

AIMCO 2nd Quarter 2004

Denver, Colorado – August 4, 2004

Apartment Investment and Management Company Announces Second Quarter 2004 Results

SUMMARY FINANCIAL RESULTS Apartment Investment and Management Company (Aimco) (NYSE:AIV) announced second quarter 2004 results including:

- ▶ Net income was \$14.0 million, compared with \$59.2 million in the second quarter 2003. Earnings (loss) per share (EPS) was \$(0.08) on a diluted basis, compared with \$0.37 in the second quarter 2003, based on net income (loss) attributable to common stockholders.
- ▶ Funds from operations (diluted) (FFO; a non-GAAP financial measure defined in the glossary in the Supplemental Information (the Glossary)) was \$59.7 million, or \$0.63 per share compared with \$83.7 million, or \$0.86 per share, in the second quarter 2003. These FFO results were calculated in accordance with the definition of FFO prescribed by the National Association of Real Estate Investment Trusts (NAREIT). Second quarter 2004 FFO decreased by \$2.4 million as a result of impairment losses from real estate assets sold or held for sale. Excluding these charges, second quarter 2004 FFO would have been \$61.8 million (adjusted for minority interest in Aimco operating partnership), or \$0.65 per share, within Aimco guidance and exceeding First Call consensus.
- ▶ Adjusted funds from operations (diluted) (AFFO; a non-GAAP financial measure defined in the Glossary) was \$44.5 million, or \$0.48 per share, within Aimco guidance, compared with \$68.1 million, or \$0.70 per share, in the second quarter 2003. AFFO includes a deduction of \$0.17 and \$0.21 per share for capital replacement expenditures in the second quarter 2004 and 2003, respectively.

DILUTED PER SHARE RESULTS

	Second Quarter		Year to Date	
	2004	2003	2004	2003
Earnings (loss) - EPS	(\$0.08)	\$0.37	(\$0.15)	\$0.37
Funds from operations - FFO	\$0.63	\$0.86	\$1.30	\$1.71
FFO before impairment and preferred redemption charges	\$0.65	\$0.91	\$1.32	\$1.81
Adjusted funds from operations - AFFO	\$0.48	\$0.70	\$1.03	\$1.35

Contact: Investor Relations 303.691.4350, Investor@Aimco.com
Jennifer Martin, Vice President-Investor Relations 303.691.4440

AIMCO
Apartment Investment and Management Company

Management Comments

Chairman and Chief Executive Officer Terry Considine comments: “Under the leadership of Jeff Adler and with the benefit of an improving economy, occupancy, rental rates and net operating income for the Aimco portfolio of conventional properties increased each month during the second quarter. Similarly, David Robertson and the Aimco Capital team produced better than expected results. These positive facts make me optimistic that Aimco will enjoy improved profitability during the second half of this year.”

Mr. Considine continues: “During July, Aimco marked its tenth anniversary as a public company. Thanks to our satisfied customers and the hard work of our dedicated employees, Aimco has grown from a \$300 million asset base in 1994 to an S&P 500 company. Although our investment returns have been disappointing over the last three years, the compounded annual return since the IPO is 13.6%, which is in line with apartment peer returns over the same period. The entire Aimco team takes pride in what has been accomplished, and we are enthusiastic about what lies ahead.”

Executive Vice President Conventional Property Operations, Jeff Adler, adds: “Dedicated efforts to drive improved revenue through a focus on sales and marketing, customer service and better pricing decisions have successfully led to an increase in “Same Store” occupancy to 92% at the end of July as well as increased rents on new leases in July. In the third quarter we expect to see improved revenue; however, it will be accompanied by higher turnover and marketing expenses in the period related to increased leasing activity. While there is much work ahead, we are setting the foundation for improved results going forward.”

President and Chief Executive Officer of Aimco Capital, David Robertson, remarks: “We continue to have a strong pipeline of potential fee-generating transactions within the Aimco Capital portfolio. During the second quarter we executed more than 40 transactions, delivering asset management and transaction fee revenues of \$9.3 million.”

Business Components – Conventional Operations and Aimco Capital

CONVENTIONAL REAL ESTATE OPERATIONS - Conventional real estate operations include Aimco’s diversified portfolio of market rate apartment communities. At quarter-end this portfolio had 616 properties with 172,635 units in which Aimco had a weighted average 79% ownership. During the second quarter 2004, conventional real estate operations generated free cash flow (FCF; a non-GAAP financial measure defined in the Glossary and presented and reconciled to GAAP on Supplemental Schedule 2) of \$142.9 million. Conventional operations also generated revenues, net of expenses, of \$2.4 million from property management.

“Same Store” Results

The “Same Store” portfolio is a sub-set of total conventional properties. In the second quarter 2004 the “Same Store” portfolio included 569 communities with 127,608 effective units based on Aimco’s weighted average ownership of 79.9% (see Supplemental Schedules 6a through 7). Second quarter 2004 revenue from the “Same Store” portfolio was \$265.6 million compared with \$275.0 million in the second quarter 2003, a decline of \$9.3 million or 3.4%. Comparing the second quarter 2004 with the second quarter 2003, the “Same Store” portfolio experienced a 4.5 percentage point decrease in average occupancy from 92.6% to 88.1%, somewhat offset by a \$2 per unit increase in average rent per unit from \$724 to \$726. Lower net rental income was

somewhat offset by higher other property revenue (which includes revenue from utility reimbursements and ancillary services) and lower bad debt. "Same Store" expenses of \$115.8 million increased by \$4.0 million, or 3.5%, compared with the second quarter 2003. Increased expenses were primarily due to \$4.9 million in expenses related to personnel costs, partially offset by \$1.0 million of lower taxes and insurance. "Same Store" portfolio net operating income was \$149.8 million for the second quarter 2004, down 8.1% from the second quarter 2003.

Comparing "Same Store" results on a sequential basis, total revenue declined \$0.6 million in the second quarter 2004 compared with the first quarter 2004, driven primarily by a 0.9 percentage point decline in average occupancy from 89.0% to 88.1%. This was partially offset by a \$1 increase in average rent per unit, increased other property revenue and lower bad debt. Expenses increased \$1.9 million due primarily to higher resident turnover, personnel costs, and seasonal maintenance, somewhat offset by lower utilities and lower taxes. Net operating income decreased \$2.5 million, or 1.6%, on a sequential basis.

SAME STORE OPERATING RESULTS

	Second Quarter			Sequential		
	2004	2003	Variance	1st Qtr	Variance	
Same Store Operating Measures:						
Average Physical Occupancy	88.1%	92.6%	-450 bp	89.0%	-90 bp	
Average Rent/unit	\$ 726	\$ 724	0.3%	\$ 725	0.1%	
Total Same Store						
Revenue	\$ 265.6	\$ 275.0	-3.4%	\$ 266.2	-0.2%	
Expenses	(115.8)	(111.9)	3.5%	(113.9)	1.7%	
NOI (\$mm)	\$ 149.8	\$ 163.1	-8.1%	\$ 152.3	-1.6%	

AIMCO CAPITAL - Aimco Capital oversees affordable property operations, asset management and transactional activities, and is led by a management team dedicated to this sector. Aimco is among the largest owners and operators of affordable properties in the United States. During the second quarter 2004, affordable property operations included 464 properties with 56,370 units. Aimco has a weighted average 38% ownership in its affordable properties. Occupancy and rents in the affordable sector were stable and averaged 94% and \$635, respectively, in the second quarter 2004, consistent with the first quarter 2004. Aimco Capital generated FCF of \$19.0 million from property operations. Aimco Capital also generated property management revenue, net of expenses, of \$5.0 million and activity and asset management revenues, net of expenses, of \$4.6 million.

Portfolio Management and Redevelopment Activity

ACQUISITIONS - Aimco made two acquisitions during the second quarter 2004 for a total purchase price of \$33.5 million. The properties include: Castle Court Apartments, a 240-unit, garden-style property located in Fall River, Massachusetts purchased for \$19.0 million; and, five contiguous buildings with 72 units located on the Upper East Side of Manhattan, purchased for \$14.5 million. During the second quarter Aimco also purchased for an aggregate of \$12 million additional limited partnership interests in 92 partnerships that own 163 properties.

DISPOSITIONS - Aimco regularly reviews its portfolio to identify properties that do not meet its long-term investment criteria. Aimco considers these properties as “Non-Core” (defined in the Glossary) and seeks to hold them over the intermediate term.

Aimco sold 25 properties with 4,228 units in the second quarter 2004 for \$146 million in gross proceeds. Aimco’s share of net proceeds after payment of property debt and transaction costs was \$47 million. See Supplemental Schedule 8 for additional information on disposition activity.

GAIN ON DISPOSITIONS - Aimco’s property dispositions resulted in total gains on dispositions of real estate (including gains from sales of unconsolidated entities and discontinued operations), net of related taxes, of \$12.3 million for the second quarter 2004, compared with a gain of \$38.9 million for the second quarter 2003.

REDEVELOPMENT ACTIVITY - Aimco’s Construction Services Group is progressing on its initiative to improve asset quality through redevelopment projects that are typically \$2 million to \$10 million in size and that are designed for completion primarily as units are leased to new residents. At quarter-end, eleven projects were under construction. Further information on current redevelopment projects is provided in Supplemental Schedule 10.

Additional Financial Information

PROPERTY MANAGEMENT INCOME - Income from property management is generated from management of properties in which Aimco has unconsolidated holdings or manages for third parties. Property management revenues net of expenses was \$7.4 million in the second quarter 2004 compared with \$7.7 million in the second quarter 2003. Property management revenues net of expenses declined primarily due to increased consolidation of real estate partnerships, resulting in the elimination of associated management income.

ACTIVITY FEE AND ASSET MANAGEMENT INCOME - Activity fees are generated from transactional activity including dispositions, refinancings, and tax credit syndications and redevelopment, and are earned primarily from Aimco Capital holdings. Asset management income is earned by Aimco Capital from the financial management of properties, rather than management of day-to-day operations. Activity fee and asset management revenues net of expenses from both conventional and Aimco Capital operations was \$5.1 million in the second quarter 2004 compared with \$1.1 million in the second quarter 2003. The amount of this income may vary each quarter depending upon the nature and timing of transactional activity.

INTEREST INCOME - Interest income (which includes transactional accretion income of \$0.7 million) was \$7.5 million for the second quarter, an increase of \$0.5 million compared with the second quarter 2003. Interest income is generated from notes receivable totaling \$203.6 million at June 30, 2004.

DEBT ACTIVITY - During the second quarter 2004, Aimco closed 17 mortgage loans, all of which were refinancings of existing mortgage debt. Total proceeds were \$111.6 million at a weighted average interest rate of 3.85%. After repayment of existing debt, transaction costs, and distributions to limited partners totaling \$102.7 million, Aimco’s share of net proceeds was \$8.9 million.

During the second quarter 2004 Aimco drew \$158.1 million on its revolving credit facility (\$100 million of which was used to redeem the 9.0% Class P Convertible Cumulative Preferred Stock), increasing the balance from \$127.5 million to \$285.6 million and leaving \$159.4 million (less \$22.7 million in outstanding letters of credit) in available capacity.

Total consolidated debt increased by \$225 million during the quarter including: (i) a \$67 million net increase in mortgage debt; and (ii) a \$158 million increase in short-term borrowings. Please refer to Schedule 5 of the Supplemental Information for more detail on debt activity.

INTEREST EXPENSE - Consolidated interest expense was \$96.4 million for the second quarter 2004, an increase of \$5.2 million when compared with \$91.2 million in the second quarter 2003. The increase in interest expense is primarily the result of: (i) lower capitalized interest with the completion of Flamingo South Beach; and (ii) increased corporate borrowings.

PREFERRED STOCK ACTIVITY – As previously announced, during the second quarter Aimco redeemed the 9.0% Class P Convertible Cumulative Preferred Stock for \$100 million.

G&A – General and administrative expenses for the second quarter 2004 were \$18.4 million, up from \$7.6 million in the second quarter 2003. This increase is primarily due to: (i) \$3.2 million of higher salaries and benefit costs due to increased staffing levels and a new health care plan, and higher variable compensation costs; (ii) \$0.9 million of one-time executive recruitment and relocation costs; (iii) \$1.3 million of higher compliance costs resulting from Sarbanes 404 and increased legal fees; (iv) \$0.2 million of increased travel costs incurred in connection with monthly Regional Operating Center reviews by senior management; (v) \$1.9 million favorable change in estimate in the second quarter of 2003 pertaining to the collectibility of corporate receivables from unconsolidated partnerships; and (vi) miscellaneous other one-time expenses incurred in 2004 and one-time benefits realized in 2003.

OTHER INCOME, NET - Other income, net was \$0.6 million for the second quarter 2004 compared with \$3.6 million in the second quarter 2003. This line item primarily includes income tax provisions/benefits, partnership expenses and risk management activities related to unconsolidated partnerships. The decline in income in the second quarter 2004 compared with the second quarter 2003 is primarily due to risk management activities.

Outlook

For the third quarter 2004, FFO is forecast to range from \$0.66 to \$0.68 per share, before impairment and preferred redemption charges, and AFFO from \$0.48 to \$0.51 per share. For the full year 2004, FFO is forecast to range from \$2.75 to \$2.78 per share, before impairment and preferred redemption charges, and AFFO is forecast to range from \$2.09 to \$2.14 per share. These forecast ranges are narrowed from the forecast ranges provided in May 2004 of \$2.75 to \$3.00 and \$2.03 to \$2.28, respectively. Please refer to the Outlook Schedule for the third quarter and full year 2004, which follows the Consolidated Financial Statements in this release.

Dividends on Common Stock

As announced on July 29, 2004, the Aimco Board of Directors declared a quarterly cash dividend of \$0.60 per share of Class A Common Stock for the quarter ended June 30, 2004, payable on August 31, 2004 to stockholders of record on August 20, 2004. The dividend represents 125% of AFFO (diluted) and 95% of FFO (diluted), on a per share basis, for the quarter ended June 30, 2004 and a 7.6% annualized yield based on the \$31.70 closing price of Aimco's Class A Common Stock on July 29, 2004.

Earnings Conference Call

Please join Aimco management for the Second Quarter 2004 earnings conference call to be held Wednesday, August 4, 2004 at 3:00 p.m. Eastern Time. You may join the conference call through an Internet audiocast via Aimco's Website at www.aimco.com/about/financial/2Q2004.asp, then click on the Webcast link. Alternatively, you may join the conference call by telephone by dialing 800-218-0204, or 303-262-2130 for international callers. Please call approximately five minutes before the conference call is scheduled to begin and indicate that you wish to join the Apartment Investment and Management Company Second Quarter 2004 earnings conference call. If you are unable to join the live conference call, you may access the replay for 30 days on Aimco's Website or by dialing 800-405-2236 (303-590-3000 for international callers) and using access code 11002189#.

Supplemental Information

The Supplemental Information referenced in this release is available at Aimco's Website at the link www.aimco.com/about/financial/2Q2004.asp or by calling Investor Relations at 303-691-4350.

Forward-looking Statements

This earnings release and Supplemental Information contain forward-looking statements, including statements regarding projected results. These forward-looking statements are based on certain risks and uncertainties, including but not limited to Aimco's ability to improve upon current occupancy, rent levels and "Same Store" results and the economic environment in which Aimco operates. Actual results may differ materially from those described in these forward-looking statements and will be affected by a variety of risks and factors including, without limitation: national and local economic conditions; the general level of interest rates; the terms of governmental regulations that affect Aimco and interpretations of those regulations; the competitive environment in which Aimco operates; financial risks, including the risk that Aimco's cash flows from operations may be insufficient to meet required payments of principal and interest; real estate risks, including variations of real estate values and the general economic climate in local markets and competition for tenants in such markets; acquisition and development risks, including failure of such acquisitions to perform in accordance with projections; litigation, including costs associated with prosecuting or defending claims and any adverse outcomes; and possible environmental liabilities, including costs that may be incurred due to necessary remediation of contamination or properties presently owned or previously owned by Aimco. These forward-looking statements reflect management's judgment as of this date, and Aimco assumes no obligation to revise or update them to reflect future events or circumstances.

About Aimco

Aimco is a real estate investment trust headquartered in Denver, Colorado owning and operating a geographically diversified portfolio of apartment communities through 21 regional operating centers. Aimco, through its subsidiaries, operates nearly 1,600 properties, including approximately 280,000 apartment units, and serves approximately one million residents each year. Aimco's properties are located in 47 states, the District of Columbia and Puerto Rico. Aimco common shares are included in the S&P 500.

GAAP Income Statements

Consolidated Statements of Income
(in thousands, except per share data)
(unaudited)

	For the Three Months Ended June 30,		For the Six Months Ended June 30,	
	2004	2003	2004	2003
REVENUES:				
Rental and other property revenues	\$ 361,001	\$ 353,898	\$ 715,066	\$ 699,641
Property management revenues, primarily from affiliates	9,371	9,607	17,627	18,846
Activity fees and asset management revenues, primarily from affiliates	9,820	3,111	18,088	8,899
Total revenues	<u>380,192</u>	<u>366,616</u>	<u>750,781</u>	<u>727,386</u>
EXPENSES:				
Property operating expenses	167,704	150,880	330,684	300,120
Property management expenses	1,989	1,925	4,331	4,042
Activity and asset management expenses	4,716	1,972	7,027	3,807
Depreciation and amortization	93,216	87,645	182,900	171,878
General and administrative expenses	18,407	7,566	37,039	17,301
Other income, net	(589)	(3,579)	(1,786)	(7,202)
Total expenses	<u>285,443</u>	<u>246,409</u>	<u>560,195</u>	<u>489,946</u>
Operating income	94,749	120,207	190,586	237,440
Interest income	7,533	7,067	15,006	13,142
Provision for losses on notes receivable	(1,180)	(791)	(1,101)	(1,488)
Interest expense	(96,372)	(91,174)	(189,411)	(180,014)
Deficit distributions to minority partners	(2,650)	(3,633)	(7,088)	(9,101)
Equity in losses of unconsolidated real estate partnerships	(1,038)	(3,132)	(2,472)	(4,814)
Impairment loss on investment in unconsolidated real estate partnerships	(1,881)	-	(1,733)	-
Gain on disposition of real estate related to unconsolidated entities and other	2,097	839	2,080	756
Income before minority interests, discontinued operations and cumulative effect of change in accounting principle	1,258	29,383	5,867	55,921
Minority interests:				
Minority interest in consolidated real estate partnerships	3,650	(1,579)	4,659	(2,648)
Minority interest in Aimco Operating Partnership, preferred [a]	(1,971)	(2,604)	(3,940)	(5,225)
Minority interest in Aimco Operating Partnership, common [a]	2,163	(164)	4,404	(251)
Total minority interests	3,842	(4,347)	5,123	(8,124)
Income from continuing operations	5,100	25,036	10,990	47,797
Income from discontinued operations, net [b]	8,886	34,194	20,981	33,256
Income before cumulative effect of change in accounting principle	13,986	59,230	31,971	81,053
Cumulative effect of change in accounting principle	-	-	(3,957)	-
Net income	13,986	59,230	28,014	81,053
Net income attributable to preferred stockholders	21,773	24,961	41,640	47,102
Net income (loss) attributable to common stockholders	<u>\$ (7,787)</u>	<u>\$ 34,269</u>	<u>\$ (13,626)</u>	<u>\$ 33,951</u>
Weighted average number of common shares outstanding	93,065	92,747	92,938	92,720
Weighted average number of common shares and common share equivalents outstanding	93,065	92,832	92,938	92,809
Earnings (loss) per common share - basic:				
Income (loss) from continuing operations (net of preferred dividends)	\$ (0.18)	\$ 0.00	\$ (0.33)	\$ 0.01
Income from discontinued operations	0.10	0.37	0.22	0.36
Cumulative effect of change in accounting principle	-	-	(0.04)	-
Net income (loss) attributable to common stockholders	<u>\$ (0.08)</u>	<u>\$ 0.37</u>	<u>\$ (0.15)</u>	<u>\$ 0.37</u>
Earnings (loss) per common share - diluted:				
Income (loss) from continuing operations (net of preferred dividends)	\$ (0.18)	\$ 0.00	\$ (0.33)	\$ 0.01
Income from discontinued operations	0.10	0.37	0.22	0.36
Cumulative effect of change in accounting principle	-	-	(0.04)	-
Net income (loss) attributable to common stockholders	<u>\$ (0.08)</u>	<u>\$ 0.37</u>	<u>\$ (0.15)</u>	<u>\$ 0.37</u>

[a] The Aimco Operating Partnership is AIMCO Properties, L.P., the operating partnership in Aimco's UPREIT structure

[b] Income from discontinued operations of consolidated properties is broken down as follows (in thousands):

	Quarter Ended 30-Jun-04	Quarter Ended 30-Jun-03	Year Ended 30-Jun-04	Year Ended 30-Jun-03
Income from operations	\$ 488	\$ 2,909	\$ 101	\$ 4,764
Gain on dispositions of real estate, net of minority partners' interest	10,225	41,050	21,585	44,542
Impairment loss on real estate assets sold or held for sale	(477)	(2,654)	(491)	(7,941)
Recovery of deficit distributions to minority partners	5	275	3,318	500
Income tax arising from disposals	(92)	(2,978)	(789)	(4,306)
Minority interest in Aimco Operating Partnership	(1,263)	(4,408)	(2,743)	(4,303)
Income from discontinued operations	<u>\$ 8,886</u>	<u>\$ 34,194</u>	<u>\$ 20,981</u>	<u>\$ 33,256</u>

GAAP Balance Sheets

Consolidated Balance Sheets (in thousands) (unaudited)

	As of June 30, 2004	As of December 31, 2003
ASSETS		
Buildings and improvements	\$ 8,746,119	\$ 8,351,762
Land	2,177,716	2,059,400
Accumulated depreciation	<u>(1,976,291)</u>	<u>(1,805,386)</u>
TOTAL REAL ESTATE	8,947,544	8,605,776
Cash and cash equivalents	90,619	96,983
Restricted cash	285,586	243,174
Accounts receivable	58,703	66,943
Accounts receivable from affiliates	69,357	56,874
Deferred financing costs	74,159	72,830
Notes receivable from unconsolidated real estate partnerships	143,685	137,416
Notes receivable from non-affiliates	59,933	68,771
Investment in unconsolidated real estate partnerships	180,392	237,056
Other assets	343,924	283,634
Assets held for sale	105,289	243,905
TOTAL ASSETS	<u>\$ 10,359,191</u>	<u>\$ 10,113,362</u>
LIABILITIES AND STOCKHOLDERS' EQUITY		
Secured tax-exempt bond financing	\$ 1,229,367	\$ 1,199,360
Secured notes payable	4,541,102	4,331,104
Mandatorily redeemable preferred securities	15,019	113,619
Term loans	343,000	354,387
Credit facility	<u>285,600</u>	<u>81,000</u>
TOTAL INDEBTEDNESS	6,414,088	6,079,470
Accounts payable	40,965	24,139
Accrued liabilities and other	407,384	392,866
Deferred income	31,245	25,856
Security deposits	40,615	40,490
Deferred income taxes payable	18,235	26,065
Liabilities related to assets held for sale	<u>83,871</u>	<u>167,966</u>
TOTAL LIABILITIES	<u>7,036,403</u>	<u>6,756,852</u>
Minority interest in consolidated real estate partnerships	210,285	191,948
Minority interest in Aimco Operating Partnership	269,719	303,905
STOCKHOLDERS' EQUITY		
Class A Common Stock	946	939
Additional paid-in capital	3,069,095	3,053,312
Perpetual preferred stock	755,250	555,250
Convertible preferred stock	200,000	299,992
Distributions in excess of earnings	(1,121,842)	(998,018)
Unvested restricted stock	(21,018)	(10,772)
Notes due on common stock purchases	<u>(39,647)</u>	<u>(40,046)</u>
TOTAL STOCKHOLDERS' EQUITY	<u>2,842,784</u>	<u>2,860,657</u>
TOTAL LIABILITIES AND STOCKHOLDERS' EQUITY	<u>\$ 10,359,191</u>	<u>\$ 10,113,362</u>



GAAP Statements of Cash Flows

Condensed Consolidated Statements of Cash Flows
(in thousands)
(unaudited)

	<u>Six Months Ended June 30, 2004</u>	<u>Six Months Ended June 30, 2003</u>
CASH FLOWS FROM OPERATING ACTIVITIES:		
Net income	\$ 28,014	\$ 81,053
Depreciation and amortization	182,900	171,878
Adjustments to net income from discontinued operations	(19,405)	(16,366)
Changes in operating assets and liabilities	(33,482)	30,067
Other adjustments to reconcile net income	7,957	21,283
Net cash provided by operating activities	<u>165,984</u>	<u>287,915</u>
CASH FLOWS FROM INVESTING ACTIVITIES:		
Purchases of real estate	(176,971)	(5,000)
Capital expenditures	(102,930)	(122,354)
Purchases of non-real estate assets	(20,083)	(11,274)
Proceeds from dispositions of real estate	112,362	243,916
Purchases of general and limited partnership interests and other assets	(35,232)	(33,023)
Originations of notes receivable from unconsolidated real estate partnerships	(28,176)	(20,631)
Distributions received from investments in unconsolidated real estate partnerships	41,624	46,422
Other investing activities	31,243	15,262
Net cash (used in) provided by investing activities	<u>(178,163)</u>	<u>113,318</u>
CASH FLOWS FROM FINANCING ACTIVITIES:		
Proceeds from secured notes payable borrowings	154,788	266,999
Principal repayments on secured notes payable	(181,682)	(377,379)
Proceeds from tax-exempt bond financing	69,471	-
Principal repayments on tax-exempt bond financing	(46,137)	(12,689)
Net borrowings (paydowns) on term loans and revolving credit facility	193,213	(51,624)
Proceeds from issuance (redemption) of mandatorily redeemable preferred securities	(98,875)	97,250
Proceeds from issuance of preferred stock	193,250	-
Redemption of preferred stock	(99,926)	(59,845)
Repurchase of Class A Common Stock and redemption of OP Units	(13,088)	(1,086)
Payment of Class A Common Stock dividends	(112,532)	(152,425)
Payment of preferred stock dividends	(39,306)	(45,630)
Contributions from minority interest	22,155	-
Payment of distributions to minority interest	(44,107)	(52,006)
Other financing activities	(6,024)	(6,436)
Net cash used in financing activities	<u>(8,800)</u>	<u>(394,871)</u>
NET (DECREASE) INCREASE IN CASH AND CASH EQUIVALENTS	(20,979)	6,362
CASH AND CASH EQUIVALENTS AT BEGINNING OF PERIOD	96,983	95,413
NET (INCREASE) DECREASE IN CASH AND CASH EQUIVALENTS INCLUDED WITHIN ASSETS HELD FOR SALE FROM BEGINNING TO END OF PERIOD	14,615	(80)
CASH AND CASH EQUIVALENTS AT END OF PERIOD	<u>\$ 90,619</u>	<u>\$ 101,695</u>

**Outlook and Forward Looking Statement
 Third Quarter and Full Year 2004
 (unaudited)**

The Outlook information provided on this Schedule contains information that is forward-looking, including statements concerning projected third quarter and full year 2004 results. These forward-looking statements are based on current expectations, estimates, and projections about the markets and the industry in which Aimco operates as well as management's beliefs and assumptions. These forward-looking statements are also based on certain risks and uncertainties, including but not limited to Aimco's ability to improve upon current occupancy, rent levels and "same store" results and the economic environment in which Aimco operates. Actual results may differ materially from those described in these forward-looking statements and will be affected by a variety of risks and factors including, without limitation: national and local economic conditions; the general level of interest rates; the terms of governmental regulations that affect Aimco and interpretations of those regulations; the competitive environment in which Aimco operates; financing risks, including the risk that Aimco's cash flows from operations may be insufficient to meet required payments of principal and interest; real estate risks, including variations of real estate values and the general economic climate in local markets and competition for tenants in such markets; acquisition and development risks, including failure of such acquisitions to perform in accordance with projections; litigation, including costs associated with prosecuting or defending claims and any adverse outcomes; and possible environmental liabilities, including costs that may be incurred due to necessary remediation of contamination of properties presently owned or previously owned by Aimco. Readers should carefully review Aimco's financial statements and notes thereto, as well as the risk factors described in Aimco's Annual Report on Form 10-K for the year ended December 31, 2003 and the other documents Aimco files from time to time with the Securities and Exchange Commission.

	<u>Third Quarter 2004</u>	<u>Full Year 2004</u>
GAAP Earnings per share (1)	-\$0.06 to -\$0.04	-\$0.38 to -\$0.35
Add: Depreciation and other	\$0.72	\$3.13
FFO per share before Impairments (2)	\$0.66 to \$0.68	\$2.75 to \$2.78
AFFO per share	\$0.48 to \$0.51	\$2.09 to \$2.14
2004 Same Store Operating Assumptions		
Expected physical occupancy (weighted average)	91.4% to 92.4%	89.8% to 90.5%
NOI change - sequential and 2004 vs. 2003	1.5% to 2.5%	-3.75% to -4.5%
Gross dispositions (3)		\$600MM to \$700MM (Aimco Share \$440MM - \$560MM)
Gross acquisitions (4)		\$440MM to \$560MM (Aimco Share \$440MM - \$560MM)

(1) Aimco's earnings per share guidance does not include estimates for (i) gain on dispositions or impairment losses due to the unpredictable timing of transactions or (ii) deferred costs recognized on early repayment of debt or upon redemption of preferred securities.

(2) Aimco's FFO (diluted) per share guidance does not include estimates for (i) gain on dispositions or impairment losses due to the unpredictable timing of transactions or (ii) deferred costs recognized on early repayment of debt or upon redemption of preferred securities.

(3) Aimco has sold or is currently marketing for sale approximately 75 conventional properties (approximately 18,000 units) and 200 affordable properties (approximately 20,000 units). Aimco anticipates gross sales proceeds of approximately \$600 to \$700 million for 2004 (Aimco share \$440 to \$560 million). Aimco expects that its share of cash from these dispositions, net of limited partner interests and after repayment of mortgage debt, will be approximately \$175 to \$225 million. In addition, Aimco has listed for sale a small number of core properties that are not included in the sales guidance above.

(4) Acquisitions include property acquisitions, limited partnership acquisitions, preferred stock redemptions, and common stock repurchases.



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GLOSSARY OF NON-GAAP FINANCIAL AND OPERATING MEASURES: Financial and operating measures found in the Earnings Release and Supplemental Information include certain financial measures used by Aimco management that are not calculated in accordance with generally accepted accounting principles, or GAAP. These measures are defined below and, where appropriate, reconciled on the accompanying Supplemental Schedules to the most comparable GAAP measures.

ACQUISITION PROPERTIES: Consolidated properties owned less than one year as of the beginning of the most recent quarter.

AFFORDABLE PROPERTIES: Affordable properties benefit from government programs designed to pay rental income on behalf of people with low or moderate incomes and includes properties that were owned for all periods presented.

ADJUSTED FUNDS FROM OPERATIONS (AFFO): AFFO is FFO (diluted) less Capital Replacement expenditures, plus non-cash charges for redemption related preferred stock issuance costs and impairment losses, all of which are adjusted for the Aimco operating partnership's share (AIMCO Properties, L.P.). Similar to FFO, AFFO is helpful to investors in understanding Aimco's performance because it captures features particular to real estate performance by recognizing that real estate generally appreciates over time or maintains residual value to a much greater extent than do other depreciating assets such as machinery, computers or other personal property. From the second quarter 2002 through the fourth quarter 2003, the calculation of AFFO also deducted Capital Enhancements expenditures (CE). CE expenditures were made to improve Aimco's assets by adding a new feature or revenue source; however, as part of changes effective as of the first quarter 2004, these expenditures are included within capital improvements. Capital improvement expenditures are not deducted in the calculation of AFFO and FCF.

Please see Supplemental Schedule I for AFFO data reconciled to Net Income as determined in accordance with GAAP.

CAPITAL IMPROVEMENTS (CI): As of the first quarter 2004, CI expenditures include all non-redevelopment capital expenditures that are made to enhance the value, profitability or useful life of an asset from its original purchase condition. This category combines certain of Aimco's prior capital expenditure categories. This new classification, along with Capital Replacements, is intended to be simpler to apply, allow more discrete differentiation between categories, facilitate sound economic decisions, and assist investors and analysts in better understanding capital spending.

CI expenditures are a component of Capital expenditures in the GAAP Statement of Cash Flows.

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CAPITAL REPLACEMENTS (CR): CR expenditures do not increase the value, profitability or useful life of an asset from its original purchase condition. It represents the share of expenditures that is deemed to replace the consumed portion of acquired capital assets. CR expenditures are deducted in the calculation of AFFO and FCF. Effective January 1, 2004 Aimco refined the methodology in calculating CR. Please refer to Schedule 9 for further detail. CR expenditures are a component of Capital expenditures in the GAAP Statement of Cash Flows.

CORE PROPERTIES: Conventional properties located in selected markets that Aimco intends to hold and improve over the long-term.

EFFECTIVE UNITS: Unit count at 100% ownership multiplied by Aimco's ownership share.

FREE CASH FLOW (FCF): FCF, as defined by Aimco, is net operating income from real estate minus CR spending. FCF also includes cash flows generated from the Investment Management Business, Interest income, General and administrative expenses, Provision for losses on notes receivable and other expenses (income), net incurred by Aimco. FCF measures profitability of operations and is prior to the cost of capital. Because Aimco has substantial unconsolidated real estate interests, it is useful for management and investors to understand, in addition to consolidated cash flows, cash flows related to Aimco's unconsolidated real estate holdings. Please see Supplemental Schedule 2 for FCF data reconciled to Net Income as determined in accordance with GAAP.

FUNDS FROM OPERATIONS (FFO): FFO is a commonly used measure of REIT performance defined by the National Association of Real Estate Investment Trusts (NAREIT) as net income (loss), computed in accordance with GAAP, excluding gains and losses from extraordinary items, cumulative effect of change in accounting principle, gains on dispositions of depreciable real estate property, gains on dispositions of real estate from discontinued operations, net of related income taxes, plus real estate related depreciation and amortization (excluding amortization of financing costs), including depreciation for unconsolidated real estate partnerships, joint ventures and discontinued operations. Aimco calculates FFO based on the NAREIT definition, as further adjusted for amortization of intangibles and deficit distributions to minority partners. Aimco calculates FFO (diluted) by subtracting redemption related preferred stock issuance costs and dividends on preferred stock/partnership units, adding back preferred dividends/distributions on dilutive preferred securities and adding back the interest expense on dilutive mandatorily redeemable convertible preferred securities. FFO is helpful to investors in understanding Aimco's performance because it captures features particular to real estate performance by recognizing that real estate generally appreciates over time or maintains residual value to a much greater extent than do other depreciating assets such as machinery,

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computers or other personal property. There can be no assurance that Aimco's method for computing FFO is comparable with that of other real estate investment trusts.

Please see Supplemental Schedule 1 for FFO data reconciled to Net Income as determined in accordance with GAAP.

NET RENTAL INCOME (NRI): NRI is an operating measure calculated as the product of the number of rental units in Aimco's "Same Store" portfolio multiplied by average occupancy multiplied by average effective rent per unit. NRI does not reflect income from all sources and does not reflect operating expenses. Therefore, NRI is not a measure of net operating income or earnings.

NON-CORE PROPERTIES: Properties located in markets that are not considered selected markets or in less favored locations within selected markets, which Aimco intends to hold for the intermediate term.

OTHER PROPERTIES: Properties that are not multi-family such as commercial properties or fitness facilities.

PARTNERSHIP EXPENSES: Expenses incurred at the partnership level, either directly or indirectly, such as audit, tax and legal.

REDEVELOPMENT PROPERTIES: Properties where (1) a substantial number of available units have been vacated for major renovations or have not been stabilized in occupancy for at least one year as of the earliest period presented, or (2) other significant renovation, such as exteriors, common areas or unit improvements (done upon lease expirations), is underway or has been complete for less than one year, as of the earliest period presented. In both cases the properties have been removed from the Same Store portfolio.

SAME STORE: Same Store is used commonly to describe conventional properties in which Aimco's ownership exceeds 10% and that have reached a stabilized level of occupancy during both the current and comparable prior year period. These results measure operating performance without variations caused by investment transactions.

Aimco provides data for consolidated Same Store properties as well as its proportionate share of consolidated and unconsolidated Same Store properties. To ensure comparability, the information for all periods shown is based on current period ownership.

Please see Supplemental Schedules 6a through 6c for Same Store data reconciled to Rental and other property revenues and Property operating expense as determined in accordance with GAAP.

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UNCONSOLIDATED BALANCE SHEET ITEMS: Unconsolidated balance sheet items such as Aimco's share of unconsolidated cash, unconsolidated restricted cash, unconsolidated accounts receivable, unconsolidated current liabilities and unconsolidated debt are components of Balance Sheet line items on the GAAP financial statements that are useful in understanding Aimco's proportionate share of assets and liabilities, prior to consolidation in the GAAP financial statements.

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Supplemental Schedule 1

Funds From Operations and Adjusted Funds From Operations [a] (in thousands, except per share data) (unaudited)

	For the Three Months Ended June 30,		For the Six Months Ended June 30,	
	2004	2003	2004	2003
Net income (loss) attributable to common stockholders	\$ (7,787)	\$ 34,269	\$ (13,626)	\$ 33,951
Adjustments:				
Depreciation and amortization	93,216	87,645	182,900	171,878
Depreciation and amortization related to non-real estate assets	(4,287)	(5,471)	(9,207)	(10,757)
Depreciation of rental property related to minority partners' interest	(12,203)	(8,058)	(22,963)	(15,243)
Depreciation of rental property related to unconsolidated entities	5,574	6,539	11,644	13,042
Gain on disposition of real estate related to unconsolidated entities and other	(2,097)	(839)	(2,080)	(756)
Gain on disposition of land	875	-	875	-
Deficit distributions to minority partners	2,650	3,633	7,088	9,101
Cumulative effect of change in accounting principle	-	-	3,957	-
Discontinued operations:				
Gain on dispositions of real estate, net of minority partners' interest	(10,225)	(41,050)	(21,585)	(44,542)
Depreciation of rental property, net of minority partners' interest	710	6,728	2,380	14,506
Recovery of deficit distributions to minority partners	(5)	(275)	(3,318)	(500)
Income tax arising from disposals	92	2,978	789	4,306
Minority interest in Aimco Operating Partnership's share of above adjustments	(7,917)	(5,918)	(16,339)	(16,128)
Preferred stock dividends	21,685	22,806	41,552	44,947
Redemption related preferred stock issuance costs	88	2,155	88	2,155
Funds From Operations	<u>80,369</u>	<u>105,142</u>	<u>162,155</u>	<u>205,960</u>
Preferred stock dividends	(21,685)	(22,806)	(41,552)	(44,947)
Redemption related preferred stock issuance costs	(88)	(2,155)	(88)	(2,155)
Dividends/distributions on dilutive preferred securities	1,059	3,293	1,688	8,156
Interest expense on dilutive mandatorily redeemable convertible preferred securities	-	247	-	494
Funds From Operations Attributable to Common Stockholders - Diluted	<u>\$ 59,655</u>	<u>\$ 83,721</u>	<u>\$ 122,203</u>	<u>\$ 167,508</u>
Capital Replacements	(18,269)	(20,890)	(30,469)	(46,972)
Capital Enhancements [b]	-	(1,501)	-	(2,164)
Impairment loss on investment in unconsolidated real estate partnerships	1,881	-	1,733	-
Impairment loss on real estate assets sold or held for sale, net of minority partners' interest	477	2,654	491	7,941
Redemption related preferred stock issuance costs	88	2,155	88	2,155
Minority interest in Aimco Operating Partnership's share of above adjustments	1,694	2,006	3,057	4,464
Dividends/distributions on non-dilutive preferred securities	(1,018)	-	(1,605)	(4,066)
Adjusted Funds From Operations Attributable to Common Stockholders - Diluted	<u>\$ 44,508</u>	<u>\$ 68,145</u>	<u>\$ 95,498</u>	<u>\$ 128,866</u>
Funds From Operations:				
Weighted average common shares, common share equivalents and dilutive preferred securities outstanding:				
Common shares and equivalents	93,080	92,832	92,968	92,809
Dilutive preferred securities	1,794	4,250	1,381	4,912
	<u>94,874</u>	<u>97,082</u>	<u>94,349</u>	<u>97,721</u>
Adjusted Funds From Operations:				
Weighted average common shares, common share equivalents and dilutive preferred securities outstanding:				
Common shares and equivalents	93,080	92,832	92,968	92,809
Dilutive preferred securities	94	4,250	88	2,821
	<u>93,174</u>	<u>97,082</u>	<u>93,056</u>	<u>95,630</u>
Per Share:				
Funds From Operations - Diluted	\$0.63	\$0.86	\$1.30	\$1.71
Funds From Operations - Diluted (excluding impairment losses and redemption related preferred stock issuance costs) [c] [d]	\$0.65	\$0.91	\$1.32	\$1.81
Adjusted Funds From Operations - Diluted	\$0.48	\$0.70	\$1.03	\$1.35
Dividends Declared	\$0.60	\$0.82	\$1.20	\$1.64

[a] Effective with the fourth quarter 2003 and for all periods presented, Aimco has adjusted its presentation of Funds From Operations (FFO) to conform to the NAREIT definition to deduct the Aimco Operating Partnership's share of all adjustments and remove the common partnership units in the Aimco Operating Partnership, which had previously been assumed to have been redeemed in exchange for Aimco's Class A Common Stock.

[b] Effective January 1, 2004 and on a prospective basis, Capital Enhancements are now included as part of Capital Improvements (See Supplemental Schedule 9 for further details).

[c] On October 1, 2003, NAREIT clarified its definition of FFO to include impairment losses, which previously had been added back to calculate FFO. Although Aimco's presentation conforms with the NAREIT definition, Aimco considers such approach to be inconsistent with the treatment of gains on dispositions of real estate, which are not included in FFO. Aimco no longer adds back impairment losses when computing FFO in accordance with this clarification. As a result, FFO for the three and six months ended June 30, 2004 includes impairment losses of \$2.4 million and \$2.2 million, respectively. FFO for the three and six months ended June 30, 2003 includes an adjustment of \$2.7 million and \$7.9 million, respectively, to reflect this change.

[d] In accordance with the Securities and Exchange Commission's July 31, 2003 interpretation of the Emerging Issues Task Force Topic D-42, Aimco now includes redemption related preferred stock issuance costs in FFO. As a result, FFO for the three and six months ended June 30, 2004 includes issuance costs of \$0.08 million, respectively. FFO for the three and six months ended June 30, 2003 includes an adjustment of \$2.2 million, respectively, to reflect this change.

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Financial Statements and Supplemental Information

Supplemental Schedule 2(a)

Business Component Proportionate Income Statement Presentation
For the Three Months Ended June 30, 2004
(in thousands)
(unaudited)

	Almco GAAP Income Statement	Proportionate Share of Unconsolidated Partnerships	Minority Partners' Interest	Total Proportionate Consolidated Income Statement	Conventional (1)	Almco Capital (1)	Corporate	Total Proportionate Consolidated Income Statement
Revenue:								
Rental and other property revenues (1):								
Same store properties (2)	\$ 302,953	\$ 8,963	\$ (46,267)	\$ 265,649	\$ 265,649	\$ -	\$ -	\$ 265,649
Acquisition properties	7,831	411	(7)	8,235	8,235	-	-	8,235
Redevelopment properties	12,085	410	(2,055)	10,440	10,440	-	-	10,440
Disposition properties	-	349	-	349	349	-	-	349
Other properties	4,785	2,384	(1,222)	5,947	5,947	-	-	5,947
Affordable properties	33,347	14,165	(4,281)	43,231	-	43,231	-	43,231
Total rental and other property revenues	361,001	26,682	(53,832)	333,851	290,620	43,231	-	333,851
Property management revenues, primarily from affiliates	9,371	-	-	9,371	3,033	6,338	-	9,371
Activity fees and asset management revenues, primarily from affiliates	9,820	-	-	9,820	477	9,343	-	9,820
Total revenues	380,192	26,682	(53,832)	353,042	294,130	58,912	-	353,042
Expense:								
Property operating expenses (1):								
Same store properties (2)	133,173	3,973	(21,533)	115,613	115,613	-	-	115,613
Acquisition properties	3,284	370	(2)	3,652	3,652	-	-	3,652
Redevelopment properties	5,821	243	(1,262)	4,802	4,802	-	-	4,802
Disposition properties	-	251	-	251	-	-	-	251
Other properties	3,746	1,766	(1,002)	4,510	-	-	-	4,510
Affordable properties	16,747	6,336	(2,296)	20,787	4,510	-	-	20,787
Casualties	(237)	(11)	301	53	-	20,787	-	20,787
Property management expenses (consolidated properties)	5,170	1,516	(2,647)	4,039	(111)	164	-	53
Total property operating expenses	167,704	14,444	(28,441)	153,707	131,600	22,107	-	153,707
Property management expenses (unconsolidated and third party properties)	1,989	-	-	1,989	667	1,322	-	1,989
Activity and asset management expenses	4,716	-	-	4,716	-	4,716	-	4,716
Depreciation and amortization	93,216	5,574	(12,203)	86,587	76,354	10,233	-	86,587
General and administrative expenses	18,407	-	-	18,407	11,596	6,811	-	18,407
Other expenses (income), net	(589)	993	(2,306)	(1,902)	2,737	(4,639)	-	(1,902)
Total expenses	285,443	21,011	(42,950)	263,504	222,955	40,549	-	263,504
Operating income	94,749	5,671	(10,882)	89,538	71,175	18,363	-	89,538
Interest income:								
General partner loan interest	5,424	-	-	5,424	4,454	970	-	5,424
Money market and interest bearing accounts	1,377	263	(55)	1,585	795	790	-	1,585
Accretion on discounted notes receivable	732	-	-	732	288	444	-	732
Total interest income	7,533	263	(55)	7,741	5,537	2,204	-	7,741
Provision for losses on notes receivable	(1,180)	-	-	(1,180)	(273)	(907)	-	(1,180)
Interest Expense:								
Property debt (primarily non-recourse)	(88,923)	(6,891)	14,693	(81,121)	(72,592)	(8,529)	-	(81,121)
Lines of credit	(8,491)	-	-	(8,491)	-	-	(8,491)	(8,491)
Interest expense on mandatorily redeemable convertible preferred securities	(246)	-	-	(246)	-	-	(246)	(246)
Capitalized interest	1,288	(81)	(106)	1,101	1,038	63	-	1,101
Total interest expense	(96,372)	(6,972)	14,587	(88,757)	(71,554)	(8,466)	(8,737)	(88,757)
Deficit distributions to minority partners	(2,650)	-	-	(2,650)	(2,744)	94	-	(2,650)
Equity in losses of unconsolidated real estate partnerships	(1,038)	1,038	-	-	-	-	-	-
Impairment loss on investment in unconsolidated real estate partnerships	(1,881)	-	-	(1,881)	(354)	(1,527)	-	(1,881)
Gain on disposition of real estate related to unconsolidated entities and other	2,097	-	-	2,097	1,216	881	-	2,097
Income before minority interests, discontinued operations and cumulative effect of change in accounting principle	1,258	-	3,650	4,908	3,003	10,642	(8,737)	4,908
Minority interests:								
Minority interest in consolidated real estate partnerships	3,650	-	(3,650)	-	-	-	-	-
Minority interest in Almco Operating Partnership	192	-	-	192	-	-	192	192
Total minority interests	3,842	-	(3,650)	192	-	-	192	192
Income from continuing operations	5,100	-	-	5,100	3,003	10,642	(8,545)	5,100
Income from discontinued operations, net	8,886	-	-	8,886	7,687	2,463	(1,263)	8,886
Income before cumulative effect of change in accounting principle	13,986	-	-	13,986	10,690	13,105	(9,809)	13,986
Cumulative effect of change in accounting principle	-	-	-	-	-	-	-	-
Net income	\$ 13,986	\$ -	\$ -	\$ 13,986	\$ 10,690	\$ 13,105	\$ (9,809)	\$ 13,986

(1) See definitions and descriptions in Glossary

(2) Same store amounts in this schedule may differ from the same store amounts in Schedules 6a-6c. Any such differences are the result of (a) certain variations in the treatment of intercompany eliminations in GAAP versus non-GAAP measures and (b) the effect of changing ownership percentages over time due to Almco's acquisition of additional partnership interests.

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Financial Statements and Supplemental Information

Supplemental Schedule 2(a) - Continued

Business Component Proportionate Income Statement Presentation For the Three Months Ended June 30, 2004 (in thousands) (unaudited)

	Aimco GAAP Income Statement	Proportionate Share of Unconsolidated Partnerships	Minority Partners' Interest	Total Proportionate Consolidated Income Statement	Aimco			Total Proportionate Consolidated Income Statement
					Conventional (1)	Capital (1)	Corporate	
Reconciliation of Net Income to FFO, AFFO and FCF:								
Net Income (see above)				13,986	10,690	13,105	(9,809)	13,986
Proportionate share of depreciation and amortization				86,587	76,354	10,233	-	86,587
Depreciation and amortization related to non-real estate assets				(4,287)	(4,287)	-	-	(4,287)
Deficit distributions to minority partners				2,650	2,744	(94)	-	2,650
Gain on disposition of real estate related to unconsolidated entities and other				(2,097)	(1,216)	(881)	-	(2,097)
Gain on disposition of land				875	875	-	-	875
Discontinued operations				(9,428)	(6,611)	(2,817)	-	(9,428)
Minority interest in Aimco Operating Partnership's share of adjustments				(7,917)	-	-	(7,917)	(7,917)
Preferred stock dividends				(21,685)	-	-	(21,685)	(21,685)
Redemption related preferred stock issuance costs				(88)	-	-	(88)	(88)
Dividends/distributions on dilutive preferred securities				1,059	-	-	1,059	1,059
FFO Attributable to Common Stockholders - Diluted				59,655	78,549	19,546	(38,440)	59,655
Capital Replacements				(18,269)	(16,169)	(2,100)	-	(18,269)
Impairment loss on investment in unconsolidated real estate partnerships				1,881	354	1,527	-	1,881
Impairment loss on real estate assets sold or held for sale, net of minority partners' interest				477	-	477	-	477
Redemption related preferred stock issuance costs				88	-	-	88	88
Minority interest in Aimco Operating Partnership's share of adjustments				1,694	-	-	1,694	1,694
Dividends/distributions on non-dilutive preferred securities				(1,018)	-	-	(1,018)	(1,018)
AFFO Attributable to Common Stockholders - Diluted				44,508	62,734	19,450	(37,676)	44,508
Interest expense				88,757	71,554	8,465	8,738	88,757
Discontinued operations				65	(1,076)	(122)	1,263	65
Gain on disposition of land				(875)	(875)	-	-	(875)
Preferred stock dividends and distributions				21,685	-	-	21,685	21,685
Depreciation and amortization related to non-real estate assets				4,287	4,287	-	-	4,287
Dividends/distributions on non-dilutive preferred securities				(42)	-	-	(42)	(42)
Minority interest in Aimco Operating Partnership				(192)	-	-	(192)	(192)
Minority interest in Aimco Operating Partnership's share of adjustments				6,224	-	-	6,224	6,224
FCF				\$ 164,417	\$ 136,624	\$ 27,793	\$ -	\$ 164,417
FCF Breakdown:								
Real Estate				161,875				
Property management				7,382				
Activity and asset management				5,104				
Interest income				7,741				
Provision for losses on notes receivable				(1,180)				
General and administrative expenses				(18,407)				
Other income, net				1,902				
Total FCF				\$ 164,417				
Reconciliation of Net Income to FFO, AFFO and FCF:								
				For the Three Months Ended June 30, 2004				
				FFO	AFFO			FCF
Net income	\$	13,986	\$	13,986	\$	13,986		\$
Total interest expense after minority partners' share		-		-		88,757		
Dividends on preferred stock		(21,685)		(21,685)		-		
Redemption related preferred stock issuance costs		(88)		-		-		
Proportionate share of depreciation and amortization		86,587		86,587		86,587		
Depreciation and amortization related to non-real estate assets		(4,287)		(4,287)		-		
Gain on disposition of real estate related to unconsolidated entities and other		(2,097)		(2,097)		(2,097)		
Gain on disposition of land		875		875		-		
Impairment loss on investment in unconsolidated real estate partnerships		-		1,881		1,881		
Discontinued operations:								
Income from discontinued operations, net		-		-		(8,886)		
Depreciation of rental property, net of minority partners' interest		710		710		-		
Gain on dispositions of real estate, net of minority partners' interest		(10,225)		(10,225)		-		
Impairment loss on real estate assets sold or held for sale, net of minority partners' interest		-		477		-		
Recovery of deficit distributions to minority partners		(5)		(5)		-		
Income tax arising from disposals		92		92		-		
Deficit distributions to minority partners		2,650		2,650		2,650		
Capital Replacements		-		(18,269)		(18,269)		
Dividends/distributions on dilutive preferred securities		1,059		42		-		
Minority interest in Aimco Operating Partnership's share of above adjustments		(7,917)		(6,224)		-		
Minority interest in Aimco Operating Partnership		-		-		(192)		
Total	\$	59,655	\$	44,508	\$	164,417		

AIMCO 2nd Quarter 2004

Financial Statements and Supplemental Information

Supplemental Schedule 2(b)

Business Component Proportionate Income Statement Presentation For the Six Months Ended June 30, 2004 (In thousands) (unaudited)

	AIMCO GAAP Income Statement	Proportionate Share of Unconsolidated Partnerships	Minority Partners' Interest	Total Proportionate Consolidated Income Statement	Conventional (1)	AIMCO Capital (1)	Corporate	Total Proportionate Consolidated Income Statement
Revenue:								
Rental and other property revenues (1):								
Same store properties (2)	\$ 593,089	19,615	\$ (90,923)	\$ 521,781	\$ 521,781	\$ -	\$ -	\$ 521,781
Acquisition properties	14,300	907	(44)	15,163	15,163	-	-	15,163
Redevelopment properties	33,803	792	(5,190)	29,405	29,405	-	-	29,405
Disposition properties	-	830	-	830	830	-	-	830
Other properties	9,756	4,425	(2,113)	12,068	12,068	-	-	12,068
Affordable properties	64,118	28,171	(6,201)	86,088	-	86,088	-	86,088
Total rental and other property revenues	715,066	54,740	(104,471)	665,335	579,247	86,088	-	665,335
Property management revenues, primarily from affiliates	17,627	-	-	17,627	5,557	12,070	-	17,627
Activity fees and asset management revenues, primarily from affiliates	18,088	-	-	18,088	379	17,709	-	18,088
Total revenues	750,781	54,740	(104,471)	701,050	585,183	115,867	-	701,050
Expense:								
Property operating expenses (1):								
Same store properties (2)	256,892	8,880	(41,908)	223,864	223,864	-	-	223,864
Acquisition properties	5,844	683	(29)	6,498	6,498	-	-	6,498
Redevelopment properties	17,510	489	(2,709)	15,290	15,290	-	-	15,290
Disposition properties	-	549	-	549	549	-	-	549
Other properties	8,203	3,395	(2,436)	9,162	9,162	-	-	9,162
Affordable properties	33,842	13,201	(3,389)	43,654	-	43,654	-	43,654
Casualties	(1,694)	39	327	(1,328)	(1,249)	(79)	-	(1,328)
Property management expenses (consolidated properties)	10,087	3,125	(4,861)	8,351	5,922	2,429	-	8,351
Total property operating expenses	330,684	30,361	(55,005)	306,040	260,036	46,004	-	306,040
Property management expenses (unconsolidated and third party properties)	4,331	-	-	4,331	1,451	2,880	-	4,331
Activity and asset management expenses	7,027	-	-	7,027	-	7,027	-	7,027
Depreciation and amortization	182,900	11,644	(22,963)	171,581	152,240	19,341	-	171,581
General and administrative expenses	37,039	-	-	37,039	23,014	14,025	-	37,039
Other expenses (income), net	(1,786)	1,583	(3,150)	(3,353)	4,202	(7,555)	-	(3,353)
Total expenses	560,195	43,588	(81,118)	522,665	440,943	81,722	-	522,665
Operating income	190,586	11,152	(23,353)	178,385	144,240	34,145	-	178,385
Interest income:								
General partner loan interest	10,110	-	-	10,110	-	-	-	10,110
Money market and interest bearing accounts	2,717	741	(76)	3,382	1,379	2,003	-	3,382
Accrion on discounted notes receivable	2,179	-	-	2,179	1,770	409	-	2,179
Total interest income	15,006	741	(76)	15,671	11,489	4,182	-	15,671
Recovery of (provision for) losses on notes receivable	(1,101)	-	-	(1,101)	167	(1,268)	-	(1,101)
Interest Expense:								
Property debt (primarily non-recourse)	(174,489)	(14,367)	28,325	(160,531)	(142,021)	(18,510)	-	(160,531)
Lines of credit	(15,567)	-	-	(15,567)	-	-	(15,567)	(15,567)
Interest expense on mandatorily redeemable preferred securities	(1,161)	-	-	(1,161)	-	-	(1,161)	(1,161)
Interest expense on mandatorily redeemable convertible preferred securities	(491)	-	-	(491)	-	-	(491)	(491)
Capitalized interest	2,297	2	(237)	2,062	1,640	422	-	2,062
Total interest expense	(189,411)	(14,365)	28,088	(175,688)	(140,381)	(18,088)	(17,219)	(175,688)
Deficit distributions to minority partners	(7,088)	-	-	(7,088)	(6,143)	(945)	-	(7,088)
Equity in losses of unconsolidated real estate partnerships	(2,472)	2,472	-	-	-	-	-	-
Impairment loss on investment in unconsolidated real estate partnerships	(1,733)	-	-	(1,733)	(355)	(1,378)	-	(1,733)
Gain on disposition of real estate related to unconsolidated entities and other	2,080	-	-	2,080	(1,847)	3,927	-	2,080
Income before minority interests, discontinued operations and cumulative effect of change in accounting principle	5,867	-	4,659	10,526	7,170	20,575	(17,219)	10,526
Minority interests:								
Minority interest in consolidated real estate partnerships	4,659	-	(4,659)	-	-	-	-	-
Minority interest in AIMCO Operating Partnership	464	-	-	464	-	-	464	464
Total minority interests	5,123	-	(4,659)	464	-	-	464	464
Income from continuing operations	10,990	-	-	10,990	7,170	20,575	(16,755)	10,990
Income from discontinued operations, net	20,981	-	-	20,981	20,699	3,025	(2,743)	20,981
Income before cumulative effect of change in accounting principle	31,971	-	-	31,971	27,869	23,600	(19,498)	31,971
Cumulative effect of change in accounting principle	(3,957)	-	-	(3,957)	(512)	(3,445)	-	(3,957)
Net income	\$ 28,014	\$ -	\$ -	\$ 28,014	\$ 27,357	\$ 20,155	\$ (19,498)	\$ 28,014

(1) See definitions and descriptions in Glossary

(2) Same store amounts in this schedule may differ from the same store amounts in Schedules 6a-6c. Any such differences are the result of (a) certain variations in the treatment of intercompany eliminations in GAAP versus non-GAAP measures and (b) the effect of changing ownership percentages over time due to AIMCO's acquisition of additional partnership interests.

AIMCO 2nd Quarter 2004

Financial Statements and Supplemental Information

Supplemental Schedule 2(b) - Continued

Business Component Proportionate Income Statement Presentation For the Six Months Ended June 30, 2004 (in thousands) (unaudited)

	Aimco GAAP Income Statement	Proportionate Share of Unconsolidated Partnerships	Minority Partners' Interest	Total Proportionate Consolidated Income Statement	Conventional (1)	Aimco Capital (1)	Corporate	Total Proportionate Consolidated Income Statement
Reconciliation of Net Income to FFO, AFFO and FCF:								
Net income (see above)				28,014	27,357	20,155	(19,498)	28,014
Proportionate share of depreciation and amortization				171,581	152,240	19,341	-	171,581
Depreciation and amortization related to non-real estate assets				(9,207)	(9,207)	-	-	(9,207)
Deficit distributions to minority partners				7,088	6,143	945	-	7,088
Gain on disposition of real estate related to unconsolidated entities and other				(2,080)	1,847	(3,927)	-	(2,080)
Gain on disposition of land				875	875	-	-	875
Cumulative effect of change in account principle				3,957	512	3,445	-	3,957
Discontinued operations				(21,734)	(18,884)	(2,849)	-	(21,733)
Minority interest in Aimco Operating Partnership's share of adjustments				(16,339)	-	-	(16,339)	(16,339)
Preferred stock dividends and distributions				(41,552)	-	-	(41,552)	(41,552)
Redemption related preferred stock issuance costs				(88)	-	-	(88)	(88)
Dividends/distributions on dilutive preferred securities				1,688	-	-	1,688	1,688
FFO Attributable to Common Stockholders - Diluted				122,203	160,882	37,110	(75,788)	122,203
Capital Replacements				(30,469)	(26,113)	(4,356)	-	(30,469)
Impairment loss on investment in unconsolidated real estate partnerships				1,733	355	1,378	-	1,733
Impairment loss on real estate assets sold or held for sale, net of minority partners' interest				491	-	491	-	491
Redemption related preferred stock issuance costs				88	-	-	88	88
Minority interest in Aimco Operating Partnership's share of adjustments				3,057	-	-	3,057	3,057
Dividends/distributions on non-dilutive preferred securities				(1,605)	-	-	(1,605)	(1,605)
AFFO Attributable to Common Stockholders - Diluted				95,498	135,124	34,823	(74,249)	95,498
Interest expense				175,688	140,381	18,088	17,219	175,688
Discontinued operations				262	(1,814)	(667)	2,743	262
Gain on disposition of land				(875)	(875)	-	-	(875)
Preferred stock dividends and distributions				41,552	-	-	41,552	41,552
Depreciation and amortization related to non-real estate assets				9,207	9,207	-	-	9,207
Dividends/distributions on non-dilutive preferred securities				(83)	-	-	(83)	(83)
Minority interest in Aimco Operating Partnership				(464)	-	-	(464)	(464)
Minority interest in Aimco Operating Partnership's share of adjustments				13,282	-	-	13,282	13,282
FCF				\$ 334,067	\$ 282,023	\$ 52,044	\$ -	\$ 334,067
FCF Breakdown:								
Real Estate				328,826				
Property management				13,296				
Activity and asset management				11,061				
Interest income				15,671				
Provision for losses on notes receivable				(1,101)				
General and administrative expenses				(37,039)				
Other income, net				3,353				
Total FCF				\$ 334,067				

Reconciliation of Net Income to FFO, AFFO and FCF:

	For the Six Months Ended June 30, 2004		
	FFO	AFFO	FCF
Net income	\$ 28,014	\$ 28,014	\$ 28,014
Total interest expense after minority partners' share	-	-	175,688
Dividends on preferred stock	(41,552)	(41,552)	-
Redemption related preferred stock issuance costs	(88)	-	-
Proportionate share of depreciation and amortization	171,581	171,581	171,581
Depreciation and amortization related to non-real estate assets	(9,207)	(9,207)	-
Gain on disposition of real estate related to unconsolidated entities and other	(2,080)	(2,080)	(2,080)
Gain on disposition of land	875	875	-
Impairment loss on investment in unconsolidated real estate partnerships	-	1,733	1,733
Cumulative effect of change in accounting principle	3,957	3,957	3,957
Discontinued operations:			
Income from discontinued operations, net	-	-	(20,981)
Depreciation of rental property, net of minority partners' interest	2,380	2,380	-
Gain on dispositions of real estate, net of minority partners' interest	(21,585)	(21,585)	-
Impairment loss on real estate assets sold or held for sale, net of minority partners' interest	-	491	-
Recovery of deficit distributions to minority partners	(3,318)	(3,318)	-
Income tax arising from disposals	789	789	-
Deficit distributions to minority partners	7,088	7,088	7,088
Capital Replacements	-	(30,469)	(30,469)
Dividends/distributions on dilutive preferred securities	1,688	83	-
Minority interest in Aimco Operating Partnership's share of above adjustments	(16,339)	(13,282)	-
Minority interest in Aimco Operating Partnership	-	-	(464)
Total	\$ 122,203	\$ 95,498	\$ 334,067

AIMCO 2nd Quarter 2004

Financial Statements and Supplemental Information

Supplemental Schedule 3

Business Component Proportionate Balance Sheet Presentation As of June 30, 2004 (in thousands) (unaudited)

	Consolidated GAAP Balance Sheet As of June 30, 2004	Proportionate Share of Unconsolidated Partnerships [a]	Minority Partners' Interest [b]	Proportionate Consolidated Balance Sheet [c]	Conventional	Aimco Capital	Corporate	Proportionate Consolidated Balance Sheet [c]
ASSETS								
Buildings and improvements	\$ 8,746,119	\$ 562,979	\$ (1,355,614)	\$ 7,953,484	\$ 7,164,924	\$ 788,560	\$ -	\$ 7,953,484
Land	2,177,716	76,867	(134,505)	2,120,078	1,989,112	130,966	-	2,120,078
Accumulated depreciation	(1,976,291)	(130,925)	603,602	(1,503,614)	(1,341,722)	(161,892)	-	(1,503,614)
TOTAL REAL ESTATE	8,947,544	508,921	(886,517)	8,569,948	7,812,314	757,634	-	8,569,948
Cash and cash equivalents	90,619	16,935	(23,394)	84,160	61,104	23,056	-	84,160
Restricted cash	285,586	42,565	(44,914)	283,237	193,247	89,990	-	283,237
Accounts receivable	58,703	3,642	-	62,345	26,011	36,334	-	62,345
Accounts receivable from affiliates	69,357	-	-	69,357	34,763	34,594	-	69,357
Deferred financing costs	74,159	-	-	74,159	67,244	6,915	-	74,159
Notes receivable from unconsolidated real estate partnerships	143,685	-	-	143,685	88,896	54,789	-	143,685
Notes receivable from non-affiliates	59,933	-	-	59,933	23,731	36,202	-	59,933
Investment in unconsolidated real estate partnerships	180,392	(156,972)	-	23,420	24,941	(1,521)	-	23,420
Other assets	343,924 [d]	20,654	-	364,578	307,277	57,301	-	364,578
Assets held for sale	105,289	-	-	105,289	78,753	26,536	-	105,289
TOTAL ASSETS	\$ 10,359,191	\$ 435,745	\$ (954,825)	\$ 9,840,111	\$ 8,718,281	\$ 1,121,830	\$ -	\$ 9,840,111
LIABILITIES AND STOCKHOLDERS' EQUITY								
Secured tax-exempt bond financing	\$ 1,229,367	\$ 28,786	\$ (83,755)	\$ 1,174,398	\$ 1,164,758	\$ 9,640	\$ -	\$ 1,174,398
Secured notes payable	4,541,102	327,470	(748,566)	4,120,006	3,535,054	584,952	-	4,120,006
Mandatorily redeemable preferred securities	15,019	-	-	15,019	-	-	15,019	15,019
Term loans	343,000	-	-	343,000	-	-	343,000	343,000
Credit facility	285,600	-	-	285,600	-	-	285,600	285,600
TOTAL INDEBTEDNESS	6,414,088	356,256	(832,321)	5,938,023	4,699,812	594,592	643,619	5,938,023
Accounts payable	40,965	79,489	-	120,454	73,594	46,860	-	120,454
Accrued liabilities and other	407,384	-	-	407,384	317,856	89,528	-	407,384
Deferred income	31,245	-	-	31,245	25,344	5,901	-	31,245
Security deposits	40,615	-	-	40,615	37,041	3,574	-	40,615
Deferred income taxes payable	18,235	-	-	18,235	18,235	-	-	18,235
Liabilities related to assets held for sale	83,871	-	-	83,871	67,966	15,905	-	83,871
TOTAL LIABILITIES	7,036,403	435,745	(832,321)	6,639,827	5,239,848	756,360	643,619	6,639,827
Minority interest in consolidated real estate partnerships	210,285	-	(122,504)	87,781	89,501	(1,720)	-	87,781
Minority interest in Aimco Operating Partnership	269,719	-	-	269,719	-	-	269,719	269,719
NET OPERATING ASSETS	\$ -	\$ -	\$ -	\$ 2,842,784	\$ 3,388,932	\$ 367,190	\$ (913,338)	\$ 2,842,784
STOCKHOLDERS' EQUITY								
Class A Common Stock	946	-	-	946	-	-	-	946
Additional paid-in capital	3,069,095	-	-	3,069,095	-	-	-	3,069,095
Perpetual preferred stock	755,250	-	-	755,250	-	-	-	755,250
Convertible preferred stock	200,000	-	-	200,000	-	-	-	200,000
Distributions in excess of earnings	(1,121,842)	-	-	(1,121,842)	-	-	-	(1,121,842)
Unvested restricted stock	(21,018)	-	-	(21,018)	-	-	-	(21,018)
Notes due on common stock purchases	(39,647)	-	-	(39,647)	-	-	-	(39,647)
TOTAL STOCKHOLDERS' EQUITY	2,842,784	-	-	2,842,784	-	-	-	2,842,784
TOTAL LIABILITIES AND STOCKHOLDERS' EQUITY	\$ 10,359,191	\$ 435,745	\$ (954,825)	\$ 9,840,111	\$ 8,718,281	\$ 1,121,830	\$ -	\$ 9,840,111

[a] Total of Aimco's proportionate share of selected unconsolidated balance sheet data.

[b] Total of minority partners' share of selected balance sheet data. Additionally, minority partners' share of notes receivable is \$80.2 million

[c] Aimco's proportionate consolidated balance sheet, which includes the GAAP balance sheet as of June 30, 2004, plus Aimco's proportionate share of selected unconsolidated and less minority partners' share of selected balance sheet data.

[d] Other assets includes \$99.1 million related to goodwill and \$21.1 million related to investment in management contracts.

AIMCO 2nd Quarter 2004

Financial Statements and Supplemental Information

Supplemental Schedule 4

Share Data
As of June 30, 2004
(in thousands)
(unaudited)

	Coupon	Amount	Shares/Units Outstanding at June 30, 2004	Current Quarter Weighted Average Outstanding Shares (EPS)	Current Quarter Weighted Average Outstanding Shares (FFO)	Current Quarter Weighted Average Outstanding Shares (AFFO)
Class A Common Stock			94,631	93,065 (1)	93,065	93,065
Common stock equivalents			-	-	15	15
Common Partnership Units and equivalents			11,010	-	-	-
Total			<u>105,641</u>	<u>93,065</u>	<u>93,080</u>	<u>93,080</u>
Perpetual Preferred:						
Class D	8.75%	\$ 67,500	2,700	-	-	-
Class G	9.375%	101,250	4,050	-	-	-
Class Q	10.10%	63,250	2,530	-	-	-
Class R	10.00%	173,500	6,940	-	-	-
Class T	8.00%	150,000	6,000	-	-	-
Class U	7.75%	200,000	8,000	-	-	-
Total perpetual		<u>\$ 755,500</u>	<u>30,220</u>	<u>-</u>	<u>-</u>	<u>-</u>
Convertible Preferred:						
Class N	9.00%	100,000	4,000 (2)	-	-	-
Class O	9.00%	100,000	1,905	-	-	-
		200,000	5,905	-	-	-
Preferred Partnership Units	8.76%	90,835	3,322	-	1,794	94
Total convertible		<u>\$ 290,835</u>	<u>9,227</u>	<u>-</u>	<u>1,794</u>	<u>94</u>
Total preferred securities		<u>\$ 1,046,335</u>	<u>39,447</u>	<u>-</u>	<u>1,794</u>	<u>94</u>
Mandatorily redeemable convertible securities	6.50%	\$ 15,019	300	-	-	-
Total common, common equivalents and dilutive securities				<u>93,065</u>	<u>94,874</u>	<u>93,174</u>

(1) Includes a deduction of 1,272 for non-recourse shares and unvested restricted stock

(2) Conversion ratio for Class N is 0.4762

AIMCO 2nd Quarter 2004

Financial Statements and Supplemental Information

Supplemental Schedule 5

Selected Debt Structure and Maturity Data As of June 30, 2004 (dollars in thousands) (unaudited)

I. Debt Balances and Data

Debt	Consolidated	Proportionate Share of Unconsolidated	Minority Interest	Total Aimco Share	Weighted Average Maturity	Weighted Average Rate
Property Debt:						
Conventional Portfolio:						
Fixed rate secured notes payable	\$ 3,760,679	\$ 128,789	\$ (627,033)	\$ 3,262,435	13.2	7.05%
Floating rate secured notes payable	319,912	4,107	(51,399)	272,620	12.5	2.54%
Total secured notes payable:	4,080,591	132,896	(678,432)	3,535,055	13.2	6.70%
Fixed rate tax-exempt bonds	328,072	10,564	(9,806)	328,830	15.9	5.81%
Floating rate tax-exempt bonds	855,705	10,607	(30,384)	835,928	11.2	2.21%
Total tax-exempt bonds:	1,183,777	21,171	(40,190)	1,164,758	12.6	3.23%
Total Property Debt on Conventional Portfolio	5,264,368	154,067	(718,622)	4,699,813	13.0	5.84%
Affordable Portfolio:						
Fixed rate secured notes payable	450,234	186,253	(70,134)	566,353	17.8	6.21%
Floating rate secured notes payable	10,277	8,321	-	18,598	9.0	3.34%
Total secured notes payable:	460,511	194,574	(70,134)	584,951	17.6	6.12%
Fixed rate tax-exempt bonds	45,590	6,032	(43,565)	8,057	25.4	7.79%
Floating rate tax-exempt bonds	-	1,583	-	1,583	10.2	2.01%
Total tax-exempt bonds:	45,590	7,615	(43,565)	9,640	22.9	7.45%
Total Property Debt on Affordable Portfolio	506,101	202,189	(113,699)	594,591	17.6	6.14%
Total Property Debt (1)	\$ 5,770,469	\$ 356,256	\$ (832,321)	\$ 5,294,404	13.5	5.87%
Corporate Debt:						
Term Loans	\$ 343,000	\$ -	\$ -	\$ 343,000	-	4.22% (2)
Credit Facility	285,600	-	-	285,600	-	4.45% (2)
Total Corporate Debt	\$ 628,600	\$ -	\$ -	\$ 628,600	-	4.33%
Mandatorily Redeemable Securities	\$ 15,019	\$ -	\$ -	\$ 15,019	-	6.50%
Total Debt	\$ 6,414,088	\$ 356,256	\$ (832,321)	\$ 5,938,023	-	5.72%

(1) At June 30, 2004, Aimco's consolidated property debt includes 139 non-recourse loans with a carrying value in excess of 90% of the carrying value of the related collateral real estate assets. Such property debt and real estate assets reported in the consolidated balance sheet total \$1,138 million and \$1,077 million, respectively, at June 30, 2004. As a result of appreciation in real estate market values, the fair value of our real estate assets typically exceeds the related carrying value.

(2) Effective in May 2004, the LIBOR spread on Aimco's credit facility and term loans increased 25 basis points from 285 to 310.

II. Debt Maturities

				Percent of Total	Average Rate
	Amortization	Maturities	Total		
Consolidated Property Debt					
2004 (remaining)	\$ 92,864	\$ 49,264	\$ 142,128	2.5%	6.97%
2005	179,003	135,305	314,308	5.4%	6.39%
2006	160,840	368,938	529,778	9.2%	5.88%
2007	162,334	247,200	409,534	7.1%	2.56%
2008	162,936	164,644	327,580	5.7%	5.04%
Thereafter			4,047,141	70.1%	
Total Property Debt:	\$ 757,977	\$ 965,351	\$ 5,770,469	100.0%	
Corporate Debt					
	Amortization	Maturities	Total	Percent of Total	Average Rate
2005	\$ -	\$ 378,600	\$ 378,600	60.2%	4.39%
2008	-	250,000	250,000	39.8%	4.23%
Total Corporate Debt:	\$ -	\$ 628,600	\$ 628,600	100.0%	

AIMCO 2nd Quarter 2004

Financial Statements and Supplemental Information

Supplemental Schedule 5 (Continued)

Selected Debt Structure and Maturity Data As of June 30, 2004 (in millions) (unaudited)

III. Loan Closings

SECOND QUARTER LOAN CLOSINGS							
Mortgage Type (all non-recourse)	Original Loan Amount	New Loan Amount	Aimco Share Original Loan	Aimco Share New Loan	Aimco Net Proceeds (1)	Prior Rate	New Rate
Refinancings:							
Fixed Rate	\$24.7	\$25.9	\$13.8	\$14.4	\$0.6	7.95%	7.64%
Floating Rate	-	8.2	-	4.6	4.5	-	3.99%
Tax-Exempt Bonds	40.5	40.5	40.6	40.5	(0.1)	6.43%	1.74%
Affordable Mark-to-Market and other	28.8	37.0	15.0	21.6	3.9	10.66%	3.47%
Totals	\$94.0	\$111.6	\$69.4	\$81.1	\$8.9	8.12%	3.85%

YEAR-TO-DATE LOAN CLOSINGS							
Mortgage Type (all non-recourse)	Original Loan Amount	New Loan Amount	Aimco Share Original Loan	Aimco Share New Loan	Aimco Net Proceeds (1)	Prior Rate	New Rate
Refinancings:							
Fixed Rate	\$24.7	\$41.3	\$13.8	\$26.3	\$11.4	7.95%	6.47%
Floating Rate	11.7	19.5	8.9	12.9	4.3	8.15%	4.17%
Tax-Exempt Bonds	75.8	97.6	62.6	62.5	5.9	6.97%	3.82%
Affordable Mark-to-Market and other	57.3	108.1	28.3	55.2	24.0	9.50%	3.56%
Loans relating to acquisitions:							
Fixed Rate	-	12.2	-	12.2	12.1	-	5.38%
Floating Rate	-	88.1	-	88.1	87.4	-	2.60%
Totals	\$169.5	\$366.8	\$113.6	\$257.2	\$145.1	8.05%	3.82%

(1) Aimco net proceeds is after transaction costs

IV. Capitalization

	At December 31, 2003	Percent of Total	At March 31, 2004	Percent of Total	At June 30, 2004	Percent of Total
Corporate debt	\$435	4%	\$471	5%	\$629	6%
Property debt (Aimco's share)	5,315	53%	5,380	53%	5,294	53%
Mandatorily redeemable securities	114	1%	15	0%	15	0%
Total Debt	5,864		5,866		5,938	
Less: Cash and restricted cash	(363)	-3%	(396)	-3%	(367)	-4%
Net Debt	5,501	55%	5,470	55%	5,571	56%
Preferred equity	946	9%	1,146	12%	1,046	11%
Common equity at market (2)	3,641	36%	3,271	33%	3,287	33%
Total Capitalization	\$10,088	100%	\$9,887	100%	\$9,904	100%

(2) Common equity at market at June 30, 2004 was calculated using 105.6 million shares of Class A Common Stock and common Partnership Units outstanding multiplied by the closing price of \$31.13 per share/unit, as of June 30, 2004

V. Ratings on Preferred Securities

Moody's Investor Service	Ba3 (negative outlook)
Standard and Poors	B+ (negative outlook)
Fitch	BB+ (negative outlook)

AIMCO 2nd Quarter 2004

Financial Statements and Supplemental Information

Supplemental Schedule 7

Selected Portfolio Performance Data (unaudited)

PORTFOLIO SUMMARY

SAME STORE PERFORMANCE

	SAME STORE PORTFOLIO		
	CORE	NON-CORE	TOTAL
Rent, average second quarter 2004	\$ 801	\$ 571	\$ 726
Occupancy, average second quarter 2004	89.2%	85.7%	88.1%
Total # of Properties	344	225	569
Total # of Units	106,358	53,411	159,769
Proportionate Owned Units	83,121	44,487	127,608
2nd Quarter 2004 vs. 2nd Quarter 2003			
Revenue	-3.0%	-4.3%	-3.4%
Expenses	4.2%	2.0%	3.5%
NOI	-7.5%	-10.2%	-8.1%
Sequential, 2nd Quarter 2004 vs 1st Quarter 2004			
Revenue	0.0%	-0.7%	-0.2%
Expenses	1.4%	2.4%	1.7%
NOI	-1.0%	-3.8%	-1.6%
YTD June 2004 vs. YTD June 2003			
Revenue	-2.1%	-3.0%	-2.4%
Expenses	4.4%	1.8%	3.4%
NOI	-6.0%	-7.5%	-6.3%

CONVENTIONAL PORTFOLIO: SUMMARY BY MARKET SELECTED MARKETS

% of Conventional NOI	Quarter ended June 30, 2004			Quarter ended June 30, 2003		
	TOTAL CONVENTIONAL PORTFOLIO			TOTAL CONVENTIONAL PORTFOLIO		
	CORE	NON-CORE	TOTAL	CORE	NON-CORE	TOTAL
Top 10 Markets						
1 Washington, D.C.	11.0%	0.9%	11.9%	9.7%	0.8%	10.5%
2 Los Angeles-Long Beach-Ventura	9.4%	0.0%	9.4%	6.7%	0.0%	6.7%
3 New England	6.5%	0.0%	6.5%	6.1%	0.0%	6.1%
4 Philadelphia	5.8%	0.0%	5.8%	4.6%	0.0%	4.6%
5 Indianapolis	3.9%	1.4%	5.3%	3.5%	1.7%	5.2%
6 Chicago	4.4%	0.3%	4.7%	4.6%	0.2%	4.8%
7 Orlando-Daytona	1.3%	1.8%	3.1%	1.1%	2.2%	3.3%
8 Miami-Fort Lauderdale	3.0%	0.0%	3.0%	2.7%	1.2%	3.9%
9 Phoenix-Mesa	1.7%	1.3%	3.0%	1.6%	1.1%	2.7%
10 San Diego	2.8%	0.0%	2.8%	2.5%	0.0%	2.5%
All Other Markets	28.3%	16.2%	44.5%	29.7%	20.0%	49.7%
Total Conventional NOI	78.1%	21.9%	100.0%	72.8%	27.2%	100.0%
Rent, average second quarter	\$ 824	\$ 569	\$ 742	\$ 810	\$ 569	\$ 711
Occupancy, average second quarter	88.1%	82.2%	86.1%	92.8%	90.9%	92.0%
Total # of Properties	376	240	616	359	324	683
Total # of Units	115,249	57,386	172,635	112,049	79,379	191,428
Proportionate Owned Units	90,605	46,275	136,880	94,163	58,978	153,141

AIMCO 2nd Quarter 2004
Financial Statements and Supplemental Information

Supplemental Schedule 8

Property Sales Activity
(unaudited)

SECOND QUARTER 2004 PROPERTY SALES ACTIVITY

	Number of Units	Gross Proceeds (\$mm)	FCF Yield ⁽¹⁾	Property Debt (\$mm)	Net Sales Proceeds ⁽²⁾ (\$mm)	Aimco Net Proceeds (\$mm)	Average Rent (\$/unit)
Conventional	2,750	\$ 94	6.0%	\$ 45	\$ 43	\$ 37	\$ 539
Affordable ⁽³⁾	1,478	52	7.1%	31	18	10	614
Total Dispositions	4,228	\$ 146	6.4%	\$ 76	\$ 61	\$ 47	\$ 566

YEAR TO DATE 2004 PROPERTY SALES ACTIVITY

	Number of Units	Gross Proceeds (\$mm)	FCF Yield ⁽¹⁾	Property Debt (\$mm)	Net Sales Proceeds ⁽²⁾ (\$mm)	Aimco Net Proceeds (\$mm)	Average Rent (\$/unit)
Conventional	5,567	\$ 183	6.2%	\$ 80	\$ 93	\$ 80	\$ 515
Affordable ⁽³⁾	3,016	92	7.0%	57	28	13	602
Total Dispositions	8,583	\$ 275	6.4%	\$ 137	\$ 121	\$ 93	\$ 546

(1) FCF Yield is calculated as the Free Cash Flow earned by the properties during the 12 months prior to their sale divided by the sales price

(2) Net Sales Proceeds are after repayment of existing debt and payment of transaction costs

(3) Sales activity provided in the table above does not include sales of certain NAPICO properties that generated net proceeds to Aimco of \$5.1 million to date in 2004

AIMCO 2nd Quarter 2004

Financial Statements and Supplemental Information

Supplemental Schedule 9

Capital Expenditures
For the Six Months Ended June 30, 2004
(in thousands, except per unit)
(unaudited)

Effective January 1, 2004, all capital spending is classified as either Capital Replacements ("CR"), Capital Improvements ("CI") or Redevelopment. These categories replace Aimco's prior capital spending categories - capital replacements, capital enhancements, redevelopment, initial capital expenditures, and disposition capital expenditures. Aimco believes the new classifications will be simpler to apply, allow more discrete differentiation between categories, facilitate sound economic decisions, and assist investors and analysts in better understanding of its capital spending.

Non-redevelopment capitalizable expenditures are apportioned between CR and CI based on the useful life of the capital item under consideration and the period Aimco has owned the property (i.e., the portion that was consumed during Aimco's ownership of the item represents CR; the portion of the item that was consumed prior to Aimco's ownership represents CI). See the Glossary for further descriptions.

The table below details Aimco's share of actual spending, on both consolidated and unconsolidated real estate partnerships, for Capital Replacements Capital Improvements and Redevelopment for the six months ended June 30, 2004 (per unit is based on approximately 158,000 units):

Capital Replacements:	<u>Actual Amount</u>	<u>Per Unit</u>
Building Interiors Includes: hot water heaters, kitchen/bath, computers	\$ 6,895	\$ 44
Building Exteriors Includes: Roofs, exterior painting, electrical, plumbing	4,929	31
Landscaping and Grounds Includes: Parking lot improvements, pool improvements	3,114	20
Turnover Related Includes: Carpet, vinyl, tile, appliance and fixture replacements	10,412	66
Capitalized payroll and other indirect costs	5,119	32
Total Aimco's share of Capital Replacements	<u>\$ 30,469</u>	<u>\$ 193</u>
Capital Improvements:		
Conventional	19,551	
Affordable	6,515	
Total Aimco's share of Capital Improvements	<u>\$ 26,066</u>	
Redevelopment (see Schedule 10 for further project details):		
Total Aimco's share of Redevelopment	<u>\$ 32,194</u>	
Total Aimco's share of Capital Expenditures	<u>\$ 88,729</u>	
Plus minority partners' share of consolidated spending	19,416	
Less Aimco's share of unconsolidated spending	(5,215)	
Total Spending per Consolidated Statement of Cash Flows	<u>\$ 102,930</u>	

AIMCO 2nd Quarter 2004

Financial Statements and Supplemental Information

Supplemental Schedule 10

Summary of 2004 Redevelopment Activity

As of June 30, 2004

(in millions, except unit data)

(values are not adjusted for Aimco's ownership unless indicated)

(unaudited)

Property	City, State	Ownership %	Number of Units	Cost in Millions				Expected FCF Yield	Redevelopment Timeline				Number of Units			
				Total Expected Spend at 100%	Inception to Date Spend at 100%	Year to Date Spend at 100%	Year to Date Spend at AIV%		Acquisition	Construction Start	Construction Complete	Stabilization	Completed	Leased (1)	Out of Service (2)	
Redevelopment - Large Project Detail																
Flamingo South Beach	Miami Beach, FL	77.0%	1,688	283.4	277.7	8.0	6.2	6%	Q3 1997	Q3 1997	Q1 2004	Q2 2005	1,682	1,165	6	
Belmont Place	Marietta, GA	57.2%	326	32.2	6.0	3.8	2.1	9%	Q2 1998	Q4 2003	Q2 2005	Q2 2006	0	0	326	
			Subtotal	315.6	283.7	11.8	8.3						1,682	1,165	332	
Redevelopment - Other Active Construction																
Construction - Conventional	19 properties		7,734	147.6	96.4	10.2	9.7									
Construction - Affordable	10 properties		1,970	68.4	31.9	13.1	5.7									
Pre-Construction and Other Redevelopment						9.8	8.5									
			Subtotal	216.0	128.3	33.1	23.9									
			Total	531.6	412.0	44.9	32.2									

(1) Leased units include pre-leased.

(2) Out of service units include those units that have not been turned over to property operations by the redevelopment group.

AIMCO 2nd Quarter 2004
Financial Statements and Supplemental Information

Supplemental Schedule 11

Apartment Unit Summary
As of June 30, 2004
(unaudited)

	<u>Total # Properties</u>	<u>Total # Units</u>	<u>Aimco's Effective # Units</u>	<u>Aimco's Average Ownership %</u>
Conventional Real Estate Portfolio:				
Wholly-owned Consolidated Core Properties	191	58,055	58,055	100%
Partially-owned Consolidated Core Properties	146	48,164	29,214	61%
Partially-owned Unconsolidated Core Properties	39	9,030	3,336	37%
	<hr/>	<hr/>	<hr/>	<hr/>
Sub-total Core Properties	376	115,249	90,605	79%
	<hr/>	<hr/>	<hr/>	<hr/>
Wholly-owned Consolidated Non-Core Properties	140	32,544	32,544	100%
Partially-owned Consolidated Non-Core Properties	69	17,723	11,540	65%
Partially-owned Unconsolidated Non-Core Properties	31	7,119	2,191	31%
	<hr/>	<hr/>	<hr/>	<hr/>
Sub-total Non-Core Properties	240	57,386	46,275	81%
	<hr/>	<hr/>	<hr/>	<hr/>
Total	616	172,635	136,880	79%
	<hr/>	<hr/>	<hr/>	<hr/>
Aimco Capital Real Estate Portfolio:				
Wholly-owned Consolidated Properties	84	11,327	11,327	100%
Partially-owned Consolidated Properties	68	6,947	3,745	54%
Partially-owned Unconsolidated Properties	312	38,096	6,320	17%
	<hr/>	<hr/>	<hr/>	<hr/>
Total	464	56,370	21,392	38%
	<hr/>	<hr/>	<hr/>	<hr/>
Total Owned Real Estate Portfolio:				
Wholly-owned Consolidated Properties	415	101,926	101,926	100%
Partially-owned Consolidated Properties	283	72,834	44,499	61%
Partially-owned Unconsolidated Properties	382	54,245	11,847	22%
	<hr/>	<hr/>	<hr/>	<hr/>
Total	1,080	229,005	158,272	69%
	<hr/>	<hr/>	<hr/>	<hr/>
Management Contracts:				
Long Term Contractual	66	6,654		
Short Term Third Party	16	2,880		
Third Party Asset-Managed	31	4,353		
Asset-Managed (indirect ownership)	385	35,119		
	<hr/>	<hr/>		
Total	498	49,006		
	<hr/>	<hr/>		
Total Portfolio	<u>1,578</u>	<u>278,011</u>		