

APARTMENT INVESTMENT & MANAGEMENT CO
Form 10-K405
March 30, 2001

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UNITED STATES SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

Form 10-K

**[X] ANNUAL REPORT PURSUANT TO SECTION 13 OR 15 OF THE
SECURITIES EXCHANGE ACT OF 1934**

For the fiscal year ended December 31, 2000

OR

**[] TRANSITION REPORT PURSUANT TO SECTION 13 OR 15 OF THE
SECURITIES EXCHANGE ACT OF 1934**

For the transition period from to

Commission File Number 1-13232

Apartment Investment and Management Company

(Exact name of registrant as specified in its charter)

Maryland

(State or other jurisdiction of
incorporation or organization)

84-1259577

(I.R.S. Employer
Identification No.)

**2000 South Colorado Boulevard, Tower Two,
Suite 2-1000
Denver, CO**

(Address of principal executive offices) **80222-7900**
(Zip Code)

Registrant's Telephone Number, Including Area Code: **(303) 757-8101**

Securities Registered Pursuant to Section 12(b) of the Act:

Title of Each Class	Name of Each Exchange on Which Registered
Class A Common Stock	New York Stock Exchange
Class C Cumulative Preferred Stock	New York Stock Exchange
Class D Cumulative Preferred Stock	New York Stock Exchange
Class G Cumulative Preferred Stock	New York Stock Exchange
Class H Cumulative Preferred Stock	New York Stock Exchange
Class K Convertible Cumulative Preferred Stock	New York Stock Exchange
Class P Convertible Cumulative Preferred Stock	New York Stock Exchange
Class Q Cumulative Preferred Stock	New York Stock Exchange

Securities Registered Pursuant to Section 12(g) of the Act: **none**

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes [X] No []

Indicate by check mark if disclosure of delinquent filers pursuant to Item 405 of Regulation S-K is not contained herein, and will not be contained, to the best of registrant's knowledge, in definitive proxy or information statements incorporated by reference in Part III of this Form 10-K or any amendment to this Form 10-K. [X]

As of March 8, 2001, there were 71,521,685 shares of Class A Common Stock outstanding. The aggregate market value of the voting and non-voting common stock held by non-affiliates of the registrant, was approximately \$3,099.0 million as of March 8, 2001.

Documents Incorporated by Reference

Portions of the proxy statement for the registrant's 2001 annual meeting of stockholders are incorporated by reference into Part III of this Annual Report.

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PART I

ITEM 1. *Business*

Apartment Investment and Management Company, a Maryland corporation, incorporated on January 10, 1994 (AIMCO and, together with its consolidated subsidiaries and other controlled entities, the Company), is a self-administered and self-managed real estate investment trust (REIT) engaged in the ownership, acquisition, redevelopment, expansion and management of multi-family apartment properties. As of December 31, 2000, AIMCO owned or managed 326,289 apartment units in 1,720 properties located in 47 states, the District of Columbia and Puerto Rico. Based on apartment unit data compiled by the National Multi Housing Council, the Company believes that, as of December 31, 2000, it was the largest owner and manager of multi-family apartment properties in the United States.

As of December 31, 2000, AIMCO:

owned or controlled (consolidated) 153,872 units in 566 apartment properties;

held an equity interest in (unconsolidated) 111,748 units in 683 apartment properties; and

managed 60,669 units in 471 apartment properties for third party owners and affiliates.

AIMCO conducts substantially all of its operations through its operating partnership, AIMCO Properties, L.P., (the AIMCO Operating Partnership). Through a wholly-owned subsidiary, AIMCO acts as the sole general partner of the AIMCO Operating Partnership, and as of December 31, 2000, owned an approximate 91% interest in the AIMCO Operating Partnership. AIMCO manages apartment properties for third parties and affiliates through unconsolidated subsidiaries that are referred to as the management companies. Interests in the AIMCO Operating Partnership that are held by third parties are referred to as OP Units.

The Company's principal executive offices are located at 2000 South Colorado Blvd., Tower Two, Suite 2-1000, Denver, Colorado 80222-7900 and its telephone number is (303) 757-8101.

2000 Developments

Individual Property Acquisitions

The Company directly acquired 12 apartment properties in separate transactions during 2000. The aggregate consideration paid by the Company of \$136.5 million consisted of \$42.7 million in cash, \$26.4 million in preferred OP Units, \$6.8 million in common OP Units and the assumption of \$60.6 million of secured long-term indebtedness. As part of these acquisitions, the Company has also determined to undertake \$4.8 million of initial capital enhancements related to these properties.

Acquisition of Oxford Properties

On September 20, 2000, AIMCO completed the purchase of all the stock and other interests (not already owned by AIMCO) held by the principals, officers and directors of Oxford Realty Financial Group, Inc. (ORFG) in Oxford

entities, including ORFG, which own interests in and control the Oxford properties for \$266 million in cash and \$62 million in common OP Units valued at \$45 per unit. In addition to the cash and securities, AIMCO assumed liabilities and incurred transaction costs of \$861 million, resulting in a total purchase price of \$1,189 million. The Oxford properties are 167 apartment communities including 36,949 units, located in 18 states. AIMCO, through an affiliate, previously managed 165 of the 167 Oxford properties pursuant to long-term contracts and was previously a stockholder in certain of the entities. In addition to the Oxford properties, AIMCO acquired the entity that owns the managing general partner of Oxford Tax Exempt Fund II Limited Partnership (OTEF) and acquired approximately a 40% interest in the non-managing general partner of OTEF. The AIMCO Operating Partnership, together with NHP Management Company and AIMCO/Bethesda Holdings, Inc., borrowed \$279 million to pay the cash portion of the purchase price for the Oxford acquisition from Bank of America, N.A., Lehman Commercial Paper Inc., and several other lenders, pursuant to a term loan with a total availability of \$302 million.

Tender Offers

During 2000, the Company acquired limited partnership interests in various partnerships in which affiliates of

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the Company served as general partner. The Company paid approximately \$195 million in cash and OP Units to acquire these limited partnership interests.

Property Dispositions

In 2000, the Company sold 64 apartment properties, 11 commercial properties and 4 land parcels for an aggregate sales price of approximately \$573.5 million. Net cash proceeds to the Company from the sales of \$154.5 million were used to repay a portion of the Company's outstanding short-term indebtedness and for other corporate purposes. The results of operations of 47 of these properties were accounted for by the Company under the equity method.

Debt Assumptions and Financings

In August 1999, the Company closed a \$300 million revolving credit facility arranged by Bank of America, N.A., Fleet National Bank (successor to BankBoston, N.A.) and First Union National Bank with a syndicate comprised of a total of nine lender participants. Effective March 15, 2000 the credit facility was expanded by \$45 million with the potential to expand it by another \$55 million to a total of \$400 million. Of the \$55 million potential expansion, \$5 million was expanded on April 14, 2000 bringing the total availability to \$350 million. In September 2000, the credit facility was amended and restated. The obligations under the credit facility are secured by a first priority pledge of certain non-real estate assets of the Company and a second priority pledge of the stock ownership of the AIMCO Operating Partnership, NHP Management Company, AIMCO/Bethesda Holdings, Inc., AIMCO Holdings, L.P., in certain subsidiaries of AIMCO and certain options to purchase Beneficial Assignee Interests (BACs) in OTEF. Borrowings under the credit facility, including the \$50 million expansion, are available for general corporate purposes. The credit facility matures in July 2002 and can be extended twice at AIMCO's option, for a term of one year. The annual interest rate under the new credit facility is based on either LIBOR or a base rate, which is the higher of Bank of America's reference rate or 0.50% over the federal funds rate, plus, in either case, an applicable margin. The margin ranges between 2.05% and 2.55%, in the case of LIBOR-based loans, and between 0.55% and 1.05%, in the case of base rate loans, based upon a fixed charge coverage ratio. The weighted average interest rate at December 31, 2000 was 9.16%. The amount available under the credit facility at December 31, 2000 was \$95.3 million, less \$1.2 million for outstanding letters of credit.

The AIMCO Operating Partnership borrowed \$279 million to pay the cash portion of the purchase price for AIMCO's acquisition of all the stock and other interests (not already owned by AIMCO) held by the principals, officers and directors of ORFG from Bank of America, N.A., Lehman Commercial Paper Inc. and several other lenders pursuant to a term loan with a total availability of \$302 million. Transaction costs (including advisory fees) incurred on the term loan were \$9.4 million. The borrowers under the term loan are the AIMCO Operating Partnership, NHP Management Company and AIMCO/Bethesda Holdings, Inc., and all obligations thereunder are guaranteed by AIMCO and certain of its subsidiaries. The obligations under the term loan are secured by a first priority pledge of the stock ownership of the AIMCO Operating Partnership, NHP Management Company, AIMCO/Bethesda Holdings, Inc., and AIMCO Holdings, L.P. in certain subsidiaries of AIMCO and certain options to purchase Beneficial Assignee Interests (BACs) in OTEF and a second priority pledge of certain non-real estate assets of the Company. The annual interest rate under the term loan is based either on LIBOR or a base rate which is the higher of Bank of America, N.A.'s reference rate or 0.5% over the federal funds rate, plus, in either case, an applicable margin. The margin ranges between 4.0% and 5.0% in the case of LIBOR-based loans, and between 1.0% and 2.0% in the case of base rate loans, based upon the number of months the loan is outstanding. The term loan expires in July 2002. The financial covenants contained in the term loan require the AIMCO Operating Partnership to maintain a ratio of debt to gross asset value of no more than 0.55 to 1.0, and an interest coverage ratio of 2.25 to 1.0, and a fixed charge coverage ratio of at least 1.50 to 1.0. In addition, the term loan limits AIMCO from distributing more than 80% of its Funds From Operations (as defined) (or such amounts as may be necessary for AIMCO to maintain its status as a REIT). The term loan imposes minimum net worth requirements and provides other financial covenants related to certain of AIMCO's assets and obligations. The total amount outstanding under the term loan at December 31, 2000 was \$137 million, of which \$74 million is classified as secured short-term financing of the Company, and the remainder is a liability of unconsolidated subsidiaries and, therefore, is included in investment in unconsolidated subsidiaries. Effective January 1, 2001, in connection with the REIT Modernization Act, the remaining liability of \$63 million will be consolidated.

During the year ended December 31, 2000, the Company issued \$636.0 million of long-term fixed rate, fully amortizing non-recourse mortgage notes payable with a weighted average interest rate of 7.5%. Each of the notes is individually secured by one of 107 properties with no cross-collateralization. The net proceeds after transaction costs of \$625.5 million were used to repay existing debt. During the year ended December 31, 2000, the Company also assumed \$60.6 million of long-term, fixed-rate, fully amortizing notes payables with a weighted average

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interest rate of 7.5% in connection with the acquisition of properties. Each of the notes is individually secured by one of 12 properties with no cross-collateralization.

Equity Offerings

In 2000, the Company issued \$230.0 million of preferred stock in three direct placements yielding \$227 million of net proceeds. These transactions are summarized below:

Transaction	Type	Date	Number of Shares	Total Proceeds in Millions	Dividend or Distribution Rate
Class M Convertible Cumulative Preferred Stock of AIMCO	Direct	Jan. 2000	1,200,000	\$ 30.0	(1)

Class N Convertible Cumulative
Preferred Stock of AIMCO Direct Sept.
2000 4,000,000 100.0 (2) Class O
Cumulative Convertible Preferred Stock
of AIMCO Direct Sept.
2000 1,904,762 100.0 (3)

GROSS PROCEEDS IN 2000 \$230.0

(1) For the period beginning January 13, 2000 through and including January 13, 2003, the holder of the Class M Preferred Stock is entitled to receive, when and as declared by the Board of Directors, annual cash dividends in an amount per share equal to the greater of (i) \$2.125 per year (equivalent to 8.5% of the \$25.00 liquidation preference), or (ii) the cash dividends payable on the number of shares of Class A Common Stock (or a portion thereof) into which a share of Class M Preferred Stock is convertible. Beginning with the third anniversary of the date of original issuance, the holder of Class M Preferred Stock is entitled to receive an amount per share equal to the greater of (i) \$2.3125 per year (equivalent to 9.25% of the \$25.00 liquidation preference), or (ii) the cash dividends payable on the number of shares of Class A Common Stock into which a share of Class M Preferred Stock is convertible. The 1.2 million shares of Class M Convertible Cumulative Preferred Stock outstanding are convertible into approximately 0.7 million shares of Class A Common Stock.

(2) Dividends on the Class N Preferred Stock are paid in an amount per share equal to the greater of (i) \$2.25 per year (equivalent to 9% per annum of the \$25.00 liquidation preference), subject to increase in the event of a change in control of AIMCO or (ii) the cash dividends payable on the number of shares of Class A Common Stock (or a portion thereof) into

which a share
of Class N
Preferred
Stock is
convertible.
Dividends are
paid on the
Class N
Preferred
Stock
quarterly,
beginning on
October 1,
2000 (the
initial dividend
paid on the
Class N
Preferred
Stock was
\$0.10 per
share). The
4.0 million
shares of
Class N
Convertible
Cumulative
Preferred
Stock
outstanding
are convertible
into
approximately
1.9 million
shares of Class
A Common
Stock.(3) Dividends
on the Class O
Preferred
Stock are paid
in an amount
per share equal
to the greater
of (i) \$4.725
per year
(equivalent to
9% per annum
of the \$52.50
liquidation
preference),
subject to
increase in the

event of a change in control of AIMCO or (ii) the cash dividends payable on the number of shares of Class A Common Stock (or a portion thereof) into which a share of Class O Preferred Stock is convertible. Dividends are paid on the Class O Preferred Stock quarterly, beginning on October 1, 2000 (the initial dividend paid on the Class O Preferred Stock was \$0.21 per share). The 1.9 million shares of Class O Cumulative Convertible Preferred Stock outstanding are convertible into approximately 1.9 million shares of Class A Common Stock.

Pending Acquisitions and Dispositions

In the ordinary course of business, the Company engages in discussions and negotiations regarding the acquisition of apartment properties (including interests in entities that own apartment properties). The Company frequently enters into contracts and non-binding letters of intent with respect to the purchase of properties. These contracts are typically subject to certain conditions and permit the Company to terminate the contract in its sole and absolute discretion if it is not satisfied with the results of its due diligence investigation of the properties. The Company believes that such contracts essentially result in the creation of an option on the subject properties and give the Company greater flexibility in seeking to acquire properties.

The Company is currently marketing for sale certain real estate properties in order to sell properties in the portfolio that are inconsistent with the Company's long-term investment strategies (as determined by management from time to time). The Company does not expect to incur any material losses with respect to the sales of the properties.

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OTEF Merger

On November 29, 2000, AIMCO and OTEF entered into a merger agreement pursuant to which OTEF would merge with a subsidiary of the AIMCO Operating Partnership. The merger closed on March 26, 2001. The AIMCO Operating Partnership owns all of the outstanding BACs in OTEF. In connection with the Oxford acquisition, AIMCO acquired interests in OTEF's managing general partner and OTEF's associate general partner. After the merger, the Company's partnership interests in OTEF reflects a 1% general partner interest held by OTEF's managing general partner and a 99% limited partner interest held by the AIMCO Operating Partnership. OTEF was a publicly traded master limited partnership that invested primarily in tax-exempt bonds issued to finance high quality apartment and senior living/health care communities, the majority of which are owned by affiliates of OTEF, including Oxford entities.

In the merger, each BAC was converted into the right to receive 0.299 shares of AIMCO's Class A Common Stock and 0.547 shares of AIMCO's Class P Convertible Cumulative Preferred Stock (the "Class P Preferred Stock"). In addition, the BAC holders received a special distribution of \$50 million or \$6.21 per BAC. The holders of the Class P Preferred Stock are entitled to receive, when and as declared by the Board of Directors, cash dividends in an amount per share equal to the greater of (i) a quarterly dividend payment of \$0.5625 or (ii) the cash dividends declared on the number of shares of Class A Common Stock into which a share of Class P Preferred Stock is convertible. Each share of Class P Preferred Stock is convertible at the option of the holder into 0.4464 shares of Class A Common Stock. The initial conversion ratio was in excess of the fair market value of the common stock on the commitment date. The Class P Preferred Stock is senior to the Class A Common Stock as to dividends and liquidation. Upon liquidation, dissolution, or winding up of AIMCO, before payment or distribution by AIMCO shall be made to any holders of the Class A Common Stock, the holders of the Class P Preferred Stock are entitled to receive a liquidation preference of \$25 per share, plus accumulated, accrued and unpaid dividends. The Company filed a Registration Statement on Form S-4 with the Securities and Exchange Commission that was declared effective on February 23, 2001.

Financial Information About Industry Segments

The Company operates in one industry segment, the ownership, operation and management of a diversified portfolio of apartment properties. See the consolidated financial statements and notes thereto included elsewhere in this Annual Report on Form 10-K for financial information relating to the Company. See Footnote 22 for discussion of sources of revenues from the various components of the Company's operations.

Operating and Financial Strategies

The Company strives to meet its objective of providing long-term, predictable Funds From Operations (FFO) per share of Class A Common Stock, less an allowance for capital replacements of \$300 per apartment unit, by implementing its operating and financing strategies which include the following:

Acquisition of Properties at Less Than Replacement Cost. AIMCO attempts to acquire properties at a significant discount to their replacement cost.

Geographic Diversification. AIMCO operates in 47 states, the District of Columbia and Puerto Rico. This geographic diversification insulates the Company, to some degree, from inevitable downturns in any one market. AIMCO's net income before depreciation and interest expense is earned in more than 164 local markets. In 2000, the largest single market (Washington D.C. Metro area) contributed 8.3% to net income before depreciation and interest expense, and the five largest markets contributed 30.9%.

Market Growth. The Company seeks to operate in markets where population and employment growth are expected to exceed the national average and where it believes it can become a regionally significant owner or manager of properties.

Product Diversification. The Company's portfolio of apartment properties spans a wide range of apartment community types, both within and among markets, including garden and high-rise apartments, as well as corporate and student housing.

Capital Replacement. AIMCO believes that the physical condition and amenities of its apartment communities are important factors in its ability to maintain and increase rental rates. The Company allocates approximately \$300 annually per owned apartment unit for capital replacements, and reserves unexpended amounts for future capital replacements.

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Debt Financing. AIMCO's strategy is generally to incur debt to increase its return on equity while maintaining acceptable interest coverage ratios. AIMCO seeks to maintain a ratio of free cash flow to combined interest expense and preferred stock dividends of between 2:1 and 3:1 and to match debt maturities to the character of the assets financed. For the year ended December 31, 2000, the Company was within these targets. The Company uses predominantly long-term, fixed-rate and self-amortizing non-recourse debt in order to avoid the refunding or repricing risks of short-term borrowings. The Company uses short-term debt financing to fund acquisitions and generally expects to refinance such borrowings with proceeds from equity offerings or long-term debt financings. As of December 31, 2000, approximately 8% of AIMCO's outstanding debt was short-term debt and 92% was long-term debt.

Dispositions. While the Company holds all its properties for investment, the Company sells properties when they do not meet its return on investment criteria or are located in areas where AIMCO does not believe that the long-term values justify the continued investment in the properties.

Dividend Policy. AIMCO pays dividends on its Class A Common Stock to distribute a significant portion of its profitability to its stockholders. The Company distributed 59.9%, 61.3% and 65.8% of FFO to holders of Class A Common Stock for the years ended December 31, 2000, 1999 and 1998, respectively. It is the present policy of the Board of Directors to increase the dividend annually in an amount equal to one-half of the projected increase in FFO, adjusted for capital replacements, subject to minimum distribution requirements to

maintain its REIT status.

Growth Strategies

The Company seeks growth through two primary sources internal expansion and acquisitions.

Internal Growth Strategies

The Company pursues internal growth primarily through the following strategies:

Revenue Increases. The Company increases rents where feasible and seeks to improve occupancy rates.

Controlling Expenses. Cost reductions are accomplished by local focus on the regional operating center level and by exploiting economies of scale. As a result of the size of its portfolio and its creation of regional concentrations of properties, the Company has the ability to leverage fixed costs for general and administrative expenditures and certain operating functions, such as insurance, information technology and training, over a large property base.

Redevelopment of Properties. The Company believes redevelopment of selected properties in superior locations provides advantages over development of new properties. AIMCO believes that redevelopment generally allows the Company to maintain rents comparable to new properties and, compared to development of new properties, can be accomplished with relatively lower financial risk, in less time and with reduced delays due to governmental regulation.

Expansion of Properties. The Company believes that expansion within or adjacent to properties already owned or managed by the Company also provides growth opportunities at lower risk than new development. Such expansion can offer cost advantages to the extent common area amenities and on-site management personnel can service the property expansions. AIMCO's current policy is to limit redevelopments and expansions to approximately 10% of total equity market capitalization.

Ancillary Services. The Company believes that its ownership and management of properties provides it with unique access to a customer base that allows it to provide additional services and thereby increase occupancy, increase rents and generate incremental revenue. The Company currently provides cable television, telephone services, appliance rental, and carport, garage and storage space rental at certain properties.

Acquisition Strategies

The Company believes its acquisition strategies will increase profitability and predictability of earnings by increasing its geographic diversification, economies of scale and opportunities to provide ancillary services to tenants at its properties. Since AIMCO's initial public offering in July 1994, the Company has completed numerous acquisition and management transactions, expanding its portfolio of owned or managed properties from 132 apartment properties with 29,343 units to 1,720 apartment properties with 326,289 units as of December 31, 2000.

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The Company acquires additional properties primarily in three ways:

Direct Acquisitions. AIMCO may directly, including through mergers and other business combinations, acquire individual properties or portfolios of properties and controlling interests in entities that own or control such properties or portfolios. To date, a significant portion of AIMCO's growth has resulted from the

acquisition of other companies that owned or controlled properties.

Acquisition of Managed Properties. AIMCO's property management operations have contributed to its acquisition activities. Since AIMCO's initial public offering, the Company has acquired from its managed portfolio 16 properties comprising 5,697 units for total consideration of \$189.9 million. In addition, the Company acquired interests in 167 Oxford properties comprising 36,949 units for a total purchase price of \$1,189 million.

Increasing its Interest in Partnerships. For properties where AIMCO owns a general partnership interest in the property-owning partnership, the Company may seek to acquire, subject to its fiduciary duties, the interests in the partnership held by third parties for cash or, in some cases, in exchange for OP Units. AIMCO has completed approximately 1,800 tender offers with respect to various partnerships and has purchased additional interests in such partnerships for cash and for OP Units.

Property Management Strategies

AIMCO seeks to improve the operating results from its property management business by, among other methods, combining centralized financial control and uniform operating procedures with localized property management decision-making and market knowledge. Currently, AIMCO's management operations are organized into 25 regional operating centers. Each of the regional operating centers is supervised by a Regional Vice-President.

Taxation of the Company

The Company has elected to be taxed as a REIT under the Internal Revenue Code of 1986, as amended, commencing with its taxable year ended December 31, 1994, and the Company intends to continue to operate in such a manner. The Company's current and continuing qualification as a REIT depends on its ability to meet the various requirements imposed by the Internal Revenue Code, through actual operating results, distribution levels and diversity of stock ownership.

If the Company qualifies for taxation as a REIT, it will generally not be subject to U.S. federal corporate income tax on its net income that is currently distributed to stockholders. This treatment substantially eliminates the "double taxation" (at the corporate and stockholder levels) that generally results from investment in a corporation. If the Company fails to qualify as a REIT in any taxable year, its taxable income will be subject to U.S. federal income tax at regular corporate rates (including any applicable alternative minimum tax). Even if the Company qualifies as a REIT, it may be subject to certain state and local income taxes and to U.S. federal income and excise taxes on its undistributed income.

If in any taxable year the Company fails to qualify as a REIT and incurs additional tax liability, the Company may need to borrow funds or liquidate certain investments in order to pay the applicable tax and the Company would not be compelled to make distributions under the Internal Revenue Code. Unless entitled to relief under certain statutory provisions, the Company would also be disqualified from treatment as a REIT for the four taxable years following the year during which qualification is lost. Although the Company currently intends to operate in a manner designed to qualify as a REIT, it is possible that future economic, market, legal, tax or other considerations may cause the Company to fail to qualify as a REIT or may cause the Board of Directors to revoke the REIT election.

The Company and its stockholders may be subject to state or local taxation in various state or local jurisdictions, including those in which it or they transact business or reside. The state and local tax treatment of the Company and its stockholders may not conform to the U.S. federal income tax treatment.

Competition

There are numerous housing alternatives that compete with the Company's properties in attracting residents. The Company's properties compete directly with other multi-family rental apartments and single family homes that are available for rent or purchase in the markets in which the Company's properties are located. The Company's

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properties also compete for residents with new and existing condominiums. The number of competitive properties in a particular area could have a material effect on the Company's ability to lease apartment units at its properties and on the rents charged. The Company competes with numerous real estate companies in acquiring, developing and managing multi-family apartment properties and seeking tenants to occupy its properties. In addition, the Company competes with numerous property management companies in the markets where the properties managed by the Company are located.

Regulation

General

Multi-family apartment properties are subject to various laws, ordinances and regulations, including regulations relating to recreational facilities such as swimming pools, activity centers and other common areas. Changes in laws increasing the potential liability for environmental conditions existing on properties or increasing the restrictions on discharges or other conditions, as well as changes in laws affecting development, construction and safety requirements, may result in significant unanticipated expenditures, which would adversely affect the Company's cash flows from operating activities. In addition, future enactment of rent control or rent stabilization laws or other laws regulating multi-family housing may reduce rental revenue or increase operating costs in particular markets.

Laws Benefiting Disabled Persons

Under the Americans with Disabilities Act of 1990, all places of public accommodation are required to meet certain Federal requirements related to access and use by disabled persons. These requirements became effective in 1992. A number of additional Federal, state and local laws may also require modifications to the Company's properties, or restrict certain further renovations of the properties, with respect to access thereto by disabled persons. For example, the Fair Housing Amendments Act of 1988 requires apartment properties first occupied after March 13, 1990 to be accessible to the handicapped. Noncompliance with these laws could result in the imposition of fines or an award of damages to private litigants and also could result in an order to correct any non-complying feature, which could result in substantial capital expenditures. Although the Company believes that its properties are substantially in compliance with present requirements, it may incur unanticipated expenses to comply with these laws.

Regulation of Affordable Housing

As of December 31, 2000, the Company owned or controlled 59 properties that benefit from governmental programs intended to provide housing to people with low or moderate incomes. AIMCO also held an equity interest in 428 properties with a combined average ownership percentage of 28% and managed for third parties and affiliates 298 properties that benefit similarly. These programs, which are usually administered by the United States Department of Housing and Urban Development (HUD) or state housing finance agencies, typically provide mortgage insurance, favorable financing terms or rental assistance payments to the property owners. As a condition to the receipt of assistance under these programs, the properties must comply with various requirements, which typically limit rents to pre-approved amounts. If permitted rents on a property are insufficient to cover costs, a sale of the property may

become necessary, which could result in a loss of management fee revenue. The Company must obtain the approval of HUD in order to manage, or acquire a significant interest in, a HUD-assisted or HUD-insured property. This approval process is commonly referred to as 2530 Clearance.

Environmental

Various Federal, state and local laws subject property owners or operators to liability for the costs of removal or remediation of certain hazardous substances present on a property. Such laws often impose liability without regard to whether the owner or operator knew of, or was responsible for, the release of the hazardous substances. The presence of, or the failure to properly remediate hazardous substances may adversely affect occupancy at contaminated apartment communities and the ability to sell or borrow against contaminated properties. In addition to the costs associated with investigation and remediation actions brought by governmental agencies, the presence of hazardous wastes on a property could result in personal injury or similar claims by private plaintiffs. Various laws also impose liability for the cost of removal or remediation of hazardous substances at a disposal or treatment facility. Anyone who arranges for the disposal or treatment of hazardous or toxic substances is potentially liable under such laws. These laws often impose liability whether or not the person arranging for the disposal ever owned or operated the disposal facility. In connection with the ownership, operation and management of our properties, the Company could potentially be liable for environmental liabilities or costs associated with its properties or properties it may acquire or manage in the future.

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Insurance

Management believes that the Company's properties are covered by adequate fire, earthquake, hurricane, flood and property insurance provided by reputable companies and with commercially reasonable deductibles and limits.

Employees

The Company has a staff of employees performing various acquisition, redevelopment and management functions. The Company, through the AIMCO Operating Partnership and the management companies, has approximately 9,500 employees, most of whom are employed at the property level. Certain of its employees are represented by unions. The Company has never experienced a work stoppage. The Company believes it maintains satisfactory relations with its employees.

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ITEM 2. Properties

The Company's properties are located in 47 states, Puerto Rico and the District of Columbia. The properties are managed by four Division Vice-Presidents controlling 25 regional operating centers. The following table sets forth information for the regional operating centers as of December 31, 2000:

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Regional Operating Center	Division	Number of Properties	Number of Units
Chicago, IL	Far West	62	12,414
Denver, CO Far West 7812,528 Kansas City, MO Far West 7611,255 Los Angeles, CA Far West 9815,623 Lansing, MI Far West 418,851 Phoenix, AZ Far West 5813,942			
41374,613			
Allentown, PA East 9212,283 Columbia, SC East 7614,590 Greenville, SC East 9513,319 Philadelphia, PA East 4012,734 Rockville I, MD East 3912,761 Rockville II, MD East 538,838 Tarrytown, NY East 589,178			
45383,703			
Atlanta, GA Southeast 5811,020 Boca Raton, FL Southeast 5613,019 Mobile, AL Southeast 6711,554 Nashville, TN Southeast 6813,409 Orlando, FL Southeast 6211,793 Tampa, FL Southeast 5713,070			
36873,865			
Austin, TX West 5810,543 Columbus, OH West 5910,504 Dallas I, TX West 428,821 Dallas II, TX West 6312,730 Houston, TX West 6114,562 Indianapolis, IN West 6116,247			
34473,407			
Properties not currently managed by AIMCO			14220,701
1,720326,289			

At December 31, 2000, the Company owned or controlled 566 properties containing 153,872 units. These owned or controlled properties contain, on average, 272 apartment units, with the largest property containing 2,907 apartment units. These properties offer residents a range of amenities, including swimming pools, clubhouses, spas, fitness

centers, tennis courts and saunas. Many of the apartment units offer design and appliance features such as vaulted ceilings, fireplaces, washer and dryer hook-ups, cable television, balconies and patios. In addition, at December 31, 2000, the Company held an equity interest in 683 properties containing 111,748 units, and managed 471 other properties containing 60,669 units. The Company's total portfolio of 1,720 properties contain, on average, 190 apartment units, with the largest property containing 2,907 apartment units.

Substantially all of the properties owned or controlled by the Company are encumbered by mortgage indebtedness or serve as collateral for the Company's indebtedness. At December 31, 2000, the Company had aggregate mortgage indebtedness totaling \$4,031.4 million, which was secured by 537 properties with a combined net book value of \$6,054.6 million, having an aggregate weighted average interest rate of 7.89%. As of December 31, 2000, approximately 8% of AIMCO's outstanding debt was short-term debt and 92% was long-term debt. See the financial statements included elsewhere in this Annual Report on Form 10-K for additional information about the Company's indebtedness.

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ITEM 3. *Legal Proceedings*

General

The Company is a party to various legal actions resulting from its operating activities. These actions are routine litigation and administrative proceedings arising in the ordinary course of business, some of which are covered by liability insurance, and none of which are expected to have a material adverse effect on the consolidated financial condition or results of operations of the Company and its subsidiaries taken as a whole.

Limited Partnerships

In connection with the Company's acquisitions of interests in limited partnerships that own properties, the Company and its affiliates are sometimes subject to legal actions, including allegations that such activities may involve breaches of fiduciary duties to the limited partners of such partnerships or violations of the relevant partnership agreements. The Company believes it complies with its fiduciary obligations and relevant partnership agreements, and does not expect such legal actions to have a material adverse effect on the consolidated financial condition or results of operations of the Company and its subsidiaries taken as a whole. The Company may incur costs in connection with the defense or settlement of such litigation, which could adversely affect the Company's desire or ability to complete certain transactions or otherwise have a material adverse effect on the Company and its subsidiaries.

Pending Investigations of HUD Management Arrangements

In July 1999, The National Housing Partnership (NHP) received a grand jury subpoena requesting documents relating to NHP's management of HUD-assisted or HUD-insured multi-family projects and NHP's operation of a group purchasing program created by NHP, known as Buyers Access. The subpoena relates to the same subject matter as subpoenas NHP received in October and December of 1997 from the HUD Inspector General. To date, neither the HUD Inspector General nor the grand jury has initiated any action against NHP or AIMCO or, to NHP's or AIMCO's knowledge, any owner of a HUD property managed by NHP. AIMCO believes that NHP's operations and programs are in compliance, in all material respects, with all laws, rules and regulations relating to HUD-assisted or HUD-insured properties. AIMCO is cooperating with the investigation and does not believe that the investigation will

result in a material adverse effect on the financial condition of the Company. However, as with any similar investigation, there can be no assurance that these will not result in material fines, penalties or other costs that may impact the Company's future results of operations or cash flow.

ITEM 4. *Submission of Matters to a Vote of Security Holders*

None.

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PART II

ITEM 5. *Market for the Registrant's Common Equity and Related Stockholder Matters*

AIMCO's Class A Common Stock has been listed and traded on the NYSE under the symbol "AIV" since July 22, 1994. The following table sets forth the quarterly high and low sales prices of the Class A Common Stock, as reported on the NYSE, and the dividends paid by the Company for the periods indicated.

<u>Quarter ended</u>	<u>High</u>	<u>Low</u>	<u>Dividends Paid (per share)</u>
1998			
March 31,			
1998\$38 9/16\$34			
1/4\$0.5625June 30,			
199839 7/836			
1/20.5625September 30,			
199841310.5625December 31,			
199837			
3/8300.56251999March 31,			
199941			
5/8350.6250June 30,			
199944 1/1635			
5/160.6250September 30,			
199942 5/837			
5/160.6250December 31,			
199940 3/1634			
1/160.62502000March 31,			
200039 15/1636			
5/160.7000June 30,			
200045 1/437			
3/40.7000September 30,			
200049 3/843			

11/160.7000December 31,
 200050 1/1642
 5/80.70002001March 31,
 2001 (through
 March 8, 2001)45
 9/10430.7800(1)

(1) On January 24, 2001, the Company's Board of Directors declared a cash dividend of \$0.78 per share of Class A Common Stock, paid on February 9, 2001 to stockholders of record on February 2, 2001.

On March 8, 2001, there were 71,521,685 shares of Class A Common Stock outstanding, held by 2,776 stockholders of record.

AIMCO, as a REIT, is required to distribute annually to holders of common stock at least 90% (95% in 2000) of its real estate investment trust taxable income, which, as defined by the Internal Revenue Code and Treasury regulations, is generally equivalent to net taxable ordinary income. AIMCO measures its economic profitability and intends to pay regular dividends to its stockholders based on FFO during the relevant period. However, the future payment of dividends by AIMCO will be at the discretion of the Board of Directors and will depend on numerous factors including AIMCO's financial condition, its capital requirements, the annual distribution requirements under the provisions of the Internal Revenue Code applicable to REITs and such other factors as the Board of Directors deems relevant.

From time to time, AIMCO issues shares of Class A Common Stock in exchange for OP Units tendered to the AIMCO Operating Partnership for redemption in accordance with the terms and provisions of the agreement of limited partnership of the AIMCO Operating Partnership. Such shares are issued based on an exchange ratio of one share for each OP Unit. The shares are issued in exchange for OP Units in private transactions exempt from registration under the Securities Act of 1933, as amended (the Securities Act), pursuant to Section 4(2) thereof. During 2000, a total of 200,696 shares of Class A Common Stock were issued in exchange for OP Units.

During 2000, the Company repurchased and retired approximately 69,000 shares of Class A Common Stock at a net price of \$2.6 million, at an average share price of \$37.39 per share

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ITEM 6. *Selected Financial Data*

The following selected financial data for AIMCO is based on audited historical financial statements. This information should be read in conjunction with such financial statements, including the notes thereto, and Management's Discussion and Analysis of Financial Condition and Results of Operations included herein.

For the Year Ended December 31,				
1999	1998	1997	1996	2000
(1)	(1)	(1)	(1)	(1)

OPERATING DATA:

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RENTAL PROPERTY OPERATIONS: Rental and other property
 revenues \$1,051,000 \$533,917 \$377,139 \$193,006 \$100,516 Property operating
 expenses (426,177) (213,798) (147,541) (76,168) (38,400) Owned property management
 expenses (13,663) (1,650) (2,009) (1,353) (324) Depreciation (323,321) (131,753) (84,635) (37,741) (19,556)

Income from rental property operations 287,839 186,716 142,954 77,744 42,236

SERVICE COMPANY BUSINESS: Management fees and other income from
 affiliates 49,692 38,377 20,824 10,033 5,945 Management and other
 expenses (37,509) (17,033) (16,960) (10,961) (6,150) Amortization of
 intangibles (6,698) (14,297) (8,735) (948) (500)

Income (loss) from service company business 5,485 7,047 (4,871) (1,876) (705)

General and administrative expenses (7,813) (13,112) (13,568) (5,396) (1,512) Interest
 expense (269,826) (140,094) (89,424) (51,385) (24,802) Interest income 66,241 5,320 29,368 8,676 523 Equity in
 earnings (losses) of unconsolidated real estate partnerships 7,618 (4,467) (4,854) (1,798) Equity in earnings
 (losses) of unconsolidated subsidiaries (2,290) (5,013) 5,845 3,273 Minority interest in other
 entities (3,872) (900) (468) 1,008 (111)

Income from operations 83,382 85,497 64,982 30,246 15,629 Gain (loss) on disposition of
 properties 26,335 (1,785) 4,674 2,720 44

Income before extraordinary item and minority interest in Operating
 Partnership 109,717 83,712 69,656 32,966 15,673 Extraordinary item - early extinguishment of debt (269)

Income before minority interest in Operating Partnership 109,717,837,126,656,326,971,567,3
 Minority interest in Operating Partnership (10,539)(6,185)(5,182)(4,064)(2,689)

Net income 99,178,775,276,447,428,633,12,984 Net income attributable to preferred
 stockholders 63,183,534,532,653,32,315

Net income attributable to common stockholders \$35,995\$24,074\$37,941\$26,318\$12,984

OTHER INFORMATION: Total owned or controlled properties (end of period) 56637324214794 Total
 owned or controlled apartment units (end of period) 153,872106,14863,08640,03923,764 Total equity
 properties (end of period) 68375190251518 Total equity apartment units (end of
 period) 111,748133,113170,24383,4313,611 Units under management (end of
 period) 60,669124,201146,03469,58715,434 Basic earnings per common
 share \$0.53\$0.39\$0.84\$1.09\$1.05 Diluted earnings per common share \$0.52\$0.38\$0.80\$1.08\$1.04 Dividends
 paid per common share \$2.80\$2.50\$2.25\$1.85\$1.70 **BALANCE SHEET INFORMATION:** Real estate,
 before accumulated depreciation \$7,012,452\$4,512,697\$2,802,598\$1,657,207\$865,222 Real estate, net of
 accumulated depreciation 6,099,1894,096,2002,573,7181,503,922745,145 Total
 assets 7,699,8745,684,9514,248,8002,100,510827,673 Total
 indebtedness 4,360,1152,584,2891,660,715808,530522,146 Mandatorily redeemable convertible preferred
 securities 32,330149,500149,500 Stockholders equity 2,501,6572,259,3961,902,5641,045,300215,749

- (1) Certain reclassifications have been made to 1999, 1998, 1997 and 1996 amounts to conform with the 2000 presentation. These reclassifications represent certain eliminations of self-charged management fee income and expenses in accordance with consolidation accounting principles.

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ITEM 7. Management's Discussion and Analysis of Financial Condition and Results of Operations

Overview

The Private Securities Litigation Reform Act of 1995 provides a safe harbor for forward-looking statements in certain circumstances. Certain information included in this Report, the Company's Annual Report to Stockholders and other filings under the Securities Act of 1933, as amended, and the Securities Exchange Act of 1934, as amended (as well as information communicated orally or in writing between the dates of such filings) contains or may contain

information that is forward looking, including, without limitation, statements regarding the effect of acquisitions, the Company's future financial performance and the effect of government regulations. Actual results may differ materially from those described in the forward looking statements and will be affected by a variety of risks and factors including, without limitation, national and local economic conditions, the general level of interest rates, terms of governmental regulations that affect the Company and interpretations of those regulations, the competitive environment in which the Company operates, financing risks, including the risk that the Company's cash flows from operations may be insufficient to meet required payments of principal and interest, real estate risks, including variations of real estate values and the general economic climate in local markets and competition for tenants in such markets, acquisition and development risks, including failure of such acquisitions to perform in accordance with projections, and possible environmental liabilities, including costs which may be incurred due to necessary remediation of contamination of properties presently owned or previously owned by the Company. In addition, the Company's continued qualification as a real estate investment trust involves the application of highly technical and complex provisions of the Internal Revenue Code. Readers should carefully review the Company's financial statements and the notes thereto, as well as the risk factors described in the documents the Company files from time to time with the Securities and Exchange Commission.

The following discussion and analysis of the results of operations and financial condition of the Company should be read in conjunction with the financial statements incorporated by reference in Item 8 of this Annual Report on Form 10-K. The following discussion of results of operations is based on net income calculated under accounting principles generally accepted in the United States. The Company, however, considers Funds From Operations, less a reserve for capital replacements, to be a more meaningful measure of economic performance.

Results of Operations

Comparison of the Year Ended December 31, 2000 to the Year Ended December 31, 1999

Net Income

The Company recognized net income of \$99.2 million, and net income attributable to common stockholders of \$36.0 million, for the year ended December 31, 2000, compared to net income and net income attributable to common stockholders of \$77.5 million and \$24.1 million, respectively, for the year ended December 31, 1999. Net income attributable to common stockholders represents net income less dividends accrued on preferred stock.

The following paragraphs discuss the results of operations in detail.

Consolidated Rental Property Operations

The increases in consolidated rental property operations resulted from improved same store sales results, acquisitions of properties in 2000 and 1999, and the purchase of limited partnership interests from unaffiliated third parties, which gave the Company a controlling interest in partnerships owning 201 properties in 2000.

Consolidated rental and other property revenues from the Company's owned and controlled properties totaled \$1,051.0 million for the year ended December 31, 2000, compared to \$533.9 million for the year ended December 31, 1999, an increase of \$517.1 million, or 96.9%. Of the \$517.1 million increase, 92.4% was related to the purchase of controlling interests in limited partnerships owning 201 properties, which resulted in these properties being consolidated during 2000, 4.9% was due to improved same store sales and the remaining 2.7% was due to acquisitions of properties in 2000 and 1999.

Consolidated property operating expenses totaled \$426.2 million for the year ended December 31, 2000, compared to \$213.8 million for the year ended December 31, 1999, an increase of \$212.4 million, or 99.3%. The purchase of controlling interests in limited partnerships owning 201 properties, which resulted in these properties being

consolidated during 2000, contributed 89.0% of the increase; 3.6% was due to same store sales increases and

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the remaining 7.4% was due to acquisitions of properties in 2000 and 1999. Property operating expenses consist of on-site payroll costs, utilities (net of reimbursements received from tenants), contract services, turnover costs, repairs and maintenance, advertising and marketing, property taxes and insurance. The Company believes that energy costs will not have a material adverse effect on its results of operations.

Consolidated owned property management expenses, representing the costs of managing the Company's owned or controlled properties, totaled \$13.7 million for the year ended December 31, 2000, compared to \$1.7 million for the year ended December 31, 1999, an increase of \$12.0 million. The increase was due to the purchase of controlling interests in limited partnerships owning 201 properties, which resulted in these properties being consolidated in 2000.

Consolidated Service Company Business

Income from the consolidated service company business was \$5.5 million for the year ended December 31, 2000, compared to \$7.0 million for the year ended December 31, 1999, a decrease of \$1.5 million or 21.4%. Before consideration of the intercompany allocation of general and administrative expenses and the non-cash charge for the amortization of intangibles, the income from the consolidated service company was comparable to the prior year. The decrease in the amortization of intangibles of \$7.6 million was due to property management and asset management contract intangibles that were fully amortized in 1999. The increase in the allocation of general and administrative expenses to the consolidated service company is attributable to the increase in the consolidated properties, whereby the management fee revenue is included in the consolidated service company. Accordingly, the overhead costs associated with managing these properties were reallocated from general and administrative expenses to the consolidated service company to more closely align the expenses with the revenue from the operating activity.

Consolidated General and Administrative Expenses

Consolidated general and administrative expenses before allocation (see allocation description above in consolidated service company business) totaled \$18.1 million for the year ended December 31, 2000, compared to \$15.2 million for the year ended December 31, 1999, an increase of \$2.9 million, or 19.1%. The increase is due to additional professional fees incurred to support information technology enhancements and operational initiatives.

Consolidated Interest Expense

Consolidated interest expense, which includes the amortization of deferred finance costs, totaled \$269.8 million for the year ended December 31, 2000, compared to \$140.1 million for the year ended December 31, 1999, an increase of \$129.7 million or 92.6%. Of the \$129.7 million increase, 46.3% was due to the Company acquiring controlling interests in partnerships owning 201 properties and the subsequent consolidation of these properties. Interest expense incurred in connection with the 2000 and 1999 acquisitions (including the Oxford acquisition) contributed 47.6% of the increase. The remaining 6.1% was due to increased usage of the Company's credit facility.

Consolidated Interest Income

Consolidated interest income totaled \$66.2 million for the year ended December 31, 2000, compared to \$55.3 million for the year ended December 31, 1999, an increase of \$10.9 million or 19.7%. The \$66.2 million of interest income in 2000 consisted of recurring interest income of \$39.8 million and accretion of loan discounts of

\$26.4 million. In 1999, the \$55.3 million of interest income consisted of recurring interest income of \$22.9 million and accretion of loan discounts of \$32.4 million. Recurring interest income increased \$16.9 million as a result of the following: during 2000, (i) the Company increased notes receivable from general partner loans by approximately \$81.7 million, (ii) as a result of improved property operations certain of the outstanding notes receivable in the form of general partner loans remitted cash payments on a recurring basis. The combination of these factors resulted in \$10.7 million of the increase in recurring interest income. The remaining recurring interest income increase of \$6.2 million resulted from higher average cash balances maintained in money market and interest bearing accounts during 2000. The Company holds investments in notes receivable which were either extended by the Company and are carried at the face amount plus accrued interest (par value notes) or were made by predecessors whose positions have been acquired by the Company at a discount and are carried at the acquisition amount using the cost recovery method (discounted notes). The decrease in accretion of \$6.0 million is due to fewer loans and fewer events allowing the Company to recognize accretion on certain discounted notes.

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Equity in Earnings (Losses) of Unconsolidated Real Estate Partnerships

Equity in earnings of unconsolidated real estate partnerships totaled \$7.6 million for the year ended December 31, 2000, compared to a loss of \$4.5 million for the year ended December 31, 1999, an increase of \$12.1 million. Of the \$12.1 million increase, \$2.1 million was due to acquisition of interests in Oxford properties and the remaining was due to the acquisition of equity interests in better performing multi-family apartment properties where the Company owns a general partnership interest.

Equity in Earnings (Losses) of Unconsolidated Subsidiaries

Equity losses from unconsolidated subsidiaries totaled \$2.3 million for the year ended December 31, 2000, compared to \$5.0 million for the year ended December 31, 1999, a decrease of \$2.7 million or 54.0%. The decrease in the equity loss from unconsolidated subsidiaries is due to interest income earned on general partner notes acquired in 2000 through the acquisition of interests in the Oxford properties.

Minority Interest in Other Entities

Minority interest in other entities totaled \$3.9 million for the year ended December 31, 2000, compared to \$0.9 million for the year ended December 31, 1999, an increase of \$3.0 million. The increase is due to the consolidation of 201 additional properties in 2000, as compared to the consolidation of 125 additional properties in 1999.

Gain (Loss) on Disposition of Properties

Gain (loss) on disposition of properties totaled \$26.3 million for the year ended December 31, 2000, compared to a gain(loss) of (\$1.8) million for the year ended December 31, 1999, an increase of \$28.1 million. The sales in both periods are of properties that are considered by management to be inconsistent with the Company's long-term investment strategy.

Comparison of the Year Ended December 31, 1999 to the Year Ended December 31, 1998

Net Income

The Company recognized net income of \$77.5 million, and net income attributable to common stockholders of \$24.1 million, for the year ended December 31, 1999, compared to net income and net income attributable to common stockholders of \$64.5 million and \$37.9 million, respectively, for the year ended December 31, 1998. Net income attributable to common stockholders represents net income less dividends accrued on preferred stock.

The following paragraphs discuss the results of operations in detail.

Consolidated Rental Property Operations

The increases in consolidated rental property operations resulted from improved same store sales results, acquisitions of properties in 1999 and 1998, and through the purchase of limited partnership interests from unaffiliated third parties that gave the Company a controlling interest in partnerships owning 125 properties in 1999.

Consolidated rental and other property revenues from the Company's owned and controlled properties totaled \$533.9 million for the year ended December 31, 1999, compared to \$377.1 million for the year ended December 31, 1998, an increase of \$156.8 million, or 41.6%. Of the \$156.8 million increase, 49.4% was related to the purchase of controlling interests in limited partnerships owning 125 properties, which resulted in these properties being consolidated in 1999, 4.3% was due to improved same store sales and the remaining 46.3% was due to acquisitions of properties in 1999 and 1998.

Consolidated property operating expenses totaled \$213.8 million for the year ended December 31, 1999, compared to \$147.5 million for the year ended December 31, 1998, an increase of \$66.3 million, or 44.9%. The purchase of controlling interests in limited partnerships owning 125 properties, which resulted in these properties being consolidated during 1999, contributed 47.0% of the increase; 11.4% was due to same store sales increases and the remaining 42.6% was due to acquisitions of properties in 1999 and 1998. Property operating expenses consist of on-site payroll costs, utilities (net of reimbursements received from tenants), contract services, turnover costs, repairs and maintenance, advertising and marketing, property taxes and insurance.

Consolidated owned property management expenses, representing the costs of managing the Company's owned

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or controlled properties, remained consistent with \$1.7 million for the year ended December 31, 1999, compared to \$2.0 million for the year ended December 31, 1998, a decrease of \$0.3 million, or 15.0%.

Consolidated Service Company Business

Income from the consolidated service company business was \$7.0 million for the year ended December 31, 1999, compared to a loss of \$4.9 million for the year ended December 31, 1998, an increase of \$11.9 million. Management contracts acquired in the Company's merger with Insignia Financial Group, Inc and Insignia Properties Trust that are held by the Company contributed 22.9% of the increase. The transfer of majority-owned management contracts from the unconsolidated management companies to the AIMCO Operating Partnership contributed another 49.1% of the change. When the Company owns at least a 40% interest in a real estate partnership, the management contract with that real estate partnership is assigned to the AIMCO Operating Partnership, increasing the amount of revenues recognized by the consolidated service company operations.

Consolidated General and Administrative Expenses

Consolidated general and administrative expenses before allocation remained relatively unchanged with \$15.2 million for the year ended December 31, 1999, compared to \$13.8 million for the year ended December 31, 1998, an increase of \$1.4 million, or 10.1%.

Consolidated Interest Expense

Consolidated interest expense, which includes the amortization of deferred finance costs, totaled \$140.1 million for the year ended December 31, 1999, compared to \$89.4 million for the year ended December 31, 1998, an increase of \$50.7 million or 56.7%. Interest expense incurred in connection with the 1999 and 1998 acquisitions contributed 52.5% of the increase. Another contributing factor was the consolidation of an additional 125 properties when control was obtained resulting in 22.5% of the increase from 1998.

Consolidated Interest Income

Consolidated interest income totaled \$55.3 million for the year ended December 31, 1999, compared to \$29.4 million for the year ended December 31, 1998, an increase of \$25.9 million or 88.1%. The Company holds investments in notes receivable which were either extended by the Company and are carried at the face amount plus accrued interest (par value notes) or were made by predecessors whose positions have been acquired by the Company at a discount and are carried at the acquisition amount using the cost recovery method (discounted notes). The increase in interest income was due to the recognition of interest income that had previously been deferred and portions of the related discounts for certain discounted notes. As required by generally accepted accounting principles, based upon closed or pending transactions, market conditions, and improved operations of the obligor, the collectibility of such notes is now believed by management to be probable and the amounts and timing of collections are estimable.

Same Store Property Operating Results

The Company defines same store properties as conventional apartment communities in which AIMCO owned greater than ten percent in the comparable periods of 2000 and 1999. Total portfolio includes same store properties plus acquisition properties and redevelopment properties. The following table summarizes the unaudited conventional rental property operations in 2000 and 1999, on a same store and a total portfolio basis (dollars in thousands):

	Same Store		Total Portfolio	
	2000	1999	2000	1999
Properties	540	540	585	561
Apartment Units	148,069	148,069	162,329	155,287
Average Physical Occupancy	94.9%	95.0%	92.8%	92.0%
Average Rent Collected / Occupied Unit / Month	\$646	\$621	\$651	\$620
Revenues	\$825,412	\$786,795	\$912,849	\$812,773
Expenses	313,172	302,260	357,232	311,920
Net Operating Income	\$512,240	\$484,535	\$555,617	\$500,853

Table of Contents**Funds From Operations**

The Company measures its economic profitability based on Funds From Operations (FFO), less a reserve for capital replacements of \$300 per apartment unit. The Company's management believes that FFO, less such a reserve, provides investors with an understanding of the Company's ability to incur and service debt and make capital expenditures. The Board of Governors of the National Association of Real Estate Investment Trusts (NAREIT) defines FFO as net income (loss), computed in accordance with generally accepted accounting principles (GAAP), excluding gains and losses from debt restructuring and sales of property, plus real estate related depreciation and amortization (excluding amortization of financing costs), and after adjustments for unconsolidated partnerships and joint ventures. The Company calculates FFO based on the NAREIT definition, as further adjusted for minority interest in the AIMCO Operating Partnership, amortization of intangibles, the non-cash deferred portion of the income tax provision for unconsolidated subsidiaries and less the payment of dividends on perpetual and non-dilutive convertible preferred stock. FFO should not be considered an alternative to net income or net cash flows from operating activities, as calculated in accordance with GAAP, as an indication of the Company's performance or as a measure of liquidity. FFO is not necessarily indicative of cash available to fund future cash needs. In addition, there can be no assurance that the Company's basis for computing FFO is comparable with that of other real estate investment trusts.

For the years ended December 31, 2000, 1999 and 1998, the Company's FFO is calculated as follows (amounts in thousands):

	<u>2000</u>	<u>1999</u>	<u>1998</u>
Income before minority interest in Operating Partnership	\$ 109,717	\$ 83,712	\$ 69,656
Real estate depreciation, net of minority interests	302,109	121,689	80,369
Real estate depreciation related to unconsolidated entities	59,360	104,764	34,840
Amortization of intangibles	12,068	36,731	26,177
Deferred tax provision	154	1,763	9,215
Interest expenses on mandatorily redeemable convertible preferred securities	8,869	4,858	-
Preferred stock dividends and distributions	(26,112)	(33,943)	(20,837)
<hr/>			
<hr/>			
Diluted Funds From Operations before gain (loss) on disposition of properties	466,165	319,574	199,420 (Gain)
loss on disposition of properties	(26,335)	1,785	(4,674)
<hr/>			
<hr/>			

Diluted Funds From Operations available to common shares, common share equivalents and common OP

Units \$439,830 \$321,359 \$194,746

Weighted average number of common shares, common share equivalents and common OP Units outstanding: Common share and common share equivalents 70,219 63,735 47,624 Preferred stock, preferred OP Units, and other securities convertible into common stock 14,432 8,625 2,463 Common OP Units 6,855 6,313 6,732

91,506 78,673 56,819

Cash flow provided by operating activities \$400,364 \$253,257 \$148,414 Cash flow used in investing activities (546,981) (281,106) (328,321) Cash flow provided by financing activities 202,128 58,148 214,124

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Contribution to Free Cash Flow

The Company seeks to improve funds from operations, less a reserve for capital replacements, on a per share basis. In this regard, in addition to the year-to-year comparative discussion, the Company has provided disclosure (see Footnote 22 in the accompanying Notes to Consolidated Financial Statements) on the contribution (separated between consolidated and unconsolidated activity) to the Company's Free Cash Flow from several components of the Company's business, and a reconciliation of Free Cash Flow to FFO, less a reserve for capital replacements, and to net income for the year ended December 31, 2000 and 1999. The Company defines Free Cash Flow as FFO, less a reserve for capital replacements, plus interest expense and preferred stock dividends.

The following table summarizes the contributors to the Company's Free Cash Flow (in thousands)

	2000		1999	
	Amount	Contr. %	Amount	Contr. %
Real estate	\$ 598,826	86%	\$ 435,727	84%
Service business	30,641	4%	36,589	7%
Interest income: recurring	42,274	6%	24,428	5%
Interest income: accretion of loan discount	26,409	4%	32,460	6%
Fee income	7,438	1%	4,485	1%
General and administrative expenses	(7,813)	(1)%	(13,112)	(3)%
Total Free Cash Flow	\$697,775	100%	\$520,577	100%

Total Free Cash Flow contributed was \$697.8 million and \$520.6 million in 2000 and 1999, respectively, an increase of \$177.2 million or 34.0%.

The real estate Free Cash Flow contribution was \$598.8 million and \$435.7 million in 2000 and 1999, respectively, an increase of \$163.1 million or 37.4%. Real estate contribution to total Free Cash Flow increased to 86% in 2000 from 84% in 1999. The increase was due to improvements in property operations, acquisitions and tenders.

The service business contributed \$30.6 million (4%) and \$36.6 million (7%) to Free Cash Flow in 2000 and 1999, respectively. The decreased contribution of \$6.0 million, after consideration of the increase in the intercompany allocation of general administrative expenses of \$8.2 million, was due to the establishment of the new Corporate Housing program and other product enhancements.

Consolidated recurring interest income increased \$16.9 million as a result of the following: during 2000, (i) the Company increased notes receivable from general partner loans by approximately \$81.7 million, (ii) as a result of improved property operations certain of the outstanding notes receivable in the form of general partner loans remitted cash payments on a recurring basis. The combination of these factors resulted in \$10.7 million of the increase in recurring interest income. The remaining consolidated recurring interest income increase of \$6.2 million resulted from higher average cash balances maintained in money market and interest bearing accounts during 2000. The decrease in accretion of \$6.0 million is due to fewer loans and fewer events allowing the Company to recognize accretion on certain discounted notes.

Fees contributed \$7.4 million (1%) and \$4.5 million (1%) to Free Cash Flow in 2000 and 1999, respectively. Fees are earned on partnership sales, refinancings and other transactions. The increase in fee income is due to increased disposition fees received from the sale of 79 properties in 2000, compared to the fees received from the sale of 63 properties in 1999.

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The income received from refinancing fees also increased to \$4.0 million in 2000, compared to \$0.6 million in 1999. The Company considers fees and interest income from notes purchased at a discount as transactional. Together, the transactional contribution was \$33.8 million (5%) and \$36.9 million (7%) of Free Cash Flow contribution in 2000 and 1999.

Contributions to conventional real estate Free Cash Flow for 2000 and 1999 before adjustment for minority interest were as follows (in thousands):

	<u>2000</u>		<u>1999</u>	
	<u>Amount</u>	<u>Contr.%</u>	<u>Amount</u>	<u>Contr.%</u>
Average monthly rent greater than \$900 per unit	\$83,651	14%	\$42,205	10%
Average monthly rent \$800 to \$900 per unit	62,613	10%	39,267	10%
Average monthly rent \$700 to \$800 per unit	72,533	12%	59,587	15%
Average monthly rent \$600 to \$700 per unit	165,512	27%	89,293	22%
Average monthly rent \$500 to \$600 per unit	163,196	27%	114,719	28%
Average monthly rent below \$500 per unit	61,629	10%	58,348	15%
<hr/>				
<hr/>				
<hr/>				
<hr/>				
Total conventional real estate contribution to Free Cash Flow before adjustment for minority interest	\$609,134	100%	\$403,419	100%
<hr/>				
<hr/>				
<hr/>				

The conventional real estate contribution to Free Cash Flow was \$609.1 million and \$403.4 million in 2000 and 1999, respectively, an increase of \$205.7 million or 51.0%. The increase was due to improvements in property operations, acquisitions and tenders.

The changes in the composition of conventional and real estate contribution resulted in an increase in contribution from properties with an average monthly rent greater than \$800 per unit to 24% from 20% in 1999, and a decrease in contribution from properties with an average monthly rent below \$500 per unit to 10% from 15% in 1999. The changes were due to improvements in property operations, acquisitions, tenders and dispositions.

Footnote 22 in the accompanying Notes to Consolidated Financial Statements provides additional detail on each component of Free Cash Flow. The Company believes this disclosure is complementary to the results of operations discussed above.

Liquidity and Capital Resources

	<u>2000</u>	<u>1999</u>	<u>1998</u>
Cash flow provided by operating activities	\$400,364	\$253,257	\$148,414

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Cash flow used in investing
activities(546,981)(281,106)(328,321)Cash flow provided
by financing activities202,12858,148214,124

At December 31, 2000, the Company had \$157.1 million in cash and cash equivalents and \$126.9 million of restricted cash, primarily consisting of reserves and impounds held by lenders for capital expenditures, property taxes and insurance. In addition, cash, cash equivalents and restricted cash are held by partnerships and subsidiaries that are not presented on a consolidated basis. The Company's principal demands for liquidity include normal operating activities, payments of principal and interest on outstanding debt, capital improvements, acquisitions of and investments in properties, dividends paid to stockholders and distributions paid to limited partners. The Company considers its cash provided by operating activities to be adequate to meet short-term liquidity demands.

In August 1999, the Company closed a \$300 million revolving credit facility arranged by Bank of America, N.A., Fleet National Bank (successor to BankBoston, N.A.) and First Union National Bank with a syndicate comprised of a total of nine lender participants. Effective March 15, 2000 the credit facility was expanded by \$45 million with the potential to expand it by another \$55 million to a total of \$400 million. Of the \$55 million potential expansion, \$5 million was expanded on April 14, 2000 bringing the total availability to \$350 million. In September 2000, the credit facility was amended and restated. The obligations under the credit facility are secured by a first priority pledge of certain non-real estate assets of the Company and a second priority pledge of the stock ownership of the AIMCO Operating Partnership, NHP Management Company, AIMCO/Bethesda Holdings, Inc., AIMCO Holdings, L.P., in certain subsidiaries of AIMCO and certain options to purchase Beneficial Assignee Interests (BACs) in OTEF. Borrowings under the credit facility, including the \$50 million expansion, are available for general corporate purposes. The credit facility matures in July 2002 and can be extended twice at AIMCO's option, for a term of one year. The annual interest rate under the new credit facility is based on either LIBOR or a base rate, which is the higher of Bank of America's reference rate or 0.50% over the federal funds rate, plus, in either case, an applicable margin. The margin ranges between 2.05% and 2.55%, in the case of LIBOR-based loans, and between 0.55% and 1.05%, in the case of base rate loans, based upon a fixed charge coverage ratio. The weighted average interest rate at December 31, 2000 was 9.16%. The amount available under the credit facility at December 31, 2000 was \$95.3 million, less \$1.2 million for outstanding letters of credit.

On September 20, 2000 AIMCO completed the purchase of all the stock and other interests (not already owned by AIMCO) held by the principals, officers and directors of ORFG in the Oxford entities, including ORFG, which own interests in and control the Oxford properties. The purchase price of \$1,189 million was comprised of \$266 million in cash, \$861 million of assumed liabilities and incurred transaction costs and \$62 million in common OP units valued at \$45 per unit. The Oxford properties are 167 apartment communities with a total of 36,949 units located in 18 states. The Company borrowed \$279 million to pay the cash portion of the purchase price and transactions costs for the Oxford acquisition from Bank of America, N.A., Lehman Commercial Paper Inc. and several other lenders, pursuant to a term loan with a total availability of \$302 million. Transaction costs (including advisory fees) incurred on the term loan were \$9.4 million. The borrowers under the term loan are the AIMCO Operating Partnership, NHP Management Company and AIMCO/Bethesda Holdings, Inc., and all obligations thereunder are guaranteed by AIMCO and certain of its subsidiaries. The obligations under the term loan are secured by a first priority pledge of the stock ownership of the AIMCO Operating Partnership, NHP Management Company, AIMCO/Bethesda Holdings, Inc., and AIMCO Holdings, L.P. in certain subsidiaries of AIMCO and certain options to purchase BACs in OTEF and a second priority pledge of certain non-real estate assets of the Company. The annual interest rate under the term loan is based either on LIBOR or a base rate which is the higher of Bank of America, N.A.'s reference rate or 0.5% over the federal funds rate, plus, in either case, an applicable margin. The margin ranges between 4.0% and 5.0% in the case of LIBOR-based loans, and between 1.0% and 2.0% in the case of base rate loans, based upon the number of months the loan is outstanding.

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The term loan expires in July 2002. The financial covenants contained in the term loan require the AIMCO Operating Partnership to maintain a ratio of debt to gross asset value of no more than 0.55 to 1.0, an interest coverage ratio of 2.25 to 1.0, and a fixed charge coverage ratio of at least 1.50 to 1.0. In addition, the term loan limits AIMCO from distributing more than 80% of its Funds From Operations (as defined) (or such amounts as may be necessary for AIMCO to maintain its status as a REIT). The term loan imposes minimum net worth requirements and provides other financial covenants related to certain of AIMCO's assets and obligations. The total outstanding under the term loan at December 31, 2000 was \$137 million of which \$74 million is classified as secured short-term financing of the Company and the remainder is a liability at the unconsolidated subsidiaries and, therefore, is included in investments in unconsolidated subsidiaries. Effective January 1, 2001, in connection with the REIT Modernization Act, the remaining liability of \$63 million will be consolidated.

As of December 31, 2000, substantially all of the Company's owned or controlled properties and 78.6% of its total assets were encumbered by or served as collateral for debt. As of December 31, 2000, the Company had total secured outstanding indebtedness of \$4,360.1 million, comprised of \$3,258.3 million of secured long-term financing, \$773.0 million of secured tax-exempt long-term bond financing and \$328.7 million in secured short-term financing. As of December 31, 2000, approximately 8% of the Company's indebtedness bears interest at variable rates. As of December 31, 2000, the Company had 31 loans, each of which is secured by the property owned by such partnership and also cross-collateralized with certain other loans. The aggregate principal balances outstanding on 31 loans that are cross-collateralized are \$154.1 million as of December 31, 2000. Other than these loans, none of the Company's debt is subject to cross-collateralization provisions. The weighted average interest rate on the Company's secured, long-term notes payable was 7.89%, with a weighted average maturity of 11 years as of December 31, 2000. At December 31, 2000, the weighted average interest rate on the Company's secured short-term financing was 9.16%.

During the year ended December 31, 2000, the Company issued \$636.0 million of long-term, fixed rate, fully amortizing non-recourse mortgage notes payable with a weighted average interest rate of 7.5%. Each of the notes is individually secured by one of 107 properties with no cross-collateralization. The Company used the net proceeds after transaction costs of \$625.5 million to repay existing debt. During the year ended December 31, 2000, the Company has also assumed \$60.6 million of long-term, fixed-rate, fully amortizing notes payable with a weighted average interest rate of 7.5% in connection with the acquisition of properties. Each of the notes is individually secured by one of 12 properties with no cross-collateralization.

During the year ended December 31, 2000, the Company issued \$230.0 million of preferred stock in three direct placements yielding \$227 million of net proceeds. See Footnote 15 to the consolidated financial statements for further discussion on these preferred stocks.

The Company expects to meet its long-term liquidity requirements, such as refinancing debt and property acquisitions, through long-term borrowings, both secured and unsecured, the issuance of debt or equity securities (including OP Units) and cash generated from operations. In August 1998, AIMCO and the AIMCO Operating Partnership filed a shelf registration statement with the Securities and Exchange Commission (SEC) with respect to an aggregate of \$1,268 million of debt and equity securities of AIMCO (of which \$268 million was carried forward from AIMCO's 1997 shelf registration statement) and \$500 million of debt securities of the AIMCO Operating Partnership. The registration statement was declared effective by the SEC on December 10, 1998. As of March 29, 2001, the Company had approximately \$925 million available and the AIMCO Operating Partnership had \$500 million available from this registration statement. The Company expects to finance acquisitions of real estate interests with cash from operations or the issuance of equity securities and debt.

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Capital Expenditures

For the year ended December 31, 2000, the Company spent a total of \$261.9 million for capital expenditures on its portfolio of assets. Capital expenditures include capital replacements (expenditures for routine maintenance of a property), initial capital expenditures (ICE), expenditures at a property that have been identified, at the time the property is acquired, as expenditures to be incurred within one year of the acquisition) and redevelopment and enhancements (amenities that add a material new feature or revenue source at a property). The Company's share of those expenditures are as follows (in millions):

	<u>Conventional Assets</u>	<u>Affordable Assets</u>	<u>Total</u>
Capital Replacements	\$ 36.7	\$ 3.7	\$40.4
ICE	55.4	1.3	56.7
Redevelopment and Enhancements	156.7	1.1	157.8
Total	\$248.8	\$13.1	\$261.9

These expenditures were funded by net cash provided by operating activities, working capital reserves, and borrowings under the Company's credit facility. ICE and capital enhancements will primarily be funded by cash from operating activities and borrowings under the Company's revolving credit facility.

The Company's accounting treatment of various capital and maintenance costs is detailed in the following table:

<u>Expenditure</u>	<u>Accounting treatment</u>	<u>Depreciable life in years</u>
Initial capital expenditures	capitalize	5 to 15
Capital enhancements	capitalize	5 to 30
Capital replacements:		
Carpet/vinyl replacement	capitalize	5
Carpet cleaning expense	N/A	
Major appliance replacement (refrigerators, stoves, dishwashers, washers/dryers)	capitalize	5
Cabinet replacement	capitalize	5
Major new landscaping	capitalize	5
Seasonal plantings and landscape replacements	expense	N/A
Roof replacements	capitalize	15
Roof repairs	expense	N/A
Model furniture	capitalize	5
Office equipment	capitalize	5
Exterior painting, significant	capitalize	5
Interior painting expense	N/A	
Parking lot repairs	expense	N/A
Parking lot repaving	capitalize	15
Equipment repairs	expense	N/A
General policy for capitalization	capitalize	amounts in excess of \$250
Various		

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Return on Assets and Return on Equity

The Company's Return On Assets and Return On Equity for the years ended December 31, 2000 and 1999 are as follows:

	Based on AFFO		Based on FFO	
	Year Ended December 31,		Year Ended December 31,	
	2000	1999	2000	1999
Return on Assets(a)	9.8%	9.2%	10.3%	9.7%
Return on Equity Basic(b)	14.7%	14.5%	15.8%	15.6%
Diluted(c)	13.3%	12.9%	14.3%	13.9%

(a) The Company defines Return on Assets (AFFO) as (i) annualized Free Cash Flow, divided by (ii) Average Assets. Average Assets are computed by averaging the sum of Assets, as defined below, at the beginning and the end of the period. Assets are total assets, plus accumulated depreciation, less accumulated capital replacements of \$103.6 million and \$63.3 million, for the years ended December 31, 2000 and 1999 respectively, and less all non-indebtedness liabilities. The Company defines Return on Assets (FFO) as (i) annualized Free Cash Flow plus capital replacements, divided by (ii) Average Assets plus accumulated capital replacements.

(b) The Company defines Return on Equity-Basic (AFFO) as (i) annualized AFFO-Basic, divided by (ii) Average Equity. Average Equity is computed by averaging the sum of Equity, as defined below, at the beginning and the end of the period. Equity is total stockholders equity, plus accumulated depreciation, less accumulated capital

replacements of
\$103.6 million
and
\$63.3 million,
for the years
ended
December 31,
2000 and 1999,
respectively, less
preferred stock,
plus minority
interest in the
AIMCO
Operating
Partnership, net
of preferred OP
Unit interests
(\$116.6 million
and
\$72.6 million,
for the years
ended
December 31,
2000 and 1999
respectively).
The Company
defines Return
on Equity-Basic
(FFO) as (i)
annualized
AFFO-Basic
plus capital
replacements;
divided by
(ii) Average
Equity plus
accumulated
capital
replacements.(c) The
Company
defines Return
on
Equity-Diluted
(AFFO) and
Return on
Equity-Diluted
(FFO) assuming
conversion of
debt and
preferred
securities whose

conversion is
dilutive.

Contingencies

Environmental

Various Federal, state and local laws subject property owners or operators to liability for the costs of removal or remediation of certain hazardous substances present on a property. Such laws often impose liability without regard to whether the owner or operator knew of, or was responsible for, the release of the hazardous substances. The presence of, or the failure to properly remediate hazardous substances may adversely affect occupancy at contaminated apartment communities and the ability to sell or borrow against contaminated properties. In addition to the costs associated with investigation and remediation actions brought by governmental agencies, the presence of hazardous wastes on a property could result in personal injury or similar claims by private plaintiffs. Various laws also impose liability for the cost of removal or remediation of hazardous substances at the disposal or treatment facility. Anyone who arranges for the disposal or treatment of hazardous or toxic substances is potentially liable under such laws. These laws often impose liability whether or not the person arranging for the disposal ever owned or operated the disposal facility. In connection with the ownership, operation and management of our properties, the Company could potentially be liable for environmental liabilities or costs associated with properties or properties it acquires or manages in the future.

Inflation

Substantially all of the leases at the Company's apartment properties are for a period of twelve months or less, allowing, at the time of renewal, for adjustments in the rental rate and the opportunity to re-lease the apartment unit at the prevailing market rate. The short-term nature of these leases generally serves to minimize the risk to the Company of the adverse effect of inflation and the Company does not believe that inflation has had a material adverse impact on its operations.

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ITEM 7a. Quantitative and Qualitative Disclosures About Market Risk

The Company's primary market risk exposure relates to changes in interest rates. The Company is not subject to any foreign currency exchange rate risk or commodity price risk, or any other material market rate or price risks. The Company uses predominantly long-term, fixed-rate and self-amortizing non-recourse mortgage debt in order to avoid the refunding or repricing risks of short-term borrowings. The Company uses short-term debt financing and working capital primarily to fund acquisitions and generally expects to refinance such borrowings with proceeds from operating activities, equity offerings or long-term debt financings.

The Company had \$359.5 million of variable rate debt outstanding at December 31, 2000, which represents 8% of the Company's total outstanding debt. Based on this level of debt, an increase in interest rates of 1% would result in the Company's income and cash flows being reduced by \$3.6 million on an annual basis. At December 31, 2000, the Company had \$4,000.6 million of fixed-rate debt outstanding.

As of December 31, 2000, the scheduled principal amortization and maturity payments for the Company's consolidated secured notes payable and consolidated secured tax-exempt bonds are as follows (in thousands):

	Amortization	Maturities	Total
1	\$ 79,491	\$ 96,343	\$ 175,834
283,260			
102,484			
185,744			
2003			
92,744			
150,237			
242,981			
2004			
96,970			
262,968			
359,938			
2005			
104,445			
142,302			
246,747			
Thereafter			
2,820,131			
			\$4,031,375

The estimated aggregate fair value of the Company's cash and cash equivalents, receivables, payables and short-term secured debt as of December 31, 2000 is assumed to approximate their carrying value due to their relatively short terms. Management further believes that the fair market value of the Company's secured tax-exempt bond debt and secured long-term debt approximates their carrying value, based on market comparisons to similar types of debt instruments having similar maturities.

ITEM 8. Financial Statements and Supplementary Data

The independent auditor's report, consolidated financial statements and schedule listed in the accompanying index are filed as part of this report and incorporated herein by this reference. See Index to Financial Statements on page F-1.

ITEM 9. Changes in and Disagreements with Accountants on Accounting and Financial Disclosure

None.

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PART III

ITEM 10. Directors and Executive Officers of the Registrant

The information required by this Item is presented under the caption Board of Directors and Officers in AIMCO's proxy statement for its 2001 annual meeting of stockholders, and such information is incorporated herein by reference.

ITEM 11. Executive Compensation

The information required by this item is presented under the captions Summary Compensation Table, Option/SAR Grants in Last Fiscal Year and Aggregated Option/SAR Exercises in Last Fiscal Year and Fiscal Year-end Options/SAR Values, Compensation Committee Interlocks and Insider Participation, Compensation of Directors, Compensation Committee Report to Stockholders, Employment Arrangements, and Stock Performance Graph in AIMCO's proxy statement for its 2001 annual meeting of stockholders and is incorporated herein by reference.

ITEM 12. *Security Ownership of Certain Beneficial Owners and Management*

The information required by this item is presented under the caption *Security Ownership of Certain Beneficial Owners and Management* in AIMCO's proxy statement for its 2001 annual meeting of stockholders and is incorporated herein by reference.

ITEM 13. *Certain Relationships and Related Transactions*

The information required by this item is presented under the caption *Certain Relationships and Transactions* in AIMCO's proxy statement for its 2001 annual meeting of stockholders and is incorporated herein by reference.

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PART IV

ITEM 14. *Exhibits, Financial Statement Schedule and Reports on Form 8-K*

(a) (1) The financial statements listed in the Index to Financial Statements on Page F-1 of this report are filed as part of this report and incorporated herein by reference.

(a) (2) The financial statement schedule listed in the Index to Financial Statements on Page F-1 of this report is filed as part of this report and incorporated herein by reference.

(a) (3) The Exhibit Index is included on page 26 of this report and incorporated herein by reference.

(b) Reports on Form 8-K for the quarter ended December 31, 2000:

Current Report on Form 8-K, dated September 20, 2000 (and Amendment No. 1 thereto, filed on December 4, 2000), relating to the acquisition of all of the stock and other interests held by officers and directors in the entities that control properties owned by affiliates of Oxford Realty Financial Group, Inc., and the acquisition of the entity which owns the managing general partner of Oxford Tax Exempt Fund II Limited Partnership, including Combined Financial Statements of Oxford Holding Corporation and Subsidiaries, Oxford Realty Financial Group, Inc. and Subsidiaries, ZIMCO Entities and Oxford Equities Corporation III for the year ended December 31, 1999 and the eight months ended August 31, 2000 and 1999 (unaudited), together with the Independent Auditors' Report; Combined Financial Statements of ORFG Operations, L.L.C. and Subsidiary for the year ended December 31, 1999 and the eight months ended August 31, 2000 and 1999 (unaudited), together with the Independent Auditors' Report; Combined Financial Statements of OXPARC L.L.C.s for the year ended December 31, 1999 and the eight months ended August 31, 2000 and 1999 (unaudited), together with the Independent Auditors' Report; Combined Financial Statements of Oxford Realty Financial Group Properties for the year ended December 31, 1999 and the eight months ended August 31, 2000 and 1999 (unaudited), together with the Independent Auditors' Report; Financial Statements of Oxford Tax Exempt Fund II Limited Partnership for the year ended December 31, 1999, together with the Independent Auditors' Report; Financial Statements of Oxford Tax Exempt Fund II Limited Partnership for the nine months ended September 30, 2000 (unaudited); and certain pro forma financial information.

INDEX TO EXHIBITS

Exhibit Number	Description
2.1	Second Amended and Restated Agreement and Plan of Merger, dated as of January 22, 1999, by and between Apartment Investment and Management Company and Insignia Properties Trust (Exhibit 2.2 to the Current Report on Form 8-K of Insignia Properties Trust, dated February 11, 1999, is incorporated herein by this reference)
2.2	Amended and Restated Agreement and Plan of Merger, dated as of May 26, 1998 by and among Apartment Investment Management Company, AIMCO Properties, L.P., Insignia Financial Group, Inc., and Insignia/ESG Holdings, Inc. (Appendix I to the Prospectus included in AIMCO's Registration Statement on Form S-4 filed August 5, 1998, is incorporated herein by this reference)
2.3	Acquisition Agreement, dated as of June 28, 2000, by and among Apartment Investment and Management Company, AIMCO Properties, L.P., NHP Management Company and AIMCO/NHP Properties, Inc., as Buyers, and Leo E. Zickler, Francis P. Lavin, Robert B. Downing, Mark E. Schifrin, Marc B. Abrams, and Richard R.

Singleton, as
Sellers
(Exhibit 2.1 to
AIMCO s
Quarterly
Report on
Form 10-Q for
the quarterly
period ended
June 30, 2000,
is incorporated
herein by this
reference)2.4
Agreement and
Plan of Merger,
dated as of
November 29,
2000, by and
among
Apartment
Investment and
Management
Company,
AIMCO
Properties, L.P.,
AIMCO
Properties, L.P.,
AIMCO/OTEF,
LLC and Oxford
Tax Exempt
Fund II Limited
Partnership
(Annex A to
AIMCO s
Registration
Statement on
Form S-4 filed
on December 1,
2000, is
incorporated
herein by this
reference)3.1
Charter3.2
Bylaws (
Exhibit 3.2 to
AIMCO s
Annual Report
on Form 10-K
for the fiscal
year 1999, is
incorporated
herein by this
reference)

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4.1	Amended and Restated Declaration of Trust of IFT Financing I (formerly Insignia Financing I), dated as of November 1, 1996, among Insignia Financial Group, Inc as Sponsor, First Union National Bank of South Carolina as Property Trustee, First Union Bank of Delaware, as Delaware Trustee and Andrew I. Farkas, John K. Lines and Ronald Uretta as Regular Trustees (Exhibit 4.2 to Form S-3 of Insignia Financial Group, Inc. dated December 10, 1996, is incorporated herein by this reference)
4.2	Indenture for the 6.5% Convertible Subordinated Debentures, dated as of November 1, 1996, between Insignia Financial Group, Inc., as Issuer and First Union National Bank of South Carolina, as Trustee (Exhibit 4.3 to Form S-3 of Insignia Financial Group, Inc., dated December 10, 1996, is incorporated herein by this reference)
4.3	First Supplemental Indenture, dated as of October 1, 1998, by and among Apartment Investment and Management Company, Insignia Financial Group, Inc, and First Union National Bank (formerly First Union National Bank of South Carolina, as Trustee) (Exhibit 4.3 to AIMCO's Annual Report on Form 10-K for the year ended December 31,

1998, is
incorporated
herein by this
reference)10.1

Third Amended
and Restated
Agreement of
Limited
Partnership of
AIMCO
Properties, L.P.,
dated as of
July 29, 1994 as
amended and
restated as of
October 1, 1998
(Exhibit 10.8 to
AIMCO s
Quarterly Report
on Form 10-Q
for the quarterly
period ended
September 30,
1998, is
incorporated
herein by this
reference)10.2

First
Amendment to
the Third
Amended and
Restated
Agreement of
Limited
Partnership of
AIMCO
Properties, L.P.,
dated as of
November 6,
1998
(Exhibit 10.9 to
AIMCO s
Quarterly Report
on Form 10-Q
for the quarterly
period ended
September 30,
1998, is
incorporated
herein by this
reference)10.3

Second
Amendment to
the Third
Amended and
Restated
Agreement of
Limited
Partnership of
AIMCO
Properties, L.P.,
dated as of

December 30,
1998
(Exhibit 10.1 to
Amendment
No. 1 to
AIMCO's
Current Report
on Form 8-K/A,
filed

February 11,
1999, No. 1 to
AIMCO's
Current Report
on Form 8-K/A,
filed is
incorporated
herein by this
reference)10.4

Third
Amendment to
Third Amended
and Restated
Agreement of
Limited
Partnership of
AIMCO
Properties, L.P.,
dated as of
February 18,
1999

(Exhibit 10.12 to
AIMCO's
Annual Report
on Form 10-K
for the year
ended
December 31,
1998, is
incorporated
herein by this
reference)10.5

Fourth
Amendment to
the Third
Amended and
Restated
Agreement of
Limited
Partnership of
AIMCO
Properties, L.P.,
dated as of
March 25, 1999
(Exhibit 10.2 to
AIMCO's
Quarterly Report
on Form 10-Q
for the quarterly
period ended
March 31, 1999,
is incorporated
herein by this

reference)10.6

Fifth
Amendment to
the Third
Amended and
Restated
Agreement of
Limited
Partnership of
AIMCO
Properties, L.P.,
dated as of
March 26, 1999
(Exhibit 10.3 to
AIMCO s
Quarterly Report
on Form 10-Q
for the quarterly
period ended
March 31, 1999,
is incorporated
herein by this
reference)10.7

Sixth
Amendment to
the Third
Amended and
Restated
Agreement of
Limited
Partnership of
AIMCO
Properties, L.P.,
dated as of
March 26, 1999
(Exhibit 10.1 to
AIMCO s
Quarterly Report
on Form 10-Q
for the quarterly
period ended
June 30, 1999, is
incorporated
herein by this
reference)10.8

Seventh
Amendment to
the Third
Amended and
Restated
Agreement of
Limited
Partnership of
AIMCO
Properties, L.P.,
dated as of
September 27,
1999
(Exhibit 10.1 to
AIMCO s
Quarterly Report
on Form 10-Q

for the quarterly
period ended
September 30,
1999, is
incorporated
herein by this
reference)10.9

Eighth
Amendment to
the Third
Amended and
Restated
Agreement of
Limited
Partnership of
AIMCO
Properties, L.P.,
dated as of
December 14,
1999

(Exhibit 10.9 to
AIMCO's
Annual Report
on Form 10-K
for the year
ended
December 31,
1999, is
incorporated
herein by
reference)10.10

Ninth
Amendment to
the Third
Amended and
Restated
Agreement of
Limited
Partnership

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of AIMCO Properties, L.P., dated as of December 21, 1999 (Exhibit 10.10 to AIMCO's Annual Report on Form 10-K for the year ended December 31, 1999, is incorporated herein by reference)

10.11 Tenth
Amendment to
the Third
Amended and
Restated
Agreement of
Limited
Partnership of
AIMCO
Properties, L.P.,
dated as of
December 21,

1999
(Exhibit 10.11
to AIMCO s
Annual Report
on Form 10-K
for the year
ended
December 31,
1999, is
incorporated
herein by
reference)10.12

Eleventh
Amendment to
the Third
Amended and
Restated
Agreement of
Limited
Partnership of
AIMCO
Properties, L.P.,
dated as of
January 13,
2000

(Exhibit 10.12
to AIMCO s
Annual Report
on Form 10-K
for the year
ended
December 31,
1999, is
incorporated
herein by
reference)10.13

Twelfth
Amendment to
the Third
Amended and
Restated
Agreement of
Limited
Partnership of
AIMCO
Properties, L.P.,
dated as of
April 19, 2000

(Exhibit 10.2 to
AIMCO s
Quarterly
Report on
Form 10-Q for
the quarterly
period ended
March 31, 2000
is incorporated
herein by this
reference)10.14

Thirteenth
Amendment to
the Third and

Amended and Restated Agreement of Limited Partnership of AIMCO Properties, L.P., dated as of August 7, 2000 (Exhibit 10.1 to Quarterly Report on Form 10-Q of AIMCO Properties, L.P. for the quarterly period ended June 30, 2000, is incorporated herein by this reference)10.15

Fourteenth Amendment to the Third Amended and Restated Agreement of Limited Partnership of AIMCO Properties, L.P., dated as of September 12, 2000 (Exhibit 10.1 to Quarterly Report on Form 10-Q of AIMCO Properties, L.P. for the quarterly period ended September 30, 2000, is incorporated herein by this reference)10.16

Fifteenth Amendment to the Third Amended and Restated Agreement of Limited Partnership of AIMCO Properties, L.P., dated as of September 15, 2000 (Exhibit 10.2 to Quarterly

Report on
Form 10-Q of
AIMCO
Properties, L.P.
for the quarterly
period ended
September 30,
2000, is
incorporated
herein by this
reference)10.17

Sixteenth
Amendment to
the Third
Amended and
Restated
Agreement of
Limited
Partnership of
AIMCO
Properties, L.P.,
dated as of
September 15,
2000

(Exhibit 10.3 to
Quarterly
Report on
Form 10-Q of
AIMCO
Properties, L.P.
for the quarterly
period ended
September 30,
2000 is
incorporated
herein by this
reference)10.18

Seventeenth
Amendment to
the Third
Amended and
Restated
Agreement of
Limited
Partnership of
AIMCO
Properties, L.P.,
dated as of
November 10,
2000

(Exhibit 10-4 to
Quarterly
Report on
Form 10-Q of
AIMCO
Properties, L.P.
for the quarterly
period ended
September 30,
2000 is
incorporated
herein by this

reference)10.19

Eighteenth
Amendment to
the Third and
Amended and
Restated
Agreement of
Limited
Partnership of
AIMCO
Properties, L.P.,
dated as of
November 16,
200010.20

Nineteenth
Amendment to
the Third
Amended and
Restated
Agreement of
Limited
Partnership of
AIMCO
Properties, L.P.,
dated as of
February 28,
200110.21

Twentieth
Amendment to
the Third
Amended and
Restated
Agreement of
Limited
Partnership of
AIMCO
Properties, L.P.,
dated as of
March 19,
200110.22

Shareholders
Agreement,
dated October 1,
1998, by and
among
Apartment
Investment and
Management
Company,
Andrew L.
Farkas, James
A. Aston and
Frank M.
Garrison
(Exhibit 10.4 to
AIMCO's
Statement of
Beneficial
Ownership on
Schedule 13D
with respect to
Insignia

Properties Trust
filed on
October 15,
1998, is
incorporated
herein by this
reference)10.23

Amended and
Restated
Indemnification
Agreement,
dated as of
May 26, 1998,
by and between
Apartment
Investment and
Management
Company and
Insignia/ESG
Holdings, Inc.
(Appendix II to
the Prospectus
included in
AIMCO's
Registration
Statement on
Form S-4, filed
August 5, 1998,
is incorporated
herein by this
reference)10.24

ILPI and BAC
Agreement,
dated as of
September 20,
2000 by and
among
Apartment
Investment and
Management
Company,
AIMCO
Properties, L.P.
and AIMCO/
NHP Properties,
Inc., as Buyers,
and Leo E.
Zickler, Francis
P. Lavin, Robert
B. Downing,
Mark E.
Schifrin, Marc
B. Abrams, and
Richard R.
Singleton, as
Sellers (Exhibit
(B) of the
Statement of
Beneficial
Ownership on
Schedule 13D of
Oxford Tax

Exempt Fund II
Limited
Partnership with
respect to
AIMCO dated
September 20,
2000, is
incorporated
herein by this
reference)

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10.25 Option Sale Agreement , dated as of September 20, 2000 by and among Apartment Investment and Management Company, AIMCO Properties, L.P., NHP Management Company and AIMCO/NHP Properties, Inc., as Buyers, and Leo E. Zickler, Francis P. Lavin, Robert B. Downing, Mark E. Schiffrin, Marc B. Abrams, and Richard R. Singleton, as Sellers (Exhibit (C) of the Statement of Beneficial Ownership on Schedule 13D of Oxford Tax Exempt Fund II Limited Partnership with respect to AIMCO dated September 20,2000 is incorporated herein by this reference)

10.26
Employment
Contract,
executed on
July 29, 1994, by
and between
AIMCO
Properties, L.P.,
and Peter
Kompaniez
(Exhibit 10.44A
to AIMCO s
Annual Report
on Form 10-K
for the year
ended
December 31,
1994, is
incorporated
herein by this
reference)*10.27

Employment
Contract
executed on
July 29, 1994 by
and between
AIMCO
Properties, L.P.
and Terry
Considine
(Exhibit 10.44C
to AIMCO s
Annual Report
on Form 10-K
for the year
ended
December 31,

1994, is
incorporated
herein by this
reference)*10.28

Employment
Contract
executed on
July 29, 1994 by
and between
AIMCO
Properties, L.P.
and Steven D.

Ira
(Exhibit 10.44D
to AIMCO s
Annual Report
on Form 10-K
for year ended
December 31,
1994, is

incorporated
herein by this
reference)*10.29

Apartment
Investment and
Management
Company 1998
Incentive
Compensation
Plan (Annex B
to AIMCO s
Proxy Statement
for Annual
Meeting of
Stockholders to
be held on
May 8, 1998, is
incorporated
herein by this
reference)*10.30

Apartment
Investment and
Management
Company 1997
Stock Award
and Incentive
Plan
(October 1999)
(Exhibit 10.26 to
AIMCO s Annual
Report on
Form 10-K for
the year ended
December 31,
1999, is
incorporated
herein by this
reference)*10.31

Form of
Restricted Stock
Agreement
(1997 Stock

Award and
Incentive Plan)
(Exhibit 10.11 to
AIMCO s
Quarterly Report
on Form 10-Q
for the quarterly
period ended
September 30,
1997, is
incorporated
herein by this
reference)*10.32

Form of
Incentive Stock
Option
Agreement
(1997 Stock
Award and
Incentive Plan)
(Exhibit 10.42to
AIMCO s Annual
Report on
Form 10-K for
the year ended
December 31,
1998, is
incorporated
herein by this
reference)*10.33

Apartment
Investment and
Management
Company
Non-Qualified
Employee Stock
Option Plan,
adopted
August 29, 1996
(Exhibit 10.8 to
AIMCO s
Quarterly Report
on Form 10-Q
for the quarterly
period ended
September 30,
1996, is
incorporated
herein by this
reference)*10.34

Amended and
Restated
Apartment
Investment and
Management
Company
Non-Qualified
Employee Stock
Option Plan
(Annex B to
AIMCO s Proxy
Statement for the

Annual Meeting
of Stockholders
to be held on
April 24, 1997,
is incorporated
herein by this
reference)*10.35

The 1994 Stock
Incentive Plan
for Officers,
Directors and
Key Employees
of Ambassador
Apartments,
Inc.,
Ambassador
Apartments,
L.P., and
Subsidiaries
(Exhibit 10.40 to
Ambassador
Apartments, Inc.
Annual Report
on Form 10-K
for the year
ended
December 31,
1997, is
incorporated
herein by this
reference)*10.36

Amendment to
the 1994 Stock
Incentive Plan
for Officers,
Directors and
Key Employees
of Ambassador
Apartments,
Inc.,
Ambassador
Apartments, L.P.
and Subsidiaries
(Exhibit 10.41 to
Ambassador
Apartments, Inc.
Annual Report
on Form 10-K
for the year
ended
December 31,
1997, is
incorporated
herein by this
reference)*10.37

The 1996 Stock
Incentive Plan
for Officers,
Directors and
Key Employees
of Ambassador
Apartments,

Inc.,
Ambassador
Apartments,
L.P., and
Subsidiaries, as
amended
March 20, 1997
(Exhibit 10.42 to
Ambassador
Apartments, Inc.
Annual Report
on Form 10-K
for the year
ended
December 31,
1997, is
incorporated
herein by this
reference)*10.38
Insignia 1992
Stock Incentive
Plan, as
amended
through
March 28, 1994
and
November 13,
1995
(Exhibit 10.1 to
Insignia
Financial Group,
Inc. Annual
Report on
Form 10-K for
the year ended
December 31,
1997, is
incorporated
herein by this
reference)*

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10.39	NHP Incorporated 1990 Stock Option Plan (Exhibit 10.9 to NHP Incorporated Annual Report on Form 10-K for the year ended December 31, 1995, is incorporated herein by this reference)*
10.40	NHP Incorporated 1995 Incentive Stock Option Plan (Exhibit 10.10 to NHP Incorporated Annual Report on Form 10-K for the year ended

December 31,
1995, is
incorporated
herein by this
reference)*10.41
Summary of
Agreement for
Sale of Stock to
Executive
Officers
(Exhibit 10.104
to AIMCO s
Annual Report
on Form 10-K
for the year
ended
December 31,
1996, is
incorporated
herein by this
reference)*21.1
List of
Subsidiaries23.1
Consent of
Ernst & Young
LLP99.1
Agreement re:
disclosure of
long-term debt
instruments

(1) Schedule and supplemental materials to the exhibits have been omitted but will be provided to the Securities and Exchange Commission upon request.

* Management
contract

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SIGNATURES

Pursuant to the requirements of Section 13 or 15(d) of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized, on the 30th day of March, 2001.

APARTMENT INVESTMENT AND MANAGEMENT COMPANY

/s/ TERRY CONSIDINE

Terry Considine
*Chairman of the Board
And Chief Executive Officer*

Pursuant to the requirements of the Securities Exchange Act of 1934, this report has been signed below by the following persons on behalf of the registrant and in the capacities and on the date indicated.

<u>Signature</u>	<u>Title</u>	<u>Date</u>
<u>/s/ TERRY CONSIDINE</u> Terry Considine	Chairman of the Board and Chief Executive Officer	March 30, 2001
<u>/s/ PETER K. KOMPANIEZ</u> Peter K. Kompaniez Vice Chairman, President and Director		March 30, 2001
<u>/s/ PAUL MCAULIFFE</u> Paul McAuliffe Executive Vice President and Chief Financial Officer		March 30, 2001
<u>/s/ THOMAS C. NOVOSEL</u> Thomas C. Novosel Senior Vice President, Chief Accounting Officer		March 30, 2001
<u>/s/ JAMES N. BAILEY</u> James N. Bailey Director		March 30, 2001
<u>/s/ RICHARD S. ELLWOOD</u> Richard S. Ellwood Director		March 30, 2001
<u>/s/ J. LANDIS MARTIN</u> J. Landis Martin Director		March 30, 2001
<u>/s/ THOMAS L. RHODES</u> Thomas L. Rhodes Director		March 30, 2001

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APARTMENT INVESTMENT AND MANAGEMENT COMPANY

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Independent
Auditors F-2 Consolidated
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Sheets as of
December 31,
2000 and
1999 F-3 Consolidated
Statements of
Income for the
Years Ended
December 31,
2000, 1999
and
1998 F-4 Consolidated
Statements of
Stockholders
Equity for the

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Years Ended
December 31,
2000, 1999
and
1998F-5Consolidated
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for the Years
Ended
December 31,
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Financial
StatementsF-8**Financial
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and
Accumulated
DepreciationF-33All
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schedules are
omitted
because they
are not
applicable or
the required
information is
shown in the
financial
statements or
notes thereto

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REPORT OF INDEPENDENT AUDITORS

Stockholders and Board of Directors
Apartment Investment and Management Company

We have audited the accompanying consolidated balance sheets of Apartment Investment and Management Company as of December 31, 2000 and 1999, and the related consolidated statements of income, stockholders' equity and cash flows for each of the three years in the period ended December 31, 2000. Our audits also included the financial statement schedule listed in the Index at Item 14(a)(2). These financial statements and schedule are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements and schedule based on our audits.

We conducted our audits in accordance with auditing standards generally accepted in the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, the consolidated financial statements referred to above present fairly, in all material respects, the consolidated financial position of Apartment Investment and Management Company at December 31, 2000 and 1999, and the consolidated results of its operations and its cash flows for each of the three years in the period ended December 31, 2000 in conformity with accounting principles generally accepted in the United States. Also, in our opinion, the related financial statement schedule, when considered in relation to the basic financial statements taken as a whole, presents fairly, in all material respects the information set forth therein.

/s/ ERNST & YOUNG LLP

Denver, Colorado
 January 24, 2001,
 except for Note 24, as to which the date is March 29, 2001

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APARTMENT INVESTMENT AND MANAGEMENT COMPANY

**CONSOLIDATED BALANCE SHEETS
 As of December 31, 2000 and 1999
 (In Thousands, Except Per Share Data)**

ASSETS

	2000	1999
Real estate, net of accumulated depreciation of \$913,263 and \$416,497	\$ 6,099,189	\$ 4,096,200
Investments in unconsolidated real estate partnerships 676,188 891,449 Investments in unconsolidated subsidiaries 107,781 44,921 Notes receivable from and advances to unconsolidated real estate partnerships 140,860 159,935 Notes receivable from and advances to unconsolidated subsidiaries, net 190,453 88,754 Cash and cash equivalents 157,115 101,604 Restricted cash 126,914 84,595 Other assets 201,374 217,493		

Total
assets\$7,699,874\$5,684,951

LIABILITIES AND
STOCKHOLDERS
EQUITYSecured notes
payable\$3,258,342\$1,954,259Secured
tax-exempt bond
financing773,033420,830Secured
short-term
financing328,740209,200

Total
indebtedness4,360,1152,584,289Accounts
payable, accrued and other
liabilities300,142271,627Resident
security deposits and deferred
rental income33,94322,793

Total
liabilities4,694,2002,878,709

Mandatorily redeemable
convertible preferred
securities32,330149,500Minority
interest in other
entities139,731168,533Minority
interest in Operating
Partnership331,956228,813Stockholders
equity:Preferred Stock,
perpetual315,770316,250Preferred
Stock,
convertible521,947325,000Class A
Common Stock, \$.01 par
value, 468,432,738 shares and
474,121,284 shares
authorized, 71,337,217 and
66,802,886 shares issued and
outstanding,
respectively713668Additional
paid-in
capital2,072,2081,885,424Notes
receivable on common stock
purchases(44,302)(51,619)Distributions
in excess of
earnings(364,679)(216,327)

Total stockholders
equity2,501,6572,259,396

Total liabilities and
stockholders
equity\$7,699,874\$5,684,951

See notes to consolidated financial statements.

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APARTMENT INVESTMENT AND MANAGEMENT COMPANY

**CONSOLIDATED STATEMENTS OF INCOME
For the Years Ended December 31, 2000, 1999 and 1998
(In Thousands, Except Per Share Data)**

	<u>2000</u>	<u>1999</u>	<u>1998</u>
RENTAL PROPERTY OPERATIONS:			
Rental and other property revenues	\$1,051,000	\$533,917	\$377,139
Property operating expenses	(426,177)	(213,798)	(147,541)
Owned property management expense	(13,663)	(1,650)	(2,009)
Depreciation	(323,321)	(131,753)	(84,635)
<hr/>			
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Income from rental property operations	287,839	186,716	142,954
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SERVICE COMPANY BUSINESS:			
Management fees and other income from affiliates	49,692	38,377	20,824
Management and other expenses	(27,199)	(14,897)	(16,764)
General and administrative expenses allocation	(10,310)	(2,136)	(196)
Amortization of intangibles	(6,698)	(14,297)	(8,735)
<hr/>			
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Income (loss) from service company business	5,485	7,047	(4,871)
<hr/>			
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General and administrative expenses: Before allocation			
	(18,123)	(15,248)	(13,764)
Allocation to consolidated service company business	10,310	2,136	196
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General and administrative expenses, net	(7,813)	(13,112)	(13,568)
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Interest expense	(269,826)	(140,094)	(89,424)
Interest income	66,241	155,320	29,368
Equity in earnings (losses) of unconsolidated real estate partnerships	7,618	(4,467)	(4,854)
Equity in earnings (losses) of unconsolidated subsidiaries	(2,290)	(5,013)	5,845
Minority interest in other entities	(3,872)	(900)	(468)
<hr/>			
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Income from operations	83,382	85,497	64,982
Gain (loss) on disposition of properties	26,335	(1,785)	4,674
<hr/>			
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Income before minority interest in Operating Partnership	109,717	83,712	69,656
Minority interest in Operating Partnership, common	(3,519)	(5,458)	(5,182)
Minority interest in Operating Partnership, preferred	(7,020)	(727)	
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Net income	99,178	77,527	64,474
Net income attributable to preferred stockholders	63,183	53,453	26,533
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Net income attributable to common stockholders	\$35,995	\$24,074	\$37,941
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Basic earnings per common share	\$0.53	\$0.39	\$0.84
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Diluted earnings per common share	\$0.52	\$0.38	\$0.80
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Weighted average common shares outstanding	67,572	62,242	45,187
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Weighted average common shares and common share equivalents outstanding	69,063	63,446	47,624
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Dividends paid per common share \$2.80 \$2.50 \$2.25

See notes to consolidated financial statements.

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APARTMENT INVESTMENT AND MANAGEMENT COMPANY

CONSOLIDATED STATEMENTS OF STOCKHOLDERS' EQUITY
For the Years Ended December 31, 2000, 1999 and 1998
(In Thousands)

	Preferred Stock		Class A Common Stock		Class B Common Stock		Additional Paid-in Capital
	Shares Issued	Amount	Shares Issued	Amount	Shares Issued	Amount	
BALANCE DECEMBER 31, 1997	3,150	\$ 135,000	40,439	\$ 403	162	\$ 2	\$ 977,601
Net proceeds from issuances of Preferred Stock	11,250	356,250					
(15,353) Repurchase of Class A Common Stock	(303)	(3)	(11,064)				
Conversion of Class B Common Stock to Class A Common Stock	1622	(162)	(2)				
Conversion of Operating Partnership units to Class A Common Stock	2753	5,792					
Purchase of stock by officers and awards of restricted stock	6407	23,619					
Repayment of notes receivable from officers and warrants exercised	6587	11,008					
Class A Common Stock issued as consideration for Ambassador Common Stock	6,580	66	251,209				
Class E Preferred Stock issued as consideration for Insignia Common Stock	8,424	301,218					
Issuance of warrants to purchase Class A Common Stock					4,150		
Net income							
Dividends paid Class A Common Stock							
Dividends paid Preferred Stock							
Unrealized gain (loss) on investments							

BALANCE DECEMBER 31,
 199822,824792,46848,451485 1,246,962Net
 proceeds from issuances of Preferred
 Stock10,000250,000 (16,899)Repurchase of
 Class A Common
 Stock (205)(2) (8,036)Conversion of Operating
 Partnership units to Class A Common
 Stock 96410 13,756Conversion of Preferred Stock
 toClass A Common
 Stock(9,424)(401,218)10,924109 401,109Purchase
 of stock by officers and awards of restricted
 stock 2402 8,824Repayment of notes receivable
 from officers Stock options and warrants
 exercised 1291 3,201Class A Common Stock
 issued as consideration for Insignia Property
 Trust Merger 4,04440 158,753Class A Common
 Stock issued as consideration for First Union
 acquisition 5305 21,135Class A Common Stock
 Offering 1,38314 54,598Warrants
 exercised 3434 2,021Net income Dividends paid
 Class A Common Stock Dividends paid
 Preferred Stock

BALANCE DECEMBER 31,
 199923,400641,25066,803668 1,885,424Net
 proceeds from issuances of Preferred
 Stock7,105230,000 (3,106)Repurchase of Class A
 Common Stock (69)(1) (2,579)Conversion of
 Operating Partnership units to Class A Common
 Stock (480)2582 10,103Conversion of Class B
 Preferred Stock to Class A Common
 Stock(331)(33,053)1,08511 33,042Conversion of
 mandatorily redeemable convertible preferred
 securities to Class A Common
 Stock 2,36324 117,146Repayment of notes
 receivable from officers Purchase of stock by
 officers and awards of restricted
 stock 3003 11,984Stock options and warrants
 exercised 5976 20,194Net income Dividends paid
 Class A Common Stock Dividends paid
 Preferred Stock

BALANCE DECEMBER 31,
 200030,174\$837,71771,337\$713 \$ \$2,072,208

[Additional columns below]

[Continued from above table, first column(s) repeated]

	Notes Receivable from Officers	Distributions in Excess of Earnings	Unrealized Gain (Loss) On Investments	Total
BALANCE DECEMBER 31, 1997	\$(35,095)	\$(30,928)	\$(1,683)	\$1,045,300
Net proceeds from issuances of Preferred Stock 340,897				
Repurchase of Class A Common Stock (11,067)				
Conversion of Class B Common Stock to Class A Common Stock				
Conversion of Operating Partnership units to Class A Common Stock 5,795				
Purchase of stock by officers and awards of restricted stock(23,471) 155				
Repayment of notes receivable from officers8,908 8,908				
stock options and warrants exercised 11,015				
Class A Common Stock issued as consideration for Ambassador Common Stock 251,275				
Class E Preferred Stock issued as consideration for Insignia Common Stock 301,218				
Issuance of warrants to purchase Class A Common Stock 4,150				
Net income 64,474 64,474				
Dividends paid Class A Common Stock (100,045) (100,045)				
Dividends paid Preferred Stock (21,194) (21,194)				
Unrealized gain (loss) on investments 1,683 1,683				
BALANCE DECEMBER 31, 1998(49,658)(87,693) 1,902,564				
Net proceeds from issuances of Preferred Stock 233,101				
Repurchase of Class A Common Stock (8,038)				
Conversion of Operating Partnership units to Class A Common Stock 13,766				
Conversion of Preferred Stock to Class A Common				

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Stock Purchase of stock by officers and awards of restricted stock(8,202) 624Repayment of notes receivable from officers6,241 6,241Stock options and warrants exercised 3,202Class A Common Stock issued as consideration for Insignia Property Trust Merger 158,793Class A Common Stock issued as consideration for First Union acquisition 21,140Class A Common Stock Offering 54,612Warrants exercised 2,025Net income 77,527 77,527Dividends paid Class A Common Stock (154,654) (154,654)Dividends paid Preferred Stock (51,507) (51,507)

BALANCE DECEMBER 31, 1999(51,619)(216,327) \$2,259,396Net proceeds from issuances of Preferred Stock 226,894Repurchase of Class A Common Stock (2,580)Conversion of Operating Partnership units to Class A Common Stock 9,625Conversion of Class B Preferred Stock to Class A Common Stock Conversion of mandatorily redeemable convertible preferred securities to Class A Common Stock 117,170Repayment of notes receivable from officers15,050 15,050Purchase of stock by officers and awards of restricted stock(7,733) 4,254Stock options and warrants exercised 20,200Net income 99,178 99,178Dividends paid Class A Common Stock (188,600) (188,600)Dividends paid Preferred Stock (58,930) (58,930)

BALANCE DECEMBER 31, 2000\$(44,302)\$(364,679)\$ \$2,501,657

See notes to consolidated financial statements.

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APARTMENT INVESTMENT AND MANAGEMENT COMPANY

CONSOLIDATED STATEMENTS OF CASH FLOWS
For the Years Ended December 31, 2000, 1999 and 1998
(In Thousands)

	2000	1999	1998
CASH FLOWS FROM OPERATING ACTIVITIES:			
Net income	\$99,178	\$77,527	\$64,474
<hr/>			
<hr/>			
<hr/>			
Adjustments to reconcile net income to net cash provided by operating activities:			
Depreciation and amortization	330,019	151,166	101,610
Loss (gain) on disposition of properties	(26,335)	1,785	(4,674)
Minority interest in Operating Partnership	10,539	6,185	5,182
Minority interests in other entities	3,872	900	468
Equity in (earnings) losses of unconsolidated real estate partnerships	(7,618)	4,467	4,854
Equity in (earnings) losses of unconsolidated subsidiaries	2,290	5,013	(5,845)
Changes in operating assets and operating liabilities	(11,581)	6,214	(17,655)
<hr/>			
<hr/>			
<hr/>			
Total adjustments	301,186	175,730	83,940
<hr/>			
<hr/>			
<hr/>			
Net cash provided by operating activities	400,364	253,257	148,414
<hr/>			

CASH FLOWS FROM INVESTING

ACTIVITIES: Purchase of and additions to real estate (334,264) (217,380) (235,131) Proceeds from sales of property 159,340 49,023 36,468 Purchase of notes receivable, general and limited partnership interests and other assets (453,263) (233,640) (56,760) Purchase of/additions to notes receivable (81,657) (103,943) (81,587) Proceeds from sale of notes receivable 17,788 Proceeds from repayment of notes receivable 64,559 61,407 29,290 Cash from newly consolidated properties 54,875 68,127 Cash received in connection with acquisitions 60,777 Cash paid for merger / acquisition related costs (31,889) (19,347) (78,568) Distributions received from investments in unconsolidated real estate partnerships 75,318 87,284 15,673 Distributions received from (contributions to) unconsolidated subsidiaries 9,575 (13,032) Purchase of investments held for sale (4,935) Redemption of OP Units (516)

Net cash used in investing activities (546,981) (281,106) (328,321)

CASH FLOWS FROM FINANCING

ACTIVITIES: Proceeds from secured notes payable borrowings 502,085 297,536 102,115 Principal repayments on secured notes payable (265,269) (53,572) (93,469) Proceeds from secured tax-exempt bond financing 20,731 210,720 Principal repayments on secured tax-exempt bond financing (26,677) (41,894) (224,395) Net

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borrowings (pay downs) on the secured short-term financing 119,540 (155,622) (23,455) Payment of loan costs (21,920) (16,070) (7,407) Proceeds from issuance of common and preferred stock, exercise of options/warrants 251,348 293,225 386,770 Principal repayments received on notes due from officers on Class A Common Stock purchases 15,050 6,241 8,951 Repurchase of Class A Common Stock (2,580) (8,038) (11,066) Payment of common stock dividends (188,600) (154,654) (100,045) Payment of distributions to minority interest (121,919) (32,898) (15,531) Payment of preferred stock dividends (58,930) (51,507) (21,194) Payment of special dividend on Class E Preferred Stock (45,330) Proceeds from issuance of High Performance Units 2,130

Net cash provided by financing activities 202,128 58,148 214,124

NET INCREASE IN CASH AND CASH EQUIVALENTS 55,511 30,299 34,217 CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR 101,604 71,305 37,088

CASH AND CASH EQUIVALENTS AT END OF YEAR \$157,115 \$101,604 \$71,305

See notes to consolidated financial statements.

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APARTMENT INVESTMENT AND MANAGEMENT COMPANY

**CONSOLIDATED STATEMENTS OF CASH FLOWS
For the Years Ended December 31, 2000, 1999 and 1998
(In Thousands)**

	<u>2000</u>	<u>1999</u>	<u>1998</u>
SUPPLEMENTAL CASH INFORMATION:			
Interest			
paid	\$254,802	\$140,410	\$91,795
Cash			
Transactions			
Associated with			
the Acquisition			
of			
Properties: Secured			
debt assumed in			
connection with			
purchase of real			
estate	60,605	110,101	115,151
estate, assets			
acquired	93,975	230,194	43,756
of operating			
liabilities	148	15,233	857
of contingent			
consideration	(4,500)	4,500	0
Units			
issued	33,222	283,810	0
Common Stock			
issued	21,140	0	0
Cash			
Transactions			
Associated with			
Acquisition of			
Limited			
Partnership			
Interests			
and Interests in			
the			
Unconsolidated			
Subsidiaries: Issuance			
of OP Units for			
interests in			
unconsolidated			
real estate			
partnerships	29,885	15,085	4,045
of OP Units and			

assumption of
 liabilities for
 interests in
 unconsolidated
 subsidiaries 4,762 Non
 Cash
 Transactions
 Associated with
 Mergers:Real
 estate324,6026,012773,189Investments
 in and notes
 receivable from
 unconsolidated
 real estate
 partnerships121,67197,708801,467Investments
 in and notes
 receivable from
 unconsolidated
 subsidiaries157,785(13,137)68,168Restricted
 cash7,212 38,210Other
 assets6,163 110,969Secured
 debt248,524 764,543Unsecured
 debt 2,513Accounts
 payable,
 accrued and
 other
 liabilities74,31030,183181,158Mandatorily
 redeemable
 convertible
 preferred
 securities of a
 subsidiary
 trust 149,500Minority
 interest in other
 entities23,816(98,353)117,922OP
 Units
 issued62,177 Class A
 Common Stock
 issued 158,753552,492Non
 Cash
 Transactions
 Associated with
 Consolidation
 of Assets:Real
 estate1,754,4921,016,34322,089Investments
 in and notes
 receivable from
 unconsolidated
 real estate
 partnerships(685,173)(380,359)(16,683)Investments
 in and notes
 receivable from
 unconsolidated
 subsidiaries(3,271) Restricted
 cash46,28443,605 Other
 assets55,128 Secured
 debt1,133,197561,1294,679Accounts
 payable,
 accrued and
 other
 liabilities63,01144,361727Minority
 interest in other

entities 1,573,774 Non
 Cash Transfer
 of Assets to an
 Unconsolidated
 Subsidiary: Real
 estate (9,429) (32,091) Notes
 receivable 6,245 Secured
 debt (25,620) Other: Redemption
 of OP
 Units 8,151,137,665,650 Receipt
 of notes payable
 from
 officers 7,733,202,23,471 Conversion
 of Preferred
 Stock into
 Class A
 Common
 Stock 150,199,401,218 Tenders
 payable for
 purchase of
 limited partner
 interest 77,380

See notes to consolidated financial statements.

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APARTMENT INVESTMENT AND MANAGEMENT COMPANY

**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
 December 31, 2000**

NOTE 1 Organization

Apartment Investment and Management Company, a Maryland corporation incorporated on January 10, 1994 (AIMCO and, together with its consolidated subsidiaries and other controlled entities, the Company), owns a majority of the ownership interests in AIMCO Properties, L.P., (the AIMCO Operating Partnership) through its wholly owned subsidiaries, AIMCO-GP, Inc. and AIMCO-LP, Inc. The Company held an approximate 91% interest in the AIMCO Operating Partnership as of December 31, 2000. AIMCO-GP, Inc. is the sole general partner of the AIMCO Operating Partnership.

As of December 31, 2000, AIMCO:

owned or controlled (consolidated) 153,872 units in 566 apartment properties;

held an equity interest in (unconsolidated) 111,748 units in 683 apartment properties; and

managed 60,669 units in 471 apartment properties for third party owners and affiliates.

At December 31, 2000, AIMCO had 71,337,217 shares of Class A Common Stock outstanding and the AIMCO Operating Partnership had 8,341,161 Partnership Common Units (Common OP Units) outstanding (excluding units held by the Company), for a combined total of 79,678,378 shares of Class A Common Stock and Common OP Units

outstanding.

Interests in the AIMCO Operating Partnership held by limited partners other than AIMCO are referred to as OP Units . OP Units include Common OP Units, Partnership Preferred Units (Preferred OP Units) and High Performance Partnership Units. The AIMCO Operating Partnership s income is allocated to holders of Common OP Units based on the weighted average number of Common OP Units outstanding during the period. The AIMCO Operating Partnership records the issuance of Common OP Units and the assets acquired in purchase transactions based on the market price of the Company s Class A Common Stock at the date of execution of the purchase contract. The holders of the Common OP Units receive distributions, prorated from the date of issuance, in an amount equivalent to the dividends paid to holders of Class A Common Stock. After holding the Common OP Units for one year, the limited partners generally have the right to redeem their Common OP Units for cash. Notwithstanding that right, the AIMCO Operating Partnership may elect to cause AIMCO to acquire some or all of the Common OP Units tendered for redemption in exchange for shares of Class A Common Stock in lieu of cash. During 2000, 1999 and 1998, the weighted average ownership interest in the AIMCO Operating Partnership held by the Common OP Unit holders was 9%, 9% and 12%, respectively. Preferred OP Units entitle the holders thereof to a preference with respect to distributions or upon liquidation (see Note 13). See Footnote 19 for the discussion on High Performance Units.

NOTE 2 Basis of Presentation and Summary of Significant Accounting Policies

Principles of Consolidation

The accompanying consolidated financial statements include the accounts of AIMCO, the AIMCO Operating Partnership, majority owned subsidiaries and controlled real estate partnerships. Interests held by limited partners in real estate partnerships controlled by the Company and interests held by the minority shareholders of Insignia Properties Trust (through February 26, 1999) are reflected as minority interest in other entities. Significant intercompany balances and transactions have been eliminated in consolidation. The assets of property owning limited partnerships and limited liability companies owned or controlled by AIMCO or the AIMCO Operating Partnership generally are not available to pay creditors of AIMCO or the AIMCO Operating Partnership.

Real Estate and Depreciation

Real estate is recorded at cost, less accumulated depreciation, unless considered impaired. If events or circumstances indicate that the carrying amount of a property may be impaired, the Company will make an assessment of its recoverability by estimating the undiscounted future cash flows, excluding interest charges, of the property. If the carrying amount exceeds the aggregate future cash flows, the Company would recognize an impairment loss to the extent the carrying amount exceeds the fair value of the property.

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As of December 31, 2000, management believes that no impairments exist based on periodic reviews. No impairment losses were recognized for the years ended December 31, 2000, 1999 and 1998.

Direct costs associated with the acquisition of ownership or control of properties are capitalized as a cost of the assets acquired, and are depreciated over the estimated useful lives of the related assets. Expenditures for ordinary repairs, maintenance and apartment turnover costs are expensed as incurred.

Initial Capital Expenditures (ICE) are those costs considered necessary by the Company in its investment decision to correct deferred maintenance or improve a property. Capital enhancements are costs incurred that add a material

new feature or increase the revenue potential of a property. ICE and capital enhancement costs are capitalized and depreciated over the estimated useful lives of the related assets.

Expenditures in excess of \$250 that maintain an existing asset which has a useful life of more than one year are capitalized as capital replacement expenditures and depreciated over the estimated useful life of the asset.

Depreciation is calculated on the straight-line method based on a fifteen to thirty year life for buildings and improvements and five years for furniture, fixtures and equipment.

Redevelopment

The Company capitalizes direct and indirect costs (including interest, taxes and other costs) in connection with the redevelopment of its owned or controlled properties and land under development. Interest of \$9.3 million, \$6.6 million and \$2.8 million was capitalized for the years ended December 31, 2000, 1999 and 1998, respectively.

Investments in Unconsolidated Real Estate Partnerships

The Company owns general and limited partnership interests in numerous partnerships that own multi-family apartment properties. Investments in real estate partnerships in which the Company has significant influence but does not have control are accounted for under the equity method. Under the equity method, the Company's pro-rata share of the earnings or losses of the entity for the periods being presented is included in equity in earnings (losses) from unconsolidated partnerships (see Note 5).

Investments in Unconsolidated Subsidiaries

The Company has investments in numerous subsidiaries. Investments in entities in which the Company has significant influence but does not have control are accounted for under the equity method. Under the equity method, the Company's pro-rata share of the earnings or losses of the entity for the periods being presented is included in equity in earnings (losses) from unconsolidated subsidiaries (see Note 6).

Notes Receivable from Unconsolidated Real Estate Partnerships and Subsidiaries

The Company has investments in numerous notes receivable, which were either extended by the Company or were made by predecessors whose positions have been acquired by the Company. Interest income is recognized on these investments based upon whether the collectibility of such amounts is both probable and estimable. Notes receivable from unconsolidated real estate partnerships and subsidiaries consist substantially of second mortgage note receivable, whose ultimate repayment is subject to a number of variables, including the performance and value of the underlying real property and the ultimate timing of repayments of receivables. The carrying amounts of notes receivable approximates their fair value in consideration of interest rates, market conditions and other qualitative factors (see Note 7).

Cash Equivalents

The Company considers highly liquid investments with an original maturity of three months or less to be cash equivalents.

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Restricted Cash

Restricted cash includes capital replacement reserves, completion repair reserves, bond sinking fund amounts and tax and insurance impound accounts held by lenders.

Other Assets

Fees and costs incurred in obtaining financing are capitalized and are included in other assets. Such costs are amortized over the terms of the related loan agreements and are charged to interest expense.

Certain intangible assets are included in other assets and consist of costs associated with the purchase of property management businesses, including property management contracts, legal and other acquisition costs. These costs are amortized on a straight-line basis over terms ranging from five to twenty years.

Revenue Recognition

The Company's properties have operating leases with apartment residents with terms generally of twelve months or less. Rental revenues and property management and asset management fees are recognized when earned.

Income on Loans

Income on loans is recorded as earned in accordance with the terms of the related loan agreements. The accrual of interest is discontinued when a loan becomes ninety days contractually delinquent or sooner when, in the opinion of the Company, impairment has occurred in the value of the collateral property securing the loan. Income on nonaccrual loans or loans that are otherwise not performing in accordance with their terms is recorded on a cash basis.

Allowance for Loan Losses

Loan losses on notes receivable are charged to income and an allowance account is established when the Company believes the principal balance will not be recovered. The Company assesses the collectibility of each note on a periodic basis through a review of the collateral, property operations, the property value and the borrower's ability to repay the loan.

Income Taxes

AIMCO has elected to be taxed as a real estate investment trust (REIT), as defined under the Internal Revenue Code of 1986, as amended. In order for AIMCO to qualify as a REIT, at least 90% (95% in 2000) of AIMCO's gross income in any year must be derived from qualifying sources. The activities of unconsolidated subsidiaries engaged in the service company business are not qualifying sources.

As a REIT, AIMCO generally will not be subject to U.S. Federal income taxes at the corporate level on its net income that is distributed to its stockholders if it distributes at least 90% of its REIT taxable income to its stockholders. REITs are also subject to a number of other organizational and operational requirements. If AIMCO fails to qualify as a REIT in any taxable year, its taxable income will be subject to U.S. Federal income tax at regular corporate rates (including any applicable alternative minimum tax). Even if AIMCO qualifies as a REIT, it may be subject to certain state and local income taxes and to U.S. Federal income and excise taxes on its undistributed income.

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Earnings and profits, which determine the taxability of dividends to stockholders, differ from net income reported for financial reporting purposes due to differences for U.S. Federal tax purposes in the estimated useful lives and methods used to compute depreciation and the carrying value (basis) of the investments in properties, among other things.

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The following table reconciles the Company's net income to REIT taxable income for the year ended December 31, 2000:

Net income	\$ 99,178
Elimination of earnings from unconsolidated subsidiaries	(3,666)
Depreciation and amortization expense not deductible for tax	89,885
Gain on disposition of properties	42,645
Interest income, not taxable	(12,987)
Depreciation timing differences on real estate	7,007
Dividends on officer stock, not deductible for tax	2,496
LP deficit allocations, not deductible for tax	21,992
Transaction and project costs, deductible for tax	(2,730)
	<hr/>
REIT taxable income	\$243,820
	<hr/>

For income tax purposes, distributions paid to common stockholders consist of ordinary income, capital gains, return of capital or a combination thereof. For the years ended December 31, 2000, 1999 and 1998, distributions paid per share were taxable as follows:

	<u>2000</u>		<u>1999</u>		<u>1998</u>	
	<u>Amount</u>	<u>Percentage</u>	<u>Amount</u>	<u>Percentage</u>	<u>Amount</u>	<u>Percentage</u>
Ordinary income	\$ 1.84	66%	\$ 2.04	82%	\$ 0.90	40%
Return of capital			0.16	6%	1.33	59%
Capital gains	0.32	11%	0.12	5%		
Unrecaptured SEC.1250 gain	0.64	23%	0.18	7%	0.02	1%
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
	\$ 2.80	100%	\$ 2.50	100%	\$ 2.25	100%
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>

Earnings Per Share

Earnings per share is calculated based on the weighted average number of shares of common stock, common stock equivalents and dilutive convertible securities outstanding during the period (see Note 17).

Fair Value of Financial Instruments

The estimated aggregate fair value of the Company's cash and cash equivalents, receivables, payables and short-term secured debt as of December 31, 2000 is assumed to approximate their carrying value due to their relatively short terms. Management further believes that the fair market value of the Company's secured tax-exempt bond debt and secured long-term debt approximate their carrying value, based on market comparisons to similar types of debt instruments having similar maturities.

Concentration of Credit Risk

Financial instruments that potentially could subject the Company to significant concentrations of credit risk consist principally of notes receivable from unconsolidated real estate partnerships. Concentrations of credit risk with respect to notes receivable from unconsolidated real estate partnerships are limited due to the large number of partnerships comprising the Company's partnership base and the geographic diversity of the underlying properties.

Industry Segment

The Company owns and operates multi-family apartment communities throughout the United States and Puerto Rico which generate rental and other property related income through the leasing of apartment units to a diverse base of tenants. The Company separately evaluates the performance of each of its apartment communities. However, because each of the apartment communities has similar economic characteristics, facilities, services and tenants, the apartment communities have been aggregated into a single apartment communities segment. All segment disclosures are included in or can be derived from the Company's consolidated financial statements.

All revenues are from external customers and no revenues are generated from transactions with other segments. There were no tenants that contributed 10% or more of the Company's total revenues during 2000, 1999 or 1998.

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Use of Estimates

The preparation of the Company's consolidated financial statements in conformity with accounting principles generally accepted in the United States requires management to make estimates and assumptions that affect the reported amounts included in the financial statements and accompanying notes thereto. Actual results could differ from those estimates.

Reclassifications

Certain items included in the 1999 and 1998 consolidated financial statements have been reclassified to conform with the 2000 presentation.

NOTE 3 Real Estate

Real estate at December 31, 2000 and 1999, is as follows (in thousands):

	<u>2000</u>	<u>1999</u>
Land	\$ 976,421	\$ 661,502
Buildings and improvements	6,036,031	3,851,195

	7,012,452	4,512,697
Accumulated depreciation	(913,263)	(416,497)
	<u>\$6,099,189</u>	<u>\$4,096,200</u>

The Company directly acquired 12 apartment communities containing 2,830 units in separate transactions during 2000 (not including those acquired in connection with the acquisition of the Oxford properties (see Note 4)). The aggregate consideration paid by the Company of \$136.5 million consisted of \$42.7 million in cash, \$26.4 million in preferred OP Units, \$6.8 million in common OP Units and the assumption of \$60.6 million of secured long-term indebtedness. As part of these acquisitions, the Company has also determined to undertake \$4.8 million of initial capital enhancements to these properties.

The Company directly acquired 28 apartment communities containing 12,721 units in unrelated transactions during 1999 (not including those acquired in connection with the merger with Insignia Properties Trust (see Note 4)). The aggregate consideration paid by the Company of \$495.0 million consisted of \$91.5 million in cash, 2.4 million preferred OP Units, 0.9 million common OP Units and 0.5 million shares of Class A Common Stock with a total recorded value of \$116.8 million, the assumption of \$110.1 million of secured long-term indebtedness, the assumption of \$15.2 million of other liabilities, and new financing of \$161.4 million of secured long-term indebtedness. Four of these assets were then contributed to an unconsolidated subsidiary.

In addition to the acquisitions described above, in 2000 and 1999, the Company acquired controlling interests in partnerships owning 201 properties (52,217 units) and 125 properties (34,228 units), respectively, and began consolidating these entities. Control was obtained through the purchase of limited partnership interests from unaffiliated third parties or other increases in the Company's equity investment in the partnerships.

During 2000, the Company sold 32 properties containing 7,660 units to unaffiliated third parties. Cash proceeds from the sales of approximately \$159.3 million were used to repay a portion of the Company's outstanding indebtedness. The Company recognized a net GAAP gain of approximately \$26.3 million on the disposition of these properties, of which 35% of the gain related to one property.

During 1999, the Company sold 8 properties containing 2,309 units to unaffiliated third parties. Cash proceeds from the sales of approximately \$49.0 million were used to repay a portion of the Company's outstanding indebtedness. The Company recognized a loss of approximately \$1.8 million on disposition of these properties, of which 96% of the loss related to one property.

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NOTE 4 Mergers

Ambassador Merger

On May 8, 1998, Ambassador Apartments, Inc. (Ambassador), was merged with and into AIMCO, with AIMCO being the surviving corporation. The merger was accounted for as a purchase and as a result, the results of operations were included in the consolidated statement of income from the date of acquisition. The purchase price of \$713.6 million was comprised of \$90.3 million in cash, \$372.0 million of assumed debt and approximately 6.6 million

shares of Class A Common Stock valued at \$251.3 million. Pursuant to the Ambassador merger agreement, each outstanding share of Ambassador common stock not owned by AIMCO was converted into the right to receive 0.553 shares of Class A Common Stock. Concurrently, all outstanding options to purchase Ambassador common stock were converted into cash or options to purchase Class A Common Stock, at the same conversion ratio. Contemporaneously with the consummation of the Ambassador merger, a subsidiary of the AIMCO Operating Partnership merged with Ambassador's operating partnership and each outstanding unit of limited partnership interest in the Ambassador operating partnership was converted into the right to receive 0.553 OP Units. Prior to its acquisition by AIMCO, Ambassador was a self-administered and self-managed real estate investment trust engaged in the ownership and management of garden-style apartment properties leased primarily to middle income tenants. Ambassador owned 52 apartment communities with a total of 15,728 units located in Arizona, Colorado, Florida, Georgia, Illinois, Tennessee and Texas, and managed one property containing 252 units for an unrelated third party.

Insignia Merger

On October 1, 1998, Insignia Financial Group, Inc., a Delaware corporation, (Insignia) was merged with and into AIMCO with AIMCO being the surviving corporation. The merger was accounted for as a purchase and as a result, the results of operations were included in the consolidated statement of income from the date of acquisition. The purchase price of \$1,125.7 million was comprised of the issuance of up to approximately 8.9 million shares of Class E Cumulative Convertible Preferred Stock (the Class E Preferred Stock) valued at \$301.2 million, \$670.1 million in assumed debt and liabilities (including a \$50 million special dividend, assumed liabilities of Insignia Properties Trust and transaction costs), \$149.5 million in assumed mandatory redeemable convertible preferred securities, and \$4.9 million in cash. The Class E Preferred Stock entitled the holders thereof to receive the same cash dividends per share as holders of Class A Common Stock. On January 15, 1999, holders of Class E Preferred Stock received a special dividend in an aggregate amount of approximately \$50 million, and all outstanding shares of Class E Preferred Stock automatically converted into an equal number of shares of Class A Common Stock.

As a result of the Insignia merger, AIMCO acquired: (i) Insignia's interests in Insignia Properties Trust, (IPT), a Maryland REIT, which was a majority owned subsidiary of Insignia; (ii) Insignia's interest in Insignia Properties, L.P., IPT's operating partnership; (iii) 100% of the ownership of the Insignia entities that provide multifamily property management and partnership administrative services; (iv) Insignia's interest in multi-family co-investments; (v) Insignia's ownership of subsidiaries that control multi-family properties not included in IPT; (vi) Insignia's limited partner interests in public and private syndicated real estate limited partnerships; and (vii) assets incidental to the foregoing businesses. Insignia owned or managed in excess of 170,000 apartment units.

Insignia Properties Trust Merger

As a result of the Insignia merger, AIMCO acquired approximately 51% of the outstanding shares of beneficial interest of IPT. On February 26, 1999, IPT was merged into AIMCO. Pursuant to the merger, each of the outstanding shares of IPT that were not held by AIMCO were converted into the right to receive 0.3601 shares of Class A Common Stock, resulting in the issuance of approximately 4.3 million shares of Class A Common Stock (with a recorded value of approximately \$158.8 million).

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Oxford Acquisition

On September 20, 2000, the Company acquired all of the stock and other interests of the Oxford entities that were held by six executive officers and directors of the Oxford entities. The Oxford properties, which are owned by 166

separate partnerships, are 167 apartment communities including 36,949 units, located in 18 states. This transaction was accounted for as a purchase, and as a result, the results of operations were included in the consolidated statement of income from the date of acquisition. The purchase price of \$1,189 million was comprised of \$266 million in cash, \$861 million of assumed liabilities and transaction costs and \$62 million in Common OP Units valued at \$45 per unit.

Unaudited Pro forma Statements

The unaudited pro forma condensed consolidated statements of operations for the years ended December 31, 2000 and 1999 have been prepared as if each of the following transactions had occurred on January 1, 1999: (i) the Oxford acquisition; (ii) the acquisition of the Regency Windsor Apartment Communities, which include fourteen separate residential apartment communities located in Indiana, Michigan and North Carolina; (iii) the acquisition of the Dreyfuss Apartment Communities located in Virginia and Maryland; and (v) the Oxford tender offers of approximately \$58 million (\$37 million paid in cash, \$21 million paid in Common OP units) that occurred in 2000 subsequent to the Oxford acquisition.

The pro forma information is not necessarily indicative of what the Company's results of operations would have been assuming the completion of the described transactions at the beginning of the periods indicated, nor does it purport to project the Company's results of operations for any future period.

Pro Forma Condensed Consolidated Statements of Operations (In Thousands, Except Per Share Data) (unaudited)

	2000	1999
Rental and other property revenues	\$ 1,139,564	\$ 688,568
Net income	\$ 82,462	\$ 33,788
Net income (loss) attributable to common stockholders	\$ 19,279	\$ (23,097)
Basic earnings (loss) per common share	\$ 0.29	\$ (0.37)
Diluted earnings (loss) per common share	\$ 0.28	\$ (0.37)

NOTE 5 Investments in Unconsolidated Real Estate Partnerships

The Company owns general and limited partner interests in approximately 625 partnerships which it acquired through acquisitions, direct purchases and separate offers to other limited partners. The Company's total ownership interests in these unconsolidated real estate partnerships range from 1% to 99%. However, based on the provisions of the related partnership agreements, which grant varying degrees of control, the Company is not deemed to have control of these partnerships sufficient to require or permit consolidation for accounting purposes.

During 2000 and 1999, the Company acquired limited partnership interests in various partnerships in which affiliates of the Company served as a general partner. The Company paid approximately \$195 million in cash and OP Units and \$271 million in cash and OP Units, during 2000 and 1999, respectively, in connection with such tender offers. In 2000, the Company also acquired general and limited partnership interests in various partnerships as part of the Oxford acquisition, which closed on September 20, 2000, increasing the resulting partnership debt.

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The Oxford acquisition and consolidation of an additional 201 and 125 properties in 2000 and 1999, respectively, resulted in the following net change to the selected combined gross historical financial information for the Company's unconsolidated real estate partnerships as of and for the years ended December 31, 2000 and 1999 (in thousands):

	<u>2000</u>	<u>1999</u>
Real estate, net of accumulated depreciation	\$ 2,597,025	\$2,930,748
Total assets	3,136,264	3,501,195
Secured notes payable	4,246,457	2,940,819
Total liabilities	4,484,159	3,536,646
Partners' deficit	(1,347,895)	(35,451)
Rental and other property revenues	777,621	1,120,888
Property operating expenses	(408,198)	(582,523)
Depreciation expense	(140,730)	(237,066)
Interest expense	(232,995)	(269,163)
Net income	135,927	42,106

NOTE 6 Investments in Unconsolidated Subsidiaries

In order to satisfy certain requirements of the Internal Revenue Code applicable to AIMCO's status as a REIT, certain assets of the Company are held through corporations in which the AIMCO Operating Partnership holds non-voting preferred stock and certain officers and/or directors of AIMCO hold, directly or indirectly, all of the voting common stock. Effective December 29, 1999, a portion of the voting common stock was purchased by the Company and was exchanged for non-voting preferred stock, bringing the total voting common stock interests to represent a 1% economic interest and the non-voting preferred stock to represent a 99% economic interest.

In 2000, in connection with the Oxford acquisition, the Company sold or contributed certain real estate assets and liabilities to the unconsolidated subsidiaries in exchange for notes receivable and preferred stock interest.

As a result of the controlling ownership interest in the unconsolidated subsidiaries being held by others, AIMCO accounts for its interest in the unconsolidated subsidiaries using the equity method. As of December 31, 2000, the unconsolidated subsidiaries included AIMCO/NHP Holdings, Inc., AIMCO/NHP Properties, Inc., NHP Management Company, NHP A&R Services, Inc., and AIMCO/Bethesda Holdings, Inc.

The following table provides selected combined historical financial information for the Company's unconsolidated subsidiaries as of and for the years ended December 31, 2000 and 1999 (in thousands):

	<u>2000</u>	<u>1999</u>
Total assets	\$ 649,813	\$ 166,019
Total liabilities	654,076	128,423
Stockholders' equity	(4,263)	37,596
Total revenues	158,609	139,667
Total expenses	(154,487)	(142,515)
Net income (loss)	4,122	(2,848)

NOTE 7 Notes Receivable

The following table summarizes the Company's notes receivable from unconsolidated real estate partnerships and subsidiaries at December 31, 2000 and 1999 (in thousands):

	Notes Receivable from Unconsolidated Real Estate Partnerships		Notes Receivable from Unconsolidated Subsidiaries	
	2000	1999	2000	1999
Par value notes	\$ 60,355	\$ 67,414	\$218,873	\$88,754
Discounted notes	80,505	92,521		
Less: General partner notes payable			(28,420)	
Total	\$140,860	\$159,935	\$190,453	\$88,754

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The Company recognizes interest income earned from its investments in notes receivable based upon whether the collectibility of such amounts is both probable and estimable. The notes receivable were either extended by the Company and are carried at the face amount plus accrued interest (par value notes) or were made by predecessors whose positions have been acquired by the Company at a discount and are carried at the acquisition amount using the cost recovery method (discounted notes).

As of December 31, 2000 and 1999, the Company held \$60.4 million and \$67.4 million, respectively, of par value notes receivable from unconsolidated real estate partnerships, including accrued interest, for which management believes the collectibility of such amounts is both probable and estimable. As such, interest income from the par value notes is generally recognized as it is earned. Interest income from such notes for the years ended December 31, 2000, 1999 and 1998, totaled \$23.2 million, \$12.8 million, and \$15.3 million, respectively.

As of December 31, 2000 and 1999, the Company held discounted notes, including accrued interest, with a carrying value of \$80.5 million and \$92.5 million, respectively. The total face value plus accrued interest of these notes were \$151.0 million and \$173.1 million in 2000 and 1999, respectively. In general, interest income from the discounted notes is not recognized as it is earned until such time as the timing and amounts of cash flows are probable and estimable.

Under the cost recovery method, the discounted notes are carried at the acquisition amount, less subsequent cash collections, until such time as collectibility is probable and the timing and amounts are estimable. Based upon closed or pending transactions (including sales activity), market conditions, and improved operations of the obligor, among other things, certain notes and the related discounts have been determined to be collectible. Accordingly, interest income that had previously been deferred and portions of the related discounts were recognized as interest income during the period. For the years ended December 31, 2000, 1999 and 1998, the Company recognized deferred interest income and discounts of approximately \$26.4 million (\$0.39 per share (basic) and \$0.38 per share (diluted)), \$32.5 million (\$0.52 per share (basic) and \$0.51 per share (diluted)), and \$1.4 million (\$0.03 per basic and diluted share). Approximately 90% of the recognized interest income is collected in cash or through foreclosure of the property securing the note within 12 months from the date that such amounts were determined to be collectible, and

the remainder is collected in the following six months.

As of December 31, 2000 and 1999, the Company held \$218.9 million and \$88.8 million, respectively of par value notes receivable from unconsolidated subsidiaries. In 2000, in connection with the Oxford acquisition, the Company sold certain assets and liabilities to the unconsolidated subsidiaries in exchange for notes receivable. The Company also acquired, in the Oxford acquisition, notes receivable that were payable from Oxford entities that are now owned by the unconsolidated subsidiaries. Certain general partner notes are held at the unconsolidated subsidiaries and, therefore, the general partner payables (\$28.4 million) related to these notes are offset against the Company's notes receivable from unconsolidated subsidiaries.

NOTE 8 Secured Notes Payable

During 2000, the Company issued or assumed \$669.0 million of long-term, fixed-rate, fully amortizing non-recourse notes payable with a weighted average interest rate of 7.5%. Each of the notes is individually secured by 107 properties with no cross-collateralization. In addition, the Company also assumed \$895.9 million of long-term, fixed-rate notes payable, as a part of purchasing controlling interests in limited partnerships owning 201 properties, which resulted in these properties being consolidated in 2000.

The following table summarizes the Company's secured notes payable at December 31, 2000 and 1999, all of which are non-recourse to the Company (in thousands):

	<u>2000</u>	<u>1999</u>
Fixed rate, ranging from 5.00% to 12.00%, fully-amortizing notes maturing at various dates through 2034	\$2,428,155	\$ 1,597,772
Fixed rate, ranging from 5.00% to 10.04%, non-amortizing notes maturing at various dates through 2029	830,187	356,487
Total	<u>\$3,258,342</u>	<u>\$ 1,954,259</u>

As of December 31, 2000, the scheduled principal amortization and maturity payments for the Company's secured notes payable are as follows (in thousands):

	<u>Amortization</u>	<u>Maturities</u>	<u>Total</u>
2001	\$51,266	\$ 96,343	\$ 147,609
2002	70,542	102,484	173,026
2003	79,344	150,237	229,581
2004	82,831	141,173	224,004
2005	89,253	142,302	231,555
Thereafter			2,252,567
			<u>\$3,258,342</u>

Table of Contents**NOTE 9 Secured Tax-Exempt Bond Financing**

During 2000, the Company assumed \$394.0 million of long-term, fixed-rate, fully amortizing non-recourse tax-exempt bonds with a weighted average interest rate of 5.9%. Each of the bonds is individually secured by one of 22 properties with no cross-collateralization.

In 1999, the Company issued \$17.8 million of long-term, fixed-rate, fully amortizing non-recourse tax-exempt bonds with a weighted average interest rate of 7.1%. Each of the bonds is individually secured by one of two properties with no cross-collateralization. The Company used the net proceeds after transaction costs of \$17.3 million to repay existing debt.

The following table summarizes the Company's secured tax-exempt bond financing at December 31, 2000 and 1999, all of which is non-recourse to the Company (in thousands):

	<u>2000</u>	<u>1999</u>
7.0% fully-amortizing bonds, due July 2016	\$ 42,435	\$ 43,889
6.9% fully-amortizing bonds, due July 2016	8,686	8,987
Fixed rate fully-amortizing bonds, ranging from 5.1% to 5.8%, due 2021	117,025	157,578
Fixed rate fully-amortizing bonds, ranging from 6.5% to 7.3%, due at various dates through 2036	286,604	79,866
Fixed rate non-amortizing bonds, ranging from 5.0% to 8.19%, due at various dates through 2017	32,993	50,158
Interest-only bonds, ranging from 3.7% to 7.70%, due at various dates through 2029	195,331	4,453
Floating rate non-amortizing bonds, due 2001 and 2008	30,799	31,689
Variable rate bonds, ranging from 4.9% to 5.3%, due 2021	59,160	44,210
	<u> </u>	<u> </u>
Total	\$773,033	\$420,830
	<u> </u>	<u> </u>

As of December 31, 2000, the scheduled principal amortization and maturity payments for the Company's secured tax-exempt bonds are as follows (in thousands):

	<u>Amortization</u>	<u>Maturities</u>	<u>Total</u>
2001	\$28,225	\$	\$ 28,225
2002	12,718		12,718
2003	13,400		13,400
2004	14,139	121,795	135,934
2005	15,192		15,192
Thereafter			567,564
			<u> </u>
			\$773,033
			<u> </u>

NOTE 10 Secured Short-Term Financing

In August 1999, the Company closed a \$300 million revolving credit facility arranged by Bank of America, N.A., Fleet National Bank (successor in Bank Boston, N.A.) and First Union National Bank with a syndicate comprised of a total of nine lender participants. Effective March 15, 2000 the credit facility was expanded by \$45 million with the potential to expand it by another \$55 million to a total of \$400 million. Of the \$55 million potential expansion, \$5 million was expanded on April 14, 2000 bringing the total availability to \$350 million. In September 2000, the credit facility was amended and restated. The obligations under the credit facility are secured by a first priority pledge of certain non-real estate assets of the Company and a second priority pledge of the stock ownership of the AIMCO Operating Partnership, NHP Management Company, AIMCO/Bethesda Holdings, Inc., and AIMCO Holdings, L.P., in certain subsidiaries of AIMCO and certain options to purchase Beneficial Assignee Interests (BACs) in Oxford Tax Exempt Fund II Limited Partnership (OTEF). Borrowings under the credit facility, including the \$50 million expansion, are available for general corporate purposes. The credit facility matures in July 2002 and can be extended twice at AIMCO's option, for a term of one year. The annual interest rate under the new credit facility is based on either LIBOR or a base rate which is the higher of Bank of America's reference rate or 0.5% over the federal funds rate, plus, in either case, an applicable margin. The margin ranges between 2.05% and 2.55%, in the case of LIBOR-based loans, and between 0.55% and 1.05%, in the case of base rate loans, based upon a fixed charge coverage ratio. The weighted average interest rate at December 31, 2000 was 9.16% and the balance outstanding was \$254.7 million. The amount available under the credit facility at December 31, 2000 and 1999 was \$95.3 million (less \$1.2 million for outstanding letters for credit) and \$90.8 million, respectively. Of the total availability of \$94.1 million, \$28.8 million pertains to unused letters of credit.

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In September 2000, the Company closed a term loan from Bank of America, N.A., Lehman Commercial Paper Inc. and several other lenders, pursuant to a term loan with a total availability of \$302 million to finance part of the Oxford acquisition. Transaction costs (including advisory fees) incurred on the term loan were \$9.4 million. The borrowers under the term loan are the AIMCO Operating Partnership, NHP Management Company and AIMCO/Bethesda Holdings, Inc., and all obligations thereunder are guaranteed by AIMCO and certain of its subsidiaries. The obligations under the term loan are secured by a first priority pledge of the stock ownership of the AIMCO Operating Partnership, NHP Management Company, AIMCO/Bethesda Holdings, Inc., and AIMCO Holdings, L.P., in certain subsidiaries of AIMCO and certain options to purchase BACs in OTEF and a second priority pledge of certain non-real estate assets of the Company. The annual interest rate under the term loan is based either on LIBOR or a base rate which is the higher of Bank of America's reference rate or 0.5% over the federal funds rate, plus, in either case, an applicable margin. The margin ranges between 4.0% and 5.0% in the case of LIBOR-based loans, and between 1.0% and 2.0% in the case of base rate loans, based upon the number of months the loan is outstanding. The term loan expires in July 2002. The weighted average interest rate at December 31, 2000 was 10.5%. The total amount outstanding under the term loan at December 31, 2000 was \$137 million, of which \$74 million is classified as secured short-term financing of the Company and the remainder is a liability at the unconsolidated subsidiaries and, therefore, is included in investment in unconsolidated subsidiaries.

NOTE 11 Commitments and Contingencies

Legal

The Company is a party to various legal actions resulting from its operating activities. These actions are routine litigation and administrative proceedings arising in the ordinary course of business, some of which are covered by liability insurance, and none of which are expected to have a material adverse effect on the consolidated financial condition or results of operations of the Company and its subsidiaries taken as a whole.

Limited Partnerships

In connection with the Company's acquisitions of interests in limited partnerships that own properties, the Company and its affiliates are sometimes subject to legal actions, including allegations that such activities may involve breaches of fiduciary duties to the limited partners of such partnerships or violations of the relevant partnership agreements. The Company believes it complies with its fiduciary obligations and relevant partnership agreements, and does not expect such legal actions to have a material adverse effect on the consolidated financial condition or results of operations of the Company and its subsidiaries taken as a whole. The Company may incur costs in connection with the defense or settlement of such litigation, which could adversely affect the Company's desire or ability to complete certain transactions or otherwise have a material adverse effect on the Company and its subsidiaries.

Pending Investigations of HUD Management Arrangements

In July 1999, The National Housing Partnership (NHP) received a grand jury subpoena requesting documents relating to NHP's management of HUD-assisted or HUD-insured multi-family projects and NHP's operation of a group purchasing program created by NHP, known as Buyers Access. The subpoena relates to the same subject matter as subpoenas NHP received in October and December of 1997 from the HUD Inspector General. To date, neither the HUD Inspector General nor the grand jury has initiated any action against NHP or AIMCO or, to NHP's or AIMCO's knowledge, any owner of a HUD property managed by NHP. AIMCO believes that NHP's operations and programs are in compliance, in all material respects, with all laws, rules and regulations relating to HUD-assisted or HUD-insured properties. AIMCO is cooperating with the investigation and does not believe that the investigation will result in a material adverse effect on the financial condition of the Company. However, as with any similar investigation, there can be no assurance that these will not result in material fines, penalties or other costs that may impact the Company's future results of operations or cash flow.

Environmental

Various Federal, state and local laws subject property owners or operators to liability for the costs of removal or remediation of certain hazardous substances present on a property. Such laws often impose liability without regard to whether the owner or operator knew of, or was responsible for, the release of the hazardous substances. The presence of, or the failure to properly remediate hazardous substances may adversely affect occupancy at contaminated apartment communities and the ability to sell or borrow against contaminated properties. In addition to the costs associated with investigation and remediation actions brought by governmental agencies, the presence of hazardous wastes on a property could result in personal injury or similar claims by private plaintiffs.

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Various laws also impose liability for the cost of removal or remediation of hazardous substances at the disposal or treatment facility. Anyone who arranges for the disposal or treatment of hazardous or toxic substances is potentially liable under such laws. These laws often impose liability whether or not the person arranging for the disposal ever owned or operated the disposal facility. In connection with the ownership, operation and management of our properties, the Company could potentially be liable for environmental liabilities or costs associated with properties or properties it acquires or manages in the future.

Operating Leases

The Company is obligated under office space and equipment non-cancelable operating leases. In addition, the Company subleases certain of its office space to tenants under non-cancelable subleases. Approximate minimum annual rentals under operating leases and approximate minimum payments to be received under annual subleases for the five years ending after December 31, 2000 are as follows (in thousands):

	Operating Lease Payments	Sublease Payments
	<hr/>	<hr/>
2001	\$ 11,059	\$ 2,350
2002	5,796	84
2003	4,116	
2004	3,525	
2005	1,534	
	<hr/>	<hr/>
Total	\$ 26,030	\$ 2,434
	<hr/>	<hr/>

Under the Company's current operating structure, substantially all of the office space and equipment subject to the operating leases described above are for the use of its regional operating centers, which are operated by certain of the Company's unconsolidated subsidiaries (see Note 6). Rent expense recognized by the unconsolidated subsidiaries totaled \$5.6, \$5.8 and \$6.2 million in 2000, 1999 and 1998, respectively. Sublease payments for 2000, 1999 and 1998 were not material.

NOTE 12 Mandatorily Redeemable Convertible Preferred Securities

In connection with the Insignia merger, the Company assumed the obligations under the Trust Based Convertible Preferred Securities with an aggregate liquidation amount of \$149.5 million. The securities will mature on September 30, 2016 and require distributions at the rate of 6.5% per annum, with quarterly distributions payable in arrears. The securities are convertible by the holders at any time through September 30, 2016 and may be redeemed by the Company on or after November 1, 1999. Each \$50 of liquidation value of the securities can be converted into Class A Common Stock at a conversion price of \$49.61, which equates to 1.007 shares of Class A Common Stock. In 2000, the holders of the securities converted a total of \$117.2 million of the \$149.5 million of the securities into approximately 2,363,000 shares of Class A Common Stock.

NOTE 13 Transactions Involving Minority Interests in Operating Partnership

The Company completed tender offers for limited partnership interests and acquisitions of individual properties resulting in the issuance of 2,189,000 and 1,084,000 Common OP Units in 2000 and 1999, respectively. Of the 2,189,000 Common OP Units issued in 2000, approximately 1,382,000 were issued in connection with the acquisition of interests in Oxford properties. The Company also issued Preferred OP Units to acquire individual properties and limited partnership interests.

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As of December 31, 2000 and 1999, the following amounts of Preferred OP Units were outstanding (in thousands):

	<u>2000</u>	<u>1999</u>
Class One Partnership Preferred Units, redeemable to Class A Common Stock in one year, holder to receive dividends at 8% (\$8.00 per annum per unit)	90	90
Class Two Partnership Preferred Units, redeemable to Class A Common Stock in one year, holders to receive dividends at 8% (\$2.00 per annum per unit)	80	11
Class Three Partnership Preferred Units, redeemable to Class A Common Stock in one year, holders to receive dividends at 9.5% (\$2.375 per annum per unit)	1,682	1,682
Class Four Partnership Preferred Units, redeemable to Class A Common Stock in one year, holders to receive dividends at 8% (\$2.00 per annum per unit)	759	580
Class Five Partnership Preferred Units, redeemable to Class A Common Stock at any time at the option of the partnership, holder to receive dividends equal to the per unit distribution on the Common OP Units (\$2.80 per unit for 2000)	69	
Class Six Partnership Preferred Units, redeemable to Class A Common Stock in one year, holder to receive dividends at 8.5% (\$2.125 per annum per unit)	859	
Class Seven Partnership Preferred Units, redeemable to Class A Common Stock in one year, holder to receive dividends at 9.5% (\$2.375 per annum per unit)	30	
Class Eight Partnership Preferred Units, redeemable to Class A Common Stock at any time at the option of the partnership, holder to receive dividends equal to the per unit distribution on the Common OP Units (\$2.80 per unit for 2000)	6	
	<u>3,575</u>	<u>2,363</u>

NOTE 14 Registration Statements

In August 1998, AIMCO and the AIMCO Operating Partnership filed a shelf registration statement with the Securities and Exchange Commission with respect to an aggregate of \$1,268 million of debt and equity securities of AIMCO (of which \$268 million was carried forward from a 1997 shelf registration statement) and \$500 million of debt securities of the AIMCO Operating Partnership. The registration statement was declared effective by the SEC on December 10, 1998. As of December 31, 2000, the Company had \$988 million available and the AIMCO Operating Partnership had \$500 million available from this registration statement. The Company expects to finance pending acquisitions of real estate interests with the issuance of equity and debt securities under the shelf registration statement.

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At December 31, 2000 and 1999, the Company had the following classes of preferred stock outstanding:

	<u>2000</u>	<u>1999</u>
<u>Perpetual:</u>		
Class C Cumulative Preferred Stock, \$.01 par value, 2,400,000 shares authorized, 2,400,000 and 2,400,000 shares issued and outstanding; dividends payable at 9.0%, per annum	\$ 59,845 105,000	\$ 60,000 105,000

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Class D Cumulative Preferred Stock, \$.01 par value, 4,200,000 shares authorized, 4,200,000 and 4,200,000 shares issued and outstanding; dividends payable at 8.75%, per annum		
Class G Cumulative Preferred Stock, \$.01 par value, 4,050,000 shares authorized, 4,050,000 and 4,050,000 shares issued and outstanding; dividends payable at 9.375%, per annum	101,000	101,250
Class H Cumulative Preferred Stock, \$.01 par value, 2,000,000 shares authorized, 2,000,000 and 2,000,000 shares issued and outstanding; dividends payable at 9.5%, per annum	49,925	50,000
	<u>315,770</u>	<u>316,250</u>
<u>Convertible:</u>		
Class B Cumulative Convertible Preferred Stock, \$.01 par value, 750,000 shares authorized, 419,471 and 750,000 shares issued and outstanding	41,947	75,000
Class K Convertible Cumulative Preferred Stock, \$.01 par value, 5,000,000 shares authorized, 5,000,000 and 5,000,000 shares issued and outstanding	125,000	125,000
Class L Convertible Cumulative Preferred Stock, \$.01 par value, 5,000,000 shares authorized, 5,000,000 and 5,000,000 shares issued and outstanding	125,000	125,000
Class M Convertible Cumulative Preferred Stock, \$.01 par value, 1,600,000 shares authorized, 1,200,000 and no shares issued and outstanding	30,000	
Class N Convertible Cumulative Preferred Stock, \$.01 par value, 4,000,000 shares authorized, 4,000,000 and no shares issued and outstanding	100,000	
Class O Cumulative Convertible Preferred Stock, \$.01 par value, 1,904,762 shares authorized, 1,904,762 and no shares issued and outstanding	100,000	
	<u>521,947</u>	<u>325,000</u>
Total	<u>\$837,717</u>	<u>\$641,250</u>

All classes of preferred stock are on equal parity and are senior to the Class A Common Stock. The holders of each class of preferred stock are generally not entitled to vote on matters submitted to stockholders. Dividends on all preferred stocks are subject to being declared by the Company's Board of Directors.

Holders of the Class B Cumulative Convertible Preferred Stock (the Class B Preferred Stock) are entitled to receive, cash dividends in an amount per share equal to the greater of (i) \$7.125 per year (equivalent to 7.125% of the liquidation preference) or (ii) the cash dividends declared on the number of shares of Class A Common Stock into which one share of Class B Preferred Stock is convertible. Each share of Class B Preferred Stock is convertible, at the option of the holder, beginning August 1998, into 3.28407 shares of Class A Common Stock, subject to certain anti-dilution adjustments. The initial conversion ratio was based upon the fair market value of the Class A Common Stock on the commitment date. In 2000, 330,529 shares of Class B Preferred Stock were converted into 1,085,480 shares of Class A Common Stock.

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Holders of Class K Convertible Cumulative Preferred Stock (the Class K Preferred Stock), which was issued on February 18, 1999, are entitled to receive, cash dividends in an amount per share equal to the greater of (i) \$2.00 per year (equivalent to 8% of the liquidation preference) or (ii) the cash dividends payable on the number of shares of Class A Common Stock into which a share of Class K Preferred Stock is convertible. Beginning with the third anniversary of the date of original issuance, holders of Class K Preferred Stock will be entitled to receive an amount per share equal to the greater of (i) \$2.50 per year (equivalent to 10% of the liquidation preference), or (ii) the cash dividends payable on the number of Class A Common Stock into which a share of Class K Preferred Stock is convertible. Each share of Class K Preferred Stock is convertible, at the option of the holder, into 0.59524 shares of Class A Common Stock, subject to certain anti-dilution adjustments. The initial conversion ratio was in excess of the fair market value of the Class A Common Stock on the commitment date.

Holders of Class L Convertible Cumulative Preferred Stock (the Class L Preferred Stock), which was issued on May 28, 1999, are entitled to receive, cash dividends in an amount per share equal to the greater of (i) \$2.025 per year (equivalent to 8.1% of the liquidation preference) or (ii) the cash dividends payable on the number of shares of Class A Common Stock into which a share of Class L Preferred Stock is convertible. Beginning with the third anniversary of the date of original issuance, the holders of Class L Preferred Stock will be entitled to receive an amount per share equal to the greater of (i) \$2.50 per year (equivalent to 10% of the liquidation preference) or (ii) the cash dividends payable on the number of shares of Class A Common Stock into which a share of Class L Preferred Stock is convertible. Each share of Class L Preferred Stock is convertible, at the option of the holder, into 0.5379 shares of Class A Common Stock, subject to certain anti-dilution adjustments. The initial conversion ratio was in excess of the fair market value of the Class A Common Stock on the commitment date.

Holders of Class M Convertible Cumulative Preferred Stock (the Class M Preferred Stock), which was issued on January 13, 2000, are entitled to receive, for the period beginning January 13, 2000 through and including January 13, 2003, cash dividends in an amount per share equal to the greater of (i) \$2.125 per year (equivalent to 8.5% of the liquidation preference) or (ii) the cash dividends payable on the number of shares of Class A Common Stock into which a share of Class M Preferred Stock is convertible. Beginning with the third anniversary of the date of original issuance, the holder of Class M Preferred Stock will be entitled to receive an amount per share equal to the greater of (i) \$2.3125 per year (equivalent to 9.25% of the liquidation preference), or (ii) the cash dividends payable on the number of shares of Class A Common Stock into which a share of Class M Preferred Stock is convertible. Each share of Class M Preferred Stock is convertible, at the option of the holder, into 0.5681818 shares of Class A Common Stock, subject to certain anti-dilution adjustments. The initial conversion ratio was in excess of the fair market value of the Class A Common Stock on the commitment date.

Holders of Class N Convertible Cumulative Preferred Stock (the Class N Preferred Stock), which was issued on September 12, 2000 are entitled to receive cash dividends in an amount per share equal to the greater of (i) \$2.25 per year (equivalent to 9% per annum of the liquidation preference), subject to increase in the event of a change in control of AIMCO or (ii) the cash dividends payable on the number of shares of Class A Common Stock into which a share of Class N Preferred Stock is convertible. Dividends will be paid on the Class N Preferred Stock quarterly, beginning on October 1, 2000. Each share of Class N Preferred Stock is convertible, at the option of the holder, into 0.4762 shares of Class A Common Stock, subject to certain anti-dilution adjustments. The initial conversion ratio was in excess of the fair market value of the Class A Common Stock on the commitment date.

Holders of Class O Cumulative Convertible Preferred Stock (the Class O Preferred Stock), which was issued on September 15, 2000 are entitled to receive, cash dividends in an amount per share equal to the greater of (i) \$4.725 per year (equivalent to 9% per annum of the liquidation preference), subject to increase in the event of a change in control of AIMCO or (ii) the cash dividends payable on the number of shares of Class A Common Stock into which a share of Class O Preferred Stock is convertible. Dividends will be paid on the Class O Preferred Stock quarterly, beginning on October 1, 2000. Each share of Class O Preferred Stock is convertible, at the option of the holder, into one share of

Class A Common Stock, subject to certain anti-dilution adjustments. The initial conversion ratio was in excess of the fair market value of the Class A Common Stock on the commitment date.

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The dividends paid on each class of preferred stock for the years ended December 31, 2000, 1999, and 1998 are as follows (in thousands, except per share data):

Class of Preferred Stock	2000		1999		1998	
	Amount Per Share(1)	Total Amount Paid	Amount Per Share(1)	Total Amount Paid	Amount Per Share(1)	Total Amount Paid
<u>Perpetual:</u>						
Class C	\$2.25	\$ 5,400	\$2.25	\$ 5,400	\$ 1.89(2)	\$ 4,538
Class D	2.19	9,188	2.19	9,188	1.40(2)	5,869
Class G	2.34	9,492	2.34	9,492	0.59(2)	2,373
Class H	2.38	4,750	2.38	4,750	0.40(2)	805
		<u>28,830</u>		<u>28,830</u>		<u>13,585</u>
<u>Convertible:</u>						
Class B	9.20	7,137	8.21	6,158	7.39	5,542
Class E					0.22(3)	1,892
Class J			3.16(4)	3,956	0.14(2)	175
Class K	2.00	10,000	1.50(5)	7,500		
Class L	2.03	10,125	1.01(5)	5,063		
Class M	1.59(6)	1,913				
Class N	0.12(6)	475				
Class O	0.24(6)	450				
		<u>30,100</u>		<u>22,677</u>		<u>7,609</u>
Total		<u>\$58,930</u>		<u>\$51,507</u>		<u>\$21,194</u>

- (1) Amounts per share are calculated based on the number of preferred shares outstanding at the end of each year.
- (2) For the period from the date of issuance to December 31, 1998.
- (3) For the period from the date of issuance to December 31, 1998. The Class E Preferred Stock was converted to Class A Common Stock on January 15, 1999.
- (4) For the period from January 1, 1999 to the date of conversion to Class A Common Stock.
- (5) For the period from the date of issuance to December 31, 1999.
- (6) For the period from the date of issuance to December 31, 2000.

Common Stock

During 2000 and 1999, the Company issued approximately 258,000 shares and 215,000 shares, respectively, of Class A Common Stock to certain executive officers (or entities controlled by them) at market prices. In exchange for the shares purchased, the executive officers (or entities controlled by them) executed notes payable totaling \$7.7 million and \$8.2 million, respectively. Total payments on such notes from officers in 2000 and 1999 were \$15.1 million and \$6.2 million, respectively. In addition, in 2000 and 1999, the Company issued approximately 42,000 and 37,000 restricted shares of Class A Common Stock, respectively, to certain executive officers. The restricted stock was issued at the fair market value of the Class A Common Stock on the date of issuance. The restricted stock may not be sold, assigned, transferred, pledged, hypothecated or otherwise disposed of and shall be subject to a risk of forfeiture within the vesting periods of 3 to 5 years.

On September 15, 1999, the Company completed a direct placement of 1,382,580 shares of Class A Common Stock at a net price of \$39.50 per share to five institutional investors. The net proceeds of approximately \$54.6 million were used to repay outstanding indebtedness under the new credit facility.

During 2000, the Company repurchased and retired approximately 69,000 shares of Class A Common Stock at an average price of \$37.39 per share.

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NOTE 16 Stock Option Plans and Stock Warrants

The Company has adopted the 1994 Stock Option Plan of Apartment Investment and Management Company (the 1994 Plan), the Apartment Investment and Management Company 1996 Stock Award and Incentive Plan (the 1996 Plan), the Apartment Investment and Management Company 1997 Stock Award and Incentive Plan (the 1997 Plan) and the Apartment Investment and Management Company Non-Qualified Employee Stock Option Plan (the Non-Qualified Plan) to attract and retain officers, key employees and independent directors. The 1994 Plan provides for the granting of a maximum of 150,000 options to purchase common shares. The 1996 Plan provides for the granting of a maximum of 500,000 options to purchase common shares. The 1997 Plan provides for the granting of a maximum of 20,000,000 options to purchase common shares. The Non-Qualified Plan provides for the granting of a maximum of 500,000 options to purchase common shares and allows for the granting of non-qualified stock options. The 1994 Plan, the 1996 Plan and the 1997 Plan allow for the grant of incentive and non-qualified stock options, and together with the Non-Qualified Plan, are administered by the Compensation Committee of the Board of Directors. The 1994 Plan also provides for a formula grant of the non-qualified stock options to the independent directors to be administered by the Board of Directors to the extent necessary. The exercise price of the options granted may not be less than the fair market value of the common stock at the date of grant. The term of the incentive and non-qualified options is ten years from the date of grant. The options vest over a one to five-year period from the date of grant. Terms may be modified at the discretion of the Compensation Committee of the Board of Directors.

The Company has elected to follow Accounting Principles Board Opinion No. 25, *Accounting for Stock Issued to Employees* (APB 25) and related interpretations in accounting for its employee stock options because, as discussed below, the alternative fair value accounting provided for under Statement of Financial Accounting Standards No. 123, *Accounting for Stock-Based Compensation* (SFAS 123), requires the use of option valuation models that were not developed for use in valuing employee stock options and warrants. Under APB 25, because the exercise price of the Company's employee stock options and warrants equals the market price of the underlying stock on the date of grant, no compensation expense is recognized.

Pro forma information regarding net income and earnings per share is required by SFAS 123, which also requires that the information be determined as if the Company had accounted for its employee stock options and warrants

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granted subsequent to December 31, 1994 under the fair value method. The fair value for these options and warrants were estimated at the date of grant using a Black-Scholes valuation model with the following assumptions:

	<u>2000</u>	<u>1999</u>	<u>1998</u>
Risk free interest rates	6.1%	5.0%	5.0%
Expected dividend yield	6.8%	6.6%	6.0%
Volatility factor of the expected market price of the Company's common stock	0.192	0.183	0.183
Weighted average expected life of options	4.5 years	4.5 years	4.5 years

The Black-Scholes valuation model was developed for use in estimating the fair value of traded options and for warrants which have no vesting restrictions and are fully transferable. In addition, the valuation model requires the input of highly subjective assumptions including the expected stock price volatility. Because the Company's stock options and warrants have characteristics significantly different from those of traded options and warrants, and because changes in the subjective input assumptions can materially affect the fair value estimate, in management's opinion, the existing model does not necessarily provide a reliable single measure of the fair value of its employee stock options and warrants.

For purposes of pro forma disclosures, the estimated fair values of the options are amortized over the options vesting period. The Company's pro forma information for the years ended December 31, 2000, 1999 and 1998 is as follows (in thousands, except per share data):

	<u>2000</u>	<u>1999</u>	<u>1998</u>
Pro forma net income attributable to common stockholders	\$31,396	\$17,606	\$34,396
Pro forma basic earnings per common share \$0.46 \$0.28 \$0.76 Pro forma diluted earnings per common share \$0.45 \$0.28 \$0.75			

The effects of applying SFAS 123 in calculating pro forma income attributable to common stockholders and pro forma basic earnings per share may not necessarily be indicative of the effects of applying SFAS 123 to future years earnings.

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The following table summarizes the option and warrants activity for the years ended December 31, 2000, 1999 and 1998:

	<u>2000</u>		<u>1999</u>		<u>1998</u>	
	Options And Warrants	Weighted Average Exercise Price	Options And Warrants	Weighted Average Exercise Price	Options and Warrants	Weighted Average Exercise Price
Outstanding at beginning of year	8,660,000	\$37.78	8,325,000	\$36.38	1,684,000	\$30.53

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Granted	219,000	39.89	1,000,000	37.14	6,686,000	37.78
Assumed in connection with acquisition					671,000	25.99
Exercised	(594,000)	17.31	(490,000)	13.78	(661,000)	25.19
Forfeited	(50,000)	37.02	(175,000)	34.68	(55,000)	35.71
	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Outstanding at end of year	8,235,000	\$ 37.80	8,660,000	\$ 37.78	8,325,000	\$ 36.38
Exercisable at end of year	3,942,000	\$ 37.54	1,643,000	\$ 37.55	1,793,000	\$ 31.69
Weighted-average fair value of options and warrants granted during the year		\$ 4.65		\$ 3.41		\$ 3.70

At December 31, 2000, exercise prices for outstanding and exercisable options range from \$15.21 to \$44.22 and warrants range from \$36.00 to \$41.00, and the remaining weighted-average contractual life of the options is 8 years.

On December 14, 1998, the Company sold, in a private placement, 1.4 million Class B partnership preferred units of a subsidiary of the AIMCO Operating Partnership for \$30.85 million. The partnership units may be redeemed at the option of the holders at any time, and at the option of the Company under certain circumstances. Any redemption of the units may be satisfied by delivery of cash, Class A Common Stock or OP Units. As a part of the transaction, the Company also sold a warrant to purchase 875,000 shares of Class A Common Stock for \$4.15 million. The warrant has an exercise price of \$40 per share. The warrant may be exercised at any time, and expires upon redemption of the Class B partnership preferred units issued by a subsidiary of the AIMCO Operating Partnership.

On December 2, 1997, AIMCO issued warrants (the Oxford Warrants) exercisable to purchase up to an aggregate of 500,000 shares of Class A Common Stock at \$41 per share. The Oxford Warrants were issued to affiliates of Oxford Realty Financial Group, Inc., a Maryland corporation (Oxford), in connection with the amendment of certain agreements pursuant to which the Company manages properties formerly controlled by Oxford or its affiliates. The Oxford Warrants were amended in connection with the acquisition of the Oxford entities in September 2000, are currently exercisable and terminate on December 31, 2006.

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NOTE 17 Earnings per Share

The following table illustrates the calculation of basic and diluted earnings per share for the years ended December 31, 2000, 1999 and 1998 (in thousands, except per share data):

	<u>2000</u>	<u>1999</u>	<u>1998</u>
Numerator:			
Net income	\$ 99,178	\$ 77,527	\$ 64,474
Less: Net income allocable to preferred stockholders	(63,183)	(53,453)	(26,533)
	<u> </u>	<u> </u>	<u> </u>
Numerator for basic and diluted earnings per share net income attributable to common stockholders	<u>\$ 35,995</u>	<u>\$ 24,074</u>	<u>\$ 37,941</u>
	<u> </u>	<u> </u>	<u> </u>
Denominator:			
Denominator for basic earnings per share weighted average number of shares of common stock outstanding	67,572	62,242	45,187

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Effect of dilutive securities:Dilutive
potential common

shares 1,491 1,204 2,437

Denominator for diluted earnings per
share 69,063 63,446 47,624

Basic earnings per common
share: Operations \$0.18 \$0.42 \$0.74 Gain
(loss) on disposition of
properties 0.35 (0.03) 0.10

Total \$0.53 \$0.39 \$0.84

Diluted earnings per common
share: Operations \$0.17 \$0.41 \$0.70 Gain
(loss) on disposition of
properties 0.35 (0.03) 0.10

Total \$0.52 \$0.38 \$0.80

The Class B Preferred Stock, the Class J Preferred Stock (1999 and 1998), the Class K Preferred Stock, the Class L Preferred Stock, the Class M Preferred Stock, the Class N Preferred Stock and the Class O Preferred Stock are

convertible into Class A Common Stock (see Note 15). The Class C Preferred Stock, the Class D Preferred Stock, the Class G Preferred Stock, and the Class H Preferred Stock are not convertible. All of the convertible preferred stock is anti-dilutive on an as converted basis, therefore, all of the dividends are deducted to arrive at the numerator and no additional shares are included in the denominator.

NOTE 18 Recent Accounting Developments

In June 1998, Statement of Financial Accounting Standards No. 133, *Accounting for Derivative Instruments and Hedging Activities* (Statement 133) was issued. In June 2000, Statement of Financial Accounting Standards No. 138, *Accounting for Certain Derivative Instruments and Hedging Activities*, an amendment of FASB Statement No. 133"(SFAS 138) was issued. SFAS 133 and SFAS 138 address the accounting for derivative instruments, including certain derivative instruments embedded in other contracts, and hedging activities. The Company is required to adopt SFAS 133 and SFAS 138 in the first quarter of 2001. The Company anticipates that the adoption of SFAS 133 and SFAS 138 as of January 1, 2001 will not have a material effect on its financial position or results of operations.

In September 2000, Statement of Financial Accounting Standards No. 140, *Accounting for Transfers and Servicing of Financial Assets and Extinguishments of Liabilities* (SFAS 140) was issued. SFAS 140 provides accounting and reporting standards for transfers and servicing of financial assets and extinguishments of liabilities. SFAS 140 is effective for recognition and reclassification of collateral and for disclosures relating to securitization transactions and collateral for fiscal years ending after December 15, 2000 and is effective for transfers and servicing of financial assets and extinguishments of liabilities occurring after March 31, 2001. The Company anticipates that the adoption of SFAS 140 will not have a material effect on its financial position or results of operations.

In December 1999, the Securities and Exchange Commission (SEC) issued Staff Accounting Bulletin No. 101, *Revenue Recognition in Financial Statements* (SAB 101). SAB 101 summarizes certain of the SEC's views in applying generally accepted accounting principles to revenue recognition in financial statements. SAB 101 is effective for the fourth quarter of fiscal years beginning after December 1999. The Company believes that it is in compliance with the guidelines set forth in SAB 101.

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NOTE 19 High Performance Units

In January 1998, the AIMCO Operating Partnership sold an aggregate of 15,000 of its Class I High Performance Partnership Units (the High Performance Units) to a joint venture comprised of fourteen members of AIMCO's senior management and to three of its independent directors for \$2.1 million in cash. The value of the High Performance Units was determined on December 31, 2000 based on the Company's total return, defined as dividend income plus share price appreciation of the Class A Common Stock, over the three year period ended December 31, 2000 (the Total Return). As a result, the 15,000 High Performance Units converted to approximately 2,379,000 High Performance Units in January 2001, and the holders of the High Performance Units will receive distributions and allocations of income and loss from the AIMCO Operating Partnership in the same amounts and at the same times as would holders of the same number of Common OP Units. The table below illustrates the calculation of the value of High Performance Units (in thousands):

AIMCO	Morgan Stanley	Average	Excess Shareholder	Value of High
--------------	---------------------------	----------------	-------------------------------	--------------------------

Total Return	Dean Witter REIT Index	Minimum Return	Excess Return	Market Capitalization	Value Added(1)	Performance Units (2)	OP Unit Dilution	OP Unit Dilution %
59.24%	0.58%	30.00%	29.24%	\$2,623,000	\$767,000	\$115,000	2,379(3)	2.43%

- (1) Excess Return multiplied by average market capitalization
(2) Excess Shareholder Value Added multiplied by 15%
(3) OP Unit calculation based on trailing 20-day average stock price of \$48.36

NOTE 20 Employee Benefit Plans

The Company offers medical, dental, life and short-term and long-term disability benefits to employees of the Company through insurance coverage of Company-sponsored plans. The medical and dental plans are self-funded and are administered by independent third parties. In addition, the Company also participates in a 401(k) defined-contribution employee savings plan. Employees who have completed six months of service are eligible to participate. The Company matches 50%-100% of the participant's contributions to the plan up to a maximum of 6% of the participant's prior year compensation. The Company match percentage is based on employee tenure. The expense incurred by the Company totaled approximately \$3.7 million, \$2.6 million and \$1.6 million in 2000, 1999 and 1998, respectively.

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NOTE 21 Unaudited Summarized Consolidated Quarterly Information

Summarized unaudited consolidated quarterly information for 2000 and 1999 is provided below (amounts in thousands, except per share amounts).

Year ended December 31, 2000	Quarter(1)			
	First	Second	Third	Fourth
Rental and other property revenues	\$224,320	\$258,064	\$271,079	\$297,537
Income from property operations	70,173	63,986	84,027	69,653
Revenue from service company business	10,025	12,410	14,430	12,827
Company's share of income from service company business	3,493	2,968	1,835	(2,811)
Income before minority interest in Operating Partnership	28,454	13,160	33,457	34,646
Net income	25,882	11,822	30,236	31,238
Basic earnings per common share	\$0.17	\$(0.04)	\$0.22	\$0.18
Diluted earnings per common share	\$0.17	\$(0.04)	\$0.21	\$0.18
Weighted average common shares outstanding	65,947	66,261	67,715	70,366
Weighted average common shares and common share equivalents outstanding	66,315	66,261	71,733	71,942

Year ended December 31, 1999	Quarter (1)			
	First	Second	Third	Fourth
Rental and other property revenues	\$ 112,586	\$ 116,237	\$ 120,398	\$ 184,696
Income from property operations	42,237	43,190	43,928	57,361
Revenue from service company business	7,899	6,936	9,310	14,232
Company's share of income from service company business	(2,945)	2,608	(7,227)	14,611
Income before minority interest in Operating Partnership	15,175	23,993	19,889	24,655
Net income	13,098	22,259	18,629	23,541
Basic earnings per common share	\$ 0.01	\$ 0.15	\$ 0.08	\$ 0.15
Diluted earnings per common share	\$ 0.01	\$ 0.14	\$ 0.08	\$ 0.15
Weighted average common shares outstanding	56,468	62,323	64,370	65,805
Weighted average common shares and common share equivalents outstanding	58,412	63,552	65,451	66,368

(1) Certain reclassifications have been made to 2000 and 1999 quarterly amounts to conform with the 2000 presentation.

NOTE 22 Free Cash Flow from Business Components

Although the Company operates in only one segment, there are different components of the multi-family business for which management considers disclosure to be useful. The following tables present the contribution (separated between consolidated and unconsolidated activity) to the Company's Free Cash Flow for the years ended December 31, 2000 and 1999, from these components, and a reconciliation of Free Cash Flow to funds from operations, less a reserve for capital replacements, and net income (in thousands, except equivalent units (ownership effected and period weighted) and monthly rents):

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FREE CASH FLOW FROM BUSINESS COMPONENTS For the Years Ended December 31, 2000 and 1999 (in thousands)

		2000			
		Consolidated	Unconsolidated	Total	%
Real Estate	Conventional				
	Average monthly rent greater than \$900 per unit (equivalent units of 9,667 and 4,585 for 2000 and 1999)	\$ 69,784	\$ 13,867	\$ 83,651	12.0%
		59,578	3,035	62,613	9.0%

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Average monthly rent \$800 to \$900 per unit (equivalent units of 6,851 and 4,423 for 2000 and 1999)				
Average monthly rent \$700 to \$800 per unit (equivalent units of 10,608 and 9,310 for 2000 and 1999)	61,873	10,660	72,533	10.4%
Average monthly rent \$600 to \$700 per unit (equivalent units of 30,422 and 16,494 for 2000 and 1999)	144,818	20,694	165,512	23.7%
Average monthly rent \$500 to \$600 per unit (equivalent units of 40,529 and 29,492 for 2000 and 1999)	144,102	19,094	163,196	23.4%
Average monthly rent less than \$500 per unit (equivalent units of 21,455 and 29,387 for 2000 and 1999)	56,016	5,613	61,629	8.8%
	<hr/>	<hr/>	<hr/>	<hr/>
Subtotal conventional real estate contribution to Free Cash Flow	536,171	72,963	609,134	87.3%
Affordable (equivalent units of 14,179 and 9,809 for 2000 and 1999)	25,116	30,133	55,249	7.9%
College housing (average rent of \$662 and \$663 per month for 2000 and 1999) (equivalent units of 2,860 and 2,214 for 2000 and 1999)	12,777	997	13,774	2.0%
Other Properties	1,788	6,047	7,835	1.1%
Resident services	3,040	431	3,471	0.5%
Minority interest	(90,637)		(90,637)	(13.0)%
	<hr/>	<hr/>	<hr/>	<hr/>
Total real estate contribution to Free Cash Flow	488,255	110,571	598,826	85.8%
Service Businesses				
Management contracts (property and asset management)				
Controlled properties	2,275	9,608	11,883	1.7%
Third party with terms in excess of one year		7,839	7,839	1.1%
Third party cancelable in 30 days		2,700	2,700	0.4%
	<hr/>	<hr/>	<hr/>	<hr/>
Subtotal management contracts contribution to free cash flow	2,275	20,147	22,422	3.2%
Buyers Access		500	500	0.1%
Other service businesses	3,594	4,125	7,719	1.1%
	<hr/>	<hr/>	<hr/>	<hr/>
	5,869	24,772	30,641	4.4%

**Total service
businesses
contribution to Free
Cash Flow**

Interest Income

General partner loan interest	23,205	2,442	25,647	3.7%
Notes receivable from officers	964		964	0.1%
Other notes receivable	1,151		1,151	0.2%
Money market and interest bearing accounts	14,512		14,512	2.1%
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Subtotal interest income	39,832	2,442	42,274	6.1%
Accretion of loan discount	26,409		26,409	3.8%
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Total interest income contribution to Free Cash Flow	66,241	2,442	68,683	9.8%

Fee Income

Disposition				
Fees 2,630 808 3,438 0.5% Refinancing				
Fees 3,681 319 4,000 0.6%				

Total fee income contribution to Free Cash

Flow 6,311 1,127 7,438 1.1%				
------------------------------------	--	--	--	--

General and Administrative Expense (7,813) (7,813) (1.1)%				
---	--	--	--	--

Free Cash

Flow(1) 558,863 138,912 697,775 100.0%

[Additional columns below]

[Continued from above table, first column(s) repeated]

	1999			
	Consolidated	Unconsolidated	Total	%
Real Estate				
Conventional				
Average monthly rent greater than \$900 per unit (equivalent units of 9,667 and 4,585 for 2000 and 1999)	\$ 33,692	\$ 8,513	\$ 42,205	8.1%
Average monthly rent greater than \$800 per unit (equivalent units of 6,851 and 4,423 for 2000 and 1999)	32,108	7,159	39,267	7.5%
Average monthly rent \$700 to \$800 per unit (equivalent units of 10,608 and 9,310 for 2000 and 1999)	38,255	21,332	59,587	11.4%
Average monthly rent \$600 to \$700 per unit (equivalent units of 30,422 and 16,494 for 2000 and 1999)	61,678	27,615	89,293	17.2%
Average monthly rent \$500 to \$600 per unit (equivalent units of 40,529 and 29,492 for 2000 and 1999)	82,383	32,336	114,719	22.0%
Average monthly rent less than \$500 per unit (equivalent units of 21,455 and 29,387 for 2000 and 1999)	38,311	20,037	58,348	11.2%
	-----	-----	-----	-----
Subtotal conventional real estate contribution to Free Cash Flow	286,427	116,992	403,419	77.5%
Affordable (equivalent units of 14,179 and 9,809 for 2000 and 1999)	5,131	31,964	37,095	7.1%
College housing (average rent of \$662 and \$663 per month for 2000 and 1999) (equivalent units of 2,860 and 2,214 for 2000 and 1999)	3,633	4,553	8,186	1.6%
Other Properties	1,933	4,956	6,889	1.3%
Resident services	1,914	436	2,350	0.5%
Minority interest	(22,212)		(22,212)	(4.3)%
	-----	-----	-----	-----
Total real estate contribution to Free Cash Flow	276,826	158,901	435,727	83.7%
Service Businesses				
Management contracts (property and asset management)	13,921	6,800	20,721	4.0%
Controlled properties				
Third party with terms in excess of one year		10,281	10,281	2.0%
Third party cancelable in 30 days		908	908	0.2%
	-----	-----	-----	-----
Subtotal management contracts contribution to Free Cash Flow	13,921	17,989	31,910	6.1%

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Buyers Access		3,314	3,314	0.6%
Other service businesses	4,068	(2,703)	1,365	0.3%
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Total service businesses contribution to Free Cash Flow	17,989	18,600	36,589	7.0%
Interest Income				
General partner loan interest	12,243		12,243	2.4%
Notes receivable from officers	869		869	0.2%
Other notes receivable	1,462		1,462	0.3%
Money market and interest bearing accounts	8,286	1,568	9,854	1.9%
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Subtotal interest income	22,860	1,568	24,428	4.7%
Accretion of loan discount	32,460		32,460	6.2%
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Total interest income contribution to Free Cash Flow	55,320	1,568	56,888	10.9%
Fee Income				
Disposition Fees	3,070	801	3,871	0.7%
Refinancing Fees	283	331	614	0.1%
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Total fee income contribution to Free Cash Flow	3,353	1,132	4,485	0.9%
General and Administrative Expense	(13,112)		(13,112)	(2.5)%
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Free Cash Flow(1)	340,376	180,201	520,577	100%

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FREE CASH FLOW FROM BUSINESS COMPONENTS
For the Years Ended December 31, 2000 and 1999
(in thousands)

	2000			1999		
	Consolidated	Unconsolidated	Total	Consolidated	Unconsolidated	Total
	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Free Cash Flow (1)	558,863	138,912	697,775	340,376	180,201	520,577
Interest expense:						
		Secured debt				
		Long-term, fixed rate	(227,103)	(49,357)	(276,460)	(107,368)
		Long-term, variable rate	(952)	(13,381)	(14,333)	(1,314)
		Short-term	(2,008)	(3,322)	(10,384)	(1,697)
		of credit and other unsecured	(3,322)	(12,081)	(14,906)	(2,846)
			(17,752)			

debt (31,796) (2,698) (34,494) (13,378) (384) (13,762) Interest expense on
 convertible debt (8,869) (8,869) (9,716) (9,716) Interest
 capitalized 9,278 1,165 10,443 6,588 93 6,681

Total interest expense before minority
 interest (269,826) (65,968) (335,794) (140,094) (70,001) (210,095) Minority
 interest share of interest expense 57,445 57,445 11,248 11,248

Total interest expense after minority
 interest (212,381) (65,968) (278,349) (128,846) (70,001) (196,847) Dividends on
 preferred securities (72,924) (72,924) (56,892) (56,892)

**Contribution before non-cash charges and ownership
 adjustments 273,558 72,944 346,502 154,638 110,200 264,838** Non-structural
 depreciation, net of capital
 replacements (11,794) (1,885) (13,679) (36) (7,481) (7,517) Amortization of
 intangible assets (6,698) (5,370) (12,068) (14,297) (22,434) (36,731) Gain (loss) on
 sales of real estate, net of minority
 interest 17,282 17,282 (1,785) (1,785) Deferred tax
 provision (154) (154) (1,763) (1,763)

Earnings before Structural Depreciation
(EBSD)(1) 272,348 65,535 337,883 138,520 78,522 217,042 Structural
depreciation, net of minority interest in other
entities (238,176) (60,207) (298,383) (102,219) (88,002) (190,221)

Net income (loss) 34,172 5,328 39,500(a)36,301 (9,480) 26,821(a) Gain
(loss) on sales of real estate, net of minority
interest (17,282) (17,282) 1,785 1,785 Structural depreciation, net of
minority interest in other
entities 238,176 60,207 298,383 102,219 88,002 190,221 Non-structural
depreciation, net of minority interest in other
entities 44,060 9,981 54,041 19,470 16,762 36,232 Amortization of
intangible assets 6,698 5,370 12,068 14,297 22,434 36,731 Deferred tax
provision 154 154 1,763 1,763

Funds from Operations
(FFO)(1) 305,824 81,040 386,864 174,072 119,481 293,553 Capital
replacement reserve (32,268) (8,099) (40,367) (19,434) (9,281) (28,715)

Adjusted Funds From Operations

(AFFO)(1) \$273,556 \$72,941 \$346,497 \$154,638 \$110,200 \$264,838

(a) Represents net income of the AIMCO Operating Partnership. AIMCO's share of this net income is approximately 91%.

91,506 \$321,359 78,673 AFFO Basic \$346,497 75,183 \$264,838 69,118 Diluted \$399,463 91,506 \$292,644 78,673

(1) Free Cash Flow, Earnings Before Structural Depreciation, Funds From Operations, and Adjusted Funds From Operations are measurement standards used by the Company's management. These should not be considered alternatives to net income or net cash flow from operating activities, as determined in accordance with GAAP, as an indication of the Company's performance or as a measure of liquidity.

Free Cash Flow is defined by the Company as net operating income minus the capital spending required to maintain the related assets. It measures profitability prior to the cost of capital.

Earnings Before Structural Depreciation (EBSD) is defined by the Company as Net Income, determined in accordance with GAAP, plus structural depreciation, i.e. depreciation of buildings and land improvements whose useful lives exceed 20 years.

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Funds From Operations (FFO) is defined by the Board of Governors of the National Association of Real Estate Investment Trusts (NAREIT) as net income (loss), computed in accordance with generally accepted accounting principles (GAAP), excluding gains and losses from debt restructuring and sales of property, plus real estate related depreciation and amortization (excluding amortization of financing costs), and after adjustments for unconsolidated partnerships and joint ventures. The Company calculates FFO (diluted) based on the NAREIT definition, as further adjusted for minority interest in the AIMCO Operating Partnership, amortization of intangibles, the non-cash deferred portion of the income tax provision for unconsolidated subsidiaries and less the payment of dividends on perpetual and non-dilutive convertible preferred stock. There can be no assurance that the Company's basis for computing FFO is comparable with that of other real estate investment trusts.

Adjusted Funds From Operations (AFFO) is defined by the Company as FFO less a charge for capital replacements equal to at least \$300 per apartment unit.

NOTE 23 Portfolios Held for Sale

The Company is currently marketing for sale certain real estate properties in order to sell properties in the portfolio that are inconsistent with the Company's long-term investment strategies (as determined by management from time to time). Approximately 10,349 units with an approximate carrying value of \$325.3 million are included with real estate in the consolidated financial statements and approximately 17,755 units with an approximate carrying value of \$80.1 million are included with investments in unconsolidated real estate partnerships in the consolidated financial statements. The Company does not expect to incur any material losses with respect to the sales of the properties.

NOTE 24 Subsequent Events*Dividend Declared*

On January 24, 2001, the Board of Directors declared a quarterly cash dividend of \$0.78 per common share for the quarter ended December 31, 2000, paid on February 9, 2001, to stockholders of record on February 2, 2001. The increased dividend is equivalent to an annualized dividend rate of \$3.12 per common share, an 11% increase from the previous annual dividend rate of \$2.80.

OTEF Merger

On November 29, 2000, AIMCO and Oxford Tax Exempt Fund II Limited Partnership (OTEF) entered into a merger agreement pursuant to which OTEF would merge with a subsidiary of the AIMCO Operating Partnership. The merger closed on March 26, 2001. The AIMCO Operating Partnership owns all of the outstanding OTEF beneficial assignments of limited partnership interests (BACs) in OTEF. In connection with the Oxford acquisition, AIMCO acquired interests in OTEF's managing general partner and OTEF's associate general partner. After the merger, the Company's partnership interests in OTEF reflects a 1% general partner interest held by OTEF's managing general partner and a 99% limited partner interest held by the AIMCO Operating Partnership. OTEF was a publicly traded master limited partnership that invested primarily in tax-exempt bonds issued to finance high quality apartment and senior living/health care communities, the majority of which were owned by affiliates of OTEF, including Oxford entities.

In the merger, each BAC was converted into the right to receive 0.299 shares of AIMCO's Class A Common Stock and 0.547 shares of AIMCO's Class P Convertible Cumulative Preferred Stock (the Class P Preferred Stock). In addition, the BAC holders received a special distribution of \$50 million, or \$6.21 per BAC. The holders of the Class P Preferred Stock are entitled to receive, when and as declared by the Board of Directors, cash dividends in an amount per share equal to the greater of (i) a quarterly dividend payment of \$0.5625 or (ii) the cash dividends declared on the number of shares of Class A Common Stock into which a share of Class P Preferred Stock is convertible. Each share of Class P Preferred Stock is convertible at the option of the holder into 0.4464 shares of Class A Common Stock. The initial conversion ratio was in excess of the fair market value of the common stock on the commitment date. The Class P Preferred Stock is senior to the Class A Common Stock as to dividends and liquidation. Upon liquidation, dissolution, or winding up of AIMCO, before payment or distribution by AIMCO shall be made to any holders of the Class A Common Stock, the holders of the Class P Preferred Stock are entitled to receive a liquidation preference of \$25 per share, plus accumulated, accrued and unpaid dividends. The Company filed a Registration Statement on Form S-4 with the Securities and Exchange Commission that was declared effective on February 23, 2001.

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Class Q Preferred Stock

On March 19, 2001, AIMCO issued 2,200,000 shares of newly created Class Q Cumulative Preferred Stock, par value \$0.01 per share (the Class Q Preferred Stock) in a public offering. On March 29, 2001, the underwriters' exercised their option to purchase an additional 330,000 shares. The net proceeds of approximately \$61 million were used to repay short term indebtedness. Dividends are cumulative from the date of original issue and are payable quarterly each year, when and as declared, beginning in June 2001. Cumulative dividends on the Class Q Preferred Stock will be in an amount per share equal to \$2.525 per year, equivalent to 10.1% of the \$25 liquidation preference. The Class Q Preferred Stock is senior to the Class A Common Stock as to dividends and liquidation. Upon any liquidation, dissolution or winding up of AIMCO, before payment or distributions by AIMCO shall be made to any holders of Class A Common Stock, the holders of the Class Q Preferred Stock shall be entitled to receive a liquidation preference of \$25 per share, plus accumulated, accrued and unpaid dividends. Each share of Class Q Preferred Stock is redeemable beginning March 19, 2006, at the option of the Company, at a price equal to a liquidation preference of \$25 per share, plus all accumulated accrued and unpaid dividends, if any to the date fixed for redemption.

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**APARTMENT INVESTMENT AND MANAGEMENT COMPANY
REAL ESTATE AND ACCUMULATED DEPRECIATION
December 31, 2000
(In Thousands Except Unit Data)**

Property Name	Date Acquired	Location	Year Built	Number of Units	Initial Cost		Cost
					Land	Buildings and Improvements	Capitalized Subsequent to Acquisition

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100 Forest Place	Oct-97	OakPark, IL	1986	234	2,498	14,154	5,157
Alpine Village	Oct-98	Birmingham, AL	1972	160	826	3,182	281
Anchorage	Nov-96	League City, TX	1985	264	523	9,097	2,449
Apple Creek	Dec-97	Temple, TX	1984	176	623	4,177	180
Arbor Station	Apr-98	Montgomery, AL	1987	264	1,627	9,218	873
Arbor Station II	Apr-99	Montgomery, AL	1988	24	198	1,133	9
Arbors, The	Oct-97	Tempe, AZ	1971	200	1,092	6,189	645
Ashford Plantation	Dec-95	Atlanta, GA	1975	211	2,770	9,956	2,012
Aspen Hills	May-98	Austin, TX	1986	344	2,645	14,989	1,189
Aspen Point	Jul-99	Lakewood, CO	1970	120	240	7,391	516
Atriums Of Plantation	Aug-98	Plantation, FL	1980	210	1,807	9,756	894
Baldwin Oaks	May-97	Parsippany, NJ	1980	251	1,909	5,975	1,380
Barcelona	Oct-98	Houston, TX	1963	126	911	4,819	742
Bay Club	Apr-97	Aventura, FL	1990	702	10,672	60,830	4,721
Bayhead Village	Dec-00	Indianapolis, IN	1978	202	544	4,896	
Baymeadows	Oct-98	Jacksonville, FL	1972	904	5,690	20,822	4,005
Baywood	Jan-93	Gretna, LA	1974	226	1,464	3,887	(195)
Beacon Hill	Oct-97	Chamblee, GA	1978	120	928	5,261	529
Beau Jardin	Sep-99	West Lafayette, IN	1968	252	831	14,368	2,915
Beech Lake	May-99	Durham, NC	1986	345	2,284	13,011	432
Beech s Farm	Dec-00	Columbia, MD	1983	135	607	5,465	
Bent Oaks	May-98	Austin, TX	1979	146	1,117	6,328	273
Bercado Shores	Aug-00	Mishawaka, IN	1974	234	329	1,417	3,066
Blossomtree	Oct-97	Scottsdale, AZ	1970	125	535	3,029	502
Boardwalk	Dec-95	Tamarac, FL	1986	291	3,350	8,196	1,568
Boulder Creek (The Bluffs)	Sep-83	Boulder, CO	1971	232	696	7,779	13,561
Bradford Place	Dec-99	Suitland, MD	1968	214	1,176	6,666	1,017
Braesview	May-98	San Antonio, TX	1982	396	3,135	17,764	1,050
Brandywine	Apr-83	St. Petersburg, FL	1971	477	1,423	11,336	2,528
Brant Rock	Oct-97	Houston, TX	1984	84	337	1,908	374
Breckenridge Square	Dec-94	Louisville, KY	1971	294	2,058	8,450	403
Brentwood	Nov-96	Lake Jackson, TX	1980	104	200	3,092	567
Briar Bay Racquet Club	Dec-94	Miami, FL	1974	194	1,478	6,526	3,649
Briarcliffe	Dec-00	Lansing, MI	1974	308	900	8,104	
Briarwest	Oct-98	Houston, TX	1970	380	2,600	14,448	3,016
Briarwood	Oct-98	Cedar Rapids, IA	1975	73	524	2,579	63
Briarwood	Oct-98	Houston, TX	1970	351	2,323	10,826	2,631
Bridgewater	Nov-96	Tomball, TX	1978	206	333	4,033	3,067
Brighton Crest	Dec-91	Marietta, GA	1987	320	2,686	7,998	447
Brittany Point	Oct-98	Hunsville, AL	1978	431	1,627	9,220	1,043
Broadmoor Apartments	May-98	Austin, TX	1985	200	1,370	7,765	1,063
Broadmoor Ridge	Dec-97	Colorado Springs, CO	1974	200	831	13,286	2,653
Brook Run	May-98	Arlington Heights, IL	1985	182	1,109	10,370	2,125
Brookdale Lakes	May-98	Naperville, IL	1990	200	2,709	15,350	529
Brookhollow	Dec-97	Kerrville, TX	1973	48	116	1,272	226
Brookside Village	Apr-96	Tustin, CA	1970	628	2,498	14,180	22,245
Brookview	Dec-97	Montgomery, AL	1975	64	95	1,474	(226)
Brookwood Apts	Sep-99	Indianapolis, IN	1967	404	2,433	9,712	2,296

[Continued from above table, first column(s) repeated]

December 31, 2000

Property Name	Land	Building and Improvements	Total	Total Cost Net of		
				Accumulated Depreciation	Accumulated Depreciation	Encumbrances
100 Forest Place	1,512	20,297	21,809	7,715	14,094	14,866
Alpine Village	661	3,628	4,290	327	3,962	2,100
Anchorage	371	11,698	12,069	3,660	8,409	4,584
Apple Creek	648	4,332	4,980	342	4,638	1,866
Arbor Station	1,627	10,091	11,718	968	10,750	7,200
Arbor Station II	198	1,142	1,339	131	1,209	772
Arbors, The	1,092	6,834	7,926	982	6,945	3,608
Ashford Plantation	2,770	11,968	14,738	2,521	12,216	6,894
Aspen Hills	2,645	16,177	18,823	2,491	16,331	9,325
Aspen Point	240	7,907	8,147	2,682	5,465	
Atriums Of Plantation	1,807	10,650	12,457	1,100	11,357	7,477
Baldwin Oaks	639	8,625	9,264	1,008	8,256	7,700
Barcelona	1,323	5,150	6,473	1,157	5,316	2,346
Bay Club	10,685	65,538	76,223	8,935	67,288	49,000
Bayhead Village	816	4,624	5,440		5,440	3,911
Baymeadows	3,673	26,844	30,517	1,759	28,759	13,150
Baywood	866	4,290	5,156	1,893	3,263	4,329
Beacon Hill	929	5,789	6,718	808	5,910	3,374
Beau Jardin	1,256	16,858	18,114	5,623	12,491	9,843
Beech Lake	2,284	13,442	15,726	1,445	14,281	11,671
Beech s Farm	911	5,161	6,072		6,072	4,011
Bent Oaks	1,117	6,601	7,718	1,037	6,681	4,190
Bercado Shores		4,812	4,812	(0)	4,812	3,822
Blossomtree	535	3,532	4,066	500	3,566	1,978
Boardwalk	3,350	9,764	13,114	2,235	10,879	8,686
Boulder Creek (The Bluffs)	755	21,282	22,036	5,327	16,710	16,500
Bradford Place	1,143	7,716	8,859	248	8,611	5,159
Braesview	3,135	18,814	21,949	2,934	19,015	13,345
Brandywine	1,437	13,850	15,287	6,844	8,443	10,382
Brant Rock	337	2,283	2,619	339	2,281	1,144
Breckenridge Square	2,409	8,502	10,912	718	10,193	6,000
Brentwood		3,859	3,859	567	3,293	1,667
Briar Bay Racquet Club	2,324	9,329	11,653	3,752	7,902	3,500
Briarcliffe	1,351	7,654	9,005		9,005	6,701
Briarwest	4,098	15,966	20,064	3,210	16,854	6,758
Briarwood	505	2,661	3,166	188	2,978	1,536
Briarwood	3,333	12,446	15,779	2,980	12,799	4,854
Bridgewater	206	7,227	7,433	1,583	5,850	3,944

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Brighton Crest	2,499	8,632	11,131	737	10,394	6,052
Brittany Point		11,890	11,890	0	11,890	8,896
Broadmoor Apartments	1,370	8,828	10,198	1,313	8,885	6,000
Broadmoor Ridge	831	15,939	16,769	2,481	14,288	8,900
Brook Run	1,683	11,922	13,605	3,594	10,011	11,800
Brookdale Lakes	2,709	15,878	18,587	2,413	16,174	12,945
Brookhollow	116	1,498	1,614	587	1,027	384
Brookside Village	7,263	31,661	38,923	5,870	33,053	25,804
Brookview	95	1,248	1,343	661	682	535
Brookwood Apts	2,739	11,702	14,441		14,441	10,016

[Additional columns below]

[Continued from above table, first column(s) repeated]

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Property Name	Date Acquired	Location	Year Built	Number of Units	Initial Cost			Cost Capitalized Subsequent to Acquisition
					Land	Improvements	Buildings	
Buena Vista	Dec-97	Alva, OK	1974	51	49	1,196	270	
Burgundy Court	Dec-91	Cincinnati, OH	1969	234	1,538	5,194	1,509	
Burgundy Park	Oct-99	Forestville, MD	1967	108	589	3,339	399	
Burkshire Commons	May-97	Burke, VA	1986	360	3,503	22,218	1,537	
Calhoun Beach	Dec-98	Minneapolis, MN	1928/1998	351	11,567	65,546	4,520	
Cambridge Heights	May-97	Natchez, MS	1979	94	249	1,413	1,018	
Cambridge Manor	Dec-97	Fairfield, CT	1989	160	1,459	8,270		
Cameron Hill I	Dec-00	Chattanooga, TN	1976	256	467	4,199		
Cameron Hill II	Dec-00	Chattanooga, TN	1978	108	239	2,154		
Canterbury Green	Dec-99	Fort Wayne, IN	1979	2,007	13,929	73,975	6,008	
Cape Cod	May-98	San Antonio, TX	1985	244	1,582	8,946	334	
Captiva Club (Bay West)	Dec-96	Tampa, FL	1975	357	1,500	7,085	9,205	
Carriage Hill	Jan-93	East Lansing, MI	1972	143	1,213	4,883	2,167	
Carriage House	Oct-98	Gastonia, NC	1970	102	544	2,266	73	
Casa Anita	Mar-98	Phoenix, AZ	1986	224	1,125	6,404	468	
Cedar Brooke Apts	Feb-95	Independence, MO	1981	158	1,030	2,151	1,616	
Cedar Rim	Dec-94	New Castle, WA	1980	104	992	3,635	1,256	
Cedarwood	Jan-93	Gretna, LA	1978	226	1,307	2,378	116	
Center Square	May-97	Doylestown, PA	1975	352	670	4,749	772	
Chambers Ridge	Oct-98	Harrisburg, PA	1973	324	1,596	7,801	963	
Chambrel At Club Hill	Dec-00	Garland, TX	1987	260	2,328	13,191		
Chambrel At Island Lake	Dec-00	Longwood, FL	1986	269	3,456	19,584		

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Chambrel At Montrose	Dec-00	Akron, OH	1987	168	1,773	10,046	
Chambrel At Pinecastle	Dec-00	Ocala, FL	1986	161	1,484	8,411	
Chambrel At Roswell	Dec-00	Roswell, GA	1986	280	5,022	28,456	
Chambrel At Williamsburg	Dec-00	Williamsburg, VA	1986	256	3,741	21,200	
Chapel Hill	Dec-91	Indianapolis, IN	1965	148	1,075	4,281	1,752
Chapel NDP	May-97	Baltimore, MD	1974	175	318	3,237	518
Chapelwood	Dec-91	Indianapolis, IN	1969	140	959	3,312	1,875
Chatham Harbor	Oct-99	Altamonte Springs, FL	1985	324	2,288	12,999	547
Chelsea Place	Dec-91	Murfreesboro, TN	1966	594	3,102	11,343	
Chelsea Ridge	Dec-00	Wappingers Falls, NY	1966	835	6,159	34,911	815
Cherry Creek Garden	Jan-96	Englewood, CO	1975	296	3,291	14,784	709
Chesapeake	Dec-96	Houston, TX	1983	320	775	7,317	868
Chesapeake Landing (OH)	Dec-97	Dayton, OH	1986	256	2,890	26,011	52
Chestnut Hill	May-97	Middletown, CT	1985	314	2,936	17,452	787
Chestnut Hill Village	Oct-97	Philadelphia, PA	1963	834	10,511	31,284	9,291
Chimney Hill	Dec-94	Marietta, GA	1972	326	2,195	9,311	5,468
Churchill Park Apartments	May-98	San Antonio, TX	1979	392	1,788	10,131	2,223
Churchill Park	Dec-94	Louisville, KY	1970	384	2,674	9,705	422
Citadel	Dec-94	El Paso, TX	1973	261	1,234	5,308	3,578
Citadel Village	Dec-94	Colorado Springs, CO	1974	122	1,131	3,962	2,038
Citrus Grove	Jun-98	Redlands, CA	1985	198	1,118	6,333	389
Citrus Sunset	Mar-98	Vista, CA	1985	97	663	3,758	301
Civic Towers Apts	Apr-97	Miami, FL	1982	196	807	10,204	
College Park (PA)	Jan-87	Carlisle, PA	1972	209	523	5,819	(661)
Colonnade Gardens/Ferntree	Oct-97	Phoenix, AZ	1973	196	765	4,337	499
Colonial Crest	Dec-99	Bloomington, IN	1965	208	938	4,488	1,348
Colony	Sep-98	Bradenton, FL	1986	166	1,121	6,350	469
Colony	Dec-97	Montgomery, AL	1974	176			3,812
Colony At Kenilworth	Oct-98	Towson, MD	1966	383	2,812	11,065	1,323
Colony House Apts	Oct-98	Murfreesboro, TN	1973	194	984	3,657	354
Cooper s Pond	Jan-96	Tampa, FL	1978	463	2,054	8,402	532
Copper Chase	Dec-96	Katy, TX	1982	316	1,354	7,672	1,549
Copperfield I & II	Nov-96	Houston, TX	1983	196	702	7,003	1,155
Coral Cove	May-98	Tampa, FL	1985	200	727	4,119	3,620
Coral Gardens	Apr-93	Las Vegas, NV	1983	670	3,190	12,745	3,037
Country Club Villas	Jul-94	Amarillo, TX	1984	282	1,049	5,951	1,152

[Additional columns below]

[Continued from above table, first column(s) repeated]

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December 31, 2000

**Total Cost
Net of
Accumulated Accumulated**

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Property Name	Building and			Depreciation	Depreciation	Encumbrances
	Land	Improvements	Total			
Buena Vista	49	1,466	1,515	557	957	317
Burgundy Court	1,247	6,995	8,241	1,712	6,529	6,578
Burgundy Park	630	3,696	4,326	34	4,293	3,382
Burkshire Commons	2,954	24,304	27,258	1,479	25,779	21,945
Calhoun Beach	11,263	70,370	81,633	4,709	76,924	51,419
Cambridge Heights	103	2,577	2,680	1,250	1,429	1,480
Cambridge Manor	1,459	8,270	9,729		9,729	9,867
Cameron Hill I	700	3,966	4,666		4,666	3,142
Cameron Hill II	359	2,035	2,394		2,394	2,144
Canterbury Green	14,785	79,127	93,912	2,787	91,124	51,682
Cape Cod	1,582	9,280	10,862	1,388	9,474	6,470
Captiva Club (Bay West)	1,600	16,190	17,790	2,117	15,673	8,753
Carriage Hill	753	7,511	8,263	1,942	6,321	5,235
Carriage House	332	2,551	2,884	205	2,679	1,819
Casa Anita	1,125	6,873	7,997	800	7,198	3,995
Cedar Brooke Apts	1,097	3,700	4,797	1,758	3,039	2,325
Cedar Rim	889	4,994	5,883	1,388	4,495	2,000
Cedarwood	903	2,898	3,801	345	3,456	1,930
Center Square	693	5,498	6,192	732	5,460	5,432
Chambers Ridge	1,291	9,068	10,360	801	9,559	5,307
Chambrel At Club Hill	2,328	13,191	15,519	149	15,370	14,625
Chambrel At Island Lake	3,456	19,584	23,040	317	22,723	19,647
Chambrel At Montrose	1,773	10,046	11,819	112	11,707	11,660
Chambrel At Pinecastle	1,484	8,411	9,896	96	9,799	8,654
Chambrel At Roswell	5,022	28,456	33,478	539	32,939	29,780
Chambrel At Williamsburg	3,741	21,200	24,941	240	24,701	22,782
Chapel Hill	977	6,131	7,109	1,962	5,147	3,320
Chapel NDP	347	3,725	4,072	340	3,733	3,174
Chapelwood	744	5,401	6,146	1,881	4,264	3,441
Chatham Harbor	2,288	13,546	15,834	539	15,295	9,629
Chelsea Place	2,167	12,278	14,445	145	14,301	12,079
Chelsea Ridge	733	41,151	41,884		41,884	36,250
Cherry Creek Garden	2,959	15,825	18,784	1,078	17,707	12,175
Chesapeake	775	8,185	8,960	1,391	7,568	7,006
Chesapeake Landing (OH)	3,666	25,287	28,953	308	28,645	23,201
Chestnut Hill	5,825	15,350	21,175	1,951	19,224	16,070
Chestnut Hill Village	7,879	43,207	51,086	9,304	41,782	25,588
Chimney Hill	2,698	14,275	16,974	5,518	11,456	5,400
Churchill Park Apartments	1,788	12,354	14,141	1,883	12,258	4,495
Churchill Park	2,298	10,503	12,801	893	11,908	6,450
Citadel	1,589	8,531	10,120	3,690	6,429	4,638
Citadel Village	1,185	5,945	7,130	2,116	5,014	2,450
Citrus Grove	1,118	6,722	7,840	735	7,105	4,930
Citrus Sunset	663	4,059	4,722	441	4,281	3,525
Civic Towers Apts	807	10,204	11,010	5,134	5,876	7,585
College Park (PA)	523	5,158	5,681	2,576	3,104	2,038
Colonnade Gardens/Ferntree	766	4,836	5,601	671	4,930	2,672

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Colonial Crest	959	5,815	6,774	648	6,126	1,653
Colony	1,121	6,820	7,940	693	7,248	3,219
Colony	218	3,594	3,812	1,832	1,980	1,465
Colony At Kenilworth	2,303	12,897	15,200	1,240	13,960	7,985
Colony House Apts	488	4,507	4,995	334	4,660	3,540
Cooper s Pond	1,825	9,162	10,988	749	10,239	8,177
Copper Chase	1,757	8,818	10,575	1,473	9,102	5,016
Copperfield I & II	508	8,352	8,860	1,819	7,041	4,774
Coral Cove	1,381	7,085	8,466	1,583	6,882	3,888
Coral Gardens	3,190	15,782	18,972	5,471	13,502	12,308
Country Club Villas	1,049	7,103	8,152	1,982	6,169	5,387

[Additional columns below]

[Continued from above table, first column(s) repeated]

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Property Name	Date Acquired	Location	Year Built	Number of Units	Initial Cost		Cost Capitalized Subsequent to Acquisition
					Land	Buildings and Improvements	
Country Club West	May-98	Greeley, CO	1986	288	2,848	16,138	788
Courtney Park	May-98	Fort Collins, CO	1986	248	2,726	15,450	524
Coventry Square	Nov-96	Houston, TX	1983	270	975	6,355	1,969
Creekside	Jan-96	Denver, CO	1974	328	2,607	8,319	453
Crossings At Bell	Jan-98	Amarillo, TX	1976	160	483	2,737	1,322
Crossings Of Bellevue	May-98	Nashville, TN	1985	300	2,588	14,667	1,271
Crossroads	May-98	Phoenix, AZ	1982	316	2,180	12,353	648
Crows Nest	Nov-96	League City, TX	1984	176	795	5,400	1,257
Cypress Landing	Dec-96	Savannah, GA	1984	200	915	5,188	722
Cypress Ridge	May-98	Houston, TX	1979	268	870	4,931	1,301
Debaliviere I	May-97	St. Louis, MO	1979	146	605	2,392	436
Deer Creek	Jan-93	Plainsboro, NJ	1975	288	2,948	8,480	4,373
Deercross (IN)	Dec-00	Indianapolis, IN	1979	372	1,166	10,494	
Doral Springs	Dec-94	Miami, FL	1972	368	2,525	9,284	623
Douglaston Villas and Townhomes (Formerly Cameron Villas)	Aug-99	Altamonte Springs, FL	1979	234	1,721	9,835	902
Dunes	Dec-97	San Antonio, TX	1964	120	278	707	86
Dunwoody Park	Jul-94	Dunwoody, GA	1980	318	1,838	10,538	1,688
Eagle Rock Village	Dec-97	Wichita, KS	1985	352	2,467	12,394	2,702
Eagle s Nest	May-98	San Antonio, TX	1973	226	1,053	5,966	392
Eaglewood/Woods	Jun-98	Memphis, TN	1983	584	750	16,544	4,901

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Easton Village	Nov-96	Houston, TX	1983	146	440	6,584	3,750
Eden Crossing	Nov-94	Pensacola, FL	1985	200	1,111	6,332	1,089
Elm Creek	May-97	Elmhurst, IL	1986	372	5,339	30,253	13,610
Emerald Ridge	Feb-98	Tyler, TX	1984	484	1,469	8,324	1,160
Enfield	Oct-97	Dallas, TX	1986	286	1,400	2,970	2,725
Essex Park	Oct-98	Columbia, SC	1971	323	1,670	5,588	213
Evanston Place	May-97	Evanston, IL	1988	190	1,503	19,960	6,974
Evergreen Club	Oct-97	Jacksonville, FL	1987	240	1,395	4,749	1,130
Fairway	Dec-92	Plano, TX	1978	256	1,714	5,662	163
Fairway View I	Oct-98	Baton Rouge, LA	1972	242	1,562	6,168	274
Fairway View II	Oct-98	Baton Rouge, LA	1981	204	1,515	5,808	236
Fairways	Jul-94	Chandler, AZ	1986	352	1,830	10,403	7,782
Farmingdale	Dec-00	Darien, IL	1975	240	1,502	13,520	
Ferntree	Oct-98	Phoenix, AZ	1970	219	1,243	12,818	526
Festival Field	Dec-97	Newport, RI	1973	204	430	6,999	(172)
Fieldcrest	Oct-98	Jacksonville, FL	1982	240	1,331	7,544	711
Fisherman s Landing	Sep-98	Temple Terrace, FL	1986	256	1,643	9,311	862
Fisherman s Landing	Dec-97	Bradenton, FL	1984	200	1,275	7,225	860
Fisherman s Wharf	Nov-96	Clute, TX	1981	360	830	9,969	2,014
Foothill Place	Dec-94	Salt Lake City, UT	1973	450	3,693	14,291	5,786
Foothills	Oct-97	Tucson, AZ	1982	270	1,203	6,817	473
Forest	Dec-97	Houston, TX	1978	192	384	2,347	202
Forest River	Oct-98	Gadsden, AL	1979	248	862	3,755	341
Forrester Gardens	Dec-97	Tuscaloosa, AL	1972	152	200	4,041	545
Fox Run	Oct-96	Plainsboro, NJ	1973	776	8,442	33,326	2,224
Foxchase	May-97	Alexandria, VA	1947	2,028	39,390	93,181	17,374
Foxfire	Oct-98	Doraville, GA	1971	266	1,663	8,063	412
Foxtree	Oct-97	Tempe, AZ	1976	487	2,505	14,194	1,928
Frankford Place	Jul-94	Carrollton, TX	1982	274	1,125	6,382	990
Franklin Oaks	May-98	Franklin, TN	1987	468	4,031	22,842	1,542
Freedom Place Club	Oct-97	Jacksonville, FL	1988	352	2,289	12,970	1,218
Gateway Gardens	Oct-98	Cedar Rapids, IA	1969	328	1,994	7,795	165
Georgetown	Oct-93	South Bend, IN	1973	200	1,480	6,502	3,310
Georgetown	Oct-98	Columbus, OH	1962	150	1,087	4,289	261
Glen Hollow	Dec-99	Charlotte, NC	1972	336	2,133	10,174	802
Glenbrook	Oct-97	St. Petersburg, FL	1985	196	1,290	4,674	1,043
Governor s Park	Aug-86	Little Rock, AR	1985	154	1,075	2,869	1,196
Governor s Park	Oct-93	Ft. Collins, CO	1982	188	1,752	6,336	254
Grand Flamingo	Sep-97	Miami Beach, FL	1960	1,277	8,736	49,774	110,303
Grande Pointe	Dec-99	Columbia, MD	1974	324	2,715	15,382	2,140
Greens Of Naperville	May-97	Naperville, IL	1986	400	3,756	21,284	11,839
Greenspoint	Jan-96	Phoenix, AZ	1985	336	2,851	10,130	352
Greentree	Oct-93	Mobile, AL	1973	178	846	2,514	1,991

[Additional columns below]

[Continued from above table, first column(s) repeated]

December 31, 2000

Property Name	Building and		Total	Total Cost Net of		
	Land	Improvements		Accumulated Depreciation	Accumulated Depreciation	Encumbrances
Country Club West	2,848	16,926	19,774	2,738	17,036	11,050
Courtney Park	2,726	15,974	18,701	2,444	16,257	9,799
Coventry Square	681	8,618	9,299	3,263	6,036	4,962
Creekside	2,108	9,272	11,380	892	10,488	6,327
Crossings At Bell	483	4,059	4,542	623	3,919	2,328
Crossings Of Bellevue	2,588	15,938	18,527	2,577	15,950	8,100
Crossroads	2,180	13,001	15,181	2,060	13,121	6,683
Crows Nest	762	6,689	7,452	2,132	5,320	2,706
Cypress Landing	915	5,910	6,826	1,358	5,468	5,519
Cypress Ridge	870	6,232	7,102	978	6,124	4,250
Debaliviere I	286	3,146	3,433	215	3,218	2,465
Deer Creek	1,999	13,802	15,801	4,616	11,185	6,025
Deercross (IN)	1,749	9,911	11,660		11,660	8,866
Doral Springs	3,905	8,526	12,431	1,002	11,429	6,000
Douglaston Villas and Townhomes (Formerly Cameron Villas)	1,721	10,737	12,458	1,018	11,440	7,188
Dunes	128	943	1,071	142	929	733
Dunwoody Park	1,838	12,226	14,064	3,168	10,896	11,319
Eagle Rock Village	1,829	15,733	17,563	2,693	14,870	9,602
Eagle s Nest	1,053	6,358	7,410	1,090	6,320	4,565
Eaglewood/Woods	830	21,365	22,195	8,227	13,967	9,856
Easton Village	448	10,326	10,774	2,337	8,437	3,995
Eden Crossing	1,111	7,421	8,532	1,859	6,673	5,406
Elm Creek	7,128	42,075	49,202	12,851	36,351	22,876
Emerald Ridge	1,469	9,484	10,953	1,236	9,718	5,994
Enfield	919	6,176	7,095	1,329	5,765	4,593
Essex Park	942	6,530	7,471	509	6,962	7,025
Evanston Place	1,507	26,930	28,438	6,374	22,063	18,008
Evergreen Club	1,434	5,841	7,275	1,206	6,069	5,285
Fairway	2,671	4,869	7,540	477	7,063	6,575
Fairway View I	1,394	6,610	8,004	530	7,474	4,000
Fairway View II	1,462	6,097	7,558	501	7,057	4,200
Fairways	1,830	18,185	20,015	3,965	16,050	10,023
Farmingdale	2,253	12,769	15,022		15,022	8,837
Ferntree	1,242	13,345	14,587	956	13,631	5,075
Festival Field	430	6,828	7,257	3,241	4,017	3,307
Fieldcrest	1,331	8,255	9,586	801	8,786	5,661
Fisherman s Landing	1,643	10,173	11,816	1,041	10,775	5,409
Fisherman s Landing	1,276	8,084	9,360	1,083	8,278	4,569
Fisherman s Wharf	744	12,069	12,813	5,052	7,761	3,309
Foothill Place	5,779	17,991	23,770	6,041	17,730	10,100
Foothills	1,203	7,290	8,493	1,004	7,489	3,626
Forest	417	2,516	2,933	227	2,706	1,190
Forest River	638	4,320	4,958	281	4,677	3,212

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Forrester Gardens	200	4,586	4,786	2,031	2,754	1,549
Fox Run	9,068	34,924	43,992	2,596	41,396	29,575
Foxchase	20,216	129,730	149,945	16,365	133,581	84,068
Foxfire	1,682	8,456	10,138	618	9,520	7,030
Foxtree	2,505	16,122	18,627	2,175	16,452	8,364
Frankford Place	1,125	7,372	8,497	2,092	6,405	5,874
Franklin Oaks	4,031	24,384	28,415	3,883	24,532	16,790
Freedom Place Club	2,289	14,188	16,477	1,920	14,557	6,557
Gateway Gardens	1,387	8,566	9,953	686	9,267	6,191
Georgetown	1,296	9,995	11,291	3,308	7,984	5,260
Georgetown	882	4,754	5,637	357	5,280	3,505
Glen Hollow	2,204	10,905	13,109	612	12,496	7,442
Glenbrook	1,383	5,625	7,007	1,151	5,857	4,983
Governor s Park	486	4,654	5,140	1,386	3,754	3,780
Governor s Park	1,307	7,035	8,342	527	7,815	4,468
Grand Flamingo	13,182	155,631	168,813	6,121	162,692	51,572
Grande Pointe	2,715					

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17,522 20,237 640 19,597 11,386 Greens Of
 Naperville 3,163 33,715 36,879 9,200 27,678 11,601 Greenspoint 2,896 10,438 13,334 877 12,456 8,541 Greentree 587 4,763 5,351

[Additional columns below]

[Continued from above table, first column(s) repeated]

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Property Name	Date Acquired	Location	Year Built	Number of Units	Initial Cost		Cost
					Land	Improvements	
					Capitalized		
					Building	Subsequent	to
					and	and	Acquisition
Greentree	Dec-96	Carrollton, TX	1983	365	1,955	11,098	1,082
Hampton Hill	Nov-96	Houston, TX	1984	332	1,574	8,408	5,076
Harbor Cove	May-98	San Antonio, TX	1980	256	1,446	8,193	551
Harbor Town @ Jacaranda	Apr-99	Plantation, FL	1988	280	1,920	17,277	52
Hastings Place	Nov-96	Houston, TX	1984	176	734	3,382	1,986
Haverhill Commons	May-98	W. Palm Beach, FL	1986	222	1,656	9,386	1,478
Heather Ridge	May-98	Phoenix, AZ	1983	252	1,609	9,119	356
Heather Ridge	Dec-96	Arlington, TX	1983	180	614	3,478	438
Heritage Park Escondido	Dec-91	Escondido, CA	1986	196	1,118	5,779	(126)
Heritage Park Livermore	Dec-91	Livermore, CA	1988	167	1,324	5,682	(126)

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Heritage Village	Dec-97	Temple Terrace, FL	1967	252	713	10,678	9,773
Heritage Village Anaheim	Dec-91	Anaheim, CA	1986	196	1,488	6,180	(126)
Hibben Ferry I	Jul-84	MT. Pleasant, SC	1983	240	2,022	6,236	2,373
Hickory Ridge	Jan-85	Memphis, TN	1970	378	2,677	8,861	707
Hidden Cove (Formerly Lake Villa)	Dec-94	Belleville, MI	1976	120	810	3,503	1,480
Hidden Lake Apts	May-98	Tampa, FL	1983	267	1,361	7,715	484
Hiddentree	Oct-97	East Lansing, MI	1966	261	1,470	8,330	1,393
Highland Park	Dec-96	Fort Worth, TX	1985	500	1,823	10,330	5,664
Hillmeade	Nov-94	Nashville, TN	1985	288	2,872	16,066	3,549
Hollymead Square	Dec-97	Charlottesville, VA	1978	100	497	2,880	479
Hunt Club	Dec-00	Indianapolis, IN	1972	200	686	3,531	422
Hunt Club (MD)	Dec-97	Gaithersburg, MD	1986	336	2,913	26,218	284
Hunt Club (PA)	Dec-97	North Wales, PA	1986	320	3,728	33,555	157
Hunt Club I	Dec-00	Ypsilanti, MI	1988	296	1,014	9,128	99
Hunt Gardens	Dec-97	Baytown, TX	1984	100	422	2,378	81
Hunters Creek	May-99	Cincinnati, OH	1981	146	661	3,832	523
Hunters Crossing	Oct-99	Leesburg, VA	1967	164	1,425	8,076	384
Hunters Glen	Apr-98	Austell, GA	1983	72	301	1,704	186
Hunters Glen IV	Oct-98	Plainsboro, NJ	1976	264	2,617	9,217	775
Hunters Glen V	Oct-98	Plainsboro, NJ	1977	304	3,160	10,695	929
Hunters Glen VI	Oct-98	Plainsboro, NJ	1977	328	3,285	11,088	993
Huntington Athletic Club	Oct-98	Morrisville, NC	1986	212	1,916	8,302	665
Huntington Park (Formerly Marbella Club)	Jul-99	Miami, FL	1988	504	2,815	16,193	1,023
Huntington Pointe (Formerly Bella Vista)	Jul-99	Miami, FL	1986	352	2,560	14,660	683
Indian Creek Village	Oct-98	Overland Park, KS	1972	273	2,121	7,976	1,292
Island Club (Beville)	Dec-00	Daytona Beach, FL	1986	206	1,220	10,980	
Island Club (CA)	Dec-00	Oceanside, CA	1986	603	4,920	44,281	
Island Club (MD)	Dec-00	Columbia, MD	1986	176	6	50	
Island Club (Palm Aire)	Dec-00	Pomano Beach, FL	1988	262	1,800	16,204	
Islandtree	Oct-97	Savannah, GA	1985	216	1,267	7,181	858
Jefferson Place	Nov-94	Baton Rouge, LA	1985	234	2,696	15,115	1,707
Key Towers	Oct-99	Alexandria, VA	1964	142	1,218	6,902	408
Kingstown Gardens	Dec-97	Norfolk, VA	1968	64	57	506	94
Knollwood	Dec-94	Nashville, TN	1972	326	2,367	3,715	5,451
La Colina Ranch	Oct-98	Denton, TX	1984	264	1,613	5,123	206
La Jolla De Tucson Apts	May-98	Tucson, AZ	1978	223	1,342	7,603	710
La Jolla San Antonio	May-98	San Antonio, TX	1975	300	2,071	11,733	489
Lake Castleton Arms	Oct-98	Indianapolis, IN	1997	1,265	5,188	33,504	3,889
Lake Forest	Dec-97	Erie, PA	1973	204	278	5,135	(405)
Lake Forest Apts	Feb-95	Omaha, NE	1971	312	2,229	6,664	3,827
Lake Johnson Mews	Oct-98	Raleigh, NC	1972	201	1,761	5,597	252
Lakehaven I	May-97	Carol Stream, IL	1984	144	701	3,974	69
Lakehaven II	May-97	Carol Stream, IL	1985	348	1,673	9,482	1,022
Lakeland East	May-97	Jackson, MS	1984	144	464	3,199	258
Lakeside	Oct-98	Lisle, IL	1972	568	5,126	20,922	2,217
Lakeside North @ Carrollwood	Apr-99	Tampa, FL	1984	168	760	6,839	41
Lakeside Place	Oct-98	Houston, TX	1976	734	6,663	22,988	951
Lampighter Park	Dec-94	Bellevue, WA	1967	174	1,781	6,525	1,620
Landings, The	Oct-98	Tampa, FL	1978	200	818	3,190	399

[Additional columns below]

[Continued from above table, first column(s) repeated]

Property Name	December 31, 2000					
	Land	Building and Improvements	Total	Total Cost Net of		
				Accumulated Depreciation	Accumulated Depreciation	Encumbrances
Greentree	1,955	12,180	14,135	2,348	11,787	6,963
Hampton Hill	2,195	12,863	15,058	4,968	10,090	6,314
Harbor Cove	1,446	8,743	10,190	1,370	8,820	5,605
Harbor Town @ Jacaranda	2,982	16,267	19,249	206	19,043	19,304
Hastings Place	709	5,393	6,102	1,480	4,622	4,444
Haverhill Commons	1,656	10,864	12,520	1,670	10,850	9,100
Heather Ridge	1,609	9,474	11,084	1,474	9,609	5,695
Heather Ridge	614	3,916	4,530	772	3,758	3,775
Heritage Park Escondido	1,016	5,756	6,772	49	6,722	6,116
Heritage Park Livermore	1,032	5,849	6,881	58	6,823	6,170
Heritage Village	713	20,452	21,165	5,082	16,083	4,966
Heritage Village Anaheim	1,131	6,410	7,542	66	7,476	6,792
Hibben Ferry I	1,225	9,406	10,631	2,690	7,941	6,033
Hickory Ridge	1,807	10,438	12,245	825	11,420	6,083
Hidden Cove (Formerly Lake Villa)	380	5,413	5,792	1,599	4,194	2,200
Hidden Lake Apts	1,361	8,198	9,560	1,303	8,257	5,212
Hiddentree	1,470	9,723	11,193	1,416	9,778	4,103
Highland Park	6,296	11,522	17,817	2,493	15,325	8,770
Hillmeade	2,872	19,615	22,487	4,758	17,729	10,729
Hollymead Square	484	3,373	3,856	599	3,258	3,323
Hunt Club	859	3,780	4,639	349	4,290	3,880
Hunt Club (MD)	5,928	23,487	29,415	312	29,103	18,771
Hunt Club (PA)	6,367	31,073	37,440	286	37,154	21,500
Hunt Club I	1,536	8,705	10,241		10,241	8,602
Hunt Gardens	457	2,424	2,881	197	2,684	1,362
Hunters Creek	661	4,354	5,016	463	4,552	2,656
Hunters Crossing	1,464	8,422	9,886	80	9,806	4,640
Hunters Glen	301	1,890	2,191	213	1,978	1,010
Hunters Glen IV	2,735	9,874	12,609	851	11,758	7,983
Hunters Glen V	3,200	11,584	14,784	951	13,833	8,668
Hunters Glen VI	3,381	11,986	15,367	1,056	14,310	9,021
Huntington Athletic Club	1,867	9,015	10,883	583	10,300	7,297
Huntington Park (Formerly Marbella Club)	2,815	17,216	20,031	1,546	18,485	13,567
Huntington Pointe (Formerly Bella Vista)	2,560	15,343	17,903	1,384	16,519	12,765
Indian Creek Village	3,262	8,128	11,390	696	10,694	8,735
Island Club (Beville)	1,830	10,370	12,200		12,200	11,270

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Island Club (CA)	7,380	41,821	49,201		49,201	43,240
Island Club (MD)	8	48	56		56	
Island Club (Palm Aire)	2,701	15,303	18,004		18,004	17,270
Islandtree	1,267	8,039	9,306	1,117	8,189	3,961
Jefferson Place	2,697	16,821	19,518	4,163	15,354	9,162
Key Towers	1,257	7,271	8,528	69	8,459	5,654
Kingstown Gardens	135	523	657	80	577	65
Knollwood	1,504	10,028	11,533	5,535	5,998	6,780
La Colina Ranch	1,373	5,568	6,942	3,900	3,042	4,981
La Jolla De Tucson Apts	1,342	8,313	9,655	1,317	8,339	5,711
La Jolla San Antonio	2,071	12,222	14,293	1,910	12,383	8,425
Lake Castleton Arms	5,128	37,452	42,580	1,738	40,842	28,405
Lake Forest	278	4,730	5,008	2,363	2,645	2,093
Lake Forest Apts	2,191	10,528	12,719	4,087	8,632	4,700
Lake Johnson Mews	944	6,666	7,610	529	7,081	4,350
Lakehaven I	683	4,061	4,744	1,106	3,638	5,242
Lakehaven II	1,643	10,533	12,177	2,786	9,391	13,346
Lakeland East	494	3,428	3,921	570	3,351	3,373
Lakeside	5,283	22,983	28,266	1,648	26,618	17,200
Lakeside North @ Carrollwood	1,073	6,567	7,640	82	7,558	7,670
Lakeside Place	5,920	24,683	30,602	1,966	28,636	23,343
Lamplighter Park	2,781	7,145	9,926	1,872	8,054	3,500
Landings, The	656	3,751	4,407	319	4,088	2,186

[Additional columns below]

[Continued from above table, first column(s) repeated]

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Property Name	Date Acquired	Location	Year Built	Number of Units	Initial Cost		Cost Capitalized Buildings Subsequent to Acquisition
					Land	Improvements	
Landmark	May-98	Albuquerque, NM	1965	101	780	4,455	1,122
Landmark	Jan-93	Raleigh, NC	1970	292	2,505	8,233	5,108
Las Brisas (AZ)	Jul-94	Casa Grande, AZ	1985	132	573	3,260	393
Las Brisas (TX)	Dec-95	San Antonio, TX	1983	176	1,100	5,454	643
Lasalle	Dec-97	San Francisco, CA	1976	145	1,098	2,880	(16)
Lebanon Station	Oct-98	Columbus, OH	1974	387	1,918	9,089	204
Legend Oaks/The Woodlands	May-98	Tampa, FL	1983	416	2,304	13,058	788
Leona	Dec-97	Uvalde, TX	1973	40	86	986	531
Lexington	Jul-94	San Antonio, TX	1981	72	311	1,764	332

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Lighthouse At Twin Lakes I	Oct-97	Beltsville, MD	1969	480	3,627	13,240	5,855
Lighthouse At Twin Lakes II	Oct-97	Beltsville, MD	1971	113	1,039	2,292	1,376
Lighthouse At Twin Lakes III	Oct-97	Beltsville, MD	1978	107	760	3,231	1,163
Lodge, The	Jan-96	Denver, CO	1973	376	2,848	9,105	439
Los Arboles	Sep-97	Chandler, AZ	1985	232	1,662	9,418	966
Madera Point	May-98	Phoenix, AZ	1986	256	2,103	11,916	1,178
Magnolia Square (Trace)	Oct-98	Baton Rouge, LA	1973	246	1,191	4,249	1,230
Maple Bay	Dec-99	Virginia Beach, VA	1971	414	2,598	14,719	2,075
Marrill House	Jan-00	Fairfax, VA	1962	159	1,836	10,405	596
Mayfair Village	Sep-99	West Lafayette, IN	1964	72	250	3,317	386
McMillian Place	Jan-96	Dallas, TX	1986	402	2,507	12,409	446
Meadow Creek	Apr-85	Boulder, CO	1972	332	1,387	10,027	9,321
Meadows	Dec-96	Austin, TX	1983	100	579	3,283	381
Mesa Ridge	May-98	San Antonio, TX	1986	200	1,209	6,852	322
Michigan Meadows	Dec-99	Indianapolis, IN	1965	253	582	3,539	(51)
Michigan Plaza Commercial	Dec-99	Indianapolis, IN	1965		27	346	
Millhopper Village	Oct-98	Gainesville, FL	1969	136	1,061	3,176	197
Misty Woods	Jan-96	Charlotte, NC	1986	228	1,448	5,921	289
Montecito	Jul-94	Austin, TX	1985	268	1,268	7,194	2,244
Mountain Run	Jul-99	Arvada, CO	1974	96	288	5,935	276
Mountainview	May-98	Colorado Springs, CO	1985	252	2,536	14,371	558
Newberry Park	May-97	Chicago, IL	1985	84	181	1,027	1,910
Newport	Jul-94	Avondale, AZ	1986	204	800	4,554	835
Nob Hill Villa	Dec-94	Nashville, TN	1971	472	2,417	10,087	6,371
North River Village	Oct-98	Atlanta, GA	1970	133	1,027	3,660	295
Northlake Village (Lima)	Dec-00	Lima, OH	1971	150	186	1,673	
Northpoint	Dec-97	Chicago, IL	1921	304	2,139	12,370	457
Northview Harbor	Dec-99	Grand Rapids, MI	1982	360	2,016	10,696	751
Northwoods Apartments	Oct-98	Pensacola, FL	1979	320	1,869	6,544	539
Nottingham Square	Oct-98	Urbandale, IA	1974	442	1,890	7,820	138
Oak Falls	Nov-96	Spring, TX	1983	144	514	3,585	2,081
Oak Park Village I	Dec-00	Lansing, MI	1973	410	1,137	10,237	
Oak Park Village II	Dec-00	Lansing, MI	1973	208	695	6,251	
Oakbrook (MI)	Dec-99	Battle Creek, MI	1981	586	3,512	16,501	1,175
Oakwood Village On Lake Nan	Oct-98	Winter Park, FL	1973	278	1,581	5,673	355
Ocean Oaks Apartments	May-98	Port Orange, FL	1988	296	2,132	12,083	1,460
Old Farm	Dec-98	Lexington, KY	1985	330	1,893	10,725	724
Old Orchard	Dec-99	Grand Rapids, MI	1974	664	3,217	14,077	893
Old Salem	Oct-98	Charlottesville, VA	1967	364	2,820	12,940	608
Olde Towne West III	Dec-97	Alexandria, VA	1978	75	645	4,958	881
Olmos Club	Oct-97	San Antonio, TX	1983	134	322	1,825	233
Olympiad	Nov-94	Montgomery, AL	1986	176	1,046	5,958	871
One Lytle Place	Dec-97	Cincinnati, OH	1980	231	3,246	17,485	1,047
Orchidtree	Oct-97	Scottsdale, AZ	1971	278	2,314	13,112	1,022
Palencia	May-98	Tampa, FL	1985	420	2,804	15,887	5,576
Palm Lake (Village Square)	Oct-98	Tampa, FL	1972	150	954	6,266	1,407
Panorama Terrace	Oct-98	Birmingham, AL	1975	227	1,500	4,662	703
Paradise Palms	Jul-94	Phoenix, AZ	1970	130	647	3,684	716

[Additional columns below]

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[Continued from above table, first column(s) repeated]

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Property Name	Land	Building and Improvements	Total	Total Cost Net of		
				Accumulated Depreciation	Accumulated Depreciation	Accumulated Encumbrances
Landmark	780	5,577	6,357	586	5,771	2,339
Landmark	2,008	13,838	15,846	5,487	10,359	6,312
Las Brisas (AZ)	573	3,653	4,226	942	3,283	
Las Brisas (TX)	1,100	6,097	7,197	1,368	5,829	4,430
Lasalle	594	3,367	3,961		3,961	3,970
Lebanon Station	1,807	9,403	11,211	680	10,531	6,658
Legend Oaks/The Woodlands	2,304	13,846	16,150	2,216	13,934	7,583
Leona	86	1,517	1,603	451	1,152	349
Lexington	312	2,095	2,407	511	1,896	973
Lighthouse At Twin Lakes I	2,994	19,728	22,722	6,264	16,457	12,313
Lighthouse At Twin Lakes II	625	4,081	4,706	1,478	3,228	2,855
Lighthouse At Twin Lakes III	735	4,419	5,154	1,282	3,872	3,481
Lodge, The	2,380	10,013	12,393	935	11,458	7,009
Los Arboles	1,662	10,384	12,046	1,421	10,625	6,957
Madera Point	2,103	13,094	15,197	2,026	13,171	8,067
Magnolia Square (Trace)	2,038	4,633	6,670	462	6,209	
Maple Bay	2,598	16,794	19,392	588	18,803	9,972
Marrill House	1,836	11,001	12,837	346	12,491	6,893
Mayfair Village	276	3,676	3,952	1,549	2,403	2,497
McMillian Place	3,444	11,918	15,363	772	14,591	12,590
Meadow Creek	1,435	19,300	20,735	5,114	15,621	7,235
Meadows	579	3,664	4,243	656	3,587	2,875
Mesa Ridge	1,209	7,174	8,383	1,123	7,261	4,855
Michigan Meadows	807	3,262	4,070	313	3,757	1,557
Michigan Plaza Commercial	27	346	373	198	175	
Millhopper Village	543	3,891	4,434	337	4,097	2,700
Misty Woods	910	6,747	7,657	484	7,173	5,181
Montecito	1,268	9,438	10,706	2,533	8,173	5,967
Mountain Run	288	6,211	6,499	2,104	4,394	3,388
Mountainview	2,544	14,921	17,465	2,278	15,186	8,860
Newberry Park	156	2,962	3,118	930	2,188	8,377
Newport	800	5,389	6,189	1,505	4,684	4,730
Nob Hill Villa	2,863	16,011	18,874	6,356	12,518	6,925
North River Village	697	4,284	4,982	345	4,637	1,630
Northlake Village (Lima)	279	1,580	1,859		1,859	2,255
Northpoint	2,405	12,560	14,965	859	14,106	14,168
Northview Harbor	2,024	11,439	13,463	878	12,585	7,766
Northwoods Apartments	1,123	7,830	8,953	599	8,354	5,000
Nottingham Square	1,562	8,286	9,847	801	9,047	7,122
Oak Falls	508	5,672	6,180	1,519	4,661	4,844

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Oak Park Village I	1,706	9,669	11,375		11,375	4,869
Oak Park Village II	1,042	5,904	6,946		6,946	3,281
Oakbrook (MI)	3,347	17,842	21,188	672	20,516	8,432
Oakwood Village On Lake Nan	1,303	6,306	7,610	574	7,035	3,834
Ocean Oaks Apartments	2,132	13,544	15,676	2,091	13,585	10,295
Old Farm	1,893	11,449	13,342	1,105	12,237	9,726
Old Orchard	3,232	14,954	18,186	662	17,524	10,418
Old Salem	1,952	14,416	16,369	978	15,391	9,943
Olde Towne West III	595	5,889	6,484	913	5,570	4,096
Olmos Club	322	2,058	2,380	294	2,086	1,174
Olympiad	1,046	6,830	7,875	1,725	6,150	4,817
One Lytle Place	2,033	19,745	21,778	1,312	20,466	12,530
Orchidtree	2,314	14,134	16,448	1,929	14,519	6,833
Palencia	2,804	21,462	24,266	3,206	21,060	13,047
Palm Lake (Village Square)	1,651	6,975	8,626	350	8,276	2,990
Panorama Terrace	1,109	5,756	6,865	539	6,326	3,681
Paradise Palms	647	4,401	5,047	1,152	3,896	4,190

[Additional columns below]

[Continued from above table, first column(s) repeated]

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Property Name	Date Acquired	Location	Year Built	Number of Units	Initial Cost		Cost
					Land	Buildings and Improvements	Capitalized Subsequent to Acquisition
Park @ Cedar Lawn	Nov-96	Galveston, TX	1985	192	769	5,073	2,919
Park Avenue Towers (PA)	Dec-97	Wilkes-Barre, PA	1978	130	613	1,735	(12)
Park Capitol	Dec-94	Salt Lake City, UT	1972	135	1,219	3,455	1,025
Park Colony	May-98	Norcross, GA	1984	352	3,257	18,454	1,281
Park Towne	Oct-97	Philadelphia, PA	1959	980	11,592	27,573	19,763
Park Village	Dec-97	Hialeah, FL	1972	396	607	10,322	603
Parker House	Sep-00	Hyattsville, MD	1965	296	2,659	15,073	220
Parktown Townhouses	Oct-98	Deer Park, TX	1968	309	2,239	7,172	248
Parkway	Dec-97	Williamsburg, VA	1971	148	1,641	2,084	336
Parliament Bend	Jul-94	San Antonio, TX	1980	232	765	4,342	1,206
Patchen Place	Oct-98	Lexington, KY	1974	202	966	3,766	340
Peachtree Park	Jan-96	Atlanta, GA	1962/1995	295	4,681	12,957	2,412
Pembroke Court	Dec-97	Virginia Beach, VA	1974	458	1,897	12,199	4,871

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Pendleton Riverside Apts	Apr-99	Pendleton, OR	1977	40	72	992	(437)
Penn Square	Dec-94	Albuquerque, NM	1982	210	1,128	6,478	880
Peppermill Place	Nov-96	Houston, TX	1983	224	406	3,957	2,489
Pickwick Place	Oct-98	Indianapolis, IN	1973	336	1,082	7,418	1,293
Pine Creek (MI)	Oct-97	Clio, MI	1978	233	852	4,830	616
Pine Creek (TX)	Dec-97	Houston, TX	1979	300	668	3,892	227
Pine Shadows	May-98	Phoenix, AZ	1983	272	2,093	11,858	573
Pinebrook	Oct-98	Jacksonville, FL	1974	208	856	4,854	478
Pinebrook	Jan-93	Ridgeland, MS	1979	160	743	2,073	770
Pines Of Roanoke	Oct-98	Roanoke, VA	1978	216	1,218	4,998	260
Pinetree	Oct-98	Charlotte, NC	1972	220	1,427	6,843	372
Place Du Plantier	Oct-98	Baton Rouge, LA	1972	268	1,783	5,974	253
Plantation Crossing	Jan-96	Marietta, GA	1979	180	1,537	6,118	276
Plantation Gardens	Oct-98	Plantation, FL	1971	372	2,347	9,661	1,666
Pleasant Ridge	Nov-94	Little Rock, AR	1982	200	1,660	9,464	1,171
Pleasant Valley Point	Nov-94	Little Rock, AR	1985	112	907	5,069	1,003
Point West	Dec-94	Charleston, SC	1973	120	629	4,487	1,298
Point West	May-97	Lenexa, KS	1985	172	979	5,548	1,802
Pointe James	Oct-98	Charleston, SC	1977	128	956	1,181	76
Polo Park	Oct-97	Midland, TX	1983	184	800	4,532	853
Post Ridge	Feb-95	Nashville, TN	1972	150	1,249	5,782	2,302
Prairie Hills	Jul-94	Albuquerque, NM	1985	260	1,680	9,633	1,384
Preston Creek	Oct-98	Dallas, TX	1979	228	1,919	8,259	341
Pride Gardens	May-97	Flora, MS	1975	76	265	1,502	2,337
Privado Park	May-98	Phoenix, AZ	1984	352	2,636	14,937	553
Quail Hollow	Oct-98	West Columbia, SC	1973	215	1,350	4,505	573
Quail Ridge	May-98	Tucson, AZ	1974	253	1,613	9,143	623
Quail Run	Oct-98	Columbia, SC	1970	332	2,040	8,412	277
Quail Run	Oct-98	Zionsville, IN	1972	166	1,398	4,815	147
Quail Woods	Oct-98	Gastonia, NC	1974	188	1,112	1,892	87
Raintree	Oct-98	Pensacola, FL	1971	168	192	1,091	1,720
Raintree	Oct-98	Anderson, SC	1972	176	796	2,752	177
Ramblewood	Dec-97	Norfolk, VA	1978	300	969	5,646	1,258
Ramblewood (MI)	Dec-99	Grand Rapids, MI	1973	1,630	9,742	59,378	4,061
Rancho Arms	Jun-97	Rancho Cordova, CA	1973	95	386	2,322	18
Rancho Sunset	Mar-98	Escondido, CA	1985	334	3,103	16,755	1,755
Randol Crossing	Dec-96	Fort Worth, TX	1984	160	728	4,125	711
Reflections (Tampa)	Dec-00	Tampa, FL	1988	350	1,997	17,975	(65)
Reflections (Virginia Beach)	Dec-00	Virginia Beach, VA	1987	480	2,827	25,445	135
Reflections (West Palm Beach)	Dec-00	West Palm Beach, FL	1986	303	1,342	12,081	
Regency Oaks	Oct-98	Fern Park, FL	1965	343	1,630	3,348	2,376

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Ridgecrest	Dec-96	Denton, TX	1983	152	393	2,228	507
Rio Cancion	Oct-98	Tucson, AZ	1983	379	2,832	16,090	821
River Loft Apartments	May-97	Philadelphia, PA	1910	197	1,687	10,911	3,738
River Reach	Jun-99	Naples, FL	1986	556	3,541	31,867	25

[Additional columns below]

[Continued from above table, first column(s) repeated]

December 31, 2000

Property Name	Land	Building and		Accumulated	Total Cost Net of	
		Improvements	Total		Accumulated	Encumbrances
				Depreciation	Depreciation	
Park @ Cedar Lawn	695	8,067	8,761	1,878	6,883	5,038
Park Avenue Towers (PA)	350	1,986	2,336		2,336	2,291
Park Capitol	735	4,963	5,698	1,135	4,563	2,725
Park Colony	3,257	19,735	22,992	3,074	19,918	10,788
Park Towne	3,817	55,110	58,927	18,488	40,439	37,289
Park Village	1,670	9,861	11,532	1,203	10,328	10,710
Parker House	2,665	15,287	17,952	146	17,805	7,815
Parktown Townhouses	2,156	7,503	9,659	651	9,008	7,800
Parkway	635	3,426	4,061	434	3,627	3,041
Parliament Bend	765	5,548	6,313	1,431	4,882	
Patchen Place	977	4,095	5,072	427	4,646	3,000
Peachtree Park	4,683	15,366	20,050	3,214	16,836	13,798
Pembroke Court	3,584	15,383	18,967	1,540	17,427	10,695
Pendleton Riverside Apts	72	555	627	435	193	317
Penn Square	1,128	7,358	8,486	1,796	6,690	4,109
Peppermill Place	344	6,508	6,852	1,528	5,324	4,698
Pickwick Place	1,286	8,507	9,793	537	9,256	6,227
Pine Creek (MI)	852	5,445	6,298	642	5,656	2,225
Pine Creek (TX)	672	4,115	4,788	375	4,412	2,411
Pine Shadows	2,093	12,430	14,523	1,948	12,575	7,500
Pinebrook	857	5,331	6,188	508	5,679	3,559
Pinebrook	516	3,070	3,586	775	2,811	2,444
Pines Of Roanoke	1,053	5,422	6,475	439	6,037	4,143
Pinetree	1,480	7,162	8,642	472	8,170	4,880
Place Du Plantier	1,461	6,549	8,010	662	7,348	3,800

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Plantation Crossing	1,467	6,464	7,931	502	7,429	4,825
Plantation Gardens	4,412	9,262	13,674	882	12,792	9,683
Pleasant Ridge	1,661	10,635	12,295	2,714	9,581	6,700
Pleasant Valley Point	907	6,073	6,979	1,578	5,402	3,682
Point West	1,010	5,404	6,414	1,377	5,038	2,407
Point West	1,175	7,153	8,329	2,711	5,617	5,425
Pointe James	283	1,930	2,213	305	1,909	1,199
Polo Park	800	5,386	6,185	771	5,415	2,145
Post Ridge	1,359	7,973	9,332	2,397	6,935	4,050
Prairie Hills	2,011	10,685	12,697	2,747	9,950	6,680
Preston Creek	2,902	7,617	10,519	556	9,963	4,500
Pride Gardens	178	3,926	4,104	1,581	2,523	840
Privado Park	2,636	15,491	18,127	2,397	15,730	8,750
Quail Hollow	1,099	5,329	6,428	405	6,024	2,850
Quail Ridge	1,613	9,766	11,380	1,562	9,817	6,085
Quail Run	1,475	9,255	10,729	639	10,091	5,295
Quail Run	1,024	5,336	6,360	613	5,747	4,272
Quail Woods	283	2,808	3,091	358	2,733	2,407
Raintree		3,003	3,003	(0)	3,003	2,585
Raintree	518	3,207	3,725	267	3,458	3,055
Ramblewood	581	7,293	7,873	1,107	6,766	4,787
Ramblewood (MI)	9,707	63,475	73,182	2,675	70,506	38,306
Rancho Arms	386	2,340	2,726	1,096	1,631	836
Rancho Sunset	3,103	18,510	21,613	1,955	19,658	13,522
Randol Crossing	728	4,836	5,564	901	4,663	3,421
Reflections (Tampa)	3,625	16,282	19,907	0	19,907	20,235
Reflections (Virginia Beach)	5,234	23,173	28,407	282	28,125	23,369
Reflections (West Palm Beach)	2,013	11,410	13,423		13,423	9,035
Regency Oaks	1,100	6,254	7,354	778	6,576	7,623
Ridgecrest	393	2,735	3,128	666	2,462	4,398
Rio Cancion	2,832	16,911	19,743	2,053	17,689	12,706
River Loft Apartments	1,132	15,204	16,336	1,835	14,501	6,391
River Reach	6,064	29,369	35,433	486	34,946	36,043

[Additional columns below]

[Continued from above table, first column(s) repeated]

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Property Name	Date Acquired	Location	Year Built	Number of Units	Initial Cost		Cost
					Land	Improvements	Capitalized Buildings and Subsequent to Acquisition
River Reach	Oct-98	Jacksonville, FL	1972	298	2,432	8,537	504
Rivercrest	Oct-98	Atlanta, GA	1970	312	3,077	11,101	480
Rivers Edge	Dec-94	Auburn, WA	1976	120	825	5,118	1,569
Riverside	Jul-94	Littleton, CO	1987	248	1,553	8,828	1,463
Riverside	Dec-80	Augusta, GA	1980	224	1,485	4,639	1,951
Riverside Park	Oct-97	Alexandria, VA	1973	1,222	11,845	50,174	18,030
Riverwalk	Dec-95	Little Rock, AR	1988	262	1,075	9,295	946
Riverwood (IN)	Dec-00	Indianapolis, IN	1978	120	395	3,552	
Rocky Creek	Oct-98	Augusta, GA	1979	120	686	2,692	73
Rocky Ridge	Oct-98	Birmingham, AL	1973	116	617	2,290	315
Rolling Meadows	Dec-97	Ada, OK	1970	60	60	1,432	(327)
Rosecroft Mews	Oct-99	Ft. Washington, MD	1966	303	2,043	11,597	129
Rosemont Crossing (The Greens)	Oct-98	San Antonio, TX	1974	217	743	3,802	192
Royal Gardens	Oct-98	Hemet, CA	1987	137	521	2,817	543
Royal Palms	Jul-94	Mesa, AZ	1985	152	832	4,730	422
Runaway Bay (CA)	Dec-00	Antioch, CA	1986	283	1,740	15,659	
Runaway Bay (FL)	Dec-00	Lantana, FL	1987	407	1,678	15,102	
Runaway Bay (MI)	Dec-00	Lansing, MI	1987	288	981	8,829	
Runaway Bay (NC)	Dec-00	Charlotte, NC	1985	280	1,208	10,868	
Ryan s Pointe	Oct-98	Houston, TX	1983	280	1,265	3,080	3,928
Salem Park	Oct-97	Ft. Worth, TX	1984	168	840	4,315	(286)
San Juan	Jun-97	Fair Oaks, CA	1973	70	381	1,592	88
San Marina	Mar-98	Phoenix, AZ	1986	399	1,926	10,954	1,062
Sand Castles	Oct-97	League City, TX	1987	138	978	5,541	517
Sand Pebble	Oct-97	El Paso, TX	1983	208	861	4,879	508
Sandalwood	May-98	Houston, TX	1979	352	1,462	8,287	610
Sandpiper	Jan-95	St. Petersburg, FL	1984	276	1,766	8,199	1,277
Sandpiper Cove	May-97	Boynton Beach, FL	1987	416	11,447	29,088	2,630
Sands Point	Jan-96	Phoenix, AZ	1985	432	3,043	10,960	402
Savannah Trace	Dec-00	Shaumburg, IL	1986	368	18	163	
Sawgrass	Jul-97	Orlando, FL	1986	208	1,443	8,157	835
Scandia	Dec-00	Indianapolis, IN	1977	444	1,789	16,099	
Scotch Pines East	Dec-91	Ft. Collins, CO	1977	102	688	2,912	1,471
Seaside Point	Nov-96	Galveston, TX	1985	102	295	2,994	3,019
Seasons (TX)	Oct-95	San Antonio, TX	1976	280	974	5,749	2,696
Shadetree	Oct-97	Tempe, AZ	1965	123	591	3,349	772
Shadow Brook	Dec-00	West Valley City, UT	1984	300	2,216	6,861	308
Shadow Creek Apartments	May-98	Phoenix, AZ	1984	266	2,087	11,824	607
Shadow Lake	Oct-97	Greensboro, NC	1988	136	1,054	5,972	646
Shadowood	May-97	Chapel Hill, NC	1987	336	2,377	11,898	196
Shaker Square	Oct-98	Whitehall, OH	1968	194	1,177	5,357	94
Shallow Creek	May-98	San Antonio, TX	1982	208	1,234	6,995	351
Shenandoah Crossing	Dec-97	Fairfax, VA	1984	640	6,445	58,009	(89)

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Shoreview	May-97	San Francisco, CA	1976	156	1,290	2,920	3,128
Signal Pointe (Squire One)	Oct-98	Winter Park, FL	1971	368	2,108	6,805	453
Signature Point	Nov-96	League City, TX	1994	304	2,160	13,627	3,602
Silktree	Oct-97	Phoenix, AZ	1979	86	421	2,383	280
Silver Ridge	Oct-98	Maplewood, MN	1986	186	650	3,677	1,011
Silverado	Oct-98	El Paso, TX	1973	248	821	4,469	1,567
Ski Lodge	Oct-98	Montgomery, AL	1978	522	2,538	8,781	544
Snowden Village I	Oct-98	Fredericksburg, VA	1970	132	978	3,004	81
Snowden Village II	Oct-98	Fredericksburg, VA	1980	122	864	3,008	40
Snug Harbor	Dec-95	Las Vegas, NV	1990	64	750	2,966	456
Society Park	Oct-98	Tampa, FL	1968	324	1,135	4,266	1,428
Society Park East	Oct-98	Indian Harbor, FL	1963	200	1,013	6,278	1,430
Somerset Lakes	May-99	Indianapolis, IN	1974	360	3,533	20,285	566
Somerset Village	May-96	West Valley City, UT	1985	486	4,375	17,600	1,963
South Point	Oct-98	Durham, NC	1980	180	1,429	5,377	171
South Willow	Jul-94	West Jordan, UT	1987	440	2,218	12,612	1,653
Southport	Mar-97	Tulsa, OK	1984	240	1,394	5,255	3,787
Southridge Assoc	Dec-96	Greenville, TX	1984	160	643	3,645	537

[Additional columns below]

[Continued from above table, first column(s) repeated]

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Property Name	Total Cost Net of					
	Land	Building and Improvements	Total	Accumulated Depreciation	Accumulated Depreciation	Encumbrances
River Reach	2,450	9,023	11,473	710	10,763	6,693
Rivercrest	2,227	12,431	14,658	1,131	13,527	12,240
Rivers Edge	1,345	6,167	7,512	1,623	5,889	3,979
Riverside	1,554	10,290	11,844	2,696	9,149	10,098
Riverside	1,286	6,789	8,075	1,613	6,462	3,685
Riverside Park	9,869	70,181	80,050	19,580	60,470	50,542
Riverwalk	1,075	10,241	11,316	2,155	9,160	6,128
Riverwood (IN)	592	3,355	3,947		3,947	1,931
Rocky Creek	330	3,122	3,451	214	3,238	1,974
Rocky Ridge	542	2,680	3,222	261	2,961	1,450
Rolling Meadows	60	1,106	1,166	728	438	441

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Rosecroft Mews	2,043	11,727	13,770	112	13,658	9,580
Rosemont Crossing (The Greens)	728	4,009	4,737	367	4,370	2,793
Royal Gardens	521	3,360	3,881	260	3,621	2,378
Royal Palms	832	5,152	5,984	1,331	4,653	3,245
Runaway Bay (CA)	2,610	14,789	17,399		17,399	12,100
Runaway Bay (FL)	2,517	14,263	16,780		16,780	14,186
Runaway Bay (MI)	1,472	8,339	9,810		9,810	9,040
Runaway Bay (NC)	1,811	10,265	12,076		12,076	9,020
Ryan s Pointe	885	7,388	8,273	169	8,104	4,229
Salem Park	555	4,314	4,869	1,423	3,446	2,975
San Juan	381	1,680	2,060	810	1,250	564
San Marina	1,926	12,016	13,942	1,548	12,394	7,738
Sand Castles	978	6,058	7,036	844	6,192	2,913
Sand Pebble	861	5,387	6,248	775	5,473	2,544
Sandalwood	1,462	8,897	10,360	1,454	8,906	4,525
Sandpiper	2,013	9,229	11,242	1,425	9,817	3,950
Sandpiper Cove	8,382	34,783	43,165	9,440	33,725	12,210
Sands Point	2,890	11,516	14,406	951	13,454	9,487
Savannah Trace	27	154	181		181	
Sawgrass	1,443	8,992	10,435	1,320	9,115	4,332
Scandia	2,683	15,204	17,887		17,887	12,958
Scotch Pines East	689	4,381	5,070	1,544	3,526	2,714
Seaside Point	215	6,093	6,308	1,223	5,085	1,970
Seasons (TX)	982	8,437	9,419	1,582	7,838	4,334
Shadetree	591	4,121	4,712	604	4,107	1,936
Shadow Brook	2,055	7,330	9,385	700	8,685	6,000
Shadow Creek Apartments	2,087	12,430	14,517	1,933	12,584	6,642
Shadow Lake	1,054	6,619	7,672	900	6,772	3,041
Shadowood	2,125	12,345	14,470	1,029	13,441	10,397
Shaker Square	1,037	5,592	6,629	446	6,183	3,192
Shallow Creek	1,234	7,345	8,580	1,151	7,429	4,390
Shenandoah Crossing	11,768	52,598	64,365	506	63,859	36,842
Shoreview	218	7,120	7,337	661	6,676	4,170
Signal Pointe (Squire One)	1,269	8,096	9,365	665	8,701	8,875
Signature Point	2,134	17,255	19,389	3,223	16,167	6,923
Silktree	421	2,663	3,084	374	2,710	1,463
Silver Ridge		5,338	5,338	0	5,338	4,525
Silverado	3,251	3,606	6,857	293	6,564	3,519
Ski Lodge	1,751	10,112	11,864	897	10,966	6,800
Snowden Village I	581	3,482	4,062	319	3,743	2,377
Snowden Village II	549	3,364	3,913	293	3,620	2,562

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Snug Harbor	751	3,421	4,172	775	3,397	2,398
Society Park	2,255	4,574	6,830	523	6,306	5,311
Society Park East	1,898	6,823	8,721	420	8,301	4,106
Somerset Lakes	3,533	20,852	24,385	2,232	22,153	13,909
Somerset Village	4,375	19,563	23,938	3,760	20,179	12,242
South Point	1,259	5,718	6,977	485	6,491	4,600
South Willow	2,218	14,266	16,483	3,756	12,727	9,976
Southport	2,884	7,552	10,436	3,661	6,775	4,358
Southridge Assoc	643	4,182	4,826	872	3,954	3,946

[Additional columns below]

[Continued from above table, first column(s) repeated]

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Property Name	Date Acquired	Location	Year Built	Number of Units	Initial Cost		
					Land	Building and Improvements	Capitalized Subsequent to Acquisition
Spectrum Pointe	Jul-94	Marietta, GA	1984	196	1,029	5,903	895
Springhill Lake	Oct-97	Greenbelt, MD	1969	2,907	20,793	70,845	26,443
St. Charleston Village	Oct-98	Las Vegas, NV	1980	312	2,035	7,778	432
Standart Woods Apts	Dec-97	Auburn, NY	1969	330	891	5,274	316
Steeplechase	Dec-00	Williamsburg, VA	1986	220	1,321	11,886	
Steeplechase (MD)	Dec-97	Largo, MD	1986	240	1,888	16,995	20
Steeplechase (OH)	May-99	Loveland, OH	1988	272	1,669	9,539	471
Stirling Court	Nov-96	Houston, TX	1984	228	946	5,958	1,838
Stone Creek Club	Dec-97	Germantown, MD	1984	240	1,909	17,181	400
Stone Mountain West	Oct-98	Stone Mountain, GA	1971	142	1,236	4,200	214
Stone Pointe Village	Dec-99	Fort Wayne, IN	1980	296	1,809	8,591	1,037
Stonebrook	Jun-97	Sanford, FL	1991	244	2,071	9,353	786
Stoney Brook	Nov-96	Houston, TX	1972	113	579	3,871	790
Stonybrook Apts	May-98	Tucson, AZ	1983	411	2,187	12,278	1,180
Strawbridge Square	May-97	Alexandria, VA	1979	128	917	3,932	947
Summerchase	May-97	Van Buren, AR	1974	72	170	962	1,489
Summerwalk	Oct-98	Winter Park, FL	1974	306	1,991	6,650	816
Summerwalk At The Crossing	Nov-00	Tucker, GA	1989	264	1,663	14,971	742
Summit Creek	May-98	Austin, TX	1985	164	611	3,464	3,206
Sun Grove	Jul-94	Peoria, AZ	1986	86	659	3,749	270
Sun Lake	May-98	Lake Mary, FL	1986	600	4,556	25,819	1,683
Sun River Village	Oct-98	Tempe, AZ	1981	334	2,651	9,119	403

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Sunbury Downs	Nov-96	Houston, TX	1982	240	565	4,380	2,715
Sunchase Clearwater	Nov-94	Clearwater, FL	1985	461	2,177	19,641	2,592
Sunchase East	Nov-94	Orlando, FL	1985	296	927	8,361	1,107
Sunchase North	Nov-94	Orlando, FL	1985	324	1,013	9,142	1,357
Sunchase Tampa	Nov-94	Tampa, FL	1985	216	757	6,831	1,227
Sundown Village	Mar-98	Tucson, AZ	1984/1994	330	2,214	12,582	661
Sunlake	Sep-98	Brandon, FL	1986	88	189	1,086	3,907
Sunrise V	Dec-91	Richmond, VA	1976	229	1,587	4,630	2,442
Sunrunner	Jan-96	St. Petersburg, FL	1980	200	1,203	4,410	197
Sunset Village	Mar-98	Oceanside, CA	1987	114	1,128	6,392	417
Surrey Oaks	Oct-97	Bedford, TX	1983	152	628	3,560	518
Swiss Village	Nov-96	Houston, TX	1972	360	1,011	11,310	698
Sycamore Creek	Dec-91	Cincinnati, OH	1978	295	1,830	7,105	3,994
Taj Mahal	Dec-97	Fort Worth, TX	1958	131	155	841	91
Tall Timbers	Oct-97	Houston, TX	1982	256	1,238	7,016	554
Tamarac Village	Dec-94	Denver, CO	1979	564	4,499	14,318	3,709
Tar River Estates	Oct-98	Greenville, NC	1969	402	2,411	6,546	1,405
Tates Creek Village	Oct-98	Lexington, KY	1970	204	1,282	6,643	1,294
Tatum Gardens Apartments	May-98	Phoenix, AZ	1985	128	653	3,699	3,086
The Apartment	Dec-94	Omaha, NE	1973	204	1,186	5,175	3,570
The Arbors Apartments	May-98	Deland, FL	1983	224	1,507	8,537	1,149
The Arbours Of Hermitage	Dec-94	Hermitage, TN	1972	350	2,143	7,367	6,476
The Bluffs	Dec-98	Laffayette, IN	1982	181	979	5,549	855
The Bradford	Oct-97	Midland, TX	1982	218	705	3,996	(424)
The Breakers	Oct-98	Daytona Beach, FL	1985	208	1,008	5,710	695
The Falls Of Bells Ferry	May-98	Marietta, GA	1987	720	6,568	37,218	1,468
The Gates Of West Bay	Dec-97	Norfolk, VA	1963	202	483	3,424	255
The Greens	Dec-97	Chandler, AZ	2000	324	2,303	6,744	14,098
The Hills At The Arboretum	Oct-97	Austin, TX	1983	329	1,367	7,747	8,010
The Knolls	Oct-98	Colorado Springs, CO	1972	262	2,559	8,058	1,833
The Lakes	Dec-94	Raleigh, NC	1972	600	3,822	15,265	971
The Lexington	Oct-98	Sarasota, FL	1974	267	1,863	6,516	206
The Loft	Oct-98	Raleigh, NC	1974	184	1,667	6,316	195
The Park	Oct-98	Melbourne, FL	1983	120	719	4,072	250
The Park At Deerbrook	Oct-98	Humble, TX	1984	100	470	1,017	188
The Pines	Oct-98	Palm Bay, FL	1984	216	601	3,406	502

[Additional columns below]

[Continued from above table, first column(s) repeated]

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Property Name	Building and			Total Cost Net of		
	Land	Improvements	Total	Accumulated Depreciation	Accumulated Depreciation	Encumbrances
Spectrum Pointe	1,029	6,798	7,827	1,784	6,043	5,020
Springhill Lake	11,438	106,642	118,080	26,691	91,389	53,837
St. Charleston Village	1,595	8,651	10,246	632	9,614	7,215
Standart Woods Apts	741	5,741	6,482	253	6,229	5,340
Steeplechase	1,981	11,226	13,207		13,207	9,425
Steeplechase (MD)	3,120	15,784	18,903	202	18,701	11,914
Steeplechase (OH)	2,009	9,670	11,679	1,055	10,624	8,324
Stirling Court	977	7,765	8,742	3,519	5,223	4,517
Stone Creek Club	3,190	16,301	19,491	204	19,286	12,058
Stone Mountain West	817	4,833	5,650	341	5,309	3,000
Stone Pointe Village	1,810	9,627	11,437	614	10,823	6,163
Stonebrook	2,071	10,140	12,210	1,560	10,650	5,915
Stonegate Village	287	1,624	1,910		1,910	1,617
Stoney Brook	704	4,536	5,240	1,028	4,212	2,624
Stonybrook Apts	2,167	13,478	15,645	2,248	13,397	5,598
Strawbridge Square	505	5,290	5,795	289	5,506	3,190
Summerchase	81	2,540	2,621	1,851	769	617
Summerwalk	1,374	8,084	9,458	499	8,959	4,845
Summerwalk At The Crossing	2,124	15,252	17,376	850	16,526	17,360
Summit Creek	1,153	6,128	7,281	1,424	5,857	3,456
Sun Grove	659	4,019	4,678	1,069	3,609	
Sun Katcher (Teal Pt)	785	9,605	10,389	1,398	8,991	8,458
Sun Lake	4,556	27,503	32,059	4,415	27,644	14,655
Sun River Village	2,081	10,091	12,173	791	11,382	6,065
Sunbury Downs	517	7,143	7,660	1,526	6,134	5,190
Sunchase Clearwater	2,177	22,232	24,410	5,487	18,923	16,015
Sunchase East	927	9,468	10,395	2,364	8,031	8,406
Sunchase North	1,013	10,499	11,512	2,616	8,897	11,275
Sunchase Tampa	757	8,057	8,815	2,075	6,739	6,739
Sundown Village	2,214	13,243	15,457	1,567	13,890	8,276
Sunlake	632	4,550	5,182	1,107	4,075	2,696
Sunrise V	1,157	7,502	8,659	2,548	6,111	6,390
Sunrunner	892	4,918	5,810	400	5,409	3,250
Sunset Village	1,128	6,810	7,937	713	7,225	5,442
Surrey Oaks	628	4,077	4,706	470	4,235	2,165
Swiss Village	868	12,151	13,019	5,038	7,981	7,426
Sycamore Creek	1,897	11,033	12,930	4,025	8,905	8,336
Taj Mahal	152	936	1,087	88	999	305
Tall Timbers	1,238	7,570	8,808	1,075	7,733	3,858
Tamarac Village	3,797	18,730	22,526	3,878	18,649	9,400
Tar River Estates	1,327	9,035	10,362	1,097	9,265	4,506
Tates Creek Village	2,004	7,215	9,219	470	8,749	4,210
Tatum Gardens Apartments	1,117	6,321	7,437	1,411	6,027	3,360
The Apartment	1,291	8,640	9,931	3,744	6,188	4,703
The Arbors Apartments	1,507	9,686	11,193	1,518	9,675	7,605

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The Arbours Of Hermitage	2,064	13,922	15,986	6,072	9,914	5,650
The Bluffs	979	6,404	7,383	606	6,777	3,746
The Bradford	519	3,758	4,277	543	3,734	1,542
The Breakers	1,008	6,406	7,413	629	6,785	3,719
The Falls Of Bells Ferry	6,568	38,685	45,253	5,913	39,340	26,215
The Gates Of West Bay	601	3,561	4,162	334	3,829	2,466
The Greens	2,303	20,841	23,145	2	23,143	17,500
The Hills At The Arboretum	1,367	15,757	17,124	1,179	15,946	7,903
The Knolls	3,151	9,300	12,451	751	11,699	9,883
The Lakes	3,966	16,093	20,059	1,301	18,758	12,240
The Lexington	1,603	6,983	8,585	601	7,985	7,020
The Loft	1,623	6,555	8,177	1,264	6,913	4,276
The Park	720	4,321	5,041	418	4,623	2,496
The Park At Deerbrook	354	1,321	1,675	443	1,232	1,509
The Pines	603	3,906	4,509	338	4,171	2,190

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Property Name	Date Acquired	Location	Year Built	Number of Units	Initial Cost		Cost
					Land	Improvements	Capitalized Buildings and Subsequent to Acquisition
The Sterling	Oct-98	Philadelphia, PA	1962	536	7,610	35,768	1,932
The Stratford	May-98	San Antonio, TX	1979	269	1,920	10,879	541
Thicket	Dec-97	Houston, TX	1982	279	392	2,700	172
Thurber Manor	Oct-98	Columbus, OH	1965	115	873	2,713	325
Timber Ridge	Oct-98	Sharonville, OH	1972	248	1,537	5,706	412
Timberlake	May-97	Arlington, TX	1971	224	258	6,820	270
Timbermill	Oct-95	San Antonio, TX	1982	296	778	4,674	1,046
Timbertree	Oct-97	Phoenix, AZ	1980	387	2,334	13,229	1,062
Torrey Pines Village	Oct-98	Las Vegas, NV	1980	204	1,332	5,031	229
Township I & II	Nov-96	Littleton, CO	1986	161	1,058	11,166	11,005
Trails Of Ashford	May-98	Houston, TX	1979	514	2,650	15,018	950
Treehouse	Dec-97	College Station, TX	1982	156	701	3,828	139
Treetops	Dec-00	San Bruno, CA	1987	310	13	120	
Trinity Apartments	Mar-00	Irving, TX	1985	596	3,669	15,344	3,322
Tropical Gardens	Dec-97	Lauderdale Lake, FL	1983	245	1,335	7,166	940
Twin Lake Towers	Oct-98	Westmont, IL	1969	399	3,461	13,538	1,281
Twin Lakes	Apr-93	Palm Harbor, FL	1986	262	2,180	4,393	2,020
Victoria Station	Jun-98	Victoria, TX	1997	224	425	3,946	2,710
Villa La Paz	Jun-98	Sun City, CA	1990	96	573	3,096	302

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Villa Ladera	Jan-96	Albuquerque, NM	1985	280	1,765	10,013	1,797
Villa Nova	Dec-91	Indianapolis, IN	1972	126	693	2,777	357
Villa Serena	Dec-91	Chino, CA	1987	186	949	5,033	(126)
Village	Dec-91	Barndon, FL	1986	112	960	4,093	129
Village Creek At Brookhill	Jul-94	Westminster, CO	1987	324	2,446	13,901	1,391
Village Crossing	May-98	W. Palm Beach, FL	1986	189	1,618	9,167	1,309
Village East	Dec-94	Colorado Springs, CO	1972	137	1,059	3,627	1,812
Village Gardens	Oct-98	Fort Collins, CO	1973	141	1,136	3,502	186
Village Green	Oct-98	Montgomery, AL	1972	337	1,767	5,452	221
Village Green (AL)	Dec-97	Mobile, AL	1973	208	310	201	4,633
Village In The Woods	Jan-96	Cypress, TX	1983	530	3,631	15,292	644
Village Of Pennbrook	Oct-98	Levittown, PA	1970	722	5,533	31,345	26,352
Villas (VA)	Dec-97	Portsmouth, VA	1977	196	669	3,937	359
Vinings Peak	Jan-96	Atlanta, GA	1980	280	2,838	10,146	402
Vista Del Lagos	Nov-97	Chandler, AZ	1986	200	1,415	7,494	80
Vista Ventana Apartments	May-98	Phoenix, AZ	1982	275	1,908	10,810	583
Walker Springs Apts	Dec-91	Knoxville, TN	1974	168	528	2,696	1,987
Walnut Springs	Dec-96	San Antonio, TX	1983	224	998	5,657	454
Warwick	Dec-97	Abilene, TX	1984	152	779	4,433	169
Waterford	Nov-96	Houston, TX	1984	312	533	5,692	1,020
Waterways Village	Jun-97	Aventura, FL	1991	180	4,504	11,702	616
Weatherly	Oct-98	Stone Mountain, GA	1984	224	1,275	6,887	1,026
Wellspring	Dec-97	Columbia, SC	1985	232	564	9,114	
West 135th Street	Aug-98	New York, NY	1979	198	1,195	14,969	1,232
West Lake Arms Apts	May-97	Indianapolis, IN	1977	1,381	3,989	22,697	1,785
West Way Village	May-98	Houston, TX	1979	326	980	5,554	4,846
West Woods	Dec-00	Annapolis, MD	1981	57	233	2,097	
Westgate	Oct-98	Houston, TX	1971	313	1,998	8,933	2,517
Whispering Pines	Oct-98	Madison, WI	1986	136	719	4,046	175
Wickertree	Oct-97	Phoenix, AZ	1983	226	1,225	6,944	441
Wildflower	Oct-97	Midland, TX	1982	264	705	3,996	1,222
Williams Cove	Jul-94	Irving, TX	1984	260	1,227	6,972	810
Williamsburg	May-98	Rolling Meadows, IL	1985	329	2,717	15,398	1,288
Williamsburg Apts	Oct-98	Indianapolis, IN	1974	460	2,396	8,923	863
Williamsburg Manor	Jan-95	Cary, NC	1972	183	1,789	7,451	1,027
Williamsburg On The Wabash (IN)	Dec-99	West Lafayette, IN	1967	473	3,225	17,569	802
Willow Park On Lake Adelaide	Oct-98	Altamonte Springs, FL	1972	185	1,135	5,501	295
Willow Tree	Dec-97	Baytown, TX	1983	100	309	1,810	94
Willowick	Oct-98	Greenville, SC	1974	180	792	2,698	309
Winchester Village Apts	Sep-99	Indianapolis, IN	1966	96	14	1,467	785
Winddrift (IN)	Dec-00	Indianapolis, IN	1980	166	608	5,471	
Windridge	May-98	San Antonio, TX	1983	276	1,480	8,386	449

[Additional columns below]

[Continued from above table, first column(s) repeated]

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December 31, 2000

Property Name	Total Cost Net of					
	Land	Building and Improvements	Total	Accumulated Depreciation	Accumulated Depreciation	Accumulated Encumbrances
The Sterling	5,068	40,241	45,309	5,083	40,226	22,504
The Stratford	1,920	11,420	13,340	1,860	11,480	5,660
Thicket	507	2,757	3,264	203	3,061	1,170
Thurber Manor	513	3,398	3,911	261	3,650	2,214
Timber Ridge	1,106	6,549	7,654	507	7,148	5,121
Timberlake	1,247	6,101	7,348	473	6,875	1,940
Timbermill	778	5,720	6,498	1,310	5,189	3,370
Timbertree	2,334	14,290	16,625	1,962	14,663	7,415
Torrey Pines Village	989	5,603	6,592	375	6,217	4,752
Township I & II	836	22,393	23,229	3,611	19,618	9,027
Trails Of Ashford	2,650	15,968	18,618	2,452	16,166	8,615
Treehouse	684	3,984	4,668	304	4,364	2,110
Treetops	20	113	133		133	
Trinity Apartments	3,669	18,666	22,335	5,955	16,380	8,369
Tropical Gardens	1,300	8,141	9,441	1,188	8,253	7,793
Twin Lake Towers	2,647	15,633	18,280	1,450	16,830	10,706
Twin Lakes	1,595	6,998	8,593	2,131	6,462	7,243
Victoria Station	648	6,433	7,081	1,968	5,112	3,048
Villa La Paz	573	3,398	3,971	376	3,596	2,301
Villa Ladera	2,235	11,339	13,575	2,438	11,137	5,177
Villa Nova	693	3,134	3,827		3,827	2,231
Villa Serena	879	4,978	5,857	42	5,815	5,038
Village	894	4,288	5,181	292	4,889	1,861
Village Creek At Brookhill	2,446	15,292	17,738	3,930	13,808	
Village Crossing	1,618	10,476	12,093	1,634	10,459	7,000
Village East	1,120	5,377	6,497	1,911	4,586	2,150
Village Gardens	808	4,016	4,824	412	4,412	4,518
Village Green	1,228	6,212	7,440	568	6,871	4,686
Village Green (AL)	310	4,834	5,144	2,139	3,005	2,323
Village In The Woods	3,148	16,420	19,567	1,171	18,397	14,262
Village Of Pennbrook		63,230	63,230	26,064	37,166	19,300
Villas (VA)	685	4,281	4,966	501	4,466	2,782
Vinings Peak	2,416	10,970	13,386	874	12,512	8,271
Vista Del Lagos	1,415	7,574	8,989	2,969	6,020	4,810
Vista Ventana Apartments	1,908	11,393	13,301	1,720	11,581	6,085
Walker Springs Apts	501	4,710	5,211	2,079	3,132	2,402
Walnut Springs	998	6,110	7,109	1,787	5,322	4,058
Warwick	753	4,628	5,381	351	5,030	2,312
Waterford	270	6,975	7,245	2,305	4,940	5,413
Waterways Village	4,504	12,318	16,822	1,954	14,868	7,360
Weatherly	1,275	7,913	9,188	746	8,443	4,568

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Wellspring	564	9,114	9,678	3,936	5,742	5,399
West 135th Street	1,131	16,264	17,395	5,336	12,059	3,500
West Lake Arms Apts	2,966	25,505	28,471	2,247	26,224	15,630
West Way Village	2,457	8,923	11,380	2,042	9,338	4,753
West Woods	349	1,980	2,330		2,330	1,934
Westgate	2,876	10,573	13,449	2,681	10,768	5,920
Whispering Pines		4,940	4,940	9	4,930	4,148
Wickertree	1,225	7,385	8,610	1,033	7,577	3,898
Wildflower	705	5,218	5,923	750	5,172	1,953
Williams Cove	1,227	7,782	9,009	2,082	6,927	5,507
Williamsburg	2,717	16,686	19,403	2,579	16,824	11,930
Williamsburg Apts	1,338	10,844	12,182	974	11,208	7,400
Williamsburg Manor	1,831	8,436	10,267	1,288	8,978	4,150
Williamsburg On The Wabash (IN)	2,968	18,628	21,596	612	20,983	12,215
Willow Park On Lake Adelaide	1,275	5,655	6,930	413	6,518	3,923
Willow Tree	355	1,858	2,213	148	2,065	1,125
Willowick	505	3,294	3,799	300	3,499	3,110
Winchester Village Apts	101	2,164	2,265	1	2,264	
Winddrift (IN)	912	5,167	6,079		6,079	4,917
Windridge	1,480	8,835	10,315	1,391	8,924	5,955

[Additional columns below]

[Continued from above table, first column(s) repeated]

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Property Name	Date Acquired	Location	Year Built	Number of Units	Initial Cost		Cost Capitalized Subsequent to Acquisition
					Land	Buildings and Improvements	
Windrift (FL)	Dec-00	Orlando, FL	1987	290	1,324	11,915	
Windrift Oceanside, CA	Dec-00	Oceanside, CA	1987	409	14	123	
Windsong At Chambrell	Dec-97	Akron, OH	1987	83	522	2,957	
Windsor At South Square	Oct-98	Durham, NC	1972	230	1,632	5,122	213
Windsor Crossing	Dec-97	Newport News, VA	1978	156	654	2,831	552
Windsor Hills	Oct-98	Blacksburg, VA	1970	300	1,952	6,946	207
Windsor Landing	Oct-97	Morrow, GA	1991	200	1,641	9,298	527
Windsor Park	Dec-00	Woodbridge, VA	1987	220	7	60	
Windward At The Villages	Oct-97	W. Palm Beach, FL	1988	196	1,595	9,037	974
Wood Lake	Jan-96	Atlanta, GA	1983	220	2,362	8,659	326
Woodcrest	Dec-97	Odessa, TX	1972	80	41	2,069	1,855
Woodhaven	Mar-94	Chesapeake, VA	1968	208	1,196	4,987	862
Woodhill Associates	Dec-96	Denton, TX	1985	352	1,554	8,805	1,275

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Woodhollow	Oct-97	Austin, TX	1974	108	658	3,728	473
Woodland Ridge	Dec-96	Irving, TX	1984	130	595	3,373	354
Woodland Village I	Oct-98	Columbia, SC	1970	308	2,078	6,861	766
Woodlands (MI)	Dec-99	Battle Creek, MI	1987	76	496	3,513	173
Woodlands/Odessa	Jul-94	Odessa, TX	1982	232	676	3,835	997
Woodlands/Tyler	Jul-94	Tyler, TX	1984	256	1,029	5,845	948
Woodmere	Jan-92	Cincinnati, OH	1971	150	995	2,995	509
Woods Of Inverness	Oct-98	Houston, TX	1983	272	1,897	6,906	483
Woodshire	Dec-97	Virginia Beach, VA	1972	288	1,306	7,833	594
Wyckford Commons	Dec-91	Indianapolis, IN	1973	248	1,167	5,475	984
Wyntre Brook Apts	May-97	West Chester, PA	1976	212	1,257	7,106	548
Yorktown Apartments	Oct-98	Lombard, IL	1973	368	4,029	12,002	1,334
Yorktree	Oct-97	Carolstream, IL	1972	293	1,968	11,151	1,678
				153,872	1,004,395	5,072,011	936,046

[Additional columns below]

[Continued from above table, first column(s) repeated]

December 31, 2000

Property Name	Land	Building and Improvements	Total	Total Cost Net of		
				Accumulated Depreciation	Accumulated Depreciation	Accumulated Encumbrances
Windrift (FL)	1,986	11,253	13,239		13,239	8,212
Windrift Oceanside, CA	20	116	137		137	
Windsong At Chambrell	522	2,957	3,479	57	3,422	3,158
Windsor At South Square	988	5,979	6,967	512	6,455	2,058
Windsor Crossing	453	3,585	4,038	699	3,339	3,814
Windsor Hills	1,601	7,505	9,106	561	8,544	6,840
Windsor Landing	1,642	9,824	11,466	1,348	10,117	5,124
Windsor Park	10	56	66		66	
Windward At The Villages	1,595	10,012	11,606	1,357	10,249	4,185
Wood Lake	1,881	9,466	11,347	744	10,603	7,122
Woodcrest	41	3,925	3,966	981	2,985	537
Woodhaven	842	6,203	7,045	1,006	6,039	3,692
Woodhill Associates	1,554	10,081	11,634	1,720	9,915	9,655
Woodhollow	658	4,201	4,859	581	4,278	1,969
Woodland Ridge	595	3,727	4,322	729	3,593	3,224
Woodland Village I	1,224	8,481	9,705	475	9,230	4,950
Woodlands (MI)	740	3,442	4,183	428	3,755	2,011
Woodlands/Odessa	676	4,832	5,508	1,397	4,111	
Woodlands/Tyler	1,029	6,793	7,822	1,808	6,014	3,933
Woodmere	661	3,839	4,499	100	4,399	2,746

Woods Of Inverness	1,523	7,762	9,285	591	8,695	4,991
Woodshire	1,951	7,781	9,732	810	8,922	7,533
Wyckford Commons	881	6,744	7,625	1,139	6,487	4,500
Wyntre Brook Apts	808	8,104	8,912	779	8,133	6,575
Yorktown Apartments	2,519	14,847	17,366	1,188	16,178	12,064
Yorktree	1,968	12,829	14,797	1,699	13,098	6,244
	<u>976,421</u>	<u>6,036,031</u>	<u>7,012,452</u>	<u>913,263</u>	<u>6,099,189</u>	<u>4,031,375</u>

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Table of Contents**APARTMENT INVESTMENT AND MANAGEMENT COMPANY****REAL ESTATE AND ACCUMULATED DEPRECIATION****For the Years Ended December 31, 2000, 1999 and 1998****(In Thousands)**

	<u>2000</u>	<u>1999</u>	<u>1998</u>
Real Estate			
Balance at beginning of year	\$4,512,697	\$2,829,902	\$1,657,207
Additions during the year:			
Newly consolidated assets	1,653,886	1,101,134	
Acquisitions	739,005	462,891	1,116,643
Additions	270,779	177,245	80,368
Sales/transfers	(163,915)	(58,475)	(24,316)
	<u> </u>	<u> </u>	<u> </u>
Balance at end of year	<u>\$7,012,452</u>	<u>\$4,512,697</u>	<u>\$2,829,902</u>
Accumulated Depreciation			
Balance at beginning of year	\$ 416,497	\$ 228,880	\$ 153,285
Additions during the year:			
Depreciation	323,321	131,753	84,635
Newly consolidated assets	193,246	59,628	
Sales/transfers	(19,801)	(3,764)	(9,040)
	<u> </u>	<u> </u>	<u> </u>
Balance at end of year	<u>\$ 913,263</u>	<u>\$ 416,497</u>	<u>\$ 228,880</u>

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Table of Contents**INDEX TO EXHIBITS**

Exhibit No.	Description
2.1	Second Amended and Restated Agreement and Plan of Merger, dated as of January 22, 1999, by and between Apartment Investment and Management Company and Insignia Properties Trust (Exhibit 2.2 to the Current Report on Form 8-K of Insignia Properties Trust, dated February 11, 1999, is incorporated herein by this reference)
2.2	Amended and Restated Agreement and Plan of Merger, dated as of May 26, 1998 by and among Apartment Investment Management Company, AIMCO Properties, L.P., Insignia Financial Group, Inc., and Insignia/ESG Holdings, Inc. (Appendix I to the Prospectus included in AIMCO's Registration Statement on Form S-4 filed August 5, 1998, is incorporated herein by this reference)
2.3	Acquisition Agreement, dated as of June 28, 2000, by and among Apartment Investment and Management Company, AIMCO Properties, L.P., NHP Management Company and AIMCO/NHP Properties, Inc., as Buyers, and Leo E. Zickler, Francis P. Lavin, Robert B. Downing, Mark E. Schiffrin, Marc B. Abrams, and Richard R. Singleton, as Sellers (Exhibit 2.1 to AIMCO's Quarterly Report on Form 10-Q for the quarterly period ended June 30, 2000, is incorporated herein by this reference)
2.4	Agreement and Plan of Merger, dated as of November 29, 2000, by and among Apartment Investment and Management Company, AIMCO Properties, L.P., AIMCO Properties, L.P., AIMCO/OTEF, LLC and Oxford Tax Exempt Fund II Limited Partnership (Annex A to AIMCO's Registration Statement on Form S-4 filed on December 1, 2000, is incorporated herein by this reference)
3.1	Charter
3.2	Bylaws (Exhibit 3.2 to AIMCO's Annual Report on Form 10-K for the fiscal year 1999, is incorporated herein by this reference)
4.1	Amended and Restated Declaration of Trust of IFT Financing I (formerly Insignia Financing I), dated as of November 1, 1996, among Insignia Financial Group, Inc as Sponsor, First Union National Bank of South Carolina as Property Trustee, First Union Bank of Delaware, as Delaware Trustee and Andrew I. Farkas, John K. Lines and Ronald Uretta as Regular Trustees (Exhibit 4.2 to Form S-3 of Insignia Financial Group, Inc. dated December 10, 1996, is incorporated herein by this reference)
4.2	Indenture for the 6.5% Convertible Subordinated Debentures, dated as of November 1, 1996, between Insignia Financial Group, Inc., as Issuer and First Union National Bank of South Carolina, as Trustee (Exhibit 4.3 to Form S-3 of Insignia Financial Group, Inc., dated December 10, 1996, is incorporated herein by this reference)
4.3	First Supplemental Indenture, dated as of October 1, 1998, by and among Apartment Investment and Management Company, Insignia Financial Group, Inc, and First Union National Bank (formerly First Union National Bank of South Carolina, as Trustee) (Exhibit 4.3 to AIMCO's Annual Report on Form 10-K for the year ended December 31, 1998, is incorporated herein by this reference)
10.1	Third Amended and Restated Agreement of Limited Partnership of AIMCO Properties, L.P., dated as of July 29, 1994 as amended and restated as of October 1, 1998 (Exhibit 10.8 to AIMCO's Quarterly Report on Form 10-Q for the quarterly period ended September 30, 1998, is incorporated herein by this reference)

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- 10.2 First Amendment to the Third Amended and Restated Agreement of Limited Partnership of AIMCO Properties, L.P., dated as of November 6, 1998 (Exhibit 10.9 to AIMCO's Quarterly Report on Form 10-Q for the quarterly period ended September 30, 1998, is incorporated herein by this reference)

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- 10.3 Second Amendment to the Third Amended and Restated Agreement of Limited Partnership of AIMCO Properties, L.P., dated as of December 30, 1998 (Exhibit 10.1 to Amendment No. 1 to AIMCO's Current Report on Form 8-K/A, filed February 11, 1999, No. 1 to AIMCO's Current Report on Form 8-K/A, filed is incorporated herein by this reference)
- 10.4 Third Amendment to Third Amended and Restated Agreement of Limited Partnership of AIMCO Properties, L.P., dated as of February 18, 1999 (Exhibit 10.12 to AIMCO's Annual Report on Form 10-K for the year ended December 31, 1998, is incorporated herein by this reference)
- 10.5 Fourth Amendment to the Third Amended and Restated Agreement of Limited Partnership of AIMCO Properties, L.P., dated as of March 25, 1999 (Exhibit 10.2 to AIMCO's Quarterly Report on Form 10-Q for the quarterly period ended March 31, 1999, is incorporated herein by this reference)
- 10.6 Fifth Amendment to the Third Amended and Restated Agreement of Limited Partnership of AIMCO Properties, L.P., dated as of March 26, 1999 (Exhibit 10.3 to AIMCO's Quarterly Report on Form 10-Q for the quarterly period ended March 31, 1999, is incorporated herein by this reference)
- 10.7 Sixth Amendment to the Third Amended and Restated Agreement of Limited Partnership of AIMCO Properties, L.P., dated as of March 26, 1999 (Exhibit 10.1 to AIMCO's Quarterly Report on Form 10-Q for the quarterly period ended June 30, 1999, is incorporated herein by this reference)
- 10.8 Seventh Amendment to the Third Amended and Restated Agreement of Limited Partnership of AIMCO Properties, L.P., dated as of September 27, 1999 (Exhibit 10.1 to AIMCO's Quarterly Report on Form 10-Q for the quarterly period ended September 30, 1999, is incorporated herein by this reference)
- 10.9 Eighth Amendment to the Third Amended and Restated Agreement of Limited Partnership of AIMCO Properties, L.P., dated as of December 14, 1999 (Exhibit 10.9 to AIMCO's Annual Report on Form 10-K for the year ended December 31, 1999, is incorporated herein by reference)
- 10.10 Ninth Amendment to the Third Amended and Restated Agreement of Limited Partnership of AIMCO Properties, L.P., dated as of December 21, 1999 (Exhibit 10.10 to AIMCO's Annual Report on Form 10-K for the year ended December 31, 1999, is incorporated herein by reference)
- 10.11 Tenth Amendment to the Third Amended and Restated Agreement of Limited Partnership of AIMCO Properties, L.P., dated as of December 21, 1999 (Exhibit 10.11 to AIMCO's Annual Report on Form 10-K for the year ended December 31, 1999, is incorporated herein by reference)
- 10.12 Eleventh Amendment to the Third Amended and Restated Agreement of Limited Partnership of AIMCO Properties, L.P., dated as of January 13, 2000 (Exhibit 10.12 to AIMCO's Annual Report on Form 10-K for the year ended December 31, 1999, is incorporated herein by reference)
- 10.13 Twelfth Amendment to the Third Amended and Restated Agreement of Limited Partnership of AIMCO Properties, L.P., dated as of April 19, 2000 (Exhibit 10.2 to AIMCO's Quarterly Report on Form 10-Q for the quarterly period ended March 31, 2000 is incorporated herein by this reference)
- 10.14 Thirteenth Amendment to the Third and Amended and Restated Agreement of Limited Partnership of AIMCO Properties, L.P., dated as of August 7, 2000 (Exhibit 10.1 to Quarterly Report on Form 10-Q of

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AIMCO Properties, L.P. for the quarterly period ended June 30, 2000, is incorporated herein by this reference)

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- 10.15 Fourteenth Amendment to the Third Amended and Restated Agreement of Limited Partnership of AIMCO Properties, L.P., dated as of September 12, 2000 (Exhibit 10.1 to Quarterly Report on Form 10-Q of AIMCO Properties, L.P. for the quarterly period ended September 30, 2000, is incorporated herein by this reference)
- 10.16 Fifteenth Amendment to the Third Amended and Restated Agreement of Limited Partnership of AIMCO Properties, L.P., dated as of September 15, 2000 (Exhibit 10.2 to Quarterly Report on Form 10-Q of AIMCO Properties, L.P. for the quarterly period ended September 30, 2000, is incorporated herein by this reference)
- 10.17 Sixteenth Amendment to the Third Amended and Restated Agreement of Limited Partnership of AIMCO Properties, L.P., dated as of September 15, 2000 (Exhibit 10.3 to Quarterly Report on Form 10-Q of AIMCO Properties, L.P. for the quarterly period ended September 30, 2000 is incorporated herein by this reference)
- 10.18 Seventeenth Amendment to the Third Amended and Restated Agreement of Limited Partnership of AIMCO Properties, L.P., dated as of November 10, 2000 (Exhibit 10-4 to Quarterly Report on Form 10-Q of AIMCO Properties, L.P. for the quarterly period ended September 30, 2000 is incorporated herein by this reference)
- 10.19 Eighteenth Amendment to the Third and Amended and Restated Agreement of Limited Partnership of AIMCO Properties, L.P., dated as of November 16, 2000
- 10.20 Nineteenth Amendment to the Third Amended and Restated Agreement of Limited Partnership of AIMCO Properties, L.P., dated as of February 28, 2001
- 10.21 Twentieth Amendment to the Third Amended and Restated Agreement of Limited Partnership of AIMCO Properties, L.P., dated as of March 19, 2001
- 10.22 Shareholders Agreement, dated October 1, 1998, by and among Apartment Investment and Management Company, Andrew L. Farkas, James A. Aston and Frank M. Garrison (Exhibit 10.4 to AIMCO's Statement of Beneficial Ownership on Schedule 13D with respect to Insignia Properties Trust filed on October 15, 1998, is incorporated herein by this reference)
- 10.23 Amended and Restated Indemnification Agreement, dated as of May 26, 1998, by and between Apartment Investment and Management Company and Insignia/ESG Holdings, Inc. (Appendix II to the Prospectus included in AIMCO's Registration Statement on Form S-4, filed August 5, 1998, is incorporated herein by this reference)
- 10.24 ILPI and BAC Agreement, dated as of September 20, 2000 by and among Apartment Investment and Management Company, AIMCO Properties, L.P. and AIMCO/ NHP Properties, Inc., as Buyers, and Leo E. Zickler, Francis P. Lavin, Robert B. Downing, Mark E. Schiffrin, Marc B. Abrams, and Richard R. Singleton, as Sellers (Exhibit (B) of the Statement of Beneficial Ownership on Schedule 13D of Oxford Tax Exempt Fund II Limited Partnership with respect to AIMCO dated September 20, 2000, is incorporated herein by this reference)
- 10.25 Option Sale Agreement, dated as of September 20, 2000 by and among Apartment Investment and Management Company, AIMCO Properties, L.P., NHP Management Company and AIMCO/NHP Properties, Inc., as Buyers, and Leo E. Zickler, Francis P. Lavin, Robert B. Downing, Mark E. Schiffrin,

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Marc B. Abrams, and Richard R. Singleton, as Sellers (Exhibit (C) of the Statement of Beneficial Ownership on Schedule 13D of Oxford Tax Exempt Fund II Limited Partnership with respect to AIMCO dated September 20, 2000 is incorporated herein by this reference)

- 10.26 Employment Contract, executed on July 29, 1994, by and between AIMCO Properties, L.P., and Peter Kompaniez (Exhibit 10.44A to AIMCO's Annual Report on Form 10-K for the year ended December 31, 1994, is incorporated herein by this reference)*
- 10.27 Employment Contract executed on July 29, 1994 by and between AIMCO Properties, L.P. and Terry Considine (Exhibit 10.44C to AIMCO's Annual Report on Form 10-K for the year ended December 31, 1994, is incorporated herein by this reference)*
- 10.28 Employment Contract executed on July 29, 1994 by and between AIMCO Properties, L.P. and Steven D. Ira (Exhibit 10.44D to AIMCO's Annual Report on Form 10-K for year ended December 31, 1994, is incorporated herein by this reference)*

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- 10.29 Apartment Investment and Management Company 1998 Incentive Compensation Plan (Annex B to AIMCO's Proxy Statement for Annual Meeting of Stockholders to be held on May 8, 1998, is incorporated herein by this reference)*
- 10.30 Apartment Investment and Management Company 1997 Stock Award and Incentive Plan (October 1999) (Exhibit 10.26 to AIMCO's Annual Report on Form 10-K for the year ended December 31, 1999, is incorporated herein by this reference)*
- 10.31 Form of Restricted Stock Agreement (1997 Stock Award and Incentive Plan) (Exhibit 10.11 to AIMCO's Quarterly Report on Form 10-Q for the quarterly period ended September 30, 1997, is incorporated herein by this reference)*
- 10.32 Form of Incentive Stock Option Agreement (1997 Stock Award and Incentive Plan) (Exhibit 10.42 to AIMCO's Annual Report on Form 10-K for the year ended December 31, 1998, is incorporated herein by this reference)*
- 10.33 Apartment Investment and Management Company Non-Qualified Employee Stock Option Plan, adopted August 29, 1996 (Exhibit 10.8 to AIMCO's Quarterly Report on Form 10-Q for the quarterly period ended September 30, 1996, is incorporated herein by this reference)*
- 10.34 Amended and Restated Apartment Investment and Management Company Non-Qualified Employee Stock Option Plan (Annex B to AIMCO's Proxy Statement for the Annual Meeting of Stockholders to be held on April 24, 1997, is incorporated herein by this reference)*
- 10.35 The 1994 Stock Incentive Plan for Officers, Directors and Key Employees of Ambassador Apartments, Inc., Ambassador Apartments, L.P., and Subsidiaries (Exhibit 10.40 to Ambassador Apartments, Inc. Annual Report on Form 10-K for the year ended December 31, 1997, is incorporated herein by this reference)*
- 10.36 Amendment to the 1994 Stock Incentive Plan for Officers, Directors and Key Employees of Ambassador Apartments, Inc., Ambassador Apartments, L.P. and Subsidiaries (Exhibit 10.41 to Ambassador Apartments, Inc. Annual Report on Form 10-K for the year ended December 31, 1997, is incorporated herein by this reference)*
- 10.37 The 1996 Stock Incentive Plan for Officers, Directors and Key Employees of Ambassador Apartments, Inc., Ambassador Apartments, L.P., and Subsidiaries, as amended March 20, 1997 (Exhibit 10.42 to

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Ambassador Apartments, Inc. Annual Report on Form 10-K for the year ended December 31, 1997, is incorporated herein by this reference)*

- 10.38 Insignia 1992 Stock Incentive Plan, as amended through March 28, 1994 and November 13, 1995 (Exhibit 10.1 to Insignia Financial Group, Inc. Annual Report on Form 10-K for the year ended December 31, 1997, is incorporated herein by this reference)*
- 10.39 NHP Incorporated 1990 Stock Option Plan (Exhibit 10.9 to NHP Incorporated Annual Report on Form 10-K for the year ended December 31, 1995, is incorporated herein by this reference)*
- 10.40 NHP Incorporated 1995 Incentive Stock Option Plan (Exhibit 10.10 to NHP Incorporated Annual Report on Form 10-K for the year ended December 31, 1995, is incorporated herein by this reference)*
- 10.41 Summary of Agreement for Sale of Stock to Executive Officers (Exhibit 10.104 to AIMCO's Annual Report on Form 10-K for the year ended December 31, 1996, is incorporated herein by this reference)*
- 21.1 List of Subsidiaries
- 23.1 Consent of Ernst & Young LLP
- 99.1 Agreement re: disclosure of long-term debt instruments

(1) Schedule and supplemental materials to the exhibits have been omitted but will be provided to the Securities and Exchange Commission upon request.

* Management contract