

**CHARTER OF THE  
COMPENSATION AND HUMAN RESOURCES COMMITTEE  
OF THE BOARD OF DIRECTORS OF  
APARTMENT INVESTMENT AND MANAGEMENT COMPANY  
ADOPTED AS OF JANUARY 29, 2004**

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The Compensation and Human Resources Committee (the “Committee”) of the Board of Directors (the “Board”) of Apartment Investment and Management Company (the “Corporation”) has been established pursuant to Section 3.01 of the Corporation’s Amended and Restated Bylaws and Section 2-411 of the Maryland General Corporation Law.

**I. PURPOSE OF THE COMMITTEE**

The Committee’s purposes shall be to oversee the Corporation’s compensation and employee benefit plans and practices, including its executive compensation plans and its incentive-compensation and equity-based plans; and to direct the preparation of, and approve, a Committee report on executive compensation as required by the Securities and Exchange Commission (“SEC”) to be included in the Corporation’s annual proxy statement or annual report on Form 10-K filed with the SEC.

**II. COMPOSITION OF THE COMMITTEE**

The Committee shall be comprised of three or more directors as determined from time to time by resolution of the Board. Each member of the Committee shall be qualified to serve on the Committee pursuant to the requirements of the New York Stock Exchange (the “NYSE”), and any additional requirements that the Board deems appropriate. Members of the Committee shall also qualify as “non-employee directors” within the meaning of Rule 16b-3 promulgated under the Securities Exchange Act of 1934, as amended, and “outside directors” within the meaning of Section 162(m) of the Internal Revenue Code of 1986, as amended, and shall satisfy any other necessary standards of independence under the federal securities and tax laws.

The Board shall designate a chairman of the Committee, *provided* that if the Board does not so designate a chairman, the members of the Committee, by a majority vote, may designate a chairman.

Any vacancy on the Committee shall be filled by majority vote of the Board. No member of the Committee shall be removed except by majority vote of the Board.

**III. MEETINGS AND PROCEDURES OF THE COMMITTEE**

The Committee shall meet as often as it determines necessary to carry out its duties and responsibilities, but no less frequently than two times annually. The Committee, in its discretion, may ask members of management or others to attend its meetings (or portions thereof) and to provide pertinent information as necessary.

The Committee may form subcommittees for any purpose that the Committee deems appropriate and may delegate to such subcommittees such power and authority as the Committee deems appropriate; *provided, however*, that no subcommittee shall consist of fewer than two members; and *provided further* that the Committee shall not delegate to a subcommittee any power or authority required by any law, regulation or listing standard to be exercised by the Committee as a whole.

A majority of the members of the Committee present in person or by means of a conference telephone or other communications equipment by means of which all persons participating in the meeting can hear each other shall constitute a quorum.

The Committee shall maintain minutes of its meetings and records relating to those meetings and shall report regularly to the Board on its activities, as appropriate.

#### **IV. DUTIES AND RESPONSIBILITIES OF THE COMMITTEE**

The Committee shall have the following duties and responsibilities:

(a) To review periodically the goals and objectives of the Corporation's executive compensation plans, and amend, or recommend that the Board amend, these goals and objectives if the Committee deems it appropriate.

(b) To review periodically the Corporation's executive compensation plans in light of the Corporation's goals and objectives with respect to such plans, and, if the Committee deems it appropriate, adopt, or recommend to the Board the adoption of, new, or the amendment of existing, executive compensation plans.

(c) To evaluate annually the performance of the Chief Executive Officer and the President in light of the goals and objectives of the Corporation's executive compensation plans, and, either as a Committee or together with the other independent directors (as directed by the Board), determine and approve the Chief Executive Officer's and the President's compensation level based on this evaluation. In determining the long-term incentive component of the Chief Executive Officer's and the President's compensation, the Committee shall consider all relevant factors, including the Corporation's performance and relative stockholder return, the value of similar awards to chief executive officers and presidents of comparable companies, and the awards given to the Chief Executive Officer and the President of the Corporation in past years. The Committee may discuss the compensation of the Chief Executive Officer and the President with the Board if it chooses to do so.

(d) To review the decisions made by the Chief Executive Officer as to the compensation of the other executive officers of the Corporation and recommend any changes to the Board. Subject to the requirements of the Corporation's executive compensation plans, the Committee shall approve any equity compensation awarded to the Corporation's executive officers.

(e) To perform such duties and responsibilities as may be assigned to the Board or the Committee under the terms of any executive compensation plan or under the terms of any

compensation or other employee benefit plan, including any incentive-compensation or equity-based plan.

(f) To review the decisions made by the Chief Executive Officer as to perquisites or other personal benefits to the Corporation's executive officers and recommend any changes to the Board and to approve such perquisites, if any, available to the Chief Executive Officer.

(g) To direct the preparation of and approve a Committee report on executive compensation as required by the SEC to be included in the Corporation's annual proxy statement or annual report on Form 10-K filed with the SEC.

(h) To review all equity-compensation plans to be submitted for stockholder approval under the NYSE listing standards, and to review and, if appropriate, approve all equity-compensation plans that are exempt from such stockholder approval requirement.

## **V. EVALUATION OF THE COMMITTEE**

The Committee shall, on an annual basis, evaluate its performance. In conducting this review, the Committee shall evaluate whether this Charter appropriately addresses the matters that are or should be within its scope and shall recommend such changes as it deems necessary or appropriate. The Committee shall address all matters that the Committee considers relevant to its performance, including at least the following: the adequacy, appropriateness and quality of the information and recommendations presented by the Committee to the Board, the manner in which they were discussed or debated, and whether the number and length of meetings of the Committee were adequate for the Committee to complete its work in a thorough and thoughtful manner.

The Committee shall deliver to the Board a report, which may be oral, setting forth the results of its evaluation, including any recommended amendments to this Charter and any recommended changes to the Corporation's or the Board's policies or procedures.

## **VI. INVESTIGATIONS AND STUDIES; OUTSIDE ADVISORS**

The Committee may conduct or authorize investigations into or studies of matters within the Committee's scope of responsibilities, and may retain, at the Corporation's expense, such independent counsel or other consultants or advisors as it deems necessary. The Committee shall have the sole authority to retain or terminate any compensation consultant to assist the Committee in carrying out its responsibilities, including sole authority to approve the consultant's fees and other retention terms, such fees to be borne by the Corporation.

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While the members of the Committee have the duties and responsibilities set forth in this Charter, nothing contained in this Charter is intended to create, or should be construed as creating, any responsibility or liability of members of the Committee, except to the extent otherwise provided under applicable federal or state law.