

APARTMENT INVESTMENT & MANAGEMENT CO  
Form 11-K  
June 29, 2015

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

FORM 11-K

(Mark one)

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

For the fiscal year ended December 31, 2014

OR

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

For the transition period from to

Commission file number 1-13232

A. Full title of the plan and the address of the plan, if different from that of the issuer named below.

AIMCO 401(k) RETIREMENT PLAN

B. Name of issuer of the securities held pursuant to the plan and the address of its principal executive office:

Apartment Investment and Management Company  
4582 South Ulster Street, Suite 1100  
Denver, Colorado 80237



Financial Statements and Schedules

Aimco 401(k) Retirement Plan

December 31, 2014 and 2013, and Year Ended December 31, 2014

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Report of Independent Registered Public Accounting Firm

Benefits Committee

Apartment Investment and Management Company

We have audited the accompanying statements of net assets available for benefits of Aimco 401(k) Retirement Plan as of December 31, 2014 and 2013, and the related statement of changes in net assets available for benefits for the year ended December 31, 2014. 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 the standards of the Public Company Accounting Oversight Board (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. We were not engaged to perform an audit of the Plan's internal control over financial reporting. Our audits included consideration of internal control over financial reporting as a basis for designing audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Plan's internal control over financial reporting. Accordingly, we express no such opinion. An audit also includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements, assessing the accounting principles used and significant estimates made by management, and 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 Aimco 401(k) Retirement Plan at December 31, 2014 and 2013, and the changes in its net assets available for benefits for the year ended December 31, 2014, in conformity with U.S. generally accepted accounting principles.

The accompanying supplemental schedules of delinquent participant contributions for the year ended December 31, 2014 and assets (held at end of year) as of December 31, 2014, have been subjected to audit procedures performed in conjunction with the audit of Aimco 401(k) Retirement Plan's financial statements. The information in the supplemental schedules is the responsibility of the Plan's management. Our audit procedures included determining whether the information reconciles to the financial statements or the underlying accounting and other records, as applicable, and performing procedures to test the completeness and accuracy of the information presented in the supplemental schedules. In forming our opinion on the information, we evaluated whether such information, including its form and content, is presented in conformity with the Department of Labor's Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974. In our opinion, the information is fairly stated, in all material respects, in relation to the financial statements as a whole.

/s/ Ernst & Young LLP

Denver, Colorado  
June 29, 2015

Aimco 401(k) Retirement Plan  
 Statements of Net Assets Available for Benefits

	December 31, 2014	2013
Assets:		
Investments, at fair value	\$77,949,254	\$77,243,815
Notes receivable from participants	1,323,382	1,316,728
Contributions receivable and other assets	165,993	122,790
Total assets	79,438,629	78,683,333
Liabilities:		
Excess contributions payable	195,174	292,570
Net assets reflecting investments at fair value	79,243,455	78,390,763
Adjustment from fair value to contract value for fully benefit-responsive investment contracts held in a common/collective trust	(55,354 )	(69,854 )
Net assets available for benefits	\$79,188,101	\$78,320,909

See accompanying notes.

Aimco 401(k) Retirement Plan  
 Statement of Changes in Net Assets Available for Benefits  
 For the Year Ended December 31, 2014

Contributions:	
Participant	\$3,382,371
Employer	460,477
Rollover	352,768
	4,195,616
Investment income:	
Interest and dividend income	4,088,627
Net appreciation in fair value of investments	2,349,238
	6,437,865
Payments and expenses:	
Benefit payments	(9,757,289 )
Administrative expenses	(9,000 )
	(9,766,289 )
Net increase in net assets available for benefits	867,192
Net assets available for benefits at the beginning of the year	78,320,909
Net assets available for benefits at the end of the year	\$79,188,101

See accompanying notes.

Aimco 401(k) Retirement Plan  
Notes to Financial Statements  
December 31, 2014

1. Description of the Plan

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

The Plan is a defined contribution plan covering all employees of Apartment Investment and Management Company (the "Company" or "Aimco") who have completed 30 days of service and are age 18 or older, except Puerto Rico employees, who are not eligible to participate in the Plan, and certain employees covered by collective bargaining agreements who are not eligible to participate in the Plan, unless such collective bargaining agreement provides for the inclusion of such employees as participants in the Plan. The Plan is administered by 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, as amended ("ERISA").

Each year, participants may contribute to the Plan, on a pretax basis, up to 50% of their eligible compensation, or \$17,500 (for 2014), whichever is less. Participants who have attained age 50 before the end of the Plan year are eligible to make additional catch-up contributions. Participants may also contribute amounts representing distributions from other qualified defined benefit and defined contribution plans (rollovers).

The Company reinstated an employer matching program effective February 1, 2014, pursuant to which the Company may make matching contributions at its discretion, and the Company made such contributions in the following manner: (1) a 25% match on participant contributions to the extent of the first 4% of the participant's eligible compensation; and (2) an additional discretionary lump sum matching contribution to Plan participants following the Plan's year-end if the Company outperforms on its fiscal year corporate goals, or Key Performance Indicators ("KPI"). Employer contributions totaled \$460,477 for the Plan year ended December 31, 2014, all of which consisted of matching contributions. Of these contributions, \$381,150 had been received by the Plan at December 31, 2014, and \$79,327 were included in contributions receivable and other assets as of December 31, 2014.

During 2015, the Company made a discretionary lump sum contribution totaling \$378,245, or \$535 per Plan participant as of February 13, 2015, based on the Company's achievement of greater than 105% performance against its 2014 KPIs.

Participants direct their contributions and any allocated employer matching contributions into the various investment options offered by the Plan and can change their investment options on a daily basis.

Each participant's account is credited with the participant's contributions, Company matching contributions, if any, and allocations of plan earnings and is charged with an allocation of administrative expenses. Plan earnings are allocated based on the participant's share of net earnings or losses of their respective elected investment options. Allocations of administrative expenses are based on the participant's account balances, as defined. The benefit to which a participant is entitled is their vested account balance at the time of distribution.

Participants are immediately vested in their voluntary contributions plus actual earnings and losses thereon. Employer contributions under the recently reinstated matching program are fully vested for those employees who have attained three years of service or will vest after an employee completes three years of service. Certain of the Company's historical matching contributions vested immediately and those that did not vest fully after three years of service. 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. Three loans may be outstanding at any time; however, only one new loan is permitted during any 12-month period.

On termination of service or upon death, disability or retirement, a participant (or the participant's beneficiary) may elect to receive a distribution equal to the vested value of his or her account, which will be paid out as soon as administratively possible. In-service withdrawals are available in certain limited circumstances, as defined by the Plan.

Although the Company has not expressed any intent to do so, it has the right under the Plan 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 his or her account.



## 2. Summary of Significant Accounting Policies

### Basis of Accounting

The accompanying financial statements of the Plan are presented on the accrual basis of accounting. Benefits to participants are recorded when paid.

### Investments

Investments other than the Plan's investment in the Fidelity Management Trust Company Managed Income Portfolio Fund (the "Fidelity MIP Fund") are valued at fair value. The Fidelity MIP Fund is a common/collective trust that invests in fully benefit-responsive investment contracts. As described in Financial Accounting Standards Board ("FASB") Accounting Standards Codification ("ASC") 962, Plan Accounting-Defined Contribution Pension Plans, contract value is the relevant measurement attribute for that portion of the net assets available for benefits of a defined contribution plan attributable to fully benefit-responsive investment contracts because contract value is the amount participants would receive if they were to initiate permitted transactions under the terms of the Plan. The statements of net assets available for benefits present the investments in the Fidelity MIP Fund at fair value within the investment balances, and then include an adjustment to reconcile the fair value of such investments to their contract value for purposes of reporting net assets available for benefits. The fair value of the Plan's interest in the Fidelity MIP Fund is based on information about the fund's net asset value reported by Fidelity Management Trust Company. The contract value of the Fidelity MIP Fund represents contributions plus earnings, less participant withdrawals and administrative expenses. See Note 3 for further discussion and disclosures related to fair value measurements.

Purchases and sales of securities are recorded on a trade-date basis. Interest income is recorded on the accrual basis. Dividends are recorded on the ex-dividend date. Net appreciation includes the Plan's gains and losses on investments bought and sold as well as held during the year.

### Notes Receivable from Participants

Notes receivable from participants represent participant loans, all of which are secured by vested account balances of borrowing participants, and are recorded at their outstanding principal balances plus accrued but unpaid interest. Interest income on notes receivable from participants is recorded when it is earned. Related fees are recorded as administrative expenses and are expensed when they are incurred. No allowance for credit losses has been recorded as of December 31, 2014 or 2013. If a participant ceases to make loan repayments and the plan administrator deems the participant loan to be a distribution, the participant loan balance is reduced, and a benefit payment is recorded.

### Excess Contributions Payable

Amounts payable to participants as of December 31, 2014 and 2013, represent contributions in excess of amounts allowed by the Internal Revenue Service ("IRS") for the plan years ended December 31, 2014 and 2013, adjusted by the investment earnings or losses related to these excess contributions. These amounts have been recorded as a liability with a corresponding reduction to contributions and net appreciation/depreciation in fair value of investments. The Plan distributed the excess contributions and related investment income to the applicable participants for each of the plan years ended December 31, 2014 and 2013, prior to the annual March 15th deadline to avoid any penalties.

### Risks and Uncertainties

The Plan invests in various investment securities. Investment securities are exposed to various risks such as interest rate, market and credit risks. The Plan's exposure to credit loss in the event of nonperformance of investments is limited to the carrying value of such instruments. Due to the level of risk associated with certain investment securities, it is at least reasonably possible that changes in the values of investment securities will occur in the near term and that such changes could materially affect participants' account balances and the amounts reported in the statements of net assets available for benefits.

### Use of Estimates

The preparation of financial statements in conformity with U.S. generally accepted accounting principles ("GAAP") requires management to make estimates that affect the amounts reported in the financial statements, accompanying notes, and supplemental schedule. Actual results could differ from those estimates.

#### Income Tax Status

The Plan utilizes the volume submitter document offered by Fidelity. The Fidelity volume submitter plan has received an advisory letter from the IRS dated March 31, 2008, stating that the form of the plan is qualified under Section 401 of the Internal Revenue Code (the "Code") and, therefore, the related trust is tax-exempt. In accordance with Revenue Procedures 2014-6 and 2011-49, the plan administrator has determined that it is eligible to and has chosen to rely on the current IRS volume submitter advisory letter. Once qualified, the Plan is required to operate in conformity with the Code to maintain its qualified status. The plan administrator believes the Plan is being operated in compliance with the applicable requirements of the Code and therefore believes the Plan is qualified and the related trust is tax-exempt. GAAP requires plan management to evaluate uncertain tax positions taken by the Plan. The financial statement effects of a tax position are recognized when the position is more likely than not, based on the technical merits, to be sustained upon examination by the IRS. The plan administrator has analyzed the tax positions taken by the Plan and has concluded that as of December 31, 2014, there are no uncertain positions taken or expected to be taken. The Plan has recognized no interest or penalties related to uncertain tax positions. The Plan is subject to routine audits by taxing jurisdictions; however, there are currently no audits for any tax periods in progress. The plan administrator believes it is no longer subject to income tax examinations for years prior to 2011.

#### Plan Expenses

The Plan's administrative expenses are paid by either the Plan or the Company, as provided by the Plan's provisions. Administrative expenses paid by the Plan include recordkeeping and trustee fees. Any administrative expenses not paid by the Plan will be paid by the Company, which has historically paid a portion of the expenses necessary to administer the Plan through forfeited or unclaimed balances of terminated participants' accounts and has paid the remainder of the expenses directly. During the year ended December 31, 2014, unclaimed balances of terminated participants' accounts totaling \$9,000 were used to pay administrative expenses. At December 31, 2014 and 2013, there were \$107,914 and \$105,062 respectively, of forfeited and unclaimed balances of terminated participants' accounts available to pay future administrative expenses. Expenses relating to purchases, sales or transfers of the Plan's investments are charged to the particular investment fund to which the expenses relate.

#### Party-in-Interest Transactions

Certain Plan investments in mutual funds and a common collective trust are managed by Fidelity Management Trust Company. Fidelity Management Trust Company also serves as the trustee of the Plan and, therefore, Plan transactions involving these mutual funds and the common/collective trust qualify as party-in-interest transactions under ERISA and the Code. Additionally, a portion of the Plan's assets are invested in Aimco common stock. Because Aimco is the Plan sponsor, Plan transactions involving Aimco common stock qualify as party-in-interest transactions. All of these transactions are exempt from the prohibited transactions rules under ERISA.

### 3. Fair Value Measurements

In accordance with GAAP, the Plan measures investments at fair value. Investments measured at fair value on a recurring basis consisted of the following classes of investments as of December 31:

	2014	2013
Level 1:		
Aimco common stock	\$3,456,722	\$2,671,384
Interest-bearing cash held by Aimco Stock Fund	1,110	1,023
Mutual funds:		
Blended investments	17,704,630	17,464,242
Fixed income	5,370,681	5,553,689
Money market	3,917,237	4,363,293
Stock investments:		
Large cap	26,814,815	25,362,087
Mid cap	4,013,535	4,122,267
Small cap	6,534,019	6,696,020
International	3,996,226	4,385,652
Specialty (real estate)	2,353,218	1,989,826
Total Level 1	74,162,193	72,609,483
Level 2:		
Managed income fund (a)	3,787,061	4,634,332
Total investments	\$77,949,254	\$77,243,815

The Fidelity MIP Fund is a common/collective trust fund designed to deliver safety and stability by preserving principal and accumulating earnings. This fund is primarily invested in guaranteed investment contracts and (a) synthetic investment contracts. Participant-directed redemptions have no restrictions; however, the Plan is required to provide a one-year redemption notice to liquidate its entire share in the fund. Investments in the common/collective trust fund are recorded at fair value.

The valuation methodologies used to measure the fair values of common stock and mutual funds use a market approach with quoted market prices from active markets, which are classified within Level 1 of the fair value hierarchy defined by GAAP. The fair value of the common/collective trust fund has been estimated based on the fund's net asset value provided by Fidelity Management Trust Company, which is based on the fair value of the underlying investment contracts in the fund. The fair value of the common/collective trust fund was determined based on valuation techniques that use observable inputs classified within Level 1 and Level 2 of the fair value hierarchy. The Plan has classified the common/collective trust fund within Level 2 of the fair value hierarchy based on the significance of the Level 2 inputs to the valuation.

### 4. 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 in fair value for the year ended December 31, 2014, as presented in the following table:

	Net Realized and Unrealized Appreciation (Depreciation) in Fair Value During the Year
Investments in mutual funds	\$1,247,741
Investments in common stock	1,101,497
Net realized and unrealized appreciation	\$2,349,238

The Aimco Stock Fund is valued on a unitized basis and holds Aimco common stock and cash. Unitization of the fund allows for daily trades and the value of a unit reflects the combined value of the Aimco common stock and cash investments held by the fund. The fair value of the Aimco common stock is based on the closing price per the New York Stock Exchange, the principal stock exchange on which the stock is traded. At December 31, 2014 and 2013, this fund held 93,048 shares and 103,102 shares of Aimco common stock with a market value of approximately \$3.5

million and \$2.7 million, respectively.

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

	December 31, 2014	2013
Fidelity Investment Mutual Funds:		
Growth Company Fund	\$10,393,039	\$9,781,242
Low-Priced Stock Fund	4,013,535	4,122,267
Fidelity Freedom 2020 Fund	4,898,261	4,992,719
Fidelity Freedom 2030 Fund	6,077,679	6,049,799
Fidelity Freedom 2040 Fund	4,517,336	4,160,825
Money Market Trust Retirement Money Market Portfolio	*	4,363,293
Spartan U.S. Equity Index Fund	11,290,674	10,452,938
Other investment funds:		
Pacific Investment Management Company Total Return Fund - Institutional Class	*	3,999,492
Harbor International Fund	*	4,085,845
Dodge and Cox Fund	5,131,102	5,127,907
Vanguard Explorer Fund	4,989,026	4,972,026
Fidelity Management Trust Company Common/Collective Trust Fund:		
Managed Income Portfolio Fund (1)	*	4,634,332

\* Investment less than 5%.

(1) At December 31, 2014 and 2013, the contract value of the Plan's investments in the common/collective trust fund was \$3,731,707 and \$4,564,478, respectively.

#### 5. Reconciliation of Financial Statements to Form 5500

The following is a reconciliation of the net assets available for benefits per the financial statements to net assets per the Plan's Form 5500:

	December 31, 2014	2013
Net assets available for benefits per the financial statements	\$79,188,101	\$78,320,909
Plus: Excess contributions payable	195,174	292,570
Plus: Adjustment from contract value to fair value for fully benefit-responsive investment contracts	55,354	69,854
Net assets per the Form 5500	\$79,438,629	\$78,683,333

The following is a reconciliation of the net increase in net assets available for benefits per the financial statements to net income per the Plan's Form 5500:

	December 31, 2014	
Net increase in net assets available for benefits per the financial statements	\$867,192	
Less: Decrease in excess contributions payable	(97,396	)
Less: Net change in contract value to fair value adjustment for fully benefit-responsive investment contracts	(14,500	)
Net income per the Form 5500	\$755,296	

Refunds of excess contributions are reflected in the Form 5500 as benefit payments when paid to participants and have been recorded as a liability with a corresponding reduction to contributions and net appreciation/depreciation in fair value of investments as described in Note 2. The accompanying financial statements present fully benefit-responsive investment contracts held in a common/collective trust at contract value. The Form 5500 requires fully benefit-responsive investment contracts held in a common/collective trust to be recorded at fair value. Therefore, the adjustment from fair value to contract value for fully benefit-responsive investment contracts held in a common/collective trust represents a reconciling item.

Aimco 401(k) Retirement Plan  
 Schedule H, line 4a - Schedule of Delinquent Participant Contributions  
 Year Ended December 31, 2014  
 EIN: 84-1259577  
 Plan Number: 002

Check here if Late Participant Loan Repayments are included: x	Total that Constitute Nonexempt Prohibited Transactions		Total Fully Corrected Under Voluntary Fiduciary Correction Program and Prohibited Transaction Exemption 2002-51	
	Contributions Not Corrected	Contributions Corrected Outside Voluntary Fiduciary Correction Program		
	\$83		\$83	(1)
	\$1,942		\$1,942	(1)

(1) Represents delinquent participant contributions and loan repayments from one 2013 pay period. During 2014, the Company made full correction via the Voluntary Fiduciary Correction Program, including the contribution of lost earnings and filing the required Forms 5330.

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Aimco 401(k) Retirement Plan  
 Schedule H, line 4i - Schedule of Assets (Held at End of Year)  
 December 31, 2014  
 EIN: 84-1259577  
 Plan Number: 002

Identity of Issue, Borrower, Lessor or Similar Party	Description of Investment, including Maturity Date, Rate of Interest, Collateral, Par or Maturity Value		Current Value
Common stock:			
Aimco Stock Fund*	93,048	shares	\$3,457,832
Fidelity Investment Mutual Funds:*			
Growth Company Fund	78,903	shares	10,393,039
Fidelity Real Estate Fund	57,606	shares	2,353,218
Low-Priced Stock Fund	79,951	shares	4,013,535
Fidelity Freedom Income Fund	48,389	shares	572,931
Fidelity Freedom 2010 Fund	73,493	shares	970,108
Fidelity Freedom 2020 Fund	343,979	shares	4,898,261
Fidelity Freedom 2030 Fund	400,638	shares	6,077,679
Fidelity Freedom 2040 Fund	288,648	shares	4,517,336
Fidelity Freedom 2050 Fund	41,331	shares	668,315
Money Market Trust Retirement Money Market Portfolio	3,917,237	shares	3,917,237
Spartan U.S. Equity Index Fund	154,964	shares	11,290,674
Fidelity Management Trust Company*			
Common/Collective Trust Fund:			
Managed Income Portfolio Fund	3,731,707	shares	3,787,061
Other investment funds:			
Pacific Investment Management Company Total	368,301	shares	3,926,084
Return Fund - Institutional Class			
Pacific Investment Management Company Real	118,781	shares	1,297,093
Return Fund - Institutional Class			
Harbor International Fund	56,058	shares	3,631,426
H&W High Yield Fund	11,905	shares	147,504
Dodge and Cox Fund	28,358	shares	5,131,102
Vanguard International Stock Fund	14,031	shares	364,800
Vanguard Explorer Fund	57,710	shares	4,989,026
American Beacon Small Cap Value Fund	61,627	shares	1,544,993
Participant loans*	Interest rates range from 5.25% to 10.25% with various maturities		1,323,382
			\$79,272,636

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

Note: Column (d), cost information, is not applicable since all the investments are participant directed.



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.

Date: June 29, 2015  
AIMCO 401(k) RETIREMENT PLAN

By: /s/ JENNIFER JOHNSON

Jennifer Johnson  
Senior Vice President, Human Resources

By: /s/ ERNEST M. FREEDMAN

Ernest M. Freedman  
Executive Vice President and Chief Financial Officer

EXHIBIT INDEX

EXHIBIT NO.

23.1 Consent of Ernst & Young LLP

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