AMERICAN CAMPUS COMMUNITIES INC
Form 424B5
July 10, 2012
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Filed pursuant to Rule 424(b)(5)
Registration Nos. 333-181102 and 333-181102-01

The information in this preliminary prospectus supplement and the accompanying prospectus is not complete and may be changed. This preliminary prospectus supplement and the accompanying prospectus are not an offer to sell these securities, nor are they soliciting offers to buy these securities, in any jurisdiction where the offer or sale is not permitted.

SUBJECT TO COMPLETION

Preliminary Prospectus Supplement dated July 10, 2012

PRELIMINARY PROSPECTUS SUPPLEMENT

(To prospectus dated May 2, 2012)

15,000,000 Shares

American Campus Communities, Inc.

Common Stock

We are selling 15,000,000 shares of our common stock, par value $0.01 per share.

Our common stock is listed on the New York Stock Exchange under the symbol ACC. On July 6, 2012, the last reported sale price of our common stock as reported on the New York Stock Exchange was $45.66 per share.

To assist us in continuing to qualify as a real estate investment trust, or REIT, for federal income tax purposes, our charter imposes certain restrictions on ownership of our common stock. See Description of Capital Stock in the accompanying prospectus.

Investing in our common stock involves risks. See Risk Factors beginning on page S-5 of this prospectus supplement, as well as the Risk Factors incorporated by reference from our Annual Report on Form 10-K for the year ended December 31, 2011.

	Per Share	Total
Public offering price	$	$
Underwriting discount	$	$
Proceeds, before expenses, to ACC	$	$

The underwriters may also purchase up to 2,250,000 additional shares of our common stock from us at the public offering price, less the underwriting discount, within 30 days from the date of this prospectus supplement.

Neither the Securities and Exchange Commission nor any state or other 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.

We expect that the shares of common stock offered hereby will be ready for delivery in New York, New York on or about July , 2012.

Joint Book-Running Managers

BofA Merrill Lynch **KeyBanc Capital Markets** **Deutsche Bank Securities** **J.P. Morgan**

The date of this prospectus supplement is July , 2012.

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Prospectus Supplement

Prospectus

You should rely only on the information contained or incorporated by reference in this prospectus supplement, the accompanying prospectus and any related free writing prospectus required to be filed with the Securities and Exchange Commission, or the SEC. We have not, and the underwriters have not, authorized any other person to provide you with different or additional information. If anyone provides you with different or additional information, you should not rely on it. We are not, and the underwriters are not, making an offer to sell these securities in any jurisdiction where the offer or sale is not permitted. You should assume that the information included or incorporated by reference in this prospectus supplement, the accompanying prospectus and any such free writing prospectus is accurate only as of their respective dates. Our business, financial condition, results of operations, liquidity and prospects may have changed since those dates.

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WHERE YOU CAN FIND MORE INFORMATION

We are a publicly-traded company and file annual, quarterly and special reports, proxy statements and other information with the SEC. You may read and copy any document we file at the SEC s public reference room at 100 F Street, NE, Washington, D.C. 20549. You can request copies of these documents by writing to the SEC and paying a fee for the copying cost. Please call the SEC at 1-800-SEC-0330 for more information about the operation of the public reference room. Our SEC filings are also available to the public at the SEC s website at http://*www.sec.gov*. In addition, you may read and copy our SEC filings at the office of the New York Stock Exchange at 20 Broad Street, New York, New York 10005. Our website address is *www.americancampus.com*. However, information on our website will not be considered a part of this prospectus supplement or the accompanying prospectus and is not incorporated by reference herein or therein.

The SEC allows us to incorporate by reference the information we file with it, which means that we can disclose important information to you by referring you to those documents. The information incorporated by reference is considered to be part of this prospectus supplement and the accompanying prospectus and the information we file later with the SEC prior to the completion of this offering will automatically update and supersede this information.

We previously filed the following documents with the SEC (File No. 001-32265) and such filings are incorporated by reference into this prospectus supplement:

- Annual Report on Form 10-K for the year ended December 31, 2011;
- Combined Quarterly Report on Form 10-Q of American Campus Communities, Inc. and American Campus Communities Operating Partnership LP for the quarter ended March 31, 2012, as amended by the Amendment to Quarterly Report on Form 10-Q/A filed with the SEC on May 10, 2012;
- Current Reports on Form 8-K and Form 8-K/A filed with the SEC on January 13, 2012, March 21, 2012, May 7, 2012 (other than Item 7.01), June 19, 2012 and July 10, 2012 (other than Item 7.01); and
- the description of our common stock contained in the Registration Statement on Form 8-A filed with the SEC on August 4, 2004.

All documents we file with the SEC pursuant to Section 13(a), 13(c), 14, or 15(d) of the Securities Exchange Act of 1934, as amended, or the Exchange Act, before the offering of securities described in this prospectus supplement is terminated are incorporated by reference into this prospectus supplement from the date of the filing of the documents, except for information furnished under Item 2.02 or Item 7.01 of Form 8-K or other information furnished to the SEC which is not deemed filed and not incorporated by reference in this prospectus supplement and the accompanying prospectus. Information we subsequently file with the SEC that is incorporated by reference into this prospectus supplement will automatically update and may replace information in this prospectus supplement and the accompanying prospectus and information filed with the SEC previously.

You may request a copy of these filings (other than exhibits, unless the exhibits are specifically incorporated by reference into these documents) at no cost by writing or telephoning Investor Relations at the following address and telephone number:

American Campus Communities, Inc.

12700 Hill Country Blvd., Suite T-200

Austin, Texas 78738

(512) 732-1000

ABOUT THIS PROSPECTUS SUPPLEMENT

This document is in two parts. The first part is this prospectus supplement, which describes the specific terms of this offering. The second part, the accompanying prospectus, gives more general information, some of which may not apply to this offering. To the extent the information contained in this prospectus supplement differs or varies from the information contained in the accompanying prospectus or documents previously filed with the SEC, the information in this prospectus supplement will supersede such information.

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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 our common stock. To understand this offering fully, you should carefully read this entire prospectus supplement and the accompanying prospectus and the documents incorporated by reference. Unless otherwise expressly stated or the context otherwise requires, all information in this prospectus supplement assumes that the underwriters option to purchase additional shares is not exercised.

All references to we, our, us and ACC in this prospectus supplement and the accompanying prospectus mean American Campus Communities, Inc. and its consolidated subsidiaries, except where it is made clear that the term means only the parent company.

The Company

We are a fully integrated, self-managed and self-administered equity real estate investment trust, or REIT, with expertise in the acquisition, design, financing, development, construction management, leasing and management of student housing properties. Through our controlling interest in American Campus Communities Operating Partnership LP, or our Operating Partnership, we are one of the largest owners, managers and developers of high quality student housing properties in the United States in terms of beds owned and under management. As of March 31, 2012, our property portfolio contained 120 properties with approximately 74,900 beds in approximately 23,800 apartment units. Our property portfolio consisted of 103 owned off-campus student housing properties that are in close proximity to colleges and universities, 12 American Campus Equity (ACE®) properties operated under ground/facility leases with six university systems, four on-campus participating properties operated under ground/facility leases with the related university systems, and one property containing a retail shopping center which we plan to redevelop into a mixed-use community including both student housing and retail. Of the 120 properties, 14 were under development as of March 31, 2012, and when completed will consist of a total of approximately 9,100 beds in approximately 2,600 units. Our communities contain modern housing units and are supported by a resident assistant system and other student-oriented programming, with many offering resort-style amenities.

We also provide construction management and development services, primarily for student housing properties owned by colleges and universities, charitable foundations, and others. As of March 31, 2012, we provided third-party management and leasing services for 27 properties that represented approximately 22,900 beds in approximately 9,100 units. As of March 31, 2012, our total owned and third-party managed portfolio consisted of 147 properties with approximately 97,800 beds in approximately 32,900 units.

As of the date of this prospectus supplement, we own approximately 99% of our Operating Partnership and certain subsidiary partnerships.

Our executive offices are located at 12700 Hill Country Blvd., Suite T-200, Austin, Texas 78738, and our telephone number is (512) 732-1000.

Recent Developments

Pending Transaction with Campus Acquisitions

We have entered into an Agreement of Merger and Contribution, dated as of June 7, 2012, as amended by Amendment No. 1, dated as of July 9, 2012, with affiliates of Campus Acquisitions, LLC to acquire a portfolio of 15 student housing properties with 6,579 beds, including two properties and an additional phase at an existing property currently under development, for $627.0 million. The acquisition consideration consists of the assumption of approximately $231.6 million of outstanding mortgage debt, the issuance of between $15 million and $50 million in the form of units of common limited partnership interest in our Operating Partnership, and between $345.4 million and $380.4 million in cash, with the final allocation between the unit and cash consideration to be determined by Campus Acquisitions prior to closing. The units issued in the transaction may not be redeemed for one year from the date of issuance.

Upon the completion of the transaction, our total owned and third-party managed portfolio will consist of 167 properties with approximately 106,100 beds in approximately 35,800 units.

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We and Campus Acquisitions have made customary representations, warranties and covenants in the merger agreement. The merger agreement provides that either we or Campus Acquisitions may terminate the merger agreement if the acquisition of certain properties has not occurred by October 31, 2012 (provided that this right will not be available to a party whose failure to fulfill any obligation under the merger agreement materially contributed to the failure of the closing to occur on or before this date). The merger agreement also contains certain termination rights for us and Campus Acquisitions including, without limitation, our ability to terminate the merger agreement if Campus Acquisitions breaches the non-solicitation provisions of the merger agreement. In connection with the termination of the merger agreement for such reason, Campus Acquisitions will be required to pay us a termination fee of $12.5 million. In addition, if we breach the merger agreement under specified circumstances, we may be required to forfeit an earnest money deposit of $12.5 million. In addition, both parties may enforce the merger agreement by specific performance, in addition to any other remedy, although under no circumstance may Campus Acquisitions elect to receive the $12.5 million earnest money deposit and also seek damages or any other remedy.

The transaction, which is expected to close during the third quarter of 2012, is subject to certain closing conditions, including, among other things, (a) obtaining certain lender consents, and (b) the accuracy of the other parties representations and warranties and compliance with covenants, subject in each case to materiality standards. The merger agreement contains provisions pursuant to which Campus Acquisitions can defer the closings of the acquisition of any of the three development properties in the portfolio to a date not later than October 15, 2013 if the closing conditions relating to such properties are not satisfied by November 15, 2012. There can be no assurance that any condition to the closing of the transaction will be satisfied or waived, if permitted, or that any event, development or change will not occur. Therefore, there can be no assurance with respect to the timing of the closing of the transaction or whether the transaction will be completed on the currently contemplated terms, other terms or at all. In addition, if specified conditions in favor of ACC are not satisfied with respect to a property, that property will be a non-approved property and we may terminate the acquisition of the non-approved property and the acquisition consideration will be adjusted. If these conditions are not satisfied with respect to either (1) more than three properties or (2) properties with specified values in excess of an aggregate of $80 million (which value will be adjusted if there are any non-approved properties), we may terminate the merger agreement.

The 13 existing properties contain an aggregate of 5,440 beds, which generated total revenue of $43.1 million (including $4.3 million of other income) and total operating expenses of $19.2 million (excluding depreciation and amortization, management fees, and interest expense) for the year ended December 31, 2011.

The existing properties achieved a 99.1% occupancy level for the 2011-2012 school year (as of September 30, 2011), at an average rental rate of $616 per bed. As of June 29, 2012 these properties were 79.2% leased for the upcoming academic year compared to 87.7% leased as of June 29, 2011. We currently intend to invest $12.6 million in capital improvements at the existing properties.

The development properties, which contain an aggregate of 1,139 beds, are located at the University of Southern California, University of Michigan and Purdue University. As of June 29, 2012, the development properties were 98.1% preleased for the upcoming academic year with a rental rate range of $730 to $1,745 per bed and an average rental rate of $1,090 per bed.

The existing properties contain a total of 60,083 square feet of retail space, which generated total revenue of approximately $848,000 for the year ended December 31, 2011. The two development properties will contain an aggregate of 21,053 square feet of retail space. As of June 29, 2012, 14,433 square feet of the retail space in the development properties had signed leases or letters of intent representing approximately $730,000 in annual revenue. In addition, two properties in the portfolio have been granted tax subsidies through 2017 and 2022, which are expected to provide incremental tax savings totaling approximately $750,000 in the first year after the closing of the transaction.

The merger agreement includes various guarantees from the sellers, including, but not limited to, a 2012-2013 academic year revenue guarantee equating to a 93.5% occupancy level for the entire portfolio, up to a maximum amount of $5 million, and a one-year revenue guarantee for the retail component of the development properties of $1.0 million, up to a maximum liability to the sellers of $500,000.

Based on current estimates, we anticipate we will incur one-time transaction expenses of approximately $4.3 million related to the acquisition. In addition, we expect to incur approximately $2.0 million in fees and expenses associated with the assumption of outstanding mortgage debt. As of the date of this prospectus supplement, the mortgage debt to be assumed has a weighted average interest rate of 5.61% and weighted average term to maturity of 5.3 years.

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We caution you not to place undue reliance on these expectations with respect to the previously achieved operating and financial results generated by the portfolio, because our expectations are based solely on data made available to us in the diligence process in connection with the acquisition, together with our expectations with respect to the ultimate occupancy and rental rates achievable for both the student housing and retail components of the portfolio. Actual operating and financial results of the portfolio may differ materially from our expectations due, in part, among other factors, to the inability to convert applications into executed leases or to otherwise execute leases at attractive rates, difficulties in collecting contractual lease payments, property tax assessments or unanticipated property expenses.

We have entered into a commitment letter with KeyBank National Association, an affiliate of one of the underwriters participating in this offering, pursuant to which KeyBank National Association agreed to fund a senior unsecured bridge loan of up to $400 million for our Operating Partnership. The commitment letter is subject to customary conditions for this type of financing, including, but not limited to, (1) the absence of a material adverse change in the business, assets, operations, conditions (financial or otherwise) or prospects of ACC or our Operating Partnership, (2) the negotiation and execution of definitive loan documentation and (3) the absence of defaults under any of our financial obligations. The commitment letter provides that the bridge loan will have the same variable interest rate as that on our Operating Partnership s existing $350 million senior unsecured term loan, which is based, at our option, upon a base rate or one-, two-, three- or six-month LIBOR, plus, in each case, a spread based upon our credit rating from either Moody s Investor Services, Inc. or Standard & Poor s Rating Group. The commitment letter also provides that the covenants of the bridge loan will be the same as those applicable to our existing $350 million senior unsecured term loan and that we will be required to reduce the principal balance of the bridge loan by the amount of net proceeds from any subsequent equity offering, including this offering.

Acquisition of University Commons

On June 27, 2012, we acquired University Commons, a 480-bed off-campus community serving students attending the University of Minnesota, for a purchase price of $31.0 million.

Leasing Update

The following table sets forth 2012/2013 leasing status for our wholly-owned properties as of July 6, 2012:

	Current Year		Prior Year				
	Leases(1)	% of Rentable Beds	Leases(1)	% of Rentable Beds	Rentable Beds(2)	Design Beds	Final Fall 2011 Occupancy(3)
Same Store Wholly-Owned Properties	51,026	90.5%	51,516	92.7%(4)	56,369	56,912	98.2%
New Wholly-Owned Properties(5)	9,013	86.9%	483	76.9%(6)	10,369	10,500	90.4%(6)
Total Wholly-Owned Properties	60,039	90.0%	51,999	92.5%(6)	66,738	67,412	98.1%(6)

(1) As of July 6, 2012 for current year and July 6, 2011 for prior year.
(2) Rentable beds exclude beds needed for on-site staff.
(3) As of September 30, 2011.
(4) Excludes Eagles Trail, a 792-bed property purchased in September 2011, as no prior year leasing data is available for this property.
(5) Includes 11 properties currently under construction that are anticipated to open for occupancy in August 2012. Also includes The Varsity and 26 West, purchased in December 2011, University Heights, purchased from one of the Fidelity joint ventures in January 2012, Avalon Heights, purchased in May 2012, and University Commons, purchased in June 2012. Excludes Studio Green, a 448-bed property purchased in November 2011 that is currently being redeveloped, as well as University Shoppes, a retail shopping center purchased in July 2011 that ACC plans to redevelop into a mixed-use community.
(6) Properties not owned or under our management during the prior year are excluded for purposes of calculating the prior year percentage of rentable beds and final Fall 2011 occupancy.

The Offering

Common stock offered	15,000,000 shares[(1)]
Common stock to be outstanding after this offering	89,732,368 shares[(1)(2)]
Fully diluted common stock to be outstanding after this offering	91,271,001 shares[(1)(2)(3)]
Use of proceeds	We estimate that our net proceeds from this offering without exercise of the underwriters option to purchase additional shares will be approximately $ million after deducting the underwriting discount and estimated offering expenses payable by us. We intend to use the net proceeds to fund the cash consideration payable in the Campus Acquisitions transaction. We intend to use the remaining net proceeds to repay our current debt, including 100% of the outstanding balance of our revolving credit facility, to fund our current development pipeline and potential acquisitions of student housing properties and for general corporate purposes. Affiliates of certain of the underwriters participating in this offering are lenders and/or agents under our revolving credit facility. Such affiliates will receive a pro rata portion of the net proceeds from this offering used to reduce amounts outstanding under our revolving credit facility. See Use of Proceeds.
Risk factors	See Risk Factors beginning on page S-5 of this prospectus supplement, as well as the Risk Factors incorporated by reference from our Annual Report on Form 10-K for the year ended December 31, 2011.
New York Stock Exchange symbol	ACC

(1) Excludes 2,250,000 shares issuable upon the exercise of the underwriters option to purchase additional shares.
(2) Excludes 1,430,239 shares available for future issuance under our 2010 incentive award plan.
(3) Includes the following additional securities convertible or exchangeable into shares of common stock:

- 953,392 common and preferred units of limited partnership interest in our Operating Partnership; and

- 585,241 unvested restricted stock awards granted to employees.

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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 and any subsequently filed periodic reports which are 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, liquidity, results of operations and prospects could be materially and adversely affected, the market price of our common stock could decline and you may lose all or part of your investment.

Risks Related to the Campus Acquisitions Transaction

The market price of our common stock and our earnings per share may decline as a result of the transaction.

The market price of our common stock may decline as a result of, among other things, the transaction if we do not achieve the perceived benefits of the transaction as rapidly or to the extent anticipated by financial or industry analysts or if the effect of the transaction on our financial results is not consistent with the expectations of financial or industry analysts. In addition, the failure to achieve expected benefits and unanticipated costs relating to the transaction could reduce our future financial performance.

The transaction is subject to a number of conditions which, if not satisfied or waived, would adversely impact our ability to complete the transaction, and unexpected delays in the consummation of the transaction could impact our ability to timely achieve benefits associated with the transaction.

The transaction is expected to close during the third quarter of 2012 assuming that all of the conditions in the merger agreement are satisfied or waived. The merger agreement provides that either we or Campus Acquisitions may terminate the merger agreement under certain circumstances, including if the acquisition of certain properties has not occurred by October 31, 2012 (provided that this right will not be available to a party whose failure to fulfill any obligation under the merger agreement materially contributed to the failure of the closing to occur on or before this date). The merger agreement contains provisions pursuant to which Campus Acquisitions can defer the closing of the acquisitions of any of the three development properties to a date not later than October 15, 2013 if the closing conditions relating to such properties are not satisfied by November 15, 2012. The transaction is subject to other closing conditions, including, among other things, (a) obtaining certain lender consents, and (b) the accuracy of the other parties representations and warranties and compliance with covenants, subject in each case to materiality standards. There can be no assurance any condition to the closing of the transaction will be satisfied or waived, if permitted, or that any event, development or change will not occur. Therefore, there can be no assurance with respect to the timing of the closing of the transaction or whether the transaction will be completed on the currently contemplated terms, other terms or at all. In addition, if specified conditions in favor of ACC are not satisfied with respect to a property, that property will be a non-approved property and we may terminate the acquisition of the non-approved property and the acquisition consideration will be adjusted. If these conditions are not satisfied with respect to either (1) more than three properties or (2) properties with specified values in excess of an aggregate of $80 million (which value will be adjusted if there are any non-approved properties), we may terminate the merger agreement.

Failure to complete the transaction could negatively impact our operations and business and financial results.

If the transaction is not completed for any reason, we may be subject to several risks, including, but not limited to, the following:

- the requirement that, under certain circumstances, including if we breach the merger agreement, we may be required to forfeit an earnest money deposit of $12.5 million;

- the incurrence of certain costs relating to the transaction that are payable whether or not the transaction is completed;

- the fact that activities relating to the transaction and related uncertainties may lead to a loss of revenue that we may not be able to regain if the transaction does not occur; and

- the focus of our management being directed toward the transaction and integration planning instead of on our core business and other opportunities that could have been beneficial to us.

If the transaction is not completed, these risks may materially adversely affect our business, financial condition, operating results and cash flows, including our ability to service debt and to make distributions to our stockholders.

If we are unable to successfully integrate the operations of the acquired properties, our business and financial results may be negatively affected.

The transaction will involve the integration of properties that have previously operated independently. Successful integration of these operations will depend primarily on our ability to consolidate operations, systems procedures and properties. This transaction will also pose other risks commonly associated with similar transactions, including unanticipated liabilities, unexpected costs and the diversion of management s attention to the integration of the operations of ACC and the acquired properties. We may not be able to integrate these operations without encountering difficulties including, but not limited to, the disruption of our ongoing businesses or possible inconsistencies in standards, controls, procedures and policies. If we have difficulties with any of these integrations, we might not achieve the economic benefits we expect to result from the transaction, and this may hurt our business and financial results. In addition, we may experience greater-than-expected costs or difficulties relating to the integration of these entities and properties.

Risks Related to this Offering

This offering is expected to be dilutive.

Giving effect to the issuance of common stock in this offering, the receipt of the expected net proceeds and the use of those proceeds, we expect that this offering will have a dilutive effect on our expected earnings per share, funds from operations (or FFO) per share and funds from operations modified (or FFOM) per share for the year ending December 31, 2012. The actual amount of dilution cannot be determined at this time and will be based on numerous factors.

Volatility in capital and credit markets, or other unfavorable changes in economic conditions, could adversely impact us.

The capital and credit markets experienced volatility and disruption, particularly in the latter half of 2008 through the first quarter of 2010. This made it more difficult to borrow money. In the event of renewed market disruption and volatility, we may not be able to obtain new debt financing or refinance our existing debt on favorable terms or at all, which would adversely affect our liquidity, our ability to make distributions to stockholders, acquire and dispose of assets and continue our development pipeline. Unfavorable changes in economic conditions may have a material adverse impact on our cash flows and operating results.

Future sales or issuances of our common stock may cause the market price of our common stock to decline.

The sale of substantial amounts of our common stock, whether directly by us or in the secondary market, the perception that such sales could occur or the availability for future sale of shares of our common stock or securities convertible into or exchangeable or exercisable for our common stock could, in turn, materially and adversely affect the market price of our common stock and our ability to raise capital through future offerings of equity or equity-related securities. In addition, we may issue capital stock or other equity securities senior to our common stock in the future for a number of reasons, including to finance operations and business strategy, to adjust our ratio of debt to equity, to satisfy obligations upon the exchange of units of our Operating Partnership or the exercise of options or for other reasons.

The market price of our common stock may fluctuate significantly.

The market price of our common stock may fluctuate significantly in response to many factors, including:

- actual or anticipated variations in our operating results, FFO, cash flows or liquidity;
- change in our earnings estimates or those of analysts;
- changes in our dividend policy;
- publication of research reports about us, the student housing industry or the real estate industry generally;
- increases in market interest rates that lead purchasers of our common stock to demand a higher dividend yield;
- changes in market valuations of similar companies;
- adverse market reaction to the amount of our outstanding debt at any time, the amount of our maturing debt in the near and medium term and our ability to refinance such debt and the terms thereof or our plans to incur additional debt in the future;
- additions or departures of key management personnel;
- actions by institutional stockholders;
- general market and economic conditions;
- continuing high volatility in the capital and credit markets;
- speculation in the press or investment community; and
- the realization of any of the other risk factors included in, or incorporated by reference to, this prospectus supplement and the accompanying prospectus.

Many of the factors listed above are beyond our control. Those factors may cause the market price of our common stock to decline, regardless of our financial performance and condition and prospects. It is impossible to provide any assurance that the market price of our common stock will not fall in the future, and it may be difficult for holders to resell shares of our common stock at prices they find attractive, or at all.

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USE OF PROCEEDS

We estimate we will receive gross proceeds from this offering of approximately $ million (or approximately $ million if the underwriters option to purchase additional shares is exercised in full). After deducting the underwriting discount and the estimated expenses of this offering payable by us, we expect net proceeds from this offering of approximately $ million (or approximately $ million if the underwriters option to purchase additional shares is exercised in full).

We intend to use the net proceeds to fund the cash consideration payable in the Campus Acquisitions transaction. We intend to use the remaining net proceeds to repay our current debt, including 100% of the outstanding balance of our revolving credit facility, to fund our current development pipeline and potential acquisitions of student housing properties and for general corporate purposes.

Our revolving credit facility bears interest at a variable rate, at our option, based upon a base rate or one-, two-, three- or six-month LIBOR, plus, in each case, a spread based upon our credit rating from either Moody s Investor Services, Inc. or Standard & Poor s Rating Group. As of July 6, 2012, the balance outstanding on our revolving credit facility totaled $251 million and bore interest at a weighted average rate of 1.70% per annum. This facility will mature in January 2016 and can be extended for one year at our option (assuming no defaults thereunder).

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

An affiliate of KeyBanc Capital Markets Inc., one of the underwriters participating in this offering, is acting as lender, administrative agent, swing line bank and lead arranger under our revolving credit facility. An affiliate of Merrill Lynch, Pierce, Fenner & Smith Incorporated, one of the underwriters participating in this offering, is acting as lender and co-documentation agent under our revolving credit facility. Affiliates of certain of the other underwriters participating in this offering are also lenders under our revolving credit facility. Such affiliates will receive a pro rata portion of the net proceeds from this offering used to reduce amounts outstanding under our revolving credit facility. See Underwriting Other Relationships.

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UNDERWRITING

Merrill Lynch, Pierce, Fenner & Smith Incorporated, KeyBanc Capital Markets Inc., Deutsche Bank Securities Inc. and J.P. Morgan Securities LLC are acting as joint book-running managers and as representatives of each of the underwriters named below. Subject to the terms and conditions set forth in an underwriting agreement among us and the underwriters, we have agreed to sell to the underwriters, and each of the underwriters has agreed, severally and not jointly, to purchase from us, the number of shares of common stock listed opposite its name below.

Underwriter	Number of Shares
Merrill Lynch, Pierce, Fenner & Smith Incorporated	
KeyBanc Capital Markets Inc.	
Deutsche Bank Securities Inc.	
J.P. Morgan Securities LLC	
Total	

Subject to the terms and conditions set forth in the underwriting agreement, the underwriters have agreed, severally and not jointly, to purchase all of the shares of common stock sold under the underwriting agreement if any of those shares of common stock are purchased, other than those shares of common stock covered by the underwriters option to purchase additional shares described below. If an underwriter defaults, the underwriting agreement provides that the purchase commitments of the nondefaulting underwriters may be increased or the underwriting agreement may be terminated.

We have agreed to indemnify the underwriters against certain liabilities, including liabilities under the Securities Act of 1933, or to contribute to payments the underwriters may be required to make in respect of those liabilities.

The underwriters are offering the shares of common stock, subject to prior sale, when, as and if issued to and accepted by them, subject to approval of legal matters by their counsel, including the validity of the shares of common stock, and other conditions contained in the underwriting agreement, such as the receipt by the underwriters of officers certificates and legal opinions. The underwriters reserve the right to withdraw, cancel or modify offers to the public and to reject orders in whole or in part.

Commissions and Discounts

The representatives of the underwriters have advised us that the underwriters propose initially to offer the shares of common stock to the public at the public offering price set forth on the cover page of this prospectus supplement and to dealers at that price less a concession not in excess of $ per share. The underwriters may allow, and the dealers may reallow, a discount not in excess of $ per share to other dealers. After the initial public offering, the public offering price and other selling terms may be changed.

The following table shows the public offering price, underwriting discount and proceeds before expenses to us. The information assumes either no exercise or full exercise by the underwriters of their option to purchase additional shares described below.

	Per Share	Without Option	With Option
Public offering price	$	$	$
Underwriting discount	$	$	$
Proceeds, before expenses, to ACC	$	$	$

The expenses of the offering, not including the underwriting discount, are estimated at $850,000 and are payable by us.

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Option to Purchase Additional Shares

We have granted an option to the underwriters to purchase up to 2,250,000 additional shares of common stock at the public offering price appearing on the cover page of this prospectus supplement, less the underwriting discount. The underwriters may exercise this option for 30 days from the date of this prospectus supplement. If the underwriters exercise this option, each underwriter will be obligated, subject to conditions contained in the underwriting agreement, to purchase a number of additional shares of common stock approximately proportionate to that underwriter s initial amount reflected in the above table.

No Sales of Similar Securities

We and our executive officers and directors have agreed, subject to certain exceptions, not to offer, sell, contract to sell, pledge or otherwise dispose of, directly or indirectly, any shares of our common stock or securities convertible into or exchangeable or exercisable for any shares of our common stock, including, without limitation, operating partnership units, enter into a transaction that would have the same effect, or enter into any swap, hedge or other arrangement that transfers, in whole or in part, any of the economic consequences of ownership of our common stock, whether any of these transactions are to be settled by delivery of our common stock or other securities, in cash or otherwise, or publicly disclose the intention to make any offer, sale, pledge or disposition, or to enter into any transaction, swap, hedge or other arrangement, without, in each case, the prior written consent of the representatives, for the period from the date of this prospectus supplement through and including the 45th day thereafter. In addition, during this period, our executive officers and directors have agreed not to make any demand for, or exercise any right with respect to, the registration of our common stock or any securities convertible into or exercisable or exchangeable for our common stock, and we have agreed, subject to certain exceptions, not to file any registration statement relating to our common stock or securities convertible into or exercisable or exchangeable for our common stock, including, without limitation, operating partnership units, without the prior written consent of the representatives.

The representatives in their joint discretion may release any of the securities subject to lock-up agreements at any time without notice.

New York Stock Exchange Listing

Our shares of common stock are listed on the New York Stock Exchange under the symbol ACC.

Price Stabilization and Short Positions

Until the distribution of our shares of common stock is completed, SEC rules may limit the underwriters from bidding for and purchasing our common stock. However, the representatives may engage in transactions that stabilize the price of our common stock, such as bids or purchases to peg, fix or maintain that price.

In connection with this offering, the underwriters may purchase and sell our common stock in the open market. These transactions may include short sales, purchases on the open market to cover positions created by short sales and stabilizing transactions. Short sales involve the sale by the underwriters of a greater number of shares than they are required to purchase in this offering. Covered short sales are sales made in an amount not greater than the underwriters option to purchase additional shares in this offering. The underwriters may close out any covered short position by either exercising their option to purchase additional shares or purchasing shares in the open market. In determining the source of shares to close out the covered short position, the underwriters will consider, among other things, the price of shares available for purchase in the open market as compared to the price at which they may purchase shares through the underwriters option to purchase additional shares. Naked short sales are sales in excess of such option. The underwriters must close out any naked short position by purchasing shares in the open market. A naked short position is more likely to be created if the underwriters are concerned that there may be downward pressure on the price of our common stock in the open market after pricing that could adversely affect investors who purchase in this offering. Stabilizing transactions cons