

APARTMENT INVESTMENT & MANAGEMENT CO  
Form 11-K  
June 28, 2002

SECURITIES AND EXCHANGE COMMISSION  
WASHINGTON, D.C. 20549

FORM 11-K

ANNUAL REPORT  
PURSUANT TO SECTION 15(d) OF THE  
SECURITIES EXCHANGE ACT OF 1934

ANNUAL REPORT PURSUANT TO SECTION 15(d) OF THE  
SECURITIES EXCHANGE ACT OF 1934 (NO FEE REQUIRED)

FOR THE FISCAL YEAR ENDED DECEMBER 31, 2001

OR

TRANSITION REPORT PURSUANT TO SECTION 15(d) OF THE  
SECURITIES EXCHANGE ACT OF 1934 (NO FEE REQUIRED)

FOR THE TRANSITION PERIOD FROM TO

COMMISSION FILE NUMBER 1-13232

APARTMENT INVESTMENT AND MANAGEMENT COMPANY  
401(k) RETIREMENT PLAN  
(FULL TITLE OF THE PLAN)

APARTMENT INVESTMENT AND MANAGEMENT COMPANY  
2000 COLORADO BOULEVARD, TOWER TWO, SUITE 2-1000  
DENVER, COLORADO 80222

(NAME OF ISSUER OF THE SECURITIES HELD PURSUANT TO  
THE PLAN AND THE ADDRESS OF ITS PRINCIPAL EXECUTIVE OFFICE)

Financial Statements and Schedule

Apartment Investment and Management Company  
401(k) Retirement Plan

December 31, 2001 and 2000 and for the year ended December 31, 2001

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Report of Independent Auditors

Pension Plan Committee  
Apartment Investment and Management Company  
401(k) Retirement Plan

We have audited the accompanying statements of net assets available for benefits of Apartment Investment and Management Company 401(k) Retirement Plan (Plan) as of December 31, 2001 and 2000 and for the year ended December 31, 2001. These financial statements are the responsibility of the Plan's management. Our responsibility is to express an opinion on these financial statements based on our audits.

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

In our opinion, the financial statements referred to above present fairly, in all material respects, the net assets available for benefits of the Plan as of December 31, 2001 and 2000 and the changes in its net assets available for benefits for the year ended December 31, 2001, in conformity with accounting principles generally accepted in the United States.

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Our audits were performed for the purpose of forming an opinion on the financial statements taken as a whole. The accompanying supplemental schedule of assets held for investment purposes as of December 31, 2001 is presented for the purpose of additional analysis and is not a required part of the financial statements but is supplementary information required by the Department of Labor's Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974. This supplemental schedule is the responsibility of the Plan's management. The supplemental schedule has been subjected to the auditing procedures applied in our audits of the financial statements and, in our opinion, is fairly stated in all material respects in relation to the financial statements taken as a whole.

/s/ Ernst & Young LLP

May 16, 2002  
Indianapolis, Indiana

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Apartment Investment and Management Company  
401(k) Retirement Plan

Statements of Net Assets Available for Benefits

	DECEMBER 31	
	2001	2000
ASSETS:		
Investments, at fair value	\$64,621,953	\$74,090,013
Contribution receivable:		
Employee contribution receivable	63,273	105,391
Employer contribution receivable	36,185	58,533
	99,458	163,924
Total assets	64,721,411	74,253,937
LIABILITY:		
Participant refunds payable	154,902	120,991
Net assets available for benefits	\$64,566,509	\$74,132,946

See accompanying notes.

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Apartment Investment and Management Company  
401(k) Retirement Plan

## Statement of Changes in Net Assets Available for Benefits

Year ended December 31, 2001

Additions:	
Employee contributions	\$ 5,513,457
Employer contributions	2,755,437
Rollover contributions	203,927
	-----
	8,472,821
Interest and dividend income	2,298,475
	-----
Total additions	10,771,296
Deductions:	
Benefit payments	12,301,424
Net depreciation in fair value of investments	7,692,634
Participant refunds	154,902
Administrative expenses	188,773
	-----
Total deductions	20,337,733
	-----
Net decrease	(9,566,437)
Net assets available for benefits at the beginning of the year	74,132,946
	-----
Net assets available for benefits at the end of the year	\$ 64,566,509
	=====

See accompanying notes.

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Apartment Investment and Management Company  
401(k) Retirement Plan

## Notes to Financial Statements

December 31, 2001

### 1. DESCRIPTION OF THE PLAN

The following description of the Apartment Investment and Management Company 401(k) Retirement Plan (the "Plan") provides only general information. Participants should refer to the Summary Plan Description for a more complete description of the Plan's provisions.

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The Plan is a defined contribution plan covering all employees of the Apartment Investment and Management Company (the Company) who have at least six months of service and are age 18 or older. The Plan is administered by the Fidelity Investments Retirement Services Company and trustee by the Fidelity Management Trust Company. The Plan is subject to the provisions of the Employee Retirement Income Security Act of 1974 ("ERISA").

Participants may elect to contribute to the Plan from 1% to 20% of their compensation on a pretax basis, subject to certain statutory limitations. The Company, at its discretion, may make a matching contribution based on the first 6% of a participant's contribution, on behalf of each participant in the following manner: (1) for participants with six months to five years of service, a 50% match of the participant's contribution; (2) for participants with six to ten years of service, a 75% match of the participant's contribution; or (3) for participants with eleven or more years of service, a 100% match of the participant's contribution.

Each participant's account is credited with the participant's contributions and allocations of the Company's contributions and Plan earnings and is charged with an allocation of administrative expenses. The benefit to which a participant is entitled is the account balance at the time of distribution.

Participants are immediately vested in their voluntary contributions. The Company's matching contributions are fully vested after three years of service. Upon withdrawal, the nonvested portion of a participant's account will be used by the Company to reduce the next employer contribution or pay expenses of the Plan. During 2001 and 2000, forfeited balances of terminated participants' nonvested accounts were \$140,461 and \$201,947, respectively.

Participants may borrow funds from their own account. Loans are permitted in amounts not to exceed the lesser of \$50,000 reduced by the highest outstanding loan balance for the preceding year or 50% of the value of the vested interest in the participant's account. Only one loan is permitted during any twelve month period.

Although the Company has not expressed any intent to do so, it has the right under the Plan to discontinue its contributions at any time and to terminate the Plan subject to the provisions of ERISA. In the event of termination of the Plan, each participant will become fully vested and will receive a total distribution of their account.

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Apartment Investment and Management Company  
401(k) Retirement Plan

Notes to Financial Statements (Continued)

### 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

#### BASIS OF ACCOUNTING

The accompanying financial statements of the Plan are presented on the accrual basis of accounting.

#### INVESTMENTS

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Investments other than participant loans are valued at fair value as determined by reference to quoted market values. The participant loans are valued at their outstanding balances, which approximate fair value.

USE OF ESTIMATES

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

INCOME TAX STATUS

The Plan has received a determination letter from the Internal Revenue Service dated February 7, 2001, stating that the Plan is qualified under Section 401(a) of the Internal Revenue Code (the "Code") and, therefore, the related trust is exempt from taxation. Once qualified, the Plan is required to operate in conformity with the Code to maintain its qualification. The Plan Sponsor has indicated that it will take the necessary steps to maintain the Plan's qualified status.

3. INVESTMENTS

The Plan's investments are held in trust by Fidelity Management Trust Company, the trustee of the Plan. The Plan's investments in the various funds (including investments bought, sold, and held during the year) appreciated (depreciated) in fair value for the year ended December 31, 2001 as presented in the following table.

	NET APPRECIATION (DEPRECIATION) IN FAIR VALUE DURING YEAR -----
Fair value as determined by quoted market prices:	
Investments in mutual funds	\$ (7,514,207)
Investments in common stocks	(178,427)
	-----
	\$ (7,692,634)
	=====

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The fair value of individual investments that represent 5% or more of the Plan's net assets are as follows:

	DECEMBER 31	
	2001	2000
	-----	-----
Fair value determined by quoted market prices:		
Fidelity Investment Mutual Funds:		
Magellan Fund	\$ 9,996,733	\$ 12,945,910
Growth Company Fund	6,230,945	10,745,647
Growth and Income Fund	8,199,562	7,647,022
Retirement Money Market Fund	8,022,647	6,031,690
Asset Manager Fund	5,690,031	5,270,959
Equity Income II Fund	4,959,270	2,431,230
Intermediate Bond Fund	3,230,431	2,138,163
Fidelity Management Trust Company Common Collective Trust Fund:		
Managed Income Portfolio Fund	9,163,138	8,138,163

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SCHEDULE

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Apartment Investment and Management Company  
401(k) Retirement Plan

Schedule H, line 4i - Schedule of Assets (Held at End of Year)

December 31, 2001

EIN: 58-1471003  
Plan Number: 004

IDENTITY OF ISSUE, BORROWER, LESSOR OR,  
SIMILAR PARTY

DESCRIPTION OF INVESTMENT, INCLUDING  
MATURITY DATE, RATE OF INTEREST,  
COLLATERAL, PAR OR MATURITY VALUE

Common Stock:  
\*AIMCO Stock

140,689 shares \$

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\*Fidelity Management Trust Company  
Mutual Funds:

Magellan Fund	95,920 shares
Growth Company Fund	117,079 shares
Growth and Income Fund	219,357 shares
Intermediate Bond Fund	313,026 shares
Asset Manager Fund	367,099 shares
Equity Income II Fund	235,819 shares
Aggressive Growth Fund	87,625 shares
Diversified International Fund	21,228 shares
Low Price Stock Fund	33,134 shares
Spartan US Equity Index Fund	18,066 shares
Retirement Money Market Fund	8,022,648 shares

Common Collective Trust:  
Managed Income Portfolio Fund 9,163,138 shares

Participant Loans Interest rates range from 6.75% to 10.25%

\*Indicates a party-in-interest to the Plan

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CONSENT OF INDEPENDENT AUDITORS

We consent to the incorporation by reference in the Registration Statement (Form S-8 No. 333-57617) pertaining to the 401(k) Retirement Plan of Apartment Investment and Management Company of our report dated May 16, 2002 with respect to the financial statements and schedule of the Apartment Investment and Management Company 401(k) Retirement Plan included in this Annual Report (Form 11-K) for the year ended December 31, 2001.

/s/ Ernst & Young LLP

Indianapolis, Indiana  
June 24, 2002

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SIGNATURES

Pursuant to the requirements of the Securities and Exchange Act of 1934, the Plan Administrator has duly caused this annual report to be signed on its behalf by the undersigned hereunto duly authorized.



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Date: June 28, 2002

APARTMENT INVESTMENT AND  
MANAGEMENT COMPANY  
401(k) RETIREMENT PLAN

By: /s/ MARI AKERS

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Mari Akers  
Plan Administrator