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AMERICAN INSURED MORTGAGE INVESTORS

Form 10-K

March 26, 2001

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

FORM 10-K
ANNUAL REPORT PURSUANT TO SECTION 13 OR 15(d) OF
THE SECURITIES EXCHANGE ACT OF 1934

For the fiscal year ended December 31, 2000 Commission file number 1-11060

AMERICAN INSURED MORTGAGE INVESTORS
(Exact name of registrant as specified in it's charter)

California 13-3180848
(State or other jurisdiction of (I.R.S. Employer
Incorporation or organization) Identification No.)

11200 Rockville Pike
Rockville, Maryland 20852
(301) 816-2300
(Address, including zip code, and telephone number,
including area code, of registrant's principal executive offices)

Securities registered pursuant to Section 12(b) of the Act:

Table with 2 columns: Title of each class, Name of each exchange on which registered. Row: Depository Units of Limited Partnership Interest, American Stock Exchange

Securities registered pursuant to Section 12(g) of the Act:

None

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 [X] No []

Indicate by check mark if disclosure of delinquent filers pursuant to Item 405 of Regulation S-K 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. [X]

As of February 12, 2001, 10,000,125 depository units of limited partnership interest were outstanding and the aggregate market value of such units held by non-affiliates of the Registrant on such date was \$24,470,796.

Documents incorporated by Reference

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None

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2000 ANNUAL REPORT ON FORM 10-K

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PART I

ITEM 1. BUSINESS

FORWARD-LOOKING STATEMENTS. When used in this Annual Report on Form 10-K, the words "believes," "anticipates," "expects," "contemplates," and similar expressions are intended to identify forward-looking statements. Statements looking forward in time are included in this Annual Report on Form 10-K pursuant to the "safe harbor" provision of the Private Securities Litigation Reform Act

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of 1995. Such statements are subject to certain risks and uncertainties, which could cause actual results to differ materially. Accordingly, the following information contains or may contain forward-looking statements: (1) information included or incorporated by reference in this Annual Report on Form 10-K, including, without limitation, statements made under Item 7, Management's Discussion and Analysis of Financial Condition and Results of Operations, (2) information included or incorporated by reference in future filings by the Partnership with the Securities and Exchange Commission including, without limitation, statements with respect to growth, projected revenues, earnings, returns and yields on its portfolio of mortgage assets, the impact of interest rates, costs and business strategies and plans and (3) information contained in written material, releases and oral statements issued by or on behalf of, the Partnership, including, without limitation, statements with respect to growth, projected revenues, earnings, returns and yields on its portfolio of mortgage assets, the impact of interest rates, costs and business strategies and plans. Factors which may cause actual results to differ materially from those contained in the forward-looking statements identified above include, but are not limited to (i) regulatory and litigation matters, (ii) interest rates, (iii) trends in the economy, (iv) prepayment of mortgages and (v) defaulted mortgages. Readers are cautioned not to place undue reliance on these forward-looking statements, which speak only of the date hereof. The Partnership undertakes no obligation to publicly revise these forward-looking statements to reflect events or circumstances occurring after the date hereof or to reflect the occurrence of unanticipated events.

Development and Description of Business

Information concerning the business of American Insured Mortgage Investors (the "Partnership") is contained in Part II, Item 7, Management's Discussion and Analysis of Financial Condition and Results of Operations and in Notes 1, 5, 6 and 7 of the Notes to Financial Statements of the Partnership (filed in response to Item 8 hereof), all of which are incorporated by reference herein. See also Schedule IV-Mortgage Loans on Real Estate for the table of the Insured Mortgages (as defined below) invested in by the Partnership as of December 31, 2000, which is hereby incorporated by reference herein.

Employees

The Partnership has no employees. The business of the Partnership is managed by CRIIMI, Inc. (the "General Partner"), while its portfolio of mortgages is managed by AIM Acquisition Partners, L.P. (the "Advisor") pursuant to an advisory agreement (the "Advisory Agreement"). The General Partner is a wholly owned subsidiary of CRIIMI MAE Inc. ("CRIIMI MAE").

The general partner of the Advisor is AIM Acquisition Corporation ("AIM Acquisition") and the limited partners include, but are not limited to, AIM Acquisition, The Goldman Sachs Group, L.P., Sun America Investments, Inc. (successor to Broad, Inc.) and CRI/AIM Investment, L.P., an affiliate of CRIIMI MAE. AIM Acquisition is a Delaware corporation that is primarily owned by Sun America Investments, Inc. and The Goldman Sachs Group, L.P.

Under the Advisory Agreement, the Advisor will render services to the Partnership, including but not limited to, the management of the Partnership's portfolio of mortgages and the disposition of the Partnership's mortgages. Such services will be subject to the review and ultimate authority of the General Partner. However, the General Partner is required to receive the consent of the Advisor prior to taking certain significant actions, including but not limited to the disposition of mortgages, any transaction or agreement with the General Partner, or its affiliates, or any material change as to policies regarding distributions or reserves of the Partnership. The Advisor is permitted to

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delegate the performance of services pursuant to a sub-advisory agreement (the "Sub-Advisory Agreement"). The delegation of such services will not relieve the Advisor of its obligation to perform such services. CRIIMI MAE Services Limited Partnership ("CMSLP"), an affiliate of CRIIMI MAE, manages the Partnership's portfolio, pursuant to the Sub-Advisory Agreement. The general partner of CMSLP is CRIIMI MAE Services, Inc., an affiliate of CRIIMI MAE.

Competition

In disposing of mortgage investments, the Partnership competes with private investors, mortgage banking companies, mortgage brokers, state and local government agencies, lending institutions, trust funds, pension funds, and other entities, some with similar objectives to those of the Partnership and some of which are or may be affiliates of the Partnership, its General Partner, the Advisor, CMSLP or their respective affiliates. Some of these entities may have substantially greater capital resources and experience in disposing of Federal Housing Administration ("FHA") insured mortgages than the Partnership.

CRIIMI MAE and its affiliates also may serve as general partners, sponsors or managers of real estate limited partnerships, REITS or other entities in the future. The Partnership may attempt to dispose of mortgage investments at or about the same time that CRIIMI MAE, one or more of the "AIM Funds" (defined as the Partnership, American Insured Mortgage Investors - Series 85, L.P. ("AIM 85"), American Insured Mortgage Investors L.P. - Series 86 ("AIM 86") and American Insured Mortgage Investors L.P. - Series 88 ("AIM 88")), and/or other entities sponsored or managed by CRIIMI MAE or its affiliates, are attempting to dispose of mortgages. As a result of market conditions that could limit dispositions, CMSLP and its affiliates could be faced with conflicts of interest in determining which mortgages would be disposed of. Both CMSLP and the General Partner, however, are subject to their fiduciary duties in evaluating the appropriate action to be taken when faced with such conflicts.

ITEM 2. PROPERTIES

Although the Partnership does not own the underlying real estate, the mortgages underlying the Partnership's mortgage investments are non-recourse first liens on the respective multifamily residential developments.

ITEM 3. LEGAL PROCEEDINGS

There are no material legal proceedings to which the Partnership is a party.

ITEM 4. SUBMISSION OF MATTERS TO A VOTE OF SECURITY HOLDERS

No matters were submitted to the security holders to be voted on during the fourth quarter of 2000.

PART II

ITEM 5. MARKET FOR REGISTRANT'S SECURITIES AND RELATED SECURITY HOLDER MATTERS

Principal Market and Market Price for Units and Distributions

The Units are traded on the American Stock Exchange ("AMEX") with a trading symbol of "AIA". The high and low trade prices for the Units as reported on AMEX and the distributions, as applicable, for each quarterly period in 2000 and 1999

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were as follows:

Quarter Ended -----	High ----	2000 Low ---	Amou Distr Per ----
March 31	\$ 2.5625	\$ 2.2500	\$ 0.
June 30	2.6250	2.1250	0.
September 30	2.4375	2.1250	0.
December 31	2.4375	2.1875	0.

Quarter Ended -----	High ----	1999 Low ---	Amou Distr Per ----
March 31	\$ 2.8750	\$ 2.5000	\$ 0.
June 30	2.7500	2.3750	0.
September 30	2.5625	2.3750	0.
December 31	2.6250	2.3750	0.

(1) This amount includes approximately \$0.12 per Unit due to redemption of debentures received from the assignment of the mortgage on Portervillage I Apartments. This amount was received from an affiliate of the Partnership, AIM 85. The debenture was issued to AIM 85, since the mortgage on Portervillage I Apartments was owned 50% by the Partnership and 50% by AIM 85.

(2) This amount includes approximately \$0.04 per Unit representing net proceeds from the prepayment of the mortgage on Lakeside Apartments.

There are no material legal restrictions upon the Partnership's present or future ability to make distributions in accordance with the provisions of the partnership agreement.

Title of Class -----	Approximate Number of Unitholders as of December 31, 2000 -----
Depository Units of Limited Partnership Interest	7,000

ITEM 6. SELECTED FINANCIAL DATA
(Dollars in thousands, except per Unit amounts)

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	2000 ----	For the years ended December 31,		
		1999 ----	1998 ----	1997 ----
Income	\$ 2,279	\$ 2,354	\$ 3,191	\$ 3,415
Net gains (losses) from mortgage dispositions	188	67	1,290	--
Net earnings	2,011	1,925	3,978	2,879
Net earnings per Limited Partnership Unit - Basic (1)	\$ 0.20	\$ 0.19	\$ 0.39	\$ 0.28
Distributions per Limited Partnership Unit (1)(2)	\$ 0.20	\$ 0.36	\$ 1.29	\$ 0.29

	2000 ----	1999 ----	As of December 31,	
			1998 ----	1997 ----
Total assets	\$ 25,857	\$ 26,416	\$ 28,735	\$ 38,551
Partners' equity	25,271	25,422	27,750	37,661

- (1) Calculated based upon the weighted average number of Limited Partnership Units outstanding.
- (2) Includes distributions due the Unitholders for the Partnership's fiscal years ended December 31, 2000, 1999, 1998, 1997, and 1996 which were paid subsequent to each year end. See Notes 7 and 8 of the Notes to Financial Statements.

The selected income data presented above for the years ended December 31, 2000, 1999 and 1998 and the balance sheet data as of December 31, 2000 and 1999, are derived from and are qualified by reference to the Partnership's financial statements which have been included elsewhere in this Form 10-K. The selected income data for the years ended December 31, 1997 and 1996 and the balance sheet data as of December 31, 1998, 1997 and 1996 are derived from audited financial statements not included in this Form 10-K. This data should be read in conjunction with the Financial Statements and the Notes thereto.

ITEM 7. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

General

The following discussion and analysis contains statements that may be considered forward looking. These statements contain a number of risks and uncertainties as discussed herein and in Item 1 of this Form 10-K that could cause actual results to differ materially.

The American Insured Mortgage Investors (the "Partnership") was formed under the Uniform Limited Partnership Act in the State of California on July 12, 1983. During the period from March 1, 1984 (the initial closing date of the Partnership's public offering) through December 31, 1984, the Partnership,

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pursuant to its public offering of 10,000,000 depositary units of limited partnership interest ("Units"), raised a total of \$200,000,000 in gross proceeds. In addition, the initial limited partner contributed \$2,500 to the capital of the Partnership and received 125 Units of limited partnership interest in exchange therefor.

CRIIMI, Inc. (the "General Partner") holds a partnership interest of 2.9% and is a wholly owned subsidiary of CRIIMI MAE Inc. ("CRIIMI MAE"). AIM Acquisition Partners, L.P. (the "Advisor") serves as the advisor to the Partnership pursuant to an advisory agreement (the "Advisory Agreement").

The general partner of the Advisor is AIM Acquisition Corporation ("AIM Acquisition") and the limited partners include, but are not limited to, AIM Acquisition, The Goldman Sachs Group, L.P., Sun America Investments, Inc. (successor to Broad, Inc.) and CRI/AIM Investment, L.P., an affiliate of CRIIMI MAE. AIM Acquisition is a Delaware corporation that is primarily owned by Sun America Investments, Inc. and The Goldman Sachs Group, L.P.

Under the Advisory Agreement, the Advisor will render services to the Partnership, including but not limited to, the management of the Partnership's portfolio of mortgages and the disposition of the Partnership's mortgages. Such services will be subject to the review and ultimate authority of the General Partner. However, the General Partner is required to receive the consent of the Advisor prior to taking certain significant actions, including but not limited to the disposition of mortgages, any transaction or agreement with the General Partner, or its affiliates, or any material change as to policies regarding distributions or reserves of the Partnership. The Advisor is permitted to delegate the performance of services pursuant to a sub-advisory agreement (the "Sub-Advisory Agreement"). The delegation of such services will not relieve the Advisor of its obligation to perform such services. CRIIMI MAE Services Limited Partnership ("CMSLP"), an affiliate of CRIIMI MAE, manages the Partnership's portfolio, pursuant to the Sub-Advisory Agreement. The general partner of CMSLP is CRIIMI MAE Services, Inc., an affiliate of CRIIMI MAE.

Mortgage Investments

Prior to the expiration of the Partnership's reinvestment period in November 1988, the Partnership was engaged in the business of originating mortgage loans ("Originated Insured Mortgages") and acquiring mortgage loans ("Acquired Insured Mortgages" and, together with Originated Insured Mortgages, referred to herein as "Insured Mortgages"). In accordance with the terms of the partnership agreement, the Partnership is no longer authorized to originate or acquire Insured Mortgages and, consequently, its primary objective is to manage its portfolio of mortgage investments, all of which are insured (as discussed below) under Section 221(d)(4) or Section 231 of the National Housing Act of 1937, as amended (the "National Housing Act"). The Partnership is a liquidating partnership and as it continues to liquidate its mortgage investments and investors receive distributions of return of capital and taxable gains, investors should expect a reduction in earnings and distributions due to the decreasing mortgage base. The partnership agreement states that the Partnership will terminate on December 31, 2008, unless previously terminated under the provisions of the partnership agreement.

As of December 31, 2000, the Partnership had invested in 11 Insured Mortgages, with an aggregate amortized cost of approximately \$22 million, a face value of approximately \$26 million and a fair value of approximately \$25 million, as discussed below.

Investment in Insured Mortgages

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The Partnership's investment in Insured Mortgages consists of FHA-insured mortgage loans ("FHA-Insured Loans") and participation certificates evidencing a 100% undivided beneficial interest in government insured multifamily mortgages issued or sold pursuant to Federal Housing Administration ("FHA") programs ("FHA-Insured Certificates"). The mortgages underlying the FHA-Insured Certificates and FHA-Insured Loans are non-recourse first liens on multifamily residential developments.

The following is a discussion of the types of the Partnership's mortgage investments, along with the risks related to each type of investment:

Investment in FHA-Insured Loans

Listed below is the Partnership's aggregate investment in FHA-Insured Loans as of December 31, 2000 and 1999:

	December 31, 2000 ----	1999 ----
Number of		
Acquired Insured Mortgages	3	
Originated Insured Mortgage	1	
Amortized Cost	\$ 12,597,098	\$ 12,751,
Face Value	14,694,371	14,941,
Fair Value	14,222,808	14,215,

All of the FHA-Insured Loans were current with respect to the payment of principal and interest as of February 16, 2001.

In addition to base interest payments received from Originated Insured Mortgages, the Partnership is entitled to additional interest based on a percentage of the net cash flow from the underlying development and of the net proceeds from the refinancing, sale or other disposition of the underlying development (referred to as "Participations"). During the years ended December 31, 2000, 1999 and 1998, the Partnership received \$0, \$0 and \$52,526, respectively, from the Participations. These amounts, if any, are included in mortgage investment income on the accompanying statements of income and comprehensive income.

Investment in FHA-Insured Certificates

Listed below is the Partnership's aggregate investment in FHA-Insured Certificates as of December 31, 2000 and 1999:

	December 31, 2000 ----	1999 ----
Number of mortgages (1)	7	
Amortized Cost	\$ 9,536,007	\$ 10,655,
Face Value	11,433,137	12,835,
Fair Value	11,258,675	12,468,

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- (1) In December 2000, HUD issued assignment proceeds in the form of a 7.125% debenture for the mortgage on Fox Run Apartments. This mortgage was owned 50% by AIM 84 and 50% by an affiliate of the Partnership, American Insured Investors - Series 85, L.P. (AIM 85). The debenture, with a face value of \$2,385,233 and a fair value of \$2,361,381, was issued to AIM 85 and will earn interest semi-annually on January 1 and July 1. The Partnership expects to receive net proceeds of approximately \$1.2 million and has recognized a gain of approximately \$188,000 for the year ended December 31, 2000. The net proceeds and accrued interest are included on the Balance Sheet in Due from affiliate. In general, AIM 85 will hold the debenture until its maturity date of June 1, 2010 or when called, whichever comes first. A distribution will be declared at that time. The servicer of this mortgage filed an application for insurance benefits under the Section 221 program of the National Housing Act of 1937 in May 2000.

All of the FHA-Insured Certificates were current with respect to the payment of principal and interest as of February 16, 2001.

Results of Operations

2000 versus 1999

Net earnings increased for 2000 as compared to 1999 primarily due to an increase in gains on mortgage dispositions. In 2000, a gain of approximately \$188,000 was realized on the assignment of the mortgage on Fox Run Apartments, as discussed above. In 1999, a gain of approximately \$67,000 was recognized from the prepayment of the mortgage on Lakeside Apartments.

Mortgage investment income decreased slightly for 2000 as compared to 1999 primarily due to the normal amortization of the mortgage base. In addition, the mortgage base decreased due to one mortgage disposition in November 1999 with a principal balance of approximately \$382,000. This represents an approximate 1.4% decrease in the aggregate principal balance of the total mortgage portfolio since October 1999.

Interest and other income decreased for 2000 as compared to 1999 primarily due to the timing of temporary investment of mortgage disposition proceeds prior to distribution.

General and administrative expenses decreased for 2000 as compared to 1999 primarily due to a decrease in temporary employment costs.

1999 versus 1998

Net earnings decreased for 1999 as compared to 1998 primarily due to a reduction in mortgage investment income and a decrease in gains on mortgage dispositions, as discussed below.

Mortgage investment income decreased for 1999 as compared 1998, primarily due to the disposition of the mortgages on Portervillage I Apartments in March 1998, Waters Edge Apartments in September 1998 and Lakeside Apartments in November 1999.

Interest and other income decreased for 1999 as compared to 1998, primarily due to the timing of temporary investment of mortgage disposition proceeds prior to distributions.

Asset management fees to related parties decreased for 1999 as compared 1998, due to the reduction in the mortgage base.

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General and administrative expenses increased for 1999 as compared 1998, primarily due to increased temporary employment costs and an increase in the cost structure of certain expenses.

Gains on mortgage dispositions decreased for 1999 as compared 1998. In 1999, a gain of approximately \$67,000 was recognized from the prepayment of the mortgage on Lakeside Apartments. In 1998, a gain of approximately \$1.1 million was recognized from the prepayment of the mortgage on Waters Edge Apartments. Also in 1998, a gain of approximately \$200,000 was recognized from the assignment of the mortgage on Portervillage I Apartments. The assignment proceeds were issued in the form of a 9.5% debenture. This mortgage was owned 50% by the Partnership and 50% by an affiliate of the Partnership, American Insured Mortgage Investors - Series 85, L.P. ("AIM 85"). The debenture, with a face value of \$2,296,098, was issued to AIM 85 and earned interest semi-annually on January 1 and July 1. In January 1999, the debenture was redeemed and the net proceeds of approximately \$1.1 million were received and distributed by the Partnership.

Liquidity and Capital Resources

On October 5, 1998, CRIIMI MAE, the parent of the General Partner, and CRIIMI MAE Management, Inc., an affiliate of CRIIMI MAE and provider of personnel and administrative services to the Partnership, filed voluntary petitions for relief under chapter 11 of title 11 of the United States Code (the "Bankruptcy Code"). Such bankruptcy filings could result in certain adverse effects to the Partnership. For example, as a debtor-in-possession, CRIIMI MAE will not be permitted to provide any available capital to the General Partner or to the general partner of CMSLP, the Partnership's sub-advisor, without approval from the Bankruptcy Court. Even though this restriction or potential loss of the availability of a potential capital resource could adversely affect the General Partner and the Partnership, CRIIMI MAE has not historically represented a significant source of capital for the General Partner or the Partnership. Such bankruptcy filings could also result in the potential need to replace CRIIMI MAE Management, Inc. as a provider of personnel and administrative services to the Partnership.

On November 22, 2000, the United States Bankruptcy Court for the District of Maryland, in Greenbelt, Maryland (the "Bankruptcy Court") confirmed CRIIMI MAE's and CRIIMI MAE Management, Inc.'s Third Amended Joint Plan of Reorganization (as amended and supplemented by praecipes filed with the Bankruptcy Court on July 13, 14 and 21, and November 22, 2000, the "Plan"). CRIIMI MAE is working to complete the debt documentation, evidencing the secured financings to be provided by (1) the unsecured creditors, and (2) Merrill Lynch Mortgage Capital, Inc. and German American Capital Corporation (collectively the "New Debt Documents"). On March 9, 2001, the Bankruptcy Court approved an extension of the date by which the Plan must be effective to April 13, 2001. The Official Committee of Unsecured Creditors had previously filed its own plan of reorganization and proposed disclosure statement, but has asked the Bankruptcy Court, subject to completion of mutually acceptable debt documentation, to defer consideration of its plan and proposed disclosure statement. There can be no assurance at this time that CRIIMI MAE will be able to complete the New Debt Documents and effectuate the Plan by April 13, 2001.

The Partnership's operating cash receipts, derived from payments of principal and interest on Insured Mortgages plus cash receipts from interest on short-term investments, are the Partnership's principal sources of cash flows, and were sufficient for the years ended December 31, 2000, 1999 and 1998 to meet operating requirements. The Partnership anticipates its cash flows to be

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sufficient to meet operating expense requirements for 2001.

The basis for paying distributions to Unitholders is net proceeds from mortgage dispositions, if any, and cash flow from operations, which includes regular interest income and principal from Insured Mortgages after paying all expenses of the Partnership. Although Insured Mortgages yield a fixed monthly mortgage payment once purchased, the cash distributions paid to the Unitholders will vary during each period due to (1) the fluctuating yields in the short-term money market where the monthly mortgage payment receipts are temporarily invested prior to the payment of quarterly distributions, (2) the reduction in the asset base resulting from monthly mortgage payments received or mortgage dispositions, (3) variations in the cash flow attributable to the delinquency or default of Insured Mortgages and professional fees and foreclosure costs incurred in connection with those Insured Mortgages and (4) variations in the Partnership's operating expenses.

Since the Partnership is obligated to distribute the Proceeds of Mortgage Prepayments, Sales and Insurance of Insured Mortgages (as defined in the partnership agreement) to its Unitholders, the size of the Partnership's portfolio will continue to decrease. The magnitude of the decrease will depend upon the size of the Insured Mortgages, which are prepaid, sold or assigned for insurance proceeds.

Cash Flow - 2000 versus 1999

Net cash provided by operating activities decreased for 2000 as compared to 1999, primarily due to an increase in the change in due from affiliate, receivables and other assets. This change is primarily due to the timing of the receipt of interest on debentures received from affiliate.

Net cash provided by investing activities decreased for 2000 as compared to 1999, due to the decrease in proceeds from mortgage dispositions and a decrease in debenture proceeds received from affiliate.

Net cash used in financing activities decreased for 2000 as compared to 1999 due to a decrease in distributions paid to partners as a result of decreases discussed above.

Cash Flow - 1999 versus 1998

Net cash provided by operating activities decreased for 1999 as compared to 1998 primarily due to a reduction in mortgage investment income.

Net cash provided by investing activities decreased for 1999 as compared to 1998, due to the decrease in proceeds from mortgage dispositions.

Net cash used in financing activities decreased for 1999 as compared to 1998 due to a decrease in distributions paid to partners as a result of decreases discussed above.

ITEM 7A. QUALITATIVE AND QUANTITATIVE DISCLOSURES ABOUT MARKET RISK

The Partnership's principal market risk is exposure to changes in interest rates in the U.S. Treasury market, which coupled with the related spread to treasury investors required for the Partnership's Insured Mortgages, will cause fluctuations in the market value of the Partnership's assets.

The table below provides information about the Partnership's Insured Mortgages, all of which were entered into for purposes other than trading. The

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table presents anticipated principal and interest cash flows based upon the assumptions used in determining the fair value of these securities and the related weighted average interest rates by expected maturity.

	2001 ----	2002 ----	2003 ----	2004 ----	2005 ----	Thereafter -----	Total -----
Insured Mortgages (in millions)	\$ 3.7	\$ 3.7	\$ 3.6	\$ 4.1	\$ 4.5	\$ 21.6	\$ 41.2
Average Interest Rate	7.48%	7.48%	7.48%	7.48%	7.48%	7.53%	7.52%

ITEM 8. FINANCIAL STATEMENTS AND SUPPLEMENTARY DATA

The information required by this Item is set forth in this Annual Report on Form 10-K commencing on page 18.

ITEM 9. CHANGES IN AND DISAGREEMENTS WITH ACCOUNTANTS ON ACCOUNTING AND FINANCIAL DISCLOSURE

None.

PART III

ITEM 10. DIRECTORS AND EXECUTIVE OFFICERS OF THE REGISTRANT

(a), (b), (c) and (e)

The Partnership has no officers or directors. CRIIMI, Inc. holds a general partnership interest of 2.9%. The affairs of the Partnership are managed by the General Partner, which is wholly owned by CRIIMI MAE, a corporation whose shares are listed on the New York Stock Exchange.

The general partner of the Advisor is AIM Acquisition and the limited partners include, but are not limited to, AIM Acquisition, The Goldman Sachs Group, L.P., Sun America Investments, Inc. (successor to Broad, Inc.) and CRI/AIM Investment, L.P., an affiliate of CRIIMI MAE. Pursuant to the terms of certain amendments to the partnership agreement, the General Partner is required to receive the consent of the Advisor prior to taking certain significant actions, including but not limited to the disposition of mortgages, any transaction or agreement with the General Partner, or its affiliates, or any material change as to policies regarding distributions or reserves of the Partnership. CMSLP, an affiliate of CRIIMI MAE, manages the Partnership's portfolio, pursuant to the Sub-Advisory Agreement. The general partner of CMSLP is CRIIMI MAE Services, Inc., an affiliate of CRIIMI MAE.

The General Partner is also the general partner of AIM 85, AIM 86 and AIM 88, limited partnerships with investment objectives similar to those of the Partnership.

The following table sets forth information concerning the executive officers and directors of CRIIMI MAE, the sole shareholder of the General Partner, as of February 20, 2001:

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Name -----	Age ---	Position -----
William B. Dockser	63	Chairman of the Board
H. William Willoughby	54	President, Secretary and Director
David B. Iannarone	40	Executive Vice President
Cynthia O. Azzara	41	Senior Vice President, Chief Financial Officer and Treasurer
Brian L. Hanson	39	Senior Vice President
Garrett G. Carlson, Sr.	63	Director
G. Richard Dunnells	63	Director
Robert Merrick	55	Director
Robert E. Woods	53	Director

William B. Dockser has served as Chairman of the Board of the General Partner since 1991. Mr. Dockser has been Chairman of the Board of CRIIMI MAE since 1989. Mr. Dockser is also the founder of C.R.I., Inc. ("CRI"), serving as its Chairman of the Board since 1974.

H. William Willoughby has served as President and Secretary of the General Partner since 1991. Mr. Willoughby has been President of CRIIMI MAE since 1990 and a Director and Secretary of CRIIMI MAE since 1989. Mr. Willoughby has been a director of CRI since 1974, Secretary of CRI from 1974 to 1990 and President of CRI since 1990.

David B. Iannarone has served as Executive Vice President of the General Partner since December 2000. Mr. Iannarone has served as Executive Vice President of CRIIMI MAE since December 2000; as Senior Vice President of CRIIMI MAE from March 1998 to December 2000; and General Counsel of CRIIMI MAE from July 1996 to December 2000. He served as Counsel-Securities and Finance for Federal Deposit Insurance Corporation/Resolution Trust Corporation from 1991 to July 1996.

Cynthia O. Azzara has served as Chief Financial Officer of the General Partner since 1994. Ms. Azzara has served as Chief Financial Officer of CRIIMI MAE since 1994. She has also served as Senior Vice President of CRIIMI MAE since 1995 and Treasurer of CRIIMI MAE since 1997, and in the Accounting and Finance Departments of CRI from 1985 to June 1995.

Brian L. Hanson has served as Senior Vice President of the General Partner since March 1998. Mr. Hanson has served as Senior Vice President of CRIIMI MAE since March 1998; Group Vice President of CRIIMI MAE from March 1996 to March 1998; and Chief Operating Officer, Director of Asset Operations and Portfolio Director of JCF Partners from 1991 to March 1996.

Garrett G. Carlson, Sr. has served as Director of the General Partner since 1989. Mr. Carlson has served as Director of CRIIMI MAE since 1989; President of Can-American Realty Corp. and Canadian Financial Corp. since 1979 and 1974, respectively; President of Garrett Real Estate Development since 1982; President

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of the Satellite Broadcasting Corporation since 1996; Chairman of the Board of SCA Realty Holdings Inc. from 1985 to 1995; and Vice Chairman of Shelter Development Corporation Ltd. from 1983 to 1995.

G. Richard Dunnells has served as Director of the General Partner since 1991. Mr. Dunnells has served as Director of CRIIMI MAE since 1991; Hiring Partner of the law firm of Holland & Knight since January 1995; and Chairman of the Washington, D.C. law firm of Dunnells & Duvall from 1989 to 1993; Senior Partner of such law firm from 1973 to 1993.

Robert J. Merrick has served as Director of the General Partner since 1997. Mr. Merrick has served as Director of CRIIMI MAE since 1997; Chief Credit Officer and Director of MCG Capital Corporation since February 1998; Executive Vice President from 1985 and Chief Credit Officer of Signet Banking Corporation through 1997, also served as Chairman of the Credit Policy Committee and member of the Asset and Liability Committee and Management Committee.

Robert E. Woods has served as Director of the General Partner since 1998. Mr. Woods has served as Director of CRIIMI MAE since 1998; Managing Director and head of loan syndications for the Americas at Societe Generale, New York since 1997; Managing Director, head of Real Estate Capital Markets and Mortgage-backed Securities division, Citicorp from 1991 to 1997, Head of Citicorp's syndications, private placements, money markets and asset-backed businesses from 1985 to 1990.

(d) There is no family relationship between any of the officers and directors of the General Partner.

(f) Involvement in certain legal proceedings.

None.

(g) Promoters and control persons.

Not applicable.

(h) Section 16 (a) Beneficial Ownership Reporting Compliance -Based solely on its review of Forms 3 and 4 and amendments thereto furnished to the Partnership, and written representations from certain reporting persons that no Form 5's were required for those persons, the Partnership believes that all reporting persons have filed on a timely basis Forms 3, 4, and 5 as required in the fiscal year ended December 31, 2000.

ITEM 11. EXECUTIVE COMPENSATION

The Partnership does not have any directors or officers. None of the directors or officers of the General Partner receive compensation from the Partnership, and the General Partner does not receive reimbursement from the Partnership for any portion of their salaries. Other information required by Item 11 is hereby incorporated by reference herein to Note 7 of the Notes to Financial Statements of the Partnership.

ITEM 12. SECURITY OWNERSHIP OF CERTAIN BENEFICIAL OWNERS AND MANAGEMENT

(a) The following table sets forth certain information regarding the beneficial ownership of Units as of February 16, 2001, by holders of more than five percent (5%) of the Partnership's Units.

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Name -----	Address -----	Number of Units -----	Percent of Class -----
Financial and Investment Management Group, Ltd.	417 St. Joseph Street P.O. Box 40 Suttins Bay, MI 49682	1,715,762	17.16%

(b) The following table sets forth certain information regarding the beneficial ownership of the Partnership's Units as of February 16, 2001 by each director of the General Partner, each named executive officer of the General Partner, and by affiliates of the Partnership. Unless otherwise indicated, each Unitholder has sole voting and investment power with respect to the Units beneficially owned.

Name -----	Amount and Nature of Units Beneficially Owned -----	Percentage of Units Outstanding -----
William B. Dockser	5,000	*
CRIIMI MAE	12,045	*

* Less than 1%

(c) There are no arrangements known to the Partnership, the operation of which may at any subsequent date result in a change in control of the Partnership.

ITEM 13. CERTAIN RELATIONSHIPS AND RELATED TRANSACTIONS

(a) Transactions with management and others.

Note 7 of the Notes to Financial Statements of the Partnership contains a discussion of the amounts, fees and other compensation paid or accrued by the Partnership to the directors and executive officers of the General Partner and their affiliates, and is hereby incorporated by reference herein.

(b) Certain business relationships.

Other than as set forth in Item 11 of this report which is hereby incorporated by reference herein, the Partnership has no business relationship with entities of which the General Partner of the Partnership are officers, directors or equity owners.

(c) Indebtedness of management.

None.

(d) Transactions with promoters.

Not applicable.

PART IV

ITEM 14. EXHIBITS, FINANCIAL STATEMENT SCHEDULES AND REPORTS ON FORM 8-K

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(a) (1) Financial Statements:

Description

Balance Sheets as of December 31, 2000 and 1999.....	
Statements of Income and Comprehensive Income for the years ended December 31, 2000, 1999 and 1998.....	
Statements of Changes in Partners' Equity for the years ended December 31, 2000, 1999 and 1998.....	
Statements of Cash Flows for the years ended December 31, 2000, 1999 and 1998.....	
Notes to Financial Statements.....	

(a) (2) Financial Statement Schedules:

IV - Mortgage Loans on Real Estate.....	
---	--

All other schedules have been omitted because they are inapplicable, not required, or the information is included in the Financial Statements or Notes thereto.

(a) (3) Exhibits:

- 4.0 Amended and Restated Certificates of Limited Partnership are incorporated by reference to Exhibit 4(a) to the Registration Statement on Form S-11 (No. 33-6747) dated June 25, 1986 (such Registration Statement, as amended, is referred to herein as the "Registration Statement").
- 4.1 Agreement of Limited Partnership, incorporated by reference to Exhibit 3 to the Registration Statement.
- 4.2 Form of Depository Receipt, incorporated by reference to Exhibit 4(b) to the Registration Statement.
- 4.3 Amendment to the Amended and Restated Agreement of Limited Partnership of the Partnership dated February 12, 1990, incorporated by reference to Exhibit 4(c) to the Partnership's Annual Report on Form 10-K for the year ended December 31, 1989.
- 4.4 Amendments to Partnership Agreement dated August 16, 1991, incorporated by reference to Exhibit 28(c) to the Partnership's Annual Report on Form 10-K for the year ended December 31, 1991.
- 10.0 Origination and Acquisition Services Agreement, dated September 1, 1983, between the Partnership and IFI, incorporated by reference to Exhibit 10(b) to the registration statement on Form S-11 (No. 2-85476) dated November 30, 1983 (such registration statement, as amended, is referred to herein as the "Initial Registration Statement").
- 10.1 Management Services Agreement, dated November 30, 1983, between the Partnership and IFI, incorporated by reference to Exhibit 10(c) to the Initial Registration Statement.

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- 10.2 Disposition Services Agreement, dated November 30, 1983, between the Partnership and IFI, incorporated by reference to Exhibit 10(d) to the Initial Registration Statement.
 - 10.3 Agreement, dated November 30, 1983, among the former managing general partner, the former associate general partner and Integrated, incorporated by reference to Exhibit 10(e) to the Initial Registration Statement.
 - 10.4 Reinvestment Plan, incorporated by reference to the Prospectus contained in the Registration Statement.
 - 10.5 Mortgage Note dated March 26, 1986 between Mastic Associates and IFI, incorporated by reference to Exhibit 10(l) to the Partnership's Annual Report on Form 10-K for the year ended December 31, 1986.
 - 10.6 Mortgage dated March 26, 1986 between Mastic Associates and IFI, incorporated by reference to Exhibit 10(m) to the Partnership's Annual Report on Form 10-K for the year ended December 31, 1986.
 - 10.7 Mortgagor/Mortgagee Agreement dated March 26, 1986 between Mastic Associates and IFI, incorporated by reference to Exhibit 10(n) to the Partnership's Annual Report on Form 10-K for the year ended December 31, 1986.
 - 10.8 Lease Agreement dated as of December 10, 1984 between NHP Land Associates, as Landlord and Mastic Associates, as Tenant, incorporated by reference to Exhibit 10(o) to the Partnership's Annual Report on Form 10-K for the year ended December 31, 1986.
 - 10.9 Purchase Agreement among AIM Acquisition, the former managing general partner, the former corporate general partner, IFI and Integrated dated as of December 1, 1990, as amended January 9, 1991, incorporated by reference to Exhibit 28(a) to the Partnership's Annual Report on Form 10-K for the year ended December 31, 1990.
 - 10.10 Purchase Agreement among CRIIMI, Inc., AIM Acquisition, the former managing general partner, the former corporate general partner, IFI and Integrated dated as of December 13, 1990 and executed as of September 6, 1991, incorporated by reference to Exhibit 28(b) to the Partnership's Annual Report on Form 10-K for the year ended December 31, 1990.
 - 10.11 Sub-Management Agreement by and between AIM Acquisition and CRI/AIM Management, Inc. dated as of March 1, 1991, incorporated by reference to Exhibit 28(d) to the Partnership's Annual Report on Form 10-K for the year ended December 31, 1992.
- (b) Reports on Form 8-K filed during the last quarter of the fiscal year:
None

All other items are not applicable.

PART IV SIGNATURES

Pursuant to the requirements of Section 13 or 15(d) of the Securities

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Exchange Act of 1934, Registrant has duly caused this Report to be signed on its behalf by the undersigned, thereunto duly authorized.

AMERICAN INSURED MORTGAGE
INVESTORS (Registrant)

By: CRIIMI, Inc.
General Partner

/s/ March 12, 2001

DATE

/s/ William B. Dockser

William B. Dockser
Chairman of the Board

/s/ March 08, 2001

DATE

/s/ H. William Willoughby

H. William Willoughby
President and Secretary

/s/ March 26, 2001

DATE

/s/ Cynthia O. Azzara

Cynthia O. Azzara
Senior Vice President,
Chief Financial Officer and
Treasurer

/s/ March 07, 2001

DATE

/s/ Garrett G. Carlson, Sr.

Garrett G. Carlson, Sr.
Director

/s/ March 12, 2001

DATE

/s/ G. Richard Dunnells

G. Richard Dunnells
Director

/s/ March 08, 2001

DATE

/s/ Robert J. Merrick

Robert J. Merrick
Director

/s/ March 09, 2001

DATE

/s/ Robert E. Woods

Robert E. Woods
Director

AMERICAN INSURED MORTGAGE INVESTORS

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Financial Statements

as of December 31, 2000 and 1999

and for the Years Ended

December 31, 2000, 1999, and 1998

REPORT OF INDEPENDENT PUBLIC ACCOUNTANTS

To the Partners of American Insured Mortgage Investors:

We have audited the accompanying balance sheets of American Insured Mortgage Investors (the "Partnership") as of December 31, 2000 and 1999, and the related statements of income and comprehensive income, changes in partners' equity and cash flows for the years ended December 31, 2000, 1999 and 1998. These financial statements and the schedule referred to below are the responsibility of the Partnership's management. Our responsibility is to express an opinion on these financial statements and the schedule based on our audits.

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

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the Partnership as of December 31, 2000 and 1999, and the results of its operations and its cash flows for the years ended December 31, 2000, 1999 and 1998, in conformity with accounting principles generally accepted in the United States.

Our audits were made for the purpose of forming an opinion on the basic financial statements taken as a whole. Schedule IV-Mortgage Loans on Real Estate as of December 31, 2000 is presented for purposes of complying with the Securities and Exchange Commission's rules and regulations and is not a required part of the basic financial statements. The information in this schedule has been subjected to the auditing procedures applied in our audits of the basic financial statements and, in our opinion, is fairly stated in all material respects in relation to the basic financial statements taken as a whole.

Arthur Andersen LLP
Vienna, Virginia
February 23, 2001

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AMERICAN INSURED MORTGAGE INVESTORS

BALANCE SHEETS

	December 31, 2000	December 31, 1999
	-----	-----
ASSETS		
Investment in FHA-Insured Loans, at amortized cost, net of unamortized discount:		
Originated insured mortgages	\$ 4,874,050	\$ 4,936,411
Acquired insured mortgages	7,723,048	7,814,611
	-----	-----
	12,597,098	12,751,022
Investment in FHA-Insured Certificates, at fair value	11,258,675	12,468,341
Cash and cash equivalents	567,491	982,931
Receivables and other assets	203,781	213,461
Due from affiliate	1,230,180	
	-----	-----
Total assets	\$ 25,857,225	\$ 26,415,772
	=====	=====
LIABILITIES AND PARTNERS' EQUITY		
Distributions payable	\$ 514,940	\$ 926,891
Accounts payable and accrued expenses	71,763	67,191
	-----	-----
Total liabilities	586,703	994,082
	-----	-----
Partners' equity:		
Limited partners' equity, 10,000,125 Units authorized, issued and outstanding	28,817,932	28,865,521
General partner's deficit	(5,258,151)	(5,256,731)
Accumulated other comprehensive income	1,710,741	1,812,901
	-----	-----
Total partners' equity	25,270,522	25,421,691
	-----	-----
Total liabilities and partners' equity	\$ 25,857,225	\$ 26,415,772
	=====	=====

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The accompanying notes are an integral part
of these financial statements.

AMERICAN INSURED MORTGAGE INVESTORS STATEMENTS OF INCOME AND COMPREHENSIVE INCOME

	For the years ended December 31,		
	2000	1999	1998
	-----	-----	-----
Income:			
Mortgage investment income	\$ 2,264,907	\$ 2,325,545	\$ 2,987,000
Interest and other income	13,933	28,431	204,000
	-----	-----	-----
	2,278,840	2,353,976	3,191,000
	-----	-----	-----
Expenses:			
Asset management fee to related parties	237,264	240,997	319,000
General and administrative	219,282	255,145	183,000
	-----	-----	-----
	456,546	496,142	502,000
	-----	-----	-----
Earnings before mortgage dispositions	1,822,294	1,857,834	2,687,000
Gains on mortgage dispositions	188,455	67,150	1,290,000
	-----	-----	-----
Net earnings	\$ 2,010,749	\$ 1,924,984	\$ 3,978,000
	=====	=====	=====
Other comprehensive loss	(102,162)	(545,617)	(603,000)
	-----	-----	-----
Comprehensive income	\$ 1,908,587	\$ 1,379,367	\$ 3,374,000
	=====	=====	=====
Net earnings allocated to:			
Limited partners - 97.1%	\$ 1,952,437	\$ 1,869,159	\$ 3,862,000
General partner - 2.9%	58,312	55,825	115,000
	-----	-----	-----
	\$ 2,010,749	\$ 1,924,984	\$ 3,978,000
	=====	=====	=====
Net earnings per Limited Partnership Unit - Basic	\$ 0.20	\$ 0.19	\$ 0.19
	=====	=====	=====

AMERICAN INSURED MORTGAGE INVESTORS

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STATEMENTS OF CHANGES IN PARTNERS' EQUITY

For the years ended December 31, 2000, 1999, and 1998

	General Partner -----	Limited Partners -----	Accumula Other Comprehen Incom -----
Balance, January 1, 1998	\$ (4,935,128)	\$ 39,633,683	\$ 2,962
Net Earnings	115,369	3,862,884	
Adjustment to unrealized gains on investments in insured mortgages	-	-	(603)
Distributions paid or accrued of \$1.29 per Unit, including return of capital of \$0.90 per Unit	(385,277)	(12,900,161)	
	-----	-----	-----
Balance, December 31, 1998	(5,205,036)	30,596,406	2,358
Net Earnings	55,825	1,869,159	
Adjustment to unrealized gains on investments in insured mortgages	-	-	(545)
Distributions paid or accrued of \$0.36 per Unit, including return of capital of \$0.17 per Unit	(107,519)	(3,600,045)	
	-----	-----	-----
Balance, December 31, 1999	(5,256,730)	28,865,520	1,812
Net Earnings	58,312	1,952,437	
Adjustment to unrealized gains on investments in insured mortgages	-	-	(102)
Distributions paid or accrued of \$0.20 per Unit, including return of capital of \$0 per Unit	(59,733)	(2,000,025)	
	-----	-----	-----
Balance, December 31, 2000	\$ (5,258,151)	\$ 28,817,932	\$ 1,71
	=====	=====	=====
Limited Partnership Units outstanding - Basic, as of December 31, 2000, 1999, and 1998		10,000,125	
		=====	

The accompanying notes are an integral part
of these financial statements.

AMERICAN INSURED MORTGAGE INVESTORS

STATEMENTS OF CASH FLOWS

For
2000

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Cash flows from operating activities:	
Net earnings	\$ 2,010,7
Adjustments to reconcile net earnings to net cash provided by operating activities:	
Gains on mortgage dispositions	(188,4
Changes in assets and liabilities:	
(Increase) decrease in due from affiliate, receivables and other assets	(50,7
Increase (decrease) in accounts payable and accrued expenses	4,5

Net cash provided by operating activities	1,776,0

Cash flows from investing activities:	
Proceeds from disposition of mortgages	
Debenture proceeds received from affiliate	
Receipt of mortgage principal from scheduled payments	280,2

Net cash provided by investing activities	280,2

Cash flows from financing activities:	
Distributions paid to partners	(2,471,7

Net (decrease) increase in cash and cash equivalents	(415,4

Cash and cash equivalents, beginning of year	982,9

Cash and cash equivalents, end of year	\$ 567,4
	=====
Non cash investing activity:	
50% share of debenture received from HUD in exchange for the mortgage on Portervillage I Apartments (Debenture is held by an affiliate, AIM 85)	\$
50% share of debenture received from HUD in exchange for the mortgage on Fox Run Apartments (Debenture is held by an affiliate, AIM 85)	1,192,6

The accompanying notes are an integral part of these financial statements.

AMERICAN INSURED MORTGAGE INVESTORS

NOTES TO FINANCIAL STATEMENTS

1. ORGANIZATION

American Insured Mortgage Investors (the "Partnership") was formed under the Uniform Limited Partnership Act in the state of California on July 12, 1983.

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CRIIMI, Inc. (the "General Partner") holds a partnership interest of 2.9% and is a wholly owned subsidiary of CRIIMI MAE Inc. ("CRIIMI MAE"). AIM Acquisition Partners L.P. (the "Advisor") serves as the advisor to the Partnership. The general partner of the Advisor is AIM Acquisition Corporation ("AIM Acquisition") and the limited partners include, but are not limited to, AIM Acquisition, The Goldman Sachs Group, L.P., Sun America Investments, Inc. (successor to Broad, Inc.) and CRI/AIM Investment, L.P., an affiliate of CRIIMI MAE. AIM Acquisition is a Delaware corporation that is primarily owned by Sun America Investments, Inc. and The Goldman Sachs Group, L.P.

Under the Advisory Agreement, the Advisor will render services to the Partnership, including but not limited to, the management of the Partnership's portfolio of mortgages and the disposition of the Partnership's mortgages. Such services will be subject to the review and ultimate authority of the General Partner. However, the General Partner is required to receive the consent of the Advisor prior to taking certain significant actions, including but not limited to the disposition of mortgages, any transaction or agreement with the General Partner, or its affiliates, or any material change as to policies regarding distributions or reserves of the Partnership. The Advisor is permitted to delegate the performance of services pursuant to a sub-advisory agreement (the "Sub-Advisory Agreement"). The delegation of such services will not relieve the Advisor of its obligation to perform such services. CRIIMI MAE Services Limited Partnership ("CMSLP"), an affiliate of CRIIMI MAE, manages the Partnership's portfolio, pursuant to the Sub-Advisory Agreement. The general partner of CMSLP is CRIIMI MAE Services, Inc., an affiliate of CRIIMI MAE.

Prior to the expiration of the Partnership's reinvestment period in November 1988, the Partnership was engaged in the business of originating mortgage loans ("Originated Insured Mortgages") and acquiring mortgage loans ("Acquired Insured Mortgages" and, together with Originated Insured Mortgages, referred to herein as "Insured Mortgages"). In accordance with the terms of the partnership agreement, the Partnership is no longer authorized to originate or acquire Insured Mortgages and, consequently, its primary objective is to manage its portfolio of mortgage investments, all of which are insured under Section 221(d)(4) or Section 231 of the National Housing Act. The partnership agreement states that the Partnership will terminate on December 31, 2008, unless previously terminated under the provisions of the partnership agreement.

On October 5, 1998, CRIIMI MAE, the parent of the General Partner, and CRIIMI MAE Management, Inc., an affiliate of CRIIMI MAE and provider of personnel and administrative services to the Partnership, filed voluntary petitions for relief under chapter 11 of title 11 of the United States Code (the "Bankruptcy Code"). Such bankruptcy filings could result in certain adverse effects to the Partnership. For example, as a debtor-in-possession, CRIIMI MAE will not be permitted to provide any available capital to the General Partner or to the general partner of CMSLP, the Partnership's sub-advisor, without approval from the Bankruptcy Court. Even though this restriction or potential loss of the availability of a potential capital resource could adversely affect the General Partner and the Partnership, CRIIMI MAE has not historically represented a significant source of capital for the General Partner or the Partnership. Such bankruptcy filings could also result in the potential need to replace CRIIMI MAE Management, Inc. as a provider of personnel and administrative services to the Partnership.

On November 22, 2000, the United States Bankruptcy Court for the District of Maryland, in Greenbelt, Maryland (the "Bankruptcy Court") confirmed CRIIMI MAE's and CRIIMI MAE Management, Inc.'s Third Amended Joint Plan of Reorganization (as amended and supplemented by praecipes filed with the Bankruptcy Court on July 13, 14 and 21, and November 22, 2000, the "Plan"). CRIIMI MAE is working to complete the debt documentation, evidencing the secured financings to be provided by (1) the unsecured creditors, and (2) Merrill Lynch Mortgage Capital, Inc. and German American Capital Corporation (collectively the

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"New Debt Documents"). On March 9, 2001, the Bankruptcy Court approved an extension of the date by which the Plan must be effective to April 13, 2001. The Official Committee of Unsecured Creditors had previously filed its own plan of reorganization and proposed disclosure statement, but has asked the Bankruptcy Court, subject to completion of mutually acceptable debt documentation, to defer consideration of its plan and proposed disclosure statement. There can be no assurance at this time that CRIIMI MAE will be able to complete the New Debt Documents and effectuate the Plan by April 13, 2001.

2. SIGNIFICANT ACCOUNTING POLICIES

Method of Accounting

The Partnership's financial statements are prepared on the accrual basis of accounting in accordance with generally accepted accounting principles. The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

Investment in Insured Mortgages

The Partnership's investment in Insured Mortgages is comprised of FHA-insured mortgage loans ("FHA-Insured Loans") and participation certificates evidencing a 100% undivided beneficial interest in government insured multifamily mortgages issued or sold pursuant to programs of the Federal Housing Administration ("FHA") ("FHA-Insured Certificates"). The mortgages underlying the FHA-Insured Certificates and FHA-Insured Loans are non-recourse first liens on multifamily residential developments.

Payment of principal and interest on FHA-Insured Certificates and FHA-Insured Loans is insured by the United States Department of Housing and Urban Development ("HUD") pursuant to Title 2 of the National Housing Act.

As of December 31, 2000, the weighted average remaining term of the Partnership's investments in FHA-Insured Certificates is approximately 21 years. However, the partnership agreement states that the Partnership will terminate in approximately 8 years, on December 31, 2008, unless previously terminated under the provisions of the partnership agreement. As the Partnership is anticipated to terminate prior to the weighted average remaining term of its FHA-Insured Certificates, the Partnership does not have the ability or intent, at this time, to hold these investments to maturity. Consequently, the General Partner believes that the Partnership's FHA-Insured Certificates should be included in the available for sale category. Although the Partnership's FHA-Insured Certificates are classified as available for sale for financial statement purposes, the General Partner does not intend to voluntarily sell these assets other than those which may be sold as a result of a default or those which are eligible to be put to FHA at the expiration of 20 years from the date of the final endorsement under section 221 program of the National Housing Act of 1937, as discussed below.

In connection with this classification, as of December 31, 2000 and 1999, all of the Partnership's investments in FHA-Insured Certificates are recorded at fair value, with the net unrealized gains and losses on these investments reported as other comprehensive income and as a separate component of partners' equity. Subsequent increases or decreases in the fair value of FHA-Insured Certificates classified as available for sale will be included as a separate

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component of partners' equity. Realized gains and losses on FHA-Insured Certificates classified as available for sale will continue to be reported in earnings. The amortized cost of the investments in this category is adjusted for amortization of discounts to maturity. Such amortization is included in mortgage investment income.

Most of the Insured Mortgages held by the Partnership apply to the Section 221 program of the National Housing Act of 1937, as amended, (the "Section 221 program"). Under the Section 221 program a mortgagee has the right to assign a mortgage ("put") to FHA at the expiration of 20 years from the date of final endorsement if the mortgage is not in default at such time. Any mortgagee electing to assign an FHA-insured mortgage to FHA will receive, in exchange therefor, HUD debentures having a total face value equal to the then outstanding principal balance of the FHA-insured mortgage plus accrued interest to the date of assignment. These HUD debentures will mature 10 years from the date of assignment and will bear interest at the "going Federal rate" at such date. This assignment procedure is applicable to an insured mortgage which had a firm or conditional FHA commitment for insurance on or before November 30, 1983. The Partnership anticipates that each eligible insured mortgage, for which a prepayment has not occurred and which has not been sold, will be assigned to FHA at the expiration of 20 years from the date of final endorsement. The Partnership, therefore, does not anticipate holding any eligible insured mortgage beyond the expiration of 20 years from final endorsement of that insured mortgage. The Partnership has initiated its request to put these mortgages to FHA as they become due.

As of December 31, 2000 and 1999, Investment in FHA-Insured Loans is recorded at amortized cost.

Gains from dispositions of mortgage investments are recognized upon the receipt of cash or debentures.

Losses on dispositions of mortgage investments are recognized when it becomes probable that a mortgage will be disposed of and that the disposition will result in a loss. In the case of Originated Insured Mortgages fully insured by HUD, the Partnership's maximum exposure for purposes of determining the loan losses would generally be an assignment fee charged by HUD representing approximately 1% of the unpaid principal balance of the Originated Insured Mortgage at the date of default, plus the unamortized balance of acquisition fees and closing costs paid in connection with the acquisition of the Originated Insured Mortgage and the loss of 30 days accrued interest.

Since Acquired Insured Mortgages were purchased at a discount from the unpaid principal balance of the mortgage, the Partnership's investment in the Acquired Insured Mortgages is less than the amount that would be recovered from HUD in the event of a default. Therefore, the Partnership would experience no loan losses on discounted Acquired Insured Mortgages in the case of a default.

Due from Affiliate

From time to time, the Partnership assigns defaulted loans to HUD in order to collect the amount of delinquent principal and interest. In addition, mortgages are assigned to HUD under the Section 221 program, as discussed above. HUD determines if the claim will be settled in cash or by the issuance of debentures. Debentures are obligations of the mortgage insurance funds and are unconditionally guaranteed by the United States. The term of the debentures are usually more than 9 years and the rate is set based upon the rate in effect at the commitment date to provide insurance or at the final endorsement date, whichever is greater. AIM 84 classifies its portion of investment in FHA debenture as available for sale debt securities with changes in fair value recorded as an adjustment to equity and other comprehensive income. The

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Partnership's investment in FHA debenture is included on the balance sheet in Due from affiliate, as discussed in Note 5.

Cash and Cash Equivalents

Cash and cash equivalents consist of time and demand deposits with original maturities of three months or less.

Income Taxes

No provision has been made for Federal, state or local income taxes in the accompanying statements of income and comprehensive income since they are the responsibility of the Unitholders.

Statements of Cash Flows

No cash payments were made for interest expense during the years ended December 31, 2000, 1999 and 1998. Since the statements of cash flows are intended to reflect only cash receipt and cash payment activity, the statements of cash flows do not reflect operating activities that affect recognized assets and liabilities while not resulting in cash receipts or cash payments.

3. FAIR VALUE OF FINANCIAL INSTRUMENTS

The following estimated fair values of the Partnership's financial instruments are presented in accordance with generally accepted accounting principles which define fair value as the amount at which a financial instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale. These estimated fair values, however, do not represent the liquidation value or the market value of the Partnership.

	As of December 31, 2000		As of December 31,	
	Amortized Cost	Fair Value	Amortized Cost	Fair Value
	-----	-----	-----	-----
Investment in FHA-Insured				
Loans:				
Originated Insured Mortgage	\$ 4,874,050	\$ 4,551,832	\$ 4,936,416	\$
Acquired Insured Mortgages	7,723,048	9,670,976	7,814,612	
	-----	-----	-----	-----
	\$ 12,597,098	\$ 14,222,808	\$ 12,751,028	\$ 1
	=====	=====	=====	=====
Investment in FHA-Insured				
Certificates	\$ 9,536,007	\$ 11,258,675	\$ 10,655,445	\$ 1
	=====	=====	=====	=====
Cash and cash equivalents	\$ 567,491	\$ 567,491	\$ 982,930	\$
Accrued interest receivable	\$ 229,352	\$ 229,352	\$ 190,403	\$
FHA Debenture due from affiliate	\$ 1,192,617	\$ 1,180,690	\$ -	\$

The following methods and assumptions were used to estimate the fair value of

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each class of financial instrument:

Investment in FHA-Insured Certificates,
 FHA-Insured Loans and FHA debenture due from affiliate

The fair value of the FHA-Insured Certificates, GNMA Mortgage-Backed Securities and FHA-Insured Loans is priced internally. The Partnership used a discounted cash flow methodology to estimate the fair value; the cash flows were discounted using a discount rate that, in the Partnership's view, was commensurate with the market's perception of risk and value. The Partnership used a variety of sources to determine its discount rate including: (i) institutionally-available research reports, (ii) a relative comparison of dealer provided quotes from the previous year to those disclosed in recent research reports and incorporating adjustments to reflect changes in the market, and (iii) communications with dealers and active insured mortgage security investors regarding the valuation of comparable securities. The fair value of the FHA Debenture is based upon the prices of other comparable securities that trade in the market.

Cash and cash equivalents and accrued interest receivable

The carrying amount approximates fair value because of the short maturity of these instruments.

4. COMPREHENSIVE INCOME

Comprehensive Income includes net earnings as currently reported by the Partnership adjusted for other comprehensive income. Other comprehensive income for the Partnership consists of changes in unrealized gains and losses related to the Partnership's mortgages and debenture accounted for as available for sale. The table below breaks out other comprehensive income for the periods presented into the following two categories: (1) the change to unrealized gains and losses that relate to mortgages which were disposed of during the period with the resulting realized gain or loss reflected in net earnings (reclassification adjustments) and (2) the change in the unrealized gain or loss related to those investments that were not disposed of during the period.

	2000 ----	1999 ----	1998 ----
Reclassification adjustment for gains included in net income	\$ (161,707)	\$ (67,656)	\$ --
Unrealized holding gains (losses) arising during the period	59,545 -----	(477,961) -----	(603,504) -----
Net adjustment to unrealized losses	\$ (102,162) =====	\$ (545,617) =====	\$ (603,504) =====

5. INVESTMENT IN FHA-INSURED LOANS

Listed below is the Partnership's aggregate investment in FHA-Insured Loans as of December 31, 2000 and 1999:

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	December 31,	
	2000	1999
	----	----
Number of		
Acquired Insured Mortgages	3	
Originated Insured Mortgage	1	
Amortized Cost	\$ 12,597,098	\$ 12,751,
Face Value	14,694,371	14,941,
Fair Value	14,222,808	14,215,

All of the FHA-Insured Loans were current with respect to the payment of principal and interest as of February 16, 2001.

In addition to base interest payments received from Originated Insured Mortgages, the Partnership is entitled to additional interest based on a percentage of the net cash flow from the underlying development and of the net proceeds from the refinancing, sale or other disposition of the underlying development (referred to as "Participations"). During the years ended December 31, 2000, 1999 and 1998, the Partnership received \$0, \$0 and \$52,526, respectively, from the Participations. These amounts, if any, are included in mortgage investment income on the accompanying statements of income and comprehensive income.

6. INVESTMENT IN FHA-INSURED CERTIFICATES

Listed below is the Partnership's aggregate investment in FHA-Insured Certificates as of December 31, 2000 and 1999:

	December 31,	
	2000	1999
	----	----
Number of mortgages (1)	7	
Amortized Cost	\$ 9,536,007	\$ 10,655,
Face Value	11,433,137	12,835,
Fair Value	11,258,675	12,468,

- (1) In December 2000, HUD issued assignment proceeds in the form of a 7.125% debenture for the mortgage on Fox Run Apartments. This mortgage was owned 50% by AIM 84 and 50% by an affiliate of the Partnership, American Insured Investors - Series 85, L.P. (AIM 85). The debenture, with a face value of \$2,385,233 and a fair value of \$2,361,381, was issued to AIM 85 and will earn interest semi-annually on January 1 and July 1. The Partnership expects to receive net proceeds of approximately \$1.2 million and has recognized a gain of approximately \$188,000 for the year ended December 31, 2000. The net proceeds and accrued interest are included on the Balance Sheet in Due from affiliate. In general, AIM 85 will hold the debenture until its maturity date of June 1, 2010 or when called, whichever comes first. A distribution will be declared at that time. The servicer of this mortgage filed an application for insurance benefits under the Section 221 program in May 2000.

All of the FHA-Insured Certificates were current with respect to the payment of principal and interest as of February 16, 2001.

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7. TRANSACTIONS WITH RELATED PARTIES

The principal officers of the General Partner for the years ended December 31, 2000, 1999 and 1998 did not receive fees for serving as officers of the General Partner, nor are any fees expected to be paid to the officers in the future.

The General Partner, CMSLP and certain affiliated entities have, during the years ended December 31, 2000, 1999 and 1998, earned or received compensation or payments for services from the Partnership as follows:

COMPENSATION PAID OR ACCRUED TO RELATED PARTIES

Name of Recipient -----	Capacity in Which Served/Item -----	For the year en 2000 19	
		-----	-----
CRIIMI, Inc. (1)	General Partner/Distribution	\$ 59,733	\$ 107
AIM Acquisition Partners, L.P.(2)	Advisor/Asset Management Fee	237,264	240
CRIIMI MAE Management, Inc.	Affiliate of General Partner/Expense	38,782	37
American Insured Mortgage Investors L.P. - Series 85	Affiliate of General Partner/ Reimbursement of Debenture Proceeds	1,192,617	

(1) The General Partner, pursuant to amendments to the partnership agreement, effective September 6, 1991, is entitled to receive 2.9% of the Partnership's income, loss, capital and distributions, including, without limitation, the Partnership's adjusted cash from operations and proceeds of mortgage prepayments, sales or insurance (both as defined in the partnership agreement).

(2) The Advisor, pursuant to the partnership agreement, effective October 1, 1991, is entitled to an Asset Management Fee equal to 0.95% of Total Invested Assets (as defined in the partnership agreement). CMSLP is entitled to a fee equal to 0.28% of Total Invested Assets from the Advisor's Asset Management Fee. Of the amounts paid to the Advisor, CMSLP earned a fee equal to \$69,924, \$71,024, and \$94,245 for the years ended December 31, 2000, 1999 and 1998, respectively. The limited partner of CMSLP is a wholly owned subsidiary of CRIIMI MAE Inc. which filed for protection under Chapter 11 of the U.S. Bankruptcy Code.

8. DISTRIBUTIONS TO UNITHOLDERS

The distributions paid or accrued to Unitholders on a per Unit basis for the years ended December 31, 2000, 1999 and 1998 are as follows:

Quarter Ended -----	2000 -----	1999 -----	1998 -----
March 31	\$ 0.05	\$ 0.17 (1)	\$ 0.07
June 30	0.05	0.05	0.07
September 30	0.05	0.05	1.06 (3)
December 31	0.05	0.09 (2)	0.09
	-----	-----	-----
	\$ 0.20	\$ 0.36	\$ 1.29
	=====	=====	=====

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- (1) This amount includes approximately \$0.12 per Unit due to redemption of debentures received from the assignment of the mortgage on Portervillage I Apartments. This amount was received from an affiliate of the Partnership, American Insured Mortgage Investors - Series 85, L.P. ("AIM 85"). The debenture was issued to AIM 85, since the mortgage on Portervillage I Apartments was owned 50% by the Partnership and 50% by AIM 85.
- (2) This amount includes approximately \$0.04 per Unit representing net proceeds from prepayment of the mortgage on Lakeside Apartments.
- (3) This amount includes approximately \$0.99 per Unit representing net proceeds from the prepayment of the mortgage on Water's Edge Apartments.

The basis for paying distributions to Unitholders is net proceeds from mortgage dispositions, if any, and cash flow from operations, which includes regular interest income and principal from Insured Mortgages. Although Insured Mortgages yield a fixed monthly mortgage payment once purchased, the cash distributions paid to the Unitholders will vary during each year due to (1) the fluctuating yields in the short-term money market where the monthly mortgage payment receipts are temporarily invested prior to the payment of quarterly distributions, (2) the reduction in the asset base resulting from monthly mortgage payments received or mortgage dispositions, (3) variations in the cash flow attributable to the delinquency or default of Insured Mortgages and professional fees and foreclosure costs incurred in connection with those Insured Mortgages and (4) variations in the Partnership's operating expenses.

9. PARTNERS' EQUITY

Depository Units representing economic rights in limited partnership interests ("Units") were issued at a stated value of \$20. A total of 10,000,000 Units were issued for an aggregate capital contribution of \$200,000,000. In addition, the initial limited partner contributed \$2,500 to the capital of the Partnership and received 125 Units in exchange therefor.

10. SUMMARY OF QUARTERLY RESULTS OF OPERATIONS (UNAUDITED)

The following is a summary of unaudited quarterly results of operations for the years ended December 31, 2000, 1999 and 1998:

(In Thousands, Except Per Unit Data)

	March 31 -----	2000 Quarter ended	
		June 30 -----	September 30 -----
Income	\$ 574	\$ 571	\$ 569
Net earnings	453	452	456
Gain on mortgage dispositions	--	--	--
Net earnings per Limited Partnership Unit - Basic	\$ 0.04	\$ 0.04	\$ 0.04

	March 31 -----	1999 Quarter ended	
		June 30 -----	September 30 -----

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Income	\$	599	\$	591	\$	583
Net earnings		460		479		455
Gain on mortgage dispositions		--		--		--
Net earnings per Limited Partnership Unit - Basic	\$	0.04	\$	0.05	\$	0.04

			1998			
			Quarter ended			
		March 31	June 30	September 30		
		-----	-----	-----		
Income	\$	887	\$	837	\$	803
Net earnings		951		698		1,763
Gain on mortgage dispositions		200		--		1,090
Net earnings per Limited Partnership Unit - Basic	\$	0.09	\$	0.07	\$	0.17

AMERICAN INSURED MORTGAGE INVESTORS
SCHEDULE IV - MORTGAGE LOANS ON REAL ESTATE
DECEMBER 31, 2000

Development Name/Location	Maturity Date	Put Date (1)	Interest Rate on Mortgage (5)	Face Amount of Mortgage (3)
-----	-----	-----	-----	-----
ORIGINATED INSURED MORTGAGES				
Investment in FHA-Insured Loans (carried at amortized cost) (2)				
Creekside Village, Beaverton, OR	11/25	--	7.75%	\$ 4,874,049
Total Investment in FHA-Insured Loans - Originated Insured Mortgages				4,874,049
ACQUIRED INSURED MORTGAGES				
Investment in FHA-Insured Loans (carried at amortized cost) (2)				
Eastdale Apts., Montgomery, AL	3/23	10/01	7.5%	6,275,961
North River Place, Chillecothe, OH	10/21	12/01	7.5%	2,936,899
Town Park Apts., Rockingham, NC	10/22	10/02	7.5%	607,462 (4)
Total Investment in FHA-Insured Loans - Acquired Insured Mortgages				9,820,322
Total Investment in FHA-Insured Loans				14,694,371
ACQUIRED INSURED MORTGAGES				
Investment in FHA-Insured Certificates (carried at fair value)				

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Bay Pointe Apts., Lafayette, IN	2/23	10/02	7.5%	1,969,057	(4)
Baypoint Shoreline Apts, Duluth, MN	1/22	10/01	7.5%	928,902	(4)
Berryhill Apts., Grass Valley, CA	1/21	11/02	7.5%	1,198,905	(4)
Brougham Estates II, Kansas City, KS	11/22	3/02	7.5%	2,476,492	(4)
College Green Apts., Wilmington, NC	3/23	2/02	7.5%	1,332,254	(4)
Kaynorth Apts., Lansing, MI	4/23	9/02	7.5%	1,808,236	(4)
Westbrook Apts., Kokomo, IN	11/22	9/02	7.5%	1,719,291	(4)

Total Investment in FHA-Insured Certificates				11,433,137	

TOTAL INVESTMENT IN INSURED MORTGAGES				\$26,127,508	
				=====	

See notes to Schedule IV - Mortgage Loans on Real Estate

AMERICAN INSURED MORTGAGE INVESTORS

NOTES TO SCHEDULE IV - MORTGAGE LOANS ON REAL ESTATE

DECEMBER 31, 2000

- (1) Under the Section 221 program of the National Housing Act of 1937, as amended, a mortgagee has the right to assign a mortgage ("put") to FHA at the expiration of 20 years from the date of final endorsement if the mortgage is not in default at such time. Any mortgagee electing to assign an FHA-insured mortgage to FHA will receive, in exchange therefor, HUD debentures having a total face value equal to the then outstanding principal balance of the FHA-insured mortgage plus accrued interest to the date of assignment. These HUD debentures will mature 10 years from the date of assignment and will bear interest at the "going Federal rate" at such date. This assignment procedure is applicable to an insured mortgage which had a firm or conditional FHA commitment for insurance on or before November 30, 1983. The Partnership anticipates that each eligible insured mortgage, for which a prepayment has not occurred and which has not been sold, will be assigned to FHA at the expiration of 20 years from the date of final endorsement. The Partnership, therefore, does not anticipate holding any eligible insured mortgage beyond the expiration of 20 years from final endorsement of that insured mortgage. The Partnership has initiated its request to put these mortgages to FHA as they become due.
- (2) Inclusive of closing costs and acquisition fees.
- (3) Prepayment of these insured mortgages would be based upon the unpaid principal balance at the time of prepayment.
- (4) These amounts represent the Partnership's 50% interest in these insured mortgages. The remaining 50% interest was acquired by American Insured Mortgage Investors - Series 85, L.P. ("AIM 85").
- (5) In addition, the servicer of the insured mortgages (primarily unaffiliated third parties) is entitled to receive compensation for certain services rendered in an amount up to ten basis points (0.10%) of the unpaid principal balance of the insured mortgages.
- (6) The mortgages underlying the Partnership's investment in FHA-Insured Certificates and FHA-Insured Loans are non-recourse first liens on

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multifamily residential developments.

- (7) Principal and interest are payable at level amounts over the life of the Insured Mortgages.
- (8) A reconciliation of the carrying value of Insured Mortgages, for the years ended December 31, 2000 and 1999, is as follows:

	2000 -----	1999 -----
Beginning balance	\$25,219,376	\$26,349,1
Gain on mortgage dispositions	188,455	67,1
Proceeds from disposition of mortgages	(1,181,623) (a)	(383,5
Principal receipts on Insured Mortgages	(280,200)	(267,6
Adjustment to unrealized gains on investment in Insured Mortgages	(90,235)	(545,6
	-----	-----
Ending balance	\$23,855,773 =====	\$25,219,3 =====

(a) This amount represents non-cash proceeds of \$1,192,617 (as reflected on the Statements of Cash Flows) less \$10,994 of accrued interest income.

- (9) The tax basis of the Insured Mortgages was approximately \$20.9 million and \$22.2 million as of December 31, 2000 and 1999, respectively.