MID AMERICA APARTMENT COMMUNITIES INC
Form S-4
July 19, 2013
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As filed with the Securities and Exchange Commission on July 19, 2013

Registration No. 333-

UNITED STATES

SECURITIES AND EXCHANGE COMMISSION

WASHINGTON, D.C. 20549

FORM S-4

REGISTRATION STATEMENT

UNDER

THE SECURITIES ACT OF 1933

MID-AMERICA APARTMENT COMMUNITIES, INC.

(Exact name of registrant as specified in its charter)

Tennessee	**6798**	**62-1543819**
(State or other jurisdiction of incorporation or organization)	**(Primary Standard Industrial Classification Code Number)**	**(I.R.S. Employer Identification Number)**

6584 Poplar Avenue

Memphis, Tennessee 38138

(901) 682-6600

(Address, including zip code, and telephone number, including area code, of registrant s principal executive offices)

H. Eric Bolton, Jr.

Chairman of the Board of Directors and

Chief Executive Officer

6584 Poplar Avenue, Suite 300

Memphis, Tennessee 38138

(901) 682-6600

(Name, address, including zip code, and telephone number, including area code, of agent for service)

Copies to:

Gilbert G. Menna, Esq.	**Robert J. DelPriore, Esq.**	**Paul D. Manca, Esq.**
Mark S. Opper, Esq.	**Richard F. Mattern, Esq.**	**Joseph E. Gilligan, Esq.**
Goodwin Procter LLP	**Baker, Donelson, Bearman, Caldwell & Berkowitz, PC**	**Hogan Lovells US LLP**
The New York Times Building	**First Tennessee Building**	**Columbia Square**
620 Eighth Avenue	**165 Madison Avenue, Suite 2000**	**555 Thirteenth Street, NW**
New York, New York 10018	**Memphis, Tennessee 38103**	**Washington, D.C. 20004**
Tel: (212) 813-8800	**Tel: (901) 526-2000**	**Tel: (202) 637-5600**
Fax: (212) 355-3333	**Fax: (901) 577-2303**	**Fax: (202) 637-5910**

Approximate date of commencement of proposed sale of the securities to the public: As soon as practicable after the effectiveness of this registration statement and the satisfaction or waiver of all other conditions to the closing of the mergers described herein.

If the securities being registered on this form are being offered in connection with the formation of a holding company and there is compliance with General Instruction G, check the following box.

If this form is filed to register additional securities for an offering pursuant to Rule 462(b) under the Securities Act, check the following box and list the Securities Act registration statement number of the earlier effective registration statement for the same offering.

If this form is a post-effective amendment filed pursuant to Rule 462(d) under the Securities Act, check the following box and list the Securities Act registration statement number of the earlier effective registration statement for the same offering.

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, or a smaller reporting company. See the definitions of large accelerated filer, accelerated filer and smaller reporting company in Rule 12b-2 of the Exchange Act. (Check one):

Large Accelerated filer x | Accelerated filer ¨

Non-accelerated filer ¨ (Do not check if a small reporting company) | Smaller reporting company ¨

If applicable, place an X in the box to designate the appropriate rule provision relied upon in conducting this transaction:

Exchange Act Rule 13e-4(i) (Cross-Border Issuer Tender Offer) ¨

Exchange Act Rule 14d-1(d) (Cross-Border Issuer Third Party Tender Offer) ¨

CALCULATION OF REGISTRATION FEE

Title of each class of securities to be registered	Amount to be registered[(1)]	Proposed maximum offering price per share	Proposed maximum aggregate offering price[(2)]	Amount of registration fee[(3)]
Common Stock, $0.01 par value per share	31,947,969 shares	N/A	$2,143,176,222	$292,329.24

(1) Represents the estimated maximum number of shares of Mid-America Apartment Communities, Inc. s, or MAA, common stock, $0.01 par value per share, to be issued in connection with the merger described herein. The number of shares of common stock is based on (i) the number of common shares of beneficial interest of Colonial Properties Trust, or Colonial, $0.01 par value per share, or Colonial common shares, outstanding as of July 16, 2013, and (ii) the exchange ratio of 0.360 shares of MAA common stock for each common share of beneficial interest of Colonial.

(2) Estimated solely for purposes of calculating the registration fee required by Section 6(b) of the Securities Act, and calculated pursuant to Rules 457(f)(1) and 457(c) under the Securities Act. The proposed maximum aggregate offering price of the MAA common stock was calculated based upon the market value of Colonial common shares (the securities to be converted in the parent merger) in accordance with Rule 457(c) under the Securities Act as follows: the product of (i) $24.15, the average of the high and low prices per Colonial common share on July 15, 2013, as quoted on the New York Stock Exchange, multiplied by (ii) 88,744,357, the number of Colonial common shares outstanding as of July 16, 2013.

(3) Determined in accordance with Section 6(b) of the Securities Act at a rate equal to $136.40 per $1 million of the proposed maximum aggregate offering price.

The Registrant hereby amends this Registration Statement on such date or dates as may be necessary to delay its effective date until the Registrant shall file a further amendment that specifically states that this Registration Statement shall thereafter become effective in accordance with Section 8(a) of the Securities Act of 1933, or until the Registration Statement shall become effective on such date as the Securities and Exchange Commission, acting pursuant to said Section 8(a), may determine.

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The information in this joint proxy statement/prospectus is not complete and may be changed. Mid-America Apartment Communities, Inc. may not sell the securities offered by this joint proxy statement/prospectus until the registration statement filed with the Securities and Exchange Commission is effective. This joint proxy statement/prospectus is not an offer to sell these securities nor should it be considered a solicitation of an offer to buy these securities in any jurisdiction where the offer or sale is not permitted.

PRELIMINARY SUBJECT TO COMPLETION, DATED JULY 19, 2013

JOINT PROXY STATEMENT/PROSPECTUS

To the Shareholders of Mid-America Apartment Communities, Inc. and the Shareholders of Colonial Properties Trust:

The board of directors of Mid-America Apartment Communities, Inc., which we refer to as MAA, and the board of trustees of Colonial Properties Trust, which we refer to as Colonial, have each unanimously approved an agreement and plan of merger, dated as of June 3, 2013, by and among MAA, Mid-America Apartments, L.P., Martha Merger Sub, LP, Colonial and Colonial Realty Limited Partnership, which we refer to as the merger agreement. Pursuant to the merger agreement, MAA and Colonial will combine through a merger of Colonial with and into MAA, with MAA surviving the merger, which we refer to as the parent merger. If completed, we believe the parent merger will create the preeminent Sunbelt-focused multifamily real estate investment trust, or REIT, in the United States with a pro forma total market capitalization of approximately $8.7 billion and a pro forma equity market capitalization of approximately $5.4 billion, each as of June 30, 2013. The combined company, which we refer to as the Combined Corporation, will retain the name Mid-America Apartment Communities, Inc. and will continue to trade on the New York Stock Exchange, or NYSE, under the symbol MAA. H. Eric Bolton, Jr., will serve as the chairman and chief executive officer of the Combined Corporation following the parent merger. The obligations of MAA and Colonial to effect the parent merger are subject to the satisfaction or waiver of certain conditions set forth in the merger agreement (including the approvals of each company s shareholders).

If the parent merger is completed pursuant to the merger agreement, each Colonial shareholder will receive 0.360 shares of MAA common stock for each Colonial common share of beneficial interest, which we refer to as Colonial common shares, held immediately prior to the effective time of the parent merger, with cash paid for fractional Colonial common shares. MAA shareholders will continue to hold their existing shares of MAA common stock. The exchange ratio is fixed and will not be adjusted to reflect changes in the price of MAA common stock or the price of Colonial common shares occurring prior to the completion of the parent merger. MAA common stock is currently listed on the NYSE under the symbol MAA and Colonial common shares are currently listed on the NYSE under the symbol CLP. Based on the closing price of MAA common stock on the NYSE of $67.97 on May 31, 2013, the last trading date before the announcement of the proposed merger, the 0.360 exchange ratio represented approximately $24.47 in MAA common stock for each Colonial common share. Based on the closing price of MAA common stock on the NYSE of $[ ] on [ ], 2013, the latest practicable date before the date of this joint proxy statement/prospectus, the 0.360 exchange ratio represented approximately $[ ] in MAA common stock for each Colonial common share. **The value of the merger consideration will fluctuate with changes in the market price of MAA common stock. We urge you to obtain current market quotations for MAA common stock and Colonial common shares.**

We anticipate that MAA will issue approximately 31.9 million shares of MAA common stock in connection with the parent merger, will reserve approximately 1.6 million shares of MAA common stock in respect of Colonial equity awards that MAA will assume in connection with the parent merger, and will reserve approximately 2.6 million shares of MAA common stock in respect of the potential conversion of limited partnership units issued by MAA LP to former limited partners of Colonial LP. Upon completion of the parent merger, we estimate that continuing MAA equity holders will own approximately 56% of the issued and outstanding common shares of the Combined Corporation, assuming the conversion of all limited partnership units of MAA LP held by existing limited partners of MAA LP to shares of Combined Corporation common stock, and former Colonial equity holders will own approximately 44% of the issued and outstanding shares of common stock of the Combined Corporation, assuming the conversion to shares of Combined Corporation common stock of all limited partnership units issued by MAA LP to former limited partners of Colonial LP.

MAA and Colonial will each be holding a special meeting of their respective shareholders. At the MAA special meeting, MAA shareholders will be asked to vote on (i) a proposal to approve the merger agreement, the

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parent merger and the other transactions contemplated by the merger agreement, including the issuance of shares of MAA common stock to Colonial shareholders, (ii) a proposal to approve the MAA 2013 Stock Incentive Plan, and (iii) a proposal to approve one or more adjournments of the MAA special meeting, if necessary or appropriate, including adjournments to permit further solicitation of proxies in favor of the proposal to approve and adopt the merger agreement, the parent merger and the other transactions contemplated by the merger agreement. At the Colonial special meeting, Colonial shareholders will be asked to vote on (i) a proposal to approve and adopt the merger agreement, the parent merger pursuant to the plan of merger, dated as of June 3, 2013, between MAA and Colonial, and the other transactions contemplated by the merger agreement, (ii) an advisory (non-binding) proposal to approve compensation payable to certain executive officers of Colonial in connection with the parent merger, and (iii) a proposal to approve one or more adjournments of the special meeting, if necessary or appropriate, including adjournments to permit further solicitation of proxies in favor of the proposal to approve and adopt the merger agreement, the parent merger pursuant to the plan of merger and the other transactions contemplated by the merger agreement.

The record date for determining the shareholders entitled to receive notice of, and to vote at, the MAA special meeting and the Colonial special meeting is [ ], 2013. The parent merger cannot be completed unless the MAA shareholders and Colonial shareholders each approve the merger agreement, the parent merger and the other transactions contemplated by the merger agreement by the affirmative vote of the holders of each of (i) a majority of the outstanding shares of MAA common stock entitled to vote on the parent merger and (ii) a majority of the outstanding Colonial common shares entitled to vote on the parent merger.

The MAA board of directors, which we refer to as the MAA Board, has unanimously (i) determined and declared that the merger agreement, the merger and the other transactions contemplated by the merger agreement, including the issuance of MAA common stock to Colonial shareholders in connection with the parent merger, are advisable and in the best interests of MAA and its shareholders, and (ii) adopted and approved the merger agreement, the parent merger and the other transactions contemplated thereby. **The MAA Board unanimously recommends that MAA shareholders vote FOR the proposal to approve the merger agreement, the parent merger and the other transactions contemplated by the merger agreement, including the issuance of shares of MAA common stock to Colonial shareholders, FOR the proposal to approve the MAA 2013 Stock Incentive Plan and FOR the proposal to approve one or more adjournments of the MAA special meeting, if necessary or appropriate, including adjournments to permit further solicitation of proxies in favor of the proposal to approve and adopt the merger agreement, the parent merger and the other transactions contemplated by the merger agreement.**

The Colonial board of trustees, which we refer to as the Colonial Board, has unanimously (i) determined that the parent merger (including the plan of merger) and the other transactions contemplated by the merger agreement are advisable and in the best interests of Colonial and its shareholders, and (ii) approved and adopted the merger agreement and the plan of merger. **The Colonial Board unanimously recommends that Colonial shareholders vote FOR the proposal to approve and adopt the merger agreement, the parent merger pursuant to the plan of merger and the other transactions contemplated by the merger agreement, FOR the advisory (non-binding) proposal to approve compensation payable to certain executive officers of Colonial in connection with the mergers, and FOR the proposal to approve one or more adjournments of the Colonial special meeting, if necessary or appropriate, including adjournments to permit further solicitation of proxies in favor of the proposal to approve and adopt the merger agreement and the parent merger pursuant to the plan of merger and the other transactions contemplated by the merger agreement.**

This joint proxy statement/prospectus contains important information about MAA, Colonial, the parent merger, the merger agreement and the special meetings. This document is also a prospectus for shares of MAA common stock that will be issued to Colonial shareholders pursuant to the merger agreement. **We encourage you to read this joint proxy statement/prospectus carefully before voting, including the section entitled _Risk Factors beginning on page 32.**

Your vote is very important, regardless of the number of shares you own. Whether or not you plan to attend the MAA special meeting or the Colonial special meeting, as applicable, please submit a proxy to vote your shares as promptly as possible to make sure that your shares of MAA common stock and/or Colonial common shares, as applicable, are represented at the applicable special meeting. Please review this

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joint proxy statement/prospectus for more complete information regarding the parent merger and the MAA special meeting and the Colonial special meeting, as applicable.

Sincerely,

H. Eric Bolton	Thomas H. Lowder
Chairman and Chief Executive Officer	Chairman and Chief Executive Officer
Mid-America Apartment Communities, Inc.	Colonial Properties Trust

Neither the Securities and Exchange Commission, nor any state securities regulatory authority has approved or disapproved of the parent merger or the securities to be issued under this joint proxy statement/prospectus or has passed upon the adequacy or accuracy of the disclosure in this joint proxy statement/prospectus. Any representation to the contrary is a criminal offense.

This joint proxy statement/prospectus is dated [ ], 2013, and is first being mailed to MAA and Colonial shareholders on or about [ ], 2013.

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MID-AMERICA APARTMENT COMMUNITIES, INC.

6584 Poplar Avenue

Memphis, Tennessee 38138

NOTICE OF SPECIAL MEETING OF SHAREHOLDERS

TO BE HELD ON [ ], 2013

To the Shareholders of Mid-America Apartment Communities, Inc.:

You are invited to attend a special meeting of shareholders of Mid-America Apartment Communities, Inc., a Tennessee corporation, which we refer to as MAA. The meeting will be held at [ ] a.m., Central Daylight Time, on [ ], 2013, at MAA s corporate headquarters, 6584 Poplar Avenue, Memphis, Tennessee 38138 to consider and vote upon the following matters:

- a proposal to approve the Agreement and Plan of Merger, which we refer to as the merger agreement, by and among MAA, Mid-America Apartments, L.P., Martha Merger Sub, LP, Colonial Properties Trust, an Alabama real estate investment trust, which we refer to as Colonial, and Colonial Realty Limited Partnership, pursuant to which Colonial will merge with and into MAA, with MAA continuing as the surviving corporation, which we refer to as the parent merger, and the other transactions contemplated by the merger agreement, including the issuance of MAA common stock to Colonial shareholders in connection with the parent merger;

- a proposal to approve the MAA 2013 Stock Incentive Plan; and

- a proposal to approve one or more adjournments of the special meeting, if necessary or appropriate, including adjournments to permit further solicitation of proxies in favor of the merger proposal.

THE MAA BOARD HAS UNANIMOUSLY ADOPTED AND APPROVED THE MERGER AGREEMENT, THE PARENT MERGER AND THE OTHER TRANSACTIONS CONTEMPLATED BY THE MERGER AGREEMENT, AND UNANIMOUSLY RECOMMENDS THAT YOU VOTE FOR ALL PROPOSALS.

MAA shareholders of record at the close of business on [ ], 2013 are entitled to receive this notice and vote at the MAA special meeting.

The proposal to approve the merger agreement requires the affirmative vote of the holders of a majority of the outstanding shares of MAA common stock. **The parent merger cannot be completed without the approval by MAA shareholders of this proposal.** The proposals to approve the MAA 2013 Stock Incentive Plan and to adjourn the MAA special meeting require that the votes cast FOR each proposal exceed the votes cast AGAINST each proposal. Approval of the MAA 2013 Stock Incentive Plan is not a condition to the completion of the parent merger.

Please refer to the attached joint proxy statement/prospectus for further information with respect to the business to be transacted at the MAA special meeting.

Please refer to the proxy card and the accompanying joint proxy statement/prospectus for information regarding your voting options. Even if you plan to attend the MAA special meeting, please take advantage of one of the advance voting options to assure that your shares of MAA common

stock are represented at the MAA special meeting. You may revoke your proxy at any time before it is voted by following the procedures described in the accompanying joint proxy statement/prospectus.

By Order of the Board of Directors

Leslie B.C. Wolfgang

Senior Vice President, Director of Investor Relations

and Corporate Secretary

Memphis, Tennessee

[ ], 2013

Your vote is important. Whether or not you expect to attend the MAA special meeting in person, we urge you to vote your shares of MAA common stock as promptly as possible by (1) accessing the internet website specified on your proxy card, (2) calling the toll-free number specified on your proxy card, or (3) signing and returning the enclosed proxy card in the postage-paid envelope provided, so that your shares of MAA common stock may be represented and voted at the MAA special meeting. If your shares of MAA common stock are held in the name of a bank, broker or other fiduciary, please follow the instructions on the voting instruction card furnished by the record holder of your shares of MAA common stock.

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Colonial Properties Trust

2101 Sixth Avenue North, Suite 750

Birmingham, Alabama 35203

(205) 250-8700

NOTICE OF SPECIAL MEETING OF SHAREHOLDERS

TO BE HELD ON [ ], 2013

To the Shareholders of Colonial Properties Trust:

A special meeting of the shareholders of Colonial Properties Trust, an Alabama real estate investment trust, referred to in this joint proxy statement/prospectus as Colonial, will be held at [ ] on [ ], 2013 commencing at [ ], local time, for the following purposes:

1. **Approval and Adoption of Merger Agreement and Merger.** To consider and vote upon a proposal to approve and adopt the Agreement and Plan of Merger, dated as of June 3, 2013, as it may be amended or modified from time-to-time (referred to in the accompanying joint proxy statement/prospectus as the merger agreement), by and among Mid-America Apartment Communities, Inc., referred to in the accompanying joint proxy statement/prospectus as MAA, Colonial, Mid-America Apartments, L.P., Martha Merger Sub, LP and Colonial Realty Limited Partnership, pursuant to which, among other things, Colonial will be merged with and into MAA, with MAA surviving the parent merger (referred to in the accompanying joint proxy statement/prospectus as the parent merger), the parent merger pursuant to the Plan of Merger (referred to in the accompanying joint proxy statement/prospectus as the plan of merger) and the other transactions contemplated by the merger agreement;

2. **Approval of Executive Compensation Payable in Connection with the Merger.** To consider and cast an advisory (non-binding) vote upon a proposal to approve compensation payable to certain executive officers of Colonial in connection with the parent merger; and

3. **Adjournment of the Special Meeting.** To consider and vote upon a proposal to approve one or more adjournments of the special meeting, if necessary or appropriate, including adjournments to permit further solicitation of proxies in favor of proposal 1.

We do not expect to transact any other business at the Colonial special meeting. Shareholders of record at the close of business on [ ], 2013 are entitled to notice of and to vote at the Colonial special meeting and at any adjournment or postponement of the Colonial special meeting.

The merger agreement and plan of merger and the compensation payable under existing arrangements that certain executive officers of Colonial may receive in connection with the parent merger are more fully described in the accompanying joint proxy statement/prospectus, which we encourage you to read carefully and in its entirety before voting. A copy of the merger agreement is included as Annex A to the accompanying joint proxy statement/prospectus, and a copy of the plan of merger is included as Annex B to the accompanying joint proxy statement/prospectus. The accompanying joint proxy statement/prospectus is a part of this notice.

All Colonial shareholders of record are cordially invited to attend the Colonial special meeting. **Even if you plan to attend the Colonial special meeting, we urge you to submit a valid proxy promptly.** If your Colonial common shares are registered in your own name, you may submit your proxy by (1) filling out and signing the proxy card, and then mailing your signed proxy card in the enclosed postage-paid reply envelope, (2) authorizing the voting of your shares over the Internet at *www.proxyvoting.com/colonial*, or (3) calling toll free (877) 215-9164 and following the instructions on the enclosed proxy card. If your Colonial common shares are held in street name, you should follow the enclosed instructions that your broker, bank, or other nominee has provided.

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Your vote is very important regardless of the number of Colonial common shares you own. We cannot complete the merger unless the merger agreement and parent merger pursuant to the plan of merger are approved and adopted by the affirmative vote of the holders of at least a majority of the outstanding Colonial common shares entitled to vote on such proposal. Accordingly, we urge you to review the enclosed materials and request that you complete, sign, date and return, as promptly as possible, the enclosed proxy card in the accompanying postage-paid reply envelope or submit your proxy over the Internet or by telephone.

Under Alabama law, Colonial shareholders who do not vote in favor of the proposal to approve and adopt the merger agreement, the parent merger pursuant to the plan of merger and the other transactions contemplated by the merger agreement will have the right to dissent from the parent merger and obtain payment of the fair value of their shares if the parent merger is consummated, but only if they submit a written notice of their intent to demand payment to Colonial prior to the Colonial special meeting and comply with the other requirements of Article 13 of the Alabama Business Corporation Law (the ABCL) explained in the joint proxy statement/prospectus accompanying this notice. A copy of the applicable ABCL statutory provisions is included as Annex H to the accompanying joint proxy statement/prospectus, and a summary of these provisions can be found under Dissenters Rights in the accompanying joint proxy statement/prospectus.

Colonial s board of trustees unanimously recommends that you vote **FOR** approval and adoption of the merger agreement, the parent merger pursuant to the plan of merger and the other transactions contemplated by the merger agreement as described in proposal 1, **FOR** approval, on an advisory (non-binding) basis, of the compensation payable to certain Colonial executive officers described in proposal 2 and **FOR** approval of one or more adjournments of the special meeting in accordance with proposal 3. Approval of proposals 1, 2 and 3 are subject to separate votes by Colonial s shareholders, and approval of the compensation arrangements in proposal 2 is not a condition to completion of the parent merger. Since the approval and adoption of the merger agreement, the parent merger pursuant to the plan of merger and the other transactions contemplated by the merger agreement in proposal 1 requires the affirmative vote of the holders of at least a majority of the outstanding Colonial common shares entitled to vote on proposal 1, if you fail to vote, if you fail to authorize your broker, bank or other nominee to vote on your behalf, or if you abstain from voting, the effect will be the same as if you had voted against the approval of the Colonial merger proposal.

By Order of the Board of Trustees of Colonial Properties Trust

John P. Rigrish

Chief Administrative Officer and Corporate Secretary

[ ], 2013

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ADDITIONAL INFORMATION

This joint proxy statement/prospectus incorporates important business and financial information about MAA and Colonial from other documents that are not included in or delivered with this joint proxy statement/prospectus. This information is available to you without charge upon your request. You can obtain the documents incorporated by reference into this joint proxy statement/prospectus by requesting them from MAA s or Colonial s proxy solicitor in writing or by telephone at the following addresses and telephone numbers:

If you are a MAA shareholder:	If you are a Colonial shareholder:
D.F. King & Co., Inc.	Morrow & Co., LLC
48 Wall Street	470 West Avenue
New York, NY 10005	Stamford, CT 06902
Telephone:	Telephone:
Banks and brokers: (212) 269-5550	Banks and brokers: (203) 658-9400
Shareholders: (800) 628-8532	Shareholders: (800) 460-1014

Investors may also consult MAA s or Colonial s website for more information concerning the mergers described in this joint proxy statement/prospectus. MAA s website is *www.maac.com*. Colonial s website is *www.colonialprop.com*. Additional information is available at *www.sec.gov*. Information included on these websites is not incorporated by reference into this joint proxy statement/prospectus.

If you would like to request copies of any documents, please do so by [ ], 2013 in order to receive them before the special meetings.

For more information, see Where You Can Find More Information beginning on page 201.

ABOUT THIS DOCUMENT

This joint proxy statement/prospectus, which forms part of a registration statement on Form S-4 filed by MAA (File No. 333-[ ]) with the Securities and Exchange Commission, which is referred to herein as the SEC, constitutes a prospectus of MAA for purposes of the Securities Act of 1933, as amended, which is referred to herein as the Securities Act, with respect to the shares of MAA common stock to be issued to Colonial shareholders in exchange for Colonial common shares pursuant to the Agreement and Plan of Merger, dated as of June 3, 2013, by and among MAA, Mid-America Apartments, L.P., Martha Merger Sub, LP, Colonial and Colonial Realty Limited Partnership, as such agreement may be amended from time-to-time and which we refer to as the merger agreement. This joint proxy statement/prospectus also constitutes a proxy statement for each of MAA and Colonial for purposes of the Securities Exchange Act of 1934, as amended, which is referred to herein as the Exchange Act. In addition, it constitutes a notice of meeting with respect to the MAA special meeting and a notice of meeting with respect to the Colonial special meeting.

You should rely only on the information contained or incorporated by reference in this joint proxy statement/prospectus. No one has been authorized to provide you with information that is different from that contained in, or incorporated by reference into, this joint proxy statement/prospectus. This joint proxy statement/prospectus is dated [ ], 2013. You should not assume that the information contained in, or incorporated by reference into, this joint proxy statement/prospectus is accurate as of any date other than that date. Neither our mailing of this joint proxy statement/prospectus to MAA shareholders or Colonial shareholders nor the issuance by MAA of shares of its common stock to Colonial shareholders pursuant to the merger agreement will create any implication to the contrary.

This joint proxy statement/prospectus does not constitute an offer to sell, or a solicitation of an offer to buy, any securities, or the solicitation of a proxy, in any jurisdiction in which or from any person to whom it is unlawful to make any such offer or solicitation in such jurisdiction. Information contained in this joint proxy statement/prospectus regarding MAA has been provided by MAA and information contained in this joint proxy statement/prospectus regarding Colonial has been provided by Colonial.

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QUESTIONS AND ANSWERS

The following are answers to some questions that MAA shareholders and Colonial shareholders may have regarding the proposed transaction between MAA and Colonial and the other proposals being considered at the MAA special meeting and the Colonial special meeting. MAA and Colonial urge you to read carefully this entire joint proxy statement/prospectus, including the Annexes, and the documents incorporated by reference into this joint proxy statement/prospectus, because the information in this section does not provide all the information that might be important to you.

Unless stated otherwise, all references in this joint proxy statement/prospectus to:

MAA are to Mid-America Apartment Communities, Inc., a Tennessee corporation; all references to MAA LP are to Mid-America Apartments, L.P., a Tennessee limited partnership;

OP Merger Sub are to Martha Merger Sub, LP, a Delaware limited partnership and a subsidiary of MAA LP;

Colonial are to Colonial Properties Trust, an Alabama real estate investment trust;

Colonial LP are to Colonial Realty Limited Partnership, a Delaware limited partnership;

the MAA Board are to the board of directors of MAA;

the Colonial Board are to the board of trustees of Colonial;

the merger agreement are to the Agreement and Plan of Merger, dated as of June 3, 2013, by and among MAA, MAA LP, OP Merger Sub, Colonial, and Colonial LP, as it may be amended from time-to-time, a copy of which is attached as Annex A to this joint proxy statement/prospectus and is incorporated herein by reference;

the plan of merger are to the Plan of Merger, dated as of June 3, 2013, by and between MAA and Colonial, as it may be amended from time-to-time, a copy of which is attached as Annex B to this joint proxy statement/prospectus and is incorporated herein by reference;

the parent merger are to the merger of Colonial with and into MAA, with MAA continuing as the surviving entity pursuant to the terms of the merger agreement;

the partnership merger are to the merger, prior to the parent merger, of OP Merger Sub with and into Colonial LP, with Colonial LP continuing as the surviving entity and an indirect wholly-owned subsidiary of MAA LP pursuant to the terms of the merger agreement;

the mergers are to the parent merger and the partnership merger;

the Combined Corporation are to MAA after the effective time of the mergers; and

the NYSE are to the New York Stock Exchange.

Q: What is the proposed transaction?

A: MAA and Colonial are proposing a combination of their companies through the merger of Colonial with and into MAA, with MAA continuing as the surviving entity, pursuant to the terms of the merger agreement. The Combined Corporation will be named Mid-America Apartment Communities, Inc. and the shares of the Combined Corporation common stock will be listed and traded on the NYSE under the symbol MAA.

The merger agreement also provides for the merger of OP Merger Sub with and into Colonial LP, with Colonial LP continuing as the surviving entity as an indirect wholly-owned subsidiary of MAA LP.

Q: What will happen in the proposed transaction?

A: As a result of the parent merger, each issued and outstanding Colonial common share (other than shares with respect to which dissenters rights have been properly exercised and not withdrawn under applicable

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law) will be converted automatically into the right to receive 0.360 shares of common stock, par value $0.01 per share, of the Combined Corporation, as described under The Merger Agreement Merger Consideration; Effects of the Parent Merger and the Partnership Merger beginning on page 148. Colonial shareholders will not receive any fractional shares of MAA common stock in the parent merger. Instead, Colonial shareholders will be paid cash (without interest) in lieu of any fractional share interest to which they would otherwise be entitled.

As a result of the partnership merger, each outstanding limited partnership interest in Colonial LP will be converted automatically into 0.360 limited partnership units in MAA LP.

Q: How will MAA shareholders be affected by the parent merger and the issuance of shares of MAA common stock to Colonial shareholders in the parent merger?

A: After the mergers, each MAA shareholder will continue to own the shares of MAA common stock that the shareholder held immediately prior to the parent merger. As a result, each MAA shareholder will own shares of common stock in the Combined Corporation, a larger company with more assets. However, because MAA will be issuing new shares of MAA common stock to Colonial shareholders in the parent merger, each outstanding share of MAA common stock immediately prior to the parent merger will represent a smaller percentage of the aggregate number of shares of Combined Corporation common stock outstanding after the mergers. Upon completion of the parent merger, we estimate that continuing MAA equity holders will own approximately 56% of the issued and outstanding shares of Combined Corporation common stock, assuming the conversion of all limited partnership units of MAA LP held by existing limited partners of MAA LP to shares of Combined Corporation common stock, and former Colonial equity holders will own approximately 44% of the issued and outstanding shares of common stock of the Combined Corporation, assuming the conversion to shares of Combined Corporation common stock of all limited partnership units issued by MAA LP to former limited partners of Colonial LP.

Q: What happens if the market price of shares of MAA common stock or Colonial common shares changes before the closing of the parent merger?

A: No change will be made to the exchange ratio of 0.360 if the market price of shares of MAA common stock or Colonial common shares changes before the parent merger. Because the exchange ratio is fixed, the value of the consideration to be received by Colonial shareholders in the parent merger will depend on the market price of shares of MAA common stock at the time of the parent merger.

Q: Why am I receiving this joint proxy statement/prospectus?

A: The MAA Board and the Colonial Board are using this joint proxy statement/prospectus to solicit proxies of MAA and Colonial shareholders in connection with the merger agreement and the parent merger. In addition, MAA is using this joint proxy statement/prospectus as a prospectus for Colonial shareholders because MAA is offering shares of its common stock to be issued in exchange for Colonial common shares in the parent merger. The parent merger cannot be completed unless:

- the holders of MAA common stock vote to approve the merger agreement, the parent merger and the other transactions contemplated by the merger agreement, including the issuance of shares of MAA common stock to Colonial shareholders in the parent merger; and

- the holders of Colonial common shares vote to approve and adopt the merger agreement, the parent merger pursuant to the plan of merger and the other transactions contemplated by the merger agreement.

Each of MAA and Colonial will hold separate meetings of their respective shareholders to obtain these approvals and to consider other proposals as described elsewhere in this joint proxy statement/prospectus.

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This joint proxy statement/prospectus contains important information about the parent merger and the other proposals being voted on at the shareholder meetings and you should read it carefully. The enclosed voting materials allow you to vote your shares of MAA common stock and/or Colonial common shares, as applicable, without attending your company s shareholders meeting.

Your vote is important. You are encouraged to submit your proxy as promptly as possible.

Q: Am I being asked to vote on any other proposals at the shareholder meetings in addition to the parent merger proposal?

A: *MAA*. At the MAA special meeting, MAA shareholders will be asked to consider and vote upon the following additional proposals:

A proposal to approve the MAA 2013 Stock Incentive Plan to replace the Mid-America Apartment Communities, Inc. 2004 Stock Plan, which expires by its terms on October 31, 2013; and

A proposal to adjourn the MAA special meeting, if necessary to approve one or more adjournments of the special meeting, if necessary or appropriate, including adjournments to permit further solicitation of proxies in favor of the proposal to approve and adopt the merger agreement, the parent merger and the other transactions contemplated by the merger agreement.

Colonial. At the Colonial special meeting, Colonial shareholders will be asked to consider and vote upon the following additional proposals:

An advisory (non-binding) proposal to approve compensation payable to certain executive officers of Colonial in connection with the mergers; and

A proposal to approve one or more adjournments of the Colonial special meeting, if necessary or appropriate, including adjournments to permit further solicitation of proxies in favor of the proposal to approve and adopt the merger agreement, the parent merger pursuant to the plan of merger and the other transactions contemplated by the merger agreement.

Q: Why are MAA and Colonial proposing the mergers?

A: Among other reasons, the MAA Board and the Colonial Board believe that the mergers will create the pre-eminent Sunbelt-focused multifamily real estate investment trust, referred to herein as a REIT, that will own approximately 85,000 apartment units in 285 communities, representing the second largest publicly-traded REIT portfolio of owned apartments. The Combined Corporation is expected to have significant liquidity, greater access to multiple forms of capital, an improved investment grade rating with limited near-term debt maturities and a lower cost of capital than either MAA or Colonial on a standalone basis. The increased size and diversification of the Combined Corporation s portfolio is expected to enhanced its competitive advantage across the Sunbelt region, and synergies and advantages generated by the mergers are expected to drive higher margins. To review the reasons of the MAA Board and the Colonial Board for the mergers in greater detail, see The Parent Merger Recommendation of the MAA Board and Its Reasons for the Parent Merger beginning on page 87 and The Parent Merger Recommendation of the Colonial Board and Its Reasons for the Parent Merger beginning on page 91.

Q: Who will be the board of directors and management of the Combined Corporation after the parent merger?

A:

At the effective time of the parent merger, the number of directors that comprise the board of directors of the Combined Corporation will be twelve, with all seven of the members of the MAA Board immediately prior to the completion of the parent merger, H. Eric Bolton, Jr., Alan B. Graf, Jr., Ralph Horn, Philip W. Norwood, W. Reid Sanders, William B. Sansom and Gary Shorb, continuing as directors of the Combined

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Corporation. In addition, five current members of the Colonial Board, Thomas H. Lowder, James K. Lowder, Claude B. Nielsen, Harold W. Ripps and John W. Spiegel, will join the board of directors of the Combined Corporation. Alan B. Graf, Jr. and Ralph Horn, Co-Lead Independent Directors for MAA, will serve as Co-Lead Independent Directors for the Combined Corporation.

H. Eric Bolton, Jr., MAA s Chief Executive Officer and Chairman of the Board of Directors, will serve as Chief Executive Officer and Chairman of the Board of Directors of the Combined Corporation. Albert M. Campbell, III, MAA s Chief Financial Officer, will serve as Chief Financial Officer of the Combined Corporation, and Thomas L. Grimes, Jr., MAA s Chief Operating Officer, will serve as the Chief Operating Officer of the Combined Corporation.

Q: Will MAA and Colonial continue to pay distributions prior to the effective time of the parent merger?

A: Yes. The merger agreement permits MAA to continue to pay a regular quarterly distribution, in accordance with past practice at a rate not to exceed $0.695 per quarter, and any distribution that is reasonably necessary to maintain its REIT qualification and/or to avoid the imposition of U.S. federal income or excise tax. The merger agreement permits Colonial to pay a regular quarterly distribution, in accordance with past practice at a rate not to exceed $0.21 per quarter, and any distribution that is reasonably necessary to maintain its REIT qualification and/or to avoid the imposition of U.S. federal income or excise tax. The timing of quarterly dividends will be coordinated by MAA and Colonial so that that if either the MAA shareholders or the Colonial shareholders receive a dividend for any particular quarter prior to the closing the mergers, the shareholders of the other entity will also receive a dividend for that quarter prior to the closing of the mergers.

Q: When and where are the shareholder meetings?

A: The MAA special meeting will be held at [ ] on [ ], 2013 commencing at [ ], local time.
The Colonial special meeting will be held at [ ] on [ ], 2013 commencing at [ ], local time.

Q: Who can vote at the shareholder meetings?

A: *MAA*. All MAA shareholders of record as of the close of business on [ ], 2013, the record date for determining shareholders entitled to notice of and to vote at the MAA special meeting, are entitled to receive notice of and to vote at the MAA special meeting. As of the record date, there were [ ] shares of MAA common stock outstanding and entitled to vote at the MAA special meeting, held by approximately [ ] holders of record. Each share of MAA common stock is entitled to one vote on each proposal presented at the MAA special meeting.

Colonial. All Colonial shareholders of record as of the close of business on [ ], 2013, the record date for determining shareholders entitled to notice of and to vote at the Colonial special meeting, are entitled to receive notice of and to vote at the Colonial special meeting. As of the record date, there were [ ] Colonial common shares outstanding and entitled to vote at the Colonial special meeting, held by approximately [ ] holders of record. Each Colonial common share is entitled to one vote on each proposal presented at the Colonial special meeting.

Q: What constitutes a quorum?

A: *MAA*. MAA s bylaws provide that the presence, in person or by proxy, of holders of a majority of the shares of MAA common stock outstanding on the MAA record date will constitute a quorum.

Colonial. Colonial s bylaws provide that the presence, in person or by proxy, of shareholders entitled to cast a majority of all the votes entitled to be cast at such meeting will constitute a quorum.

Shares that are voted, in person or by proxy, and shares abstaining from voting are treated as present at each of the MAA special meeting and the Colonial special meeting, respectively, for purposes of determining whether a quorum is present.

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Q: What vote is required to approve the proposals?

A: *MAA*.

Approval of the merger agreement, the parent merger and the other transactions contemplated by the merger agreement, including the issuance of shares of MAA common stock to Colonial shareholders in the parent merger, requires the affirmative vote of holders of at least a majority of the outstanding shares of MAA common stock.

Approval of the MAA 2013 Stock Incentive Plan requires the votes cast FOR the proposal exceed the votes cast AGAINST the proposal, and in order to satisfy the requirements of the NYSE, the total votes cast on this proposal must represent over 50% of the shares of MAA common stock entitled to vote on the proposal, which is referred to as the NYSE voting requirement.

Approval of one or more adjournments of the MAA special meeting requires the votes cast FOR the proposal exceed the votes cast AGAINST the proposal.

Colonial.

Approval and adoption of the merger agreement, the parent merger pursuant to the plan of merger and the other transactions contemplated by the merger agreement requires the affirmative vote of the holders of at least a majority of the Colonial common shares outstanding as of the record date for the special meeting.

Approval, on an advisory (non-binding) basis, of the compensation payable to certain executive officers of Colonial in connection with the mergers will require the affirmative vote of the holders of a majority of the Colonial common shares present in person or represented by proxy at the Colonial special meeting and entitled to vote on the proposal.

Approval of one or more adjournments of the Colonial special meeting, if necessary or appropriate, including adjournments to permit further solicitation of proxies in favor of approval and adoption of the merger agreement and the parent merger pursuant to the plan of merger, will require the affirmative vote of the holders of a majority of the Colonial common shares present in person or represented by proxy at the Colonial special meeting and entitled to vote on this proposal.

Q: How does the MAA Board recommend that MAA shareholders vote on the proposals?

A: After careful consideration, the MAA Board has unanimously determined and declared that the merger agreement, the parent merger and the other transactions contemplated by the merger agreement, including the issuance of shares of MAA common stock to Colonial shareholders in the parent merger, are advisable and in the best interests of MAA and its shareholders and approved and adopted the merger agreement, the parent merger and the other transactions contemplated by the merger agreement. The MAA Board unanimously recommends that MAA shareholders vote **FOR** the proposal to approve the merger agreement, the parent merger and the other transactions contemplated by the merger agreement, including the issuance of shares of MAA common stock to Colonial shareholders in the parent merger, **FOR** the proposal to approve the MAA 2013 Stock Incentive Plan and **FOR** the proposal to approve one or more adjournments of the MAA special meeting, if necessary or appropriate, including adjournments to permit further solicitation of proxies in favor of the proposal to approve and adopt the merger agreement and the parent merger.

For a more complete description of the recommendation of the MAA Board, see The Parent Merger Recommendation of the MAA Board and Its Reasons for the Parent Merger beginning on page 87.

Q: How does the Colonial Board recommend that Colonial shareholders vote on the proposals?

A: The Colonial Board has unanimously determined that the parent merger (including the plan of merger) and the other transactions contemplated by the merger agreement are advisable and in the best interests of Colonial and its shareholders, and approved and adopted the merger agreement and the plan of merger. The

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Colonial Board unanimously recommends that Colonial shareholders vote **FOR** the proposal to approve and adopt the merger agreement, the parent merger pursuant to the plan of merger and the other transactions contemplated by the merger agreement, **FOR** the advisory (non-binding) proposal to approve compensation payable to certain executive officers of Colonial in connection with the mergers, and **FOR** the proposal to approve one or more adjournments of the Colonial special meeting, if necessary or appropriate, including adjournments to permit further solicitation of proxies in favor of the proposal to approve and adopt the merger agreement and the parent merger pursuant to the plan of merger.

For a more complete description of the recommendation of the Colonial Board, see The Parent Merger Recommendation of the Colonial Board and Its Reasons for the Parent Merger beginning on page 91.

Q: Have any shareholders already agreed to approve the mergers?

A: Pursuant to separate voting agreements, certain directors, officers and shareholders of MAA, who together as of July 16, 2013 owned approximately 0.36% of the outstanding shares of MAA common stock, have agreed to vote in favor of the parent merger and the other transactions contemplated by the merger agreement, and certain limited partners of MAA LP, who together as of July 16, 2013 owned approximately 37.30% of the outstanding limited partnership interests of MAA LP, have agreed to vote in favor of the partnership merger, the other transactions contemplated by the merger agreement and the amendment and restatement of the limited partnership agreement of MAA LP, subject to the terms and conditions of the respective voting agreements, as described under Voting Agreements beginning on page 168.

Pursuant to separate voting agreements, certain trustees, officers and shareholders of Colonial, who together as of July 16, 2013 owned approximately 3.9% of the outstanding Colonial common shares, have agreed to vote in favor of the merger agreement, the parent merger pursuant to the plan of merger and the other transactions contemplated by the merger agreement, subject to the terms and conditions of the respective voting agreements, as described under Voting Agreements beginning on page 168.

Q: Are there any conditions to closing of the mergers that must be satisfied for the mergers to be completed?

A: In addition to the approvals of the shareholders of each of MAA and Colonial of the parent merger and the other transactions contemplated by the merger agreement, there are a number of conditions that must be satisfied or waived for the mergers to be consummated. Among other things, the partnership merger and the amendment and restatement of the limited partnership agreement of MAA LP must be approved by the holders of at least $66\,^{2}/_{3}$rds of the outstanding limited partnership interests of MAA LP, excluding for purposes of the approval all limited partnership interests held by MAA. For a description of all of the conditions to the mergers, see The Merger Agreement Conditions to Completion of the Mergers beginning on page 161.

Q: Are there risks associated with the parent merger that I should consider in deciding how to vote?

A: Yes. There are a number of risks related to the parent merger that are discussed in this joint proxy statement/ prospectus described in the section entitled Risk Factors beginning on page 32.

Q: If my shares of MAA common stock or my Colonial common shares are held in street name by my broker, bank or other nominee, will my broker, bank or other nominee vote my shares of MAA common stock or my Colonial common shares for me?

A: No. Unless you instruct your broker, bank or other nominee how to vote your shares of MAA common stock and/or your Colonial common shares, as applicable, held in street name, your shares will NOT be voted. This is referred to as a broker non-vote. If you hold your shares of MAA common stock and/or your Colonial common shares in a stock brokerage account or if your shares are held by a bank or other nominee (that is, in street name), you must provide your broker, bank or other nominee with instructions on how to vote your

shares.

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Q: What happens if I do not vote for a proposal?

A: *MAA*. If you are a MAA shareholder and fail to vote, fail to instruct your broker, bank or nominee to vote, or abstain from voting:

- with respect to the proposal to approve the merger agreement, the parent merger and the other transactions contemplated by the merger agreement, including the issuance of shares of MAA common stock to Colonial shareholders in the parent merger, it will have the same effect as a vote AGAINST this proposal;

- with respect to the MAA 2013 Stock Incentive Plan proposal, if you abstain it will count as a vote cast with respect to this proposal and accordingly, abstentions will be included in determining whether the NYSE voting requirement has been achieved, but if the NYSE voting requirement is achieved, it will have no effect on the outcome of the vote for this proposal; if you fail to vote or fail to instruct your broker, bank or nominee to vote, it will not be counted as votes cast on this proposal and accordingly, it will make it more difficult for the NYSE voting requirement to be achieved, but if the NYSE voting requirement is achieved, it will have no effect on the outcome of the vote for this proposal; and

- with respect to the adjournment proposal, it will have no effect on the outcome of the vote for this proposal.

Colonial. If you are a Colonial shareholder and fail to vote, fail to instruct your broker, bank or nominee to vote, or abstain from voting:

- with respect to the proposal to approve and adopt the merger agreement, the parent merger pursuant to the plan of merger and the other transactions contemplated by the merger agreement, it will have the same effect as a vote AGAINST this proposal;

- with respect to the advisory (non-binding) proposal to approve compensation payable to certain executive officers of Colonial in connection with the mergers, an abstention from voting will have the same effect as voting AGAINST this proposal; if you fail to vote or fail to instruct your broker, bank or nominee to vote, your Colonial common shares will not affect whether this proposal is approved; and

- with respect to the adjournment proposal, an abstention from voting will have the same effect as voting AGAINST this proposal; if you fail to vote or fail to instruct your broker, bank or nominee to vote, your Colonial common shares will not affect whether this proposal is approved.

Q: Will my rights as a shareholder change as a result of the parent merger?

A: The rights of the MAA shareholders will be substantially unchanged as a result of the parent merger. Colonial shareholders will have different rights following the effective time of the parent merger due to the differences between the governing documents of MAA and Colonial. At the effective time of the parent merger, the charter and bylaws of MAA will thereafter be the charter and bylaws of the Combined Corporation. For more information regarding the differences in shareholder rights, see Comparison of Rights of Shareholders of MAA and Shareholders of Colonial beginning on page 182.

Q: When are the mergers expected to be completed?

A:

MAA and Colonial expect to complete the mergers as soon as reasonably practicable following satisfaction of all of the required conditions. If the shareholders of both MAA and Colonial approve the mergers, and if the other conditions to closing the mergers are satisfied or waived, it is expected that the mergers will be completed in the third quarter of 2013. However, there is no guaranty that the conditions to the mergers will be satisfied or that the mergers will close.

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Q: Do I need to do anything with my share certificates now?

A: No. You should not submit your share certificates at this time. After the parent merger is completed, if you held Colonial common shares, the exchange agent for the Combined Corporation will send you a letter of transmittal and instructions for exchanging your Colonial common shares for shares of the Combined Corporation common stock pursuant to the terms of the merger agreement. Upon surrender of a certificate or book-entry share for cancellation along with the executed letter of transmittal and other required documents described in the instructions, a Colonial shareholder will receive shares of common stock of the Combined Corporation pursuant to the terms of the merger agreement.

If you are a MAA shareholder, you are not required to take any action with respect to your MAA shares. Such shares will represent shares of the Combined Corporation after the parent merger.

Q: What are the anticipated U.S. federal income tax consequences to me of the proposed parent merger?

A: It is intended that the parent merger will qualify as a reorganization within the meaning of Section 368(a) of the Internal Revenue Code of 1986, as amended, which is referred to herein as the Code. The closing of the parent merger is conditioned on the receipt by each of MAA and Colonial of an opinion from its respective counsel to the effect that the parent merger will qualify as a reorganization within the meaning of Section 368(a) of the Code. Assuming that the parent merger qualifies as a reorganization, U.S. holders of Colonial common shares generally will not recognize gain or loss for U.S. federal income tax purposes upon the receipt of Combined Corporation common stock in exchange for Colonial common shares in connection with the parent merger, except with respect to cash received in lieu of fractional shares of Combined Corporation common stock. Holders of Colonial common shares should read the discussion under the heading The Parent Merger Material U.S. Federal Income Tax Consequences of the Parent Merger beginning on page 122 and consult their tax advisors to determine the tax consequences to them (including the application and effect of any state, local or non-U.S. income and other tax laws) of the parent merger.

Q: Are MAA and Colonial shareholders entitled to appraisal rights?

A: Each shareholder of an Alabama real estate investment trust has the same appraisal rights as a shareholder of an Alabama business corporation under the Alabama Business Corporation Law, or ABCL. Pursuant to the ABCL, holders of Colonial common shares are entitled to dissent and demand payment for their shares at fair value plus accrued interest. MAA s obligation to close the mergers will be conditioned on holders of no more than 15% of the outstanding Colonial common shares properly perfecting their right to dissent and demand cash payment for their Colonial common shares.

MAA shareholders are not entitled to exercise dissenters rights in connection with the parent merger. See Dissenters Rights beginning on page 173 for more information on the applicable provisions of the ABCL.

Q: What do I need to do now?

A: After you have carefully read this joint proxy statement/prospectus, please respond by completing, signing and dating your proxy card or voting instruction card and returning it in the enclosed preaddressed postage-paid envelope or, if available, by submitting your proxy by one of the other methods specified in your proxy card or voting instruction card as promptly as possible so that your shares of MAA common stock and/or your Colonial common shares will be represented and voted at the MAA special meeting or the Colonial special meeting, as applicable.

Please refer to your proxy card or voting instruction card forwarded by your broker, bank or other nominee to see which voting options are available to you.

The method by which you submit a proxy will in no way limit your right to vote at the MAA special meeting or the Colonial special meeting, as applicable, if you later decide to attend the meeting in person.

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However, if your shares of MAA common stock or your Colonial common shares are held in the name of a broker, bank or other nominee, you must obtain a legal proxy, executed in your favor, from your broker, bank or other nominee, to be able to vote in person at the MAA special meeting or the Colonial special meeting, as applicable.

Q: How will my proxy be voted?

A: All shares of MAA common stock entitled to vote and represented by properly completed proxies received prior to the MAA special meeting, and not revoked, will be voted at the MAA special meeting as instructed on the proxies. If you properly sign, date and return a proxy card, but do not indicate how your shares of MAA common stock should be voted on a matter, the shares of MAA common stock represented by your proxy will be voted as the MAA Board recommends and therefore **FOR** the proposal to approve the merger agreement, the parent merger and the other transactions contemplated by the merger agreement, including the issuance of shares of MAA common stock to Colonial shareholders in the parent merger, **FOR** the proposal to approve the MAA 2013 Stock Incentive Plan, and **FOR** the proposal to adjourn the MAA special meeting, if necessary or appropriate in the view of the MAA Board, to solicit additional proxies in favor of the proposals if there are not sufficient votes at the time of such adjournment to approve such proposals. If you do not provide voting instructions to your broker, bank or other nominee, your shares of MAA common stock will NOT be voted at the MAA special meeting and will be considered broker non-votes.

All Colonial common shares entitled to vote and represented by properly completed proxies received prior to the Colonial special meeting, and not revoked, will be voted at the Colonial special meeting as instructed on the proxies. If you properly sign, date and return a proxy card, but do not indicate how your Colonial common shares should be voted on a matter, the Colonial common shares represented by your proxy will be voted as the Colonial Board recommends and therefore **FOR** the proposal to approve and adopt the merger agreement, the parent merger pursuant to the plan of merger and the other transactions contemplated by the merger agreement, **FOR** the advisory (non-binding) proposal to approve compensation payable to certain executive officers of Colonial in connection with the mergers and **FOR** the proposal to approve one or more adjournments of the Colonial special meeting, if necessary or appropriate, including adjournments to permit further solicitation of proxies in favor of approval and adoption of the merger agreement, the parent merger pursuant to the plan of merger and the other transactions contemplated by the merger agreement. If you do not provide voting instructions to your broker, bank or other nominee, your Colonial common shares will NOT be voted at the Colonial special meeting and will be considered broker non-votes.

Q: Can I revoke my proxy or change my vote after I have delivered my proxy?

A: Yes. You may revoke your proxy or change your vote at any time before your proxy is voted at the MAA special meeting or the Colonial special meeting, as applicable. If you are a holder of record, you can do this in any of the three following ways:

- by sending a written notice to the corporate Secretary of MAA or the corporate Secretary of Colonial, as applicable, in time to be received before the MAA special meeting or the Colonial special meeting, as applicable, stating that you would like to revoke your proxy;
- by completing, signing and dating another proxy card and returning it by mail in time to be received before the MAA special meeting or the Colonial special meeting, as applicable, or by submitting a later dated proxy by the Internet or telephone in which case your later-submitted proxy will be recorded and your earlier proxy revoked; or
- by attending the MAA special meeting or the Colonial special meeting, as applicable, and voting in person. Simply attending the MAA special meeting or the Colonial special meeting, as applicable, without voting will not revoke your proxy or change your vote.

If your shares of MAA common stock or your Colonial common shares are held in an account at a broker, bank or other nominee and you desire to change your vote or vote in person, you should contact your broker, bank or other nominee for instructions on how to do so.

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Q: What does it mean if I receive more than one set of voting materials for the MAA special meeting or the Colonial special meeting?

A: You may receive more than one set of voting materials for the MAA special meeting and/or the Colonial special meeting, as applicable, including multiple copies of this joint proxy statement/prospectus and multiple proxy cards or voting instruction cards. For example, if you hold your shares of MAA common stock or your Colonial common shares in more than one brokerage account, you will receive a separate voting instruction card for each brokerage account in which you hold shares of MAA common stock or your Colonial common shares. If you are a holder of record and your shares of MAA common stock or Colonial common shares are registered in more than one name, you may receive more than one proxy card. Please complete, sign, date and return each proxy card and voting instruction card that you receive or, if available, please submit your proxy by telephone or over the Internet.

Q: What happens if I am a shareholder of both MAA and Colonial?

A: You will receive separate proxy cards for each entity and must complete, sign and date each proxy card and return each proxy card in the appropriate preaddressed postage-paid envelope or, if available, by submitting a proxy by one of the other methods specified in your proxy card or voting instruction card for each entity.

Q: Do I need identification to attend the MAA or Colonial special meeting in person?

A: Yes. Please bring proper identification, together with proof that you are a record owner of shares of MAA common stock or Colonial common shares, as the case may be. If your shares are held in street name, please bring acceptable proof of ownership, such as a letter from your broker or an account statement showing that you beneficially owned shares of MAA common stock or Colonial common shares, as applicable, on the applicable record date.

Q: Will a proxy solicitor be used?

A: Yes. MAA has engaged D.F. King & Co., Inc., referred to herein as D.F. King, to assist in the solicitation of proxies for the MAA special meeting, and MAA estimates it will pay D.F. King a fee of approximately $20,000. MAA has also agreed to reimburse D.F. King for reasonable out-of-pocket expenses and disbursements incurred in connection with the proxy solicitation and to indemnify D.F. King against certain losses, costs and expenses. In addition to mailing proxy solicitation material, MAA s directors, officers and employees may also solicit proxies in person, by telephone or by any other electronic means of communication deemed appropriate. No additional compensation will be paid to MAA s directors, officers or employees for such services.

Colonial has engaged Morrow & Co., LLC, referred to herein as Morrow & Co., to assist in the solicitation of proxies for the Colonial special meeting and Colonial estimates it will pay Morrow & Co. a fee of approximately $25,000. Colonial has also agreed to reimburse Morrow & Co. for reasonable out-of-pocket expenses and disbursements incurred in connection with the proxy solicitation and to indemnify Morrow & Co. against certain losses, costs and expenses. In addition to mailing proxy solicitation material, Colonial s trustees, officers and employees may also solicit proxies in person, by telephone or by any other electronic means of communication deemed appropriate. No additional compensation will be paid to Colonial s trustees, officers or employees for such services.

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Q: Who can answer my questions?

A: If you have any questions about the parent merger or the other matters to be voted on at the special meetings or how to submit your proxy or need additional copies of this joint proxy statement/prospectus, the enclosed proxy card or voting instructions, you should contact:

If you are a MAA shareholder:	If you are a Colonial shareholder:
D.F. King & Co., Inc.	Morrow & Co., LLC
48 Wall Street	470 West Avenue
New York, NY 10005	Stamford, CT 06902
Telephone:	Telephone:
Banks and brokers: (212) 269-5550	Banks and brokers: (203) 658-9400
Shareholders: (800) 628-8532	Shareholders: (800) 460-1014

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SUMMARY

The following summary highlights some of the information contained in this joint proxy statement/prospectus. This summary may not contain all of the information that is important to you. For a more complete description of the merger agreement, the mergers and the other transactions contemplated by the merger agreement, MAA and Colonial encourage you to read carefully this entire joint proxy statement/prospectus, including the attached Annexes and the other documents to which we have referred you because this section does not provide all the information that might be important to you with respect to the mergers and the other matters being considered at the applicable special meeting. See also the section entitled Where You Can Find More Information beginning on page 201. We have included page references to direct you to a more complete description of the topics presented in this summary.

The Companies

Mid-America Apartment Communities, Inc. (See page 45)

MAA is a Tennessee corporation that has elected to be taxed as a REIT under the Code. MAA owns, acquires, renovates, develops and manages apartment communities in the Sunbelt region of the United States. As of June 30, 2013, MAA owned or owned interests in a total of 163 multifamily apartment communities comprising 49,017 apartments located in 13 states, including four communities comprising 1,156 apartments owned through MAA s joint venture, Mid-America Multifamily Fund II, LLC. MAA also had two development communities under construction totaling 564 units as of June 30, 2013. Four of MAA s properties include retail components with approximately 107,000 square feet of gross leasable area.

MAA s most significant asset is its ownership interest in Mid-America Apartments, L.P., or MAA LP, a Tennessee limited partnership. MAA LP and its subsidiaries conduct the operations of a substantial majority of MAA s business, hold a substantial majority of MAA s consolidated assets and generate a substantial majority of MAA s revenues. MAA is the sole general partner of MAA LP and, as of June 30, 2013, owned 40,141,197 common units of partnership interest, or approximately 95.9% of the outstanding partnership interests of MAA LP. Prior to the effective times of the mergers, MAA will contribute all of its assets, with the exception of its ownership interest in MAA LP and certain bank accounts held by MAA, to MAA LP, and as a result, MAA will be structured as a traditional umbrella partnership REIT, or UPREIT.

MAA common stock is listed on the NYSE, trading under the symbol MAA.

MAA was incorporated in the state of Tennessee in 1993, and MAA LP was formed in the state of Tennessee in 1993. MAA s principal executive offices are located at 6584 Poplar Avenue, Memphis, Tennessee 38138, and its telephone number is (901) 682-6600. MAA had 1,384 full-time employees and 62 part-time employees as of December 31, 2012.

Martha Merger Sub, LP, or OP Merger Sub, an indirect wholly-owned subsidiary of MAA LP, is a Delaware limited partnership formed on May 30, 2013 for the purpose of effecting the partnership merger. Upon completion of the partnership merger, OP Merger Sub will be merged with and into Colonial LP, with Colonial LP surviving as an indirect wholly-owned subsidiary of MAA LP. OP Merger Sub has not conducted any activities other than those incidental to its formation and the matters contemplated by the merger agreement.

Colonial Properties Trust (See page 45)

Colonial, originally formed as a Maryland REIT on July 9, 1993 and reorganized as an Alabama REIT under the Alabama REIT statute on August 21, 1995, is a self-administered REIT that has elected to be taxed as a REIT under the Code. Colonial is a multifamily-focused self-administered and self-managed equity REIT, which

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means that it is engaged in the acquisition, development, ownership, management and leasing of multifamily apartment communities and other commercial real estate properties. As of June 30, 2013, Colonial owned or maintained a partial ownership in a total of 115 multifamily apartment communities comprising 34,577 apartments located in 11 states. Additionally, Colonial has seven commercial properties with approximately 1,194,000 square feet of gross leasable area.

Colonial s only material asset is its ownership of limited partnership interests in Colonial Realty Limited Partnership, or Colonial LP, a Delaware limited partnership formed in 1993. Colonial LP and its subsidiaries conduct all of Colonial s business, hold all of Colonial s consolidated assets and generate all of Colonial s revenues. Colonial is the sole general partner of Colonial LP and, as of June 30, 2013, owned approximately 92.5% of the outstanding partnership interests of Colonial LP.

Colonial common shares are listed on the NYSE, trading under the symbol CLP.

Colonial s principal executive offices are located at 2101 Sixth Avenue North, Suite 750, Birmingham, Alabama 35203, and its telephone number is (205) 250-8700. Colonial had 911 employees as of December 31, 2012.

The Combined Corporation (See page 46)

The Combined Corporation will be named Mid-America Apartment Communities, Inc. and will be a Tennessee corporation that is a self-administered REIT, which has elected to be taxed as a REIT under the Code. The Combined Corporation will be a Sunbelt-focused, publicly traded, multifamily REIT with enhanced capabilities to deliver value for residents, shareholders and employees. The Combined Corporation is expected to have a pro forma equity market capitalization of approximately $5.4 billion, and a total market capitalization in excess of $8.7 billion as of June 30, 2013. The Combined Corporation s asset base will consist primarily of approximately 85,000 multifamily units in 285 properties. The Combined Corporation will maintain strategic diversity across large and secondary markets within the high growth Sunbelt region of the United States. The Combined Corporation s ten largest markets will be Dallas/Ft. Worth, Atlanta, Austin, Raleigh, Charlotte, Nashville, Jacksonville, Tampa, Orlando and Houston.

The business of the Combined Corporation will be operated through MAA LP and its subsidiaries and will be structured as a traditional UPREIT. On a pro forma basis giving effect to the mergers, the Combined Corporation will own an approximate 94.6% partnership interest in MAA LP and, as its sole general partner, the Combined Corporation will have the full, exclusive and complete responsibility for and discretion in the day-to-day management and control of MAA LP.

The common stock of the Combined Corporation will be listed on the NYSE, trading under the symbol MAA.

The Combined Corporation s principal executive offices will be located at 6584 Poplar Avenue, Memphis, Tennessee 38138, and its telephone number will be (901) 682-6600.

The Mergers

The Merger Agreement (See page 147)

MAA, MAA LP, OP Merger Sub, Colonial and Colonial LP have entered into the merger agreement attached as Annex A to this joint proxy statement/prospectus, which is incorporated herein by reference. MAA and Colonial encourage you to carefully read the merger agreement in its entirety because it is the principal document governing the merger and the other transactions contemplated by the merger agreement.

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The Mergers (See page 67)

Subject to the terms and conditions of the merger agreement, at the effective time of the parent merger, Colonial will merge with and into MAA, which is referred to herein as the parent merger, with MAA surviving the parent merger, which is referred to herein as the Combined Corporation. The shares of common stock of the Combined Corporation are expected to be listed and traded on the NYSE under the symbol MAA. The merger agreement also provides for the merger, prior to the parent merger, of OP Merger Sub, a subsidiary of MAA LP, with and into Colonial LP with Colonial LP continuing as the surviving entity and an indirectly wholly owned subsidiary of MAA LP, which is referred to herein as the partnership merger, and, together with the parent merger, are referred to herein as the mergers.

Upon completion of the parent merger, we estimate that continuing MAA equity holders will own approximately 56% of the issued and outstanding common shares of the Combined Corporation, assuming the conversion of all limited partnership units of MAA LP held by existing limited partners of MAA LP to shares of Combined Corporation common stock, and former Colonial equity holders will own approximately 44% of the issued and outstanding shares of common stock of the Combined Corporation, assuming the conversion to shares of Combined Corporation common stock of all limited partnership units issued by MAA LP to former limited partners of Colonial LP.

The Merger Consideration (See page 148)

In the parent merger, each Colonial common share (other than shares with respect to which dissenters rights have been properly exercised and not withdrawn under applicable law) issued and outstanding immediately prior to the effective time of the parent merger will be converted into the right to receive 0.360 shares of MAA common stock. The exchange ratio is fixed and will not be adjusted for changes in the market value of MAA common stock or Colonial common shares. Because of this, the implied value of the consideration to be received by Colonial shareholders in the parent merger will fluctuate between now and the completion of the mergers. Based on MAA s closing price of $67.97 per share on May 31, 2013, the last trading day before the announcement of the proposed merger, the exchange ratio represented approximately $24.47 in MAA common stock for each Colonial common share. Based on MAA s closing price of $[ ] per share on [ ], 2013, the latest practicable trading day before the date of this joint proxy statement/prospectus, the exchange ratio represented approximately $[ ] in MAA common stock for each Colonial common share.

You are urged to obtain current market prices of shares of MAA common stock and Colonial common shares. You are cautioned that the trading price of the common stock of the Combined Corporation after the mergers may be affected by factors different from those currently affecting the trading prices of MAA common stock and Colonial common shares, and therefore, the historical trading prices of MAA and Colonial may not be indicative of the trading price of the Combined Corporation. See the risks related to the mergers and the related transactions described under the section Risk Factors Risk Factors Relating to the Mergers beginning on page 32.

Voting Agreements (See page 168)

Concurrently with the execution of the merger agreement, Colonial and Colonial LP entered into separate Voting Agreements with H. Eric Bolton, Jr., MAA s Chairman and Chief Executive Officer, W. Reid Sanders, a member of the MAA Board, and another shareholder of MAA who is not a director or officer of MAA, and MAA and MAA LP entered into separate Voting Agreements with Thomas H. Lowder, James K. Lowder and Harold W. Ripps, each members of the Colonial Board. As of July 16, 2013, the MAA directors and shareholders who are a party to a Voting Agreement with Colonial and Colonial LP collectively owned approximately 0.36% of the outstanding shares of MAA common stock and approximately 37.30% of the outstanding limited partnership units in MAA LP, and the Colonial trustees who are a party to a Voting Agreement with MAA and MAA LP

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collectively owned approximately 3.9% of the outstanding Colonial common shares and approximately 3.5% of the outstanding limited partnership units in Colonial LP (including the limited partnership units held by Colonial).

Pursuant to the terms of the Voting Agreements, each of the shareholder parties thereto has agreed, subject to the terms and conditions contained in each Voting Agreement, to among other things, vote all of his shares of MAA common stock, Colonial common shares, limited partnership units in MAA LP or, in the event of any vote by limited partners of Colonial LP, limited partnership units in Colonial LP, as applicable, whether currently owned or acquired at any time prior to the termination of the applicable Voting Agreement, in favor of the mergers and against any other Acquisition Proposal (as defined in the The Merger Agreement Covenants and Agreements No Solicitation of Transactions on page 156) for MAA or Colonial, as applicable, any action or agreement that would reasonably be expected to result in any condition to the consummation of the mergers not being fulfilled, and any action that could reasonably be expected to impede or materially adversely affect consummation of the transactions contemplated by the merger agreement.

Each of the shareholder parties to the Voting Agreements has also agreed to comply with certain restrictions on the transfer of his shares subject to the Voting Agreement. Each Voting Agreement entered into with MAA shareholders terminates upon the earliest to occur of: (1) the later to occur of (A) the approval and adoption of the merger agreement at the MAA special meeting, and (B) the approval of the merger agreement by the holders of limited partnership units in MAA LP; and (2) the termination of the merger agreement pursuant to its terms. Each Voting Agreement entered into with Colonial shareholders terminates upon the earliest to occur of: (1) the approval and adoption of the merger agreement at the Colonial special meeting; and (2) the termination of the merger agreement pursuant to its terms.

The foregoing summary of the Voting Agreements is subject to, and qualified in its entirety by reference to, the full text of each of the Voting Agreements. Copies of the Forms of Voting Agreement are attached as Annex C and Annex D to this joint proxy statement/prospectus and are incorporated herein by reference. For more information see Voting Agreements beginning on page 168.

Recommendation of the MAA Board (See page 87)

After careful consideration, the MAA Board has unanimously determined and declared that the merger agreement, the parent merger and the other transactions contemplated by the merger agreement, including the issuance of shares of MAA common stock to Colonial shareholders in the parent merger, which is collectively referred to herein as the MAA merger proposal, are advisable and in the best interests of MAA and its shareholders and unanimously adopted and approved the merger agreement, the parent merger and the other transactions contemplated by the merger agreement. The MAA Board unanimously recommends that MAA shareholders vote **FOR** the MAA merger proposal, **FOR** the proposal to approve the MAA 2013 Stock Incentive Plan and **FOR** the proposal to approve one or more adjournments of the special meeting, if necessary or appropriate, including adjournments to permit further solicitation of proxies in favor of approval and adoption of the merger agreement and the parent merger.

Recommendation of the Colonial Board (See page 91)

After careful consideration, and based in part on the unanimous recommendation of the transaction committee of the Colonial Board, the Colonial Board unanimously (i) determined that the parent merger (including the plan of merger) and the other transactions contemplated by the merger agreement are advisable and in the best interests of Colonial and its shareholders, (ii) approved and adopted the merger agreement and the plan of merger, (iii) directed that a proposal to approve and adopt the merger agreement and the parent merger pursuant to the plan of merger be submitted for consideration at a meeting of Colonial s shareholders and (iv) recommended the approval and adoption of the merger agreement and the parent merger pursuant to the plan

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of merger by Colonial s shareholders. The Colonial Board unanimously recommends that Colonial shareholders vote **FOR** the proposal to approve and adopt the merger agreement, the parent merger pursuant to plan of merger and the other transactions contemplated by the merger agreement, **FOR** the proposal to approve, on an advisory (non-binding) basis, the compensation payable to certain executive officers of Colonial in connection with the mergers, and **FOR** the proposal to approve one or more adjournments of the Colonial special meeting, if necessary or appropriate, including adjournments to permit further solicitation of proxies in favor of approval and adoption of the merger agreement, the parent merger pursuant to the plan of merger and the other transactions contemplated by the merger agreement.

Summary of Risk Factors Related to the Merger (See page 32)

You should consider carefully all of the risk factors together with all of the other information included in this joint proxy statement/prospectus before deciding how to vote. The risks related to the mergers and the related transactions are described under the section Risk Factors Risk Factors Relating to the Mergers beginning on page 32.

The exchange ratio is fixed and will not be adjusted in the event of any change in the share prices of either MAA or Colonial.

The parent merger and related transactions are subject to approval by shareholders of both MAA and Colonial and the partnership merger and the amendment and restatement of the limited partnership agreement of MAA LP are subject to approval by holders of limited partnership interests of MAA LP.

MAA and Colonial shareholders will be diluted by the parent merger.

If the mergers do not occur, one of the companies may incur payment obligations to the other.

Failure to complete the mergers could negatively affect the stock prices and future business and financial results of both MAA and Colonial.

The pendency of the mergers could adversely affect the business and operations of MAA and Colonial.

The merger agreement contains provisions that could discourage a potential competing acquirer of either MAA or Colonial or could result in any competing Acquisition Proposal being at a lower price than it might otherwise be.

If the mergers are not consummated by December 31, 2013, either MAA or Colonial may terminate the merger agreement.

If the parent merger does not qualify as a tax-free reorganization, Colonial or MAA shareholders may recognize a taxable gain.

Some of the directors and executive officers of MAA and trustees and executive officers of Colonial have interests in seeing the mergers completed that are different from, or in addition to, those of the other MAA shareholders and Colonial shareholders.

The MAA Special Meeting (See page 47)

The MAA special meeting will be held at MAA corporate headquarters, 6584 Poplar Avenue, Memphis, Tennessee 38138, on [ ], 2013, at [ ] a.m., Central Daylight Time.

At the MAA special meeting, MAA shareholders will be asked to consider and vote upon the following matters:

a proposal to approve the MAA merger proposal;

a proposal to approve the MAA 2013 Stock Incentive Plan; and

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a proposal to approve one or more adjournments of the MAA special meeting, if necessary or appropriate, including adjournments to permit further solicitation of proxies in favor of approval and adoption of the merger agreement and the parent merger.

Approval of the MAA merger proposal requires the affirmative vote of holders of a majority of the outstanding shares of MAA common stock.

Approval of the MAA 2013 Stock Incentive Plan requires the votes cast FOR the proposal exceed the votes cast AGAINST the proposal, and in order to satisfy the requirements of the NYSE, the total votes cast on this proposal must represent over 50% of the shares of MAA common stock entitled to vote on the proposal.

Approval of the adjournment of the MAA special meeting requires the votes cast FOR the proposal exceed the votes cast AGAINST the proposal.

At the close of business on the record date, directors and executive officers of MAA and their affiliates were entitled to vote [ ] shares of MAA common stock, or approximately [ ]% of the shares of MAA common stock issued and outstanding on that date. Messrs. Bolton and Sanders have entered into voting agreements that obligate them to vote FOR the MAA merger proposal. Additionally, MAA currently expects that the other MAA directors and executive officers will vote their shares of MAA common stock in favor of the MAA merger proposal as well as the other proposals to be considered at the MAA special meeting, although none of them is obligated to do so.

Your vote as a MAA shareholder is very important. Accordingly, please sign and return the enclosed proxy card whether or not you plan to attend the MAA special meeting in person.

The Colonial Special Meeting (See page 59)

The Colonial special meeting will be held at [ ] on [ ], 2013 at [ ], Central Daylight Time.

At the Colonial special meeting, Colonial shareholders will be asked to consider and vote upon the following matters:

a proposal to approve and adopt the merger agreement and the parent merger pursuant to the plan of merger, which we sometimes refer to as the Colonial merger proposal;

a proposal to approve, on an advisory (non-binding) basis, the compensation payable to certain executive officers of Colonial in connection with the mergers; and

a proposal to approve one or more adjournments of the Colonial special meeting, if necessary or appropriate, including adjournments to permit further solicitation of proxies in favor of approval and adoption of the merger agreement and the parent merger pursuant to the plan of merger.

Approval and adoption of the merger agreement, the parent merger pursuant to the plan of merger and the other transactions contemplated by the merger agreement, will require the affirmative vote of the holders of at least a majority of the Colonial common shares outstanding as of the record date for the Colonial special meeting.

Approval, on an advisory (non-binding) basis, of the compensation payable to certain executive officers of Colonial in connection with the mergers will require the affirmative vote of the holders of a majority of the Colonial common shares present in person or represented by proxy at the Colonial special meeting and entitled to vote on this proposal. An abstention from voting on this proposal will have the same effect as voting against this proposal.

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Approval of one or more adjournments of the Colonial special meeting, if necessary or appropriate, including adjournments to permit further solicitation of proxies in favor of approval and adoption of the merger agreement and the parent merger pursuant to the plan of merger, will require the affirmative vote of the holders of a majority of the Colonial common shares present in person or represented by proxy at the Colonial special meeting and entitled to vote on this proposal.

At the close of business on the record date, trustees and executive officers of Colonial and their affiliates were entitled to vote [ ] Colonial common shares, or approximately [ ]% of the Colonial common shares issued and outstanding on that date. Messrs. T. Lowder, J. Lowder and Ripps have entered into voting agreements that obligate them to vote FOR the Colonial merger proposal. Additionally, Colonial currently expects that the other Colonial trustees and executive officers will vote their Colonial common shares in favor of the Colonial merger proposal as well as the other proposals to be considered at the Colonial special meeting, although none of them is obligated to do so.

Your vote as a Colonial shareholder is very important. Accordingly, please sign and return the enclosed proxy card whether or not you plan to attend the Colonial special meeting in person.

Opinions of Financial Advisors

Opinion of MAA s Financial Advisor (See page 97)

J.P. Morgan Securities LLC, which we refer to herein as J.P. Morgan, rendered its oral opinion, subsequently confirmed in writing, to the MAA Board that, as of June 1, 2013, and based upon and subject to the factors and assumptions set forth in its opinion, the exchange ratio of 0.360 provided for in the parent merger was fair, from a financial point of view, to MAA. The full text of the written opinion of J.P. Morgan dated June 1, 2013, which sets forth the assumptions made, matters considered and limits on the review undertaken, is attached as Annex F to this joint proxy statement/prospectus and is incorporated herein by reference. **You are urged to read the opinion in its entirety. J.P. Morgan s written opinion is addressed to the MAA Board, is directed only to the exchange ratio in the parent merger and does not constitute a recommendation to any shareholder of MAA as to how such shareholder should vote at the MAA special meeting. The summary of the opinion of J.P. Morgan set forth in this joint proxy statement/prospectus is qualified in its entirety by reference to the full text of such opinion.**

See The Parent Merger Opinion of MAA s Financial Advisor beginning on page 97.

Opinion of Colonial s Financial Advisor (See page 103)

Colonial s financial advisor, Merrill Lynch, Pierce, Fenner & Smith Incorporated, referred to as BofA Merrill Lynch, delivered a written opinion, dated June 2, 2013, to the Colonial Board as to the fairness, from a financial point of view and as of such date, to the holders of Colonial common shares of the exchange ratio provided for in the parent merger. The full text of BofA Merrill Lynch s written opinion, dated June 2, 2013, is attached as Annex G to this joint proxy statement/prospectus and sets forth, among other things, the assumptions made, procedures followed, factors considered and limitations on the review undertaken by BofA Merrill Lynch in rendering its opinion. **BofA Merrill Lynch delivered its opinion to the Colonial Board for the benefit and use of the Colonial Board (in its capacity as such) in connection with and for purposes of its evaluation of the exchange ratio provided for in the parent merger from a financial point of view. BofA Merrill Lynch s opinion did not address any other aspect of the mergers and no opinion or view was expressed as to the relative merits of the mergers in comparison to other strategies or transactions that might be available to Colonial or in which Colonial might engage or as to the underlying business decision of Colonial to proceed with or effect the mergers. BofA Merrill Lynch also expressed no opinion or recommendation as to how any shareholder should vote or act in connection with the mergers or any other matter.**

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See The Parent Merger Opinion of Colonial s Financial Advisor beginning on page 103.

Treatment of the Colonial Equity Incentive Plans (See page 149)

At the effective time of the parent merger, the Combined Corporation will assume all outstanding options, whether or not exercisable, and restricted share awards subject to their current terms under the Colonial equity incentive plans, as adjusted for the exchange ratio. Each option so assumed by the Combined Corporation will continue to have the same terms and conditions (including vesting schedule) as were applicable under the Colonial equity incentive plans prior to the effective time of the parent merger

As of the effective time of the parent merger, all Colonial common shares subject to vesting and other restrictions under the Colonial equity incentive plans will convert into the right to receive shares of Combined Corporation common stock that are subject to the same vesting conditions and other terms and conditions as are applicable to such shares of Colonial restricted shares immediately prior to the effective time of the parent merger, as adjusted for the exchange ratio.

See The Merger Agreement Merger Consideration; Effects of the Parent Merger and the Partnership Merger Assumption of Colonial Equity Incentive Plans by MAA beginning on page 149.

Directors and Management of MAA After the Mergers (See page 148)

Immediately following the effective time of the parent merger, the MAA Board will be increased to 12 members, with the seven current MAA directors, H. Eric Bolton, Jr., Alan B. Graf, Jr., Ralph Horn, Philip W. Norwood, W. Reid Sanders, William B. Sansom and Gary Shorb, continuing as directors of the Combined Corporation. Alan B. Graf, Jr. and Ralph Horn, Co-Lead Independent Directors for MAA, will serve as Co-Lead Independent Directors for the Combined Corporation. The MAA Board will fill the five newly created vacancies by immediately appointing to the MAA Board the five members designated by the Colonial Board, Thomas H. Lowder, James K. Lowder, Claude B. Nielsen, Harold W. Ripps and John W. Spiegel, which members are referred to herein as the Colonial designees, to serve until the 2014 annual meeting of MAA s shareholders (and until their successors have been duly elected and qualified). The Colonial designees will be nominated by the MAA Board for reelection at the 2014 and 2015 annual meetings of MAA s shareholders, in all cases subject to the satisfaction and compliance of such Colonial designees with MAA s then-current corporate governance guidelines and code of business conduct and ethics.

Certain of the executive officers of MAA immediately prior to the effective time of the mergers will continue as the executive officers of the Combined Corporation following the effective time of the mergers.

Interests of MAA s Directors and Executive Officers in the Mergers (See page 115)

In considering the recommendation of the MAA Board to approve the parent merger and the other transactions contemplated by the merger agreement, MAA shareholders should be aware that certain executive officers and directors of MAA have certain interests in the mergers that may be different from, or in addition to, the interests of MAA shareholders generally. These interests may create potential conflicts of interest. The MAA Board was aware of those interests and considered them, among other matters, in reaching its decision to approve the merger agreement and the transactions contemplated thereby.

Interests of Colonial s Trustees and Executive Officers in the Mergers (See page 116)

In considering the recommendation of the Colonial Board to approve and adopt the merger agreement, the parent merger pursuant to the plan of merger and the other transactions contemplated by the merger agreement, Colonial shareholders should be aware that executive officers and trustees of Colonial have certain interests in

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the mergers that may be different from, or in addition to, the interests of Colonial shareholders generally. These interests may create potential conflicts of interest. The Colonial Board was aware of those interests and considered them, among other matters, in reaching its decision to approve and adopt the merger agreement, the parent merger pursuant to the plan of merger and the transactions contemplated by the merger agreement.

Listing of Shares of the Combined Corporation Common Stock; Delisting and Deregistration of Colonial Common Shares (See page 146)

It is a condition to the completion of the mergers that the shares of MAA common stock issuable in connection with the parent merger be approved for listing on the NYSE, subject to official notice of issuance. After the parent merger is completed, the Colonial common shares currently listed on the NYSE will cease to be listed on the NYSE and will be deregistered under the Exchange Act.

Shareholder Dissenters Rights in the Parent Merger (See page 173)

Each shareholder of an Alabama real estate investment trust has the same appraisal rights as a shareholder of an Alabama business corporation under the Alabama Business Corporation Law, or the ABCL, holders of Colonial common shares are entitled to dissent and demand payment for their shares at fair value plus accrued interest. See Dissenters Rights beginning on page 173. MAA s obligation to close the mergers will be conditioned on holders of no more than 15% of Colonial common shares properly perfecting their right to dissent and demand cash payment for their shares.

Conditions to Completion of the Mergers (See page 161)

A number of conditions must be satisfied or waived, where legally permissible, before the mergers can be consummated. These include, among others:

- approval of the merger agreement, the parent merger and the other transactions contemplated by the merger agreement by MAA shareholders and Colonial shareholders;
- approval of the partnership merger and the amendment and restatement of the MAA LP limited partnership agreement by the holders of at least 66 2/3rds of the outstanding limited partnership interests of MAA LP, excluding for purposes of the approval all limited partnership interests held by MAA;
- a Form S-4 will have been declared effective and no stop order suspending the effectiveness of such Form S-4 will have been issued and remain in effect and no proceeding to that effect shall have been commenced or threatened by the SEC and not withdrawn;
- the absence of any order or injunction issued by any governmental authority or other legal restraint or prohibition preventing the consummation of the mergers or the other transactions contemplated by the merger agreement;
- the shares of MAA common stock to be issued in connection with the parent merger will have been approved for listing on the NYSE, subject to official notice of issuance at or prior to the closing of the mergers;
- the transfer of certain assets held directly by MAA to MAA LP will have occurred; and
- certain third party consents and approvals being obtained and remaining in full force and effect, except where the failure to obtain the consent or approval would not be reasonably likely to have a material adverse effect on Colonial or MAA.

As of the date of this joint proxy statement/prospectus, all of the third party consents and approvals required as a condition to the obligation of the parties to complete the mergers as described in the final bullet point above had been obtained and not rescinded.

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Neither MAA nor Colonial can give any assurance as to when or if all of the conditions to the consummation of the mergers will be satisfied or waived or that the mergers will occur.

For more information regarding the conditions to the consummation of the mergers and a complete list of such conditions, see The Merger Agreement Conditions to Completion of the Mergers beginning on page 161.

Regulatory Approvals Required for the Mergers (See page 122)

MAA and Colonial are not aware of any material federal or state regulatory requirements that must be complied with, or approvals that must be obtained, in connection with the mergers or the other transactions contemplated by the merger agreement. See The Parent Merger Regulatory Approvals Required for the Mergers beginning on page 122.

No Solicitation and Change in Recommendation (See page 156)

Under the merger agreement, each of MAA and Colonial has agreed it will not, nor will it permit any of its subsidiaries to, authorize or permit any of its officers, trustees, directors or employees, and will use its reasonable best efforts to cause its and its subsidiaries representatives not to, directly or indirectly, (i) initiate, solicit or knowingly encourage or knowingly facilitate any inquiries or the making of any proposal or offer by or with a third party with respect to an Acquisition Proposal, (ii) engage in any negotiations concerning, or provide any confidential information or data to any person relating to an Acquisition Proposal, or knowingly facilitate any effort or attempt to make or implement an Acquisition Proposal, (iii) approve or execute or enter into any letter of intent, agreement in principle, merger agreement, asset purchase or share exchange agreement, option agreement or other similar agreement related to any Acquisition Proposal, or (iv) propose publicly or agree to do any of the foregoing.

However, prior to the approval of the parent merger and the other transactions contemplated by the merger agreement by their respective shareholders, each of MAA and Colonial may, under certain specified circumstances, engage in discussions or negotiations with and provide nonpublic information regarding itself to a third party making an unsolicited, bona fide written competing Acquisition Proposal. Under the merger agreement, Colonial is required to notify MAA promptly, and MAA is required to notify Colonial promptly, if it receives any Acquisition Proposal or inquiry or any request for nonpublic information in connection with an Acquisition Proposal.

Before the approval of the mergers and the other transactions contemplated by the merger agreement by their respective shareholders, each of the MAA Board and the Colonial Board may, under certain specified circumstances, withdraw its recommendation to its shareholders with respect to the merger if it determines in good faith, after consultation with outside legal counsel, that failure to take such action would be inconsistent with the directors or trustees , as applicable, duties under applicable law. For more information regarding the limitations on MAA, the MAA Board, Colonial and the Colonial Board to consider other Acquisition Proposals, see The Merger Agreement Covenants and Agreements No Solicitation of Transactions beginning on page 156.

Termination of the Merger Agreement (See page 164)

The merger agreement may be terminated at any time before the effective time of the partnership merger by the mutual consent of MAA and Colonial in a written instrument, which action must be taken or authorized by the MAA Board and the Colonial Board.

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In addition, either MAA or Colonial (so long as they are not at fault) may decide to terminate the merger agreement if (provided such action must be taken or authorized by the MAA Board or the Colonial Board, as applicable):

- a governmental authority of competent jurisdiction has issued an order, decree or ruling or taken any other action permanently enjoining or otherwise prohibiting the mergers, and such order, decree, ruling or other action has become final and nonappealable (provided that this termination right will not be available to a party whose failure to comply with any provision of the merger agreement was the cause of, or resulted in, such action);

- the mergers have not been consummated on or before 5:00 p.m. (New York time) December 31, 2013 (provided that this termination right will not be available to a party whose failure to comply with any provision of the merger agreement has been the cause of, or resulted in, the failure of the mergers to occur on or before such date);

- there has been a breach by the other party of any of the covenants or agreements or any of the representations or warranties set forth in the merger agreement on the part of such other party, which breach, either individually or in the aggregate, would result in, if occurring or continuing on the closing date, the failure to be satisfied of certain closing conditions, unless such breach is reasonably capable of being cured, and the other party continues to use its reasonable best efforts to cure such breach prior to December 31, 2013 (provided that this termination right will not be available to a party that is in breach of any of its own respective representations, warranties, covenants or agreements set forth in the merger agreement such that certain closing conditions are not satisfied);

- shareholders of either MAA or Colonial fail to approve the parent merger and the other transactions contemplated by the merger agreement at the duly convened MAA special meeting or Colonial special meeting, as applicable (provided that this termination right will not be available to a party if the failure to obtain that party s shareholder approval was primarily due to that party s material breach of certain provisions of the merger agreement); or

- holders of at least 66 2/3rds of the outstanding limited partnership interests of MAA LP, excluding for purposes of the approval all limited partnership interests held by MAA, fail to approve the partnership merger, the other transactions contemplated by the merger agreement and the amendment and restatement of the MAA LP limited partnership agreement prior to, or contemporaneously with, the MAA special meeting (provided that this termination right will not be available to MAA where a failure to obtain the approval of holders of limited partnership units in MAA LP was primarily caused by any action or failure to act of a MAA party that constitutes a material breach of the merger agreement).

MAA may also decide to terminate the merger agreement if:

- at any time prior to the approval of the parent merger and the other transactions contemplated by the merger agreement by the MAA shareholders, in order to enter into any alternative acquisition agreement with respect to a Superior Proposal (as defined below in The Merger Agreement Covenants and Agreements No Solicitation of Transactions); provided, that such termination will be null and void unless MAA concurrently pays the termination fee plus the expense reimbursement described below under Termination Fee and Expenses Payable by MAA to Colonial ; or

- (i) the Colonial Board has made a Colonial board change in recommendation and MAA terminates the merger agreement within 10 business days of the date MAA receives notice of the change, or (ii) the Colonial parties have materially breached any of their obligations under the provisions of the merger agreement regarding no solicitation of transactions by the Colonial parties (other than any immaterial or inadvertent breaches thereof not intended to result in an Acquisition Proposal).

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Colonial has reciprocal termination rights with respect to the merger agreement as MAA described above.

For more information regarding the rights of MAA and Colonial to terminate the merger agreement, see The Merger Agreement Termination of the Merger Agreement beginning on page 164.

Termination Fee and Expenses (See page 165)

Generally, all fees and expenses incurred in connection with the mergers and the transactions contemplated by the merger agreement will be paid by the party incurring those fees and expenses. However, if the merger agreement is terminated because either party fails to obtain the approval of its shareholders, among other reasons, such party will be required to pay the other party reasonable documented out-of-pocket expenses actually incurred up to a maximum of $10 million. In certain other circumstances, either MAA or Colonial may be obligated to pay the other a termination fee of $75 million plus reasonable documented out-of-pocket expenses actually incurred up to a maximum of $10 million.

For more information regarding the termination fee and expense reimbursement, see The Merger Agreement Termination of the Merger Agreement Termination Fee and Expenses Payable by Colonial to MAA beginning on page 165 and The Merger Agreement Termination of the Merger Agreement Termination Fee and Expenses Payable by MAA to Colonial beginning on page 166.

Litigation Relating to the Mergers (See page 146)

On June 19, 2013, a putative class action and derivative lawsuit was filed in the Circuit Court for Jefferson County, Alabama against and purportedly on behalf of Colonial captioned *Williams v. Colonial Properties Trust, et al*. The complaint names as defendants Colonial, the members of the Colonial Board, Colonial LP, MAA, MAA LP and OP Merger Sub and alleges that the trustees of Colonial breached their fiduciary duties by engaging in an unfair process leading to the merger agreement, failing to secure and obtain the best price reasonable for Colonial shareholders, allowing preclusive deal protection devices in the merger agreement, and by engaging in conflicted actions. The complaint alleges that Colonial LP, MAA, MAA LP and OP Merger Sub aided and abetted those breaches of fiduciary duties. The complaint seeks a declaration that defendants have breached their fiduciary duties or aided and abetted such breaches and that the merger agreement is unlawful and unenforceable, an order enjoining the consummation of the mergers, direction of the Colonial trustees to exercise their fiduciary duties to obtain a transaction that is in the best interests of Colonial, rescission of the mergers in the event they are consummated, an award of costs and disbursements, including reasonable attorneys and experts fees, and other relief. On July 2, 2013, plaintiff moved for expedited fact discovery and for an expedited schedule for filing and hearing a preliminary motion to enjoin the mergers; on July 11, 2013, defendants opposed those motions and moved to stay fact discovery. On July 11, 2013, defendants also moved to dismiss the complaint for failure to state a claim upon which relief can be granted on the grounds that (1) the claims against the Colonial trustees are derivative and not direct, and plaintiff did not comply with Alabama law on serving notice of the claims on Colonial prior to filing; and (2) Alabama law does not recognize a cause of action in aiding and abetting a breach of fiduciary duty. The Court has scheduled a motions hearing for August 8, 2013.

Material U.S. Federal Income Tax Consequences of the Parent Merger (See page 122)

Colonial and MAA intend that the parent merger of Colonial with and into MAA will qualify as a reorganization within the meaning of Section 368(a) of the Code. The closing of the parent merger is conditioned on the receipt by each of MAA and Colonial of an opinion from its respective counsel to the effect that the parent merger will qualify as a reorganization within the meaning of Section 368(a) of the Code. Assuming that the parent merger qualifies as a reorganization, U.S. holders of Colonial common shares generally will not recognize gain or loss for U.S. federal income tax purposes upon the receipt of Combined Corporation common stock in exchange for Colonial common shares in connection with the parent merger, except with respect to cash received in lieu of fractional shares of Combined Corporation common stock.

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For further discussion of the material U.S. federal income tax consequences of the parent merger and the ownership of common stock of the Combined Corporation, see The Parent Merger Material U.S. Federal Income Tax Consequences of the Parent Merger beginning on page 122.

Holders of Colonial common shares should consult their tax advisors to determine the tax consequences to them (including the application and effect of any state, local or non-U.S. income and other tax laws) of the parent merger.

Accounting Treatment of the Mergers (See page 145)

MAA prepares its financial statements in accordance with accounting principles generally accepted in the United States, which we refer to as GAAP. The parent merger will be accounted for by applying the acquisition method. See The Parent Merger Accounting Treatment.

Comparison of Rights of Shareholders of MAA and Shareholders of Colonial (See page 182)

If the parent merger is consummated, shareholders of Colonial will become shareholders of MAA. The rights of Colonial shareholders are currently governed by and subject to the provisions of the Alabama Real Estate Investment Trust Law, or the AREITL, and the declaration of trust and bylaws of Colonial. Upon consummation of the parent merger, the rights of the former Colonial shareholders who receive MAA common stock will be governed by the Tennessee Business Corporation Act, or the TBCA, and the MAA charter and MAA bylaws, rather than the declaration of trust and bylaws of Colonial.

For a summary of certain differences between the rights of MAA shareholders and Colonial shareholders, see Comparison of Rights of Shareholders of MAA and Shareholders of Colonial beginning on page 182.

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Selected Historical Financial Information of MAA

The following table sets forth selected consolidated financial information for MAA. The selected statement of income data for each of the years in the five-year period ended December 31, 2012 and the selected balance sheet data as of December 31 for each of the years in the five-year period ended December 31, 2012 have been derived from MAA s audited consolidated financial statements incorporated herein by reference. The selected statement of income data for the three months ended March 31, 2013 and 2012 and the selected balance sheet data as of March 31, 2013 have been derived from MAA s unaudited consolidated financial statements incorporated herein by reference. The following information should be read together with MAA s Annual Report on Form 10-K for the year ended December 31, 2012, MAA s Quarterly Report on Form 10-Q for the quarter ended March 31, 2013, and the other information that MAA has filed with the SEC and incorporated herein by reference. See Where You Can Find More Information beginning on page 201.

	As of and for the Three Months Ended March 31,		As of and for the Year Ended December 31,				
	2013	2012	2012	2011	2010	2009	2008
	(Dollars in thousands except per share data)						
Operating Data:							
Total operating revenues	$ 133,367	$ 116,286	$ 497,165	$ 430,806	$ 380,138	$ 357,093	$ 348,644
Expenses:							
Property operating expenses	52,777	48,338	203,326	182,577	163,588	149,516	144,866
Depreciation and amortization	33,433	29,718	126,136	110,870	98,384	90,464	84,706
Acquisition expenses	10	(634)	1,581	3,319	2,512	950	
Property management and general and administrative expenses	8,570	8,901	35,846	38,823	30,389	28,540	28,636
Income from continuing operations before non-operating items	38,577	29,963	130,276	95,217	85,265	87,623	90,436
Interest and other non-property income	47	142	430	802	903	385	509
Interest expense	(15,716)	(14,110)	(58,751)	(57,415)	(54,632)	(55,412)	(58,497)
(Loss) gain on debt extinguishment	(169)	20	(654)	(755)		(140)	(116)
Amortization of deferred financing costs	(804)	(771)	(3,552)	(2,902)	(2,627)	(2,374)	(2,307)
Incentive fees from real estate joint ventures							
Asset impairment							
Net casualty (loss) gains and other settlement proceeds	16	(4)	(6)	(619)	314	34	(117)
Gains on sale of non-depreciable and non-real estate assets			45	1,084		15	(3)
Gains on properties contributed to joint ventures					752		
Income from continuing operations before investments in real estate joint ventures	21,951	15,240	67,788	35,412	29,975	30,131	29,905
(Loss) gain from real estate joint ventures	54	(31)	(223)	(593)	(1,149)	(816)	(844)
Income from continuing operations	22,005	15,209	67,565	34,819	28,826	29,315	29,061
Discontinued operations:							
Income from discontinued operations before gain (loss) on sale		430	625	3,613	2,051	5,257	3,130
Gains (loss) on sale of discontinued operations		9,429	41,635	12,799	(2)	4,649	(120)
Consolidated net income	22,005	25,068	109,825	51,231	30,875	39,221	32,071
Net income attributable to noncontrolling interests	(825)	(1,178)	(4,602)	(2,410)	(1,114)	(2,010)	(1,822)
Net income attributable to Mid-America Apartment Communities, Inc.[1]	21,180	23,890	105,223	48,821	29,761	37,211	30,249
Preferred dividend distributions					6,549	12,865	12,865
Premiums and original issuance costs associated with the redemption of preferred stock					5,149		
Net income available for common shareholders	$ 21,180	$ 23,890	$ 105,223	$ 48,821	$ 18,063	$ 24,346	$ 17,384

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	As of and for the Three Months Ended March 31,		As of and for the Year Ended December 31,				
	2013	2012	2012	2011	2010	2009	2008
	(Dollars in thousands except per share data)						
Per Share Data:							
Weighted average shares outstanding (in thousands):							
Basic	42,354	39,505	41,039	36,995	31,856	28,341	26,943
Effect of dilutive stock options and partnership units[5]	1,795	2,038	1,898	2,092	121	76	141
Diluted	44,149	41,543	42,937	39,087	31,977	28,417	27,084
Income from continuing operations, adjusted	$ 21,160	$ 14,502	$ 64,761	$ 33,059	$ 15,754	$ 14,641	$ 14,556
Income from discontinued operations, adjusted		9,360	40,437	15,521	2,301	9,504	2,646
Net income attributable to common shareholders, adjusted	$ 21,160	$ 23,862	$ 105,198	$ 48,580	$ 18,055	$ 24,145	$ 17,202
Earnings per share basic:							
Income from continuing operations available for common shareholders	$ 0.50	$ 0.37	$ 1.58	$ 0.90	$ 0.50	$ 0.51	$ 0.54
Discontinued property operations		0.23	0.98	0.42	0.07	0.34	0.10
Net income available for common shareholders	$ 0.50	$ 0.60	$ 2.56	$ 1.32	$ 0.57	$ 0.85	$ 0.64
Earnings per share diluted:							
Income from continuing operations available for common shareholders	$ 0.50	$ 0.37	$ 1.57	$ 0.89	$ 0.49	$ 0.52	$ 0.54
Discontinued property operations		0.23	0.99	0.42	0.07	0.33	0.10
Net income available for common shareholders	$ 0.50	$ 0.60	$ 2.56	$ 1.31	$ 0.56	$ 0.85	$ 0.64
Dividends declared[1]	$ 0.6950	$ 0.6600	$ 2.6750	$ 2.5425	$ 2.4725	$ 2.4600	$ 2.4600
Balance Sheet Data:							
Real estate owned, at cost	$ 3,789,052	$ 3,409,068	$ 3,734,544	$ 3,396,934	$ 2,958,765	$ 2,707,300	$ 2,529,522
Real estate assets, net	$ 2,716,270	$ 2,417,265	$ 2,694,071	$ 2,423,808	$ 2,084,863	$ 1,933,863	$ 1,850,175
Total assets	$ 2,775,008	$ 2,527,410	$ 2,751,068	$ 2,530,468	$ 2,176,048	$ 1,986,826	$ 1,921,955
Total debt	$ 1,691,253	$ 1,540,056	$ 1,673,848	$ 1,649,755	$ 1,500,193	$ 1,399,596	$ 1,323,056
Noncontrolling interest	$ 30,129	$ 29,192	$ 31,058	$ 25,131	$ 22,125	$ 22,660	$ 25,648
Total Mid-America Apartment Communities, Inc. shareholders equity and redeemable stock	$ 937,375	$ 838,972	$ 918,765	$ 722,368	$ 522,267	$ 433,368	$ 418,774
Other Data (at end of period):							
Market capitalization (shares and units)[2]	$ 3,065,641	$ 2,873,983	$ 2,852,113	$ 2,558,107	$ 2,353,115	$ 1,671,036	$ 1,293,145
Ratio of total debt to total capitalization[3]	35.6%	34.9%	37.0%	39.2%	38.9%	45.6%	50.6%
Number of properties, including joint venture ownership interest[4]	166	167	166	167	157	147	145
Number of apartment units, including joint venture ownership interest[4]	49,697	48,685	49,591	49,133	46,310	43,604	42,554

(1) Beginning in 2006, at their regularly scheduled meetings, the MAA Board began routinely declaring dividends for payment in the following quarter. This can result in dividends declared during a calendar year being different from dividends paid during a calendar year.

(2) Market capitalization includes all series of preferred shares (value based on $25 per share liquidation preference) and common shares, regardless of classification on balance sheet, as well as partnership units (value based on common stock equivalency).

(3) Total capitalization is market capitalization plus total debt.

(4) Property and apartment unit totals have not been adjusted to exclude properties held for sale.

(5) See EPS note in Part 8. Financial Statements and Supplementary Data Notes to Consolidated Financial Statements, Note 1.

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Selected Historical Financial Information of Colonial

The following table sets forth selected consolidated financial information for Colonial. The selected income statement data for each of the fiscal years ended December 31, 2012, 2011 and 2010 and the selected balance sheet data as of December 31, 2012 and 2011 have been derived from Colonial s audited consolidated financial statements incorporated herein by reference. The selected income statement data for each of the fiscal years ended December 31, 2009 and 2008 and the selected balance sheet data as of December 31, 2010, 2009 and 2008 have been derived from Colonial s historical audited financial statements, which are not included in this joint proxy/solicitation. The selected statement of income data for the three months ended March 31, 2013 and 2012 and the selected balance sheet data as of March 31, 2013 have been derived from Colonial s unaudited consolidated financial statements incorporated herein by reference. The following information should be read together with Colonial s Annual Report on Form 10-K for the year ended December 31, 2012, Colonial s Quarterly Report on Form 10-Q for the quarter ended March 31, 2013, and the other information that Colonial has filed with the SEC and incorporated herein by reference. See Where You Can Find More Information beginning on page 201.

	As of and for the Three Months Ended March 31,		As of and for the Year Ended December 31,				
	2013	2012	2012	2011	2010	2009	2008
	(dollars in thousands, except where indicated and except per share data)						
OPERATING DATA[1]							
Total revenues	$ 103,886	$ 93,997	$ 393,544	$ 353,389	$ 324,083	$ 303,927	$ 311,612
Expenses:							
Depreciation and amortization	33,401	31,423	127,115	120,921	113,012	103,100	93,761
Impairment, legal contingencies and other losses[2]	90	500	26,013	5,736	1,308	10,388	93,116
Other operating	50,224	47,191	196,974	177,772	167,126	161,732	170,223
Income (loss) from operations	20,171	14,883	43,442	48,960	42,637	28,707	(45,488)
Interest expense	22,195	23,053	92,085	86,573	83,091	86,069	71,323
Debt cost amortization	1,377	1,433	5,697	4,767	4,618	4,941	5,019
Interest income	761	1,028	2,569	1,521	1,580	1,424	2,774
Gain (loss) on sale of property	10	(227)	(4,306)	115	(1,391)	10,421	6,776
Gain on retirement of debt					1,044	56,427	15,951
Other income, net	482	485	30,955	16,625	1,992	7,063	12,080
(Loss) income from continuing operations	(2,148)	(8,317)	(25,122)	(24,119)	(41,847)	13,032	(84,249)
Income from discontinued operations[2]	8,299	1,864	33,987	30,298	3,304	2,146	33,726
Dividends to preferred shareholders					5,649	8,142	8,773
Preferred unit repurchase gains				2,500	3,000		
Preferred share/unit issuance costs write-off				(1,319)	(4,868)	25	(27)
Distributions to preferred unitholders				3,586	7,161	7,250	7,251
Net income (loss) available to common shareholders[2]	$ 5,576	$ (5,974)	$ 8,160	$ 3,428	$ (48,054)	$ (509)	$ (55,429)
Income (loss) per share basic:							
Continuing Operations	$ (0.03)	$ (0.09)	$ (0.27)	$ (0.30)	$ (0.71)	$ (0.10)	$ (1.79)
Discontinued Operations	0.09	0.02	0.36	0.34	0.04	0.09	0.60
Net income (loss) per share basic[3]	$ 0.06	$ (0.07)	$ 0.09	$ 0.04	$ (0.67)	$ (0.01)	$ (1.19)
Income (loss) per share diluted:							
Continuing Operations	$ (0.03)	$ (0.09)	$ (0.27)	$ (0.30)	$ (0.71)	$ (0.10)	$ (1.79)
Discontinued Operations	0.09	0.02	0.36	0.34	0.04	0.09	0.60
Net income (loss) per share diluted[3]	$ 0.06	$ (0.07)	$ 0.09	$ 0.04	$ (0.67)	$ (0.01)	$ (1.19)
Dividends declared per common share	$ 0.21	$ 0.18	$ 0.72	$ 0.60	$ 0.60	$ 0.70	$ 1.75
BALANCE SHEET DATA							
Land, buildings and equipment, net[4]	$ 3,034,617	$ 3,066,202	$ 2,777,810	$ 2,724,104	$ 2,706,988	$ 2,755,644	$ 2,665,700
Total assets	3,193,092	3,273,309	3,286,208	3,258,605	3,171,134	3,172,632	3,155,169

Total long-term liabilities	1,758,780	1,801,759	1,831,992	1,759,727	1,761,571	1,704,343	1,762,019
Redeemable preferred stock						4	4

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	As of and for the Three Months Ended March 31,		As of and for the Year Ended December 31,				
	2013	2012	2012	2011	2010	2009	2008
	(dollars in thousands, except where indicated and except per share data)						
OTHER DATA							
Funds from operations[5]*	$ 31,811	$ 28,047	$ 92,461	$ 104,712	$ 81,310	$ 129,808	$ 920
Cash flow provided by (used in)							
Operating activities	44,526	33,302	137,108	118,086	109,707	108,594	117,659
Investing activities	56,860	(50,935)	(143,612)	(175,639)	(102,287)	(166,466)	(167,497)
Financing activities	(104,399)	16,611	11,726	59,051	(7,056)	53,277	(34,010)
Total properties (at end of year)	125	153	125	153	156	156	192

(1) All periods have been adjusted in accordance with ASC 205-20, Discontinued Operations.

(2) The three months ended March 31, 2013 and 2012 do not include non-cash impairment charges. For 2012, 2011, 2010, 2009 and 2008, includes $7.0 million, $0.2 million, $0.3 million, $12.3 million, including $2.1 million presented in Discontinued Operations, and $116.9 million, including $25.5 million presented in Discontinued Operations, respectively, in non-cash impairment charges.

(3) All periods have been adjusted to reflect the adoption of ASC 260, Earnings per Share.

(4) Subsequent to March 31, 2013, Colonial sold a commercial property with net book value of $133.4 million, resulting in a gain of $9.4 million.

(5) Funds from Operations (FFO), as defined by the National Association of Real Estate Investment Trusts (NAREIT), means income (loss) before noncontrolling interest (determined in accordance with GAAP), excluding sales of depreciated property and impairment write-downs of depreciable real estate, plus real estate depreciation and amortization and after adjustments for unconsolidated partnerships and joint ventures. FFO is presented to assist investors in analyzing our performance. Colonial believes that FFO is useful to investors because it provides an additional indicator of our financial and operating performance. This is because, by excluding the effect of real estate depreciation and amortization, gains (or losses) from sales of properties and impairment write-downs of depreciable real estate (all of which are based on historical costs which may be of limited relevance in evaluating current performance), FFO can facilitate comparison of operating performance among equity REITs. FFO is a widely recognized measure in the company s industry. Colonial believes that the line on our consolidated statements of operations entitled net income (loss) available to common shareholders is the most directly comparable GAAP measure to FFO. Historical cost accounting for real estate assets implicitly assumes that the value of real estate assets diminishes predictably over time. Since real estate values instead have historically risen or fallen with market conditions, many industry investors and analysts have considered presentation of operating results for real estate companies that use historical cost accounting to be insufficient by themselves. Thus, NAREIT created FFO as a supplemental measure of REIT operating performance that excludes historical cost depreciation, among other items, from GAAP net income. Colonial management believes that the use of FFO, combined with the required primary GAAP presentations, has been fundamentally beneficial, improving the understanding of operating results of REITs among the investing public and making comparisons of REIT operating results more meaningful. Colonial management uses FFO and FFO per share, along with other measures, to assess performance in connection with evaluating and granting incentive compensation to key employees. Colonial s method of calculating FFO may be different from methods used by other REITs and, accordingly, may not be comparable to such other REITs. FFO should not be considered (A) as an alternative to net income (determined in accordance with GAAP), (B) as an indicator of financial performance, (C) as cash flow from operating activities (determined in accordance with GAAP) or (D) as a measure of liquidity nor is it indicative of sufficient cash flow to fund all of the company s needs, including our ability to make distributions.

* Non-GAAP financial measure. See Item 7 Management s Discussion and Analysis of Financial Condition and Results of Operations Funds from Operations of Colonial s Annual Report on Form 10-K for the year ended December 31, 2012, which is incorporated herein by reference, for reconciliation.

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Selected Unaudited Pro Forma Consolidated Financial Information (See page F-1)

The following table shows summary unaudited pro forma condensed consolidated financial information about the combined financial condition and operating results of MAA and Colonial after giving effect to the mergers. The unaudited pro forma financial information assumes that the mergers are accounted for by applying the acquisition method. The unaudited pro forma condensed consolidated balance sheet data gives effect to the mergers as if they had occurred on March 31, 2013. The unaudited pro forma condensed consolidated statement of income data gives effect to the mergers as if they had occurred on January 1, 2012, in each case based on the most recent valuation data available. The summary unaudited pro forma condensed consolidated financial information listed below has been derived from and should be read in conjunction with (1) the more detailed unaudited pro forma condensed consolidated financial information, including the notes thereto, appearing elsewhere in this joint proxy statement/prospectus and (2) the historical consolidated financial statements and related notes of both MAA and Colonial, incorporated herein by reference. See Unaudited Pro Forma Condensed Consolidated Financial Statements beginning on page F-1 and Where You Can Find More Information beginning on page 201.

	For the Three Months Ended March 31, 2013 (Dollars in thousands except per share data)			
	MAA	Colonial	Pro forma adjustments	MAA Pro forma
Operating Data				
Total Operating Revenues	$ 133,367	$ 103,885	$ (657)	$ 236,595
Property Operating Expenses	52,777	40,808		93,585
Depreciation and Amortization	33,433	33,401	4,528	71,362
Interest Expense	15,716	22,195	(4,078)	33,833
Net income from continuing operations available for common shareholders	21,180	(2,102)	(27)	19,051
Per Share Data				
Net income (loss) from continuing operations per share attributable to common shares basic	$ 0.50	$ (0.03)		$ 0.26
Net income (loss) from continuing operations per share attributable to common shares diluted	$ 0.50	$ (0.03)		$ 0.26
Weighted average common shares outstanding basic	42,354	87,791		73,959
Weighted average common shares outstanding diluted	44,149	87,791		78,859
Balance Sheet Data				
Real estate assets, net	$ 2,716,270	$ 3,042,319	$ 1,033,983	$ 6,792,572
Total assets	2,775,008	3,193,093	1,135,785	7,103,886
Total debt	1,691,253	1,758,780	97,293	3,547,326
Total equity	962,313	1,133,090	1,173,456	3,268,859

	For the Year Ended December 31, 2012 (Dollars in thousands except per share data)			
	MAA	Colonial	Pro forma adjustments	MAA Pro forma
Operating Data				
Total Operating Revenues	$ 497,165	$ 393,545	$ (2,627)	$ 888,083
Property Operating Expenses	203,326	161,124		364,450
Depreciation and Amortization	126,136	127,115	82,068	335,319
Interest Expense	58,751	92,085	(15,521)	135,315
Net income (loss) from continuing operations available for common shareholders	64,821	(23,272)	(61,266)	(19,717)

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	For the Three Months Ended March 31, 2013 (Dollars in thousands except per share data)			
	MAA	Colonial	Pro forma adjustments	MAA Pro forma
Per Share Data				
Net income (loss) from continuing operations per share attributable to common shares basic	$ 1.58	$ (0.27)		$ (0.27)
Net income (loss) from continuing operations per share attributable to common shares diluted	$ 1.57	$ (0.27)		$ (0.27)
Weighted average common shares outstanding basic	41,039	87,251		72,450
Weighted average common shares outstanding diluted	42,937	87,251		72,450

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Unaudited Comparative Per Share Information

The following table sets forth for the three months ended March 31, 2013 and the year ended December 31, 2012 selected per share information for MAA common stock on a historical and pro forma combined basis and for Colonial common shares on a historical and pro forma equivalent basis. Except for the historical information as of and for the year ended December 31, 2012, the information in the table is unaudited. You should read the table below together with the historical consolidated financial statements and related notes of MAA and Colonial contained in their respective Quarterly Reports on Form 10-Q for the three months ended March 31, 2013 and in their respective Annual Reports on Form 10-K for the year ended December 31, 2012, which are incorporated by reference into this joint proxy statement/prospectus. See Where You Can Find More Information beginning on page 201.

The Colonial pro forma equivalent per common share amounts were calculated by multiplying the MAA pro forma amounts by the exchange ratio of 0.360.

	MAA		Colonial	
	Historical	Pro Forma Combined	Historical	Pro Forma Equivalent
For the Three Months Ended March 31, 2013				
Income (loss) from continuing operations available for common shareholders per common share, basic	$ 0.50	$ 0.26	$ (0.03)	$ 0.09
Income (loss) from continuing operations available for common shareholders per common share, diluted	$ 0.50	$ 0.26	$ (0.03)	$ 0.09
Cash dividends declared per common share	$ 0.6950	$ 0.6950	$ 0.21	$ 0.25
As of March 31, 2013				
Book value per share	$ 22.55	$ 43.84	$ 12.80	$ 15.69
For the Year Ended December 31, 2012				
Income (loss) from continuing operations available for common shareholders per common share, basic	$ 1.58	$ (0.27)	$ (0.27)	$ (0.10)
Income (loss) from continuing operations available for common shareholders per common share, diluted	$ 1.57	$ (0.27)	$ (0.27)	$ (0.10)
Cash dividends declared per common share	$ 2.64	$ 2.64	$ 0.72	$ 0.95

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RISK FACTORS

In addition to the other information included in this joint proxy statement/prospectus, including the matters addressed in the section entitled Cautionary Statement Concerning Forward-Looking Statements, whether you are a MAA shareholder or Colonial shareholder, you should carefully consider the following risks before deciding how to vote. In addition, you should read and consider the risks associated with each of the businesses of MAA and Colonial because these risks will also affect the Combined Corporation. These risks can be found in the respective Annual Reports on Form 10-K for the year ended December 31, 2012 and subsequent Quarterly Reports on Form 10-Q of MAA and Colonial, each of which is filed with the SEC and incorporated by reference into this joint proxy statement/prospectus. You should also read and consider the other information in this joint proxy statement/prospectus and the other documents incorporated by reference into this joint proxy statement/prospectus. See Where You Can Find More Information beginning on page 201.

Risk Factors Relating to the Mergers

The exchange ratio is fixed and will not be adjusted in the event of any change in the share prices of either MAA or Colonial.

Upon the consummation of the parent merger, each Colonial common share (other than shares with respect to which dissenters rights have been properly exercised and not withdrawn under the ABCL) will be converted into the right to receive 0.360 shares of MAA common stock, with cash paid in lieu of any fractional shares. This exchange ratio was fixed in the merger agreement and will not be adjusted for changes in the market prices of either shares of MAA common stock or Colonial common shares. Changes in the market price of shares of MAA common stock prior to the parent merger will affect the market value of the merger consideration that Colonial shareholders will receive on the closing date of the parent merger. Stock price changes may result from a variety of factors (many of which are beyond the control of MAA and Colonial), including the following factors:

- market reaction to the announcement of the mergers;
- changes in the respective businesses, operations, assets, liabilities and prospects of MAA and Colonial;
- changes in market assessments of the business, operations, financial position and prospects of either company or the Combined Corporation;
- market assessments of the likelihood that the mergers will be completed;
- interest rates, general market and economic conditions and other factors generally affecting the market prices of MAA common stock and Colonial common shares;
- federal, state and local legislation, governmental regulation and legal developments in the businesses in which MAA and Colonial operate; and
- other factors beyond the control of MAA and Colonial, including those described or referred to elsewhere in this Risk Factors section.

The market price of shares of MAA common stock at the closing of the parent merger may vary from its price on the date the merger agreement was executed, on the date of this joint proxy statement/prospectus and on the date of the special meetings of Colonial and MAA. As a result, the market value of the merger consideration represented by the exchange ratio will also vary. For example, based on the range of trading prices of shares of MAA common stock during the period after May 31, 2013, the last trading day before Colonial and MAA announced the mergers, through [ ], 2013, the latest practicable date before the date of this joint proxy statement/prospectus, the exchange ratio of 0.360 represented a market value ranging from a low of $[ ] to a high of $[ ].

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Because the parent merger will be completed after the date of the MAA and Colonial special meetings, at the time of your special meeting, you will not know the exact market value of the shares of MAA common stock that Colonial shareholders will receive upon completion of the parent merger. You should consider the following two risks:

- If the market price of shares of MAA common stock increases between the date the merger agreement was signed or the date of the MAA and Colonial special meetings and the closing of the parent merger, Colonial shareholders will receive shares of MAA common stock that have a market value upon completion of the parent merger that is greater than the market value of such shares calculated pursuant to the exchange ratio on the date the merger agreement was signed or on the date of the special meetings, respectively.

- If the market price of shares of MAA common stock declines between the date the merger agreement was signed or the date of the MAA and Colonial special meetings and the closing of the parent merger, Colonial shareholders will receive shares of MAA common stock that have a market value upon completion of the parent merger that is less than the market value of such shares calculated pursuant to the exchange ratio on the date the merger agreement was signed or on the date of the special meetings, respectively.

Therefore, while the number of shares of MAA common stock to be issued per share of Colonial common shares is fixed, (1) MAA shareholders cannot be sure of the market value of the consideration that will be paid to Colonial shareholders upon completion of the parent merger and (2) Colonial shareholders cannot be sure of the market value of the consideration they will receive upon completion of the parent merger.

The parent merger and related transactions are subject to approval by shareholders of both MAA and Colonial and the partnership merger and the amendment and restatement of the limited partnership agreement of MAA LP are subject to approval by holders of limited partnership interests of MAA LP.

In order for the parent merger to be completed, both MAA shareholders and Colonial shareholders must approve the parent merger and the other transactions contemplated by the merger agreement and holders of limited partnership interests of MAA LP must approve the partnership merger and the amendment and restatement of the limited partnership agreement of MAA LLP. Approval of the parent merger requires (i) the affirmative vote of a majority of the shares of MAA common stock outstanding and entitled to vote on the proposal; and (ii) the affirmative vote of a majority of the Colonial common shares outstanding as of the record date for the Colonial special meeting. Approval of the partnership merger and the amendment and restatement of the limited partnership agreement of MAA requires the approval of holders of at least 66 2/3rds of the outstanding limited partnership interests of MAA LP, excluding for purposes of the approval all limited partnership interests held by MAA.

MAA and Colonial shareholders will be diluted by the parent merger.

The parent merger will dilute the ownership position of the MAA shareholders and result in Colonial shareholders having an ownership stake in the Combined Corporation that is smaller than their current stake in Colonial. Upon completion of the parent merger, we estimate that continuing MAA equity holders will own approximately 56% of the issued and outstanding shares of Combined Corporation common stock, assuming the conversion of all limited partnership units of MAA LP held by existing limited partners of MAA LP to shares of Combined Corporation common stock, and former Colonial equity holders will own approximately 44% of the issued and outstanding shares of common stock of the Combined Corporation, assuming the conversion to shares of Combined Corporation common stock of all limited partnership units issued by MAA LP to former limited partners of Colonial LP. Consequently, MAA shareholders and Colonial shareholders, as a general matter, will have less influence over the management and policies of the Combined Corporation after the effective time of the parent merger than each currently exercise over the management and policies of MAA and Colonial, as applicable.

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If the mergers do not occur, one of the companies may incur payment obligations to the other.

If the merger agreement is terminated under certain circumstances, MAA or Colonial may be obligated to pay the other party a termination fee of $75 million and/or up to $10 million in expense reimbursement. See The Merger Agreement Termination of the Merger Agreement Termination Fee and Expenses Payable by Colonial to MAA beginning on page 165 and The Merger Agreement Termination of the Merger Agreement Termination Fee and Expenses Payable by MAA to Colonial beginning on page 166.

Failure to complete the mergers could negatively affect the stock prices and the future business and financial results of both MAA and Colonial.

If the mergers are not completed, the ongoing businesses of MAA and Colonial could be adversely affected and each of MAA and Colonial will be subject to a variety of risks associated with the failure to complete the mergers, including the following:

- MAA or Colonial being required, under certain circumstances, to pay to the other party a termination fee of $75 million and/or up to $10 million in expense reimbursement;
- having to pay certain costs relating to the proposed mergers, such as legal, accounting, financial advisor, filing, printing and mailing fees; and
- diversion of management focus and resources from operational matters and other strategic opportunities while working to implement the mergers.

If the mergers are not completed, these risks could materially affect the business, financial results and stock prices of both MAA and Colonial.

The pendency of the mergers could adversely affect the business and operations of MAA and Colonial.

Prior to the effective time of the mergers, some tenants or vendors of each of MAA and Colonial may delay or defer decisions, which could negatively affect the revenues, earnings, cash flows and expenses of MAA and Colonial, regardless of whether the mergers are completed. Similarly, current and prospective employees of MAA and Colonial may experience uncertainty about their future roles with the Combined Corporation following the mergers, which may materially adversely affect the ability of each of MAA and Colonial to attract and retain key personnel during the pendency of the mergers. In addition, due to operating restrictions in the merger agreement, each of MAA and Colonial may be unable, during the pendency of the mergers, to pursue strategic transactions, undertake significant capital projects, undertake certain significant financing transactions and otherwise pursue other actions, even if such actions would prove beneficial.

The merger agreement contains provisions that could discourage a potential competing acquirer of either MAA or Colonial or could result in any competing acquisition proposal being at a lower price than it might otherwise be.

The merger agreement contains provisions that, subject to limited exceptions, restrict the ability of each of MAA and Colonial to initiate, solicit, knowingly encourage or knowingly facilitate any third-party proposals to acquire all or a significant part of MAA or Colonial, respectively. With respect to any bona fide third-party Acquisition Proposal, either MAA or Colonial, as applicable, generally has an opportunity to offer to modify the terms of the merger agreement in response to such proposal before the MAA Board or the Colonial Board, as the case may be, may withdraw or modify its recommendation to their respective shareholders in response to such Acquisition Proposal. Upon termination of the merger agreement in certain circumstances, one of the parties may be required to pay a substantial termination fee and/or expense reimbursement to the other party. See The Merger Agreement Covenants and Agreements No Solicitation of Transactions beginning on page 156, The Merger Agreement Termination of the Merger Agreement Termination Fee and Expenses Payable by Colonial to MAA beginning on page 165, and The Merger Agreement Termination of the Merger Agreement Termination Fee and Expenses Payable by MAA to Colonial beginning on page 166.

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These provisions could discourage a potential competing acquirer that might have an interest in acquiring all or a significant part of MAA or Colonial from considering or proposing a competing acquisition, even if the potential competing acquirer was prepared to pay consideration with a higher per share cash value than that market value proposed to be received or realized in the mergers, or might result in a potential competing acquirer proposing to pay a lower price than it might otherwise have proposed to pay because of the added expense of the termination fee and expense reimbursement that may become payable in certain circumstances under the merger agreement.

If the mergers are not consummated by December 31, 2013, either MAA or Colonial may terminate the merger agreement.

Either MAA or Colonial may terminate the merger agreement if the mergers have not been consummated by December 31, 2013. However, this termination right will not be available to a party if that party failed to fulfill its obligations under the merger agreement and that failure was the cause of, or resulted in, the failure to consummate the mergers. See The Merger Agreement Termination of the Merger Agreement beginning on page 164.

If the parent merger does not qualify as a tax-free reorganization, Colonial or MAA shareholders may recognize a taxable gain.

The parent merger is intended to qualify as a tax-free reorganization within the meaning of Section 368(a) of the Code. As a result, Colonial shareholders that are U.S. holders (as defined below) are not expected to recognize gain or loss as a result of the parent merger (except with respect to the receipt of cash in lieu of fractional shares of Combined Corporation common stock). The closing of the parent merger is conditioned on the receipt by each of MAA and Colonial of an opinion from its respective counsel to the effect that the parent merger will qualify as a reorganization within the meaning of Section 368(a) of the Code. However, these legal opinions will not be binding on the Internal Revenue Service, or the IRS, or on the courts. If for any reason the parent merger does not qualify as a tax-free reorganization within the meaning of Section 368(a) of the Code, then each Colonial shareholder generally would recognize gain or loss, for U.S. federal income tax purposes, equal to the difference between the sum of the fair market value of the Combined Corporation common stock and cash in lieu of fractional shares of Combined Corporation common stock received by the shareholder in the parent merger and the shareholder s adjusted tax basis in the Colonial common shares exchanged therefor. Moreover, under the investment company rules under Section 368 of the Code, if both MAA and Colonial are investment companies under such rules, the failure of either Colonial or MAA to qualify as a REIT could cause the parent merger to be taxable to Colonial or MAA, respectively, and its shareholders. See The Parent Merger Material U.S. Federal Income Tax Consequences of the Parent Merger on page 122.

Some of the directors and executive officers of MAA and trustees and executive officers of Colonial have interests in seeing the mergers completed that are different from, or in addition to, those of the other MAA shareholders and Colonial shareholders.

Some of the directors and executive officers of MAA and trustees and executive officers of Colonial have arrangements that provide them with interests in the mergers that are different from, or in addition to, those of the shareholders of MAA or the shareholders of Colonial generally. These interests include, among other things, the continued service as a director or an executive officer of the Combined Corporation, or, in the alternative, a sizeable severance payment if terminated upon, or following, consummation of the mergers and the ownership of limited partnership interests of either MAA LP or Colonial LP, as applicable. These interests, among other things, may influence or may have influenced the directors and executive officers of MAA and trustees and executive officers of Colonial to support or approve the mergers. See The Parent Merger Interests of MAA s Directors and Executive Officers in the Mergers beginning on page 115 and The Parent Merger Interests of Colonial s Trustees and Executive Officers in the Mergers beginning on page 116.

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Risk Factors Relating to the Combined Corporation Following the Mergers

Risks Related to the Combined Corporation s Operations

The Combined Corporation expects to incur substantial expenses related to the mergers.

The Combined Corporation expects to incur substantial expenses in connection with completing the mergers and integrating the business, operations, networks, systems, technologies, policies and procedures of the two companies. There are a large number of systems that must be integrated, including property management, revenue management, resident payment, credit screening, lease administration, website content management, purchasing, accounting, payroll, fixed assets and financial reporting. Although MAA and Colonial have assumed that a certain level of transaction and integration expenses would be incurred, there are a number of factors beyond their control that could affect the total amount or the timing of their integration expenses. Many of the expenses that will be incurred, by their nature, are difficult to estimate accurately at the present time. As a result, the transaction and integration expenses associated with the mergers could, particularly in the near term, exceed the savings that the Combined Corporation expects to achieve from the elimination of duplicative expenses and the realization of economies of scale and cost savings related to the integration of the businesses following the completion of the mergers.

Following the mergers, the Combined Corporation may be unable to integrate the businesses of MAA and Colonial successfully and realize the anticipated synergies and other benefits of the mergers or do so within the anticipated timeframe.

The mergers involve the combination of two companies that currently operate as independent public companies. MAA and Colonial estimate that the transaction will generate approximately $25 million of annual gross savings in general and administrative expenses. The Combined Corporation is expected to benefit from the elimination of duplicative costs associated with supporting a public company platform and the leveraging of state of the art technology and systems. These savings are expected to be realized upon full integration, which is expected to occur over the 18-month period following the closing of the mergers. However, the Combined Corporation will be required to devote significant management attention and resources to integrating the business practices and operations of MAA and Colonial. Potential difficulties the Combined Corporation may encounter in the integration process include the following:

- the inability to successfully combine the businesses of MAA and Colonial in a manner that permits the Combined Corporation to achieve the cost savings anticipated to result from the mergers, which would result in the anticipated benefits of the mergers not being realized in the timeframe currently anticipated or at all;
- the complexities associated with managing the combined businesses out of several different locations and integrating personnel from the two companies;
- the additional complexities of combining two companies with different histories, cultures, regulatory restrictions, markets and customer bases;
- potential unknown liabilities and unforeseen increased expenses, delays or regulatory conditions associated with the mergers; and
- performance shortfalls as a result of the diversion of management s attention caused by completing the mergers and integrating the companies operations.

For all these reasons, you should be aware that it is possible that the integration process could result in the distraction of the Combined Corporation s management, the disruption of the Combined Corporation s ongoing business or inconsistencies in the Combined Corporation s operations, services, standards, controls, procedures and policies, any of which could adversely affect the ability of the Combined Corporation to maintain relationships with tenants, vendors and employees or to achieve the anticipated benefits of the mergers, or could otherwise adversely affect the business and financial results of the Combined Corporation.

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Following the mergers, the Combined Corporation may be unable to retain key employees.

The success of the Combined Corporation after the mergers will depend in part upon its ability to retain key MAA and Colonial employees. Key employees may depart either before or after the mergers because of issues relating to the uncertainty and difficulty of integration or a desire not to remain with the Combined Corporation following the mergers. Accordingly, no assurance can be given that MAA, Colonial or, following the mergers, the Combined Corporation will be able to retain key employees to the same extent as in the past.

The mergers will result in changes to the board of directors and management of the Combined Corporation that may affect the strategy of the Combined Corporation as compared to that of MAA and Colonial independently.

If the parties complete the mergers, the composition of the board of directors of the Combined Corporation and management team will change from the respective boards and management teams of MAA and Colonial. The board of directors of the Combined Corporation will consist of twelve members, with all seven directors from the current MAA Board and five directors from the current Colonial Board constituting the members of the Combined Corporation s board of directors. Alan B. Graf, Jr. and Ralph Horn, Co-Lead Independent Directors for MAA, will serve as Co-Lead Independent Directors for the Combined Corporation. H. Eric Bolton, Jr., MAA s Chief Executive Officer and Chairman of the Board of Directors, will serve as Chief Executive Officer and Chairman of the Board of Directors of the Combined Corporation. Albert M. Campbell, III, MAA s Chief Financial Officer, will serve as Chief Financial Officer of the Combined Corporation, and Thomas L. Grimes, Jr., MAA s Chief Operating Officer, will serve as the Chief Operating Officer of the Combined Corporation. This new composition of the board of directors and the management team of the Combined Corporation may affect the business strategy and operating decisions of the Combined Corporation upon the completion of the mergers.

The future results of the Combined Corporation will suffer if the Combined Corporation does not effectively manage its expanded operations following the mergers.

Following the mergers, the Combined Corporation expects to continue to expand its operations through additional acquisitions of properties, some of which may involve complex challenges. The future success of the Combined Corporation will depend, in part, upon the ability of the Combined Corporation to manage its expansion opportunities, which may pose substantial challenges for the Combined Corporation to integrate new operations into its existing business in an efficient and timely manner, and upon its ability to successfully monitor its operations, costs, regulatory compliance and service quality, and to maintain other necessary internal controls. There is no assurance that the Combined Corporation s expansion or acquisition opportunities will be successful, or that the Combined Corporation will realize its expected operating efficiencies, cost savings, revenue enhancements, synergies or other benefits.

Risks Related to an Investment in the Combined Corporation s Common Stock

The market price of shares of the common stock of the Combined Corporation may be affected by factors different from those affecting the price of shares of MAA common stock or Colonial common shares before the mergers.

Upon completion of the parent merger, we estimate that continuing MAA equity holders will own approximately 56% of the issued and outstanding shares of Combined Corporation common stock, assuming the conversion of all limited partnership units of MAA LP held by existing limited partners of MAA LP to shares of Combined Corporation common stock, and former Colonial equity holders will own approximately 44% of the issued and outstanding shares of common stock of the Combined Corporation, assuming the conversion to shares of Combined Corporation common stock of all limited partnership units issued by MAA LP to former limited partners of Colonial LP. The results of operations of the Combined Corporation, as well as the market price of the common stock of the Combined Corporation, after the parent merger may be affected by other factors in

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addition to those currently affecting MAA s or Colonial s results of operations and the market prices of MAA common stock and Colonial common shares. These factors include:

- a greater number of shares of the Combined Corporation outstanding as compared to the number of currently outstanding shares of MAA;
- different shareholders;
- different markets; and
- different assets and capitalizations

Accordingly, the historical market prices and financial results of MAA and Colonial may not be indicative of these matters for the Combined Corporation after the parent merger. For a discussion of the businesses of MAA and Colonial and certain risks to consider in connection with investing in those businesses, see the documents incorporated by reference by MAA and Colonial into this joint proxy statement/prospectus referred to under Where You Can Find More Information.

The market price of the Combined Corporation s common stock may decline as a result of the mergers.

The market price of the Combined Corporation s common stock may decline as a result of the mergers if the Combined Corporation does not achieve the perceived benefits of the mergers as rapidly or to the extent anticipated by financial or industry analysts, or the effect of the mergers on the Combined Corporation s financial results is not consistent with the expectations of financial or industry analysts.

In addition, upon consummation of the parent merger, MAA shareholders and Colonial shareholders will own interests in a Combined Corporation operating an expanded business with a different mix of properties, risks and liabilities. Current shareholders of MAA and Colonial may not wish to continue to invest in the Combined Corporation, or for other reasons may wish to dispose of some or all of their shares of the Combined Corporation s common stock. If, following the effective time of the parent merger, large amounts of the Combined Corporation s common stock are sold, the price of the Combined Corporation s common stock could decline.

After the parent merger is completed, Colonial shareholders who receive shares of the Combined Corporation common stock in the parent merger will have different rights that may be less favorable than their current rights as Colonial shareholders.

After the closing of the parent merger, Colonial shareholders who receive shares of the Combined Corporation common stock in the parent merger will have different rights than they currently have as Colonial shareholders. For a detailed discussion of the significant differences between the current rights as a shareholder of Colonial and the rights as a shareholder of the Combined Corporation following the parent merger, see Comparison of Rights of Shareholders of MAA and Shareholders of Colonial beginning on page 182.

The Combined Corporation cannot assure you that it will be able to continue paying dividends at or above the rate currently paid by MAA and Colonial.

The shareholders of the Combined Corporation may not receive dividends at the same rate they received dividends as shareholders of MAA and Colonial following the parent merger for various reasons, including the following:

- the Combined Corporation may not have enough cash to pay such dividends due to changes in the Combined Corporation s cash requirements, capital spending plans, cash flow or financial position;

decisions on whether, when and in which amounts to make any future distributions will remain at all times entirely at the discretion of the Combined Corporation s board of directors, which reserves the right to change MAA s current dividend practices at any time and for any reason;

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the Combined Corporation may desire to retain cash to maintain or improve its credit ratings; and

the amount of dividends that the Combined Corporation s subsidiaries may distribute to the Combined Corporation may be subject to restrictions imposed by state law, restrictions that may be imposed by state regulators, and restrictions imposed by the terms of any current or future indebtedness that these subsidiaries may incur.

Shareholders of the Combined Corporation will have no contractual or other legal right to dividends that have not been declared by the Combined Corporation s board of directors.

In connection with the announcement of the merger agreement, one lawsuit has been filed and is pending as of July 18, 2013, seeking, among other things, to enjoin the mergers, and an adverse judgment in this lawsuit may prevent the mergers from being effective or from becoming effective within the expected timeframe.

On June 19, 2013, a putative class action and derivative lawsuit was filed in the Circuit Court for Jefferson County, Alabama against and purportedly on behalf of Colonial captioned *Williams v. Colonial Properties Trust, et al*. The complaint names as defendants Colonial, the members of the Colonial Board, Colonial, LP, MAA, MAA LP and OP Merger Sub and alleges that the trustees of Colonial breached their fiduciary duties by engaging in an unfair process leading to the merger agreement, failing to secure and obtain the best price reasonable for Colonial shareholders, allowing preclusive deal protection devices in the merger agreement, and by engaging in conflicted actions. The complaint alleges that Colonial LP, MAA, MAA LP and OP Merger Sub aided and abetted those breaches of fiduciary duties. The complaint seeks a declaration that the defendants have breached their fiduciary duties or aided and abetted such breaches and that the merger agreement is unlawful and unenforceable, an order enjoining the consummation of the mergers, direction of the Colonial trustees to exercise their fiduciary duties to obtain a transaction that is in the best interests of Colonial, rescission of the mergers in the event they are consummated, an award of costs and disbursements, including reasonable attorneys and experts fees, and other relief. On July 2, 2013, plaintiff moved for expedited fact discovery and for an expedited schedule for filing and hearing a preliminary motion to enjoin the mergers; on July 11, 2013, defendants opposed those motions and moved to stay fact discovery. On July 11, 2013, defendants also moved to dismiss the complaint for failure to state a claim upon which relief can be granted on the grounds that: (1) the claims against the Colonial trustees are derivative and not direct, and plaintiff did not comply with Alabama law on serving notice of the claims on Colonial prior to filing; and (2) Alabama law does not recognize a cause of action in aiding and abetting a breach of fiduciary duty. The Court has scheduled a motions hearing for August 8, 2013. MAA or Colonial may also be the target of similar litigation in the future.

While Colonial and MAA management believe that the allegations in the complaint are without merit and intend to defend vigorously against these allegations, Colonial and MAA cannot assure you as to the outcome of this, or any similar future lawsuits, including the costs associated with defending this claim or any other liabilities that may be incurred in connection with the litigation or settlement of this claim. Neither Colonial nor MAA is able to reliably estimate the likelihood or amount of potential loss. If the plaintiff is successful in obtaining an injunction prohibiting the parties from completing the mergers on the agreed-upon terms, such an injunction may prevent the completion of the mergers in the expected time frame, or may prevent them from being completed altogether. Whether the plaintiff s claims are successful, this type of litigation is often expensive and diverts management s attention and resources, which could adversely affect the operation of the businesses of MAA and Colonial. For more information about litigation related to the mergers, see The Parent Merger Litigation Relating to the Mergers beginning on page 146.

Counterparties to certain significant agreements with MAA or Colonial may exercise contractual rights under such agreements in connection with the mergers.

MAA and Colonial are each party to certain agreements that give the counterparty certain rights following a change in control, including in some cases the right to terminate the agreement. Under some such agreements, the mergers will constitute a change in control and therefore the counterparty may exercise certain rights under

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the agreement upon the closing of the mergers. Certain MAA and Colonial joint ventures, management and service contracts, and debt obligations have agreements subject to such provisions. Any such counterparty may request modifications of their respective agreements as a condition to granting a waiver or consent under their agreement. There can be no assurances that such counterparties will not exercise their rights under these agreements, including termination rights where available, or that the exercise of any such rights under, or modification of, these agreements will not adversely affect the business or operations of the Combined Corporation.

The historical and unaudited pro forma combined condensed financial information included elsewhere in this joint proxy statement/prospectus may not be representative of the Combined Corporation s results after the mergers, and accordingly, you have limited financial information on which to evaluate the Combined Corporation.

The unaudited pro forma combined condensed financial information included elsewhere in this joint proxy statement/prospectus has been presented for informational purposes only and is not necessarily indicative of the financial position or results of operations that actually would have occurred had the mergers been completed as of the date indicated, nor is it indicative of the future operating results or financial position of the Combined Corporation. The unaudited pro forma combined condensed financial information does not reflect future events that may occur after the mergers, including the costs related to the planned integration of the two companies and any future nonrecurring charges resulting from the mergers, and does not consider potential impacts of current market conditions on revenues or expense efficiencies. The unaudited pro forma combined condensed financial information presented elsewhere in this joint proxy statement/prospectus is based in part on certain assumptions regarding the mergers that MAA and Colonial believe are reasonable under the circumstances. MAA and Colonial cannot assure you that the assumptions will prove to be accurate over time.

The Combined Corporation will have a significant amount of indebtedness and may need to incur more in the future.

The Combined Corporation will have substantial indebtedness following completion of the parent merger. For example, as of June 30, 2013, the Combined Corporation would have had an estimated fixed charge coverage ratio of 1.7x and an estimated debt as a percentage of total market capitalization of 40.5% (by comparison, as of that date, the standalone figures for MAA were 2.3x and 35.6%, respectively, and for Colonial were 1.1x and 41.7%, respectively). In addition, in connection with executing the Combined Corporation s business strategies following the mergers, the Combined Corporation expects to continue to evaluate the possibility of acquiring additional properties and making strategic investments, and the Combined Corporation may elect to finance these endeavors by incurring additional indebtedness. The amount of such indebtedness could have material adverse consequences for the Combined Corporation, including:

- reducing the Combined Corporation s credit ratings and thereby raising its borrowing costs;
- hindering the Combined Corporation s ability to adjust to changing market, industry or economic conditions;
- limiting the Combined Corporation s ability to access the capital markets to refinance maturing debt or to fund acquisitions or emerging businesses;
- limiting the amount of free cash flow available for future operations, acquisitions, dividends, stock repurchases or other uses;
- making the Combined Corporation more vulnerable to economic or industry downturns, including interest rate increases; and
- placing the Combined Corporation at a competitive disadvantage compared to less leveraged competitors.

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Moreover, to respond to competitive challenges, the Combined Corporation may be required to raise substantial additional capital to execute its business strategy. The Combined Corporation s ability to arrange additional financing will depend on, among other factors, the Combined Corporation s financial position and performance, as well as prevailing market conditions and other factors beyond the Combined Corporation s control. If the Combined Corporation is able to obtain additional financing, the Combined Corporation s credit ratings could be further adversely affected, which could further raise the Combined Corporation s borrowing costs and further limit its future access to capital and its ability to satisfy its obligations under its indebtedness.

The Combined Corporation may incur adverse tax consequences if MAA or Colonial has failed or fails to qualify as a REIT for U.S. federal income tax purposes.

Each of MAA and Colonial has operated in a manner that it believes has allowed it to qualify as a REIT for U.S. federal income tax purposes under the Code, and each intend to continue to do so through the time of the parent merger, and the Combined Corporation intends to continue operating in such a manner following the parent merger. None of MAA, Colonial or the Combined Corporation has requested or plans to request a ruling from the IRS that it qualifies as a REIT. Qualification as a REIT involves the application of highly technical and complex Code provisions for which there are only limited judicial and administrative interpretations. The complexity of these provisions and of the applicable Treasury Regulations that have been promulgated under the Code is greater in the case of a REIT that holds its assets through a partnership (such as both Colonial and MAA do, and as the Combined Corporation will, following the parent merger). The determination of various factual matters and circumstances not entirely within the control of MAA, Colonial or the Combined Corporation, as the case may be, may affect any such company s ability to qualify as a REIT. In order to qualify as a REIT, each of MAA, Colonial and the Combined Corporation must satisfy a number of requirements, including requirements regarding the ownership of its stock and the composition of its gross income and assets. Also, a REIT must make distributions to shareholders aggregating annually at least 90% of its net taxable income, excluding any net capital gains.

If any of MAA, Colonial or the Combined Corporation loses its REIT status, or is determined to have lost its REIT status in a prior year, it will face serious tax consequences that would substantially reduce its cash available for distribution, including cash available to pay dividends to its shareholders, because:

- such company would be subject to U.S. federal income tax on its net income at regular corporate rates for the years it did not qualify for taxation as a REIT (and, for such years, would not be allowed a deduction for dividends paid to shareholders in computing its taxable income);
- such company could be subject to the federal alternative minimum tax and possibly increased state and local taxes for such periods;
- unless such company is entitled to relief under applicable statutory provisions, neither it nor any successor company could elect to be taxed as a REIT until the fifth taxable year following the year during which it was disqualified; and
- for the ten years following re-election of REIT status, upon a taxable disposition of an asset owned as of such re-election, such company would be subject to corporate level tax with respect to any built-in gain inherent in such asset at the time of re-election.

The Combined Corporation will inherit any liability with respect to unpaid taxes of MAA or Colonial for any periods prior to the parent merger. In addition, as described above, if Colonial failed to qualify as a REIT as of the parent merger but the Combined Corporation nonetheless qualified as a REIT, in the event of a taxable disposition of a former Colonial asset during the ten years following the parent merger the Combined Corporation would be subject to corporate tax with respect to any built-in gain inherent in such asset as of the parent merger. In addition, under the investment company rules under Section 368 of the Code, if both MAA and Colonial are investment companies under such rules, the failure of either Colonial or MAA to qualify as a REIT could cause the parent merger to be taxable to Colonial or MAA, respectively, and its shareholders. As a result of all these factors, MAA s, Colonial s or the Combined Corporation s failure to qualify as a REIT could

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impair the Combined Corporation s ability to expand its business and raise capital, and would materially adversely affect the value of its stock. In addition, for years in which the Combined Corporation does not qualify as a REIT, it will not otherwise be required to make distributions to shareholders.

In certain circumstances, even if the Combined Corporation qualifies as a REIT, it and its subsidiaries may be subject to certain U.S. federal, state, and other taxes, which would reduce the Combined Corporation s cash available for distribution to its shareholders.

Even if each of MAA, Colonial and the Combined Corporation has, as the case may be, qualified and continues to qualify as a REIT, the Combined Corporation may be subject to U.S. federal, state, or other taxes. For example, net income from the sale of properties that are dealer properties sold by a REIT (a prohibited transaction under the Code) will be subject to a 100% tax. In addition, the Combined Corporation may not be able to make sufficient distributions to avoid income and excise taxes applicable to REITs. Alternatively, the Combined Corporation may decide to retain income it earns from the sale or other disposition of its property and pay income tax directly on such income. In that event, the Combined Corporation s shareholders would be treated as if they earned that income and paid the tax on it directly. However, shareholders that are tax-exempt, such as charities or qualified pension plans, might not have any benefit from their deemed payment of such tax liability. The Combined Corporation and its subsidiaries may also be subject to U.S. federal taxes other than U.S. federal income taxes, as well as state and local taxes (such as state and local income and property taxes), either directly or at the level of its operating partnership, or at the level of the other companies through which the Combined Corporation indirectly owns its assets. Any U.S. federal or state taxes the Combined Corporation (or any of its subsidiaries) pays will reduce cash available for distribution by the Combined Corporation to shareholders. See section The Parent Merger Material U.S. Federal Income Tax Consequences of the Parent Merger beginning on page 122.

MAA and Colonial face other risks.

The foregoing risks are not exhaustive, and you should be aware that, following the mergers, the Combined Corporation will face various other risks, including those discussed in reports filed by MAA and Colonial with the SEC. See Where You Can Find More Information beginning on page 201.

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CAUTIONARY STATEMENT CONCERNING FORWARD-LOOKING STATEMENTS

This joint proxy statement/prospectus and the documents incorporated by reference into this joint proxy statement/prospectus contain forward-looking statements within the meaning of Section 27A of the Securities Act and Section 21E of the Exchange Act. These forward-looking statements, which are based on current expectations, estimates and projections about the industry and markets in which MAA and Colonial operate and beliefs of, and assumptions made by, MAA management and Colonial management and involve uncertainties that could significantly affect the financial results of MAA, Colonial or the Combined Corporation. Words such as expects, anticipates, intends, plans, believes, seeks, estimates, variations of such words and similar expressions are intended to identify such forward-looking statements, which generally are not historical in nature. Such forward-looking statements include, but are not limited to, statements about the anticipated benefits of the business combination transaction involving MAA and Colonial, including future financial and operating results, and the Combined Corporation s plans, objectives, expectations and intentions. All statements that address operating performance, events or developments that MAA and Colonial expect or anticipate will occur in the future including statements relating to expected synergies, improved liquidity and balance sheet strength are forward-looking statements. These statements are not guarantees of future performance and involve certain risks, uncertainties and assumptions that are difficult to predict. Although MAA and Colonial believe the expectations reflected in any forward-looking statements are based on reasonable assumptions, MAA and Colonial can give no assurance that their expectations will be attained and therefore, actual outcomes and results may differ materially from what is expressed or forecasted in such forward-looking statements. Some of the factors that may affect outcomes and results include, but are not limited to:

- each of MAA s and Colonial s success, or the success of the Combined Corporation, in implementing its business strategy and its ability to identify, underwrite, finance, consummate and integrate acquisitions or investments;
- changes in national, regional and local economic climates;
- changes in financial markets and interest rates, or to the business or financial condition of MAA, Colonial or the Combined Corporation or their respective businesses;
- the nature and extent of future competition;
- each of MAA s and Colonial s ability, or the ability of the Combined Corporation, to pay down, refinance, restructure and/or extend its indebtedness as it becomes due;
- the ability and willingness of MAA, Colonial and the Combined Corporation to maintain its qualification as a REIT due to economic, market, legal, tax or other considerations;
- availability to MAA, Colonial and the Combined Corporation of financing and capital;
- each of MAA s and Colonial s ability, or the ability of the Combined Corporation, to deliver high quality properties and services, to attract and retain qualified personnel and to attract and retain residents and other tenants;
- the impact of any financial, accounting, legal or regulatory issues or litigation that may affect MAA, Colonial or the Combined Corporation;

risks associated with achieving expected revenue synergies or cost savings as a result of the mergers;

risks associated with the companies ability to consummate the mergers, the timing of the closing of the mergers and unexpected costs or unexpected liabilities that may arise from the mergers, whether or not consummated; and

those additional risks and factors discussed in reports filed with the Securities and Exchange Commission, or the SEC, by MAA and Colonial from time-to-time, including those discussed under the heading Risk Factors in their respective most recently filed reports on Forms 10-K and 10-Q.

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Should one or more of the risks or uncertainties described above or elsewhere in this joint proxy statement/prospectus occur, or should underlying assumptions prove incorrect, actual results and plans could differ materially from those expressed in any forward-looking statements. You are cautioned not to place undue reliance on these statements, which speak only as of the date of this joint proxy statement/prospectus.

All forward-looking statements, expressed or implied, included in this joint proxy statement/prospectus are expressly qualified in their entirety by this cautionary statement. This cautionary statement should also be considered in connection with any subsequent written or oral forward-looking statements that MAA, Colonial or persons acting on their behalf may issue.

Neither MAA nor Colonial undertakes any duty to update any forward-looking statements appearing in this joint proxy statement/prospectus.

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THE COMPANIES

Mid-America Apartment Communities, Inc.

MAA is a Tennessee corporation that has elected to be taxed as a REIT under the Code. MAA owns, acquires, renovates, develops and manages apartment communities in the Sunbelt region of the United States. As of June 30, 2013, MAA owned or owned interests in a total of 163 multifamily apartment communities comprising 49,017 apartments located in 13 states, including four communities comprising 1,156 apartments owned through MAA s joint venture, Mid-America Multifamily Fund II, LLC. MAA also had two development communities under construction totaling 564 units as of June 30, 2013. Total expected costs for the development projects are $73.8 million, of which $37.8 million has been incurred through June 30, 2013. MAA expects to complete construction on the three projects by the fourth quarter of 2014. Four of MAA s properties include retail components with approximately 107,000 square feet of gross leasable area.

MAA s most significant asset is its ownership interest in MAA LP, which, together with its subsidiaries, conducts the operations of a substantial majority of MAA s business, holds a substantial majority of MAA s consolidated assets and generates a substantial majority of MAA s revenues. MAA is the sole general partner of MAA LP and, as of June 30, 2013, owned 40,141,197 common units of partnership interest, or approximately 95.9% of the outstanding partnership interests of MAA LP. Prior to the effective times of the mergers, MAA will contribute all of its assets, with the exception of its ownership interest in MAA LP and certain bank accounts held by MAA, to MAA LP, and as a result, MAA will be structured as a traditional UPREIT.

MAA common stock is listed on the NYSE, trading under the symbol MAA.

MAA was incorporated in the state of Tennessee in 1993, and MAA LP was formed in the state of Tennessee in 1993. MAA s principal executive offices are located at 6584 Poplar Avenue, Memphis, Tennessee 38138, and its telephone number is (901) 682-6600.

OP Merger Sub, an indirect wholly-owned subsidiary of MAA LP, is a Delaware limited partnership formed on May 30, 2013 for the purpose of effecting the partnership merger. Upon completion of the partnership merger, OP Merger Sub will be merged with and into Colonial LP with Colonial LP surviving as an indirect wholly-owned subsidiary of MAA LP. OP Merger Sub has not conducted any activities other than those incidental to its formation and the matters contemplated by the merger agreement.

Additional information about MAA and its subsidiaries is included in documents incorporated by reference into this joint proxy statement/prospectus. See Where You Can Find More Information beginning on page 201.

Colonial Properties Trust

Colonial, originally formed as a Maryland REIT on July 9, 1993 and reorganized as an Alabama REIT under the Alabama REIT statute on August 21, 1995, is a self-administered REIT that has elected to be taxed as a REIT under the Code. Colonial is a multifamily-focused self-administered and self-managed equity REIT, which means that it is engaged in the acquisition, development, ownership, management and leasing of multifamily apartment communities and other commercial real estate properties. As of June 30, 2013, Colonial owned or maintained a partial ownership in a total of 115 multifamily apartment communities comprising 34,577 apartments located in 11 states. Additionally, Colonial has seven commercial properties with approximately 1,194,000 square feet of gross leasable area.

Colonial s only material asset is its ownership of limited partnership interests in Colonial LP, which, together with its subsidiaries, conducts all of Colonial s business, holds all of Colonial s consolidated assets and generates all of Colonial s revenues. Colonial is the sole general partner of Colonial LP and, as of June 30, 2013, owned approximately 92.5% of the outstanding partnership interests of Colonial LP.

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Colonial common shares are listed on the NYSE, trading under the symbol CLP.

Colonial s principal executive offices are located at 2101 Sixth Avenue North, Suite 750, Birmingham, Alabama 35203, and its telephone number is (205) 250-8700.

Additional information about Colonial and its subsidiaries is included in documents incorporated by reference into this joint proxy statement/prospectus. See Where You Can Find More Information beginning on page 201.

The Combined Corporation

The Combined Corporation will be named Mid-America Apartment Communities, Inc. and will be a Tennessee corporation that will be a self-administered REIT, structured as a traditional UPREIT, which has elected to be taxed as a REIT under the Code. The Combined Corporation is a Sunbelt-focused, publicly traded, multifamily REIT with enhanced capabilities to deliver value for residents, shareholders and employees. The Combined Corporation is expected to have a pro forma equity market capitalization of approximately $5.1 billion, and a total market capitalization in excess of $8.6 billion. The Combined Corporation s asset base will consist primarily of approximately 85,000 multifamily units in 285 properties. The Combined Corporation will maintain strategic diversity across large and secondary markets within the high growth Sunbelt region of the United States. The Combined Corporation s ten largest markets are expected to be Dallas/Ft. Worth, Atlanta, Austin, Raleigh, Charlotte, Nashville, Jacksonville, Tampa, Orlando and Houston.

The business of the Combined Corporation will be operated through MAA LP and its subsidiaries. On a pro forma basis giving effect to the mergers, the Combined Corporation will own an approximate 94.6% partnership interest in MAA LP and, as its sole general partner, the Combined Corporation will have the full, exclusive and complete responsibility for and discretion in the day-to-day management and control of MAA LP.

The common stock of the Combined Corporation will be listed on the NYSE, trading under the symbol MAA.

The Combined Corporation s principal executive offices will be located at 6584 Poplar Avenue, Memphis, Tennessee 38138, and its telephone number will be (901) 682-6600.

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THE MAA SPECIAL MEETING

Date, Time and Place

The MAA special meeting will be held at MAA corporate headquarters, 6584 Poplar Avenue, Memphis, Tennessee 38138, on [ ], 2013, at [ ] a.m., Central Daylight Time.

Purpose of the MAA Special Meeting

At the MAA special meeting, MAA shareholders will be asked to consider and vote upon the following matters:

- a proposal to approve the merger agreement, the merger of Colonial with and into MAA, with MAA continuing as the surviving corporation, and the other transaction contemplated by the merger agreement, including the issuance of MAA common stock to Colonial shareholders in connection with the parent merger, which we refer to collectively as the MAA merger proposal;
- a proposal to approve the MAA 2013 Stock Incentive Plan; and
- a proposal to approve one or more adjournments of the MAA special meeting, if necessary or appropriate, including adjournments to permit further solicitation of proxies in favor of approval and adoption of the merger agreement and the parent merger.

Recommendation of the MAA Board

After careful consideration, the MAA Board has unanimously determined and declared that the merger agreement, the parent merger and the other transactions contemplated by the merger agreement (including the issuance of shares of MAA common stock to Colonial shareholders in the parent merger) are advisable and in the best interests of MAA and its shareholders and has unanimously adopted and approved the merger agreement, the parent merger and the other transactions contemplated by the merger agreement. Certain factors considered by the MAA Board in reaching its decision to adopt and approve the parent merger can be found in the section of this joint proxy/statement/prospectus entitled The Parent Merger Recommendation of the MAA Board and Its Reasons for the Parent Merger beginning on page 87.

The MAA Board unanimously recommends that MAA shareholders vote FOR the MAA merger proposal, FOR the proposal to approve the MAA 2013 Stock Incentive Plan and FOR the proposal to adjourn the MAA special meeting, if necessary or appropriate in the view of the MAA Board, to solicit additional proxies in favor of the proposals if there are not sufficient votes at the time of such adjournment to approve such proposals.

Approval of the merger agreement is subject to a vote by MAA s shareholders separate from the vote on approval of the MAA 2013 Stock Incentive Plan. Approval of the MAA 2013 Stock Incentive Plan is not a condition to completion of the mergers.

MAA Record Date; Who Can Vote at the MAA Special Meeting

Only MAA shareholders of record at the close of business on the record date, [ ], are entitled to receive notice of the MAA special meeting and to vote the shares of MAA common stock that they held on the record date at the MAA special meeting, or any postponement or adjournment of the MAA special meeting. The only class of stock that can be voted at the MAA special meeting is MAA common stock. Each share of MAA common stock is entitled to one vote on all matters that come before the MAA special meeting.

On the record date, there were approximately [ ] shares of MAA common stock outstanding and entitled to vote at the MAA special meeting.

A list of MAA shareholders entitled to vote at the MAA special meeting will be open for examination by any MAA shareholder, for any purpose germane to the MAA special meeting, during ordinary business hours,

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beginning two (2) days after notice of the MAA special meeting is given through the time of the MAA special meeting and place of the MAA special meeting at MAA s principal executive offices at 6587 Poplar Avenue, Memphis, Tennessee 38138.

Quorum

A quorum of shareholders is necessary to hold a valid special meeting. The presence, in person or by proxy, of holders of a majority of the shares of MAA common stock outstanding on the MAA record date will constitute a quorum. On the record date, there were [ ] shares of MAA common stock outstanding and entitled to vote. Thus, [ ] shares of MAA common stock must be represented by shareholders present at the MAA special meeting or by proxy to have a quorum for the MAA special meeting.

Abstentions and broker non-votes will be counted towards the quorum requirement. If there is no quorum, the Chairman of the MAA special meeting or a majority of the votes present at the MAA special meeting may adjourn the MAA special meeting to another date.

Vote Required for Approval

Approval of the MAA merger proposal requires the affirmative vote of holders of a majority of the outstanding shares of MAA common stock.

Approval of the MAA 2013 Stock Incentive Plan requires the votes cast FOR the proposal exceed the votes cast AGAINST the proposal, and in order to satisfy the requirements of the NYSE, the total votes cast on this proposal must represent over 50% of the shares of MAA common stock entitled to vote on the proposal.

Approval of the adjournment of the MAA special meeting requires the votes cast FOR the proposal exceed the votes cast AGAINST the proposal.

Abstentions and Broker Non-Votes

If you are a MAA shareholder and fail to vote, fail to instruct your broker, bank or nominee to vote, or abstain from voting:

- with respect to the MAA merger proposal, it will have the same effect as a vote AGAINST the MAA merger proposal;
- with respect to the MAA 2013 Stock Incentive Plan proposal, if you abstain it will count as a vote cast with respect to this proposal and accordingly, abstentions will be included in determining whether the NYSE voting requirement has been achieved, but if the NYSE voting requirement is achieved, it will have no effect on the outcome of the vote for this proposal; if you fail to vote or fail to instruct your broker, bank or nominee to vote, it will not be counted as votes cast on this proposal and accordingly, it will make it more difficult for the NYSE voting requirement to be achieved, but if the NYSE voting requirement is achieved, it will have no effect on the outcome of the vote for this proposal; and
- with respect to the adjournment proposal, it will have no effect on the outcome of the vote for this proposal.

Voting by MAA Directors and Executive Officers

At the close of business on the record date, directors and executive officers of MAA and their affiliates were entitled to vote [ ] shares of MAA common stock, or approximately [ ]% of the shares of MAA common stock issued and outstanding on that date. Messrs. Bolton and Sanders have entered into voting agreements that obligate them to vote FOR the MAA merger proposal. Additionally, MAA currently expects that the other MAA directors and executive officers will vote their shares of MAA common stock in favor of the MAA merger proposal as well as the other proposals to be considered at the MAA special meeting, although none of them is obligated to do so.

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Manner of Submitting Proxy

A proxy card is enclosed for use by MAA shareholders. MAA requests that MAA shareholders sign the accompanying proxy card and return it promptly in the enclosed postage-paid envelope. MAA shareholders may also vote their shares by telephone or through the Internet. Information and applicable deadlines for voting proxies by telephone or through the Internet are set forth on the enclosed proxy card. When the accompanying proxy is returned properly executed, the shares of MAA common stock represented by it will be voted at the MAA special meeting or any adjournment or postponement thereof in accordance with the instructions contained in the proxy card.

If a proxy card is signed and returned without an indication as to how the shares of MAA common stock represented by the proxy are to be voted with regard to a particular proposal, the MAA common stock represented by the proxy will be voted FOR each such proposal. As of the date of this joint proxy statement/prospectus, MAA has no knowledge of any business that will be presented for consideration at the MAA special meeting and which would be required to be set forth in this joint proxy statement/prospectus other than the matters set forth in the accompanying Notice of Special Meeting of Shareholders of MAA. In accordance with the MAA bylaws and Tennessee law, business transacted at the MAA special meeting will be limited to those matters set forth in such notice. Nonetheless, if any other matter is properly presented at the MAA special meeting for consideration, it is intended that the persons named in the enclosed proxy and acting thereunder will vote in accordance with their discretion on such matter.

Your vote is important. Accordingly, please sign and return the enclosed proxy card whether or not you plan to attend the MAA special meeting in person.

Shares held in Street Name

If a MAA shareholder holds shares of MAA common stock in a stock brokerage account or if its shares are held by a bank or nominee (that is, in street name), such shareholder must provide the record holder of its shares with instructions on how to vote its shares of MAA common stock. MAA shareholders should follow the voting instructions provided by their broker, bank or nominee. Please note that MAA shareholders may not vote shares of MAA common stock held in street name by returning a proxy card directly to MAA or by voting in person at the MAA special meeting unless they provide a legal proxy, which MAA shareholders must obtain from their broker, bank or nominee. Further, brokers, banks or nominees who hold shares of MAA common stock on behalf of their customers may not give a proxy to MAA to vote those shares without specific instructions from their customers.

If a MAA shareholder does not instruct its broker, bank or nominee to vote, then the broker, bank or nominee may not vote those shares, and it will have the effects described above under Abstentions and Broker Non-Votes.

Shares held in the MAA Employee Stock Ownership Plan

If MAA shareholders hold shares of MAA common stock in an account under the MAA Employee Stock Ownership Plan, such shareholders have the right to vote the shares in their account. To do this, the MAA shareholder must sign and timely return the proxy card received with this joint proxy statement/prospectus, or grant the shareholder s proxy by telephone or over the Internet by following the instructions on the proxy card.

Revocation of Proxies or Voting Instructions

MAA shareholders of record may change their vote or revoke their proxy at any time before the final vote at the MAA special meeting by:

1. submitting another properly completed proxy card bearing in time to be received before the MAA special meeting or by submitting a later dated proxy by telephone or over the Internet in which case the later-submitted proxy will be recorded and the earlier proxy revoked;

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2. submitting written notice that the MAA shareholder is revoking the proxy to MAA s Corporate Secretary, 6584 Poplar Avenue, Memphis, Tennessee 38138 in time to be received before the MAA special meeting; or

3. voting in person at the MAA special meeting.

Attending the MAA special meeting without voting will not, by itself, revoke a MAA shareholder s proxy.

If a MAA shareholder s common shares are held by its broker or bank as nominee or agent, the shareholder should follow the instructions provided by the broker or bank.

Tabulation of Votes

MAA will appoint an inspector of election for the MAA special meeting to tabulate affirmative and negative votes, broker non-votes and abstentions.

Solicitation of Proxies; Payment of Solicitation Expenses

The cost of proxy solicitation for the MAA special meeting will be borne by MAA. In addition to the use of the mail, proxies may be solicited by officers, directors and regular employees of MAA, without additional remuneration, in person, by telephone or any other electronic means of communication deemed appropriate. MAA will also request brokerage firms, nominees, custodians and fiduciaries to forward proxy materials to the beneficial owners of shares held of record on the record date and will provide customary reimbursement to such firms for the cost of forwarding these materials. MAA has retained D.F. King to assist in its solicitation of proxies and has agreed to pay them a fee of approximately $20,000 for these services, plus reimbursement for reasonable out-of-pocket expenses and expenses, and to indemnify D.F. King against certain losses, costs and expenses.

Adjournment

In addition to the other proposals being considered at the MAA special meeting, MAA shareholders are also being asked to approve a proposal that will give the MAA Board authority to adjourn the MAA special meeting, if necessary or appropriate in the view of the MAA Board, to solicit additional proxies in favor of the other proposals if there are not sufficient votes at the time of such adjournment to approve such proposals. If this proposal is approved, the MAA special meeting could be successively adjourned to any date. In addition, the MAA Board could postpone the MAA special meeting before it commences, whether for the purpose of soliciting additional proxies or for other reasons. If the MAA special meeting is adjourned for the purpose of soliciting additional proxies, shareholders who have already submitted their proxies will be able to revoke them at any time prior to their use.

If a quorum does not exist, the chairman of the MAA special meeting or the holders of a majority of the shares of MAA common stock present at the MAA special meeting, in person or by proxy, may adjourn the MAA special meeting to another place, date or time. If a quorum exists, but there are not enough affirmative votes to approve any other proposal, the MAA special meeting may be adjourned if the votes cast, in person or by proxy, at the MAA special meeting in favor of the adjournment proposal exceed the votes cast, in person or by proxy, against the adjournment proposal.

Assistance

If you need assistance in completing your proxy card or have questions regarding the various voting options with respect to the MAA special meeting, please contact MAA s proxy solicitor, D.F. King, toll-free at 1-800-628-8532.

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PROPOSALS SUBMITTED TO MAA SHAREHOLDERS

Merger Proposal

(Proposal 1 on the MAA Proxy Card)

MAA shareholders are asked to approve the merger agreement, the parent merger and the other transactions contemplated by the merger agreement, including the issuance of shares of MAA common stock to Colonial shareholders in the parent merger. For a summary and detailed information regarding this proposal, see the information about the merger agreement and the parent merger throughout this joint proxy statement/prospectus, including the information set forth in sections entitled The Parent Merger beginning on page 67 and The Merger Agreement beginning on page 147. A copy of the merger agreement is attached as Annex A to this joint proxy statement/prospectus and incorporated herein by reference.

Pursuant to the merger agreement, approval of this proposal is a condition to the closing of the mergers. If this proposal is not approved, the mergers will not be completed.

MAA is requesting that MAA shareholders approve the merger agreement, the parent merger and the other transactions contemplated by the merger agreement, including the issuance of shares of MAA common stock to Colonial shareholders in the parent merger. If you return a properly executed proxy card, but do not indicate instructions on your proxy card, your shares of MAA common stock represented by such proxy card will be voted FOR the approval of the merger agreement, the parent merger and the other transactions contemplated by the merger agreement.

Approval of the proposal to approve the merger agreement, the parent merger and the other transactions contemplated by the merger agreement requires the affirmative vote of the holders of at least a majority of the outstanding shares of MAA common stock entitled to vote on such proposal.

Recommendation of the MAA Board

The MAA Board unanimously recommends that MAA shareholders vote FOR the proposal to approve the merger agreement, the parent merger and the other transactions contemplated by the merger agreement, including the issuance of shares of MAA common stock to Colonial shareholders in the parent merger.

2013 Stock Incentive Plan

(Proposal 2 on the MAA Proxy Card)

Proposal

On June 17, 2013, the executive compensation committee of the MAA Board, which we refer to as the MAA Compensation Committee, voted to approve the Mid-America Apartment Communities, Inc. 2013 Stock Incentive Plan, or the MAA 2013 Plan, and the MAA Board is recommending the MAA 2013 Plan to MAA shareholders for approval.

The MAA 2013 Plan will replace the Mid-America Apartment Communities, Inc. 2004 Stock Plan, or the MAA 2004 Plan, which expires by its terms on October 31, 2013. The MAA 2013 Plan provides flexibility to the MAA Compensation Committee to use various equity-based incentive awards as compensation tools to motivate MAA s workforce. If the MAA 2013 Plan is approved by the shareholders, MAA will no longer make grants under the MAA 2004 Plan. If the MAA 2013 Plan is not approved, the MAA 2004 Plan will expire on October 31, 2013 and MAA will not be able to continue making stock-based incentive awards consistent with historical practices.

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The material features of the MAA 2013 Plan are:

- The maximum number of shares of MAA common stock reserved and available for issuance under the MAA 2013 Plan is the sum of (i) 225,000 newly authorized shares, plus (ii) any shares underlying grants under the MAA 2004 Plan that are forfeited, cancelled or are terminated (other than by exercise) in the future; such 225,000 shares represent the approximate number of shares of MAA common stock that remain available for issuance under the MAA 2004 Plan, which will expire by its terms on October 31, 2013;

- The award of stock options (both incentive and non-qualified options), restricted stock, restricted stock units, unrestricted stock, performance share awards, other stock-based awards, cash-based awards and dividend equivalent rights is permitted;

- Any material amendment (other than an amendment that curtails the scope of the MAA 2013 Plan) is subject to approval by MAA s shareholders;

- Stock options may not be repriced without shareholder approval; and

- The term of the MAA 2013 Plan is for ten years from the date of approval by MAA shareholders.

The maximum number of shares of MAA common stock reserved and available for issuance under the MAA 2013 Plan is the sum of (i) 225,000 newly authorized shares, plus (ii) any shares underlying grants under the MAA 2004 Plan that are forfeited, cancelled or terminated (other than by exercise) in the future; such 225,000 shares represent the approximate number of shares of MAA common stock that remain available for issuance under the MAA 2004 Plan, which will expire by its terms on October 31, 2013. Based solely on the closing price of MAA s common stock as reported by the NYSE on June 28, 2013 of $67.77, the maximum aggregate market value of such 225,000 shares of MAA common stock is $15,248,250. As of June 28, 2013 MAA had outstanding grants of 37,527 shares of restricted MAA common stock. The foregoing, along with the new share request of 225,000 shares (referred to as MAA s overhang), would represent approximately 0.61% of MAA s total outstanding shares as of June 28, 2013 on a fully diluted basis. Although 0.61% will represent the total overhang if the 2013 Plan is approved, MAA cannot predict the amount or timing of specific equity awards in the future and, thus, it is not possible to calculate the amount of subsequent dilution that may ultimately result from such awards; however, MAA is committed to maintaining an equity incentive program that accomplishes MAA s incentive and retention goals while being sensitive to shareholders concerns about dilution and expense. MAA s current three-year average burn rate is 0.10%.

The shares available under the MAA 2013 Plan will be authorized but unissued shares. The shares of common stock underlying any awards that are forfeited, cancelled, held back to cover the exercise price or tax withholding, reacquired by MAA prior to vesting, satisfied without the issuance of stock or otherwise terminated (other than by exercise) under the MAA 2013 Plan are added back to the shares of MAA common stock available for issuance under the MAA 2013 Plan.

To ensure that certain awards granted under the MAA 2013 Plan to a Covered Employee (as defined in the Code) qualify as performance-based compensation under Section 162(m) of the Code, the MAA 2013 Plan provides that the MAA Compensation Committee may require that the vesting of such awards be conditioned on the satisfaction of performance criteria that may include any or all of the following:

- Funds from operations;

- Funds from operations per share;

- Adjusted funds from operations;

Adjusted funds from operations per share;

Net operating income;

Gross operating income;

Total shareholder return;

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Earnings per share;

Stock price;

Acquisitions;

Dispositions;

Strategic transactions;

Portfolio or regional occupancy rates;

Portfolio or regional rent rates;

Portfolio or regional revenue rates; or

Return on capital, assets, equity, development, or investment.

The MAA Compensation Committee will select the particular performance criteria within 90 days following the commencement of a performance cycle. Subject to adjustments for stock splits and similar events, the maximum award granted to any one individual that is intended to qualify as performance-based compensation under Section 162(m) of the Code will not exceed 50,000 shares of MAA common stock for any performance cycle and options with respect to no more than 100,000 shares of common stock may be granted to any one individual during any calendar year period. If a performance-based award is payable in cash to any executive, it cannot exceed $2,500,000 for any performance cycle.

Reasons for the MAA 2013 Plan

The MAA Compensation Committee believes that stock-based incentive awards play an important role in MAA s success by encouraging and enabling its current employees, officers and non-employee directors upon whose judgment, initiative and efforts it largely depends for the successful conduct of its business to acquire a proprietary interest in MAA. The MAA Compensation Committee anticipates that providing such persons with a direct stake in MAA will assure a closer identification of the interests of participants in the MAA 2013 Plan with those of MAA s shareholders, thereby stimulating their efforts on MAA s behalf and strengthening their desire to remain with MAA. The MAA 2004 Plan will expire on October 31, 2013 and the MAA 2013 Plan will therefore enable MAA to continue making such stock-based incentive awards.

Summary of the MAA 2013 Plan

The following description of certain features of the MAA 2013 Plan is intended to be a summary only. The summary is qualified in its entirety by the full text of the MAA 2013 Plan that is attached hereto as Annex E.

Plan Administration

The MAA 2013 Plan will be administered by the MAA Compensation Committee. The MAA Compensation Committee has full power to select, from among the individuals eligible for awards, the individuals to whom awards will be granted, to make any combination of awards to participants, and to determine the specific terms and conditions of each award, subject to the provisions of the MAA 2013 Plan. The MAA Compensation Committee may delegate to MAA s Chief Executive Officer the authority to grant awards at fair market value to employees who are not subject to the reporting and other provisions of Section 16 of the Exchange Act.

Eligibility and Limitations on Grants

Persons eligible to participate in the MAA 2013 Plan will be those full or part-time officers, employees, non-employee directors and other key persons of MAA and its subsidiaries (including MAA LP) as selected from time-to-time by the MAA Compensation Committee. Approximately 63 individuals are currently eligible to participate in the MAA 2013 Plan.

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The maximum award of stock options granted to any one individual will not exceed 100,000 shares of MAA common stock (subject to adjustment for stock splits and similar events) for any calendar year period. If any award of restricted stock, restricted stock units, performance shares or other stock-based award granted to an individual is intended to qualify as performance-based compensation under Section 162(m) of the Code, then the maximum award shall not exceed 50,000 shares of MAA common stock (subject to adjustment for stock splits and similar events) to any one such individual in any performance cycle. If any cash-based award is intended to qualify as performance-based compensation under Section 162(m) of the Code, then the maximum award to be paid in cash in any performance cycle may not exceed $2,500,000.

Stock Options

The MAA 2013 Plan permits the granting of (1) options to purchase common stock intended to qualify as incentive stock options under Section 422 of the Code and (2) options that do not so qualify. Options granted under the MAA 2013 Plan will be non-qualified options if they fail to qualify as incentive options or exceed the annual limit on incentive stock options. Non-qualified options may be granted to any persons eligible to receive incentive options and to non-employee directors and key persons. The option exercise price of each option will be determined by the MAA Compensation Committee but may not be less than 100% of the fair market value of the MAA common stock on the date of grant. The MAA 2013 Plan provides that such fair market value will be deemed to be the last reported sale price of the shares of MAA common stock on the NYSE on the date of grant. The exercise price of an option may not be reduced after the date of the option grant, other than to appropriately reflect changes in MAA s capital structure. Option repricing may not be effected through cancellation and re-grants or cancellation in exchange for cash.

The term of each option will be fixed by the MAA Compensation Committee and may not exceed ten years from the date of grant. The MAA Compensation Committee will determine at what time or times each option may be exercised. Options may be made exercisable in installments and the exercisability of options may be accelerated by the MAA Compensation Committee.

Upon exercise of options, the option exercise price must be paid in full either in cash, by certified or bank check or other instrument acceptable to the MAA Compensation Committee, by delivery (or attestation to the ownership) of shares of MAA common stock that are not then subject to restrictions under any MAA plan, or, with respect to stock options that are not incentive stock options, by a net exercise arrangement pursuant to which MAA will reduce the number of shares of stock issuable upon exercise by the largest whole number of shares with a fair market value that does not exceed the aggregate exercise price. Subject to applicable law, the exercise price may also be delivered to MAA by a broker pursuant to irrevocable instructions to the broker from the optionee.

To qualify as incentive options, options must meet additional federal tax requirements, including a $100,000 limit on the value of shares subject to incentive options that first become exercisable by a participant in any one calendar year.

Restricted Stock

The MAA Compensation Committee may award shares of common stock to participants subject to such conditions and restrictions as the MAA Compensation Committee may determine. These conditions and restrictions may include the achievement of certain performance goals (as summarized above under Proposal) and/or continued employment with MAA or its subsidiaries through a specified restricted period.

Deferred Stock Awards

The MAA Compensation Committee may award phantom stock units as restricted stock units to participants. Restricted stock units are ultimately payable in the form of shares of common stock and may be

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subject to such conditions and restrictions as the MAA Compensation Committee may determine. These conditions and restrictions may include the achievement of certain performance goals (as summarized above) and/or continued employment with MAA or its subsidiaries through a specified vesting period. In the MAA Compensation Committee s sole discretion and subject to the participant s compliance with the procedures established by the MAA Compensation Committee and requirements of Section 409A of the Code, it may permit a participant to make an advance election to receive a portion of his or her future cash compensation otherwise due in the form of restricted stock units. During the deferral period, the participant may be credited with dividend equivalent rights with respect to the restricted stock units.

Unrestricted Stock Awards

The MAA Compensation Committee may also grant shares of common stock that are free from any restrictions under the MAA 2013 Plan. Unrestricted stock may be granted to any participant in recognition of past services or other valid consideration and may be issued in lieu of cash compensation due to such participant.

Performance Share Awards

The MAA Compensation Committee may grant performance share awards to any participant that entitle the recipient to receive shares of common stock upon the achievement of certain performance goals (as summarized above) and such other conditions as the MAA Compensation Committee shall determine.

Dividend Equivalent Rights

The MAA Compensation Committee may grant dividend equivalent rights that entitle the recipient to receive credits for dividends that would be paid if the recipient had held specified shares of common stock. Dividend equivalent rights may be granted as a component of another award or as a freestanding award. Dividend equivalent rights may be settled in cash, shares of common stock or a combination thereof, in a single installment or installments, as specified in the award.

Other Stock-Based Awards

The MAA Compensation Committee may grant awards of capital stock other than common stock and other awards that are valued in whole or in part by reference to or are otherwise based on, common stock, including, for example, convertible preferred stock, convertible debentures, exchangeable securities, awards valued by reference to book value or subsidiary performance. These awards may be subject to such conditions and restrictions as the MAA Compensation Committee may determine. These conditions and restrictions may include the achievement of certain performance goals (as summarized above) and/or continued employment with us through a specified vesting period. If the applicable performance goals and other restrictions are not attained, the participant will forfeit his or her awards.

Cash-Based Awards

The MAA Compensation Committee may grant cash bonuses under the MAA 2013 Plan. The cash bonuses may be subject to the achievement of certain performance goals (as summarized above).

Transferability

In general, unless otherwise permitted by the MAA Compensation Committee, no award granted under the MAA 2013 Plan is transferable by the participant other than by will or by the laws of descent and distribution, and awards may be exercised during the participant s lifetime only by the participant, or by the participant s legal representative or guardian in the case of the participant s incapacity.

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Adjustments for Stock Dividends, Stock Splits, Etc.

The MAA 2013 Plan requires the MAA Compensation Committee to make appropriate adjustments to the number of shares of common stock that are subject to the MAA 2013 Plan and to any outstanding awards to reflect stock dividends, stock splits, extraordinary cash dividends and similar events.

Tax Withholding

Participants in the MAA 2013 Plan are responsible for the payment of any federal, state or local taxes that MAA is required by law to withhold upon any option exercise or vesting of other awards or election pursuant to Section 83(b) of the Code. Subject to approval by the MAA Compensation Committee, participants may elect to have the minimum tax withholding obligations satisfied by authorizing us to withhold shares of common stock to be issued pursuant to an option exercise or upon vesting of other awards.

Amendments and Termination

The MAA Board may at any time amend or discontinue the MAA 2013 Plan and the MAA Compensation Committee may at any time amend or cancel any outstanding award for the purpose of satisfying changes in the law or for any other lawful purpose. However, no such action may adversely affect any rights under any outstanding award without the holder s consent. Any amendments that materially change the terms of the MAA 2013 Plan, including any amendments that increase the number of shares reserved for issuance under the MAA 2013 Plan, expand the types of awards available, materially expand the eligibility to participate in, or materially extend the term of, the MAA 2013 Plan, or materially change the method of determining the fair market value of common stock, will be subject to approval by MAA s shareholders. Amendments shall also be subject to approval by MAA s shareholders if and to the extent determined by the MAA Compensation Committee to be required by the Code to preserve the qualified status of incentive options or to ensure that compensation earned under the MAA 2013 Plan qualifies as performance-based compensation under Section 162(m) of the Code.

New Plan Benefits

Because the grant of awards under the MAA 2013 Plan is within the discretion of the MAA Compensation Committee, MAA cannot determine the dollar value or number of shares of common stock that will in the future be received by or allocated to any participant in the MAA 2013 Plan. Accordingly, in lieu of providing information regarding benefits that will be received under the MAA 2013 Plan, the following table provides information concerning the benefits that were received by the following persons and groups during 2013: each named executive officer; all current executive officers, as a group; all current directors who are not executive officers, as a group; and all employees who are not executive officers, as a group.

		Restricted Stock
Name and Position	**Dollar Value ($)(1)**	**Number (#)**
H. Eric Bolton, Jr., CEO	[ ]	8,385
Albert M. Campbell III, CFO	[ ]	3,063
Thomas L. Grimes, Jr., COO	[ ]	3,012
All current executive officers, as a group	[ ]	14,460
All current directors who are not executive officers, as a group	[ ]	4,035
All current employees who are not executive officers, as a group	[ ]	8,023

(1) Calculations are based on the closing price of MAA common stock of $[ ] on [ ], 2013.

Tax Aspects Under the Code

The following is a summary of the principal U.S. federal income tax consequences of certain transactions under the MAA 2013 Plan. It does not describe all federal tax consequences under the MAA 2013 Plan, nor does it describe state or local tax consequences.

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Incentive Options

No taxable income is generally realized by the optionee upon the grant or exercise of an incentive option. If shares of common stock issued to an optionee pursuant to the exercise of an incentive option are sold or transferred after two years from the date of grant and after one year from the date of exercise, then, generally, for U.S. federal income tax purposes, (1) upon sale of such shares, any amount realized in excess of the option price (the amount paid for the shares) will be taxed to the optionee as a long-term capital gain, and any loss sustained will be a long-term capital loss, and (2) we will not be entitled to any deduction. The exercise of an incentive option will give rise to an item of tax preference that may result in alternative minimum tax liability for the optionee.

If shares of common stock acquired upon the exercise of an incentive option are disposed of prior to the expiration of the two-year and one-year holding periods described above (a disqualifying disposition), then, generally, for U.S. federal income tax purposes, (a) the optionee will realize ordinary income in the year of disposition in an amount equal to the excess (if any) of the fair market value of the shares of common stock at exercise (or, if less, the amount realized on a sale of such shares of common stock) over the option price thereof, and (b) we will be entitled to deduct such amount. Special rules will apply where all or a portion of the exercise price of the incentive option is paid by tendering shares of common stock. If an incentive option is exercised at a time when it no longer qualifies for the tax treatment described above, the option is treated as a non-qualified option. Generally, an incentive option will not be eligible for the tax treatment described above if it is exercised more than three months following termination of employment (or one year in the case of termination of employment by reason of disability). In the case of termination of employment by reason of death, the three-month rule does not apply.

Non-Qualified Options

No income is realized by the optionee at the time the option is granted. Generally (1) at exercise, ordinary income is realized by the optionee in an amount equal to the difference between the option price and the fair market value of the shares of common stock on the date of exercise, and we receive a tax deduction for the same amount, and (2) at disposition, appreciation or depreciation after the date of exercise is treated as either short-term or long-term capital gain or loss depending on how long the shares of common stock have been held. Special rules will apply where all or a portion of the exercise price of the non-qualified option is paid by tendering shares of common stock. Upon exercise, the optionee will also be subject to Social Security taxes on the excess of the fair market value over the exercise price of the option.

Parachute Payments

The vesting of any portion of an option or other award that is accelerated due to the occurrence of a change in control may cause a portion of the payments with respect to such accelerated awards to be treated as parachute payments as defined in the Code. Any such parachute payments may be non-deductible to MAA, in whole or in part, and may subject the recipient to a non-deductible 20% U.S. federal excise tax on all or a portion of such payment (in addition to other taxes ordinarily payable).

Limitation on Deductions

As a result of Section 162(m) of the Code, MAA s deduction for certain awards under the MAA 2013 Plan may be limited to the extent that the chief executive officer or other executive officer whose compensation is required to be reported in the summary compensation table (other than the chief financial officer) receives compensation in excess of $1 million per year (other than performance-based compensation that otherwise meets the requirements of Section 162(m) of the Code). The MAA 2013 Plan is structured to allow grants to qualify as performance-based compensation.

Approval of the MAA 2013 Plan requires the votes cast FOR the proposal exceed the votes cast AGAINST the proposal, and in order to satisfy the requirements of the NYSE, the total votes cast on this

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proposal must represent over 50% of the shares of outstanding MAA common stock entitled to vote on the proposal. For purposes of the proposal to approve the MAA 2013 Plan, if a MAA shareholder abstains it will count as a vote cast with respect to this proposal and accordingly, abstentions will be included in determining whether the NYSE voting requirement has been achieved, but if the NYSE voting requirement is achieved, it will have no effect on the outcome of the vote for this proposal. If a MAA shareholder fails to vote or fails to instruct its broker, bank or nominee to vote, it will not be counted as votes cast on this proposal and accordingly, it will make it more difficult for the NYSE voting requirement to be achieved, but if the NYSE voting requirement is achieved, it will have no effect on the outcome of the vote for this proposal.

The vote on the approval of the MAA 2013 Plan is a vote separate and apart from the vote to approve the merger agreement and the other transactions contemplated by the merger agreement. You may vote to approve this proposal and vote not to approve the MAA merger proposal, or you may vote against this proposal and vote to approve the merger agreement and the other transactions contemplated by the merger agreement.

Recommendation of the MAA Board

The MAA Board unanimously recommends that MAA shareholders vote FOR the proposal to approve the MAA 2013 Plan.

The MAA Adjournment Proposal

(Proposal 3 on the MAA Proxy Card)

The MAA special meeting may be adjourned to another time or place, if necessary or appropriate in the view of the MAA Board, to permit, among other things, further solicitation of proxies, if necessary or appropriate in the view of the MAA Board, in favor of the other proposals on the MAA proxy card if there are not sufficient votes at the time of such adjournment to approve such proposals.

MAA is asking MAA shareholders to approve the adjournment of the MAA special meeting, if necessary or appropriate in the view of the MAA Board, to solicit additional proxies in favor of the proposals if there are not sufficient votes at the time of such adjournment to approve such proposals. Approval of this proposal requires the affirmative vote of a majority of the votes cast on the proposal.

Recommendation of the MAA Board

The MAA Board unanimously recommends that MAA shareholders vote FOR the proposal to approve one or more adjournments of the MAA special meeting, if necessary or appropriate, including adjournments to permit further solicitation of proxies in favor of approval and adoption of the merger agreement and the parent merger.

Other Business

As of the date of this joint proxy statement/prospectus, MAA does not intend to bring any other matters before the MAA special meeting, and MAA has no knowledge of any business that will be presented for consideration at the MAA special meeting and which would be required to be set forth in this joint proxy statement/prospectus other than the matters set forth in the accompanying Notice of Special Meeting of Shareholders of MAA. In accordance with the MAA bylaws and Tennessee law, business transacted at the MAA special meeting will be limited to those matters set forth in such notice. Nonetheless, if any other matter is properly presented at the MAA special meeting for consideration, it is intended that the persons named in the enclosed proxy and acting thereunder will vote in accordance with their discretion on such matter.

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THE COLONIAL SPECIAL MEETING

Date, Time and Place

The Colonial special meeting will be held at [ ] on [ ], 2013 at [ ], Central Daylight Time.

Purpose of the Colonial Special Meeting

At the Colonial special meeting, Colonial shareholders will be asked to consider and vote upon the following matters:

- a proposal to approve and adopt the merger agreement and the parent merger pursuant to the plan of merger, which we sometimes refer to as the Colonial merger proposal;
- a proposal to approve, on an advisory (non-binding) basis, the compensation payable to certain executive officers of Colonial in connection with the mergers; and
- a proposal to approve one or more adjournments of the Colonial special meeting, if necessary or appropriate, including adjournments to permit further solicitation of proxies in favor of approval and adoption of the merger agreement and the parent merger pursuant to the plan of merger.

Recommendation of the Colonial Board

The Colonial Board unanimously recommends that Colonial shareholders vote:

- **FOR** the proposal to approve and adopt the merger agreement and the parent merger pursuant to the plan of merger;
- **FOR** the proposal to approve, on an advisory (non-binding) basis, the compensation payable to certain executive officers of Colonial in connection with the mergers; and
- **FOR** the proposal to approve one or more adjournments of the Colonial special meeting, if necessary or appropriate, including adjournments to permit further solicitation of proxies in favor of approval and adoption of the merger agreement and the parent merger pursuant to the plan of merger.

As discussed elsewhere in this joint proxy statement/prospectus, after careful consideration, and based in part on the unanimous recommendation of the transaction committee of the Colonial Board, the Colonial Board has unanimously approved and adopted the merger agreement and the plan of merger, and has determined that the parent merger is advisable and in the best interests of Colonial and its shareholders. Certain factors considered by the Colonial Board in reaching its decision to adopt and approve the parent merger can be found in the section of this joint proxy/statement/prospectus entitled The Parent Merger Recommendation of the Colonial Board and Its Reasons for the Parent Merger beginning on page 91.

Approval and adoption of the merger agreement and the parent merger pursuant to the plan of merger is subject to a vote by Colonial s shareholders separate from the vote on approval, on an advisory (non-binding) basis, of the compensation payable to certain executive officers of Colonial in connection with the mergers. Approval of the compensation arrangements is not a condition to completion of the mergers.

Colonial Record Date; Who Can Vote at the Colonial Special Meeting

Only holders of record of Colonial common shares at the close of business on [ ], 2013, Colonial s record date for the Colonial special meeting, are entitled to notice of, and to vote at, the Colonial special meeting or any adjournments or postponements thereof. As of the close of business on the record date, there were [ ] Colonial common shares outstanding and entitled to vote at the Colonial special meeting, held by approximately [ ] holders of record. Because many of the Colonial common shares are held by brokers and other institutions on behalf of Colonial shareholders, Colonial is unable to estimate the total number of Colonial shareholders represented by these record holders. Colonial common shares are the only security the holders of which are entitled to notice of, and to vote at, the Colonial special meeting.

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Each Colonial common share owned on Colonial s record date is entitled to one vote on each proposal at the Colonial special meeting.

If you own Colonial common shares that are registered in the name of someone else, such as a broker, bank or other nominee, you need to direct that organization to vote those shares or obtain an authorization from them and vote the shares yourself at the Colonial special meeting.

A list of Colonial shareholders entitled to vote at the Colonial special meeting will be open for examination by any Colonial shareholder, for any purpose germane to the Colonial special meeting, during ordinary business hours for a period of ten days before the Colonial special meeting at Colonial s principal executive offices at 2101 Sixth Avenue North, Suite 750, Birmingham, Alabama 35203, and at the time and place of the Colonial special meeting during the entire time of the Colonial special meeting.

Quorum

The presence at the Colonial special meeting, in person or by proxy, of Colonial shareholders entitled to cast a majority of all the votes entitled to be cast as such meeting will constitute a quorum for purposes of the Colonial special meeting. There must be a quorum for business to be conducted at the Colonial special meeting. It is important that Colonial shareholders vote promptly so that their Colonial common shares are counted toward the quorum.

All Colonial common shares represented at the Colonial special meeting, including abstentions and broker non-votes, will be treated as Colonial common shares that are present for purposes of determining the presence of a quorum. Colonial may seek to adjourn the Colonial special meeting if a quorum is not present at the Colonial special meeting.

Vote Required for Approval

Approval and adoption of the merger agreement, the parent merger pursuant to the plan of merger and the other transactions contemplated by the merger agreement, will require the affirmative vote of the holders of at least a majority of the Colonial common shares outstanding as of the record date for the Colonial special meeting.

Approval, on an advisory (non-binding) basis, of the compensation payable to certain executive officers of Colonial in connection with the mergers will require the affirmative vote of the holders of a majority of the Colonial common shares present in person or represented by proxy at the Colonial special meeting and entitled to vote on this proposal. An abstention from voting on this proposal will have the same effect as voting against this proposal.

Approval of one or more adjournments of the Colonial special meeting, if necessary or appropriate, including adjournments to permit further solicitation of proxies in favor of approval and adoption of the merger agreement and the parent merger pursuant to the plan of merger, will require the affirmative vote of the holders of a majority of the Colonial common shares present in person or represented by proxy at the Colonial special meeting and entitled to vote on this proposal.

Abstentions and Broker Non-Votes

It is important that you vote your Colonial shares. Your failure to vote, or failure to instruct your broker, bank or other nominee on how to vote, will have the same effect as a vote against the Colonial merger proposal, but will have no effect on the proposal to approve, on an advisory (non-binding) basis, the compensation payable to certain executive officers of Colonial in connection with the mergers or the proposal to approve one or more adjournments of the Colonial special meeting.

If you attend the Colonial special meeting, send in your signed proxy card or vote by telephone or over the Internet, but abstain from voting on any proposal, you will still be counted for purposes of determining whether a quorum exists. If you abstain from voting on the proposal to approve the parent merger and to adopt the plan of

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merger, the advisory (non-binding) proposal to approve compensation payable to certain executive officers of Colonial in connection with the mergers or the adjournment proposal, your abstention will have the same effect as a vote against that proposal.

Banks, brokers and other nominees that hold their customers shares in street name may not vote their customers shares on non-routine matters without instructions from their customers. As each of the proposals to be voted upon at the Colonial special meeting is considered non-routine, such organizations do not have discretion to vote on any of the proposals. As a result, if you fail to provide your broker, bank or other nominee with any instructions regarding how to vote your Colonial common shares, your Colonial common shares will not be considered present at the Colonial special meeting or voted on any of the proposals. If you provide instructions to your broker, bank or other nominee which do not indicate how to vote your Colonial common shares with respect to a particular proposal, in accordance with stock exchange rules relating to non-routine shareholder matters, your Colonial common shares will not be voted with respect to that particular proposal (this is referred to in this context as a broker non-vote). With respect to the proposal to approve, on an advisory (non-binding) basis, the compensation payable to certain executive officers of Colonial in connection with the mergers or the proposal to approve one or more adjournments of the Colonial special meeting, broker non-votes will have no effect on the outcome.

Voting by Colonial Trustees and Executive Officers

At the close of business on the record date, trustees and executive officers of Colonial and their affiliates were entitled to vote [ ] Colonial common shares, or approximately [ ]% of the Colonial common shares issued and outstanding on that date. Messrs. T. Lowder, J. Lowder and Ripps have entered into voting agreements that obligate them to vote FOR the Colonial merger proposal. Additionally, Colonial currently expects that the other Colonial trustees and executive officers will vote their Colonial common shares in favor of the Colonial merger proposal as well as the other proposals to be considered at the Colonial special meeting, although none of them is obligated to do so.

Manner of Submitting Proxy

Whether you plan to attend the Colonial special meeting in person, you should submit your proxy as soon as possible.

If you own Colonial common shares in your own name, you are an owner or holder of record. This means that you may use the enclosed proxy card or the Internet or telephone voting options to tell the persons named as proxies how to vote your Colonial common shares. You have four voting options:

In Person. To vote in person, come to the Colonial special meeting and you will be able to vote by ballot. To ensure that your Colonial common shares are voted at the Colonial special meeting, the Colonial Board recommends that you submit a proxy even if you plan to attend the Colonial special meeting.

Mail. To vote using the enclosed proxy card, simply complete, sign and date the enclosed proxy card and return it promptly in the enclosed return envelope. If you return your signed proxy card to Colonial before the Colonial special meeting, Colonial will vote your Colonial common shares as you direct.

Telephone. To vote by telephone, dial the toll-free telephone number located on the enclosed proxy card using a touch-tone phone and follow the recorded instructions. You will be asked to provide the company number and control number from the enclosed proxy card. Your vote must be received by 11:59 p.m. Central Daylight Time on [ ], 2013 to be counted.

Internet. To vote over the Internet, go to the web address located on the enclosed proxy card to complete an electronic proxy card. You will be asked to provide the company number and control number from the enclosed proxy card. Your vote must be received by 11:59 p.m. Central Daylight Time on [ ], 2013 to be counted.

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The Internet and telephone voting options available to holders of record are designed to authenticate Colonial shareholders identities, to allow Colonial shareholders to give their proxy voting instructions and to confirm that these instructions have been properly recorded. Proxies submitted over the Internet or by telephone through such a program must be received by 11:59 p.m. Central Daylight Time on [ ], 2013. Submitting a proxy will not affect your right to vote in person if you decide to attend the Colonial special meeting.

Shares held in Street Name

If your Colonial common shares are held in street name by your broker, bank or other nominee, you should have received a voting instruction form, as well as voting instructions with these proxy materials from that organization rather than from Colonial. Your broker, bank or other nominee will vote your Colonial common shares only if you provide instructions to that organization on how to vote. You should provide your broker, bank or other nominee with instructions regarding how to vote your Colonial common shares by following the enclosed instructions provided by that organization. Without such instructions, your shares will NOT be voted on any of the proposals to be voted upon at the Colonial special meeting, which will have the same effect as described above under Abstentions and Broker Non-Votes.

Please note that Colonial shareholders may not vote Colonial common shares held in street name by returning a proxy card directly to Colonial or by voting in person at the Colonial special meeting unless they provide a legal proxy, which Colonial shareholders must obtain from their broker, bank or nominee. Further, brokers, banks or nominees who hold Colonial common shares on behalf of their customers may not give a proxy to Colonial to vote those Colonial common shares without specific instructions from their customers

Revocation of Proxies or Voting Instructions

Your grant of a proxy on the enclosed proxy card or through one of the alternative methods discussed above does not prevent you from voting in person or otherwise revoking your proxy at any time before it is voted at the Colonial special meeting. If your Colonial common shares are registered in your own name, you may revoke your proxy in one of the following ways by:

- submitting notice in writing to Colonial s Corporate Secretary at Colonial Properties Trust, 2101 Sixth Avenue North, Suite 750, Birmingham, Alabama 35203, that you are revoking your proxy that bears a date later than the date of the proxy that you are revoking and that is received before the Colonial special meeting;
- submitting another proxy card bearing a later date and mailing it so that it is received before the Colonial special meeting;
- submitting another proxy using the Internet or telephone voting procedures; or
- attending the Colonial special meeting and voting in person, although simply attending the Colonial special meeting will not revoke your proxy, as you must deliver a notice of revocation or vote at the Colonial special meeting in order to revoke a prior proxy.

Your last vote is the vote that will be counted.

If you have instructed a broker, bank or other nominee to vote your Colonial common shares, you must follow the directions received from your broker, bank or other nominee if you wish to change your vote.

If you have questions about how to vote or revoke your proxy, you should contact our proxy solicitor, Morrow & Co., LLC toll-free at (800) 460-1014.

Tabulation of Votes

Colonial will appoint an inspector of election for the Colonial special meeting to tabulate affirmative and negative votes, broker non-votes and abstentions.

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Solicitation of Proxies; Payment of Solicitation Expenses

Colonial is soliciting proxies for the Colonial special meeting from Colonial shareholders. Colonial will bear the entire cost of soliciting proxies from Colonial shareholders. In addition to this mailing, Colonial s trustees and officers may solicit proxies by telephone, by facsimile, by mail, over the Internet or in person. They will not be paid any additional amounts for soliciting proxies. Arrangements also will be made with brokerage firms and other custodians, nominees and fiduciaries to forward proxy solicitation materials to the beneficial owners of Colonial common shares held of record by those persons, and Colonial will reimburse these brokerage firms, custodians, nominees and fiduciaries for related, reasonable out-of-pocket expenses they incur.

Colonial has engaged Morrow & Co. to assist in the solicitation of proxies for the Colonial special meeting and will pay Morrow & Co. a fee of approximately $25,000, plus reimbursement of out-of-pocket expenses and will indemnify Morrow & Co. and its affiliates against certain claims, liabilities, losses, damages and expenses. The address of Morrow & Co. is 470 West Avenue, Stamford, CT 06902. You can call Morrow & Co., LLC at (203) 658-9400 or toll-free at (800) 460-1014.

Adjournment

In addition to the other proposals being considered at the Colonial special meeting, Colonial shareholders are also being asked to approve a proposal that will give the Colonial Board authority to adjourn the Colonial special meeting, if necessary or appropriate, including adjournments to permit further solicitation of proxies in favor of approval and adoption of the merger agreement and the parent merger pursuant to the plan of merger. If this proposal is approved, the Colonial special meeting could be successively adjourned to any date. In addition, the Colonial Board could postpone the Colonial special meeting before it commences, whether for the purpose of soliciting additional proxies or for other reasons. If the Colonial special meeting is adjourned for the purpose of soliciting additional proxies, Colonial shareholders who have already submitted their proxies will be able to revoke them at any time prior to their use.

Whether a quorum is present, upon the affirmative vote of the holders of a majority of the Colonial common shares present in person or represented by proxy at the Colonial special meeting and entitled to vote on the adjournment, Colonial may adjourn the Colonial special meeting.

Rights of Dissenting Shareholders

Under the AREITL, Colonial shareholders are entitled to dissenters rights of appraisal with respect to Colonial common shares that are the same rights as a dissenting shareholder of an Alabama business corporation. Therefore, pursuant to Section 10A-2-13.01 *et seq.* of the ABCL (ABCL Article 13), holders of Colonial common shares are entitled to dissenters rights of appraisal in connection with the parent merger. This means that, subject to the parent merger being consummated, you are entitled to payment by MAA of the fair value (as defined in ABCL Article 13) of such dissenting Colonial common shares plus accrued interest in accordance with ABCL Article 13. The ultimate amount you receive in an appraisal proceeding may be less than, equal to or more than the amount you would have received under the merger agreement. To exercise your dissenters rights, you must submit a written demand for dissenters rights of appraisal to Colonial before the shareholder vote is taken on the merger agreement and plan of merger, and you must not vote in favor of the proposal to adopt the merger agreement. Colonial common shares held by shareholders who properly demand and exercise their dissenters rights of appraisal pursuant to ABCL Article 13 will not be converted into the right to receive the merger consideration. Your failure to follow exactly the procedures specified under ABCL Article 13 may result in the loss of your dissenters rights of appraisal. See Dissenters Rights beginning on page 173 and the text of ABCL Article 13 reproduced in its entirety as Annex H to this joint proxy statement/prospectus. If you hold your Colonial common shares through a broker, bank or other nominee and you wish to exercise dissenter s rights, you should consult such organization to determine the appropriate procedures for the making of a demand for dissenters rights by that organization. In view of the complexity of the ABCL, shareholders who may wish to pursue dissenters rights should consult their legal and financial advisors.

Assistance

If you need assistance in completing your proxy card or have questions regarding the various voting options with respect to the Colonial special meeting, please contact Colonial s proxy solicitor, Morrow & Co., LLC, at (203) 658-9400 or toll-free at (800) 460-1014.

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PROPOSALS SUBMITTED TO COLONIAL SHAREHOLDERS

Merger Proposal

(Proposal 1 on the Colonial Proxy Card)

Colonial shareholders are asked to approve and adopt the merger agreement, the parent merger pursuant to the plan of merger and the other transactions contemplated by the merger agreement. For a summary and detailed information regarding this proposal to approve and adopt the merger agreement, the parent merger pursuant to plan of merger and the other transactions contemplated by the merger agreement, see the information about the merger agreement and the parent merger throughout this joint proxy statement/prospectus, including the information set forth in sections entitled The Parent Merger beginning on page 67 and The Merger Agreement beginning on page 147. A copy of the merger agreement is attached as Annex A to this joint proxy statement/prospectus and a copy of the plan of merger is attached as Annex B to this joint proxy statement/prospectus, each of which is incorporated by reference herein.

Pursuant to the merger agreement, approval of this proposal is a condition to the closing of the mergers. If the proposal is not approved, the mergers will not be completed even if the other proposals considered at the Colonial special meeting are approved.

Colonial is requesting that Colonial shareholders approve and adopt the merger agreement, the parent merger pursuant to the plan of merger and the other transactions contemplated by the merger agreement. If you return a properly executed proxy card, but do not indicate instructions on your proxy card, your Colonial common shares represented by such proxy card will be voted FOR the approval and adoption of the merger agreement, the parent merger pursuant to plan of merger and the other transactions contemplated by the merger agreement.

Approval of the proposal to approve and adopt the merger agreement, the parent merger pursuant to the plan of merger and the other transactions contemplated by the merger agreement requires the affirmative vote of the holders of at least a majority of the outstanding Colonial common shares entitled to vote on such proposal.

Recommendation of the Colonial Board

The Colonial Board unanimously recommends that Colonial shareholders vote FOR the proposal to approve and adopt the merger agreement, the parent merger pursuant to plan of merger and the other transactions contemplated by the merger agreement.

Advisory Vote on Executive Compensation

(Proposal 2 on the Colonial Proxy Card)

As required by Section 14A of the Exchange Act and the SEC s rules thereunder, Colonial is asking its shareholders to cast an advisory (non-binding) vote on the compensation that may be payable to its named executive officers in connection with the mergers, as described in this joint proxy statement/prospectus under The Parent Merger Executive Compensation Payable in Connection with the Mergers Change in Control Compensation, including in the associated narrative discussion. In accordance with these requirements, Colonial is asking its shareholders to vote on the adoption of the following resolution:

RESOLVED, that the compensation that may be payable to Colonial s named executive officers in connection with the mergers, as disclosed in the table captioned Change in Control Compensation on page 121 under The Parent Merger Executive Compensation Payable in Connection with the Mergers, including the associated narrative discussion, and the agreements or understandings pursuant to which such compensation may be payable, are hereby APPROVED.

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The vote on the executive compensation payable in connection with the mergers is a vote separate and apart from the vote to approve and adopt the merger agreement, the parent merger pursuant to the plan of merger and the other transactions contemplated by the merger agreement. You may vote to approve this proposal and vote not to approve the Colonial merger proposal, or you may vote against this proposal and vote to approve and adopt the merger agreement, the parent merger pursuant to the plan of merger and the other transactions contemplated by the merger agreement. Because the vote on this proposal is advisory in nature only, it will not be binding on Colonial. Accordingly, because Colonial is contractually obligated to pay the compensation covered by this proposal, such compensation will be payable, subject only to certain applicable conditions, if the parent merger is approved and regardless of the outcome of the advisory vote.

The affirmative vote of the holders of a majority of Colonial common shares present in person or represented by proxy at the Colonial special meeting and entitled to vote on this proposal will be required to approve the proposal. If you return a properly executed proxy card, but do not indicate instructions on your proxy card, your shares of common stock represented by such proxy card will be voted FOR this proposal. Abstentions from voting on this proposal will have the same effect as a vote against this proposal. Failures to submit a proxy (if you do not attend the Colonial special meeting in person) and any broker non-votes will not affect the outcome of the vote on this proposal.

Recommendation of the Colonial Board

The Colonial Board unanimously recommends that Colonial shareholders vote FOR the proposal to approve, on an advisory (non-binding) basis, the compensation payable to certain executive officers of Colonial in connection with the mergers.

Colonial Adjournment Proposal

(Proposal 3 on the Colonial Proxy Card)

Colonial is asking its shareholders to consider and vote upon a proposal to approve one or more adjournments of the Colonial special meeting, if necessary or appropriate, including adjournments to permit further solicitation of proxies in favor of approval and adoption of the merger agreement and the parent merger pursuant to the plan of merger.

If the number of Colonial common shares present in person or represented by proxy at the Colonial special meeting voting in favor of proposal 1 to approve and adopt the merger agreement, the parent merger pursuant to the plan of merger and the other transactions contemplated by the merger agreement is insufficient to approve proposal 1 at the time of the Colonial special meeting, then Colonial may move to adjourn the Colonial special meeting in order to enable the Colonial Board to solicit additional proxies in respect of such proposal. In that event, Colonial shareholders will be asked to vote only upon the adjournment proposal, and not on any other proposal, including proposal 1.

In this proposal, you are being asked to authorize the holder of any proxy solicited by the Colonial Board to vote in favor of granting discretionary authority to the proxy or attorney-in-fact to adjourn the Colonial special meeting one or more times for the purpose of soliciting additional proxies. If Colonial shareholders approve the adjournment proposal, Colonial could adjourn the Colonial special meeting and any adjourned session of the Colonial special meeting and use the additional time to solicit additional proxies, including the solicitation of proxies from Colonial shareholders that have previously returned properly executed proxies or authorized a proxy by using the Internet or telephone. Among other things, approval of the adjournment proposal could mean that, even if Colonial has received proxies representing a sufficient number of votes against the approval of proposal 1 such that the proposal would be defeated, Colonial could adjourn the Colonial special meeting without a vote on proposal 1 and seek to obtain sufficient votes in favor of approval of proposal 1 to obtain approval of that proposal.

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Whether a quorum is present, the affirmative vote of the holders of a majority of Colonial common shares present in person or represented by proxy at the Colonial special meeting and entitled to vote on this proposal will be required to approve the proposal. If you return a properly executed proxy card, but do not indicate instructions on your proxy card, your Colonial common shares represented by such proxy card will be voted FOR this proposal. Abstentions from voting on this proposal will have the same effect as a vote against this proposal. Failures to submit a proxy (if you do not attend the Colonial special meeting in person) and any broker non-votes will not affect the outcome of the vote on this proposal.

Recommendation of the Colonial Board

The Colonial Board unanimously recommends that Colonial shareholders vote FOR the proposal to approve one or more adjournments of the Colonial special meeting, if necessary or appropriate, including adjournments to permit further solicitation of proxies in favor of approval and adoption of the merger agreement and the parent merger pursuant to the plan of merger.

Other Business

At this time, Colonial does not intend to bring any other matters before the Colonial special meeting, and Colonial does not know of any matters to be brought before the Colonial special meeting by others. If, however, any other matters properly come before the Colonial special meeting, the persons named in the enclosed proxy, or their duly constituted substitutes, acting at the Colonial special meeting or any adjournment or postponement thereof will be deemed authorized to vote the Colonial common shares represented thereby in accordance with the judgment of management on any such matter.

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THE PARENT MERGER

The following is a description of the material aspects of the parent merger. While MAA and Colonial believe that the following description covers the material terms of the parent merger, the description may not contain all of the information that is important to the MAA shareholders and the Colonial shareholders. MAA and Colonial encourage the MAA shareholders and the Colonial shareholders to carefully read this entire joint proxy statement/prospectus, including the merger agreement and the other documents attached to this joint proxy statement/prospectus and incorporated herein by reference, for a more complete understanding of the parent merger.

General

Each of the MAA Board and the Colonial Board has unanimously approved the merger agreement, the parent merger and the other transactions contemplated by the merger agreement. In the parent merger, Colonial will merge with and into MAA, with MAA continuing as the Combined Corporation, and Colonial shareholders will receive the merger consideration described below under The Merger Agreement Merger Consideration; Effects of the Parent Merger and the Partnership Merger.

Background of the Mergers

The boards and management teams of Colonial and MAA periodically and in the ordinary course have evaluated and considered a variety of financial and strategic opportunities as part of their respective long-term strategies to enhance value for their shareholders.

Prior to April 2012, Colonial from time to time engaged in discussions regarding a variety of possible business opportunities, including discussions with other companies in Colonial s industry. These discussions ranged from possible commercial or partnering arrangements to possible acquisitions by or of Colonial or other business combination transactions. Colonial received, on occasion, unsolicited inquiries from third parties regarding possible business combinations or other strategic transaction opportunities. On occasion prior to April 2012, as part of its ongoing evaluation of its business strategy and business opportunities, Colonial engaged in discussions regarding possible strategic transactions, including discussions with another public multifamily REIT, referred to in this joint proxy statement/prospectus as Company A, and a real estate investment and management services firm, referred to in this joint proxy statement/prospectus as Company B, which in each case were both brief and preliminary.

In January 2012, Colonial received an unsolicited letter addressed to the executive committee of the Colonial Board from the chairman and chief executive officer of a national operator of multifamily apartments, referred to in this joint proxy statement/prospectus as Company C. The letter expressed an interest in exploring a potential business combination with Colonial and specified an initial indication of value of $22 to $25 in cash per outstanding Colonial common share, noting that the ultimate valuation determination would be made following completion of Company C s diligence review. The letter did not contain any other terms regarding a proposed combination. The Colonial Board, of which Mr. Thomas H. Lowder Colonial s Chief Executive Officer serves as chairman, discussed the letter from Company C during its regular, in person board meeting at Colonial s headquarters in Birmingham, Alabama on January 24, 2012, at which meeting a representative of Colonial s outside legal advisor, Hogan Lovells US LLP, herein referred to as Hogan Lovells, was present telephonically. Based on the preliminary nature of Company C s expression of interest and its lack of material terms other than a preliminary indication of value, the Colonial Board s view that the price range expressed in the letter was inadequate for a sale transaction of this type, Colonial management s familiarity with Company C and its concern with Company C s ability to structure and consummate a transaction of this type and complexity, the Colonial Board determined not to proceed with further discussions with Company C at that time.

Beginning in the spring 2012, Colonial s improved financial position, resulting from Colonial s improved operating performance and reduced debt levels, improvements in general economic conditions and financial markets and strong multifamily industry fundamentals led the Colonial Board to assess its current business

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strategy in light of other possible strategic alternatives. At Colonial s regular, in person board meeting at Colonial s headquarters in Birmingham on April 25, 2012, the Colonial Board invited BofA Merrill Lynch to discuss with the Colonial Board potential strategic alternatives for Colonial and subsequently engaged BofA Merrill Lynch as Colonial s financial advisor. Representatives of Hogan Lovells and Edward Hardin, co-general counsel of Colonial, and counsel with Burr & Forman LLP, herein referred to as Burr Forman, were also present. Potential strategic alternatives discussed at this meeting included potential sale, merger and acquisition opportunities. During the discussion, the Colonial Board further discussed Colonial s improved financial position, improvements in the financial markets and strong multifamily industry fundamentals as well as the potential benefits to Colonial shareholders if a transaction were structured to allow them to continue to participate in the ongoing success of Colonial s business. As a result, the discussions were focused principally on the possibility of a strategic combination transaction with other multifamily REITs, including MAA and Company A. Following this discussion, the Colonial Board authorized Mr. Lowder to contact representatives of MAA and Company A in an effort to determine whether there was interest by either such party in discussing a possible strategic combination transaction with Colonial.

In early May 2012, Mr. Lowder spoke by telephone with the chief executive officer of Company A. Mr. Lowder and the chief executive officer of Company A discussed the multifamily industry generally, as well as their respective companies. During this discussion, Mr. Lowder inquired whether Company A would have interest in considering a possible strategic combination of the two companies. This discussion was limited to a preliminary inquiry and did not address any specific terms of a possible transaction. At the end of the discussion, Mr. Lowder suggested that the chief executive officer of Company A contact Mr. Lowder if Company A was interested in engaging in further discussions regarding a possible strategic combination with Colonial. After this discussion, the chief executive officer of Company A did not contact Mr. Lowder or Colonial to engage in further discussions, and representatives of Colonial and Company A did not engage in further discussions regarding a potential strategic combination transaction.

On May 9, 2012, Mr. Lowder contacted H. Eric Bolton, Jr., Chairman and Chief Executive Officer of MAA, to inquire about whether MAA would be interested in exploring a potential strategic combination transaction with Colonial. As part of this conversation, Messrs. Lowder and Bolton discussed the potential strategic merits of combining the companies to create a leading Sunbelt-focused multifamily REIT. During the subsequent week, Mr. Bolton contacted each director of MAA individually by telephone to inform them of his conversation with Mr. Lowder and advise them that a potential strategic transaction with Colonial would be discussed at the next regular quarterly meeting of the MAA Board.

Subsequent to the May 9, 2012 meeting, Messrs. Bolton and Lowder contacted each other by telephone and email to make arrangements for an in person meeting to discuss a potential strategic combination transaction between MAA and Colonial further.

On May 24, 2012, the MAA Board held a regular quarterly meeting in Memphis with members of senior management and representatives of Baker, Donelson, Bearman, Caldwell & Berkowitz, PC, herein referred to as Baker Donelson. At this meeting, Mr. Bolton summarized his communications with Mr. Lowder and made a presentation to the MAA Board that provided a preliminary overview of Colonial including, among other things, information regarding Colonial s history, strategy, core and non-core properties, financial condition, management and trustees. The MAA Board further discussed its interest in a potential strategic transaction with Colonial, but also discussed that it would likely not be interested in owning Colonial s non-core assets long-term. The MAA Board then reviewed several financial metrics for Colonial and MAA and also reviewed Colonial s publicly available financial statements. Next, Mr. Bolton and the MAA Board discussed the potential impact of combining the MAA and Colonial portfolios and certain terms of a potential strategic combination transaction, including conditions, pricing, synergies and costs with respect to such potential transaction. Mr. Bolton then reviewed with the MAA Board certain considerations for a potential transaction with Colonial, including potential benefits to MAA and its shareholders and integration and other challenges associated with a potential strategic combination transaction with Colonial.

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On July 11, 2012 and July 12, 2012, Messrs. Bolton and Lowder met in Memphis to discuss a potential strategic combination transaction. Messrs. Bolton and Lowder discussed, among other things, the location of the Combined Corporation s corporate headquarters, key executive positions of MAA and Colonial, synergy opportunities from the combination of MAA s and Colonial s respective platforms, MAA s and Colonial s respective portfolios and strategies, the likely future of the publicly-traded apartment sector and scale-related advantages.

In mid-July, 2012, Mr. Lowder received and returned an unsolicited telephone call from the chairman and chief executive officer of Company C. The chairman and chief executive officer of Company C expressed interest in meeting with Mr. Lowder to discuss a possible strategic acquisition transaction. Mr. Lowder informed the chairman and chief executive officer of Company C of the Colonial Board s concerns with respect to a proposed transaction with Company C and declined to engage in a substantive discussion regarding a possible strategic acquisition transaction with Company C. After this discussion, Mr. Lowder did not have any further discussions with the chairman and chief executive officer of Company C.

On July 25, 2012, the Colonial Board held a regular, in person meeting at Colonial s headquarters in Birmingham with Mr. Hardin present. During this meeting, Mr. Lowder updated the Colonial Board regarding developments since the April 2012 Board meeting, including Mr. Lowder s telephone discussion in May 2012 with the chief executive officer of Company A. Mr. Lowder also updated the Colonial Board regarding Mr. Lowder s communications with Mr. Bolton regarding a possible strategic business combination transaction. Mr. Lowder also reported to the Colonial Board regarding his telephone discussion in mid-July with the chairman and chief executive officer of Company C. Following discussion, the Colonial Board determined that Colonial should continue to consider the possibility of a strategic combination with MAA and authorized Mr. Lowder to continue preliminary discussions with MAA regarding a potential strategic business combination transaction.

On July 31, 2012, the MAA Board held a special telephonic meeting with members of senior management and representatives of Baker Donelson. During the meeting, Mr. Bolton provided a summary to the MAA Board of the meetings with Mr. Lowder and other developments related to evaluating a possible strategic combination transaction with Colonial.

On August 15, 2012, the MAA Board held a special telephonic meeting with members of senior management and representatives of Baker Donelson during which Mr. Bolton updated the MAA Board on his August 8, 2012 call with Mr. Lowder. The MAA Board then discussed the engagement of legal and financial advisors.

On or about August 16, 2012, pursuant to the recommendations of the MAA Board, Mr. Bolton contacted Goodwin Procter LLP, herein referred to as Goodwin Procter, and J.P. Morgan to act as counsel and financial advisor, respectively, for MAA in a potential strategic combination transaction with Colonial.

On August 28, 2012, the MAA Board held a special telephonic meeting with members of senior management and representatives of Baker Donelson. During the meeting, Mr. Bolton updated the MAA Board that the Colonial Board was expected to meet to discuss potential strategic alternatives for Colonial. Mr. Bolton then summarized his recent discussions with J.P. Morgan regarding its preliminary assessment of the feasibility and potential structure of a proposal to Colonial. The MAA Board next discussed valuation and structuring options for a proposed strategic combination transaction with Colonial and potential earnings impact of a transaction on MAA.

On August 30, 2012, the Colonial Board held an in person meeting in Atlanta, Georgia with Mr. Hardin and representatives of BofA Merrill Lynch present. During this meeting, the Colonial Board reviewed and discussed Colonial s business plan and strategy and potential strategic alternatives. Potential strategic alternatives discussed at this meeting included potential sale, merger and acquisition opportunities. As part of this discussion, Colonial s financial advisor discussed financial matters relating to a possible strategic transaction with MAA or Company A. Mr. Lowder reminded the Colonial Board of Mr. Lowder s various communications with

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Mr. Bolton since May 2012, as well as Mr. Lowder s telephone discussion in May 2012 with the chief executive officer of Company A. The Colonial Board also discussed certain issues associated with a cash sale transaction or auction process, including the risks and uncertainties associated with a buyer s financing of a cash sale transaction and the potential detrimental effects on Colonial s business from solicitation activities that occur prior to entering into and announcing a transaction. Following this discussion, the Colonial Board determined that Colonial should continue pursuing a strategy that offers Colonial shareholders the prospect of continued participation in long-term value creation. The Colonial Board also agreed that Colonial should continue preliminary discussions with MAA regarding the possibility of a strategic business combination transaction.

On September 11, 2012, Messrs. Bolton and Lowder, together with Albert M. Campbell III, Executive Vice President and Chief Financial Officer of MAA, and John W. Spiegel, an independent trustee of Colonial, met in Atlanta. Messrs. Bolton, Lowder, Campbell and Spiegel discussed the state of the apartment industry generally and potential business strategies. Messrs. Bolton and Campbell indicated that the parties would need to sign a confidentiality agreement and exchange information before MAA provided a written proposal for a potential strategic combination transaction.

On September 18, 2012, the MAA Board held a special in person meeting with members of senior management and representatives of J.P. Morgan, Goodwin Procter and Baker Donelson present in person or by telephone. Mr. Bolton provided a summary to the MAA Board of his meeting with Messrs. Lowder and Spiegel. Representatives of J.P. Morgan next presented a preliminary financial analysis relating to a potential strategic combination transaction with Colonial. The MAA Board also discussed with J.P. Morgan the strategic rationale of a potential transaction, certain preliminary financial information on each of MAA and Colonial, structural considerations and possible next steps in exploring a strategic combination transaction with Colonial. The MAA Board then instructed Mr. Bolton to continue discussions with Mr. Lowder regarding a strategic combination transaction.

On September 21, 2012, Messrs. Bolton and Lowder spoke by telephone. Mr. Bolton indicated that MAA was interested in pursuing a strategic combination transaction with Colonial given the strategic merits of the combination. During the conversation, Mr. Bolton highlighted that in order to proceed, both parties would need to share confidential information in order to best assess the opportunity. Mr. Bolton also noted that, given the strategic nature of the proposed transaction, both the anticipated level of synergies and the valuation of both MAA and Colonial would be important considerations in connection with evaluating whether to proceed with the proposed combination. Mr. Lowder indicated that the Colonial Board would further discuss a proposed strategic combination transaction with MAA.

On October 24, 2012, the Colonial Board held a regular, in person meeting at Colonial s headquarters in Birmingham with Mr. Hardin present. During this meeting, Mr. Lowder updated the Colonial Board regarding the status of discussions with MAA since the August 30th Colonial Board meeting. Following discussion, the Colonial Board authorized Colonial management to enter into a confidentiality agreement with MAA to permit the exchange of non-public information in connection with the Colonial Board s ongoing consideration of a possible strategic combination transaction with MAA.

On October 25, 2012, Mr. Lowder contacted Mr. Bolton by telephone and Mr. Lowder advised that Colonial was prepared to execute a confidentiality agreement, exchange further information and begin negotiations for a proposed strategic combination transaction.

On October 30, 2012, MAA and Colonial, with the assistance of their respective advisors, negotiated and entered into a confidentiality agreement that included mutual standstill and confidentiality restrictions.

On November 12, 2012, MAA and Colonial provided one another with access to an electronic data room containing due diligence materials.

On November 19, 2012, Mr. Bolton provided a written update to the MAA Board describing, among other things, the due diligence review of materials provided by Colonial in its electronic data room.

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On November 27, 2012, Messrs. Bolton and Lowder met in Memphis to discuss considerations related to the proposed strategic combination transaction, including potential synergies and timing considerations. As part of the meeting, Mr. Lowder requested an outline of the basic terms of a transaction proposal.

Also on November 27, 2012, the management teams of both MAA and Colonial held a telephonic meeting with representatives of J.P. Morgan and BofA Merrill Lynch present to review the non-core assets owned and controlled by Colonial.

On December 4, 2012, the MAA Board held an in person regular quarterly meeting in Memphis with members of senior management and representatives of Baker Donelson, with representatives from J.P. Morgan and Goodwin Procter participating by telephone. Representatives from J.P. Morgan reviewed the discussions and meetings that had occurred since the last MAA Board meeting and presented a preliminary financial analysis of Colonial. The MAA Board discussed a proposed draft non-binding term sheet, as well as Colonial s non-core assets, operating strategy and potential synergies that could result from the proposed combination with Colonial. Representatives from Goodwin Procter then discussed legal matters surrounding the term sheet with the MAA Board, including board composition, proposed conditions precedent to closing and mutual non-solicitation of competing transactions.

Also on December 4, 2012, the Nominating and Corporate Governance Committee of the MAA Board held a meeting to discuss the potential composition of the Combined Corporation s board of directors in a proposed transaction with Colonial and a potential waiver of the MAA Board s age limitation for General John S. Grinalds so that he could remain a member of the MAA Board for an additional year to assist in matters related to the proposed strategic transaction with Colonial.

On December 10, 2012, the MAA Board held a special telephonic meeting with members of senior management and representatives from J.P. Morgan, Goodwin Procter and Baker Donelson. Representatives of J.P. Morgan presented materials to the MAA Board containing, among other things, preliminary financial analyses relating to a combination between MAA and Colonial. The MAA Board then discussed various aspects of a proposed non-binding term sheet with Colonial. Following the discussion, the MAA Board authorized Mr. Bolton to deliver the non-binding term sheet to Colonial, proposing an exchange ratio of 0.340 of a share of MAA common stock per outstanding Colonial common share.

On December 11, 2012, MAA submitted the non-binding term sheet to Colonial, which provided for, among other things, an exchange ratio of 0.340 of a share of MAA common stock per outstanding Colonial common share and that the Combined Corporation would retain the MAA name and management team.

Also on December 11, 2012, Messrs. Bolton and Lowder met in Birmingham to discuss the material terms of the non-binding term sheet and to explain the rationale for those terms. Following the meeting, Mr. Bolton provided a written update to the MAA Board regarding his conversation with Mr. Lowder.

On December 12, 2012, at MAA s and Colonial s request, representatives from J.P. Morgan and BofA Merrill Lynch met to discuss the proposed financial terms presented by MAA to Colonial, including a review of financial metrics.

On December 16, 2012, the Colonial Board held a special telephonic meeting with Mr. Hardin and representatives of BofA Merrill Lynch and Hogan Lovells present. The Colonial Board reviewed and discussed the proposed strategic combination with MAA as well as the MAA proposal received on December 11th. BofA Merrill Lynch discussed with the Colonial Board, among other things, financial matters relating to Colonial and financial terms and other aspects of MAA s proposal. During this meeting, the Colonial Board reviewed certain valuation approaches utilized by MAA and Colonial, including assumptions regarding, among other things, anticipated growth and expected synergies. The Colonial Board members also reviewed and discussed a proposed response to MAA s exchange ratio proposal. In addition, the Colonial Board members discussed that, under the MAA proposal, MAA s management would have responsibility for management of the Combined Corporation

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and MAA s board members would constitute a majority of the initial members of the board of directors of the Combined Corporation. Following discussion, the Colonial Board determined to propose an alternative exchange ratio of 0.370 of a share of MAA common stock for each outstanding Colonial common share, which reflected an implied value of approximately $23.40 per Colonial common share as of December 14, 2012.

On December 17, 2012, Colonial submitted a counterproposal to MAA, which provided for, among other things, an exchange ratio of 0.370 of a share of MAA common stock per outstanding Colonial common share.

On December 17, 2012 and December 19, 2012, Messrs. Bolton and Lowder met both in person in Memphis and by telephone to discuss the terms of Colonial s counterproposal.

On December 19, 2012, the MAA Board held a special telephonic meeting with members of senior management and representatives from J.P. Morgan, Goodwin Procter and Baker Donelson. Mr. Bolton summarized for the MAA Board the meetings and discussions that had occurred since the previous MAA Board meeting and reviewed the counterproposal received from Colonial. The MAA Board then discussed the terms of Colonial s counterproposal, including its assumptions and exchange ratio. Mr. Bolton also discussed the factors considered in establishing the exchange ratio and emphasized the need for any potential transaction with Colonial to create value for MAA shareholders. Representatives from J.P. Morgan next presented a preliminary financial analysis of the counterproposal and an analysis of the proposed transaction at different exchange ratios. The MAA Board then discussed various exchange ratios that would create value for MAA shareholders. The MAA Board then formally authorized Mr. Bolton to continue discussions with Colonial.

On December 20, 2012, Mr. Bolton delivered to Mr. Lowder a letter in response to Colonial s counterproposal outlining the strategic rationale for the proposed transaction and providing for an exchange ratio of 0.349 of a share of MAA common stock per outstanding Colonial common share.

On December 21, 2012, the Colonial Board held a telephonic meeting, with Mr. Hardin and representatives of BofA Merrill Lynch and Hogan Lovells present. During this meeting, Mr. Lowder summarized his recent discussions with Mr. Bolton and MAA s December 20 written response. The Colonial Board members discussed MAA s written response, including MAA s rationale in support of its exchange ratio proposal and synergy assumptions included in such written response. BofA Merrill Lynch discussed with the Colonial Board, among other things, financial terms of the MAA proposal, the relative contributions of Colonial and MAA to the Combined Corporation and certain related financial matters. During this discussion, the legal advisors discussed with the Colonial Board certain fiduciary considerations in the context of the Colonial Board s consideration of a potential strategic combination transaction. The Colonial Board also discussed various alternative exchange ratios and resulting implied premiums and authorized Mr. Lowder to propose an exchange ratio of 0.360 of a share of MAA common stock for each outstanding Colonial common share, which reflected an implied value of approximately $23.25 per Colonial common share as of December 20, 2012.

On December 23, 2012, Mr. Lowder delivered to Mr. Bolton Colonial s revised counterproposal, which provided for an exchange ratio of 0.360 of a share of MAA common stock per outstanding Colonial common share.

On December 27, 2012, the MAA Board held a special telephonic meeting with members of senior management. Mr. Bolton reviewed the events that had occurred since the previous MAA Board meeting and reviewed Colonial s counterproposal delivered on December 23, 2012. The MAA Board discussed the changed assumptions reflected in Colonial s counterproposal and resulting impact on value for MAA shareholders. Mr. Bolton then discussed the factors considered in establishing the exchange ratio and discussed the due diligence that would be conducted to evaluate the underlying assumptions. Mr. Bolton then discussed with the MAA Board a range of exchange ratios that would provide sufficient value to MAA shareholders. After the discussions, the MAA Board authorized Mr. Bolton to continue discussions with Colonial.

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Also on December 27, 2012, Messrs. Bolton and Lowder spoke by telephone. Messrs. Bolton and Lowder discussed Colonial s counterproposal from December 23, 2012 and Mr. Bolton proposed an exchange ratio of 0.3545 of a share of MAA common stock per outstanding Colonial common share, reflecting the midpoint between the 0.349 exchange ratio last proposed by MAA and the 0.360 exchange ratio last proposed by Colonial. Mr. Lowder informed Mr. Bolton that, based on the discussions with the Colonial Board, Colonial was not in a position to proceed with further discussions regarding a possible strategic transaction based on MAA s proposal, and discussions were terminated.

Between early January 2013 and late March 2013, Colonial s management team and financial advisor received several unsolicited inquiries via telephone and e-mail from third parties inquiring whether Colonial had an interest in considering a strategic transaction. None of these unsolicited inquiries included a proposed price or price range or other proposed terms of a potential transaction or, except in the case of Company B and Company D, resulted in any further discussions. The Colonial Board or, as noted below, the executive committee of the Colonial Board, herein referred to as the Colonial Executive Committee, considered and discussed each of these communications and, except with respect to Company B and Company D, decided, given the absence of any proposed terms and the uncertainty regarding any such party s ability to complete such a strategic transaction with Colonial, not to pursue discussions with the inquiring parties.

On January 21, 2013, Mr. Bolton provided a written update to the MAA Board regarding the proposed strategic combination transaction with Colonial. Mr. Bolton advised the MAA Board that no further discussions had been held with Colonial since December 27, 2012. Mr. Bolton summarized MAA s most recent proposal to Colonial and the key metrics supporting that proposal. Mr. Bolton advised that, although the opportunity could re-emerge later, MAA would not actively pursue the proposed strategic transaction with Colonial at that time.

On January 29, 2013, Colonial s financial advisor received an unsolicited written inquiry from the chief executive officer of a real estate management company, referred to in this joint proxy statement/prospectus as Company D, indicating that Company D was interested in exploring a potential all-cash acquisition of Colonial. The unsolicited written inquiry indicated that the all-cash amount would be at a premium to Colonial s then current stock price, but did not include a proposed price, price range or other specific terms of a potential transaction. On or about January 30, 2013, Mr. Lowder received and returned an unsolicited telephone call from the chief executive officer of Company D. During the telephone call, the chief executive officer of Company D inquired whether Colonial was interested in discussing a potential sale of Colonial. Given the preliminary nature of Company D s expression of interest, including the absence of a proposed price, price range or other specific terms in Company D s January 29 letter, as well as concerns regarding Company D s ability to structure and complete an acquisition of Colonial, Colonial did not engage in further substantive discussions with Company D regarding a possible sale transaction at that time. On March 8, 2013, Colonial received an unsolicited joint letter from Company D and a private equity investment firm aligned with Company D, which letter expressed interest in exploring a potential all-cash acquisition of Colonial at a premium to Colonial s then current stock price. The March 8th letter did not include a proposed price, price range or other specific terms of a potential transaction. As described further below, the Company D expression of interest was reviewed and considered by the Colonial Executive Committee on March 12, 2013.

During February 2013, Messrs. Bolton and Lowder spoke briefly by telephone and conveyed to each other that their respective companies had not considered a proposed strategic combination transaction of the companies since negotiations had ceased in late 2012.

On February 22, 2013, Mr. Lowder received an unsolicited telephone call from the chief financial officer of Company B, expressing Company B s interest in a potential acquisition of Colonial in an all-cash transaction at a premium to Colonial s then current stock price. The chief financial officer of Company B indicated that Company B would not involve third party partners in the transaction, and that Company B would have a preliminary price or price range to share with Colonial within a few weeks. In addition, Company B s chief financial officer proposed that Company B and Colonial enter into a confidentiality agreement in order to proceed with negotiations for a potential transaction.

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On February 26, 2013, Mr. Bolton sent a regular monthly update to the MAA Board regarding the possibility of increased REIT mergers and acquisitions activity generally and provided the MAA Board with an update on the conversation that Mr. Bolton had with Mr. Lowder.

On or about March 11, 2013, Mr. Lowder and another Colonial employee met over dinner with Mr. Bolton during an industry conference. During this dinner, Mr. Lowder and Mr. Bolton discussed certain matters related to the industry in general, but did not discuss the prior discussions between the two companies regarding a potential strategic combination transaction.

On March 12, 2013, the Colonial Executive Committee held a telephonic meeting with Mr. Hardin and representatives of BofA Merrill Lynch and Hogan Lovells present. During this meeting, Mr. Lowder discussed with the Colonial Executive Committee the various unsolicited inquiries received from third parties since January 2013, including the inquiries from Company D and Company B. In addition, Mr. Lowder reported on his dinner meeting with Mr. Bolton the previous evening. The Colonial Executive Committee members then engaged in a discussion regarding Colonial s strategic direction and the expressions of interest from each of Company D and Company B. The Colonial Executive Committee members also engaged in a discussion regarding the differences between an all-cash sale transaction of the type proposed by Company D and Company B and a stock-for-stock business combination transaction of the type previously discussed with MAA. During this discussion, the legal advisors discussed with the Colonial Executive Committee certain fiduciary considerations pertaining to members of the Colonial Board when it receives an unsolicited expression of interest regarding a potential strategic combination transaction. BofA Merrill Lynch discussed with the Colonial Executive Committee, among other things, certain preliminary financial considerations with respect to Company D s and Company B s respective expressions of interest. Based on the preliminary nature of Company D s expression of interest, as well as Colonial management s familiarity with Company D and the private equity investment firm aligned with Company D, concerns regarding Company D s ability to structure and complete an acquisition of Colonial, taking into account the private equity investment firm s involvement, and the importance of certainty of closing and the ability to timely complete a transaction, the Colonial Executive Committee determined not to proceed with discussions with Company D at that time. Based on Colonial management s familiarity and experience with Company B, particularly with respect to executing large, complex transactions, and views regarding Company B s ability to structure and complete a transaction with Colonial, the Colonial Executive Committee authorized Mr. Lowder to inform Company B that it would need to submit its proposal in writing, and include a price and other material terms and details regarding equity and debt sources, timing and diligence requirements, if it was to be considered by the Colonial Board, noting that certainty of closing and the ability to move quickly to complete a transaction should be stressed to Company B. The Colonial Executive Committee also determined that, given that no written proposal had been submitted, Colonial would not, at that time, engage in negotiations with Company B regarding the terms of its expression of interest or enter into a confidentiality agreement or exchange non-public information with Company B.

On March 13, 2013, Mr. Lowder, together with representatives of BofA Merrill Lynch, spoke by telephone with the chief financial officer of Company B. Mr. Lowder informed the chief financial officer of Company B that it would need to submit its proposal in writing, and include a price and other material terms, including details regarding equity and debt sources, timing and diligence requirements, if it was to be considered by the Colonial Board. Mr. Lowder also stressed the importance of certainty of closing and the ability to quickly complete a transaction. The chief financial officer of Company B indicated that it intended to arrange for an insurance company to provide bridge financing, that Company B intended to fund 50% of the equity financing from an existing investment fund and involve several other third party investors to provide the remaining equity financing and that Company B was evaluating the existing covenants applicable to Colonial s outstanding debt instruments to determine whether to seek to modify any of the covenants in connection with a potential transaction. The chief financial officer of Company B also stated that Company B would agree, in the event that Company B and Colonial ultimately entered into a definitive agreement for a sale transaction, to include in such definitive agreement a provision, commonly known as a go shop provision, that would allow Colonial an opportunity to engage in a post-signing effort to solicit higher bids from potential acquirors.

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On March 28, 2013, Mr. Lowder received a letter from Company B expressing Company B s interest in a potential acquisition of Colonial in an all-cash transaction. The letter proposed that Company B would acquire all of the outstanding Colonial common shares and all outstanding limited partner interests in Colonial LP for $26.00 per share, which represented a 15% premium to the closing price of Colonial common shares on March 26, 2013. The letter also noted that Company B intended to capitalize the transaction through a combination of equity (including roll-over equity from existing limited partners of Colonial LP), new mortgage debt and the assumption of Colonial s existing debt, that existing limited partners of Colonial LP would have the option to roll-over their interests, in a transaction intended to constitute a tax-deferred exchange, into units of a reconstituted partnership or similar entity, and that Company B s proposal was subject to satisfactory completion of diligence (for which Company B requested a 60-day exclusivity period) and negotiation and execution of definitive documentation. The letter did not address several of the significant terms and conditions discussed on March 13th with Company B s chief financial officer, including with respect to debt and equity sources or the inclusion of a go shop provision in definitive documentation.

On April 2, 2013, Mr. Lowder, together with representatives of BofA Merrill Lynch, spoke by telephone with the chief financial officer of Company B. At Mr. Lowder s request, the chief financial officer of Company B provided additional information regarding certain aspects of Company B s March 28th letter, including with respect to Company B s proposed debt and equity financing requirements and sources, Company B s internal approval process, the proposed ultimate capital structure including Company B s intention to engage a third party operator to manage Colonial s properties, Company B s lender due diligence requirements and timing. Company B s chief financial officer noted that Company B had identified a private company to operate the Colonial properties, but had not engaged outside legal and financial advisors regarding a possible transaction with Colonial, and confirmed Company B s willingness to include a go shop provision in the definitive transaction document relating to the acquisition.

On April 4, 2013, Mr. Lowder met with a representative of J.P. Morgan in Birmingham where they discussed the real estate capital markets generally, the asset sale environment, and the strategic transaction discussions between MAA and Colonial in late 2012. As part of that discussion, Mr. Lowder indicated that Colonial was moving forward with its current business strategy as a stand-alone company and, if MAA continued to have an interest in a strategic combination transaction with Colonial, it should indicate that interest.

On April 8, 2013, the Colonial Board held a telephonic meeting at which Mr. Hardin and representatives of BofA Merrill Lynch and Hogan Lovells were present. During this meeting, Mr. Lowder discussed with the Colonial Board the various unsolicited inquiries received from third parties since January 2013, including the inquiries from Company D and Company B and reported on the discussion of these unsolicited inquiries by the Colonial Executive Committee during its March 8th meeting, including the Colonial Executive Committee s reasons for deciding not to pursue discussions with Company D and to continue discussions with Company B. The Colonial Board then considered the following potential strategic alternatives: (1) continue to pursue Colonial s existing business strategy as an independent, stand-alone company and not engage in any strategic transactions with any third parties; (2) continue to pursue Colonial s existing business strategy as an independent, stand-alone company, but make certain adjustments to that business strategy to help further strengthen Colonial s financial position, and not engage in any strategic transactions with any third parties; (3) explore a possible strategic combination transaction with MAA; or (4) explore a possible sale transaction with Company B or another third party. BofA Merrill Lynch discussed with the Colonial Board, among other things, certain preliminary financial considerations in connection with such potential strategic alternatives. During this discussion, the legal advisors discussed with the Colonial Board certain fiduciary considerations pertaining to members of the Colonial Board in the context of considering strategic combination transactions and sale transactions, including the differences between an all-cash sale transaction of the type proposed by Company D and Company B and a stock-for-stock business combination transaction of the type previously discussed with MAA. The Colonial Board also discussed the specific terms and conditions of Company B s written expression of interest received on March 28th, including the matters discussed on April 2nd with Company B s chief financial officer. Following this discussion, the Colonial Board authorized Mr. Lowder to continue preliminary discussions

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regarding a potential transaction with Company B. The Colonial Board also authorized Mr. Lowder to contact MAA to determine whether MAA was interested in reengaging in discussions regarding a strategic combination transaction.

In addition, during the April 8, 2013 Colonial Board meeting, the Colonial Board established two separate committees with respect to consideration of a possible strategic transaction: (1) a transaction committee, herein referred to as the Colonial Transaction Committee, consisting of Messrs. T. Lowder, Bailey, Crawford and Spiegel, to help facilitate the exploration, evaluation and negotiation of possible strategic transactions; and (2) a separate committee, herein referred to as the Colonial Special Committee, consisting of the three trustees who did not own limited partner interests in Colonial LP Messrs. Bailey, Crawford and Spiegel to evaluate, oversee and negotiate, as necessary, any matters that may arise in connection with a strategic transaction which relate to the interests of limited partners in Colonial LP that are potentially not aligned with the interests of Colonial shareholders generally. The Colonial Board formed the Colonial Transaction Committee at this meeting to facilitate timely reaction and response to rapidly changing circumstances with multiple simultaneous discussions with MAA and Company B that may be more difficult to accomplish on a timely basis given the size of the full Colonial Board. The Colonial Board formed the Colonial Special Committee at this meeting given the uncertainty regarding potential conflicts that may arise depending on the actual transaction structure in the event the Colonial Board ultimately decided to pursue a strategic transaction.

Also on April 8, 2013, Mr. Bolton contacted Mr. Lowder by telephone to discuss reopening negotiations between MAA and Colonial regarding a potential strategic combination transaction.

On April 11, 2013, the MAA Board held a special telephonic meeting with members of senior management and representatives from J.P. Morgan, Goodwin Procter and Baker Donelson. Mr. Bolton summarized recent discussions between MAA and Colonial and provided an update on changes in share prices, financial guidance and third party net asset value analyses for MAA and Colonial. Representatives from J.P. Morgan then presented the MAA Board with an updated financial analysis for a proposed strategic transaction with Colonial (including, among other things, updated preliminary analyses reflecting changes in Colonial s portfolio, including a number of asset sale transactions completed by Colonial) and an update on strategic and financial rationales for a potential combination. The MAA Board then discussed various issues, including, among others, potential exchange ratios as well as the due diligence review of Colonial being conducted. After the discussion, the MAA Board authorized the submission of a proposal to Colonial that provided for an exchange ratio of up to 0.360 of a share of MAA common stock per outstanding Colonial common share.

On April 12, 2013, Mr. Bolton contacted Mr. Lowder by telephone. During the course of such conversation, Mr. Lowder noted that Colonial had received an unspecified strategic transaction proposal or proposals.

Also on April 12, 2013, Mr. Bolton provided a written update to the MAA Board to summarize his conversation with Mr. Lowder. Mr. Bolton advised the MAA Board that MAA would submit a written proposal to Colonial with an exchange ratio of 0.360 of a share of MAA common stock per outstanding Colonial common share.

On April 13, 2013, Mr. Bolton delivered a non-binding proposal to Colonial providing, among other things, for an exchange ratio of 0.360 of a share of MAA common stock per outstanding Colonial common share, the retention of Messrs. Bolton and Campbell as Chairman and Chief Executive Officer and Chief Financial Officer, respectively, of the Combined Corporation, and a 30-day exclusivity period for negotiations between MAA and Colonial.

On April 16 and 17, 2013, the Colonial Transaction Committee held telephonic meetings at which Mr. Hardin and representatives of BofA Merrill Lynch and Hogan Lovells were present. During these meetings, Mr. Lowder provided an update on Colonial s ongoing evaluation of Company B s expression of interest. Mr. Lowder also reported on the receipt of a new proposal from MAA and his discussions with Mr. Bolton regarding that proposal. The Colonial Transaction Committee engaged in a discussion regarding the terms of

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MAA s proposal and Company B s expression of interest and the advantages and disadvantages of the two types of transactions. This discussion included, among other items, a discussion regarding the length of the relative diligence periods requested by Company B and MAA, the relative price proposed by Company B compared to the implied value of Colonial s common shares based on the MAA exchange ratio proposal, the likelihood that each of Company B and MAA could complete its proposed transaction in a timely manner, and the ability of Colonial shareholders to continue to participate in the future growth of the Combined Corporation if Colonial were to pursue a strategic combination transaction with MAA. The Colonial Transaction Committee discussed the significant additional timing likely involved in a transaction with Company B given the limited diligence conducted by Company B to date, that Company B had not yet hired outside legal or financial advisors and had relied on public information for purposes of formulating its latest expression of interest and the greater transaction execution risk associated with a transaction with Company B given the number of outside partners, the multiple layers of financing and the desire to engage a third party operator reflected in Company B s expression of interest. During this discussion, the legal advisors discussed with the Colonial Transaction Committee members the Colonial Board member s fiduciary duties in the context of considering the potential alternative transactions, including in the context of considering a stock-for-stock strategic combination and an all-cash sale transaction. The Colonial Transaction Committee also discussed the advantages and disadvantages of agreeing to exclusivity in the context of competing proposals, the potential impact on price negotiations resulting from additional diligence review during an exclusivity period, the risks associated with a lengthy diligence period and strategic considerations and appropriate timing for entering into exclusivity with a potential counterparty. The Colonial Transaction Committee also engaged in a discussion regarding the provisions included in MAA s proposal, including the force the vote provision, the change of board recommendation provisions, and the circumstances in which a termination fee would be payable. Following these discussions, the Colonial Transaction Committee authorized Mr. Lowder to engage in additional discussions with Company B to seek to improve its proposed terms, including the proposed price, and obtain greater specificity regarding the terms of Company B s proposal, including with respect to Company B s debt and equity financing plans, as well as a shorter exclusivity period. The Colonial Transaction Committee also authorized Mr. Lowder to engage in additional discussions with MAA to seek to improve the exchange ratio and revise the composition of the Combined Corporation board to more closely reflect the relative ownership of MAA s and Colonial s shareholders in the Combined Corporation, as well as a shorter exclusivity period. The Colonial Transaction Committee requested that Mr. Lowder seek to obtain improved proposals from MAA and Company B in advance of Colonial s regular, in person board and committee meetings on April 23-24, 2013 in Birmingham so that the Colonial Board would be in a position to consider and discuss such proposals from MAA and Company B.

On April 17, 2013, Mr. Lowder contacted Mr. Bolton by telephone. In response to MAA s proposal from April 13, 2013, and based on the requests of the Colonial Transaction Committee, Mr. Lowder requested an increase in the exchange ratio, an increase in the number of proposed board members at the Combined Corporation for Colonial representatives and a shorter exclusivity period.

On April 18, 2013, Mr. Bolton provided a written update to the MAA Board summarizing the requests he received from Mr. Lowder on April 17, 2013.

On April 18, 2013, Mr. Lowder, together with representatives of BofA Merrill Lynch, spoke by telephone with the chief financial officer of Company B requesting that Company B improve its expression of interest, including the cash price, and submit a proposal with greater detail regarding the terms of Company B s proposal. The chief financial officer of Company B indicated that he had communicated with several outside investors in Company B, without identifying Colonial, and had received indications of interest from such investors in providing 50% or more of the equity financing for a transaction. He also stated that Company B intended to use commercial bank financing to fund a portion of the acquisition and to arrange for financing from Freddie Mac post-closing to replace the commercial bank financing, that Company B would obtain a debt commitment letter if requested, and that an unaffiliated public company operator was interested in a joint venture arrangement with Company B to acquire Colonial, noting that the partner desired to acquire outright certain properties representing approximately 30% of Colonial existing multifamily portfolio. The chief financial officer of Company B

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indicated that Company B would provide a more detailed written proposal on or prior to April 23, 2013. In several brief telephone conversations between a representative of BofA Merrill Lynch and the chief financial officer of Company B attempting to arrange this April 18th discussion, the chief financial officer of Company B originally had suggested that the proposed price could be as high as $27.00 per share, but subsequently noted that the proposed price would be $26.50 per share because of, in the view of Company B s investment committee, valuation considerations associated with certain land recorded on Colonial s financial statements.

On April 22, 2013, the MAA Board held a special telephonic meeting with members of senior management. Mr. Bolton summarized his recent conversations with Mr. Lowder and the status of the discussions with Colonial. The MAA Board discussed responses to Colonial s requests, including the exchange ratio, board composition of the Combined Corporation and exclusivity period. The MAA Board then authorized Mr. Bolton to respond to Colonial with the same exchange ratio of 0.360 of a share of MAA common stock per outstanding Colonial common share, a revised proposal on the composition of the board of the Combined Corporation and a request for a reduced exclusivity period of 21 days from the date on which substantially all due diligence materials were provided by Colonial.

Later on April 22, 2013, Mr. Bolton delivered to Mr. Lowder MAA s response to Colonial s requests from April 17, 2013. MAA responded that it would not agree to an increase to the exchange ratio above 0.360 of a share of MAA common stock per outstanding Colonial common share and proposed a revised board composition for the Combined Corporation along with a request for an exclusivity period of 21 days starting on the date on which substantially all due diligence materials were provided.

On April 23, 2013, Mr. Lowder received a letter and proposed term sheet from Company B s chief financial officer. In the letter, Company B proposed to acquire all outstanding Colonial common shares and all outstanding limited partner interests in Colonial LP for $26.50 per share in cash, which represented a 15% premium to the closing price of Colonial common shares on April 22, 2013. The letter also noted that Company B intended to capitalize the transaction through a combination of equity (including roll-over equity from existing limited partners of Colonial LP), the inclusion of a joint venture partner, new mortgage debt and the assumption of Colonial s existing debt, that existing limited partners of Colonial LP would have the option to roll-over their interests, in a transaction intended to constitute a tax-deferred exchange, into units of a reconstituted partnership or similar entity, and that Company B was requesting a 60-day exclusivity period to conduct diligence and negotiate definitive documentation. The letter noted that Company B s proposal was not subject to a financing contingency. The term sheet received from Company B also noted that the transaction potentially could be structured to provide Colonial LP unitholders the option to exchange their units for those of another publicly traded REIT. The term sheet further noted that Company B s proposed lender had given assurance that Colonial s portfolio could be financed and that the lender was prepared to assist with bridge financing, that closing would be conditioned on, among other things, receipt of regulatory approvals and other standard conditions for Company B s obligation to acquire a public company, that the definitive agreement would contain a 30-day go shop provision and that Company B was anticipating a shareholder vote and closing of the transaction on or before July 31, 2013. Company B also separately confirmed by e-mail to Mr. Lowder on April 23, 2013 that Company B s joint venture partner would agree to issue units in its operating partnership if requested.

On April 23, 2013, the Colonial Transaction Committee met in person at Colonial s headquarters in Birmingham, with Mr. Hardin and representatives of BofA Merrill Lynch and Hogan Lovells present (in person or telephonically). During this meeting, Mr. Lowder provided an update on the status of discussions with MAA and Company B. Mr. Lowder informed the Colonial Transaction Committee of the updated information and proposals received from MAA and Company B. The Colonial Transaction Committee engaged in a discussion regarding the terms of the two proposals. During this discussion, the legal advisors discussed with the Colonial Transaction Committee members the Board members fiduciary duties when considering a stock-for-stock strategic combination transaction and an all-cash sale transaction. Following this discussion, the Colonial Transaction Committee agreed to discuss the two proposals, and other potential strategic alternatives, with the Colonial Board at its board meeting on April 24, 2013.

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On April 24, 2013, the Colonial Board held its regular, in person board meeting at Colonial s headquarters in Birmingham with Mr. Hardin and representatives of BofA Merrill Lynch and Hogan Lovells present (in person or telephonically). During this meeting, Mr. Lowder updated the Colonial Board on the status of discussions with MAA and Company B and the terms of each of MAA s and Company B s latest proposals. In addition, BofA Merrill Lynch updated the Colonial Board with respect to financial matters. The Colonial Board also engaged in a discussion regarding the terms of the two proposals and the various considerations discussed by the Colonial Transaction Committee during its meetings on April 16, 17 and 23. With respect to the MAA proposal, the Colonial Board discussed, among other things, the strength of the MAA management team, MAA s anticipated approach to Colonial s development pipeline, potential synergies, timing considerations, and the proposed board composition of the Combined Corporation in light of the relative ownership of shareholders in the two companies and historical knowledge of the members of the Colonial Board of the current Colonial properties that would comprise a substantial portion of the Combined Corporation s portfolio. With respect to Company B s proposal, the Colonial Board discussed, among other things, that the price proposed by Company B was at a substantial premium to the then current Colonial share price, management s belief that Company B was capable of executing a sale transaction of the type proposed, Company B s willingness to arrange for a third party operator to provide a liquidity option to holders of limited partnership interests in Colonial LP who elect to roll-over their equity as contemplated in Company B s term sheet. The Colonial Board also noted the less-developed nature of Company B s proposal, the fact that Company B had not completed the same level of diligence as MAA and concerns of not being able to reach agreement on mutually acceptable terms with Company B with respect to a sale transaction due to matters outside Colonial s and, in some cases outside Company B s control, including the need for Company B to conduct diligence on Colonial, Company B s need to obtain substantial third party equity and debt financing from multiple parties and the likely need for each provider of such equity and debt financing to conduct diligence on Colonial, and Company B s intention to involve a joint venture partner which would require a separate negotiation. During this discussion, the legal advisors discussed with the Colonial Board the Colonial Board members fiduciary duties when considering a stock-for-stock strategic combination transaction and an all-cash sale transaction. The Colonial Board also discussed, with respect to each proposal, the risks associated with the pursuit of, but failure to consummate, a transaction, confidentiality considerations associated with a lengthy process, and the potential disruption to Colonial in the event of rumors and leaks and management s distraction from continuing business activities, as well as the possibility of continuing discussions with both MAA and Company B, noting the difficulties with such approach given the separate requests for exclusivity. The Colonial Board also noted the importance of including appropriate flexibility in the definitive transaction agreement with either MAA or Company B to enable Colonial to respond to other bona fide acquisition proposals, including Company B s willingness to include a go shop provision in the definitive transaction agreement, given the Colonial Board s prior decision not to solicit proposals for other transactions due to the potential detrimental effects on Colonial s business and the appropriateness of a mutual non-solicitation of competing transactions in a strategic combination transaction with MAA. Following this discussion and its evaluation of the two proposals, the Colonial Board authorized the Colonial Transaction Committee to continue negotiations with MAA and enter into exclusivity arrangements with MAA subject to MAA agreeing to a more balanced representation on the Combined Corporation board (based on the relative ownership of shareholders from the two companies) than that included in MAA s last proposal and subject to MAA agreeing that Colonial board designees on the Combined Corporation board would be entitled to be re-nominated for at least two years following the combination to facilitate the integration and combination of the two companies.

On April 25, 2013, Mr. Lowder contacted Mr. Bolton by telephone. In response to Mr. Bolton s proposal from April 22, 2013, Mr. Lowder indicated, on behalf of Colonial, that Colonial was prepared to agree to an exchange ratio of 0.360 of a share of MAA common stock per outstanding Colonial common share and a 21-day exclusivity period, but requested that the board of directors of the Combined Corporation consist of 12 directors, including seven directors from the MAA Board and five directors from the Colonial Board.

On April 26, 2013, Mr. Bolton provided a written update to the MAA Board. Mr. Bolton summarized his telephone call with Mr. Lowder from April 25, 2013, and explained that the Colonial Board was prepared to begin detailed diligence, subject to resolution of board composition matters.

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Also on April 26, 2013, one of the independent trustees of the Colonial Board received an email from a business acquaintance inquiring whether Mr. Lowder was interested in speaking with a former employee of the business acquaintance. The Colonial Board member subsequently learned that the former employee was now employed by a party that previously had made an unsolicited verbal inquiry regarding a transaction to acquire Colonial. On May 5, 2013, the Colonial Board member responded by e-mail stating that he had passed along the e-mail inquiry to Mr. Lowder. Neither the business acquaintance nor the former employee contacted the Colonial Board member or Mr. Lowder further. Given the status of negotiations with MAA, and the non-solicitation provision included in the term sheet signed by Colonial and MAA on May 2, 2013, as discussed below, as well as the speculative nature of the inquiry, Mr. Lowder did not contact the former employee.

Later on April 26, 2013, the Colonial Transaction Committee held a telephonic meeting with Mr. Hardin and representatives of BofA Merrill Lynch and Hogan Lovells present. During this meeting, the Colonial Transaction Committee discussed the terms and conditions included in the non-binding term sheet included as part of MAA s April 22nd written proposal. Following discussion, the Colonial Transaction Committee authorized Mr. Lowder to prepare and deliver to MAA a written response to the terms and conditions included in the non-binding term sheet.

On April 29, 2013, at Colonial s request, representatives from BofA Merrill Lynch separately contacted representatives from JP Morgan and Goodwin Procter regarding Colonial s views with respect to the composition of the Combined Corporation s board of directors.

Also on April 29, 2013, the MAA Board held a special telephonic meeting with members of senior management and representatives from J.P. Morgan, Goodwin Procter and Baker Donelson. The MAA Board discussed the board composition of the Combined Corporation, including the proposed number of directors of the Combined Corporation from the Colonial Board taking into account the negotiated exchange ratio of 0.360 of a share of MAA common stock per outstanding Colonial common share. The MAA Board then authorized Mr. Bolton to accept Colonial s proposal that the Combined Corporation s board of directors consist of no more than seven directors from the MAA Board and no more than five directors from the Colonial Board.

Later on April 29, 2013, Mr. Bolton delivered a revised proposal to Colonial, which provided for (i) an exchange ratio of 0.360 of a share of MAA common stock per outstanding Colonial common share, (ii) a board of directors for the Combined Corporation consisting of 12 members, with seven directors from the MAA Board and five directors from the Colonial Board, and (iii) a 21-day exclusivity period beginning on the execution date of a term sheet. Following the delivery of the revised proposal, Mr. Bolton contacted Mr. Lowder by telephone to discuss the proposed board composition of the Combined Corporation.

On or about April 29, 2013, Mr. Lowder left a voicemail message for Company B s chief financial officer informing him that the Colonial Board had determined not to pursue at this time further discussions with Company B regarding a possible strategic sale transaction.

Also on April 30, 2013, at Colonial s request, BofA Merrill Lynch delivered Colonial s revised non-binding term sheet to MAA. The term sheet requested, among other things, (i) that each Colonial designee to the Combined Corporation s board of directors serve for two years, (ii) removal of a force the vote provision, (iii) removal of a requirement for a party to pay the other party s expenses if its shareholders failed to approve the transaction, and (iv) removal of a requirement for a party to advise the other party of the terms of any competing proposals received during the exclusivity period.

Later on April 30, 2013, Mr. Bolton provided a written update to the MAA Board summarizing the status of negotiations relating to the composition of the Combined Corporation s board of directors.

On May 1, 2013, Mr. Bolton contacted Mr. Lowder by telephone to discuss integration matters relating to the proposed strategic transaction, including the applicability of MAA s mandatory retirement policy for its board members to the Combined Corporation s board of directors.

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Also on May 1, 2013, representatives of Goodwin Procter and Hogan Lovells met telephonically to discuss the force the vote provision in the draft non-binding term sheet.

Also on May 1, 2013, J.P. Morgan delivered to Colonial, on behalf of MAA, a revised non-binding term sheet. The term sheet provided for, among other things, (i) a requirement that Colonial s nominees to the Combined Corporation s board of directors satisfy MAA s existing corporate guidelines and code of business conduct and ethics, (ii) the reinstatement of the requirement for a party to pay the other party s expenses if its shareholders failed to approve the transaction, and (iii) the reinstatement of the requirement for a party to advise the other party of the terms of any competing proposals received during the exclusivity period. The revised term sheet sent by J.P. Morgan did not contain a force the vote provision.

Later on May 1, 2013, at the request of MAA and Colonial, representatives of J.P. Morgan and BofA Merrill Lynch met telephonically to discuss certain matters relating to the term sheet circulated by J.P. Morgan earlier in the day, including the possibility that any new contractual arrangements intended to protect the income tax position of holders of limited partnership interests in Colonial LP, herein referred to as tax protection arrangements, may be requested for unitholders of Colonial LP in the strategic combination transaction and the requirement that a party would be required to advise the other party of the terms of any competing proposal during the exclusivity period.

On May 2, 2013, Mr. Bolton contacted Mr. Lowder telephonically to inquire whether any new tax protection arrangements would be requested for unitholders of Colonial LP in the strategic combination transaction. Mr. Lowder advised Mr. Bolton that any new tax protection arrangements would need to be discussed with the Colonial Special Committee.

On May 2, 2013, MAA and Colonial executed a term sheet that provided for, among other things, (i) an exchange ratio of 0.360 of a share of MAA common stock per outstanding Colonial common share, (ii) a board of directors for the Combined Corporation consisting of twelve directors, seven of whom would be designated initially by MAA and five of whom would be designated initially by Colonial, (iii) nomination of Colonial s designees to the board of directors of the Combined Corporation in the 2014 and 2015 annual meetings so long as each individual designee remained in compliance with MAA s then existing corporate governance guidelines and code of business conduct and ethics, (iv) retention of Messrs. Bolton and Campbell as the Chief Executive Officer and Executive Vice President and Chief Financial Officer, respectively, of the Combined Corporation, (v) a mutual non-solicitation provision with respect to competing transactions, (vi) payment of expenses by a party, up to a specified amount, if such party s shareholders fail to approve the transaction, and (vii) a 21-day exclusivity period beginning on May 2, 2013.

On May 3, 2013, representatives from Goodwin Procter and Hogan Lovells met telephonically to discuss tax matters related to the transaction. During this discussion, Goodwin Procter inquired whether any new tax protection arrangements would be requested for unitholders of Colonial LP in the strategic combination transaction. Hogan Lovells noted any new tax protection arrangements would need to be discussed with the Colonial Special Committee.

On May 3, 2013, Mr. Bolton provided a written update to the MAA Board. Mr. Bolton advised the MAA Board that a term sheet had been executed and a full diligence process was commencing.

Between May 3, 2013 and June 2, 2013, MAA and Colonial, together with their respective advisors, conducted due diligence reviews of each other.

On May 6, 2013, the Colonial Transaction Committee held a telephonic meeting, with Mr. Hardin and representatives of BofA Merrill Lynch and Hogan Lovells present. During this meeting, Mr. Lowder updated the Colonial Transaction Committee on the status of negotiations with MAA and related transaction matters.

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On May 9, 2013, Messrs. Bolton and Campbell and Thomas L. Grimes, Jr., MAA s Chief Operating Officer, met with Mr. Lowder, Paul F. Earle, Colonial s Chief Operating Officer, and John P. Rigrish, Colonial s Chief Administrative Officer and Corporate Secretary, in Memphis to discuss potential synergies from the proposed strategic combination transaction and matters relating to the integration of MAA s and Colonial s operations.

Also on May 9, 2013, Mr. Bolton sent an update to the MAA Board. Mr. Bolton explained that each company had commenced its diligence process. Mr. Bolton summarized his discussions with members of Colonial s senior management regarding potential synergies and integration matters.

On May 13, 2013, members of senior management of Colonial and MAA met in Birmingham to discuss due diligence matters, including asset and other valuation matters and structural matters. Representatives of J.P. Morgan and BofA Merrill Lynch also attended this meeting.

On May 13, 2013, the Colonial Special Committee held a telephonic meeting, with representatives of Hogan Lovells present. During this meeting, the members of the Colonial Special Committee discussed matters relating to the proposed strategic combination transaction with MAA.

On May 13, 2013, the Colonial Transaction Committee held a telephonic meeting, with Mr. Hardin and representatives of BofA Merrill Lynch and Hogan Lovells present. During this meeting, the members of the Colonial Transaction Committee discussed the status of negotiations with MAA and other matters related to the proposed strategic combination transaction with MAA.

On May 14, 2013, the Colonial Board held a telephonic meeting, with Mr. Hardin and representatives of BofA Merrill Lynch and Hogan Lovells present. During this meeting, Mr. Lowder provided an update on the status of negotiations with MAA and related transaction matters.

On May 14, 2013, Goodwin Procter distributed an initial draft of the merger agreement to Hogan Lovells and BofA Merrill Lynch. Over the course of the next several weeks, Colonial and MAA, together with their respective legal and financial advisors, continued to negotiate the merger agreement and related transaction documentation, including the forms of voting agreement and the amended and restated limited partnership agreement of MAA LP.

On May 16, 2013, the Colonial Special Committee held a telephonic meeting, with representatives of Hogan Lovells and Hunton & Williams LLP, herein referred to as Hunton & Williams, present. During the meeting, the Colonial Special Committee discussed matters relating to the proposed strategic combination transaction with MAA and the proposed engagement of Hunton & Williams. Following discussion, the Colonial Special Committee retained Hunton & Williams as its outside legal advisor to provide advice to the Colonial Special Committee in its consideration of matters in which the interests of limited partners in Colonial LP potentially were not aligned with the interests of Colonial shareholders generally in accordance with the Colonial Special Committee s mandate.

On May 20, 2013, the Colonial Special Committee held a telephonic meeting, with Mr. Hardin and representatives of Hunton & Williams present and representatives of Hogan Lovells present for part of the meeting. During this meeting, the members of the Colonial Special Committee discussed matters relating to the proposed strategic combination transaction with MAA.

On May 20, 2013, the Colonial Transaction Committee held a telephonic meeting, with Mr. Hardin and representatives of BofA Merrill Lynch and Hogan Lovells present. During this meeting, representatives of Hogan Lovells provided an update on the terms of the MAA transaction. BofA Merrill Lynch discussed with the Colonial Transaction Committee financial terms and related financial matters regarding the proposed MAA transaction. The Colonial Transaction Committee also discussed the updated proposed terms as well as MAA s proposal for those individuals that would enter into voting agreements in connection with the proposed

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transaction. Following these discussions, the Colonial Transaction Committee instructed Hogan Lovells to prepare a revised draft of the merger agreement in accordance with the Colonial Transaction Committee s guidance and to circulate the revised draft to MAA and its legal advisor.

On May 21, 2013, the Colonial Board held a telephonic meeting with Mr. Hardin and representatives of BofA Merrill Lynch and Hogan Lovells present. During this meeting, BofA Merrill Lynch updated the Colonial Board regarding financial terms and related financial matters regarding the proposed MAA transaction. A representative of Hogan Lovells then updated the Colonial Board on the status of negotiations with MAA and the negotiation of terms and conditions related to the merger agreement. Following discussion, the Colonial Board concluded that discussions with MAA were progressing in an appropriate manner and unanimously agreed that the exclusivity period with MAA should be allowed to automatically renew for an additional 14 days in accordance with the provisions of the May 2, 2013 term sheet between Colonial and MAA.

On May 21, 2013, the MAA Board held a regular quarterly in person meeting with members of senior management and representatives from J.P. Morgan, Goodwin Procter and Baker Donelson. Mr. Bolton updated the MAA Board on the areas of focus for the proposed strategic combination transaction with Colonial, including the current valuation analysis of Colonial, potential synergies from the transaction, quality of earnings review by Ernest & Young, and the structure of the transaction to minimize costs, risks and exposure. Representatives from J.P. Morgan presented materials to the MAA Board relating to the status of the proposed transaction, the proposed financial terms of the transaction, J.P. Morgan s preliminary valuation of Colonial and the pro forma impact of the proposed transaction to MAA. Representatives of J.P. Morgan then discussed the effect of the proposed strategic combination transaction on exposure to certain markets and the current performance of the REIT sector in general. The MAA Board then discussed issues relating to the proposed transaction, including the financial metrics of the Combined Corporation and potential transaction costs. The MAA Board also discussed the status of Colonial s disposition of its non-core assets, including three non-multifamily properties with signed letters of intent and the Three Ravinia property, which was under contract for sale at a value close to MAA s estimated value for the property. Following that discussion, representatives from J.P. Morgan then presented a preliminary valuation summary of MAA and Colonial that included analyses of trading comparables, net asset values, discounted cash flows and exchange ratios as well as earnings impact of the proposed transaction. Following J.P. Morgan s presentation, representatives from Goodwin Procter presented material to the MAA Board relating to structuring considerations for the proposed transaction, the existence of dissenters rights for Colonial shareholders, the potential required approvals of equity holders of Colonial and Colonial LP and open points in the merger agreement. Representatives of Goodwin Procter then presented information to the MAA Board on certain legal points that were under discussion in connection with the proposed strategic combination transaction, summarized the due diligence materials received to date from Colonial s counsel with respect to the built-in-gain of unitholders of Colonial LP that would be applicable if Colonial requested new tax protection arrangements for these unitholders, discussed the need for waivers from certain MAA executives with respect to rights under existing employment agreements and equity awards, and summarized certain insurance policies. Finally, Mr. Bolton discussed with the MAA Board his opinion that the proposed strategic combination transaction was a compelling value creation opportunity for MAA shareholders, but highlighted that management and the MAA board needed to fully understand and explore risks relating to the potential transaction. Following the MAA board meeting, General John S. Grinalds retired from the MAA Board since he had reached the maximum director age contained in MAA s existing corporate governance guidelines and code of business conduct and ethics and would not be standing for reelection to the MAA Board at the annual meeting of MAA shareholders to be held later that day.

Later on May 21, 2013, Hogan Lovells distributed a revised draft of the merger agreement to Goodwin Procter and J.P. Morgan. The revised draft provided for, among other things, (i) reciprocal interim operating covenants, (ii) an asymmetrical termination fee of $50 million for Colonial and $65 million for MAA in the event the merger agreement was subsequently terminated by such party to enter into a Superior Proposal or in certain other limited circumstances, which is referred to as a termination fee, (iii) various revisions to the provision restricting the ability of a party to solicit other proposals after the signing of a definitive agreement, which is referred to as the non-solicitation provision, and (iv) the removal of a provision that allowed for limited flexibility in the structure of the transaction following the execution of the merger agreement.

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On May 22, 2013, Goodwin Procter circulated to Hogan Lovells an initial draft of a form of voting agreement for certain Colonial shareholders.

On May 22, 2013, the Colonial Special Committee held a telephonic meeting, with representatives of Hunton & Williams present. During this meeting, the members of the Colonial Special Committee discussed with Hunton & Williams matters relating to the proposed transaction with MAA. The Colonial Special Committee discussed the tax protection arrangements currently afforded to holders of limited partnership interests in Colonial LP, including the provisions in the existing limited partnership agreement of Colonial LP relating to Colonial LP s consideration of the income tax considerations of limited partners of Colonial LP with respect to actions taken by the general partner of Colonial LP. The Colonial Special Committee also discussed MAA s proposal that the existing limited partnership agreement of Colonial LP be used as the limited partnership agreement of the Combined Corporation s operating partnership and tax protection arrangement structures generally. During this discussion, Hunton & Williams discussed with the Colonial Special Committee the members fiduciary duties under applicable law, the types of tax protection arrangements that could be provided to limited partners in an operating partnership and the tax protection arrangements, if any, provided in other merger transactions to limited partners in operating partnerships. Following discussion, the Colonial Special Committee determined that the mergers should be structured to provide that the limited partnership agreement for the Combined Corporation s operating partnership contain substantially the same provisions as contained in the existing limited partnership agreement of Colonial LP including, in particular, for the benefit of limited partners in MAA LP after the partnership merger, the provision relating to Colonial LP s consideration of the income tax considerations of limited partners of Colonial LP with respect to actions taken by the general partner of Colonial LP. The Colonial Special Committee did not identify any other significant potential conflicts between limited partners of Colonial LP and Colonial shareholders, based on the structure of the proposed MAA transaction, that the Colonial Special Committee believed were within its mandate from the Colonial Board.

On May 23, 2013, Mr. Bolton provided a written update to the MAA Board. Mr. Bolton summarized the remaining open points in the merger agreement as well as procedural and timing considerations for signing the merger agreement and announcing the proposed transaction.

Also on May 23, 2013, Goodwin Procter circulated a revised draft of the merger agreement to Hogan Lovells and BofA Merrill Lynch. The draft provided for, among other things, (i) a condition to closing that no more than a certain percentage of Colonial shareholders exercise dissenters rights in connection with the proposed transaction, (ii) the deletion or modification of certain interim operating covenants applicable to MAA, (iii) a symmetrical termination fee of $100 million for both MAA and Colonial, (iv) certain modifications to the non-solicitation provision, and (v) a reinstatement of the provision that allowed for flexibility in the structure of the transaction following the execution of the merger agreement.

On May 23, 2013, the Colonial Transaction Committee held a telephonic meeting, with Mr. Hardin and representatives of BofA Merrill Lynch and Hogan Lovells present. During this meeting, the Colonial Transaction Committee discussed the status of negotiations with MAA, the revised draft merger agreement received from MAA and certain provisions therein, including the amount and structure of the termination fee and expense reimbursement amount and a proposed closing condition regarding dissenters rights under Alabama law. The Colonial Transaction Committee also discussed Colonial s proposed response to the revised draft merger agreement received from MAA.

On May 24, 2013, representatives from Goodwin Procter and Hogan Lovells met telephonically to discuss open points relating to the merger agreement and the identities of the officers, trustees, directors and shareholders, as applicable, of MAA and Colonial who would sign voting agreements in connection with the proposed transaction. Hogan Lovells also circulated to Goodwin Procter a revised draft of the form of voting agreement for certain Colonial shareholders.

On May 25, 2013, representatives from Goodwin Procter and Hogan Lovells met telephonically. Hogan Lovells advised that Colonial, based on the determination of the Colonial Special Committee, would not request

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any new tax protection arrangements for unitholders of Colonial LP other than a continuation in the MAA LP partnership agreement, for the benefit of MAA LP limited partners after the partnership merger, of the existing provision in the limited partnership agreement of Colonial LP relating to Colonial LP s consideration of the income tax considerations of limited partners of Colonial LP with respect to actions taken by the general partner of Colonial LP. The representatives from Goodwin Procter and Hogan Lovells then discussed various other open items relating to the merger agreement. Additionally, Goodwin Procter circulated to Hogan Lovells a revised draft of the form of voting agreement for certain Colonial shareholders.

On May 26, 2013, Hogan Lovells circulated a revised draft of the merger agreement to Goodwin Procter and J.P. Morgan. The revised draft provided for, among other things, reciprocal interim operating covenants for MAA and Colonial. The revised draft also reflected other items that were continuing to be negotiated, including, among others, the closing condition relating to the percentage of Colonial shareholders that could exercise dissenters rights without MAA having a right to not consummate the mergers, the termination fee and a modified provision addressing the parties ability to restructure the transaction following the execution of the merger agreement.

Also on May 26, 2013, Goodwin Procter circulated to Hogan Lovells an initial draft of the form of voting agreement for certain MAA shareholders.

On May 27, 2013, Goodwin Procter circulated to Hogan Lovells an initial draft of MAA s disclosure schedules to the merger agreement. The disclosure schedules included a list of certain third party consents that would need to be obtained as a condition to closing. Colonial, through Hogan Lovells, objected to the inclusion of those consents as a closing condition.

On May 27, 2013, the Colonial Special Committee held a telephonic meeting, with representatives of Hunton & Williams and Hogan Lovells present. During this meeting, the Colonial Special Committee discussed with the legal advisors the status of negotiations with MAA regarding the structure of the transaction and the terms of the limited partnership agreement of the Combined Corporation s operating partnership. During this discussion, the Colonial Special Committee discussed with the legal advisors the nature of changes with respect to the partnership merger reflected in the merger agreement. Also, during this discussion, the Colonial Special Committee noted that, consistent with the direction at the Colonial Special Committee s May 22nd meeting, the current draft of the merger agreement provided that the limited partnership agreement of MAA LP would be amended to be in substantially the same form as the limited partnership agreement of Colonial LP then in effect, and would retain, for the benefit of all limited partners in MAA LP after the partnership merger, the provision relating to Colonial LP s consideration of the income tax considerations of limited partners of Colonial LP with respect to actions taken by the general partner of Colonial LP.

On May 28, 2013, Hogan Lovells circulated to Goodwin Procter an initial draft of Colonial s disclosure schedules to the merger agreement.

On May 28, 2013, the Colonial Board held a telephonic meeting, with Mr. Hardin and representatives of BofA Merrill Lynch and Hogan Lovells present. During this meeting, the Colonial Board discussed the status of negotiations with MAA and certain provisions of the merger agreement. Also on May 28, 2013, Mr. Bolton contacted Mr. Lowder by telephone to discuss certain closing conditions to the completion of the proposed transaction. Messrs. Bolton and Lowder also discussed the inclusion of the provision in the merger agreement that would allow for flexibility in the structure of the transaction following the execution of the merger agreement.

Later on May 28, 2013, Goodwin Procter circulated a revised draft of the merger agreement to Hogan Lovells and BofA Merrill Lynch. The revised draft included, among other things, reciprocal interim operating covenants.

On May 29, 2013, Goodwin Procter circulated a further revised draft of the merger agreement to Colonial and its legal and financial advisors. The draft provided for, among other things, a reciprocal termination fee of $75 million and a closing condition that no more than 15% of Colonial shareholders could exercise dissenters rights without MAA having a right to not consummate the mergers.

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Later on May 29, 2013, the MAA Board held a special telephonic meeting with members of senior management and representatives from J.P. Morgan, Goodwin Procter and Baker Donelson. Mr. Bolton summarized for the MAA Board the overall status of the proposed strategic combination transaction with Colonial and the decision by Colonial, based on the determination of the Colonial Special Committee, not to request new tax protection arrangements for unitholders of Colonial LP. Mr. Bolton and representatives from Goodwin Procter and Baker Donelson summarized and described for the MAA Board the remaining open points in the merger agreement. The MAA Board then discussed the proposed terms of the merger agreement.

On May 29, 2013, the Colonial Board held a telephonic meeting, with Mr. Hardin and representatives of BofA Merrill Lynch and Hogan Lovells present. During this meeting, a representative of Hogan Lovells summarized the status of negotiations with respect to the revised draft merger agreement. The Colonial Board discussed the revised draft merger agreement, including MAA s inclusion of certain third party consents as a closing condition.

On May 30, 2013, Mr. Bolton contacted Mr. Lowder by telephone to discuss the remaining open points in the merger agreement.

Later on May 30, 2013, Goodwin Procter circulated to Hogan Lovells a revised draft of MAA s disclosure schedules to the merger agreement. The revised MAA disclosure schedules significantly limited the number of third party consents that were a condition to closing.

Also on May 30, 2013, Hogan Lovells circulated a revised draft of the merger agreement to Goodwin Procter and J.P. Morgan. The revised draft provided for, among other things, (i) a symmetrical termination fee of $75 million, (ii) an agreement by MAA to assume all existing registration rights agreements of Colonial in connection with the proposed transaction, and (iii) the removal of the ability of either party to extend the outside closing date under the merger agreement in order to obtain third party consents. Subsequent to the distribution of the revised draft of the merger agreement, the parties agreed that the merger agreement would contain a provision that the parties would cooperate to provide flexibility in the structuring of the transaction following the execution of the merger agreement and a closing condition that no more than 15% of Colonial shareholders could exercise dissenters rights without MAA having a right to not consummate the mergers.

On May 31, 2013, representatives from Goodwin Procter and Hogan Lovells met telephonically to discuss the remaining open points in the merger agreement, including the termination fee.

On May 31, 2013, Goodwin Procter circulated to Hogan Lovells an initial draft of the amended and restated limited partnership agreement of MAA LP. Later that day, Hogan Lovells circulated a revised draft of that agreement to Goodwin Procter, along with a revised draft of Colonial s disclosure schedules to the merger agreement.

On June 1, 2013, the MAA Board held a special telephonic meeting with members of senior management and representatives from J.P. Morgan, Goodwin Procter and Baker Donelson. At the meeting, Mr. Bolton and representatives of Goodwin Procter and Baker Donelson summarized the resolution of the open points in the merger agreement discussed at the last meeting of the MAA Board and the minor terms of the merger agreement that needed to be finalized prior to the execution of the merger agreement. Representatives from Goodwin Procter and Baker Donelson then summarized the final terms of the merger agreement and described the process required for obtaining certain third party consents. The MAA Board then held an extended discussion of the terms of the merger agreement. Next, representatives from J.P. Morgan summarized the valuation methodologies used in its valuation of MAA and Colonial, the results of that analysis and the key financial highlights relating to the transaction with Colonial. After a discussion by the MAA Board of various financial aspects of the proposed strategic transaction with Colonial and J.P. Morgan s valuation analysis, J.P. Morgan delivered to the MAA Board an oral opinion, which was confirmed by the delivery of a written opinion dated June 1, 2013, to the effect that, as of that date and based on and subject to various assumptions and limitations described in its opinion, the exchange ratio provided for in the merger agreement was fair, from a financial point of view, to MAA. Following

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these presentations and discussions, and other discussions and deliberations by the MAA Board concerning, among other things, the matters described below under Recommendation of the MAA Board and Its Reasons for the Parent Merger, representatives of Goodwin Procter and Baker Donelson summarized the process for the approval of the transaction and the duties of the directors, following which, Mr. Bolton and representatives of Baker Donelson reviewed the resolutions for consideration by the MAA Board to approve the proposed strategic transaction with Colonial. The MAA Board then unanimously (i) determined that the merger agreement, the parent merger and the transactions contemplated by the merger agreement were advisable and in the best interests of MAA and its shareholders, (ii) approved the mergers, the merger agreement and the other transactions contemplated by the merger agreement, (iii) authorized and approved the issuance of shares of MAA common stock to the holders of Colonial common shares in the parent merger, (iv) directed that the merger agreement and the issuance of shares of MAA common stock be submitted for approval at a meeting of MAA shareholders, and (v) recommended the approval of the merger agreement and the issuance of shares of MAA common stock by MAA shareholders. In connection with the foregoing, the MAA Board also approved, among other things, the waivers to be given by certain MAA executives with respect to rights under existing employment agreements and equity awards, the preparation and filing of this joint proxy statement/prospectus, the engagement letter with J.P. Morgan, the amendment and restatement of the limited partnership agreement of MAA LP, and the preparation and mailing of a consent solicitation for holders of limited partnership units in MAA LP.

On June 1, 2013 and June 2, 2013, Goodwin Procter and Hogan Lovells exchanged drafts of the merger agreement, the disclosure schedules of both Colonial and MAA to the merger agreement and the amended and restated limited partnership agreement of MAA LP.

On June 2, 2013, the Colonial Board held a telephonic meeting, with Mr. Hardin and representatives of BofA Merrill Lynch and Hogan Lovells present. During this meeting, Colonial s legal and financial advisors reviewed with the Colonial Board, among other things, legal and financial aspects of the proposed transaction with MAA. In addition, a representative of Hogan Lovells reviewed with the Colonial Board the material terms of the proposed merger agreement. Mr. Lowder then reviewed the strategic rationale and anticipated benefits of the proposed strategic combination transaction to Colonial shareholders. BofA Merrill Lynch then reviewed with the Colonial Board the financial terms of the proposed transaction and its financial analysis of the exchange ratio provided for in the parent merger and delivered to the Colonial Board an oral opinion, confirmed by delivery of a written opinion dated June 2, 2013, to the effect that, as of that date and based on and subject to various assumptions and limitations described in the opinion, the exchange ratio provided for in the parent merger was fair, from a financial point of view, to the holders of Colonial common shares. During this meeting, the Colonial Transaction Committee delivered its recommendation that the Colonial Board approve the merger agreement. Following these presentations and discussions, and other discussions by the Colonial Board concerning, among other things, the matters described below under Recommendation of the Colonial Board and Its Reasons for the Parent Merger, the Colonial Board, by a unanimous vote of all trustees, (i) concluded that the merger agreement and the transactions contemplated thereby, including the parent merger and the partnership merger, were advisable and in the best interests of Colonial and its shareholders, (ii) approved and adopted the merger agreement and the plan of merger, (iii) directed that the merger agreement and the parent merger pursuant to the plan of merger be submitted for approval at a meeting of Colonial shareholders and (iv) recommended the approval of the merger agreement and the parent merger pursuant to the plan of merger by Colonial shareholders.

On the morning of June 3, 2013, MAA and Colonial executed and delivered the merger agreement and certain ancillary documents prior to the opening of the stock markets and issued a joint press release announcing the mergers and execution of the merger agreement.

Recommendation of the MAA Board and Its Reasons for the Parent Merger

In evaluating the parent merger, the MAA Board consulted with its legal and financial advisors and MAA s management and, after careful consideration, the MAA Board unanimously determined and declared that the merger agreement, the parent merger and the other transactions contemplated by the merger agreement (including the issuance of shares of MAA common stock to Colonial shareholders in the parent merger) are

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advisable and in the best interests of MAA and its shareholders. The MAA Board unanimously adopted and approved the merger agreement, the parent merger and the other transactions contemplated by the merger agreement.

The MAA Board unanimously recommends that MAA shareholders vote **FOR** the proposal to approve the merger agreement, the parent merger and the other transactions contemplated by the merger agreement, including the issuance of shares of MAA common stock to Colonial shareholders in the parent merger.

In deciding to declare advisable and approve and adopt the merger agreement, the parent merger and the other transactions contemplated by the merger agreement, including the issuance of the MAA common stock to the Colonial shareholders in connection with the parent merger, and to recommend that MAA shareholders vote to approve the merger agreement, the parent merger and the other transactions contemplated by the merger agreement, the MAA Board considered various factors that it viewed as supporting its decision, including the following material factors described below:

Strategic Benefits. The MAA Board expects that the parent merger will provide a number of significant potential strategic opportunities and benefits, including the following:

the combination of two highly complementary multifamily portfolios to create the preeminent Sunbelt-focused multifamily REIT and the second largest publicly-held owner and operator of multifamily units in the United States by number of units will allow MAA shareholders to participate in a stronger Combined Corporation with the opportunity to leverage both companies strong presence across the United States Sunbelt region and would result in a platform with superior value creation opportunities;

the combined portfolio of approximately 85,000 multifamily units in 285 properties would provide an enhanced competitive advantage across the Sunbelt region and drive opportunistic growth and capital deployment;

by combining two companies with businesses in complementary geographic regions, the Combined Corporation is expected to have improved diversification across large and secondary markets in the high-growth Sunbelt region, which will enhance the strength of the portfolio;

the combination of MAA and Colonial would more rapidly advance a number of strategic priorities underway at MAA, including, improving operating efficiencies, achieving more profitable scale, increasing assets in major and secondary Sunbelt markets and lowering capital costs to provide a stronger balance sheet;

the transaction is expected to create operational and general and administrative cost synergies that would drive higher margins primarily from the elimination of duplicative costs associated with supporting a public company platform and the leveraging of state of the art technology and systems, resulting in gross savings of approximately $25 million annually upon full integration, which is expected to occur over the 18 month period after closing of the mergers;

the Combined Corporation would be able to better serve the needs of its residents because of its larger geographic footprint and therefore increase its market share in high-growth Sunbelt markets;

as a result of its larger size, greater access to multiple forms of capital and an improved investment-grade rating with limited near-term debt maturities, the Combined Corporation is expected to have a lower cost of capital than MAA on a stand-alone basis and provide financial flexibility to capture opportunities across business cycles;

the Combined Corporation will provide improved liquidity for MAA shareholders as a result of the increased equity capitalization and the increased shareholder base of the Combined Corporation; and

the increased size and scale of the Combined Corporation is expected to produce operating cost advantages, enhance its ability to attract top talent, and strengthen the operating platform through integration of best practices from both companies, thereby allowing the Combined Corporation to be more competitive in the markets in which it operates.

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Fixed Exchange Ratio. The MAA Board also considered that the fixed exchange ratio, which will not fluctuate as a result of changes in the market prices of shares of MAA common stock or Colonial common shares, provides certainty as to the respective pro forma percentage ownership of the Combined Corporation.

Superior Proposals. The MAA Board considered that, under certain circumstances, the merger agreement permits MAA, prior to the time MAA shareholders approve the parent merger, to consider and respond to an unsolicited bona fide alternative proposal or engage in discussions or negotiations with a third party making such a proposal if the MAA Board determines in good faith (after consultation with its outside legal counsel and financial advisors) that such alternative proposal constitutes or is reasonably likely to lead to a Superior Proposal and the MAA Board determines in good faith (after consultation with outside legal counsel) that the failure to take such action would be inconsistent with the directors exercise of their fiduciary obligations to the shareholders of MAA under applicable laws (see the section titled The Merger Agreement Covenants and Agreements No Solicitation of Transactions beginning on page 156).

Limited Ability to Change Recommendation. The MAA Board considered that the merger agreement, in circumstances not involving a Superior Proposal, permits the MAA Board to withhold, withdraw or modify its recommendation that MAA shareholders vote in favor of approval of the MAA merger proposal if a material development or change in circumstances occurs after June 3, 2013 and the MAA Board determines in good faith (after consultation with outside legal counsel) that failure to do so would be inconsistent with the directors duties under applicable law (see the section titled The Merger Agreement Covenants and Agreements No Solicitation of Transactions beginning on page 156).

Opinion of Financial Advisor. The MAA Board considered the financial analyses presented to it by J.P. Morgan and J.P. Morgan s oral opinion to the MAA Board, subsequently confirmed in writing, as to the fairness, from a financial point of view and as of the date of the opinion, to MAA of the exchange ratio pursuant to the merger agreement, which opinion was based on and subject to the procedures followed, assumptions made, matters considered and qualifications and limitations on the review undertaken as more fully described below in the section Opinion of MAA s Financial Advisor beginning on page 97.

Familiarity with Businesses. The MAA Board considered its knowledge of the business, operations, financial condition, earnings and prospects of MAA and Colonial, taking into account the results of MAA s due diligence review of Colonial, as well as its knowledge of the current and prospective environment in which MAA and Colonial operate, including economic and market conditions.

Governance. The MAA Board considered that the following governance arrangements would enable continuity of management and an effective and timely integration of the two companies operations:

- seven of the twelve members of the board of directors of the Combined Corporation would be members of the MAA Board;
- the Co-Lead Independent Directors for MAA would serve as Co-Lead Independent Directors for the Combined Corporation; and
- the senior executives of MAA would serve as the senior executives of the Combined Corporation.

High Likelihood of Consummation. The MAA Board considered the commitment on the part of both parties to complete the mergers as reflected in their respective obligations under the terms of the merger agreement, and the likelihood that the third party and security holder approvals needed to complete the mergers would be obtained in a timely manner.

The MAA Board also considered a variety of risks and other potentially negative factors concerning the merger agreement, the parent merger and the other transactions contemplated by the merger agreement. These factors included:

the risk of diverting management focus and resources from operational matters and other strategic opportunities while working to implement the mergers;

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that, under the terms of the merger agreement, MAA must pay Colonial a termination fee of $75 million and/or reimburse certain expenses incurred by Colonial in connection with the parent merger (up to $10 million) if the merger agreement is terminated under certain circumstances, which may deter other parties from proposing an alternative transaction that may be more advantageous to MAA shareholders, or which may become payable following a termination of the merger agreement in circumstances where no alternative transaction or superior proposal is available to MAA;

the terms of the merger agreement placing limitations on the ability of MAA to initiate, solicit or knowingly encourage or knowingly facilitate any inquiries or the making of any proposal or offer by or with a third party with respect to an Acquisition Proposal and to furnish non-public information to, or engage in discussions or negotiations with, a third party interested in pursuing an alternative business combination transaction;

the risk that, notwithstanding the likelihood of the parent merger being completed, the parent merger may not be completed, or that completion may be unduly delayed, including the effect of the pendency of the parent merger and the effect such failure to be completed may have on the trading price of MAA common stock and MAA s operating results, particularly in light of the costs incurred in connection with the transaction

the risk that the anticipated strategic and financial benefits of the parent merger may not be realized or that the Combined Corporation may not achieve the forecasted net operating income or sales proceeds from the sale of certain of Colonial s non-core and other assets;

the risk that the cost savings, operational synergies and other benefits to the holders of MAA common stock expected to result from the parent merger might not be fully realized or not realized at all, including as a result of possible changes in the real estate market or the multifamily industry affecting the markets in which the Combined Corporation will operate;

the risk of other potential difficulties in integrating the two companies and their respective operations;

the substantial costs to be incurred in connection with the transaction, including the transaction expenses arising from the mergers and the costs of integrating the businesses of MAA and Colonial;

the restrictions on the conduct of MAA s business prior to the completion of the parent merger, which could delay or prevent MAA from undertaking business opportunities that may arise or any other action it would otherwise take with respect to the operations of MAA absent the pending completion of the parent merger;

that Colonial and MAA may be obligated to complete the parent merger without having obtained appropriate consents, approvals or waivers from, or successfully refinanced, the outstanding indebtedness of Colonial and MAA that requires lender consent or approval to consummate the parent merger, and the risk that such consummation could trigger the termination of, and mandatory prepayments of all amounts outstanding under, certain of MAA s and Colonial s indebtedness;

the existence of statutory dissenters rights for Colonial shareholders; and

other matters described under the section Risk Factors and Cautionary Statement Concerning Forward-Looking Statements.

This discussion of the information and factors considered by the MAA Board in reaching its conclusion and recommendations is not intended to be exhaustive and is not provided in any specific order or ranking. In view of the wide variety of factors considered by the MAA Board in evaluating the merger agreement and the transactions contemplated by it, including the parent merger, and the complexity of these matters, the MAA Board did not find it practicable to, and did not attempt to, quantify, rank or otherwise assign relative weight to those factors. In addition,

different members of the MAA Board may have given different weight to different factors. The MAA Board did not reach any specific conclusion with respect to any of the factors considered and instead conducted an overall review of such factors and determined that, in the aggregate, the potential benefits considered outweighed the potential risks or possible negative consequences of approving the merger agreement, the parent merger and the other transactions contemplated by the merger agreement.

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This explanation of the reasoning of the MAA Board and all other information presented in this section is forward-looking in nature and, therefore, should be read in light of the factors discussed in the section entitled Cautionary Statement Concerning Forward-Looking Statements.

Recommendation of the Colonial Board and Its Reasons for the Parent Merger

By vote at a meeting held on June 2, 2013, and based in part on the unanimous recommendation of the transaction committee of the Colonial Board, the Colonial Board unanimously (i) determined that the parent merger (including the plan of merger) and the other transactions contemplated by the merger agreement are advisable and in the best interests of Colonial and its shareholders, (ii) approved and adopted the merger agreement and the plan of merger, (iii) directed that a proposal to approve and adopt the merger agreement and the parent merger pursuant to the plan of merger be submitted for consideration at a meeting of Colonial s shareholders and (iv) recommended the approval and adoption of the merger agreement and parent merger pursuant to the plan of merger by Colonial s shareholders. The Colonial Board unanimously recommends that Colonial shareholders vote **FOR** the proposal to approve and adopt the merger agreement, the parent merger pursuant to plan of merger and the other transactions contemplated by the merger agreement, **FOR** the proposal to approve, on an advisory (non-binding) basis, the compensation payable to certain executive officers of Colonial in connection with the parent merger and **FOR** the proposal to approve one or more adjournments of the Colonial special meeting, if necessary or appropriate, including adjournments to permit further solicitation of proxies in favor of approval and adoption of the merger agreement and the parent merger pursuant to the plan of merger.

In evaluating the parent merger, the Colonial Board consulted with Colonial s management and outside legal and financial advisors. In deciding to declare advisable and approve and adopt the merger agreement, the parent merger pursuant to the plan of merger and the other transactions contemplated by the merger agreement, and to recommend that Colonial s shareholders vote to approve and adopt the merger agreement, the parent merger pursuant to the plan of merger and the other transactions contemplated by the merger agreement, the Colonial Board considered various factors that it viewed as supporting its decision, including the material factors described below.

Strategic Benefits. Discussions with Colonial management regarding Colonial s business, financial condition, results of operations, competitive position, business strategy, strategic options and prospects, as well as the risks involved in achieving these prospects, the nature of Colonial s business and the industry in which it competes, and current industry, economic and market conditions, both on a historical and on a prospective basis, which led the Board to conclude that the alternative of continuing as a stand-alone company was less favorable to the Colonial shareholders than the parent merger and that the parent merger will provide a number of significant potential strategic opportunities and benefits, including the following:

- the combination of Colonial s and MAA s highly complementary multifamily portfolios to create the pre-eminent Sunbelt focused multifamily REIT and the second largest publicly-held owner and operator of multifamily units in the United States by number of units will allow Colonial shareholders to participate in a stronger Combined Corporation with the opportunity to leverage both companies strong presence across the United States Sunbelt region and would result in a platform with superior value creation opportunities;

- as a result of its larger size, greater access to multiple forms of capital and improved investment grade debt rating with limited near-term debt maturities, the Combined Corporation is expected to have a lower cost of capital than Colonial on a stand-alone basis and provide financial flexibility to capture opportunities across business cycles;

- the combination of the two companies would more rapidly advance Colonial s existing strategic priorities to grow its multifamily portfolio and strengthen its balance sheet;

- by combining two companies with businesses in complementary geographic regions, the Combined Corporation is expected to have improved diversification across large and secondary markets in the high-growth Sunbelt region, which will enhance the strength of the portfolio;

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the Combined Corporation is expected to benefit from Colonial s development pipeline and internal development capabilities;

the increased size and scale of the Combined Corporation is expected to produce operating cost advantages, enhance its ability to attract top talent, and strengthen the operating platform through integration of best practices from both companies, thereby allowing the Combined Corporation to be more competitive in the markets in which it operates;

the transaction is expected to create operational and general and administrative cost synergies that would drive higher margins primarily from the elimination of duplicative costs associated with supporting a public company platform and the leveraging of state of the art technology and systems, resulting in gross savings of approximately $25 million annually, which is expected to occur over the 18-month period after closing of the mergers; and

by creating one of the largest U.S. multifamily REITs by number of units and, based on current market prices, one of the largest publicly traded U.S. multifamily REITs by enterprise value, the merger is expected to enhance the Combined Corporation s ability to execute large, accretive transactions and facilitate opportunistic growth and capital deployment.

MAA s Business, Operating Results, Financial Condition and Management. The Colonial Board considered information with respect to the business, operating results and financial condition of MAA, on both a historical and prospective basis, including MAA s stable operating performance, lower leverage and the lower volatility of its stock price over the past 10 years, the quality, breadth and experience of MAA s senior management team, and the similarities in the cultures of, and complimentary markets served by, the two companies, as well as the Colonial Board s knowledge of the current and prospective environment in which the two companies operate, including economic and market conditions.

Continued Operation as a Stand-Alone Company. The Colonial Board evaluated, as an alternative to the parent merger, the potential rewards and risks associated with the continued execution of Colonial s strategic plan as an independent company. In evaluating Colonial s historical results and prospects for growth, the Colonial Board noted Colonial s success in maintaining high occupancy rates, executing on Colonial s asset recycling program, strengthening Colonial s balance sheet, increasing Colonial s focus on the multifamily business, successfully exiting from several joint ventures, and reducing overhead costs. The Colonial Board reviewed Colonial s historical and possible future performance in light of the risks affecting its business, operations and financial condition, including the risks discussed in this joint proxy statement/prospectus under Risk Factors Risks Relating to the Mergers. The Colonial Board also considered, among other factors, the challenges of continuing to operate independently, current market and industry trends, and the risks affecting Colonial s ability to compete effectively against other competitors in the industry.

Merger Consideration. The Colonial Board evaluated the value of the merger consideration based on the then-current market price and historic trading price of MAA common stock, as well as various factors bearing on the quality and potential long-term value of the MAA common stock to be received as consideration, including the greater liquidity of the stock in the Combined Corporation. The Colonial Board noted that, based on the closing prices of the MAA common stock and Colonial common shares on May 31, 2013, which was the last trading day before the meeting of the Colonial Board at which the Colonial Board approved the merger agreement, the merger consideration had an implied value of $24.47 per Colonial common share, which represented approximately a 10.7 percent premium to the closing price of the Colonial common shares on May 31, 2013. The Colonial Board also noted that the implied per share merger consideration represented a premium to the Colonial price per share of approximately 13.7 percent over the one-week period before May 31, 2013, and approximately 16.3 percent over the one-month period before May 31, 2013. The Colonial Board also took into account that the fixed exchange ratio, which will not fluctuate as a result of changes in the market prices of Colonial common shares or shares of MAA common stock, provides certainty as to the respective pro forma percentage ownership of the Combined Corporation and that a decrease in the market price of Colonial common shares before the parent merger closing would not provide MAA with a right to terminate the merger agreement.

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Dividend Rate. The Colonial Board considered that, based on the current dividend rates of Colonial and MAA, Colonial shareholders would see an approximately 19 percent increase in the dividend rate immediately after the closing, assuming no change in MAA s current dividend rate.

Ownership in the Combined Corporation. The Colonial Board considered that, as of the closing, Colonial shareholders would own approximately 44% of the Combined Corporation assuming the conversion to shares of Combined Corporation common stock of all MAA LP limited partnership units issued to Colonial LP unitholders in the partnership merger and, as a result, the combination will allow Colonial shareholders to participate in the future growth and value creation of the Combined Corporation and to share pro rata in the benefits of the expected synergies.

Opinion of Financial Advisor. The Colonial Board considered the opinion, dated June 2, 2013, of BofA Merrill Lynch to the Colonial Board as to the fairness, from a financial point of view and as of such date, to the holders of Colonial common shares of the exchange ratio provided for in the parent merger, which opinion was based on and subject to the assumptions made, procedures followed, factors considered and limitations on the review undertaken as more fully described in the section entitled Opinion of Colonial s Financial Advisor.

Tax-Free Transaction. The Colonial Board considered the expectation that the parent merger will generally qualify as a tax-free transaction for U.S. federal income tax purposes to Colonial shareholders that are U.S. holders.

Governance. The Colonial Board considered that the board of directors of the Combined Corporation would consist of twelve directors, five of whom will be chosen by the Colonial Board, which would facilitate an effective and timely integration of the two companies operations.

Likelihood of Consummation. The Colonial Board considered the commitment on the part of both parties to complete the mergers as reflected in their respective obligations under the terms of the merger agreement, and the likelihood that the third party and security holder approvals needed to complete the mergers would be obtained in a timely manner.

Terms and Conditions of the Merger Agreement. The Colonial Board considered the terms and conditions of the merger agreement, including:

Colonial s ability, under certain circumstances, prior to the time Colonial shareholders approve the parent merger, to consider and respond to an unsolicited bona fide alternative proposal or engage in discussions or negotiations with the third party making such a proposal if the Colonial Board determines in good faith (after consultation with its outside legal counsel and financial advisors) that such alternative proposal either constitutes a Superior Proposal or is reasonably likely to lead to a superior proposal and the Colonial Board shall have determined in good faith (after consultation with outside legal counsel) that the failure to take such action would be inconsistent with the trustees exercise of their fiduciary obligations to the shareholders of Colonial under applicable laws;

Colonial s ability, under certain circumstances, to terminate the merger agreement in order to enter into an agreement providing for a Superior Proposal, provided that Colonial complies with its obligations relating to the entering into of any such agreement and immediately prior to or concurrently with the termination of the merger agreement pays a termination fee of $75 million and reimburses MAA for expenses (up to $10 million), which the Colonial Board concluded was reasonable in the context of termination fees payable in comparable transactions and in light of the overall structure of the transaction and terms of the merger agreement, including the merger consideration;

the ability of the Colonial Board, under certain circumstances not involving a Superior Proposal, to withhold, withdraw or modify its recommendation that Colonial shareholders vote in favor of approval and adoption of the merger agreement and the parent merger

pursuant to the plan of merger and terminate the merger agreement upon payment of a termination fee of $75 million and reimbursement of MAA for expenses (up to $10 million);

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the fact that the merger agreement permits Colonial to continue to pay its regular quarterly cash dividend, in an amount not to exceed $0.21 per Colonial common share per quarter, as well as distributions in respect of units held in Colonial LP;

the fact that the merger agreement would provide Colonial with sufficient operating flexibility for it to conduct its business in the ordinary course of business consistent with past practice between the signing of the merger agreement and the completion of the parent merger; and

the fact that consent, approval or refinancing of Colonial s existing indebtedness and most of MAA s existing indebtedness is not a condition to completion of the parent merger.

Treatment of Holders of Limited Partner Interests in Colonial LP. The Colonial Board considered that, pursuant to the terms of the merger agreement, holders of limited partner interests in Colonial LP will receive 0.360 of a limited partner interest in MAA LP, in the partnership merger, which is the same as the exchange ratio in the parent merger. In addition, the Colonial Board considered that, consistent with the direction of the Colonial Special Committee, the limited partnership agreement of MAA LP will be amended to be in substantially the same form as the limited partnership agreement of Colonial LP currently in effect, and will retain, for the benefit of all limited partners in MAA LP after the partnership merger, the provision relating to Colonial LP s consideration of the income tax considerations of limited partners of Colonial LP with respect to actions taken by the general partner of Colonial LP.

Dissenters Rights. The Colonial Board considered the fact that Colonial shareholders will have the right to exercise dissenters rights, as described in the section entitled Dissenters Rights beginning on page 173.

Alternative Transactions. The Colonial Board also considered, as alternatives to the parent merger or to continued independent operations, Colonial s prospects for a merger or sale transaction with a company other than MAA and the potential terms for such other transactions. After taking into account the possible detrimental effects on Colonial s business, including such effects on, among other things, its employees, tenants, customers, financing sources and business prospects, the Colonial Board determined not to solicit proposals for other transactions, whether a merger or sale, through an auction process or otherwise. The Colonial Board s consideration of potential alternatives to the parent merger was informed by, among other matters, its familiarity with the various indications of interest and preliminary discussions involving potential transaction partners communicated from time to time, including the unsolicited inquiries received from Company B and Company D and described in this joint proxy statement/prospectus under The Parent Merger Background of the Mergers. The Colonial Board concluded that the MAA merger, as compared to potential alternative transactions, would be in the best interests of Colonial s shareholders in light of the overall terms of the MAA merger and the timing, likelihood and risks of completing alternative transactions, including the business, competition, industry and market risks that would apply to Colonial.

In particular, in deciding to approve the merger agreement, rather than to attempt to pursue a transaction with Company B on the basis of Company B s written proposal received in April 2013, the Colonial Board considered the following material factors:

the Colonial Board s determination, based on its consideration of the business, strategic plan, operating results, and management team of the Combined Corporation, as well as cost synergies and other strategic benefits of a transaction with MAA described above, that it was in the best interests of the Colonial shareholders for Colonial to pursue a transaction with MAA, offering Colonial shareholders the prospect of continued participation in the long-term value creation of the Combined Corporation, rather than pursue an all-cash sale transaction with Company B at the all-cash price included in Company B s proposal;

the less developed nature of Company B s proposal and the risk of not being able to reach agreement on mutually acceptable terms with Company B with respect to a sale transaction due to, among other things:

the need for Company B to conduct diligence on Colonial (which had not yet been initiated);

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the need for Company B to obtain substantial equity and debt financing, including from third party sources, which would be expected to conduct their own separate diligence investigation of Colonial;

the increased risk of information leaks and other significant adverse effects on Colonial, including on its personnel and operations, due to the larger number of third parties that would be involved in a lengthy diligence evaluation of Colonial and the distractions during the pendency of the multi-party diligence process;

the need to negotiate specific merger terms and the related definitive agreement, including (i) additional issues arising from the terms included in Company B s written proposal, such as financing matters, closing conditions, and the termination provisions, and (ii) other matters not addressed in Company B s written proposal, such as consequences of Company B s failure to obtain the requisite third party financing or refusal to close the transaction after it signs a definitive agreement, including negotiation of remedies in certain circumstances if Company B failed or refused to complete the transaction; and

the additional complexity associated with Company B s intention to negotiate with and retain a third party operator as a partner to operate Colonial properties, as well as the third party operator s desire to acquire specific properties of Colonial.

uncertainty regarding the final all-cash purchase price to be offered by Company B and the concern, given that Company B s all-cash purchase price proposal was based on only publicly available information, that the all cash price would be reduced during the diligence and negotiation process, particularly in light of the fact that, based on statements by the Company B chief financial officer in April 2013, the all-cash price of $26.50 had already been reduced by Company B s investment committee based on valuation considerations associated with certain land recorded on Colonial s financial statements, as discussed above under The Parent Merger Background of the Mergers ;

that, given the need for third party financing, a transaction with Company B would involve greater risk that the ability of the parties to complete the transaction on the terms negotiated may be adversely affected due to adverse market conditions or economic or other events outside the control of the parties, which would increase the risk that a closing may not ultimately occur on the terms negotiated with Company B or at all;

that, as discussed above, the provisions of the merger agreement with MAA would permit Colonial, under certain circumstances, to terminate the merger agreement in order to enter into an agreement providing for a superior proposal, provided that Colonial (i) complies with its obligations relating to the entering into of any such agreement and (ii) immediately prior to or concurrently with the termination of the merger agreement pays a termination fee of $75 million and reimburses MAA for expenses (up to $10 million); and

the risk that, during the time needed for Company B to finalize and present a final offer, including the time necessary to conduct diligence and assemble equity and debt financing and negotiate with a third party operator, the proposed transaction with MAA may no longer be available.

The Colonial Board also considered a variety of risks and other potentially negative factors concerning the merger agreement, the parent merger and the other transactions contemplated by the merger agreement, including the following material factors:

that, following completion of the parent merger, Colonial would no longer exist as an independent public company and Colonial s shareholders would be able to participate in any future earnings growth of Colonial solely through their ownership of MAA common stock;

the risk that, notwithstanding the likelihood of the parent merger being completed, the parent merger may not be completed, including the effect of the pendency of the parent merger and the effect such failure to be completed may have on:

- the trading price of Colonial common shares;

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Colonial s operating results, particularly in light of the costs incurred in connection with the transaction; and

Colonial s ability to attract and retain key personnel, tenants, suppliers and customers;

that, under the terms of the merger agreement, Colonial must pay MAA a termination fee of $75 million and/or reimburse certain expenses incurred by MAA in connection with the parent merger (up to $10 million) if the merger agreement is terminated under certain circumstances, which may deter other parties from proposing an alternative transaction that may be more advantageous to Colonial shareholders, or which may become payable following a termination of the merger agreement in circumstances where no alternative acquisition agreement or superior proposal is available to Colonial;

the risk that, although the terms of the merger agreement would permit Colonial, until approval of the parent merger by its shareholders, to furnish non-public information to, or engage in discussions or negotiations with, third parties making unsolicited acquisition proposals that the Colonial Board determines are reasonably likely to lead to a superior proposal and to terminate the merger agreement to accept a superior proposal, subject to payment to MAA of a termination fee of $75 million and reimbursement of expenses (up to $10 million), other potential bidders may choose not to make an alternative transaction proposal and that, historically, the incidence of such superior proposals are relatively rare;

that the terms of the merger agreement place limitations on the ability of Colonial to initiate, solicit or knowingly encourage or knowingly facilitate any inquiries or the making of any proposal or offer by or with a third party with respect to an acquisition proposal;

the risk that MAA may receive a superior proposal and terminate the merger agreement upon payment of a termination fee to Colonial of $75 million plus reimbursement of expenses incurred by Colonial (up to $10 million) in accordance with the terms of the merger agreement;

that, if the parent merger does not close, Colonial s employees will have expended extensive time and efforts to attempt to complete the transaction and will have experienced significant distractions from their work during the pendency of the transaction;

the possibility that the parent merger may not be completed, or that completion may be unduly delayed, for reasons beyond the control of Colonial or MAA, including because Colonial shareholders and/or MAA shareholders may not approve the parent merger and the other transactions contemplated by the merger agreement, because approval of the unitholders of MAA LP may not be obtained, or because the required third party consents may not be obtained;

that Colonial is not permitted to terminate the merger agreement solely because of changes in the market price of MAA common stock and the risk that, because the merger consideration is MAA common stock and the exchange ratio is fixed, Colonial shareholders may be adversely affected by any decrease in the trading price of MAA common stock between the announcement of the transaction and the completion of the parent merger, which would not have been the case had the consideration been based solely on a fixed value (that is, a fixed dollar amount of value per share in all cases);

the risk that the cost savings, operational synergies and other benefits to the holders of Colonial common shares expected to result from the parent merger might not be fully realized or not realized at all, including as a result of possible changes in the real estate market or the multifamily industry affecting the markets in which the Combined Corporation will operate or as a result of potential difficulties integrating the two companies and their respective operations;

the restrictions on the conduct of Colonial s business prior to the completion of the parent merger, which could delay or prevent Colonial from undertaking business opportunities that may arise or any other action it would otherwise take with respect to the operations of Colonial absent the pending completion of the parent merger;

that Colonial and MAA may be obligated to complete the parent merger without having obtained appropriate consents, approvals or waivers from, or successfully refinanced, the outstanding

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indebtedness of Colonial and MAA that requires lender consent or approval to consummate the parent merger, and the risk that such consummation could trigger the termination of, and mandatory prepayments of all amounts outstanding under, certain of MAA s and Colonial s indebtedness;

that, if the Colonial Board had determined to pursue a sale of the company and engaged in negotiations with a third party, including Company B, and reached agreement on the terms of a definitive sale transaction with such third party, the all-cash per share purchase price potentially could have been superior to the value of the merger consideration to be received by Colonial shareholders in the strategic combination merger with MAA;

that certain of Colonial s trustees and executive officers have certain interests in the parent merger that might be different from the interests of Colonial s shareholders generally as described under the section entitled The Parent Merger Interests of Colonial s Trustees and Executive Officers in the Mergers beginning on page 116; and

the substantial costs to be incurred in connection with the transactions, including the transaction expenses arising from the mergers and the costs of integrating the businesses of Colonial and MAA.

This discussion of the information and factors considered by the Colonial Board in reaching its conclusion and recommendations is not intended to be exhaustive and is not provided in any specific order or ranking. In view of the wide variety of factors considered by the Colonial Board in evaluating the merger agreement and the transactions contemplated by it, including the parent merger, and the complexity of these matters, the Colonial Board did not find it practicable to, and did not attempt to, quantify, rank or otherwise assign relative weight to those factors. In addition, different members of the Colonial Board may have given different weight to different factors. The Colonial Board did not reach any specific conclusion with respect to any of the factors considered and instead conducted an overall review of such factors and determined that, in the aggregate, the potential benefits considered outweighed the potential risks or possible negative consequences of approving the merger agreement.

THE COLONIAL BOARD UNANIMOUSLY RECOMMENDS THAT COLONIAL SHAREHOLDERS VOTE FOR THE PROPOSAL TO APPROVE AND ADOPT THE MERGER AGREEMENT, THE PARENT MERGER PURSUANT TO THE PLAN OF MERGER AND THE OTHER TRANSACTIONS CONTEMPLATED BY THE MERGER AGREEMENT, FOR THE ADVISORY VOTE ON EXECUTIVE COMPENSATION PROPOSAL AND FOR THE PROPOSAL TO ADJOURN.

The explanation of the reasoning of the Colonial Board and all other information presented in this section is forward-looking in nature and, therefore, should be read in light of the factors discussed in the section entitled Cautionary Statement Concerning Forward-Looking Statements beginning on page 43.

Opinion of MAA s Financial Advisor

Pursuant to an engagement letter dated May 31, 2013, MAA retained J.P. Morgan as its financial advisor in connection with the parent merger.

At the meeting of the MAA Board on June 1, 2013, J.P. Morgan rendered its oral opinion to the MAA Board that, as of such date and based upon and subject to the factors and assumptions set forth in its opinion, the exchange ratio in the parent merger was fair, from a financial point of view, to MAA. J.P. Morgan has confirmed its June 1, 2013 oral opinion by delivering its written opinion to the MAA Board, dated June 1, 2013, that, as of such date, the exchange ratio in the parent merger was fair, from a financial point of view, to MAA. No limitations were imposed by the MAA Board upon J.P. Morgan with respect to the investigations made or procedures followed by it in rendering its opinions.

The full text of the written opinion of J.P. Morgan dated June 1, 2013, which sets forth the assumptions made, matters considered and limits on the review undertaken, is attached as Annex F to this joint proxy statement/prospectus and is incorporated herein by reference. You are urged to read the opinion in its entirety. J.P. Morgan s written opinion is addressed to the MAA Board, is directed only to

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the exchange ratio in the parent merger and does not constitute a recommendation to any shareholder of MAA as to how such shareholder should vote at the MAA special meeting. The summary of the opinion of J.P. Morgan set forth in this joint proxy statement/prospectus is qualified in its entirety by reference to the full text of such opinion.

In arriving at its opinions, J.P. Morgan, among other things:

- reviewed a draft dated May 31, 2013 of the merger agreement;
- reviewed certain publicly available business and financial information concerning MAA and Colonial and the industries in which they operate;
- compared the financial and operating performance of MAA and Colonial with publicly available information concerning certain other companies J.P. Morgan deemed relevant and reviewed the current and historical market prices of shares of MAA common stock and Colonial common shares and certain publicly traded securities of such other companies;
- reviewed certain internal financial analyses and forecasts prepared by the management of MAA and used by J.P. Morgan at the direction of the management of MAA, relating to the respective businesses of MAA and Colonial, as well as the estimated amount and timing of cost savings and related expenses and synergies expected to result from the parent merger; and
- performed such other financial studies and analyses and considered such other information as J.P. Morgan deemed appropriate for the purposes of its opinion.

J.P. Morgan also held discussions with certain members of the management of MAA and Colonial with respect to certain aspects of the parent merger, and the past and current business operations of MAA and Colonial, the financial condition and future prospects and operations of MAA and Colonial, the effects of the parent merger on the financial condition and future prospects of MAA, and certain other matters J.P. Morgan believed necessary or appropriate to its inquiry.

J.P. Morgan relied upon and assumed, without assuming responsibility or liability for independent verification, the accuracy and completeness of all information that was publicly available or was furnished to or discussed with J.P. Morgan by MAA and Colonial or otherwise reviewed by or for J.P. Morgan. J.P. Morgan did not conduct and was not provided with any valuation or appraisal of any assets or liabilities (including real estate assets and liabilities), nor did J.P. Morgan evaluate the solvency of MAA or Colonial under any state or federal laws relating to bankruptcy, insolvency or similar matters. In relying on financial analyses and forecasts provided to it or derived therefrom, including the synergies referred to above, J.P. Morgan assumed that they were reasonably prepared based on assumptions reflecting the best currently available estimates and judgments by management of MAA and Colonial, as applicable, as to the expected future results of operations and financial condition of MAA and Colonial to which such analyses or forecasts relate. J.P. Morgan expressed no view as to such analyses or forecasts (including the synergies) or the assumptions on which they were based. J.P. Morgan also assumed for United States federal income tax purposes that the partnership merger will qualify as and constitute a tax-free assets-over form of merger governed by Treasury Regulations Section 1.708-1(c)(3)(i) and the parent merger will qualify as a tax-free reorganization, and in each case will be consummated as described in the merger agreement and this joint proxy statement/prospectus, and that the definitive merger agreement would not differ in any material respect from the draft thereof provided to J.P. Morgan. J.P. Morgan is not a legal, regulatory or tax expert and relied on the assessments made by advisors to MAA with respect to such issues. J.P. Morgan further assumed that all material governmental, regulatory or other consents and approvals necessary for the consummation of the parent merger will be obtained without any adverse effect on MAA or Colonial or on the contemplated benefits of the parent merger.

The projections furnished to J.P. Morgan for MAA and Colonial were prepared by the management of MAA and used by J.P. Morgan at the direction of the management of MAA. MAA does not publicly disclose internal management projections of the type provided to J.P. Morgan in connection with J.P. Morgan s analysis of the parent merger, and such projections were not prepared with a view toward public disclosure. These projections

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were based on numerous variables and assumptions that are inherently uncertain and may be beyond the control of management, including, without limitation, factors related to general economic and competitive conditions and prevailing interest rates. Accordingly, actual results could vary significantly from those set forth in such projections. For more information on the projections provided to J.P. Morgan, see Certain MAA Unaudited Prospective Financial Information beginning on page 111 and Certain Colonial Unaudited Prospective Financial Information beginning on page 113.

J.P. Morgan s opinion is based on economic, market and other conditions as in effect on, and the information made available to J.P. Morgan as of, the date of such opinion. Subsequent developments may affect J.P. Morgan s written opinion dated June 1, 2013, and J.P. Morgan does not have any obligation to update, revise, or reaffirm such opinion. J.P. Morgan s opinion is limited to the fairness, from a financial point of view, of the exchange ratio in the parent merger, and J.P. Morgan has expressed no opinion as to the fairness of the parent merger to, or any consideration of, the holders of any class of securities, creditors or other constituencies of MAA or the underlying decision by MAA to engage in the parent merger. J.P. Morgan expressed no opinion as to the price at which shares of MAA s common stock or Colonial s common shares will trade at any future time, whether before or after the closing of the parent merger.

In accordance with customary investment banking practice, J.P. Morgan employed generally accepted valuation methods in reaching its opinion. The following is a summary of the material financial analyses utilized by J.P. Morgan in connection with providing its opinion.

Public Trading Multiples. Using publicly available information, including published equity research analysts estimates of Funds From Operations, which we refer to as FFO, per share and Adjusted Funds From Operations, which we refer to as AFFO, per share for calendar year 2014, which we refer to as CY14, J.P. Morgan analyzed certain trading multiples of other selected publicly traded REITs. None of the selected REITs are identical to MAA or Colonial. However, the selected REITs were chosen because they are publicly traded REITs with operations that, for purposes of the analysis of J.P. Morgan, may be considered similar to those of MAA and Colonial, including primarily the ownership of multifamily real estate.

For each of the selected REITs, J.P. Morgan calculated the multiple of equity market price per share to the median estimate of CY14 FFO per share and AFFO per share, as reported by equity research analysts as of May 30, 2013. J.P. Morgan also calculated the same trading multiples for MAA and Colonial based on equity research analyst data and data provided by MAA management. In J.P. Morgan s view, the FFO and AFFO metrics used by equity research analysts and MAA management were sufficiently similar so as not to materially affect this analysis.

The following presents the results of this analysis:

	Price / FFO per Share Multiple	Price / AFFO per Share Multiple
Consensus equity research estimates	**CY14**	**CY14**
UDR, Inc.	16.4x	18.6x
Camden Property Trust	16.1x	19.0x
Essex Property Trust, Inc.	19.1x	20.9x
BRE Properties, Inc.	19.4x	21.5x
Home Properties, Inc.	13.1x	14.8x
Post Properties, Inc.	17.3x	19.8x
MAA	13.2x	15.1x
Colonial	14.7x	18.3x

	Price / FFO per Share Multiple	Price / AFFO per Share Multiple
Management estimates	**CY14**	**CY14**
MAA	13.2x	15.2x
Colonial	16.0x	18.0x

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J.P. Morgan also calculated the trading multiples above for Colonial taking into account adjustments for $217 million of assets under letters of intent or recently completed property divestitures and $108 million for the value of land. Factoring in these adjustments, the Colonial CY14 FFO and AFFO per share would be 12.4x and 15.5x, respectively, based on equity research estimates, and 13.6x and 15.3x, respectively, based on MAA management estimates.

Based on the above analysis and other factors J.P. Morgan considered appropriate, J.P. Morgan then applied a multiple reference range of 13.0x to 16.0x for CY14 FFO per share and 15.0x to 19.0x for CY14 AFFO per share. The analysis indicated the following equity values per share of MAA common stock and Colonial common share.

	Equity value per MAA share		Equity value per Colonial share	
Price / CY14 FFO per share multiple	$ 66.80	$82.20	$ 21.50	$25.70
Price / CY14 AFFO per share multiple	$ 66.90	$84.80	$ 22.00	$27.00

Net Asset Value Analysis. J.P. Morgan prepared a per share net asset value analysis for MAA using 2013 estimated cash net operating income and asset and liability balances as of March 31, 2013. Capitalization rate ranges varied by property based on the type of property, property age, location, property quality and other factors. J.P. Morgan applied a range of capitalization rates, which differed by asset, of 5.00%, at the low end, to 7.50%, at the high end, to the 2013 estimated cash net operating income for each property in MAA s portfolio to arrive at an aggregate value for the property portfolio at March 31, 2013. The capitalization rate range represented estimated private market capitalization rates by property type, market size and quality based on research analyst estimates. To this aggregate value amount, J.P. Morgan added the value of other tangible real estate and non-real estate assets, including land and capital improvement projects. From gross asset value, J.P. Morgan deducted debt balances, other tangible liabilities, a debt mark-to-market adjustment and a swap mark-to-market adjustment.

J.P. Morgan prepared a per share net asset value analysis for Colonial using 2013 estimated cash net operating income and asset and liability balances as of March 31, 2013. Capitalization rate ranges varied by property based on the type of property, property age, location, property quality and other factors. J.P. Morgan applied a range of capitalization rates, which differed by asset, of 4.25%, at the low end, to 7.00%, at the high end, to the 2013 estimated cash net operating income for each multifamily property in Colonial s portfolio to arrive at an aggregate value for the property portfolio at March 31, 2013. Similarly, J.P. Morgan applied a range of capitalization rates, which differed by asset, of 6.50%, at the low end, to 9.00%, at the high end, to the 2013 estimated cash net operating income for each commercial property in Colonial s portfolio to arrive at an aggregate value for the property portfolio at March 31, 2013. The capitalization rate range represented the estimated private market capitalization rates by property type, market size and quality based on research analyst estimates. To this aggregate value amount, J.P. Morgan added the value of other tangible real estate and non-real estate assets, including land and capital improvement projects. From gross asset value, J.P. Morgan deducted debt balances, other tangible liabilities, a debt mark-to-market adjustment and a swap mark-to-market adjustment. Synergies were not taken into account in the net asset value analysis for either MAA or Colonial. The analysis indicated the following equity values per share of MAA common stock and Colonial common share.

	Equity value per MAA share		Equity value per Colonial share	
Net asset valuation analysis	$ 64.70	$74.30	$ 22.80	$27.10

Discounted Cash Flow Analysis. J.P. Morgan conducted a discounted cash flow analysis for the purpose of determining the fully diluted equity value per share for each of MAA s common stock and Colonial s common shares. J.P. Morgan calculated the unlevered free cash flows that MAA and Colonial are expected to generate during fiscal years 2013 through 2022 as provided by MAA s management. J.P. Morgan also calculated a range of terminal asset values of each of MAA and Colonial at the end of the 10-year period ending December 31, 2022 by applying a perpetual growth rate ranging from 2.25% to 2.75% of the unlevered free cash flow of each company during the final year of the 10-year period. The unlevered free cash flows and the range of terminal

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asset values were then discounted to present values using a range of discount rates from 7.5% to 8.0%, which were chosen by J.P. Morgan based upon an analysis of the weighted average cost of capital of selected REITs, which were chosen because they are publicly traded REITs with operations that, for purposes of the analysis of J.P. Morgan, may be considered similar to those of MAA and Colonial, including primarily the ownership of multifamily real estate. The present value of the unlevered free cash flows and the range of terminal asset values were then adjusted for each company s cash and debt balances as of March 31, 2013. The Colonial value was further adjusted based on the value of assets under letters of intent or recently completed property divestitures of $217 million and the value of land not developed by 2022 of $51 million. The analysis indicated the following equity values per share of MAA common stock and Colonial common share.

	Equity value per MAA share		Equity value per Colonial share	
Discounted cash flow analysis	$ 60.90	$83.00	$ 22.80	$30.00

Relative Value Analysis. Based upon a comparison of the range of implied equity values for each of MAA and Colonial calculated pursuant to the trading multiples analysis, net asset value analysis and discounted cash flow analysis, J.P. Morgan calculated a range of implied exchange ratios for the transaction. This analysis indicated the following implied exchange ratios:

	Range of implied exchange ratios	
Public trading multiples		
Price / CY14 FFO per share	0.262x	0.385x
Price / CY14 AFFO per share	0.259x	0.403x
Net asset value analysis	0.307x	0.419x
Discounted cash flow analysis	0.275x	0.493x

J.P. Morgan then compared the range of implied exchange ratios above to the natural exchange ratio of 0.325x (calculated as Colonial s market price divided by MAA s market price as of May 30, 2013) and the exchange ratio of 0.360x.

Value Creation Analysis Intrinsic Value Approach. J.P. Morgan prepared a value creation analysis that compared the implied equity value of MAA s common stock per share based on the discounted cash flow analysis to the pro forma Combined Corporation equity value per share. The pro forma Combined Corporation equity value was equal to: (1) (a) the mid-point equity value of MAA using discounted cash flow analysis at a discount rate of 7.75%, plus (b) the mid-point equity value of Colonial using discounted cash flow analysis at a discount rate of 7.75%, plus (c) the net present value of expected synergies calculated by discounting the expected cash flows from MAA management s estimated synergies at a discount rate of 7.75%, less (d) an estimated $60 million of costs to achieve such synergies and transaction-related expenses; divided by (2) pro forma diluted shares outstanding of the Combined Corporation common stock. There can be no assurance that the synergies, estimated cost to achieve such synergies or estimated transaction-related expenses will not be substantially greater or less than MAA management s estimates. Similarly, there can be no assurance that the discount rate will not be substantially greater or less than J.P. Morgan s estimates. This analysis, at the exchange ratio of 0.360x provided for in the parent merger, resulted in an implied value creation to the holders of MAA common stock of 8.2%.

Other Analyses. J.P. Morgan also noted the historical exchange ratio and accretion/dilution analyses described below for reference purposes only and not as a component of its fairness analysis. These analyses did not form a basis for, and were not relied on in forming, J.P. Morgan s opinion.

J.P. Morgan calculated (1) the implied historical exchange ratios during the one-year period ended May 30, 2013 by dividing the daily closing price per Colonial common share by that of a share of MAA common stock for each trading day during that period and (2) the average of those daily implied historical exchange ratios for

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the ten-days, one-month, three-months, six-months, and one-year periods ending May 30, 2013. J.P. Morgan also noted the low and high exchange ratios for each period referenced in clause (2) above and the resulting premiums of the proposed exchange ratio to the average exchange ratios for each such period. The analysis resulted in the following implied exchange ratios for the periods indicated, as compared to the exchange ratio of 0.360x provided for in the parent merger:

	10-day	1-month	3-months	6-months	1-year
Average	0.329x	0.329x	0.328x	0.328x	0.327x

J.P. Morgan reviewed the potential pro forma financial effects of the parent merger, taking into account, among other things, MAA management s estimated synergies, on the Combined Corporation s estimated FFO and AFFO during calendar years 2014 and 2015. Based on the exchange ratio in the parent merger, this analysis indicated that, on a pro forma basis, the parent merger could be accretive relative to the Combined Corporation s estimated FFO during calendar years 2014 and 2015 and dilutive relative to the Combined Corporation s estimated AFFO during calendar years 2014 and 2015.

The following presents the results of this analysis:

	$ per share	%
FFO per share accretion/dilution		
2014E	$ 0.12	2.3%
2015E	$ 0.09	1.7%
AFFO per share accretion/dilution		
2014E	($ 0.08)	(1.7%)
2015E	($ 0.03)	(0.7%)

The foregoing summary of certain material financial analyses does not purport to be a complete description of the analyses or data presented by J.P. Morgan. The preparation of a fairness opinion is a complex process and is not necessarily susceptible to partial analysis or summary description. J.P. Morgan believes that the foregoing summary and its analyses must be considered as a whole and that selecting portions of the foregoing summary and these analyses, without considering all of its analyses as a whole, could create an incomplete view of the processes underlying the analyses and its opinion. In arriving at its opinion, J.P. Morgan did not attribute any particular weight to any analyses or factors considered by it and did not form an opinion as to whether any individual analysis or factor (positive or negative), considered in isolation, supported or failed to support its opinion. Rather, J.P. Morgan considered the totality of the factors and analyses performed in determining its opinion. Analyses based upon forecasts of future results are inherently uncertain, as they are subject to numerous factors or events beyond the control of the parties and their advisors. Accordingly, forecasts and analyses used or made by J.P. Morgan are not necessarily indicative of actual future results, which may be significantly more or less favorable than suggested by those analyses. Moreover, J.P. Morgan s analyses are not and do not purport to be appraisals or otherwise reflective of the prices at which businesses actually could be bought or sold. None of the selected companies reviewed as described in the above summary is identical to MAA or Colonial. However, the companies selected were chosen because they are publicly traded companies with operations and businesses that, for purposes of J.P. Morgan s analysis, may be considered similar to those of MAA or Colonial. The analysis necessarily involves complex considerations and judgments concerning differences in financial and operational characteristics of the companies involved and other factors that could affect the companies compared to MAA or Colonial.

As a part of its investment banking business, J.P. Morgan and its affiliates are continually engaged in the valuation of businesses and their securities in connection with mergers and acquisitions, investments for passive and control purposes, negotiated underwritings, secondary distributions of listed and unlisted securities, private placements, and valuations for estate, corporate and other purposes. J.P. Morgan was selected to advise MAA with respect to the parent merger on the basis of such experience and its familiarity with MAA.

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For services rendered in connection with the parent merger, MAA has agreed to pay J.P. Morgan a fee of $12 million, $2 million of which was payable upon delivery by J.P. Morgan of its opinion and the remainder of which will be payable contingent upon closing of the parent merger. In addition to the transaction fee, MAA may, at its sole discretion, pay J.P. Morgan an additional discretionary fee at closing of $2 million, based on MAA s assessment of J.P. Morgan s performance of its services rendered in connection with the parent merger. In addition, MAA has agreed to reimburse J.P. Morgan for its reasonable expenses incurred in connection with its services, including the reasonable fees and disbursements of counsel, and will indemnify J.P. Morgan against certain liabilities, including liabilities arising under the Federal securities laws.

During the two years preceding the date of its oral opinion, J.P. Morgan and its affiliates have had commercial or investment banking relationships with MAA, for which J.P. Morgan and its affiliates received customary compensation or other financial benefits. Such services during such period have included acting as co-lead arranger on MAA s term loan credit facility in March of 2012 and acting as joint bookrunner on MAA s equity offering in March of 2013. In addition, J.P. Morgan s commercial banking affiliate is an agent bank and a lender under certain outstanding credit facilities of MAA. In June 2013, following delivery of its oral opinion, J.P. Morgan s commercial banking affiliate also agreed to act as administrative agent, lead arranger and lender under MAA s new term loan credit facility. During such period, neither J.P. Morgan nor its affiliates have had any material financial advisory or other material commercial or investment banking relationships with Colonial. In the ordinary course of their businesses, J.P. Morgan and its affiliates may actively trade the debt and equity securities of MAA or Colonial for their own accounts or for the accounts of customers and, accordingly, they may at any time hold long or short positions in such securities.

Opinion of Colonial s Financial Advisor

Colonial has retained Merrill Lynch, Pierce, Fenner & Smith Incorporated, which we refer to as BofA Merrill Lynch, to act as Colonial s financial advisor in connection with the mergers. BofA Merrill Lynch is an internationally recognized investment banking firm, which is regularly engaged in the valuation of businesses and securities in connection with mergers and acquisitions, negotiated underwritings, secondary distributions of listed and unlisted securities, private placements and valuations for corporate and other purposes. Colonial selected BofA Merrill Lynch to act as Colonial s financial advisor on the basis of BofA Merrill Lynch s experience in similar transactions, its reputation in the investment community and its familiarity with Colonial and its business.

At a June 2, 2013 meeting of the Colonial Board held to evaluate the parent merger, BofA Merrill Lynch rendered to the Colonial Board an oral opinion, confirmed by delivery of a written opinion dated June 2, 2013, to the effect that, as of that date and based on and subject to various assumptions and limitations described in the opinion, the exchange ratio provided for in the parent merger was fair, from a financial point of view, to the holders of Colonial common shares.

The full text of BofA Merrill Lynch s written opinion, dated June 2, 2013, is attached as Annex G to this joint proxy statement/prospectus and is incorporated in this document by reference. The written opinion sets forth, among other things, the assumptions made, procedures followed, factors considered and limitations on the review undertaken by BofA Merrill Lynch in rendering its opinion. The following summary of BofA Merrill Lynch s opinion is qualified in its entirety by reference to the full text of the opinion. **BofA Merrill Lynch delivered its opinion to the Colonial Board for the benefit and use of the Colonial Board (in its capacity as such) in connection with and for purposes of its evaluation of the exchange ratio provided for in the parent merger from a financial point of view. BofA Merrill Lynch s opinion did not address any other aspect of the mergers and no opinion or view was expressed as to the relative merits of the mergers in comparison to other strategies or transactions that might be available to Colonial or in which Colonial might engage or as to the underlying business decision of Colonial to proceed with or effect the mergers. BofA Merrill Lynch also expressed no opinion or recommendation as to how any shareholder should vote or act in connection with the mergers or any other matter.**

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In connection with its opinion, BofA Merrill Lynch, among other things:

- reviewed certain publicly available business and financial information relating to Colonial and MAA;
- reviewed certain internal financial and operating information with respect to the business, operations and prospects of Colonial furnished to or discussed with BofA Merrill Lynch by Colonial s management, including certain financial forecasts relating to Colonial prepared by Colonial management, referred to as the Colonial forecasts;
- reviewed certain internal financial and operating information with respect to the business, operations and prospects of MAA furnished to or discussed with BofA Merrill Lynch by MAA s management, including certain financial forecasts relating to MAA prepared by such management, referred to as the MAA forecasts;
- reviewed certain estimates as to the amount and timing of cost savings, referred to as the cost savings, anticipated by the managements of Colonial and MAA to result from the mergers;
- discussed with the management of Colonial and MAA the past and current business, operations, financial condition and prospects of Colonial and MAA;
- reviewed the potential pro forma financial impact of the transaction to be effected by the mergers on the future financial performance of MAA after taking into account potential cost savings, including the potential effect on MAA s estimated funds from operations and adjusted funds from operations;
- reviewed the trading histories for Colonial common shares and shares of MAA common stock and a comparison of such trading histories with each other and with the trading histories of other companies BofA Merrill Lynch deemed relevant;
- compared certain financial and stock market information of Colonial and MAA with similar information of other companies BofA Merrill Lynch deemed relevant;
- compared certain financial terms of the parent merger to financial terms, to the extent publicly available, of other transactions BofA Merrill Lynch deemed relevant;
- reviewed the relative financial contributions of Colonial and MAA to the future financial performance of the Combined Corporation on a pro forma basis;
- reviewed a draft dated June 2, 2013 of the merger agreement; and
- performed such other analyses and studies and considered such other information and factors as BofA Merrill Lynch deemed appropriate.

In arriving at its opinion, BofA Merrill Lynch assumed and relied upon, without independent verification, the accuracy and completeness of the financial and other information and data publicly available or provided to or otherwise reviewed by or discussed with BofA Merrill Lynch and

relied upon assurances of the managements of Colonial and MAA that they were not aware of any facts or circumstances that would make such information or data inaccurate or misleading in any material respect. With respect to the Colonial forecasts, the MAA forecasts and the cost savings, BofA Merrill Lynch was advised by the managements of Colonial and MAA, and BofA Merrill Lynch assumed, with Colonial s consent, that they were reasonably prepared on bases reflecting the best currently available estimates and good faith judgments of such managements as to the future financial performance of Colonial and MAA and the other matters covered thereby, and further assumed, with Colonial s consent, that such cost savings would be realized in the amounts and at the times projected. BofA Merrill Lynch relied, at Colonial s direction, upon the assessments of the managements of Colonial and MAA as to the ability to integrate the businesses and operations of Colonial and MAA.

BofA Merrill Lynch did not make and was not provided with any independent evaluation or appraisal of the assets or liabilities (contingent or otherwise) of Colonial, MAA or any other entity, nor did BofA Merrill Lynch make any physical inspection of the properties or assets of Colonial, MAA or any other entity. BofA Merrill

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Lynch did not evaluate the solvency or fair value of Colonial, MAA or any other entity under any state, federal or other laws relating to bankruptcy, insolvency or similar matters. BofA Merrill Lynch assumed, at Colonial s direction, that the mergers would be consummated in accordance with their terms, without waiver, modification or amendment of any material term, condition or agreement and that, in the course of obtaining the necessary governmental, regulatory and other approvals, consents, releases and waivers for the mergers, no delay, limitation, restriction or condition, including any divestiture requirements or amendments or modifications, would be imposed that would have an adverse effect on Colonial, MAA or the mergers (including the contemplated benefits thereof) and that no such adverse effect would result in the event that the mergers were effected through an alternative structure as permitted under the terms of the merger agreement. BofA Merrill Lynch also assumed, at Colonial s direction, that the final executed merger agreement would not differ in any material respect from the draft merger agreement reviewed by BofA Merrill Lynch. BofA Merrill Lynch further assumed, at Colonial s direction, that the parent merger would qualify for U.S. federal income tax purposes as a reorganization under the provisions of Section 368(a) of the Internal Revenue Code of 1986, as amended, and that the partnership merger would qualify as an asset-over form of merger under Treasury Regulations Section 1.708-1(c)(3)(i). BofA Merrill Lynch was advised by Colonial and MAA that each of Colonial and MAA had operated in conformity with the requirements for qualification as a REIT for U.S. federal income tax purposes since its formation as a REIT and further assumed, at Colonial s direction, that the mergers would not adversely affect such status or operations of Colonial or MAA.

BofA Merrill Lynch expressed no view or opinion as to any terms or other aspects or implications of the mergers (other than the exchange ratio provided for in the parent merger to the extent expressly specified in its opinion), including, without limitation, the form or structure of the mergers, any terms, aspects or implications of the partnership merger (including any consideration payable in such partnership merger), any transfer of assets contemplated to be undertaken in connection with the mergers or any other arrangements, agreements or understandings entered into in connection with or related to the mergers or otherwise. BofA Merrill Lynch was not requested to, and it did not, solicit indications of interest or proposals from third parties regarding a possible acquisition of all or any part of Colonial or any alternative transaction; however, at Colonial s direction, BofA Merrill Lynch held preliminary discussions with selected third parties that had contacted, or had been contacted by, Colonial. BofA Merrill Lynch s opinion was limited to the fairness, from a financial point of view, of the exchange ratio provided for in the parent merger to the holders of Colonial common stock and no opinion or view was expressed with respect to any consideration received in connection with the mergers by the holders of any class of securities, creditors or other constituencies of any party. In addition, BofA Merrill Lynch expressed no opinion or view with respect to the fairness (financial or otherwise) of the amount, nature or any other aspect of any compensation to any officers, directors, trustees or employees of any party to the mergers, or class of such persons, relative to the exchange ratio or otherwise. BofA Merrill Lynch also expressed no view or opinion with respect to, and relied, with Colonial s consent, upon the assessments of Colonial s representatives regarding, legal, regulatory, accounting, tax and similar matters relating to Colonial, MAA and the mergers (including the contemplated benefits thereof) as to which BofA Merrill Lynch understood that Colonial obtained such advice as it deemed necessary from qualified professionals. BofA Merrill Lynch further did not express any opinion as to what the value of the shares of MAA common stock actually would be when issued or the prices at which Colonial common shares or MAA common stock would trade at any time, including following announcement or consummation of the mergers.

BofA Merrill Lynch s opinion was necessarily based on financial, economic, monetary, market and other conditions and circumstances as in effect on, and the information made available to BofA Merrill Lynch as of, the date of its opinion. The credit, financial and stock markets have been experiencing unusual volatility and BofA Merrill Lynch expressed no opinion or view as to any potential effects of such volatility on Colonial, MAA or the mergers. Although subsequent developments may affect BofA Merrill Lynch s opinion, BofA Merrill Lynch does not have any obligation to update, revise or reaffirm its opinion. The issuance of BofA Merrill Lynch s opinion was approved by BofA Merrill Lynch s Americas Fairness Opinion Review Committee. Except as described in this summary, Colonial imposed no other instructions or limitations on the investigations made or procedures followed by BofA Merrill Lynch in rendering its opinion.

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The following is a brief summary of the material financial analyses provided by BofA Merrill Lynch to the Colonial Board in connection with its opinion, dated June 2, 2013. **The financial analyses summarized below include information presented in tabular format. In order to fully understand the financial analyses performed by BofA Merrill Lynch, the tables must be read together with the text of each summary. The tables alone do not constitute a complete description of the financial analyses performed by BofA Merrill Lynch. Considering the data set forth in the tables below without considering the full narrative description of the financial analyses, including the methodologies and assumptions underlying the analyses, could create a misleading or incomplete view of the financial analyses performed by BofA Merrill Lynch.** For purposes of the financial analyses summarized below, the term implied merger consideration value refers to $24.47 per share calculated as the implied value of the merger consideration based on the 0.360 fixed exchange ratio and MAA s closing stock price of $67.97 per share on May 31, 2013. Implied equity value reference ranges derived for Colonial from the analyses described below generally were rounded to the nearest $0.25. In calculating implied exchange ratio reference ranges as reflected in such analyses, BofA Merrill Lynch (i) compared the low-end of the approximate implied per share equity value reference ranges for Colonial to the high-end of the approximate implied per share equity value reference ranges for MAA in order to derive the low-end of the implied exchange ratio reference ranges and (ii) compared the high-end of the approximate implied per share equity reference ranges for Colonial to the low-end of the approximate implied per share equity reference ranges for MAA in order to derive the high-end of the implied exchange ratio reference ranges.

Selected Public Companies Analysis. BofA Merrill Lynch reviewed publicly available financial and stock market information of Colonial, MAA and the following six REITs, which, in its professional judgment, BofA Merrill Lynch generally considered relevant for purposes of its analysis as U.S. publicly traded multifamily REITs, referred to as the selected companies:

UDR, Inc.

Camden Property Trust

Apartment Investment and Management Company

Home Properties, Inc.

Post Properties, Inc.

Associated Estates Realty Corporation

BofA Merrill Lynch reviewed equity values, based on closing stock prices on May 31, 2013, as a multiple of calendar year 2013 estimated funds from operations, referred to as FFO per share. BofA Merrill Lynch also reviewed enterprise values, calculated as equity values based on closing stock prices on May 31, 2013 plus debt, preferred stock and minority interests, less cash and cash equivalents, as a multiple of calendar year 2013 estimated earnings before interest, taxes, depreciation and amortization, referred to as EBITDA. The observed low, median, mean and high calendar year 2013 estimated FFO per share multiples for the selected REITs excluding Colonial, but including MAA which was viewed as a selected REIT for Colonial, were 12.5x, 14.9x, 15.2x and 17.5x, respectively, and the observed low, median, mean and high calendar year 2013 estimated EBITDA multiples were 15.8x, 16.8x, 18.0x and 22.4x, respectively. The observed low, median, mean and high calendar year 2013 estimated FFO per share multiples for the selected REITs excluding MAA, but including Colonial which was viewed as a selected REIT for MAA, were 12.5x, 16.3x, 15.6x and 17.5x, respectively, and the observed low, median, mean and high calendar year 2013 estimated EBITDA multiples were 15.8x, 17.8x, 18.2x and 22.4x, respectively. BofA Merrill Lynch then applied selected ranges derived from the selected REITs of calendar year 2013 estimated FFO per share multiples and calendar year 2013 estimated EBITDA multiples of 15.5x to 17.5x and 17.0x to 18.0x, respectively, to corresponding data of Colonial (adjusted to reflect the sale of Colonial s Three Ravinia Class A office asset) and applied selected ranges of calendar year 2013 estimated FFO per share multiples and calendar year 2013 estimated EBITDA multiples of 13.5x to 15.5x and 16.0x to 17.0x, respectively, to corresponding data of MAA. Financial data of the selected REITs were based on publicly available research analysts estimates, public filings and other publicly available information. Financial data of Colonial and MAA were based on internal forecasts and estimates of the respective managements of Colonial

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and MAA. This analysis indicated approximate implied per share equity value reference ranges based on calendar year 2013 estimated FFO per share and calendar year 2013 estimated EBITDA for Colonial of $20.75 to $23.50 and $22.50 to $24.75, respectively, and for MAA of $65.75 to $75.50 and $66.25 to $72.75, respectively.

Based upon the approximate implied per share equity value reference ranges for Colonial and MAA described above, BofA Merrill Lynch calculated the following approximate implied exchange ratio reference ranges, as compared to the exchange ratio provided for in the parent merger:

Implied Exchange Ratio Reference Ranges Based on:		Exchange Ratio
2013E FFO	2013E EBITDA	0.360x
0.275x 0.357x	0.309x 0.374x	

No company used in this analysis is identical or directly comparable to Colonial or MAA. Accordingly, an evaluation of the results of this analysis is not entirely mathematical. Rather, this analysis involves complex considerations and judgments concerning differences in financial and operating characteristics and other factors that could affect the public trading or other values of the companies to which Colonial and MAA were compared.

Selected Precedent Transactions Analysis. BofA Merrill Lynch reviewed publicly available financial information relating to the following five selected transactions which, in its professional judgment, BofA Merrill Lynch generally considered relevant for purposes of its analysis as transactions involving target companies that were U.S. publicly traded multifamily REITs, referred to as the selected transactions:

Announcement Date	Acquiror	Target
5/28/2007	Tishman Speyer Real Estate Venture VII, L.P. / Lehman Brothers Holdings Inc.	Archstone-Smith Trust
2/17/2006	Magazine Acquisition GP LLC (Morgan Stanley Real Estate / Onex Real Estate)	The Town and Country Trust
6/7/2005	ING Clarion Partners, LLC	Gables Residential Trust
10/22/2004	Colonial	Cornerstone Realty Income Trust, Inc.
10/4/2004	Camden Property Trust	Summit Properties Inc.

BofA Merrill Lynch reviewed transaction values, based on the consideration payable in the selected transactions, as a multiple of the target company s one-year forward FFO per share. The observed low, median, mean and high one-year forward FFO per share multiples for the selected transactions were 12.9x, 20.1x, 19.3x and 24.6x, respectively. BofA Merrill Lynch then applied a selected range of one-year forward FFO per share multiples derived from the selected transactions of 17.5x to 21.0x to Colonial s calendar year 2013 estimated FFO per share. Financial data of the selected transactions were based on publicly available research analysts reports and financial data of Colonial were based on internal forecasts and estimates of Colonial s management. This analysis indicated the following approximate implied per share equity value reference ranges for Colonial, as compared to the implied merger consideration value:

Implied Per Share Equity Value Reference Range for Colonial	Implied Merger Consideration Value
$23.50 $28.00	$ 24.47

No company, business or transaction used in this analysis is identical or directly comparable to Colonial or the parent merger. Accordingly, an evaluation of the results of this analysis is not entirely mathematical. Rather,

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this analysis involves complex considerations and judgments concerning differences in financial and operating characteristics and other factors that could affect the acquisition or other values of the companies, business segments or transactions to which Colonial and the parent merger were compared.

Net Asset Value Analysis. BofA Merrill Lynch performed separate net asset value analyses of Colonial and MAA by calculating the estimated values by asset of Colonial s and MAA s respective operating real estate taking into account the estimated value of active developments, vacant land and other tangible assets less the estimated value of outstanding indebtedness and other tangible liabilities. The estimated fair market value of such operating real estate was calculated by applying to Colonial s and MAA s respective calendar year 2013 estimated net operating income from operating real estate selected capitalization rates ranging from 5.85% to 6.25% for Colonial s operating real estate and 5.95% to 6.35% for MAA s operating real estate. Financial data of Colonial and MAA were based on internal forecasts and estimates of the respective managements of Colonial and MAA. This analysis indicated approximate implied per share net asset value reference ranges for Colonial of $22.25 to $25.00 and for MAA of $63.00 to $69.75.

Based upon the approximate implied per share net asset value reference ranges for Colonial and MAA described above, BofA Merrill Lynch calculated the following approximate implied exchange ratio reference range, as compared to the exchange ratio provided for in the parent merger:

Implied Exchange Ratio	
Reference Range	Exchange Ratio
0.319x 0.397x	0.360x

Discounted Cash Flow Analysis. BofA Merrill Lynch performed separate discounted cash flow analyses of Colonial and MAA by calculating the estimated present value of the standalone unlevered, after-tax free cash flows that Colonial and MAA were each forecasted to generate during the nine months ending December 31, 2013 through the full calendar year ending December 31, 2017 based on internal forecasts and estimates of the respective managements of Colonial and MAA. BofA Merrill Lynch calculated terminal values for Colonial and MAA by applying to the respective calendar year 2018 estimated EBITDA of Colonial and MAA a selected range of terminal value EBITDA multiples for Colonial of 16.0x to 17.0x and for MAA of 15.5x to 16.5x. The unlevered, after-tax free cash flows and terminal values were then discounted to present value (as of March 31, 2013) using discount rates ranging from 7.0% to 8.0% for Colonial and 6.5% to 7.5% for MAA. This analysis indicated approximate implied per share equity value reference ranges for Colonial of $23.50 to $27.25 and for MAA of $64.50 to $76.00.

Based upon the approximate implied per share equity value reference ranges for Colonial and MAA described above, BofA Merrill Lynch calculated the following approximate implied exchange ratio reference range, as compared to the exchange ratio provided for in the parent merger:

Implied Exchange Ratio	
Reference Range	Exchange Ratio
0.309x 0.422x	0.360x

Relative Contribution Analysis. BofA Merrill Lynch reviewed the relative financial contributions of Colonial and MAA to the pro forma Combined Corporation based on Colonial s and MAA s calendar years 2013 and 2014 estimated EBITDA, FFO and adjusted FFO, referred to as AFFO, utilizing internal forecasts and estimates of the respective managements of Colonial and MAA. BofA Merrill Lynch calculated overall aggregate equity ownership percentages of Colonial and MAA in the pro forma Combined Corporation based on these relative contributions and the respective debt, cash and non-controlling interests of Colonial and MAA, as applicable, which indicated an approximate implied overall contribution percentage reference range for Colonial of 35.5% to 40.9% as compared to the aggregate pro forma equity ownership percentage of Colonial s shareholders in the Combined Corporation, based on the exchange ratio, of 43.8% immediately upon

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consummation of the mergers. Based on Colonial s and MAA s relative contributions to the pro forma Combined Corporation of the financial metrics described above, BofA Merrill Lynch calculated the following implied exchange ratio reference range, as compared to the exchange ratio provided for in the parent merger:

Implied Exchange Ratio Reference Range	Exchange Ratio
0.255x 0.320x	0.360x

Other Factors. BofA Merrill Lynch observed certain additional factors that were not considered part of BofA Merrill Lynch s financial analyses with respect to its opinion but were referenced for informational purposes, including, among other things, the following:

- historical trading performance of Colonial common shares and shares of MAA common stock during the 52-week period ended May 31, 2013, which reflected low to high trading prices for Colonial common shares and the shares of MAA common stock during such period of approximately $19.75 to $25.00 and $60.50 to $75.00 per share, respectively;

- publicly available Wall Street research analysts stock price targets for Colonial and MAA, which indicated ranges of target stock prices for Colonial and MAA of $20.00 to $26.00 per share and $70.00 to $76.00 per share, respectively; and

- potential pro forma effects of the mergers on the Combined Corporation s calendar years 2014 and 2015 estimated FFO per share, FFO per share excluding merger accounting adjustments, and AFFO per share based on internal forecasts and estimates of the respective managements of Colonial and MAA and after taking into account potential cost savings anticipated by such managements to result from the mergers, which indicated that the mergers could be (i) in the case of FFO per share, dilutive in calendar year 2014 by approximately (1.9)% and accretive in calendar year 2015 by approximately 0.3%, (ii) in the case of FFO per share excluding merger accounting adjustments, dilutive in calendar years 2014 and 2015 by approximately (6.5)% and (3.3)%, respectively, and (iii) in the case of AFFO per share, dilutive in calendar years 2014 and 2015 by approximately (3.8)% and (0.2)%, respectively. The actual results achieved by the Combined Corporation may vary from forecasted results and the variations may be material.

Miscellaneous

As noted above, the discussion set forth above is a summary of the material financial analyses provided by BofA Merrill Lynch to the Colonial Board in connection with its opinion and is not a comprehensive description of all analyses undertaken or factors considered by BofA Merrill Lynch in connection with its opinion. The preparation of a financial opinion is a complex analytical process involving various determinations as to the most appropriate and relevant methods of financial analysis and the application of those methods to the particular circumstances and, therefore, a financial opinion is not readily susceptible to partial analysis or summary description. BofA Merrill Lynch believes that the analyses summarized above must be considered as a whole. BofA Merrill Lynch further believes that selecting portions of its analyses or factors considered or focusing on information presented in tabular format, without considering all analyses or factors or the narrative description of such analyses or factors, could create a misleading or incomplete view of the processes underlying BofA Merrill Lynch s analyses and opinion. The fact that any specific analysis has been referred to in the summary above is not meant to indicate that such analysis was given greater weight than any other analysis referred to in the summary.

In performing its analyses, BofA Merrill Lynch considered industry performance, general business and economic conditions and other matters, many of which are beyond the control of Colonial and MAA. The estimates of the future performance of Colonial and MAA in or underlying BofA Merrill Lynch s analyses are not necessarily indicative of actual values or actual future results, which may be significantly more or less favorable than those estimates or those suggested by BofA Merrill Lynch s analyses. These analyses were

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prepared solely as part of BofA Merrill Lynch s analysis of the fairness, from a financial point of view, of the exchange ratio provided for in the parent merger and were provided to the Colonial Board in connection with the delivery of BofA Merrill Lynch s opinion. The analyses do not purport to be appraisals or to reflect the prices at which a company might actually be sold or acquired or the prices at which any securities have traded or may trade at any time in the future. Accordingly, the estimates used in, and the ranges of valuations resulting from, any particular analysis described above are inherently subject to substantial uncertainty and should not be taken to be BofA Merrill Lynch s view of the actual value of Colonial or MAA.

The type and amount of consideration payable in the mergers was determined through negotiations between Colonial and MAA, rather than by any financial advisor, and was approved by the Colonial Board. The decision to enter into the merger agreement was solely that of the Colonial Board. As described above, BofA Merrill Lynch s opinion and analyses were only one of many factors considered by the Colonial Board and should not be viewed as determinative of the views of the Colonial Board, management or any other party with respect to the consideration payable in the parent merger or otherwise.

In connection with BofA Merrill Lynch s services as Colonial s financial advisor, Colonial has agreed to pay BofA Merrill Lynch an aggregate fee of $11.5 million, $1.0 million of which was payable upon delivery of its opinion and $10.5 million of which is contingent upon consummation of the mergers. Colonial also has agreed to reimburse BofA Merrill Lynch for its expenses incurred in connection with BofA Merrill Lynch s engagement and to indemnify BofA Merrill Lynch, any controlling person of BofA Merrill Lynch and each of their respective directors, officers, employees, agents and affiliates against specified liabilities, including liabilities under the federal securities laws, arising from BofA Merrill Lynch s engagement.

BofA Merrill Lynch and its affiliates comprise a full service securities firm and commercial bank engaged in securities, commodities and derivatives trading, foreign exchange and other brokerage activities and principal investing as well as providing investment, corporate and private banking, asset and investment management, financing and financial advisory services and other commercial services and products to a wide range of companies, governments and individuals. In the ordinary course of business, BofA Merrill Lynch and its affiliates may invest on a principal basis or on behalf of customers or manage funds that invest, make or hold long or short positions, finance positions or trade or otherwise effect transactions in equity, debt or other securities or financial instruments (including derivatives, bank loans or other obligations) of Colonial, MAA and certain of their respective affiliates.

BofA Merrill Lynch and its affiliates in the past have provided, currently are providing, and in the future may provide, investment banking, commercial banking and other financial services to Colonial and have received or in the future may receive compensation for the rendering of these services, including (i) having acted or acting as joint lead arranger and bookrunner for, and/or as a lender under, certain letters of credit, and credit and leasing facilities of Colonial, including Colonial s $500 million unsecured revolving credit facility due 2016, and (ii) having acted or acting as a joint sales agent in connection with certain at-the-market common equity offerings of Colonial. From January 1, 2011 through May 31, 2013, BofA Merrill Lynch and its affiliates derived aggregate revenues of approximately $3.1 million from Colonial for corporate, commercial and investment banking services unrelated to the mergers.

BofA Merrill Lynch and its affiliates in the past have provided, currently are providing, and in the future may provide, investment banking, commercial banking and other financial services to MAA and have received or in the future may receive compensation for the rendering of these services, including (i) having acted or acting as a lender under certain leasing facilities of MAA, and (ii) having acted or acting as a joint sales agent in connection with certain at-the-market common equity offerings of MAA. From January 1, 2011 through May 31, 2013, BofA Merrill Lynch and its affiliates derived aggregate revenues of approximately $1.6 million from MAA for corporate, commercial and investment banking services unrelated to the mergers.

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Certain MAA Unaudited Prospective Financial Information

MAA does not as a matter of course make public long-term projections as to future revenues, earnings or other results due to, among other reasons, the uncertainty of the underlying assumptions and estimates. However, MAA is including certain unaudited prospective financial information that was made available to the MAA Board and the Colonial Board in connection with the evaluation of the mergers. This information also was provided to MAA s and Colonial s respective financial advisors. The inclusion of this information should not be regarded as an indication that any of MAA, Colonial, their respective affiliates, advisors or other representatives or any other recipient of this information considered, or now considers, it to be necessarily predictive of actual future results.

The unaudited prospective financial information was, in general, prepared solely for internal use and is subjective in many respects. As a result, the prospective results may not be realized and the actual results may be significantly higher or lower than estimated. Since the unaudited prospective financial information covers multiple years, that information by its nature becomes less predictive with each successive year. You are encouraged to review the risks and uncertainties described under the headings Risk Factors Risk Factors Relating to the Mergers beginning on page 32 and Cautionary Statement Concerning Forward-Looking Statements beginning on page 43 and the risks described in the periodic reports filed by MAA with the SEC, which reports can be found as described under the heading Where You Can Find More Information beginning on page 201. The unaudited prospective financial information was not prepared with a view toward public disclosure, nor was it prepared with a view toward compliance with GAAP, published guidelines of the SEC or the guidelines established by the American Institute of Certified Public Accountants for preparation and presentation of prospective financial information. In addition, the unaudited prospective financial information requires significant estimates and assumptions that make it inherently less comparable to the similarly titled GAAP measures in MAA s historical GAAP financial statements. Neither MAA s independent registered public accounting firm, nor any other independent accountants, have compiled, examined or performed any procedures with respect to the unaudited prospective financial information contained herein, nor have they expressed any opinion or any other form of assurance on the information or its achievability. Neither MAA independent auditors, nor any other independent accountants, have compiled, examined, or performed any procedures with respect to the prospective financial information contained herein, nor have they expressed any opinion or any other form of assurance on such information or its achievability, and assume no responsibility for, and disclaim any association with, the prospective financial information.

The report of MAA s independent registered public accounting firm of MAA contained in the Annual Report on Form 10-K for the year ended December 31, 2012, which is incorporated by reference into this joint proxy statement/prospectus, relates to MAA s historical financial information. It does not extend to the unaudited prospective financial information and should not be read to do so. Furthermore, the unaudited prospective financial information does not take into account any circumstances or events occurring after the date it was prepared.

The following table presents selected unaudited prospective financial data for the fiscal years ending 2013 through 2017 for MAA on a standalone basis.

	2013	2014	2015	2016	2017
	($ in millions, except per share values)				
Net Operating Income (NOI)	$ 324.5	$ 345.8	$ 374.8	$ 406.5	$ 438.3
Funds from Operations (FFO) per share	$ 4.87	$ 5.14	$ 5.48	$ 5.86	$ 6.19
Adjusted Funds from Operations (AFFO) per share	$ 4.22	$ 4.46	$ 4.78	$ 5.15	$ 5.45

For purposes of the unaudited prospective financial information presented herein, NOI is a non-GAAP financial performance measure that represents total 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. FFO is a non-GAAP financial performance measure defined by the National Association of Real Estate Investment Trusts, referred to herein as NAREIT, and represents net income (computed in accordance with GAAP) excluding extraordinary items, net income attributable to noncontrolling interest, asset impairment, gains or losses on disposition of real estate assets, plus depreciation and amortization of real estate, and adjustments for

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joint ventures to reflect FFO on the same basis. AFFO is a non-GAAP financial performance measure that represents FFO less recurring capital expenditures, any amount charged to retire preferred stock in excess of carrying values and asset impairment.

Colonial and MAA calculate certain non-GAAP financial metrics including NOI, FFO and AFFO using different methodologies. Consequently, the financial metrics presented in each company s prospective financial information disclosures and in the sections of this joint proxy statement/prospectus with respect to the opinions of the financial advisors to MAA and Colonial may not be directly comparable to one another.

In preparing the foregoing unaudited projected financial information, MAA made a number of assumptions regarding, among other things, interest rates, corporate financing activities, annual dividend levels, occupancy and customer retention levels, changes in rent, the amount, timing and cost of existing and planned development properties, lease-up rates of existing and planned developments, the amount and timing of asset sales and asset acquisitions, including the return on those acquisitions, the amount of income taxes paid, and the amount of general and administrative costs.

The assumptions made in preparing the above unaudited prospective financial information may not necessarily reflect actual future conditions. The estimates and assumptions underlying the unaudited prospective financial information involve judgments with respect to, among other things, future economic, competitive, regulatory and financial market conditions and future business decisions which may not be realized and that are inherently subject to significant business, economic, competitive and regulatory uncertainties and contingencies, including, among others, risks and uncertainties described under the headings Risk Factors Risk Factors Relating to the Mergers beginning on page 32 and Cautionary Statement Concerning Forward-Looking Statements beginning on page 43 and the risks described in the periodic reports filed by MAA with the SEC, which reports can be found as described under the heading Where You Can Find More Information beginning on page 201, all of which are difficult to predict and many of which are beyond the control of MAA and/or Colonial and will be beyond the control of the Combined Corporation. The underlying assumptions and projected results may not be realized, and actual results likely will differ, and may differ materially, from those reflected in the unaudited prospective financial information, whether or not the mergers are completed.

In addition, although presented with numerical specificity, the above unaudited prospective financial information reflects numerous assumptions and estimates as to future events made by MAA management that MAA management believes were reasonably prepared. The above unaudited prospective financial information does not give effect to the mergers. MAA shareholders and Colonial shareholders are urged to review the most recent SEC filings of MAA for a description of the reported and anticipated results of operations and financial condition and capital resources during 2012, including in Management s Discussion and Analysis of Financial Condition and Results of Operations in MAA s Annual Report on Form 10-K for the year ended December 31, 2012, and subsequent quarterly reports on Form 10-Q, which is incorporated by reference into this joint proxy statement/prospectus.

Readers of this joint proxy statement/prospectus are cautioned not to place undue reliance on the unaudited prospective financial information set forth above. No representation is made by MAA, Colonial or any other person to any MAA shareholder or any Colonial shareholder regarding the ultimate performance of MAA compared to the information included in the above unaudited prospective financial information. The inclusion of unaudited prospective financial information in this joint proxy statement/prospectus should not be regarded as an indication that the prospective financial information will be necessarily predictive of actual future events, and such information should not be relied on as such.

MAA DOES NOT INTEND TO UPDATE OR OTHERWISE REVISE THE ABOVE UNAUDITED PROSPECTIVE FINANCIAL INFORMATION TO REFLECT CIRCUMSTANCES EXISTING AFTER THE DATE WHEN MADE OR TO REFLECT THE OCCURRENCE OF FUTURE EVENTS, EVEN IN THE EVENT THAT ANY OR ALL OF THE ASSUMPTIONS UNDERLYING THE PROSPECTIVE FINANCIAL INFORMATION ARE NO LONGER APPROPRIATE, EXCEPT AS MAY BE REQUIRED BY LAW.

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Certain Colonial Unaudited Prospective Financial Information

Colonial does not as a matter of course make public projections as to future revenues, earnings or other results. However, the management of Colonial has prepared the unaudited prospective financial information set forth below in connection with an evaluation of the mergers. This information was made available to the Colonial Board and the MAA Board in connection with the evaluation of the mergers and also was provided to Colonial s and MAA s respective financial advisors.

The accompanying prospective financial information was not prepared with a view toward public disclosure or with a view toward complying with the guidelines established by the American Institute of Certified Public Accountants with respect to prospective financial information, but, in the view of Colonial s management, was prepared on a reasonable basis, reflects the best currently available estimates and judgments, and presents, to the best of management s knowledge and belief, the expected course of action and the expected future financial performance of Colonial. However, this information is not fact and should not be relied upon as being necessarily indicative of future results, and readers of this joint proxy statement/prospectus are cautioned not to place undue reliance on the prospective financial information. Neither Colonial s independent auditors, nor any other independent accountants, have compiled, examined, or performed any procedures with respect to the prospective financial information contained herein, nor have they expressed any opinion or any other form of assurance on such information or its achievability, and assume no responsibility for, and disclaim any association with, the prospective financial information

The assumptions and estimates underlying the prospective financial information are inherently uncertain and, though considered reasonable by the management of Colonial as of the date of its preparation, are subject to a wide variety of significant business, economic, and competitive risks and uncertainties that could cause actual results to differ materially from those contained in the prospective financial information, including, among others, risks and uncertainties. See Risk Factors Risk Factors Relating to the Mergers beginning on page 32 and Cautionary Statement Concerning Forward-Looking Statements beginning on page 43 and the risks described in the periodic reports filed by Colonial with the SEC, which reports can be found as described under the heading Where You Can Find More Information beginning on page 201.

Accordingly, there can be no assurance that the prospective results are indicative of the future performance of Colonial or that actual results will not differ materially from those presented in the prospective financial information. Inclusion of the prospective financial information in this joint proxy statement/prospectus should not be regarded as a representation by any person that the results contained in the prospective financial information will be achieved. Colonial does not generally publish its business plans and strategies or make external disclosures of its anticipated financial position or results of operations. Accordingly, Colonial does not intend to update or otherwise revise the prospective financial information to reflect circumstances existing since its preparation or to reflect the occurrence of unanticipated events, even in the event that any or all of the underlying assumptions are shown to be in error. Furthermore, Colonial does not intend to update or revise the prospective financial information to reflect changes in general economic or industry conditions.

The following table presents selected unaudited prospective financial data for the fiscal years ending December 31, 2013 through 2017 for Colonial on a standalone basis.

	2013	2014	2015	2016	2017
	($ in millions, except per share values)				
Net Operating Income (NOI)	$ 217.0	$ 222.5	$ 243.2	$ 255.8	$ 264.7
Funds from Operations (FFO) per share	$ 1.34	$ 1.40	$ 1.57	$ 1.69	$ 1.79
Adjusted Funds from Operations (AFFO) per share	$ 1.08	$ 1.17	$ 1.34	$ 1.47	$ 1.57

For purposes of the unaudited prospective financial information presented herein, NOI is a non-GAAP financial performance measure that represents total property revenues (including minimum rent and other property-related revenue) less total property operating expenses, (including such items as general and

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administrative expenses, on-site payroll, repairs and maintenance, real estate taxes, insurance and advertising), and includes revenues/expenses from unconsolidated partnerships and joint ventures. FFO is a non-GAAP financial performance measure defined by NAREIT, and represents net income (loss) before noncontrolling interest (determined in accordance with GAAP), excluding sales of depreciated property and impairment write-downs of depreciable real estate, plus real estate depreciation and amortization and after adjustments for unconsolidated partnerships and joint ventures. AFFO is a non-GAAP financial performance measure that represents FFO adjusted for capital expenditures, tenant improvements, leasing commissions, straight line rents and above or below market income.

Colonial and MAA calculate certain non-GAAP financial metrics including NOI, FFO and AFFO using different methodologies. Consequently, the financial metrics presented in each company s prospective financial information disclosures and in the sections of this joint proxy statement/prospectus with respect to the opinions of the financial advisors to Colonial and MAA may not be directly comparable to one another.

In preparing the foregoing unaudited projected financial information, Colonial made a number of assumptions regarding, among other things, interest rates, corporate financing activities, annual dividend levels, occupancy and customer retention levels, changes in rent, the amount, timing and cost of existing and planned development properties, lease-up rates of existing and planned developments, the amount and timing of asset sales and asset acquisitions, including the return on those acquisitions, the amount of income taxes paid, and the amount of general and administrative costs.

The assumptions made in preparing the above unaudited prospective financial information may not accurately reflect future conditions. The estimates and assumptions underlying the unaudited prospective financial information involve judgments with respect to, among other things, future economic, competitive, regulatory and financial market conditions and future business decisions which may not be realized and that are inherently subject to significant business, economic, competitive and regulatory uncertainties and contingencies, including, among others, risks and uncertainties described under the headings Risk Factors Risk Factors Relating to the Mergers beginning on page 32 and Cautionary Statement Concerning Forward-Looking Statements beginning on page 43 and the risks described in the periodic reports filed by Colonial with the SEC, which reports can be found as described under the heading Where You Can Find More Information beginning on page 201, all of which are difficult to predict and many of which are beyond the control of Colonial and/or MAA and will be beyond the control of the Combined Corporation. The underlying assumptions and projected results may not be realized, and actual results likely will differ, and may differ materially, from those reflected in the unaudited prospective financial information, whether or not the mergers are completed.

In addition, although presented with numerical specificity, the above unaudited prospective financial information reflects numerous assumptions and estimates as to future events made by Colonial management that Colonial management believes were reasonably prepared. The above unaudited prospective financial information does not give effect to the mergers. Colonial shareholders and MAA shareholders are urged to review the most recent SEC filings of Colonial for a description of the reported and anticipated results of operations and financial condition and capital resources during 2012, including in Management s Discussion and Analysis of Financial Condition and Results of Operations in Colonial s Annual Report on Form 10-K for the year ended December 31, 2012, and subsequent quarterly reports on Form 10-Q, which is incorporated by reference into this joint proxy statement/prospectus.

Readers of this joint proxy statement/prospectus are cautioned not to place undue reliance on the unaudited prospective financial information set forth above. No representation is made by Colonial, MAA or any other person to any Colonial shareholder or any MAA shareholder regarding the ultimate performance of Colonial compared to the information included in the above unaudited prospective financial information. The inclusion of unaudited prospective financial information in this joint proxy statement/prospectus should not be regarded as an indication that the prospective financial information will be necessarily predictive of actual future events, and such information should not be relied on as such.

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COLONIAL DOES NOT INTEND TO UPDATE OR OTHERWISE REVISE THE ABOVE UNAUDITED PROSPECTIVE FINANCIAL INFORMATION TO REFLECT CIRCUMSTANCES EXISTING AFTER THE DATE WHEN MADE OR TO REFLECT THE OCCURRENCE OF FUTURE EVENTS, EVEN IN THE EVENT THAT ANY OR ALL OF THE ASSUMPTIONS UNDERLYING THE PROSPECTIVE FINANCIAL INFORMATION ARE NO LONGER APPROPRIATE, EXCEPT AS MAY BE REQUIRED BY LAW.

Interests of MAA s Directors and Executive Officers in the Mergers

In considering the recommendation of the MAA Board to approve the merger agreement, the parent merger and the other transactions contemplated by the merger agreement, MAA shareholders should be aware that certain executive officers and directors of MAA have certain interests in the mergers that may be different from, or in addition to, the interests of MAA shareholders generally. These interests may create potential conflicts of interest. The MAA Board was aware of those interests and considered them, among other matters, in reaching its decision to approve the merger agreement and the transactions contemplated thereby.

Following the consummation of the mergers, all seven of the current members of the MAA Board will continue as members of the board of directors of the Combined Corporation. H. Eric Bolton, Jr., MAA s Chief Executive Officer and Chairman of the Board of Directors, will serve as Chief Executive Officer and Chairman of the Board of Directors of the Combined Corporation. Alan B. Graf, Jr. and Ralph Horn, Co-Lead Independent Directors for MAA, will serve as Co-Lead Independent Directors for the Combined Corporation. In addition, Albert M. Campbell, III, MAA s Chief Financial Officer, will serve as Chief Financial Officer of the Combined Corporation, and Thomas L. Grimes, Jr., MAA s Chief Operating Officer, will serve as the Chief Operating Officer of the Combined Corporation.H. Eric Bolton, Jr., MAA s Chief Executive Officer and Chairman of the Board of Directors, and W. Reid Sanders, a director of MAA, each own limited partnership units in MAA LP. The ownership of these limited partnership units may result in Messrs. Bolton and Sanders having interests in the mergers that are different from, or in addition to, those of MAA shareholders generally. In connection with the mergers, MAA has agreed to amend and restate the limited partnership agreement of MAA LP to contain substantially the same provisions as contained in the existing limited partnership agreement of Colonial LP including, in particular, for the benefit of limited partners in MAA LP after the partnership merger, a provision relating to the consideration of the income tax considerations of limited partners of MAA LP with respect to actions taken by the general partner of MAA LP. Messrs. Bolton and Sanders, as limited partners of MAA LP, will have the benefits of this provision following the partnership merger.

Employment Agreements and Change of Control Agreements with MAA s Executive Officers

Certain MAA executives, including H. Eric Bolton, Jr., Albert M. Campbell III, and Thomas L. Grimes, Jr., are parties to either employment agreements or change in control and termination agreements with MAA, each of which provides for, among other things, severance payments and benefits upon a qualifying termination of employment without cause or for good reason upon or after a change of control (each, as defined in the applicable agreement), and, pursuant to the terms of the applicable agreements, these MAA executives are entitled to accelerated vesting of restricted stock awards upon such qualifying termination. Additionally, pursuant to the terms of certain awards of restricted stock granted to each MAA executive officer under MAA s 2004 Stock Plan, vesting will accelerate upon a change in control (as defined in the applicable award agreement). The mergers will constitute a change in control for purposes of these agreements and MAA s 2004 Stock Plan.

Waiver Agreements

On June 3, 2013, at the request of the MAA Board, MAA entered into waiver agreements with each of its executive officers, which provide that (i) the mergers will not constitute a change in control for purposes of the MAA executive s employment agreement or change in control and termination agreement, as applicable, and related restricted stock agreement(s), (ii) any termination of the executive s employment that occurs in connection with or following the mergers will not constitute a change in control termination for purposes of the

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employment agreement or change in control and termination agreement, as applicable, and (iii) the vesting or payment of any restricted stock held by the executive shall not automatically accelerate upon or solely in connection with the mergers. Therefore, as a result of such waivers, none of MAA s executive officers is a party to an agreement with MAA, or participates in any MAA plan, program or arrangement, that provides for payments or benefits based on or that otherwise relate to the consummation of the mergers.

The MAA Board was aware of the interests described in this section and considered them, among other matters, in approving the merger agreement and making its recommendation that MAA shareholders approve the parent merger and the other transactions contemplated by the merger agreement. See Recommendation of the MAA Board and Its Reasons for the Parent Merger above.

Interests of Colonial s Trustees and Executive Officers in the Mergers

In considering the recommendation of the Colonial Board to approve and adopt the merger agreement, the parent merger pursuant to the plan of merger and the other transactions contemplated by the merger agreement, Colonial shareholders should be aware that executive officers and trustees of Colonial have certain interests in the mergers that may be different from, or in addition to, the interests of Colonial shareholders generally. These interests may create potential conflicts of interest. The Colonial Board was aware of those interests and considered them, among other matters, in reaching its decision to approve and adopt the merger agreement, the parent merger pursuant to the plan of merger and the transactions contemplated by the merger agreement. These interests include the following:

Severance Arrangements

Prior to the Colonial Board s approval and adoption of the merger agreement, the executive compensation committee of the Colonial Board, referred to in this joint proxy statement/prospectus as the Colonial Compensation Committee, approved certain severance arrangements described below with respect to Colonial s executive officers: Thomas M. Lowder, Paul F. Earle, John P. Rigrish, Bradley P. Sandidge, and Jerry Brewer (we refer to each as a Colonial executive officer and collectively as the Colonial executive officers).

In the event that the Colonial executive officer is terminated by Colonial upon the consummation of the mergers and provided that he is continuously employed by Colonial through the closing, the Colonial executives would be entitled to the following severance payments:

- In addition to payments under his existing Non-Competition Agreement with Colonial LP and Colonial, described further below, Mr. Lowder will receive a severance payment equal to two times the average annual incentive compensation paid to him for the three completed fiscal years immediately preceding the closing of the mergers.

- Each of Messrs. Earle and Rigrish will receive a severance payment equal to one and one-half times the sum of (1) his annual base salary in effect on the closing date of the mergers, plus (2) the average annual incentive compensation paid to him for the three completed fiscal years immediately preceding the closing of the mergers; and

- Each of Messrs. Sandidge and Brewer will receive a severance payment equal to one times the sum of (1) his annual base salary in effect on the closing date of the mergers, plus (2) the average annual incentive compensation paid to him for the three completed fiscal years immediately preceding the closing of the mergers.

In the event of such a termination of employment, these severance payments will be payable in a lump-sum payments of cash on or shortly after the closing of the mergers. With respect to Mr. Lowder, such severance payment will be payable in addition to any payments that Mr. Lowder would receive under his existing Non-Competition Agreement with Colonial LP and Colonial, entered into as of May 4, 2007, described further below under Change in Control Compensation.

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In addition to the severance payments described above, each Colonial executive officer who is terminated by Colonial effective upon the consummation of the mergers will receive a payment with respect to any unused vacation on or shortly after the closing of the mergers, provided that such Colonial executive officer is continuously employed by Colonial through the closing of the mergers.

Pro-Rata Annual Incentive Payments

In connection with the mergers, the Colonial Compensation Committee approved the payment to eligible employees, including the Colonial executive officers, of a pro-rata portion of the employee s annual incentive under Colonial s annual incentive plan for 2013 if the employee is terminated by Colonial upon the consummation of the mergers and provided that such employee is continuously employed by Colonial through the closing of the mergers. The pro-rata annual incentive payments will be payable in a lump sum payment of cash on or shortly after the closing of the mergers. The Colonial Compensation Committee will determine Colonial s achievement as compared to the performance goals specified in the annual incentive plan for 2013 prior to the closing of the mergers and will determine the amount of the pro-rata annual incentive payments based on such achievement.

The performance criteria previously established for the 2013 annual incentive plan are based on a combination of total return for Colonial for the year (the absolute measure) and total return for Colonial as compared to an index of comparable REITs over one-, two-, and three- year periods (each, a relative measure). For purposes of the 2013 annual incentive plan, total return is equal to the share price of Colonial (or the companies in the index of comparable REITs, as the case may be) plus any dividends reinvested in Colonial (or the companies in the index of comparable REITs, as the case may be) calculated based on reinvestment on the ex-dividend pay date.

Colonial s absolute measure must be positive for the plan year for any payout to occur; however, (1) if the absolute measure is negative but Colonial s total return is at least at the median level of performance when compared to *the one-year total return* relative measure, the Colonial Compensation Committee has discretion to pay up to 20% of the payout calculated based on the relative measures results, and (2) if the absolute measure is positive and Colonial s total return is at least at the median level of performance when compared to *the one-year total return* relative measure, the Colonial Compensation Committee has the discretion to increase the award amount up to 20% of the payout calculated based on the relative measures results. In addition to this specific discretionary authority, the Colonial Compensation Committee retains discretion to adjust any payment that is otherwise under the terms of the 2013 annual incentive plan. The amounts actually payable to the participants are determined based upon whether Colonial performance meets the threshold, median, target or maximum level for the relative measures. For each relative measure, the threshold level is the 25th percentile, the median level is the 50th percentile, the target level is the 75th percentile and the maximum level is the 90th percentile. The relative measures are weighted equally, i.e., 33.33% of any payout is based on the one-year relative measure; 33.33% of any payout is based on the two-year relative measure, and 33.33% of any payout is based on the three-year relative measure.

Under the terms of the 2013 annual incentive plan, the performance payout thresholds were set as follows: (1) for Mr. Lowder, the threshold level pays at a maximum of 1% of base salary, the median level pays at a maximum of 100% of base salary, the target level pays at a maximum of 200% of base salary, and the maximum level pays at a maximum of 300% of base salary; (2) for Mr. Earle, the threshold level pays at a maximum of 1% of base salary, the median level pays at a maximum of 100% of base salary, the target level pays at a maximum of 150% of base salary, and the maximum level pays at a maximum of 225% of base salary; and (3) for the other Colonial executive officers, the threshold level pays at a maximum of 1% of base salary, the median level pays at a maximum of 50% of base salary, the target level pays at a maximum of 100% of base salary, and the maximum level pays at a maximum of 150% of base salary.

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Treatment of Colonial Options and Restricted Shares

Under the terms of the merger agreement, at the effective time of the parent merger, MAA will assume each outstanding option to acquire Colonial common shares. Each option so assumed by MAA will continue to have, and be subject to, the same terms and conditions, including vesting schedule, as were applicable to the corresponding option immediately prior to the effective time of the parent merger.

In addition, under the merger agreement, immediately prior to the effective time of the parent merger, each then-outstanding restricted Colonial common share will be converted into the right to receive shares of MAA common stock that are subject to the same vesting and forfeiture conditions and other terms and conditions as are applicable to the Colonial restricted share awards immediately prior to the consummation of the parent merger.

As a result of the transactions contemplated under the merger agreement, 1,277,705 options to acquire Colonial common shares held by the Colonial executive officers and trustees that would be exercisable for 459,974 shares of MAA common stock would be assumed by MAA and 386,307 restricted Colonial common shares held by Colonial s executive officers and trustees would be converted into the right to receive 139,070 shares of MAA common stock pursuant to the parent merger, which based on the closing price of Colonial common shares on [ ], 2013, the latest practicable date prior to the filing of this joint proxy statement/prospectus, would have an aggregate value of $[ ].

If an eligible employee s (including a Colonial executive officer s) employment is terminated by Colonial upon the consummation of the mergers, all restricted shares held by such employee will accelerate in full immediately prior to the closing of the mergers. In addition, all outstanding options held by such eligible employee that are not already fully vested and exercisable will accelerate and become immediately exercisable in full, effective upon the closing of the mergers, and remain exercisable for a 90-day period following the closing of the mergers (or, if earlier, the date the option terminates in accordance with its terms). The above-described acceleration and assumption of unvested options is conditioned upon the consummation of the mergers, the termination of the eligible employee s employment upon the closing of the mergers, and the continuous employment of the eligible employee with Colonial through the closing of the mergers.

The Colonial Compensation Committee has also provided that in the event that a remaining eligible employee s (including an executive officer s) employment is terminated by the Combined Corporation without cause (as defined below) or the employee resigns for good reason, (as defined below) within one year following the closing of the mergers, the unvested portion of the option and restricted shares held by such eligible employee will become fully vested and each such option may be exercised in full for the one-year period immediately following the effective date of such termination or, if earlier, the date the option terminates in accordance with its terms.

For purposes of the foregoing, cause means (1) gross negligence or willful misconduct in connection with the performance of duties; (2) conviction of a criminal offense (other than minor traffic offenses); or (3) material breach of any term of any employment, consulting or other services, confidentiality, intellectual property or non-competition agreements.

For purposes of the foregoing, good reason means the occurrence of any of the following events with respect to the employee: (1) a material, adverse alteration in the employee s title or responsibilities from those in effect immediately prior to the consummation of the mergers; (2) a material reduction in the employee s base salary and annual target bonus opportunity as of immediately prior to the consummation of the mergers; or (3) the relocation of the employee s principal place of employment to a location more than 35 miles from the employee s principal place of employment as of the consummation of the mergers or Colonial s (or the Combined Corporation s) requiring the employee to be based anywhere other than such principal place of employment (or permitted relocation thereof) except for required travel on Colonial s (or the Combined Corporation s) business to an extent substantially consistent with the employee s business travel obligations as of

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immediately prior to the consummation of the mergers. To qualify as a resignation for good reason the employee must provide notice to Colonial (or the Combined Corporation) of any of the foregoing occurrences within 90 days of the initial occurrence, Colonial (or the Combined Corporation) will have 30 days to remedy such occurrence, and the employee s employment must terminate within 30 days after the end of such 30-day cure period.

With respect to each Colonial trustee that will not be joining the MAA Board immediately after the closing of the mergers, all restricted shares held by such trustee will accelerate in full immediately prior to the closing of the mergers and all outstanding options held by such trustee that are not already fully vested and exercisable will accelerate and become immediately exercisable in full, effective upon the closing of the mergers.

The following tables set forth for the Colonial executive officers and trustees the number of (i) Colonial common shares underlying vested Colonial options, (ii) Colonial common shares underlying unvested Colonial options, and (iii) Colonial restricted shares, in each case as held by the executive officers and trustees on July 16, 2013 and assuming continued employment through the date of the closing of the parent merger:

Executive Officers

Name	Shares Underlying Vested Options[1]	Shares Underlying Unvested Options[2]	Restricted Shares
Thomas H. Lowder	247,571	230,681	173,101
Paul F. Earle	112,106	142,073	109,525
John P. Rigrish	15,363	44,267	33,439
Bradley P. Sandidge	33,188	42,399	26,833
Jerry A. Brewer	18,067	41,400	25,859

(1) Weighted average exercise price per share of vested options is: for Mr. Lowder, $16.04; for Mr. Earle, $13.03; for Mr. Rigrish, $16.56; for Mr. Sandidge, $11.92; and for Mr. Brewer, $13.03.

(2) Weighted average exercise price per share of unvested options is: for Mr. Lowder, $20.16; for Mr. Earle, $20.19; for Mr. Rigrish, $20.18; for Mr. Sandidge, $20.20; and for Mr. Brewer, $20.16.

Trustees

Name	Shares Underlying Vested Options[1]	Shares Underlying Unvested Options[2]	Restricted Shares
James K. Lowder	40,000	4,510	1,950
Carl F. Bailey	45,000	4,510	1,950
Edwin M. Crawford	10,000	4,510	1,950
M. Miller Gorrie	20,000	4,510	1,950
William M. Johnson	35,000	4,510	1,950
Herbert A. Meisler	40,000	4,510	1,950
Claude B. Nielsen	45,000	4,510	1,950
Harold W. Ripps	25,000	4,510	1,950
John W. Spiegel	50,000	4,510	1,950

(1) Weighted average exercise price per share of vested stock options is: for Mr. Lowder, $26.33; for Mr. Bailey, $24.19; for Mr. Crawford, $21.63; for Mr. Gorrie, $30.69; for Mr. Johnson, $23.59; for Mr. Meisler, $26.33; for Mr. Nielsen, $24.19; for Mr. Ripps, $28.66; and for Mr. Spiegel, $24.48.

(2) Weighted average exercise price per share of unvested stock options is $22.71.

Limited Partner Interests in Colonial LP

Under the merger agreement, in the partnership merger, each limited partner interest in Colonial LP designated as a Class A Unit and a Partnership Unit under the limited partnership agreement of Colonial LP,

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which we refer to in this joint proxy statement/prospectus as Colonial LP units, issued and outstanding immediately prior to the effectiveness of the partnership merger (other than limited partner interests owned by Colonial) will be converted into Class A common units in MAA LP, which we refer to in this joint proxy statement/prospectus as new MAA LP units, in an amount equal to (x) 1 multiplied by (y) the 0.36, and each holder of new MAA LP units will be admitted as a limited partner of MAA LP in accordance with the terms of the limited partnership agreement of MAA LP following the effectiveness of the partnership merger.

As of July 16, 2013, the Colonial executive officers and Colonial trustees beneficially owned, in the aggregate, 3,893,154 Colonial LP units. If all of the Colonial LP units beneficially owned by the Colonial executive officers and Colonial trustees as of July 16, 2013 were converted to new MAA LP units in connection with the partnership merger, then the Colonial executive officers and Colonial trustees would receive an aggregate of 1,401,535 new MAA LP units.

As of the effective time of the partnership merger, MAA LP will enter into the Third Amended and Restated Agreement of Limited Partnership of MAA LP, pursuant to which, among other things, the new MAA LP units received by holders of Colonial LP units in the partnership merger will become convertible into an amount of cash equal to the value of a corresponding number of shares of MAA common stock, or, at the option of MAA, the corresponding number of shares of MAA common stock. See The Merger Agreement Merger Consideration; Effects of the Parent Merger and the Partnership Merger Merger Consideration beginning on page 148.

Directors of MAA after the Parent Merger

Under the merger agreement, within two weeks after the execution and delivery of the merger agreement, Colonial was required to designate five members of the existing Colonial Board to be appointed to the Combined Corporation board of directors following the parent merger. The merger agreement provided that Thomas H. Lowder was to be one of the Colonial designees and that each of the other Colonial designees must be one of the current Colonial Board members listed on a schedule to the merger agreement, which schedule listed the following existing Colonial Board members: James K. Lowder, Claude B. Nielsen, Harold W. Ripps, John W. Spiegel, Edwin M. Crawford and William M. Johnson. On June 10, 2012, the governance committee of the Colonial Board approved Thomas H. Lowder, James K. Lowder, Claude B. Nielsen, Harold W. Ripps and John W. Spiegel to join the Combined Corporation board of directors following the parent merger. Under the terms of the merger agreement, each of the Colonial designees will serve until the 2014 annual meeting of MAA s shareholders (and until their successors have been elected and qualified) and will be nominated by the MAA board of directors for reelection at the 2014 and 2015 annual meetings of MAA s shareholders, subject to the satisfaction of such Colonial designees with MAA s then-current corporate governance guidelines and code of business conduct and ethics. The Colonial designees will be entitled to fees and other compensation and participation in options, share or other benefit plans for which directors of MAA are eligible.

Indemnification and Insurance

For a period of six years after the effective time of the partnership merger, pursuant to the terms of the merger agreement and subject to certain limitations, the Combined Corporation will indemnify and hold harmless, among others, each officer and trustee of Colonial, for actions at or prior to the effective time of the partnership merger, including with respect to the transactions contemplated by the merger agreement, to the fullest extent permitted under applicable law. In addition, pursuant to the terms of the merger agreement and subject to certain limitations, prior to the effective time of the partnership merger, Colonial has agreed to purchase and MAA has agreed to cause to be maintained in full force and effect for a period of six years after the effective time of the partnership merger, a tail prepaid insurance policy or policies of at least the same coverage and amounts and containing terms and conditions that are no less favorable to, among others, the officers and trustees of Colonial as Colonial s existing policies with respect to directors and officers liability insurance for claims arising from facts or events that occurred on or prior to the effective time of the partnership merger. If such tail insurance policy cannot be obtained or can be obtained only by paying an annual premium

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in excess of 300% of the current annual premium paid by Colonial, MAA will maintain in effect, for a period of at least six years after the effective time of the partnership merger, as much similar insurance as is reasonably practicable for an annual premium equal to 300% of the current annual premium paid by Colonial. These interests are described in detail below at The Merger Agreement Covenants and Agreements Indemnification of Directors and Officers; Insurance.

The Colonial Board was aware of the interests described in this section and considered them, among other matters, in approving and adopting the merger agreement and the parent merger pursuant to the plan of merger and in making its recommendation that Colonial shareholders approve and adopt the merger agreement, the parent merger pursuant to the plan of merger and the other transactions contemplated by the merger agreement. See The Parent Merger Recommendation of the Colonial Board and Its Reasons for the Parent Merger.

Executive Compensation Payable in Connection with the Mergers

Colonial s named executive officers for purposes of the disclosure in this joint proxy statement/prospectus are Thomas H. Lowder, Paul F. Earle, John P. Rigrish and Bradley P. Sandidge.

Change in Control Compensation

The following table sets forth the information required by Item 402(t) of Regulation S-K promulgated by the SEC, regarding certain compensation that each of Colonial s named executive officers may receive that is based on, or that otherwise relates to, the mergers. The figures in the table are estimated based on compensation levels as of the date of this document and an assumed effective date of July 16, 2013 (the latest practicable date prior to the filing of this joint proxy statement/prospectus) for both the mergers and the termination of the executive s employment. The amounts reported below are estimates based on multiple assumptions that may or may not actually occur or be accurate on the relevant date, including an assumption that the employment of each of Colonial s named executive officers will terminate upon consummation of the mergers and other assumptions described in this document. As required by applicable SEC rules, all amounts below determined using the per share value of Colonial common shares have been calculated based on a per share price of Colonial common shares of $23.55 (the average closing market price of Colonial common shares over the first five business days following the public announcement of the mergers on June 3, 2013). As a result of the foregoing assumptions, the actual amounts, if any, to be received by a named executive officer may materially differ from the amounts set forth below. The merger-related compensation payable to Colonial s named executive officers is subject to a non-binding advisory vote of Colonial s shareholders, as described under the section of this joint proxy statement/prospectus captioned Proposals Submitted to Colonial Shareholders Advisory Vote on Executive Compensation (Proposal 2 on the Colonial Proxy Card) beginning on page 64.

Name	Cash ($)	Equity[1] ($)	Total ($)
Thomas H. Lowder	4,022,459[2]	4,902,278	8,924,737
Paul F. Earle	2,168,406[3]	3,083,793	5,252,199
John P. Rigrish	798,736[4]	945,279	1,744,015
Bradley P. Sandidge	620,290[5]	781,529	1,401,819

(1) Each named executive officer holds unvested options and restricted Colonial common shares that will accelerate in full immediately prior to the closing of the mergers if the executive officer s employment is terminated by Colonial upon consummation of the mergers. These are double-trigger change-in-control arrangements. The amount shown in the table is based upon the following holdings of options and restricted common shares that would be accelerated upon consummation of the mergers as of July 16, 2013: (i) 230,681 shares underlying options and 173,101 restricted common shares for Mr. Lowder; (ii) 142,073 shares underlying options and 109,525 restricted common shares for Mr. Earle; (iii) 44,267 shares underlying options and 33,439 restricted common shares for Mr. Rigrish; and (iv) 42,399 shares underlying options and 26,833 restricted common shares for Mr. Sandidge. The value for options is equal to the

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difference between $23.66 per share and the per share exercise price of each such option that would become exercisable, multiplied by the number of common shares receivable upon exercise. The value of restricted common shares is $23.66 per share. These amounts are subject to reduction to the extent the payments would be considered parachute payments within the meaning of Section 280G of the Code if such reduction would give the named executive officer a better after-tax result than if he received the full payments.

(2) This amount represents the sum of: (i) an aggregate payment of $1,100,000 under Mr. Lowder s Non-Competition Agreement with Colonial LP and Colonial, entered into as of May 4, 2007, payable over the two-year period following Mr. Lowder s termination of employment and subject to Mr. Lowder s compliance with the non-competition and non-solicitation provisions set forth in such agreement during such period; (ii) a lump sum payment of $2,030,699, which is equal to two times the average annual incentive compensation paid to him for the three completed fiscal years immediately preceding the closing of the mergers; (iii) a lump sum payment of $42,308, which represents Mr. Lowder s unused vacation; and (iv) a lump sum payment of $849,452, which represents a pro-rata portion of Mr. Lowder s annual incentive under Colonial s annual incentive plan for 2013. The payments in items (ii) through (iv) are double-trigger change-in-control arrangements and are payable only if Mr. Lowder s employment is terminated by Colonial upon the consummation of the mergers.

(3) This amount represents the sum of: (i) an aggregate payment of $1,601,444, which is equal to one and one-half times the sum of (A) Mr. Earle s annual base salary, plus (B) the average annual incentive compensation paid to Mr. Earle for the three completed fiscal years immediately preceding the closing of the mergers; (iii) a lump sum payment of $26,769, which represents Mr. Earle s unused vacation; and (iv) a lump sum payment of $540,193, which represents a pro-rata portion of Mr. Earle s annual incentive under Colonial s annual incentive plan for 2013. These payments are double-trigger change-in-control arrangements and are payable only if Mr. Earle s employment is terminated by Colonial upon the consummation of the mergers.

(4) This amount represents the sum of: (i) an aggregate payment of $616,103, which is equal to one and one-half times the sum of (A) Mr. Rigrish s annual base salary, plus (B) the average annual incentive compensation paid to Mr. Rigrish for the three completed fiscal years immediately preceding the closing of the mergers; (iii) a lump sum payment of $16,538, which represents Mr. Rigrish s unused vacation; and (iv) a lump sum payment of $166,095, which represents a pro-rata portion of Mr. Rigrish s annual incentive under Colonial s annual incentive plan for 2013. These payments are double-trigger change-in-control arrangements and are payable only if Mr. Rigrish s employment is terminated by Colonial upon the consummation of the mergers.

(5) This amount represents the sum of: (i) an aggregate payment of $421,958, which is equal to one times the sum of (A) Mr. Sandidge s annual base salary, plus (B) the average annual incentive compensation paid to Mr. Sandidge for the three completed fiscal years immediately preceding the closing of the mergers; (iii) a lump sum payment of $12,923, which represents Mr. Sandidge s unused vacation; and (iv) a lump sum payment of $185,409, which represents a pro-rata portion of Mr. Sandidge s annual incentive under Colonial s annual incentive plan for 2013. These payments are double-trigger change-in-control arrangements and are payable only if Mr. Sandidge s employment is terminated by Colonial upon the consummation of the mergers.

Regulatory Approvals Required for the Mergers

MAA and Colonial are not aware of any material federal or state regulatory requirements that must be complied with, or approvals that must be obtained, in connection with the mergers or the other transactions contemplated by the merger agreement.

Material U.S. Federal Income Tax Consequences of the Parent Merger

The discussion below, as it relates to the material U.S. federal income tax consequences of the parent merger, summarizes such consequences to U.S. holders (as defined below) of Colonial common shares that hold such common shares as a capital asset within the meaning of Section 1221 of the Code.

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The discussion below, as it relates to the material U.S. federal income tax consequences of holding common stock in the Combined Corporation, summarizes such consequences to certain holders (as specified below) of Combined Corporation common stock that hold such common stock as a capital asset within the meaning of Section 1221 of the Code.

This discussion is based upon the Code, Treasury regulations promulgated under the Code, referred to herein as the Treasury Regulations, judicial decisions and published administrative rulings, all as currently in effect and all of which are subject to change, possibly with retroactive effect. This discussion does not address (i) U.S. federal taxes other than income taxes, (ii) state, local or non-U.S. taxes or (iii) tax reporting requirements, in each case, as applicable to the parent merger. In addition, this discussion does not address U.S. federal income tax considerations applicable to holders of Colonial common shares that are subject to special treatment under U.S. federal income tax law, including, for example:

financial institutions;

pass-through entities (such as entities treated as partnerships for U.S. federal income tax purposes);

insurance companies;

broker-dealers;

tax-exempt organizations;

dealers in securities or currencies;

traders in securities that elect to use a mark to market method of accounting;

persons that hold Colonial common shares (or, following the effective time of the parent merger, Combined Corporation common stock) as part of a straddle, hedge, constructive sale, conversion transaction, or other integrated transaction for U.S. federal income tax purposes;

regulated investment companies;

real estate investment trusts;

certain U.S. expatriates;

non-U.S. holders (as defined below);

U.S. holders whose functional currency is not the U.S. dollar; and

persons who acquired their Colonial common shares (or, following the effective time of the parent merger, Combined Corporation common stock) through the exercise of an employee stock option or otherwise as compensation.

For purposes of this discussion, a U.S. holder means a beneficial owner of Colonial common shares (or, following the effective time of the parent merger, of the Combined Corporation common stock) that is:

an individual who is a citizen or resident of the United States for U.S. income tax purposes;

a corporation (or other entity taxable as a corporation for U.S. federal income tax purposes) created or organized in or under the laws of the United States or any political subdivision thereof;

an estate the income of which is subject to U.S. federal income taxation regardless of its source; or

a trust that (A) is subject to the supervision of a court within the United States and the control of one or more U.S. persons or (B) has a valid election in place under the Treasury Regulations to be treated as a U.S. person.

For purposes of this discussion, a non-U.S. holder means a beneficial owner of Colonial common shares other than a U.S. holder.

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If a partnership (or other entity or arrangement treated as a partnership for U.S. federal income tax purposes) holds Colonial common shares (or, following the parent merger, Combined Corporation common stock), the tax treatment of a partner in the partnership generally will depend on the status of the partner and the activities of the partnership. Any partnership or other entity or arrangement treated as a partnership for U.S. federal income tax purposes that holds Colonial common shares (or, following the parent merger, the Combined Corporation common stock), and the partners in such partnership (as determined for U.S. federal income tax purposes), should consult their tax advisors.

This discussion of material U.S. federal income tax consequences of the parent merger is not binding on the IRS. No assurance can be given that the IRS would not assert, or that a court would not sustain, a position contrary to any described herein.

THE U.S. FEDERAL INCOME TAX RULES APPLICABLE TO THE PARENT MERGER AND TO REITS GENERALLY ARE HIGHLY TECHNICAL AND COMPLEX. HOLDERS OF COLONIAL COMMON SHARES ARE URGED TO CONSULT THEIR TAX ADVISORS REGARDING THE SPECIFIC TAX CONSEQUENCES TO THEM OF THE PARENT MERGER, THE OWNERSHIP OF COMMON STOCK OF THE COMBINED CORPORATION, AND THE COMBINED CORPORATION S QUALIFICATION AS A REIT, INCLUDING THE APPLICABILITY AND EFFECT OF U.S. FEDERAL, STATE, LOCAL AND NON-U.S. INCOME AND OTHER TAX LAWS, AND POTENTIAL CHANGES IN APPLICABLE TAX LAWS, IN LIGHT OF THEIR PARTICULAR CIRCUMSTANCES.

Tax Opinions from Counsel Regarding the Parent Merger

It is a condition to the completion of the parent merger that Hogan Lovells US LLP (or other counsel to Colonial reasonably acceptable to MAA) and Goodwin Procter LLP (or other counsel to MAA reasonably acceptable to Colonial) each renders a tax opinion to its client to the effect that the parent merger will constitute a reorganization within the meaning of Section 368(a) of the Code. Hogan Lovells US LLP and Goodwin Procter LLP counsel are providing opinions to Colonial and MAA, respectively, to similar effect in connection with the filing of this Registration Statement. Such opinions will be subject to customary exceptions, assumptions and qualifications, and will be based on representations made by Colonial and MAA regarding factual matters (including those contained in tax representation letters provided by Colonial and MAA), and covenants undertaken by Colonial and MAA. If any assumption or representation is inaccurate in any way, or any covenant is not complied with, the tax consequences of the parent merger could differ from those described in the tax opinions and in this discussion. These tax opinions represent the legal judgment of counsel rendering the opinion and are not binding on the IRS or the courts. No ruling from the IRS has been or will be requested in connection with the parent merger, and there can be no assurance that the IRS would not assert, or that a court would not sustain, a position contrary to the conclusions set forth in the tax opinions.

As noted and subject to the qualifications above, in the opinion of Hogan Lovells US LLP and Goodwin Procter LLP, the parent merger of Colonial with and into MAA will qualify as a reorganization within the meaning of Section 368(a) of the Code. Accordingly:

Colonial will not recognize any gain or loss as a result of the parent merger.

A U.S. holder will not recognize any gain or loss upon receipt of common stock of the Combined Corporation in exchange for its Colonial common shares in connection with the parent merger, except with respect to cash received in lieu of fractional shares of the Combined Corporation common stock, as discussed below.

A U.S. holder will have an aggregate tax basis in the Combined Corporation common stock received in the parent merger equal to the U.S. holder s aggregate tax basis in its Colonial common shares surrendered pursuant to the parent merger, reduced by the portion of the U.S. holder s tax basis in its Colonial common shares surrendered in the parent merger that is allocable to a fractional share of

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Combined Corporation common stock. If a U.S. holder acquired any of its shares of Colonial common shares at different prices or at different times, Treasury Regulations provide guidance on how such U.S. holder may allocate its tax basis to shares of the Combined Corporation common stock received in the parent merger. U.S. holders that hold multiple blocks of Colonial common shares should consult their tax advisors regarding the proper allocation of their basis among shares of Combined Corporation common stock received in the parent merger under these Treasury Regulations.