APARTMENT INVESTMENT & MANAGEMENT CO
Form DEF 14A
March 06, 2017

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UNITED STATES

SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

SCHEDULE 14A INFORMATION

Proxy Statement Pursuant to Section 14(a) of the

Securities Exchange Act of 1934

Filed by the Registrant Filed by a Party other than the Registrant

Check the appropriate box:

Preliminary Proxy Statement

Confidential, for use of the Commission only (as permitted by Rule 14a-6(e) (2))

Definitive Proxy Statement

Definitive Additional Materials

Soliciting Material under Rule 14a-12

APARTMENT INVESTMENT AND MANAGEMENT COMPANY

(Exact Name of Registrant as Specified In Its Charter)

(Name of Person(s) Filing Proxy Statement, if other than the Registrant)

Payment of Filing Fee (Check the appropriate box):

No fee required.

Fee computed on table below per Exchange Act Rules 14a-6(i)(1) and 0-11.

(1) Title of each class of securities to which transaction applies:

(2) Aggregate number of securities to which transaction applies:

(3) Per unit price or other underlying value of transaction computed pursuant to Exchange Act Rule 0-11 (set forth the amount on which the filing fee is calculated and state how it was determined):

(4) Proposed maximum aggregate value of transaction:

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Fee paid previously with preliminary materials.

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(2) Form, Schedule or Registration Statement No.:

(3) Filing Party:

(4) Date Filed:

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4582 SOUTH ULSTER STREET, SUITE 1100

DENVER, COLORADO 80237

NOTICE OF ANNUAL MEETING OF STOCKHOLDERS

To Be Held On April 25, 2017

You are cordially invited to attend the 2017 Annual Meeting of Stockholders (the Meeting) of APARTMENT INVESTMENT AND MANAGEMENT COMPANY (Aimco or the Company) to be held on Tuesday, April 25, 2017, at 8:30 a.m. at Aimco s corporate headquarters, 4582 South Ulster Street, Suite 1100, Denver, CO 80237, for the following purposes:

1. To elect seven directors, for a term of one year each, until the next Annual Meeting of Stockholders and until their successors are elected and qualify;

2. To ratify the selection of Ernst & Young LLP, to serve as independent registered public accounting firm for the Company for the fiscal year ending December 31, 2017;

3. To conduct an advisory vote on executive compensation;

4. To conduct an advisory vote on the frequency of future advisory votes on executive compensation; and

5. To transact such other business as may properly come before the Meeting or any adjournment(s) thereof.

Only stockholders of record at the close of business on February 24, 2017, will be entitled to notice of, and to vote at, the Meeting or any adjournment(s) thereof.

We are again pleased to take advantage of Securities and Exchange Commission (SEC) rules that allow issuers to furnish proxy materials to their stockholders on the Internet. We believe these rules allow us to provide our stockholders with the information they need, while lowering the costs of delivery and reducing the environmental impact of our Meeting.

On or about March 14, 2017, we intend to mail our stockholders a notice containing instructions on how to access our 2016 proxy statement (the Proxy Statement), Annual Report on Form 10-K for the year ended December 31, 2016, and 2016 Corporate Citizenship Report and vote online. The notice also provides instructions on how you can request a paper copy of these documents if you desire, and how you can enroll in e-delivery. If you received your annual materials via email, the email contains voting instructions and links to these documents on the Internet.

WHETHER OR NOT YOU EXPECT TO BE AT THE MEETING, PLEASE VOTE AS SOON AS POSSIBLE TO ENSURE THAT YOUR SHARES ARE REPRESENTED.

BY ORDER OF THE BOARD OF DIRECTORS

Lisa R. Cohn
Secretary

March 3, 2017

Important Notice Regarding the Availability of Proxy Materials for

Aimco s Annual Meeting of Stockholders to be held on April 25, 2017.

This Proxy Statement, Aimco s Annual Report on Form 10-K for the fiscal year ended December 31, 2016, and 2016 Corporate Citizenship Report are available free of charge at the following website: www.edocumentview.com/aiv.

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APARTMENT INVESTMENT AND MANAGEMENT COMPANY 4582 SOUTH ULSTER STREET, SUITE 1100 DENVER, COLORADO 80237

PROXY STATEMENT

FOR ANNUAL MEETING OF STOCKHOLDERS

TO BE HELD ON APRIL 25, 2017

The Board of Directors (the Board) of Apartment Investment and Management Company (Aimco or the Company has made these proxy materials available to you on the Internet, or, upon your request, has delivered printed versions of these materials to you by mail. We are furnishing this Proxy Statement in connection with the solicitation by our Board of proxies to be voted at our 2017 Annual Meeting (the Meeting), and at any and all adjournments or postponements thereof. The Meeting will be held on Tuesday, April 25, 2017, at 8:30 a.m. at Aimco s corporate headquarters located at 4582 South Ulster Street, Suite 1100, Denver, Colorado 80237.

Pursuant to rules adopted by the SEC, we are providing access to our proxy materials over the Internet. Accordingly, we are sending a Notice of Internet Availability of Proxy Materials (the Notice) to each stockholder entitled to vote at the Meeting. The mailing of such Notice is scheduled to begin on or about March 14, 2017. All stockholders will have the ability to access the proxy materials over the Internet and request a printed copy of the proxy materials by mail. Instructions on how to access the proxy materials over the Internet or to request a printed copy may be found in the Notice. In addition, the Notice includes instructions on how stockholders may request proxy materials in printed form by mail or electronically by email on an ongoing basis.

This solicitation is made by mail on behalf of Aimco s Board. Costs of the solicitation will be borne by Aimco. Further solicitation of proxies may be made by telephone, fax or personal interview by the directors, officers and employees of the Company and its affiliates, who will not receive additional compensation for the solicitation. The Company has retained the services of Alliance Advisors LLC, for an estimated fee of $10,000, plus out-of-pocket expenses, to assist in the solicitation of proxies from brokerage houses, banks, and other custodians or nominees holding stock in their names for others. The Company will reimburse banks, brokerage firms and other custodians, nominees and fiduciaries for reasonable expenses incurred by them in sending proxy material to stockholders.

Holders of record of the Class A Common Stock of the Company (Common Stock) as of the close of business on the record date, February 24, 2017 (the Record Date), are entitled to receive notice of, and to vote at, the Meeting. Each share of Common Stock entitles the holder to one vote. At the close of business on the Record Date, there were 157,017,376 shares of Common Stock issued and outstanding.

Whether you are a stockholder of record or hold your shares through a broker or nominee (*i.e.*, in street name) you may direct your vote without attending the Meeting in person.

If you are a stockholder of record, you may vote via the Internet by following the instructions in the Notice. If you request printed copies of the proxy materials by mail, you may also vote by signing your proxy card and returning it by mail or by submitting your vote by telephone. You should sign your name exactly as it appears on the proxy card. If you are signing in a representative capacity (for example, as guardian, executor, trustee, custodian, attorney or officer of a corporation), you should indicate your name and title or capacity.

If you are the beneficial owner of shares held in street name, you may be eligible to vote your shares electronically over the Internet or by telephone by following the instructions in the Notice. If you request printed copies of the proxy materials by mail, you may also vote by signing the voter instruction card provided by your bank or broker and returning it by mail. If you provide specific voting instructions by mail, telephone or the Internet, your shares will be voted by your broker or nominee as you have directed.

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The persons named as proxies are officers of Aimco. All proxies properly submitted in time to be counted at the Meeting will be voted in accordance with the instructions contained therein. If you submit your proxy without voting instructions, your shares will be voted in accordance with the recommendations of the Board. Proxies may be revoked at any time before voting by filing a notice of revocation with the Corporate Secretary of the Company, by filing a later dated proxy with the Corporate Secretary of the Company or by voting in person at the Meeting.

You are entitled to attend the Meeting only if you were an Aimco stockholder or joint holder as of the Record Date or if you hold a valid proxy for the Meeting. If you are not a stockholder of record but hold shares in street name, you should provide proof of beneficial ownership as of the Record Date, such as your most recent account statement prior to February 24, 2017, a copy of the voting instruction card provided by your broker, trustee or nominee, or other similar evidence of ownership.

Brokers holding shares of record for customers generally are not entitled to vote on certain matters unless they receive voting instructions from their customers. If you are a beneficial owner of shares and do not provide your broker, as stockholder of record, with voting instructions, your broker has authority under applicable stock market rules to vote those shares for or against routine matters at its discretion. At the Meeting, the following matters are not considered routine: the election of directors, the advisory vote on executive compensation, and the advisory vote on the frequency of advisory votes on executive compensation. Where a matter is not considered routine, shares held by your broker will not be voted (a broker non-vote) absent specific instructions from you, which means your shares may go unvoted on those matters and not affect the outcome if you do not specify a vote.

The principal executive offices of the Company are located at 4582 South Ulster Street, Suite 1100, Denver, Colorado 80237.

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PROPOSAL 1:

ELECTION OF DIRECTORS

Pursuant to Aimco s Articles of Restatement (the Charter) and Amended and Restated Bylaws (the Bylaws), directors are elected at each annual meeting of stockholders and hold office for one year, and until their successors are duly elected and qualify. Aimco s Bylaws currently authorize a Board consisting of not fewer than three nor more than nine persons. The Board currently consists of seven directors.

The nominees for election to the Board selected by the Nominating and Corporate Governance Committee of the Board and proposed by the Board to be voted upon at the Meeting are:

Terry Considine	Kathleen M. Nelson
Thomas L. Keltner	Michael A. Stein
J. Landis Martin	Nina A. Tran
Robert A. Miller	

All of the nominees were elected to the Board at the last Annual Meeting of Stockholders. Messrs. Keltner, Martin, Miller, and Stein and Mses. Nelson and Tran are not employed by, or affiliated with, Aimco, other than by virtue of serving as directors of Aimco. Unless authority to vote for the election of directors has been specifically withheld, the persons named in the accompanying proxy intend to vote for the election of Messrs. Considine, Keltner, Martin, Miller, and Stein and Mses. Nelson and Tran to hold office as directors for a term of one year until their successors are elected and qualify at the next Annual Meeting of Stockholders. All nominees have advised the Board that they are able and willing to serve as directors.

If any nominee becomes unavailable for any reason (which is not anticipated), the shares represented by the proxies may be voted for such other person or persons as may be determined by the holders of the proxies (unless a proxy contains instructions to the contrary). In no event will the proxy be voted for more than seven nominees.

In an uncontested election at the meeting of stockholders, any nominee to serve as a director of the Company will be elected if the director receives a vote of the majority of votes cast, which means that the number of shares voted for a director exceeds the number of votes against that director. With respect to a contested election, a plurality of all the votes cast at the meeting of stockholders will be sufficient to elect a director. If a nominee who currently is serving as a director receives a greater number of against votes for his or her election than votes for such election (a Majority Against Vote) in an uncontested election, Maryland law provides that the director would continue to serve on the Board as a holdover director. However, under Aimco s Bylaws, any nominee for election as a director in an uncontested election who receives a Majority Against Vote is obligated to tender his or her resignation to the Nominating and Corporate Governance Committee of the Board for consideration. The Nominating and Corporate Governance Committee will consider any resignation and recommend to the Board whether to accept it. The Board is required to take action with respect to the Nominating and Corporate Governance Committee s recommendation.

For purposes of the election of directors, abstentions or broker non-votes as to the election of directors will not be counted as votes cast and will have no effect on the result of the vote. Unless instructed to the contrary in the proxy, the shares represented by the proxies will be voted FOR the election of the seven nominees named above as directors.

THE BOARD OF DIRECTORS RECOMMENDS A VOTE FOR EACH OF THE SEVEN NOMINEES.

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PROPOSAL 2:

RATIFICATION OF SELECTION OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

The firm of Ernst & Young LLP, the Company s independent registered public accounting firm for the year ended December 31, 2016, was selected by the Audit Committee to act in the same capacity for the year ending December 31, 2017, subject to ratification by Aimco s stockholders. The aggregate fees billed for services rendered by Ernst & Young LLP during the years ended December 31, 2016 and 2015, are described below under the heading Principal Accountant Fees and Services.

In selecting and overseeing the Company s independent auditor, the Audit Committee considers, among other things:

- Ernst & Young LLP s historical and recent performance on the Aimco audit, including the results of an internal survey of Ernst & Young LLP s service and quality;
- External data relating to audit quality and performance, including recent Public Company Accounting Oversight Board (PCAOB) reports on Ernst & Young LLP and its peer firms;
- The appropriateness of Ernst & Young LLP s fees;
- Ernst & Young LLP s tenure as Aimco s independent auditor and its familiarity with Aimco s operations and business, accounting policies and practices and internal control over financial reporting;
- The depths of Ernst & Young LLP s capabilities and resources to support our business in the areas of accounting, auditing, internal control over financial reporting, tax and related matters; and
- Ernst & Young LLP s independence.

Based on this evaluation, the Audit Committee believes that Ernst & Young LLP is independent and that it is in the best interests of Aimco and our stockholders to retain Ernst & Young LLP to serve as our independent auditor for 2017.

Representatives of Ernst & Young LLP, including the lead engagement partner, who has served in such role for the previous two years, will be present at the Meeting and will be given the opportunity to make a statement if they so desire and to respond to appropriate questions.

The affirmative vote of a majority of the votes cast regarding the proposal is required to ratify the selection of Ernst & Young LLP. Abstentions or broker non-votes will not be counted as votes cast and will have no effect on the result of the vote on the proposal. Unless instructed to the contrary in the proxy, the shares represented by the proxies will be voted for the proposal to ratify the selection of Ernst & Young LLP to serve as the Company s independent registered public accounting firm for the fiscal year ending December 31, 2017.

THE BOARD OF DIRECTORS RECOMMENDS A VOTE FOR THE RATIFICATION OF THE SELECTION OF ERNST & YOUNG LLP.

PROPOSAL 3:

ADVISORY VOTE ON EXECUTIVE COMPENSATION

Pursuant to Section 14A of the Securities Exchange Act of 1934, as amended, we provide our stockholders with the opportunity to vote to approve, on a nonbinding, advisory basis, the compensation of our named executive officers (NEOs) as disclosed in this proxy statement in accordance with the compensation disclosure rules of the SEC. Since the 2011 annual meeting of stockholders, the Board has asked stockholders for an annual advisory vote on executive compensation.

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At Aimco s 2016 Annual Meeting of Stockholders, approximately 98% of the votes cast in the advisory vote on executive compensation that were present and entitled to vote on the matter were in favor of the compensation of Aimco s NEOs (also commonly referred to as Say on Pay) as disclosed in Aimco s 2016 proxy statement. The Compensation and Human Resources Committee (the Committee) and management were pleased with these results and remain committed to extensive engagement with stockholders as part of their ongoing efforts to formulate and implement an executive compensation program designed to align the long-term interests of our executive officers with our stockholders.

In 2016 and early 2017, we engaged with stockholders representing nearly two-thirds of shares of Common Stock outstanding as of September 30, 2016, as part of our annual process of soliciting feedback on Aimco s executive compensation program. The Company has continued to receive broad support from stockholders on the structure of its executive compensation program, the program s alignment of pay and performance, and the quantum of compensation delivered under the program as described in detail under the heading Compensation Discussion & Analysis Stockholder Engagement Regarding Executive Compensation.

As described in detail under the heading Compensation Discussion & Analysis, we seek to align closely the interests of our NEOs with the interests of our stockholders. Our compensation program is designed to reward our NEOs for the achievement of short-term and long-term strategic and operational goals and the achievement of total shareholder return (TSR) greater than peers, while at the same time avoiding the encouragement of unnecessary or excessive risk-taking.

Here are further details of the Aimco program:

All members of the Committee are independent directors. The Committee has established a thorough process for the review and approval of Aimco s executive compensation program, including amounts awarded to executive officers. The Committee engages and receives advice from an independent, third-party compensation consultant. The Committee selects a peer group of companies to compare Aimco s compensation of executive officers.

Aimco sets target total cash compensation and target total compensation near the median of corresponding targets among the peer group, both as a measure of fairness and also to provide an economic incentive to remain with Aimco. Consistent with Aimco s pay-for-performance philosophy, actual compensation is based on Aimco s results.

Aimco does not provide executives with more than minimal perquisites, such as reserved parking spaces.

Aimco does not maintain or contribute to any defined benefit pension plan, supplemental pension plan or nonqualified deferred compensation plan for its executive officers. Executive officers participate in Aimco s 401(k) plan on the same terms as available to all Aimco team members.

Aimco does not maintain any employment or severance agreements with its executive officers (other than for Mr. Considine, who was required to have an employment agreement in connection with Aimco s initial public offering in 1994; the agreement was amended in 2008).

Aimco s compensation program, which, among other things, includes caps on cash compensation, shared performance metrics across the organization, multiple performance metrics that align with Aimco s publicly communicated business strategy, the use of long-term incentive (LTI) compensation that is based on TSR, and stock ownership guidelines with required holding periods after vesting, are aligned with the long-term interests of the Company.

Consistent with Aimco s pay-for-performance philosophy, Mr. Considine s total compensation is highly variable from year to year, determined by Aimco s results. Mr. Considine s base salary of $600,000 for 2016 has remained unchanged from 2006, and is well below the median for CEOs of his experience, expertise and tenure. One hundred percent of Mr. Considine s 2016 target short-term incentive (STI) compensation was at risk, based entirely on Aimco s performance against its corporate goals, as determined by the Committee. One hundred percent of Mr. Considine s LTI, which comprises over two-thirds of his target total compensation for 2016, is at risk, based on relative returns over a forward looking, three-year period.

Here is how the Aimco program was applied in 2016:

With strong 2016 results, executive officers were awarded STI amounts that were above target amounts.

Aimco s 2016 performance highlights include the following:

Aimco had 17.3% TSR in 2016, and outperformed the MSCI US REIT Index (REIT Index), the NAREIT Apartment Index, and the Standard & Poor s 500 Total Return Index (S&P 500 Index), in each case, over the one-year, three-year, and five-year periods ended December 31, 2016.

Adjusted Funds from Operations (AFFO) per share, which is Aimco s primary measure of current period performance, was $1.97, up 5% year-over-year.

Economic Income, a measure of investment return representing the annual change in estimated Net Asset Value (NAV) per share (computed based on Aimco s third quarter 2016 NAV compared to Aimco s third quarter 2015 NAV) plus cash dividends per share, and Aimco s primary measure of long-term performance, was $7 per share, or a 15% return on NAV for the period.

NAV per share increased by 12% to $52.

Cash dividends per share increased by 12% to $1.32.

Same Store net operating income (NOI) was up 6.2%.

Aimco completed the lease-up of Vivo, located in Cambridge, MA, ahead of plan, and significantly outperformed its expectations for the lease-ups of One Canal, located in Boston, MA, and Indigo, located in Redwood City, CA. The projected contribution to 2017 NOI from these lease-up communities is $0.13 per share, which is $0.01 per share greater than the Company had forecasted one year ago.

Investment of $582 million in three redevelopment communities that reached NOI stabilization in 2016 is estimated to have created value of $170 million, an amount equal to 30% of Aimco s investment.

Average revenue per apartment home was up 8%, to $1,978.

Leverage, as measured by the ratio of Debt and Preferred Equity to Adjusted Earnings Before Interest, Tax, Depreciation and Amortization (EBITDA), was down 0.1x, to 6.7x. Aimco ended the year with approximately $700 million in liquidity, including cash, restricted cash, and Aimco s largely unused bank line. Aimco held a pool of assets that are not encumbered by debt valued at greater than $1.6 billion, providing Aimco additional financial flexibility.

Aimco was recognized by The Denver Post as a Top Place to Work in Colorado for a fourth consecutive year.

The vote on this resolution is not intended to address any specific element of compensation; rather, the vote relates to the overall compensation of our NEOs, as described in this proxy statement in accordance with the compensation disclosure rules of the SEC.

The vote is advisory, which means that the vote is not binding on the Company, our Board or the Committee. However, as described above, we take seriously the views of our stockholders, and to the extent there is any significant vote against our executive compensation as disclosed in this proxy statement, the Committee will evaluate whether any actions are necessary to address the concerns of stockholders.

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To be approved at the Meeting, Proposal 3 must receive the affirmative vote of a majority of the total votes cast at the Annual Meeting. Abstentions and broker non-votes are not considered votes cast and will have no effect on the outcome of the vote.

We are asking the Company s stockholders to approve, on an advisory basis, the following resolution: RESOLVED, that the compensation of the named executive officers, as disclosed in the Company s Proxy Statement for the 2017 Annual Meeting of Stockholders pursuant to Item 402 of SEC Regulation S-K, including the Compensation Discussion & Analysis, the 2016 Summary Compensation Table and the other related tables and disclosure, is hereby APPROVED.

THE BOARD OF DIRECTORS RECOMMENDS A VOTE FOR APPROVAL OF THE COMPENSATION OF OUR NAMED EXECUTIVE OFFICERS, AS DISCLOSED IN THIS PROXY STATEMENT.

PROPOSAL 4:

ADVISORY VOTE ON THE FREQUENCY OF FUTURE ADVISORY VOTES ON EXECUTIVE COMPENSATION

The Dodd-Frank Wall Street Reform and Consumer Protection Act provides that stockholders must be given the opportunity to vote, on a non-binding, advisory basis, for their preference as to how frequently we should seek future advisory votes on the compensation of our NEOs as disclosed in accordance with the compensation disclosure rules of the SEC, which we refer to as an advisory vote on executive compensation. By voting with respect to this Proposal 4, stockholders may indicate whether they would prefer that we conduct future advisory votes on executive compensation once every one, two, or three years. Stockholders also may, if they wish, abstain from casting a vote on this proposal. We currently hold an advisory vote on executive compensation every year.

Our Board continues to believe that an annual advisory vote on executive compensation will allow our stockholders to provide timely, direct input on the Company s executive compensation philosophy, policies and practices as disclosed in the proxy statement each year. The Board believes that an annual vote remains consistent with the Company s efforts to engage in an ongoing dialogue with our stockholders on executive compensation and corporate governance matters.

The Company recognizes that stockholders may have different views as to the best approach for the Company, and therefore we look forward to hearing from our stockholders as to their preferences on the frequency of an advisory vote on executive compensation.

This vote is advisory and not binding on the Company or our Board in any way. However, the Board and the Compensation and Human Resources Committee will take into account the outcome of the vote when considering the frequency of future advisory votes on executive compensation. The Board may decide that it is in the best interests of our stockholders and the Company to hold an advisory vote on executive compensation more or less frequently than the current recommendation of the Board or the frequency receiving the most votes cast by our stockholders.

The proxy card provides stockholders with the opportunity to choose among four options (holding the vote every one, two or three years, or abstaining) and, therefore, stockholders will not be voting to approve or disapprove the recommendation of the Board.

THE BOARD OF DIRECTORS RECOMMENDS THAT YOU VOTE FOR AN ANNUAL ADVISORY VOTE ON EXECUTIVE COMPENSATION.

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BOARD OF DIRECTORS AND EXECUTIVE OFFICERS

The executive officers of the Company and the nominees for election as directors of the Company, their ages, dates they were first elected an executive officer or director, and their positions with the Company or on the Board are set forth below.

Name	Age*	First Elected	Position
Terry Considine	69	July 1994	Chairman of the Board and Chief Executive Officer
Paul Beldin	43	September 2015	Executive Vice President and Chief Financial Officer
John E. Bezzant	54	January 2011	Executive Vice President and Chief Investment Officer
Lisa R. Cohn	48	December 2007	Executive Vice President, General Counsel and Secretary
Miles Cortez	73	August 2001	Executive Vice President and Chief Administrative Officer
Patti K. Fielding	53	February 2003	Executive Vice President Redevelopment and Debt Financing, Treasurer
Keith M. Kimmel	45	January 2011	Executive Vice President, Property Operations
Thomas L. Keltner	70	April 2007	Director, Chairman of the Compensation and Human Resources Committee
J. Landis Martin	71	July 1994	Director, Lead Independent Director
Robert A. Miller	71	April 2007	Director, Chairman of the Redevelopment and Construction Committee
Kathleen M. Nelson	71	April 2010	Director, Chairman of the Nominating and Corporate Governance Committee
Michael A. Stein	67	October 2004	Director, Chairman of the Audit Committee
Nina A. Tran	48	March 2016	Director

The following is a biographical summary of the current directors and executive officers of the Company.

Terry Considine. Mr. Considine has been Chairman of the Board and Chief Executive Officer since July 1994. Mr. Considine also serves on the board of directors of Intrepid Potash, Inc., a publicly held producer of potash. Mr. Considine has over 45 years of experience in the real estate and other industries. Among other real estate ventures, in 1975 Mr. Considine founded and subsequently managed the predecessor companies that became Aimco at its initial public offering in 1994.

Paul L. Beldin. Mr. Beldin joined Aimco in 2008 as Senior Vice President and Chief Accounting Officer. Prior to joining Aimco, from October 2007 to March 2008, Mr. Beldin served as Chief Financial Officer of APRO Residential Fund. Prior to that, from May 2005 to September 2007, Mr. Beldin served as Chief Financial Officer of America First Apartment Investors, Inc., then a publicly traded company. From 1996 to 2005, Mr. Beldin was with the firm of Deloitte & Touche, LLP, serving in numerous roles, including Audit Senior Manager and in the firm s national office as an Audit Manager in SEC Services. Mr. Beldin is a certified public accountant.

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John E. Bezzant. Mr. Bezzant was appointed Executive Vice President and Chief Investment Officer in August 2013. Prior to that, he served as Executive Vice President, Transactions beginning in January 2011. He joined Aimco as Senior Vice President-Development in June 2006. Mr. Bezzant serves as chairman of Aimco s investment committee. He is also responsible for development activities and portfolio management. Prior to joining the Company, Mr. Bezzant spent over 20 years with Prologis, Inc. and Catellus Development Corporation in a variety of executive positions, including those with responsibility for transactions, fund management, asset management, leasing, and operations.

Lisa R. Cohn. Ms. Cohn was appointed Executive Vice President, General Counsel and Secretary in December 2007. In addition to serving as general counsel, Ms. Cohn has responsibility for insurance and risk management, human resources, compliance and asset quality and service. She is also responsible for certain of Aimco s acquisition and disposition activities. Ms. Cohn has previously served as chairman of Aimco s investment committee. From January 2004 to December 2007, Ms. Cohn served as Senior Vice President and Assistant General Counsel. She joined Aimco in July 2002 as Vice President and Assistant General Counsel. Prior to joining the Company, Ms. Cohn was in private practice with the law firm of Hogan & Hartson LLP with a focus on public and private mergers and acquisitions, venture capital financing, securities and corporate governance.

Miles Cortez. Mr. Cortez was appointed Executive Vice President and Chief Administrative Officer in December 2007. He is responsible for administration, government relations, communications and special projects. Mr. Cortez joined Aimco in August 2001 as Executive Vice President, General Counsel and Secretary. Prior to joining the Company, Mr. Cortez was the senior partner of Cortez Macaulay Bernhardt & Schuetze LLC, a Denver, Colorado law firm, from December 1997 through September 2001. He served as president of the Colorado Bar Association from 1996 to 1997 and the Denver Bar Association from 1982 to 1983.

Patti K. Fielding. Ms. Fielding was appointed Executive Vice President Securities and Debt in February 2003 and Treasurer in January 2005. In 2014, she assumed responsibility for redevelopment. In addition to redevelopment, she remains responsible for debt financing and treasury. Ms. Fielding has previously served as chairman of Aimco s investment committee. From January 2000 to February 2003, Ms. Fielding served as Senior Vice President Securities and Debt. Ms. Fielding joined the Company as a Vice President in February 1997. Prior to joining the Company, Ms. Fielding was with Hanover Capital from 1996 to1997, and from 1993 to 1995 she was Vice Chairman, Senior Vice President and Co-Founder of CapSource Funding Corp. She was also a Group Vice President with Duff & Phelps Rating Company from 1987 to 1993 and a commercial real estate appraiser with American Appraisal for three years.

Keith M. Kimmel. Mr. Kimmel was appointed Executive Vice President of Property Operations in January 2011. From September 2008 to January 2011, Mr. Kimmel served as the Area Vice President of property operations for the western region. Prior to that, from March 2006 to September 2008, he served as the Regional Vice President of property operations for California. He joined Aimco in March of 2002 as a Regional Property Manager. Prior to joining Aimco, Mr. Kimmel was with Casden Properties from 1998 through 2002, and was responsible for the operation of the new construction and high-end product line. Mr. Kimmel began his career in the multi-family real estate business in 1992 as a leasing consultant and on-site manager.

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Thomas L. Keltner. Mr. Keltner was first elected as a Director of the Company in April 2007 and is currently chairman of the Compensation and Human Resources Committee. He is also a member of the Audit, Nominating and Corporate Governance, and Redevelopment and Construction Committees. Mr. Keltner served as Executive Vice President and Chief Executive Officer Americas and Global Brands for Hilton Hotels Corporation from March 2007 through March 2008, which concluded the transition period following Hilton s acquisition by The Blackstone Group. Mr. Keltner joined Hilton Hotels Corporation in 1999 and served in various roles. Mr. Keltner has more than 20 years of experience in the areas of hotel development, acquisition, disposition, franchising and management. Prior to joining Hilton Hotels Corporation, from 1993 to 1999, Mr. Keltner served in several positions with Promus Hotel Corporation, including President, Brand Performance and Development. Before joining Promus Hotel Corporation, he served in various capacities with Holiday Inn Worldwide, Holiday Inns International and Holiday Inns, Inc. In addition, Mr. Keltner was President of Saudi Marriott Company, a division of Marriott Corporation, and was a management consultant with Cresap, McCormick and Paget, Inc. Mr. Keltner brings particular expertise to the Board in the areas of property operations, marketing, branding, development and customer service.

J. Landis Martin. Mr. Martin was first elected as a Director of the Company in July 1994 and serves as the Lead Independent Director. Mr. Martin is also a member of the Audit, Compensation and Human Resources, Nominating and Corporate Governance, and Redevelopment and Construction Committees. He is a former chairman of the Compensation and Human Resources Committee. Mr. Martin is the Founder and Managing Director of Platte River Equity LLC, a private equity firm. In November 2005, Mr. Martin retired as Chairman and CEO of Titanium Metals Corporation, a publicly held integrated producer of titanium metals, where he served since January 1994. Mr. Martin served as President and CEO of NL Industries, Inc., a publicly held manufacturer of titanium dioxide chemicals, from 1987 to 2003. Mr. Martin is also the non-executive chairman and a director of Crown Castle International Corporation, a publicly held wireless communications company. He is lead director of Halliburton Company, a publicly held provider of products and services to the energy industry, and Intrepid Potash, Inc., a publicly held producer of potash. As a former chief executive of four NYSE-listed companies and lawyer, Mr. Martin brings particular expertise to the Board in the areas of operations, finance and governance.

Robert A. Miller. Mr. Miller was first elected as a Director of the Company in April 2007 and is currently Chairman of the Redevelopment and Construction Committee. Mr. Miller is also a member of the Audit, Compensation and Human Resources, and Nominating and Corporate Governance Committees. Mr. Miller served as Executive Vice President and Chief Operating Officer, International of Marriott Vacations Worldwide Corporation (MVWC) from 2011 to 2012, when he retired from this position, and serves as President of RAMCO Advisors LLC, an investment advisory and business consulting firm. Mr. Miller served as the President of Marriott Leisure from 1997 to November 2011, when Marriott International elected to spin-off its subsidiary entity, Marriott Ownership Resorts, Inc., by forming a new parent entity, MVWC, as a new publicly held company. Prior to his role as President of Marriott Leisure, from 1984 to 1988, Mr. Miller served as Executive Vice President & General Manager of Marriott Vacation Club International and then as its President from 1988 to 1997. In 1984, Mr. Miller and a partner sold their company, American Resorts, Inc., to Marriott. Mr. Miller co-founded American Resorts, Inc. in 1978, and it was the first business model to encompass all aspects of timeshare resort development, sales, management and operations. Prior to founding American Resorts, Inc., from 1972 to 1978, Mr. Miller was Chief Financial Officer of Fleetwing Corporation, a regional retail and wholesale petroleum company. Prior to joining Fleetwing, Mr. Miller served for five years as a staff accountant for Arthur Young &

Company. Mr. Miller is past Chairman and currently a director of the American Resort Development Association (ARDA) and currently serves as Chairman and director of the ARDA International Foundation. Mr. Miller also currently serves as a director on the board of Welk Hospitality Group, Inc. As a successful real estate entrepreneur and corporate executive, Mr. Miller brings particular expertise to the Board in the areas of operations, management, marketing, sales, and development, as well as finance and accounting.

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Kathleen M. Nelson. Ms. Nelson was first elected as a Director of the Company in April 2010 and is currently Chairman of the Nominating and Corporate Governance Committee and a member of the Audit, Compensation and Human Resources, and Redevelopment and Construction Committees. Ms. Nelson has an extensive background in commercial real estate and financial services with over 40 years of experience, including 36 years at TIAA-CREF. She held the position of Managing Director/Group Leader and Chief Administrative Officer for TIAA-CREF s mortgage and real estate division. Ms. Nelson developed and staffed TIAA s real estate research department. She retired from this position in December 2004 and founded and serves as president of KMN Associates LLC, a commercial real estate investment advisory and consulting firm. In 2009, Ms. Nelson co-founded and serves as Managing Principal of Bay Hollow Associates, LLC, a commercial real estate consulting firm, which provides counsel to institutional investors. Ms. Nelson served as the International Council of Shopping Centers chairman for the 2003-04 term and has been an ICSC Trustee since 1991. She is a member of various ICSC committees. Ms. Nelson serves on the Board of Directors of CBL & Associates Properties, Inc., which is a publicly held REIT that develops and manages retail shopping properties. Ms. Nelson is also on the Board of Directors and a member of the Risk Committee of Dime Community Bankshares, Inc., a publicly traded bank holding company, based in Brooklyn, New York. She is a member of Castagna Realty Company Advisory Board and has served as an advisor to the Rand Institute Center for Terrorism Risk Management Policy and on the board of the Greater Jamaica Development Corporation. Ms. Nelson serves on the Advisory Board of the Beverly Willis Architectural Foundation and is a member of the Anglo American Real Property Institute. Ms. Nelson brings to the Board particular expertise in the areas of institutional real estate investing, real estate finance and investment.

Michael A. Stein. Mr. Stein was first elected as a Director of the Company in October 2004 and is currently the Chairman of the Audit Committee. Mr. Stein is also a member of the Compensation and Human Resources, Nominating and Corporate Governance, and Redevelopment and Construction Committees. From January 2001 until its acquisition by Eli Lilly in January 2007, Mr. Stein served as Senior Vice President and Chief Financial Officer of ICOS Corporation, a biotechnology company based in Bothell, Washington. From October 1998 to September 2000, Mr. Stein was Executive Vice President and Chief Financial Officer of Nordstrom, Inc. From 1989 to September 1998, Mr. Stein served in various capacities with Marriott International, Inc., including Executive Vice President and Chief Financial Officer from 1993 to 1998. Mr. Stein serves on the Board of Directors of InvenTrust Properties Corp., an open-air shopping center REIT headquartered in Oak Brook, Illinois. He also serves on the InvenTrust audit and nominating and corporate governance committees. Mr. Stein previously served on the Boards of Directors of Nautilus, Inc., Getty Images, Inc., and Providence Health & Services. As the former audit committee chairman or audit committee member of two NYSE-listed companies, the former chief financial officer of two NYSE-listed companies, and having served in various capacities with Arthur Andersen from 1971 to 1989, including as a partner from 1981 to 1989, Mr. Stein brings particular expertise to the Board in the areas of corporate and real estate finance, and accounting and auditing for large and complex business operations.

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Nina A. Tran. Ms. Tran was first elected as a Director of the Company effective in March 2016 and is currently a member of the Audit, Compensation and Human Resources, Nominating and Corporate Governance, and Redevelopment and Construction Committees. Ms. Tran has over 25 years of real estate and financial management experience, building and leading finance and accounting teams. Ms. Tran currently serves as the Chief Financial Officer for Veritas Investments, a real estate investment manager that owns and operates mixed-use real estate properties in the San Francisco Bay Area. Since January 2013 until its merger with Colony American Homes, Inc. in January 2016, Ms. Tran served as the Chief Financial Officer of Starwood Waypoint Residential Trust, a leading publicly-traded REIT that owns and operates single-family rental homes. Prior to joining Starwood Waypoint, Ms. Tran spent 18 years at AMB Property Corporation (now Prologis, Inc.), the largest publicly-traded global industrial REIT. Ms. Tran served as Senior Vice President and Chief Accounting Officer, and most recently as Chief Global Process Officer, where she helped lead the merger integration between AMB and Prologis. Prior to joining AMB, Ms. Tran was a Senior Associate with PricewaterhouseCoopers, one of the big four public accounting firms. Ms. Tran is a certified public accountant (CPA) (inactive). Ms. Tran serves on the Advisory Board of the Asian Pacific Fund, as well as Mynd, a property management company. Ms. Tran brings particular expertise to the Board in the areas of accounting, financial control and business processes.

Summary of Director Qualifications and Expertise	Mr. Considine	Mr. Keltner	Mr. Martin	Mr. Miller	Ms. Nelson	Mr. Stein	Ms. Tran
Accounting and Auditing for Large Business Organizations				X		X	X
Business Operations	X	X	X	X	X	X	X
Capital Markets	X		X		X	X	X
Corporate Governance	X		X		X	X	
Customer Service		X		X			
Development	X	X		X			
Executive	X	X	X	X	X	X	X
Financial Expertise and Literacy	X	X	X	X	X	X	X
Information Technology						X	X
Investment and Finance	X	X	X	X	X	X	X
Legal	X		X				
Marketing and Branding		X		X			
Property Management and Operations	X	X		X		X	X

Real Estate	**X**	**X**		**X**	**X**	**X**	**X**
Talent Development and Management	**X**	**X**	**X**	**X**	**X**	**X**	**X**

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CORPORATE GOVERNANCE MATTERS

This chart provides a summary overview of Aimco s governance practices, each of which is described in more detail in the information that follows.

What Aimco Does
Supermajority Independent Board. The only member of management who serves on the Board is the Company s founder, chairman and chief executive officer. Six of the seven members of the Board, or 85.7% of the Board members, are independent.
Independent Standing Committees. Only independent directors serve on the standing committees, including Audit, Compensation and Human Resources, Nominating and Corporate Governance, and Redevelopment and Construction Services.
Each Independent Director Serves on Each Standing Committee. To ensure that each independent director hears all information unfiltered and to ensure the most efficient functioning of the Board, each independent director serves on each standing committee.
Lead Independent Director. The Company has a lead independent director who presides over regular independent director executive sessions.
Board Refreshment. The Nominating and Corporate Governance Committee has structured the Board such that there are directors of varying tenures and perspectives, with new directors joining the Board every few years, including in 2016, while retaining the institutional memory of longer-tenured directors. Of the original independent directors on the Aimco Board, one remains. During early 2016 a new director joined the Board, and later in the year a director of 16 years tenure left the Board. The Company has added a new director roughly every 2.5 to 6 years.
Regular Access to and Involvement with Management. In addition to regular access to management during Board and committee meetings, the independent directors have regular and direct access to members of management and to the Aimco business. This includes Mr. Miller s involvement with site visits and analysis of redevelopment projects, Mr. Stein s involvement with accounting and finance matters, Mr. Keltner s involvement with compensation and personnel matters, Ms. Nelson s involvement with governance matters, and Mr. Martin s involvement with agenda setting and board materials.
Engaged Board. In addition to regular access to management, the independent directors meet at least quarterly and receive written updates from Mr. Considine at least monthly.
Stockholder Engagement. Under the direction of the Board, including the participation of Board members when requested by stockholders, Aimco regularly engages with stockholders on governance, pay and business matters.
Director Stock Ownership. By the completion of five years of service, an independent director is expected to own, at a minimum, the lesser of 27,500 shares or shares having a value of at least $550,000.
Risk Assessment. The Board conducts an annual risk assessment. Areas involving risk that are reported on by management and considered by the Board, include: operations, liquidity, leverage, finance, financial statements, the financial reporting process, accounting, legal matters, regulatory compliance, compensation and human resources.
Majority Voting with a Resignation Policy. Since inception, Aimco s directors have been elected annually, and Aimco requires its directors to be elected by a majority of the votes cast. Directors failing to get a majority of the votes cast are expected to tender their resignation.
Proxy Access. Following a 2015 stockholder vote in favor of proxy access and after extensive engagement with stockholders, the Board amended the Company s bylaws to provide proxy access. A stockholder or a group of up to 20 stockholders, owning at least 3% of our shares for three years, may submit nominees for up to 20% of the Board, or two nominees, whichever is greater, for inclusion in our proxy materials, subject to complying with the

requirements contained in our bylaws.

What Aimco Does Not Do
Related Party Transactions. The Nominating and Corporate Governance Committee maintains a related party transaction policy to ensure that Aimco s decisions are based on considerations only in the best interests of Aimco and its stockholders. Since the beginning of 2016 and to date, there have been no related person transactions that required review under the policy.
Pledging or hedging shares held to satisfy stock ownership requirements. The Company s insider trading policy places restrictions on the Company s directors and executive officers regarding entering into hedging transactions with respect to the Company s securities and from holding the Company s securities in margin accounts or otherwise pledging such securities as collateral for loans. Pledging or hedging transactions are permitted only in very limited circumstances, and only with respect to shares held in excess of stock ownership requirements. No directors or executive officers have in place any hedging transactions.
Interlocking Directorships. No Aimco director or member of Aimco management serves on a Board or a compensation committee of a company at which an Aimco director is also an employee.
Overboard Directors. Aimco s corporate governance guidelines and committee charters limit the number of other boards and the number of other audit committees on which an Aimco director may serve.
Retirement Age or Term Limits. Rather than imposing arbitrary limits on service, the Company regularly (and at least annually) reviews each director s continued role on the Board and the need for periodic board refreshment.
Staggered Board. All Aimco directors have always been elected annually.

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Independence of Directors

The Board has determined that to be considered independent, an outside director may not have a direct or indirect material relationship with Aimco or its subsidiaries (directly or as a partner, stockholder or officer of an organization that has a relationship with the Company). A material relationship is one that impairs or inhibits, or has the potential to impair or inhibit, a director s exercise of critical and disinterested judgment on behalf of Aimco and its stockholders. In determining whether a material relationship exists, the Board considers all relevant facts and circumstances, including whether the director or a family member is a current or former employee of the Company, family member relationships, compensation, business relationships and payments, and charitable contributions between Aimco and an entity with which a director is affiliated (as an executive officer, partner or substantial stockholder). The Board consults with the Company s counsel to ensure that such determinations are consistent with all relevant securities and other laws and regulations regarding the definition of independent director, including but not limited to those categorical standards set forth in Section 303A.02 of the listing standards of the New York Stock Exchange as in effect from time to time.

Consistent with these considerations, the Board affirmatively has determined that Messrs. Keltner, Martin, Miller, and Stein and Mses. Nelson and Tran are independent directors (collectively the Independent Directors).

Meetings and Committees

The Board held five meetings during the year ended December 31, 2016. During 2016, there were four committees: Audit; Compensation and Human Resources; Nominating and Corporate Governance; and Redevelopment and Construction. During 2016, no director attended fewer than 75% of the aggregate total number of meetings of the Board and each committee on which such director served.

The Corporate Governance Guidelines, as described below, provide that the Company generally expects that the Chairman of the Board will attend all annual and special meetings of the stockholders. Other members of the Board are not required to attend such meetings. All of the members of the Board attended the Company s 2016 Annual Meeting of Stockholders, and the Company anticipates that all of the members of the Board will attend the Meeting this year.

Below is a table illustrating the current standing committee memberships and chairmen. Additional detail on each committee follows the table.

Director	Audit Committee	Compensation and Human Resources Committee	Nominating and Corporate Governance Committee	Redevelopment and Construction Committee
Terry Considine				
Thomas L. Keltner	X		X	X
J. Landis Martin*	X	X	X	X
Robert A. Miller	X	X	X	
Kathleen M. Nelson	X	X		X
Michael A. Stein		X	X	X
Nina A. Tran	X	X	X	X

X indicates a member of the committee
indicates the committee chairman
* indicates lead independent director

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Audit Committee

The Audit Committee currently consists of the Independent Directors. Mr. Stein serves as the chairman of the Audit Committee. The Audit Committee has a written charter that is reviewed annually and was last amended in October 2016. In addition to the work of the Audit Committee, Mr. Stein has regular and recurring conversations with Mr. Beldin, Aimco s Chief Financial Officer (CFO), Ms. Cohn, Aimco s General Counsel, Andrew Higdon, Aimco s Chief Accounting Officer, the head of Aimco s internal audit function, and representatives of Ernst & Young LLP. The Audit Committee s charter is posted on Aimco s website (www.aimco.com) and is also available in print to stockholders, upon written request to Aimco s Corporate Secretary.

Pursuant to its charter, the Audit Committee is responsible for overseeing Aimco s accounting and financial reporting processes and audits of Aimco s financial statements. The Audit Committee is directly responsible for the appointment, compensation, and oversight of the independent auditors and the lead engagement partner and makes its appointment based on a variety of factors, including those described in Proposal 2.

Among other matters, the Audit Committee also:

- Reviews the scope, and overall plans for and results of the annual audit and internal audit activities;

- Oversees management s negotiation with Ernst & Young LLP concerning fees;

- Consults with management and Ernst & Young LLP with respect to Aimco s processes for risk assessment and risk management. Areas involving risk that are reported on by management and considered by the Audit Committee, the other Board committees, or the Board, include: operations, liquidity, leverage, finance, financial statements, the financial reporting process, accounting, legal matters, regulatory compliance, and human resources;

- Consults with management and Ernst & Young LLP and provides oversight for Aimco s financial reporting process, internal control over financial reporting, the Company s internal audit function and, in conjunction with the Board, the Company s enterprise risk management processes;

- Reviews and approves the Company s policy about the hiring of former employees of independent auditors providing service to the Company;

- Reviews and approves the Company s policy for the pre-approval of audit and permitted non-audit services by the independent auditor;

- Receives reports pursuant to Aimco s policy for the submission and confidential treatment of communications from team members and others concerning accounting, internal control and auditing matters;

Reviews and discusses quarterly earnings releases prior to their issuance and quarterly reports on Form 10-Q and annual reports on Form 10-K prior to their filing;

Reviews the responsibilities and performance of the Company s internal audit function, approves the hiring, promotion, demotion or termination of the lead internal auditor, and oversees the lead internal auditor s periodic performance review and changes to his or her compensation;

Reviews with management the scope and effectiveness of the Company s disclosure controls and procedures, including for purposes of evaluating the accuracy and fair presentation of the Company s financial statements in connection with the certifications made by the CEO and CFO;

Meets regularly with members of Aimco management and with Ernst & Young LLP;

Performs an annual review of the Company s independent auditor, including the lead engagement partner and the potential successors for that role, including an assessment of the firm s experience, expertise, communication, cost, value, and efficiency; and

Periodically evaluates independent audit service providers, including a 2015 request for proposal process to assess the best firm to serve as Aimco s independent auditor.

The Audit Committee held five meetings during the year ended December 31, 2016. As set forth in the Audit Committee s charter, no director may serve as a member of the Audit Committee if such director serves on the audit committee of more than two other public companies, unless the Board determines that such simultaneous service would not impair the ability of such director to effectively serve on the Audit Committee. No member of the Audit Committee serves on the audit committee of more than two other public companies.

Audit Committee Financial Expert

Aimco s Board has designated Mr. Stein as an audit committee financial expert. In addition, all of the members of the audit committee qualify as audit committee financial experts. Each member of the Audit Committee is independent, as that term is defined by Section 303A of the listing standards of the New York Stock Exchange relating to audit committees.

Compensation and Human Resources Committee

The Compensation and Human Resources Committee currently consists of the Independent Directors. Mr. Keltner serves as the chairman of the Compensation and Human Resources Committee. Mr. Keltner meets regularly with Ms. Cohn, Aimco s General Counsel and with Jennifer Johnson, Aimco s Senior Vice President of Human Resources. Mr. Keltner also has regular conversations with the Compensation and Human Resources Committee s independent compensation consultant, Board Advisory, LLC (Board Advisory). The Compensation and Human Resources Committee has a written charter that is reviewed annually and was last amended in October 2016. The Compensation and Human Resources Committee s charter is posted on Aimco s website (www.aimco.com) and is also available in print to stockholders, upon written request to Aimco s Corporate Secretary.

The Compensation and Human Resources Committee s purposes are to:

- Provide for succession planning in all leadership positions, both in the short term and the long term, with particular focus on CEO succession in the short term and the long term;
- Oversee the Company s management of the talent pipeline process;
- Oversee the goals and objectives of the Company s executive compensation plans;
- Annually evaluate the performance of the CEO;
- Determine the CEO s compensation;
- Review the decisions made by the CEO as to the compensation of the other executive officers;
- Approve and grant any equity compensation;

Consider the results of stockholder advisory votes on executive compensation and take such results into consideration in connection with the review and approval of executive officer compensation;

Review and discuss the Compensation Discussion & Analysis with management;

Review compensation arrangements to evaluate whether incentive and other forms of pay encourage unnecessary or excessive risk taking;

Review and approve the terms of any compensation clawback or similar policy or agreement between the Company and the Company s executive officers;

Review periodically the goals and objectives of the Company s executive compensation plans, and amend, or recommend that the Board amend, these goals and objectives if appropriate; and

Oversee the Company s culture, with a particular focus on collegiality, collaboration and team-building.

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One of the most important responsibilities of the Compensation and Human Resources Committee is to ensure a succession plan is in place for key members of the Company s executive management team, including the CEO. Based on the work of the Compensation and Human Resources Committee, the Board has a succession plan for the CEO position, is prepared to act in the event of a CEO vacancy in the short term, and has identified candidates for succession over the long term. The Board will select the successor taking into consideration the needs of the organization, the business environment, and each candidate s skills, experience, expertise, leadership and fit. The Company maintains a robust succession planning process, as highlighted in the following chart.

Management Succession

The Company maintains an executive talent pipeline for every executive officer position, including the CEO position, and every other officer position within the organization.
The executive talent pipeline includes interim, ready now, and under development candidates for each position.
The Company has an intentional focus on those formally under development for executive roles. Management is also focused on attracting, developing and retaining strong talent across the organization.
The executive talent pipeline is formally updated annually and is the main topic of at least one of the Compensation and Human Resources Committee s meetings each year. The Compensation and Human Resources Committee also reviews the pipeline in connection with year-end performance and compensation reviews for every executive officer position. The pipeline is discussed regularly at the management level, as well.
Talent development and succession planning is a coordinated effort among the CEO, the Compensation and Human Resources Committee, and the Company s Human Resources team, as well as each succession candidate.
The Board is provided exposure to succession candidates for executive officer positions.
Multiple internal succession candidates have been identified for the CEO position.
Each CEO succession candidate has been with Aimco at least 11 years and has at least 15 years of industry experience and at least six years of executive management experience.
All executive succession candidates have formal development plans.
All CEO succession candidates receive one-on-one development from a professional executive coach.
All CEO succession candidates receive annual 360-degree feedback.
Mr. Considine provides formal updates to the Compensation and Human Resources Committee annually, and informal updates at least quarterly, on CEO succession candidates development plan progress.
The executive coach provides formal updates to the Compensation and Human Resources Committee annually, and informal updates more frequently, on CEO succession candidates development plan progress.
The Company maintains a forward-looking approach to succession. Positions are filled considering the business strategy and needs at the time of a vacancy and the candidate s skills, experience, expertise, leadership and fit.
The Company has a proven track record on succession, for example with the CFO and Chief Accounting Officer transitions in 2015.
The Compensation and Human Resources Committee held five meetings during the year ended December 31, 2016.

Nominating and Corporate Governance Committee

The Nominating and Corporate Governance Committee currently consists of the Independent Directors. Ms. Nelson serves as the chairman of the Nominating and Corporate Governance Committee. The Nominating and Corporate Governance Committee has a written charter that is reviewed annually and was last amended in October 2016. The Committee s charter is posted on Aimco s website (www.aimco.com) and is also available in print to stockholders, upon written request to Aimco s Corporate Secretary.

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Among other matters, the Nominating and Corporate Governance Committee:

- Focuses on Board candidates and nominees, and specifically:
  - Plans for Board refreshment and succession planning for directors;
  - Identifies and recommends to the Board individuals qualified to serve on the Board;
  - Identifies, recruits, and, if appropriate, interviews candidates to fill positions on the Board, including persons suggested by stockholders or others; and
  - Reviews each Board member s suitability for continued service as a director when his or her term expires and when he or she has a change in professional status and recommends whether or not the director should be re-nominated.
  - Focuses on Board composition and procedures as a whole and recommends, if necessary, measures to be taken so that the Board reflects the appropriate balance of knowledge, experience, skills, and expertise required for the Board as a whole;
  - Develops and recommends to the Board a set of corporate governance principles applicable to Aimco and its management;
  - Maintains a related party transaction policy and oversees any potential related party transactions;
  - Oversees a systematic and detailed annual evaluation of the Board, committees and individual directors in an effort to continuously improve the function of the Board; and
  - Considers corporate governance issues that may arise and develops appropriate recommendations, including providing the forum for the Board to consider important matters of public policy and vet stockholder input on a variety of issues.

The Nominating and Corporate Governance Committee held four meetings during the year ended December 31, 2016.

Redevelopment and Construction Committee

The Redevelopment and Construction Committee currently consists of the Independent Directors. Mr. Miller serves as the chairman of the Redevelopment and Construction Committee. Mr. Miller meets regularly with Aimco s redevelopment and construction leadership and tours projects undergoing redevelopment to assess the process of redevelopment and project status. The Redevelopment and Construction Committee s purposes are to provide oversight and guidance to the Company s management regarding redevelopment and construction projects by reviewing work process, policies and standards, recommending modifications thereto and directing related analytical and progress reporting. The Redevelopment and Construction Committee held four meetings during the year ended December 31, 2016.

Board Composition, Board Refreshment and Director Tenure

The Nominating and Corporate Governance Committee selects nominees for director based on, among other things, breadth and depth of experience, knowledge, skills, expertise, integrity, ability to make independent analytical inquiries, understanding of Aimco s business environment and willingness to devote adequate time and effort to Board responsibilities. In considering nominees for director, the Nominating and Corporate Governance Committee seeks to have a diverse range of experience and expertise relevant to Aimco s business. The Nominating and Corporate Governance Committee places a premium on directors who work well in the collegial and collaborative nature of the Board (which is also consistent with the Aimco culture) and yet also requires directors who think and act independently and can clearly and effectively communicate their convictions. The Nominating and Corporate Governance Committee assesses the appropriate balance of criteria required of directors and makes recommendations to the Board.

The Nominating and Corporate Governance Committee has specifically considered the feedback of some stockholders as well as the discussions of some commentators that suggest lengthy Board tenure should be balanced with new perspectives. Specific to Aimco, the Nominating and Corporate Governance Committee has structured the Board such that there are directors of varying tenures, with new directors and perspectives joining the Board every few years while retaining the institutional memory of longer-tenured directors. Longer-tenured directors, balanced with less-tenured directors, enhance the Board s oversight capabilities. Aimco s directors work effectively together, coordinate closely with senior management, comprehend Aimco s challenges and opportunities, and frame Aimco s business strategy. Aimco s Board members have established relationships that allow the Board to apply effectively its collective business savvy in guiding the Aimco enterprise.

When formulating its Board membership recommendations, the Nominating and Corporate Governance Committee also considers advice and recommendations from others, including stockholders, as it deems appropriate. Such recommendations are evaluated based on the same criteria noted above. The Nominating and Corporate Governance Committee will consider as nominees to the Board for election at next year s annual meeting of stockholders persons who are recommended by stockholders in writing, marked to the attention of Aimco s Corporate Secretary, no later than July 1, 2017. During 2016, no Aimco stockholder (other than the existing directors) expressed interest in serving on the Board or recommended anyone to serve on the Board.

The Board is responsible for nominating members for election to the Board and for filling vacancies on the Board that may occur between annual meetings of stockholders. Based on recommendations from the Nominating and Corporate Governance Committee, the Board determined to nominate Messrs. Considine, Keltner, Martin, Miller, and Stein and Mses. Nelson and Tran for re-election.

Board Leadership Structure

At this time, Aimco s Board believes that combining the Chairman and CEO role is most effective for the Company s leadership and governance. Having one person as Chairman and CEO provides unified leadership and direction to the Company and strengthens the ability of the CEO to develop and implement strategic initiatives and respond efficiently in various situations. The Board also believes the combination of Chairman and CEO positions is appropriate in light of the independent oversight provided by the Board.

Aimco has a Lead Independent Director, currently Mr. Martin, who in this capacity:

- Presides over executive sessions of independent directors, which are held regularly and not less than four times per year;
- Serves as a liaison between the chairman and independent directors;
- Helps frame and approves meeting agendas and schedules;
- Reviews information sent to directors;

Regularly calls meetings of independent directors; and

Is available for direct communication with stockholders.

In addition to the Lead Independent Director, the Board has a majority of independent directors. Six out of the seven director nominees are independent. All four standing committees (Audit; Compensation and Human Resources; Nominating and Corporate Governance; and Redevelopment and Construction) are composed solely of independent directors.

Separate Sessions of Non-Management Directors and Lead Independent Director

Aimco s Corporate Governance Guidelines (described below) provide that the non-management directors shall meet in executive session without management on a regularly scheduled basis, but no less than four times

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per year. The non-management directors, which group currently is made up of the six Independent Directors, met in executive session without management four times during the year ended December 31, 2016. Mr. Martin was the Lead Independent Director who presided at such executive sessions in 2016, and he has been designated as the Lead Independent Director who will preside at such executive sessions in 2017.

The following table sets forth the number of meetings held by the Board and each committee during the year ended December 31, 2016.

	Board	Non-Management Directors	Audit Committee	Compensation and Human Resources Committee	Nominating and Corporate Governance Committee	Redevelopment and Construction Committee
Number of Meetings	5	4	5	5	4	4

Majority Voting for the Election of Directors

In an uncontested election at the meeting of stockholders, any nominee to serve as a director of the Company will be elected if the director receives a majority of votes cast, which means that the number of shares voted for a director exceeds the number of shares voted against that director. With respect to a contested election, a plurality of all the votes cast at the meeting of stockholders will be sufficient to elect a director. If a nominee who currently is serving as a director receives a greater number of against votes for his or her election than votes for such election (a Majority Against Vote) in an uncontested election, Maryland law provides that the director would continue to serve on the Board as a holdover director. However, under Aimco s Bylaws, any nominee for election as a director in an uncontested election who receives a Majority Against Vote is obligated to tender his or her resignation to the Nominating and Corporate Governance Committee for consideration. The Nominating and Corporate Governance Committee will consider any resignation and recommend to the Board whether to accept it. The Board is required to take action with respect to the Nominating and Corporate Governance Committee s recommendation. Additional details are set out in Article II, Section 2.03 (Election and Tenure of Directors; Resignations) of Aimco s Bylaws.

Proxy Access

At our 2015 annual meeting, a proxy access stockholder proposal received the support of a majority of the votes cast. That proposal requested that the Board to adopt a bylaw that would require the Company to include in its proxy materials nominees for director proposed by a stockholder or group that owns at least 3% of our outstanding shares for at least three years. Following that meeting, through the summer and fall of 2015 and into 2016, we engaged in extensive stockholder outreach and discussed proxy access with stockholders representing over 66% of shares of Common Stock outstanding as of September 30, 2015, including all 10 of Aimco s largest stockholders as of that date.

Although our stockholders expressed varying views on proxy access generally, and on the specific terms of a proxy access bylaw, many stockholders indicated that they viewed proxy access as an important stockholder right. At the same time, many stockholders expressed concern that stockholders with a small economic interest could abuse proxy access and impose unnecessary costs on the Company. In particular, stockholders expressed support for a reasonable limit on the number of stockholders who could come together to form a nominating group, with a consensus around a 20 stockholder limit, so long as certain related funds were counted as one stockholder for this purpose. In addition, many stockholders expressed support for the principle that a proxy access bylaw provide for a minimum of two candidates, with that principle being more meaningful to stockholders than the percentage of the board used to calculate the number of permitted proxy access candidates.

Stockholders expressed general flexibility concerning most other proxy access terms, including counting directors nominated as access candidates who are elected and re-nominated by the Board when determining the limit on access candidates for a limited number of years, and eliminating proxy access at the same annual

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meeting for which a nomination notice outside of proxy access has been submitted by another stockholder. Also, stockholders indicated that post-meeting holding requirements would be considered overly restrictive, but that a statement regarding post-meeting intentions that did not require continued ownership was acceptable.

The feedback received from stockholders was reported to the Nominating and Corporate Governance Committee and to the Board. Following a review of that feedback, corporate governance best practices and trends and the Company s particular facts and circumstances, the Board amended the Company s bylaws to provide a proxy access right to stockholders. As a result, a stockholder or a group of up to 20 stockholders, owning at least 3% of our shares for three years, may submit nominees for up to 20% of the Board, or two nominees, whichever is greater, for inclusion in our proxy materials, subject to complying with the requirements contained in our bylaws.

Director Compensation

In formulating its recommendation for director compensation, the Nominating and Corporate Governance Committee reviews director compensation for independent directors of companies in the real estate industry and companies of comparable market capitalization, revenue and assets and considers compensation trends for other NYSE-listed companies and S&P 500 companies. The Nominating and Corporate Governance Committee considers the relatively small size of the Aimco board as compared to other boards, the participation of each Independent Director on each committee, and the resulting workload on the directors. In addition, the Nominating and Corporate Governance Committee considers the overall cost of the Board to the Company and the per director cost.

2016

For 2016, compensation for each of the Independent Directors included a fixed annual cash retainer of $25,000 and an award of 4,600 shares of Common Stock, in each case, prorated for any Independent Director who joined the Board during the year. No meeting fees were paid to Independent Directors for attending meetings of the Board and the committees on which they serve. For the year ended December 31, 2016, Aimco paid the directors serving on the Board during that year as follows:

Name	Fees Earned or Paid in Cash ($) (1)	Stock Awards ($) (2)	Option Awards ($)	Non-Equity Incentive Plan Compensation ($)	Change in Pension Value and Nonqualified Deferred Compensation Earnings	All Other Compensation ($)	Total ($)
Terry Considine (3)							
Thomas L. Keltner (4)	25,000	178,158					203,158
J. Landis Martin	25,000	178,158					203,158
Robert A. Miller	25,000	178,158					203,158
Kathleen M. Nelson (5)	25,000	178,158					203,158
Michael A. Stein	25,000	178,158					203,158
Nina A. Tran	18,750	140,070					158,820

(1) For 2016, each Independent Director received a cash retainer of $25,000, except that Ms. Tran, who joined the Board on March 1, 2016, received a prorated cash retainer of $18,750.

(2) For 2016, Messrs. Keltner, Martin, Miller and Stein and Ms. Nelson were each awarded 4,600 shares of Common Stock, which shares were awarded on January 26, 2016, based on the closing price of Aimco s Common Stock on that date, of $38.73. Ms. Tran, who joined the Board on March 1, 2016, was awarded a prorated amount of 3,450 shares of Common Stock on April 26, 2016, based on the closing price of Aimco s Common Stock on that date, of $40.60. The dollar value shown above represents the aggregate grant date fair value computed in accordance with Financial Accounting Standards Board (FASB) Accounting Standards Codification (ASC) Topic 718 and is calculated based on the closing price of Aimco s Common Stock on the date of grant.

(3) Mr. Considine, who is not an Independent Director, does not receive any additional compensation for serving on the Board.

(4) Mr. Keltner holds an option to acquire 4,429 shares, which is fully vested and exercisable.

(5) Ms. Nelson holds an option to acquire 3,000 shares, which is fully vested and exercisable.

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2017

Compensation for each of the Independent Directors in 2017 is an annual fee of 3,000 shares of Common Stock, which shares were awarded on January 31, 2017. The closing price of Aimco s Common Stock on the New York Stock Exchange on January 31, 2017, was $44.07. The Independent Directors also received an annual cash retainer of $90,000. Directors will not receive meeting fees in 2017.

Code of Ethics

The Board has adopted a code of ethics entitled Code of Business Conduct and Ethics that applies to the members of the Board, all of Aimco s executive officers and all team members of Aimco or its subsidiaries, including Aimco s principal executive officer, principal financial officer and principal accounting officer. The Code of Business Conduct and Ethics is posted on Aimco s website (www.aimco. com) and is also available in print to stockholders, upon written request to Aimco s Corporate Secretary. If, in the future, Aimco amends, modifies or waives a provision in the Code of Business Conduct and Ethics, rather than filing a Current Report on Form 8-K, Aimco intends to satisfy any applicable disclosure requirement under Item 5.05 of Form 8-K by posting such information on Aimco s website (www.aimco.com), as necessary.

Corporate Governance Guidelines and Director Stock Ownership

The Board has adopted and approved Corporate Governance Guidelines. These guidelines are available on Aimco s website (www.aimco.com) and are also available in print to stockholders, upon written request to Aimco s Corporate Secretary. In general, the Corporate Governance Guidelines address director qualification standards, director responsibilities, the lead independent director, director access to management and independent advisors, director compensation, director orientation and continuing education, management succession, stock ownership guidelines and retention requirements, and an annual performance evaluation of the Board.

With respect to stock ownership guidelines for the Independent Directors, the Corporate Governance Guidelines provide that by the completion of five years of service, an Independent Director is expected to own, at a minimum, the lesser of 27,500 shares or shares having a value of at least $550,000. Each of the Independent Directors has holdings well in excess of this amount, with the exception of Ms. Tran who joined the Board on March 1, 2016.

Communicating with the Board of Directors

Any interested parties desiring to communicate with Aimco s Board, the Lead Independent Director, any of the other Independent Directors, Aimco s Chairman of the Board, any committee chairman, or any committee member may directly contact such persons by directing such communications in care of Aimco s Corporate Secretary. All communications received as set forth in the preceding sentence will be opened by the office of Aimco s General Counsel for the sole purpose of determining whether the contents represent a message to Aimco s directors. Any contents that are not in the nature of advertising, promotions of a product or service, or patently offensive material will be forwarded promptly to the addressee. In the case of communications to the Board or any group or committee of directors, the General Counsel s office will make sufficient copies of the contents to send to each director who is a member of the group or committee to which the envelope or e-mail is addressed.

To contact Aimco s Corporate Secretary, correspondence should be addressed as follows:

Corporate Secretary

Office of the General Counsel

Apartment Investment and Management Company

4582 South Ulster Street, Suite 1100

Denver, Colorado 80237

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AUDIT COMMITTEE REPORT TO STOCKHOLDERS

The Audit Committee oversees Aimco s financial reporting process on behalf of the Board. Management has the primary responsibility for the financial statements and the reporting process, including internal control over financial reporting and disclosure controls and procedures. A written charter approved by the Audit Committee and ratified by the Board governs the Audit Committee. In fulfilling its oversight responsibilities, the Audit Committee reviewed the audited financial statements in the Annual Report on Form 10-K with management, including a discussion of the quality, not just the acceptability, of the accounting principles, the reasonableness of significant judgments, and the clarity of disclosures in the financial statements.

The Audit Committee reviewed with the independent registered public accounting firm, which is responsible for expressing an opinion on the conformity of those audited financial statements with accounting principles generally accepted in the United States, its judgment as to the quality, not just the acceptability, of the Company s accounting principles. The Audit Committee also has discussed with the independent registered public accounting firm the matters required to be discussed by Auditing Standard No. 1301, *Communications with Audit Committees*, issued by the Public Company Accounting Oversight Board. In addition, the Audit Committee has received from the independent registered public accounting firm the written disclosures and letter required by Public Company Accounting Oversight Board Ethics and Independence Rule 3526, has discussed with the independent registered public accounting firm its independence from the Company and its management, and has considered whether the independent registered public accounting firm s provision of non-audit services to the Company is compatible with maintaining such firm s independence.

The Audit Committee discussed with the Company s independent registered public accounting firm the overall scope and plans for its audit. The Audit Committee meets with the independent registered public accounting firm, with and without management present, to discuss the results of its examination, its evaluation of the Company s internal control over financial reporting, and the overall quality of the Company s financial reporting. The Audit Committee held five meetings during 2016.

None of the Audit Committee members have a relationship with the Company that might interfere with the exercise of the member s independence from the Company and its management.

In reliance on the reviews and discussions referred to above, the Audit Committee recommended to the Board, and the Board has approved, that the audited financial statements and management s report on internal control over financial reporting be included in the Annual Report on Form 10-K for the year ended December 31, 2016, for filing with the SEC. The Audit Committee has also determined that provision by Ernst & Young LLP of other non-audit services is compatible with maintaining Ernst & Young LLP s independence. The Audit Committee and the Board have also recommended, subject to stockholder ratification, the selection of Ernst & Young LLP as the Company s independent registered public accounting firm for the year ending December 31, 2017.

Date: February 22, 2017

MICHAEL A. STEIN (CHAIRMAN)

THOMAS L. KELTNER

J. LANDIS MARTIN

ROBERT A. MILLER

KATHLEEN M. NELSON

NINA A. TRAN

The above report will not be deemed to be incorporated by reference into any filing by the Company under the Securities Act of 1933, as amended, or the Securities Exchange Act of 1934, as amended, except to the extent that the Company specifically incorporates the same by reference.

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PRINCIPAL ACCOUNTANT FEES AND SERVICES

Principal Accountant Fees

Below is information on the fees billed for services rendered by Ernst & Young LLP during the years ended December 31, 2016 and 2015.

	Year Ended December 31,	
	2016	2015
Aggregate fees billed for services	**$2.32 million**	**$2.49 million**
Audit Fees:		
Including fees associated with the audit of Aimco s annual financial statements, internal controls, interim reviews of financial statements, registration statements, comfort letters and consents	**$1.10 million**	**$1.13 million**
Audit-Related Fees:		
Including fees related to benefit plan audits	**$0.03 million**	**$0.03 million**
Tax Fees:		
Including fees for tax compliance services for the Company and subsidiaries or affiliates and for tax planning services ($0.15 million and $0.36 million for 2016 and 2015, respectively)	**$1.09 million**	**$1.33 million**
All other fees	**$0.10 million**	**$0**

Audit Committee Pre-Approval Policies

The Audit Committee has adopted the Audit and Non-Audit Services Pre-Approval Policy (the Pre-approval Policy). A summary of the Pre-approval Policy is as follows:

The Pre-approval Policy describes the Audit, Audit-related, Tax and Other Permitted services that have the general pre-approval of the Audit Committee.

Pre-approvals are typically subject to a dollar limit of $50,000.

The term of any general pre-approval is generally 12 months from the date of pre-approval.

At least annually, the Audit Committee reviews and pre-approves the services that may be provided by the independent registered public accounting firm without obtaining specific pre-approval from the Audit Committee.

As set forth in the Pre-approval Policy, unless a type of service has received general pre-approval and is anticipated to be within the dollar limit associated with the general pre-approval, it will require specific pre-approval by the Audit Committee if it is to be provided by the independent registered public accounting firm.

For both types of pre-approval, the Audit Committee will consider whether such services are consistent with the rules on independent registered public accounting firm independence.

The Audit Committee will also consider whether the independent registered public accounting firm is best positioned to provide the most effective and efficient service, for reasons such as its familiarity with Aimco s business, people, culture, accounting systems, risk profile and other factors, and whether the service might enhance Aimco s ability to manage or control risk or improve audit quality. All such factors will be considered as a whole, and no one factor will necessarily be determinative.

All of the services described in the Principal Accountant Fee section above were approved pursuant to the annual engagement letter or in accordance with the Pre-approval Policy; none were approved pursuant to Rule 2-01(c)(7)(i)(C) of SEC Regulation S-X.

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SECURITY OWNERSHIP OF CERTAIN BENEFICIAL OWNERS AND MANAGEMENT

The following table sets forth certain information available to the Company, as of February 24, 2017, with respect to Aimco s equity securities beneficially owned by (i) each director, the chief executive officer, the chief financial officer and the three other most highly compensated executive officers who were serving as executive officers at the end of the last completed fiscal year, and (ii) all directors and executive officers as a group. The table also sets forth certain information available to the Company, as of February 24, 2017, with respect to shares of Common Stock held by each person known to the Company to be the beneficial owner of more than 5% of such shares. This table reflects options that are exercisable within 60 days. Unless otherwise indicated, each person has sole voting and investment power with respect to the securities beneficially owned by that person. The business address of each of the following directors and executive officers is 4582 South Ulster Street, Suite 1100, Denver, Colorado 80237, unless otherwise specified. None of the securities reflected in this table are the subject of any hedging transaction.

Name and Address of Beneficial Owner	Number of shares of Common Stock (1)	Percentage of Common Stock Outstanding (2)	Number of Partnership Units (3)	Percentage Ownership of the Company (4)
Directors, Director Nominees & Executive Officers:				
Terry Considine	949,648(5)	0.60%	2,530,539(6)	2.11%
Paul L. Beldin	80,895(7)	*		*
Lisa R. Cohn	150,740	*		*
John E. Bezzant	107,101(8)	*		*
Keith Kimmel	100,411	*		*
Thomas L. Keltner	43,767(9)	*		*
J. Landis Martin	53,313(10)	*	34,646(11)	*
Robert A. Miller	74,703	*		*
Kathleen M. Nelson	44,850(12)	*		*
Michael A. Stein	38,000	*		*
Nina A. Tran	6,450	*		*
All directors and executive officers as a group (13 persons)	1,883,521(13)	1.20%	2,569,954(14)	2.70%
5% or Greater Holders:				
The Vanguard Group, Inc. 100 Vanguard Blvd. Malvern, Pennsylvania 19355	26,649,021(15)	16.97%		16.19%
Cohen & Steers, Inc. 280 Park Avenue New York, New York 10017	18,624,645(16)	11.86%		11.31%
FMR LLC 245 Summer Street Boston, Massachusetts 02210	13,627,320(17)	8.68%		8.28%
Blackrock, Inc. 40 East 52nd Street New York, New York 10022	12,061,581(18)	7.68%		7.33%

State Street Corporation State Street Financial Center One Lincoln Street Boston, Massachusetts 02111	8,186,829(19)	5.21%	4.97%

* Less than 0.5%

(1) Excludes shares of Common Stock issuable upon redemption of common OP Units or Class I High Performance Units (HPUs).

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(2) Represents the number of shares of Common Stock beneficially owned by each person divided by the total number of shares of Common Stock outstanding. Any shares of Common Stock that may be acquired by a person within 60 days upon the exercise of options, warrants, rights or conversion privileges or pursuant to the power to revoke, or the automatic termination of, a trust, discretionary account or similar arrangement are deemed to be beneficially owned by that person and are deemed outstanding for the purpose of computing the percentage of outstanding shares of Common Stock owned by that person, but not any other person.

(3) Through wholly-owned subsidiaries, Aimco acts as general partner of AIMCO Properties, L.P., the operating partnership in Aimco s structure. As of February 24, 2017, Aimco held approximately 95.4% of the common partnership interests in AIMCO Properties, L.P. Interests in AIMCO Properties, L.P. that are held by limited partners other than Aimco are referred to as OP Units. Generally, after a holding period of 12 months, common OP Units may be tendered for redemption and, upon tender, may be acquired by Aimco for shares of Common Stock at an exchange ratio of one share of Common Stock for each common OP Unit (subject to adjustment). If Aimco acquired all common OP Units and HPUs for Common Stock (without regard to the ownership limit set forth in Aimco s Charter), these shares of Common Stock would constitute approximately 4.6% of the then outstanding shares of Common Stock. OP Units are subject to certain restrictions on transfer.

(4) Represents the number of shares of Common Stock beneficially owned, divided by the total number of shares of Common Stock outstanding, assuming, in both cases, that all 5,350,642 OP Units and 2,281,552 HPUs outstanding as of February 24, 2017, are redeemed in exchange for shares of Common Stock (notwithstanding any holding period requirements, Aimco s ownership limit and, in the case of HPUs, that the units are not redeemed). See note (3) above. Excludes partnership preferred units issued by AIMCO Properties, L.P. and Aimco preferred securities.

(5) Includes 460,570 shares held directly by Mr. Considine, and the following shares of which Mr. Considine disclaims beneficial ownership: 33,695 shares held by Mr. Considine s spouse; and 133,689 shares held by a non-profit foundation in which Mr. Considine has shared voting and investment power. Also includes 321,694 shares subject to options that are exercisable within 60 days.

(6) Includes 941,167 common OP Units and 1,589,372 HPUs that represent 17.59% of common OP Units outstanding and 69.66% of HPUs outstanding, respectively. The 941,167 common OP Units include 601,434 common OP Units held directly by Mr. Considine, 179,735 common OP Units held by an entity in which Mr. Considine has sole voting and investment power, 2,300 common OP Units held by Titahotwo Limited Partnership RLLLP (Titahotwo), a registered limited liability limited partnership for which Mr. Considine serves as the general partner and holds a 0.5% ownership interest, and 157,698 common OP Units held by Mr. Considine s spouse, for which Mr. Considine disclaims beneficial ownership. All HPUs are held by Titahotwo. Mr. Considine has pledged 280,706 common OP Units as collateral for a loan. Even without consideration of these common OP Units, Mr. Considine s equity holdings are in excess of 38 times the applicable ownership requirement as described in more detail in the Compensation Discussion & Analysis.

(7) Includes 3,644 shares subject to options that are exercisable within 60 days.

(8) Includes 4,180 shares subject to options that are exercisable within 60 days.

(9) Includes 4,429 shares subject to options that are exercisable within 60 days.

(10) Includes 23,923 shares held directly by Mr. Martin and 29,390 shares held by Martin Enterprises LLC, of which Mr. Martin is the sole manager. Members of Martin Enterprises LLC include Mr. Martin and trusts, of which Mr. Martin is the sole trustee, formed solely for the benefit of his children.

(11) Includes 280.5 common OP Units, which represent less than 1% of the class outstanding. Also includes 34,365 HPUs held by Martin Enterprises LLC. These HPUs represent 1.5% of the class outstanding.

(12) Includes 3,000 shares subject to options that are exercisable within 60 days.

(13) Includes 336,947 shares subject to options that are exercisable within 60 days.

(14) Includes 941,448 common OP Units and 1,628,506 HPUs, which represent 17.60% of common OP Units outstanding and 71.38% of HPUs outstanding, respectively.

(15)

Beneficial ownership information is based on information contained in an Amendment No. 14 to Schedule 13G filed with the SEC on February 13, 2017, by The Vanguard Group, Inc. According to the schedule, The

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Vanguard Group, Inc. has sole voting power with respect to 407,677 shares and sole dispositive power with respect to 26,263,290 of the shares and shared dispositive power with respect to 385,731 of the shares.

(16) Beneficial ownership information is based on information contained in an Amendment No. 14 to Schedule 13G filed with the SEC on February 14, 2017, by Cohen & Steers, Inc. on behalf of itself and affiliated entities. According to the schedule, included in the securities listed above as beneficially owned by Cohen & Steers, Inc. are 12,928,184 shares and 12,886,237 shares over which Cohen & Steers, Inc. and Cohen & Steers Capital Management, Inc. (which is held 100% by Cohen & Steers, Inc.), respectively, have sole voting power and 18,624,645 shares and 18,486,003 shares, respectively, over which such entities have sole dispositive power. Also included in the securities listed above are 41,947 shares over which Cohen & Steers UK Limited has sole voting power and 138,642 shares over which Cohen & Steers UK Limited has sole dispositive power.

(17) Beneficial ownership information is based on information contained in a Schedule 13G filed with the SEC on February 14, 2017, by FMR LLC.

(18) Beneficial ownership information is based on information contained in an Amendment No. 7 to Schedule 13G filed with the SEC on January 19, 2017, by Blackrock, Inc. According to the schedule, Blackrock, Inc. has sole voting power with respect to 11,129,289 of the shares.

(19) Beneficial ownership information is based on information contained in Schedule 13G filed with the SEC on February 9, 2017, by State Street Corporation.

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EXECUTIVE COMPENSATION

COMPENSATION DISCUSSION & ANALYSIS (CD&A)

This CD&A addresses the following:

- Stockholder Engagement Regarding Executive Compensation;
- Overview of Aimco s Pay-for-Performance Philosophy and 2016 Performance Results;
- Summary of Executive Compensation Program and Governance Practices;
- What We Pay and Why: Components of Executive Compensation;
- Total Compensation for 2016;
- Other Compensation;
- Post-Employment Compensation and Severance Arrangements;
- Other Benefits; Perquisite Philosophy;
- Stock Ownership Guidelines and Required Holding Periods After Vesting;
- Role of Outside Consultants;
- Base Salary, Incentive Compensation, and Equity Grant Practices;
- 2017 Compensation Targets.

Stockholder Engagement Regarding Executive Compensation

At Aimco s 2016 Annual Meeting of Stockholders, approximately 98% of the votes cast in the advisory vote on executive compensation that were present and entitled to vote on the matter were in favor of the compensation of Aimco s NEOs (also commonly referred to as Say on Pay) as disclosed in Aimco s 2016 proxy statement. The Compensation and Human Resources Committee (the Committee) and management were pleased with these results, and remain committed to extensive engagement with stockholders as part of their ongoing efforts to formulate and implement an executive compensation program designed to align the long-term interests of our executive officers with our stockholders.

In 2016 and early 2017, we engaged with stockholders representing nearly two-thirds of shares of Common Stock outstanding as of September 30, 2016, as part of our annual process of soliciting feedback on Aimco s executive compensation program. The following chart summarizes the feedback we received, and what actions we have taken in response.

What Aimco Heard	How Aimco Responded
Overall Program. The Company has continued to receive broad support from stockholders on the structure of its executive compensation program, the program s alignment of pay and performance, and the quantum of compensation delivered under the program.	The Company is making no changes to the structure of the program, and is continuing its long-standing practice of setting target total compensation near the median of target total compensation for the Company s peers.
Disclosure. Stockholders appreciate the disclosure, and encouraged Aimco to continue to disclose the connection between metrics and incentives. One stockholder encouraged Aimco to continue to add graphics, and another encouraged Aimco to shorten the CD&A.	The Company has maintained detailed disclosure of the connection between metrics and incentives. The Company has replaced written sections with more graphics.
STI Plan. Stockholders are broadly pleased with the STI plan goals and disclosure of results. One stockholder encouraged the Company to further reduce the number of goals, and to add a separate STI performance metric for the CEO on management development.	Given that the Company s STI goals, which are directly aligned with the Company s five areas of strategic focus, have received broad support from stockholders, the Company has retained the same number of STI goals. For 2017 STI, the Committee has added a separate performance metric for the CEO. Disclosure on this separate metric will appear in the Company s proxy statement for the 2018 annual meeting of stockholders.

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What Aimco Heard	How Aimco Responded
LTI Plan. The Company s three-year, forward looking plan measured upon relative TSR continues to receive broad support from stockholders. Most stockholders continue to be of the opinion that relative TSR should be the only LTI metric. Some stockholders have stated they would be open to another LTI metric but that it is not necessary. One stockholder encouraged the Company to add another LTI metric because of management s general lack of control over TSR. Another stockholder expressed that changing from a backward looking LTI plan to a forward looking LTI plan has added complexity and reduced transparency, and would like to see a shift back to backward looking LTI plans.	At this time, the Company is not making any changes to its LTI plan, which continues to receive broad support from stockholders. However, the Company will continue its ongoing dialogue with stockholders on LTI plan structure and metrics.

Overview of Aimco s Pay-for-Performance Philosophy and 2016 Performance Results

Aimco is a pay-for-performance organization. Aimco starts by setting target total compensation near the median of target total compensation for Aimco s peers as identified on page 37, both as a measure of fairness and also to provide an economic incentive to remain with Aimco. Actual compensation is determined based on Aimco s results. Every officer s annual cash incentive compensation, or STI, is based in part on Aimco s performance against its annual corporate goals. The more senior level the officer, the greater the percentage of his or her STI that is based on Aimco s performance against its corporate goals. Aimco s LTI compensation follows a similar tiered structure. Every officer s LTI is based in part on relative returns, with executive officers having a greater share of their LTI based on relative returns. In the case of Mr. Considine, his entire LTI award is at risk based on Aimco s relative returns. LTI is measured and vests over time, typically a period of four years, so that officers bear longer term exposure to decisions made. Aimco also requires substantial equity holdings by executive officers in order to increase their alignment with stockholders.

Aimco had 17.3% TSR in 2016. Aimco outperformed the REIT Index, the NAREIT Apartment Index, and the S&P 500 Index, in each case, over the one-year, three-year, and five-year periods ended December 31, 2016, as shown in the following graph in which TSR is shown as an annualized compounded annual growth rate.

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The following graph compares cumulative total returns for Aimco s Common Stock, the REIT Index, the NAREIT Apartment Index and the S&P 500 Index. The graph assumes the investment of $100 in Aimco s Common Stock and in each index on December 31, 2013, and that all dividends paid have been reinvested.

	For the fiscal years ended December 31,			
Index	**2013**	**2014**	**2015**	**2016**
Aimco (1)	$ 100.00	$ 148.04	$ 164.54	$ 192.98
MSCI US REIT Index (1)	100.00	130.38	133.67	145.16
NAREIT Apartment Index (2)	100.00	139.02	162.60	167.24
S&P 500 Total Return Index (1)	100.00	113.69	115.26	129.05

(1) Source: SNL Financial LC, Charlottesville, VA ©2017

(2) Source: National Association of Real Estate Investment Trusts

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Highlights for 2016 included the following:

2016 HIGHLIGHTS

Aimco made good progress in 2016 on its five areas of strategic focus.

STRATEGIC AREAS OF FOCUS

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Specifically, key results for the period ending December 31, 2016, within Aimco s areas of strategic focus are set forth below.

PROPERTY OPERATIONS

STRATEGIC OBJECTIVE: Produce above-average operating results through focus on customer satisfaction, resident retention and superior cost control.

RESULTS: Aimco NOI 6.2% over the past year, and 17% over the past three years

Lease-Up Communities - During 2016, Aimco completed the lease-up of Vivo, located in Cambridge, MA, ahead of plan and significantly outperformed our expectations for the lease-up of One Canal, located in Boston, MA, and Indigo located in Redwood City, CA.

		% Apt. Homes Occupied					
		Year-End 2016		Stabilized Occupancy		Stabilized NOI	
	Total Apt. Homes	2016 Outlook	2016 Actual	2016 Outlook	2017 Outlook	2016 Outlook	2017 Outlook
ONE CANAL, BOSTON	310	65%	86%	3Q 2017	1Q 2017	4Q 2018	2Q 2018
INDIGO, BAY AREA	463	40%	77%	3Q 2017	2Q 2017	4Q 2018	3Q 2018

With the accelerated leasing pace and rental rate achievement consistent with underwriting, the projected contribution to 2017 NOI from these lease-up communities is $0.13 per share, $0.01 per share greater than we had forecasted one year ago.

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REDEVELOPMENT & DEVELOPMENT

STRATEGIC OBJECTIVES: Add value by repositioning communities in special locations with expected higher rates of revenue growth and some protection against competitive new supply. Invest selectively through development in desirable locations where accretive redevelopment or acquisition opportunities are not readily available.

RESULTS: During 2016, Aimco achieved NOI stabilization at three redeveloped communities in coastal California: Lincoln Place in Venice; Ocean House on Prospect in La Jolla; and Preserve at Marin in Corte Madera. In total, these redevelopments are estimated to have added value of $170M, an amount equal to 30% of Aimco s investment.

			NOI Stabilized Properties
PROJECT SCOPE	Redevelopment Projects		3
	Net Investment	$	582M
	Apartment homes redeveloped		974
VALUE CREATION	Redevelopment value creation ($M)(1)	$	170M
	As a % of investment		30%

(1) Based on stabilized Gross Asset Value as computed by Aimco as of the quarter of NOI stabilization.

PORTFOLIO MANAGEMENT

STRATEGIC OBJECTIVES: Own and operate a portfolio of properties diversified by both geography and price point to limit exposure to competitive new supply. Add value by making accretive paired trades selling lower-rated properties to fund investment in higher-rated properties, increasing returns as measured by free cash flow internal rate of return and improving portfolio quality as measured by average revenue per apartment home.

RESULTS: Average revenue per apartment home was up 8% in 2016, to $1,978. On average, the communities sold in 2016 had a free cash flow cap rate of 4.9%. Had we held these communities for ten years, we would have expected them to generate a free cash flow internal rate of return (FCF IRR) of approximately 6.6%. Proceeds from these sales were reinvested in redevelopment and development projects, acquisitions, and property upgrades at a weighted average FCF IRR approximately 300 basis points higher than the communities sold to fund them.

During the last three years, Aimco significantly upgraded the quality of its portfolio, while maintaining its geographic and price point diversification.

		Year-End 2013	Year-End 2016	% Change
FOOTPRINT	**Communities**	**162**	**134**	**- 17%**
	Apartment Homes	**50,486**	**37,922**	**- 25%**
	% NOI in Target Markets	**88%**	**88%**	**0%**
	Revenue per Apartment Home	**$ 1,469**	**$ 1,978**	**+ 35%**
	Percentage A	**38%**	**52%**	**+ 37%**

Percentage B	**37%**	**34%**	**- 8%**
Percentage C+	**18%**	**14%**	**- 22%**
Percentage C	**7%**	**0%**	**-100%**

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BALANCE SHEET MANAGEMENT

STRATEGIC OBJECTIVE: Maintain a safe, flexible balance sheet with abundant liquidity, rated investment grade by both S&P and Fitch, with the capacity to take advantage of opportunities created by a future real estate down-cycle.

RESULTS: During the last three years, Aimco has reduced leverage and added financial flexibility by creating a pool of assets that are not encumbered by debt. For example, at year end, leverage, as measured by the ratio of Debt and Preferred Equity to Adjusted EBITDA, was down 0.1x, to 6.7x, from the prior year. Aimco ended the year with approximately $700 million in liquidity, including cash, restricted cash, and Aimco s largely unused bank line. Aimco held an unencumbered pool of communities valued at greater than $1.6 billion, providing Aimco additional financial flexibility.

	Year-End 2013	Year-End 2016	% Change
DEBT TO EBITDA	7.1x	6.3x	- 11%
DEBT AND PREFERRED EQUITY TO EBITDA	7.3x	6.7x	- 8%
VALUE OF UNENCUMBERED ASSETS	$ 0.4B	$ 1.6B	+300%

CULTURE

STRATEGIC OBJECTIVE: Add value through operational excellence, redevelopment, and improving portfolio quality. The underpinning of Aimco s success is a strong, stable team focused on a collaborative and productive culture.

RESULTS: Aimco is one of only three mid-sized companies recognized as a Top Place to Work in Colorado for the past four consecutive years. Aimco has maintained team engagement scores averaging above a 4 out of 5 score across the company for the past four years.

Our definitions of portfolio quality, specifically the classification of apartment communities within A, B and C price points, is described under the Portfolio Management heading within Part I, Item 7 in our Annual Report on Form 10-K for the year ended December 31, 2016.

Various of the key financial indicators we use in managing our business and in evaluating our financial condition and operating performance are non-GAAP measures. Key non-GAAP measures we use are defined, described and, where appropriate, reconciled to the most comparable financial measures computed in accordance with GAAP under the Non-GAAP Measures heading within Part I, Item 7 in our Annual Report on Form 10-K for the year ended December 31, 2016.

As set forth in detail below beginning on page 40, Aimco outperformed on its corporate goals for 2016, resulting in 2016 cash incentive payouts above target.

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Summary of Executive Compensation Program and Governance Practices

Below we summarize certain executive compensation program and governance practices both the practices we have implemented to drive performance and the practices we avoid because we do not believe they would serve our stockholders long-term interests.

What Aimco Does
Pays for performance. A significant portion of executive pay is not guaranteed, but rather is at risk and tied to key financial and value creation metrics that are disclosed to stockholders. All of the incentive compensation (both STI and LTI) for Mr. Considine is subject to the achievement of various performance objectives. For the other NEOs, all STI compensation, and two-thirds of target LTI compensation, is subject to the achievement of various performance objectives.
Balances short-term and long-term incentives. The incentive programs provide an appropriate balance of annual and longer-term incentives, with LTI compensation comprising a substantial percentage of target total compensation.
Uses multiple performance metrics. These mitigate the risk of the undue influence of a single metric by utilizing multi-year vesting for equity awards, multiple performance measures, and different performance measures for STI and LTI.
Caps award payouts. Amounts or shares that can be earned under the STI plan and LTI plan are capped.
Uses market-based approach for determining NEO target pay. Target compensation for NEOs is set near the median for peer comparators. The Committee reviews the peer comparator group annually.
Maintains share ownership guidelines and holding periods after vesting until ownership guidelines are met. The Company has the following minimum share ownership requirements: CEO lesser of five times base salary or 150,000 shares; CFO lesser of five times base salary or 75,000 shares; and other executive officers lesser of four times base salary or 25,000 shares. All officers meet these requirements except for Mr. Beldin, who held approximately 23,000 shares at the time of his election to executive officer, now holds 40,422 shares, and is expected to be in compliance by 2018.
Includes double-trigger change in control provisions. Equity awards include double trigger provisions requiring both a change in control and a subsequent termination of employment (other than for cause) for accelerated vesting to occur.
Uses an independent compensation consulting firm. The Company engages an independent compensation consulting firm that specializes in the REIT industry. The Committee engages a separate independent compensation consultant.
Maintains a clawback policy. In the event of a financial restatement resulting from misconduct by an executive, the clawback policy allows the Company to recoup incentive compensation paid to the executive based on the misstated financial information. The policy covers all forms of bonus, incentive and equity compensation.
Conducts a risk assessment. The Committee annually conducts a compensation risk assessment to determine whether the compensation policies and practices, or components thereof, create risks that are reasonably likely to have a material adverse effect on the Company.
Acts through an independent Compensation Committee. The Committee consists entirely of independent directors.

What Aimco Does Not Do
Guarantee salary increases, bonuses or equity grants. The Company does not guarantee annual salary increases or bonuses to anyone. The Company has no guaranteed commitments to grant any equity-based awards.

Provide excise tax gross-up payments. The Company will not enter into any new contractual agreements that include excise tax gross-up payments.

Reprice options. The Company has never repriced or otherwise reduced the per-share exercise price of any outstanding stock options. Repricing of stock options is not permitted under the 2015 Stock Award and Incentive Plan (the 2015 Plan) without first obtaining approval from the stockholders of the Company. The Company and the Committee will not reprice underwater options without the consent of the Company s stockholders.

Pay dividends or dividend equivalents on unearned performance shares. Performance share award agreements do not provide for the payment of dividends until the shares are earned. Dividends accrue during the performance period and are paid on earned shares at the time of vesting.

Provide more than minimal personal benefits. The Company does not provide executives with more than minimal perquisites, such as reserved parking spaces.

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What We Pay and Why: Components of Executive Compensation

Total compensation for Aimco s executive officers is comprised of the following components:

Compensation Component	Form	Purpose
Base Salary	Cash	Provide a salary that is competitive with market.
STI	Cash	Reward executive for achieving short-term business objectives.
LTI	Restricted stock and/or stock options, subject to performance and/or time vesting, typically over four years	Align executive s compensation with stockholder objectives, and provide an incentive to take a longer-term view of Aimco s performance.

LTI compensation directly ties the interests of executives to the interests of our stockholders, and comprises a substantial proportion of compensation for the NEOs, as follows:

CEO Pay Overview

The Committee determines the compensation for Mr. Considine. Mr. Considine s target total compensation for 2016 approximated the median for CEOs at Aimco s peers as discussed on page 37. The Committee devised a compensation plan for Mr. Considine that is approximately 11% base salary, 21% based on Aimco s performance against its corporate goals, and 68% based on relative TSR, making more of Mr. Considine s target compensation tied to TSR than most of his peers. Mr. Considine s target compensation mix is illustrated as follows:

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How the Committee determines the amount of target total compensation for executive officers

In addition to reviewing the performance of, and determining the compensation for, the CEO, the Committee also reviews the decisions made by the CEO as to the compensation of Aimco s other executive officers. Base salary, target STI, and target LTI are generally set near the median base salary, target STI, and target LTI for peer comparators. In particular, target total compensation for executives relatively new to their positions is set below the median, and target total compensation for seasoned executives is set near the median.

How peer comparators are identified

Aimco considers enterprise Gross Asset Value (GAV), as reported by Green Street Advisors, to be an imprecise, but reasonable representation of the complexity of a real estate business and of the responsibilities of its leaders. In addition to GAV, Aimco also reviews other factors, including gross revenues, number of properties, and number of employees, to determine if these factors provide any additional insight into the size and complexity factors of its analysis. Based on this analysis, Aimco included as peers for 2016 compensation the following 20 real estate companies:

Peer Group	
Alexandria Real Estate Equities, Inc.	Host Hotels & Resorts
Brixmor Property Group, Inc.	Kilroy Realty Corp.
Camden Property Trust	Kimco Realty
CBL & Associates Properties, Inc.	Liberty Property Trust
DDR Corp.	Macerich Company
Digital Realty Trust, Inc.	Mid-America Apartment Communities Inc.
Douglas Emmett, Inc.	Omega Healthcare Investors
Duke Realty Corp.	Regency Centers Corp.
Essex Property Trust	Taubman Centers, Inc.
Federal Realty Investment Trust	UDR, Inc.

At the time 2016 compensation targets were established, approximately half of these real estate companies had a larger GAV, and approximately half of these real estate companies had a smaller GAV, than Aimco. For Mr. Kimmel, whose position as Executive Vice President, Property Operations, does not have a good benchmark outside of the multi-family industry, Aimco included as peers for 2016 compensation the following eight multi-family real estate companies: AvalonBay Communities, Inc., Camden Property Trust, Essex Property Trust, Equity Residential, Home Properties, Inc., Mid-America Apartment Communities, Inc., Post Properties, Inc., and UDR, Inc. These multi-family companies provide a useful benchmark for Mr. Kimmel s position.

Risk analysis of Aimco s compensation programs

The Committee considers risk-related issues when making decisions with respect to executive compensation and has determined that neither Aimco s executive compensation program nor any of its non-executive compensation programs create risk-taking incentives that are reasonably likely to have a material adverse effect on the organization. Aimco s compensation programs align with the long-term interests of the Company.

Aimco s Compensation Program Discourages Excessive Risk-Taking

Limits on STI. The compensation of executive officers and other team members is not overly weighted toward STI. Moreover, STI is capped.

Use of LTI. LTI is included in target total compensation for all officers and typically vests over a period of four years. The vesting period encourages officers to focus on sustaining Aimco s long-term performance. Executive officers with more responsibility for strategic and operating decisions have a greater percentage of their target total compensation allocated to LTI. LTI is capped at two times target, or 200%, for the CEO, and 1.67 times target, or 167%, for other NEOs.

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Aimco s Compensation Program Discourages Excessive Risk-Taking

Stock ownership guidelines and required holding periods after vesting. Aimco s stock ownership guidelines require all executive officers to hold a specified amount of Aimco equity. Any executive officer who has not yet satisfied the stock ownership requirements for his or her position must retain LTI after its vesting until stock ownership requirements are met. These policies ensure each executive officer has a substantial amount of personal wealth tied to long-term holdings in Aimco stock.

Shared performance metrics across the organization. A portion of STI for all officers and corporate team members is based upon Aimco s performance against its publicly communicated corporate goals, which are core to the long-term strategy of Aimco s business and are reviewed and approved by the Board. One hundred percent of Mr. Considine s STI, and 50% of the STI for the other NEOs, is based upon Aimco s performance against its corporate goals. In addition, having shared performance metrics across the organization is consistent with Aimco s focus on a collegial and collaborative team environment.

LTI based on TSR. A portion of LTI for all officers is based on relative returns. The more senior level the officer, the greater the percentage of LTI that is based on relative returns. One hundred percent of Mr. Considine s LTI, and a substantial proportion of the LTI for the other NEOs, is based on relative returns.

Multiple performance metrics. Aimco had eight corporate goals for 2016. In addition, through Aimco s performance management program, Managing Aimco Performance, or MAP, which sets and monitors performance objectives for every team member, each team member has several different individual performance goals that are set at the beginning of the year and approved by management. Each of the NEOs other than Mr. Considine (whose individual goals were identical to Aimco s corporate goals) had an average of eight individual goals for 2016. Having multiple performance metrics inherently reduces excessive or unnecessary risk-taking, as incentive compensation is spread among a number of metrics rather than concentrated in a few.

Total Compensation for 2016

For 2016, total compensation is the sum of base compensation, STI and LTI.

Base Compensation for 2016

For 2016, Mr. Considine s base compensation was $600,000, and has been unchanged from 2006. For 2016, base compensation for all other NEOs was set between $350,000 and $400,000, near the median base compensation paid by peer comparators for similar positions.

Short-Term Incentive Compensation for 2016

The Committee determined Mr. Considine s STI by the extent to which Aimco met eight designated corporate goals, which are described below and are referred to as Aimco s Key Performance Indicators, or KPI.

For the other NEOs, calculation of STI is determined by the following two components, each representing 50% of the target STI: Aimco s performance against the KPI; and each individual officer s achievement of his or her MAP goals. For example, if an executive s target STI is $400,000, then 50% of that amount, or $200,000, varies based on KPI results and 50% of that amount, or $200,000, varies based on MAP results. If KPI results are 75%, then the executive receives 75% of $200,000 ($150,000) for that portion of his STI, and if MAP results are 100%, then the executive receives 100% of the $200,000, for a total STI payment of $350,000.

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Aimco s KPI reflect Aimco s five strategic areas of focus, as set forth above on page 31. Said another way, Aimco compensates its leadership on exactly the same business strategy communicated to stockholders and analysts. Specifically, Aimco s KPI consisted of the following eight corporate goals that were reviewed with, and approved by, the Committee, each weighted as described.

These goals aligned executive officers with the publicly communicated, long-term goals of the Company without encouraging them to take unnecessary and excessive risks. For most goals, threshold performance paid out at 50%; target performance paid out at 100%; and maximum performance paid out at 200%.

Performance below threshold resulted in no payout. For some goals, where performance was between threshold and target or between target and maximum, the proportion of the award earned was interpolated.

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The following is a tabular presentation of the performance criteria and results for 2016, explained in detail in the paragraphs that follow:

Performance Measures	Goal Weighting	Sub-Goal Weighting	Threshold 50%	Target 100%	Maximum 200%	Actual	Payout
Property Operations	**45%**						
2016 Same Store NOI Achievement	30%		3%<Budget	Budget	3%>Budget	0.12% unfavorable	29.40%
Lease-up of three newly-constructed communities	10%						
Indigo Leased Percentage		*5.0%*	1 Mo.<Budget	Budget	1 Mo.>Budget	Several Mos.>Budget	10.00%
One Canal Leased Percentage		*4.0%*	1 Mo.<Budget	Budget	1 Mo.>Budget	Several Mos.>Budget	8.00%
Vivo Leased Percentage		*1.0%*	1 Mo.<Budget	Budget	1 Mo.>Budget	2 Mos.>Budget	2.00%
Customer Satisfaction Scores	5%		4.00	4.10	4.25	4.18	7.67%
						Property Operations Subtotal:	57.07%
Redevelopment and Development & Portfolio Management	**10%**						
Redevelopment and Development Investment and Returns, and Transactions That Improve Aimco s Portfolio Quality	10%			Based on estimated value creation for the project or acquisition, and completion of projects on time and on budget.		Invested $183M in development and redevelopment projects in 2016. Completed One Canal development, made solid progress on multi-year projects, and started redevelopments at four communities. Projects were on time, on budget. Leasing achieved average rents at or above underwriting. Acquired the limited partner s interest in two consolidated real estate partnerships that own seven low-income housing tax credit communities.	20.00%
						Redevelopment and Development & Portfolio Management Subtotal:	20.00%
Balance Sheet	**5%**						
Leverage Ratios and Balance Sheet	5%			Based on Ratio of		Ratio of Debt and Preferred Equity to Adjusted EBITDA	8.00%

Activities Adding Financial Flexibility			Debt and Preferred Equity to Adjusted EBITDA, and balance sheet activities that add financial flexibility		for 2016 was 6.7x, down from 6.8x for 2015. Restructured bank line, extending its maturity and lowering borrowing costs. Lowered weighted average cost of debt capital by closing $394M of fixed-rate, amortizing property loans that have a weighted average term to maturity of 9.4 years and a blended interest rate of 3.19%.	
					Balance Sheet Subtotal:	8.00%
Business and Culture	**10%**					
Team Member Engagement Scores	5%	4.00	4.25	4.75	4.19	4.40%
On-Site Team Engagement, Retention and Efficiency	5%		Based on On-Site Team Engagement Scores, Team Member Retention Ratios, and Efficiency Gains		Implemented efficiencies in leasing offices and maintained prior year levels of team member retention. On-site team member engagement for 2016 was 4.18.	6.00%
					Business and Culture Subtotal:	10.40%
Financial Results	**30%**					
AFFO Per Share	30%	$1.90	$2.00	$2.10	$1.98[1]	27.00%
					Financial Results Subtotal:	27.00%
Total	**100%**					**122.47%**

[1] Full year AFFO as reported in Aimco s Fourth Quarter 2016 Earnings Release dated February 2, 2017, was $1.97 per share, or $0.01 lower. There are a very limited number of items that are unusual, infrequent, or otherwise deemed by management and the Committee to be appropriate to exclude from the calculation of AFFO for purposes of Aimco s compensation plan, in order to neither unjustly reward nor unjustly penalize participants. The additions and subtractions to reported AFFO are reviewed and approved by the Committee. For 2016, this process resulted in a net upward adjustment of $0.01 to reported AFFO.

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For all numeric goals, the target performance metrics were Aimco s 2016 budget goals. Aimco has a rigorous budgeting process that includes an evaluation of prior performance, market data, and peer performance. Aimco s budget strategy is to set ambitious, achievable goals. Aimco s 2016 performance which included conventional Same Store revenue and NOI growth of 4.7% and 6.2%, respectively, and 17.3% TSR is a reflection of Aimco s effective and successful budgeting strategy.

An explanation of the objective of each goal and performance levels and payouts for each goal is set forth in the paragraphs below.

Same Store NOI Achievement (30% of KPI). The primary objective of this goal was to fulfill Aimco s strategic objective of producing above-average operating results through focus on customer satisfaction, resident retention, and superior cost control. For 2016, the range for the Same Store NOI achievement goal was as follows: Threshold equated to achievement of three percent unfavorable to 2016 budgeted Same Store NOI; Target equated to achievement of 2016 budgeted Same Store NOI; and Maximum equated to three percent favorable to 2016 budgeted Same Store NOI. Aimco s Same Store NOI achievement for 2016 was 0.12% unfavorable to budgeted Same Store NOI. This resulted in a payout on the Same Store NOI achievement goal of 29.40% for each of the NEOs.

Lease-Up of Three Newly Constructed Communities (10% of KPI). The primary objective of this goal was to achieve underwritten leasing pace for the lease-ups of Vivo, One Canal, and Indigo. For 2016, the range for the lease-up goal was as follows: Threshold equated to leased percentage one month or less behind the budgeted leased percentage; Target equated to leased percentage at the budgeted leased percentage; and Maximum equated to leased percentage one month or more ahead of budget. For 2016, Aimco completed the lease-up of Vivo two months ahead of budget, and completed the year several months ahead of budget for the lease-ups of both One Canal and Indigo, as discussed in more detail on page 32. This resulted in a payout on the lease-up goal of 20.00% for each of the NEOs.

Customer Satisfaction Scores (5% of KPI). The primary objective of this goal was to enhance customer satisfaction, a key component of Aimco s strategic objective of producing above-average operating results. Aimco customers are surveyed at several touch points in the customer lifecycle through Aimco s partnership with a third-party company that administers customer surveys on behalf of many companies in the real estate industry. Aimco s customer satisfaction score for the full year consisted of the average score across all surveys covering six different touch points for overall satisfaction, on a scale of 1 to 5. For 2016, the range for the resident satisfaction scores goal was as follows: Threshold equated to a 4.00; Target equated to a 4.10; and Maximum equated to a 4.25. These ranges were set higher for 2016 than for 2015, during which Threshold, Target, and Maximum equated to a 3.95, a 4.0, and a 4.10, respectively. Fo 2016, Aimco s customer satisfaction score, from approximately 85,000 survey responses, was 4.18, resulting in a payout of 7.67% for each of the NEOs.

Redevelopment and Development Investment and Returns, and Transactions That Improve Aimco s Portfolio Quality (10% of KPI). The primary objective of this goal was to fulfill Aimco s strategic objectives for redevelopment and development and for portfolio management, two of Aimco s five areas of strategic focus. Large and/or complex redevelopment and development projects provided increased weighting toward the total goal weighting of 10%, with smaller scale projects provided lower weighting toward the total goal weighting. Achievement for each project was determined with reference to the 2016 budgeted investment and scope for the project, and was based on the extent to which the project work was completed on time and within budget, as well as expected returns on investment. For 2016, Aimco completed the development of One Canal, made solid progress on its multi-year redevelopment projects, and started redevelopments at four communities. The project work was on time and within budget. Leasing in 2016 achieved average rents at or above underwriting. Additionally, Aimco acquired the limited partner s interest in two consolidated real estate partnerships that own seven low-income housing tax credit communities. With these acquisitions, Aimco now controls the real estate and entity decisions. This resulted in a payout of 20.00% for each of the NEOs.

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Leverage Ratios and Other Balance Sheet Activities Adding Financial Flexibility (5% of KPI). The primary objective of this goal was to fulfill Aimco s strategic objective of maintaining a safe, flexible balance sheet with abundant liquidity and the capacity to take advantage of opportunities created by a future real estate down-cycle. Achievement was based on the ratio of Debt and Preferred Equity to Adjusted EBITDA and balance sheet activities that added financial flexibility. Aimco s ratio of Debt and Preferred Equity to Adjusted EBITDA for 2016 was 6.7x, down from 6.8x for 2015. Additionally, Aimco amended its $600 million revolving credit facility, extending its maturity to January 2022. Borrowings under the credit agreement will bear interest at LIBOR plus 1.20%, a savings of 15 basis points from the prior facility. Aimco lowered its weighted average cost of debt capital by closing $394 million of fixed-rate, amortizing property loans that have a weighted average term to maturity of 9.4 years and a blended interest rate of 3.19%. Aimco also took advantage of the favorable interest rate environment and put refunding plans in place for $89 million of its 2017 property debt maturities. This resulted in a payout on the balance sheet goal of 8.00% for each of the NEOs.

AFFO Per Share (30% of KPI). The primary objective of the AFFO goal was to increase Aimco s current period performance. Funds from Operations (FFO) is a commonly used measure of REIT performance, which the National Association of Real Estate Investment Trusts (NAREIT) defines as net income, computed in accordance with GAAP, excluding gains from sales of, and impairment losses recognized with respect to, depreciable property, plus depreciation and amortization, and after adjustments for unconsolidated partnerships and joint ventures. Aimco computes FFO in accordance with the guidance set forth by NAREIT. Pro forma FFO represents FFO as defined above, excluding preferred equity redemption related amounts (adjusted for non-controlling interests). Preferred equity redemption related amounts (gains or losses) are items that periodically affect net income attributable to Aimco common stockholders computed in accordance with GAAP. Aimco excludes preferred equity redemption related amounts (gains or losses) from its computation of Pro forma FFO because such amounts are not representative of operating performance. AFFO represents Pro forma FFO reduced by capital replacements (also adjusted for non-controlling interests) and is Aimco s primary measure of current period performance.

For 2016, the range for the AFFO goal was as follows: Threshold equated to $1.90 per share; Target equated to $2.00 per share, the 2016 budgeted amount; and Maximum equated to $2.10 per share. Aimco s AFFO was $1.98 per share.[2] This resulted in a payout on the AFFO per share goal of 27.00% for each of the NEOs.

Team Member Engagement Scores (5% of KPI). The primary objective of this goal was to maintain a highly engaged, satisfied workforce, which drives stronger results across all of Aimco s areas of strategic focus. Every team member is surveyed via a third-party, confidential survey on his or her annual anniversary of employment. The team member engagement score consists of the average of the responses to the questions that comprise the engagement index for all team members who complete the survey during the year. For 2016, the range for team member engagement scores was as follows: Threshold equated to 4.00; Target equated to 4.25; and Maximum equated to 4.75. These ranges were se higher for 2016 than for 2015, during which Threshold, Target, and Maximum equated to 3.50, 4.00, and 4.50 respectively. For 2016, Aimco s team member engagement score was 4.19, resulting in a payout of 4.40% for each of the NEOs.

On-Site Team Engagement, Retention, and Efficiency (5% of KPI). The primary objective of this goal was to maintain a highly engaged, stable workforce at our communities, enhanced by innovations in efficiency, all of which further Aimco s strategic objective of producing above-average operating results. Achievement was based on on-site team engagement scores, team member retention ratios, and efficiency gains. Aimco implemented a number of efficiencies in its leasing offices in 2016, while maintaining prior year levels of on-site team member retention. On-site team member engagement remained steady at 4.18. This resulted in a payout on the on-site engagement, retention, and efficiency goal of 6.00% for each of the NEOs.

[2] See Footnote 1.

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Due to Aimco s outperformance on multiple goals, Aimco s overall KPI performance was 122.47%. Accordingly, each executive officer was awarded 122.47% of the portion of his or her target STI attributable to KPI.

Long-Term Incentive Compensation Awards for 2016

Under the 2016 LTI program, 100% of the LTI award for the CEO, and two-thirds of the LTI awards for the other NEOs, are performance based, or at risk, and measured on a forward looking, three-year performance period. The remaining one-third of the LTI awards granted to the other NEOs in 2016 are time-based, with grants vesting 25% on each anniversary of the grant date.

The relative metrics under the performance-based LTI awards granted in 2016 are as follows:

	Metric and Performance Level(1) (relative performance stated as basis points above or below index performance)(2)		
	Threshold	**Target**	**Maximum**
Relative to NAREIT Apartment Index	-250 bps	+50 bps	+400 bps
Relative to MSCI US REIT Index	-350 bps	+50 bps	+500 bps

(1) The relative metrics above reflect the metrics used for the awards made in 2016 for the performance period ending on December 31, 2018.

(2) If absolute TSR were negative, any portion of the LTI award achieved above target would not begin vesting until absolute TSR is once again positive.

Threshold performance will pay out at 50%; target performance will pay out at 100%; and maximum performance will pay out at 200%. Performance below threshold will result in no payout. The performance-based portion of the LTI awards for Messrs. Considine, Beldin and Kimmel and Ms. Cohn (i.e., the entire LTI award in the case of Mr. Considine, and two-thirds of the LTI award in the case of Messrs. Beldin and Kimmel and Ms. Cohn) will be determined solely according to the relative TSR metrics set forth above. Mr. Considine determined that Mr. Bezzant s 2016 LTI would have two components. Fifty percent of the performance-based portion of Mr. Bezzant s LTI, or one-third of the overall award, will be determined according to the relative TSR metrics set forth above. Fifty percent of the performance-based portion of Mr. Bezzant s LTI, or another one-third of the overall award, will be determined according to development objectives.

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The LTI awards made in 2016 have a forward looking, three-year performance period, with grants vesting 50% following the end of the three-year performance period (based on attainment of TSR targets or, in the case of Mr. Bezzant, TSR targets and development objectives), and 50% one year later, for a four-year plan from start to finish, illustrated below.

LTI awards for 2016 were granted on January 26, 2016, in the form of restricted stock and stock options. The share award agreements to which the performance-based restricted shares were granted do not provide for the payment of dividends until the shares are earned. Dividends accrue during the performance period and are paid on earned shares at the time of vesting.

For the purpose of calculating the number of shares of restricted stock to be granted, the dollar amount allocated to restricted stock was divided by $37.61 per share, which was the average of the closing trading prices of Aimco s Common Stock on the five trading days up to and including the grant date. The five-day average was used to mute the effect of any single day spikes or declines. For the purpose of calculating the number of shares subject to the stock options to be granted, the dollars allocated to stock options were divided by $9.94, which price was calculated by a third party financial firm with particular expertise in the valuation of options. The stock options have an exercise price of $38.73, which is equal to the fair market value of Aimco s Common Stock on January 26, 2016 (pursuant to the 2015 Plan, fair market value is defined as the closing price of Aimco s Common Stock on the grant date).

NEO Compensation for 2016

CEO Compensation. Mr. Considine s STI for 2016 was based entirely on Aimco s performance against the eight designated corporate goals. Mr. Considine s STI was calculated by multiplying his STI target of $1.20 million by 122.47%, which was the Committee s payout determination having reviewed Aimco s overall performance on the eight corporate goals. Mr. Considine s LTI was granted in the form of restricted stock and stock options on January 26, 2016, for the three-year performance period from January 1, 2016, through December 31, 2018, and is entirely at risk, based on relative returns over the performance period. Mr. Considine s 2016 target compensation and incentive compensation is summarized as follows:

		Target Total Incentive Compensation		2016 Incentive Compensation			
				STI	LTI		
Target Total Compensation ($)	Paid Base ($)	STI ($)	LTI ($)	($)(1)	Time-Based Equity ($)	Performance-Based Equity Restricted Stock ($) (2)	Performance-Based Equity Stock Options ($) (2)
5,625,000	600,000	1,200,000	3,825,000	1,469,640		1,912,500	1,912,500

(1) Amount shown reflects the amount of 2016 STI paid to Mr. Considine.
(2) Amount shown reflects a 100% payout resulting from achieving target performance. Actual payout will be in a range of 0% to 200% of this amount depending on performance results over the forward looking, three-year performance period ending December 31, 2018. The number of shares that vest, if any, will vest 50% following

the end of the three-year performance period and 50% one year later, for a four-year vesting period.

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Other NEO Compensation. As noted above, for Messrs. Beldin, Bezzant and Kimmel and Ms. Cohn, an allocation of the target STI was made as follows: 50% of the target STI was calculated based on Aimco s performance against the KPI and 50% of the target STI was calculated based on each executive s achievement of his or her individual MAP goals. As noted above, Aimco s KPI performance was 122.47%. Accordingly, each executive officer was awarded 122.47% of the portion of his or her STI attributable to KPI (*i.e.*, 50% of the target STI amount shown below).

In determining the MAP achievement component of 2016 STI, Mr. Considine determined that: Mr. Beldin s MAP achievement would be paid at 150% for his contributions to finance, accounting, and tax, and to Aimco s balance sheet; Ms. Cohn s MAP achievement would be paid at 150% for her leadership over legal matters, insurance, risk management, asset quality and service, commercial/ancillary income, compliance, and human resources; Mr. Bezzant s MAP achievement would be paid at 117% for his contributions to Aimco s portfolio management, and particularly, acquisitions and dispositions; and Mr. Kimmel s MAP achievement would be paid at 293% for his contributions to Aimco s operating results, including significant outperformance on lease-ups. The Committee reviewed Mr. Considine s determinations. As described in detail beginning on page 43 above, LTI for the NEOs was granted on January 26, 2016, in the form of restricted stock and/or stock options. Target compensation and incentive compensation for 2016 for the other NEOs is summarized as follows:

			Target Total Incentive Compensation		2016 Incentive Compensation ($)			
					STI	LTI		
	Target Total Compensation	Paid Base ($)	STI ($)	LTI ($)	($)(1)	Time-Based Equity ($) (2)	Performance Based Restricted Stock ($) (3)	Performance Based Equity Stock Options ($)
Mr. Beldin	1,300,000	350,000	350,000	600,000	476,823	200,000	310,000	90,000
Mr. Bezzant	1,500,000	400,000	400,000	700,000	710,660	233,333	396,667	70,000
Ms. Cohn	1,650,000	400,000	500,000	750,000	681,175	250,000	500,000	
Mr. Kimmel	1,400,000	350,000	325,000	725,000	674,818	241,667	410,833	72,500

(1) Amount shown reflects the amount of 2016 STI paid to each of Messrs. Beldin and Kimmel and Ms. Cohn. For Mr. Bezzant, the amount shown includes $478,940 representing 2016 STI and $231,720 representing a payout in 2016 pursuant to the portion of his 2015 STI bonus that was contingent upon the closing of an acquisition.

(2) Comprises one-third of the LTI target, vesting ratably over four years, and is for the purpose of attracting and retaining key talent integral to the success of Aimco.

(3) Comprises two-thirds of the LTI target. Amounts shown reflect a 100% payout of the performance-based shares resulting from achieving target performance. Actual payouts will be in a range of 0% to 200% of these amounts, depending on performance results for the three-year performance period from January 1, 2016, through December 31, 2018.

Other Compensation

From time to time, Aimco determines to provide executive officers with additional compensation in the form of discretionary cash or equity awards. Aimco did not provide any such awards to the NEOs in 2016.

Post-Employment Compensation and Severance Arrangements

401(k)

Aimco provides a 401(k) plan that is offered to all Aimco team members. In 2016, Aimco matched 25% of participant contributions to the extent of the first 4% of the participant s eligible compensation. For 2016, the maximum match by Aimco was $2,650, which was the amount that Aimco matched for each of Messrs. Considine, Beldin, Bezzant and Kimmel and Ms. Cohn s 2016 401(k) contributions. Aimco provided an additional discretionary match in the amount of $1,000 to all team members in 2017 for Aimco s achievement of greater than 115% on its 2016 corporate goals. Aimco s prior year discretionary match was $650.

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Other than the 401(k) plan, Aimco does not provide post-employment benefits. Aimco does not have a pension plan, a Supplemental Executive Retirement Plan or any other similar arrangements.

Executive Severance Arrangements

Aimco has an executive severance policy that provides that Aimco shall seek stockholder approval or ratification of any future severance agreement for any senior executive officer that provides for benefits, such as lump-sum or future periodic cash payments or new equity awards, in an amount in excess of 2.99 times such executive officer s base salary and bonus. Compensation and benefits earned through the termination date, the value of vesting or payment of any equity awards outstanding prior to the termination date, pro rata vesting of any other long-term awards, or benefits provided under plans, programs or arrangements that are applicable to one or more groups of employees in addition to senior executives are not subject to the policy. It has been Aimco s longstanding practice not to enter into agreements with senior executives to provide excessive severance arrangements.

Executive Employment Arrangements

On July 29, 1994, as required in connection with Aimco s initial public offering, Aimco entered into an employment agreement with Mr. Considine. On December 29, 2008, Aimco entered into an employment agreement with Mr. Considine to replace his 1994 employment agreement and the 2002 non-competition and non-solicitation agreement between Mr. Considine and Aimco. The 2008 employment agreement was entered into to reflect current practice and update Aimco s agreement with Mr. Considine, which had not been formally revised since the Company s initial public offering in 1994, and to make the compensation arrangements compliant with certain Internal Revenue Service requirements, primarily Section 409A of the Code, which required documentary compliance by December 31, 2008. In connection with the execution of the employment agreement, Mr. Considine did not receive any additional equity awards or signing bonus. The Committee evaluated the terms of Mr. Considine s employment agreement in comparison to those of the CEOs of Aimco s peers and other comparable companies.

The 2008 employment agreement was for an initial five-year term, with automatic renewal for successive one-year terms until the year in which Mr. Considine reaches age 70, or 2017. The 2008 employment agreement eliminated the evergreen term in the prior employment agreement.

Mr. Considine s employment agreement provides for a base pay of not less than $600,000, subject to future increase. Mr. Considine also continues to be eligible to participate in Aimco s performance-based incentive compensation plan with a target total incentive compensation amount of not less than $3.9 million, which may be paid in cash or in equity. For 2016, Mr. Considine s target incentive opportunity was set at $5.025 million.

The employment agreement provides severance payments to Mr. Considine upon his termination of employment by Aimco without cause, by Mr. Considine for good reason and upon a termination for reason of disability.

Mr. Considine is not entitled to any additional or special payments upon the occurrence of a change in control. Mr. Considine s walk right under the 1994 employment agreement (that is, his right to severance payments upon his terminating employment with the Company within two years following a change in control) was eliminated. The definition of change in control was also narrowed to increase the required percentage of change in ownership and to require the occurrence of the applicable change in control event, rather than just stockholder approval of such event.

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Upon termination of his employment by Aimco without cause, by Mr. Considine for good reason, or upon a termination for reason of disability, Mr. Considine is generally entitled to (a) a lump sum cash payment equal to two times the sum of base salary at the time of termination and $1.65 million, subject to certain reductions, including a reduction of the sum by 1/24 for each complete month of employment following his attainment of age 68, (b) any STI earned but unpaid for a prior fiscal year, (c) a pro-rata portion of a $1.65 million STI amount for the fiscal year in which the termination occurs, and (d) immediate full acceleration of any outstanding unvested stock options and equity awards with certain limitations on the term thereof.

In the event of Mr. Considine s death, the Company will pay or provide to Mr. Considine s estate any earned but unpaid base salary and vested accrued benefits and any STI earned but unpaid for a prior fiscal year, and all equity-based and other LTI awards granted to Mr. Considine will become immediately fully vested and payable, as applicable, and all outstanding stock option awards will remain exercisable subject to certain limitations on the term thereof.

Under the employment agreement, in the event payments to Mr. Considine are subject to the excise tax imposed by Section 4999 of the Code, Mr. Considine is entitled to receive a limited gross-up payment, subject to a maximum of $5 million. If covered payments are less than 10% over the permitted limit, Mr. Considine is required to reduce his payments to avoid triggering a gross-up payment. At the time the employment agreement was entered into, the limited gross-up payment was intended to balance the interests of Aimco s stockholders, eliminate the incentive for the early exercise of stock options and reflect competitive practice.

The employment agreement also contains customary confidentiality provisions, a limited mutual non-disparagement provision, and non-competition, non-solicitation and no-hire provisions.

None of Messrs. Beldin, Bezzant, or Kimmel or Ms. Cohn has an employment agreement or severance arrangement.

The restricted stock and/or stock option agreements pursuant to which restricted stock and/or stock option awards have been made to Messrs. Considine, Beldin, Bezzant, Kimmel and Ms. Cohn provide that, upon a change in control, all outstanding shares of restricted stock shall not become immediately and fully vested and all unvested stock options shall not become immediately and fully vested and remain exercisable (along with all options already vested) for the remainder of the term of the option unless there is also a subsequent qualifying termination of employment of the executive officer.

Other Benefits; Perquisite Philosophy

Aimco s executive officer benefit programs are substantially the same as for all other eligible officers and employees. Aimco does not provide executives with more than minimal perquisites, such as reserved parking places.

Stock Ownership Guidelines and Required Holding Periods After Vesting

Aimco believes that it is in the best interest of Aimco s stockholders for Aimco s executive officers to own Aimco stock. Every year, the Committee and Mr. Considine review Aimco s stock ownership guidelines, each executive officer s holdings in light of the stock ownership guidelines, and each executive officer s accumulated realized and unrealized stock option and restricted stock gains.

Equity ownership guidelines for all executive officers are determined as a minimum of the lesser of a multiple of the executive s base salary or a fixed number of shares. The Committee and management have established the following stock ownership guidelines for Aimco s executive officers:

Officer Position	Ownership Target
Chief Executive Officer	Lesser of 5x base salary or 150,000 shares
Chief Financial Officer	Lesser of 5x base salary or 75,000 shares
Other Executive Vice Presidents	Lesser of 4x base salary or 25,000 shares

Any executive who has not satisfied the stock ownership guidelines must, until the stock ownership guidelines are satisfied, hold 50% of after tax shares of restricted stock for at least three years from the date of vesting, and hold 50% of shares acquired upon option exercises (50% calculated after exercise price plus taxes) for at least three years from the date of exercise.

Each of Messrs. Considine, Bezzant and Kimmel and Ms. Cohn exceed the ownership targets established in Aimco s stock ownership guidelines. Mr. Beldin, promoted to Chief Financial Officer on September 14, 2015, does not yet meet the ownership targets, with holdings of 40,422 shares. Mr. Beldin held approximately 23,000 shares at the time of his election to executive officer, and is expected to be in compliance by 2018.

Role of Outside Consultants

The Committee has the authority under its charter to engage the services of outside advisors, experts and others to assist the Committee. In 2016, the Committee engaged Board Advisory as its independent compensation consultant. At the direction of the Committee, Board Advisory coordinated and consulted with Ms. Cohn and Ms. Johnson regarding executive compensation matters. Board Advisory provided the Committee with an independent view of both market data and plan design. Aimco management has engaged FPL Associates, L.P. (FPL) to review Aimco s executive compensation plan. Neither Board Advisory nor FPL provided other services to the Company. The Committee has assessed the independence of Board Advisory and FPL pursuant to SEC rules and has concluded that there are no conflicts of interest.

Base Salary, Incentive Compensation, and Equity Grant Practices

Base salary adjustments typically take effect on January 1. The Committee (for Mr. Considine), and Mr. Considine, in consultation with the Committee (for the other executive officers), determine incentive compensation in late January or early February. STI is typically paid in February or March. LTI is granted on a date determined by the Committee, typically in late January or in February.

Aimco grants equity in three scenarios: in connection with incentive compensation, as discussed above; in connection with certain new-hire or promotion packages; and for purposes of retention.

With respect to LTI, the Committee sets the grant date for the restricted stock and stock option grants. The Committee sets grant dates at the time of its final compensation determination, generally in late January or in February. The date of determination and date of award are not selected based on share price. In the case of new-hire packages that include equity awards, grants are made on the employee s start date or on a date designated in advance based on the passage of a specific number of days after the employee s start date. For non-executive officers, as provided for in the 2015 Plan, the Committee has delegated the authority to make equity awards, up to certain limits, to the Chief Financial Officer (Mr. Beldin) and/or Corporate Secretary (Ms. Cohn). The Committee and Mr. Beldin and Ms. Cohn time grants without regard to the share price or the timing of the release of material non-public information and do not time grants for the purpose of affecting the value of executive compensation.

2017 Compensation Targets

Based on comparison to compensation paid to CEOs at Aimco s peers, the Committee set Mr. Considine s target total compensation (base compensation, STI and LTI) for 2017 at $6.125 million. Mr. Considine set target total compensation (base compensation, STI and LTI) for 2017 for the other NEOs as follows: Mr. Beldin $1.55 million; Mr. Bezzant $1.03 million; Ms. Cohn $1.9 million; and Mr. Kimmel $1.45 million. Aimco performance will determine the amounts paid for 2017 STI and the portion of LTI awards that vest, and such amounts may be less than, or in excess of, these target amounts. STI will be paid in cash, and LTI was granted in January 2017 in the form of restricted stock, Long Term Incentive Plan units and/or stock options.

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COMPENSATION AND HUMAN RESOURCES COMMITTEE REPORT TO STOCKHOLDERS

The Compensation and Human Resources Committee held five meetings during fiscal year 2016. The Compensation and Human Resources Committee has reviewed and discussed the Compensation Discussion & Analysis with management. Based upon such review, the related discussions and such other matters deemed relevant and appropriate by the Compensation and Human Resources Committee, the Compensation and Human Resources Committee has recommended to the Board that the Compensation Discussion & Analysis be included in this Proxy Statement to be delivered to stockholders.

Date: February 22, 2017

THOMAS L. KELTNER (CHAIRMAN)

J. LANDIS MARTIN

ROBERT A. MILLER

KATHLEEN M. NELSON

MICHAEL A. STEIN

NINA A. TRAN

The above report will not be deemed to be incorporated by reference into any filing by Aimco under the Securities Act of 1933, as amended, or the Securities Exchange Act of 1934, as amended, except to the extent that Aimco specifically incorporates the same by reference.

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SUMMARY COMPENSATION TABLE

The table below summarizes the compensation attributable to the principal executive officer, principal financial officer, and the three other most highly compensated executives in 2016, for the years 2016, 2015 and 2014.

Name and Principal Position	Year	Salary ($)	Bonus ($)	Stock Awards ($)(1)	Option Awards ($)(2)	Non-Equity Incentive Plan Compensation ($)(3)	All Other Compensation ($)(4)	Total ($)
Terry Considine Chairman of the Board of Directors, President and Chief Executive Officer	2016	600,000		2,013,191(5)	1,912,506(5)	1,469,640	3,650	5,998,987
	2015	600,000		5,104,785(6)	1,662,554(6)	1,566,600	3,835	8,937,774
	2014	600,000		2,342,345		1,339,485	2,600	4,284,430
Paul Beldin Executive Vice President and Chief Financial Officer	2016	350,000		809,264(7)	90,007(7)	476,823	3,650	1,729,744
	2015	273,565		131,520		292,721	3,835	701,641
John Bezzant Executive Vice President and Chief Investment Officer	2016	400,000		588,503(8)	70,007(8)	901,473	3,650	1,963,633
	2015	400,000	150,000(9)	854,901(10)		703,663	3,835	2,111,749
	2014	350,000		164,397		518,123	2,600	1,035,120
Lisa R. Cohn Executive Vice	2016	400,000		783,826(11)		681,175	3,650	1,868,651

President, General Counsel and Secretary							
	2015	400,000	1,337,931(12)		561,100	3,835	2,302,866
	2014	375,000	431,508		433,309	2,600	1,242,417
Keith Kimmel Executive Vice President of Property Operations	2016	350,000	681,360(13)	72,502(13)	674,818	3,650	1,782,330
	2015	325,000	754,765(14)		350,688	3,835	1,434,288
	2014	300,000	341,114		276,081	2,600	919,795

(1) This column represents the aggregate grant date fair value of stock awards in the year granted computed in accordance with FASB ASC Topic 718. Except as otherwise noted, the amounts shown for compensation year 2014 are attributable to LTI in respect of compensation year 2013. Except as otherwise noted, the amounts shown for compensation year 2015 are attributable to LTI in respect of both compensation years 2014 and 2015, due to Aimco s transition in 2015 from a backward looking LTI plan to a forward looking LTI plan. For additional information on the valuation assumptions with respect to the grants reflected in this column for 2016, refer to the Share-Based Compensation footnote to Aimco s consolidated financial statements in its Annual Report on Form 10-K for the year ended December 31, 2016.

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(2) This column represents the aggregate grant date fair value of the option awards in the year granted computed in accordance with FASB ASC Topic 718. The amount shown for compensation year 2015 is attributable to compensation year 2014. For additional information on the valuation assumptions with respect to the grants reflected in this column for 2016, refer to the Share-Based Compensation footnote to Aimco s consolidated financial statements in its Annual Report on Form 10-K for the year ended December 31, 2016.

(3) For 2016, the amounts in this column for Messrs. Considine, Beldin and Kimmel and Ms. Cohn represent the 2016 STI amounts that were paid on February 28, 2017. For Mr. Bezzant, the amount shown includes $478,940 representing the STI bonus that was paid to him on February 28, 2017; $231,720 representing a payout in 2016 pursuant to the portion of his 2015 STI bonus that was contingent upon the closing of an acquisition; and $190,813 representing payouts in 2016 pursuant to prior year long-term cash grants.

(4) Represents discretionary matching contributions under Aimco s 401(k) plan.

(5) Equity awards for Mr. Considine in 2016 include a 2016 LTI award consisting of 50,851 shares of performance-based restricted stock and a performance-based non-qualified stock option to purchase 192,405 shares for the forward looking, three-year performance period from January 1, 2016, through December 31, 2018, with the number of shares that vest, if any, vesting 50% following the end of the three-year performance period and 50% one year later. The value of the performance-based restricted stock award of $39.59 per share was calculated by a third-party consultant using a Monte Carlo valuation model. The option has a term of ten years and was valued at $9.94 per underlying share, based on a calculation by a third-party consultant using a Monte Carlo valuation model. The value of the performance-based awards, if earned at maximum and valued at the closing price of our Common Stock on the NYSE on the date of grant, is $7,763,920.

(6) Equity awards for Mr. Considine in 2015 include the following: (i) an LTI award that was granted in 2015 based on 2014 performance, 50% of which was awarded in time-based restricted stock and 50% of which was awarded in stock options, consisting of 43,083 shares of restricted stock, vesting 25% on each anniversary of the grant date and a non-qualified stock option to acquire 238,530 shares; and (ii) 86,163 shares of performance-based restricted stock for the forward looking, three-year performance period from January 1, 2015, through December 31, 2017, with the number of shares that vest, if any, vesting 50% following the end of the three-year performance period and 50% one year later.

(7) Equity awards for Mr. Beldin in 2016 include the following: (i) a 2015 LTI award that was granted in 2016 based on 2015 performance pursuant to the backward looking LTI plan that governs LTI awards for officers below the executive officer level as this plan had applied to Mr. Beldin prior to his promotion to CFO in September 2015, consisting of 7,151 shares of time-based restricted stock, vesting 25% on each anniversary of the grant date; (ii) a 2016 LTI award consisting of 5,318 shares of time-based restricted stock, vesting 25% on each anniversary of the grant date; (iii) a 2016 LTI award consisting of 8,243 shares of performance-based restricted stock for the forward looking, three-year performance period from January 1, 2016, through December 31, 2018, with the number of shares that vest, if any, vesting 50% following the end of the three-year performance period and 50% one year later; and (iv) a 2016 LTI award consisting of a performance-based non-qualified stock option to purchase 9,055 shares for the forward looking, three-year performance period from January 1, 2016, through December 31, 2018, with the number of shares that vest, if any, vesting 50% following the end of the three-year

performance period and 50% one year later. The value of the time-based restricted stock awards is based solely on the closing price of our Common Stock on the NYSE on the date of grant. The value of the performance-based restricted stock award of $39.59 per share was calculated by a third-party consultant using a Monte Carlo valuation model. The option has a term of ten years and was valued at $9.94 per underlying share, based on a calculation by a third-party consultant using a Monte Carlo valuation model. The value of the performance-based awards, if earned at maximum and valued at the closing price of our Common Stock on the NYSE on the date of grant, is $818,468.

(8) Equity awards for Mr. Bezzant in 2016 include the following: (i) a 2016 LTI award consisting of 6,205 shares of time-based restricted stock, vesting 25% on each anniversary of the grant date; (ii) a 2016 LTI

award consisting of 4,343 shares of performance-based restricted stock based on relative TSR performance for the forward looking, three-year performance period from January 1, 2016, through December 31, 2018, with the number of shares that vest, if any, vesting 50% following the end of the three-year performance period and 50% one year later; (iii) a 2016 LTI award consisting of 6,205 shares of performance-based restricted stock based on the achievement of development objectives for the forward looking, three-year performance period from January 1, 2016, through December 31, 2018, with the number of shares that vest, if any, vesting 50% following the end of the three-year performance period and 50% one year later; (iv) a 2016 LTI award consisting of a performance-based non-qualified stock option to purchase 7,043 shares based on relative TSR performance for the forward looking, three-year performance period from January 1, 2016, through December 31, 2018, with the number of shares that vest, if any, vesting 50% following the end of the three-year performance period and 50% one year later; and (v) a portion of the 2015 LTI award relating to acquisition and development objectives for the 2016 performance year, consisting of 2,419 shares of performance-based restricted stock that may be earned based on the achievement of such objectives, with the number of shares that vest, if any, vesting 50% on the later of the third anniversary of the grant date and the date performance is determined (but no later than March 15, 2018) and 50% on the fourth anniversary of the grant date. The value of the time-based restricted stock award is based solely on the closing price of our Common Stock on the NYSE on the date of grant. The value of the 2016 performance-based restricted stock award based on relative TSR performance of $39.59 per share was calculated by a third-party consultant using a Monte Carlo valuation model. The value of the 2016 performance-based restricted stock award based on the achievement of development objectives is based on the probable outcome of the performance conditions determined in accordance with ASC Topic 718, or one-third of the award calculated at target (i.e., 2,069 shares) multiplied by the closing price of our Common Stock on the NYSE on the date of grant. The option has a term of ten years and was valued at $9.94 per underlying share, based on a calculation by a third-party consultant using a Monte Carlo valuation model. The value of the portion of the 2015 LTI award relating to development objectives for the 2016 performance year is based on the probable outcome of the performance conditions determined in accordance with ASC Topic 718, calculated at target (i.e., 2419 shares) multiplied by the closing price of our Common Stock on the NYSE on the date of grant. The aggregate value of the performance-based awards, if earned at maximum and valued at the closing price of our Common Stock on the NYSE on the date of grant, is $824,054.

(9) On January 26, 2015, Mr. Considine awarded Mr. Bezzant a discretionary cash award in the amount of $150,000 for Mr. Bezzant s significant contributions to improving Aimco s portfolio.

(10) Stock awards for Mr. Bezzant in 2015 included the following: (i) a 2014 LTI award that was granted in 2015 based on 2014 performance consisting of 6,047 shares of time-based restricted stock, vesting 25% on each anniversary of the grant date; (ii) a 2015 LTI award consisting of 3,628 shares of time-based restricted stock, vesting 25% on each anniversary of the grant date; (iii) a 2015 LTI award consisting of 7,256 shares of performance-based restricted stock based on relative TSR performance for the forward looking, three-year performance period from January 1, 2015, through December 31, 2017, with the number of shares that vest, if any, vesting 50% following the end of the three-year performance period and 50% one year later; and (iv) 7,256 shares of performance-based restricted stock based on the achievement of acquisitions and development objectives for the forward looking, three-year performance period from January 1, 2015, through December 31, 2017, with the number of shares that vest, if any, vesting 50% following the end of the three-year performance period and 50% one year later (with the portion of such award relating to acquisitions and development objectives for the 2015 performance year being reported in 2015 when the Committee established such objectives).

(11) Stock awards for Ms. Cohn in 2016 include a 2016 LTI award consisting of the following: (i) 6,648 shares of time-based restricted stock, vesting 25% on each anniversary of the grant date; and (ii) 13,295 shares of performance-based restricted stock for the forward looking, three-year performance period from January 1, 2016, through December 31, 2018, with the number of shares that vest, if any, vesting 50% following the end of the three-year performance period and 50% one year later. The value of the time-based restricted stock award is based solely on the closing price of our Common Stock on the NYSE on the date of grant.

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The value of the performance-based restricted stock award of $39.59 per share was calculated by a third-party consultant using a Monte Carlo valuation model. The value of the performance-based award, if earned at maximum and valued at the closing price of our Common Stock on the NYSE on the date of grant, is $1,029,792.

(12) Stock awards for Ms. Cohn in 2015 included the following: (i) a 2014 LTI award that was granted in 2015 based on 2014 performance, consisting of 15,873 shares of time-based restricted stock, vesting 25% on each anniversary of the grant date; (ii) a 2015 LTI award consisting of 3,628 shares of time-based restricted stock, vesting 25% on each anniversary of the grant date; and (iii) a 2015 LTI award consisting of 14,512 shares of performance-based restricted stock for the forward looking, three-year performance period from January 1, 2015, through December 31, 2017, with the number of shares that vest, if any, vesting 50% following the end of the three-year performance period and 50% one year later.

(13) Equity awards for Mr. Kimmel in 2016 include a 2016 LTI award consisting of the following: (i) 6,426 shares of time-based restricted stock, vesting 25% on each anniversary of the grant date; (ii) 10,924 shares of performance-based restricted stock for the forward looking, three-year performance period from January 1, 2016, through December 31, 2018, with the number of shares that vest, if any, vesting 50% following the end of the three-year performance period and 50% one year later; and (iv) a performance-based non-qualified stock option to purchase 7,294 shares for the forward looking, three-year performance period from January 1, 2016, through December 31, 2018, with the number of shares that vest, if any, vesting 50% following the end of the three-year performance period and 50% one year later. The value of the time-based restricted stock award is based solely on the closing price of our Common Stock on the NYSE on the date of grant. The value of the performance-based restricted stock award of $39.59 per share was calculated by a third-party consultant using a Monte Carlo valuation model. The option has a term of ten years and was valued at $9.94 per underlying share, based on a calculation by a third-party consultant using a Monte Carlo valuation model. The value of the performance-based awards, if earned at maximum and valued at the closing price of our Common Stock on the NYSE on the date of grant, is $991,178.

(14) Stock awards for Mr. Kimmel in 2015 included the following: (i) a 2014 LTI award that was granted in 2015 based on 2014 performance consisting of 8,163 shares of time-based restricted stock, vesting 25% on each anniversary of the grant date; (ii) a 2015 LTI award consisting of 2,203 shares of time-based restricted stock, vesting 25% on each anniversary of the grant date; and (iii) a 2015 LTI award consisting of 8,811 shares of performance-based restricted stock for the forward looking, three-year performance period from January 1, 2015, through December 31, 2017, with the number of shares that vest, if any, vesting 50% following the end of the three-year performance period and 50% one year later.

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GRANTS OF PLAN-BASED AWARDS IN 2016

The following table provides details regarding plan-based awards granted to the NEOs during the year ended December 31, 2016.

	Estimated Future Payouts Under Non-Equity Incentive Plan Awards(1)			Estimated Future Payouts Under Equity Incentive Plan Awards(2)			All Other Stock Awards: Number of Shares of Stock or Units (#)(3)	All other Option Awards Number of Securities Underlying Options(4)		
Grant Date	Threshold ($)	Target ($)	Maximum ($)	Threshold (#)	Target (#)	Maximum (#)		Threshold (#)	Target (#)	Maximum (#)
25/2016	600,000	1,200,000	2,400,000							
26/2016				25,426	50,851	101,702				
26/2016								96,203	192,405	384,809
25/2016	175,000	350,000	700,000							
26/2016							5,318			
26/2016							7,151			
26/2016				4,122	8,243	16,485				
26/2016								4,528	9,055	18,109
25/2016	200,000	400,000	800,000							
26/2016							6,205			
26/2016				2,172	4,343	8,686				
15/2016				3,103	6,205	12,409				
15/2016				2,419	4,839	9,675				
26/2016								3,702	7,043	14,085
25/2016	250,000	500,000	1,000,000							
26/2016							6,648			
26/2016				6,648	13,295	26,589				
25/2016	162,500	325,000	650,000							
26/2016							6,426			
26/2016				5,462	10,924	21,848				
26/2016								3,647	7,294	14,588

(1) On January 25, 2016, the Committee made determinations of target total incentive compensation for 2016 based on achievement of Aimco s eight corporate goals for 2016, and achievement of specific individual objectives.

Target total incentive compensation amounts were as follows: Mr. Considine $5.025 million; Mr. Beldin $950,000; Mr. Bezzant $1.10 million; Ms. Cohn $1.25 million; and Mr. Kimmel $1.05 million. The awards in this column indicate the 2016 STI portion of these target total incentive amounts at threshold, target and maximum performance levels. The actual 2016 STI awards earned by each of Messrs. Considine, Beldin, Bezzant, and Kimmel and Ms. Cohn are as disclosed in the Summary Compensation Table under Non-Equity Incentive Plan Compensation. See the discussion above under CD&A Total Compensation for 2016 Short-Term Incentive Compensation for 2016.

(2) For each of Messrs. Considine, Beldin and Kimmel and Ms. Cohn the amounts in this column include the number of shares of performance restricted stock granted pursuant to their 2016 LTI award that may vest at threshold, target and maximum performance levels based on relative TSR (60% of each award is based on the Company s TSR relative to the NAREIT Apartment Index and 40% of each award is based on the Company s TSR relative to the REIT Index) over a three-year period from January 1, 2016 to December 31, 2018. A vesting portion of each award of performance restricted stock will be determined based on the TSR results, and the restrictions on such vesting portion will lapse as to 50% of the vesting portion on the later of the third anniversary of the grant date and the date the vesting portion is determined (but no later than March 15, 2019) and as to the remaining 50% on the fourth anniversary of the grant date. Solely with respect to Mr. Bezzant, the amounts shown in this column include (i) his 2016 LTI award which consists of the following two separate awards: (a) an award, as first shown in this column, which vests as described above and (b) an award, as second shown in this column, comprised of performance-based restricted stock awards that may be earned at threshold, target and maximum performance levels based on the achievement of development objectives over the three-year period from January 1, 2016 to December 31, 2018, with those objectives established annually by the Committee for each of the 2016, 2017 and 2018 performance years, and to the extent those objectives are achieved for such performance year, the earned award will be subject to time-based vesting with 50% vesting on the later of the third anniversary of the

grant date and the date performance is determined (but no later than March 15, 2019) and the remaining 50% vesting on the fourth anniversary of the grant date, and (ii) as third shown in this column, the portion of his 2015 LTI award comprised of performance-based restricted stock awards that may be earned at threshold, target and maximum performance levels based on the achievement of development objectives for each of the 2016 and 2017 performance years, and to the extent those objectives are achieved for such performance year, the earned award will be subject to time-based vesting with 50% vesting on the later of the third anniversary of the grant date and the date performance is determined (but no later than March 15, 2018) and the remaining 50% vesting on the fourth anniversary of the grant date.

(3) The amounts in this column reflect the number of shares of time-based restricted stock granted pursuant to the 2016 LTI award, vesting 25% on each anniversary of the grant date. For Mr. Beldin, the amount in this column also includes 7,151 shares of time-based restricted stock granted pursuant to his 2015 LTI award based on determination of year-end 2015 goals pursuant to the backward looking LTI plan that governs LTI awards for officers below the executive officer level, and was the plan applied to Mr. Beldin prior to his promotion to CFO in September 2015. All of the foregoing equity awards vest ratably over four years beginning with the first anniversary of the grant date. The number of shares of restricted stock was determined based on the average of the closing trading prices of Aimco s Common Stock on the NYSE on the five trading days up to and including the grant date, or $37.61.

(4) The amounts in this column reflect the number of performance-based non-qualified stock options granted pursuant to the 2016 LTI award that may vest at threshold, target and maximum performance levels based on relative TSR (60% of each award is based on the Company s TSR relative to the NAREIT Apartment Index and 40% of each award is based on the Company s TSR relative to the REIT Index) over a three-year period from January 1, 2016 to December 31, 2018. A vesting portion of each award of performance-based stock options will be determined based on the TSR results, and the restrictions on such vesting portion will lapse as to 50% of the vesting portion on the later of the third anniversary of the grant date and the date the vesting portion is determined (but no later than March 15, 2019) and as to the remaining 50% on the fourth anniversary of the grant date. The options were valued at approximately $9.94 per underlying share, based on a calculation by a third party consultant using a Monte Carlo valuation model.

(5) This column represents the aggregate grant date fair value of stock awards in the year granted computed in accordance with FASB ASC Topic 718. For additional information on the valuation assumptions with respect to the grants reflected in this column, refer to the Share-Based Compensation footnote to Aimco s consolidated financial statements in its Annual Report on Form 10-K for the year ended December 31, 2016.

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OUTSTANDING EQUITY AWARDS AT FISCAL YEAR-END 2016

The following table shows outstanding stock option awards classified as exercisable and unexercisable as of December 31, 2016, for the NEOs, other than those awards that have been transferred for value. The table also shows unvested and unearned stock awards assuming a market value of $45.45 per share (the closing market price of the Company s Common Stock on the New York Stock Exchange on December 30, 2016).

	Option Awards					Stock Awards			
	Number of Securities Underlying Unexercised Options (#) Exercisable (1)	Number of Securities Underlying Unexercised Options (#) Unexercisable (1)	Equity Incentive Plan Awards: Number of Securities Underlying Unexercised Unearned Options (#)	Option Exercise Price ($) (1)	Option Expiration Date	Number of Shares or Units of Stock That Have Not Vested (#)	Market Value of Shares or Units of Stock That Have Not Vested ($) (2)	Equity Incentive Plan Awards: Number of Unearned Shares, Units or Other Rights That Have Not Vested (#)	E In A Ma P V Un S U (I Ha Ve
nsidine	0(3)		384,809(3)	38.73	1/26/2026			101,702(4)	4,
	59,632(5)	178,898(5)		39.05	2/12/2025			172,325(6)	7,
	202,429(7)	0(7)		8.92	2/3/2019	32,313(8)	1,468,626		
						44,013(9)	2,000,391		
						29,870(10)	1,357,592		
din	0(11)		18,109(11)	38.73	1/26/2026			16,485(12)	
	3,644(13)	0(13)		8.92	2/3/2019	7,151(14)	325,013		
						5,318(15)	241,703		
						2,526(16)	114,807		
						1,671(17)	75,947		
						1,101(18)	50,040		
zant	0(19)		14,085(19)	38.73	1/26/2026	2068(20)	93,991	2068(21)	
	4,180(22)	0(22)		28.33	1/29/2018			8,686(23)	
								14,512(24)	
						7256(25)	329,785	1210(26)	
						6,205(27)	282,017		
						2,721(28)	123,669		
						4,536(29)	206,161		
						3,089(30)	140,395		
						1,797(31)	81,674		
						2,097(32)	95,309		
ohn								26,589(33)	1,
								29,024(34)	1,

					6,648(35)	302,152	
					2,721(28)	123,669	
					11,905(36)	541,082	
					8,108(37)	368,509	
					5,503(38)	250,111	
mmel	(0)(39)	14,588(39)	38.73	1/26/2026			21,848(40)
							17,622(41)
					6,426(42)	292,062	
					1,653(43)	75,129	
					6,123(44)	278,290	
					7,413(45)	336,921	
					2,703(46)	122,851	
					1,835(47)	83,401	

(1) Pursuant to the anti-dilution provisions of the plan pursuant to which the options were granted, the number of shares subject to the then outstanding options and the exercise price of such options were adjusted, where applicable, to reflect the special dividends paid in January 2008, August 2008, December 2008, and January 2009. The footnotes to each option award provide the original number of shares subject to the option and the original exercise price on the grant date.

(2) Amounts reflect the number of shares of restricted stock that have not vested multiplied by the market value of $45.45 per share, which was the closing market price of Aimco s Common Stock on December 30, 2016.

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(3) This option was granted for the purchase of 192,405 shares at target, at an exercise price of $38.73 per share and vests 50% following the end of the three-year forward looking performance period, subject to relative TSR metrics set forth earlier in this proxy, and 50% on the fourth anniversary of the grant date of January 26, 2016. The amount shown in the table is the award at maximum.
(4) This restricted stock award was granted on January 26, 2016, for 50,851 shares at target, and vests 50% following the end of the three-year forward looking performance period, subject to relative TSR metrics set forth earlier in this proxy, and 50% on the fourth anniversary of the grant date. The amount shown in the table is the award at maximum.
(5) This option was granted for the purchase of 238,530 shares at an exercise price of $39.05 per share and vests 25% on each anniversary of the grant date of February 12, 2015.
(6) This restricted stock award was granted on February 12, 2015, for 86,163 shares at target, and vests 50% following the end of the three-year forward looking performance period, subject to relative TSR metrics set forth earlier in this proxy, and 50% on the fourth anniversary of the grant date. The amount shown in the table is the award at maximum.
(7) This option was granted for the purchase of 809,717 shares at an exercise price of $8.92 per share and vested 25% on each anniversary of the grant date of February 3, 2009; the option was exercised in part for 202,430 shares on May 6, 2010, for 202,429 shares on February 8, 2011, and for 202,429 shares on February 28, 2012.
(8) This restricted stock award was granted on February 12, 2015, for a total of 43,083 shares and vests 25% on each anniversary of the grant date.
(9) This restricted stock award was granted on January 27, 2014, for a total of 88,025 shares and vests 25% on each anniversary of the grant date.
(10) This restricted stock award was granted on January 28, 2013, for a total of 119,479 shares and vested 25% on each anniversary of the grant date.
(11) This option was granted for the purchase of 9,055 shares at target, at an exercise price of $38.73 per share and vests 50% following the end of the three-year forward looking performance period, subject to relative TSR metrics set forth earlier in this proxy, and 50% on the fourth anniversary of the grant date of January 26, 2016. The amount shown in the table is the award at maximum.
(12) This restricted stock award was granted on January 26, 2016, for 8,243 shares at target, and vests 50% following the end of the three-year forward looking performance period, subject to relative TSR metrics set forth earlier in this proxy, and 50% on the fourth anniversary of the grant date. The amount shown in the table is the award at maximum.
(13) This option was granted for the purchase of 3,644 shares at an exercise price of $8.92 per share and vested 25% on each anniversary of the grant date of February 3, 2009.
(14) This restricted stock award was granted on January 26, 2016, for a total of 7,151 shares and vests 25% on each anniversary of the grant date.
(15) This restricted stock award was granted on January 26, 2016, for a total of 5,318 shares and vests 25% on each anniversary of the grant date.
(16) This restricted stock award was granted on February 12, 2015, for a total of 3,368 shares and vests 25% on each anniversary of the grant date.
(17) This restricted stock award was granted on January 27, 2014, for a total of 3,341 shares and vests 25% on each anniversary of the grant date.
(18) This restricted stock award was granted on January 28, 2013, for a total of 4,402 shares and vested 25% on each anniversary of the grant date.
(19) This option was granted for the purchase of 7,043 shares at target, at an exercise price of $38.73 per share and vests 50% following the end of the three-year forward looking performance period, subject to relative TSR metrics set forth earlier in this proxy, and 50% on the fourth anniversary of the grant date of January 26, 2016. The amount shown in the table is the award at maximum.
(20)

This restricted stock award was granted on January 26, 2016, for 6,205 shares at target with vesting determined according to development-related objectives. The amount shown is the target amount for the portion of the award relating to the 2016 performance year, which will vest 50% following the end of the three-year forward looking performance period, and 50% on the fourth anniversary of the grant date.

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(21) This restricted stock award was granted on January 26, 2016, for 6,205 shares at target with vesting determined according to development-related objectives. To the extent the extent the objectives are achieved for the performance years, this award vests 50% following the end of the three-year forward looking performance period, and 50% on the fourth anniversary of the grant date. The amount shown is the award at threshold for the portion of the award relating to the 2017 and 2018 performance years.
(22) This option was granted for the purchase of 2,972 shares at an exercise price of $39.85 per share and vested 25% on each anniversary of the grant date of January 29, 2008.
(23) This restricted stock award was granted on January 26, 2016, for 4,343 shares at target and vests 50% following the end of the three-year forward looking performance period subject to the relative TSR metrics set forth earlier in this proxy, and 50% on the fourth anniversary of the grant date. The amount shown is the award at maximum.
(24) This restricted stock award was granted on February 12, 2015, for 7,256 shares at target and vests 50% following the end of the three-year forward looking performance period subject to the relative TSR metrics set forth earlier in this proxy, and 50% on the fourth anniversary of the grant date. The amount shown is the award at maximum.
(25) This restricted stock award was granted on February 12, 2015, for 7,256 shares at target with vesting determined according to acquisition-related objectives. The amount shown is the maximum amount for the portion of the award relating to the 2015 performance year, and the target amount for the portion of the award relating to the 2016 performance year, which, in each case, will vest 50% following the end of the three-year forward looking performance period, and 50% on the fourth anniversary of the grant date.
(26) This restricted stock award was granted on February 12, 2015, for 7,256 shares at target with vesting determined according to acquisition-related objectives. To the extent the extent the objectives are achieved for the performance years, this award vests 50% following the end of the three-year forward looking performance period, and 50% on the fourth anniversary of the grant date. The amount shown is the award at threshold for the portion of the award relating to the 2017 performance year.
(27) This restricted stock award was granted on January 26, 2016, for a total of 6,205 shares and vests 25% on each anniversary of the grant date.
(28) This restricted stock award was granted on February 12, 2015, for a total of 3,628 shares and vests 25% on each anniversary of the grant date.
(29) This restricted stock award was granted on February 12, 2015, for a total of 6,047 shares and vests 25% on each anniversary of the grant date.
(30) This restricted stock award was granted on January 27, 2014, for a total of 6,178 shares and vests 25% on each anniversary of the grant date.
(31) This restricted stock award was granted on January 28, 2013, for a total of 8,385 shares and vests 25% on each anniversary of the grant date.
(32) This restricted stock award was granted on January 28, 2013, for a total of 7,187 shares and vested 25% on each anniversary of the grant date.
(33) This restricted stock award was granted on January 26, 2016, for 13,295 shares at target, and vests 50% following the end of the three-year forward looking performance period, subject to relative TSR metrics set forth earlier in this proxy, and 50% on the fourth anniversary of the grant date. The amount shown in the table is the award at maximum.
(34) This restricted stock award was granted on February 12, 2015, for 14,512 shares at target, and vests 50% following the end of the three-year forward looking performance period, subject to relative TSR metrics set forth earlier in this proxy, and 50% on the fourth anniversary of the grant date. The amount shown is the award at maximum.
(35) This restricted stock award was granted on January 26, 2016, for a total of 6,648 shares and vests 25% on each anniversary of the grant date.
(36) This restricted stock award was granted on February 12, 2015, for a total of 15,873 shares and vests 25% on each anniversary of the grant date.

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(37) This restricted stock award was granted on January 27, 2014, for a total of 16,216 shares and vests 25% on each anniversary of the grant date.
(38) This restricted stock award was granted on January 28, 2013, for a total of 22,010 shares and vested 25% on each anniversary of the grant date.
(39) This option was granted for the purchase of 7,294 shares at target, at an exercise price of $38.73 per share and vests 50% following the end of the three-year forward looking performance period, subject to relative TSR metrics set forth earlier in this proxy, and 50% on the fourth anniversary of the grant date of January 26, 2016. The amount shown in the table is the award at maximum.
(40) This restricted stock award was granted on January 26, 2016, for 10,924 shares at target, and vests 50% following the end of the three-year forward looking performance period, subject to relative TSR metrics set forth earlier in this proxy, and 50% on the fourth anniversary of the grant date. The amount shown in the table is the award at maximum.
(41) This restricted stock award was granted on February 12, 2015, for 8,811 shares at target, and vests 50% following the end of the three-year forward looking performance period, subject to relative TSR metrics set forth earlier in this proxy, and 50% on the fourth anniversary of the grant date. The amount shown is the award at maximum.
(42) This restricted stock award was granted on January 26, 2016, for a total of 6,426 shares and vests 25% on each anniversary of the grant date.
(43) This restricted stock award was granted on February 12, 2015, for a total of 2,203 shares and vests 25% on each anniversary of the grant date.
(44) This restricted stock award was granted on February 12, 2015, for a total of 8,163 shares and vests 25% on each anniversary of the grant date.
(45) This restricted stock award was granted on January 27, 2014, for a total of 5,406 shares and vests 25% on each anniversary of the grant date.
(46) This restricted stock award was granted on January 27, 2014, for a total of 7,413 shares and vests 50% on each of August 1, 2017 and August 1, 2018.
(47) This restricted stock award was granted on January 28, 2013, for a total of 7,337 shares and vested 25% on each anniversary of the grant date.

OPTION EXERCISES AND STOCK VESTED IN 2016

The following table sets forth certain information regarding options and stock awards exercised and vested, respectively, during the year ended December 31, 2016, for the persons named in the Summary Compensation Table above.

	Option Awards		Stock Awards	
Name	Number of Shares Acquired on Exercise (#)	Value Realized on Exercise ($) (1)	Number of Shares Acquired on Vesting (#)	Value Realized on Vesting ($) (2)
Terry Considine	909,196	10,737,823	91,871	3,512,272
Paul Beldin		N/A	3,854	146,370
John Bezzant		N/A	7,085	266,296
Lisa R. Cohn	8,102	138,301	19,046	721,127
Keith Kimmel		N/A	7,315	275,216

(1) Amounts reflect the difference between the exercise price of the option and the market price at the time of exercise.
(2) Amounts reflect the market price of the stock on the day the shares of restricted stock vested.

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POTENTIAL PAYMENTS UPON TERMINATION OR CHANGE IN CONTROL

In the table and discussion that follows, payments and other benefits payable upon early termination and change in control situations are set out as if the conditions for payments had occurred and/or the terminations took place on December 31, 2016. In setting out such payments and benefits, amounts that had already been earned as of the termination date are not shown. Also, benefits that are available to all full-time regular employees when their employment terminates are not shown. The amounts set forth below are estimates of the amounts which could be paid out to the NEOs upon their termination. The actual amounts to be paid out can only be determined at the time of such NEOs separation from Aimco.

Mr. Considine s 2008 Employment Agreement

Under his 2008 employment agreement, Mr. Considine is not entitled to any additional or special payments upon the occurrence of a change in control. Mr. Considine s walk right under the 1994 employment agreement (that is, his right to severance payments upon his terminating employment with the Company within two years following a change in control) was eliminated. The definition of change in control was also narrowed to increase the required percentage of change in ownership and to require the occurrence of the applicable change in control event, rather than just stockholder approval of such event.

In the event Mr. Considine s employment is terminated without cause by Aimco, by Mr. Considine for good reason, or for reason of disability, Mr. Considine will be entitled to: a lump sum cash payment equal to two times the sum of his base salary at the time of termination and $1.65 million, subject to certain reductions, including a reduction of the sum by 1/24 for each complete month of employment following his attainment of age 68; the amount of any STI earned but unpaid for the fiscal year preceding the termination date; a pro-rata portion of a $1.65 million STI amount for the fiscal year in which the termination occurs; continued medical coverage at Aimco s expense until the earlier of (a) eighteen months following the date of termination, or (b) Mr. Considine becoming eligible for coverage under the medical plans of a subsequent employer, provided that in the event Mr. Considine s medical coverage terminates pursuant to (a), he will be entitled to a lump sum payment equal to six times the monthly COBRA premium then in effect; and immediate and full acceleration of any unvested stock awards and outstanding unvested stock options, with all outstanding stock options (along with all options already vested) remaining exercisable until the earliest to occur of the fifth anniversary of the date of termination or the expiration of the applicable option term.

In the event of Mr. Considine s disability, the lump sum cash payment described above shall be offset by any long-term disability benefits received under Aimco s long-term disability insurance plan.

In the event of Mr. Considine s death, Aimco will pay or provide to Mr. Considine s estate the amount of any STI earned but unpaid for the prior fiscal year, and all equity-based and other long-term incentive awards granted to Mr. Considine will become immediately fully vested and payable, as applicable, and all outstanding stock option awards will remain exercisable until the earliest to occur of the fifth anniversary of the date of termination or the expiration of the applicable option term.

Under the employment agreement, in the event payments to Mr. Considine are subject to the excise tax imposed by Section 4999 of the Code, Mr. Considine is entitled to receive a limited gross-up payment, subject to a maximum of $5 million. If covered payments are less than 10% over the permitted limit, Mr. Considine is required to reduce his payments to avoid triggering a gross-up payment.

Double Trigger Vesting Upon Change in Control

Beginning with the equity grants made in 2015 for compensation year 2014, the restricted stock and stock option agreements pursuant to which restricted stock and/or stock option awards have been made to Messrs. Considine, Beldin, Bezzant and Kimmel and Ms. Cohn provide that upon a change in control, all outstanding shares of restricted stock shall not become immediately and fully vested and all unvested stock options shall not become immediately and fully vested and remain exercisable (along with all options already vested) for the remainder of the term of the option unless there is also a subsequent termination of employment of the executive officer. Aimco s LTI plan provides that performance shares will vest based on the higher of actual or target TSR performance through the truncated performance period ending on the date of the change in control.

Accelerated Vesting upon Termination of Employment Due to Death or Disability

As set forth above, in the event Mr. Considine s employment is terminated for reason of disability, Mr. Considine will be entitled to immediate and full acceleration of any unvested stock awards and outstanding unvested stock options, with all outstanding stock options (along with all options already vested) remaining exercisable until the earliest to occur of the fifth anniversary of the date of termination or the expiration of the applicable option term. In the event of Mr. Considine s death, all equity-based and other LTI awards granted to Mr. Considine will become immediately fully vested and payable, as applicable, and all outstanding stock option awards will remain exercisable until the earliest to occur of the fifth anniversary of the date of termination or the expiration of the applicable option term.

The restricted stock and stock option agreements pursuant to which restricted stock and/or stock option awards have been made to Messrs. Beldin, Bezzant and Kimmel and Ms. Cohn provide that upon termination of employment due to death or disability, all outstanding shares of restricted stock become immediately and fully vested and all unvested stock options become immediately and fully vested and remain exercisable (along with all options already vested) for the remainder of the term of the option.

Notwithstanding the foregoing, Aimco s LTI plan provides that performance shares will vest based on the higher of actual or target TSR performance through the truncated performance period ending on the date of death or disability.

Non-Competition and Non-Solicitation Agreements

Effective in January 2002 for Mr. Considine, and in connection with their employment and/or promotions by Aimco for Messrs. Beldin, Bezzant and Kimmel and Ms. Cohn, Aimco entered into certain non-competition and non-solicitation agreements with each executive. Mr. Considine s 2002 non-competition and non-solicitation agreement was replaced by his December 2008 employment agreement. Pursuant to the agreements, each of these NEOs agreed that during the term of his or her employment with the Company and for a period of two years following the termination of his or her employment, except in circumstances where there was a change in control of the Company, he or she could not (i) be employed by a competitor of the Company named on a schedule to the agreement, (ii) solicit other employees to leave the Company s employment, or (iii) solicit customers of Aimco to terminate their relationship with the Company. The agreements further required that the NEOs protect Aimco s trade secrets and confidential information. For Messrs. Beldin, Bezzant and Kimmel and Ms. Cohn, the agreements provide that in order to enforce the above-noted non-competition condition following the executive s termination of employment by the Company without cause, each such executive will receive, for a period not to extend beyond the earlier of 24 months following such termination or the date of acceptance of employment with a non-competitor, (i) severance pay in an amount, if any, to be determined by the Company in its sole discretion and (ii) a monthly payment equal to two-thirds (2/3) of such executive s monthly base salary at the time of termination. For purposes of these agreements, cause is defined to mean, among other things, the executive s (i) breach of the agreement, (ii) failure to perform required employment services, (iii) misappropriation of Company funds or property, (iv) indictment, conviction, plea of guilty or plea of no contest to a crime involving fraud or moral turpitude, or (v) negligence, fraud, breach of fiduciary duty, misconduct or violation of law.

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The following table summarizes the potential payments under various scenarios if they had occurred on December 31, 2016.

	Value of Accelerated Stock and Stock Options ($)(1)				Severance ($)				
	Change in Control	Death or Disability	Termination Without Cause	Termination With Good Reason	hange in ontr	eat	Disability	Termination Without Cause	Termination For Good Reason
idine	13,491,803	13,491,803	13,491,803	13,491,803			2,436,895(3)(4)	2,436,895(4)	2,436,895(4)
	1,243,004	1,243,004							
nt	2,115,531	2,115,531							
n	2,849,351	2,849,351							
hel	2,134,625	2,134,625							

(1) Amounts reflect value of accelerated stock and options using the closing market price on December 30, 2016, of $45.45 per share.
(2) Amounts assume the agreements were enforced by the Company and the payments extended for 24 months following the executive s termination of employment by the Company without cause.
(3) Amount does not reflect the offset for long-term disability benefit payments in the case of a qualifying disability under Aimco s long-term disability insurance plan.
(4) Amount consists of a lump sum cash payment equal to (a) two times the sum of Mr. Considine s base salary and $1.65 million, reduced by 1/24 for each complete month of employment following his attainment of age 68, (b) $1.65 million STI for 2016, and (c) 24 months of medical coverage reimbursement at an estimated amount of $21,895.

SECURITIES AUTHORIZED FOR ISSUANCE UNDER EQUITY COMPENSATION PLANS

Information on equity compensation plans as of the end of the 2016 fiscal year under which equity securities of the Company are authorized for issuance is set forth in the following table.

Plan Category	Number of Securities To Be Issued upon Exercise of Outstanding Options Warrants and Rights	Weighted Average Exercise Price of Outstanding Options, Warrants and Rights	Number of Securities Remaining Available for Future Issuance under Equity Compensation Plans (Excluding Securities Subject to Outstanding Unexercised Grants)

Equity compensation plans approved by security holders	890,105	$ 31.77	1,018,940
Equity compensation plans not approved by security holders			

CERTAIN RELATIONSHIPS AND RELATED TRANSACTIONS

Policies and Procedures for Review, Approval or Ratification of Related Person Transactions

Aimco recognizes that related person transactions can present potential or actual conflicts of interest and create the appearance that Aimco s decisions are based on considerations other than the best interests of Aimco and its stockholders. Accordingly, as a general matter, it is Aimco s preference to avoid related person transactions. Nevertheless, Aimco recognizes that there are situations where related person transactions may be in, or may not be inconsistent with, the best interests of Aimco and its stockholders. The Nominating and Corporate Governance Committee, pursuant to a written policy approved by the Board, has oversight for related person transactions. The Nominating and Corporate Governance Committee will review transactions, arrangements or relationships in which (1) the aggregate amount involved will or may be expected to exceed $100,000 in any calendar year, (2) Aimco (or any Aimco entity) is a participant, and (3) any related party has or will have a direct or indirect interest (other than an interest arising solely as a result of being a director of another corporation or organization that is a party to the transaction or a less than 10 percent beneficial owner of another entity that is a party to the transaction). The Nominating and Corporate Governance Committee has also given its standing approval for certain types of related person transactions such as certain employment arrangements, director compensation, transactions with another entity in which a related person s interest is only by virtue of a

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non-executive employment relationship or limited equity position, and transactions in which all stockholders receive pro rata benefits. Since the beginning of 2016, there were no related person transactions that required review under the policy.

OTHER MATTERS

Section 16(a) Beneficial Ownership Reporting Compliance. Section 16(a) of the Securities Exchange Act of 1934, as amended, requires Aimco s executive officers and directors, and persons who own more than ten percent of a registered class of Aimco s equity securities, to file reports (Forms 3, 4 and 5) of stock ownership and changes in ownership with the SEC and the New York Stock Exchange. Executive officers, directors and beneficial owners of more than ten percent of Aimco s registered equity securities are required by SEC regulations to furnish Aimco with copies of all such forms that they file.

Based solely on Aimco s review of the copies of Forms 3, 4 and 5 and the amendments thereto received by it for the year ended December 31, 2016, or written representations from certain reporting persons that no Forms 5 were required to be filed by those persons, Aimco believes that during the period ended December 31, 2016, all filing requirements were complied with by its executive officers and directors.

Stockholders Proposals. Proposals of stockholders intended to be presented at Aimco s Annual Meeting of Stockholders to be held in 2018 must be received by Aimco, marked to the attention of the Corporate Secretary, no later than November 14, 2017, to be included in Aimco s proxy statement and form of proxy for that meeting. Proposals must comply with the requirements as to form and substance established by the SEC for proposals in order to be included in the proxy statement. Nominations for directors pursuant to proxy access provided for in the Company s bylaws must adhere to the terms of the bylaws and will be considered untimely if received by the Company before October 15, 2017, or after November 14, 2017. Proposals of stockholders submitted to Aimco for consideration at Aimco s annual meeting of stockholders to be held in 2018 outside the processes of Rule 14a-8 (*i.e.*, the procedures for placing a stockholder s proposal in Aimco s proxy materials) will be considered untimely if received by the Company before December 26, 2017, or after January 25, 2018.

Other Business. Aimco knows of no other business that will come before the Meeting for action. As to any other business that comes before the Meeting, the persons designated as proxies will have discretionary authority to act in their best judgment.

Available Information. Aimco files annual, quarterly and current reports, proxy statements and other information with the SEC. You may read and copy any reports, statements or other information that the Company files at the SEC s public reference room in Washington, D.C. Please call the SEC at 1-800-SEC-0330 for further information on the public reference rooms. The Company s public filings are also available to the public from commercial document retrieval services and on the internet site maintained by the SEC at http://www.sec.gov. Reports, proxy statements and other information concerning the Company also may be inspected at the offices of the New York Stock Exchange, 20 Broad Street, New York, New York 10005.

This Proxy Statement is dated March 3, 2017. You should not assume that the information contained in the Proxy Statement is accurate as of any date other than that date.

THE BOARD OF DIRECTORS

March 3, 2017

Denver, Colorado

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Electronic Voting Instructions

Available 24 hours a day, 7 days a week!

Instead of mailing your proxy, you may choose one of the voting methods outlined below to vote your proxy.

VALIDATION DETAILS ARE LOCATED BELOW IN THE TITLE BAR.

Proxies submitted by the Internet or telephone must be received by 1:00 a.m., Central Time, on April 25, 2017.

Vote by Internet

Go to **www.envisionreports.com/aiv**

Or scan the QR code with your smartphone

Follow the steps outlined on the secure website

Vote by telephone

Call toll free 1-800-652-VOTE (8683) within the USA, US territories & Canada on a touch tone telephone

Follow the instructions provided by the recorded message

Using a **black ink** pen, mark your votes with an **X** as shown in this example. Please do not write outside the designated areas.

q **IF YOU HAVE NOT VOTED VIA THE INTERNET OR TELEPHONE, FOLD ALONG THE PERFORATION, DETACH AND RETURN THE BOTTOM PORTION IN THE ENCLOSED ENVELOPE.** q

A Proposals The Board of Directors recommends a vote FOR all the nominees listed in Proposal 1, FOR Proposals 2 and 3, and FOR an annual advisory vote on executive compensation in Proposal 4.

Directors:	For	Against	Abstain		For	Against	Abstain		For	Against	Abs
onsidine				02 - Thomas L. Keltner				03 - J. Landis Martin			
A. Miller				05 - Kathleen M. Nelson				06 -Michael A. Stein			
. Tran											

	For	Against	Abstain		For	Against	Abstain
2. Ratification of the selection of Ernst & Young LLP to serve as the independent registered public accounting firm for the year ending December 31, 2017.				3. Advisory vote on executive compensation.			

	1 Yr	2 Yrs	3 Yrs	Abstain
4. Advisory vote on the frequency of future advisory votes on executive compensation.				

B Non-Voting Items

Change of Address Please print your new address below.

Comments Please print your comments below.

Meeting Attendance

Mark the box to the right if you plan to attend the Annual Meeting.

C Authorized Signatures This section must be completed for your vote to be counted. Date and Sign Below

Please sign exactly as name(s) appears hereon. Joint owners should each sign. When signing as attorney, executor, administrator, corporate officer, trustee, guardian, or custodian, please give full title.

m/dd/yyyy) Please print date below.	Signature 1 Please keep signature within the box.	Signature 2 Please keep signature withi
/ /		

q IF YOU HAVE NOT VOTED VIA THE INTERNET OR TELEPHONE, FOLD ALONG THE PERFORATION, DETACH AND RETURN THE BOTTOM PORTION IN THE ENCLOSED ENVELOPE. q

Proxy Apartment Investment and Management Company

PROXY FOR COMMON STOCK

SOLICITED BY THE BOARD OF DIRECTORS FOR THE ANNUAL MEETING OF STOCKHOLDERS APRIL 25, 2017

The undersigned hereby appoints Terry Considine, Paul L. Beldin and Lisa R. Cohn and each of them the undersigned s true and lawful attorneys and proxies (with full power of substitution in each) to vote all Common Stock of Apartment Investment and Management Company (Aimco), standing in the undersigned s name, at the Annual Meeting of Stockholders of Aimco to be held at Aimco s Corporate Office, 4582 S. Ulster Street, Suite 1100, Denver, CO 80237, on Tuesday, April 25, 2017, at 8:30 a.m., and any adjournment or postponement thereof (the Stockholders Meeting), upon those matters as described in the Proxy Statement for the Stockholders Meeting. In their discretion, the proxies are authorized to vote upon such other business as may properly come before the Stockholders Meeting (including any adjournment or postponement thereof).

IF NOT OTHERWISE SPECIFIED, THIS PROXY WILL BE VOTED FOR EACH OF THE SEVEN DIRECTOR NOMINEES IN PROPOSAL 1, FOR PROPOSALS 2 AND 3, AND FOR THE ANNUAL OPTION IN PROPOSAL 4.

PLEASE REFER TO THE REVERSE SIDE FOR TELEPHONE AND INTERNET VOTING INSTRUCTIONS.

(Items to be voted appear on reverse side).