

APARTMENT INVESTMENT & MANAGEMENT CO

Form S-4/A

December 19, 2011

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As filed with the Securities and Exchange Commission on December 19, 2011

Registration No. 333-175846

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

**Amendment No. 1
to
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)

Maryland

*(State of other jurisdiction of
incorporation or organization)*

6798

*(Primary standard industrial
classification code number)*

84-1259577

*(IRS Employer
Identification Number)*

AIMCO PROPERTIES, L.P.

(Exact name of registrant as specified in its charter)

Delaware

*(State of other jurisdiction of
incorporation or organization)*

6513

*(Primary standard industrial
classification code number)*

84-1275621

*(IRS Employer
Identification Number)*

**4582 South Ulster Street, 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
Executive Vice President
Apartment Investment and Management Company
4582 South Ulster Street, Suite 1100
Denver, Colorado 80237
(303) 757-8101**

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

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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

Title of Each Class of Securities to be Registered	Amount to be Registered(1)	Proposed Maximum Offering Price per Unit	Proposed Maximum Aggregate Offering Price(2)	Amount of Registration Fee
Partnership Common Units of AIMCO Properties, L.P. Common Stock of Apartment Investment and Management Company(2)			\$ 7,354,906.86	\$ 853.21(3)

(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.

(3) A registration fee of \$799.66 was paid prior to October 1, 2011, based on a proposed maximum offering price of \$6,887,658.12 and the then applicable fee rate. The aggregate amount of the registration fee represents this previously paid fee plus an additional fee of \$53.55, based on the increase in the proposed maximum offering price of \$467,248.74 and the current fee rate.

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 DECEMBER 19, 2011

INFORMATION STATEMENT/PROSPECTUS

CENTURY PROPERTIES FUND XVII, LP

Century Properties Fund XVII, LP, or CPF XVII, 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 CPF XVII Merger Sub LLC, will be merged with and into CPF XVII, with CPF XVII as the surviving entity. The Aimco Subsidiary was formed for the purpose of effecting this transaction and does not have any assets or operations. CPF XVII currently has two series of limited partnership interests, Series A Units of Limited Partnership Interest, or Series A Units, and Series B Units of Limited Partnership Interest, or Series B Units. Units of Limited Partnership Interest in CPF XVII (whether before or after the creation of the Series A Units and the Series B Units) are sometimes referred to herein as CPF XVII Units. In the merger, each Series A Unit will be converted into the right to receive, at the election of the holder of such unit, either:

\$332.29 in cash, or

\$332.29 in partnership common units of Aimco OP, or OP Units.

The merger consideration of \$332.29 per Series A Unit was based on independent third party appraisals of CPF XVII's three properties that relate to the Series A Units by Cogent Realty Advisors, LLC, or CRA, an independent valuation firm.

The number of OP Units offered for each Series A Unit will be calculated by dividing \$332.29 by the average closing price of common stock of Apartment Investment and Management Company, or Aimco, as reported on the New York Stock Exchange, or the NYSE, over the ten consecutive trading days ending on the second trading day immediately prior to the consummation of the merger. For example, as of December 14, 2011, the average closing price of Aimco common stock over the preceding ten consecutive trading days was \$21.62, which would have resulted in 15.37 OP Units offered for each Series A 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.

The OP Units are not listed on any securities exchange nor do they trade in an active secondary market. However, after a one-year holding period, OP Units are redeemable for shares of Aimco common stock (on a one-for-one basis) or cash equal to the value of such shares, as Aimco elects. As a result, the trading price of Aimco common stock is considered a reasonable estimate of the fair market value of an OP Unit. Aimco's common stock is listed and traded on the NYSE under the symbol AIV.

In the merger, Aimco OP's interest in the Aimco Subsidiary will be converted into Series A Units. As a result, after the merger, Aimco OP will own all of the outstanding Series A Units. **The Series B Units, which relate to one of CPF**

XVII's former properties, the Hampden Heights Apartments, will not be affected by the merger and will remain outstanding following consummation of the merger.

Within ten days after the effective time of the merger, Aimco OP will prepare and mail to the former holders of Series A Units an election form pursuant to which they can elect to receive cash or OP Units. Holders of Series A Units may elect their 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 a holder before 5:00 p.m., New York time, on the 30th day after the mailing of the election form, the holder will be deemed to have elected to receive cash. Former holders of Series A Units may also use the election form to elect to receive, in lieu of the merger consideration, the appraised value of their Series A Units, determined through an arbitration proceeding.

Under Delaware law, the merger must be approved by CPF XVII's general partner and a majority in interest of the Series A Units. The general partner has determined that the merger is advisable, fair to and in the best interests of CPF XVII and its limited partners and has approved the merger and the merger agreement. As of December 14, 2011, there were issued and outstanding 75,000 Series A Units, and Aimco OP and its affiliates owned 52,866 of those units, or approximately 70.49% of the number of units outstanding. As more fully described herein, 25,833.5 of the Series A Units owned by affiliates of the general partner are subject to a voting restriction, which requires the Series A Units to be voted in proportion to the votes cast with respect to Series A Units not subject to this voting restriction. The general partner's affiliates have indicated that they will vote all of their Series A Units that are not subject to this restriction, 27,032.5 or approximately 36.04% of the outstanding Series A Units, in favor of the merger. As a result, affiliates of the general partner will vote a total of 41,236 Series A Units, or approximately 54.98% of the outstanding Series A Units, in favor of the merger. 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 _____, 2011. **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 CPF XVII's general partner has decided that the merger is in the best interests of CPF XVII and the limited partners of CPF XVII. CPF XVII's general partner has 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 23. 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, determined if this information statement/prospectus is truthful or complete, approved or disapproved of the merger, passed upon the merits or fairness of the merger, or passed upon the adequacy or accuracy of the disclosure in this information statement/prospectus. Any representation to the contrary is a criminal offense.

This information statement/prospectus is dated _____, 2011, and is first being mailed to limited partners on or about _____, 2011.

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WE ARE CURRENTLY SEEKING QUALIFICATION TO ALLOW ALL HOLDERS OF SERIES A 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

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 from documents that it has filed with the Securities and Exchange Commission, or the SEC, 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 100 of this information statement/prospectus.

Aimco will provide you with copies of such documents relating to Aimco (excluding all exhibits unless Aimco 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 SEC 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 Series A 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. 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 TERM SHEET

This summary term sheet highlights the material information with respect to the merger, the merger agreement and the other matters described herein. 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. Aimco, Aimco OP, Fox Partners, or Fox, and Aimco's subsidiaries that may be deemed to directly or indirectly beneficially own Series A Units are referred to herein, collectively, as the Aimco Entities.

The Merger: CPF XVII 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 CPF XVII, with CPF XVII as the surviving entity. 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.

Merger Consideration: In the merger, each Series A Unit will be converted into the right to receive, at the election of the holder of such Series A Unit, either \$332.29 in cash or equivalent value in OP Units, except in those jurisdictions where the law prohibits the offer of OP Units (or registration or qualification would be prohibitively costly). The number of OP Units issuable with respect to each Series A Unit will be calculated by dividing the \$332.29 per 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. Each holder of Series A Units must make the same election (cash or OP Units) for all of his or her Series A Units. For a full description of the determination of the merger consideration, see The Merger Determination of Merger Consideration beginning on page 47.

Fairness of the Merger: Although the Aimco Entities have interests that may conflict with those of CPF XVII's unaffiliated limited partners, each of the Aimco Entities believe that the merger is fair to the unaffiliated limited partners of CPF XVII. See Special Factors Fairness of the Transaction beginning on page 7. The merger consideration of \$332.29 per Series A Unit was based on independent third party appraisals of CPF XVII's three properties that relate to the Series A Units by Cogent Realty Advisors, LLC, or CRA, an independent valuation firm.

Opinion of Financial Advisor: In connection with the merger, Duff & Phelps, LLC, or Duff & Phelps, has delivered its written opinion to the boards of directors of Aimco, the general partner of Aimco OP and the managing general partner of CPF XVII's general partner to the effect that, as of December 19, 2011, the cash consideration of \$332.29 per unit is fair, from a financial point of view, to the unaffiliated limited partners of CPF XVII. The full text of Duff & Phelps's written opinion, which sets forth the assumptions made, procedures followed, factors considered and qualifications and limitations on the review undertaken by Duff & Phelps in connection with its opinion, is attached to this information statement/prospectus as Annex C. You are encouraged to read Duff & Phelps's opinion, and the section entitled Special Factors Opinion of Financial Advisor beginning on page 16, carefully and in their entirety. Duff & Phelps's opinion was directed to the boards of directors of Aimco, the general partner of Aimco OP and the managing general partner of CPF XVII's general partner, and addresses only the fairness to the unaffiliated limited partners of CPF XVII, from a financial point of view, of the cash consideration of \$332.29 per unit as of the date of the opinion. Duff & Phelps's opinion did not address any other aspect of the merger and was not intended to and does not constitute a recommendation as to how any party should vote or act with respect to the merger or any matter relating thereto.

Effects of the Merger: After the merger, Aimco OP will own all of the outstanding Series A Units. As a result, after the merger, you will cease to have any rights with respect to the Series A Units. The Series B Units will not be affected by the merger and will remain outstanding following consummation of the merger. See Special Factors Effects of the Merger, beginning on page 6.

Appraisal Rights: Pursuant to the terms of the merger agreement, Aimco OP will provide each limited partner who holds Series A Units with contractual dissenters appraisal rights that are similar to the

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dissenters' appraisal rights available to a stockholder of a constituent corporation in a merger under Delaware law, and which will enable a limited partner to obtain an appraisal of the value of the limited partner's Series A Units in connection with the merger. See *The Merger Appraisal Rights*, beginning on page 49. A description of the appraisal rights being provided, and the procedures that a limited partner who holds Series A Units must follow to seek such rights, is attached to this information statement/prospectus as Annex B.

List of Investors: Under CPF XVII's partnership agreement and Delaware law, a limited partner will, after payment of the reasonable expense of duplication, be provided with a copy of the certificate or certificates of limited partnership containing the most recent listing of the partners' names, addresses and capital contributions. This list may be obtained by making written request to Fox Partners, c/o Eagle Rock Proxy Advisors, LLC, 12 Commerce Drive, Cranford, New Jersey 07016, or by fax at (908) 497-2349.

Parties Involved:

Century Properties Fund XVII, LP, or CPF XVII, is a Delaware limited partnership formed on September 18, 2008, following a redomestication of the partnership from California to Delaware. CPF XVII owns and operates three investment properties: the Peakview Place Apartments, which consists of a 296 unit apartment project located in Englewood, Colorado, or the Peakview Property; the Creekside Apartments, a 328 unit apartment project located in Denver, Colorado, or the Creekside Property; and The Village in the Woods Apartments, a 530 unit apartment project located in Cypress, Texas, or the Village in the Woods Property. As further described below, on July 22, 2011, CPF XVII sold the Hampden Heights Apartments, a 376 unit apartment project located in Denver, Colorado, or the Hampden Heights Property, to a third party for a total sales price of \$22,750,000. Holders of CPF XVII's Series A Units are entitled to distributions and allocations of gain and loss with respect to the Peakview Property, the Creekside Property and the Village in the Woods Property. Holders of CPF XVII's Series B Units are entitled to distributions and allocations of gain and loss with respect to the Hampden Heights Property. See *Information About Century Properties Fund XVII*, beginning on page 37. CPF XVII's principal address is 55 Beattie Place, P.O. Box 1089, Greenville, South Carolina 29602, and its telephone number is (864) 239-1000.

Apartment Investment and Management Company, or Aimco, is a Maryland corporation that is a self-administered and self-managed real estate investment trust, or REIT. Aimco's principal financial objective is to provide predictable and attractive returns to its stockholders. Aimco's common stock is listed and traded on the NYSE under the symbol AIV. See *Information about the Aimco Entities*, beginning on page 35. Aimco's principal address is 4582 South Ulster Street, Suite 1100, Denver, Colorado 80237, and its telephone number is (303) 757-8101.

AIMCO Properties, L.P., or Aimco OP, is a Delaware limited partnership which, through its operating divisions and subsidiaries, holds substantially all of Aimco's assets and manages the daily operations of Aimco's business and assets. See *Information about the Aimco Entities*, beginning on page 35. Aimco OP's principal address is 4582 South Ulster Street, Suite 1100, Denver, Colorado 80237, and its telephone number is (303) 757-8101.

AIMCO CPF XVII Merger Sub LLC, or the Aimco Subsidiary, is a Delaware limited liability company formed for the purpose of consummating the merger with CPF XVII. The Aimco Subsidiary is a direct wholly-owned subsidiary of Aimco OP. See *Information about the Aimco Entities*, beginning on page 35.

Reasons for the Merger: Aimco and Aimco OP are in the business of acquiring, owning and managing apartment properties such as the four properties owned by CPF XVII. Aimco and Aimco OP have decided to proceed with the merger as a means of acquiring CPF XVII's remaining three properties in a manner that they

believe (i) provides fair value to limited partners, (ii) offers limited partners an opportunity to receive immediate liquidity, or defer recognition of taxable gain (except where 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 where registration or qualification would be prohibitively costly), and (iii) relieves CPF XVII

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of the expenses associated with a sale of the properties, including marketing and other transaction costs. The Aimco Entities decided to proceed with the merger at this time for the following reasons:

In the absence of a transaction, limited partners of CPF XVII who hold Series A Units have only limited options to liquidate their investment in CPF XVII. The Series A Units are not traded on an exchange or other reporting system, and transactions in the securities are limited and sporadic.

The value of the properties owned by CPF XVII is not sufficient to justify its continued operation as a public company. As a public company with a significant number of unaffiliated limited partners, CPF XVII incurs costs associated with preparing audited annual financial statements, unaudited quarterly financial statements, tax returns and partner Schedule K-1s, periodic SEC reports and other expenses. The Aimco Entities estimate these costs to be approximately \$113,000 per year. The merger will eliminate a significant amount of these costs. As a result of the merger, Aimco OP will become the sole holder of Series A Units and, upon termination of the Series B Units (which is expected to occur at year end), Aimco OP will be the sole limited partner of CPF XVII, thus allowing the partnership to eliminate costs associated with being a public company.

CPF XVII has been operating at a loss for the past several years. Starting in 2009, Aimco OP has made loans of approximately \$7,849,600 to CPF XVII to help fund operating expenses at all of CPF XVII's properties, pay off old mortgages and fund loan commitment fees for the new mortgage encumbering the Creekside Property. During this same time frame, CPF XVII has repaid approximately \$2,397,300 to Aimco OP. CPF XVII may receive additional advances of funds from Aimco OP, although Aimco OP is not obligated to provide such advances. If the Aimco Entities acquire 100% ownership of CPF XVII, they will have greater flexibility in financing and operating its properties.

Conflicts of Interest: Fox is the general partner of CPF XVII and is an affiliate of Aimco. Fox Capital Management Corporation, or FCMC, is the managing general partner of Fox and is wholly-owned by AIMCO/IPT, Inc., an affiliate of Aimco. Therefore, Fox and FCMC have a conflict of interest with respect to the merger, which could result in the approval of a transaction that is more favorable to Aimco than might be the case absent such conflict of interest. See, *The Merger Conflicts of Interest*, beginning on page 48.

Risk Factors: In evaluating the merger agreement and the merger, CPF XVII limited partners should carefully read this information statement/prospectus and especially consider the factors discussed in the section entitled *Risk Factors* beginning on page 23. Some of the risk factors associated with the merger are summarized below:

Aimco is an affiliate of Fox, the general partner of CPF XVII. As a result, Fox has a conflict of interest in the merger. A transaction with a third party in the absence of this conflict could result in better terms or greater consideration to CPF XVII's limited partners who hold Series A Units.

CPF XVII limited partners who receive cash may recognize taxable gain in the merger and that gain could exceed the merger consideration.

There are a number of significant differences between Series A 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 Series A Units and Aimco OP Units*, beginning on page 70.

CPF XVII 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 of OP Units.

Material United States Federal Income Tax Consequences of the Merger: In general, any payment of cash for Series A Units will be treated as a sale of such Series A Units by the holder thereof, and any exchange of Series A 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 Internal Revenue Code, as a tax

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free transaction, except to the extent described in Material United States Federal Income Tax Considerations
United States Federal Income Tax Consequences Relating to the Merger, beginning on page 75.

The foregoing is a general discussion of the material U.S. federal income tax consequences of the merger. This summary does not discuss all aspects of U.S. 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 U.S. 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 Material United States Federal Income Tax Considerations, herein and consult your tax advisors for a full understanding of the tax consequences to you of the merger.

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SPECIAL FACTORS

Purposes, Alternatives and Reasons for the Merger

Aimco and Aimco OP are in the business of acquiring, owning and managing apartment properties such as the three properties owned by CPF XVII. Aimco and Aimco OP have decided to proceed with the merger as a means of acquiring CPF XVII's remaining three properties in a manner that they believe (i) provides fair value to limited partners, (ii) offers limited partners an opportunity to receive immediate liquidity, or defer recognition of taxable gain (except where 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 where registration or qualification would be prohibitively costly), and (iii) relieves CPF XVII of the expenses associated with a sale of these three properties, including marketing and other transaction costs.

The Aimco Entities decided to proceed with the merger at this time for the following reasons:

In the absence of a transaction, limited partners of CPF XVII who hold Series A Units have only limited options to liquidate their investment in CPF XVII. The Series A Units are not traded on an exchange or other reporting system, and transactions in the securities are limited and sporadic.

The value of the properties owned by CPF XVII is not sufficient to justify its continued operation as a public company. As a public company with a significant number of unaffiliated limited partners, CPF XVII incurs costs associated with preparing audited annual financial statements, unaudited quarterly financial statements, tax returns and partner Schedule K-1s, periodic SEC reports and other expenses. The Aimco Entities estimate these costs to be approximately \$113,000 per year. The merger will eliminate a significant amount of these costs. As a result of the merger, Aimco OP will become the sole holder of Series A Units and, upon termination of the Series B Units (which is expected to occur at year end), Aimco OP will be the sole limited partner of CPF XVII, thus allowing the partnership to eliminate costs associated with being a public company.

CPF XVII has been operating at a loss for the past several years. Starting in 2009, Aimco OP has made loans of approximately \$7,849,600 to CPF XVII to help fund operating expenses at all of CPF XVII's properties, pay off old mortgages and fund loan commitment fees for the new mortgage encumbering the Creekside Property. During this same time frame, CPF XVII has repaid approximately \$2,397,300 to Aimco OP. CPF XVII may receive additional advances of funds from Aimco OP, although Aimco OP is not obligated to provide such advances. If the Aimco Entities acquire 100% ownership of CPF XVII, they will have greater flexibility in financing and operating its properties.

Before deciding to proceed with the merger, Fox and the other Aimco Entities considered the alternatives described below:

Continuation of CPF XVII as a Public Company Operating the Properties. Fox and the Aimco Entities did not consider operating CPF XVII as a public company in the long term as a viable alternative primarily because of the costs associated with preparing financial statements, tax returns, periodic SEC reports and other expenses, and the inability of CPF XVII to generate sufficient funds to cover operating expenses without advances from Aimco OP which may not be available in the future.

Liquidation of CPF XVII. As discussed above, Fox and the other Aimco Entities considered a liquidation of CPF XVII in which CPF XVII's properties would be marketed and sold to third parties for cash, with any net proceeds

remaining after payment of all liabilities distributed to CPF XVII's limited partners. The primary advantage of such a transaction would be that the sale prices would reflect arm's-length negotiations and might therefore be higher than the appraised values which have been used to determine the merger consideration. Fox and the Aimco Entities rejected this alternative because of: (i) the risk that a third party purchaser might not be found that would offer a satisfactory price; (ii) the costs imposed on CPF XVII in connection with marketing and selling the properties; and (iii) the fact that limited partners would recognize taxable gain on the sales. Fox and the other Aimco Entities evaluated a sale of the Village in the Woods Property to a third party in early 2009 but were unable to find a third-party buyer that was willing to buy the property at a price that was acceptable to Fox. Also, Fox determined that an assumption of the existing loans would require a partial loan paydown because of lender loan-to-value requirements.

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Contribution of properties to Aimco OP. The Aimco Entities considered a transaction in which CPF XVII's properties would be contributed to Aimco OP in exchange for OP Units. The primary advantage of such a transaction would be that CPF XVII limited partners would not recognize taxable gain. The Aimco Entities rejected this alternative because it would not offer limited partners an opportunity for immediate liquidity.

Effects of the Merger

The Aimco Entities believe that the merger will have the following benefits and detriments to unaffiliated limited partners of CPF XVII who hold Series A Units, CPF XVII and the Aimco Entities:

Benefits to Unaffiliated Limited Partners. The merger is expected to have the following principal benefits to unaffiliated limited partners of CPF XVII who hold Series A Units:

Liquidity. Limited partners are given a choice of merger consideration and may elect to receive either cash or OP Units in the merger in exchange for their Series A Units, except in those jurisdictions where the law prohibits the offer of OP Units (or registration or qualification would be prohibitively costly). Limited partners who receive the cash consideration will receive immediate liquidity with respect to their investment.

Option to Defer Taxable Gain. Limited partners who receive OP Units in the merger may defer recognition of taxable gain (except where 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 where registration or qualification would be prohibitively costly).

Diversification. Limited partners who receive OP Units in the merger in exchange for their Series A Units will have the opportunity to participate in Aimco OP, which has a more diversified property portfolio than CPF XVII.

Benefits to CPF XVII. The merger is expected to have the following principal benefits to CPF XVII:

Elimination of Costs Associated with SEC Reporting Requirements and Multiple Limited Partners. As discussed above, following consummation of the merger and upon termination of the Series B Units (which is expected to occur at year end), CPF XVII will cease filing periodic reports with the SEC. As a result, CPF XVII will then no longer incur costs associated with preparing audited financial statements, unaudited quarterly financial statements, tax returns and partner Schedule K-1s, periodic SEC reports and other expenses. The Aimco Entities estimate these expenses to be approximately \$113,000 per year. The merger will eliminate a significant amount of these costs.

Benefits to the Aimco Entities. The merger is expected to have the following principal benefits to the Aimco Entities:

Increased Interest in CPF XVII. Upon completion of the merger, Aimco OP will be the sole holder of Series A Units. As a result, the Aimco Entities will receive all of the benefit from any future appreciation in value of the three properties that relate to the Series A Units after the merger, and any future income from such properties.

Detriments to Unaffiliated Limited Partners. The merger is expected to have the following principal detriments to unaffiliated limited partners of CPF XVII who hold Series A Units:

Taxable Gain. Limited partners who receive the cash consideration in exchange for their Series A Units may recognize taxable gain in the merger that could exceed the merger consideration. In addition, limited partners who receive OP Units in the merger could recognize taxable gain if Aimco subsequently sells any of the three properties of CPF XVII that relate to the Series A Units.

Risks Related to OP Units. Limited partners who receive OP Units in the merger in exchange for their Series A Units will be subject to the risks related to an investment in OP Units, as described in greater detail under the heading Risk Factors Risks Related to an Investment in OP Units.

Conflicts of Interest; No Separate Representation of Unaffiliated Limited Partners. Fox is the general partner of CPF XVII and is an affiliate of Aimco. FCMC is the managing general partner of Fox and is wholly-owned by AIMCO/IPT, Inc., an affiliate of Aimco. Therefore, Fox and FCMC have a conflict of interest with respect to the

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merger, which could result in the approval of a transaction that is more favorable to Aimco than might be the case absent such conflict of interest. The general partner's desire to seek the best possible terms for CPF XVII's limited partners conflicts with Aimco's interest in obtaining the best possible terms for Aimco OP. In negotiating the merger agreement, no one separately represented the interests of the unaffiliated limited partners of CPF XVII who hold Series A Units. If an independent advisor had been engaged, it is possible that such advisor could have negotiated better terms for CPF XVII's unaffiliated limited partners who hold Series A Units.

Detriments to CPF XVII. The merger is not expected to have any detriments to CPF XVII.

Detriments to the Aimco Entities. The merger is expected to have the following principal detriments to the Aimco Entities:

Increased Interest in CPF XVII. Upon completion of the merger and the distribution of the remaining net proceeds attributable to the Series B Units, the Aimco Entities' interest in the net book value of CPF XVII will increase from 70.5% to 100%, or from a deficit of \$23,938,000 to a deficit of \$33,960,000 as of December 31, 2010, and their interest in the losses from continuing operations of CPF XVII will increase from 70.5% to 100%, or from \$1,327,000 to \$1,883,000 for the period ended December 31, 2010. Upon completion of the merger, Aimco OP will own all of the outstanding Series A Units of CPF XVII. As a result, Aimco OP will bear the burden of all future operating or other losses of CPF XVII, as well as any decline in the value of CPF XVII's properties.

Burden of Capital Expenditures. Upon completion of the merger, the Aimco Entities will have sole responsibility for providing any funds necessary to pay for capital expenditures at the three properties that relate to the Series A Units.

Material United States Federal Income Tax Consequences of the Merger

For a discussion of the material U.S. federal income tax consequences of the merger, see *Material United States Federal Income Tax Considerations – United States Federal Income Tax Consequences Relating to the Merger*, beginning on page 75.

Fairness of the Transaction

Factors in Favor of Fairness Determination. The Aimco Entities (including Fox as general partner of CPF XVII) believe that the merger is advisable, fair to and in the best interests of CPF XVII and its unaffiliated limited partners. In support of such determination, the Aimco Entities considered the following factors:

The merger consideration of \$332.29 per Series A Unit was based on independent third party appraisals of each of the three underlying properties by CRA, an independent valuation firm.

Duff & Phelps has delivered its written opinion to the boards of directors of Aimco, the general partner of Aimco OP and the managing general partner of CPF XVII's general partner to the effect that, as of December 19, 2011, based upon and subject to the assumptions made, procedures followed, factors considered, and qualifications and limitations on the review undertaken by Duff & Phelps in connection with its opinion, the cash consideration of \$332.29 per unit is fair, from a financial point of view, to the unaffiliated limited partners of CPF XVII.

The merger consideration is greater than the Aimco Entities' estimate of liquidation value because there was no deduction for certain amounts that would be payable upon an immediate sale of the three underlying properties, such as transaction costs related to the sale and prepayment penalties on the mortgage debt for the Peakview Property and the Village in the Woods Property, currently estimated to be approximately \$4,411,900 and

\$8,333,000, respectively, as well as prepayment penalties that would apply (based on current interest rates) if the Creekside Property was sold after the expiration of the current lockout period (during which a prepayment of the mortgage debt is prohibited) in June 2013.

The merger consideration is equal to the Aimco Entities' estimate of going concern value, calculated as the aggregate appraised value of the three underlying properties, plus the amount of any other assets, less the amount of CPF XVII's liabilities, including the market value of mortgage debt (but without deducting any prepayment penalties thereon), in each case, that relate to the Series A Units.

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The mark-to-market adjustment to the mortgage debt encumbering CPF XVII's properties is less than the prepayment penalties that would be payable upon an immediate sale of the Peakview Property and the Village in the Woods Property and the prepayment penalties that would be payable (based on current interest rates) upon a sale of the Creekside Property after the expiration of the current lockout period.

The merger consideration exceeds the net book value per Series A Unit (a deficit of \$383.21 per Series A Unit at September 30, 2011).

The appraised value of the Creekside Property relied on to determine the merger consideration is higher than a January 2011 lender appraisal for the Creekside Property, which indicated a market value of \$18,400,000 as of November 15, 2010.

Limited partners may defer recognition of taxable gain by electing to receive OP Units in the merger, except in those jurisdictions where the law prohibits the offer of OP Units (or registration or qualification would be prohibitively costly).

The number of OP Units issuable to limited partners in the merger will be 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.

Limited partners who receive the cash consideration will achieve immediate liquidity with respect to their investment.

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

Although limited partners who hold Series A Units 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.

Although the merger agreement may be terminated by either side at any time, Aimco OP and the Aimco Subsidiary are very 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 subsequent reduction of the proceeds.

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

The merger consideration to be paid to holders of Series A Units (together with the distribution of proceeds from the sale of the Hampden Heights Property to holders of Series B Units) is greater than the prices at which CPF XVII Units have recently sold in the secondary market (\$25.00 to \$175.00 per CPF XVII Unit) from January 1, 2010 through December 9, 2011.

The merger consideration to be paid to holders of Series A Units (together with the distribution of proceeds from the sale of the Hampden Heights Property to holders of Series B Units) is greater than the prices at which CPF XVII Units have historically sold in the secondary market (\$95.00 to \$161.00 per CPF XVII Unit) from January 1, 2009 through December 31, 2009.

Factors Not in Favor of Fairness Determination. In addition to the foregoing factors, the Aimco Entities also considered the following countervailing factors:

Fox, the general partner of CPF XVII, and FCMC, the managing general partner of Fox, have substantial conflicts of interest with respect to the merger as a result of (i) the fiduciary duties Fox owes to unaffiliated limited partners, who have an interest in receiving the highest possible consideration, and (ii) the fiduciary duties FCMC (which acts on behalf of Fox) owes to its sole stockholder, an affiliate of Aimco, which has an interest in obtaining the three underlying properties for the lowest possible consideration.

The terms of the merger were not approved by any independent directors.

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An unaffiliated representative was not retained to act solely on behalf of the unaffiliated limited partners who hold Series A Units for purposes of negotiating the merger agreement on an independent, arm's-length basis, which might have resulted in better terms for the unaffiliated limited partners.

The merger agreement does not require the approval of any unaffiliated limited partners.

In calculating the merger consideration, the market value of the mortgage debt encumbering the three properties that relate to the Series A Units was deducted, which resulted in less merger consideration than would have been the case if the aggregate amount outstanding was deducted.

Limited partners who receive the cash consideration in the merger in exchange for their Series A Units may recognize taxable gain that could exceed the merger consideration.

Limited partners who receive OP Units in the merger in exchange for their Series A Units could recognize taxable gain if Aimco subsequently sells any of the three properties of CPF XVII that relate to the Series A Units.

Limited partners who receive OP Units in the merger will be subject to the risks related to an investment in OP Units, as described in greater detail under the heading **Risk Factors** **Risks Related to an Investment in OP Units**.

CRA, the valuation firm that appraised the three underlying properties, has performed work for Aimco OP and its affiliates in the past, and this pre-existing relationship could negatively impact CRA's independence.

The Aimco Entities did not assign relative weights to the above factors in reaching their decision that the merger is fair to CPF XVII and its unaffiliated limited partners. However, in determining that the benefits of the proposed merger outweigh the costs and risks, they relied primarily on the following factors: (i) the merger consideration of \$332.29 per Series A Unit is based on independent third party appraisals of the three underlying properties, (ii) the Duff & Phelps opinion that, as of December 19, 2011, based upon and subject to the assumptions made, procedures followed, factors considered, and qualifications and limitations on the review undertaken by Duff & Phelps in connection with its opinion, the cash consideration of \$332.29 per unit is fair, from a financial point of view, to the unaffiliated limited partners of CPF XVII; (iii) limited partners may defer recognition of taxable gain by electing to receive OP Units in the merger (except in certain jurisdictions) and (iv) limited partners who hold Series A Units are entitled to contractual dissenters' appraisal rights. The Aimco Entities were aware of, but did not place much emphasis on, information regarding prices at which CPF XVII Units may have sold in the secondary market because they do not view that information as a reliable measure of value. The CPF XVII Units are not traded on an exchange or other reporting system, and transactions in the secondary market are very limited and sporadic. In addition, some of the historical prices of the CPF XVII Units are not comparable to current value because of intervening events, including the creation of two series of CPF XVII Units, distributions to limited partners and advances from Fox.

Procedural Fairness. The Aimco Entities determined that the merger is fair from a procedural standpoint despite the absence of any customary procedural safeguards, such as the engagement of an unaffiliated representative, the approval of independent directors or approval by a majority of unaffiliated limited partners. In making this determination, the Aimco Entities relied primarily on the dissenters' appraisal rights provided to unaffiliated holders of Series A Units under the merger agreement that are similar to the dissenters' appraisal rights available to stockholders in a corporate merger under Delaware law.

The Appraisals

Selection and Qualifications of Independent Appraiser. Fox, in its capacity as the general partner of CPF XVII, retained the services of CRA to appraise the market value of the Peakview Property, the Creekside Property and the Village in the Woods Property. CRA is an experienced independent valuation consulting firm that has performed appraisal services for Aimco OP and its affiliates in the past. Aimco OP believes that its relationship with CRA had no negative impact on its independence in conducting the appraisals related to the merger.

Factors Considered. CRA performed complete appraisals of the Peakview Property, the Creekside Property and the Village in the Woods Property. CRA has represented that its reports were prepared in conformity with the

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Uniform Standards of Professional Appraisal Practice, as promulgated by the Appraisal Standards Board of the Appraisal Foundation and the Code of Professional Ethics and Standards of Professional Appraisal Practice of the Appraisal Institute. CPF XVII furnished CRA with all of the necessary information requested by CRA in connection with the appraisals. The appraisals were not prepared in conjunction with a request for a specific value or a value within a given range. In preparing its valuation of each property, CRA, among other things:

Inspected the property and its environs;

Reviewed demographic and other socioeconomic trends pertaining to the city and region where the property is located;

Examined regional apartment, office and retail market conditions, with special emphasis on the property's submarket;

Investigated lease and sale transactions involving comparable properties in the influencing market;

Reviewed the existing rent roll and discussed the leasing status with the building manager and leasing agent. In addition, CRA reviewed the property's recent operating history and those of competing properties;

Utilized appropriate appraisal methodology to derive estimates of value; and

Reconciled the estimates of value into a single value conclusion.

Summary of Approaches and Methodologies Employed. The following summary describes the approaches and analyses employed by CRA in preparing the appraisals. CRA principally relied on two approaches to valuation: (i) the income capitalization approach and (ii) the sales comparison approach.

The income capitalization approach is based on the premise that value is derived by converting anticipated benefits into property value. Anticipated benefits include the present value of the net income and the present value of the net proceeds resulting from the re-sale of the property. CRA reported that each property has an adequate operations history to determine its income-producing capabilities over the near future. In addition, performance levels of competitive properties served as an adequate check as to the reasonableness of each property's actual performance. As such, the income capitalization approach was utilized in the appraisal of each property.

As part of the income capitalization approach, CRA used the direct capitalization method to estimate a value for the Peakview Property, the direct capitalization method to estimate a value for the Creekside Property and the direct capitalization method to estimate a value for the Village in the Woods Property. According to CRA's reports, the basic steps in the direct capitalization analysis are as follows: (i) calculate potential gross income from all sources that a competent owner could legally generate; (ii) estimate and deduct an appropriate vacancy and collection loss factor to arrive at effective gross income; (iii) estimate and deduct operating expenses that would be expected during a stabilized year to arrive at a probable net operating income; (iv) develop an appropriate overall capitalization rate to apply to the net operating income; and (v) estimate value by dividing the net operating income by the overall capitalization rate. In addition, any adjustments to account for differences between the current conditions and stabilized conditions are also considered. The assumptions utilized by CRA with respect to each property are set forth below. The property-specific assumptions were determined by CRA to be reasonable based on its review of historical operating and financial data for each property and comparison of said data to the operating statistics of similar properties in the influencing market areas. The capitalization rate for each property was determined to be reasonable by CRA based on its review of applicable data ascertained within the market in which each property is located.

The sales comparison approach is an estimate of value based upon a process of comparing recent sales of similar properties in the surrounding or competing areas to the subject property. This comparative process involves judgment as to the similarity of the subject property and the comparable sales with respect to many value factors such as location, contract rent levels, quality of construction, reputation and prestige, age and condition, and the interest transferred, among others. The value estimated through this approach represents the probable price at which the subject property would be sold by a willing seller to a willing and knowledgeable buyer as of the date of value. The reliability of this technique is dependent upon the availability of comparable sales data, the verification of the sales data, the degree of comparability and extent of adjustment necessary for differences, and the absence of

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atypical conditions affecting the individual sales prices. CRA reported that the volume of sales activity recently accelerated in response to improvement realized in economic conditions, and that its research revealed adequate sales activity to form a reasonable estimation of each of the subject property's market value pursuant to the sales comparison approach. For each of the appraisals, CRA conducted research in each market in an attempt to locate sales of properties similar to each of the appraised properties. The results of CRA's research indicated that an adequate number of comparable sales were obtained from the local markets in which the Peakview Property, the Creekside Property and the Village in the Woods Property are located.

In each of the appraisals, numerous sales were uncovered and the specific sales included in the appraisal reports were deemed representative of the most comparable data available at the time the appraisals were prepared. Important criteria utilized in selecting the most comparable data included: conditions under which the sale occurred (i.e. seller and buyer were typically motivated); date of sale – every attempt was made to utilize recent sales transactions; sales were selected based on their physical similarity to the appraised property; transactions were selected based on the similarity of location between the comparable and appraised property; and, similarity of economic characteristics between the comparable and appraised property. Sales data that may have been uncovered during the course of research that was not included in the appraisal did not meet the described criteria and/or could not be adequately confirmed.

According to CRA's reports, the basic steps in processing the sales comparison approach are outlined as follows: (i) research the market for recent sales transactions, listings, and offers to purchase or sell of properties similar to the subject property; (ii) select a relevant unit of comparison and develop a comparative analysis; (iii) compare comparable sale properties with the subject property using the elements of comparison and adjust the price of each comparable to the subject property; and (iv) reconcile the various value indications produced by the analysis of the comparables.

The final step in the appraisal process is the reconciliation of the value indicators into a single value estimate. CRA reviewed each approach in order to determine its appropriateness relative to each property. The accuracy of the data available and the quantity of evidence were weighted in each approach. For the appraisal of the Peakview Property, the Creekside Property and the Village in the Woods Property, CRA placed primary emphasis on the income capitalization approach to valuation, and the direct capitalization approach was considered in the conclusion of value for each property. For each property, CRA relied secondarily on the sales comparison approach, and reported that the value conclusion derived pursuant to the sales comparison approach was utilized as a means to support the value conclusion rendered for the Peakview Property, the Creekside Property and the Village in the Woods Property pursuant to the income capitalization approach.

Peakview Property

Summary of Independent Appraisal of the Peakview Property. CRA performed a complete appraisal of the Peakview Property. The appraisal report of the Peakview Property is dated March 15, 2011, and indicates that the estimated market value of the Peakview Property was \$27,100,000 as of February 23, 2011. The appraisal report was updated by CRA as reflected in CRA's supplemental letters dated June 17, 2011 and December 5, 2011. The appraisal report, as updated by the supplemental letter dated June 17, 2011, indicates that the estimated market value of the Peakview Property was \$28,000,000 as of May 31, 2011. The appraisal report, as updated by the supplemental letter dated December 5, 2011, provides an estimate of the property's market value as of November 1, 2011. The summary set forth below describes the material conclusions reached by CRA based on the value determined under the valuation approaches and subject to the assumptions and limitations described below. According to CRA's report, as updated by the supplemental letters, the estimated market value of the Peakview Property was \$29,600,000 as of November 1, 2011. The following is a summary of the appraisal report dated March 15, 2011, as updated by the supplemental letter dated June 17, 2011 and December 5, 2011. There is no present intention to further update the appraisal report. The

Aimco Entities are not aware of any events that have occurred or conditions that have changed since the December 5, 2011 supplemental letter that may have caused a material change in the value of the Peakview Property.

Extraordinary Assumption. In connection with the preparation of its March 2011 appraisal report of the Peakview Property, CRA inspected the property on February 23, 2011. CRA noted that a physical inspection of the

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Peakview Property and its environs was not conducted in conjunction with the June 2011 supplemental letter or the December 2011 supplemental letter, and that it is assumed for purposes of the June 2011 supplemental letter and the December 2011 supplemental letter that the Peakview Property is in a similar state of repair and condition, and that neighborhood conditions and composition are consistent with observations noted on February 23, 2011.

Valuation under Income Capitalization Approach. Using the income capitalization approach, CRA performed a direct capitalization analysis to derive a value for the Peakview Property. The direct capitalization analysis resulted in a valuation conclusion for the Peakview Property of approximately \$29,600,000 as of November 1, 2011.

The assumptions employed by CRA to determine the value of the Peakview Property under the income capitalization approach using the direct capitalization method included:

- potential gross income from apartment unit rentals of \$257,401 per month or \$3,088,812 for the appraised year;
- a 5.5% allowance attributable to loss to lease;
- concession allowance of 1.0% of the gross rent potential;
- a combined vacancy and collection loss factor of 4.0%;
- estimated utility income of \$155,400, or \$525 per unit;
- estimated other income of \$232,360, or \$785 per unit;
- total estimated expenses of \$1,302,027; and
- capitalization rate of 6.25%.

Using the direct capitalization method, CRA calculated the value of the Peakview Property by dividing the stabilized net operating income of \$1,850,220 by the concluded overall capitalization rate of 6.25%.

CRA calculated the value conclusion of the Peakview Property under the income capitalization approach of approximately \$29,600,000 as of November 1, 2011.

Valuation under Sales Comparison Approach. CRA estimated the property value of the Peakview Property under the sales comparison approach by analyzing sales from the influencing market that were most similar to the Peakview Property in terms of age, size, tenant profile and location. CRA reported that the local market has been active in terms of investment sales of similar properties, and that adequate sales existed to formulate a value for the Peakview Property under the sales comparison approach.

The sales comparison approach resulted in a valuation conclusion for the Peakview Property of approximately \$27,500,000 as of November 1, 2011.

In reaching a valuation conclusion for the Peakview Property, CRA examined and analyzed comparable sales of six properties in the influencing market. The sales reflected unadjusted sales prices ranging from \$60,505 to \$114,583 per unit. After adjustment, the comparable sales illustrated a value range of \$84,707 to \$102,265 per unit, with mean and median adjusted sale prices of \$91,611 and \$90,502 per unit, respectively. CRA estimated a value of \$93,000 per unit. Applied to the Peakview Property's 296 units, this resulted in CRA's total value estimate for the Peakview Property of approximately \$27,500,000.

Reconciliation of Values and Conclusion of Appraisal. For the appraisal of the Peakview Property, CRA placed primary emphasis on the value indicator produced by the income capitalization approach in the final conclusion of market value. CRA relied secondarily on the sales comparison approach, and reported that the value conclusion derived pursuant to the sales comparison approach is utilized as a means to support the value conclusion rendered for the Peakview Property pursuant to the income capitalization approach. The income capitalization approach using a direct capitalization analysis resulted in a value of \$29,600,000, and the sales comparison approach resulted in a value of \$27,500,000. CRA concluded that the market value of the Peakview Property as of November 1, 2011 was \$29,600,000.

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Creekside Property

Summary of Independent Appraisal of the Creekside Property. CRA performed a complete appraisal of the Creekside Property. The appraisal report of the Creekside Property is dated March 16, 2011, and indicates that the estimated market value of the Creekside Property was \$21,600,000 as of February 23, 2011. The appraisal report was updated by CRA as reflected in CRA's supplemental letters dated June 17, 2011 and December 5, 2011. The appraisal report, as updated by the supplemental letter dated June 17, 2011, indicates that the estimated market value of the Creekside Property was \$22,400,000 as of May 31, 2011. The appraisal report, as updated by the supplemental letter dated December 5, 2011, provides an estimate of the property's market value as of November 1, 2011. The summary set forth below describes the material conclusions reached by CRA based on the value determined under the valuation approaches and subject to the assumptions and limitations described below. According to CRA's report, as updated by the supplemental letters, the estimated market value of the Creekside Property was \$24,800,000 as of November 1, 2011. The following is a summary of the appraisal report dated March 16, 2011, as updated by the supplemental letters dated June 17, 2011 and December 5, 2011. There is no present intention to further update the appraisal report. The Aimco Entities are not aware of any events that have occurred or conditions that have changed since the December 5, 2011 supplemental letter that may have caused a material change in the value of the Creekside Property.

Extraordinary Assumption. In connection with the preparation of its March 2011 appraisal report of the Creekside Property, CRA inspected the property on February 23, 2011. CRA noted that a physical inspection of the Creekside Property and its environs was not conducted in conjunction with the June 2011 supplemental letter or the December 2011 supplemental letter, and that it is assumed for purposes of the June 2011 supplemental letter and the December 2011 supplemental letter that the Creekside Property is in a similar state of repair and condition, and that neighborhood conditions and composition are consistent with observations noted on February 23, 2011.

Valuation under Income Capitalization Approach. Using the income capitalization approach, CRA performed a direct capitalization analysis to derive a value for the Creekside Property. The direct capitalization analysis resulted in a valuation conclusion for the Creekside Property of approximately \$24,800,000 as of November 1, 2011.

The assumptions employed by CRA to determine the value of the Creekside Property under the income capitalization approach using the direct capitalization method included:

- potential gross income from apartment unit rentals of \$240,440 per month or \$2,885,280 for the appraised year;
- a 10.0% allowance attributable to loss to lease;
- concession allowance of 0.5% of the gross rent potential;
- a combined vacancy and collection loss factor of 4.0%;
- estimated utility income of \$154,160, or \$470 per unit;
- estimated other income of \$229,600, or \$700 per unit;
- total estimated expenses of \$1,360,400; and
- capitalization rate of 6.0%.

Using the direct capitalization method, CRA calculated the value of the Creekside Property by dividing the stabilized net operating income of \$1,490,275 by the concluded overall capitalization rate of 6.0%.

CRA calculated the value conclusion of the Creekside Property under the income capitalization approach of approximately \$24,800,000 as of November 1, 2011.

Valuation under Sales Comparison Approach. CRA estimated the property value of the Creekside Property under the sales comparison approach by analyzing sales from the influencing market that were most similar to the Creekside Property in terms of age, size, tenant profile and location. CRA reported that the local market has been

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active in terms of investment sales of similar properties, and that adequate sales existed to formulate a value for the Creekside Property under the sales comparison approach.

The sales comparison approach resulted in a valuation conclusion for the Creekside Property of approximately \$23,800,000 as of November 1, 2011.

In reaching a valuation conclusion for the Creekside Property, CRA examined and analyzed comparable sales of five properties in the influencing market. The sales reflected unadjusted sales prices ranging from \$60,505 to \$86,528 per unit. After adjustment, the comparable sales illustrated a value range of \$63,530 to \$81,410 per unit, with mean and median adjusted sale prices of \$72,572 and \$71,531 per unit, respectively. CRA estimated a value of \$72,500 per unit. Applied to the Creekside Property's 328 units, this resulted in CRA's total value estimate for the Creekside Property of approximately \$23,800,000.

Reconciliation of Values and Conclusion of Appraisal. For the appraisal of the Creekside Property, CRA placed primary emphasis on the value indicator produced by the income capitalization approach in the final conclusion of market value. CRA relied secondarily on the sales comparison approach, and reported that the value conclusion derived pursuant to the sales comparison approach is utilized as a means to support the value conclusion rendered for the Creekside Property pursuant to the income capitalization approach. The income capitalization approach using a direct capitalization analysis resulted in a value of \$24,800,000, and the sales comparison approach resulted in a value of \$23,800,000. CRA concluded that the market value of the Creekside Property as of November 1, 2011 was \$24,800,000.

Village in the Woods Property

Summary of Independent Appraisal of the Village in the Woods Property. CRA performed a complete appraisal of the Village in the Woods Property. The appraisal report of the Village in the Woods Property is dated March 21, 2011, and indicates that the estimated market value of the Village in the Woods Property was \$28,500,000 as of March 2, 2011. The appraisal report was updated by CRA as reflected in CRA's supplemental letters dated June 3, 2011 and December 7, 2011. The appraisal report, as updated by the supplemental letter dated June 3, 2011, indicates that the estimated market value of the Village in the Woods Property was \$28,700,000 as of May 31, 2011. The appraisal report, as updated by the supplemental letter dated December 7, 2011, provides an estimate of the property's market value as of November 1, 2011. The summary set forth below describes the material conclusions reached by CRA based on the value determined under the valuation approaches and subject to the assumptions and limitations described below. According to CRA's report, as updated by the supplemental letters, the estimated market value of the Village in the Woods Property was \$29,300,000 as of November 1, 2011. The following is a summary of the appraisal report dated March 21, 2011, as updated by the supplemental letters dated June 3, 2011 and December 7, 2011. There is no present intention to further update the appraisal report. The Aimco Entities are not aware of any events that have occurred or conditions that have changed since the December 7, 2011 supplemental letter that may have caused a material change in the value of the Village in the Woods Property.

Extraordinary Assumption. In connection with the preparation of its March 2011 appraisal report of the Village in the Woods Property, CRA inspected the property on March 2, 2011. CRA noted that a physical inspection of the Village in the Woods Property and its environs was not conducted in conjunction with the June 2011 supplemental letter or the December 2011 supplemental letter, and that it is assumed for purposes of the June 2011 supplemental letter and the December 2011 supplemental letter that the Village in the Woods Property is in a similar state of repair and condition, and that neighborhood conditions and composition are consistent with observations noted on March 2, 2011.

Valuation under Income Capitalization Approach. Using the income capitalization approach, CRA performed a direct capitalization analysis to derive a value for the Village in the Woods Property. The direct capitalization analysis resulted in a valuation conclusion for the Village in the Woods Property of approximately \$29,300,000 as of November 1, 2011.

The assumptions employed by CRA to determine the value of the Village in the Woods Property under the income capitalization approach using the direct capitalization method included:

potential gross income from apartment unit rentals of \$353,060 per month or \$4,236,720 for the appraised year;

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no allowance attributable to loss to lease;

concession allowance of 2.0% of the gross rent potential;

a combined vacancy and collection loss factor of 7.0%;

estimated utility income of \$233,200, or \$440 per unit;

estimated other income of \$302,100, or \$570 per unit;

total estimated expenses of \$2,266,297; and

capitalization rate of 7.25%.

Using the direct capitalization method, CRA calculated the value of the Village in the Woods Property by dividing the stabilized net operating income of \$2,124,419 by the concluded overall capitalization rate of 7.25%.

CRA calculated the value conclusion of the Village in the Woods Property under the income capitalization approach of approximately \$29,300,000 as of November 1, 2011.

Valuation under Sales Comparison Approach. CRA estimated the property value of the Village in the Woods Property under the sales comparison approach by analyzing sales from the influencing market that were most similar to the Village in the Woods Property in terms of age, size, tenant profile and location. CRA reported that the local market has been active in terms of investment sales of similar properties, and that adequate sales existed to formulate a value for the Village in the Woods Property under the sales comparison approach.

The sales comparison approach resulted in a valuation conclusion for the Village in the Woods Property of approximately \$27,800,000 as of November 1, 2011.

In reaching a valuation conclusion for the Village in the Woods Property, CRA examined and analyzed comparable sales of four properties in the influencing market. The sales reflected unadjusted sales prices ranging from \$37,636 to \$69,000 per unit. After adjustment, the comparable sales illustrated a value range of \$42,642 to \$56,304 per unit, with mean and median adjusted sale prices of \$50,705 and \$51,937 per unit, respectively. CRA reported that none of the comparable sales required a significant degree of overall adjustment, and so equal emphasis was placed on each in the final reconciliation via the sales comparison approach. CRA estimated a value of \$52,500 per unit. Applied to the Village in the Woods Property's 530 units, this resulted in CRA's total value estimate for the Village in the Woods Property of approximately \$27,800,000.

Reconciliation of Values and Conclusion of Appraisal. For the appraisal of the Village in the Woods Property, CRA placed primary emphasis on the value indicator produced by the income capitalization approach in the final conclusion of market value. CRA relied secondarily on the sales comparison approach, and reported that the value conclusion derived pursuant to the sales comparison approach is utilized as a means to support the value conclusion rendered for the Village in the Woods Property pursuant to the income capitalization approach. The income capitalization approach using a direct capitalization analysis resulted in a value of \$29,300,000, and the sales comparison approach resulted in a value of \$27,800,000. CRA concluded that the market value of the Village in the Woods Property as of November 1, 2011 was \$29,300,000.

Assumptions, Limitations and Qualifications of CRA's Valuations. In preparing each of the appraisals, CRA relied, without independent verification, on the information furnished by others. Each of CRA's appraisal reports was subject to the following assumptions and limiting conditions: no responsibility was assumed for the legal description or for matters including legal or title considerations, and title to each property was assumed to be good and marketable unless otherwise stated; each property was appraised free and clear of any or all liens or encumbrances unless otherwise stated; responsible ownership and competent property management were assumed; all engineering was assumed to be correct; there were no hidden or unapparent conditions of the property, subsoil, or structures that render it more or less valuable, and no responsibility was assumed for such conditions or for arranging for engineering studies that may be required to discover them; there was full compliance with all applicable federal, state, and local environmental regulations and laws unless noncompliance was stated, defined, and considered in the appraisal report; all applicable zoning and use regulations and restrictions have been complied with, unless nonconformity had been stated, defined, and considered in the appraisal report; all required licenses, certificates of occupancy, consents, or other legislative or

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administrative authority from any local, state, or national government or private entity or organization have been or can be obtained or renewed for any use on which the value estimate contained in each report was based; the utilization of the land and improvements is within the boundaries or property lines of the property described and that there is no encroachment or trespass unless noted in either report; the distribution, if any, of the total valuation in each report between land and improvements applies only under the respective stated program of utilization; unless otherwise stated in each report, the existence of hazardous substances, including without limitation, asbestos, polychlorinated biphenyls, petroleum leakage, or agricultural chemicals, which may or may not be present on each property, or other environmental conditions, were not called to the attention of nor did the appraiser become aware of such during the appraiser's inspection, and the appraiser had no knowledge of the existence of such materials on or in the property unless otherwise stated; the appraiser has not made a specific compliance survey and analysis of this property to determine whether or not it is in conformity with the various detailed requirements of the Americans with Disabilities Act; and former personal property items such as kitchen and bathroom appliances were, at the time of each appraisal report, either permanently affixed to the real estate or were implicitly part of the real estate in that tenants expect the use of such items in exchange for rent and never gain any of the rights of ownership, and the intention of the owners is not to remove the articles which are required under the implied or express warranty of habitability.

Compensation of Appraiser. CRA's fee for the appraisals was approximately \$39,300. Aimco OP paid for the costs of the appraisals. CRA's fee for the appraisals was not contingent on the approval or completion of the merger. Aimco OP also has agreed to indemnify CRA for certain liabilities that may arise out of the rendering of the appraisals. During the past two years, in addition to these fees, Aimco OP and its affiliates have paid CRA approximately \$238,500 for other appraisal services, including, but not limited to, fees of approximately \$136,500 for appraisal services related to certain other merger transactions that are being effected concurrently with this merger. Except as set forth above, during the prior two years, no material relationship has existed between CRA and CPF XVII or Aimco OP or any of their affiliates. Aimco OP believes that its relationship with CRA had no negative impact on its independence in conducting the appraisals.

Availability of Appraisal Reports. You may obtain a full copy of CRA's appraisals upon request, without charge, by contacting 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. In addition, the appraisal reports have been filed with the SEC. For more information about how to obtain a copy of the appraisal reports see [Where You Can Find Additional Information](#).

Opinion of Financial Advisor

Aimco OP retained Duff & Phelps to act as financial advisor to the boards of directors of Aimco, the general partner of Aimco OP, and the managing general partner of CPF XVII's general partner in connection with their evaluation of the proposed terms of the merger.

On December 19, 2011, Duff & Phelps rendered its written opinion to the boards of directors of Aimco, the general partner of Aimco OP, and the managing general partner of CPF XVII's general partner, to the effect that, as of December 19, 2011, based upon and subject to the assumptions made, procedures followed, factors considered, and qualifications and limitations on the review undertaken, the cash consideration of \$332.29 per unit is fair from a financial point of view to the unaffiliated limited partners of CPF XVII.

The full text of the written opinion of Duff & Phelps, dated December 19, 2011, which sets forth the assumptions made, procedures followed, factors considered, and qualifications and limitations on the review undertaken by Duff & Phelps in connection with the opinion, is attached as [Annex C](#) to this information statement/prospectus. You are encouraged to read the opinion carefully and in its entirety. The summary of Duff & Phelps's opinion in this information statement/prospectus is qualified in its entirety by reference to the

full text of the opinion.

Duff & Phelps' opinion was directed to the boards of directors of Aimco, the general partner of Aimco OP, and the managing general partner of CPF XVII's general partner, and addressed only the fairness from a financial point of view of the cash consideration of \$332.29 per unit, as of the date of the opinion. Duff & Phelps provided its opinion for the information and assistance of the boards of directors of Aimco, the general partner of Aimco OP, and the managing general partner of CPF XVII's general partner in connection with

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their evaluation of the merger. Neither Duff & Phelps' opinion nor the summary of the opinion and the related analyses set forth in this information statement/prospectus are intended to be, and do not constitute, advice or a recommendation as to how any person should act with respect to any matters relating to the merger, or whether to proceed with the merger or any related transaction.

In connection with its opinion, Duff & Phelps made such reviews, analyses and inquiries as it deemed necessary and appropriate under the circumstances. Duff & Phelps also took into account its assessment of general economic, market and financial conditions, as well as its experience in securities and business valuation, in general, and with respect to similar transactions, in particular. Duff & Phelps' procedures, investigations, and financial analysis with respect to the preparation of its opinion included, but were not limited to, the items summarized below:

1. Reviewed the following documents:

- a. Reviewed CPF XVII's property level internal unaudited financial statements for the ten months ended October 31, 2011 and CPF XVII's property level unaudited annual financial statements for each of the three fiscal years ended December 31, 2010;
- b. Reviewed other internal documents relating to the history, current operations, and probable future outlook of CPF XVII, including financial projections, provided to Duff & Phelps by the management of Aimco OP; and
- c. Reviewed documents related to the merger, including certain portions of a draft of this information statement/prospectus, including a draft of the merger agreement dated as of December 13, 2011, and certain other documents related to the merger;

2. Reviewed the following information and/or documents related to the real estate holdings of CPF XVII:

- a. Reviewed previously completed appraisal reports associated with the properties owned by CPF XVII prepared by CRA as of November 1, 2011 and provided to Duff & Phelps by management of Aimco OP (which appraisal reports are incorporated by reference in Exhibits 99.1 through 99.9 in this information statement/prospectus);
- b. Reviewed facts and circumstances related to each of the properties owned by CPF XVII to understand factors relevant to the appraisals; and
- c. Reviewed market data for each of the subject markets and assessed current supply and demand trends;

3. Reviewed the following information and/or documents related to the properties owned by CPF XVII:

- a. Reviewed operating statements and balance sheets for the twelve month periods ending December 31, 2008, 2009, and 2010;
- b. Reviewed the year-to-date operating statement and balance sheet for the ten month period ending October 31, 2011;
- c. Reviewed budgeted financial statements for the twelve month period ending December 31, 2011;
- d. Reviewed rent rolls prepared as of October 2011; and
- e. Discussed the information referred to above and the background and other elements of the merger with the management of Aimco OP; and

4. Conducted such other analyses and considered such other factors as Duff & Phelps deemed appropriate.

In performing its analyses and rendering its opinion with respect to the merger, Duff & Phelps made certain assumptions, qualifications and limiting conditions, which included, but were not limited to, the items summarized below:

1. Relied upon the accuracy, completeness, reliability, and fair presentation of all information, data, advice, opinions and representations obtained from public sources or provided to it from private sources regarding or otherwise relating to the properties owned by CPF XVII, CPF XVII, the merger and/or otherwise

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received by it in connection with the opinion, including information obtained from Aimco OP management, and did not independently verify such information;

2. Assumed that any estimates, evaluations, forecasts or projections furnished to Duff & Phelps by management of Aimco OP were reasonably prepared and based upon the best currently available information and good faith judgment of the person furnishing the same;

3. Assumed that the final versions of all documents reviewed by Duff & Phelps in draft form conform in all material respects to the drafts reviewed;

4. Assumed that there has been no material change in the assets, financial condition, business, or prospects of CPF XVII or any of its owned properties since the respective dates of the appraisal reports, the most recent financial statements and the other information made available to Duff & Phelps;

5. Assumed that title to the properties owned by CPF XVII is good and marketable, that all material licenses and related regulatory approvals that are required or advisable to be obtained with respect to the properties owned by CPF XVII have been obtained and are current, and that, except as expressly disclosed in the appraisal reports, the properties owned by CPF XVII are in compliance with applicable material zoning, use, occupancy, environmental, and similar laws and regulations;

6. Assumed responsible ownership and competent property management of each of the properties owned by CPF XVII, that, except as expressly disclosed in the appraisal reports, there are no unapparent conditions with respect to any of the properties owned by CPF XVII that could affect the value of such property, and that, except as expressly disclosed in the appraisal reports, there are no hazardous substances on or near any of the properties owned by CPF XVII that could affect the value of such property;

7. Assumed that all of the conditions required to implement the merger will be satisfied and that the merger will be completed in accordance with the merger agreement without any amendments thereto or any waivers of any terms or conditions thereof; and

8. Assumed that each of the unaffiliated limited partners elects to receive the cash consideration offered, and therefore, Duff & Phelps made no determination as to the fair value of, or fairness with respect to the OP Unit consideration.

Duff & Phelps did not evaluate CPF XVII's solvency or conduct an independent appraisal or physical inspection of any specific liabilities (contingent or otherwise). Duff & Phelps did not evaluate the tax consequences the merger may have on any person, including any unaffiliated limited partner, and did not take any such consequences into account in rendering the opinion. Duff & Phelps was not requested to, and did not, (i) initiate any discussions with, or solicit any indications of interest from, third parties with respect to the merger, the assets, businesses or operations of CPF XVII, or any alternatives to the merger, (ii) negotiate the terms of the merger, or (iii) advise Aimco OP or any other party with respect to alternatives to the merger.

Duff & Phelps did not express any opinion as to the market price or value of CPF XVII's or Aimco OP's equity (or anything else) after the announcement or the consummation of the merger. Without limiting the generality of the foregoing, Duff & Phelps did not express any opinion as to the liquidity of, rights and/or risks associated with owning, or any other feature or characteristic of, the OP Units. The opinion should not be construed as a valuation opinion, credit rating, solvency opinion, an analysis of CPF XVII's or Aimco OP's credit worthiness, as tax advice, or as accounting advice. Duff & Phelps did not make, and assumed no responsibility to make, any representation, or render any opinion, as to any legal matter (including with respect to title to or any encumbrances relating to any of the properties owned by CPF XVII).

Duff & Phelps did not investigate any of the physical conditions of any of the properties owned by CPF XVII and has not made, and assumed no responsibility to make, any representation, or render any opinion, as to the physical condition of any of the properties owned by CPF XVII. No independent surveys of the properties owned by CPF XVII were conducted by Duff & Phelps. Duff & Phelps did not arrange for any engineering studies that may be required to discover any unapparent condition in the properties owned by CPF XVII. Duff & Phelps did not arrange for or conduct any soil analysis or geological studies or any investigation of any water, oil, gas, coal, or other subsurface mineral and use rights or conditions or arrange for or conduct any other environmental analysis,

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including with respect to any hazardous materials, which may or may not be present on, in or near any of the properties owned by CPF XVII.

In rendering its opinion, Duff & Phelps did not express any opinion with respect to the amount or nature of any compensation to any of Aimco OP's and/or Aimco's respective officers, directors, or employees, or any class of such persons, relative to the consideration offered to the unaffiliated limited partners in the merger, or with respect to the fairness of any such compensation.

The opinion (i) does not address the merits of the underlying business decision to enter into the merger versus any alternative strategy or transaction, (ii) does not address any transaction related to the merger, (iii) is not a recommendation as to how any party should vote or act with respect to any matters relating to the merger or any related transaction, or whether to proceed with the merger or any related transaction, and (iv) does not indicate that the consideration offered is the best possibly attainable under any circumstances; instead, the opinion merely states whether the consideration offered in the merger is within a range suggested by certain financial analyses. The decision as to whether to proceed with the merger or any related transaction may depend on an assessment of factors unrelated to the financial analysis on which the opinion was based.

Duff & Phelps prepared its opinion effective as of December 19, 2011. The opinion was necessarily based upon market, economic, financial and other conditions as they existed and could be evaluated as of such date, and Duff & Phelps disclaims any undertaking or obligation to advise any person of any change in any fact or matter affecting the opinion which may come or be brought to the attention of Duff & Phelps after such date.

The following is a summary of the material financial analyses performed by Duff & Phelps in connection with providing its opinion. The summary of Duff & Phelps's valuation analyses is not a complete description of the analyses underlying Duff & Phelps's opinion. The preparation of an opinion regarding fairness is a complex process involving various quantitative and qualitative judgments and determinations with respect to the financial, comparative and other analytic methods employed and the adaptation and application of these methods to the unique facts and circumstances presented. As a consequence, neither an opinion regarding fairness nor its underlying analyses is readily susceptible to partial analysis or summary description. Duff & Phelps arrived at its opinion based on the results of all analyses undertaken by it and assessed as a whole and did not draw, in isolation, conclusions from or with regard to any individual analysis, analytic method or factor. Accordingly, Duff & Phelps believes that its analyses must be considered as a whole and that selecting portions of its analyses, analytic methods and factors, without considering all analyses and factors or the narrative description of the analyses could create a misleading or incomplete view of the processes underlying its analyses and opinion.

Valuation Analysis

Duff & Phelps estimated the value attributable to the interests of the unaffiliated limited partners as follows:

Duff & Phelps reviewed the valuation conclusions for each of the properties owned by CPF XVII reached in the third party appraisals that were provided by the management of Aimco OP and as described in greater detail under the heading "Special Factors – The Appraisals" and Annex E – Summary of Appraisals Table;

Duff & Phelps' review of the third party appraisals included a review of the key assumptions used in and the conclusions reached by the appraisals and a comparison of such assumptions and conclusions to appropriate sources of real estate market data including, but not limited to: market surveys, selected comparable real estate transaction data, and discussions with opinions of professionals in the market place. Duff & Phelps also reviewed the valuation methodology employed by the third party appraiser and determined it to be appropriate;

Duff & Phelps estimated the range of value attributable to the interests of the unaffiliated limited partners by adding to the range of the aggregate appraised value of the properties owned by CPF XVII the amount of CPF XVII's other non-real estate assets that were not included in the appraisals, and subtracting the amount of CPF XVII's liabilities, including the market value of mortgage debt (but without deducting any prepayment penalties thereon) and the amount of liabilities estimated by management of Aimco OP for

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expenses attributable to the properties owned by CPF XVII that would be incurred prior to the transactions but payable after the transactions; and

Duff & Phelps reviewed Aimco OP management's estimate of the fair value of the mortgage debt associated with the properties owned by CPF XVII, as described in greater detail under the heading "The Merger Determination of Merger Consideration," by reviewing the valuation methodology and the determination of the appropriate current market yield on mortgage debt of similar type, leverage and duration.

Estimated Value of Limited Partnership Units

The table below provides a summary of (i) the estimated range of value for the properties owned by CPF XVII by applying a capitalization rate range that was 25 basis points above and below the capitalization rate used by the third party appraiser to the appropriate measure of income from the properties owned by CPF XVII used by the third party appraiser, (ii) a summary of the estimated fair market value of mortgage debt associated with the properties owned by CPF XVII, and (iii) the proposed merger consideration (which was determined by the Aimco Entities) and Duff & Phelps' range of value for the Series A Units.

	Low Value	Proposed Value	High Value	% of Total
<u>Property Value</u>				
Peakview Place	\$ 28,500,000	\$ 29,600,000	\$ 30,800,000	
Creekside	23,800,000	24,800,000	25,900,000	
Village in the Woods	28,300,000	29,300,000	30,300,000	
Total	\$ 80,600,000	\$ 83,700,000	\$ 87,000,000	
<u>Debt Summary</u>				
Book Value of Debt(1)	\$ 44,582,022	\$ 44,582,022	\$ 44,582,022	
Fair Value of Debt(1)	52,455,350	52,455,350	52,455,350	
Fair Value as a % of Book	118%	118%	118%	
<u>LP Interest Summary</u>				
Proceeds Distributable to LPs	\$ 22,248,361	\$ 24,921,801	\$ 27,767,721	
Affiliated LP Units	52,866	52,866	52,866	70%
Unaffiliated LP Units	22,134	22,134	22,134	30%
Total LP Units	75,000	75,000	75,000	
Value Per LP Unit	\$ 296.64	\$ 332.29	\$ 370.24	

(1) Includes accrued interest.

Based on an aggregate range of value for the properties owned by CPF XVII of \$80.6 million to \$87.0 million, Duff & Phelps estimated the range of value per Series A Unit to be approximately \$296.64 to \$370.24, compared to the cash merger consideration of \$332.29 per Series A Unit.

Other Matters

By letter agreement dated June 10, 2011 between Duff & Phelps and Aimco OP, Duff & Phelps was engaged to opine, as to the fairness, from a financial point of view, to the unaffiliated limited partners of each of certain limited partnerships (including CPF XVII) of the cash consideration offered in the proposed merger relating to that limited partnership. Duff & Phelps was engaged based on its experience as a leading global independent provider of financial advisory and investment banking services. Duff & Phelps delivers advice principally in the areas of valuation, transactions, financial restructuring, dispute and taxation. Since 2005, Duff & Phelps has completed hundreds of valuations in the real estate investment trust and real estate operating company industry and rendered over 308 fairness opinions in transactions aggregating over \$103 billion. Duff & Phelps has also rendered over 222 solvency opinions in transactions aggregating over \$1.02 trillion.

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Duff & Phelps has received a fee in the aggregate amount of \$450,000 for its services with respect to all of the partnerships pursuant to this engagement (which includes a retainer in the amount of \$200,000 allocated among eleven partnerships, including CPF XVII and a partnership that ultimately did not pursue a merger transaction, and \$50,000 for a bringdown of eight of the initial fairness opinions dated July 28, 2011) as well as reimbursement for its expenses in the amount of approximately \$50,000. No portion of Duff & Phelps' fee is contingent upon either the conclusion expressed in this (or any other) opinion or whether or not this (or any other) merger is successfully consummated. Aimco OP also has agreed to indemnify Duff & Phelps for certain liabilities that may arise out of the rendering of this opinion and any related to Duff & Phelps' engagement. During the two years preceding the date of this opinion, Duff & Phelps has been paid approximately \$199,400 for property tax consulting services by Aimco OP and its affiliates for which Duff & Phelps received customary fees and indemnification. Except as set forth above, during the two years preceding the date of this opinion, Duff & Phelps had not had any material relationship with any party to the merger for which compensation has been received or is intended to be received, nor is any such material relationship or related compensation mutually understood to be contemplated.

Estimated Operating Budgets for the Properties

At the end of each calendar year, Aimco OP's management prepares an estimated operating budget for the next calendar year for each of the properties owned by CPF XVII. Aimco OP's management provided the 2011 estimated operating budgets for these properties to Duff & Phelps for use in connection with the preparation of its fairness opinion, and to CRA in connection with the preparation of its appraisals.

In preparing the 2011 estimated operating budgets, Aimco OP's management made a number of assumptions and estimates, including the following:

income was projected to grow in accordance with estimated rent growth projections provided by Property & Portfolio Research, Inc., Reis, Inc., and Axiometrics Inc. by market;

expense growth was assumed to be 0.9% for budget year 2011;

occupancy rates were budgeted to remain at or above 96%; and

turnover was budgeted in accordance with historic experience at each property.

Aimco OP's management believed these assumptions and estimates were reasonable at the time the budgets were prepared, but these assumptions and estimates may not be realized and are inherently subject to significant uncertainties and contingencies, including, among others, the risks and uncertainties described under Management's Discussion and Analysis of Financial Condition and Results of Operations in CPF XVII's Quarterly Report on Form 10-Q for the quarter ended September 30, 2011, which is included as Annex G to this information statement/prospectus. All of these uncertainties and contingencies are difficult to predict and many are beyond the control of Aimco, Aimco OP and CPF XVII.

The 2011 estimated operating budgets have been prepared by, and are the responsibility of, Aimco OP's management. The 2011 estimated operating budgets were prepared solely for internal use and not with a view toward public disclosure and, accordingly, do not comply with generally accepted accounting principles, the published guidelines of the SEC regarding projections, or the guidelines established by the American Institute of Certified Public Accountants for preparation and presentation of prospective financial information. Neither Aimco's independent registered public accounting firm, nor any other independent accountants, have compiled, examined or performed any procedures with respect to the 2011 estimated operating budgets, nor have they expressed any opinion or any other form of assurance

on such information or its achievability, and they assume no responsibility for, and disclaim any association with, the 2011 estimated operating budgets. Furthermore, the 2011 estimated operating budgets do not take into account any circumstances or events occurring after the date they were prepared.

The inclusion of the 2011 estimated operating budgets in this information statement/prospectus should not be regarded as an indication that any of Aimco, Aimco OP or their respective affiliates, advisors or representatives consider the 2011 estimated operating budgets to be predictive of actual future results, and they should not be relied upon as such. There can be no assurance that the underlying assumptions will prove to be accurate or that the

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estimated results will be realized, and actual results likely will differ, and may differ materially, from those reflected in the 2011 estimated operating budgets. None of Aimco, Aimco OP or their respective affiliates, advisors, officers, directors or representatives undertakes any obligation to update or otherwise revise the 2011 estimated operating budgets to reflect circumstances existing after the date they were prepared, or to reflect the occurrence of future events, even if any or all of the assumptions underlying the 2011 estimated operating budgets are no longer appropriate, except as required by law.

In light of the foregoing factors and the uncertainties inherent in the 2011 estimated operating budgets, holders of Series A Units are cautioned not to place undue, if any, reliance on them.

The following table summarizes the 2011 estimated operating budgets for each of the properties owned by CPF XVII:

	Property		
	Peakview Place Apartments	Creekside Apartments	Village in the Woods Apartments
Effective Gross Income	\$ 2,983,393	\$ 2,735,950	\$ 4,571,788
Total Expenses	1,261,688	1,458,673	2,270,906
Net Operating Income	\$ 1,721,705	\$ 1,277,277	\$ 2,300,882

Limited partners are urged to review CPF XVII's Quarterly Report on Form 10-Q for the quarter ended September 30, 2011, which is included as Annex G to this information statement/prospectus, for information regarding CPF XVII's results of operations during the nine months ended September 30, 2011, including Management's Discussion and Analysis of Financial Condition and Results of Operations.

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RISK FACTORS

Risks Related to the Merger

Conflicts of Interest. Fox is the general partner of CPF XVII and is an affiliate of Aimco. FCMC is the managing general partner of Fox and is wholly-owned by Aimco. Therefore, Fox and FCMC have a conflict of interest with respect to the merger, which could result in the approval of a transaction that is more favorable to Aimco than might be the case absent such conflict of interest. The general partner's desire to seek the best possible terms for CPF XVII's limited partners who hold Series A Units conflicts with Aimco's interest in obtaining the best possible terms for Aimco OP.

No independent representative was engaged to represent the unaffiliated limited partners 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 CPF XVII's unaffiliated limited partners who hold Series A Units.

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 FCMC, acting on behalf of Fox, on the one hand, and officers of Aimco, on the other. All of the officers and directors of FCMC are also officers of Aimco. There are no independent directors of FCMC. If the terms of the merger had been determined through arm's-length negotiations, the terms might be more favorable to CPF XVII and its limited partners who hold Series A Units.

The merger agreement does not require approval of the merger by a majority of the unaffiliated limited partners. Under the provisions of the CPF XVII partnership agreement and applicable Delaware law, the merger must be approved by a majority in interest of the Series A Units. As of December 14, 2011, there were issued and outstanding 75,000 Series A Units, and Aimco OP and its affiliates owned 52,866 of those units, or approximately 70.49% of the number of Series A Units outstanding. A voting restriction applies to 25,833.5 of the Series A Units owned by affiliates of the general partner, which requires those Series A Units to be voted in proportion to the votes cast with respect to Series A Units not subject to this voting restriction. The general partner's affiliates have indicated that they will vote all of their Series A Units that are not subject to this restriction, 27,032.5 or approximately 36.04% of the outstanding Series A Units, in favor of the merger. As a result, affiliates of the general partner will vote a total of 41,236 Series A Units, or approximately 54.98% of the outstanding Series A Units, enabling them to approve the merger without the consent or approval of any unaffiliated limited partners.

In connection with previous partnership merger transactions, lawsuits have been filed alleging that Aimco and certain of its affiliates breached their fiduciary duties to the unaffiliated limited partners. In February 2011, Aimco and Aimco OP completed six partnership mergers. In each merger, the limited partners who were not affiliated with Aimco received cash or OP Units with a value calculated based on the estimated proceeds that would be available for distribution to limited partners if the partnership's properties were sold at prices equal to their appraised values. In March 2011, counsel representing a putative class consisting of former limited partners in each of those partnerships contacted Aimco alleging that the merger transactions were unfair to the unaffiliated limited partners because the appraisals used were not of a recent date and no fairness opinions were obtained, among other reasons. Aimco denied the purported class allegations, but agreed to mediate plaintiffs' claims in June 2011, and agreed to settle this dispute by paying the unaffiliated limited partners additional consideration of \$7.5 million. The merger contemplated hereby may also be subject to claims that the merger consideration is unfair and a result of self-dealing.

The merger consideration was determined based on the appraised values of the three properties that relate to the Series A Units as of the date of the respective appraisals, and there can be no assurance that the value of the properties will not increase as of the date of the consummation of the merger. CRA appraised CPF XVII's properties as of November 1, 2011, and Fox calculated the amount of the merger consideration based on the appraised value of the properties as of such date. Fox has not made any other attempt to assess or account for any changes in the value of the properties since the date of CRA's appraisals in its determination of the merger consideration.

Alternative valuations of CPF XVII's properties might exceed the appraised values relied on to determine the merger consideration. Aimco determined the merger consideration in reliance on the appraised values of the three remaining properties of CPF XVII. See Special Factors The Appraisals, beginning on page 9, for more

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information about the appraisals. Although an independent appraiser was engaged to perform complete appraisals of the properties, 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.

Actual sales prices of CPF XVII's properties could exceed the appraised values that Aimco relied on to determine the merger consideration. No recent attempt has been made to market the Peakview Property or the Creekside Property to unaffiliated third parties. There can be no assurance that the Peakview Property and the Creekside Property could not be sold for values higher than the appraised values used to determine the merger consideration if they were marketed to third-party buyers interested in properties of this type. Fox listed the Village in the Woods Property for sale in March 2009 but had failed to find a buyer at an acceptable price.

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

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

Limited partners in certain jurisdictions will not be able to elect OP Units. In those states where the offering of the OP Units hereby is not permitted, 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, 2010 of each of Aimco and Aimco OP. Aimco's Annual Report is incorporated herein by reference and is available electronically through the SEC's website, www.sec.gov, or by request to Aimco. Aimco OP's Annual Report on Form 10-K for the year ended December 31, 2010 (excluding the report of the independent registered public accounting firm, the financial statements and the notes thereto), is included as Annex H to this information statement/prospectus.

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 U.S. 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

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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.

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 Unit holders 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.

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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.

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 U.S. federal income tax considerations to be taken into account in connection with an investment in OP Units. For a general discussion of material U.S. federal income tax consequences resulting from acquiring, holding, exchanging, and otherwise disposing of OP Units, see Material United States Federal Income Tax Considerations 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 U.S. federal income tax purposes, material adverse consequences to the partners would result. Moreover, in such case, a holder of Series A Units receiving OP Units in the

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merger would be required to recognize gain or loss on the transaction. In addition, Aimco would not qualify as a REIT for U.S. 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 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 U.S. federal income tax purposes.

The limited partners may recognize gain on the transaction. If a CPF XVII 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 may be taxable to the limited partner. 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 within two years before or after such a contribution, including cash paid at closing, 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, which Aimco has not undertaken to review. Accordingly, limited partners are particularly urged to consult with their tax advisors concerning the extent to which the disguised sale rules would apply.

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 U.S. federal income tax purposes, in a manner chosen by Aimco OP, such that the contributing partner is charged with and recognizes 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 may 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 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 the making of certain tax elections 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 U.S. 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.

OP Unitholders may be subject to state, local or foreign taxation. OP Unitholders may be subject to state, local or foreign taxation in various jurisdictions, including those in which Aimco OP transacts business and owns property. It should be noted that Aimco OP owns properties located in a number of states and local jurisdictions, and an OP Unitholder may be required to file income tax returns in some or all of those jurisdictions. The state, local or foreign tax treatment of OP Unitholders may not conform to the U.S. federal income tax consequences of an investment in OP Units, as described in Material United States Federal Income Tax Considerations beginning on

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

The following table sets forth Aimco's selected summary historical financial data as of the dates and for the periods indicated. Aimco's historical consolidated statements of operations data set forth below for each of the five fiscal years in the period ended December 31, 2010 and the historical consolidated balance sheet data for each of the five fiscal year-ends in the period ended December 31, 2010, are derived from information included in Aimco's Current Report on Form 8-K, filed with the SEC on November 15, 2011. Aimco's unaudited historical consolidated statements of operations data set forth below for each of the nine months ended September 30, 2011 and 2010, and the unaudited historical consolidated balance sheet data as of September 30, 2011, are derived from information included in Aimco's Quarterly Report on Form 10-Q for the quarter ended September 30, 2011, filed with the SEC on October 28, 2011.

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 November 15, 2011, and Aimco's Quarterly Report on Form 10-Q for the quarter ended September 30, 2011, filed with the SEC on October 28, 2011, which are incorporated by reference in this information statement/prospectus. See Where You Can Find Additional Information in this information statement/prospectus.

	For the Nine Months Ended September 30,		For The Years Ended December 31,				
	2011	2010	2010(1)	2009(1)	2008(1)	2007(1)	2006(1)
	(unaudited)						
	(dollar amounts in thousands, except per share data)						
Consolidated Statements of Operations:							
Total revenues	\$ 834,521	\$ 812,265	\$ 1,092,606	\$ 1,082,231	\$ 1,128,099	\$ 1,063,962	\$ 978,692
Total operating expenses(2)	(702,240)	(720,017)	(967,144)	(995,469)	(1,096,498)	(901,629)	(825,485)
Operating income(2)	132,281	92,248	125,462	86,762	31,601	162,333	153,207
Loss from continuing operations(2)	(100,550)	(121,293)	(161,725)	(199,680)	(117,743)	(47,827)	(44,129)
Income from discontinued operations, net(3)	50,959	65,881	72,101	154,880	744,745	173,333	331,151
Net (loss) income	(49,591)	(55,412)	(89,624)	(44,800)	627,002	125,506	287,022
Net loss (income) attributable to noncontrolling interests	5,438	5,147	17,896	(19,474)	(214,995)	(95,595)	(110,234)
Net (income) attributable to Aimco's preferred stockholders	(35,429)	(36,626)	(53,590)	(50,566)	(53,708)	(66,016)	(81,132)

Net (loss) income attributable to Aimco's common stockholders	(79,751)	(86,891)	(125,318)	(114,840)	351,314	(40,586)	93,710
Earnings (loss) per common share - basic and diluted:							
Loss from continuing operations attributable to Aimco's common stockholders	\$ (0.92)	\$ (1.10)	\$ (1.45)	\$ (1.77)	\$ (2.09)	\$ (1.39)	\$ (1.49)
Net (loss) income attributable to Aimco's common stockholders	\$ (0.67)	\$ (0.75)	\$ (1.08)	\$ (1.00)	\$ 3.96	\$ (0.43)	\$ 0.98
Consolidated Balance Sheets:							
Real estate, net of accumulated depreciation	\$ 6,179,415		\$ 6,297,557	\$ 6,474,700	\$ 6,633,790	\$ 6,405,002	\$ 5,946,219
Total assets	7,042,702		7,378,566	7,906,468	9,441,870	10,617,681	10,292,587
Total indebtedness	5,259,725		5,338,630	5,316,303	5,679,544	5,303,531	4,647,864
Total equity	1,201,114		1,306,772	1,534,703	1,646,749	2,048,546	2,650,182
Other Information:							
Dividends declared per common share(4)	\$ 0.36	\$ 0.20	\$ 0.30	\$ 0.40	\$ 7.48	\$ 4.31	\$ 2.40
Total consolidated properties (end of period)	359	419	399	426	514	657	703
Total consolidated apartment units (end of period)	83,304	93,008	89,875	95,202	117,719	153,758	162,432
Total unconsolidated properties (end of period)	47	59	48	77	85	94	102
Total unconsolidated apartment units (end of period)	5,517	6,933	5,637	8,478	9,613	10,878	11,791

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- (1) Certain reclassifications have been made to conform to the September 30, 2011 financial statement presentation, including retroactive adjustments to reflect additional properties sold or classified as held for sale as of September 30, 2011 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 September 30, 2011 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 November 15, 2011, 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 Annual Report on Form 10-K for the year ended December 31, 2010, filed with the SEC on February 25, 2011, which is incorporated by reference in this information statement/prospectus.
- (3) Income from discontinued operations for the years ended December 31, 2010, 2009, 2008, 2007 and 2006 includes \$94.9 million, \$221.8 million, \$800.3 million, \$116.1 million and \$336.2 million in gains on disposition of real estate, respectively. Income from discontinued operations for 2010, 2009 and 2008 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 November 15, 2011, which is incorporated by reference in this information statement/prospectus.
- (4) Dividends declared per common share during the years ended December 31, 2008 and 2007, included \$5.08 and \$1.91, respectively, of per share dividends that were paid through the issuance of shares of Aimco Class A Common Stock (see Note 11 to the consolidated financial statements in Item 8 *Financial Statements and Supplementary Data* included in Aimco's Current Report on Form 8-K, filed with the SEC on November 15, 2011, which is incorporated by reference in this information statement/prospectus).

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 operations data set forth below for each of the five fiscal years in the period ended December 31, 2010 and the historical consolidated balance sheet data for each of the five fiscal year-ends in the period ended December 31, 2010, are derived from information included in Aimco OP's Current Report on Form 8-K, filed with the SEC on November 15, 2011 and included as Annex J to this information statement/prospectus. Aimco OP's unaudited historical consolidated statements of operations data set forth below for each of the nine months ended September 30, 2011 and 2010, and the unaudited historical consolidated balance sheet data as of September 30, 2011, are derived from information included in Aimco OP's Quarterly Report on Form 10-Q for the quarter ended September 30, 2011 included as Annex I to this information statement/prospectus.

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 OP's Current Report on Form 8-K, filed with the SEC on November 15, 2011, and Aimco OP's Quarterly Report on Form 10-Q for the quarter ended September 30, 2011, filed with the SEC on October 28, 2011, which are included as Annex J and Annex I to this information statement/prospectus.

	For the Nine Months Ended September 30,		For The Years Ended December 31,				
	2011	2010	2010(1)	2009(1)	2008(1)	2007(1)	2006(1)
	(unaudited)						
	(dollar amounts in thousands, except per unit data)						
Consolidated							
Statements of							
Operations:							
Total revenues	\$ 834,521	\$ 812,265	\$ 1,092,606	\$ 1,082,231	\$ 1,128,099	\$ 1,063,962	\$ 978,692
Total operating expenses(2)	(702,240)	(720,017)	(967,144)	(995,469)	(1,096,498)	(901,629)	(825,485)
Operating income(2)	132,281	92,248	125,462	86,762	31,601	162,333	153,207
Loss from continuing operations(2)	(99,290)	(120,651)	(160,866)	(198,860)	(116,957)	(47,078)	(41,169)
Income from discontinued operations, net(3)	50,959	65,881	72,101	154,880	744,745	173,333	331,151
Net (loss) income	(48,331)	(54,770)	(88,765)	(43,980)	627,788	126,255	289,982
Net loss (income) attributable to noncontrolling interests	4,612	1,795	13,301	(22,442)	(155,749)	(92,138)	(92,917)
Net (income) attributable to Aimco OP's preferred unit holders	(40,441)	(39,918)	(58,554)	(56,854)	(61,354)	(73,144)	(90,527)
	(84,329)	(92,893)	(134,018)	(123,276)	403,700	(43,508)	104,592

Net (loss) income
attributable to Aimco
OP's common
unit holders

Earnings (loss) per
common unit - basic
and diluted:

Loss from continuing
operations
attributable to Aimco
OP's common

unit holders \$ (0.91) \$ (1.10) \$ (1.44) \$ (1.76) \$ (1.94) \$ (1.38) \$ (1.47)

Net (loss) income
attributable to Aimco
OP's common

unit holders \$ (0.66) \$ (0.75) \$ (1.07) \$ (1.00) \$ 4.11 \$ (0.42) \$ 0.99

Consolidated Balance Sheets:

Real estate, net of
accumulated

depreciation \$ 6,179,920 \$ 6,298,062 \$ 6,475,205 \$ 6,634,295 \$ 6,405,507 \$ 5,946,724

Total assets 7,060,492 7,395,096 7,922,139 9,456,721 10,631,746 10,305,903

Total indebtedness 5,259,725 5,338,630 5,316,303 5,679,544 5,303,531 4,647,864

Total partners' capital 1,218,904 1,323,302 1,550,374 1,661,600 2,152,326 2,753,617

Other Information:

Distributions

declared per common
unit(4)

\$ 0.36 \$ 0.20 \$ 0.30 \$ 0.40 \$ 7.48 \$ 4.31 \$ 2.40

Total consolidated
properties (end of
period)

359 419 399 426 514 657 703

Total consolidated
apartment units (end
of period)

83,304 93,008 89,875 95,202 117,719 153,758 162,432

Total unconsolidated
properties (end of
period)

47 59 48 77 85 94 102

Total unconsolidated
apartment units (end
of period)

5,517 6,933 5,637 8,478 9,613 10,878 11,791

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- (1) Certain reclassifications have been made to conform to the September 30, 2011 financial statement presentation, including retroactive adjustments to reflect additional properties sold or classified as held for sale as of September 30, 2011 as discontinued operations (see Note 3 to the condensed consolidated financial statements in Item 1 *Financial Statements* in Aimco OP's Quarterly Report on Form 10-Q for the quarter ended September 30, 2011 included as Annex I to this information statement/prospectus, and Note 13 to the consolidated financial statements in Item 8 *Financial Statements and Supplementary Data* in Aimco OP's Current Report on Form 8-K, filed with the SEC on November 15, 2011 and included as Annex J to 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 OP's Annual Report on Form 10-K for the year ended December 31, 2010 included as Annex H to this information statement/prospectus.
- (3) Income from discontinued operations for the years ended December 31, 2010, 2009, 2008, 2007 and 2006 includes \$94.9 million, \$221.8 million, \$800.3 million, \$116.1 million and \$336.2 million in gains on disposition of real estate, respectively. Income from discontinued operations for 2010, 2009 and 2008 is discussed further in Item 7 *Management's Discussion and Analysis of Financial Condition and Results of Operations* in Aimco OP's Current Report on Form 8-K, filed with the SEC on November 15, 2011 and included as Annex J to this information statement/prospectus.
- (4) Distributions declared per common unit during the years ended December 31, 2008 and 2007, included \$5.08 and \$1.91, respectively, of per unit distributions that were paid to Aimco through the issuance of OP Units (see Note 11 to the consolidated financial statements in Item 8 *Financial Statements and Supplementary Data* in Aimco OP's Current Report on Form 8-K, filed with the SEC on November 15, 2011 and included as Annex J to this information statement/prospectus).

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**SELECTED SUMMARY HISTORICAL FINANCIAL DATA OF
CENTURY PROPERTIES FUND XVII, LP**

The following table sets forth CPF XVII's selected summary historical financial data as of the dates and for the periods indicated. CPF XVII's historical consolidated statements of operations and cash flow data set forth below for each of the two fiscal years in the period ended December 31, 2010 and the historical consolidated balance sheet data as of December 31, 2010 and 2009, are derived from CPF XVII's consolidated financial statements included in CPF XVII's Annual Report on Form 10-K for the fiscal year ended December 31, 2010. CPF XVII's unaudited historical consolidated statements of operations and cash flow data set forth below for each of the nine months ended September 30, 2011 and 2010, and the unaudited historical consolidated balance sheet data as of September 30, 2011 and 2010, are derived from CPF XVII's unaudited consolidated financial statements included in CPF XVII's Quarterly Reports on Form 10-Q for the quarters ended September 30, 2011 and 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 for the fiscal year ended December 31, 2010 included in CPF XVII's Annual Report on Form 10-K for the fiscal year ended December 31, 2010, filed with the SEC on March 25, 2011, and in CPF XVII's Quarterly Report on Form 10-Q for the quarter ended September 30, 2011, filed with the SEC on November 9, 2011, which are included as Annex F and Annex G to this information statement/prospectus. See Where You Can Find Additional Information in this information statement/prospectus.

	For the Nine Months Ended		For the Years Ended	
	September 30,		December 31,	
	2011	2010(1)	2010(1)	2009(1)
	(Unaudited)			
	(Dollar amounts in thousands, except per unit data)			
Consolidated Statements of Operations:				
Total revenues	\$ 7,618	\$ 7,487	\$ 12,917	\$ 12,907
Loss from continuing operations	(1,954)	(1,488)	(1,846)	(2,418)
Net income (loss)	14,617	(1,743)	(2,135)	(2,355)
Loss from continuing operations per limited partnership unit	(17.15)(2)	(17.49)	(21.71)	(28.44)
Loss from continuing operations per Series A Unit	(5.30)			
Income from continuing operations per Series B Unit	0.53			
Net income (loss) per limited partnership unit	169.32	(20.49)	(25.11)	(27.69)
Distributions per limited partnership unit				8.16
Distributions per Series A Unit				
Distributions per Series B Unit	96.69			
Deficit of earnings to fixed charges	(1,954)	(1,488)	(1,846)	(2,423)
Consolidated Balance Sheets:				
Cash and cash equivalents	1,160	315	489	269
Real estate, net of accumulated depreciation	14,347	15,048	14,585	16,545

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Assets held for sale		6,311(3)	6,438(3)	6,306(3)
Total assets	16,436	22,966	22,499	24,389
Mortgage notes payable	44,355	46,114	45,974	46,519
Due to affiliates	5,894	3,667	3,784	2,977
Liabilities related to assets held for sale		14,602(3)	13,910(3)	14,233(3)
General partners deficit	(7,552)	(9,276)	(9,322)	(9,070)
Limited partners deficit		(33,614)	(33,960)	(32,077)
Limited partners deficit Series A	(28,741)			
Limited partners capital Series B	228			
Total partners deficit	(36,065)	(42,890)	(43,282)	(41,147)

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	For the Nine Months Ended		For the Years Ended	
	September 30,		December 31,	
	2011	2010(1)	2010(1)	2009(1)
	(Unaudited)			
	(Dollar amounts in thousands, except per unit data)			
Total distributions	7,400			625
Book value per limited partnership unit		(448.19)	(452.80)	(427.69)
Book value per Series A Unit	(383.21)			
Book value per Series B Unit	3.04			
Other Information:				
Net increase (decrease) in cash and cash equivalents	671	46	220	(661)
Net cash provided by operating activities	1,010	1,086	1,894	2,427

- (1) Certain reclassifications have been made to conform to the September 30, 2011 financial statements presentations, including retroactive adjustments to reflect the Hampden Height Property, which was sold in July 2011, as discontinued operations (see Note A to the financial statements in Item 1 *Financial Statements* in CPF XVII's Quarterly Report on Form 10-Q for the quarter ended September 30, 2011, which is included as Annex G to this information statement/prospectus).
- (2) Represents loss from continuing operations per unit prior to serialization of CPF XVII's interest, which was effective May 9, 2011.
- (3) Relates to the Hampden Heights Property, which was sold in July 2011.

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Aimco common stock trades on the NYSE under the symbol AIV. The OP Units are not listed on any securities exchange and do not trade in an active secondary market. However, as described below, the trading price of Aimco common stock is considered a reasonable estimate of the fair market value of an OP Unit. After a one-year holding period, OP Units are redeemable for shares of Aimco common stock (on a one-for-one basis) or cash equal to the value of such shares, as Aimco elects. As a result, the trading price of Aimco common stock is considered a reasonable estimate of the fair market value of an OP Unit. The number of OP Units offered in the merger with respect to each Series A Unit was calculated by dividing the per 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. The closing price of Aimco common stock as reported on the NYSE on December 14, 2011 was \$21.22.

The CPF XVII Units are not listed on any securities exchange nor do they trade in an active secondary market. The per unit cash merger consideration payable to each holder of Series A Units is greater than Fox's estimate of the proceeds that would be available for distribution to limited partners of CPF XVII if the three properties represented by the Series A Units were sold at prices equal to their respective appraised values.

The following tables summarize the historical per share/unit information for Aimco, Aimco OP and CPF XVII for the periods indicated:

	Nine Months Ended September 30, 2011	Fiscal Year Ended December 31, 2010 2009 2008		
Cash dividends declared per share/unit				
Aimco Common Stock	\$ 0.36	\$ 0.30	\$ 0.40	\$ 2.40
Aimco OP Units	0.36	0.30	0.40	2.40
CPF XVII Units			8.16	319.99
Series B Units	96.69			
Loss per common share/unit from continuing operations				
Aimco Common Stock	\$ (0.92)	\$ (1.45)	\$ (1.77)	\$ (2.09)
Aimco OP Units	(0.91)	(1.44)	(1.76)	(1.94)
CPF XVII Units	(17.15)	(17.49)	(21.71)	(28.44)
Series A Units	(5.30)			

	September 30, 2011	December 31, 2010
Book value per share/unit		
Aimco Common Stock(1)	\$ 7.87	\$ 8.89
Aimco OP Units(2)	7.26	8.18
CPF XVII Units(3)		(452.80)
Series A Units(4)	(383.21)	

- (1) Based on 120.9 million and 117.6 million shares of Aimco common stock outstanding at September 30, 2011 and December 31, 2010, respectively.
- (2) Based on 129.2 million and 126.1 million Aimco OP Units and equivalents outstanding at September 30, 2011 and December 31, 2010, respectively.
- (3) Based on 75,000 CPF XVII Units outstanding at December 31, 2010.
- (4) Based on 75,000 Series A Units outstanding at September 30, 2011.

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INFORMATION ABOUT THE AIMCO ENTITIES

Aimco is a Maryland corporation incorporated on January 10, 1994. Aimco is a self-administered and self-managed real estate investment trust, or REIT. Aimco's principal financial objective is to provide predictable and attractive returns to its stockholders. Aimco's business plan to achieve this objective is to:

own and operate a broadly diversified portfolio of primarily class B/B+ assets (defined below) with properties concentrated in the 20 largest markets in the United States (as measured by total apartment value, which is the estimated total market value of apartment properties in a particular market);

improve its portfolio by selling assets with lower projected returns and reinvesting those proceeds through the purchase of new assets or additional investment in existing assets in its portfolio, including increased ownership or redevelopment; and

provide financial leverage primarily by the use of non-recourse, long-dated, fixed-rate property debt and perpetual preferred equity.

As of September 30, 2011, Aimco:

owned an equity interest in 205 conventional real estate properties with 64,781 units;

owned an equity interest in 201 affordable real estate properties with 24,040 units; and

provided services for or managed 11,233 units in 159 properties, primarily pursuant to long-term asset management agreements. In certain cases, Aimco may indirectly own generally less than one percent of the operations of such properties through a syndication or other fund.

Of these properties, Aimco consolidated 199 conventional properties with 63,335 units and 160 affordable properties with 19,969 units.

For conventional assets, Aimco focuses on the ownership of primarily B/B+ assets. Aimco measures conventional property asset quality based on average rents of its units compared to local market average rents as reported by a third-party provider of commercial real estate performance and analysis, with A-quality assets earning rents greater than 125% of local market average, B-quality assets earning rents 90% to 125% of local market average and C-quality assets earning rents less than 90% of local market average. Aimco classifies as B/B+ those assets earning rents ranging from 100% to 125% of local market average. Although some companies and analysts within the multifamily real estate industry use asset class ratings of A, B and C, some of which are tied to local market rent averages, the metrics used to classify asset quality as well as the timing for which local markets rents are calculated may vary from company to company. Accordingly, Aimco's rating system for measuring asset quality is neither broadly nor consistently used in the multifamily real estate industry.

Through its wholly-owned subsidiaries, AIMCO-GP, Inc., the general partner of Aimco OP, and AIMCO-LP Trust, Aimco owns a majority of the ownership interests in Aimco OP. As of September 30, 2011, Aimco held approximately 94% of the OP Units and high performance units, or HPUs, of Aimco OP. Aimco conducts substantially all of its business and owns substantially all of its assets through Aimco OP. Interests in Aimco OP that are held by limited partners other than Aimco include OP Units, HPUs and partnership preferred units. The holders of OP Units receive distributions, prorated from the date of issuance, in an amount equivalent to the dividends paid to

holders of Aimco common stock. Holders of OP Units may redeem such units for cash or, at Aimco OP's option, Aimco common stock. Partnership preferred units entitle the holders thereof to a preference with respect to distributions or upon liquidation. At September 30, 2011, after elimination of shares held by consolidated subsidiaries, 120,916,144 shares of Aimco common stock were outstanding and Aimco OP had 8,289,841 OP Units and HPUs outstanding for a combined total of 129,205,985 shares of Aimco common stock, OP Units and HPUs outstanding.

Through its wholly-owned subsidiary, AIMCO/IPT, Inc., a Delaware corporation, Aimco owns all of the outstanding common stock of FCMC, the managing general partner of Fox, which in turn is the general partner of CPF XVII.

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AIMCO/IPT, Inc. holds a 70% interest in AIMCO IPLP, L.P. as its general partner. AIMCO IPLP, L.P. and AIMCO/IPT, Inc. share voting and dispositive power over 25,833.5 Series A Units, representing approximately 34.45% of the outstanding Series A Units. AIMCO IPLP, L.P. also owns 100% of IPLP Acquisition I, LLC, which owns 3,369.5 Series A Units, or approximately 4.49% of the outstanding Series A Units.

AIMCO CPF XVII Merger Sub LLC, or the Aimco Subsidiary, is a Delaware limited liability company formed on July 27, 2011, for the purpose of consummating the merger with CPF XVII. The Aimco Subsidiary is a direct wholly-owned subsidiary of Aimco OP. 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 names, positions and business addresses of the directors and executive officers of Aimco, Aimco OP, AIMCO-GP, Inc., AIMCO/IPT, Inc., AIMCO IPLP, L.P., IPLP Acquisition I, LLC, Fox Capital Management Corporation, and the Aimco Subsidiary, as well as a biographical summary of the experience of such persons for the past five years or more, are set forth in Annex D attached hereto and are incorporated in this information statement/prospectus by reference. During the last five years, none of Aimco, Aimco OP, Aimco-GP, Inc., AIMCO/IPT, Inc., AIMCO IPLP, L.P., IPLP Acquisition I, LLC, Fox Capital Management Corporation, CPF XVII or Fox nor, to the best of their knowledge, any of the persons listed in Annex D of this information statement/prospectus (i) has been convicted in a criminal proceeding (excluding traffic violations or similar misdemeanors) or (ii) was a party to a civil proceeding of a judicial or administrative body of competent jurisdiction and as a result of such proceeding was or is subject to a judgment, decree or final order enjoining further violations of or prohibiting activities subject to federal or state securities laws or finding any violation with respect to such laws. Additional information about Aimco is included in documents incorporated by reference into this information statement/prospectus. Additional information about Aimco OP is included in Annex H and Annex I to this information statement/prospectus. See Where You Can Find Additional Information.

The following chart represents the organizational structure of the Aimco Entities:

Table of Contents**INFORMATION ABOUT CENTURY PROPERTIES FUND XVII, LP**

CPF XVII is a Delaware limited partnership organized on September 18, 2008, in connection with a redomestication of a predecessor limited partnership from California to Delaware in September 2008. The predecessor was organized as a California limited partnership on November 12, 1981. During 1982, the predecessor of CPF XVII offered and sold, pursuant to a registration statement filed with the SEC, 75,000 CPF XVII Units for an aggregate purchase price of \$75,000,000. The net proceeds of this offering were used to acquire twelve existing apartment properties. Since its initial offering, CPF XVII has not received, nor are limited partners required to make, additional capital contributions. CPF XVII's original property portfolio was geographically diversified with properties acquired in four states. Three apartment properties were sold in 1988. One apartment was acquired by the lender through a deed in-lieu of foreclosure in 1992. During 1993, two apartment properties were sold and one was acquired by the lender through foreclosure. During 2006, one apartment property was sold to a third party.

CPF XVII serialized its interests through an amendment to the partnership agreement dated May 9, 2011, which created the Series A Units, which relate to the Peakview Property, the Creekside Property and the Village in the Woods Property, and the Series B Units, which relate to one of CPF XVII's former investment properties, the Hampden Heights Property.

CPF XVII's partnership agreement provides that the partnership is to terminate on December 31, 2021 unless terminated prior to such date. Fox, which is the general partner of CPF XVII, is an affiliate of Aimco.

CPF XVII's principal business is and has been to operate, hold for investment, and ultimately sell income-producing multi-family residential properties. CPF XVII sold the Hampden Heights Property, which was the sole property related to the Series B Units, to a third party on July 22, 2011. At September 30, 2011, CPF XVII owned the following properties:

the Peakview Property, which consists of a 296 unit apartment project located in Englewood, Colorado;

the Creekside Property, a 328 unit apartment project located in Denver, Colorado; and

the Village in the Woods Property, a 530 unit apartment project located in Cypress, Texas.

The average annual rental rates for each of the five years ended December 31, 2010 for each property are as follows:

Property	Average Annual Rental Rates (per unit)				
	2010	2009	2008	2007	2006
Peakview Place Apartments	\$ 8,955	\$ 9,297	\$ 9,355	\$ 8,965	\$ 8,682
Creekside Apartments	7,222	7,387	7,431	6,994	6,755
The Village in the Woods Apartments	7,887	8,147	8,177	8,030	7,675

The average occupancy for each of the five years ended December 31, 2010 and for the nine months ended September 30, 2011 and 2010 for each property is as follows:

Property	Average Occupancy						
	For the Nine Months Ended September 30,		For the Years Ended December 31,				
	2011	2010	2010	2009	2008	2007	2006
Peakview Place Apartments	98%	98%	98%	95%	98%	96%	97%
Creekside Apartments	98%	97%	97%	95%	97%	97%	96%
The Village in the Woods Apartments	92%	96%	95%	94%	95%	95%	91%

The real estate industry is highly competitive. All of the properties are subject to competition from other residential apartment complexes in the area. Fox believes that all of the properties are adequately insured. The properties are apartment complexes which lease units for terms of one year or less. No tenant leases 10% or more of the available rental space.

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During the year ended December 31, 2010, CPF XVII completed approximately \$140,000 of capital improvements at the Peakview Property, consisting primarily of water heaters and floor covering replacement. These improvements were funded from operating cash flow and advances from an affiliate of the general partner. During the year ended December 31, 2010, CPF XVII completed approximately \$561,000 of capital improvements at the Creekside Property, consisting primarily of HVAC upgrades, structural improvements, walkway upgrades, exterior painting, sewer upgrades, exterior improvements, and floor covering replacement. These improvements were funded from operating cash flow and advances from an affiliate of the general partner. During the year ended December 31, 2010, CPF XVII completed approximately \$1,037,000 of capital improvements at the Hampden Heights Property, consisting primarily of HVAC upgrades, electrical upgrades, floor covering replacement and construction related to hail damage to one of its buildings. These improvements were funded from operating cash flow, insurance proceeds and advances from an affiliate of the general partner. During the year ended December 31, 2010, CPF XVII completed approximately \$377,000 of capital improvements at the Village in the Woods Property, consisting primarily of appliance and floor covering replacements and construction related to fire damage at one apartment unit. These improvements were funded from operating cash flow, insurance proceeds and advances from an affiliate of the general partner.

During the nine months ended September 30, 2011, CPF XVII completed approximately \$1,112,000 of capital improvements at the Peakview Property, consisting primarily of roof replacement, parking area upgrades and floor covering replacement. These improvements were funded from operating cash flow and advances from an affiliate of the general partner. During the nine months ended September 30, 2011, CPF XVII completed approximately \$277,000 of capital improvements at the Creekside Property, consisting primarily of parking area upgrades, HVAC upgrades and floor covering replacement. These improvements were funded from operating cash flow and advances from an affiliate of the general partner. During the nine months ended September 30, 2011, CPF XVII completed approximately \$78,000 of capital improvements at the Hampden Heights Property, consisting primarily of floor covering replacement. These improvements were funded from operating cash flow and insurance proceeds. During the nine months ended September 30, 2011, CPF XVII completed approximately \$363,000 of capital improvements at the Village in the Woods Property, consisting primarily of parking area upgrades, HVAC upgrades, swimming pool upgrades and floor covering replacements. These improvements were funded from operating cash flow.

CPF XVII regularly evaluates the capital improvement needs of the properties, and anticipates making certain routine capital expenditures with respect to each property during the remainder of 2011. Such capital expenditures will depend on the physical conditions of the properties as well as anticipated cash flows generated by the properties. During 2011, CPF XVII also intends to resurface the pool and make a lender mandated correction of minor concrete and wood replacements at the Village in the Woods Property at an estimated cost of approximately \$145,600, mold and other environmental clean up and lender mandated parking lot, retaining wall and fence repairs at the Creekside Property at an estimated cost of \$138,100 and certain lender mandated roof replacement and parking lot repairs to the Peakview Property at an estimated cost of approximately \$1,072,400. As discussed above, most of these capital expenditures were completed during the nine months ended September 30, 2011. All of CPF XVII's properties are in good physical condition, subject to normal depreciation and deterioration as is typical for assets of this type and age.

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The following table sets forth certain information relating to the mortgages encumbering CPF XVII's properties at September 30, 2011.

Property	Principal, Balance at September 30, 2011 (In thousands)	Interest Rate(2)	Period Amortized	Maturity Date	Principal Balance Due at Maturity(1) (In thousands)
Peakview Place Apartments					
1 st Mortgage	\$ 9,379	7.99%	360 months	01/20	\$ 8,121
2 nd Mortgage	3,069	5.93%	360 months	01/18	2,697
Creekside Apartments(3)	12,827	5.59%	360 months	6/21	10,673
The Village in the Woods Apartments					
1 st Mortgage	10,821	8.56%	360 months	02/20	9,557
2 nd Mortgage	8,259	6.43%	360 months	02/20	6,996
	\$ 44,355				\$ 38,044

(1) See Note B *Mortgage Notes Payable* to the consolidated financial statements included in Item 8 *Financial Statements and Supplementary Data* in CPF XVII's Annual Report on Form 10-K for the year ended December 31, 2010, included as Annex F to this information statement/prospectus, for information with respect to CPF XVII's ability to prepay these mortgages and other specific details about the mortgages.

(2) Fixed rate mortgages.

(3) On May 2, 2011, CPF XVII refinanced the mortgage debt encumbering the Creekside Property. The refinancing resulted in the replacement of the existing mortgage loan, which at the time of refinancing had a principal balance of approximately \$14,087,000, with a new mortgage loan in the principal amount of \$12,869,000. The new loan bears interest at a rate of 5.59% per annum and requires monthly payments of principal and interest of approximately \$74,000 beginning on July 1, 2011, through the June 1, 2021 maturity date. The new mortgage loan has a balloon payment of approximately \$10,673,000 due at maturity. For more information regarding the new mortgage loan, see CPF XVII's Quarterly Report on Form 10-Q for the quarter ended September 30, 2011, included as Annex G to this information statement/prospectus.

Distributions to Limited Partners

CPF XVII presently has Series A Units and Series B Units issued and outstanding. The Series A Units are entitled to allocations of profit and loss, and distributions, relating to CPF XVII's interest in the Peakview Property, the Creekside Property and the Village in the Woods Property, and the Series B Units are entitled to allocations of profit and loss, and distributions, relating to CPF XVII's interest in the Hampden Heights Property, which was sold on July 22, 2011. During August 2011, CPF XVII distributed approximately \$7,400,000 of proceeds from the sale of the Hampden Heights Property to Fox and the holders of Series B Units. A portion of the proceeds from the sale was retained to cover trailing payables. Any proceeds remaining at the end of the year will be distributed to Fox and holders of

Series B Units. The Series B Units are expected to be terminated at year end after resolution of trailing payables. As of December 14, 2011, there were 75,000 Series A Units and 75,000 Series B Units outstanding, and Aimco OP and its affiliates owned 52,866 of the Series A Units and 52,866 of the Series B Units, or approximately 70.49% of each of those units.

CPF XVII distributed the following amounts during the years ended December 31, 2010 and 2009 (in thousands, except per unit data):

	Year Ended December 31, 2010		Year Ended December 31, 2009	
	Per Limited Partnership Unit		Per Limited Partnership Unit	
	Aggregate		Aggregate	
Refinance(1)	\$	\$	\$ 625	\$ 8.16

(1) Proceeds from the June 2008 refinancing of the mortgages encumbering Creekside Apartments and Hampden Heights Apartments and the second mortgage obtained on The Village in the Woods Apartments in June 2008.

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CPF XVII distributed the following amounts during the nine months ended September 30, 2011 and 2010 (in thousands, except per unit data):

	Nine Months Ended September 30, 2011		Nine Months Ended September 30, 2010	
		Per Limited Partnership Unit		Per Limited Partnership Unit
	Aggregate		Aggregate	Unit
Sale(1)	\$ 7,400	\$ 96.69	\$	\$

(1) Distribution to Series B limited partners of proceeds from the July 2011 sale of the Hampden Heights Property.

Future cash distributions will depend on the levels of net cash generated from operations, the timing of debt maturities, refinancings and/or property sales. CPF XVII's cash available for distribution is reviewed on a monthly basis. In light of the amounts accrued and payable to affiliates of Fox at September 30, 2011, there can be no assurance that CPF XVII will generate sufficient funds from operations, after required capital improvement expenditures, to permit any distributions to its partners in 2011 or subsequent periods.

Certain Relationships and Related Transactions

CPF XVII has no employees and depends on Fox and its affiliates for the management and administration of all partnership activities. The CPF XVII partnership agreement provides for certain payments to affiliates for services and reimbursement of certain expenses incurred on behalf of CPF XVII.

The CPF XVII partnership agreement also provides that affiliates of Fox receive 5% of gross receipts from all of CPF XVII's properties as compensation for providing property management services. CPF XVII paid to such affiliates approximately \$641,000 and \$634,000 for the years ended December 31, 2010 and 2009, respectively, and approximately \$461,000 and \$474,000 for the nine months ended September 30, 2011 and 2010, respectively.

An affiliate of Fox charged CPF XVII for reimbursement of accountable administrative expenses amounting to approximately \$411,000 and \$627,000 for the years ended December 31, 2010 and 2009, respectively. A portion of these reimbursements for the years ended December 31, 2010 and 2009 are for construction management services provided by an affiliate of Fox of approximately \$239,000 and \$465,000, respectively.

An affiliate of Fox charged CPF XVII for reimbursement of accountable administrative expenses amounting to approximately \$267,000 and \$257,000 for the nine months ended September 30, 2011 and 2010, respectively. A portion of these reimbursements for the nine months ended September 30, 2011 and 2010 are construction management services provided by an affiliate of Fox of approximately \$146,000 and \$127,000, respectively. At September 30, 2011, approximately \$5,000 of these reimbursements is payable to affiliates of Fox.

Pursuant to CPF XVII's partnership agreement, for managing the affairs of CPF XVII, Fox is entitled to receive a partnership management fee equal to 10% of CPF XVII's adjusted cash from operations as distributed. There were no partnership management fees earned or paid during the years ended December 31, 2010 and 2009 and during the nine months ended September 30, 2011 and 2010, as there were no distributions from operations.

Aimco OP, an affiliate of Fox, has made available to CPF XVII a credit line of up to \$150,000 per property owned by CPF XVII. Prior to 2010, Aimco OP exceeded this credit limit. During the years ended December 31, 2010 and 2009, Aimco OP advanced CPF XVII approximately \$191,000 to fund real estate taxes at the Village in the Woods Property and approximately \$1,076,000 to fund operating expenses and capital improvements at all of CPF XVII's properties and approximately \$2,914,000 to fund capital improvements at the Creekside Property and the Hampden Heights Property and operating expenses at all of CPF XVII's properties, respectively. The advances bear interest at the prime rate plus 1% or 2% (4.25% or 5.25% at December 31, 2010). Interest expense for the years ended December 31, 2010 and 2009 was approximately \$188,000 and \$48,000, respectively. During the years ended December 31, 2010 and 2009, CPF XVII made payments of approximately \$560,000 and \$73,000, respectively, on the advances and associated accrued interest. At December 31, 2010 and 2009, the amount of outstanding loans and accrued interest owed to Aimco OP was approximately \$3,784,000 and \$2,889,000, respectively.

During the nine months ended September 30, 2011, Aimco OP advanced CPF XVII approximately \$115,000 to fund real estate taxes at the Village in the Woods Property, approximately \$275,000 to fund a mortgage refinancing

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commitment fee related to the Creekside Property approximately \$2,325,000 to facilitate the refinancing of the mortgage encumbering the Creekside Property and approximately \$954,000 to fund capital improvements at the Peakview Property and the Creekside Property. During the nine months ended September 30, 2010, Aimco OP advanced CPF XVII approximately \$191,000 to fund real estate taxes at the Village in the Woods Property and approximately \$665,000 to fund operating expenses and capital improvements at all of CPF XVII's properties. The advances bear interest at the prime rate plus 2% (5.25% at September 30, 2011). Interest expense for the nine months ended September 30, 2011 and 2010 was approximately \$200,000 and \$137,000, respectively. During the nine months ended September 30, 2011 and 2010, CPF XVII made payments of approximately \$1,764,000 and \$230,000, respectively, on the advances and associated accrued interest with proceeds from the sale of the Hampden Heights Property and operating cash flow. At September 30, 2011 and December 31, 2010, the amount of outstanding advances and accrued interest due to Aimco OP was approximately \$5,889,000 and \$3,784,000, respectively. CPF XVII may receive additional advances of funds from Aimco OP, although Aimco OP is not obligated to provide such advances.

CPF XVII insures its properties up to certain limits through coverage provided by Aimco, which is generally self-insured for a portion of losses and liabilities related to workers' compensation, property casualty, general liability and vehicle liability. CPF XVII insures its properties above the Aimco limits through insurance policies obtained by Aimco from insurers unaffiliated with Fox. During the years ended December 31, 2010 and 2009, CPF XVII was charged by Aimco and its affiliates approximately \$342,000 and \$227,000, respectively, for insurance coverage and fees associated with policy claims administration. During the nine months ended September 30, 2011, CPF XVII was charged by Aimco and its affiliates approximately \$195,000 for hazard insurance coverage and fees associated with policy claims administration. Additional charges will be incurred by CPF XVII during 2011 as other insurance policies renew later in the year.

In addition to its indirect ownership of the general partner interests in CPF XVII, Aimco and its affiliates owned 52,866 of each of the Series A Units and Series B Units, or approximately 70.49% of the number of Series A Units and Series B Units outstanding, at December 14, 2011. Pursuant to the CPF XVII partnership agreement, limited partners holding a majority of the outstanding units of each series are entitled to take action with respect to a variety of matters that include, but are not limited to, voting on certain amendments to the CPF XVII partnership agreement and voting to remove Fox as the general partner. As a result of its ownership of 70.49% of each of the outstanding Series A Units and the outstanding Series B Units, Aimco and its affiliates are in a position to control all such voting decisions with respect to CPF XVII. However, DeForest Ventures I L.P., from whom Aimco, through its merger with Insignia Financial Group, Inc., acquired 25,833.5 (approximately 34.45%) of its CPF XVII Units, had agreed for the benefit of third party unitholders, that it would vote such units: (i) against any increase in compensation payable to Fox; and (ii) on all other matters submitted by it or its affiliates, in proportion to the votes cast by third party unitholders. Except for the foregoing, no other limitations are imposed on Aimco's and its affiliates' right to vote each Series A Unit and each Series B Unit held. Although Fox owes fiduciary duties to CPF XVII's limited partners, Fox's managing general partner owes fiduciary duties to its sole stockholder, which is an affiliate of Aimco.

Directors, Executive Officers and Corporate Governance

CPF XVII has no directors or executive officers of its own. Fox, a California general partnership, is the general partner of CPF XVII. The general partners of Fox are FCMC (which is the managing general partner of Fox), Fox Realty Investors and CPF XVII LLC. The names and ages of, as well as the positions and offices held by, the present directors and officers of FCMC, as of September 30, 2011 are set forth in Annex D to this information statement/prospectus. One or more of those persons are also directors and/or officers of a general partner (or general partner of a general partner) of limited partnerships which either have a class of securities registered pursuant to Section 12(g) of the Exchange Act, or are subject to the reporting requirements of Section 15(d) of the Exchange Act. Further, one or more of those persons are also officers of Aimco and the general partner of Aimco OP, entities that

have a class of securities registered pursuant to Section 12(g) of the Exchange Act, or are subject to the reporting requirements of Section 15(d) of the Exchange Act. There are no family relationships between or among any officers or directors. No remuneration was paid to CPF XVII nor its directors or officers during the year ended December 31, 2010.

The board of directors of FCMC, does not have a separate audit committee. As such, the board of directors of FCMC fulfills the functions of an audit committee. The board of directors has determined that Steven D. Cordes meets the requirement of an audit committee financial expert.

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The directors and officers of FCMC with authority over CPF XVII are all employees of subsidiaries of Aimco. Aimco has adopted a code of ethics that applies to such directors and officers that is posted on Aimco's website (www.aimco.com). Aimco's website is not incorporated by reference to this filing.

Security Ownership of Certain Beneficial Owners and Management

Fox is the general partner of CPF XVII and owns all of the outstanding general partner interests in CPF XVII, which constitute 2% of the total interests in the partnership. CPF XVII has no directors or executive officers of its own. FCMC, the managing general partner of Fox, is a California corporation, which is indirectly wholly-owned by Aimco. No director or executive officer of FCMC owns any of the CPF XVII Units. Fox owns 100 Series A Units and 100 Series B Units as required by the terms of CPF XVII's partnership agreement.

The following table sets forth certain information as of December 14, 2011 with respect to the ownership by any person (including any group, as that term is used in Section 13(d)(3) of the Exchange Act) known to us to be the beneficial owner of more than 5% of any series of limited partnership interest of the partnership.

Series A Units Limited Partners

Entity Name and Address	Approximate Number of Series A Units	Approximate Percent of Class
Apartment Investment and Management Company(1) 4582 South Ulster Street, Suite 1100 Denver, CO 80237	52,866(2)	70.49%
AIMCO-GP, Inc.(1) 4582 South Ulster Street, Suite 1100 Denver, CO 80237	52,866(2)	70.49%
AIMCO Properties, L.P.(1) 4582 South Ulster Street, Suite 1100 Denver, CO 80237	52,866(2)	70.49%
AIMCO IPLP, L.P.(3) 4582 South Ulster Street, Suite 1100 Denver, CO 80237	25,833.5(4)(5)	34.45%
AIMCO/IPT, Inc.(3) 4582 South Ulster Street, Suite 1100 Denver, CO 80237	25,833.5(4)(6)	34.45%

- (1) AIMCO-GP, Inc., a Delaware corporation, is the sole general partner of AIMCO Properties, L.P., and owns approximately a 1% general partner interest in AIMCO Properties, L.P. AIMCO-GP, Inc. is wholly-owned by Apartment Investment and Management Company. As of December 14, 2011, AIMCO-LP Trust, a Delaware

trust wholly-owned by Apartment Investment and Management Company, owns approximately a 93% interest in the OP Units and equivalents of AIMCO Properties, L.P.

- (2) AIMCO Properties, L.P., AIMCO-GP, Inc. and Apartment Investment and Management Company share voting and dispositive power over 52,866 Series A Units, representing approximately 70.49% of the class. AIMCO-GP, Inc. holds its Series A Units, directly or indirectly, as nominee for AIMCO Properties, L.P. and so AIMCO Properties, L.P. may be deemed the beneficial owner of the Series A Units held by AIMCO-GP, Inc. Apartment Investment and Management Company may be deemed the beneficial owner of the Series A Units held by AIMCO Properties, L.P. and AIMCO-GP, Inc. by virtue of its indirect ownership or control of these entities.

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- (3) AIMCO/IPT, Inc. is wholly-owned by Apartment Investment and Management Company and holds a 70.0% interest in AIMCO IPLP, L.P. as its general partner. AIMCO Properties, L.P. holds a 30% interest in AIMCO IPLP, L.P. as the limited partner.
- (4) AIMCO IPLP, L.P. and AIMCO/IPT, Inc. share voting and dispositive power over 25,833.5 Series A Units, representing approximately 34.45% of the class.
- (5) AIMCO IPLP, L.P. owns an additional 3,369.5 Series A Units, representing approximately 4.49% of the class, through its wholly owned subsidiary, IPLP Acquisition I LLC.
- (6) AIMCO/IPT, Inc. owns an additional 100 Series A Units, representing approximately 0.13% of the class, through its wholly owned subsidiary, Fox Capital Management Corporation.

Series B Units Limited Partners

Entity Name and Address	Approximate Number of Series B Units	Approximate Percent of Class
Apartment Investment and Management Company(1) 4582 South Ulster Street, Suite 1100 Denver, CO 80237	52,866(2)	70.49%
AIMCO-GP, Inc.(1) 4582 South Ulster Street, Suite 1100 Denver, CO 80237	52,866(2)	70.49%
AIMCO Properties, L.P.(1) 4582 South Ulster Street, Suite 1100 Denver, CO 80237	52,866(2)	70.49%
AIMCO IPLP, L.P.(3) 4582 South Ulster Street, Suite 1100 Denver, CO 80237	25,833.5(4)(5)	34.45%
AIMCO/IPT, Inc.(3) 4582 South Ulster Street, Suite 1100 Denver, CO 80237	25,833.5(4)(6)	34.45%

- (1) AIMCO-GP, Inc., a Delaware corporation, is the sole general partner of AIMCO Properties, L.P., and owns approximately a 1% general partner interest in AIMCO Properties, L.P. AIMCO-GP, Inc. is wholly-owned by Apartment Investment and Management Company. As of December 14, 2011, AIMCO-LP Trust, a Delaware trust wholly-owned by Apartment Investment and Management Company, owns approximately a 93% interest in the OP Units and equivalents of AIMCO Properties, L.P.

- (2) AIMCO Properties, L.P., AIMCO-GP, Inc. and Apartment Investment and Management Company share voting and dispositive power over 52,866 Series B Units, representing approximately 70.49% of the class. AIMCO-GP, Inc. holds its Series B Units, directly or indirectly, as nominee for AIMCO Properties, L.P. and so AIMCO Properties, L.P. may be deemed the beneficial owner of the Series B Units held by AIMCO-GP, Inc. Apartment Investment and Management Company may be deemed the beneficial owner of the Series B Units held by AIMCO Properties, L.P. and AIMCO-GP, Inc. by virtue of its indirect ownership or control of these entities.
- (3) AIMCO/IPT, Inc. is wholly-owned by Apartment Investment and Management Company and holds a 70.0% interest in AIMCO IPLP, L.P. as its general partner. AIMCO Properties, L.P. holds a 30% interest in AIMCO IPLP, L.P. as the limited partner.
- (4) AIMCO IPLP, L.P. and AIMCO/IPT, Inc. share voting and dispositive power over 25,833.5 Series B Units, representing approximately 34.45% of the class.

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- (5) AIMCO IPLP, L.P. owns an additional 3,369.5 Series B Units, representing approximately 4.49% of the class, through its wholly owned subsidiary, IPLP Acquisition I LLC.
- (6) AIMCO/IPT, Inc. owns an additional 100 Series B Units, representing approximately 0.13% of the class, through its wholly owned subsidiary, Fox Capital Management Corporation.

Additional Information

For additional information about CPF XVII and its properties and operating data related to those properties, see CPF XVII's Annual Report on Form 10-K for the year ended December 31, 2010, attached hereto as Annex F, and CPF XVII's Quarterly Report on Form 10-Q for the quarter ended September 30, 2011, attached hereto as Annex G.

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THE MERGER

Background of the Merger

As the general partner of CPF XVII, Fox regularly evaluates CPF XVII's properties by considering various factors, such as CPF XVII's financial position and real estate and capital markets conditions. Fox monitors a property's specific locale and sub-market conditions (including stability of the surrounding neighborhood), evaluating current trends, competition, new construction and economic changes. It oversees the operating performance of each property and continuously evaluates the physical improvement requirements. In addition, the financing structure for each property (including any prepayment penalties), tax implications to limited partners, availability of attractive mortgage financing to a purchaser, and the investment climate are all considered. Any of these factors, and possibly others, can potentially contribute to any decision by Fox to sell, refinance, upgrade with capital improvements or hold a partnership property.

After taking into account the foregoing considerations, Fox listed the Hampden Heights Property for sale at various times in 2008 and 2009, but ultimately abandoned its efforts because it was unable to find a buyer that was willing to buy the property at a price that was acceptable to Fox. In early 2009, Fox listed the Village in the Woods Property for sale, but abandoned its efforts because it was unable to find a buyer that was willing to buy the property at a price that was acceptable to Fox. Fox re-listed the Hampden Heights Property for sale in March 2010 and commenced negotiations with a third party shortly thereafter. On July 23, 2010, CPF XVII entered into a purchase and sale contract with a third party to sell the Hampden Heights Property for a total sales price of \$19,750,000. On July 27, 2010, the purchaser delivered written notice of its election to terminate the purchase and sale contract pursuant to its terms. Subsequently, in September 2010, Fox again re-listed the property for sale.

During January 2011, officers of FCMC, the managing general partner of Fox, who are also officers of Aimco, met several times to consider and discuss strategic alternatives for CPF XVII. During these meetings, they considered the costs of maintaining CPF XVII's current ownership structure, including audit, tax and SEC reporting costs, given Aimco OP's ownership of 70.49% of the CPF XVII Units and the outstanding debt owed to Aimco OP.

After considering all of these factors, the officers agreed to explore the possibility of Aimco OP acquiring some or all of CPF XVII's properties through a transaction that would provide the unaffiliated limited partners with the opportunity to defer taxable gain through an exchange of CPF XVII Units for OP Units.

During January and February of 2011, FCMC management sought advice from outside counsel to determine whether a transaction would be feasible that would result in Aimco OP's ownership of some or all of CPF XVII's properties while also providing potential tax deferral to limited partners who are unaffiliated with Aimco OP. FCMC management also considered the ongoing efforts to market the Hampden Heights Property for sale and discussed with counsel whether a transaction would be feasible that would result in Aimco's ownership of all of CPF XVII's properties other than the Hampden Heights Property. At the same time, they spoke with appraisers regarding the possibility of appraising the properties for purposes of evaluating a potential transaction with Aimco OP.

FCMC engaged CRA in February 2011 to appraise each of the Peakview Property, the Creekside Property and the Village in the Woods Property. FCMC management decided not to obtain an appraisal for the Hampden Heights Property due to the ongoing sales efforts. CRA delivered the appraisal for the Peakview Property on March 15, 2011, the appraisal for the Creekside Property on March 16, 2011, and the appraisal for the Village in the Woods Property on March 21, 2011. Pursuant to these appraisals, CRA valued the properties at \$27,100,000, \$21,600,000, and \$28,500,000, respectively.

Over the following weeks, FCMC management reviewed the appraisal reports and discussed both CRA's assumptions and its valuations of the properties and determined that CRA's assumptions were reasonable and the valuations appropriate. As part of their review, they considered the fiduciary duties owed by Fox to unaffiliated limited partners, as well as the properties' appraised value and the amount of indebtedness secured by each of the properties, which at March 31, 2011 was approximately \$19,198,000 for the Village in the Woods Property, \$12,529,000 for the Peakview Property, and \$14,105,000 for the Creekside Property.

In April and May 2011, Aimco OP and Fox continued discussions regarding a possible merger transaction between CPF XVII and Aimco OP. In connection with these discussions, Aimco OP and Fox agreed that, if they

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were to pursue the merger, they should consider retaining an independent financial advisor to opine as to the fairness of the merger to the unaffiliated limited partners of CPF XVII. Aimco OP and Fox, together with outside counsel, conducted interviews with representatives of Duff & Phelps and two other financial advisory firms.

On May 9, 2011, CPF XVII serialized its interests through an amendment to its partnership agreement, which created the Series A Units, which relate to the Peakview Property, the Creekside Property and the Village in the Woods Property, and the Series B Units, which relate to the Hampden Heights Property.

On May 23, 2011, CPF XVII entered into a sale contract with a third party to sell the Hampden Heights Property for a purchase price of approximately \$22,750,000.

On June 3, 2011, at the request of Aimco OP and Fox, CRA delivered an updated appraisal for the Village in the Woods Property, pursuant to which it valued the property at \$28,700,000 as of May 31, 2011. On June 17, at the request of Aimco OP and Fox, CRA delivered updated appraisals for the Peakview Property and the Creekside Property, pursuant to which it valued the properties at \$28,000,000 and \$22,400,000, respectively, as of May 31, 2011. Aimco OP and Fox reviewed the updated appraisal reports and calculated the equity value of Series A Units based on these updated appraisals.

On June 10, 2011, Aimco OP engaged Duff & Phelps to provide a fairness opinion, and if requested, an updated fairness opinion, with respect to the proposed merger transaction and ten other possible merger transactions. In the following weeks, Duff & Phelps had due diligence calls with FCMC management and received due diligence materials in response to its diligence requests.

On July 22, 2011, the sale of the Hampden Heights Property was completed. The property was sold to a third party for \$22,750,000.

On July 28, 2011, Duff & Phelps delivered its written opinion to the boards of directors of Aimco, the general partner of Aimco OP and the managing general partner of CPF XVII's general partner to the effect that, as of July 28, 2011, based upon and subject to the assumptions made, procedures followed, factors considered, and qualifications and limitations on the review undertaken by Duff & Phelps in connection with its opinion, the cash consideration of \$311.18 per unit is fair, from a financial point of view, to the unaffiliated limited partners of CPF XVII.

On July 28, 2011, Fox and the general partner of Aimco OP approved an agreement and plan of merger that provided for consideration of \$311.18 per unit to holders of Series A Units, payable in cash or OP Units. Before doing so, Fox and the other Aimco Entities considered a number of possible alternatives to the proposed transaction, as described in greater detail in this information statement/prospectus. However, they ultimately determined that the proposed merger is in the best interests of CPF XVII and its unaffiliated limited partners. On July 28, 2011, CPF XVII, Aimco OP and the Aimco Subsidiary entered into the agreement and plan of merger.

Also on July 28, 2011, Aimco and Aimco OP filed with the SEC a registration statement relating to the merger. In addition, the Aimco Entities made certain other filings required in connection with the merger. From August through December 2011, Aimco and Aimco OP responded to SEC comments and revised the registration statement.

On September 20, 2011, FCMC management met to discuss the merger transaction and the valuations of CPF XVII's properties. On October 4, 2011, FCMC management met again to discuss the timing of the merger transaction and considered updating the valuations of CPF XVII's properties. On November 18, 2011, FCMC engaged CRA to update its appraisals and Duff & Phelps to provide an updated fairness opinion with respect to the equity value resulting from such updated appraisals.

On December 5, 2011, CRA delivered updated appraisals for the Peakview Property and the Creekside Property pursuant to which it valued the properties at \$29,600,000 and \$24,800,000, respectively, as of November 1, 2011. On December 7, 2011, CRA delivered an updated appraisal for the Village in the Woods Property pursuant to which it valued the property at \$29,300,000 as of November 1, 2011. Aimco OP and Fox reviewed and discussed the updated appraisal reports and calculated the equity value of the Series A Units based on these updated appraisals, CPF XVII's updated financial position and the updated mark-to-market adjustment of the mortgage debt encumbering CPF XVII's properties. This calculation resulted in an increase of the equity value of the Series A Units from \$311.18 per unit to \$332.29 per unit.

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On December 19, 2011, Duff & Phelps delivered its updated written opinion to the boards of directors of Aimco, the general partner of Aimco OP and the managing general partner of CPF XVII's general partner to the effect that, as of December 19, 2011, based upon and subject to the assumptions made, procedures followed, factors considered, and qualifications and limitations on the review undertaken by Duff & Phelps in connection with its opinion, the cash consideration of \$332.29 per unit is fair, from a financial point of view, to the unaffiliated limited partners of CPF XVII.

On December 19, 2011, Fox and the general partner of Aimco OP approved an amendment and restatement of the merger agreement that provides for consideration of \$332.29 per unit, payable in cash or OP Units. On December 19, 2011, CPF XVII, Aimco OP and the Aimco Subsidiary entered into the amended and restated agreement and plan of merger.

Determination of Merger Consideration

In the merger, each Series A 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 Series A Unit, either \$332.29 in cash or equivalent value in Aimco OP Units, except in those jurisdictions where the law prohibits the offer of OP Units in this transaction (or registration or qualification would be prohibitively costly). Because Aimco is an affiliate of Fox, which is the general partner of CPF XVII, the merger consideration has not been determined in an arm's-length negotiation. In order to arrive at a fair consideration, CRA, an independent real estate appraisal firm, was engaged to perform complete appraisals of each of the three properties of CPF XVII subject to the merger. For more detailed information about the independent appraiser's determination of the estimated values of the properties, see Special Factors The Appraisals. The per unit cash merger consideration payable to each holder of Series A Units is greater than Fox's estimate of the proceeds that would be available for distribution to limited partners (following the repayment of debt and other liabilities of CPF XVII) if the properties were sold at a price equal to their respective appraised values. Fox did not deduct certain amounts that would be payable upon an immediate sale of the partnership's properties, such as a prepayment penalties on the mortgage debt of the Peakview Property and the Village in the Woods Property as well as prepayment penalties on the mortgage debt of the Creekside Property that would apply (based on current interest rates) if the property was sold after the expiration of the current lockout period (during which a prepayment of the mortgage debt is prohibited). The estimated prepayment penalties would have been approximately \$12,744,900 in total for the Peakview Property and the Village in the Woods Property. Fox calculated the net proceeds available to all Series A Unitholders by (i) adding to the appraised values the value of any other non-real estate assets of CPF XVII that relate to the Series A Units that would not be included in the appraisal; and (ii) deducting all liabilities that relate to the Series A Units, including the market value of mortgage debt as of October 31, 2011, debt owed to Fox or its affiliates, accounts payable and accrued expenses and certain other costs. The amount of liabilities deducted includes an estimate of \$461,600 for expenses attributable to the properties that would be incurred prior to the merger but payable after the merger. In order to determine the per unit

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cash merger consideration, Fox divided this amount by the number of total outstanding Series A Units. This calculation, which is summarized below, resulted in per unit cash merger consideration of \$332.29.

Appraised value of the Peakview Property	\$ 29,600,000
Plus: Appraised value of the Creekside Property	24,800,000
Plus: Appraised value of the Village in the Woods Property	29,300,000
Plus: Cash and cash equivalents	132,594
Plus: Other assets	475,507
Less: Mortgage debt, including accrued interest	(44,582,022)
Less: Mark-to-market adjustment(1)	(7,873,329)
Less: Loans from affiliates of the general partner	(5,704,725)
Less: Other amounts due to affiliates of the general partner	(2,061)
Less: Accounts payable and accrued expenses owed to third parties	(979,911)
Less: Other liabilities(2)	(562,646)
Plus: Deficit restoration obligation of general partner(3)	779,994
Less: Estimated trailing payables	(461,600)
Net partnership equity	\$ 24,921,801
Percentage of net partnership equity allocable to limited partners who hold Series A Units	100%
Net partnership equity allocable to limited partners who hold Series A Units	\$ 24,921,801
Total number of Series A Units	75,000
Cash consideration per Series A Unit	\$ 332.29

- (1) The mark-to-market adjustment reflects the difference between the outstanding amount of the mortgage debt and its market value as of October 31, 2011. The market value was calculated as the present value of the remaining required payments under the loan through maturity, discounted at 4.63% (in the case of the 1st mortgage encumbering the Peakview Property), 4.34% (in the case of the 2nd mortgage encumbering the Peakview Property), 4.16% (in the case of the Creekside Property) and 5.19% (in the case of the Village in the Woods Property), which we believe is an appropriate market rate based on our analysis of interest rates for selected loans of a similar type, leverage and duration.
- (2) Consists primarily of security deposits paid by tenants of the properties.
- (3) Contribution by Fox pursuant to the terms of CPF XVII's partnership agreement to address a deficiency in its capital account, net of partnership equity allocable to Fox.

The number of OP Units offered per Series A Unit was calculated by dividing the per 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 for cash in an amount equal to the value of one share of Aimco common stock at the time, subject to Aimco's right to acquire each OP Unit in exchange for one share of Aimco common stock (subject to antidilution adjustments). Therefore, Fox considers the trading price of Aimco common stock to be a reasonable estimate of the fair market value of an OP Unit. As of December 14, 2011, the average closing price of Aimco common stock over the preceding ten consecutive trading

days was \$21.62, which would have resulted in OP Unit consideration of 15.37 OP Units per Series A Unit.

Conflicts of Interest

Fox is the general partner of CPF XVII and is an affiliate of Aimco. FCMC is the managing general partner of Fox and is wholly-owned by Aimco. Therefore, Fox and FCMC have a conflict of interest with respect to the merger, which could result in the approval of a transaction that is more favorable to Aimco than might be the case

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absent such conflict of interest. As the general partner of CPF XVII, Fox seeks the best possible terms for CPF XVII's limited partners. This conflicts with Aimco's interest in obtaining the best possible terms for Aimco OP.

Future Plans for the Properties

After the merger, Aimco OP will own all of the outstanding Series A Units. Fox will continue to be the sole general partner of CPF XVII after the merger, and CPF XVII's partnership agreement in effect immediately prior to the merger will remain unchanged after the merger. The merger will result in the 100% ownership by Aimco of the Peakview Property, the Creekside Property and the Village in the Woods Property. Following consummation of the merger and upon termination of the Series B Units (which is expected to occur at year end), Aimco OP will be the sole limited partner of CPF XVII.

Aimco anticipates owning and operating the Peakview Property, the Creekside Property and the Village in the Woods Property following the merger. After the merger, Aimco will evaluate the capital improvement needs of the three properties subject to the merger, and anticipates making certain routine capital expenditures with respect to each property during the remainder of 2011.

Material United States Federal Income Tax Consequences of the Merger

For a discussion of the material United States federal income tax consequences of the merger, see "Material United States Federal Income Tax Considerations" and "United States Federal Income Tax Consequences Relating to the Merger."

Regulatory Matters

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.

Accounting Treatment of the Merger

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.

Appraisal Rights

Limited partners who hold Series A Units are not entitled to dissenters' appraisal rights under applicable law or CPF XVII's partnership agreement in connection with the merger. However, pursuant to the terms of the merger agreement, Aimco OP will provide each limited partner who holds Series A Units with contractual dissenters' appraisal rights that are similar to the dissenters' appraisal rights available to a stockholder of a constituent corporation in a merger under Delaware law. These contractual appraisal rights will enable such limited partner to obtain an appraisal of the value of the limited partner's Series A 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.

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List of Investors

Under CPF XVII's partnership agreement and Delaware law, a limited partner will, after payment of the reasonable expense of duplication, be provided with a copy of the certificate or certificates of limited partnership containing the most recent listing of the partners' names, addresses and capital contributions. This list may be obtained by making written request to Fox Partners, c/o Eagle Rock Proxy Advisors, LLC, 12 Commerce Drive, Cranford, New Jersey 07016, or by fax at (908) 497-2349.

Expenses and Fees and Source of Funds

The costs of planning and implementing the merger, including the cash merger consideration and the preparation of this information statement/prospectus, will be borne by Aimco OP without regard to whether the merger is effectuated. The estimated amount of these costs is approximately \$8,061,000 (assuming all limited partners who hold Series A Units elect to receive the cash merger consideration). Aimco OP is paying for the costs of the merger with funds on hand or from drawings under its revolving credit facility. The revolving credit facility is pursuant to Aimco OP's Senior Secured Credit Agreement, dated December 13, 2011, with a syndicate of financial institutions, with KeyBank National Association as administrative agent, swing line lender and letter of credit issuer. Borrowings under the revolving credit facility bear interest based on a pricing grid determined by leverage (at Aimco OP's option, either at LIBOR plus an applicable margin or a base rate (equal to the greatest of (x) the federal funds rate plus 1/2 of 1%, (y) KeyBank National Association's prime rate and (z) one month LIBOR plus 1.25%) plus an applicable margin). The applicable margin is currently 2.75% for LIBOR based loans and 1.50% for base rate based loans, and is subject to adjustment based on Aimco OP's leverage ratio. The revolving commitments will expire on December 13, 2014 and may be extended for an additional year on two occasions, subject to certain conditions. Aimco OP's obligations under the Senior Secured Credit Agreement are secured by equity interests in certain of its subsidiaries.

Approvals Required

Under Delaware law, the merger must be approved by CPF XVII's general partner and a majority in interest of the Series A Units. The general partner has determined that the merger is advisable, fair to and in the best interests of CPF XVII and its limited partners and has approved the merger and the merger agreement. As of December 14, 2011, there were issued and outstanding 75,000 Series A Units, and Aimco OP and its affiliates owned 52,866 of those units, or approximately 70.49% of the number of Series A Units outstanding. As more fully described herein, 25,833.5 of the Series A Units owned by affiliates of the general partner are subject to a voting restriction, which requires the Series A Units to be voted in proportion to the votes cast with respect to Series A Units not subject to this voting restriction. The general partner's affiliates have indicated that they will vote all of their Series A Units that are not subject to this restriction, 27,032.5 or approximately 36.04% of the outstanding Series A Units, in favor of the merger. As a result, affiliates of the general partner will vote a total of 41,236 Series A Units, or approximately 54.98% of the outstanding Series A Units, in favor of the merger. 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 , 2011.

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THE MERGER AGREEMENT

The following is a summary of the material terms of the merger agreement and is qualified in its entirety by reference to the merger agreement, which is attached to this information statement/prospectus as Annex A. You should read the merger agreement carefully in its entirety as it is the legal document that governs this merger.

The Merger

CPF XVII has entered into an agreement and plan of merger with the Aimco Subsidiary and Aimco OP. The merger agreement amends and restates a prior merger agreement to reflect an increase in the merger consideration from \$311.18 in cash (or equivalent value in OP Units) to \$332.29 in cash (or equivalent value in OP Units) due to, among other things, changes in the mark-to-market adjustment of the mortgage debt encumbering CPF XVII's properties and changes to the estimated market values of CPF XVII's properties which were relied upon to determine the merger consideration. The Aimco Subsidiary is a wholly-owned subsidiary of Aimco OP, and was formed for the purpose of effecting the merger with CPF XVII. Aimco is an affiliate of CPF XVII's general partner, Fox, and, together with its affiliates, owns a majority of CPF XVII's outstanding Series A Units.

Under the merger agreement, at the effective time of the merger, the Aimco Subsidiary will be merged with and into CPF XVII, with CPF XVII as the surviving entity. In the merger, each Series A 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 Series A Unit, either \$332.29 in cash or equivalent value in Aimco OP Units (calculated by dividing \$332.29 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); provided, however, that if Aimco OP determines that the law of the state or other jurisdiction in which a limited partner resides would prohibit the issuance of Aimco 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 only be entitled to receive \$332.29 in cash for each Series A Unit. Each holder of Series A Units must make the same election (cash or OP Units) for all of his or her Series A Units. Aimco OP's interest in the Aimco Subsidiary will be converted into Series A Units. As a result, after the merger, Aimco OP will own all of the outstanding Series A Units.

The agreement of limited partnership of CPF XVII, as in effect immediately prior to the consummation of the merger will be the agreement of limited partnership of CPF XVII after the merger, until thereafter amended in accordance with the provisions thereof and applicable law.

Treatment of Interests in the Merger

CPF XVII. Under the merger agreement, each Series A 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 Series A Unit, either \$332.29 in cash or equivalent value in Aimco OP Units (calculated by dividing \$332.29 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), except in those jurisdictions where the law prohibits the issuance of Aimco OP Units (or registration or qualification would be prohibitively costly). Fox will continue to be the sole general partner of CPF XVII after the merger, and its current Series A general partner interest will remain unchanged after the merger. The Series B Units will not be affected by the merger and will remain outstanding following consummation of the merger.

Aimco Subsidiary. All membership interests in the Aimco Subsidiary immediately prior to the effective time of the merger will be converted into Series A Units after the merger.

Approvals Required

Under Delaware law, the merger must be approved by Fox, as the general partner of CPF XVII, and a majority in interest of the Series A Units. Fox has determined that the merger is advisable, fair to and in the best interests of CPF XVII and its limited partners and has approved the merger and the merger agreement. As of December 14, 2011, there were issued and outstanding 75,000 Series A Units, and Aimco OP and its affiliates owned 52,866 of those units, or approximately 70.49% of the number of Series A Units outstanding. As more fully described herein, 25,833.5 of the Series A Units owned by affiliates of the general partner are subject to a voting restriction, which requires the Series A Units to be voted in proportion to the votes cast with respect to Series A Units not subject to this voting restriction. The general partner's affiliates have indicated that they will vote all of their Series A Units that are

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not subject to this restriction, 27,032.5 or approximately 36.04% of the outstanding Series A Units, in favor of the merger. As a result, affiliates of the general partner will vote a total of 41,236 Series A Units, or approximately 54.98% of the outstanding Series A Units, in favor of the merger. 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 , 2011. **As a result, approval of the merger is assured, and your consent to the merger is not required.** Aimco OP has approved the merger on behalf of the Aimco Subsidiary.

Conditions to Obligations to Complete the Merger

None of the parties to the merger agreement are required to consummate the merger if any third party consent, authorization or approval that any of the parties deems necessary or desirable in connection with the merger agreement, and the consummation of the transactions contemplated thereby, has not been obtained or received.

Termination of the Merger Agreement

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 CPF XVII, 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 CPF XVII or the member of the Aimco Subsidiary.

Amendment

Subject to applicable law, the merger agreement may be amended, modified or supplemented by written agreement of the parties at any time prior to the consummation of the merger with respect to any of the terms contained therein.

Governing Law

The merger agreement is governed by and construed in accordance with the laws of the State of Delaware, without reference to the conflict of law provisions thereof.

Appraisal Rights

Limited partners who hold Series A Units are not entitled to dissenters' appraisal rights under applicable law or CPF XVII's partnership agreement in connection with the merger. However, pursuant to the terms of the merger agreement, Aimco OP will provide each limited partner who holds Series A Units with contractual dissenters' appraisal rights that are similar to the dissenters' appraisal rights available to a stockholder of a constituent corporation in a merger under Delaware law. These contractual appraisal rights will enable such limited partner to obtain an appraisal of the value of the limited partner's Series A 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.

Election Forms

Within 10 days after the effective time of the merger, Aimco OP will prepare and mail to the former holders of Series A Units an election form pursuant to which they can elect to receive cash or OP Units. Each holder of Series A Units must make the same election (cash or OP Units) for all of his or her Series A Units. Limited partners may also

elect appraisal of their Series A Units pursuant to the election form. Holders of Series A Units may elect their 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 a holder before 5:00 p.m., New York time, on the 30th day after the mailing of the election form, the holder will be deemed to have elected to receive the cash consideration. Former holders of Series A Units may also use the election form to elect to receive, in lieu of the merger consideration, the appraised value of their Series A Units, determined through an arbitration proceeding.

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DESCRIPTION OF AIMCO OP UNITS; SUMMARY OF AIMCO OP PARTNERSHIP AGREEMENT

The following description sets forth some general terms and provisions of the Aimco OP partnership agreement. The following description of the Aimco OP partnership agreement is qualified in its entirety by the terms of the agreement.

General

Aimco OP is a limited partnership organized under the provisions of the Delaware Revised Uniform Limited Partnership Act, as amended from time to time, or any successor to such statute, or the Delaware Act, and upon the terms and subject to the conditions set forth in its agreement of limited partnership. AIMCO-GP, Inc., a Delaware corporation and wholly-owned subsidiary of Aimco, is the sole general partner of Aimco OP. Another wholly-owned subsidiary of Aimco, AIMCO-LP Trust, a Delaware trust, or the special limited partner, is a limited partner in Aimco OP. The term of Aimco OP commenced on May 16, 1994, and will continue in perpetuity, unless Aimco OP is dissolved sooner under the provisions of the partnership agreement or as otherwise provided by law.

Purpose and Business

The purpose and nature of Aimco OP is to conduct any business, enterprise or activity permitted by or under the Delaware Act, including, but not limited to, (i) conducting the business of ownership, construction, development and operation of multifamily rental apartment communities, (ii) entering into any partnership, joint venture, business trust arrangement, limited liability company or other similar arrangement to engage in any business permitted by or under the Delaware Act, or to own interests in any entity engaged in any business permitted by or under the Delaware Act, (iii) conducting the business of providing property and asset management and brokerage services, whether directly or through one or more partnerships, joint ventures, subsidiaries, business trusts, limited liability companies or other similar arrangements, and (iv) doing anything necessary or incidental to the foregoing; provided, however, such business and arrangements and interests may be limited to and conducted in such a manner as to permit Aimco, in the sole and absolute discretion of the general partner, at all times to be classified as a REIT.

Management by the General Partner

Except as otherwise expressly provided in the Aimco OP partnership agreement, all management powers over the business and affairs of Aimco OP are exclusively vested in the general partner. No limited partner of Aimco OP or any other person to whom one or more OP Units have been transferred (each, an assignee) may take part in the operations, management or control (within the meaning of the Delaware Act) of Aimco OP's business, transact any business in Aimco OP's name or have the power to sign documents for or otherwise bind Aimco OP. The general partner may not be removed by the limited partners with or without cause, except with the consent of the general partner. In addition to the powers granted to a general partner of a limited partnership under applicable law or that are granted to the general partner under any other provision of the Aimco OP partnership agreement, the general partner, subject to the other provisions of the Aimco OP partnership agreement, has full power and authority to do all things deemed necessary or desirable by it to conduct the business of Aimco OP, to exercise all powers of Aimco OP and to effectuate the purposes of Aimco OP. Aimco OP may incur debt or enter into other similar credit, guarantee, financing or refinancing arrangements for any purpose (including, without limitation, in connection with any acquisition of properties) upon such terms as the general partner determines to be appropriate. The general partner is authorized to execute, deliver and perform specific agreements and transactions on behalf of Aimco OP without any further act, approval or vote of the limited partners.

Restrictions on General Partner's Authority. The general partner may not take any action in contravention of the Aimco OP partnership agreement. The general partner may not, without the prior consent of the limited partners, undertake, on behalf of Aimco OP, any of the following actions or enter into any transaction that would have the effect of such transactions: (i) except as provided in the partnership agreement, amend, modify or terminate the partnership agreement other than to reflect the admission, substitution, termination or withdrawal of partners; (ii) make a general assignment for the benefit of creditors or appoint or acquiesce in the appointment of a custodian, receiver or trustee for all or any part of the assets of Aimco OP; (iii) institute any proceeding for bankruptcy on

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behalf of Aimco OP; or (iv) subject to specific exceptions, approve or acquiesce to the transfer of the Aimco OP general partner interest, or admit into Aimco OP any additional or successor general partners.

Additional Limited Partners. The general partner is authorized to admit additional limited partners to Aimco OP from time to time, on terms and conditions and for such capital contributions as may be established by the general partner in its reasonable discretion. The net capital contribution need not be equal for all partners. No action or consent by the limited partners is required in connection with the admission of any additional limited partner. The general partner is expressly authorized to cause Aimco OP to issue additional interests (i) upon the conversion, redemption or exchange of any debt, OP Units or other securities issued by Aimco OP, (ii) for less than fair market value, so long as the general partner concludes in good faith that such issuance is in the best interests of the general partner and Aimco OP, and (iii) in connection with any merger of any other entity into Aimco OP if the applicable merger agreement provides that persons are to receive interests in Aimco OP in exchange for their interests in the entity merging into Aimco OP. Subject to Delaware law, any additional partnership interests may be issued in one or more classes, or one or more series of any of such classes, with such designations, preferences and relative, participating, optional or other special rights, powers and duties as shall be determined by the general partner, in its sole and absolute discretion without the approval of any limited partner, and set forth in a written document thereafter attached to and made an exhibit to the partnership agreement. Without limiting the generality of the foregoing, the general partner has authority to specify (a) the allocations of items of partnership income, gain, loss, deduction and credit to each such class or series of partnership interests; (b) the right of each such class or series of partnership interests to share in distributions; (c) the rights of each such class or series of partnership interests upon dissolution and liquidation of Aimco OP; (d) the voting rights, if any, of each such class or series of partnership interests; and (e) the conversion, redemption or exchange rights applicable to each such class or series of partnership interests. No person may be admitted as an additional limited partner without the consent of the general partner, which consent may be given or withheld in the general partner's sole and absolute discretion.

Indemnification. As a part of conducting the merger described herein, the general partner has agreed not to seek indemnification from, or to be held harmless by, Aimco OP, or its affiliates, for any liability or loss suffered by the general partner related to the merger, unless (i) the general partner has determined, in good faith, that the course of conduct which caused the loss or liability was in the best interests of Aimco OP, (ii) the general partner was acting on behalf of or performing services for Aimco OP, (iii) such liability or loss was not the result of negligence or misconduct by the general partner and (iv) such indemnification or agreement to hold harmless is recoverable only out of the assets of Aimco OP and not from the limited partners of Aimco OP. In addition, the general partner, and any of its affiliates that are performing services on behalf of Aimco OP, have agreed that they will not seek indemnification for any losses, liabilities or expenses arising from or out of an alleged violation of federal or state securities laws unless (i) there has been a successful adjudication on the merits of each count involving alleged securities law violations as to the particular indemnitee, (ii) such claims have been dismissed with prejudice on the merits by a court of competent jurisdiction as to the particular indemnitee, or (iii) a court of competent jurisdiction approves a settlement of the claims against a particular indemnitee and finds that indemnification of the settlement and related costs should be made, and, as relates to (iii), the court of law considering the request for indemnification has been advised of the position of the SEC and the position of any state securities regulatory authority in which securities of Aimco OP were offered or sold as to indemnification for violations of securities laws. Aimco OP shall not incur the cost of that portion of liability insurance, if any, which insures the general partner for any liability as to which the general partner is prohibited from being indemnified as described in this paragraph. Finally, the general partner has agreed that the provision of advancement from Aimco OP funds to the general partner or any of its affiliates for legal expenses and other costs incurred as a result of any legal action is permissible if (i) the legal action relates to acts or omissions with respect to the performance of duties or services on behalf of Aimco OP; (ii) the legal action is initiated by a third party who is not a limited partner of Aimco OP, or the legal action is initiated by a limited partner and a court of competent jurisdiction specifically approves such advancement; and (iii) the general partner or its affiliates undertake to repay the advanced funds to Aimco OP in cases in which such person is not entitled to indemnification.

under this paragraph.

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As of November 30, 2011, Aimco OP had issued and outstanding the following partnership interests:

Class	Units Outstanding	Quarterly Distribution per Unit	Liquidation Preference (per Unit)
Partnership Common Units (OP Units)	120,916,045	\$	N/A
Class T Partnership Preferred Units	6,000,000	\$ 0.50	\$ 25.00
Class U Partnership Preferred Units	12,000,000	\$ 0.485	\$ 25.00
Class V Partnership Preferred Units	2,587,500	\$ 0.50	\$ 25.00
Class Y Partnership Preferred Units	3,450,000	\$ 0.4925	\$ 25.00
Class Z Partnership Preferred Units	823,817	\$ 0.4375	\$ 25.00
Series A Community Reinvestment Act Perpetual Partnership Preferred Units(1)	94	\$ 1,875.00	\$ 500,000.00
Class One Partnership Preferred Units(2)	90,000	\$ 2.00	\$ 91.43
Class Two Partnership Preferred Units(2)	19,289	\$ 0.12	\$ 25.00
Class Three Partnership Preferred Units(2)	1,365,284	\$ 0.4925	\$ 25.00
Class Four Partnership Preferred Units(2)	755,999	\$ 0.50	\$ 25.00
Class Six Partnership Preferred Units(2)	796,668	\$ 0.5325	\$ 25.00
Class Seven Partnership Preferred Units(2)	27,960	\$ 0.595	\$ 25.00
Class Eight Partnership Preferred Units(3)	6,250	\$	N/A
Class I High Performance Partnership Units (HPUs)(3)	2,339,950	\$	N/A

- (1) The Series A Community Reinvestment Act Perpetual Partnership Preferred Units, or the CRA Preferred Units, have substantially the same terms as Aimco's Series A Community Reinvestment Act Perpetual Preferred Stock, or the CRA Preferred Stock. Holders of the CRA Preferred Units are entitled to cumulative cash dividends payable quarterly in arrears on March 31, June 30, September 30, and December 31 of each year, when and as declared, beginning on September 30, 2006. For the period from the date of original issuance through March 31, 2015, the distribution rate is a variable rate per annum equal to the Three-Month LIBOR Rate (as defined in the articles supplementary designating the CRA Preferred Stock) plus 1.25%, calculated as of the beginning of each quarterly dividend period. The rate at September 30, 2011 was 1.50%. Upon liquidation, holders of the CRA Preferred Stock are entitled to a preference of \$500,000 per share, plus an amount equal to accumulated, accrued and unpaid dividends, whether or not earned or declared. The CRA Preferred Units rank prior to Common OP Units and on the same level as Aimco OP's other Preferred OP Units, with respect to the payment of distributions and the distribution of amounts upon liquidation, dissolution or winding up. The CRA Preferred Units were not redeemable prior to June 30, 2011, except in limited circumstances related to Aimco's REIT qualification. On and after June 30, 2011, the CRA Preferred Units are redeemable for cash, in whole or from time to time in part, upon the redemption, at Aimco's option, of its CRA Preferred Stock at a price per share equal to the liquidation preference, plus accumulated, accrued and unpaid distributions, if any, to the redemption date.

(2)

The Class One, Class Two, Class Three, Class Four, Class Six and Class Seven preferred OP Units are redeemable, at the holders' option. Aimco OP, at its sole discretion, may settle such redemption requests in cash or shares of Aimco common stock in a value equal to the redemption preference. In the event Aimco OP requires Aimco to issue shares to settle a redemption request, it would issue to Aimco a corresponding number of OP Units. Aimco OP has a redemption policy that requires cash settlement of redemption requests for the redeemable preferred OP Units, subject to limited exceptions.

- (3) The holders of Class Eight preferred OP Units and HPUs receive the same amount of distributions that are paid to holders of an equivalent number of Aimco OP's outstanding OP Units.

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Distributions

Subject to the rights of holders of any outstanding partnership preferred units, the Aimco OP partnership agreement requires the general partner to cause Aimco OP to distribute quarterly all, or such portion as the general partner may in its sole and absolute discretion determine, of Available Cash (as defined in the partnership agreement) generated by Aimco OP during such quarter to the general partner, the special limited partner, the other holders of OP Units and holders of HPUs on the record date established by the general partner with respect to such quarter, in accordance with their respective interests in Aimco OP on such record date. Holders of any partnership preferred units issued in the future may have priority over the general partner, the special limited partner, holders of OP Units and holders of HPUs with respect to distributions of Available Cash, distributions upon liquidation or other distributions.

Distributions payable with respect to any interest in Aimco OP that was not outstanding during the entire quarterly period in respect of which any distribution is made will be prorated based on the portion of the period that such interest was outstanding. The general partner in its sole and absolute discretion may distribute to the limited partners Available Cash on a more frequent basis and provide for an appropriate record date. The partnership agreement requires the general partner to take such reasonable efforts, as determined by it in its sole and absolute discretion and consistent with the requirements for qualification as a REIT, to cause Aimco OP to distribute sufficient amounts to enable the general partner to transfer funds to Aimco and enable Aimco to pay stockholder dividends that will (i) satisfy the requirements, or the REIT Requirements, for qualifying as a REIT under the Internal Revenue Code and the applicable regulations promulgated by the U.S. Treasury Department, or the regulations promulgated by the U.S. Treasury Department, or the Treasury Regulations, and (ii) avoid any U.S. federal income or excise tax liability of Aimco.

While some of the debt instruments to which Aimco OP is a party, including its credit facilities, contain restrictions on the payment of distributions to OP Unitholders, the debt instruments allow Aimco OP to distribute sufficient amounts to enable the general partner and special limited partner to transfer funds to Aimco which are then used to pay stockholder dividends, thereby allowing Aimco to meet the requirements for qualifications as a REIT under the Internal Revenue Code.

Distributions in Kind. No OP Unitholder has any right to demand or receive property other than cash as provided in the partnership agreement. The general partner may determine, in its sole and absolute discretion, to make a distribution in kind of partnership assets to the OP Unitholders, and such assets will be distributed in such a fashion as to ensure that the fair market value is distributed and allocated in accordance with the Aimco OP partnership agreement.

Distributions Upon Liquidation. Subject to the rights of holders of any outstanding partnership preferred units, net proceeds from the sale or other disposition of all or substantially all of its assets in a transaction that will lead to a liquidation of Aimco OP or a related series of transactions that, taken together, result in the sale or other disposition of all or substantially all of the assets of Aimco OP, or a Terminating Capital Transaction, and any other cash received or reductions in reserves made after commencement of the liquidation of Aimco OP, will be distributed to the OP Unitholders in accordance with the Aimco OP partnership agreement.

Restricted Distributions. The Aimco OP partnership agreement prohibits Aimco OP and the general partner, on behalf of Aimco OP, from making a distribution to any OP Unitholder on account of its interest in OP Units if such distribution would violate Section 17-607 of the Delaware Act or other applicable law.

Allocations of Net Income and Net Loss

OP Units and HPUs. Net Income (as defined in the Aimco OP partnership agreement) and Net Loss (as defined in the Aimco OP partnership agreement) of Aimco OP will be determined and allocated with respect to each fiscal year of Aimco OP as of the end of each such year. Except as otherwise provided in the Aimco OP partnership agreement, an allocation to an OP Unitholder of a share of Net Income or Net Loss will be treated as an allocation of the same share of each item of income, gain, loss or deduction that is taken into account in computing Net Income or Net Loss. Except as otherwise provided in the Aimco OP partnership agreement and subject to the terms of any outstanding partnership preferred units, Net Income and Net Loss will be allocated to the holders of OP Units and

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holders of HPUs in accordance with their respective interests at the end of each fiscal year. The Aimco OP partnership agreement contains provisions for special allocations intended to comply with certain regulatory requirements, including the requirements of Treasury Regulations Sections 1.704-1(b) and 1.704-2. Except as otherwise provided in the Aimco OP partnership agreement and subject to the terms of any outstanding partnership preferred units, for U.S. federal income tax purposes under the Internal Revenue Code and the Treasury Regulations, each partnership item of income, gain, loss and deduction will be allocated among the OP Unitholders in the same manner as its correlative item of book income, gain, loss or deduction is allocated under the Aimco OP partnership agreement.

Partnership Preferred Units. Net income will be allocated to the holders of partnership preferred units for any fiscal year (and, if necessary, subsequent fiscal years) to the extent that the holders of partnership preferred units receive a distribution on any partnership preferred units (other than an amount included in any redemption of partnership preferred units). If any partnership preferred units are redeemed, for the fiscal year that includes such redemption (and, if necessary, for subsequent fiscal years) (i) gross income and gain (in such relative proportions as the general partner in its discretion will determine) will be allocated to the holders of partnership preferred units to the extent that the redemption amounts paid or payable with respect to the partnership preferred units so redeemed exceeds the aggregate capital contributions (net of liabilities assumed or taken subject to by Aimco OP) per partnership preferred units allocable to the partnership preferred units so redeemed and (ii) deductions and losses (in such relative proportions as the general partner in its discretion will determine) will be allocated to the holders of partnership preferred units to the extent that the aggregate capital contributions (net of liabilities assumed or taken subject to by Aimco OP) per partnership preferred units allocable to the partnership preferred units so redeemed exceeds the redemption amount paid or payable with respect to the partnership preferred units so redeemed.

Withholding

Aimco OP is authorized to withhold from or pay on behalf of or with respect to each limited partner any amount of federal, state, local or foreign taxes that the general partner determines that Aimco OP is required to withhold or pay with respect to any amount distributable or allocable to such limited partner under the Aimco OP partnership agreement. The Aimco OP partnership agreement also provides that any withholding tax amount paid on behalf of or with respect to a limited partner constitutes a loan by Aimco OP to such limited partner. This loan is required to be repaid within 15 days after notice to the limited partner from the general partner, and each limited partner grants a security interest in its partnership interest to secure its obligation to pay any partnership withholding tax amounts paid on its behalf or with respect to such limited partner. In addition, under the Aimco OP partnership agreement, the partnership may redeem the partnership interest of any limited partner who fails to pay partnership withholding tax amounts paid on behalf of or with respect to such limited partner. Also, the general partner has authority to withhold, from any amounts otherwise distributable, allocable or payable to a limited partner, the general partner's estimate of further taxes required to be paid by such limited partner.

Return of Capital

No partner is entitled to interest on its capital contribution or on such partner's capital account. Except (i) under the rights of redemption set forth in the Aimco OP partnership agreement, (ii) as provided by law, or (iii) under the terms of any outstanding partnership preferred units, no partner has any right to demand or receive the withdrawal or return of its capital contribution from Aimco OP, except to the extent of distributions made under the Aimco OP partnership agreement or upon termination of Aimco OP. Except to the extent otherwise expressly provided in the Aimco OP partnership agreement and subject to the terms of any outstanding partnership preferred units, no limited partner or assignee will have priority over any other limited partner or Assignee either as to the return of capital contributions or as to profits, losses or distributions.

Redemption Rights of Qualifying Parties

After the first anniversary of becoming a holder of OP Units, each OP Unitholder and some assignees have the right, subject to the terms and conditions set forth in the Aimco OP partnership agreement, to require Aimco OP to redeem all or a portion of the OP Units held by such party in exchange for shares of Aimco common stock or a cash amount equal to the value of such shares, as Aimco OP may determine. On or before the close of business on the

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fifth business day after a holder of OP Units gives the general partner a notice of redemption, Aimco OP may, in its sole and absolute discretion but subject to the restrictions on the ownership of Aimco stock imposed under Aimco's charter and the transfer restrictions and other limitations thereof, elect to cause Aimco to acquire some or all of the tendered OP Units from the tendering party in exchange for Aimco common stock, based on an exchange ratio of one share of Aimco common stock for each OP Unit, subject to adjustment as provided in the Aimco OP partnership agreement. The Aimco OP partnership agreement does not obligate Aimco or the general partner to register, qualify or list any Aimco common stock issued in exchange for OP Units with the SEC, with any state securities commissioner, department or agency, or with any stock exchange. Aimco common stock issued in exchange for OP Units under the Aimco OP partnership agreement will contain legends regarding restrictions under the Securities Act and applicable state securities laws as Aimco in good faith determines to be necessary or advisable in order to ensure compliance with securities laws. In the event of a change of control of Aimco, holders of HPUs will have redemption rights similar to those of holders of OP Units.

Partnership Right to Call Limited Partner Interests

Notwithstanding any other provision of the Aimco OP partnership agreement, on and after the date on which the aggregate percentage interests of the limited partners, other than the special limited partner, are less than one percent (1%), Aimco OP will have the right, but not the obligation, from time to time and at any time to redeem any and all outstanding limited partner interests (other than the special limited partner's interest) by treating any limited partner as if such limited partner had tendered for redemption under the Aimco OP partnership agreement the amount of OP Units specified by the general partner, in its sole and absolute discretion, by notice to the limited partner.

Transfers and Withdrawals

Restrictions on Transfer. The Aimco OP partnership agreement restricts the transferability of OP Units. Any transfer or purported transfer of an OP Unit not made in accordance with the Aimco OP partnership agreement will be null and void ab initio. Until the expiration of one year from the date on which an OP Unitholder acquired OP Units, subject to some exceptions, such OP Unitholder may not transfer all or any portion of its OP Units to any transferee without the consent of the general partner, which consent may be withheld in its sole and absolute discretion. After the expiration of one year from the date on which an OP Unitholder acquired OP Units, such OP Unitholder has the right to transfer all or any portion of its OP Units to any person, subject to the satisfaction of specific conditions specified in the Aimco OP partnership agreement, including the general partner's right of first refusal.

It is a condition to any transfer (whether or not such transfer is effected before or after the one year holding period) that the transferee assumes by operation of law or express agreement all of the obligations of the transferor limited partner under the Aimco OP partnership agreement with respect to such OP Units, and no such transfer (other than under a statutory merger or consolidation wherein all obligations and liabilities of the transferor partner are assumed by a successor corporation by operation of law) will relieve the transferor partner of its obligations under the Aimco OP partnership agreement without the approval of the general partner, in its sole and absolute discretion.

In connection with any transfer of OP Units, the general partner will have the right to receive an opinion of counsel reasonably satisfactory to it to the effect that the proposed transfer may be effected without registration under the Securities Act, and will not otherwise violate any federal or state securities laws or regulations applicable to Aimco OP or the OP Units transferred.

No transfer by a limited partner of its OP Units (including any redemption or any acquisition of OP Units by the general partner or by Aimco OP) may be made to any person if (i) in the opinion of legal counsel for Aimco OP, it would result in Aimco OP being treated as an association taxable as a corporation, or (ii) such transfer is effectuated through an established securities market or a secondary market (or the substantial equivalent thereof) within the

meaning of section 7704 of the Internal Revenue Code.

HPUs. HPUs are subject to different restrictions on transfer. Individuals may not transfer HPUs except to a family member (or a family-owned entity) or in the event of their death.

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Substituted Limited Partners. No limited partner will have the right to substitute a transferee as a limited partner in its place. A transferee of the interest of a limited partner may be admitted as a substituted limited partner only with the consent of the general partner, which consent may be given or withheld by the general partner in its sole and absolute discretion. If the general partner, in its sole and absolute discretion, does not consent to the admission of any permitted transferee as a substituted limited partner, such transferee will be considered an assignee for purposes of the Aimco OP partnership agreement. An assignee will be entitled to all the rights of an assignee of a limited partnership interest under the Delaware Act, including the right to receive distributions from Aimco OP and the share of Net Income, Net Losses and other items of income, gain, loss, deduction and credit of Aimco OP attributable to the OP Units assigned to such transferee and the rights to transfer the OP Units provided in the Aimco OP partnership agreement, but will not be deemed to be a holder of OP Units for any other purpose under the Aimco OP partnership agreement, and will not be entitled to effect a consent or vote with respect to such OP Units on any matter presented to the limited partners for approval (such right to consent or vote, to the extent provided in the Aimco OP partnership agreement or under the Delaware Act, fully remaining with the transferor limited partner).

Withdrawals. No limited partner may withdraw from Aimco OP other than as a result of a permitted transfer of all of such limited partner's OP Units in accordance with the Aimco OP partnership agreement, with respect to which the transferee becomes a substituted limited partner, or under a redemption (or acquisition by Aimco) of all of such limited partner's OP Units.

Restrictions on the general partner. The general partner may not transfer any of its general partner interest or withdraw from Aimco OP unless (i) the limited partners consent or (ii) immediately after a merger of the general partner into another entity, substantially all of the assets of the surviving entity, other than the general partnership interest in Aimco OP held by the general partner, are contributed to Aimco OP as a capital contribution in exchange for OP Units.

Amendment of the Partnership Agreement

By the General Partner Without the Consent of the Limited Partners. The general partner has the power, without the consent of the limited partners, to amend the Aimco OP partnership agreement as may be required to facilitate or implement any of the following purposes: (1) to add to the obligations of the general partner or surrender any right or power granted to the general partner or any affiliate of the general partner for the benefit of the limited partners; (2) to reflect the admission, substitution or withdrawal of partners or the termination of Aimco OP in accordance with the partnership agreement; (3) to reflect a change that is of an inconsequential nature and does not adversely affect the limited partners in any material respect, or to cure any ambiguity, correct or supplement any provision in the partnership agreement not inconsistent with law or with other provisions, or make other changes with respect to matters arising under the partnership agreement that will not be inconsistent with law or with the provisions of the partnership agreement; (4) to satisfy any requirements, conditions or guidelines contained in any order, directive, opinion, ruling or regulation of a federal or state agency or contained in federal or state law; (5) to reflect such changes as are reasonably necessary for Aimco to maintain its status as a REIT; and (6) to modify the manner in which capital accounts are computed (but only to the extent set forth in the definition of Capital Account in the Aimco OP partnership agreement or contemplated by the Internal Revenue Code or the Treasury Regulations).

With the Consent of the Limited Partners. Amendments to the Aimco OP partnership agreement may be proposed by the general partner or by holders of a majority of the outstanding OP Units and other classes of units that have the same voting rights as holders of OP Units, excluding the special limited partner. Following such proposal, the general partner will submit any proposed amendment to the limited partners. The general partner will seek the written consent of a majority in interest of the limited partners on the proposed amendment or will call a meeting to vote thereon and to transact any other business that the general partner may deem appropriate.

Procedures for Actions and Consents of Partners

Meetings of the partners may be called by the general partner and will be called upon the receipt by the general partner of a written request by a majority in interest of the limited partners. Notice of any such meeting will be given to all partners not less than seven (7) days nor more than thirty (30) days prior to the date of such meeting. Partners

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may vote in person or by proxy at such meeting. Each meeting of partners will be conducted by the general partner or such other person as the general partner may appoint under such rules for the conduct of the meeting as the general partner or such other person deems appropriate in its sole and absolute discretion. Whenever the vote or consent of partners is permitted or required under the partnership agreement, such vote or consent may be given at a meeting of partners or may be given by written consent. Any action required or permitted to be taken at a meeting of the partners may be taken without a meeting if a written consent setting forth the action so taken is signed by partners holding a majority of outstanding OP Units (or such other percentage as is expressly required by the Aimco OP partnership agreement for the action in question).

Records and Accounting; Fiscal Year

The Aimco OP partnership agreement requires the general partner to keep or cause to be kept at the principal office of Aimco OP those records and documents required to be maintained by the Delaware Act and other books and records deemed by the general partner to be appropriate with respect to Aimco OP's business. The books of Aimco OP will be maintained, for financial and tax reporting purposes, on an accrual basis in accordance with generally accepted accounting principles, or on such other basis as the general partner determines to be necessary or appropriate. To the extent permitted by sound accounting practices and principles, Aimco OP, the general partner and Aimco may operate with integrated or consolidated accounting records, operations and principles. The fiscal year of Aimco OP is the calendar year.

Reports

As soon as practicable, but in no event later than one hundred and five (105) days after the close of each calendar quarter and each fiscal year, the general partner will make available to limited partners (which may be done by filing a report with the SEC) a report containing financial statements of Aimco OP, or of Aimco if such statements are prepared solely on a consolidated basis with Aimco, for such calendar quarter or fiscal year, as the case may be, presented in accordance with generally accepted accounting principles, and such other information as may be required by applicable law or regulation or as the general partner determines to be appropriate. Statements included in quarterly reports are not audited. Statements included in annual reports are audited by a nationally recognized firm of independent public accountants selected by the general partner.

Tax Matters Partner

The general partner is the tax matters partner of Aimco OP for U.S. federal income tax purposes. The tax matters partner is authorized, but not required, to take certain actions on behalf of Aimco OP with respect to tax matters. In addition, the general partner will arrange for the preparation and timely filing of all returns with respect to partnership income, gains, deductions, losses and other items required of Aimco OP for U.S. federal and state income tax purposes and will use all reasonable effort to furnish, within ninety (90) days of the close of each taxable year, the tax information reasonably required by limited partners for U.S. federal and state income tax reporting purposes. The limited partners will promptly provide the general partner with such information as may be reasonably requested by the general partner from time to time.

Dissolution and Winding Up

Dissolution. Aimco OP will dissolve, and its affairs will be wound up, upon the first to occur of any of the following (each a liquidating event): (i) an event of withdrawal, as defined in the Delaware Act (including, without limitation, bankruptcy), of the sole general partner unless, within ninety (90) days after the withdrawal, a majority in interest (as such phrase is used in Section 17-801(3) of the Delaware Act) of the remaining partners agree in writing, in their sole and absolute discretion, to continue the business of Aimco OP and to the appointment, effective as of the date of

withdrawal, of a successor general partner; (ii) an election to dissolve Aimco OP made by the general partner in its sole and absolute discretion, with or without the consent of the limited partners; (iii) entry of a decree of judicial dissolution of Aimco OP under the provisions of the Delaware Act; (iv) the occurrence of a Terminating Capital Transaction; or (v) the redemption (or acquisition by Aimco, the general partner and/or the special limited partner) of all OP Units other than OP Units held by the general partner or the special limited partner.

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Winding Up. Upon the occurrence of a liquidating event, Aimco OP will continue solely for the purposes of winding up its affairs in an orderly manner, liquidating its assets and satisfying the claims of its creditors and partners. The general partner (or, in the event that there is no remaining general partner or the general partner has dissolved, become bankrupt within the meaning of the Delaware Act or ceased to operate, any person elected by a majority in interest of the limited partners) will be responsible for overseeing the winding up and dissolution of Aimco OP and will take full account of Aimco OP's liabilities and property, and Aimco OP property will be liquidated as promptly as is consistent with obtaining the fair value thereof, and the proceeds therefrom (which may, to the extent determined by the general partner, include Aimco stock) will be applied and distributed in the following order: (i) first, to the satisfaction of all of Aimco OP's debts and liabilities to creditors other than the partners and their assignees (whether by payment or the making of reasonable provision for payment thereof); (ii) second, to the satisfaction of all of Aimco OP's debts and liabilities to the general partner (whether by payment or the making of reasonable provision for payment thereof), including, but not limited to, amounts due as reimbursements under the partnership agreement; (iii) third, to the satisfaction of all of Aimco OP's debts and liabilities to the other partners and any assignees (whether by payment or the making of reasonable provision for payment thereof); (iv) fourth, to the satisfaction of all liquidation preferences of outstanding Partnership Preferred Units, if any; and (v) the balance, if any, to the general partner, the limited partners and any assignees in accordance with and in proportion to their positive capital account balances, after giving effect to all contributions, distributions and allocations for all periods. In the event of a liquidation, holders of HPUs will be specially allocated items of income and gain in an amount sufficient to cause the capital account of such holder to be equal to that of a holder of an equal number of OP Units.

Table of Contents**DESCRIPTION OF AIMCO COMMON STOCK****General**

Aimco's charter authorizes the issuance of up to 510,587,500 shares of capital stock, consisting of 480,887,260 shares currently classified as common stock with a par value of \$0.01 per share and 29,700,240 shares currently classified as preferred stock with a par value of \$0.01 per share. As of November 30, 2011, 120,916,045 shares of Aimco common stock were issued and outstanding. Aimco common stock is traded on the NYSE under the symbol AIV.

Computershare Limited serves as transfer agent and registrar of Aimco common stock. On December 14, 2011, the closing price of the Aimco common stock on the NYSE was \$21.22. The following table shows the high and low reported sales prices and dividends paid per share of Aimco's common stock in the periods indicated.

Quarter Ended	High	Low	Dividends
December 31, 2011 (through December 14, 2011)	\$ 27.26	\$ 20.08	\$ 0.12
September 30, 2011	28.12	21.92	0.12
June 30, 2011	27.67	24.50	0.12
March 31, 2011	26.33	23.38	0.12
December 31, 2010	\$ 26.24	\$ 21.22	\$ 0.10
September 30, 2010	22.82	18.12	0.10
June 30, 2010	24.21	18.14	0.10
March 31, 2010	19.17	15.01	0.00
December 31, 2009	\$ 17.09	\$ 11.80	\$ 0.20
September 30, 2009	15.91	7.36	0.10
June 30, 2009	11.10	5.18	0.10
March 31, 2009	12.89	4.57	0.00

Aimco has a Stock Award and Incentive Plan to attract and retain officers, key employees and independent directors. Aimco's plan reserves for issuance a maximum of 4.1 million shares, which may be in the form of incentive stock options, non-qualified stock options and restricted stock, or other types of awards as authorized under Aimco's plan.

Holders of Aimco common stock are entitled to receive dividends, when and as declared by the board of directors of Aimco, or the Aimco Board of Directors, out of funds legally available therefor. The holders of shares of common stock, upon any liquidation, dissolution or winding up of Aimco, are entitled to receive ratably any assets remaining after payment in full of all liabilities of Aimco and the liquidation preferences of preferred stock. The shares of common stock possess ordinary voting rights for the election of directors and in respect of other corporate matters, each share entitling the holder thereof to one vote. Holders of shares of common stock do not have cumulative voting rights in the election of directors, which means that holders of more than 50% of the shares of common stock voting for the election of directors can elect all of the directors if they choose to do so and the holders of the remaining shares cannot elect any directors. Holders of shares of common stock do not have preemptive rights, which means they have no right to acquire any additional shares of common stock that may be issued by Aimco at a subsequent date.

Outstanding Classes of Preferred Stock

Aimco is authorized to issue shares of preferred stock in one or more classes or subclasses, with such designations, preferences, conversion and other rights, voting powers, restriction, limitations as to dividends, qualifications and

terms and conditions of redemption, in each case, if any as are permitted by Maryland law and as

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the Aimco Board of Directors may determine by resolution. As of November 30, 2011, Aimco had issued and outstanding the following classes of preferred stock:

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Class	Shares Authorized	Shares Outstanding	Quarterly Dividend per Share	Liquidation Preference per Share	Conversion Price
Class T Cumulative Preferred Stock	6,000,000	6,000,000	\$ 0.50	\$ 25.00	N/A
Class U Cumulative Preferred Stock	12,000,000	12,000,000	\$ 0.485	\$ 25.00	N/A
Class V Cumulative Preferred Stock	3,450,000	2,587,500	\$ 0.50	\$ 25.00	N/A
Class Y Cumulative Preferred Stock	3,450,000	3,450,000	\$ 0.4925	\$ 25.00	N/A
Class Z Cumulative Preferred Stock	4,800,000	823,817	\$ 0.4375	\$ 25.00	N/A
Series A Community Reinvestment Act Perpetual Preferred Stock(1)	240	94	\$ 1,875.00	\$ 500,000.00	N/A

- (1) For the period from the date of original issuance through March 31, 2015, the dividend rate is a variable rate per annum equal to the Three-Month LIBOR Rate (as defined in the articles supplementary designating the CRA Preferred Stock) plus 1.25%, calculated as of the beginning of each quarterly dividend period. The rate at September 30, 2011 was 1.50%. Upon liquidation, holders of the CRA Preferred Stock are entitled to a preference of \$500,000 per share, plus an amount equal to accumulated, accrued and unpaid dividends, whether or not earned or declared. The CRA Preferred Stock ranks prior to the Aimco common stock and on the same level as Aimco's outstanding shares of preferred stock with respect to the payment of dividends and the distribution of amounts upon liquidation, dissolution or winding up. The CRA Preferred Stock was not redeemable prior to June 30, 2011, except in limited circumstances related to REIT qualification. On and after June 30, 2011, the CRA Preferred Stock is redeemable for cash, in whole or from time to time in part, at Aimco's option, at a price per share equal to the liquidation preference, plus accumulated, accrued and unpaid dividends, if any, to the redemption date.

Ranking. Each authorized class of preferred stock ranks, with respect to dividend rights and rights upon liquidation, dissolution or winding up of Aimco, (a) prior or senior to the common stock and any other class or series of capital stock of Aimco if the holders of that class of preferred stock are entitled to the receipt of dividends or amounts distributable upon liquidation, dissolution or winding-up in preference or priority to the holders of shares of such class or series (Junior Stock); (b) on a parity with the other authorized classes of preferred stock and any other class or series of capital stock of Aimco if the holders of such class or series of stock and that class of preferred stock are entitled to receive dividends and amounts distributable upon liquidation, dissolution or winding-up in proportion to their respective amounts of accrued and unpaid dividends per share or liquidation preferences, without preference or priority of one over the other (Parity Stock); and (c) junior to any class or series of capital stock of Aimco if the holders of such class or series are entitled to receive dividends and amounts distributable upon liquidation, dissolution or winding-up in preference or priority to the holders of that class of preferred stock (Senior Stock).

Dividends. Holders of each authorized class of preferred stock are entitled to receive, when and as declared by the Aimco Board of Directors, out of funds legally available for payment, quarterly cash dividends in the amount per share set forth in the table above under the heading, Quarterly Dividend Per Share. The dividends are cumulative from the date of original issue, whether or not in any dividend period or periods Aimco declares any dividends or have funds legally available for the payment of such dividend. Holders of preferred stock are not entitled to receive any dividends in excess of cumulative dividends on the preferred stock. No interest, or sum of money in lieu of interest, shall be payable in respect of any dividend payment or payments on the preferred stock that may be in arrears.

When dividends are not paid in full upon any class of preferred stock, or a sum sufficient for such payment is not set apart, all dividends declared upon that class of preferred stock and any shares of Parity Stock will be declared ratably in proportion to the respective amounts of dividends accumulated, accrued and unpaid on that class of preferred stock and accumulated, accrued and unpaid on such Parity Stock. Except as set forth in the preceding sentence, unless dividends on each class of preferred stock equal to the full amount of accumulated, accrued and unpaid dividends have been or contemporaneously are declared and paid or declared and a sum sufficient for the

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payment thereof has been or contemporaneously is set apart for such payment, for all past dividend periods, no dividends may be declared or paid or set apart for payment by Aimco and no other distribution of cash or other property may be declared or made, directly or indirectly, by Aimco with respect to any shares of Parity Stock. Unless dividends equal to the full amount of all accumulated, accrued and unpaid dividends on each class of preferred stock have been declared and paid, or declared and a sum sufficient for the payment thereof has been set apart for such payment, for all past dividend periods, no dividends (other than dividends or distributions paid in shares of Junior Stock or options, warrants or rights to subscribe for or purchase shares of Junior Stock) may be declared or paid or set apart for payment by Aimco and no other distribution of cash or other property may be declared or made, directly or indirectly, by Aimco with respect to any shares of Junior Stock, nor may any shares of Junior Stock be redeemed, purchased or otherwise acquired (other than a redemption, purchase or other acquisition of common stock made for purposes of an employee incentive or benefit plan of Aimco or any subsidiary) for any consideration (or any monies be paid to or made available for a sinking fund for the redemption of any shares of any such stock), directly or indirectly, by Aimco (except by conversion into or exchange for shares of Junior Stock, or options, warrants or rights to subscribe for or purchase shares of Junior Stock), nor shall any other cash or other property be paid or distributed to or for the benefit of holders of shares of Junior Stock. Notwithstanding the foregoing provisions of this paragraph, Aimco is not prohibited from (1) declaring or paying or setting apart for payment any dividend or distribution on any shares of Parity Stock or (2) redeeming, purchasing or otherwise acquiring any Parity Stock, in each case, if such declaration, payment, redemption, purchase or other acquisition is necessary to maintain Aimco's qualification as a REIT.

Liquidation Preference. Upon any voluntary or involuntary liquidation, dissolution or winding up of Aimco, before it makes or sets apart any payment or distribution for the holders of any shares of Junior Stock, the holders of each class of preferred stock are entitled to receive a liquidation preference per share in the amount set forth above under the heading, Liquidation Preference Per Share, plus an amount equal to all accumulated, accrued and unpaid dividends (whether or not formed or declared) to the date of final distribution to such holders. Holders of each class of preferred stock are not entitled to any further payment. Until the holders of each class of preferred stock have been paid their respective liquidation preferences in full, plus an amount equal to all accumulated, accrued and unpaid dividends (whether or not earned or declared) to the date of final distribution to such holders, no payment may be made to any holder of Junior Stock upon the liquidation, dissolution or winding up of Aimco. If, upon any liquidation, dissolution or winding up of Aimco, its assets, or proceeds thereof, distributable among the holders of preferred stock are insufficient to pay in full the preference described above for any class of preferred stock and any liquidating payments on any other shares of any class or series of Parity Stock, then such proceeds shall be distributed among the holders of such class of preferred stock and holders of all other shares of any class or series of Parity Stock ratably in the same proportion as the respective amounts that would be payable on such class of preferred stock and any such Parity Stock if all amounts payable thereon were paid in full. A voluntary or involuntary liquidation, dissolution or winding up of Aimco does not include its consolidation or merger with one or more corporations, a sale or transfer of all or substantially all of its assets, or a statutory share exchange. Upon any liquidation, dissolution or winding up of Aimco, after payment shall have been made in full to the holders of preferred stock, any other series or class or classes of Junior Stock shall be entitled to receive any and all assets remaining to be paid or distributed, and the holders of each class of preferred stock and any Parity Stock shall not be entitled to share therein.

Redemption. Except as described below and in certain limited circumstances, including circumstances relating to maintaining Aimco's ability to qualify as a REIT, Aimco may not redeem the shares of preferred stock. On or after the dates set forth in the table below, Aimco may, at its option, redeem shares of the classes of preferred stock set forth below, in whole or from time to time in part, at a cash redemption price equal to the percentage of the liquidation preference for that class of preferred stock indicated under the heading Price, plus all accumulated, accrued and unpaid dividends, if any, to the date fixed for redemption. The redemption price for each class of non-convertible preferred stock (other than any portion thereof consisting of accumulated, accrued and unpaid dividends) is payable solely with the proceeds from the sale of equity securities by Aimco or Aimco OP (whether or not such sale occurs

concurrently with such redemption). For purposes of the preceding sentence, capital shares means any common stock, preferred stock, depositary shares, partnership or other interests, participations or other ownership interests (however designated) and any rights (other than debt securities convertible into or exchangeable

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at the option of the holder for equity securities (unless and to the extent such debt securities are subsequently converted into capital stock)) or options to purchase any of the foregoing securities issued by Aimco or Aimco OP.

Class	Date	Price
Class T Cumulative Preferred Stock	July 31, 2008	100%
Class U Cumulative Preferred Stock	March 24, 2009	100%
Class V Cumulative Preferred Stock	September 29, 2009	100%
Class Y Cumulative Preferred Stock	December 21, 2009	100%
Class Z Cumulative Preferred Stock	July 29, 2016	100%
Series A Community Reinvestment Act Perpetual Preferred Stock	June 30, 2011	100%

Except as otherwise described in this information statement/prospectus, none of the authorized classes of preferred stock have any stated maturity or are subject to any sinking fund or mandatory redemption provisions.

Conversion. The shares of convertible preferred stock are convertible at any time, at the option of the holder, into a number of shares of Aimco common stock obtained by dividing its liquidation preference (excluding any accumulated, accrued and unpaid dividends) by the conversion price set forth in the table above. In the case of shares called for redemption, conversion rights will terminate at the close of business on the date fixed for such redemption, unless Aimco defaults in making such redemption payment. Each conversion will be deemed to have been effected immediately prior to the close of business on the date on which the holder surrenders certificates representing shares of preferred stock and Aimco receives notice and any applicable instruments of transfer and any required taxes. The conversion will be at the conversion price in effect at such time and on such date unless the stock transfer books of Aimco are closed on that date, in which event such person or persons will be deemed to have become such holder or holders of record at the close of business on the next succeeding day on which such stock transfer books are open, but such conversion will be at the conversion price in effect on the date on which such shares were surrendered and such notice received by Aimco. No fractional shares of Aimco common stock or scrip representing fractions of a share of Aimco common stock will be issued upon conversion of shares of preferred stock. Instead of any fractional interest in a share of Aimco common stock that would otherwise be deliverable upon the conversion of any share of preferred stock, Aimco will pay to the holder of such shares an amount in cash based upon the closing price of the Aimco common stock on the trading day immediately preceding the date of conversion. If more than one share of preferred stock is surrendered for conversion at one time by the same holder, the number of full shares of Aimco common stock issuable upon conversion thereof will be computed on the basis of the aggregate number of shares of preferred stock so converted. Except as otherwise required, Aimco will make no payment or allowance for unpaid dividends, whether or not in arrears, on converted shares or for dividends (other than dividends on the common stock the record date for which is after the conversion date and which Aimco shall pay in the ordinary course to the record holder as of the record date) on the Aimco common stock issued upon such conversion. Holders of preferred stock at the close of business on a record date for the payment of dividends on the preferred stock will be entitled to receive an amount equal to the dividend payable on such shares on the corresponding dividend payment date notwithstanding the conversion of such shares following such record date.

Each conversion price is subject to adjustment upon the occurrence of certain events, including: (i) if Aimco (A) pays a dividend or makes a distribution on its capital stock in shares of Aimco common stock, (B) subdivides its outstanding common stock into a greater number of shares, (C) combines its outstanding common stock into a smaller number of shares or (D) issues any shares of capital stock by reclassification of its outstanding common stock; (ii) if Aimco issues rights, options or warrants to holders of common stock entitling them to subscribe for or purchase common stock at a price per share less than the fair market value thereof; and (iii) if Aimco makes a distribution on its

common stock other than in cash or shares of common stock.

Conversion of preferred stock will be permitted only to the extent that such conversion would not result in a violation of the ownership restrictions set forth in Aimco's charter.

Voting Rights. Holders of shares of the authorized classes of preferred stock do not have any voting rights, except as set forth below and except as otherwise required by applicable law.

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If and whenever dividends on any shares of any class of preferred stock or any series or class of Parity Stock are in arrears for six or more quarterly periods, whether or not consecutive, the number of directors then constituting the Aimco Board of Directors will be increased by two, if not already increased by reason of similar types of provisions with respect to shares of Parity Stock of any other class or series which is entitled to similar voting rights (the "Voting Preferred Stock"), and the holders of shares of that class of preferred stock, together with the holders of shares of all other Voting Preferred Stock then entitled to exercise similar voting rights, voting as a single class regardless of series, will be entitled to vote for the election of the two additional directors of Aimco at any annual meeting of stockholders or at a special meeting of the holders of that class of preferred stock and of the Voting Preferred Stock called for that purpose. Whenever dividends in arrears on outstanding shares of Voting Preferred Stock shall have been paid and dividends thereon for the current quarterly dividend period have been paid or declared and set apart for payment, then the right of the holders of the Voting Preferred Stock to elect the additional two directors shall cease and the terms of office of the directors shall terminate and the number of directors constituting the Aimco Board of Directors shall be reduced accordingly. Holders of Class W Cumulative Convertible Preferred Stock, voting as a single class, are also entitled to elect one director of Aimco if and whenever (i) for two consecutive quarterly dividend periods, Aimco fails to pay at least \$0.45 per share in dividends on the common stock or (ii) Aimco fails to pay a quarterly dividend on that class of preferred stock, whether or not earned or declared.

The affirmative vote or consent of at least 66 2/3% of the votes entitled to be cast by the holders of the outstanding shares of each class of preferred stock and the holders of all other classes or series of Parity Stock entitled to vote on such matters, voting as a single class, will be required to (1) authorize, create, increase the authorized amount of, or issue any shares of any class of Senior Stock or any security convertible into shares of any class of Senior Stock, or (2) amend, alter or repeal any provision of, or add any provision to, Aimco's charter or by-laws, if such action would materially adversely affect the voting powers, rights or preferences of the holders of that class of preferred stock or, with respect to the Class W Cumulative Convertible Preferred Stock, would convert such preferred stock into cash or any other security other than Preferred Stock with terms and provisions equivalent to those set forth in the articles supplementary for such class of preferred stock (including any amendment, alteration or repeal effected pursuant to a merger, consolidation, or similar transaction); provided, however, that no such vote of the holders of that class of preferred stock shall be required if, at or prior to the time such amendment, alteration or repeal is to take effect or the issuance of any such Senior Stock or convertible security is to be made, as the case may be, provisions are made for the redemption of all outstanding shares of that class of preferred stock. The amendment of or supplement to Aimco's charter to authorize, create, increase or decrease the authorized amount of or to issue Junior Stock, or any shares of any class of Parity Stock shall not be deemed to materially adversely affect the voting powers, rights or preferences of any class of preferred stock.

Transfer. For Aimco to qualify as a REIT under the Internal Revenue Code, not more than 50% in value of its outstanding capital stock may be owned, directly or indirectly, by five or fewer individuals (as defined in the Internal Revenue Code to include certain entities) during the last half of a taxable year, and the shares of Aimco common stock must be beneficially owned by 100 or more persons during at least 335 days of a taxable year of 12 months or during a proportionate part of a shorter taxable year. Because the Aimco Board of Directors believes that it is essential for Aimco to meet the REIT Requirements, the Aimco Board of Directors has adopted, and the stockholders have approved, provisions of Aimco's charter restricting the acquisition of shares of Aimco common stock.

Subject to specific exceptions specified in Aimco's charter, no holder may own, or be deemed to own by virtue of various attribution and constructive ownership provisions of the Internal Revenue Code and Rule 13d-3 under the Exchange Act, more than 8.7% (or 15% in the case of specific pension trusts described in the Internal Revenue Code, investment companies registered under the Investment Company Act of 1940, as amended, and Mr. Considine) of the outstanding shares of Aimco common stock (the "Ownership Limit"). The Aimco Board of Directors may waive the Ownership Limit if evidence satisfactory to the Aimco Board of Directors and Aimco's tax counsel is presented that

such ownership will not then or in the future jeopardize Aimco's status as a REIT. However, in no event may such holder's direct or indirect ownership of Aimco common stock exceed 12% of the total outstanding shares of Aimco common stock. As a condition of such waiver, the Aimco Board of Directors may require opinions of counsel satisfactory to it and/or an undertaking from the applicant with respect to preserving the REIT status of Aimco. The foregoing restrictions on transferability and ownership will not apply if the Aimco Board of Directors determines that it is no longer in the best interests of Aimco to attempt to qualify, or to continue

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to qualify as a REIT and a resolution terminating Aimco's status as a REIT and amending Aimco's charter to remove the foregoing restrictions is duly adopted by the Aimco Board of Directors and a majority of Aimco's stockholders. If shares of Aimco common stock in excess of the Ownership Limit, or shares of Aimco common stock which would cause the REIT to be beneficially owned by fewer than 100 persons, or which would result in Aimco being closely held, within the meaning of section 856(h) of the Internal Revenue Code, or which would otherwise result in Aimco failing to qualify as a REIT, are issued or transferred to any person, such issuance or transfer shall be null and void to the intended transferee, and the intended transferee would acquire no rights to the stock. Shares of Aimco common stock transferred in excess of the Ownership Limit or other applicable limitations will automatically be transferred to a trust for the exclusive benefit of one or more qualifying charitable organizations to be designated by Aimco. Shares transferred to such trust will remain outstanding, and the trustee of the trust will have all voting and dividend rights pertaining to such shares. The trustee of such trust may transfer such shares to a person whose ownership of such shares does not violate the Ownership Limit or other applicable limitation. Upon a sale of such shares by the trustee, the interest of the charitable beneficiary will terminate, and the sales proceeds would be paid, first, to the original intended transferee, to the extent of the lesser of (a) such transferee's original purchase price (or the original market value of such shares if purportedly acquired by gift or devise) and (b) the price received by the trustee, and, second, any remainder to the charitable beneficiary. In addition, shares of stock held in such trust are purchasable by Aimco for a 90 day period at a price equal to the lesser of the price paid for the stock by the original intended transferee (or the original market value of such shares if purportedly acquired by gift or devise) and the market price for the stock on the date that Aimco determines to purchase the stock. The 90 day period commences on the date of the violative transfer or the date that the Aimco Board of Directors determines in good faith that a violative transfer has occurred, whichever is later. All certificates representing shares of Aimco common stock bear a legend referring to the restrictions described above.

All persons who own, directly or by virtue of the attribution provisions of the Internal Revenue Code and Rule 13d-3 under the Exchange Act, more than a specified percentage of the outstanding shares of Aimco common stock must file an affidavit with Aimco containing the information specified in Aimco's charter within 30 days after January 1 of each year. In addition, each stockholder shall upon demand be required to disclose to Aimco in writing such information with respect to the direct, indirect and constructive ownership of shares as the board of directors deems necessary to comply with the provisions of the Internal Revenue Code applicable to a REIT or to comply with the requirements of any taxing authority or governmental agency.

The ownership limitations may have the effect of precluding acquisition of control of Aimco by specific parties unless the Aimco Board of Directors determines that maintenance of REIT status is no longer in the best interests of Aimco.

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COMPARISON OF AIMCO OP UNITS AND AIMCO COMMON STOCK

Set forth below is a comparison of the OP Units to the Aimco common stock.

OP Units

Common Stock

Nature of Investment

The OP Units constitute equity interests entitling each holder to his or her pro rata share of cash distributions made from Available Cash (as such term is defined in the Aimco OP partnership agreement) to the partners of Aimco OP, a Delaware limited partnership.

The Aimco common stock constitutes equity interests in Aimco, a Maryland corporation.

Voting Rights

Under the Aimco OP partnership agreement, limited partners have voting rights only with respect to certain limited matters such as 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.

Each outstanding share of Aimco common stock entitles the holder thereof to one vote on all matters submitted to stockholders for a vote, including the election of directors. Holders of Aimco common stock have the right to vote on, among other things, a merger of Aimco, amendments to the Aimco charter and the dissolution of Aimco. Certain amendments to the Aimco charter require the affirmative vote of not less than two-thirds of votes entitled to be cast on the matter. The Aimco charter permits the Aimco Board of Directors to classify and issue capital stock in one or more series having voting power which may differ from that of the common stock. Under Maryland law, a consolidation, merger, share exchange or transfer of all or substantially all of the assets of Aimco requires the affirmative vote of not less than two-thirds of all of the votes entitled to be cast on the matter. With respect to each of these transactions, only the holders of common stock are entitled to vote on the matters. No approval of the stockholders is required for the sale of less than all or substantially all of Aimco's assets. Maryland law provides that the Aimco Board of Directors must obtain the affirmative vote of at least two-thirds of the votes entitled to be cast on the matter in order to dissolve Aimco. Only the holders of Aimco common stock are entitled to vote on Aimco's dissolution.

Distributions/Dividends

Subject to the rights of holders of any outstanding partnership preferred units, the Aimco OP partnership agreement requires the general partner to cause Aimco OP to distribute quarterly all, or such portion as the general

Holders of Aimco common stock are entitled to receive dividends when and as declared by the Aimco Board of Directors, out of funds legally available therefor. Under the REIT rules, Aimco is required to distribute dividends

partner may in its sole and absolute discretion determine, of Available Cash (as such term is defined in the partnership agreement) generated by Aimco OP during such quarter to the general partner, the Special Limited Partner and the holders of OP Units and HPUs on the record date established by the general partner with respect to such quarter, in accordance with their respective interests in Aimco OP on such record date. Holders of any Partnership Preferred Units currently issued and which may be issued in the future may have priority over the general partner, the special limited partner and holders of OP Units and HPUs with respect to distributions of Available Cash,

(other than capital gain dividends) to its stockholders in an amount at least equal to (A) the sum of (i) 90% of Aimco's REIT taxable income (computed without regard to the dividends paid deduction and Aimco's net capital gain) and (ii) 90% of the net income (after tax), if any, from foreclosure property, minus (B) the sum of certain items of noncash income. See Material United States Federal Income Tax Matters.

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OP Units

Common Stock

distributions upon liquidation or other distributions. See

Description of Aimco OP Units; Summary of Aimco OP Partnership Agreement Distributions. The general partner in its sole and absolute discretion may distribute to the holders of OP Units and HPUs Available Cash on a more frequent basis and provide for an appropriate record date. The partnership agreement requires the general partner to take such reasonable efforts, as determined by it in its sole and absolute discretion and consistent with the REIT Requirements, to cause Aimco OP to distribute sufficient amounts to enable the general partner to transfer funds to Aimco and enable Aimco to pay stockholder dividends that will (i) satisfy the requirements for qualifying as a REIT under the Internal Revenue Code, and the Treasury Regulations and (ii) avoid any U.S. federal income or excise tax liability of Aimco. See Description of Aimco OP Units; Summary of Aimco OP Partnership Agreement Distributions.

Liquidity and Transferability/Redemption

There is no public market for the OP Units and the OP Units are not listed on any securities exchange.

Under the Aimco OP partnership agreement, until the expiration of one year from the date on which a holder acquired OP Units, subject to certain exceptions, such OP Unitholder may not transfer all or any portion of its OP Units to any transferee without the consent of the general partner, which consent may be withheld in its sole and absolute discretion. After the expiration of one year, such OP Unitholder has the right to transfer all or any portion of its OP Units to any person, subject to the satisfaction of certain conditions specified in the partnership agreement, including the general partner's right of first refusal. See

Description of Aimco OP Units; Summary of Aimco OP Partnership Agreement Transfers and Withdrawals. After the first anniversary of becoming a holder of OP Units, a holder has the right, subject to the terms and conditions of the partnership agreement, to require Aimco OP to redeem all or a portion of such holder's OP Units in exchange for shares of common stock or a cash amount equal to the value of such shares, as Aimco OP may elect. See

Description of Aimco OP Units; Summary of Aimco OP Partnership Agreement Redemption Rights of Qualifying Parties. Upon receipt of a notice of redemption, Aimco OP may, in its sole and absolute discretion but subject to the

The Aimco common stock is transferable subject to the Ownership Limit set forth in the Aimco charter. The Aimco common stock is listed on the NYSE.

restrictions on the ownership of common stock imposed under the Aimco charter and the transfer restrictions and other limitations thereof, elect to cause Aimco to acquire some or all of the tendered OP Units in exchange for common stock, based on an exchange ratio of one share of common stock for each OP Unit, subject to adjustment as provided in the partnership agreement.

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COMPARISON OF SERIES A UNITS AND AIMCO OP UNITS

The rights of CPF XVII limited partners who hold Series A Units are currently governed by the Delaware Act and the CPF XVII partnership agreement. The rights of the limited partners of Aimco OP are currently governed by the Delaware Act and the Aimco OP partnership agreement.

The information below highlights a number of the significant differences between Series A Units and Aimco OP Units. These comparisons are intended to assist CPF XVII limited partners in understanding how their investment will be changed after completion of the merger, if they elect to receive OP Units in lieu of cash with respect to the merger.

Series A Units

OP Units

Nature of Investment

The Series A Units constitute equity interests entitling each partner to its pro rata share of distributions to be made to the partners of CPF XVII.

The OP Units constitute equity interests entitling each holder to his or her pro rata share of cash distributions made from Available Cash (as such term is defined in the partnership agreement) to the partners of Aimco OP.

Voting Rights

With limited exceptions, under the CPF XVII partnership agreement, upon the vote of a majority in interest of each series of units, the limited partners may make amendments to CPF XVII's partnership agreement. The limited partners holding a majority in interest of each series of units may remove the general partner. If the general partner is removed, the remaining general partner, if any, may elect to continue the business of CPF XVII. An affiliate of the general partner of CPF XVII currently owns a majority of the Series A Units and the Series B Units.

The general partner of CPF XVII may serialize interests without the consent of the limited partners.

Under the Aimco OP partnership agreement, limited partners have voting rights only with respect to certain limited matters such as 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. Under the Aimco OP partnership agreement, the general partner has the power to effect the acquisition, sale, transfer, exchange or other disposition of any assets of Aimco OP (including, but not limited to, the exercise or grant of any conversion, option, privilege or subscription right or any other right available in connection with any assets at any time held by Aimco OP) or the merger, consolidation, reorganization or other combination of Aimco OP with or into another entity, all without the consent of the OP Unitholders. The general partner may cause the dissolution of Aimco OP by an event of withdrawal, as defined in the Delaware Act (including, without limitation, bankruptcy), unless, within 90 days after the withdrawal, holders of a majority in interest, as defined in the Delaware Act, agree in writing, in their sole and absolute discretion, to continue the business of Aimco

OP and to the appointment of a successor general partner. The general partner may elect to dissolve Aimco OP in its sole and absolute discretion, with or without the consent of the OP Unitholders. OP Unitholders cannot remove the general partner of Aimco OP with or without cause.

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Series A Units

OP Units

Distributions

Distributions from operations will be made to the extent deemed available by the general partner. The distributions payable to the partners are not fixed in amount and depend upon the operating results and net sales or refinancing proceeds available from the disposition of CPF XVII's assets. Distributions may be restricted or suspended for limited periods in circumstances when the general partner determines, in its absolute discretion, that such action is in the best interests of CPF XVII.

Subject to the rights of holders of any outstanding partnership preferred units, the Aimco OP partnership agreement requires the general partner to cause Aimco OP to distribute quarterly all, or such portion as the general partner may in its sole and absolute discretion determine, of Available Cash (as such term is defined in the partnership agreement) generated by Aimco OP during such quarter to the general partner, the special limited partner and the holders of OP Units and HPUs on the record date established by the general partner with respect to such quarter, in accordance with their respective interests in Aimco OP on such record date. Holders of any partnership preferred units currently issued and which may be issued in the future may have priority over the general partner, the special limited partner and holders of OP Units and HPUs with respect to distributions of Available Cash, distributions upon liquidation or other distributions. See Description of Aimco OP Units; Summary of Aimco OP Partnership Agreement Distributions. The general partner in its sole and absolute discretion may distribute to the holders of OP Units and HPUs Available Cash on a more frequent basis and provide for an appropriate record date. The partnership agreement requires the general partner to take such reasonable efforts, as determined by it in its sole and absolute discretion and consistent with the REIT requirements, to cause Aimco OP to distribute sufficient amounts to enable the general partner to transfer funds to Aimco and enable Aimco to pay stockholder dividends that will (i) satisfy the requirements for qualifying as a REIT under the Internal Revenue Code, and the Treasury Regulations and (ii) avoid any U.S. federal income or excise tax liability of Aimco. See Description of Aimco OP Units; Summary of Aimco OP Partnership Agreement Distributions.

Liquidity and Transferability/Redemption

There is a limited market for the Series A Units, and the Series A Units are not listed on any securities exchange.

There is no public market for the OP Units and the OP Units are not listed on any securities exchange.

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Series A Units

Under the CPF XVII partnership agreement, holders of Series A Units may assign one or more whole Series A Units by a written instrument, the terms of which are not in contravention of any of the provisions of the CPF XVII partnership agreement, which instrument has been duly executed by the assignor of such Series A Unit. A minimum of five Series A Units may be transferred, subject to certain exceptions. No assignee of a limited partner's interest may become a substituted limited partner unless (a) a duly executed and acknowledged or signature guaranteed written instrument of assignment has been filed with the partnership, which instrument must specify the number of Series A Units being assigned and set forth the intention of the assignor that the assignee succeed to the assignor's interest as a substituted limited partner, (b) the assignor and assignee have executed and acknowledged or signature guaranteed such other instruments as the general partner may deem necessary or desirable to effect such substitution, including the written acceptance and adoption by the assignee of the provisions of the CPF XVII partnership agreement, (c) the written consent of the general partner to such substitution has been obtained, the granting or denial of which are within the absolute discretion of the general partner, and (d) a transfer fee has been paid to CPF XVII which is sufficient to cover all reasonable expenses connected with such substitution. The CPF XVII partnership agreement contains no redemption rights.

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 CPF XVII partnership agreement provides that Fox, as the general partner, has a fiduciary responsibility for the safekeeping and use of all funds of the partnership, whether or not in Fox's immediate possession or control, and shall not employ, or permit another to employ, such funds or assets in any manner except for the exclusive benefit of the partnership. Fox may purchase, or cause any of its affiliates to purchase, for resale or for investment, Series A Units for any reason deemed appropriate by Fox. The CPF XVII partnership

OP Units

Under the Aimco OP partnership agreement, until the expiration of one year from the date on which a holder acquired OP Units, subject to certain exceptions, such OP Unitholder may not transfer all or any portion of its OP Units to any transferee without the consent of the general partner, which consent may be withheld in its sole and absolute discretion. After the expiration of one year, such OP Unitholder has the right to transfer all or any portion of its OP Units to any person, subject to the satisfaction of certain conditions specified in the partnership agreement, including the general partner's right of first refusal. See Description of Aimco OP Units; Summary of Aimco OP Partnership Agreement Transfers and Withdrawals. After the first anniversary of becoming a holder of OP Units, a holder has the right, subject to the terms and conditions of the partnership agreement, to require Aimco OP to redeem all or a portion of such holder's OP Units in exchange for shares of common stock or a cash amount equal to the value of such shares, as Aimco OP may elect. See Description of Aimco OP Units; Summary of Aimco OP Partnership Agreement Redemption Rights of Qualifying Parties. Upon receipt of a notice of redemption, Aimco OP may, in its sole and absolute discretion but subject to the restrictions on the ownership of common stock imposed under the Aimco charter and the transfer restrictions and other limitations thereof, elect to cause Aimco to acquire some or all of the tendered OP Units in exchange for common stock, based on an exchange ratio of one share of common stock for each OP Unit, subject to adjustment as provided in the partnership agreement.

Fiduciary Duty

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 Aimco OP partnership agreement expressly limits the liability of the general partner by providing that the general partner, and its officers and directors, will not be

agreement expressly limits the liability of Fox by providing that the general partner shall have no liability whatsoever to the partnership or to any holder of units of limited partnership interest for any loss suffered by the partnership which arises out of any action or inaction of the general partner, if the general partner, in good faith, determined that such course of conduct was in the best interests of the partnership, and such course of conduct did not constitute negligence or misconduct of the general partner.

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.

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Series A Units

OP Units

Investment Policy

CPF XVII is engaged in the business of operating and holding real estate properties for investment. In general, Fox, as the general partner, regularly evaluates CPF XVII's properties by considering various factors, such as the partnership's financial position and real estate and capital markets conditions. Fox monitors a property's specific locale and sub-market conditions (including stability of the surrounding neighborhood), evaluating current trends, competition, new construction and economic changes. It oversees the operating performance of the property and evaluates the physical improvement requirements. In addition, the financing structure for the property (including any prepayment penalties), tax implications, availability of attractive mortgage financing to a purchaser, and the investment climate are all considered. Any of these factors, and possibly others, could potentially contribute to any decision by Fox to sell, refinance, upgrade with capital improvements or hold a partnership property.

Aimco OP was formed to engage in the acquisition, ownership, management and redevelopment of apartment properties. Although it holds all of its properties for investment, Aimco OP may sell properties when they do not meet its investment criteria or are located in areas that it believes do not justify a continued investment when compared to alternative uses for capital. Its portfolio management strategy includes property acquisitions and dispositions to concentrate its portfolio in its target markets. It may market for sale certain properties that are inconsistent with this long-term investment strategy. Additionally, from time to time, Aimco OP may market certain properties that are consistent with this strategy but offer attractive returns. Aimco OP may use its share of the net proceeds from such dispositions to, among other things, reduce debt, fund capital expenditures on existing assets, fund acquisitions, and for other operating needs and corporate purposes.

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Compensation and Distributions

CPF XVII. CPF XVII has no employees and depends on Fox, CPF XVII's general partner, and its affiliates for the management and administration of all partnership activities. The CPF XVII partnership agreement provides that Fox and its affiliates receive 5% of gross receipts from all of CPF XVII's properties as compensation for providing property management services, and also provides that Fox and its affiliates receive certain payments for other services and reimbursement of certain expenses incurred on behalf of CPF XVII.

In addition, under the CPF XVII partnership agreement, Distributions (as defined in the CPF XVII partnership agreement) remaining after the allocation to Fox of ten percent (10%) of Net Income and Net Loss, Taxable Income and Taxable Loss, and Cash Available for Distribution (all as defined in the CPF XVII partnership agreement) distributed to the partners will be allocated as follows: ninety-eight percent (98%) to the limited partners and two percent (2%) to Fox, as the general partner.

A description of the compensation paid to Fox, as CPF XVII's general partner, and its affiliates during the years ended December 31, 2010 and 2009, and during the nine months ended September 30, 2011 and 2010, can be found under the heading *Certain Relationships and Related Transactions* in this information statement/prospectus. In addition, for more information, see *Note D Transactions with Affiliated Parties* in the notes to the consolidated financial statements appearing in CPF XVII's Annual Report on Form 10-K for the year ended December 31, 2010, which is included as Annex F to this information statement/prospectus, and *Note B Transactions with Affiliated Parties* in CPF XVII's Quarterly Report on Form 10-Q for the quarter ended September 30, 2011, which is included as Annex G to this information statement/prospectus.

Aimco OP. The Aimco OP partnership agreement provides that Aimco OP's general partner shall not be compensated for its services as a general partner, other than the compensation it receives with respect to distributions and allocations in accordance with the partnership agreement. Subject to certain provisions of the partnership agreement, Aimco OP will reimburse the general partner for all sums expended in connection with the partnership's business.

In addition, subject to the rights of holders of any outstanding preferred OP Units, the Aimco OP partnership agreement requires the general partner to cause Aimco OP to distribute quarterly all, or such portion of, as the general partner may in its sole and absolute discretion determine, Available Cash (as such term is defined in the partnership agreement) generated by Aimco OP during such quarter to the general partner, the special limited partner and the holders of common OP Units and HPUs on the record date established by the general partner with respect to such quarter, in accordance with their respective interests in Aimco OP on such record date. The partnership agreement requires the general partner to take such reasonable efforts, as determined by it in its sole and absolute discretion and consistent with the REIT Requirements, to cause Aimco OP to distribute sufficient amounts to enable the general partner to transfer funds to Aimco and enable Aimco to pay stockholder dividends that will (i) satisfy the requirements for qualifying as a REIT under the Internal Revenue Code and the Treasury Regulations and (ii) avoid any U.S. federal income or excise tax liability of Aimco.

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MATERIAL UNITED STATES FEDERAL INCOME TAX CONSIDERATIONS

The following is a summary of the material U.S. federal income tax consequences of the merger and the material U.S. federal income tax considerations related to an investment in Aimco OP Units and Aimco stock. This discussion is based upon the Internal Revenue Code, Treasury Regulations, rulings issued by the IRS, and judicial decisions, all in effect as of the date of this information statement/prospectus and all of which are subject to change or differing interpretations, possibly with retroactive effect. This summary is also based on the assumption that the operation of Aimco, Aimco OP and the limited liability companies and limited partnerships in which they own controlling interests (collectively, the Subsidiary Partnerships) and any affiliated entities will be in accordance with their respective organizational documents and partnership agreements. This summary is for general information only and does not purport to discuss all aspects of U.S. federal income taxation which may be important to a particular investor. This summary also assumes that investors will hold their OP Units and Aimco stock as capital assets (generally, property held for investment). Except to the extent provided below, this summary is not directed to investors subject to special tax rules, such as:

banks or other financial institutions;

broker-dealers;

regulated investment companies;

holders that receive Aimco stock through the exercise of stock options or otherwise as compensation;

insurance companies;

persons holding Aimco stock as part of a straddle, hedge, conversion transaction, synthetic security or other integrated investment;

and, except to the extent discussed below:

tax-exempt organizations;

and foreign investors.

No advance ruling from the IRS has been or will be sought regarding the tax status of Aimco or Aimco OP, or the tax consequences relating to Aimco or Aimco OP of an investment in OP Units or Aimco stock. No assurance can be given that the IRS would not assert, or that a court would not sustain, a position contrary to any of the tax consequences set forth below.

THE U.S. FEDERAL INCOME TAX TREATMENT OF A PARTICULAR HOLDER DEPENDS UPON DETERMINATIONS OF FACT AND INTERPRETATIONS OF COMPLEX PROVISIONS OF UNITED STATES FEDERAL INCOME TAX LAW FOR WHICH NO CLEAR PRECEDENT OR AUTHORITY MAY BE AVAILABLE. ACCORDINGLY, EACH HOLDER IS URGED TO CONSULT ITS TAX ADVISOR REGARDING THE FEDERAL, STATE, LOCAL, AND FOREIGN TAX