

Wayside Technology Group, Inc.  
Form 8-K  
April 25, 2008

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UNITED STATES  
SECURITIES AND EXCHANGE COMMISSION

Washington, DC 20549

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FORM 8-K

CURRENT REPORT

Pursuant to Section 13 or 15(d) of the  
Securities Exchange Act of 1934

Date of report (Date of earliest event reported): April 24, 2008

Wayside Technology Group, Inc.  
(Exact name of Registrant as specified in its charter)

Delaware  
(State of Other Jurisdiction  
of Incorporation)

000-26408  
(Commission  
File Number)

13-3136104  
(IRS Employer  
Identification No.)

1157 Shrewsbury Avenue, Shrewsbury, New Jersey  
(Address of Principal Executive Offices)

07702  
(Zip Code)

Registrant's telephone number, including area code: (732) 389-8950

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions:

Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)

Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)

Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))

Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

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**Item 2.02. Results of Operations and Financial Condition.**

On April 24, 2008, Wayside Technology Group, Inc. issued a press release announcing its financial results for the first quarter ended March 31, 2008. The information contained in the press release, which is attached as Exhibit 99.1 to this report, is incorporated by reference herein and is furnished pursuant to Item 2.02, "Results of Operations and Financial Condition."

**Item 9.01. Financial Statements and Exhibits.**

(d)

**Exhibits.**

99.1 Press Release dated April 24, 2008, furnished pursuant to Item 2.02.

SIGNATURE

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

Wayside Technology Group, Inc.

Dated: April 25, 2008

By: /s/ Simon F. Nynens  
Simon F. Nynens  
President and Chief Executive Officer

Index to Exhibits

Exhibit No.      Description

99.1              Press Release dated April 24, 2008, furnished pursuant to Item 2.02.

to receive the Cash Consideration or the OP Unit Consideration shall be effective only if a properly executed Election Form is received by Aimco OP or its designees prior to 5:00 p.m., Eastern Time on the day that is thirty (30) days after the mailing of such Election Form by Aimco OP. If a limited partner fails to return a duly completed Election Form within the time period specified in the Election Form, such holder shall be deemed to have elected to receive the Cash Consideration. In addition, each limited partner that resides in a state or other jurisdiction that Aimco OP determines would prohibit the issuance of partnership common units of Aimco OP (or in which registration of in would be prohibitively costly) will be deemed to have elected the Cash Consideration. Fox, the Aimco Subsidiary and Aimco OP agree that limited partners shall have the right to revoke any election made in connection with the Merger at any time prior to the expiration of the time period stated in the Election Form. Aimco OP and Fox GP, by mutual agreement, shall have the right to make rules, not inconsistent with the terms of this Agreement, governing the validity of Election Forms and the issuance and delivery of the Merger Consideration, as applicable.

(b) General Partner's Interests. Each general partnership unit of Fox outstanding immediately prior to consummation of the Merger shall remain outstanding and unchanged, with all of the rights set forth in the Partnership Agreement.

Section 6. Treatment of Interests in Aimco Subsidiary. The entire membership interest in the Aimco Subsidiary immediately prior to the Effective Time shall be converted into 1,000 limited partnership units of the Surviving Entity.

Section 7. Appraisal Rights. In connection with the Merger, the holders of limited partnership units of Fox immediately prior to the Merger shall have the appraisal rights set forth in Exhibit A hereto.

Section 8. Covenants. Aimco OP agrees to pay for, or reimburse Fox for, all expenses incurred by Fox in connection with the Merger. Aimco OP agrees to pay cash or issue and deliver common units of Aimco OP to the former holders of Fox limited partnership units, in accordance with section 5(a) of this Agreement.

Section 9. Conditions to the Merger.

(a) The Merger shall not occur unless and until the Merger has been approved or consented to by a majority in interest of limited partners of Fox.

(b) Notwithstanding any provisions of this Agreement to the contrary, none of the parties hereto shall be required to consummate the transactions contemplated hereby if any third-party consent, authorization or approval that any of the parties hereto deem necessary or desirable in connection with this Agreement, or the consummation of the transactions contemplated hereby, has not been obtained or received.

Section 10. Tax Treatment. The parties hereto intend and agree that, for Federal income tax purposes, (i) any payment of cash for limited partnership units of Fox shall be treated as a sale of such limited partnership units by such holder and a purchase of such limited partnership units by Aimco OP for the cash so paid under the terms of this Agreement in accordance with the guidelines set forth in Treas. Reg. Sections 1.708-1(c)(3) and 1.708-1(c)(4), and (ii) each such holder of limited partnership units who accepts cash explicitly agrees and consents to such treatment. Furthermore, the parties hereto intend and agree that, for Federal income tax purposes, (i) any exchange



**Table of Contents**

of limited partnership units of Fox for partnership common units of Aimco OP under the terms of this Agreement shall be treated in accordance with Sections 721 and 731 of the Internal Revenue Code of 1986, as amended, and (ii) each such holder of limited partnership units of Fox who accepts partnership common units of Aimco OP explicitly agrees and consents to such treatment. Any cash and/or partnership common units of Aimco OP to which a holder of limited partnership units of Fox is entitled pursuant to this Agreement shall be paid only after the receipt of a consent from such holder that, for Federal income tax purposes, the receipt of cash and/or partnership common units of Aimco OP shall be treated as described in this Section 10.

Section 11. *Further Assurances.* From time to time, as and when required by the Surviving Entity or by its successors and assigns, there shall be executed and delivered on behalf of the Aimco Subsidiary such deeds and other instruments, and there shall be taken or caused to be taken by the Aimco Subsidiary all such further actions, as shall be appropriate or necessary in order to vest, perfect or confirm, of record or otherwise, in the Surviving Entity the title to and possession of all property, interests, assets, rights, privileges, immunities, powers, franchises and authority of the Aimco Subsidiary, and otherwise to carry out the purposes of this Agreement, and the officers and directors of Fox GP are fully authorized in the name and on behalf of Aimco Subsidiary or otherwise to take any and all such action and to execute and deliver any and all such deeds and other instruments.

Section 12. *Amendment.* Subject to applicable law, this Agreement may be amended, modified or supplemented by written agreement of the parties hereto at any time prior to the consummation of the Merger with respect to any of the terms contained herein.

Section 13. *Abandonment.* At any time prior to consummation of the Merger, this Agreement may be terminated and the Merger may be abandoned without liability to any party hereto by any of the Aimco Subsidiary, Aimco OP or Fox, in each case, acting in its sole discretion and for any reason or for no reason, notwithstanding approval of this Agreement by any of the members of the Aimco Subsidiary, the partners of Fox or the general partner of Aimco OP.

Section 14. *Governing Law.* This Agreement shall be governed by and construed in accordance with the laws of the State of California, without reference to the conflict of law provisions thereof.

Section 15. *No Third-Party Beneficiaries.* No provision of this Agreement is intended to confer upon any person, entity, or organization other than the parties hereto any rights or remedies hereunder, other than the appraisal rights given to holders of limited partnership units of Fox pursuant to Section 7.

**Table of Contents**

**IN WITNESS WHEREOF**, Fox, the Aimco Subsidiary and Aimco OP have caused this Agreement to be signed by their respective duly authorized officers as of the date first above written.

**FOX STRATEGIC HOUSING INCOME PARTNERS**

its General Partner By: Fox Partners VIII,  
its Managing General Partner By: Fox Capital Management Corporation,  
Name: By:  
Title:

**AIMCO FOX MERGER SUB LLC**

its sole Member By: Aimco Properties, L.P.,  
its General Partner By: AIMCO-GP, Inc.  
Name: By:  
Title:

**AIMCO PROPERTIES, L.P.**

its General Partner By: AIMCO-GP, Inc.,  
Name: By:  
Title

[Signature Page Merger Agreement]

**Table of Contents**

**EXHIBIT A**

**Appraisal Rights of Limited Partners**

Capitalized terms used but not defined herein shall have the respective meanings ascribed thereto in the Agreement and Plan of Merger, dated as of October 8, 2010 (the Merger Agreement ), by and among Fox Strategic Housing Income Partners, a California limited partnership ( Fox ), AIMCO Fox Merger Sub LLC, a California limited liability company (the Aimco Subsidiary ), and AIMCO Properties, L.P., a Delaware limited partnership ( Aimco OP ). In connection with the Merger, limited partners of Fox shall have the following appraisal rights:

(a) Any limited partner who holds limited partnership units on the effective date of the Merger who has not consented to the merger (the Nonconsenting Limited Partners ) and who has otherwise complied with paragraph (b) hereof shall be entitled to an appraisal by arbitration of the fair value of the Nonconsenting Limited Partner s limited partnership units. This arbitration shall be conducted in Denver, Colorado, in accordance with the Commercial Arbitration Rules of the American Arbitration Association by a panel of three arbitrators selected by Aimco OP. Any arbitration award shall be appealable in the Federal District Court located in Denver, Colorado.

(b) Within 10 days after the effective date of the Merger, Aimco OP shall notify each of the Nonconsenting Limited Partners of the consummation of the Merger, the effective date of the Merger and that appraisal rights are available for any or all limited partnership units held by Nonconsenting Limited Partners, and shall include in such notice a copy of this Exhibit. Such notice shall include an Election Form pursuant to which Nonconsenting Limited Partners may elect an appraisal by arbitration of the fair value of their limited partnership units pursuant to paragraph (a) hereof. Any limited partner who holds limited partnership units on the effective date of the Merger and who has not consented to the Merger shall be entitled to receive such notice and may, within 30 days after the date of mailing of such notice (such 30th day being the Election Deadline ), demand from Aimco OP the appraisal of his or her limited partnership units by making the appropriate election in the Election Form in accordance with the instructions thereto. Each completed Election Form must be delivered to the address, and within the time period, specified in the instructions to the Election Form. If a Nonconsenting Limited Partner fails to properly complete an Election Form or return it to the correct address within the specified time period, such Nonconsenting Limited Partner shall be deemed to have elected not to seek an appraisal of his or her limited partnership units, and will be deemed to have elected the Cash Consideration.

(c) At any time prior to the Election Deadline, any Nonconsenting Limited Partner who has made a demand for appraisal of his or her limited partnership units shall have the right to withdraw his or her demand for appraisal and to accept the Cash Consideration payable pursuant to the Merger Agreement. Nonconsenting Limited Partners who wish to withdraw their demands must do so in writing delivered to Aimco Properties, L.P., c/o Eagle Rock Proxy Advisors, LLC, by mail at 12 Commerce Drive, Cranford, New Jersey, 07016, or by fax at (908) 497-2349. At any time prior to 20 days after the Election Deadline, any Nonconsenting Limited Partner who has complied with the requirements of subsections (a) and (b) hereof, upon written request, shall be entitled to receive from Aimco OP a statement setting forth the aggregate number of limited partnership units with respect to which Nonconsenting Limited Partners have made demands for appraisal and the aggregate number of holders of such limited partnership units. Such written statement shall be mailed to the Nonconsenting Limited Partner within 10 days after such Nonconsenting Limited Partner s written request for such a statement is received by Aimco OP or within 20 days after the Election Deadline, whichever is later.

(d) Upon the submission of any such demand by a Nonconsenting Limited Partner, Aimco OP shall, within 40 days after the Election Deadline, submit to the arbitration panel a duly verified list containing the names and addresses of all Nonconsenting Limited Partners who have demanded payment for their limited partnership units and with whom agreements as to the value of their limited partnership units have not been reached with Aimco OP. The arbitration



panel shall give notice of the time and place fixed for the hearing of such demand by registered or certified mail to Aimco OP and to the Nonconsenting Limited Partners shown on the list at the addresses therein stated. The forms of the notices shall be approved by the panel, and the costs thereof shall be borne by Aimco OP.

A-5

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**Table of Contents**

(e) At the hearing on such demand, the panel shall determine the Nonconsenting Limited Partners who have become entitled to appraisal rights hereunder.

(f) After determining the Nonconsenting Limited Partners entitled to an appraisal, the panel shall appraise the limited partnership units, determining their fair value exclusive of any element of value arising from the accomplishment or expectation of the Merger, together with interest, if any, to be paid upon the amount determined to be the fair value. In determining such fair value, the panel shall take into account all relevant factors. Unless the panel in its discretion determines otherwise for good cause shown, interest from the effective date of the Merger through the date of payment of the judgment shall be compounded quarterly and shall accrue at 5% over the Federal Reserve discount rate (including any surcharge), as established from time to time during the period between the effective date of the Merger and the date of payment of the judgment. Upon application by Aimco OP or by any Nonconsenting Limited Partner entitled to participate in the appraisal proceeding, the panel may, in its discretion, proceed with the appraisal prior to the final determination of the Nonconsenting Limited Partners entitled to an appraisal. Any Nonconsenting Limited Partner whose name appears on the list submitted by Aimco OP pursuant to paragraph (d) hereof may participate fully in all proceedings until it is finally determined that such Nonconsenting Limited Partner is not entitled to appraisal rights hereunder.

(g) The panel shall direct the payment of the fair value of the limited partnership units, together with interest, if any, by Aimco OP to the Nonconsenting Limited Partners entitled thereto. Payment shall be so made to each such Nonconsenting Limited Partner upon the receipt by Aimco OP of the written consent from such Nonconsenting Limited Partner that, for federal income tax purposes, the issuance of cash for the limited partnership units shall be treated as a sale of the limited partnership units by the owner and a purchase of such limited partnership units by Aimco OP for the cash consideration so paid under the terms of the Merger Agreement in accordance with the guidelines set forth in Treas. Reg. Sections 1.708-1(c)(3) and 1.708-1(c)(4).

(h) The costs of the proceeding may be determined by the panel and taxed upon the parties as the panel deems equitable in the circumstances. Upon application of a Nonconsenting Limited Partner, the panel may order all or a portion of the expenses incurred by any Nonconsenting Limited Partner in connection with the appraisal proceeding, including, without limitation, reasonable attorney's fees and the fees and expenses of experts, to be charged pro rata against the value of all the interests entitled to an appraisal.

(i) From and after the effective date of the Merger, no Nonconsenting Limited Partner who has demanded appraisal rights as provided in paragraph (b) hereof shall be entitled to vote such limited partnership units for any purpose or to receive payment of distributions on such interests (except distributions payable as of a record date prior to the effective date of the Merger); provided, however, that if such Nonconsenting Limited Partner shall deliver to Aimco Properties, L.P., c/o Eagle Rock Proxy Advisors, LLC, by mail at 12 Commerce Drive, Cranford, New Jersey, 07016, or by fax at (908) 497-2349, a written withdrawal of such Nonconsenting Limited Partner's demand for an appraisal and an acceptance of the Cash Consideration payable pursuant to the Merger Agreement, either as provided in paragraph (c) hereof or thereafter with the written approval of Aimco OP, then the right of such Nonconsenting Limited Partner to an appraisal shall cease. Notwithstanding the foregoing, no appraisal proceeding before the panel shall be dismissed as to any Nonconsenting Limited Partner without the approval of the panel, and such approval may be conditioned upon such terms as the panel deems just.

**Table of Contents**

**ANNEX B**

**Appraisal Rights of Limited Partners**

Capitalized terms used but not defined herein shall have the respective meanings ascribed thereto in the Agreement and Plan of Merger, dated as of October 8, 2010 (the **Merger Agreement** ), by and among Fox Strategic Housing Income Partners, a California limited partnership ( **Fox** ), AIMCO Fox Merger Sub LLC, a California limited liability company (the **Aimco Subsidiary** ), and AIMCO Properties, L.P., a Delaware limited partnership ( **Aimco OP** ). In connection with the Merger, limited partners of Fox shall have the following appraisal rights:

- (a) Any limited partner who holds Limited Partnership Units on the effective date of the Merger who has not consented to the merger (the **Nonconsenting Limited Partners** ) and who has otherwise complied with paragraph (b) hereof shall be entitled to an appraisal by arbitration of the fair value of the Nonconsenting Limited Partner's Limited Partnership Units. This arbitration shall be conducted in Denver, Colorado, in accordance with the Commercial Arbitration Rules of the American Arbitration Association by a panel of three arbitrators selected by Aimco OP. Any arbitration award shall be appealable in the Federal District Court located in Denver, Colorado.
- (b) Within 10 days after the effective date of the Merger, Aimco OP shall notify each of the Nonconsenting Limited Partners of the consummation of the Merger, the effective date of the Merger and that appraisal rights are available for any or all Limited Partnership Units held by Nonconsenting Limited Partners, and shall include in such notice a copy of this Annex. Such notice shall include an Election Form pursuant to which Nonconsenting Limited Partners may elect an appraisal by arbitration of the fair value of their Limited Partnership Units pursuant to paragraph (a) hereof. Any limited partner who holds Limited Partnership Units on the effective date of the Merger and who has not consented to the Merger shall be entitled to receive such notice and may, within 30 days after the date of mailing of such notice (such 30th day being the **Election Deadline** ), demand from Aimco OP the appraisal of his or her Limited Partnership Units by making the appropriate election in the Election Form in accordance with the instructions thereto. Each completed Election Form must be delivered to the address, and within the time period, specified in the instructions to the Election Form. If a Nonconsenting Limited Partner fails to properly complete an Election Form or return it to the correct address within the specified time period, such Nonconsenting Limited Partner shall be deemed to have elected not to seek an appraisal of his or her Limited Partnership Units, and will be deemed to have elected the Cash Consideration.
- (c) At any time prior to the Election Deadline, any Nonconsenting Limited Partner who has made a demand for appraisal of his or her Limited Partnership Units shall have the right to withdraw his or her demand for appraisal and to accept the Cash Consideration payable pursuant to the Merger Agreement. Nonconsenting Limited Partners who wish to withdraw their demands must do so in writing delivered to Aimco Properties, L.P., c/o Eagle Rock Proxy Advisors, LLC, by mail at 12 Commerce Drive, Cranford, New Jersey, 07016, or by fax at (908) 497-2349. At any time prior to 20 days after the Election Deadline, any Nonconsenting Limited Partner who has complied with the requirements of subsections (a) and (b) hereof, upon written request, shall be entitled to receive from Aimco OP a statement setting forth the aggregate number of Limited Partnership Units with respect to which Nonconsenting Limited Partners have made demands for appraisal and the aggregate number of holders of such Limited Partnership Units. Such written statement shall be mailed to the Nonconsenting Limited Partner within 10 days after such Nonconsenting Limited Partner's written request for such a statement is received by Aimco OP or within 20 days after the Election Deadline, whichever is later.
- (d) Upon the submission of any such demand by a Nonconsenting Limited Partner, Aimco OP shall, within 40 days after the Election Deadline, submit to the arbitration panel a duly verified list containing the names and addresses of

all Nonconsenting Limited Partners who have demanded payment for their Limited Partnership Units and with whom agreements as to the value of their Limited Partnership Units have not been reached with Aimco OP. The arbitration panel shall give notice of the time and place fixed for the hearing of such demand by registered or certified mail to Aimco OP and to the Nonconsenting Limited Partners shown on

B-1

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**Table of Contents**

the list at the addresses therein stated. The forms of the notices shall be approved by the panel, and the costs thereof shall be borne by Aimco OP.

(e) At the hearing on such demand, the panel shall determine the Nonconsenting Limited Partners who have become entitled to appraisal rights hereunder.

(f) After determining the Nonconsenting Limited Partners entitled to an appraisal, the panel shall appraise the Limited Partnership Units, determining their fair value exclusive of any element of value arising from the accomplishment or expectation of the Merger, together with interest, if any, to be paid upon the amount determined to be the fair value. In determining such fair value, the panel shall take into account all relevant factors. Unless the panel in its discretion determines otherwise for good cause shown, interest from the effective date of the Merger through the date of payment of the judgment shall be compounded quarterly and shall accrue at 5% over the Federal Reserve discount rate (including any surcharge), as established from time to time during the period between the effective date of the Merger and the date of payment of the judgment. Upon application by Aimco OP or by any Nonconsenting Limited Partner entitled to participate in the appraisal proceeding, the panel may, in its discretion, proceed with the appraisal prior to the final determination of the Nonconsenting Limited Partners entitled to an appraisal. Any Nonconsenting Limited Partner whose name appears on the list submitted by Aimco OP pursuant to paragraph (d) hereof may participate fully in all proceedings until it is finally determined that such Nonconsenting Limited Partner is not entitled to appraisal rights hereunder.

(g) The panel shall direct the payment of the fair value of the Limited Partnership Units, together with interest, if any, by Aimco OP to the Nonconsenting Limited Partners entitled thereto. Payment shall be so made to each such Nonconsenting Limited Partner upon the receipt by Aimco OP of the written consent from such Nonconsenting Limited Partner that, for federal income tax purposes, the issuance of cash for the Limited Partnership Units shall be treated as a sale of the Limited Partnership Units by the owner and a purchase of such Limited Partnership Units by Aimco OP for the cash consideration so paid under the terms of the Merger Agreement in accordance with the guidelines set forth in Treas. Reg. Sections 1.708-1(c)(3) and 1.708-1(c)(4).

(h) The costs of the proceeding may be determined by the panel and taxed upon the parties as the panel deems equitable in the circumstances. Upon application of a Nonconsenting Limited Partner, the panel may order all or a portion of the expenses incurred by any Nonconsenting Limited Partner in connection with the appraisal proceeding, including, without limitation, reasonable attorney's fees and the fees and expenses of experts, to be charged pro rata against the value of all the interests entitled to an appraisal.

(i) From and after the effective date of the Merger, no Nonconsenting Limited Partner who has demanded appraisal rights as provided in paragraph (b) hereof shall be entitled to vote such Limited Partnership Units for any purpose or to receive payment of distributions on such interests (except distributions payable as of a record date prior to the effective date of the Merger); provided, however, that if such Nonconsenting Limited Partner shall deliver to Aimco Properties, L.P., c/o Eagle Rock Proxy Advisors, LLC, by mail at 12 Commerce Drive, Cranford, New Jersey, 07016, or by fax at (908) 497-2349 a written withdrawal of such Nonconsenting Limited Partner's demand for an appraisal and an acceptance of the Cash Consideration payable pursuant to the Merger Agreement, either as provided in paragraph (c) hereof or thereafter with the written approval of Aimco OP, then the right of such Nonconsenting Limited Partner to an appraisal shall cease. Notwithstanding the foregoing, no appraisal proceeding before the panel shall be dismissed as to any Nonconsenting Limited Partner without the approval of the panel, and such approval may be conditioned upon such terms as the panel deems just.

**Table of Contents****ANNEX C****OFFICERS AND DIRECTORS**

None of Fox, Fox GP, Aimco OP or the Aimco Subsidiary has directors, officers or significant employees of its own. The names and positions of the executive officers and directors of Aimco, AIMCO-GP, AIMCO/IPT and FCMC are set forth below. The business address of each executive officer and director is 4582 South Ulster Street Parkway, Suite 1100, Denver, Colorado 80237. Each executive officer and director is a citizen of the United States of America.

<b>Name (Age)</b>	<b>Position</b>
Terry Considine(62)	Chairman of the Board of Directors and Chief Executive Officer of Aimco; Director, Chief Executive Officer and President of AIMCO-GP and AIMCO/IPT.
Timothy Beaudin(51)	President and Chief Operating Officer of Aimco, AIMCO-GP, AIMCO/IPT and FCMC.
Lisa R. Cohn(41)	Executive Vice President, General Counsel and Secretary of Aimco, AIMCO-GP, AIMCO/IPT and FCMC.
Miles Cortez(66)	Executive Vice President and Chief Administrative Officer of Aimco, AIMCO-GP and AIMCO/IPT.
Ernest M. Freedman(39)	Executive Vice President and Chief Financial Officer of Aimco, AIMCO-GP, AIMCO/IPT and FCMC.
Steven D. Cordes(37)	Senior Vice President of Aimco, AIMCO-GP, AIMCO/IPT and FCMC; Director of FCMC.
John Bezzant(47)	Senior Vice President of Aimco, AIMCO-GP, AIMCO/IPT and FCMC; Director of FCMC.
Paul Beldin(36)	Senior Vice President and Chief Accounting Officer of Aimco, AIMCO-GP, AIMCO/IPT and FCMC.
Stephen B. Waters(47)	Senior Director of Partnership Accounting of Aimco, AIMCO-GP, AIMCO/IPT and FCMC.
James N. Bailey(63)	Director of Aimco
Richard S. Ellwood(78)	Director of Aimco
Thomas L. Keltner(63)	Director of Aimco
J. Landis Martin(64)	Director of Aimco
Robert A. Miller(64)	Director of Aimco
Michael A. Stein(56)	Director of Aimco
Kathleen M. Nelson(64)	Director of Aimco

<b>Name</b>	<b>Biographical Summary of Current Directors and Officers</b>
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Terry Considine	Mr. Considine has been Chairman of the Board of Directors and Chief Executive Officer of Aimco and AIMCO-GP, Inc. since July 1994, and has been a director, Chief Executive Officer and President of AIMCO/IPT since February 1999. Mr. Considine also serves on the board of directors of Intrepid Potash, Inc. a publicly held producer of potash, and, until its
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acquisition in early 2009, Mr. Considine served as Chairman of the Board and Chief Executive Officer of American Land Lease, Inc. Mr. Considine has over 40 years of experience in the real estate and other industries. Among other real estate ventures, in 1975, Mr. Considine founded and managed the predecessor companies that became Aimco at its initial public offering in 1994.

C-1

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**Table of Contents**

**Name**

**Biographical Summary of Current Directors and Officers**

Timothy Beaudin

Mr. Beaudin was appointed President and Chief Operating Officer of Aimco, AIMCO-GP, AIMCO/IPT and FCMC in February 2009. He joined the companies as Executive Vice President and Chief Development Officer in October 2005 and was appointed Executive Vice President and Chief Property Operating Officer in October 2008. Mr. Beaudin oversees conventional and affordable property operations, transactions, asset management, and redevelopment and construction services. Prior to joining Aimco and beginning in 1995, Mr. Beaudin was with Catellus Development Corporation, a San Francisco, California-based real estate investment trust. During his last five years at Catellus, Mr. Beaudin served as Executive Vice President, with management responsibility for development, construction and asset management.

Lisa R. Cohn

Ms. Cohn was appointed Executive Vice President, General Counsel and Secretary of Aimco, AIMCO-GP, AIMCO/IPT and FCMC in December 2007. In addition to serving as general counsel, Ms. Cohn has executive responsibility for insurance and risk management as well as human resources. From January 2004 to December 2007, Ms. Cohn served as Senior Vice President and Assistant General Counsel. She joined Aimco in July 2002 as Vice President and Assistant General Counsel. Prior to joining Aimco, Ms. Cohn was in private practice with the law firm of Hogan & Hartson LLP with a focus on public and private mergers and acquisitions, venture capital financing, securities and corporate governance.

Miles Cortez

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

Ernest M. Freedman

Ernest M. Freedman was appointed Executive Vice President and Chief Financial Officer of Aimco, AIMCO-GP, AIMCO/IPT and FCMC effective November 1, 2009. Mr. Freedman joined Aimco in 2007 as Senior Vice President of Financial Planning and Analysis and has served as Senior Vice President of Finance since February 2009, responsible for financial planning, tax, accounting and related areas. From 2004 to 2007, Mr. Freedman served as Chief Financial Officer of HEI Hotels and Resorts. From 2000 to 2004, Mr. Freedman was at GE Real Estate in a number of capacities, including operations controller and finance manager for investments and acquisitions. From 1993 to 2000, Mr. Freedman was with Ernst & Young, LLP, including one year as a senior manager in the real estate practice. Mr. Freedman is a certified public accountant.

Steven D. Cordes

Steven D. Cordes was appointed as a Director of FCMC effective March 2, 2009. Mr. Cordes has been a Senior Vice President of Aimco, AIMCO-GP, AIMCO/IPT and FCMC since May 2007. Mr. Cordes was appointed Senior



Vice President Structured Equity in May 2007. Mr. Cordes joined Aimco in 2001 as a Vice President of Capital Markets with responsibility for Aimco's joint ventures and equity capital markets activity. Prior to joining Aimco, Mr. Cordes was a manager in the financial consulting practice of PricewaterhouseCoopers. Effective March 2009, Mr. Cordes was appointed to serve as the equivalent of the chief executive officer of the Partnership.

C-2

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**Table of Contents**

<b>Name</b>	<b>Biographical Summary of Current Directors and Officers</b>
John Bezzant	John Bezzant was appointed as a Director of FCMC effective December 16, 2009. Mr. Bezzant currently serves as a Senior Vice President of FCMC and Aimco. Mr. Bezzant joined Aimco in June 2006 as Senior Vice President Development. Prior to joining Aimco, from 2005 to June 2006, Mr. Bezzant was a First Vice President at Prologis and from 1986 to 2005, Mr. Bezzant served as Vice President, Asset Management at Catellus Development Corporation.
Paul Beldin	Paul Beldin was appointed Senior Vice President and Chief Accounting Officer of Aimco and FCMC in May 2008. Mr. Beldin joined Aimco in May 2008. Prior to that, Mr. Beldin served as controller and then as chief financial officer of America First Apartment Investors, Inc., a publicly traded multifamily real estate investment trust, from May 2005 to September 2007 when the company was acquired by Sentinel Real Estate Corporation. Prior to joining America First Apartment Investors, Inc., Mr. Beldin was a senior manager at Deloitte and Touche LLP, where he was employed from August 1996 to May 2005, including two years as an audit manager in SEC services at Deloitte's national office.
Stephen B. Waters	Stephen B. Waters was appointed Senior Director of Partnership Accounting of Aimco and FCMC in June 2009. Mr. Waters has responsibility for partnership accounting with Aimco and serves as the principal financial officer of FCMC. Mr. Waters joined Aimco as a Director of Real Estate Accounting in September 1999 and was appointed Vice President of FCMC and Aimco in April 2004. Prior to joining Aimco, Mr. Waters was a senior manager at Ernst & Young LLP.
James N. Bailey	Mr. Bailey was first elected as a director of Aimco in June 2000 and is currently Chairman of the Nominating and Corporate Governance Committee and a member of the Audit and Compensation and Human Resources Committees. Mr. Bailey co-founded Cambridge Associates, LLC, an investment consulting firm, in 1973 and currently serves as its Senior Managing Director and Treasurer. He is also a co-founder, director and treasurer of The Plymouth Rock Company, and a director of SRB Corporation, Inc. and Homeowners Direct Company, all three of which are insurance companies and insurance company affiliates. He also serves as an Overseer for the New England Aquarium, and is on its audit and investment committees. Mr. Bailey is a member of the Massachusetts Bar and the American Bar Associations. Mr. Bailey, a long-time entrepreneur, brings particular expertise to the board in the areas of investment and financial planning, capital markets, evaluation of institutional real estate markets and managers of all property types.

**Table of Contents**

**Name**

**Biographical Summary of Current Directors and Officers**

Richard S. Ellwood

Mr. Ellwood was first elected as a director of Aimco in July 1994. Mr. Ellwood is currently a member of the Audit, Compensation and Human Resources, and Nominating and Corporate Governance Committees. Mr. Ellwood was the founder and President of R.S. Ellwood & Co., Incorporated, which he operated as a real estate investment banking firm through 2004. Prior to forming his firm, Mr. Ellwood had 31 years experience on Wall Street as an investment banker, serving as: Managing Director and senior banker at Merrill Lynch Capital Markets from 1984 to 1987; Managing Director at Warburg Paribas Becker from 1978 to 1984; general partner and then Senior Vice President and a director at White, Weld & Co. from 1968 to 1978; and in various capacities at J.P. Morgan & Co. from 1955 to 1968. Mr. Ellwood served as a director of Felcor Lodging Trust, Incorporated, a publicly held company, from 1994 to 2009. He is as a trustee of the Diocesan Investment Trust of the Episcopal Diocese of New Jersey and is chairman of the diocesan audit committee. As one of the first real estate investment bankers, Mr. Ellwood brings particular expertise in real estate finance through corporate securities in both public and private markets as well as in direct property financings through mortgage placements, limited partnerships and joint ventures.

Thomas L. Keltner

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

C-4

**Table of Contents**

<b>Name</b>	<b>Biographical Summary of Current Directors and Officers</b>
J. Landis Martin	<p>Mr. Martin was first elected as a director of Aimco in July 1994 and is currently Chairman of the Compensation and Human Resources Committee. Mr. Martin is also a member of the Audit and Nominating and Corporate Governance Committees and serves as the Lead Independent Director of Aimco's Board. Mr. Martin is the Founder and Managing Director of Platte River Ventures LLC, a private equity firm. In November 2005, Mr. Martin retired as Chairman and CEO of Titanium Metals Corporation, a publicly held integrated producer of titanium metals, where he served since January 1994. Mr. Martin served as President and CEO of NL Industries, Inc., a publicly held manufacturer of titanium dioxide chemicals, from 1987 to 2003. Mr. Martin is also a director of Crown Castle International Corporation, a publicly held wireless communications company, Halliburton Company, a publicly held provider of products and services to the energy industry, and Intrepid Potash, Inc., a publicly held producer of potash. As a former chief executive of four NYSE-listed companies, Mr. Martin brings particular expertise to the board in the areas of operations, finance and governance.</p>
Robert A. Miller	<p>Mr. Miller was first elected as a director of Aimco in April 2007 and is currently a member of the Audit, Compensation and Human Resources, and Nominating and Corporate Governance Committees. Mr. Miller has served as the President of Marriott Leisure since 1997. Prior to joining Marriott Leisure, from 1984 to 1988, Mr. Miller served as Executive Vice President &amp; General Manager of Marriott Vacation Club International and then as its President from 1988 to 1997. In 1984, Mr. Miller and a partner sold their company, American Resorts, Inc., to Marriott. Mr. Miller co-founded American Resorts, Inc. in 1978, and it was the first business model to encompass all aspects of timeshare resort development, sales, management and operations. Prior to founding American Resorts, Inc., from 1972 to 1978, Mr. Miller was Chief Financial Officer of Fleetwing Corporation, a regional retail and wholesale petroleum company. Prior to joining Fleetwing, Mr. Miller served for five years as a staff accountant for Arthur Young &amp; Company. Mr. Miller is past Chairman and currently a director of the American Resort Development Association ( ARDA ) and currently serves as Chairman and director of the ARDA International Foundation. As a successful real estate entrepreneur, Mr. Miller brings particular expertise to the board in the areas of operations, management, marketing, sales, and development, as well as finance and accounting.</p>

**Table of Contents**

**Name**

**Biographical Summary of Current Directors and Officers**

Michael A. Stein

Mr. Stein was first elected as a director of Aimco in October 2004 and is currently the Chairman of the Audit Committee. Mr. Stein is also a member of the Compensation and Human Resources and Nominating and Corporate Governance Committees. From January 2001 until its acquisition by Eli Lilly in January 2007, Mr. Stein served as Senior Vice President and Chief Financial Officer of ICOS Corporation, a biotechnology company based in Bothell, Washington. From October 1998 to September 2000, Mr. Stein was Executive Vice President and Chief Financial Officer of Nordstrom, Inc. From 1989 to September 1998, Mr. Stein served in various capacities with Marriott International, Inc., including Executive Vice President and Chief Financial Officer from 1993 to 1998. Mr. Stein serves on the Board of Directors of Nautilus, Inc., which is a publicly held fitness company, and the Board of Directors of Providence Health & Services, a not-for-profit health system operating hospitals and other health care facilities across Alaska, Washington, Montana, Oregon and California. As the former chief financial officer of two NYSE-listed companies and a former partner at Arthur Andersen, Mr. Stein brings particular expertise to the board in the areas of corporate and real estate finance, and accounting and auditing for large and complex business operations.

Kathleen M. Nelson

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



**Table of Contents**

**ANNEX D**

**Fox 10-K for the Year Ended December 31, 2009**

**UNITED STATES SECURITIES AND EXCHANGE COMMISSION  
Washington, D.C. 20549  
Form 10-K**

(Mark One)

- ANNUAL REPORT PURSUANT TO SECTION 13 OR 15(d)  
OF THE SECURITIES EXCHANGE ACT OF 1934  
For the fiscal year ended December 31, 2009**
- or**
- TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d)  
OF THE SECURITIES EXCHANGE ACT OF 1934  
For the transition period from        to**

**Commission file number 0-16877**  
**FOX STRATEGIC HOUSING INCOME PARTNERS**  
*(Exact name of registrant as specified in its charter)*

**California**  
*(State or other jurisdiction of  
incorporation or organization)*

**94-3016373**  
*(I.R.S. Employer  
Identification No.)*

**55 Beattie Place, PO Box 1089**  
**Greenville, South Carolina 29602**  
*(Address of principal executive offices)*

**Registrant's telephone number, including (864) 239-1000**

**Securities registered under Section 12(b) of the Act:**

**None**

**Securities registered under Section 12(g) of the Act:**

**Limited Partnership Units**  
*(Title of Class)*

Indicate by check mark if the registrant is a well-known seasoned issuer, as defined in Rule 405 of the Securities Act. Yes  No

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Indicate by check mark if the registrant is not required to file reports pursuant to Section 13 or 15(d) of the Act. Yes  No

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes  No

Indicate by check mark whether the registrant has submitted electronically and posted on its corporate Web site, if any, every Interactive Data File required to be submitted and posted pursuant to Rule 405 of Regulation S-T (232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit and post such files).  Yes  No

Indicate by check mark if disclosure of delinquent filers pursuant to Item 405 of Regulation S-K (229.405 of this chapter) is not contained herein, and will not be contained, to the best of registrant's knowledge, in definitive proxy or information statements incorporated by reference in Part III of this Form 10-K or any amendment to this Form 10-K.

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, or a smaller reporting company. See the definitions of large accelerated filer, accelerated filer and smaller reporting company in Rule 12b-2 of the Exchange Act. (Check one):

Large accelerated filer  Accelerated filer  Non-accelerated filer  Smaller reporting company   
(Do not check if a smaller reporting company)

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Act). Yes  No

State the aggregate market value of the voting and non-voting partnership interests held by non-affiliates computed by reference to the price at which the partnership interests were last sold, or the average bid and asked price of such partnership interests as of the last business day of the registrant's most recently completed second fiscal quarter. No market exists for the limited partnership interests of the Registrant, and, therefore, no aggregate market value can be determined.

**DOCUMENTS INCORPORATED BY REFERENCE**

None

D-1

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**Table of Contents**

**FORWARD-LOOKING STATEMENTS**

The Private Securities Litigation Reform Act of 1995 provides a safe harbor for forward-looking statements in certain circumstances. Certain information included in this Annual Report contains or may contain information that is forward-looking within the meaning of the federal securities laws, including, without limitation, statements regarding the effect of redevelopments, the Partnership's future financial performance, including the Partnership's ability to maintain current or meet projected occupancy and rent levels, and the effect of government regulations. Actual results may differ materially from those described in these forward-looking statements and, in addition, will be affected by a variety of risks and factors some of which are beyond the Partnership's control including, without limitation: financing risks, including the availability and cost of financing and the risk that the Partnership's cash flows from operations may be insufficient to meet required payments of principal and interest; natural disasters and severe weather such as hurricanes; national and local economic conditions; the general level of interest rates; energy costs; the terms of governmental regulations that affect the Partnership's property and interpretations of those regulations; the competitive environment in which the Partnership operates; real estate risks, including fluctuations in real estate values and the general economic climate in local markets and competition for residents in such markets; insurance risk, including the cost of insurance; development risks; litigation, including costs associated with prosecuting or defending claims and any adverse outcomes; and possible environmental liabilities, including costs, fines or penalties that may be incurred due to necessary remediation of contamination of properties presently owned or previously owned by the Partnership. Readers should carefully review the Partnership's financial statements and the notes thereto, as well as the other documents the Partnership files from time to time with the Securities and Exchange Commission.

**(a) PART I**

**Item 1. *Business***

Fox Strategic Housing Income Partners (the Partnership or Registrant) is a publicly-held limited partnership organized in June 1984, under the Uniform Limited Partnership Act of the California Corporations Code. Fox Partners VIII, a California general partnership, is the general partner (the General Partner) of the Partnership. Fox Capital Management Corporation (FCMC or the Managing General Partner), a California corporation, and Fox Realty Investors (FRI), a California general partnership, are the general partners of Fox Partners VIII. The Managing General Partner and the managing general partner of FRI are affiliates of Apartment Investment and Management Company (AIMCO), a publicly traded real estate investment trust. The Partnership Agreement provides that the Partnership is to terminate on December 31, 2025 unless terminated earlier in accordance with the terms of the Partnership Agreement.

The Partnership, through its public offering of Limited Partnership Units, sold 26,111 units aggregating \$26,111,000. From April 1987 through February 1989, the Partnership acquired one mobile home park and two apartment complexes. The Partnership continues to hold and operate one apartment complex (see Item 2. Property). Since its initial offering, the Partnership has not received, nor are limited partners required to make, additional capital contributions.

The Partnership has no employees. The Managing General Partner is vested with full authority as to the general management and supervision of the business and affairs of the Partnership. Limited partners have no right to participate in the management or conduct of such business and affairs. An affiliate of the Managing General Partner provides day-to-day property management services at the Partnership's investment property.

A further description of the Partnership's business is included in Item 7. Management's Discussion and Analysis of Financial Condition and Results of Operations included in this Form 10-K.



**Table of Contents****Item 2. Property**

The following table sets forth the Partnership's investment in property:

<b>Property</b>	<b>Date of Purchase</b>	<b>Type of Ownership</b>	<b>Use</b>
The Views at Vinings Mountain Apartments Atlanta, Georgia	9/87	Fee ownership, subject to a first mortgage	Apartment 180 units

**Schedule of Property**

Set forth below for the Partnership's property is the gross carrying value, accumulated depreciation, depreciable life, method of depreciation and Federal tax basis.

<b>Property</b>	<b>Gross Carrying Value</b>	<b>Accumulated Depreciation</b>	<b>Depreciable Life</b>	<b>Method of Depreciation</b>	<b>Federal Tax Basis</b>
	<b>(In thousands)</b>				<b>(In thousands)</b>
The Views at Vinings Mountain Apartments	\$ 22,877	\$ 10,120	5-30 yrs	S/L	\$ 10,877

See Note A Organization and Summary of Significant Accounting Policies to the financial statements included in Item 8. Financial Statements and Supplementary Data for a description of the Partnership's capitalization and depreciation policies.

**Schedule of Property Indebtedness**

The following table sets forth certain information relating to the loan encumbering the Partnership's property.

<b>Property</b>	<b>Principal Balance At December 31, 2009</b>	<b>Stated Interest Rate(1)</b>	<b>Period Amortized</b>	<b>Maturity Date</b>	<b>Principal Balance Due At Maturity(2)</b>
	<b>(In thousands)</b>				<b>(In thousands)</b>
The Views at Vinings Mountain Apartments	\$ 13,771	5.77%	30 years	9/11/2013	\$ 13,045

- (1) Fixed rate mortgage.
- (2) See Note B Mortgage Note Payable to the financial statements included in Item 8. Financial Statements and Supplementary Data for information with respect to the Partnership's ability to prepay this loan and other specific details about the loan.

On September 11, 2008, the Partnership refinanced the mortgage encumbering The Views at Vinings Mountain Apartments. The refinancing replaced the existing mortgage, which at the time of refinancing had a principal balance of approximately \$4,754,000, with a new mortgage loan in the principal amount of \$13,800,000. The new mortgage loan bears interest at 5.77% per annum and requires monthly payments of interest only of approximately \$66,000 beginning on November 1, 2008 through October 1, 2009. Beginning on November 1, 2009, the new mortgage loan requires monthly payments of principal and interest of approximately \$81,000, through the September 11, 2013 maturity date. The new mortgage loan has a balloon payment of approximately \$13,045,000 due at maturity. On September 11, 2010, if the Partnership does not meet a prescribed debt service coverage ratio, the Partnership will be required to make an additional payment of principal to reduce the outstanding principal balance to the prescribed debt service coverage ratio.

D-3

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**Table of Contents****Schedule of Rental Rates and Occupancy**

Average annual rental rates and occupancy for 2009 and 2008 for the property were as follows:

<b>Property</b>	<b>Average Annual Rental Rate (per Unit)</b>		<b>Average Annual Occupancy</b>	
	<b>2009</b>	<b>2008</b>	<b>2009</b>	<b>2008</b>
The Views at Vinings Mountain Apartments	\$ 11,552	\$ 11,026	91%	73%

The Managing General Partner attributes the increase in occupancy at The Views at Vinings Mountain Apartments to units available for rent which had previously been unavailable for lease as a result of the redevelopment project, which was completed in June 2009, at the property.

The real estate industry is highly competitive. The Partnership's property is subject to competition from other residential apartment complexes in the area. The Managing General Partner believes that the property is adequately insured. The property is an apartment complex which leases units for lease terms of one year or less. No tenant leases 10% or more of the available rental space. The property is in good physical condition, subject to normal depreciation and deterioration as is typical for assets of this type and age.

**Real Estate Taxes and Rate**

Real estate taxes and rate in 2009 for the Partnership's property were as follows:

	<b>2009 Billing (In thousands)</b>	<b>2009 Rate</b>
The Views at Vinings Mountain Apartments	\$ 145	2.88%

**Capital Improvements**

During the year ended December 31, 2009, the Partnership completed approximately \$74,000 of capital improvements at The Views at Vinings Mountain Apartments primarily arising from the redevelopment of the property, which includes capitalization of construction period interest of approximately \$1,000. Additional capital improvements of approximately \$200,000 were completed during the year ended December 31, 2009, which consisted primarily of appliance and floor covering replacements. These improvements were funded from operating cash flow and advances from AIMCO Properties, L.P., an affiliate of the Managing General Partner. In November 2006, the Partnership began a major redevelopment project at the property in order for it to remain competitive with other properties in the Atlanta area. The redevelopment was completed in June 2009 at a total cost of approximately \$11,222,000, of which approximately \$11,148,000 was completed prior to 2009. The redevelopment consisted of the addition of a controlled access entrance gate, an amenity building, clubhouse renovations, swimming pool upgrades, roof replacement, HVAC upgrades, major landscaping, lighting upgrades, exterior and interior building improvements, sidewalk and parking area upgrades, signage, and kitchen, bathroom, and appliance upgrades to each unit. The Partnership funded the redevelopment from operating cash flow and advances from AIMCO Properties, L.P. While the Partnership has no material commitments for property improvements and replacements, certain routine capital expenditures are

anticipated during 2010. Such capital expenditures will depend on the physical condition of the property as well as anticipated cash flow generated by the property.

Capital expenditures will be incurred only if cash is available from operations, Partnership reserves or advances from AIMCO Properties, L.P., although AIMCO Properties, L.P. is not obligated to fund such advances. To the extent that capital improvements are completed, the Partnership's distributable cash flow, if any, may be adversely affected at least in the short term.

**Item 3. Legal Proceedings**

As previously disclosed, AIMCO Properties, L.P. and NHP Management Company, both affiliates of the Managing General Partner, were defendants in a lawsuit, filed as a collective action in August 2003 in the United States District Court for the District of Columbia, alleging that they willfully violated the Fair Labor Standards Act ( FLSA ) by failing to pay maintenance workers overtime for time worked in excess of 40 hours per week

D-4

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**Table of Contents**

( overtime claims ). The plaintiffs also contended that AIMCO Properties, L.P. and NHP Management Company ( the Defendants ) failed to compensate maintenance workers for time that they were required to be on-call ( on-call claims ). In March 2007, the court in the District of Columbia decertified the collective action. In July 2007, plaintiffs counsel filed individual cases in Federal court in 22 jurisdictions. In the second quarter of 2008, AIMCO Properties, L.P. settled the overtime cases involving 652 plaintiffs and established a framework for resolving the 88 remaining on-call claims and the attorneys fees claimed by plaintiffs counsel. As a result, the lawsuits asserted in the 22 Federal courts have been dismissed. During the fourth quarter of 2008, the settlement amounts for alleged unpaid overtime to employees were paid by those partnerships where the respective employees had worked. The Partnership was not required to pay any settlement amounts. At this time, the 88 remaining on-call claims and the attorneys fees claimed by plaintiffs counsel are not resolved. The parties have selected six on-call claims that will proceed forward through the arbitration process and have selected arbitrators. After those arbitrations have been completed, the parties will revisit settling the on-call claims. The first two arbitrations took place in December 2009 and the Defendants received a defense verdict against the first two claimants, and plaintiffs dismissed the claims of the next two claimants. The remaining two arbitrations will take place in April 2010. The Managing General Partner is uncertain as to the amount of any loss that may be allocable to the Partnership. Therefore, the Partnership cannot estimate whether any loss will occur or a potential range of loss.

**(b) PART II**

**Item 5. Market for Registrant s Common Equity, Related Security Holder Matters and Issuer Purchases of Equity Securities**

The Partnership offered and sold 26,111 Limited Partnership Units (the Units ) aggregating \$26,111,000. As of December 31, 2009, there were 686 holders of record owning an aggregate of 26,111 Units. Affiliates of the Managing General Partner owned 13,719 Units or 52.54% as of December 31, 2009. No public trading market has developed for the Units, and it is not anticipated that such a market will develop in the future.

There were no distributions to the partners during the years ended December 31, 2009 and 2008. Future cash distributions will depend on the levels of cash generated from operations, and the timing of the debt maturity, refinancing and/or property sale. The Partnership s cash available for distribution is reviewed on a monthly basis. In light of the amounts accrued and payable to affiliates of the Managing General Partner at December 31, 2009, there can be no assurance that the Partnership will generate sufficient funds from operations after required capital expenditures to permit any distributions to its partners during 2010 or subsequent periods. See Item 2. Property Capital Improvements for information relating to anticipated capital expenditures at the property.

In addition to its indirect ownership of the general partner interests in the Partnership, AIMCO and its affiliates owned 13,719 Units in the Partnership representing 52.54% of the outstanding Units at December 31, 2009. A number of these Units were acquired pursuant to tender offers made by AIMCO or its affiliates. It is possible that AIMCO or its affiliates will acquire additional Units in the Partnership in exchange for cash or a combination of cash and units in AIMCO Properties, L.P., the operating partnership of AIMCO, either through private purchases or tender offers. Pursuant to the Partnership Agreement, unitholders holding a majority of the Units are entitled to take action with respect to a variety of matters that include, but are not limited to, voting on certain amendments to the Partnership Agreement and voting to remove the General Partner. As a result of its ownership of 52.54% of the outstanding Units, AIMCO and its affiliates are in a position to control all voting decisions with respect to the Partnership. Although the General Partner owes fiduciary duties to the limited partners of the Partnership, the Managing General Partner also owes fiduciary duties to both the General Partner and AIMCO as the sole stockholder of the Managing General Partner.

**Item 7. Management s Discussion and Analysis of Financial Condition and Results of Operations**

This item should be read in conjunction with the financial statements and other items contained elsewhere in this report.

The Partnership's financial results depend upon a number of factors including the ability to attract and maintain tenants at the investment property, interest rates on mortgage loans, costs incurred to operate the

D-5

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## **Table of Contents**

investment property, general economic conditions and weather. As part of the ongoing business plan of the Partnership, the Managing General Partner monitors the rental market environment of its investment property to assess the feasibility of increasing rents, maintaining or increasing occupancy levels and protecting the Partnership from increases in expenses. As part of this plan, the Managing General Partner attempts to protect the Partnership from the burden of inflation-related increases in expenses by increasing rents and maintaining a high overall occupancy level. However, the Managing General Partner may use rental concessions and rental rate reductions to offset softening market conditions; accordingly, there is no guarantee that the Managing General Partner will be able to sustain such a plan. Further, a number of factors that are outside the control of the Partnership, such as the local economic climate and weather, can adversely or positively affect the Partnership's financial results.

## **Results of Operations**

The Partnership recognized net losses of approximately \$2,148,000 and \$1,931,000 for the years ended December 31, 2009 and 2008, respectively. The increase in net loss is due to an increase in total expenses, partially offset by an increase in total revenues. Total expenses increased due to increases in depreciation and interest expenses, partially offset by decreases in operating, general and administrative and property tax expenses. Depreciation expense increased primarily due to assets placed into service during the past twelve months as a result of the completion of the redevelopment at the property. Interest expense increased primarily due to a higher debt balance as a result of the September 2008 refinancing of the mortgage encumbering the property and a decrease in interest capitalized as a result of the completion of the redevelopment project at the property, partially offset by a decrease in interest on advances from an affiliate of the Managing General Partner as a result of a lower average outstanding balance. The decrease in operating expenses is primarily due to a decrease in advertising expense, partially offset by increases in property management fees as a result of an increase in rental income upon which the fee is based, and maintenance supplies at the Partnership's investment property. The decrease in property tax expense is due to the payment of taxes in 2008 relating to a prior year in conjunction with the September 2008 refinancing of the mortgage encumbering the property.

The decrease in general and administrative expense is primarily due to a decrease in reimbursements to the Managing General Partner as allowed under the Partnership Agreement. Also included in general and administrative expenses for the years ended December 31, 2009 and 2008 are costs associated with the quarterly and annual communications with investors and regulatory agencies and the annual audit required by the Partnership Agreement.

The increase in total revenues is due to increases in both rental and other income. Rental income increased due to increases in both occupancy and the average rental rate at The Views at Vinings Mountain Apartments. Other income increased primarily due to increases in resident utility reimbursements and lease cancellation fees at the Partnership's investment property.

In July 2006, there was a fire at The Views at Vinings Mountain Apartments, causing damage to one unit. Insurance proceeds of approximately \$9,000 were received during the year ended December 31, 2006 to cover the damages. The Partnership recognized a casualty gain of approximately \$5,000 for the year ended December 31, 2006 as a result of the receipt of insurance proceeds, offset by the write-off of the undepreciated damaged asset of approximately \$4,000. During the year ended December 31, 2007, the Partnership recognized a casualty gain of approximately \$4,000, as a result of the receipt of additional insurance proceeds of approximately \$4,000. During the year ended December 31, 2008, the Partnership recognized a casualty gain of approximately \$8,000, as a result of the receipt of additional insurance proceeds of approximately \$8,000.

In November 2006, the Partnership began a major redevelopment project at the property in order for it to remain competitive with other properties in the Atlanta area. The redevelopment was completed in June 2009 at a total cost of approximately \$11,222,000. During the construction period, certain expenses were capitalized and are being

depreciated over the remaining life of the related assets. During the years ended December 31, 2009 and 2008, approximately \$1,000 and \$112,000, respectively, of construction period interest, less than \$1,000 and approximately \$16,000, respectively, of construction period real estate taxes and less than \$1,000 and approximately \$6,000, respectively, of construction period operating costs were capitalized.

D-6

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**Table of Contents**

**Liquidity and Capital Resources**

At December 31, 2009, the Partnership had cash and cash equivalents of approximately \$63,000, compared to approximately \$142,000 at December 31, 2008. The decrease in cash and cash equivalents of approximately \$79,000 is due to approximately \$306,000 of cash used in investing activities, partially offset by approximately \$189,000 and \$38,000 of cash provided by financing and operating activities, respectively. Cash used in investing activities consisted of property improvements and replacements. Cash provided by financing activities consisted of an advance received from an affiliate of the Managing General Partner and loan costs refunded related to the September 2008 refinancing of the mortgage encumbering the property, partially offset by payments on advances from an affiliate of the Managing General Partner and principal payments made on the mortgage encumbering The Views at Vinings Mountain Apartments.

The sufficiency of existing liquid assets to meet future liquidity and capital expenditure requirements is directly related to the level of capital expenditures required at the property to adequately maintain the physical assets and other operating needs of the Partnership and to comply with Federal, state and local legal and regulatory requirements. The Managing General Partner monitors developments in the area of legal and regulatory compliance. The Partnership regularly evaluates the capital improvement needs of the property. In November 2006, the Partnership began a major redevelopment project at the property in order for it to remain competitive with other properties in the Atlanta area. The redevelopment was completed in June 2009 at a total cost of approximately \$11,222,000, of which approximately \$11,148,000 was completed prior to 2009. The redevelopment consisted of the addition of a controlled access entrance gate, an amenity building, clubhouse renovations, swimming pool upgrades, roof replacement, HVAC upgrades, major landscaping, lighting upgrades, exterior and interior building improvements, sidewalk and parking area upgrades, signage, and kitchen, bathroom, and appliance upgrades to each unit. The Partnership funded the redevelopment from operating cash flow and advances from AIMCO Properties, L.P., an affiliate of the Managing General Partner. While the Partnership has no material commitments for property improvements and replacements, certain routine capital expenditures are anticipated during 2010. Such capital expenditures will depend on the physical condition of the property as well as anticipated cash flow generated by the property.

Capital expenditures will be incurred only if cash is available from operations, Partnership reserves or advances from AIMCO Properties, L.P., although AIMCO Properties, L.P. is not obligated to fund advances to the Partnership. To the extent that capital improvements are completed, the Partnership's distributable cash flow, if any, may be adversely affected at least in the short term.

In accordance with the Partnership Agreement, AIMCO Properties, L.P., an affiliate of the Managing General Partner, advanced the Partnership approximately \$250,000 and \$6,398,000 to fund the redevelopment project, a rate lock deposit associated with the September 2008 refinancing at The Views at Vinings Mountain Apartments, real estate taxes, capital improvements and operating expenses during the years ended December 31, 2009 and 2008, respectively. Interest is charged at the prime rate plus 2% (5.25% at December 31, 2009). Interest expense amounted to approximately \$180,000 and \$447,000 for the years ended December 31, 2009 and 2008, respectively. During the years ended December 31, 2009 and 2008, the Partnership made payments on the outstanding advances and accrued interest of approximately \$245,000 and \$8,620,000, from cash from operations and proceeds from the refinancing of the mortgage encumbering the property, respectively. At December 31, 2009 and 2008, the amount of the outstanding advances and accrued interest was approximately \$3,592,000 and \$3,407,000, respectively, and is included in due to affiliates on the balance sheets included in Item 8. Financial Statements and Supplementary Data. The Partnership may receive additional advances of funds from AIMCO Properties, L.P. although AIMCO Properties, L.P. is not obligated to provide such advances. For more information on AIMCO Properties, L.P., including copies of its audited balance sheet, please see its reports filed with the Securities and Exchange Commission.

The Partnership's assets are thought to be generally sufficient for any near-term needs (exclusive of capital improvements and payments of amounts due to affiliates) of the Partnership. On September 11, 2008, the Partnership refinanced the mortgage encumbering The Views at Vinings Mountain Apartments. The refinancing replaced the existing mortgage, which at the time of refinancing had a principal balance of approximately \$4,754,000, with a new mortgage loan in the principal amount of \$13,800,000. The new mortgage loan bears

D-7

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## **Table of Contents**

interest at 5.77% per annum and requires monthly payments of interest only of approximately \$66,000 beginning on November 1, 2008 through October 1, 2009. Beginning on November 1, 2009, the new mortgage loan requires monthly payments of principal and interest of approximately \$81,000, through the September 11, 2013 maturity date. The new mortgage loan has a balloon payment of approximately \$13,045,000 due at maturity. On September 11, 2010, if the Partnership does not meet a prescribed debt service coverage ratio, the Partnership will be required to make an additional payment of principal to reduce the outstanding principal balance to the prescribed debt service coverage ratio.

There were no distributions to the partners during the years ended December 31, 2009 and 2008. Future cash distributions will depend on the levels of cash generated from operations, and the timing of the debt maturity, refinancing and/or property sale. The Partnership's cash available for distribution is reviewed on a monthly basis. In light of the amounts accrued and payable to affiliates of the Managing General Partner at December 31, 2009, there can be no assurance that the Partnership will generate sufficient funds from operations after required capital expenditures to permit any distributions to its partners during 2010 or subsequent periods.

## **Other**

In addition to its indirect ownership of the general partner interests in the Partnership, AIMCO and its affiliates owned 13,719 Units in the Partnership representing 52.54% of the outstanding Units at December 31, 2009. A number of these Units were acquired pursuant to tender offers made by AIMCO or its affiliates. It is possible that AIMCO or its affiliates will acquire additional Units in the Partnership in exchange for cash or a combination of cash and units in AIMCO Properties, L.P., the operating partnership of AIMCO, either through private purchases or tender offers. Pursuant to the Partnership Agreement, unitholders holding a majority of the Units are entitled to take action with respect to a variety of matters that include, but are not limited to, voting on certain amendments to the Partnership Agreement and voting to remove the General Partner. As a result of its ownership of 52.54% of the outstanding Units, AIMCO and its affiliates are in a position to control all voting decisions with respect to the Partnership. Although the General Partner owes fiduciary duties to the limited partners of the Partnership, the Managing General Partner also owes fiduciary duties to both the General Partner and AIMCO as the sole stockholder of the Managing General Partner.

## **Critical Accounting Policies and Estimates**

A summary of the Partnership's significant accounting policies is included in Note A Organization and Summary of Significant Accounting Policies which is included in the financial statements in Item 8. Financial Statements and Supplementary Data. The Managing General Partner believes that the consistent application of these policies enables the Partnership to provide readers of the financial statements with useful and reliable information about the Partnership's operating results and financial condition. The preparation of financial statements in conformity with accounting principles generally accepted in the United States requires the Partnership to make estimates and assumptions. These estimates and assumptions affect the reported amounts of assets and liabilities at the date of the financial statements as well as reported amounts of revenues and expenses during the reporting period. Actual results could differ from these estimates. Judgments and assessments of uncertainties are required in applying the Partnership's accounting policies in many areas. The Partnership believes that of its significant accounting policies, the following may involve a higher degree of judgment and complexity.

## **Impairment of Long-Lived Asset**

Investment property is recorded at cost, less accumulated depreciation, unless the carrying amount of the asset is not recoverable. If events or circumstances indicate that the carrying amount of the property may not be recoverable, the Partnership will make an assessment of its recoverability by comparing the carrying amount to the Partnership's

estimate of the undiscounted future cash flows, excluding interest charges, of the property. If the carrying amount exceeds the estimated aggregate undiscounted future cash flows, the Partnership would recognize an impairment loss to the extent the carrying amount exceeds the estimated fair value of the property.

Real property investment is subject to varying degrees of risk. Several factors may adversely affect the economic performance and value of the Partnership's investment property. These factors include, but are not limited

D-8

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**Table of Contents**

to, general economic climate; competition from other apartment communities and other housing options; local conditions, such as loss of jobs or an increase in the supply of apartments that might adversely affect apartment occupancy or rental rates; changes in governmental regulations and the related cost of compliance; increases in operating costs (including real estate taxes) due to inflation and other factors, which may not be offset by increased rents; changes in tax laws and housing laws, including the enactment of rent control laws or other laws regulating multi-family housing; and changes in interest rates and the availability of financing. Any adverse changes in these and other factors could cause an impairment of the Partnership's asset.

**Capitalized Costs Related to Redevelopment and Construction Projects**

The Partnership capitalizes costs incurred in connection with capital expenditure activities, including redevelopment and construction projects. Costs including interest, property taxes and operating costs associated with redevelopment and construction projects are capitalized during periods in which redevelopment and construction projects are in progress. Included in these capitalized costs are payroll costs associated with time spent by site employees in connection with the planning, execution and control of all capital expenditure activities at the property level.

**Revenue Recognition**

The Partnership generally leases apartment units for twelve-month terms or less. The Partnership will offer rental concessions during particularly slow months or in response to heavy competition from other similar complexes in the area. Rental income attributable to leases, net of any concessions, is recognized on a straight-line basis over the term of the lease. The Partnership evaluates all accounts receivable from residents and establishes an allowance, after the application of security deposits, for accounts greater than 30 days past due on current tenants and all receivables due from former tenants.

**Item 8. Financial Statements and Supplementary Data**

**FOX STRATEGIC HOUSING INCOME PARTNERS**

**LIST OF FINANCIAL STATEMENTS**

<u>Report of Independent Registered Public Accounting Firm</u>	D-11
<u>Balance Sheets December 31, 2009 and 2008</u>	D-12
<u>Statements of Operations Years ended December 31, 2009 and 2008</u>	D-13
<u>Statements of Changes in Partners Deficit Years ended December 31, 2009 and 2008</u>	D-14
<u>Statements of Cash Flows Years ended December 31, 2009 and 2008</u>	D-15
<u>Notes to Financial Statements</u>	D-16

D-10

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**Table of Contents**

**Report of Independent Registered Public Accounting Firm**

The Partners

Fox Strategic Housing Income Partners

We have audited the accompanying balance sheets of Fox Strategic Housing Income Partners as of December 31, 2009 and 2008, and the related statements of operations, changes in partners' deficit, and cash flows for each of the two years in the period ended December 31, 2009. These financial statements are the responsibility of the Partnership's management. Our responsibility is to express an opinion on these financial statements based on our audits.

We conducted our audits in accordance with the standards of the Public Company Accounting Oversight Board (United States). Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. We were not engaged to perform an audit of the Partnership's internal control over financial reporting. Our audits included consideration of internal controls over financial reporting as a basis for designing audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Partnership's internal control over financial reporting. Accordingly, we express no such opinion. An audit also includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements, assessing the accounting principles used and significant estimates made by management, and evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Fox Strategic Housing Income Partners at December 31, 2009 and 2008, and the results of its operations and its cash flows for each of the two years in the period ended December 31, 2009, in conformity with U.S. generally accepted accounting principles.

/s/ ERNST & YOUNG LLP

Greenville, South Carolina  
March 29, 2010

D-11

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**Table of Contents****FOX STRATEGIC HOUSING INCOME PARTNERS****BALANCE SHEETS**

	<b>December 31,</b>	
	<b>2009</b>	<b>2008</b>
	<b>(In thousands, except unit data)</b>	
<b>ASSETS</b>		
Cash and cash equivalents	\$ 63	\$ 142
Receivables and deposits	20	25
Other assets	208	316
Investment property (Notes B and F):		
Land	1,981	1,981
Buildings and related personal property	20,896	20,622
	22,877	22,603
Less accumulated depreciation	(10,120)	(8,034)
	12,757	14,569
	\$ 13,048	\$ 15,052
<b>LIABILITIES AND PARTNERS DEFICIT</b>		
Liabilities		
Accounts payable	\$ 222	\$ 247
Tenant security deposit liabilities	33	39
Accrued property taxes	22	
Due to affiliates (Note D)	3,864	3,700
Other liabilities	64	46
Mortgage note payable (Note B)	13,771	13,800
	17,976	17,832
Partners Deficit		
General partner	(1,721)	(1,678)
Limited partners (26,111 units issued and outstanding)	(3,207)	(1,102)
	(4,928)	(2,780)
	\$ 13,048	\$ 15,052

See Accompanying Notes to Financial Statements

Table of Contents**FOX STRATEGIC HOUSING INCOME PARTNERS****STATEMENTS OF OPERATIONS**

	<b>Years Ended December 31, 2009                  2008</b>	
	<b>(In thousands, except per unit data)</b>	
Revenues:		
Rental income	\$ 1,875	\$ 1,413
Other income	169	130
Total revenues	2,044	1,543
Expenses:		
Operating	835	877
General and administrative	103	122
Depreciation	2,086	1,482
Interest	1,038	853
Property taxes	130	148
Total expenses	4,192	3,482
Casualty gain (Note E)		8
Net loss (Note C)	\$ (2,148)	\$ (1,931)
Net loss allocated to general partner	\$ (43)	\$ (1,099)
Net loss allocated to limited partners	(2,105)	(832)
	\$ (2,148)	\$ (1,931)
Net loss per limited partnership unit	\$ (80.62)	\$ (31.86)

See Accompanying Notes to Financial Statements

D-13

**Table of Contents****FOX STRATEGIC HOUSING INCOME PARTNERS****STATEMENTS OF CHANGES IN PARTNERS DEFICIT**

	<b>Limited Partnership Units</b>	<b>General Partner</b>	<b>Limited Partners</b>	<b>Total</b>
	<b>(In thousands, except unit data)</b>			
Original capital contributions	26,111	\$	\$ 26,111	\$ 26,111
Partners deficit at December 31, 2007	26,111	\$ (579)	\$ (270)	\$ (849)
Net loss for the year ended December 31, 2008		(1,099)	(832)	(1,931)
Partners deficit at December 31, 2008	26,111	(1,678)	(1,102)	(2,780)
Net loss for the year ended December 31, 2009		(43)	(2,105)	(2,148)
Partners deficit at December 31, 2009	26,111	\$ (1,721)	\$ (3,207)	\$ (4,928)

See Accompanying Notes to Financial Statements

D-14

Table of Contents**FOX STRATEGIC HOUSING INCOME PARTNERS****STATEMENTS OF CASH FLOWS**

	<b>Years Ended December 31,</b>	
	<b>2009</b>	<b>2008</b>
	<b>(In thousands)</b>	
Cash flows from operating activities:		
Net loss	\$ (2,148)	\$ (1,931)
Adjustments to reconcile net loss to net cash provided by (used in) operating activities:		
Depreciation	2,086	1,482
Amortization of loan costs	47	22
Casualty gain		(8)
Loss on early extinguishment of debt		19
Change in accounts:		
Receivables and deposits	5	46
Other assets	32	(31)
Accounts payable	7	10
Tenant security deposit liabilities	(6)	16
Due to affiliates	(25)	(372)
Accrued property taxes	22	
Other liabilities	18	(20)
Net cash provided by (used in) operating activities	38	(767)
Cash flows from investing activities:		
Insurance proceeds received		8
Property improvements and replacements	(306)	(6,357)
Net cash used in investing activities	(306)	(6,349)
Cash flows from financing activities:		
Loan costs refunded (paid)	29	(262)
Repayment of mortgage note payable		(4,754)
Payments on mortgage notes payable	(29)	(75)
Proceeds from mortgage note payable		13,800
Prepayment penalty		(19)
Advances from affiliate	250	6,398
Payments on advances from affiliate	(61)	(7,957)
Net cash provided by financing activities	189	7,131
Net (decrease) increase in cash and cash equivalents	(79)	15
Cash and cash equivalents at beginning of year	142	127
Cash and cash equivalents at end of year	\$ 63	\$ 142

Supplemental disclosure of cash flow information:

Cash paid for interest, net of capitalized interest	\$ 915	\$ 1,044
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Supplemental disclosure of non-cash activity:

Property improvements and replacements included in accounts payable	\$ 145	\$ 177
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Included in property improvements and replacements for the year ended December 31, 2008 are approximately \$202,000 of property improvements and replacements, which were included in accounts payable at December 31, 2007.

See Accompanying Notes to Financial Statements

D-15

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**Table of Contents**

**FOX STRATEGIC HOUSING INCOME PARTNERS**

**NOTES TO FINANCIAL STATEMENTS**

**December 31, 2009**

**Note A. Organization and Summary of Significant Accounting Policies**

**Organization:** Fox Strategic Housing Income Partners (the Partnership or Registrant) is a limited partnership organized under the laws of the State of California to operate and hold income-producing properties. The Partnership currently owns one apartment complex, located in Atlanta, Georgia. Fox Partners VIII, a California general partnership, is the general partner (the General Partner) of the Partnership. The general partners of Fox Partners VIII are Fox Capital Management Corporation (FCMC or the Managing General Partner), a California corporation, and Fox Realty Investors (FRI), a California general partnership. The Managing General Partner and the managing general partner of FRI are affiliates of Apartment Investment and Management Company (AIMCO), a publicly traded real estate investment trust. The Partnership Agreement provides that the Partnership is to terminate on December 31, 2025 unless terminated earlier in accordance with the terms of the Partnership Agreement. The Partnership was organized in 1984 and commenced operations in 1987. The capital contributions of \$26,111,000 (\$1,000 per unit) were made by the limited partners including one limited partnership unit purchased by an affiliate of FCMC.

**Subsequent Events:** The Partnership's management evaluated subsequent events through the time this Annual Report on Form 10-K was filed.

**Allocations to Partners:** Net income, net loss, and distributions of cash of the Partnership are allocated between general and limited partners in accordance with the provisions of the Partnership Agreement.

In accordance with the Partnership Agreement, the Partnership's net income in any year is allocated 20% to the general partner and 80% to the limited partners until the general partner is allocated 2.0408% of the total Original Invested Capital or approximately \$533,000. For the year ended December 31, 2009, the Partnership's net loss was allocated 2% to the general partner and 98% to the limited partners to the extent of Partnership minimum gain, as defined in the Partnership Agreement. For the year ended December 31, 2008, the Partnership's net loss was allocated 2% to the general partner and 98% to the limited partners to the extent of Partnership minimum gain. The remaining unallocated loss was allocated 100% to the general partner.

**Recent Accounting Pronouncement:** In June 2009, the Financial Accounting Standards Board (FASB) issued Statement of Financial Accounting Standards No. 168, *The FASB Accounting Standards Codification and the Hierarchy of Generally Accepted Accounting Principles* a replacement of FASB Statement No. 162, or SFAS No. 168, which is effective for financial statements issued for interim and annual periods ending after September 15, 2009. Upon the effective date of SFAS No. 168, the FASB Accounting Standards Codification, or the FASB ASC, became the single source of authoritative GAAP recognized by the FASB to be applied by nongovernmental entities. Rules and interpretive releases of the Securities and Exchange Commission, or SEC, under authority of federal securities laws are also sources of authoritative GAAP for SEC registrants. The FASB ASC superseded all then-existing non-SEC accounting and reporting standards, and all other non-grandfathered non-SEC accounting literature not included in the FASB ASC is now non-authoritative. Subsequent to the effective date of SFAS No. 168, the FASB will issue Accounting Standards Updates that serve to update the FASB ASC.

**Fair Value of Financial Instruments:** FASB ASC Topic 825, *Financial Instruments*, requires disclosure of fair value information about financial instruments, whether or not recognized in the balance sheet, for which it is practicable to estimate fair value. Fair value is defined as the amount at which the instruments could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale. The Partnership believes that the

carrying amount of its financial instruments (except for long term debt) approximates their fair value due to the short-term maturity of these instruments. The Partnership estimates the fair value of its long-term debt by discounting future cash flows using a discount rate commensurate with that currently believed to be available to the Partnership for similar term, long-term debt. At December 31, 2009, the fair value of the Partnership's long-term debt at the Partnership's incremental borrowing rate approximated its carrying value.

D-16

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**Table of Contents**

**FOX STRATEGIC HOUSING INCOME PARTNERS**

**NOTES TO FINANCIAL STATEMENTS (Continued)**

**Investment Property:** Investment property consists of one apartment complex and is stated at cost, less accumulated depreciation, unless the carrying amount of the asset is not recoverable. The Partnership capitalizes costs incurred in connection with capital expenditure activities, including redevelopment and construction projects, other tangible property improvements and replacements of existing property components. Costs including interest, property taxes and operating costs associated with redevelopment and construction projects are capitalized during periods in which redevelopment and construction projects are in progress. Costs incurred in connection with capital projects are capitalized where the costs of the project exceed \$250. Included in these capitalized costs are payroll costs associated with time spent by site employees in connection with the planning, execution and control of all capital expenditure activities at the property level. During the years ended December 31, 2009 and 2008, the Partnership capitalized construction period interest of approximately \$1,000 and \$112,000, respectively, construction period real estate taxes of less than \$1,000 and approximately \$16,000, respectively, and other construction period operating costs of less than \$1,000 and approximately \$6,000, respectively. Capitalized costs are depreciated over the useful life of the asset. Expenditures for ordinary repairs, maintenance and apartment turnover costs are expensed as incurred.

If events or circumstances indicate that the carrying amount of the property may not be recoverable, the Partnership will make an assessment of its recoverability by comparing the carrying amount to the Partnership's estimate of the undiscounted future cash flows, excluding interest charges, of the property. If the carrying amount exceeds the estimated aggregate undiscounted future cash flows, the Partnership would recognize an impairment loss to the extent the carrying amount exceeds the estimated fair value of the property. No adjustments for impairment of value were necessary for the years ending December 31, 2009 and 2008.

**Depreciation:** Depreciation is provided by the straight-line method over the estimated lives of the rental property and personal property. For Federal income tax purposes, the accelerated cost recovery method is used for depreciation of (1) real property over 27 1/2 years and (2) personal property additions over 5 years.

**Cash and Cash Equivalents:** Cash and cash equivalents include cash on hand and in banks. At certain times, the amount of cash deposited at a bank may exceed the limit on insured deposits. Cash balances include approximately \$53,000 and \$103,000 at December 31, 2009 and 2008 that are maintained by an affiliated management company on behalf of affiliated entities in cash concentration accounts.

**Leases:** The Partnership generally leases apartment units for twelve-month terms or less. The Partnership will offer rental concessions during particularly slow months or in response to heavy competition from other similar complexes in the area. Rental income attributable to leases, net of any concessions, is recognized on a straight-line basis over the term of the lease. The Partnership evaluates all accounts receivable from residents and establishes an allowance, after the application of security deposits, for accounts greater than 30 days past due on current tenants and all receivables due from former tenants.

**Deferred Costs:** At December 31, 2009 and 2008, loan costs of approximately \$233,000 and \$262,000, respectively, less accumulated amortization of approximately \$58,000 and \$11,000, respectively, are included in other assets. The loan costs are amortized over the term of the related loan agreement. Amortization expense for the years ended December 31, 2009 and 2008 was approximately \$47,000 and \$22,000, respectively. Amortization expense, which is included in interest expense, is expected to be approximately \$47,000 for each of the years 2010 through 2012 and approximately \$34,000 for 2013.

Leasing commissions and other direct costs incurred in connection with successful leasing efforts are deferred and amortized over the terms of the related leases. Amortization of these costs is included in operating expenses.

Tenant Security Deposits: The Partnership requires security deposits from lessees for the duration of the lease. The security deposits are refunded when the tenant vacates, provided the tenant has not damaged the space and is current on rental payments.

D-17

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**Table of Contents****FOX STRATEGIC HOUSING INCOME PARTNERS****NOTES TO FINANCIAL STATEMENTS (Continued)**

**Segment Reporting:** FASB ASC Topic 280-10, Segment Reporting, established standards for the way public business enterprises report information about operating segments in annual financial statements and requires that those enterprises report selected information about operating segments in interim financial reports. FASB ASC Topic 280-10 also established standards for related disclosures about products and services, geographic areas, and major customers. As defined in FASB ASC Topic 280-10, the Partnership has only one reportable segment.

**Advertising:** The Partnership expenses the costs of advertising as incurred. Advertising expense of approximately \$89,000 and \$169,000 for the years ended December 31, 2009 and 2008, respectively, were charged to operating expense.

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

**Note B Mortgage Note Payable**

The principal terms of the mortgage note payable are as follows:

<b>Property</b>	<b>Principal Balance at December 31, 2009      2008</b>		<b>Monthly Payment Including Interest (In thousands)</b>	<b>Stated Interest Rate</b>	<b>Maturity Date</b>	<b>Principal Balance Due at Maturity (In thousands)</b>
The Views at Vinings Mountain Apartments	\$ 13,771	\$ 13,800	\$ 81	5.77%	09/11/2013	\$ 13,045

On September 11, 2008, the Partnership refinanced the mortgage encumbering The Views at Vinings Mountain Apartments. The refinancing replaced the existing mortgage, which at the time of refinancing had a principal balance of approximately \$4,754,000, with a new mortgage loan in the principal amount of \$13,800,000. The new mortgage loan bears interest at 5.77% per annum and requires monthly payments of interest only of approximately \$66,000 beginning on November 1, 2008 through October 1, 2009. Beginning on November 1, 2009, the new mortgage loan requires monthly payments of principal and interest of approximately \$81,000, through the September 11, 2013 maturity date. The new mortgage loan has a balloon payment of approximately \$13,045,000 due at maturity. On September 11, 2010, if the Partnership does not meet a prescribed debt service coverage ratio, the Partnership will be required to make an additional payment of principal to reduce the outstanding principal balance to the prescribed debt service coverage ratio. The Partnership may prepay the mortgage loan at any time with 30 days written notice to the lender, subject to a prepayment penalty. The Partnership recognized a loss on the early extinguishment of debt of approximately \$19,000, which is included in interest expense, as a result of a prepayment penalty. Total capitalized loan costs in connection with the new mortgage were approximately \$262,000 for the year ended December 31, 2008, approximately \$29,000 of which was refunded during the year ended December 31, 2009 and are included in other assets. Loan costs associated with the previous mortgage were fully amortized.

The mortgage note payable is a fixed rate mortgage that is non-recourse and is secured by a pledge of the Partnership's rental property and by a pledge of revenues from the rental property. The mortgage note payable includes a prepayment penalty if repaid prior to maturity. Further, the property may not be sold subject to existing indebtedness.

D-18

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**Table of Contents****FOX STRATEGIC HOUSING INCOME PARTNERS****NOTES TO FINANCIAL STATEMENTS (Continued)**

Scheduled principal payments of the mortgage note payable subsequent to December 31, 2009 are as follows (in thousands):

2010	179
2011	189
2012	200
2013	13,203
Total	\$ 13,771

**Note C Income Taxes**

The Partnership is classified as a partnership for Federal income tax purposes. Accordingly, no provision for income taxes is made in the financial statements of the Partnership. Taxable income or loss of the Partnership is reported in the income tax returns of its partners.

The following is a reconciliation of net loss as reported in the financial statements and Federal taxable loss allocated to the partners in the Partnership's information return for the years ended December 31, 2009 and 2008 (in thousands, except per unit data):

	<b>2009</b>	<b>2008</b>
Net loss as reported	\$ (2,148)	\$ (1,931)
Deduct:		
Depreciation differences	(620)	(580)
Other	(5)	(16)
Federal taxable loss	\$ (2,773)	\$ (2,527)
Federal taxable loss per limited partnership unit	\$ (78.73)	\$ (30.30)

For 2009 and 2008, allocations under the Internal Revenue Code section 704(b) resulted in the limited partners being allocated a non-pro rata amount of taxable loss.

The following is a reconciliation between the Partnership's reported amounts and Federal tax basis of net liabilities (in thousands):

	<b>2009</b>	<b>2008</b>
Net liabilities as reported	\$ (4,928)	\$ (2,780)

Land and buildings	106	129
Accumulated depreciation	(1,774)	(1,154)
Syndication and distribution costs	757	757
Other	(16)	(34)
Net liabilities Federal tax basis	\$ (5,855)	\$ (3,082)

**Note D Transactions with Affiliated Parties**

The Partnership has no employees and depends on the Managing General Partner and its affiliates for the management and administration of all Partnership activities. The Partnership Agreement provides for payments to affiliates for services and reimbursement of certain expenses incurred by affiliates on behalf of the Partnership.

Affiliates of the Managing General Partner receive 5% of gross receipts from the Partnership's investment property as compensation for providing property management services. The Partnership paid to such affiliates

D-19

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**Table of Contents**

**FOX STRATEGIC HOUSING INCOME PARTNERS**

**NOTES TO FINANCIAL STATEMENTS (Continued)**

approximately \$101,000 and \$74,000 for the years ended December 31, 2009 and 2008, respectively, which are included in operating expenses.

Affiliates of the Managing General Partner charged the Partnership for reimbursement of accountable administrative expenses amounting to approximately \$27,000 and \$47,000 for the years ended December 31, 2009 and 2008, respectively, which is included in general and administrative expenses. In connection with the redevelopment project (as discussed in Note F ), an affiliate of the Managing General Partner received a redevelopment supervision fee of 4% of the actual redevelopment costs, or approximately \$440,000 based on redevelopment costs. The Partnership was charged approximately \$25,000 and \$227,000 in redevelopment supervision fees during the years ended December 31, 2009 and 2008, respectively, which are included in investment property. At December 31, 2008, approximately \$21,000 of these accountable administrative expenses were unpaid and were included in due to affiliates. No such amounts were unpaid at December 31, 2009.

In accordance with the Partnership Agreement, AIMCO Properties, L.P., an affiliate of the Managing General Partner, advanced the Partnership approximately \$250,000 and \$6,398,000 to fund the redevelopment project, a rate lock deposit associated with the September 2008 refinancing at The Views at Vinings Mountain Apartments, real estate taxes, capital improvements and operating expenses during the years ended December 31, 2009 and 2008, respectively. Interest is charged at the prime rate plus 2% (5.25% at December 31, 2009). Interest expense amounted to approximately \$180,000 and \$447,000 for the years ended December 31, 2009 and 2008, respectively. During the years ended December 31, 2009 and 2008, the Partnership made payments on the outstanding advances and accrued interest of approximately \$245,000 and \$8,620,000, from cash from operations and proceeds from the refinancing of the mortgage encumbering the property, respectively. At December 31, 2009 and 2008, the amount of the outstanding advances and accrued interest was approximately \$3,592,000 and \$3,407,000, respectively, and is included in due to affiliates. The Partnership may receive additional advances of funds from AIMCO Properties, L.P. although AIMCO Properties, L.P. is not obligated to provide such advances. For more information on AIMCO Properties, L.P., including copies of its audited balance sheet, please see its reports filed with the Securities and Exchange Commission.

In accordance with the Partnership Agreement, the Managing General Partner earns partnership management fees on distributions from operations. There were no partnership management fees earned during the years ended December 31, 2009 and 2008 as there were no operating distributions. The Partnership Agreement requires that 62.5% of the fees earned be subordinated to the Limited Partners' annual receipt of 8% of adjusted invested capital as defined in the Partnership Agreement. The cumulative subordinated fees owed to the Managing General Partner at both December 31, 2009 and 2008 amounted to approximately \$272,000 and are included in due to affiliates.

The Partnership insures its property up to certain limits through coverage provided by AIMCO which is generally self-insured for a portion of losses and liabilities related to workers' compensation, property casualty, general liability and vehicle liability. The Partnership insures its property above the AIMCO limits through insurance policies obtained by AIMCO from insurers unaffiliated with the Managing General Partner. During the years ended December 31, 2009 and 2008, the Partnership was charged by AIMCO and its affiliates approximately \$24,000 and \$37,000, respectively, for insurance coverage and fees associated with policy claims administration.

In addition to its indirect ownership of the general partner interests in the Partnership, AIMCO and its affiliates owned 13,719 limited partnership units (the Units ) in the Partnership representing 52.54% of the outstanding Units at December 31, 2009. A number of these Units were acquired pursuant to tender offers made by AIMCO or its

affiliates. It is possible that AIMCO or its affiliates will acquire additional Units in the Partnership in exchange for cash or a combination of cash and units in AIMCO Properties, L.P., the operating partnership of AIMCO, either through private purchases or tender offers. Pursuant to the Partnership Agreement, unitholders holding a majority of the Units are entitled to take action with respect to a variety of matters that include, but are not limited to, voting on certain amendments to the Partnership Agreement and voting to remove the General Partner. As a result of its ownership of 52.54% of the outstanding Units, AIMCO and its affiliates are in a position to control all voting decisions with respect to the Partnership. Although the General Partner owes fiduciary duties to the limited partners

D-20

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**Table of Contents****FOX STRATEGIC HOUSING INCOME PARTNERS****NOTES TO FINANCIAL STATEMENTS (Continued)**

of the Partnership, the Managing General Partner also owes fiduciary duties to both the General Partner and AIMCO as the sole stockholder of the General Partner.

**Note E Casualty Event**

In July 2006, there was a fire at The Views at Vinings Mountain Apartments, causing damage to one unit. Insurance proceeds of approximately \$9,000 were received during the year ended December 31, 2006 to cover the damages. The Partnership recognized a casualty gain of approximately \$5,000 for the year ended December 31, 2006 as a result of the receipt of insurance proceeds, offset by the write-off of the undepreciated damaged asset of approximately \$4,000. During the year ended December 31, 2007, the Partnership recognized a casualty gain of approximately \$4,000, as a result of the receipt of additional insurance proceeds of approximately \$4,000. During the year ended December 31, 2008, the Partnership recognized a casualty gain of approximately \$8,000, as a result of the receipt of additional insurance proceeds of approximately \$8,000.

**Note F Investment Property and Accumulated Depreciation**

Description	Encumbrances (In thousands)	Land (In thousands)	Initial Cost to Partnership		Net Cost Capitalized Subsequent to Acquisition (In thousands)
			Buildings and Related Personal Property		
The Views at Vinings Mountain Apartments	\$ 13,771	\$ 1,981	\$ 7,366		\$ 13,530

Description	Gross Amount at Which Carried at December 31, 2009			Accumulated Depreciation (In thousands)	Year of Construction	Date Acquired	Depreciable Life
	Land (In thousands)	Buildings and Related Personal Property (In thousands)	Total				
The Views at Vinings Mountain Apartments	\$ 1,981	\$ 20,896	\$ 22,877	\$ 10,120	1982	09/87	5-30 yrs

In November 2006, the Partnership began a major redevelopment project at the property in order for it to remain competitive with other properties in the Atlanta area. The redevelopment was completed in June 2009 at a total cost of approximately \$11,222,000, of which approximately \$11,148,000 was completed prior to 2009. The redevelopment consisted of the addition of a controlled access entrance gate, an amenity building, clubhouse renovations, swimming pool upgrades, roof replacement, HVAC upgrades, major landscaping, lighting upgrades, exterior and interior building improvements, sidewalk and parking area upgrades, signage, and kitchen, bathroom, and appliance upgrades to each unit. The Partnership funded the redevelopment from operating cash flow and advances from AIMCO Properties, L.P. During the construction period, certain expenses were capitalized and are being depreciated over the remaining life of the related assets. During the years ended December 31, 2009 and 2008, approximately \$1,000 and \$112,000, respectively, of construction period interest, less than \$1,000 and approximately \$16,000, respectively, of construction period real estate taxes and less than \$1,000 and approximately \$6,000, respectively, of construction period operating costs were capitalized.

D-21

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**Table of Contents****FOX STRATEGIC HOUSING INCOME PARTNERS****NOTES TO FINANCIAL STATEMENTS (Continued)**

Reconciliation of investment property and accumulated depreciation (in thousands):

	<b>Years Ended December 31,</b>	
	<b>2009</b>	<b>2008</b>
Investment Property		
Balance at beginning of year	\$ 22,603	\$ 16,271
Property improvements	274	6,332
Balance at end of year	\$ 22,877	\$ 22,603
Accumulated Depreciation		
Balance at beginning of year	\$ 8,034	\$ 6,552
Additions charged to expense	2,086	1,482
Balance at end of year	\$ 10,120	\$ 8,034

The aggregate cost of the real estate for Federal income tax purposes at December 31, 2009 and 2008 is approximately \$22,771,000 and \$22,474,000, respectively. The accumulated depreciation taken for Federal income tax purposes at December 31, 2009 and 2008 is approximately \$11,894,000 and \$9,188,000, respectively.

**Note G Contingencies**

As previously disclosed, AIMCO Properties, L.P. and NHP Management Company, both affiliates of the Managing General Partner, were defendants in a lawsuit, filed as a collective action in August 2003 in the United States District Court for the District of Columbia, alleging that they willfully violated the Fair Labor Standards Act ( FLSA ) by failing to pay maintenance workers overtime for time worked in excess of 40 hours per week ( overtime claims ). The plaintiffs also contended that AIMCO Properties, L.P. and NHP Management Company ( the Defendants ) failed to compensate maintenance workers for time that they were required to be on-call ( on-call claims ). In March 2007, the court in the District of Columbia decertified the collective action. In July 2007, plaintiffs' counsel filed individual cases in Federal court in 22 jurisdictions. In the second quarter of 2008, AIMCO Properties, L.P. settled the overtime cases involving 652 plaintiffs and established a framework for resolving the 88 remaining on-call claims and the attorneys' fees claimed by plaintiffs' counsel. As a result, the lawsuits asserted in the 22 Federal courts have been dismissed. During the fourth quarter of 2008, the settlement amounts for alleged unpaid overtime to employees were paid by those partnerships where the respective employees had worked. The Partnership was not required to pay any settlement amounts. At this time, the 88 remaining on-call claims and the attorneys' fees claimed by plaintiffs' counsel are not resolved. The parties have selected six on-call claims that will proceed forward through the arbitration process and have selected arbitrators. After those arbitrations have been completed, the parties will revisit settling the on-call claims. The first two arbitrations took place in December 2009 and the Defendants received a defense verdict against the first two claimants, and plaintiffs dismissed the claims of the next two claimants. The remaining two arbitrations will take place in April 2010. The Managing General Partner is uncertain as to the amount of any loss that may be allocable to the Partnership. Therefore, the Partnership cannot estimate whether any loss will occur or a potential

range of loss.

The Partnership is unaware of any other pending or outstanding litigation matters involving it or its investment property that are not of a routine nature arising in the ordinary course of business.

**Environmental**

Various Federal, state and local laws subject property owners or operators to liability for management, and the costs of removal or remediation, of certain hazardous substances present on a property, including lead-based paint. Such laws often impose liability without regard to whether the owner or operator knew of, or was responsible for, the release or presence of the hazardous substances. The presence of, or the failure to manage or remedy properly,

D-22

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**Table of Contents**

**FOX STRATEGIC HOUSING INCOME PARTNERS**

**NOTES TO FINANCIAL STATEMENTS (Continued)**

hazardous substances may adversely affect occupancy at affected apartment communities and the ability to sell or finance affected properties. In addition to the costs associated with investigation and remediation actions brought by government agencies, and potential fines or penalties imposed by such agencies in connection therewith, the presence of hazardous substances on a property could result in claims by private plaintiffs for personal injury, disease, disability or other infirmities. Various laws also impose liability for the cost of removal, remediation or disposal of hazardous substances through a licensed disposal or treatment facility. Anyone who arranges for the disposal or treatment of hazardous substances is potentially liable under such laws. These laws often impose liability whether or not the person arranging for the disposal ever owned or operated the disposal facility. In connection with the ownership, operation and management of its property, the Partnership could potentially be liable for environmental liabilities or costs associated with its property.

**Mold**

The Partnership is aware of lawsuits against owners and managers of multifamily properties asserting claims of personal injury and property damage caused by the presence of mold, some of which have resulted in substantial monetary judgments or settlements. The Partnership has only limited insurance coverage for property damage loss claims arising from the presence of mold and for personal injury claims related to mold exposure. Affiliates of the Managing General Partner have implemented policies, procedures, third-party audits and training and the Managing General Partner believes that these measures will prevent or eliminate mold exposure and will minimize the effects that mold may have on residents. To date, the Partnership has not incurred any material costs or liabilities relating to claims of mold exposure or to abate mold conditions. Because the law regarding mold is unsettled and subject to change, the Managing General Partner can make no assurance that liabilities resulting from the presence of or exposure to mold will not have a material adverse effect on the Partnership's financial condition or results of operations.

**Table of Contents**

**ITEM 9. Changes in and Disagreements With Accountants on Accounting and Financial Disclosure**

None.

**Item 9A(T). Controls and Procedures**

**(a) Disclosure Controls and Procedures**

The Partnership's management, with the participation of the principal executive officer and principal financial officer of the Managing General Partner, who are the equivalent of the Partnership's principal executive officer and principal financial officer, respectively, has evaluated the effectiveness of the Partnership's disclosure controls and procedures (as such term is defined in Rules 13a-15(e) and 15d-15(e) under the Securities Exchange Act of 1934, as amended (the Exchange Act)) as of the end of the period covered by this report. Based on such evaluation, the principal executive officer and principal financial officer of the Managing General Partner, who are the equivalent of the Partnership's principal executive officer and principal financial officer, respectively, have concluded that, as of the end of such period, the Partnership's disclosure controls and procedures are effective.

***Management's Report on Internal Control Over Financial Reporting***

The Partnership's management is responsible for establishing and maintaining adequate internal control over financial reporting. Internal control over financial reporting is defined in Rule 13a-15(f) and 15d-15(f) under the Exchange Act as a process designed by, or under the supervision of, the principal executive and principal financial officers of the Managing General Partner, who are the equivalent of the Partnership's principal executive officer and principal financial officer, respectively, and effected by the Partnership's management and other personnel to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles and includes those policies and procedures that:

pertain to the maintenance of records that in reasonable detail accurately and fairly reflect the transactions and dispositions of assets;

provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures are being made only in accordance with authorizations of the Partnership's management; and

provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use or disposition of assets that could have a material effect on the financial statements.

Because of its inherent limitations, internal control over financial reporting may not prevent or detect misstatements. Projections of any evaluation of effectiveness to future periods are subject to the risks that controls may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

The Partnership's management assessed the effectiveness of the Partnership's internal control over financial reporting as of December 31, 2009. In making this assessment, the Partnership's management used the criteria set forth by the Committee of Sponsoring Organizations of the Treadway Commission (COSO) in *Internal Control-Integrated Framework*.

Based on their assessment, the Partnership's management concluded that, as of December 31, 2009, the Partnership's internal control over financial reporting is effective.

This annual report does not include an attestation report of the Partnership's registered public accounting firm regarding internal control over financial reporting. Management's report was not subject to the attestation by the Partnership's registered public accounting firm pursuant to temporary rules of the Securities and Exchange Commission that permit the Partnership to provide only management's report in this annual report.

D-24

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**Table of Contents****(b) Changes in Internal Control Over Financial Reporting.**

There has been no change in the Partnership's internal control over financial reporting (as defined in Rules 13a-15(f) and 15d-15(f) under the Exchange Act) during the fourth quarter of 2009 that has materially affected, or is reasonably likely to materially affect, the Partnership's internal control over financial reporting.

**Item 9B. Other Information**

None.

**PART III****Item 10. Directors, Executive Officers and Corporate Governance**

The general partner of Fox Strategic Housing Income Partners (the Partnership or the Registrant) is Fox Partners VIII (the General Partner). The general partners of Fox Partners VIII are Fox Capital Management Corporation (FCMC or the Managing General Partner) and Fox Realty Investors (FRI). The names and ages of, as well as the positions and offices held by, the present officers and directors of the Managing General Partner are set forth below. There are no family relationships between or among any officers or directors.

<b>Name</b>	<b>Age</b>	<b>Position</b>
Steven D. Cordes	38	Director and Senior Vice President
John Bezzant	47	Director and Senior Vice President
Timothy J. Beaudin	51	President and Chief Operating Officer
Ernest M. Freedman	39	Executive Vice President and Chief Financial Officer
Lisa R. Cohn	41	Executive Vice President, General Counsel and Secretary
Paul Beldin	36	Senior Vice President and Chief Accounting Officer
Stephen B. Waters	48	Senior Director of Partnership Accounting

*Steven D. Cordes* was appointed as a Director of the Managing General Partner effective March 2, 2009. Mr. Cordes has been a Senior Vice President of the Managing General Partner and AIMCO since May 2007. Mr. Cordes joined AIMCO in 2001 as a Vice President of Capital Markets with responsibility for AIMCO's joint ventures and equity capital markets activity. Prior to joining AIMCO, Mr. Cordes was a manager in the financial consulting practice of PricewaterhouseCoopers. Effective March 2009, Mr. Cordes was appointed to serve as the equivalent of the chief executive officer of the Partnership. Mr. Cordes brings particular expertise to the Board in the areas of asset management as well as finance and accounting.

*John Bezzant* was appointed as a Director of the Managing General Partner effective December 16, 2009. Mr. Bezzant has been a Senior Vice President of the Managing General Partner and AIMCO since joining AIMCO in June 2006. Prior to joining AIMCO, from 2005 to June 2006, Mr. Bezzant was a First Vice President at Prologis, a Denver, Colorado-based real estate investment trust, and from 1986 to 2005, Mr. Bezzant served as Vice President, Asset Management at Catellus Development Corporation, a San Francisco, California-based real estate investment trust. Mr. Bezzant brings particular expertise to the Board in the areas of real estate finance, property operations, sales and development.

*Timothy J. Beaudin* was appointed President and Chief Operating Officer of AIMCO and the Managing General Partner in February 2009. He joined AIMCO and the Managing General Partner as Executive Vice President and



Chief Development Officer in October 2005 and was appointed Executive Vice President and Chief Property Operating Officer of the Managing General Partner and AIMCO in October 2008. Mr. Beaudin oversees conventional and affordable property operations, transactions, asset management, and redevelopment and construction services for AIMCO and the Managing General Partner. Prior to joining AIMCO and beginning in 1995, Mr. Beaudin was with Catellus Development Corporation. During his last five years at Catellus, Mr. Beaudin served as Executive Vice President, with management responsibility for development, construction and asset management.

D-25

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**Table of Contents**

*Ernest M. Freedman* was appointed Executive Vice President and Chief Financial Officer of the Managing General Partner and AIMCO in November 2009. Mr. Freedman joined AIMCO in 2007 as Senior Vice President of Financial Planning and Analysis and has served as Senior Vice President of Finance since February 2009, responsible for financial planning, tax, accounting and related areas. Prior to joining AIMCO, from 2004 to 2007, Mr. Freedman served as chief financial officer of HEI Hotels and Resorts.

*Lisa R. Cohn* was appointed Executive Vice President, General Counsel and Secretary of the Managing General Partner and AIMCO in December 2007. From January 2004 to December 2007, Ms. Cohn served as Senior Vice President and Assistant General Counsel of AIMCO. Ms. Cohn joined AIMCO in July 2002 as Vice President and Assistant General Counsel. Prior to joining AIMCO, Ms. Cohn was in private practice with the law firm of Hogan and Hartson LLP.

*Paul Beldin* joined AIMCO in May 2008 and has served as Senior Vice President and Chief Accounting Officer of AIMCO and the Managing General Partner since that time. Prior to joining AIMCO, Mr. Beldin served as controller and then as chief financial officer of America First Apartment Investors, Inc., a publicly traded multifamily real estate investment trust, from May 2005 to September 2007 when the company was acquired by Sentinel Real Estate Corporation. Prior to joining America First Apartment Investors, Inc., Mr. Beldin was a senior manager at Deloitte and Touche LLP, where he was employed from August 1996 to May 2005, including two years as an audit manager in SEC services at Deloitte's national office.

*Stephen B. Waters* was appointed Senior Director of Partnership Accounting of AIMCO and the Managing General Partner in June 2009. Mr. Waters has responsibility for partnership accounting with AIMCO and serves as the principal financial officer of the Managing General Partner. Mr. Waters joined AIMCO as a Director of Real Estate Accounting in September 1999 and was appointed Vice President of the Managing General Partner and AIMCO in April 2004. Prior to joining AIMCO, Mr. Waters was a senior manager at Ernst & Young LLP.

The Registrant is not aware of the involvement in any legal proceedings with respect to the directors and executive officers listed in this Item 10.

One or more of the above persons are also director and/or officers of a general partner (or general partner of a general partner) of limited partnerships which either have a class of securities registered pursuant to Section 12(g) of the Securities Exchange Act of 1934, or are subject to the reporting requirements of Section 15(d) of such Act. Further, one or more of the above persons are also officers of Apartment Investment and Management Company and the general partner of AIMCO Properties, L.P., entities that have a class of securities registered pursuant to Section 12(g) of the Securities Exchange Act of 1934, or are subject to the reporting requirements of Section 15 (d) of such Act.

The board of directors of the Managing General Partner does not have a separate audit committee. As such, the board of directors of the Managing General Partner fulfills the functions of an audit committee. The board of directors has determined that Steven D. Cordes meets the requirement of an audit committee financial expert.

The directors and officers of the Managing General Partner with authority over the Partnership are all employees of subsidiaries of AIMCO. AIMCO has adopted a code of ethics that applies to such directors and officers that is posted on AIMCO's website ([www.AIMCO.com](http://www.AIMCO.com)). AIMCO's website is not incorporated by reference to this filing.

**Item 11. Executive Compensation**

None of the directors and officers of the Managing General Partner received any remuneration from the Registrant during the year ended December 31, 2009.



**Table of Contents****Item 12. Security Ownership of Certain Beneficial Owners and Management and Related Stockholder Matters**

Except as noted below, no person or entity was known by the Registrant to be the beneficial owner of more than 5% of the Limited Partnership Units (the Units) of the Registrant as of December 31, 2009.

<b>Entity</b>	<b>Number of Units</b>	<b>Percentage</b>
IPLP Acquisition I LLC ( IPLP LLC ) (an affiliate of AIMCO)	3,919	15.01%
AIMCO IPLP, L.P. (an affiliate of AIMCO)	213	0.81%
AIMCO Properties, L.P. (an affiliate of AIMCO)	9,587	36.72%

IPLP Acquisition I LLC and AIMCO IPLP, L.P. are indirectly ultimately owned by AIMCO. Their business address is 55 Beattie Place, Greenville, SC 29601.

AIMCO Properties, L.P. is indirectly ultimately controlled by AIMCO. Its business address is 4582 S. Ulster St. Parkway, Suite 1100, Denver, Colorado 80237.

No director or officer of FCMC owns any Units of the Partnership of record or beneficially.

**Item 13. Certain Relationships and Related Transactions, and Director Independence**

The Partnership has no employees and depends on the Managing General Partner and its affiliates for the management and administration of all Partnership activities. The Partnership Agreement provides for payments to affiliates for services and reimbursement of certain expenses incurred by affiliates on behalf of the Partnership.

Affiliates of the Managing General Partner receive 5% of gross receipts from the Partnership's investment property as compensation for providing property management services. The Partnership paid to such affiliates approximately \$101,000 and \$74,000 for the years ended December 31, 2009 and 2008, respectively, which are included in operating expenses on the statements of operations included in Item 8. Financial Statements and Supplementary Data .

Affiliates of the Managing General Partner charged the Partnership for reimbursement of accountable administrative expenses amounting to approximately \$27,000 and \$47,000 for the years ended December 31, 2009 and 2008, respectively, which is included in general and administrative expenses on the statements of operations included in Item 8. Financial Statements and Supplementary Data . In connection with the redevelopment project, an affiliate of the Managing General Partner received a redevelopment supervision fee of 4% of the actual redevelopment costs, or approximately \$440,000 based on redevelopment costs. The Partnership was charged approximately \$25,000 and \$227,000 in redevelopment supervision fees during the years ended December 31, 2009 and 2008, respectively, which are included in investment property on the balance sheets included in Item 8. Financial Statements and Supplementary Data . At December 31, 2008, approximately \$21,000 of these accountable administrative expenses were unpaid and were included in due to affiliates on the balance sheets included in Item 8. Financial Statements and Supplementary Data . No such amounts were unpaid at December 31, 2009.

In accordance with the Partnership Agreement, AIMCO Properties, L.P., an affiliate of the Managing General Partner, advanced the Partnership approximately \$250,000 and \$6,398,000 to fund the redevelopment project, a rate lock deposit associated with the September 2008 refinancing at The Views at Vinings Mountain Apartments, real estate

taxes, capital improvements and operating expenses during the years ended December 31, 2009 and 2008, respectively. Interest is charged at the prime rate plus 2% (5.25% at December 31, 2009). Interest expense amounted to approximately \$180,000 and \$447,000 for the years ended December 31, 2009 and 2008, respectively. During the years ended December 31, 2009 and 2008, the Partnership made payments on the outstanding advances and accrued interest of approximately \$245,000 and \$8,620,000, from cash from operations and proceeds from the refinancing of the mortgage encumbering the property, respectively. At December 31, 2009 and 2008, the amount of the outstanding advances and accrued interest was approximately \$3,592,000 and \$3,407,000, respectively, and is

D-27

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**Table of Contents**

included in due to affiliates on the balance sheets included in Item 8. Financial Statements and Supplementary Data . The Partnership may receive additional advances of funds from AIMCO Properties, L.P. although AIMCO Properties, L.P. is not obligated to provide such advances. For more information on AIMCO Properties, L.P., including copies of its audited balance sheet, please see its reports filed with the Securities and Exchange Commission.

In accordance with the Partnership Agreement, the Managing General Partner earns partnership management fees on distributions from operations. There were no partnership management fees earned during the years ended December 31, 2009 and 2008 as there were no operating distributions. The Partnership Agreement requires that 62.5% of the fees earned be subordinated to the Limited Partners annual receipt of 8% of adjusted invested capital as defined in the Partnership Agreement. The cumulative subordinated fees owed to the Managing General Partner at both December 31, 2009 and 2008 amounted to approximately \$272,000 and are included in due to affiliates on the balance sheets included in Item 8. Financial Statements and Supplementary Data .

The Partnership insures its property up to certain limits through coverage provided by AIMCO which is generally self-insured for a portion of losses and liabilities related to workers compensation, property casualty, general liability and vehicle liability. The Partnership insures its property above the AIMCO limits through insurance policies obtained by AIMCO from insurers unaffiliated with the Managing General Partner. During the years ended December 31, 2009 and 2008, the Partnership was charged by AIMCO and its affiliates approximately \$24,000 and \$37,000, respectively, for insurance coverage and fees associated with policy claims administration.

In addition to its indirect ownership of the general partner interests in the Partnership, AIMCO and its affiliates owned 13,719 Units in the Partnership representing 52.54% of the outstanding Units at December 31, 2009. A number of these Units were acquired pursuant to tender offers made by AIMCO or its affiliates. It is possible that AIMCO or its affiliates will acquire additional Units in the Partnership in exchange for cash or a combination of cash and units in AIMCO Properties, L.P., the operating partnership of AIMCO, either through private purchases or tender offers. Pursuant to the Partnership Agreement, unitholders holding a majority of the Units are entitled to take action with respect to a variety of matters that include, but are not limited to, voting on certain amendments to the Partnership Agreement and voting to remove the General Partner. As a result of its ownership of 52.54% of the outstanding Units, AIMCO and its affiliates are in a position to control all voting decisions with respect to the Partnership. Although the General Partner owes fiduciary duties to the limited partners of the Partnership, the Managing General Partner also owes fiduciary duties to both the General Partner and AIMCO as the sole stockholder of the General Partner.

Neither of the Managing General Partner s directors is independent under the independence standards established for New York Stock Exchange listed companies as both directors are employed by the parent of the Managing General Partner.

**Item 14. Principal Accounting Fees and Services**

The Managing General Partner has reappointed Ernst & Young LLP as independent auditors to audit the financial statements of the Partnership for 2010. The aggregate fees billed for services rendered by Ernst & Young LLP for 2009 and 2008 are described below.

Audit Fees. Fees for audit services totaled approximately \$38,000 and \$43,000 for 2009 and 2008, respectively. Fees for audit services also include fees for the reviews of the Partnership s Quarterly Reports on Form 10-Q.

Tax Fees. Fees for tax services totaled approximately \$6,000 for both 2009 and 2008.

**Table of Contents**

**PART IV**

**Item 15. Exhibits, Financial Statement Schedules**

(a) The following financial statements of the Partnership are included in Item 8:

Balance Sheets at December 31, 2009 and 2008.	D-12
Statements of Operations for the years ended December 31, 2009 and 2008.	D-13
Statements of Changes in Partners' Deficit for the years ended December 31, 2009 and 2008.	D-14
Statements of Cash Flows for the years ended December 31, 2009 and 2008.	D-15
Notes to Financial Statements.	D-16

Schedules are omitted for the reason that they are inapplicable or equivalent information has been included elsewhere herein.

(b) Exhibits:

See Exhibit Index.

The agreements included as exhibits to this Form 10-K contain representations and warranties by each of the parties to the applicable agreement. These representations and warranties have been made solely for the benefit of the other parties to the applicable agreement and:

should not in all instances be treated as categorical statements of fact, but rather as a way of allocating the risk to one of the parties if those statements prove to be inaccurate;

have been qualified by disclosures that were made to the other party in connection with the negotiation of the applicable agreement, which disclosures are not necessarily reflected in the agreement;

may apply standards of materiality in a way that is different from what may be viewed as material to an investor; and

were made only as of the date of the applicable agreement or such other date or dates as may be specified in the agreement and are subject to more recent developments.

Accordingly, these representations and warranties may not describe the actual state of affairs as of the date they were made or at any other time. The Partnership acknowledges that, notwithstanding the inclusion of the foregoing cautionary statements, it is responsible for considering whether additional specific disclosures of material information regarding material contractual provisions are required to make the statements in this Form 10-K not misleading. Additional information about the Partnership may be found elsewhere in this Form 10-K and the Partnership's other public filings, which are available without charge through the SEC's website at <http://www.sec.gov>.

**Table of Contents**

**SIGNATURES**

Pursuant to the requirements of Section 13 or 15(d) of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

FOX STRATEGIC HOUSING INCOME PARTNERS  
(a California Limited Partnership)

Its General Partner

By: FOX PARTNERS VIII

Its Managing General Partner

By: Fox Capital Management Corporation

Steven D. Cordes  
Senior Vice President

By: /s/ Steven D. Cordes

Stephen B. Waters  
Senior Director of Partnership Accounting

By: /s/ Stephen B. Waters

Date: March 29, 2010

Pursuant to the requirements of the Securities Exchange Act of 1934, this report has been signed below by the following persons on behalf of the registrant and in the capacities and on the dates indicated.

/s/ John Bezzant	Director and Senior Vice President	Date: March 29, 2010
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John Bezzant

/s/ Steven D. Cordes	Director and Senior Vice President	Date: March 29, 2010
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Steven D. Cordes

/s/ Stephen B. Waters	Senior Director of Partnership Accounting	Date: March 29, 2010
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Stephen B. Waters

D-30

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**Table of Contents**

**FOX STRATEGIC HOUSING INCOME PARTNERS**

**EXHIBIT INDEX**

<b>Exhibit</b>	<b><u>Description of Exhibit</u></b>
3.1	Agreement of Limited Partnership, incorporated by reference to Exhibit A to the Prospectus of the Partnership dated March 24, 1987, and thereafter supplemented, included in the Registrant's Registration Statement on Form S-11 (Reg. No. 33-8481).
3.2	Amendment to the Amended and Restated Limited Partnership Agreement incorporated by reference to the Partnership's Annual Report on Form 10-KSB for the fiscal year ended December 31, 2006.
10.7	Promissory Note, dated September 11, 2008, between Fox Strategic Housing Income Partners, a California limited partnership, and Washington Mutual Bank, a federal association. (Incorporated by reference to the Partnership's Current Report on Form 8-K dated September 11, 2008).
10.8	Deed of Secure Debt, Security Agreement and Assignment of Leases and Rents, dated September 11, 2008, between Fox Strategic Housing Income Partners, a California limited partnership, and Washington Mutual Bank, a federal association. (Incorporated by reference to the Partnership's Current Report on Form 8-K dated September 11, 2008).
31.1	Certification of equivalent of Chief Executive Officer pursuant to Securities Exchange Act Rules 13a-14(a)/15d-14(a), as Adopted Pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.
31.2	Certification of equivalent of Chief Financial Officer pursuant to Securities Exchange Act Rules 13a-14(a)/15d-14(a), as Adopted Pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.
32.1	Certification of the equivalent of the Chief Executive Officer and Chief Financial Officer pursuant to 18 U.S.C. Section 1350, as Adopted Pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.

**Table of Contents**

**Exhibit 31.1**

**CERTIFICATION**

I, Steven D. Cordes, certify that:

1. I have reviewed this annual report on Form 10-K of Fox Strategic Housing Income Partners;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)), for the registrant and have:
  - (a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
  - (b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
  - (c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
  - (d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officer(s) and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):
  - (a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
  - (b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

/s/ Steven D. Cordes  
Steven D. Cordes  
Senior Vice President of Fox Capital Management  
Corporation, equivalent of the chief executive officer of the Partnership

Date: March 29, 2010

D-32

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**Table of Contents**

**Exhibit 31.2**

**CERTIFICATION**

I, Stephen B. Waters, certify that:

1. I have reviewed this annual report on Form 10-K of Fox Strategic Housing Income Partners;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)), for the registrant and have:
  - (a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
  - (b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
  - (c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
  - (d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officer(s) and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):
  - (a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
  - (b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

/s/ Stephen B. Waters

Stephen B. Waters

Senior Director of Partnership Accounting of Fox

Capital Management Corporation, equivalent of the chief financial officer of the Partnership

Date: March 29, 2010

D-33

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**Table of Contents**

**Exhibit 32.1**

**Certification of CEO and CFO  
Pursuant to 18 U.S.C. Section 1350,  
As Adopted Pursuant to  
Section 906 of the Sarbanes-Oxley Act of 2002**

In connection with the Annual Report on Form 10-K of Fox Strategic Housing Income Partners (the Partnership), for the fiscal year ended December 31, 2009 as filed with the Securities and Exchange Commission on the date hereof (the Report), Steven D. Cordes, as the equivalent of the chief executive officer of the Partnership, and Stephen B. Waters, as the equivalent of the chief financial officer of the Partnership, each hereby certifies, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that, to the best of his knowledge:

(1) The Report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934; and

(2) The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Partnership.

/s/ Steven D. Cordes  
Name: Steven D. Cordes

Date: March 29, 2010

/s/ Stephen B. Waters  
Name: Stephen B. Waters

Date: March 29, 2010

This certification is furnished with this Report pursuant to Section 906 of the Sarbanes-Oxley Act of 2002 and shall not be deemed filed by the Partnership for purposes of Section 18 of the Securities Exchange Act of 1934, as amended.

D-34

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**Table of Contents**

**ANNEX E**

**Fox 10-Q for the Quarter Ended June 30, 2010**

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

**Form 10-Q**

(Mark One)

- QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**  
**For the quarterly period ended June 30, 2010**
- or**
- TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**  
**For the transition period from        to**

**Commission file number 0-16877**

**FOX STRATEGIC HOUSING INCOME PARTNERS**  
*(Exact name of registrant as specified in its charter)*

**California**  
*(State or other jurisdiction of  
incorporation or organization)*

**94-3016373**  
*(I.R.S. Employer  
Identification No.)*

**55 Beattie Place, PO Box 1089**  
**Greenville, South Carolina 29602**  
*(Address of principal executive offices)*

**(864) 239-1000**  
*(Registrant's telephone number, including area code)*

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days.  Yes  No

Indicate by check mark whether the registrant has submitted electronically and posted on its corporate Web site, if any, every Interactive Data File required to be submitted and posted pursuant to Rule 405 of Regulation S-T (232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit and post such files).  Yes  No

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Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, or a smaller reporting company. See the definitions of large accelerated filer, accelerated filer and smaller reporting company in Rule 12b-2 of the Exchange Act. (Check one):

Large accelerated filer

Accelerated filer

Non-accelerated filer

Smaller reporting  
company

(Do not check if a smaller reporting company)

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act).  Yes  No

E-1

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Table of Contents**(c) PART I FINANCIAL INFORMATION****ITEM 1. Financial Statements****FOX STRATEGIC HOUSING INCOME PARTNERS****BALANCE SHEETS**

	<b>June 30, 2010 (Unaudited)</b>	<b>December 31, 2009 (Note)</b>
	<b>(In thousands, except unit data)</b>	
<b>ASSETS</b>		
Cash and cash equivalents	\$ 108	\$ 63
Receivables and deposits	18	20
Other assets	188	208
Investment property:		
Land	1,981	1,981
Buildings and related personal property	20,933	20,896
	22,914	22,877
Less accumulated depreciation	(11,169)	(10,120)
	11,745	12,757
	\$ 12,059	\$ 13,048
<b>LIABILITIES AND PARTNERS DEFICIT</b>		
Liabilities		
Accounts payable	\$ 162	\$ 222
Tenant security deposit liabilities	38	33
Due to affiliates (Note B)	3,973	3,864
Accrued property taxes	105	22
Other liabilities	57	64
Mortgage note payable	13,668	13,771
	18,003	17,976
Partners Deficit		
General partner	(1,741)	(1,721)
Limited partners (26,111 units issued and outstanding)	(4,203)	(3,207)
	(5,944)	(4,928)
	\$ 12,059	\$ 13,048

Note: The balance sheet at December 31, 2009 has been derived from the audited financial statements at that date but does not include all the information and footnotes required by generally accepted accounting principles for complete financial statements.

See Accompanying Notes to Financial Statements

E-2

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**Table of Contents****FOX STRATEGIC HOUSING INCOME PARTNERS****STATEMENTS OF OPERATIONS**

	<b>Three Months Ended</b>		<b>Six Months Ended</b>	
	<b>June 30,</b>		<b>June 30,</b>	
	<b>2010</b>	<b>2009</b>	<b>2010</b>	<b>2009</b>
	<b>(Unaudited)</b>			
	<b>(In thousands, except per unit data)</b>			
Revenues:				
Rental income	\$ 497	\$ 449	\$ 991	\$ 890
Other income	43	54	79	90
Total revenues	540	503	1,070	980
Expenses:				
Operating	179	196	384	412
General and administrative	29	23	56	53
Depreciation	524	519	1,049	1,040
Interest	257	258	514	516
Property taxes	39	37	83	58
Total expenses	1,028	1,033	2,086	2,079
Net loss	\$ (488)	\$ (530)	\$ (1,016)	\$ (1,099)
Net loss allocated to general partner	\$ (10)	\$ (11)	\$ (20)	\$ (22)
Net loss allocated to limited partners	(478)	(519)	(996)	(1,077)
	\$ (488)	\$ (530)	\$ (1,016)	\$ (1,099)
Net loss per limited partnership unit	\$ (18.31)	\$ (19.88)	\$ (38.14)	\$ (41.25)

See Accompanying Notes to Financial Statements

Table of Contents**FOX STRATEGIC HOUSING INCOME PARTNERS****STATEMENT OF CHANGES IN PARTNERS DEFICIT**

	<b>Limited Partnership Units</b>	<b>General Partner</b>	<b>Limited Partners (Unaudited)</b>	<b>Total</b>
	<b>(In thousands, except unit data)</b>			
Original capital contributions	26,111	\$	\$ 26,111	\$ 26,111
Partners deficit at December 31, 2009	26,111	\$ (1,721)	\$ (3,207)	\$ (4,928)
Net loss for the six months ended June 30, 2010		(20)	(996)	(1,016)
Partners deficit at June 30, 2010	26,111	\$ (1,741)	\$ (4,203)	\$ (5,944)

See Accompanying Notes to Financial Statements

E-4

**Table of Contents****FOX STRATEGIC HOUSING INCOME PARTNERS****STATEMENTS OF CASH FLOWS**

	<b>Six Months Ended June 30, 2010            2009 (Unaudited) (In thousands)</b>	
Cash flows from operating activities:		
Net loss	\$ (1,016)	\$ (1,099)
Adjustments to reconcile net loss to net cash provided by operating activities:		
Depreciation	1,049	1,040
Amortization of loan costs	24	24
Bad debt expense		25
Change in accounts:		
Receivables and deposits	2	(15)
Other assets	(4)	14
Accounts payable	(60)	7
Tenant security deposit liabilities	5	1
Accrued property taxes	83	74
Due to affiliates	109	(20)
Other liabilities	(7)	(10)
Net cash provided by operating activities	185	41
Cash flows used in investing activities:		
Property improvements and replacements	(37)	(113)
Cash flows from financing activities:		
Payments on mortgage note payable	(103)	
Loan costs refunded		29
Payments on advances from affiliate		(50)
Net cash used in financing activities	(103)	(21)
Net increase (decrease) in cash and cash equivalents	45	(93)
Cash and cash equivalents at beginning of period	63	142
Cash and cash equivalents at end of period	\$ 108	\$ 49
Supplemental disclosure of cash flow information:		
Cash paid for interest	\$ 462	\$ 420
Supplemental disclosure of non-cash activity:		
Property improvements and replacements included in accounts payable	\$ 145	\$ 146

Included in property improvements and replacements for the six months ended June 30, 2010 and 2009 are approximately \$145,000 and \$177,000 of property improvements and replacements, respectively, which were included in accounts payable at December 31, 2009 and 2008, respectively.

See Accompanying Notes to Financial Statements

E-5

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**Table of Contents**

**FOX STRATEGIC HOUSING INCOME PARTNERS**

**NOTES TO FINANCIAL STATEMENTS**

**(Unaudited)**

**Note A. Basis of Presentation**

The accompanying unaudited financial statements of Fox Strategic Housing Income Partners (the Partnership or Registrant ) have been prepared in accordance with generally accepted accounting principles for interim financial information and with the instructions to Form 10-Q and Article 8-03 of Regulation S-X. Accordingly, they do not include all of the information and footnotes required by generally accepted accounting principles for complete financial statements. Fox Partners VIII (the General Partner ) is the general partner of the Partnership. The general partners of Fox Partners VIII are Fox Capital Management Corporation ( FCMC or the Managing General Partner ), a California corporation, and Fox Realty Investors ( FRI ), a California general partnership. The Managing General Partner and the managing general partner of FRI are affiliates of Apartment Investment and Management Company ( AIMCO ), a publicly traded real estate investment trust. In the opinion of the Managing General Partner, all adjustments (consisting of normal recurring items) considered necessary for a fair presentation have been included. Operating results for the three and six month periods ended June 30, 2010 are not necessarily indicative of the results that may be expected for the fiscal year ending December 31, 2010. For further information, refer to the financial statements and footnotes thereto included in the Partnership's Annual Report on Form 10-K for the fiscal year ended December 31, 2009.

The Partnership's management evaluated subsequent events through the time this Quarterly Report on Form 10-Q was filed.

**Note B. Transactions with Affiliated Parties**

The Partnership has no employees and depends on the Managing General Partner and its affiliates for the management and administration of all Partnership activities. The Partnership Agreement provides for payments to affiliates for services and reimbursement of certain expenses incurred by affiliates on behalf of the Partnership.

Affiliates of the Managing General Partner receive 5% of gross receipts from the Partnership's investment property as compensation for providing property management services. The Partnership paid to such affiliates approximately \$53,000 and \$49,000 for the six months ended June 30, 2010 and 2009, respectively, which are included in operating expenses.

Affiliates of the Managing General Partner charged the Partnership for reimbursement of accountable administrative expenses amounting to approximately \$14,000 for each of the six months ended June 30, 2010 and 2009, which is included in general and administrative expenses. In connection with a redevelopment project that was completed in 2009, an affiliate of the Managing General Partner received a redevelopment supervision fee of 4% of the actual redevelopment costs. During the six months ended June 30, 2009, the Partnership was charged approximately \$23,000 in redevelopment supervision fees, which is included in investment property. At June 30, 2010, approximately \$14,000 of these accountable administrative expenses remain unpaid and are included in due to affiliates. No such amounts were unpaid at December 31, 2009.

Pursuant to the Partnership Agreement, AIMCO Properties, L.P., an affiliate of the Managing General Partner, may advance the Partnership funds. There were no such advances made during the six months ended June 30, 2010 and 2009. Interest is charged at the prime rate plus 2% (5.25% at June 30, 2010). Interest expense amounted to approximately \$95,000 and \$89,000 for the six months ended June 30, 2010 and 2009, respectively. During the six

months ended June 30, 2009, the Partnership made payments on the outstanding advances and accrued interest of approximately \$138,000. No such payments were made during the six months ended June 30, 2010. At June 30, 2010 and December 31, 2009, the amount of the outstanding advances and accrued interest was approximately \$3,687,000 and \$3,592,000, respectively, and is included in due to affiliates. The Partnership may receive additional advances of funds from AIMCO Properties, L.P. although AIMCO Properties, L.P. is not obligated to provide such advances. For more information on AIMCO Properties, L.P., including copies of its audited balance sheet, please see its reports filed with the Securities and Exchange Commission.

E-6

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**Table of Contents**

**FOX STRATEGIC HOUSING INCOME PARTNERS**

**NOTES TO FINANCIAL STATEMENTS (Continued)**

In accordance with the Partnership Agreement, the Managing General Partner earns partnership management fees on distributions from operations. There were no partnership management fees earned during the six months ended June 30, 2010 and 2009 as there were no operating distributions. The Partnership Agreement requires that 62.5% of the fees earned be subordinated to the Limited Partners' annual receipt of 8% of adjusted invested capital as defined in the Partnership Agreement. The cumulative subordinated fees owed to the Managing General Partner at both June 30, 2010 and December 31, 2009 amounted to approximately \$272,000 and are included in due to affiliates.

The Partnership insures its property up to certain limits through coverage provided by AIMCO which is generally self-insured for a portion of losses and liabilities related to workers' compensation, property casualty, general liability and vehicle liability. The Partnership insures its property above the AIMCO limits through insurance policies obtained by AIMCO from insurers unaffiliated with the Managing General Partner. During the six months ended June 30, 2010, the Partnership was charged by AIMCO and its affiliates approximately \$21,000 for insurance coverage and fees associated with policy claims administration. Additional charges will be incurred by the Partnership during 2010 as other insurance policies renew later in the year. The Partnership was charged by AIMCO and its affiliates approximately \$24,000 for insurance coverage and fees associated with policy claims administration during the year ended December 31, 2009.

**Note C Fair Value of Financial Instruments**

FASB ASC Topic 825, Financial Instruments, requires disclosure of fair value information about financial instruments, whether or not recognized in the balance sheet, for which it is practicable to estimate fair value. Fair value is defined as the amount at which the instruments could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale. The Partnership believes that the carrying amount of its financial instruments (except for the mortgage note payable) approximates their fair value due to the short-term maturity of these instruments. The Partnership estimates the fair value of its mortgage note payable by discounting future cash flows using a discount rate commensurate with that currently believed to be available to the Partnership for similar term, mortgage notes payable. At June 30, 2010, the fair value of the Partnership's mortgage note payable at the Partnership's incremental borrowing rate approximated its carrying value.

**Note D Contingencies**

As previously disclosed, AIMCO Properties, L.P. and NHP Management Company, both affiliates of the Managing General Partner, were defendants in a lawsuit, filed as a collective action in August 2003 in the United States District Court for the District of Columbia, alleging that they willfully violated the Fair Labor Standards Act (FLSA) by failing to pay maintenance workers overtime for time worked in excess of 40 hours per week (overtime claims). The plaintiffs also contended that AIMCO Properties, L.P. and NHP Management Company (the Defendants) failed to compensate maintenance workers for time that they were required to be on-call (on-call claims). In March 2007, the court in the District of Columbia decertified the collective action. In July 2007, plaintiffs' counsel filed individual cases in Federal court in 22 jurisdictions. In the second quarter of 2008, AIMCO Properties, L.P. settled the overtime cases involving 652 plaintiffs and established a framework for resolving the 88 remaining on-call claims and the attorneys' fees claimed by plaintiffs' counsel. As a result, the lawsuits asserted in the 22 Federal courts have been dismissed. During the fourth quarter of 2008, the settlement amounts for alleged unpaid overtime to employees were paid by those partnerships where the respective employees had worked. The Partnership was not required to pay any settlement amounts. At this time, the 88 remaining on-call claims and the attorneys' fees claimed by plaintiffs' counsel are not resolved. Pursuant to the global settlement agreement, the parties selected six test on-call cases to be arbitrated.

The parties arbitrated four on-call claims and obtained defense verdicts on all four. Two additional on-call claims were dismissed with prejudice. The process now calls for the parties to attempt to mediate the remaining on-call claims and plaintiffs attorneys fees. Such mediation has not yet been scheduled. The Managing General Partner is uncertain as to the amount of any loss that may be

E-7

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**Table of Contents**

**FOX STRATEGIC HOUSING INCOME PARTNERS**

**NOTES TO FINANCIAL STATEMENTS (Continued)**

allocable to the Partnership. Therefore, the Partnership cannot estimate whether any loss will occur or a potential range of loss.

The Partnership is unaware of any other pending or outstanding litigation matters involving it or its investment property that are not of a routine nature arising in the ordinary course of business.

**Environmental**

Various Federal, state and local laws subject property owners or operators to liability for management, and the costs of removal or remediation, of certain hazardous substances present on a property, including lead-based paint. Such laws often impose liability without regard to whether the owner or operator knew of, or was responsible for, the release or presence of the hazardous substances. The presence of, or the failure to manage or remedy properly, hazardous substances may adversely affect occupancy at affected apartment communities and the ability to sell or finance affected properties. In addition to the costs associated with investigation and remediation actions brought by government agencies, and potential fines or penalties imposed by such agencies in connection therewith, the presence of hazardous substances on a property could result in claims by private plaintiffs for personal injury, disease, disability or other infirmities. Various laws also impose liability for the cost of removal, remediation or disposal of hazardous substances through a licensed disposal or treatment facility. Anyone who arranges for the disposal or treatment of hazardous substances is potentially liable under such laws. These laws often impose liability whether or not the person arranging for the disposal ever owned or operated the disposal facility. In connection with the ownership, operation and management of its property, the Partnership could potentially be liable for environmental liabilities or costs associated with its property.

**Mold**

The Partnership is aware of lawsuits against owners and managers of multifamily properties asserting claims of personal injury and property damage caused by the presence of mold, some of which have resulted in substantial monetary judgments or settlements. The Partnership has only limited insurance coverage for property damage loss claims arising from the presence of mold and for personal injury claims related to mold exposure. Affiliates of the Managing General Partner have implemented policies, procedures, third-party audits and training and the Managing General Partner believes that these measures will prevent or eliminate mold exposure and will minimize the effects that mold may have on residents. To date, the Partnership has not incurred any material costs or liabilities relating to claims of mold exposure or to abate mold conditions. Because the law regarding mold is unsettled and subject to change, the Managing General Partner can make no assurance that liabilities resulting from the presence of or exposure to mold will not have a material adverse effect on the Partnership's financial condition or results of operations.

**Table of Contents****ITEM 2. *Management's Discussion and Analysis of Financial Condition and Results of Operations***

The Private Securities Litigation Reform Act of 1995 provides a "safe harbor" for forward-looking statements in certain circumstances. Certain information included in this Quarterly Report contains or may contain information that is forward-looking within the meaning of the federal securities laws, including, without limitation, statements regarding the effect of redevelopments, the Partnership's future financial performance, including the Partnership's ability to maintain current or meet projected occupancy and rent levels, and the effect of government regulations. Actual results may differ materially from those described in these forward-looking statements and, in addition, will be affected by a variety of risks and factors some of which are beyond the Partnership's control including, without limitation: financing risks, including the availability and cost of financing and the risk that the Partnership's cash flows from operations may be insufficient to meet required payments of principal and interest; natural disasters and severe weather such as hurricanes; national and local economic conditions; the general level of interest rates; energy costs; the terms of governmental regulations that affect the Partnership's property and interpretations of those regulations; the competitive environment in which the Partnership operates; real estate risks, including fluctuations in real estate values and the general economic climate in local markets and competition for residents in such markets; insurance risk, including the cost of insurance; development risks; litigation, including costs associated with prosecuting or defending claims and any adverse outcomes; and possible environmental liabilities, including costs, fines or penalties that may be incurred due to necessary remediation of contamination of properties presently owned or previously owned by the Partnership. Readers should carefully review the Partnership's financial statements and the notes thereto, as well as the other documents the Partnership files from time to time with the Securities and Exchange Commission.

The Partnership's investment property consists of one apartment complex. The following table sets forth the average occupancy of the property for the six months ended June 30, 2010 and 2009:

<b>Property</b>	<b>Average Occupancy</b>	
	<b>2010</b>	<b>2009</b>
The Views at Vinings Mountain Apartments Atlanta, Georgia	96%	87%

The Managing General Partner attributes the increase in occupancy at The Views at Vinings Mountain Apartments to competitive pricing and increased resident retention efforts.

The Partnership's financial results depend upon a number of factors including the ability to attract and maintain tenants at the investment property, interest rates on mortgage loans, costs incurred to operate the investment property, general economic conditions and weather. As part of the ongoing business plan of the Partnership, the Managing General Partner monitors the rental market environment of its investment property to assess the feasibility of increasing rents, maintaining or increasing occupancy levels and protecting the Partnership from increases in expenses. As part of this plan, the Managing General Partner attempts to protect the Partnership from the burden of inflation-related increases in expenses by increasing rents and maintaining a high overall occupancy level. However, the Managing General Partner may use rental concessions and rental rate reductions to offset softening market conditions; accordingly, there is no guarantee that the Managing General Partner will be able to sustain such a plan. Further, a number of factors that are outside the control of the Partnership such as the local economic climate and weather can adversely or positively affect the Partnership's financial results.

**Results of Operations**

The Partnership recognized net losses of approximately \$488,000 and \$1,016,000 for the three and six months ended June 30, 2010, respectively, compared to net losses of approximately \$530,000 and \$1,099,000 for the three and six months ended June 30, 2009, respectively. The decrease in net loss for both the three and six months ended June 30, 2010 is due to an increase in total revenues. Total revenues increased for both periods due to an increase in rental income, partially offset by a decrease in other income. Rental income increased for both periods due to an increase in occupancy and a decrease in bad debt expense, partially offset by a decrease in the average rental rate at The Views at Vinings Mountain Apartments. The decrease in other income for both periods is primarily due to a decrease in lease cancellation fees at the Partnership's investment property.

## **Table of Contents**

Total expenses remained relatively constant for the three months ended June 30, 2010 as a decrease in operating expense was substantially offset by increases in general and administrative and depreciation expenses. Interest and property tax expenses remained relatively constant for the three months ended June 30, 2010. Total expenses remained relatively constant for the six months ended June 30, 2010 as increases in depreciation and property tax expenses were substantially offset by a decrease in operating expense. General and administrative and interest expenses remained relatively constant for the six months ended June 30, 2010. Operating expenses decreased for both periods primarily due to decreases in advertising and washer and dryer rental expenses, partially offset by an increase in contract services at the Partnership's investment property. Depreciation expense increased for both periods due to property improvements and replacements being placed into service at the Partnership's investment property during the past twelve months. Property tax expense increased for the six months ended June 30, 2010 primarily due to an increase in the assessed value of the property and the receipt of refunds related to prior years during the six months ended June 30, 2009 as a result of a successful appeal of the assessed value of the Partnership's investment property.

The increase in general and administrative expense for the three months ended June 30, 2010 is primarily due to an increase in reimbursements to the Managing General Partner as allowed under the Partnership Agreement. Also included in general and administrative expenses for the three and six months ended June 30, 2010 and 2009 are costs associated with the quarterly and annual communications with investors and regulatory agencies and the annual audit required by the Partnership Agreement.

## **Liquidity and Capital Resources**

At June 30, 2010, the Partnership had cash and cash equivalents of approximately \$108,000, compared to approximately \$63,000 at December 31, 2009. Cash and cash equivalents increased approximately \$45,000 due to approximately \$185,000 of cash provided by operating activities, partially offset by approximately \$103,000 and \$37,000 of cash used in financing and investing activities, respectively. Cash used in financing activities consisted of principal payments made on the mortgage encumbering The Views at Vinings Mountain Apartments. Cash used in investing activities consisted of property improvements and replacements.

The sufficiency of existing liquid assets to meet future liquidity and capital expenditure requirements is directly related to the level of capital expenditures required at the property to adequately maintain the physical assets and other operating needs of the Partnership and to comply with Federal, state, and local legal and regulatory requirements. The Managing General Partner monitors developments in the area of legal and regulatory compliance. Capital improvements planned for the Partnership's property are detailed below.

During the six months ended June 30, 2010, the Partnership completed approximately \$37,000 of capital improvements at The Views at Vinings Mountain Apartments, consisting primarily of interior improvements and floor covering replacement. These improvements were funded from operating cash flow. The Partnership regularly evaluates the capital improvement needs of the property. While the Partnership has no material commitments for property improvements and replacements, certain routine capital expenditures are anticipated during the remainder of 2010. Such capital expenditures will depend on the physical condition of the property as well as anticipated cash flow generated by the property.

Capital expenditures will be incurred only if cash is available from operations, Partnership reserves or advances from AIMCO Properties, L.P., although AIMCO Properties, L.P. is not obligated to fund advances to the Partnership. To the extent that capital improvements are completed, the Partnership's distributable cash flow, if any, may be adversely affected at least in the short term.

Pursuant to the Partnership Agreement, AIMCO Properties, L.P., an affiliate of the Managing General Partner, may advance the Partnership funds. There were no such advances made during the six months ended June 30, 2010 and

2009. Interest is charged at the prime rate plus 2% (5.25% at June 30, 2010). Interest expense amounted to approximately \$95,000 and \$89,000 for the six months ended June 30, 2010 and 2009, respectively. During the six months ended June 30, 2009, the Partnership made payments on the outstanding advances and accrued interest of approximately \$138,000. No such payments were made during the six months ended June 30, 2010. At June 30, 2010 and December 31, 2009, the amount of the outstanding advances and accrued interest was approximately \$3,687,000 and \$3,592,000, respectively, and is included in due to affiliates. The Partnership may receive additional

## **Table of Contents**

advances of funds from AIMCO Properties, L.P. although AIMCO Properties, L.P. is not obligated to provide such advances. For more information on AIMCO Properties, L.P., including copies of its audited balance sheet, please see its reports filed with the Securities and Exchange Commission.

The Partnership's assets are thought to be generally sufficient for any near-term needs (exclusive of capital improvements and payments of amounts due to affiliates) of the Partnership. The mortgage indebtedness encumbering the Partnership's investment property of approximately \$13,668,000 bears interest at 5.77% per annum and requires monthly payments of principal and interest of approximately \$81,000 until the September 2013 maturity date, at which time a balloon payment of approximately \$13,045,000 is due. In September 2010, if the Partnership does not meet a prescribed debt service coverage ratio, the Partnership will be required to make an additional payment of principal to reduce the outstanding principal balance to the prescribed debt service coverage ratio. The Managing General Partner will attempt to refinance such indebtedness and/or sell the property prior to such maturity date. If the property cannot be refinanced or sold for a sufficient amount, the Partnership will risk losing such property through foreclosure.

There were no distributions to the partners during the six months ended June 30, 2010 and 2009. Future cash distributions will depend on the levels of net cash generated from operations, and the timing of the debt maturity, refinancing and/or property sale. The Partnership's cash available for distribution is reviewed on a monthly basis. In light of the amounts accrued and payable to affiliates of the Managing General Partner at June 30, 2010, there can be no assurance that the Partnership will generate sufficient funds from operations after required capital expenditures to permit any distributions to its partners during 2010 or subsequent periods.

## **Other**

In addition to its indirect ownership of the general partner interests in the Partnership, AIMCO and its affiliates owned 13,719 limited partnership units (the Units) in the Partnership representing 52.54% of the outstanding Units at June 30, 2010. A number of these Units were acquired pursuant to tender offers made by AIMCO or its affiliates. It is possible that AIMCO or its affiliates will acquire additional Units in the Partnership in exchange for cash or a combination of cash and units in AIMCO Properties, L.P., the operating partnership of AIMCO, either through private purchases or tender offers. Pursuant to the Partnership Agreement, unitholders holding a majority of the Units are entitled to take action with respect to a variety of matters that include, but are not limited to, voting on certain amendments to the Partnership Agreement and voting to remove the General Partner. As a result of its ownership of 52.54% of the outstanding Units, AIMCO and its affiliates are in a position to control all voting decisions with respect to the Partnership. Although the General Partner owes fiduciary duties to the limited partners of the Partnership, the Managing General Partner also owes fiduciary duties to both the General Partner and AIMCO as the sole stockholder of the Managing General Partner.

## **Critical Accounting Policies and Estimates**

The financial statements are prepared in accordance with accounting principles generally accepted in the United States, which require the Partnership to make estimates and assumptions. The Partnership believes that of its significant accounting policies, the following may involve a higher degree of judgment and complexity.

### **Impairment of Long-Lived Asset**

Investment property is recorded at cost, less accumulated depreciation, unless the carrying amount of the asset is not recoverable. If events or circumstances indicate that the carrying amount of the property may not be recoverable, the Partnership will make an assessment of its recoverability by comparing the carrying amount to the Partnership's estimate of the undiscounted future cash flows, excluding interest charges, of the property. If the carrying amount



exceeds the estimated aggregate undiscounted future cash flows, the Partnership would recognize an impairment loss to the extent the carrying amount exceeds the estimated fair value of the property.

Real property investment is subject to varying degrees of risk. Several factors may adversely affect the economic performance and value of the Partnership's investment property. These factors include, but are not limited to, general economic climate; competition from other apartment communities and other housing options; local conditions, such as loss of jobs or an increase in the supply of apartments that might adversely affect apartment

## **Table of Contents**

occupancy or rental rates; changes in governmental regulations and the related cost of compliance; increases in operating costs (including real estate taxes) due to inflation and other factors, which may not be offset by increased rents; changes in tax laws and housing laws, including the enactment of rent control laws or other laws regulating multi-family housing; and changes in interest rates and the availability of financing. Any adverse changes in these and other factors could cause an impairment of the Partnership's asset.

## **Revenue Recognition**

The Partnership generally leases apartment units for twelve-month terms or less. The Partnership will offer rental concessions during particularly slow months or in response to heavy competition from other similar complexes in the area. Rental income attributable to leases, net of any concessions, is recognized on a straight-line basis over the term of the lease. The Partnership evaluates all accounts receivable from residents and establishes an allowance, after the application of security deposits, for accounts greater than 30 days past due on current tenants and all receivables due from former tenants.

## **ITEM 4T. *Controls and Procedures***

### **(a) Disclosure Controls and Procedures.**

The Partnership's management, with the participation of the principal executive officer and principal financial officer of the Managing General Partner, who are the equivalent of the Partnership's principal executive officer and principal financial officer, respectively, has evaluated the effectiveness of the Partnership's disclosure controls and procedures (as such term is defined in Rules 13a-15(e) and 15d-15(e) under the Securities Exchange Act of 1934, as amended (the Exchange Act)) as of the end of the period covered by this report. Based on such evaluation, the principal executive officer and principal financial officer of the Managing General Partner, who are the equivalent of the Partnership's principal executive officer and principal financial officer, respectively, have concluded that, as of the end of such period, the Partnership's disclosure controls and procedures are effective.

### **(b) Changes in Internal Control Over Financial Reporting.**

There has been no change in the Partnership's internal control over financial reporting (as defined in Rules 13a-15(f) and 15d-15(f) under the Exchange Act) during the fiscal quarter to which this report relates that has materially affected, or is reasonably likely to materially affect, the Partnership's internal control over financial reporting.

## **PART II OTHER INFORMATION**

### **ITEM 1. *Legal Proceedings***

As previously disclosed, AIMCO Properties, L.P. and NHP Management Company, both affiliates of the Managing General Partner, were defendants in a lawsuit, filed as a collective action in August 2003 in the United States District Court for the District of Columbia, alleging that they willfully violated the Fair Labor Standards Act (FLSA) by failing to pay maintenance workers overtime for time worked in excess of 40 hours per week (overtime claims). The plaintiffs also contended that AIMCO Properties, L.P. and NHP Management Company (the Defendants) failed to compensate maintenance workers for time that they were required to be on-call (on-call claims). In March 2007, the court in the District of Columbia decertified the collective action. In July 2007, plaintiffs' counsel filed individual cases in Federal court in 22 jurisdictions. In the second quarter of 2008, AIMCO Properties, L.P. settled the overtime cases involving 652 plaintiffs and established a framework for resolving the 88 remaining on-call claims and the attorneys' fees claimed by plaintiffs' counsel. As a result, the lawsuits asserted in the 22 Federal courts have been dismissed. During the fourth quarter of 2008, the settlement amounts for alleged unpaid overtime to employees were

paid by those partnerships where the respective employees had worked. The Partnership was not required to pay any settlement amounts. At this time, the 88 remaining on-call claims and the attorneys fees claimed by plaintiffs counsel are not resolved. Pursuant to the global settlement agreement, the parties selected six test on-call cases to be arbitrated. The parties arbitrated four on-call claims and obtained defense verdicts on all four. Two additional on-call claims were dismissed with prejudice. The

**Table of Contents**

process now calls for the parties to attempt to mediate the remaining on-call claims and plaintiffs attorneys fees. Such mediation has not yet been scheduled. The Managing General Partner is uncertain as to the amount of any loss that may be allocable to the Partnership. Therefore, the Partnership cannot estimate whether any loss will occur or a potential range of loss.

**ITEM 6. Exhibits**

See Exhibit Index.

The agreements included as exhibits to this Form 10-Q contain representations and warranties by each of the parties to the applicable agreement. These representations and warranties have been made solely for the benefit of the other parties to the applicable agreement and:

should not in all instances be treated as categorical statements of fact, but rather as a way of allocating the risk to one of the parties if those statements prove to be inaccurate;

have been qualified by disclosures that were made to the other party in connection with the negotiation of the applicable agreement, which disclosures are not necessarily reflected in the agreement;

may apply standards of materiality in a way that is different from what may be viewed as material to an investor; and

were made only as of the date of the applicable agreement or such other date or dates as may be specified in the agreement and are subject to more recent developments.

Accordingly, these representations and warranties may not describe the actual state of affairs as of the date they were made or at any other time. The Partnership acknowledges that, notwithstanding the inclusion of the foregoing cautionary statements, it is responsible for considering whether additional specific disclosures of material information regarding material contractual provisions are required to make the statements in this Form 10-Q not misleading. Additional information about the Partnership may be found elsewhere in this Form 10-Q and the Partnership's other public filings, which are available without charge through the SEC's website at <http://www.sec.gov>.

**Table of Contents**

**SIGNATURES**

Pursuant to the requirements of Section 13 or 15(d) of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

FOX STRATEGIC HOUSING INCOME PARTNERS  
(a California Limited Partnership)

Its General Partner

By: FOX PARTNERS VIII

Its Managing General Partner

By: Fox Capital Management Corporation

Steven D. Cordes  
Senior Vice President

By: /s/ Steven D. Cordes

Date: August 13, 2010

Stephen B. Waters  
Senior Director of Partnership Accounting

By: /s/ Stephen B. Waters

Date: August 13, 2010

E-14

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**Table of Contents**

**FOX STRATEGIC HOUSING INCOME PARTNERS**

**EXHIBIT INDEX**

<b>Exhibit</b>	<b>Description of Exhibit</b>
3.1	Agreement of Limited Partnership, incorporated by reference to Exhibit A to the Prospectus of the Partnership dated March 24, 1987, and thereafter supplemented, included in the Registrant's Registration Statement on Form S-11 (Reg. No. 33-8481).
3.2	Amendment to the Amended and Restated Limited Partnership Agreement incorporated by reference to the Partnership's Annual Report on Form 10-KSB for the fiscal year ended December 31, 2006.
10.7	Promissory Note, dated September 11, 2008, between Fox Strategic Housing Income Partners, a California limited partnership, and Washington Mutual Bank, a federal association. (Incorporated by reference to the Partnership's Current Report on Form 8-K dated September 11, 2008).
10.8	Deed of Secure Debt, Security Agreement and Assignment of Leases and Rents, dated September 11, 2008, between Fox Strategic Housing Income Partners, a California limited partnership, and Washington Mutual Bank, a federal association. (Incorporated by reference to the Partnership's Current Report on Form 8-K dated September 11, 2008).
31.1	Certification of equivalent of Chief Executive Officer pursuant to Securities Exchange Act Rules 13a-14(a)/15d-14(a), as Adopted Pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.
31.2	Certification of equivalent of Chief Financial Officer pursuant to Securities Exchange Act Rules 13a-14(a)/15d-14(a), as Adopted Pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.
32.1	Certification of the equivalent of the Chief Executive Officer and Chief Financial Officer pursuant to 18 U.S.C. Section 1350, as Adopted Pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.

**Table of Contents**

**Exhibit 31.1**

**CERTIFICATION**

I, Steven D. Cordes, certify that:

1. I have reviewed this quarterly report on Form 10-Q of Fox Strategic Housing Income Partners;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)), for the registrant and have:
  - (a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
  - (b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
  - (c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
  - (d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officer(s) and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):
  - (a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
  - (b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

/s/ Steven D. Cordes  
Steven D. Cordes  
Senior Vice President of Fox Capital Management  
Corporation, equivalent of the chief executive officer of the Partnership

Date: August 13, 2010

E-16

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**Table of Contents**

**Exhibit 31.2**

**CERTIFICATION**

I, Stephen B. Waters, certify that:

1. I have reviewed this quarterly report on Form 10-Q of Fox Strategic Housing Income Partners;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)), for the registrant and have:
  - (a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
  - (b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
  - (c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
  - (d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officer(s) and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):
  - (a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
  - (b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

/s/ Stephen B. Waters

Stephen B. Waters

Senior Director of Partnership Accounting of Fox Capital

Management Corporation, equivalent of the chief financial officer of the Partnership

Date: August 13, 2010

E-17

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**Table of Contents**

**Exhibit 32.1**

**Certification of CEO and CFO  
Pursuant to 18 U.S.C. Section 1350,  
As Adopted Pursuant to  
Section 906 of the Sarbanes-Oxley Act of 2002**

In connection with the Quarterly Report on Form 10-Q of Fox Strategic Housing Income Partners (the Partnership), for the quarterly period ended June 30, 2010 as filed with the Securities and Exchange Commission on the date hereof (the Report), Steven D. Cordes, as the equivalent of the chief executive officer of the Partnership, and Stephen B. Waters, as the equivalent of the chief financial officer of the Partnership, each hereby certifies, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that, to the best of his knowledge:

(1) The Report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934; and

(2) The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Partnership.

/s/ Steven D. Cordes  
Name: Steven D. Cordes

Date: August 13, 2010

/s/ Stephen B. Waters  
Name: Stephen B. Waters

Date: August 13, 2010

This certification is furnished with this Report pursuant to Section 906 of the Sarbanes-Oxley Act of 2002 and shall not be deemed filed by the Partnership for purposes of Section 18 of the Securities Exchange Act of 1934, as amended.

**Table of Contents**

**PART II**

**INFORMATION NOT REQUIRED IN THE PROSPECTUS**

**Item 20. *Indemnification of Directors and Officers.***

Aimco's charter limits the liability of Aimco's directors and officers to Aimco and its stockholders to the fullest extent permitted from time to time by Maryland law. Maryland law presently permits the liability of directors and officers to a corporation or its stockholders for money damages to be limited, except (i) to the extent that it is proved that the director or officer actually received an improper benefit or profit in money, property or services for the amount of the benefit or profit in money, property or services actually received, or (ii) to the extent that a judgment or other final adjudication adverse to the director or officer is entered in a proceeding based on a finding that the director's or officer's action, or failure to act, was the result of active and deliberate dishonesty and was material to the cause of action adjudicated in the proceeding. This provision does not limit the ability of Aimco or its stockholders to obtain other relief, such as an injunction or rescission.

Aimco's charter and bylaws require Aimco to indemnify its directors and officers and permits Aimco to indemnify certain other parties to the fullest extent permitted from time to time by Maryland law. Maryland law permits a corporation to indemnify its directors, officers and certain other parties against judgments, penalties, fines, settlements and reasonable expenses actually incurred by them in connection with any proceeding to which they may be made a party by reason of their service to or at the request of the corporation, unless it is established that (i) the act or omission of the indemnified party was material to the matter giving rise to the proceeding and was committed in bad faith or was the result of active and deliberate dishonesty, (ii) the indemnified party actually received an improper personal benefit in money, property or services or (iii) in the case of any criminal proceeding, the indemnified party had reasonable cause to believe that the act or omission was unlawful. Indemnification may be made against judgments, penalties, fines, settlements and reasonable expenses actually incurred by the director or officer in connection with the proceeding; provided, however, that if the proceeding is one by or in the right of the corporation, indemnification may not be made with respect to any proceeding in which the director or officer has been adjudged to be liable to the corporation. In addition, a director or officer may not be indemnified with respect to any proceeding charging improper personal benefit to the director or officer, whether or not involving action in the director's or officer's official capacity, in which the director or officer was adjudged to be liable on the basis that personal benefit was improperly received. The termination of any proceeding by conviction, or upon a plea of nolo contendere or its equivalent, or an entry of any order of probation prior to judgment, creates a rebuttable presumption that the director or officer did not meet the requisite standard of conduct required for indemnification to be permitted. It is the position of the SEC that indemnification of directors and officers for liabilities arising under the Securities Act is against public policy and is unenforceable pursuant to Section 14 of the Securities Act.

Aimco has entered into agreements with certain of its officers, pursuant to which Aimco has agreed to indemnify such officers to the fullest extent permitted by applicable law.

Section 10.6 of Apartment Investment and Management Company 2007 Stock Award and Incentive Plan, or the 2007 Plan, specifically provides that, to the fullest extent permitted by law, each of the members of the Board of Directors of Aimco, the Compensation Committee of the board of directors and each of the directors, officers and employees of Aimco, any Aimco subsidiary, Aimco OP and any subsidiary of the Aimco OP shall be held harmless and indemnified by Aimco for any liability, loss (including amounts paid in settlement), damages or expenses (including reasonable attorneys' fees) suffered by virtue of any determinations, acts or failures to act, or alleged acts or failures to act, in connection with the administration of the 2007 Plan, so long as such person is not determined by a final adjudication to be guilty of willful misconduct with respect to such determination, action or failure to act.

The Aimco OP partnership agreement requires Aimco OP to indemnify its directors and officers to the fullest extent authorized by applicable law against any and all losses, claims, damages, liabilities, joint or several, expenses (including, without limitation, attorney's fees and other legal fees and expenses), judgments, fines, settlements and other amounts arising from any and all claims, demands, actions, suits or proceedings, civil, criminal, administrative or investigative, that relate to the operations of Aimco OP. Such indemnification continues after the director or officer ceases to be a director or officer. The right to indemnification includes the right to be paid by Aimco OP the expenses incurred in defending any proceeding in advance of its final disposition upon the delivery of an

II-1

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**Table of Contents**

undertaking by or on behalf of the indemnitee to repay all amounts advanced if a final judicial decision is rendered that such indemnitee did not meet the standard of conduct permitting indemnification under the Aimco OP partnership agreement or applicable law.

Aimco OP maintains insurance, at its expense, to protect against any liability or loss, regardless of whether any director or officer is entitled to indemnification under the Aimco OP partnership agreement or applicable law.

Directors and officers of Fox GP, the general partner of Fox, are also officers of Aimco, and as such, are entitled to indemnification as described above with respect to the directors and officers of Aimco.

**Item 21. Exhibits.**

(a) *Exhibits.* An index to exhibits appears below and is incorporated herein by reference. The agreements included as exhibits to this registration statement contain representations and warranties by each of the parties to the applicable agreement. These representations and warranties have been made solely for the benefit of the other parties to the applicable agreement and:

should not in all instances be treated as categorical statements of fact, but rather as a way of allocating the risk to one of the parties if those statements prove to be inaccurate;

have been qualified by disclosures that were made to the other party in connection with the negotiation of the applicable agreement, which disclosures are not necessarily reflected in the agreement;

may apply standards of materiality in a way that is different from what may be viewed as material to you or other investors; and

were made only as of the date of the applicable agreement or such other date or dates as may be specified in the agreement and are subject to more recent developments.

Accordingly, these representations and warranties may not describe the actual state of affairs as of the date they were made or at any other time. Aimco and Aimco OP acknowledge that, notwithstanding the inclusion of the foregoing cautionary statements, they are responsible for considering whether additional specific disclosures of material information regarding material contractual provisions are required to make the statements in this registration statement not misleading. Additional information about Aimco and Aimco OP may be found elsewhere in this registration statement and Aimco's and Aimco OP's other public filings, which are available without charge through the SEC's website at <http://www.sec.gov>. See "Where You Can Find Additional Information" in the information statement/prospectus that forms a part of this registration statement.

(b) *Financial Statement Schedules.* None required.

(c) *Reports, Opinions or Appraisals.* The appraisal report by KTR Real Estate Advisors LLC related to the property is filed as an exhibit to the registration statement filed with the SEC.

**Item 22. Undertakings.**

(a) Each of the undersigned registrants hereby undertakes:

(1) To file, during any period in which offers or sales are being made, a post-effective amendment to this registration statement:

(i) To include any prospectus required by section 10(a)(3) of the Securities Act of 1933;

(ii) To reflect in the prospectus any facts or events arising after the effective date of the registration statement (or the most recent post-effective amendment thereof) which, individually or in the aggregate, represent a fundamental change in the information set forth in the registration statement. Notwithstanding the foregoing, any increase or decrease in volume of securities offered (if the total dollar value of securities offered would not exceed that which was registered) and any deviation from the low or high end of the estimated maximum offering range may be reflected in the form of prospectus filed with the SEC pursuant to Rule 424(b) if, in the aggregate, the changes in volume and price represent no more than a

II-2

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**Table of Contents**

20% change in the maximum aggregate offering price set forth in the Calculation of Registration Fee table in the effective registration statement;

(iii) To include any material information with respect to the plan of distribution not previously disclosed in the registration statement or any material change to such information in the registration statement;

(2) That, for the purpose of determining any liability under the Securities Act of 1933, each such post-effective amendment shall be deemed to be a new registration statement relating to the securities offered therein, and the offering of such securities at that time shall be deemed to be the initial bona fide offering thereof.

(3) To remove from registration by means of a post-effective amendment any of the securities being registered which remain unsold at the termination of the offering.

(4) That, for the purpose of determining liability under the Securities Act of 1933 to any purchaser, the undersigned registrant undertakes that each prospectus filed pursuant to Rule 424(b) as part of a registration statement relating to an offering, other than registration statements relying on Rule 430B or other than prospectuses filed in reliance on Rule 430A (§ 230.430A of this chapter), shall be deemed to be part of and included in the registration statement as of the date it is first used after effectiveness. Provided, however, that no statement made in a registration statement or prospectus that is part of the registration statement or made in a document incorporated or deemed incorporated by reference into the registration statement or prospectus that is part of the registration statement will, as to a purchaser with a time of contract of sale prior to such first use, supersede or modify any statement that was made in the registration statement or prospectus that was part of the registration statement or made in any such document immediately prior to such date of first use.

(5) That, for the purpose of determining liability of the registrant under the Securities Act to any purchaser in the initial distribution of the securities:

(i) The undersigned registrant undertakes that in a primary offering of securities of the undersigned registrant pursuant to this registration statement, regardless of the underwriting method used to sell the securities to the purchaser, if the securities are offered or sold to such purchaser by means of any of the following communications, the undersigned registrant will be a seller to the purchaser and will be considered to offer or sell such securities to such purchaser:

(a) Any preliminary prospectus or prospectus of the undersigned registrant relating to the offering required to be filed pursuant to Rule 424;

(b) Any free writing prospectus relating to the offering prepared by or on behalf of the undersigned registrant or used or referred to by the undersigned registrant;

(c) The portion of any other free writing prospectus relating to the offering containing material information about the undersigned registrant or its securities provided by or on behalf of the undersigned registrant; and

(d) Any other communication that is an offer in the offering made by the undersigned registrant to the purchaser.

(6) That for purposes of determining any liability under the Securities Act of 1933, each filing of the Registrant's annual report pursuant to Section 13(a) or Section 15(d) of the Exchange Act (and, where applicable, each filing of an employee benefit plan's annual report pursuant to Section 15(d) of the Exchange Act) that is incorporated by reference in the registration statement shall be deemed to be a new registration statement relating to the securities offered therein, and the offering of such securities at that time shall be deemed to be the initial bona fide offering thereof.



(7) That prior to any public reoffering of the securities registered hereunder through use of a prospectus which is a part of this registration statement, by any person or party who is deemed to be an underwriter within the meaning of Rule 145(c), the issuer undertakes that such reoffering prospectus will contain the information

II-3

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**Table of Contents**

called for by the applicable registration form with respect to reofferings by persons who may be deemed underwriters, in addition to the information called for by the other Items of the applicable form.

(8) That every prospectus (i) that is filed pursuant to paragraph (5) immediately preceding, or (ii) that purports to meet the requirements of Section 10(a)(3) of the Securities Act and is used in connection with an offering of securities subject to Rule 415, will be filed as a part of an amendment to the registration statement and will not be used until such amendment is effective, and that, for purposes of determining any liability under the Securities Act of 1933, each such post-effective amendment shall be deemed to be a new registration statement relating to the securities offered therein, and the offering of such securities at that time shall be deemed to be the initial bona fide offering thereof.

(9) Insofar as indemnification for liabilities arising under the Securities Act of 1933 may be permitted to directors, officers and controlling persons of the registrant pursuant to the foregoing provisions, or otherwise, the registrant has been advised that in the opinion of the SEC such indemnification is against public policy as expressed in the Securities Act of 1933 and is, therefore, unenforceable. In the event that a claim for indemnification against such liabilities (other than the payment by the registrant of expenses incurred or paid by a director, officer or controlling person of the registrant in the successful defense of any action, suit or proceeding) is asserted by such director, officer or controlling person in connection with the securities being registered, the registrant will, unless in the opinion of its counsel the matter has been settled by controlling precedent, submit to a court of appropriate jurisdiction the question whether such indemnification by it is against public policy as expressed in the Securities Act and will be governed by the final adjudication of such issue.

(10) To respond to requests for information that is incorporated by reference into the information statement/prospectus pursuant to Item 4, 10(b), 11, or 13 of this form, within one business day of receipt of such request, and to send the incorporated documents by first class mail or other equally prompt means. This includes information contained in documents filed subsequent to the effective date of the registration statement through the date of responding to the request.

(11) To supply by means of a post-effective amendment all information concerning a transaction, and the company being acquired involved therein, that was not the subject of and included in the registration statement when it became effective.

**Table of Contents****SIGNATURES**

Pursuant to the requirements of the Securities Act of 1933, the registrant has duly caused this registration statement to be signed on its behalf by the undersigned, thereunto duly authorized, in the City of Denver, State of Colorado, October 12, 2010.

## APARTMENT INVESTMENT AND MANAGEMENT COMPANY

By: /s/ TERRY CONSIDINE

Name: Terry Considine

Title: Chairman of the Board, Chief Executive Officer

**POWER OF ATTORNEY**

Each person whose signature appears below authorizes Terry Considine and Ernest M. Freedman, and each of them, each of whom may act without joinder of the other, as his or her true and lawful attorneys-in-fact and agents, with full power of substitution and reconstitution, for him or her and in his or her name, place and stead, in any and all capacities to execute in the name of each such person who is then an officer or director of Aimco, and to file any amendments (including post effective amendments) to this Registration Statement and any registration statement for the same offering filed pursuant to Rule 462 under the Securities Act of 1933, and to file the same, with all exhibits thereto and all other documents in connection therewith, with the SEC, granting unto said attorneys-in-fact and agents full power and authority to do and perform each and every act and thing appropriate or necessary to be done, as fully and for all intents and purposes as he or she might or could do in person, hereby ratifying and confirming all that said attorney s-in-fact and agents or their substitute or substitutes may lawfully do or cause to be done by virtue hereof.

Pursuant to the requirements of the Securities Act of 1933, this registration statement has been signed by the following persons in the capacities and on the dates indicated.

<b>Signature</b>	<b>Title</b>	<b>Date</b>
/s/ TERRY CONSIDINE Terry Considine	Chairman of the Board and Chief Executive Officer (principal executive officer)	October 12, 2010
/s/ ERNEST M. FREEDMAN Ernest M. Freedman	Executive Vice President and Chief Financial Officer (principal financial officer)	October 12, 2010
/s/ PAUL BELDIN Paul Beldin	Senior Vice President and Chief Accounting Officer (principal accounting officer)	October 12, 2010
/s/ JAMES N. BAILEY James N. Bailey	Director	October 12, 2010

/s/ RICHARD S. ELLWOOD

Director

October 12, 2010

Richard S. Ellwood

II-5

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**Table of Contents**

<b>Signature</b>	<b>Title</b>	<b>Date</b>
/s/ THOMAS L. KELTNER Thomas L. Keltner	Director	October 12, 2010
/s/ J. LANDIS MARTIN J. Landis Martin	Director	October 12, 2010
/s/ ROBERT A. MILLER Robert A. Miller	Director	October 12, 2010
/s/ MICHAEL A. STEIN Michael A. Stein	Director	October 12, 2010
/s/ KATHLEEN M. NELSON Kathleen M. Nelson	Director	October 12, 2010

**Table of Contents****SIGNATURES**

Pursuant to the requirements of the Securities Act of 1933, the registrant has duly caused this registration statement to be signed on its behalf by the undersigned, thereunto duly authorized, in the City of Denver, State of Colorado, October 12, 2010.

AIMCO PROPERTIES, L.P.

By: AIMCO-GP, Inc., its General Partner

By: /s/ TERRY CONSIDINE

Name: Terry Considine

Title: Chairman of the Board and Chief Executive Officer

**POWER OF ATTORNEY**

Each person whose signature appears below authorizes Terry Considine and Ernest M. Freedman, and each of them, each of whom may act without joinder of the other, as his or her true and lawful attorneys-in-fact and agents, with full power of substitution and reconstitution, for him or her and in his or her name, place and stead, in any and all capacities to execute in the name of each such person who is then an officer or director of Aimco, and to file any amendments (including post effective amendments) to this Registration Statement and any registration statement for the same offering filed pursuant to Rule 462 under the Securities Act of 1933, and to file the same, with all exhibits thereto and all other documents in connection therewith, with the SEC, granting unto said attorneys-in-fact and agents full power and authority to do and perform each and every act and thing appropriate or necessary to be done, as fully and for all intents and purposes as he or she might or could do in person, hereby ratifying and confirming all that said attorney s-in-fact and agents or their substitute or substitutes may lawfully do or cause to be done by virtue hereof.

Pursuant to the requirements of the Securities Act of 1933, this registration statement has been signed by the following persons in the capacities and on the dates indicated.

<b>Signature</b>	<b>Title</b>	<b>Date</b>
/s/ TERRY CONSIDINE Terry Considine	Chairman of the Board and Chief Executive Officer of the registrant s general partner (principal executive officer)	October 12, 2010
/s/ MILES CORTEZ Miles Cortez	Director, Executive Vice President and Chief Administrative Officer of the registrant s general partner	October 12, 2010
/s/ ERNEST M. FREEDMAN Ernest M. Freedman	Executive Vice President and Chief Financial Officer of the registrant s general partner (principal financial officer)	October 12, 2010
/s/ PAUL BELDIN Paul Beldin	Senior Vice President and Chief Accounting Officer of the registrant s general partner (principal accounting	October 12, 2010

officer)

II-7

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**Table of Contents****INDEX TO EXHIBITS(1)(2)**

<b>Exhibit Number</b>	<b>Description</b>
2.1	Agreement and Plan of Merger, dated as of October 8, 2010 by and among Fox Strategic Housing Income Partners, Aimco Fox Merger Sub LLC and Aimco Properties, L.P. (Annex A to the Information Statement/Prospectus filed hereto)
3.1	Charter of Apartment Investment and Management Company (Exhibit 3.1 to Aimco's Annual Report on Form 10-K for the year ended December 31, 2008, is incorporated herein by this reference)
3.2	Amended and Restated Bylaws of Apartment Investment and Management Company (Exhibit 3.2 to Aimco's Current Report on Form 8-K dated February 4, 2010, is incorporated herein by this reference)
3.3	Fourth Amended and Restated Agreement of Limited Partnership of AIMCO Properties, L.P., dated as of July 29, 1994, as amended and restated as of February 28, 2007 (Exhibit 10.1 to Aimco's Annual Report on Form 10-K for the year ended December 31, 2006, is incorporated herein by this reference)
3.4	First Amendment to Fourth Amended and Restated Agreement of Limited Partnership of AIMCO Properties, L.P., dated as of December 31, 2007 (Exhibit 10.1 to Aimco's Current Report on Form 8-K, dated December 31, 2007, is incorporated herein by this reference)
3.5	Second Amendment to the Fourth Amended and Restated Agreement of Limited Partnership of AIMCO Properties, L.P., dated as of July 30, 2009 (Exhibit 10.1 to Aimco's Quarterly Report on Form 10-Q for the quarterly period ended June 30, 2009, is incorporated herein by this reference)
5.1	Opinion of Alston & Bird LLP regarding the validity of the Common OP Units being registered.
5.2	Opinion of DLA Piper regarding the validity of the Class A Common Stock issuable upon redemption of the Common OP Units
8.1	Opinion of Skadden, Arps, Slate, Meagher & Flom LLP regarding certain tax matters
10.1	Amended and Restated Secured Credit Agreement, dated as of November 2, 2004, by and among Aimco, AIMCO Properties, L.P., AIMCO/Bethesda Holdings, Inc., and NHP Management Company as the borrowers and Bank of America, N.A., Keybank National Association, and the Lenders listed therein (Exhibit 4.1 to Aimco's Quarterly Report on Form 10-Q for the quarterly period ended September 30, 2004, is incorporated herein by this reference)
10.2	First Amendment to Amended and Restated Secured Credit Agreement, dated as of June 16, 2005, by and among Aimco, AIMCO Properties, L.P., AIMCO/Bethesda Holdings, Inc., and NHP Management Company as the borrowers and Bank of America, N.A., Keybank National Association, and the Lenders listed therein (Exhibit 10.1 to Aimco's Current Report on Form 8-K, dated June 16, 2005, is incorporated herein by this reference)
10.3	Second Amendment to Amended and Restated Senior Secured Credit Agreement, dated as of March 22, 2006, by and among Aimco, AIMCO Properties, L.P., and AIMCO/Bethesda Holdings, Inc., as the borrowers, and Bank of America, N.A., Keybank National Association, and the lenders listed therein (Exhibit 10.1 to Aimco's Current Report on Form 8-K, dated March 22, 2006, is incorporated herein by this reference)
10.4	Third Amendment to Senior Secured Credit Agreement, dated as of August 31, 2007, by and among Apartment Investment and Management Company, AIMCO Properties, L.P., and AIMCO/Bethesda Holdings, Inc., as the Borrowers, the pledgors and guarantors named therein, Bank of America, N.A., as administrative agent and Bank of America, N.A., Keybank National Association and the other lenders listed therein (Exhibit 10.1 to Aimco's Current Report on Form 8-K, dated August 31, 2007, is incorporated herein by this reference)
10.5	Fourth Amendment to Senior Secured Credit Agreement, dated as of September 14, 2007, by and among Apartment Investment and Management Company, AIMCO Properties, L.P., and AIMCO/Bethesda



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Holdings, Inc., as the Borrowers, the pledgors and guarantors named therein, Bank of America, N.A., as administrative agent and Bank of America, N.A., Keybank National Association and the other lenders listed therein (Exhibit 10.1 to Aimco's Current Report on Form 8-K, dated September 14, 2007, is incorporated herein by this reference)

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**Table of Contents**

<b>Exhibit Number</b>	<b>Description</b>
10.6	Fifth Amendment to Senior Secured Credit Agreement, dated as of September 9, 2008, by and among Apartment Investment and Management Company, AIMCO Properties, L.P., and AIMCO/Bethesda Holdings, Inc., as the Borrowers, the pledgors and guarantors named therein, Bank of America, N.A., as administrative agent and Bank of America, N.A., Keybank National Association and the other lenders listed therein (Exhibit 10.1 to Aimco's Current Report on Form 8-K, dated September 11, 2008, is incorporated herein by this reference)
10.7	Sixth Amendment to Senior Secured Credit Agreement, dated as of May 1, 2009, by and among Apartment Investment and Management Company, AIMCO Properties, L.P., and AIMCO/Bethesda Holdings, Inc., as the Borrowers, the pledgors and guarantors named therein, Bank of America, N.A., as administrative agent and Bank of America, N.A., Keybank National Association and the other lenders listed therein (Exhibit 10.1 to Aimco's Quarterly Report on Form 10-Q for the quarterly period ended March 31, 2009, is incorporated herein by this reference)
10.8	Seventh Amendment to Senior Secured Credit Agreement, dated as of August 4, 2009, by and among Apartment Investment and Management Company, AIMCO Properties, L.P., and AIMCO/Bethesda Holdings, Inc., as the Borrowers, the pledgors and guarantors named therein and the lenders party thereto (Exhibit 10.1 to Aimco's Current Report on Form 8-K, dated August 6, 2009, is incorporated herein by this reference)
10.9	Eighth Amendment to Senior Secured Credit Agreement, dated as of February 3, 2010, by and among Apartment Investment and Management Company, AIMCO Properties, L.P., and AIMCO/Bethesda Holdings, Inc., as the Borrowers, the pledgors and guarantors named therein and the lenders party thereto (Exhibit 10.1 to Aimco's Current Report on Form 8-K, dated February 5, 2010, is incorporated herein by this reference)
10.10	Ninth Amendment to Amended and Restated Senior Secured Credit Agreement, dated as of May 14, 2010, by and among Apartment Investment and Management Company, AIMCO Properties, L.P., and AIMCO/Bethesda Holdings, Inc., as the borrowers, the guarantors and the pledgors named therein and the lenders party thereto (Exhibit 10.1 to Aimco's Quarterly Report on Form 10-Q for the quarterly period ended June 30, 2010, is incorporated herein by this reference)
10.11	Tenth Amendment to Senior Secured Credit Agreement, dated as of September 29, 2010, by and among Apartment Investment and Management Company, AIMCO Properties, L.P., and AIMCO/Bethesda Holdings, Inc., as the Borrowers, the pledgors and guarantors named therein and the lenders party thereto (Exhibit 10.1 to Aimco's Current Report on Form 8-K, dated September 29, 2010, is incorporated herein by this reference)
10.12	Master Indemnification Agreement, dated December 3, 2001, by and among Apartment Investment and Management Company, AIMCO Properties, L.P., XYZ Holdings LLC, and the other parties signatory thereto (Exhibit 2.3 to Aimco's Current Report on Form 8-K, dated December 6, 2001, is incorporated herein by this reference)
10.13	Tax Indemnification and Contest Agreement, dated December 3, 2001, by and among Apartment Investment and Management Company, National Partnership Investments, Corp., and XYZ Holdings LLC and the other parties signatory thereto (Exhibit 2.4 to Aimco's Current Report on Form 8-K, dated December 6, 2001, is incorporated herein by this reference)
10.14	Limited Liability Company Agreement of AIMCO JV Portfolio #1, LLC dated as of December 30, 2003 by and among AIMCO BRE I, LLC, AIMCO BRE II, LLC and SRV-AJVP#1, LLC (Exhibit 10.54 to Aimco's Annual Report on Form 10-K for the year ended December 31, 2003, is incorporated herein by this reference)
10.15	

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Employment Contract executed on December 29, 2008, by and between AIMCO Properties, L.P. and Terry Considine (Exhibit 10.1 to Aimco's Current Report on Form 8-K, dated December 29, 2008, is incorporated herein by this reference)\*

- 10.16 Apartment Investment and Management Company 1997 Stock Award and Incentive Plan (October 1999) (Exhibit 10.26 to Aimco's Annual Report on Form 10-K for the year ended December 31, 1999, is incorporated herein by this reference)\*
  - 10.17 Form of Restricted Stock Agreement (1997 Stock Award and Incentive Plan) (Exhibit 10.11 to Aimco's Quarterly Report on Form 10-Q for the quarterly period ended September 30, 1997, is incorporated herein by this reference)\*
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**Table of Contents**

<b>Exhibit Number</b>	<b>Description</b>
10.18	Form of Incentive Stock Option Agreement (1997 Stock Award and Incentive Plan) (Exhibit 10.42 to Aimco's Annual Report on Form 10-K for the year ended December 31, 1998, is incorporated herein by this reference)*
10.19	2007 Stock Award and Incentive Plan (incorporated by reference to Appendix A to Aimco's Proxy Statement on Schedule 14A filed with the Securities and Exchange Commission on March 20, 2007)*
10.20	Form of Restricted Stock Agreement (Exhibit 10.2 to Aimco's Current Report on Form 8-K, dated April 30, 2007, is incorporated herein by this reference)*
10.21	Form of Non-Qualified Stock Option Agreement (Exhibit 10.3 to Aimco's Current Report on Form 8-K, dated April 30, 2007, is incorporated herein by this reference)*
10.22	2007 Employee Stock Purchase Plan (incorporated by reference to Appendix B to Aimco's Proxy Statement on Schedule 14A filed with the Securities and Exchange Commission on March 20, 2007)*
21.1	List of Subsidiaries (Exhibit 21.1 to Aimco's Annual Report of Form 10-K for the year ended December 31, 2009 is incorporated herein by this reference)
23.1	Consent of Independent Registered Public Accounting Firm
23.2	Consent of Independent Registered Public Accounting Firm
23.3	Consent of Independent Registered Public Accounting Firm
23.4	Consent of Alston & Bird LLP (included in Exhibit 5.1)
23.5	Consent of DLA Piper (included in Exhibit 5.2)
23.6	Consent of Skadden, Arps, Slate, Meagher & Flom LLP (included in Exhibit 8.1)
23.7	Consent of KTR Real Estate Advisors LLC
24.1	Powers of Attorney
99.1	Appraisal Report, dated as of June 1, 2010, by KTR Real Estate Advisors LLC, related to The Views at Vinings Mountain Apartments.

(1) Schedule and supplemental materials to the exhibits have been omitted but will be provided to the Securities and Exchange Commission upon request.

(2) The file reference number for all exhibits is 001-13232, and all such exhibits remain available pursuant to the Records Control Schedule of the Securities and Exchange Commission.

\* Indicates a management contract or compensatory plan or arrangement.