

MID AMERICA APARTMENT COMMUNITIES INC

Form 424B5

February 29, 2012

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CALCULATION OF REGISTRATION FEE

Title of each Class of Securities Registered	Amount to be Registered	Proposed Maximum Offering Price Per Share(1)	Proposed Maximum Aggregate Offering Price(1)	Amount of Registration Fee
Common Stock, \$.01 par value per share	1,955,000(1)	\$62.23	\$121,659,650	\$13,942.20

(1) Assumes exercise in full of the underwriters' option to purchase up to 255,000 additional shares of common stock.

(2) Calculated in accordance with Rule 456(b) and Rule 457(r) under the Securities Act of 1933, as amended.

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PROSPECTUS SUPPLEMENT

(To prospectus dated May 29, 2009)

MID-AMERICA APARTMENT COMMUNITIES, INC.

1,700,000 Shares of Common Stock

Mid-America Apartment Communities, Inc. is offering 1,700,000 shares of common stock.

Our common stock is listed on the New York Stock Exchange under the symbol MAA. The last reported sale price of our common stock on the New York Stock Exchange on February 24, 2012 was \$63.13 per share.

We have granted the underwriters the right, exercisable for 30 days from the date hereof, to purchase up to an additional 255,000 shares of common stock.

Investing in our common stock involves risks. Before investing in our common stock, you should carefully read the discussion of material risks of investing in our shares under the heading Risk Factors beginning on page S-6 of this prospectus supplement, on page 3 of the accompanying prospectus, and on page 14 of our Annual Report on Form 10-K for the year ended December 31, 2011, which is incorporated herein by reference.

	Per share	Total
Public offering price	\$ 62.23	\$ 105,791,000
Underwriting discount	\$ 0.80	\$ 1,360,000
Proceeds, before expenses, to us	\$ 61.43	\$ 104,431,000

The underwriters are offering the shares of our common stock as set forth under Underwriting. Delivery of the shares of common stock will be made on or about March 2, 2012.

Neither the Securities and Exchange Commission nor any state securities commission has approved or disapproved of these securities or determined if this prospectus supplement or the accompanying prospectus is truthful or complete. Any representation to the contrary is a criminal offense.

UBS Investment Bank

Jefferies

The date of this prospectus supplement is February 27, 2012.

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About this prospectus supplement

This prospectus supplement is part of a registration statement that Mid-America Apartment Communities, Inc., (referred to as "MAA," "we," "us," "our," or the "Company") has filed with the Securities and Exchange Commission, or SEC, utilizing a "shelf" registration process. This document consists of two parts. The first part is this prospectus supplement, which adds or updates information contained in the accompanying prospectus and the documents incorporated by reference into the accompanying prospectus. The second part is the accompanying prospectus, which gives more general information about us and the common stock offered hereby. To the extent the information contained in this prospectus supplement differs or varies from the information contained in the accompanying prospectus or documents incorporated by reference, the information in this prospectus supplement controls. You should read both this prospectus supplement and the accompanying prospectus together with additional information described under the heading "Where You Can Find More Information" and incorporated by reference in this prospectus supplement and the accompanying prospectus.

You should rely only on the information contained in or incorporated by reference into this prospectus supplement and the accompanying prospectus. We have not authorized anyone to provide you with different or additional information. We are not making an offer to sell these securities in any jurisdiction where the offer or sale is not permitted. You should not assume that the information appearing in this prospectus supplement, the accompanying prospectus or the documents incorporated by reference into this prospectus supplement and the accompanying prospectus are accurate as of any date other than their respective dates. Our business, financial condition, results of operations and prospects may have changed since those dates.

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Forward-looking statements

We consider portions of this prospectus supplement to contain forward-looking statements within the meaning of Section 27A of the Securities Act of 1933 and Section 21E of the Securities Exchange Act of 1934, with respect to our expectations for future periods. Forward looking statements do not discuss historical fact, but instead include statements related to expectations, projections, intentions or other items related to the future. Such forward-looking statements include, without limitation, statements concerning property acquisitions and dispositions, joint venture activity, development and renovation activity as well as other capital expenditures, capital raising activities, rent and expense growth, occupancy, financing activities and interest rate and other economic expectations. Words such as expects, anticipates, intends, plans, believes, seeks, estimates, and variations of such words and similar expressions are intended to identify such forward-looking statements. Such statements involve known and unknown risks, uncertainties and other factors which may cause the actual results, performance or achievements to be materially different from the results of operations or plans expressed or implied by such forward-looking statements. Such factors include, among other things, unanticipated adverse business developments affecting us, or our properties, adverse changes in the real estate markets and general and local economies and business conditions. Although we believe that the assumptions underlying the forward-looking statements contained herein are reasonable, any of the assumptions could be inaccurate, and therefore such forward-looking statements included in this prospectus supplement may not prove to be accurate. In light of the significant uncertainties inherent in the forward-looking statements included herein, the inclusion of such information should not be regarded as a representation by us or any other person that the results or conditions described in such statements or our objectives and plans will be achieved.

The following factors, among others, could cause our future results to differ materially from those expressed in the forward-looking statements:

- inability to generate sufficient cash flows due to market conditions, changes in supply and/or demand, competition, uninsured losses, changes in tax and housing laws, or other factors;
- failure of new acquisitions to achieve anticipated results or be efficiently integrated into us;
- failure of development communities to be completed, if at all, on a timely basis;
- failure of development communities to lease-up as anticipated;
- inability of a joint venture to perform as expected;
- inability to acquire additional or dispose of existing apartment units on favorable economic terms;
- unexpected capital needs;
- increasing real estate taxes and insurance costs;

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- losses from catastrophes in excess of our insurance coverage;
- inability to acquire funding through the capital markets;
- the availability of credit, including mortgage financing, and the liquidity of the debt markets, including a material deterioration of the financial condition of the Federal National Mortgage Association and the Federal Home Loan Mortgage Corporation;
- inability to close the term loan described under the section captioned Summary, or to otherwise replace financing with the Federal National Mortgage Association and the Federal Home Loan Mortgage Corporation should their investment in the multifamily industry shrink or cease to exist;

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Forward-looking statements

- changes in interest rate levels, including that of variable rate debt, such as extensively used by us;
- loss of hedge accounting treatment for interest rate swaps and interest rate caps;
- the continuation of the good credit of our interest rate swap and cap providers;
- inability to meet loan covenants;
- significant decline in market value of real estate serving as collateral for mortgage obligations;
- inability to pay required distributions to maintain REIT status due to required debt payments;
- imposition of federal taxes if we fail to qualify as a REIT under the Internal Revenue Code in any taxable year or foregone opportunities to ensure REIT status;
- inability to attract and retain qualified personnel;
- potential liability for environmental contamination;
- adverse legislative or regulatory tax changes; and
- litigation and compliance costs associated with laws requiring access for disabled persons.

You are advised to carefully read the section of the accompanying prospectus entitled "Risk Factors" and the information under the captions "Item 1A. Risk Factors" and "Item 7. Management's Discussion and Analysis of Financial Condition and Results of Operations" (or similar captions) in our most recent Annual Report filed on Form 10-K.

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Summary

This summary is not complete and may not contain all of the information that may be important to you in deciding whether to invest in the common stock. To understand this offering fully, you should carefully read the entire prospectus supplement and the accompanying prospectus and the documents incorporated by reference.

OUR BUSINESS

We are a self-administered real estate investment trust, or REIT, that owns, acquires, renovates, develops and manages apartment communities in the Sunbelt region of the United States. As of February 27, 2012, we owned or owned interests in a total of 165 multifamily apartment communities comprising 48,537 apartments located in 13 states, including two communities comprising 626 apartments owned through our joint venture, Mid-America Multifamily Fund I, LLC, and five communities comprising 1,635 apartments owned through our joint venture, Mid-America Multifamily Fund II, LLC. In addition, we also had two development communities and a second phase to an existing community under construction totaling 950 units as of February 27, 2012.

Our executive offices are located at 6584 Poplar Avenue, Memphis, Tennessee 38138, and our telephone number is (901) 682-6600.

2011 ATM EQUITY ISSUANCES

During the fourth quarter of 2011, we issued approximately 1.1 million shares of common stock through our at the market, or ATM, equity program at an average price of \$58.68 per share, for total net consideration of approximately \$65 million. During 2011, we issued approximately 3.3 million shares of common stock through our ATM program at an average price of \$62.86 per share, for total net consideration of approximately \$205 million. As of February 27, 2012, we have not issued any shares of common stock under our ATM program during 2012.

UNSECURED TERM LOAN

We have received commitments from existing lenders for a five-year, \$150 million unsecured term loan that we expect to close on or about March 1, 2012. An affiliate of UBS Securities LLC will be a lender under the new term loan. We intend to use proceeds from the term loan to repay existing secured indebtedness under our Federal National Mortgage Association facilities, or our FNMA facilities. However, because these commitments are subject to certain pre-closing conditions, there is no guarantee that this new term loan will close on terms acceptable to us, or at all.

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The offering

Common stock offered	1,700,000 shares. We have also granted the underwriters an option to purchase up to 255,000 additional common shares.
Common stock to be outstanding after this offering	40,668,302 shares (40,923,302 shares if the underwriters exercise their option to purchase the additional common shares in full).
NYSE symbol for our common stock	Our common shares are traded on the NYSE under the symbol MAA.
Use of proceeds	We will receive approximately \$104.3 million in net proceeds from the sale of common stock in this offering (approximately \$119.9 million if the underwriters exercise their option to purchase the additional common shares in full), after deducting underwriting discounts and our estimated offering expenses. We intend to use the net proceeds for general corporate purposes, including but not limited to acquisitions, development opportunities and the repayment of existing indebtedness. See Use of Proceeds.
Dividends	We are currently paying dividends of \$0.66 per quarter, or \$2.64 per year, per share of common stock.
The number of shares of common stock to be outstanding after this offering is based upon 38,968,302 shares outstanding as of February 27, 2012. This number excludes 1,936,008 shares of common stock issuable upon conversion of outstanding operating partnership units, and 365,037 shares of common stock reserved for our equity compensation arrangements.	
For additional information regarding our common shares, see Description of Capital Stock in the accompanying prospectus.	

RISK FACTORS

Investing in our common stock involves risk. Please read the sections captioned Risk Factors beginning on page S-5 of this prospectus supplement, as well as beginning on page 14 of our Annual Report on Form 10-K for the fiscal year ended December 31, 2011 and the risks and uncertainties described in our periodic reports and other information that we file from time to time with the Securities and Exchange Commission, which are incorporated by reference in this prospectus supplement and the accompanying prospectus.

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Risk factors

Your investment in our common stock involves certain risks. In consultation with your own financial and legal advisers, you should carefully consider, among other matters, the factors set forth below as well as the risk factors discussed in our Annual Report on Form 10-K for the year ended December 31, 2011 which is incorporated by reference into this prospectus supplement and the accompanying prospectus before deciding whether an investment in our common stock is suitable for you. If any of the risks contained in or incorporated by reference into this prospectus supplement or the accompanying prospectus develop into actual events, our business, financial condition or results of operations could be negatively affected, the market price of our common shares could decline and you may lose all or part of your investment.

Resales of our common stock in the public market following the offering may cause the market price to fall.

We cannot predict whether future issuances of shares of our common stock or the availability of shares for resale in the open market will decrease the market price per share of our common stock. We may issue up to 1,955,000 shares of common stock in this offering, assuming full exercise of the underwriters' option to purchase additional shares. The issuance of these new shares of common stock could result in the depression of the market price for our common stock.

In connection with this offering, we and each of our directors and executive officers entered into a lock-up agreement restricting the sale of his shares for no less than 60 days following the date of this prospectus supplement, subject to certain exceptions as set forth in each such agreement. However, UBS Securities LLC and Jefferies & Company, Inc., at any time, may release all or a portion of the common stock subject to the foregoing lock-up provisions. When determining whether or not to release shares subject to a lock-up agreement, UBS Securities LLC and Jefferies & Company, Inc. will consider, among other factors, the person's reasons for requesting the release, the number of shares for which the release is being requested and the possible impact of the release of the shares on the market price of our common stock. If the restrictions under such agreements are waived, the affected common stock may be available for sale into the market, which could reduce the market price of our common stock.

Furthermore, under the rules adopted by the Securities and Exchange Commission in December 2005 regarding registration and offering procedures, if we meet the definition of a well-known seasoned issuer under Rule 405 of the Securities Act, we are permitted to file an automatic shelf registration statement that will be immediately effective upon filing. On May 29, 2009, we filed such an automatic shelf registration statement, as amended, which may permit us, from time to time, to offer and sell debt securities, common stock, preferred stock, warrants and other securities to the extent necessary or advisable to meet our liquidity needs.

During 2011, we issued approximately 3.3 million shares of common stock through our ATM program at an average price of \$62.86 per share. As of February 27, 2012, we have not issued any shares of common stock under our ATM program during 2012. There are approximately 1.7 million shares of common stock available for issuance through our ATM program.

From time to time we also may issue shares of our common stock in connection with property, portfolio or business acquisitions. We may grant additional demand or piggyback registration rights in connection with these issuances. Sales of substantial amounts of our common stock, or the perception that these sales could occur, may adversely affect the prevailing market price of our common stock or may adversely affect the terms upon which we may be able to obtain additional capital through the sale of equity securities.

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Risk factors

Our management will have broad discretion with respect to the use of the proceeds of this offering.

Although we have described the intended use of proceeds for this offering in this prospectus supplement, our management will have broad discretion as to the application of these net proceeds and could use them for purposes other than those contemplated at the time of this offering. Our shareholders may not agree with the manner in which our management chooses to allocate and spend the net proceeds.

UBS Securities LLC may have conflicts of interest that arise out of contractual relationships it or its affiliates have with us.

We may use a portion of the net proceeds of this offering to partially repay the outstanding indebtedness under our unsecured line of credit with KeyBank, or our KeyBank line of credit, which line of credit includes an affiliate of UBS Securities LLC as a lender. As a result, a portion of the net proceeds of this offering may be received by this affiliate. Because this affiliate of UBS Securities LLC may receive a portion of the net proceeds of this offering, UBS Securities LLC and its affiliate may have an interest in the successful completion of this offering beyond the customary underwriting discounts and commissions received by UBS Securities LLC, which could result in a conflict of interest and cause it to act in a manner that is not in the best interests of us or our investors in this offering.

Our ability to pay dividends in the future is subject to many factors

Our credit facility and other debt obligations restrict our ability to pay cash dividends on our common stock if we default on our obligations thereunder. Other financing agreements that we enter into in the future, including our the unsecured term loan that we expect to close on or about March 1, 2012, may similarly limit our ability to pay cash dividends on our capital stock. If we default under any such obligation or if future financing agreements restrict our ability to pay cash dividends, we will be restricted in our ability to pay cash dividends on our common stock unless we can refinance amounts outstanding under those agreements.

Tennessee law requires that dividends be paid only from retained earnings (or undivided profits).

Our ability to pay dividends may be impaired if any of the risks described in this prospectus supplement and the accompanying prospectus or incorporated by reference herein and in the accompanying prospectus, were to occur. In addition, payment of our dividends depends upon our earnings, our financial condition, maintenance of our REIT status and other factors as our board of directors may deem relevant from time to time.

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Use of proceeds

We will receive approximately \$104.3 million in net proceeds from the sale of common stock in this offering (approximately \$119.9 million if the underwriters exercise their option to purchase the additional common shares in full), after deducting underwriting discounts and our estimated offering expenses.

We intend to contribute the net proceeds from any sales of common stock to Mid America Apartments, LP, our operating partnership, in exchange for a number of units to be issued by the operating partnership equal to the number of common shares sold in this offering, thereby increasing our ownership interest in the operating partnership. Our operating partnership intends, over time, to use the net proceeds from the sale of the common stock offered by this prospectus supplement for general corporate purposes, which may from time to time include but not be limited to, funding or partially funding acquisitions of individual multifamily apartment communities or portfolios of multifamily apartment communities, development opportunities or to partially repay existing indebtedness that may be due under our FNMA facilities or our KeyBank line of credit. An affiliate of UBS Securities LLC is a lender under our KeyBank line of credit. A portion of the net proceeds of this offering may be received by this affiliate if we use a portion of the net proceeds to repay borrowings under the KeyBank line of credit.

We anticipate between \$250 million and \$350 million of acquisitions during 2012 and we also expect to invest approximately \$80 million in new development during 2012.

Our FNMA facilities have a combined line limit of \$1.0 billion, all of which was available to be borrowed and of which approximately \$900 million was outstanding at December 31, 2011. Various tranches of the facilities mature from 2012 through 2018. The FNMA facilities provide for tax free, variable rate and fixed rate borrowings. The average interest rate on the FNMA facilities was 0.9% as of December 31, 2011. The KeyBank line of credit has a line limit of \$250 million, approximately \$249 million of which was available to be borrowed as of December 31, 2011. No borrowings were outstanding at December 31, 2011. The KeyBank line of credit matures in 2015.

Pending application of any portion of the net proceeds, we may invest it in interest-bearing accounts and short-term, interest-bearing securities consistent with our intention to maintain our qualification for taxation as a REIT. Such investments may include, for example, government and governmental agency securities, certificates of deposit and interest-bearing bank deposits.

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The following table sets forth the quarterly high and low sales prices of our common stock on the New York Stock Exchange and the dividends declared by us with respect to the periods indicated.

	Sales Prices		Dividends Paid	Dividends Declared
	High	Low		
2012:				
First Quarter (through February 24)	\$ 65.63	\$ 57.96	\$ 0.66	(1)
2011:				
First Quarter	\$ 65.00	\$ 60.41	\$ 0.6275	\$ 0.6275
Second Quarter	\$ 68.62	\$ 62.12	\$ 0.6275	\$ 0.6275
Third Quarter	\$ 73.36	\$ 57.04	\$ 0.6275	\$ 0.6275
Fourth Quarter	\$ 63.62	\$ 55.10	\$ 0.6275	\$ 0.66(2)
2010:				
First Quarter	\$ 55.03	\$ 45.14	\$ 0.615	\$ 0.615
Second Quarter	\$ 57.34	\$ 49.74	\$ 0.615	\$ 0.615
Third Quarter	\$ 60.88	\$ 49.71	\$ 0.615	\$ 0.615
Fourth Quarter	\$ 64.48	\$ 57.96	\$ 0.615	\$ 0.6275

(1) Our Board of Directors has not yet declared a dividend in the first quarter of 2012.

(2) Generally, our Board of Directors declares dividends prior to the quarter in which they are paid. The dividend of \$0.66 per share declared in the fourth quarter of 2011 was paid on January 31, 2012 to shareholders of record on January 13, 2012.

Our quarterly dividend rate is currently \$0.66 per common share. Our Board of Directors reviews and declares the dividend rate quarterly. Actual dividends made by us will be affected by a number of factors, including, but not limited to, the gross revenues received from the apartment communities, our operating expenses, the interest expense incurred on borrowings and unanticipated capital expenditures.

We expect to make future quarterly distributions to shareholders; however, future distributions by us will be at the discretion of our Board of Directors and will depend on our actual funds from operations, our financial condition, capital requirements, the annual distribution requirements under the REIT provisions of the Internal Revenue Code and such other factors as our Board of Directors deems relevant.

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Certain federal income tax considerations

GENERAL

For a discussion of the taxation of us and the tax considerations relevant to shareholders generally, see Federal Income Tax Considerations beginning on page 20 of the accompanying prospectus. The following is a general discussion of the material U.S. federal income tax considerations applicable to the acquisition, ownership and disposition of shares of our common stock and should be read in conjunction with the referenced sections in the accompanying prospectus. This discussion is based on the Internal Revenue Code of 1986, as amended, or the Code, income tax regulations promulgated thereunder, judicial decisions, published positions of the Internal Revenue Service, or the IRS, and other applicable authorities, all as in effect as of the date hereof and all of which are subject to change, possibly with retroactive effect. This discussion is general in nature and is not exhaustive of all possible tax considerations, nor does the discussion address any state, local or foreign tax considerations or any U.S. tax considerations (e.g., estate or gift tax) other than U.S. federal income tax considerations, that may be applicable to particular shareholders. This discussion does not address all the tax consequences that may be relevant to a prospective shareholder in light of its particular circumstances or to certain types of shareholders subject to special treatment under the Code, such as financial institutions, brokers, dealers in securities and commodities, insurance companies, certain former U.S. citizens or long-term residents, regulated investment companies, real estate investment trusts, tax-exempt organizations, controlled foreign corporations, passive foreign investment companies, persons that acquire their shares in connection with employment or other performance of personal services, persons subject to the alternative minimum tax, persons that are, or that hold their shares of our common stock through, partnerships or other pass-through entities, U.S. persons whose functional currency is not the U.S. dollar, or persons that hold shares of our common stock as part of a straddle, hedge, conversion, synthetic security or constructive sale transaction for U.S. federal income tax purposes.

PROSPECTIVE INVESTORS SHOULD CONSULT THEIR OWN TAX ADVISORS REGARDING THE FEDERAL, STATE, LOCAL, FOREIGN AND OTHER TAX CONSEQUENCES OF THE ACQUISITION, OWNERSHIP AND DISPOSITION OF SHARES OF OUR COMMON STOCK.

RECENT TAX LAW CHANGES

Medicare Tax

For taxable years beginning after December 31, 2012, certain taxable U.S. shareholders who are individuals, estates or trusts will be subject to a 3.8% tax on all or a portion of their net investment income. For these purposes, net investment income includes dividends and gains from sales of stock, including dividends on shares of our common stock and net gains from the taxable disposition of shares of our common stock. In the case of an individual, the tax will be 3.8% of the lesser of the individual's net investment income or the excess of the individual's modified adjusted gross income over \$250,000 in the case of a married individual filing a joint return or a surviving spouse, \$125,000 in the case of a married individual filing a separate return, or \$200,000 in the case of a single individual. Taxable U.S. stockholders that are individuals, estates or trusts should consult their tax advisors regarding the applicability of the Medicare tax to any of their income or gains in respect of shares of our common stock.

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Certain federal income tax considerations

Sunset of Reduced Tax Rate Provisions

Several of the tax considerations described in the accompanying prospectus under the heading "Federal Income Tax Considerations" are subject to a sunset provision. The sunset provisions generally provide that for taxable years beginning after December 31, 2012, certain provisions that are currently in the Code will revert back to a prior version of those provisions. These provisions include provisions related to the reduced maximum U.S. federal income tax rate for long-term capital gains of 15% (rather than 20%) for taxpayers taxed at individual rates, the application of the 15% U.S. federal income tax rate for qualified dividend income, and the reduced 35% maximum rate of tax on ordinary income of individuals (rather than 39.6%). The recent Revenue Proposals by the Department of the Treasury provide for an extension of many of these provisions, but only for individual filers with adjusted gross income less than \$250,000 for joint returns, \$200,000 for single taxpayers and \$125,000 for married taxpayers filing separately. The likelihood of any extension of these sunset provisions beyond December 31, 2012, and the terms of any extension cannot be predicted with any accuracy. The impact of a possible reversion generally is not discussed in the accompanying prospectus under the heading "Federal Income Tax Considerations." Consequently, investors are urged to consult their tax advisors regarding the effect of sunset provisions on an investment in our common stock.

Reporting and Withholding on Foreign Financial Accounts

On March 18, 2010, the President signed the Hiring Incentives to Restore Employment Act, or the "HIRE Act", into law. This law imposes a 30% U.S. federal withholding tax on dividends on, and the gross proceeds from the sale or other disposition of, shares of our common stock to a foreign financial institution or non-financial foreign entity, unless (i) in the case of a foreign financial institution, such institution enters into an agreement with the U.S. government to withhold on certain payments and to collect and provide to the U.S. tax authorities substantial information regarding U.S. account holders of such institution (which includes certain equity and debt holders of such institution, as well as certain account holders that are foreign entities with U.S. owners) and to withhold on certain payments and (ii) in the case of a non-financial foreign entity, such entity provides the withholding agent with a certification identifying the direct and indirect U.S. owners of the entity. For these purposes, a "foreign financial institution" generally is defined as any non-U.S. entity that (i) accepts deposits in the ordinary course of a banking or similar business, (ii) is engaged in the business of holding financial assets for the account of others, or (iii) is engaged or holds itself out as being engaged primarily in the business of investing, reinvesting, or trading in securities, partnership interest, commodities, or any interest in such assets. Although the withholding tax provisions of the HIRE Act were to have been effective beginning in 2013, the IRS has indicated that future regulatory guidance will provide for a phased-in implementation of these provisions.

Withholding on dividends on, but not gross proceeds from the sale or other disposition of, shares of our common stock, is to begin on January 1, 2014. Withholding on gross proceeds is to begin on January 1, 2015. Under certain circumstances, a non-U.S. stockholder might be eligible for refunds or credits of such taxes. Prospective investors should consult their tax advisors regarding the possible implications of this recently enacted legislation on the acquisition, ownership and disposition of shares of our common stock.

Distributions of Cash and Stock

The IRS issued temporary guidance that permits certain distributions consisting of both cash and stock and declared by us on or after January 1, 2008 and on or before December 31, 2012, with respect to our tax years ending on or before December 31, 2011, to qualify as dividend distributions for purposes of

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Certain federal income tax considerations

satisfying the annual distribution requirements. According to the temporary guidance, we must satisfy certain requirements, including the requirement that at least 10% of the aggregate declared distribution consists of cash and the requirement allowing each shareholder to elect to receive his or her entire distribution in cash. If too many shareholders elect to receive cash, however, each shareholder's ability to receive his or her entire distribution in cash is limited to his or her pro-rata share of the cash made available by us for the distribution.

If we satisfy these requirements, the cash and our stock that we distribute will be treated as a dividend to the extent of our earnings and profits. If we make such a distribution to our shareholders, each of our shareholders will be required to treat the total value of the distribution that each shareholder receives as a dividend, to the extent of each shareholder's pro-rata share of our earnings and profits, regardless of whether such shareholder receives cash, our stock or a combination of cash and our stock. If any of our shareholders participate in our dividend reinvestment and stock purchase plan, then the dividend reinvestment and stock purchase plan applies only to the extent that, in the absence of the dividend reinvestment and stock purchase plan, the shareholder would have received the distribution in cash, subject to the pro-rata limitation with respect to the cash made available by us for the distribution.

Investors are encouraged to consult their tax advisors regarding the specific federal, state, local and foreign income and other tax consequences of distributions consisting of both cash and our stock.

Capital Losses

Regular corporate taxpayers may deduct capital losses only to the extent of capital gains, with unused losses carried back three years and carried forward five years. Under the Regulated Investment Company Modernization Act of 2010, the net capital loss of a corporation may not be carried back to any taxable year for which it is a REIT.

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Underwriting

We are offering the shares of our common stock described in this prospectus supplement through UBS Securities LLC and Jefferies & Company, Inc., the underwriters and joint bookrunning managers. We have entered into an underwriting agreement with the underwriters. Subject to the terms and conditions of the underwriting agreement, the underwriters have agreed to purchase the number of common shares listed opposite their names below:

Underwriter	Number of Common Shares
UBS Securities LLC	850,000
Jefferies & Company, Inc.	850,000
Total	1,700,000

The underwriting agreement provides that the underwriters must buy all of the shares if they buy any of them.

We have granted to the underwriters an option exercisable within 30 days of the date of the underwriting agreement to purchase up to an additional 255,000 common shares.

Our common stock is offered subject to a number of conditions, including: a receipt and acceptance of our common stock by the underwriter; and the underwriters' right to reject orders in whole or in part.

In connection with this offering, the underwriters or securities dealers may distribute prospectuses electronically.

UNDERWRITING DISCOUNTS

Shares sold by the underwriters to the public will initially be offered at the offering price set forth on the cover of this prospectus supplement. Sales of shares made outside of the U.S. may be made by affiliates of the underwriters. If all the shares are not sold at the public offering price, the underwriters may change the offering price and the other selling terms. Upon execution of the underwriting agreement, the underwriters will be obligated to purchase shares at the prices and upon the terms stated therein and, as a result, will thereafter bear any risk associated with changing the offering price to the public or other selling terms.

The following table shows the per share and total underwriting discounts we will pay to the underwriters assuming both no exercise and full exercise of the underwriters' option to purchase up to an additional 255,000 shares.

	No Exercise	Full Exercise
Per share	\$ 0.80	\$ 0.80
Total	\$ 1,360,000	\$ 1,564,000

We estimate that the total expenses of this offering payable by us, not including the underwriting discounts, will be approximately \$150,000. In compliance with guidelines of the Financial Industry Regulatory Authority, Inc., or FINRA, the maximum discount to be received by any FINRA member or dependent broker-dealer may not exceed 8% of the aggregate amount of the securities offered pursuant to this prospectus supplement.

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Underwriting

NO SALES OF SIMILAR SECURITIES

We and our directors and executive officers have entered into lock-up agreements with the underwriters. Under these agreements, subject to certain exceptions, we and each of these persons may not, without the prior written approval of UBS Securities LLC and Jefferies & Company, Inc., offer, sell, contract to sell or otherwise dispose of, directly or indirectly, or hedge our common stock or securities convertible into or exchangeable or exercisable for our common stock. The exceptions to the lock-up agreements are for sales of common shares by our directors and executive officers to satisfy tax obligations in connection with the granting or vesting of equity awards acquired pursuant to one or more of our equity incentive plans or the distribution of a deferred equity award pursuant to a deferred equity plan and the issuance of common shares through our Dividend and Distribution Reinvestment and Share Purchase Plan, provided that all such sales and issuances do not exceed an aggregate of 7,500 shares of Common Stock. We are also permitted to file a registration statement for common stock to be issued under our Dividend and Distribution Reinvestment and Share Purchase Plan. These restrictions will be in effect for a period of 60 days after the date of this prospectus supplement. At any time and without public notice, UBS Securities LLC and Jefferies & Company, Inc. may, in their discretion, release some or all the securities from these lock-up agreements.

We have agreed to indemnify the underwriters against certain liabilities, including certain liabilities under the Securities Act. If we are unable to provide this indemnification, we have agreed to contribute to payments the underwriters may be required to make in respect of those liabilities.

NEW YORK STOCK EXCHANGE LISTING (iii)

Waddell & Reed, Inc., a broker-dealer registered under section 15 of the Act (15 U.S.C. 78o); and

(iv)

Waddell & Reed Investment Management Company, an investment advisor in accordance with Reg. 240.13d-1(b)(1)(ii)(E).

(v)

Ivy Investment Management Company, an investment advisor in accordance with Reg. 240.13d-1(b)(1)(ii)(E).

Item 4: Ownership

The securities reported on herein are beneficially owned by one or more open-end investment companies or other managed accounts which are advised or sub-advised by Ivy Investment Management Company (IICO), an investment advisory subsidiary of Waddell & Reed Financial, Inc. (WDR) or Waddell & Reed Investment Management Company (WRIMCO), an investment advisory subsidiary of Waddell & Reed, Inc. (WRI). WRI is a broker-dealer and underwriting subsidiary of Waddell & Reed Financial Services, Inc., a parent holding company (WRFSI). In turn, WRFSI is a subsidiary of WDR, a publicly traded company. The investment advisory contracts grant IICO and WRIMCO all investment and/or voting power over securities owned by such advisory clients. The investment sub-advisory contracts grant IICO and WRIMCO investment power over securities owned by such sub-advisory clients and, in most cases, voting power. Any investment restriction of a sub-advisory contract does not restrict investment discretion or power in a material manner. Therefore, IICO and/or WRIMCO may be deemed the beneficial owner of the securities covered by this statement under Rule 13d-3 of the Securities Exchange Act of 1934 (the 1934 Act).

IICO, WRIMCO, WRI, WRFSI and WDR are of the view that they are not acting as a group for purposes of Section 13(d) under the 1934 Act. Indirect beneficial ownership is attributed to the respective parent companies solely because of the parent companies' control relationship to WRIMCO and IICO.

- (a) Amount beneficially owned: 1,776,261
- (b) Percent of class: 10.2
- (c) Number of shares as to which the person has:
 - (i) Sole voting power to vote or to direct the vote:
 - WDR: 1,776,261 (indirect)
 - WRFSI: 1,466,961 (indirect)
 - WRI: 1,466,961 (indirect)
 - WRIMCO: 1,466,961 (direct)
 - IICO: 309,300 (direct)
 - (ii) Shared power to vote or to direct the vote: 0
 - (iii) Sole power to dispose or to direct the disposition of:
 - WDR: 1,776,261 (indirect)
 - WRFSI: 1,466,961 (indirect)
 - WRI: 1,466,961 (indirect)
 - WRIMCO: 1,466,961 (direct)

IICO: 309,300 (direct)

(iv) Shared power to dispose or to direct the disposition of: 0

Item 5: Ownership of Five Percent or Less of a Class:

If this statement is being filed to report the fact that as of the date hereof the reporting person has ceased to be the beneficial owner of more than 5 percent of the class of securities, check the following: []

Item 6: Ownership of More than Five Percent on Behalf of Another Person:

The clients of IICO and WRIMCO, including investment companies registered under the Investment Company Act of 1940 and other managed accounts, have the right to receive dividends from, as well as the proceeds from the sale of, such securities. Waddell & Reed Advisors Funds, Inc. Science and Technology Fund, a company registered under the Investment Company Act of 1940, has an interest in more than 5% of the class of securities reported herein.

Item 7: Identification and Classification of the Subsidiary Which Acquired the Security Being Reported on By the Parent Holding Company:

See Attached Exhibit 2.

Item 8: Identification and Classification of Members of the Group:

Not Applicable.

Item 9: Notice of Dissolution of Group:

Not Applicable.

Item 10: Certification:

By signing below I certify that, to the best of my knowledge and belief, the securities referred to above were acquired and are held in the ordinary course of business and were not acquired and are not held for the purpose of or with the effect of changing or influencing the control of the issuer of the securities and were not acquired and are not held in connection with or as a participant in any transaction having that purpose or effect.

SIGNATURE

After reasonable inquiry and to the best of my knowledge and belief, I certify that the information set forth in this statement is true, complete and correct.

Dated: February 4, 2009

Waddell & Reed Financial, Inc.

By: /s/ Wendy J. Hills
Name: Wendy J. Hills
Title: Vice President

Waddell & Reed Financial Services, Inc.

By: /s/ Wendy J. Hills
Name: Wendy J. Hills
Title: Attorney-In-Fact

Waddell & Reed, Inc.

By: /s/ Wendy J. Hills
Name: Wendy J. Hills
Title: Attorney-In-Fact

Waddell & Reed Investment Management Company

By: /s/ Wendy J. Hills
Name: Wendy J. Hills
Title: Attorney-In-Fact

Ivy Investment Management Company

By: /s/ Wendy J. Hills
Name: Wendy J. Hills
Title: Attorney-In-Fact

EXHIBIT INDEX

Exhibit No.	Description
1	Joint Filing Agreement
2	Identification and Classification of the Subsidiary Which Acquired the Security Being Reported on by the Parent Holding Company
3	Power of Attorney