

UDR, INC.

EXECUTIVE STOCK OWNERSHIP GUIDELINES

Adopted November 5, 2015

I. Purpose

The Corporation's Executive Stock Ownership Guidelines ("Guidelines") align the interests of the Corporation's executive officers with the interests of the Corporation's stockholders and promote the Corporation's commitment to sound corporate governance.

II. Participation

The Guidelines apply to the following officers:

Chief Executive Officer;
President;
All Executive Vice Presidents; and
All Senior Vice Presidents.

III. Determination of Guidelines

Individual guidelines are established for each participant as follows:

110,000 shares for the Chief Executive Officer and President;
50,000 shares for any Executive Vice President or equivalent; and
20,000 shares for any Senior Vice President or equivalent.

The Governance Committee of the Board of Directors ("Governance Committee") may, from time to time, reevaluate and revise the participants' guidelines to give effect to changes in the Corporation's common stock price or capitalization.

IV. Counting Shares Owned

Stock that counts towards satisfaction of the Guidelines includes:

- Shares owned outright by the participant or his or her immediate family members residing in the same household;
- Vested restricted stock;
- LTIP Units in United Dominion Realty, L.P.; and
- Shares into which OPPS or OP Units in United Dominion Realty, L.P. may be redeemed for shares of common stock.

V. Compliance with the Guidelines

Participants are required to achieve compliance with the Guidelines within four years from the date of adoption by the Board of Directors, or four years from their date of hire, whichever is later. If a participant's guideline increases as a result of a promotion, *e.g.*, from Senior Vice President to Executive Vice President, the participant will have four years to satisfy the new guideline, commencing January 1 of the year following the promotion. Once achieved, ownership of the guideline amount must be maintained for so long as the individual is subject to the Guidelines.

The Governance Committee has the authority to review each participant's compliance (or progress towards compliance) with the Guidelines from time to time and, in its sole discretion, to impose such conditions, restrictions or limitations on any participant as the Governance Committee determines to be necessary or appropriate in order to achieve the purposes of the Guidelines. For example, the Governance Committee may mandate that a participant retain (and not transfer) all or a portion of any shares delivered to the participant through the Corporation's compensation plans or otherwise restrict the participant's transfer of previously owned shares.

There may be instances in which the Guidelines would place a severe hardship on a participant or prevent a participant from complying with a court order, such as a divorce settlement. In these instances, the participant must submit a request in writing to the Chief Financial Officer or the Governance Committee that summarizes the circumstances and describes the extent to which an exemption is being requested. The Chief Financial Officer (after reviewing the request with the Chairman and Chief Executive Officer) or the Governance Committee, as applicable, will make the final decision as to whether an exemption will be granted. If such a request is granted in whole or in part, the Chief Financial Officer will work with the participant to develop an alternative stock ownership plan that reflects both the intention of the Guidelines and the participant's individual circumstances.

VI. Administration

The Guidelines are administered and interpreted by the Governance Committee and, as to matters relating to the calculation of individual guidelines and the granting of exemptions from the guidelines, the Chief Financial Officer of the Corporation.

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