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Press Release

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UDR ANNOUNCES FOURTH QUARTER AND FULL YEAR 2012 RESULTS

~ Provides 2013 Guidance ~

DENVER, CO - February 5, 2013

Fourth Quarter 2012 Highlights:

- FFO per share was \$0.31 (-11% year-over-year), FFO as Adjusted per share was \$0.35 (+3%), and AFFO per share was \$0.31 (+11%)
- Year-over-year same-store revenue and NOI growth were 5.7% and 7.3%, respectively
- Successfully navigated the aftermath of Hurricane Sandy
- Improved portfolio quality through an asset swap with MetLife; increased ownership interest in The Olivian, an A+ asset located in downtown Seattle
- Commenced construction on Pier 4, a 369-home high-rise located in Boston, MA
- Hired Tom Herzog as Chief Financial Officer.

Full-Year 2012 Highlights:

- FFO per share was \$1.32 (+3% year-over-year), FFO as Adjusted per share was \$1.35 (+5%), and AFFO per share was \$1.18 (+10%)
- Full year same-store revenue and NOI growth were 5.3% and 6.6%, respectively
- Deleveraged our balance sheet via a \$539 million secondary equity offering, \$217 million of "At The Market" equity proceeds and \$610 million of non-core asset sales
- Formed a second joint venture with MetLife valued at \$1.4 billion at December 31, 2012
- Increased annual dividend per share to \$0.88 (+10% year-over-year).

| | Q4 2012 | Q4 2011 | FY 2012 | FY 2011 |
|--|---------------|---------------|---------------|---------------|
| FFO per share | \$0.31 | \$0.35 | \$1.32 | \$1.28 |
| Acquisition-related costs (including JVs) | 0.002 | 0.006 | 0.011 | 0.028 |
| JV financing and acquisition fee | - | (0.004) | - | (0.011) |
| Cost/(benefit) associated with debt extinguishment | - | 0.002 | (0.001) | 0.021 |
| Redemption of preferred stock | - | - | 0.011 | 0.001 |
| Gain on sale of TRS property/marketable securities | - | (0.014) | (0.031) | (0.046) |
| Severance costs | 0.002 | 0.001 | 0.003 | 0.006 |
| Hurricane-related charges, net | 0.035 | - | 0.037 | - |
| FFO as Adjusted per share | \$0.35 | \$0.34 | \$1.35 | \$1.28 |
| Recurring capital expenditures | (0.036) | (0.059) | (0.167) | (0.208) |
| AFFO per share | \$0.31 | \$0.28 | \$1.18 | \$1.07 |

Operations

Same-store net operating income increased 7.3 percent year-over-year in the fourth quarter of 2012 while same-store revenue increased 5.7 percent over the same period. Same-store physical occupancy increased 60 basis points to 95.8 percent as compared to the prior year period. Same-store expenses increased 2.3 percent driven by an increase in real estate taxes. The annualized rate of turnover remained constant at 48 percent.

Summary of Same-Store Results Fourth Quarter 2012 versus Fourth Quarter 2011

| Region | Revenue Growth/ Decline | Expense Growth/ Decline | NOI Growth/ Decline | % of Same-Store Portfolio ¹ | Same-Store Occupancy ² | Number of Same-Store Homes ³ |
|--------------|-------------------------|-------------------------|---------------------|--|-----------------------------------|---|
| West | 6.0% | 0.0% | 8.6% | 40.0% | 95.0% | 12,617 |
| Mid-Atlantic | 3.5% | 5.3% | 2.8% | 27.7% | 96.1% | 9,578 |
| Northeast | 8.9% | -1.5% | 13.0% | 8.4% | 96.3% | 1,672 |
| Southeast | 6.2% | 7.9% | 5.4% | 17.4% | 96.3% | 9,515 |
| Southwest | 7.6% | -5.3% | 18.0% | 6.5% | 95.6% | 3,507 |
| Total | 5.7% | 2.3% | 7.3% | 100.0% | 95.8% | 36,889 |

¹ Based on QTD 2012 NOI.

² Average same-store occupancy for the quarter.

³ During the fourth quarter, 36,889 apartment homes, or approximately 88 percent of 41,571 total apartment homes, were classified as same-store. The Company defines same-store as all multifamily communities owned and stabilized for at least one year as of the beginning of the most recent quarter.

Sequentially, the Company's same-store NOI increased by 3.3 percent on revenue growth of 0.7 percent and a 4.7 percent decrease in expenses during the fourth quarter of 2012.

For the twelve-months ended December 31, 2012, the Company's same-store revenue increased 5.3 percent as compared to the prior year period while expenses increased 2.8 percent, resulting in a same-store NOI increase of 6.6 percent. Year-over-year occupancy increased by 10 basis points to 95.7 percent. The rate of turnover increased 180 basis points to 55% for the full-year 2012.

Summary of Same-Store Results Full-Year 2012 versus Full-Year 2011

| Region | Revenue Growth/ Decline | Expense Growth/ Decline | NOI Growth/ Decline | % of Same-Store Portfolio ¹ | Same-Store Occupancy ² | Number of Same-Store Homes ³ |
|--------------|-------------------------|-------------------------|---------------------|--|-----------------------------------|---|
| West | 5.9% | 3.5% | 6.9% | 42.1% | 94.9% | 12,066 |
| Mid-Atlantic | 3.8% | 2.3% | 4.5% | 28.9% | 96.2% | 8,781 |
| Northeast | 7.9% | 18.9% | 3.5% | 2.2% | 96.2% | 346 |
| Southeast | 5.2% | 1.1% | 7.6% | 20.3% | 96.1% | 9,515 |
| Southwest | 8.0% | 2.3% | 12.3% | 6.5% | 96.2% | 3,115 |
| Total | 5.3% | 2.8% | 6.6% | 100.0% | 95.7% | 33,823 |

¹ Based on YTD NOI.

² Average same-store occupancy for YTD 2012.

³ During 2012, 33,823 apartment homes, or approximately 81 percent of 41,571 total apartment homes, were classified as same-store. The Company defines same-store as all multifamily communities owned and stabilized for at least one year as of the beginning of the most recent year.

Development and Redevelopment Activity

The Company commenced construction of its Pier 4 development located in the South Boston Seaport area of downtown Boston, MA. Prior to commencement, the Company acquired the remaining 2% ownership interest in Pier 4 from its former joint venture partner. The community will consist of 369 homes and 11,000 square feet of retail space, has an estimated construction cost of \$218 million and is expected to be completed in the second quarter of 2015.

In 2012, the Company spent a total of \$400 million towards the completion of its \$1.3 billion development and redevelopment pipeline.

Joint Venture Investment Activity

As previously announced on October 29, 2012, the Company exchanged its ownership interests in four operating communities and two land parcels in its UDR/MetLife I joint venture, in addition to \$10 million in cash, for an increased ownership interest in [The Olivian](#), an A-quality high-rise building located in downtown Seattle that is valued at \$126.3 million. The Company now owns 50 percent of [The Olivian](#). As such, the community was contributed to the UDR/MetLife II joint venture. [The Olivian](#) has a 4.5 percent, \$63.4 million loan with a term of 7 years. Debt on the four operating communities and two land parcels in which UDR exchanged out of totaled \$134.7 million, carried a weighted average interest rate of 3.5 percent and had a term of 7 years. The Company continues to fee manage the four operating communities it exchanged out of.

Additional transaction details can be found in the Company's [Third Quarter 2012 Earnings Release](#) on the its website at www.udr.com.

Balance Sheet

At December 31, 2012, the Company had \$913 million in availability through a combination of cash and undrawn capacity on its credit facilities.

The Company's total indebtedness at December 31, 2012 was \$3.4 billion. The Company ended the fourth quarter with fixed-rate debt representing 87 percent of its total debt, a total blended interest rate of 4.4 percent and a weighted average maturity of 4.5 years. The Company's leverage at year-end 2012 was 38.7% versus 45.8% a year ago. The Company's net debt-to-EBITDA, adjusted for non-recurring items, was 7.0 times at year-end 2012 versus 8.6 times a year ago.

Post Quarter Activity

Land Activity

On January 28, 2013, the Company acquired the remaining 7.5% ownership interest in its 399 Fremont land parcel located in the Rincon Hill neighborhood of San Francisco, CA from its joint venture partner. The total cost of the land parcel was \$52.2 million.

Dividend

As previously announced, the Company's Board of Directors declared and paid a regular quarterly dividend on its common stock for the fourth quarter of 2012 in the amount of \$0.22 per share. The dividend was paid in cash on January 31, 2013 to UDR common stock shareholders of record as of January 10, 2013. The annualized dividend paid represented a yield of 3.7% on its payment date of January 31st. This dividend represented the 161st consecutive quarterly dividend paid by the Company on its common stock.

Outlook

For the first quarter of 2013, the Company has established the following guidance:

- FFO per share: \$0.31 to \$0.33
- FFO as Adjusted per share: \$0.31 to \$0.33
- AFFO per share: \$0.27 to \$0.29

For the full-year 2013, the Company has established the following guidance:

- FFO per share: \$1.35 to \$1.41
- FFO as Adjusted per share: \$1.33 to \$1.39
- AFFO per share: \$1.17 to \$1.23

Below are the primary same-store assumptions for the Company's full-year 2013 guidance:

- Revenue: 4.00% to 5.00%
- Expense: 2.75% to 3.25%
- Net operating income: 4.25% to 6.00%
- Physical occupancy: 95.5%

Additional assumptions for the Company's full-year 2013 guidance can be found in Attachment 15 of the Company's Fourth Quarter 2012 Earnings Supplement available on its website at www.udr.com.

Supplemental Information

The Company's Fourth Quarter 2012 Earnings Supplement that provides details on the financial position and operating results of the Company is available on the Company's website at www.udr.com.

Conference Call and Webcast Information

UDR will host a webcast and conference call at 1:00 p.m. EST on February 5, 2013 to discuss fourth quarter and full-year results. A webcast will be available on UDR's website at www.udr.com. To listen to a live broadcast, access the site at least 15 minutes prior to the scheduled start time in order to register, download and install any necessary audio software.

To participate in the teleconference dial 877-941-9205 for domestic and 480-629-9771 for international and provide the following conference ID number: 4588175.

A replay of the conference call will be available through March 7, 2013, by dialing 800-406-7325 for domestic and 303-590-3030 for international and entering the confirmation number, 4588175, when prompted for the pass code.

A replay of the call will be available for 90 days on UDR's website at www.udr.com.

Full Text of the Earnings Report and Supplemental Data

Internet -- The full text of the earnings report and Supplemental Financial Information will be available on the Company's website at www.udr.com.

Mail -- For those without Internet access, the fourth quarter 2012 earnings report and Supplemental Financial Information will be available by mail or fax, on request. To receive a copy, please call UDR Investor Relations at 720-348-7762.

Definitions and Reconciliations

Adjusted Funds From Operations ("AFFO"): The Company defines AFFO as FFO As Adjusted less recurring capital expenditures.

Management considers AFFO a useful metric for investors as it is more indicative of the Company's recurring operational cash flow than FFO As Adjusted. A reconciliation between FFO As Adjusted and AFFO is provided on Attachment 2 of the Company's Fourth Quarter 2012 Earnings Supplement.

Funds From Operations ("FFO"): The Company defines FFO as net income (computed in accordance with GAAP) excluding the impact of impairment write-downs of depreciable real estate or of investments in non-consolidated investees that are driven by measurable decreases in the fair value of depreciable real estate held by the investee, gains (or losses) from sales of depreciable property, plus real estate depreciation and amortization, and after adjustments for

unconsolidated partnerships and joint ventures. This definition conforms with the National Association of Real Estate Investment Trust's definition issued in April 2002.

Management considers FFO a useful metric for investors as the Company uses FFO in evaluating property acquisitions and its operating performance and believes that FFO should be considered along with, but not as an alternative to, net income and cash flows as a measure of the Company's activities in accordance with generally accepted accounting principles and is not necessarily indicative of cash available to fund cash needs. A reconciliation between Net Income and FFO is provided on Attachment 2 of the Company's Fourth Quarter 2012 Earnings Supplement.

Funds From Operations as Adjusted: The Company defines FFO as Adjusted as FFO excluding the impact of acquisition-related costs and other non-recurring items including, but not limited to, prepayment costs/benefits associated with early debt retirement, gains on sales of marketable securities and taxable REIT subsidiary property, storm-related expenses, severance costs and legal costs.

Management considers FFO As Adjusted a useful metric for investors as it is more indicative of the Company's recurring operational FFO than FFO. FFO As Adjusted excludes non-recurring items which, if included, result in less comparability between companies and across time periods. A reconciliation from FFO to FFO As Adjusted is provided on Attachment 2 of the Company's Fourth Quarter 2012 Earnings Supplement.

Net Debt to EBITDA: The Company defines net debt to EBITDA as total debt net of cash and cash equivalents divided by EBITDA. EBITDA is defined as net income, excluding the impact of interest expense, real estate depreciation and amortization of wholly owned and other joint venture communities, other depreciation and amortization, minority interests, net gain on the sale of depreciable property, and RE3 income tax.

Management considers net debt to EBITDA a useful metric for investors as it provides ratings agencies, investors and lending partners with a widely-used measure of the Company's ability to service its debt obligations as well as compare leverage against that of its peer REITs. A reconciliation between net income and EBITDA is provided on Attachment 4(C) of the Company's quarterly supplemental disclosure.

Net Operating Income ("NOI"): The Company defines NOI as rental income less direct property rental expenses. Rental income represents gross market rent less adjustments for concessions, vacancy loss and bad debt. Rental expenses include real estate taxes, insurance, personnel, utilities, repairs and maintenance, administrative and marketing. Excluded from NOI is property management expense which is calculated as 2.75% of property revenue to cover the regional supervision and accounting costs related to consolidated property operations, and land rent.

Management considers NOI a useful metric for investors as it is a more meaningful representation of a community's continuing operating performance than net income as it is prior to corporate-level expense allocations, general and administrative costs, capital structure and

depreciation and amortization and is a widely used input, along with capitalization rates, in the determination of real estate valuations. A reconciliation of Net Income to NOI is provided below.

| In thousands | 4Q 12 | 3Q12 | 4Q 11 | YTD 12 | YTD 11 |
|---|-------------------|-------------------|-------------------|-------------------|-------------------|
| Net Income/(loss) attributable to UDR, Inc. | \$ (12,300) | \$ (9,031) | \$ 46,498 | \$ 212,177 | \$ 20,023 |
| Property management | 5,017 | 4,998 | 4,692 | 19,632 | 17,131 |
| Other operating expense | 1,464 | 1,467 | 1,582 | 5,748 | 5,990 |
| Non-property income | 129 | (3,836) | (2,712) | (28,386) | (11,070) |
| Depreciation | 83,456 | 88,223 | 90,830 | 344,060 | 326,788 |
| Interest | 30,660 | 31,845 | 39,581 | 138,792 | 156,366 |
| Storm-related charges | 8,495 | - | - | 8,495 | - |
| Acquisition-related costs | 528 | 1,312 | 57 | 2,336 | 4,828 |
| Severance charges | 484 | - | 317 | 733 | 1,342 |
| General and administrative | 9,641 | 8,710 | 11,567 | 40,723 | 41,087 |
| Tax benefit for RE ³ , net | (2,974) | (2,960) | (5,820) | (8,752) | (5,647) |
| Other depreciation and amortization | 1,092 | 1,078 | 919 | 4,105 | 3,931 |
| Income from discontinued operations | (156) | 1,133 | (74,340) | (263,339) | (143,810) |
| Net loss/(income) attributable to non-controlling interests | (655) | (645) | 1,620 | 8,126 | 562 |
| Total consolidated NOI | \$ 124,881 | \$ 122,294 | \$ 114,791 | \$ 484,450 | \$ 417,521 |

Forward Looking Statements

Certain statements made in this press release may constitute “forward-looking statements.” Words such as “expects,” “intends,” “believes,” “anticipates,” “plans,” “likely,” “will,” “seeks,” “estimates” and variations of such words and similar expressions are intended to identify such forward-looking statements. Forward-looking statements, by their nature, involve estimates, projections, goals, forecasts and assumptions and are subject to risks and uncertainties that could cause actual results or outcomes to differ materially from those expressed in a forward-looking statement, due to a number of factors, which include, but are not limited to, unfavorable changes in the apartment market, changing economic conditions, the impact of inflation/deflation on rental rates and property operating expenses, expectations concerning availability of capital and the stabilization of the capital markets, the impact of competition and competitive pricing, acquisitions, developments and redevelopments not achieving anticipated results, delays in completing developments, redevelopments and lease-ups on schedule, expectations on job growth, home affordability and demand/supply ratio for multifamily housing, expectations concerning development and redevelopment activities, expectations on occupancy levels, expectations concerning the Vitruvian Park® development, expectations concerning the joint ventures with third parties, expectations that automation will help grow net operating income, expectations on annualized net operating income and other risk factors discussed in documents filed by the Company with the Securities and Exchange Commission from time to time, including the Company's Annual Report on Form 10-K and the Company's Quarterly Reports on Form 10-Q. Actual results may differ materially from those described in the forward-looking statements. These forward-looking statements and such risks, uncertainties and other factors speak only as of the date of this press release, and the Company expressly disclaims any obligation or undertaking to update or revise any forward-looking statement contained herein, to reflect any change in the Company's expectations with regard thereto, or any other change in events, conditions or circumstances on which any such statement is based, except to the extent otherwise required under the U.S. securities laws.

This release and these forward-looking statements include UDR's analysis and conclusions and reflect UDR's judgment as of the date of these materials. UDR assumes no obligation to revise or update to reflect future events or circumstances.

About UDR, Inc.

UDR, Inc. (NYSE:[UDR](#)), an S&P 400 company, is a leading multifamily real estate investment trust with a demonstrated performance history of delivering superior and dependable returns by successfully managing, buying, selling, developing and redeveloping attractive real estate properties in targeted U.S. markets. As of December 31, 2012, UDR owned or had an ownership position in 54,195 apartment homes including 3,066 homes under development. For 40 years, UDR has delivered long-term value to shareholders, the best standard of service to residents and the highest quality experience for associates. Additional information can be found on the Company's website at www.udr.com.



Attachment 1

UDR, Inc. Consolidated Statements of Operations ⁽¹⁾ (Unaudited)

| In thousands, except per share amounts | Three Months Ended December 31, | | Twelve Months Ended December 31, | |
|--|------------------------------------|------------|-------------------------------------|------------|
| | 2012 | 2011 | 2012 | 2011 |
| Rental income ⁽²⁾ | \$ 182,445 | \$ 170,687 | \$ 713,928 | \$ 622,995 |
| Rental expenses: | | | | |
| Property operating and maintenance | 35,522 | 35,125 | 142,357 | 129,590 |
| Real estate taxes and insurance | 22,042 | 20,771 | 87,121 | 75,884 |
| Property management | 5,017 | 4,692 | 19,632 | 17,131 |
| Other operating expense | 1,464 | 1,582 | 5,748 | 5,990 |
| | 64,045 | 62,170 | 254,858 | 228,595 |
| Non-property income: | | | | |
| Loss from unconsolidated entities | (2,757) | (2,092) | (8,579) | (6,352) |
| Tax valuation allowance for RE ⁽³⁾ | (1,346) | - | 21,530 | - |
| Joint venture management fees | 2,817 | 3,316 | 11,843 | 9,792 |
| Gain on sale of investments | - | 1,396 | - | 7,069 |
| Interest and other income | 1,157 | 92 | 3,592 | 561 |
| | (129) | 2,712 | 28,386 | 11,070 |
| Other expenses: | | | | |
| Real estate depreciation and amortization | 83,456 | 90,830 | 344,060 | 326,788 |
| Interest | 30,660 | 39,031 | 139,069 | 150,687 |
| Amortization of convertible debt premium | - | - | - | 1,077 |
| Other debt charges (benefits), net ⁽⁴⁾ | - | 550 | (277) | 4,602 |
| Total interest | 30,660 | 39,581 | 138,792 | 156,366 |
| Hurricane-related charges, net | 8,495 | - | 8,495 | - |
| Acquisition-related costs | 828 | 57 | 2,336 | 4,828 |
| Severance charge | 484 | 317 | 733 | 1,342 |
| General and administrative | 9,641 | 11,567 | 40,723 | 41,087 |
| Tax benefit for RE ⁽³⁾ , net | (2,974) | (5,820) | (8,752) | (5,647) |
| Other depreciation and amortization | 1,082 | 919 | 4,105 | 3,931 |
| | 131,382 | 137,451 | 530,492 | 528,695 |
| Loss from continuing operations | (13,111) | (26,222) | (43,036) | (123,225) |
| Income from discontinued operations | 156 | 74,340 | 263,339 | 143,810 |
| Consolidated net (loss)/income | (12,955) | 48,118 | 220,303 | 20,585 |
| Net loss/(income) attributable to non-controlling interests | 655 | (1,620) | (8,126) | (562) |
| Net (loss)/income attributable to UDR, Inc. | (12,300) | 46,498 | 212,177 | 20,023 |
| Distributions to preferred stockholders - Series E (Convertible) | (931) | (931) | (3,724) | (3,724) |
| Distributions to preferred stockholders - Series G | - | (1,377) | (2,286) | (5,587) |
| Premium on preferred stock repurchases, net | - | - | (2,791) | (175) |
| Net (loss)/income attributable to common stockholders | \$ (13,231) | \$ 44,190 | \$ 203,376 | \$ 10,537 |
| Earnings/(loss) per weighted average common share - basic and diluted | | | | |
| Loss from continuing operations available to common stockholders | (\$0.05) | (\$0.14) | (\$0.25) | (\$0.66) |
| Income from discontinued operations | \$0.00 | \$0.34 | \$1.10 | \$0.71 |
| Net (loss)/income attributable to common stockholders | (\$0.05) | \$0.20 | \$0.85 | \$0.05 |
| Common distributions declared per share | \$0.220 | \$0.215 | \$0.880 | \$0.800 |
| Weighted average number of common shares outstanding - basic and diluted | 249,809 | 217,823 | 238,851 | 201,294 |

(1) See Attachment 16 for definitions and other terms.

(2) Impacted by \$767,000 of lost rent due to business interruption.

(3) Includes the net tax benefit from the one-time reversal of a valuation allowance from the Company's taxable REIT subsidiary ("TRS").

(4) Includes prepayment penalties, write-off of deferred financing costs and fair market value adjustments on early debt extinguishment.



Attachment 2

UDR, Inc. Funds From Operations ⁽¹⁾ (Unaudited)

| In thousands, except per share amounts | Three Months Ended December 31, | | Twelve Months Ended December 31, | |
|--|------------------------------------|------------------|-------------------------------------|-------------------|
| | 2012 | 2011 | 2012 | 2011 |
| Net (loss)/income attributable to UDR, Inc. | \$ (12,300) | \$ 46,498 | \$ 212,177 | \$ 20,023 |
| Distributions to preferred stockholders | (931) | (2,308) | (6,010) | (9,311) |
| Real estate depreciation and amortization, including discontinued operations | 83,456 | 98,513 | 350,400 | 370,343 |
| Non-controlling interest | (655) | 1,620 | 8,126 | 562 |
| Real estate depreciation and amortization on unconsolidated joint ventures | 9,897 | 2,983 | 32,531 | 11,631 |
| Net gain on the sale of depreciable property in discontinued operations, excluding RE ³ | (156) | (68,045) | (243,005) | (123,217) |
| Tax valuation allowance for RE ³ | 1,346 | - | (21,530) | - |
| Premium on preferred stock repurchases, net | - | - | (2,791) | (175) |
| Funds from operations ("FFO") - basic | \$ 80,657 | \$ 79,261 | \$ 329,098 | \$ 269,856 |
| Distribution to preferred stockholders - Series E (Convertible) | 931 | 931 | 3,724 | 3,724 |
| FFO, diluted | \$ 81,588 | \$ 80,192 | \$ 332,822 | \$ 273,580 |
| FFO per common share, basic | \$ 0.31 | \$ 0.35 | \$ 1.33 | \$ 1.29 |
| FFO per common share, diluted | \$ 0.31 | \$ 0.35 | \$ 1.32 | \$ 1.28 |
| Weighted average number of common shares and OP Units outstanding - basic | 259,211 | 227,248 | 248,262 | 208,896 |
| Weighted average number of common shares, OP Units, and common stock equivalents outstanding - diluted | 263,529 | 232,405 | 252,659 | 214,086 |
| Impact of adjustments to FFO: | | | | |
| Acquisition-related costs (including JV's) | 550 | 1,305 | 2,762 | 6,076 |
| JV financing and acquisition fee | - | (926) | - | (2,335) |
| Costs (benefit) associated with debt extinguishment | - | 550 | (277) | 4,602 |
| Redemption of preferred stock | - | - | 2,791 | 175 |
| Gain on sale of TRS property/marketable securities | - | (3,216) | (7,749) | (9,780) |
| Severance expense | 484 | 317 | 733 | 1,342 |
| Hurricane-related charges, net | 9,262 | - | 9,262 | - |
| | \$ 10,296 | \$ (1,970) | \$ 7,522 | \$ 80 |
| FFO, diluted | 81,588 | 80,192 | 332,822 | 273,580 |
| FFO as Adjusted, diluted | \$ 91,884 | \$ 78,222 | \$ 340,344 | \$ 273,660 |
| FFO as Adjusted per common share, diluted | \$ 0.35 | \$ 0.34 | \$ 1.35 | \$ 1.28 |
| Recurring capital expenditures | (9,389) | (13,729) | (42,249) | (44,563) |
| AFFO | \$ 82,495 | \$ 64,493 | \$ 298,095 | \$ 229,097 |
| AFFO per common share, diluted | \$ 0.31 | \$ 0.28 | \$ 1.18 | \$ 1.07 |



Attachment 3

UDR, Inc. Consolidated Balance Sheets (Unaudited)

| In thousands, except share and per share amounts | December 31, 2012 | December 31, 2011 |
|---|----------------------|----------------------|
| ASSETS | | |
| Real estate owned: | | |
| Real estate held for investment | \$ 7,564,780 | \$ 7,269,347 |
| Less: accumulated depreciation | (1,923,429) | (1,605,090) |
| | 5,641,351 | 5,664,257 |
| Real estate under development (net of accumulated depreciation of \$1,253 and \$570) | 489,795 | 246,229 |
| Real estate sold or held for disposition (net of accumulated depreciation of \$0 and \$226,067) | - | 332,258 |
| Total real estate owned, net of accumulated depreciation | 6,131,146 | 6,242,744 |
| Cash and cash equivalents | 12,115 | 12,503 |
| Restricted cash | 23,561 | 24,634 |
| Deferred financing costs, net | 24,990 | 30,068 |
| Notes receivable | 64,006 | - |
| Investment in and advances to unconsolidated joint ventures | 507,037 | 213,040 |
| Other assets | 125,654 | 198,365 |
| Total assets | \$ 6,888,509 | \$ 6,721,354 |
| LIABILITIES AND STOCKHOLDERS' EQUITY | | |
| Secured debt | \$ 1,430,135 | \$ 1,891,553 |
| Unsecured debt | 1,979,198 | 2,026,817 |
| Real estate taxes payable | 14,076 | 13,397 |
| Accrued interest payable | 30,937 | 23,208 |
| Security deposits and prepaid rent | 42,589 | 35,516 |
| Distributions payable | 57,915 | 51,019 |
| Deferred gains on the sale of depreciable property | 29,406 | 29,100 |
| Accounts payable, accrued expenses, and other liabilities | 87,003 | 95,485 |
| Total liabilities | 3,671,259 | 4,166,095 |
| Redeemable non-controlling interests in operating partnership | 223,418 | 236,475 |
| Stockholders' equity | | |
| Preferred stock, no par value; 50,000,000 shares authorized | | |
| 2,803,812 shares of 8.00% Series E Cumulative Convertible issued and outstanding (2,803,812 shares at December 31, 2011) | 46,571 | 46,571 |
| 0 shares of 6.75% Series G Cumulative Redeemable issued and outstanding (3,264,362 shares at December 31, 2011) | - | 81,609 |
| Common stock, \$0.01 par value; 350,000,000 shares authorized | | |
| 250,139,408 shares issued and outstanding (219,650,225 shares at December 31, 2011) | 2,501 | 2,197 |
| Additional paid-in capital | 4,098,882 | 3,340,470 |
| Distributions in excess of net income | (1,143,781) | (1,142,895) |
| Accumulated other comprehensive loss, net | (11,257) | (13,902) |
| Total stockholders' equity | 2,992,916 | 2,314,050 |
| Non-controlling interest | 916 | 4,734 |
| Total equity | 2,993,832 | 2,318,784 |
| Total liabilities and stockholders' equity | \$ 6,888,509 | \$ 6,721,354 |



Attachment 4

UDR, Inc. Selected Financial Information (Unaudited)

| Net Debt-to-EBITDA | Quarter Ended December 31, 2012 |
|--|--|
| Net income/(loss) attributable to UDR, Inc. | \$ (12,300) |
| Adjustments (includes continuing and discontinued operations): | |
| Interest expense | 30,660 |
| Real estate depreciation and amortization | 83,456 |
| Real estate depreciation and amortization on unconsolidated joint ventures | 9,897 |
| Other depreciation and amortization | 1,092 |
| Non-controlling interests | (655) |
| Net loss/(gain) on the sale of depreciable property, excluding RE ³ | (156) |
| Income tax expense/(benefit) | (2,974) |
| EBITDA | <u>\$ 109,020</u> |
| Acquisition-related costs (including joint ventures) | 550 |
| Hurricane-related charges, net | 9,262 |
| Severance charge | 484 |
| Tax valuation allowance for RE ³ | 1,346 |
| EBITDA - adjusted for non-recurring items | <u>\$ 120,662</u> |
| Annualized EBITDA | <u>\$ 482,648</u> |
| Total debt | \$ 3,409,333 |
| Cash | 12,115 |
| Net debt | <u>\$ 3,397,218</u> |
| Net Debt-to-EBITDA, adjusted for non-recurring items | <u>7.0x</u> |



Attachment 16(D)

UDR, Inc. Definitions and Reconciliations December 31, 2012 (Unaudited)

All guidance is based on current expectations of future economic conditions and the judgment of the Company's management team. The following reconciles from GAAP net loss per share for full year 2013 and first quarter of 2013 to forecasted FFO, FFO as Adjusted and AFFO per share:

| | Full Year 2013 | |
|---|----------------|----------------|
| | Low | High |
| Forecasted earnings per diluted share | \$ (0.09) | \$ (0.03) |
| Conversion from GAAP share count | (0.08) | (0.08) |
| Depreciation | 1.51 | 1.51 |
| Non-Controlling Interests | (0.01) | (0.01) |
| Preferred Dividends | 0.01 | 0.01 |
| Forecasted FFO per diluted share | \$ 1.35 | \$ 1.41 |
| RE ³ gains from asset sales | (0.02) | (0.02) |
| Forecasted FFO as Adjusted per diluted share | \$ 1.33 | \$ 1.39 |
| Recurring capital expenditures | (0.16) | (0.16) |
| Forecasted AFFO per diluted share | \$ 1.17 | \$ 1.23 |

| | 1Q 2013 | |
|---|----------------|----------------|
| | Low | High |
| Forecasted earnings per diluted share | \$ (0.05) | \$ (0.03) |
| Conversion from GAAP share count | (0.02) | (0.02) |
| Depreciation | 0.38 | 0.38 |
| Non-Controlling Interests | (0.00) | (0.00) |
| Preferred Dividends | 0.00 | 0.00 |
| Forecasted FFO per diluted share | \$ 0.31 | \$ 0.33 |
| RE ³ gains from asset sales | - | - |
| Forecasted FFO as Adjusted per diluted share | \$ 0.31 | \$ 0.33 |
| Recurring capital expenditures | (0.04) | (0.04) |
| Forecasted AFFO per diluted share | \$ 0.27 | \$ 0.29 |