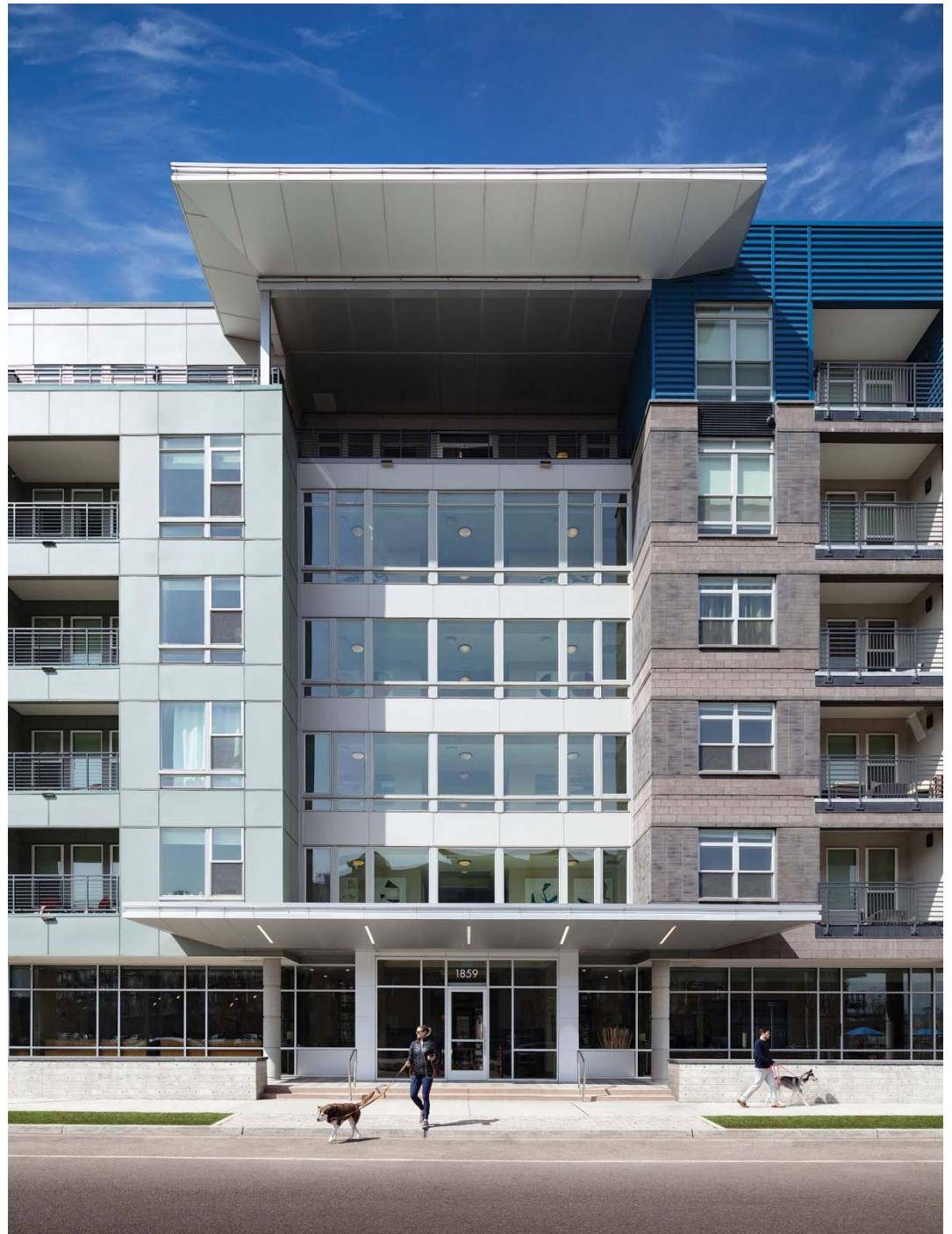




# Fixed Income Investor Update

FEBRUARY 2020

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# A Differentiated Approach, Focus on High Growth Sunbelt Region

## Differentiated Approach Within the Apartment Sector

**% PUBLIC APARTMENT REIT SECTOR NOI FROM 10 LARGE COASTAL MARKETS<sup>1</sup>**

SECTOR	68%
MAA	4%

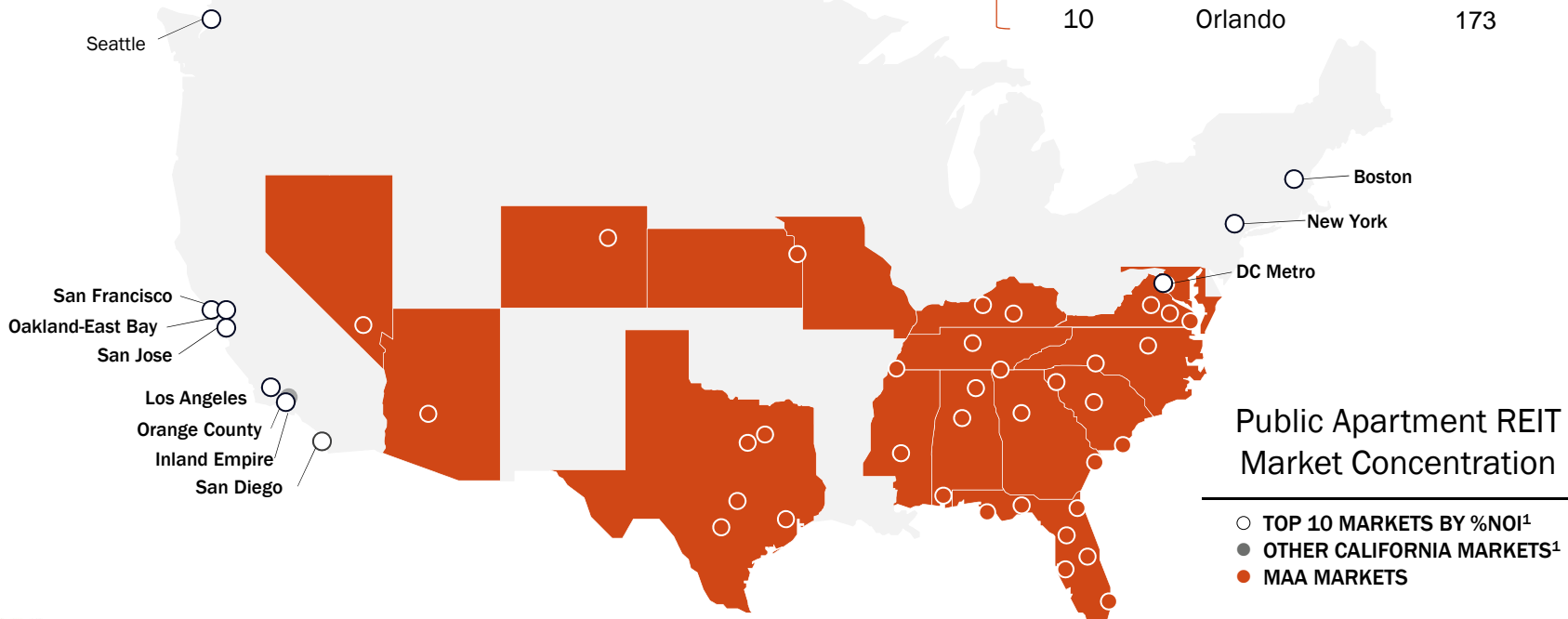
**% PUBLIC APARTMENT REIT SECTOR NOI FROM CALIFORNIA<sup>1</sup>**

SECTOR	38%
MAA	0%

Over an eight year period (from 2010 to 2018) almost 60% of all domestic moves were to **MAA Markets.**

## Top 10 US Markets for Net Migration 2010 - 2018

RANK	MARKET	NET MIGRATION <sup>2</sup> (000's)
1	Dallas-Ft Worth	412
2	Phoenix	327
3	Houston	262
4	Austin	252
5	Tampa	242
6	Atlanta	214
7	Charlotte	204
8	San Antonio	192
9	Denver	183
10	Orlando	173



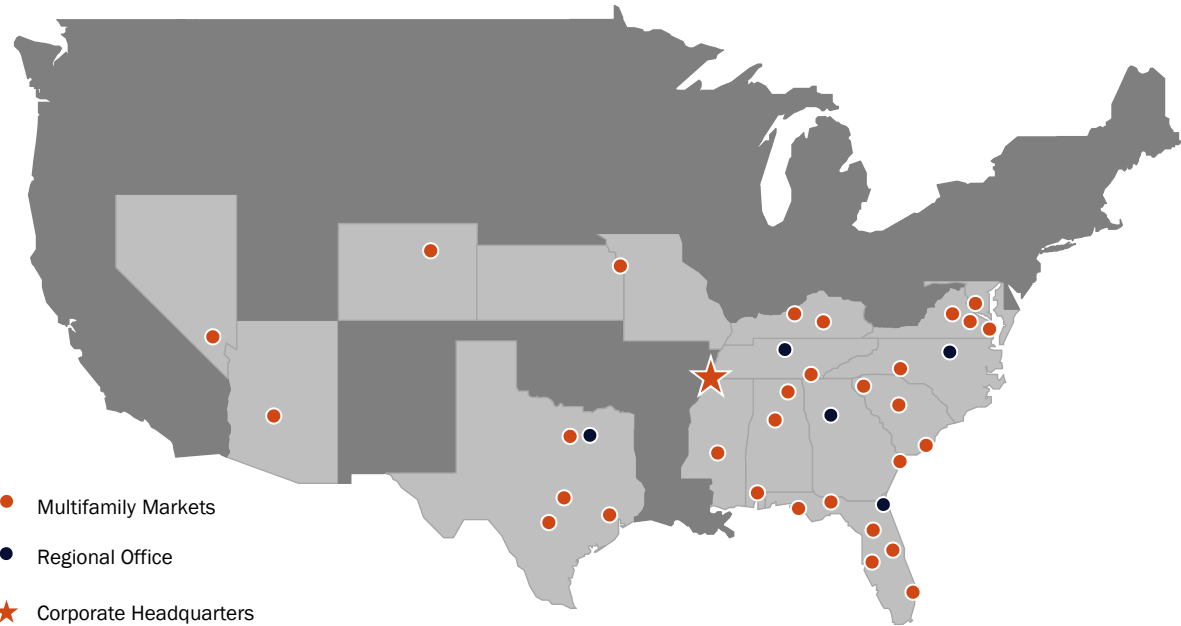
<sup>1</sup> Green Street Advisors, U.S. Apartment Outlook, January 17, 2020

<sup>2</sup> US Census Bureau, Cumulative Estimates of the Components of Population Change, April 1, 2010 to July 1, 2018 - Net Migration - Domestic

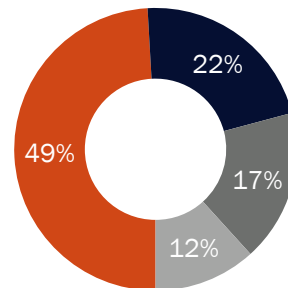
# Market Diversification and Submarket Balance across the High Growth Sunbelt Region

## TOP 20 MARKETS % 4Q 2019 SS NOI

Atlanta, GA	12.3%
Dallas, TX	9.1%
Charlotte, NC	7.0%
Tampa, FL	6.7%
Washington, DC	6.6%
Orlando, FL	6.4%
Austin, TX	6.1%
Raleigh/Durham, NC	4.6%
Nashville, TN	4.5%
Houston, TX	4.4%
Fort Worth, TX	4.1%
Jacksonville, FL	3.4%
Phoenix, AZ	3.2%
Charleston, SC	2.7%
Richmond, VA	2.2%
Savannah, GA	2.0%
Greenville, SC	1.7%
Memphis, TN	1.4%
Birmingham, AL	1.4%
San Antonio, TX	1.3%
<b>Total</b>	<b>91.1%</b>

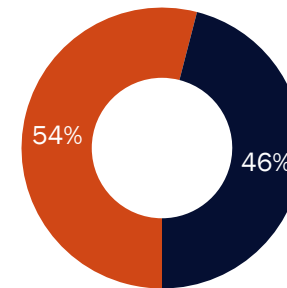


### DIVERSIFIED WITHIN SUBMARKETS<sup>1</sup>



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

### DIVERSIFIED IN PRICE POINTS<sup>1,2</sup>



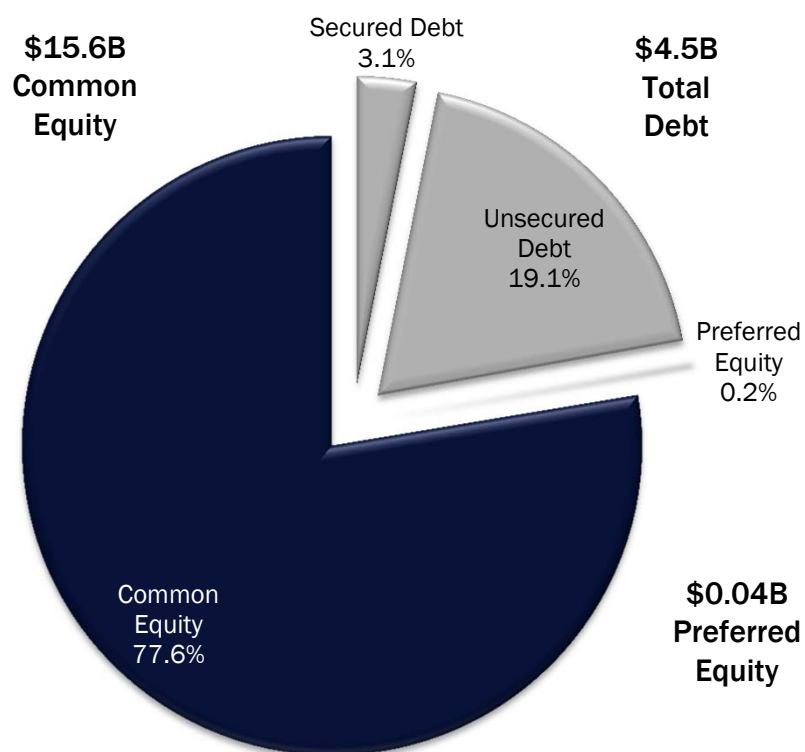
■ A to A+ ■ B to B+



Source: Company and Company 4Q 2019 Earnings Release Supplemental  
<sup>1</sup> Based on gross asset value at 12/31/2019 for total multifamily portfolio

<sup>2</sup> Average effective rent/unit for 4Q 2019 of higher than \$1,300 for A to A+ and \$1,300 or lower for B to B+ for total multifamily portfolio

# Solid Investment Grade Balance Sheet



**DEBT/TOTAL CAPITALIZATION: 22.2%**

Note: Total Capitalization equals common shares and units outstanding on 12/31/2019 multiplied by the common share closing stock price on 12/31/2019 plus preferred shares outstanding at the \$50 per share redemption price, plus total debt outstanding.

## DEBT SUMMARY (\$ IN MILLIONS)

AT 12/31/2019		
Unsecured Public Bonds	\$3,237	72.7%
Unsecured Private Bonds	222	5.0%
Unsecured Term Loans	300	6.7%
Commercial Paper	70	1.6%
<b>Total Unsecured Debt<sup>1</sup></b>	<b>\$3,828</b>	<b>85.9%</b>
<b>Total Secured Debt</b>	<b>\$626</b>	<b>14.1%</b>
<b>TOTAL DEBT</b>	<b>\$4,455</b>	<b>100.0%</b>

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

<sup>1</sup> At 12/31/19, there was no outstanding balance on the revolving credit facility.

<sup>2</sup> Corporate credit rating assigned to MAA and MAALP, the operating partnership of MAA

<sup>3</sup> Corporate credit rating assigned to MAALP, the operating partnership of MAA

## Bond Covenant and Other Ratios

	<u>Required</u>	<u>12/31/2019</u>	<u>9/30/2019</u>	<u>6/30/2019</u>	<u>3/31/2019</u>	<u>12/31/2018</u>
Total debt / total assets <sup>1</sup>	<60%	31.4%	31.6%	32.3%	32.6%	32.6%
Total secured debt / total assets <sup>1</sup>	<40%	4.4%	4.6%	4.7%	4.7%	3.4%
Consolidated income available for debt service to total annual debt service charge <sup>1</sup>	>1.5x	5.10x	5.03x	4.99x	5.02x	5.07x
Total unencumbered assets to total unsecured debt <sup>1</sup>	>150%	331%	329%	322%	320%	314%
Net debt / recurring adjusted EBITDAre <sup>2</sup>	n/a	4.62x	4.73x	4.92x	4.96x	4.99x
Unencumbered NOI / total NOI	n/a	90.2%	90.6%	90.1%	90.2%	92.6%
Unsecured debt / Total debt	n/a	85.9%	85.6%	85.5%	85.4%	89.5%
Weighted avg. maturity of debt (in years)	n/a	7.5	7.0	6.7	6.8	5.1

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

<sup>2</sup> Recurring Adjusted EBITDAre for the trailing twelve months ended September 30, 2019 included the impact of the non-cash income related to the fair value adjustment of the embedded derivative in the MAA Series I preferred shares and an unrealized gain, net of tax, recognized by an unconsolidated affiliate. The inclusion of the non-cash income item lowered Net Debt/Recurring Adjusted EBITDAre by 11 basis points for the trailing twelve months ended September 30, 2019. Recurring Adjusted EBITDAre for the trailing twelve months ended December 31, 2019 included the impact of the non-cash income related to the fair value adjustment of the embedded derivative in the MAA Series I preferred shares. The inclusion of the non-cash income item lowered Net Debt/Recurring Adjusted EBITDAre by 9 basis points for the trailing twelve months ended December 31, 2019.

# Strong Balance Sheet and Manageable Debt Maturity Profile

## CREDIT METRICS AT 12/31/2019

	MAA	SECTOR AVG <sup>4</sup>
Total debt / adjusted total assets <sup>1</sup>	31.4%	32.3%
Total secured debt / adjusted total assets <sup>1</sup>	4.4%	5.3%
Unencumbered NOI / total NOI	90.2%	91.1%
Net debt / recurring adjusted EBITDAre <sup>2</sup>	4.62x <sup>3</sup>	5.05x
Consolidated income available for debt service to total annual debt service charge <sup>1,2</sup>	5.10x	5.65x
Weighted average maturity of debt (in years)	7.5	8.1

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

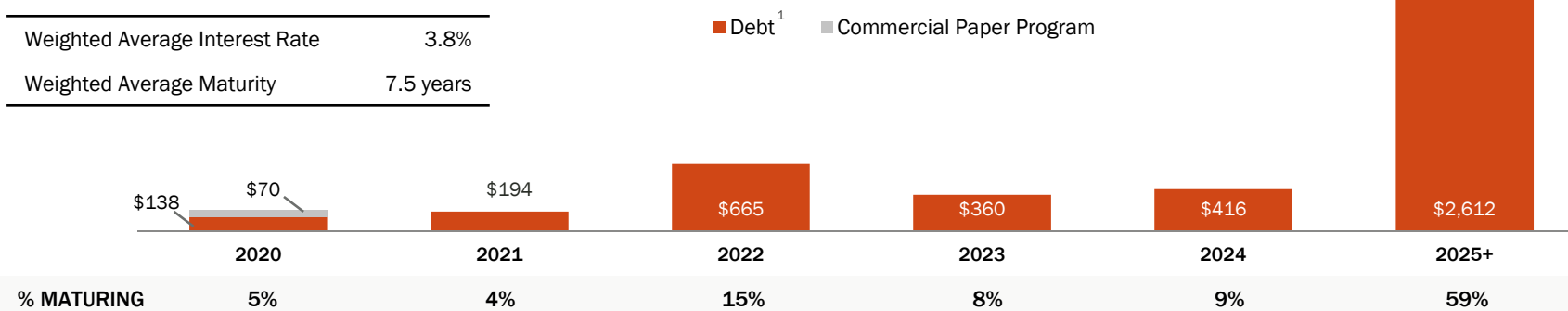
<sup>2</sup> Sector average represents publicly disclosed sector equivalent.

<sup>3</sup> Recurring Adjusted EBITDAre for the trailing twelve months ended December 31, 2019 included the impact of the non-cash income related to the fair value adjustment of the embedded derivative in the MAA Series I preferred shares. The inclusion of the non-cash income item lowered Net Debt/Recurring Adjusted EBITDAre by 9 basis points for the trailing twelve months ended December 31, 2019.

<sup>4</sup> Sector constituents include AVB, CPT, EQR, ESS and UDR; data is from 4Q 2019 company filings

## DEBT MATURITY PROFILE (\$ IN MILLIONS) AT 12/31/2019

Weighted Average Interest Rate	3.8%
Weighted Average Maturity	7.5 years



<sup>1</sup> Debt excluding unsecured revolving credit facility and unsecured commercial paper program. At 12/31/19, there was no outstanding balance on the revolving credit facility.

# CONTACT

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**For questions, please contact:**

**Al Campbell**

EVP, CFO

901-248-4169

[al.campbell@maac.com](mailto:al.campbell@maac.com)

**Andrew Schaeffer**

SVP, Treasurer

901-435-5379

[andrew.schaeffer@maac.com](mailto:andrew.schaeffer@maac.com)