

901-248-4169

al.campbell@maac.com

Andrew Schaeffer

SVP, Treasurer

901-435-5379

andrew.schaeffer@maac.com

Appendix

At March 31, 2021

- Reconciliation of Non-GAAP Financial Measures
- Definitions of Non-GAAP Financial Measures and Other Key Terms

Reconciliation of Non-GAAP Financial Measures

RECONCILIATION OF EBITDA, EBITDAre AND ADJUSTED EBITDAre TO NET INCOME

Dollars in thousands

	Three Months Ended		Twelve Months Ended	
	March 31, 2021	March 31, 2020	March 31, 2021	December 31, 2020
Net income	\$ 48,864	\$ 37,952	\$ 274,927	\$ 264,015
Depreciation and amortization	131,503	126,388	515,957	510,842
Interest expense	39,672	43,482	163,752	167,562
Income tax expense	999	667	3,659	3,327
EBITDA	221,038	208,489	958,295	945,746
Gain on sale of depreciable real estate assets	—	29	(38)	(9)
Adjustments to reflect the Company's share of EBITDAre of unconsolidated affiliates	339	336	1,352	1,349
EBITDAre	221,377	208,854	959,609	947,086
Loss (gain) on embedded derivative in preferred shares ⁽¹⁾	15,108	27,638	(15,092)	(2,562)
Loss (gain) on sale of non-depreciable real estate assets	—	376	(1,400)	(1,024)
(Gain) loss from unconsolidated limited partnerships, net of tax ⁽¹⁾⁽²⁾	(1,284)	77	(6,118)	(4,757)
Net casualty loss and other settlement proceeds ⁽³⁾	2,355	847	1,992	484
Loss (gain) on debt extinguishment ⁽¹⁾	37	(1)	382	344
Non-routine legal costs and settlements ⁽¹⁾	(16)	40	(94)	(38)
COVID-19 related costs ⁽¹⁾	310	196	3,650	3,536
Mark-to-market debt adjustment ⁽⁴⁾	83	(34)	192	75
Adjusted EBITDAre	\$ 237,970	\$ 237,993	\$ 943,121	\$ 943,144

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

(2) For the three months ended March 31, 2021, \$1.6 million of gains from unconsolidated limited partnerships are offset by \$0.3 million of income tax expense. For the twelve months ended March 31, 2021, \$7.3 million of gains from unconsolidated limited partnerships are offset by \$1.2 million of income tax expense. For the twelve months ended December 31, 2020, \$5.6 million of gains from unconsolidated limited partnerships are offset by \$0.8 million of income tax expense.

(3) During the three and twelve months ended March 31, 2021, MAA incurred \$16.9 million in casualty losses related to winter storm Uri (primarily building repairs, landscaping and asset write-offs). The majority of the storm costs are expected to be reimbursed through insurance coverage. A receivable has been recognized in Other non-operating expense for the amount of the recorded losses that MAA expects to be recovered. Additional costs related to the storm that are not expected to be recovered through insurance coverage, along with other unrelated casualty losses and recoveries, are reflected in this adjustment. The adjustment is primarily included in Other non-operating expense in the Consolidated Statements of Operations.

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

Reconciliation of Non-GAAP Financial Measures

RECONCILIATION OF NET DEBT TO UNSECURED NOTES PAYABLE AND SECURED NOTES PAYABLE

Dollars in thousands

	March 31, 2021	December 31, 2020
Unsecured notes payable	\$ 4,291,332	\$ 4,077,373
Secured notes payable	366,253	485,339
Total debt	4,657,585	4,562,712
Cash and cash equivalents	(32,620)	(25,198)
Net Debt	<u>\$ 4,624,965</u>	<u>\$ 4,537,514</u>

RECONCILIATION OF GROSS ASSETS TO TOTAL ASSETS

Dollars in thousands

	March 31, 2021	December 31, 2020
Total assets	\$ 11,192,378	\$ 11,194,791
Accumulated depreciation	3,544,517	3,415,105
Gross Assets	<u>\$ 14,736,895</u>	<u>\$ 14,609,896</u>

RECONCILIATION OF GROSS REAL ESTATE ASSETS TO REAL ESTATE ASSETS, NET

Dollars in thousands

	March 31, 2021	December 31, 2020
Real estate assets, net	\$ 10,961,007	\$ 10,967,115
Accumulated depreciation	3,544,517	3,415,105
Cash and cash equivalents	32,620	25,198
Gross Real Estate Assets	<u>\$ 14,538,144</u>	<u>\$ 14,407,418</u>

Definitions of Non-GAAP Financial Measures

Adjusted EBITDAre

For purposes of calculations in this release, Adjusted Earnings Before Interest, Income Taxes, Depreciation and Amortization for real estate, or Adjusted EBITDAre, represents EBITDAre 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 EBITDAre to be an important measure of performance from core operations because Adjusted EBITDAre does not include various income and expense items that are not indicative of operating performance. MAA's computation of Adjusted EBITDAre may differ from the methodology utilized by other companies to calculate Adjusted EBITDAre. Adjusted EBITDAre should not be considered as an alternative to Net income as an indicator of 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.

EBITDAre

For purposes of calculations in this release, Earnings Before Interest, Income Taxes, Depreciation and Amortization for real estate, or EBITDAre, 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 EBITDAre of unconsolidated affiliates. As an owner and operator of real estate, MAA considers EBITDAre to be an important measure of performance from core operations because EBITDAre does not include various expense items that are not indicative of operating performance. While MAA's definition of EBITDAre is in accordance with NAREIT's definition, it may differ from the methodology utilized by other companies to calculate EBITDAre. EBITDAre should not be considered as an alternative to Net income as an indicator of operating performance.

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.

Definitions of Non-GAAP Financial Measures / Other Key Terms

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.

Definitions of Other Key Terms

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.

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% average physical 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).