

APARTMENT INVESTMENT & MANAGEMENT CO

Form S-4

October 12, 2010

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**As filed with the Securities and Exchange Commission on October 12, 2010**  
**Registration No. 333-**

**SECURITIES AND EXCHANGE COMMISSION**  
**Washington, D.C. 20549**

**Form S-4**

**REGISTRATION STATEMENT**  
**UNDER**  
**THE SECURITIES ACT OF 1933**

**APARTMENT INVESTMENT AND MANAGEMENT COMPANY**  
*(Exact name of registrant as specified in its charter)*

<b>Maryland</b> <i>(State of other jurisdiction of incorporation or organization)</i>	<b>6798</b> <i>(Primary standard industrial classification code number)</i>	<b>84-1259577</b> <i>(IRS Employer Identification Number)</i>
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**AIMCO PROPERTIES, L.P.**  
*(Exact name of registrant as specified in its charter)*

<b>Delaware</b> <i>(State of other jurisdiction of incorporation or organization)</i>	<b>6513</b> <i>(Primary standard industrial classification code number)</i>	<b>84-1275621</b> <i>(IRS Employer Identification Number)</i>
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**4582 South Ulster Street Parkway, Suite 1100**  
**Denver, Colorado 80237**  
**(303) 757-8101**  
*(Address, including zip code, and telephone number, including area code, of registrant's principal executive offices)*

**John Bezzant**  
**Senior Vice President**  
**Apartment Investment and Management Company**  
**4582 South Ulster Street Parkway, Suite 1100**  
**Denver, Colorado 80237**  
**(303) 757-8101**  
*(Name, address, including zip code and telephone number, including area code of agent for service)*

***Copies to:***

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**Approximate date of commencement of proposed sale to the public:** As soon as practicable after this Registration Statement is declared effective and all other conditions to the merger as described in the enclosed information statement/prospectus are satisfied or waived.

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

If this Form is filed to register additional securities for an offering pursuant to Rule 462(b) under the Securities Act of 1933, check the following box and list the Securities Act registration statement number of the earlier effective registration statement for the same offering:

If this Form is a post-effective amendment filed pursuant to Rule 462(d) under the Securities Act of 1933, check the following box and list the Securities Act registration statement number of the earlier effective registration statement for the same offering:

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

Large accelerated filer  Accelerated filer  Non-accelerated filer  Smaller reporting company   
 (Do not check if a smaller reporting company)

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

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

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

**CALCULATION OF REGISTRATION FEE**

<b>Title of Each Class of Securities to be Registered</b>	<b>Amount to be Registered(1)</b>	<b>Proposed Maximum Offering Price per Unit(1)</b>	<b>Proposed Maximum Aggregate Offering Price(2)</b>	<b>Amount of Registration Fee</b>
Partnership Common Units of Aimco Properties, L.P.			\$888,181.80	\$63.33

Common Stock of Apartment  
Investment and Management  
Company(2)

- (1) Omitted in reliance on Rule 457(o) under the Securities Act of 1933.
- (2) Represents shares of Common Stock issuable upon redemption of Partnership Common Units issued hereunder.

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

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The information in this prospectus is not complete and may be changed. We may not sell these securities until the registration statement filed with the Securities and Exchange Commission is effective. This prospectus is not an offer to sell these securities and it is not soliciting an offer to buy these securities in any jurisdiction where the offer or sale is not permitted.

**SUBJECT TO COMPLETION, DATED OCTOBER 12, 2010**

**INFORMATION STATEMENT/PROSPECTUS**

**U.S. REALTY PARTNERS LIMITED PARTNERSHIP**

U.S. Realty Partners Limited Partnership, or USRP, has entered into an agreement and plan of merger with a wholly owned subsidiary of Aimco Properties, L.P., or Aimco OP. Under the merger agreement, the Aimco Subsidiary, AIMCO USRP Merger Sub LLC, will be merged with and into USRP, with USRP as the surviving entity. The Aimco Subsidiary was formed for the purpose of effecting this transaction and does not have any assets or operations. In the merger, each unit of limited partnership interest of USRP, or each USRP Unit, will be converted into the right to receive, at the election of the holder of such USRP Unit, either:

\$2.76 in cash, or

\$2.76 in partnership common units of Aimco OP, or OP Units.

The number of OP Units offered for each USRP Unit will be calculated by dividing \$2.76 by the average closing price of common stock of Apartment Investment and Management Company, or Aimco, as reported on the New York Stock Exchange, over the ten consecutive trading days ending on the second trading day immediately prior to the consummation of the merger. For example, as of October 6, 2010, the average closing price of Aimco common stock over the preceding ten consecutive trading days was \$21.65, which would have resulted in .13 OP Units offered for each USRP Unit. However, if AIMCO OP determines that the law of the state or other jurisdiction in which a limited partner resides would prohibit the issuance of OP Units in that state or other jurisdiction (or that registration or qualification in that state or jurisdiction would be prohibitively costly), then such limited partner will not be entitled to elect OP Units, and will receive cash.

In the merger, Aimco OP's interest in the Aimco Subsidiary will be converted into USRP Units. As a result, after the merger, Aimco OP will be the sole limited partner of USRP and will own all of the outstanding USRP Units.

Within ten days after the effective time of the merger, Aimco OP will prepare and mail to you an election form pursuant to which you can elect to receive cash or OP Units. You may elect your form of consideration by completing and returning the election form in accordance with its instructions. If the information agent does not receive a properly completed election form from you before 5:00 p.m., New York time, on the 30th day after the merger, you will be deemed to have elected to receive cash. You may also use the election form to elect to receive, in lieu of the merger consideration, the appraised value of your USRP Units, determined through an arbitration proceeding.

In addition and separate from the merger consideration, you may elect to receive an additional cash payment of \$0.31 in exchange for executing a waiver and release of certain claims. In order to receive such additional payment, you must complete the relevant section of the election form, execute the waiver and release that is attached to the election form and return both the election form and the executed waiver and release to the information agent as described above.

Under Delaware law, the merger must be approved by all general partners of USRP and a majority in interest of the USRP Units. Both USRP's corporate general partner, U.S. Realty I Corporation, or the Corporate General Partner, and USRP's other general partner, Aimco OP, or the Other General Partner (and, together with the Corporate General Partner, the General Partners), have determined that the merger is advisable and in the best interests of USRP and its limited partners and have approved the merger and the merger agreement. As of October 7, 2010, there were issued and outstanding 1,222,000 USRP Units, and Aimco OP and its affiliates owned 900,195 of those certificates, or approximately 73.67% of the number of USRP Units outstanding. Aimco OP and its affiliates have indicated that they intend to take action by written consent, as permitted under the partnership agreement, to approve the merger on or about \_\_\_\_\_, 2010. **As a result, approval of the merger is assured, and your consent to the merger is not required.**

**WE ARE NOT ASKING YOU FOR A PROXY AND  
YOU ARE REQUESTED NOT TO SEND US A PROXY**

This information statement/prospectus contains information about the merger and the securities offered hereby, and the reasons that the general partners of USRP have decided that the merger is in the best interests of USRP and its limited partners. The general partners of USRP have conflicts of interest with respect to the merger that are described in greater detail herein. Please read this information statement/prospectus carefully, including the section entitled "Risk Factors" beginning on page 7. It provides you with detailed information about the merger and the securities offered hereby. The merger agreement is attached to this information statement/prospectus as Annex A.

**Neither the Securities and Exchange Commission nor any state securities commission has approved or disapproved of the securities to be issued in connection with the merger or determined if this information statement/prospectus is truthful or complete. Any representation to the contrary is a criminal offense.**

*This information statement/prospectus is dated, \_\_\_\_\_, 2010, and is first being mailed to limited partners on or about \_\_\_\_\_, 2010.*

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**WE ARE CURRENTLY SEEKING QUALIFICATION TO ALLOW ALL HOLDERS OF USRP UNITS THE ABILITY TO ELECT TO RECEIVE OP UNITS IN CONNECTION WITH THE MERGER. HOWEVER, AT THE PRESENT TIME, IF YOU ARE A RESIDENT OF ONE OF THE FOLLOWING STATES, YOU ARE NOT PERMITTED TO ELECT TO RECEIVE OP UNITS IN CONNECTION WITH THE MERGER:**

**CALIFORNIA  
MASSACHUSETTS  
NEW YORK**

**THE ATTORNEY GENERAL OF THE STATE OF NEW YORK HAS NOT PASSED ON OR ENDORSED THE MERITS OF THIS OFFERING. ANY REPRESENTATION TO THE CONTRARY IS UNLAWFUL.**

**ADDITIONAL INFORMATION**

This information statement/prospectus incorporates important business and financial information about Aimco and Aimco OP from documents that they have filed with the Securities and Exchange Commission but that have not been included in or delivered with this information statement/prospectus. For a listing of documents incorporated by reference into this information statement/prospectus, please see [Where You Can Find Additional Information](#) beginning on page 85 of this information statement/prospectus.

Aimco will provide you with copies of such documents relating to Aimco and Aimco OP (excluding all exhibits unless Aimco or Aimco OP has specifically incorporated by reference an exhibit in this information statement/prospectus), without charge, upon written or oral request to:

ISTC Corporation  
P.O. Box 2347  
Greenville, South Carolina 29602  
(864) 239-1029

If you have any questions or require any assistance, please contact our information agent, Eagle Rock Proxy Advisors, LLC, by mail at 12 Commerce Drive, Cranford, New Jersey 07016; by fax at (908) 497-2349; or by telephone at (800) 217-9608.

**ABOUT THIS INFORMATION STATEMENT/PROSPECTUS**

This information statement/prospectus, which forms a part of a registration statement on Form S-4 filed with the Securities and Exchange Commission by Aimco and Aimco OP, constitutes a prospectus of Aimco OP under Section 5 of the Securities Act of 1933, as amended, or the Securities Act, with respect to the OP Units that may be issued to holders of USRP Units in connection with the merger, and a prospectus of Aimco under Section 5 of the Securities Act with respect to shares of Aimco common stock that may be issued in exchange for such OP Units tendered for redemption by the holder thereof. This document also constitutes an information statement under Section 14(c) of the Securities Exchange Act of 1934, as amended, or the Exchange Act, with respect to the action to be taken by written consent to approve the merger.

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**SUMMARY**

*This summary highlights selected information from this information statement/prospectus. It may not contain all of the information that is important to you. You are urged to carefully read the entire information statement/prospectus and the other documents referred to in this information statement/prospectus, including the merger agreement, because the information in this section does not provide all the information that might be important to you with respect to the merger agreement, the merger and the other matters described herein. For more information about Aimco, Aimco OP and USRP, see *Where You Can Find Additional Information* beginning on page 85. Each item in this summary refers to the pages of this information statement/prospectus on which that subject is discussed in more detail.*

**Information about Aimco, Aimco OP and the Aimco Subsidiary (page 18)**

***Apartment Investment and Management Company***

4582 South Ulster Street Parkway, Suite 1100  
Denver, Colorado 80237  
(303) 757-8101

Apartment Investment and Management Company, or Aimco, is a Maryland corporation incorporated on January 10, 1994. Aimco is a self-administered and self-managed real estate investment trust, or REIT, focused on the ownership and management of quality apartment communities located in the 20 largest markets in the United States (as measured by total market capitalization, which is the total market value of institutional-grade apartment properties in a particular market). Aimco upgrades the quality of its portfolio through the sale of communities with rents below average market rents and the reinvestment of capital within these 20 target markets through redevelopment and acquisitions. Aimco's apartment properties are generally financed with property-level, non-recourse, long-dated, fixed-rate, amortizing debt. Aimco's common stock is listed and traded on the New York Stock Exchange, or NYSE, under the symbol AIV. Aimco is one of the largest owners and operators of apartment properties in the United States. As of June 30, 2010, Aimco owned or managed 817 apartment properties containing 129,350 units located in 43 states, the District of Columbia and Puerto Rico. Additional information about Aimco and its subsidiaries is included in documents incorporated by reference into this information statement/prospectus. See *Where You Can Find Additional Information* beginning on page 85.

***AIMCO Properties, L.P.***

4582 South Ulster Street Parkway, Suite 1100  
Denver, Colorado 80237  
(303) 757-8101

AIMCO Properties, L.P., or Aimco OP, is a Delaware limited partnership formed on May 16, 1994, to act as Aimco's operating partnership. Aimco OP, through its operating divisions and subsidiaries, holds substantially all of Aimco's assets and manages the daily operations of Aimco's business and assets. Under the Aimco OP partnership agreement, Aimco is required to contribute all proceeds from offerings of its securities to Aimco OP. In addition, substantially all of Aimco's assets must be owned through Aimco OP. Therefore, Aimco generally is required to contribute all assets acquired to Aimco OP. Through its wholly owned subsidiaries, AIMCO-GP, Inc., the general partner of Aimco OP, or AIMCO-GP, and AIMCO-LP Trust, Aimco owns a majority of the ownership interests in, Aimco OP. As of June 30, 2010, Aimco held approximately 93% of the outstanding partnership common units of Aimco OP, or OP Units, and equivalents. Additional information about Aimco OP and its subsidiaries is included in documents incorporated by reference into this information statement/prospectus. See *Where You Can Find Additional Information* beginning on page 85.

***AIMCO USRP Merger Sub LLC***

4582 South Ulster Street Parkway, Suite 1100

Denver, Colorado 80237

(303) 757-8101

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AIMCO USRP Merger Sub LLC, or the Aimco Subsidiary, is a Delaware limited liability company formed on September 29, 2010, for the purpose of consummating the merger with USRP. The Aimco Subsidiary has not carried on any activities to date, except for activities incidental to its formation and activities undertaken in connection with the transactions contemplated by the merger agreement. The Aimco Subsidiary is a direct wholly owned subsidiary of Aimco OP.

### **Information about U.S. Realty Partners Limited Partnership (page 19)**

#### ***U.S. Realty Partners Limited Partnership***

55 Beattie Place, P.O. Box 1089  
Greenville, South Carolina 29602  
(864) 239-1000

U.S. Realty Partners Limited Partnership, or USRP, is a Delaware limited partnership formed on January 23, 1986. USRP is engaged in the business of operating and holding real estate property for investment. USRP presently owns and operates one investment property, Twin Lakes Apartments, a 262 unit apartment project located in Palm Harbor, Florida. Additional information about USRP is included in documents included in this information statement/prospectus. See [Where You Can Find Additional Information](#) beginning on page 85.

### **Comparison of USRP Units and Aimco OP Units (page 51)**

There are a number of significant differences between USRP Units and Aimco OP Units relating to, among other things, the nature of the investment, voting rights, distributions and liquidity and transferability/redemption. Aimco OP has a more diversified property portfolio than USRP, which currently owns only one property. In addition, limited partners of USRP have certain voting rights that are not afforded to Aimco OP limited partners. USRP limited partners holding a majority of the outstanding USRP Units may remove the Corporate General Partner, although Aimco OP and its affiliates owned approximately 73.67% of the number of USRP Units outstanding as of October 7, 2010. Holders of Aimco OP Units cannot remove the general partner of Aimco OP. Moreover, the process for making distributions to limited partners is different for each partnership. See [Comparison of USRP Units and Aimco OP Units](#) beginning on page 51 for more information.

### **Background and Reasons for the Merger (page 23)**

In early 2010, the Corporate General Partner began to consider strategic alternatives for USRP and its remaining property, Twin Lakes Apartments. The Corporate General Partner considered the costs of operating USRP, including audit, tax and SEC reporting costs. The Corporate General Partner looked at these costs, among other things, in light of Aimco's significant ownership percentage. The Corporate General Partner also considered past loans and advances that had been made by Aimco OP to USRP, including an aggregate of approximately \$2,036,000 between 2007 and early 2010 to help fund operating expenses at Twin Lakes Apartments. Aimco OP has indicated an unwillingness to make additional advances to USRP.

In March 10, 2010, officers of Aimco and the Corporate General Partner met to discuss strategic alternatives for Twin Lakes Apartments, and agreed to explore the possibility of Aimco OP acquiring the property through a transaction that would provide the unaffiliated limited partners with the opportunity to defer tax gain through an exchange of USRP Units for OP Units. The Corporate General Partner decided to obtain an appraisal to determine the value of Twin Lakes Apartments and to evaluate the proceeds and tax consequences to limited partners in such a transaction. In April, 2010, the Corporate General Partner engaged Cogent Realty Advisors, LLC, or CRA, an independent real estate appraisal firm, to appraise Twin Lakes Apartments. In October, 2010, after receiving an appraisal of Twin Lakes Apartments, the Corporate General Partner's board of directors held a meeting and decided to approve and effect a

transaction with Aimco OP that would give Aimco OP indirect ownership of Twin Lakes Apartments. The Corporate General Partner considered a number of possible alternatives to the proposed transaction with the Aimco Subsidiary, as described in greater detail below. However, the Corporate General Partner ultimately determined that the proposed transaction with the Aimco Subsidiary is in the best interests of USRP and its limited partners.

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### **The Merger (page 23)**

USRP has entered into an agreement and plan of merger with the Aimco Subsidiary and Aimco OP. Under the merger agreement, at the effective time of the merger, the Aimco Subsidiary will be merged with and into USRP, with USRP as the surviving entity. In the merger, each USRP Unit outstanding immediately prior to consummation of the merger will be converted into the right to receive, at the election of the holder of such USRP Unit, either \$2.76 in cash or equivalent value in OP Units, except in those jurisdictions where the law prohibits the offer of OP Units (or registration would be prohibitively costly).

In the merger, Aimco OP's interests in the Aimco Subsidiary will be converted into USRP Units. After the merger, Aimco OP will be the sole limited partner in USRP, and will own all of the outstanding USRP Units. The Corporate General Partner, the Other General Partner and USRP's partnership agreement in effect immediately prior to the merger will remain unchanged after the merger.

A copy of the merger agreement is attached as Annex A to this information statement/prospectus. You are encouraged to read the merger agreement carefully in its entirety because it is the legal agreement that governs the merger.

### **Determination of Merger Consideration (page 25)**

In the merger, each USRP Unit will be converted into the right to receive, at the election of the holder of such USRP Unit, either \$2.76 in cash or equivalent value in OP Units. Because Aimco owns the Corporate General Partner, the merger consideration has not been determined in an arm's-length negotiation. In order to arrive at a fair consideration, Cogent Realty Advisors, LLC, or CRA, an independent real estate appraisal firm, was engaged to perform an appraisal of Twin Lakes Apartments. The per USRP Unit cash merger consideration payable to each holder of USRP Units is greater than the Corporate General Partner's estimate of the proceeds that would be available for distribution to limited partners (following the repayment of debt and other liabilities) if the property was sold at a price equal to its appraised value, given that the Corporate General Partner did not deduct certain amounts that would be payable upon an immediate sale of Twin Lake Apartments, such as prepayment penalties on the mortgage debt of the property.

The number of OP Units issuable with respect to each USRP Unit will be calculated by dividing the \$2.76 per USRP Unit cash merger consideration by the average closing price of Aimco common stock, as reported on the NYSE, over the ten consecutive trading days ending on the second trading day immediately prior to the consummation of the merger. Although there is no public market for OP Units, after a one year holding period, each OP Unit is generally redeemable at the option of the holder for cash in an amount equal to the value of a share of Aimco common stock at the time, subject to Aimco's right to acquire the OP Unit in exchange for one share of Aimco common stock (subject to antidilution adjustments). Therefore, the trading price of Aimco common stock is considered a reasonable estimate of the fair market value of an OP Unit. As of October 6, 2010, the average closing price of Aimco common stock over the preceding ten consecutive trading days was \$21.65, which would have resulted in OP Unit consideration of .13 OP Units per USRP Unit.

For a full description of the determination of the merger consideration, see "The Merger - Determination of Merger Consideration" beginning on page 25.

### **Risk Factors (page 7)**

In evaluating the merger agreement and the merger, USRP limited partners should carefully read this information statement/prospectus and especially consider the factors discussed in the section entitled "Risk Factors" beginning on

page 7. Some of the risk factors associated with the merger are summarized below:

There are a number of significant differences between USRP Units and Aimco OP Units relating to, among other things, the nature of the investment, voting rights, distributions and liquidity and transferability/redemption. For more information regarding those differences, see Comparison of USRP Units and Aimco OP Units, beginning on page 51.

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Aimco owns the Corporate General Partner. As a result, the Corporate General Partner has a conflict of interest. A transaction with a third party in the absence of this conflict could result in better terms or greater consideration to the limited partners.

USRP limited partners may elect to receive OP Units as merger consideration, and there are risks related to an investment in OP Units, including the fact that there are restrictions on transferability of OP Units; there is no public market for OP Units; and there is no assurance as to the value that might be realized upon a future redemption by a holder of OP Units.

**Fairness of the Transaction (page 24)**

The Corporate General Partner believes the merger is fair to all of the limited partners of USRP in view of a number of factors, including, but not limited to:

The cash merger consideration is greater than the Corporate General Partner's estimate of the proceeds that would be available for distribution to limited partners (following the repayment of debt and other liabilities) if Twin Lakes Apartments was sold at a price equal to its appraised value, given that the Corporate General Partner did not deduct certain amounts that would be payable upon an immediate sale of the property, such as prepayment penalties on the mortgage debt of the property that USRP would incur if the property was sold to a third party, currently estimated to be \$2,892,958.

Limited partners are given a choice of merger consideration, and may elect to receive either cash or OP Units in the merger, except in those jurisdictions where the law prohibits the offer of OP Units (or registration would be prohibitively costly). Accordingly, limited partners may elect the merger consideration they deem most beneficial to them.

Limited partners who elect to receive cash consideration will receive \$2.76 per USRP Unit, which will provide immediate liquidity with respect to their investment.

Limited partners who elect to receive cash consideration and who recognize taxable gain in the merger will be taxed at current capital gains rates. The maximum long term federal capital gains rate, currently at 15%, is scheduled to increase to 20% in 2011.

Limited partners may defer recognition of taxable gain by electing to receive OP Units in the merger.

Limited partners who elect to receive OP Units in the merger will have the opportunity to participate in Aimco OP, which has a more diversified property portfolio than USRP.

Although limited partners are not entitled to dissenters' appraisal rights under Delaware law, the merger agreement provides them with contractual dissenters' appraisal rights that are similar to the dissenters' appraisal rights that are available to stockholders in a corporate merger under Delaware law.

The cash consideration payable to limited partners in the merger was determined based on an independent third party appraisal of the property that USRP presently owns and operates.

The number of OP Units issuable to limited partners in the merger was determined based on the average closing price of Aimco common stock, as reported on the NYSE, over the ten consecutive trading days ending on the second trading day immediately prior to the consummation of the merger.

Although the merger agreement may be terminated by either side at any time, the Corporate General Partner determined that Aimco OP and the Aimco Subsidiary are likely to complete the merger on a timely basis.

Unlike a typical property sale agreement, the merger agreement contains no indemnification provisions, so there is no risk of reduction of the proceeds to limited partners.

In contrast to a sale of the property to a third party, which would involve costs associated with marketing and documenting the transaction, Aimco OP has agreed to pay all expenses associated with the merger.

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**Conflicts of Interest (page 26)**

The Corporate General Partner is indirectly wholly owned by Aimco. Therefore, it has a conflict of interest with respect to the merger. The Corporate General Partner has fiduciary duties to its sole stockholder, which is wholly owned by Aimco, on the one hand, and to USRP and its limited partners, on the other hand. The duties of the Corporate General Partner to USRP and its limited partners conflict with its duties to its sole stockholder, which could result in the Corporate General Partner approving a transaction that is more favorable to Aimco than might be the case absent such conflict of interest. The Corporate General Partner's desire to seek the best possible terms for USRP's limited partners conflicts with Aimco's interest in obtaining the best possible terms for Aimco OP.

**Waiver and Release and Additional Consideration (page 27)**

In addition to and separate from the merger consideration, each limited partner unaffiliated with Aimco OP or its affiliates may elect to receive an additional cash payment of \$0.31 per USRP Unit in exchange for executing a waiver and release of potential claims such unaffiliated limited partner may have had in the past, may now have or may have in the future (through and including the date of the consummation of the merger) against USRP, the General Partners, Aimco OP or its affiliates and certain other persons and entities, including but not limited to claims related to the merger agreement and the transactions contemplated thereby.

**Regulatory Matters (page 31)**

No material federal or state regulatory requirements must be satisfied or approvals obtained in connection with the merger, except (1) filing a registration statement that includes this information statement/prospectus with the SEC and obtaining the SEC's declaration that the registration statement is effective under the Securities Act, (2) registration or qualification of the issuance of OP Units under state securities laws, and (3) filing a certificate of merger with the Secretary of State of the State of Delaware.

**Appraisal Rights (page 31)**

Limited partners are not entitled to dissenters' appraisal rights under applicable law or USRP's partnership agreement in connection with the merger. However, pursuant to the terms of the merger agreement, Aimco OP will provide each limited partner with contractual dissenters' appraisal rights that are similar to the dissenters' appraisal rights available to a stockholder of a corporation in a merger under Delaware law. These contractual appraisal rights will enable a limited partner to obtain an appraisal of the value of the limited partner's USRP Units in connection with the merger. Prosecution of these contractual appraisal rights will involve an arbitration proceeding, and the consideration paid to a limited partner after the prosecution of such contractual appraisal rights, which will take a period of time that cannot be predicted with accuracy, will be a cash payment, resulting in a taxable event to such limited partner. A description of the appraisal rights being provided, and the procedures that a limited partner must follow to seek such rights, is attached to this information statement/prospectus as Annex B.

**Termination of the Merger Agreement (page 33)**

The merger agreement may be terminated, and the merger may be abandoned, at any time prior to consummation of the merger, without liability to any party to the merger agreement, by USRP, Aimco OP or the Aimco Subsidiary, in each case, acting in its sole discretion and for any reason or for no reason, notwithstanding the approval of the merger agreement by any of the partners of USRP or the member of the Aimco Subsidiary.

**Summary of Material United States Federal Income Tax Consequences of the Merger (page 57)**

The merger will generally be treated as a partnership merger for Federal income tax purposes. In general, any payment of cash for USRP Units will be treated as a sale of such USRP Units by such holder, and any exchange of USRP Units for OP Units under the terms of the merger agreement will be treated, in accordance with Sections 721 and 731 of the Internal Revenue Code of 1986, as amended, or the Code, as a tax free transaction, except to the extent described in

Certain United States Federal Income Tax Matters Taxation of Aimco OP and OP Unitholders United States Federal Income Tax Consequences Relating to the Merger.

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**The foregoing is a general discussion of the United States federal income tax consequences of the merger. This summary does not discuss all aspects of federal income taxation that may be relevant to you in light of your specific circumstances or if you are subject to special treatment under the federal income tax laws. The particular tax consequences of the merger to you will depend on a number of factors related to your tax situation. You should review Certain United States Federal Income Tax Matters, herein and consult your tax advisors for a full understanding of the tax consequences to you of the merger.**

**Accounting Treatment of the Merger (page 31)**

Aimco and Aimco OP will treat the merger as a purchase of noncontrolling interests for financial accounting purposes. This means that Aimco and Aimco OP will recognize any difference between the purchase price for these noncontrolling interests and the carrying amount of such noncontrolling interests in Aimco and Aimco OP's consolidated financial statements as an adjustment to the amounts of consolidated equity and partners' capital attributed to Aimco and Aimco OP, respectively.

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**RISK FACTORS**

**Risks Related to the Merger**

*Conflicts of Interest.* The Corporate General Partner is indirectly wholly owned by Aimco. Therefore, it has a conflict of interest with respect to the merger. The Corporate General Partner has fiduciary duties to its sole stockholder, which is wholly owned by Aimco, on the one hand, and to USRP and its limited partners, on the other hand. The duties of the Corporate General Partner to USRP and its limited partners conflict with its duties to its sole stockholder, which could result in the Corporate General Partner approving a transaction that is more favorable to Aimco than might be the case absent such conflict of interest. The Corporate General Partner's desire to seek the best possible terms for USRP's limited partners conflicts with Aimco's interest in obtaining the best possible terms for Aimco OP.

*No independent representative was engaged to represent the limited partners of USRP in negotiating the terms of the merger.* If an independent advisor had been engaged, it is possible that such advisor could have negotiated better terms for USRP's limited partners.

*The terms of the merger have not been determined in arm's-length negotiations.* The terms of the merger, including the merger consideration, were determined through discussions between officers and directors of USRP, on the one hand, and officers of Aimco, on the other. All of the officers and directors of USRP are also officers of Aimco. If the terms of the merger had been determined through arm's-length negotiations, the terms might be more favorable to USRP and its limited partners.

*Alternative valuations of USRP's property might exceed the appraised value relied on to determine the merger consideration.* Aimco determined the merger consideration in reliance on the appraised value of USRP's property. See, *The Merger – The Appraisal*, beginning on page 28, for more information about the appraisal. Although an independent appraiser was engaged to perform a complete appraisal of the property, valuation is not an exact science. There are a number of other methods available to value real estate, each of which may result in different valuations of a property. Also, others using the same valuation methodology could make different assumptions and judgments, and obtain different results. As of June 30, 2010, Aimco internally valued Twin Lakes Apartments at \$16,500,000.

*The actual sales price of USRP's property could exceed the appraised value that Aimco relied on to determine the merger consideration.* No recent attempt has been made to market Twin Lakes Apartments to unaffiliated third parties. There can be no assurance that Twin Lakes Apartments could not be sold for a value higher than the appraised value used to determine the merger consideration if it was marketed to third-party buyers interested in a property of this type.

*The merger consideration may not represent the price USRP limited partners could obtain for their USRP Units in an open market.* There is no established or regular trading market for USRP Units, nor is there another reliable standard for determining the fair market value of the USRP Units. The merger consideration does not necessarily reflect the price that USRP limited partners would receive in an open market for their USRP Units. Such prices could be higher than the aggregate value of the merger consideration.

*No opinion has been obtained from an independent financial advisor that the merger is fair to USRP limited partners.* While the Corporate General Partner believes that the terms of the merger are fair to USRP limited partners for the reasons discussed in *The Merger – Fairness of the Transaction*, beginning on page 24, the Corporate General Partner has not obtained an opinion as to whether the merger is fair to the limited partners of USRP from a financial point of view.

*USRP limited partners may recognize taxable gain in the merger, and that gain could exceed the merger consideration. Limited partners who elect to receive cash in the merger will recognize gain or loss equal to the difference between their amount realized and their adjusted tax basis in the USRP Units sold. The resulting tax liability could exceed the value of the cash received in the merger.*

*The merger agreement does not require approval of the merger by a majority of the limited partners unaffiliated with the Corporate General Partner or Aimco OP. Under the provisions of the USRP partnership*

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agreement and applicable Delaware law, the merger must be approved by a majority in interest of the USRP Units. As of October 7, 2010, Aimco OP and its affiliates owned approximately 73.67% of the outstanding USRP Units, enabling them to approve the merger without the consent or approval of any unaffiliated limited partners.

*Limited partners in certain jurisdictions will not be able to elect OP Units.* In those states or jurisdictions where the issuance of the OP Units hereby is not permitted (or the registration or qualification of OP Units in that state or jurisdiction would be prohibitively costly), residents of those states will receive only the cash consideration in the merger.

### **Risks Related to an Investment in Aimco or Aimco OP**

For a description of risks related to an investment in Aimco and Aimco OP, please see the information set forth under Part I Item 1A. Risk Factors in the Annual Reports on Form 10-K for the year ended December 31, 2009 of each of Aimco and Aimco OP, which documents are incorporated herein by reference and are available electronically through the SEC's website, [www.sec.gov](http://www.sec.gov), or by request to Aimco.

### **Risks Related to an Investment in OP Units**

*There are restrictions on the ability to transfer OP Units, and there is no public market for Aimco OP Units.* The Aimco OP partnership agreement restricts the transferability of OP Units. Until the expiration of a one-year holding period, subject to certain exceptions, investors may not transfer OP Units without the consent of Aimco OP's general partner. Thereafter, investors may transfer such OP Units subject to the satisfaction of certain conditions, including the general partner's right of first refusal. There is no public market for the OP Units. Aimco OP has no plans to list any OP Units on a securities exchange. It is unlikely that any person will make a market in the OP Units, or that an active market for the OP Units will develop. If a market for the OP Units develops and the OP Units are considered readily tradable on a secondary market (or the substantial equivalent thereof), Aimco OP would be classified as a publicly traded partnership for United States Federal income tax purposes, which could have a material adverse effect on Aimco OP.

*Cash distributions by Aimco OP are not guaranteed and may fluctuate with partnership performance.* Aimco OP makes quarterly distributions to holders of OP Units (on a per unit basis) that generally are equal to dividends paid on the Aimco common stock (on a per share basis). However, such distributions will not necessarily continue to be equal to such dividends. Although Aimco OP makes quarterly distributions on its OP Units, there can be no assurance regarding the amounts of available cash that Aimco OP will generate or the portion that its general partner will choose to distribute. The actual amounts of available cash will depend upon numerous factors, including profitability of operations, required principal and interest payments on our debt, the cost of acquisitions (including related debt service payments), its issuance of debt and equity securities, fluctuations in working capital, capital expenditures, adjustments in reserves, prevailing economic conditions and financial, business and other factors, some of which may be beyond Aimco OP's control. Cash distributions depend primarily on cash flow, including from reserves, and not on profitability, which is affected by non-cash items. Therefore, cash distributions may be made during periods when Aimco OP records losses and may not be made during periods when it records profits. The Aimco OP partnership agreement gives the general partner discretion in establishing reserves for the proper conduct of the partnership's business that will affect the amount of available cash. Aimco is required to make reserves for the future payment of principal and interest under its credit facilities and other indebtedness. In addition, Aimco OP's credit facility limits its ability to distribute cash to holders of OP Units. As a result of these and other factors, there can be no assurance regarding actual levels of cash distributions on OP Units, and Aimco OP's ability to distribute cash may be limited during the existence of any events of default under any of its debt instruments.

*Holders of OP Units are limited in their ability to effect a change of control.* The limited partners of Aimco OP are unable to remove the general partner of Aimco OP or to vote in the election of Aimco's directors unless they own shares of Aimco. In order to comply with specific REIT tax requirements, Aimco's charter has restrictions on the ownership of its equity securities. As a result, Aimco OP limited partners and Aimco stockholders are limited in their ability to effect a change of control of Aimco OP and Aimco, respectively.

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*Holders of OP Units have limited voting rights.* Aimco OP is managed and operated by its general partner. Unlike the holders of common stock in a corporation, holders of OP Units have only limited voting rights on matters affecting Aimco OP's business. Such matters relate to certain amendments of the partnership agreement and certain transactions such as the institution of bankruptcy proceedings, an assignment for the benefit of creditors and certain transfers by the general partner of its interest in Aimco OP or the admission of a successor general partner. Holders of OP Units have no right to elect the general partner on an annual or other continuing basis, or to remove the general partner. As a result, holders of OP Units have limited influence on matters affecting the operation of Aimco OP, and third parties may find it difficult to attempt to gain control over, or influence the activities of, Aimco OP.

*Holders of OP Units are subject to dilution.* Aimco OP may issue an unlimited number of additional OP Units or other securities for such consideration and on such terms as it may establish, without the approval of the holders of OP Units. Such securities could have priority over the OP Units as to cash flow, distributions and liquidation proceeds. The effect of any such issuance may be to dilute the interests of holders of OP Units.

*Holders of OP Units may not have limited liability in specific circumstances.* The limitations on the liability of limited partners for the obligations of a limited partnership have not been clearly established in some states. If it were determined that Aimco OP had been conducting business in any state without compliance with the applicable limited partnership statute, or that the right or the exercise of the right by the OP Unitholders as a group to make specific amendments to the agreement of limited partnership or to take other action under the agreement of limited partnership constituted participation in the control of Aimco OP's business, then a holder of OP Units could be held liable under specific circumstances for Aimco OP's obligations to the same extent as the general partner.

*Aimco may have conflicts of interest with holders of OP Units.* Conflicts of interest have arisen and could arise in the future as a result of the relationships between the general partner of Aimco OP and its affiliates (including Aimco), on the one hand, and Aimco OP or any partner thereof, on the other. The directors and officers of the general partner have fiduciary duties to manage the general partner in a manner beneficial to Aimco, as the sole stockholder of the general partner. At the same time, as the general partner of Aimco OP, it has fiduciary duties to manage Aimco OP in a manner beneficial to Aimco OP and its limited partners. The duties of the general partner of Aimco OP to Aimco OP and its partners may therefore come into conflict with the duties of the directors and officers of the general partner to its sole stockholder, Aimco. Such conflicts of interest might arise in the following situations, among others:

Decisions of the general partner with respect to the amount and timing of cash expenditures, borrowings, issuances of additional interests and reserves in any quarter will affect whether or the extent to which there is available cash to make distributions in a given quarter.

Under the terms of the Aimco OP partnership agreement, Aimco OP will reimburse the general partner and its affiliates for costs incurred in managing and operating Aimco OP, including compensation of officers and employees.

Whenever possible, the general partner seeks to limit Aimco OP's liability under contractual arrangements to all or particular assets of Aimco OP, with the other party thereto having no recourse against the general partner or its assets.

Any agreements between Aimco OP and the general partner and its affiliates will not grant to the OP Unitholders, separate and apart from Aimco OP, the right to enforce the obligations of the general partner and such affiliates in favor of Aimco OP. Therefore, the general partner, in its capacity as the general partner of Aimco OP, will be primarily responsible for enforcing such obligations.

Under the terms of the Aimco OP partnership agreement, the general partner is not restricted from causing Aimco OP to pay the general partner or its affiliates for any services rendered on terms that are fair and reasonable to Aimco OP or entering into additional contractual arrangements with any of such entities on behalf of Aimco OP. Neither the Aimco OP partnership agreement nor any of the other agreements, contracts and arrangements between Aimco OP, on the one hand, and the general partner of Aimco OP and its affiliates, on the other, are or will be the result of arm's-length negotiations.

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*Provisions in the Aimco OP partnership agreement may limit the ability of a holder of OP Units to challenge actions taken by the general partner.* Delaware law provides that, except as provided in a partnership agreement, a general partner owes the fiduciary duties of loyalty and care to the partnership and its limited partners. The Aimco OP partnership agreement expressly authorizes the general partner to enter into, on behalf of Aimco OP, a right of first opportunity arrangement and other conflict avoidance agreements with various affiliates of Aimco OP and the general partner, on such terms as the general partner, in its sole and absolute discretion, believes are advisable. The latitude given in the Aimco OP partnership agreement to the general partner in resolving conflicts of interest may significantly limit the ability of a holder of OP Units to challenge what might otherwise be a breach of fiduciary duty. The general partner believes, however, that such latitude is necessary and appropriate to enable it to serve as the general partner of Aimco OP without undue risk of liability.

The Aimco OP partnership agreement limits the liability of the general partner for actions taken in good faith. Aimco OP's partnership agreement expressly limits the liability of the general partner by providing that the general partner, and its officers and directors, will not be liable or accountable in damages to Aimco OP, the limited partners or assignees for errors in judgment or mistakes of fact or law or of any act or omission if the general partner or such director or officer acted in good faith. In addition, Aimco OP is required to indemnify the general partner, its affiliates and their respective officers, directors, employees and agents to the fullest extent permitted by applicable law, against any and all losses, claims, damages, liabilities, joint or several, expenses, judgments, fines and other actions incurred by the general partner or such other persons, provided that Aimco OP will not indemnify for (i) willful misconduct or a knowing violation of the law or (ii) for any transaction for which such person received an improper personal benefit in violation or breach of any provision of the partnership agreement. The provisions of Delaware law that allow the common law fiduciary duties of a general partner to be modified by a partnership agreement have not been resolved in a court of law, and the general partner has not obtained an opinion of counsel covering the provisions set forth in the Aimco OP partnership agreement that purport to waive or restrict the fiduciary duties of the general partner that would be in effect under common law were it not for the partnership agreement.

### **Certain United States Tax Risks Associated with an Investment in the OP Units**

The following are among the United States Federal income tax considerations to be taken into account in connection with an investment in OP Units. For a general discussion of certain United States Federal income tax consequences resulting from acquiring, holding, exchanging, and otherwise disposing of OP Units, see *Certain United States Federal Income Tax Matters – Taxation of Aimco OP and OP Unitholders*.

*Aimco OP may be treated as a publicly traded partnership taxable as a corporation.* If Aimco OP were treated as a publicly traded partnership taxed as a corporation for United States Federal income tax purposes, material adverse consequences to the partners and their owners would result. In addition, Aimco would not qualify as a REIT for United States Federal income tax purposes, which would have a material adverse impact on Aimco and its shareholders. Aimco believes and intends to take the position that Aimco OP should not be treated as a publicly traded partnership or taxable as a corporation. No assurances can be given that the Internal Revenue Service, or the IRS, would not assert, or that a court would not sustain a contrary position. Accordingly, each prospective investor is urged to consult his tax advisor regarding the classification and treatment of Aimco OP as a partnership for United States Federal income tax purposes.

*The limited partners may recognize gain on the transaction.* If a limited partner receives or is deemed to receive cash or consideration other than OP Units in connection with the merger, the receipt of such cash or other consideration would be taxable to the limited partner either as boot or under the disguised sale rules. Subject to certain exceptions, including exceptions applicable to periodic distributions of operating cash flow, any transfer or deemed transfer of cash by Aimco OP to the limited partner (or its owners), including cash paid at closing, within two years before or

after a contribution of property that has an adjusted tax basis in excess of its fair market value, will generally be treated as part of a disguised sale. The application of the disguised sale rules is complex and depends, in part, upon the facts and circumstances applicable to the limited partner (and its owners), which Aimco has not undertaken to review. Accordingly, limited partners and their owners are particularly urged to consult with their tax advisors concerning the extent to which the disguised sale rules would apply.

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*A contribution of appreciated or depreciated property may result in special allocations to the contributing partner.* If property is contributed to Aimco OP, and the adjusted tax basis of the property differs from its fair market value, then Aimco OP tax items must be specially allocated, for United States Federal income tax purposes, in a manner chosen by Aimco OP such that the contributing partner is charged with and must recognize the unrealized gain, or benefits from the unrealized loss, associated with the property at the time of the contribution. As a result of such special allocations, the amount of net taxable income allocated to a contributing partner is likely to exceed the amount of cash distributions, if any, to which such contributing partner is entitled.

*The Aimco OP general partner could take actions that would impose tax liability on a contributing partner.* There are a variety of transactions that Aimco OP may in its sole discretion undertake following a property contribution that could cause the transferor (or its partners) to incur a tax liability without a corresponding receipt of cash. Such transactions include, but are not limited to, the sale or distribution of a particular property and a reduction in nonrecourse debt, or certain tax elections made by Aimco OP. In addition, future economic, market, legal, tax or other considerations may cause Aimco OP to dispose of the contributed property or to reduce its debt. As permitted by the Aimco OP partnership agreement, the general partner intends to make decisions in its capacity as general partner of Aimco OP so as to maximize the profitability of Aimco OP as a whole, independent of the tax effects on individual holders of OP Units.

*An investor's tax liability from OP Units could exceed the cash distributions received on such OP Units.* A holder of OP Units will be required to pay United States Federal income tax on such holder's allocable share of Aimco OP's income, even if such holder receives no cash distributions from Aimco OP. No assurance can be given that a holder of OP Units will receive cash distributions equal to such holder's allocable share of taxable income from Aimco OP or equal to the tax liability to such holder resulting from that income. Further, upon the sale, exchange or redemption of any OP Units, a reduction in nonrecourse debt, or upon the special allocation at the liquidation of Aimco OP, an investor may incur a tax liability in excess of the amount of cash received.

**Table of Contents****SELECTED SUMMARY HISTORICAL FINANCIAL DATA OF  
APARTMENT INVESTMENT AND MANAGEMENT COMPANY**

The following tables set forth Aimco's selected summary historical financial data as of the dates and for the periods indicated. Aimco's historical consolidated statements of income data set forth below for each of the five fiscal years in the period ended December 31, 2009 and the historical consolidated balance sheet data for each of the five fiscal year-ends in the period ended December 31, 2009, are derived from information included in Aimco's Current Report on Form 8-K filed with the SEC on September 10, 2010. Aimco's historical consolidated statements of income data set forth below for each of the six months ended June 30, 2010 and 2009, and the historical consolidated balance sheet data as of June 30, 2010, are derived from Aimco's unaudited interim Quarterly Report on Form 10-Q for the quarter ended June 30, 2010.

You should read this information together with Management's Discussion and Analysis of Financial Condition and Results of Operations and with the consolidated financial statements and notes to the consolidated financial statements included in Aimco's Current Report on Form 8-K filed with the SEC on September 10, 2010 and Quarterly Report on Form 10-Q for the quarter ended June 30, 2010, filed with the SEC on July 30, 2010, which are incorporated by reference in this information statement/prospectus. See Where You Can Find Additional Information in this information statement/prospectus.

	<b>For the Six Months Ended June 30,</b>		<b>For the Years Ended December 31,</b>				
	<b>2010</b>	<b>2009(1)</b>	<b>2009(1)</b>	<b>2008(1)</b>	<b>2007(1)</b>	<b>2006(1)</b>	<b>2005(1)</b>
	<b>(Unaudited)</b>						
	<b>(Dollar amounts in thousands, except per share data)</b>						
<b>Consolidated</b>							
<b>Statements of</b>							
<b>Income:</b>							
Total revenues	\$ 584,475	\$ 581,447	\$ 1,165,641	\$ 1,213,170	\$ 1,145,922	\$ 1,057,177	\$ 878,084
Total operating expenses(2)	(520,057)	(518,406)	(1,061,474)	(1,162,893)	(967,670)	(888,390)	(739,863)
Operating income(2)	64,418	63,041	104,167	50,277	178,252	168,787	138,221
Loss from continuing operations(2)	(74,296)	(79,640)	(198,765)	(120,533)	(49,071)	(44,613)	(36,797)
Income from discontinued operations, net(3)	47,366	39,440	153,965	747,535	174,577	331,635	162,149
Net (loss) income	(26,930)	(40,200)	(44,800)	627,002	125,506	287,022	125,352
Net income attributable to noncontrolling interests	(8,413)	(2,779)	(19,474)	(214,995)	(95,595)	(110,234)	(54,370)
Net income attributable to preferred stockholders	(23,050)	(24,643)	(50,566)	(53,708)	(66,016)	(81,132)	(87,948)

net (loss) income attributable to Aimco common stockholders	(58,393)	(67,622)	(114,840)	351,314	(40,586)	93,710	(21,223)
earnings (loss) per common share - basic and diluted:							
Loss from continuing operations attributable to Aimco common stockholders	\$ (0.74)	\$ (0.72)	\$ (1.74)	\$ (2.14)	\$ (1.41)	\$ (1.48)	\$ (1.33)
net (loss) income attributable to Aimco common stockholders	\$ (0.50)	\$ (0.60)	\$ (1.00)	\$ 3.96	\$ (0.43)	\$ 0.98	\$ (0.23)
<b>Consolidated Balance Sheets:</b>							
Real estate, net of accumulated depreciation	\$ 6,810,113		\$ 6,861,247	\$ 7,021,643	\$ 6,797,518	\$ 6,334,853	\$ 5,639,155
Total assets	7,707,801		7,906,468	9,441,870	10,617,681	10,292,587	10,019,160
Total indebtedness	5,643,911		5,602,216	5,984,016	5,599,523	4,905,622	4,243,381
Total equity	1,453,319		1,534,703	1,646,749	2,048,546	2,650,182	3,060,969
<b>Other Information:</b>							
Dividends declared per common share	\$ 0.10	\$ 0.10	\$ 0.40	\$ 7.48	\$ 4.31	\$ 2.40	\$ 3.00
Total consolidated properties (end of period)	427	485	426	514	657	703	619
Total consolidated apartment units (end of period)	94,506	111,054	95,202	117,719	153,758	162,432	158,548
Total unconsolidated properties (end of period)	59	82	77	85	94	102	264
Total unconsolidated apartment units (end of period)	6,943	8,915	8,478	9,613	10,878	11,791	35,269
Units managed (end of period)(4)	26,175	32,241	31,974	35,475	38,404	42,190	46,667

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- (1) Certain reclassifications have been made to conform to the June 30, 2010 financial statement presentation, including retroactive adjustments to reflect additional properties sold or classified as held for sale as of June 30, 2010, as discontinued operations (see Note 3 to the condensed consolidated financial statements in Item 1 Financial Statements in Aimco's Quarterly Report on Form 10-Q for the quarter ended June 30, 2010, and Note 13 to the consolidated financial statements in Item 8 Financial Statements and Supplementary Data in Aimco's Current Report on Form 8-K, filed with the SEC on September 10, 2010, which are incorporated by reference in this information statement/prospectus.).
- (2) Total operating expenses, operating income and loss from continuing operations for the year ended December 31, 2008, include a \$91.1 million pre-tax provision for impairment losses on real estate development assets, which is discussed further in Item 7 Management's Discussion and Analysis of Financial Condition and Results of Operations in Aimco's Current Report on Form 8-K filed with the SEC on September 10, 2010, which is incorporated by reference in this information statement/prospectus.
- (3) Income from discontinued operations for the years ended December 31, 2009, 2008, 2007, 2006 and 2005 includes \$221.8 million, \$800.3 million, \$117.6 million, \$337.1 million and \$162.7 million in gains on disposition of real estate, respectively. Income from discontinued operations for 2009, 2008 and 2007 is discussed further in Item 7 Management's Discussion and Analysis of Financial Condition and Results of Operations in Aimco's Current Report on Form 8-K filed with the SEC on September 10, 2010, which is incorporated by reference in this information statement/prospectus.
- (4) Units managed represents units in properties for which Aimco provides asset management services only, although in certain cases Aimco may indirectly own generally less than one percent of the economic interest in such properties through a partnership syndication or other fund.

**Table of Contents****SELECTED SUMMARY HISTORICAL FINANCIAL DATA OF AIMCO PROPERTIES, L.P.**

The following table sets forth Aimco OP's selected summary historical financial data as of the dates and for the periods indicated. Aimco OP's historical consolidated statements of income data set forth below for each of the five fiscal years in the period ended December 31, 2009 and the historical consolidated balance sheet data for each of the five fiscal year-ends in the period ended December 31, 2009, are derived from information included in Aimco OP's Current Report on Form 8-K filed with the SEC on September 10, 2010. Aimco OP's historical consolidated statements of income data set forth below for each of the six months ended June 30, 2010 and 2009, and the historical consolidated balance sheet data as of June 30, 2010, are derived from Aimco OP's unaudited interim Quarterly Report on Form 10-Q for the quarter ended June 30, 2010.

You should read this information together with Management's Discussion and Analysis of Financial Condition and Results of Operations and with the consolidated financial statements included in Aimco OP's Current Report on Form 8-K filed with the SEC on September 10, 2010, and Quarterly Report on Form 10-Q for the quarter ended June 30, 2010, filed with the SEC on July 30, 2010, which are incorporated by reference in this information statement/prospectus. See Where You Can Find Additional Information in this information statement/prospectus.

	<b>For the Six Months Ended June 30,</b>		<b>For the Years Ended December 31,</b>				<b>2005(1)</b>
	<b>2010</b>	<b>2009(1)</b>	<b>2009(1)</b>	<b>2008(1)</b>	<b>2007(1)</b>	<b>2006(1)</b>	
	<b>(Unaudited)</b>						
	<b>(Dollar amounts in thousands, except per unit data)</b>						
<b>Consolidated</b>							
<b>Statements of</b>							
<b>Income:</b>							
Total revenues	\$ 584,475	\$ 581,447	\$ 1,165,641	\$ 1,213,170	\$ 1,145,922	\$ 1,057,177	\$ 878,084
Total operating expenses(2)	(520,057)	(518,406)	(1,061,474)	(1,162,893)	(967,670)	(888,390)	(739,863)
Operating income(2)	64,418	63,041	104,167	50,277	178,252	168,787	138,221
Loss from continuing operations(2)	(73,870)	(79,232)	(197,945)	(119,747)	(48,322)	(41,653)	(32,339)
Income from discontinued operations, net(3)	47,366	39,440	153,965	747,535	174,577	331,635	162,149
Net (loss) income	(26,504)	(39,792)	(43,980)	627,788	126,255	289,982	129,810
Net income attributable to noncontrolling interests	(9,418)	(5,411)	(22,442)	(155,749)	(92,138)	(92,917)	(49,064)
Net income attributable to preferred unitholders	(26,426)	(27,458)	(56,854)	(61,354)	(73,144)	(90,527)	(98,946)
Net (loss) income attributable to the partnership's common	(62,348)	(72,661)	(123,276)	403,700	(43,508)	104,592	(22,458)

Unit holders														
Earnings (loss) per common unit - basic and diluted:														
Loss from continuing operations attributable to the partnership's common unit holders	\$	(0.74)	\$	(0.72)	\$	(1.75)	\$	(1.99)	\$	(1.40)	\$	(1.47)	\$	(1.32)
Net (loss) income attributable to the partnership's common unit holders	\$	(0.50)	\$	(0.60)	\$	(1.00)	\$	4.11	\$	(0.42)	\$	0.99	\$	(0.21)
<b>Consolidated Balance Sheets:</b>														
Real estate, net of accumulated depreciation	\$	6,810,618			\$	6,861,752	\$	7,022,148	\$	6,798,023	\$	6,335,358	\$	5,639,660
Total assets		7,723,898				7,922,139		9,456,721		10,631,746		10,305,903		10,031,761
Total indebtedness		5,643,911				5,602,216		5,984,016		5,599,523		4,905,622		4,243,381
Total partners' capital		1,469,416				1,550,374		1,661,600		2,152,326		2,753,617		3,164,111
<b>Other Information:</b>														
Distributions declared per common unit	\$	0.10	\$	0.10	\$	0.40	\$	7.48	\$	4.31	\$	2.40	\$	3.00
Total consolidated properties (end of period)		427				485		426		514		657		703
Total consolidated apartment units (end of period)		94,506				111,054		95,202		117,719		153,758		162,432
Total unconsolidated properties (end of period)		59				82		77		85		94		102
Total unconsolidated apartment units (end of period)		6,943				8,915		8,478		9,613		10,878		11,791
														35,269