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Press Release

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Contact: Chris Van Ens
Phone: 720.348.7762

UDR ANNOUNCES FOURTH QUARTER AND FULL-YEAR 2017 RESULTS

UDR (the "Company") Fourth Quarter 2017 Highlights:

- Net income per share was $0.25, Funds from Operations ("FFO") per share was $0.46, FFO as Adjusted per share was $0.48, and Adjusted Funds from Operations ("AFFO") per share was $0.42.
- Net income attributable to common stockholders was $68.4 million as compared to $236.7 million in the prior year period. The decrease was primarily due to lower gains on the sale of real estate.
- Year-over-year same-store ("SS") revenue, expense and net operating income ("NOI") growth was 3.1 percent, 2.9 percent and 3.1 percent, respectively.
- Developer Capital Program ("DCP") transactions completed during the quarter included:
  - Purchased Steele Creek, a 218-home community located in Denver, CO for $141.5 million. The Company's profit participation totaled $14.9 million, making its effective basis $126.6 million.
  - Sold Katella Grand I, a 399-home community located in Anaheim, CA, for $148.0 million.
- Sold two wholly-owned communities, Vista Del Rey and Villas at Carlsbad, located in Southern California, for $69.0 million.
- Subsequent to quarter end, entered into a contract to sell Pacific Shores, a 264-home community located in Orange County for $90.5 million, which is expected to close in the first quarter of 2018 subject to customary closing conditions.
- Issued $300.0 million of 10-year unsecured debt at a 3.50 percent coupon and redeemed $300.0 million of 4.25 percent unsecured debt originally scheduled to mature in mid-2018, resulting in $3.4 million in prepayment costs.
- Subsequent to quarter end, Thomas W. Toomey was named Chairman of the Company's Board in addition to his responsibilities as President and Chief Executive Officer. James D. Klingbeil was appointed Lead Independent Director of the Board.

Full-Year 2017 Highlights:

- Net income per share was $0.44, FFO per share was $1.83, FFO as Adjusted per share was $1.87, and AFFO per share was $1.72.
- Net income attributable to common stockholders was $117.9 million as compared to $289.0 million in the prior year period. The decrease was primarily due to lower gains on the sale of real estate.
- Year-over-year SS revenue, expense and NOI growth was 3.7 percent, 3.5 percent and 3.8 percent, respectively.
- Increased the Company's declared dividend per share to $1.24, or by 5.1 percent year-over-year.
- Completed construction on two UDR/MetLife JV developments comprising 536 homes in total, located in the San Francisco Bay Area and Orange County.
- Expanded the DCP through investments in five communities comprising 1,253 homes in total, located in Seattle, Washington, D.C., San Francisco, Portland, OR, and Nashville, TN.
- Completed $477.3 million in acquisitions/dispositions within the DCP, by acquiring two assets valued at $228.0 million and disposing of two assets valued at $249.3 million.
- Prepaid $575.3 million of higher-cost debt and issued $600.0 million of 10-year unsecured debt at a weighted average 3.50 percent coupon.
- Established a $500.0 million unsecured U.S. commercial paper program.

	Q4 2017	Q4 2016	FY 2017	FY 2016
Net income per common share, diluted	**$0.25**	**$0.88**	**$0.44**	**$1.08**
Conversion from GAAP share count	(0.024)	(0.077)	(0.041)	(0.103)
Net gain on the sale of depreciable real estate owned	(0.209)	(0.799)	(0.260)	(0.870)
Depreciation and amortization	0.416	0.390	1.642	1.582
Noncontrolling interests and preferred dividends	0.024	0.078	0.050	0.106
FFO per common share and unit, diluted	**$0.46**	**$0.47**	**$1.83**	**$1.80**
Acquisition-related costs/(fees)	0.000	0.001	0.001	0.001
Cost/(benefit) associated with debt extinguishment, other	0.011	-	0.031	0.006
Long-term incentive plan transition costs	-	0.001	-	0.003
Net gain on the sale of non-depreciable real estate owned	-	-	(0.005)	(0.006)
Legal claims, net of tax	-	-	-	(0.002)
Net loss on sale of unconsolidated land	-	-	-	0.003
Severance costs and other restructuring expense	0.002	0.003	0.002	0.003
Tax benefit – conversion of TRS entities into REITs	-	(0.008)	-	(0.008)
Casualty-related charges/(recoveries), including JVs, net	0.002	(0.005)	0.012	(0.010)
FFO as Adjusted per common share and unit, diluted	**$0.48**	**$0.46**	**$1.87**	**$1.79**
Recurring capital expenditures	(0.054)	(0.054)	(0.155)	(0.160)
AFFO per common share and unit, diluted	**$0.42**	**$0.40**	**$1.72**	**$1.63**

A reconciliation of FFO, FFO as Adjusted and AFFO to GAAP Net income attributable to common stockholders can be found on Attachment 2 of the Company's fourth quarter Supplemental Financial Information.

Operations

In the fourth quarter, total revenue increased by $9.9 million or 4.1 percent, to $252.9 million. This increase was primarily attributable to growth in revenue from same-store communities and stabilized, non-mature communities.

In the fourth quarter, same-store NOI increased 3.1 percent year-over-year and was driven by same-store revenue growth of 3.1 percent and a 2.9 percent increase in same-store expenses. Weighted average same-store physical occupancy was flat year-over-year at 96.8 percent. The fourth quarter annualized rate of turnover was 41.2 percent, representing a 40 basis point decline year-over-year.

Summary of Same-Store Results Fourth Quarter 2017 versus Fourth Quarter 2016

Region	Revenue Growth	Expense Growth/ (Decline)	NOI Growth	% of Same-Store Portfolio[1]	Same-Store Occupancy[2]	Number of Same-Store Homes[3]
West	4.2%	(0.2)%	5.6%	40.4%	96.3%	11,743
Mid-Atlantic	1.8%	3.5%	1.1%	25.5%	97.3%	10,480
Northeast	2.1%	6.7%	0.1%	16.8%	97.1%	3,493
Southeast	3.7%	3.9%	3.5%	13.0%	96.7%	7,683
Southwest	3.4%	3.3%	3.4%	4.3%	96.6%	2,923
Total	**3.1%**	**2.9%**	**3.1%**	**100.0%**	**96.8%**	**36,322**

(1) Based on Q4 2017 NOI.

(2) Weighted average same-store physical occupancy for the quarter.

(3) During the fourth quarter, 36,322 apartment homes were classified as same-store. The Company defines QTD SS Communities as those communities stabilized for five full consecutive quarters. These communities were owned and had stabilized occupancy and operating expenses as of the beginning of the quarter in the prior year, were not in process of any substantial redevelopment activities, and not held for disposition.

Sequential same-store NOI increased by 1.4 percent in the fourth quarter of 2017 on same-store revenue growth of 0.1 percent and a 3.1 percent decrease in same-store expenses. Weighted average same-store physical occupancy increased by 10 basis points sequentially to 96.8 percent.

For the twelve months ended December 31, 2017, total revenue increased by $35.9 million or 3.7 percent, to $995.8 million. This increase was primarily attributable to growth in revenue from same-store communities and stabilized, non-mature communities.

For the twelve months ended December 31, 2017, same-store NOI increased 3.8 percent year-over-year and was driven by same-store revenue growth of 3.7 percent and a 3.5 percent increase in same-store expenses. Weighted average same-store physical occupancy was 96.8 percent as compared to 96.6 percent in the prior year. The full-year rate of turnover was 49.8 percent, representing a 110 basis point decline year-over-year.

Summary of Same-Store Results Full-Year 2017 versus Full-Year 2016

Region	Revenue Growth	Expense Growth	NOI Growth	% of Same-Store Portfolio(1)	Same-Store Occupancy(2)	Number of Same-Store Homes(3)
West	4.4%	3.5%	4.7%	40.9%	96.4%	11,743
Mid-Atlantic	2.5%	0.1%	3.6%	24.0%	97.1%	9,629
Northeast	2.8%	8.9%	0.4%	17.5%	97.1%	3,493
Southeast	4.6%	2.2%	5.7%	13.3%	96.8%	7,683
Southwest	4.2%	5.5%	3.3%	4.3%	96.7%	2,923
Total	**3.7%**	**3.5%**	**3.8%**	**100.0%**	**96.8%**	**35,471**

(1) Based on YTD 2017 NOI.

(2) Weighted average same-store physical occupancy for YTD 2017.

(3) During the twelve months, 35,471 apartment homes were classified as same-store. The Company defines YTD SS Communities as those communities stabilized for two full consecutive calendar years. These communities were owned and had stabilized occupancy and operating expenses as of the beginning of the prior year, were not in process of any substantial redevelopment activities, and not held for disposition.

Development and Redevelopment Activity

At the end of the fourth quarter, the Company's development pipeline totaled $864.5 million at its pro-rata ownership interest, consisting of a $54.0 million completed, non-stabilized project and $810.5 million of under-construction development projects, of which $664.6 million had been funded, leaving $145.9 million to be funded. Of the $810.5 million of under-construction development projects, $379.5 million commenced leasing in 2017 and $431.0 million is scheduled to commence leasing in 2018. The development pipeline is currently expected to produce a weighted average spread between stabilized yields and current market cap rates of 150 to 200 basis points.

During the quarter, the Company completed the redevelopment of Thirty377, a 305-home community in Dallas. The total cost of the redevelopment was $9.5 million.

Developer Capital Program

At the end of the fourth quarter, the Company's DCP investment, including accrued return, totaled $158.9 million. Activity during the quarter consisted of:

- As previously announced, the Company purchased Steele Creek, a 218-home community located in Denver, CO, for $141.5 million. The Company's profit participation in the transaction totaled $14.9 million, making its effective basis $126.6 million. See the Company's third quarter 2017 earnings press release for further information.

- As previously announced, the West Coast Development Joint Venture ("WCDJV") sold Katella Grand I, a 399-home community located in Anaheim, CA for $148.0 million. See the Company's third quarter 2017 earnings press release for further information.

- The Company's investment balance in DCP-Other projects increased by $16.8 million. At quarter end, the Company's investment balance totaled $55.9 million in DCP-Other projects.

Wholly-Owned Transactional Activity

During the quarter, the Company sold two communities, Vista Del Rey and Villas at Carlsbad, comprising 218 homes in total, located in Southern California, for $69.0 million or $316,500 per home. At the time of the sale, the communities had a weighted average monthly revenue per occupied home of $1,986 and were 50 years old on average.

Subsequent to quarter end, the Company entered into a contract to sell Pacific Shores, a 264-home community, located in Orange County, for $90.5 million, or $342,800 per home. The transaction is expected to close in the first quarter of 2018 subject to customary closing conditions. At the end of the fourth quarter, the community had an average monthly revenue per occupied home of $2,053 and was 47 years old.

Capital Markets and Balance Sheet

As previously announced, during the fourth quarter, the Company issued $300.0 million of 10-year unsecured debt at a 3.50 percent coupon. Proceeds were used to redeem all $300.0 million of the Company's outstanding 4.25 percent senior unsecured notes scheduled to mature on June 1, 2018, and for general corporate purposes. The Company incurred prepayment costs totaling $3.4 million.

At December 31, 2017, the Company had approximately $855.3 million in availability, through a combination of cash and undrawn capacity, on its credit facilities.

The Company's total indebtedness at December 31, 2017 was $3.7 billion. The Company ended the quarter with fixed-rate debt representing 87.0 percent of its total debt, a total blended interest rate of 3.7 percent and a weighted average maturity of 5.3 years. The Company's leverage was 33.2 percent versus 32.1 percent a year ago, its net-debt-to-EBITDA was 5.3x versus 5.1x a year ago and its fixed charge coverage ratio was flat year-over year at 4.8x.

Board of Directors

Subsequent to quarter end, the Company's Board of Directors appointed Thomas W. Toomey to the position of Chairman of the Board, effective January 1, 2018, in addition to his current responsibilities as the Company's President and Chief Executive Officer. James D. Klingbeil, who had served as Chairman since 2010, was named Lead Independent Director of the Board.

Dividend

As previously announced, the Company's Board of Directors declared a regular quarterly dividend on its common stock for the fourth quarter of 2017 in the amount of $0.31 per share. The dividend was paid in cash on January 31, 2018 to UDR common stockholders of record as of January 10, 2018. The fourth quarter 2017 dividend represented the 181st consecutive quarterly dividend paid by the Company on its common stock.

In conjunction with this release, the Company has declared a 2018 annualized dividend per share of $1.29, a 4.0 percent increase over 2017.

Outlook

For the first quarter of 2018, the Company has established the following earnings guidance ranges:

Net income per share	\$0.06 to \$0.08
FFO per share	\$0.46 to \$0.48
FFO as Adjusted per share	\$0.46 to \$0.48
AFFO per share	\$0.44 to \$0.46

For the full-year 2018, the Company has established the following earnings guidance ranges:

Net income per share	\$0.26 to \$0.30
FFO per share	\$1.91 to \$1.95
FFO as Adjusted per share	\$1.91 to \$1.95
AFFO per share	\$1.76 to \$1.80

Full-Year 2017 FFO as Adjusted per share as compared to full-year 2018 guidance at the midpoint:

The difference between the Company's full-year 2017 FFO as Adjusted of \$1.87 per share and the \$1.93 midpoint of its full-year 2018 FFO as Adjusted guidance range is primarily due to:

- A positive impact of approximately \$0.07 from same-store, joint venture and commercial operations;
- A negative impact of approximately \$0.01 from higher LIBOR and other non-core items;
- A neutral impact from development and Developer Capital Program investments after accounting for costs to fund; and
- Flat general and administrative expense year-over-year.

For the full-year 2018, the Company has established the following same-store growth guidance ranges:

Revenue	2.50% to 3.50%
Expense	2.50% to 3.50%
Net operating income	2.50% to 3.50%

Additional assumptions for the Company's first quarter and full-year 2018 guidance can be found on Attachment 15 of the Company's fourth quarter Supplemental Financial Information. A reconciliation of FFO per share, FFO as Adjusted per share and AFFO per share to GAAP Net income per share can be found on Attachment 16(D) of the Company's fourth quarter Supplemental Financial Information. Non-GAAP financial measures and other terms, as used in this earnings release, are defined and further explained on Attachments 16(A) through 16(D), "Definitions and Reconciliations," of the Company's fourth quarter Supplemental Financial Information.

Supplemental Information

The Company offers Supplemental Financial Information that provides details on the financial position and operating results of the Company which is available on the Company's website at ir.udr.com.

Conference Call and Webcast Information

UDR will host a webcast and conference call at 1:00 p.m. Eastern Time on February 7, 2018 to discuss fourth quarter and full-year results, recent events, 2018 guidance and management's views on the economy and the apartment industry. The webcast will be available on UDR's website at ir.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 877-705-6003 for domestic and 201-493-6725 for international. A passcode is not necessary.

A replay of the conference call will be available through March 7, 2018, by dialing 844-512-2921 for domestic and 412-317-6671 for international and entering the confirmation number, 13675009, when prompted for the passcode.

A replay of the call will be available for 30 days on UDR's website at ir.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 ir.udr.com.

Mail -- For those without Internet access, the fourth quarter 2017 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.

Attachment 16(B)

UDR, Inc.
Definitions and Reconciliations
December 31, 2017
(Unaudited)

Held For Disposition Communities: The Company defines Held for Disposition Communities as those communities that were held for sale as of the end of the most recent quarter.

Interest Coverage Ratio - adjusted for non-recurring items: The Company defines Interest Coverage Ratio - adjusted for non-recurring items as net income/(loss), excluding the impact of consolidated interest expense, real estate depreciation and amortization of wholly-owned and joint venture communities, other depreciation and amortization, income tax provision/(benefit), net and the impact of other non-recurring items including, but not limited to, net gain/(loss) on the sale of real estate owned and casualty-related expenses and recoveries of wholly-owned and joint venture communities divided by total consolidated interest, excluding the impact of costs associated with debt extinguishment.

Management considers Interest Coverage Ratio - adjusted for non-recurring items 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 of the components that comprise Interest Coverage Ratio - adjusted for non-recurring items is provided on Attachment 4(C) of the Company's quarterly supplemental disclosure.

Joint Venture Reconciliation at UDR's weighted average ownership interest:

In thousands	4Q 2017	YTD 2017
Income/(loss) from unconsolidated entities	$ 19,666	$ 31,257
Management fee	1,206	4,654
Interest expense	9,446	37,933
Depreciation	14,128	57,102
General and administrative	139	563
West Coast Development JV Preferred Return - Attachment 12(B)	(1,375)	(5,932)
Developer Capital Program - Other	(1,081)	(6,370)
Other (income)/expense (includes 717 Olympic casualty (gain)/expense)	94	(311)
(Gain)/loss on sales	(20,850)	(35,363)
Total Joint Venture NOI at UDR's Ownership Interest	$ 21,373	$ 83,533

JV Return on Equity ("ROE"): The Company defines JV ROE as its share of property NOI plus property and asset management fee revenue less interest expense, annualized, divided by the average of beginning and ending equity capital for the quarter.

Management considers JV ROE a useful metric for investors as it provides a widely used measure of how well the Company is investing its capital on a leveraged basis.

JV Return on Invested Capital ("ROIC"): The Company defines JV ROIC as its share of property NOI plus property and asset management fee revenue, annualized, divided by the average of beginning and ending invested capital for the quarter.

Management considers JV ROIC a useful metric for investors as it provides a widely used measure of how well the Company is investing its capital on an unleveraged basis.

Net Debt-to-EBITDA - adjusted for non-recurring items: The Company defines Net Debt-to-EBITDA - adjusted for non-recurring items as total consolidated debt net of cash and cash equivalents divided by EBITDA - adjusted for non-recurring items. EBITDA is defined as net income/(loss), excluding the impact of consolidated interest expense, real estate depreciation and amortization of wholly owned and joint venture communities, other depreciation and amortization and income tax provision/(benefit), net. EBITDA - adjusted for non-recurring items is defined as EBITDA excluding the impact of other non-recurring items including, but not limited to, net gain/(loss) on the sale of real estate owned and casualty-related expenses and recoveries of wholly owned and joint venture communities.

Management considers Net Debt-to-EBITDA - adjusted for non-recurring items 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/(loss) and EBITDA - adjusted for non-recurring items 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 and other revenues 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 from net income attributable to UDR, Inc. to NOI is provided below.

In thousands	4Q 2017	3Q 2017	2Q 2017	1Q 2017	4Q 2016
Net income/(loss) attributable to UDR, Inc.	$ 69,280	$ 16,190	$ 10,157	$ 25,967	$ 237,617
Property management	6,878	6,827	6,728	6,635	6,603
Other operating expenses	3,050	1,950	2,369	1,691	2,369
Real estate depreciation and amortization	109,401	107,171	108,450	105,032	102,537
Interest expense	34,211	30,095	33,866	30,539	29,295
Casualty-related charges/(recoveries), net	586	2,056	1,191	502	(1,102)
General and administrative	11,590	12,467	11,434	13,075	13,256
Tax (benefit)/provision, net	(1,065)	127	366	332	(3,063)
(Income)/loss from unconsolidated entities	(19,666)	(1,819)	1,426	(11,198)	(35,945)
Interest income and other (income)/expense, net	(548)	(481)	(515)	(427)	(481)
Joint venture management and other fees	(2,764)	(2,827)	(3,321)	(2,570)	(2,927)
Other depreciation and amortization	1,648	1,585	1,567	1,608	1,458
(Gain)/loss on sale of real estate owned, net of tax	(41,272)	-	-	(2,132)	(200,466)
Net income/(loss) attributable to noncontrolling interests	6,347	1,380	905	2,429	22,129
Total consolidated NOI	$ 177,676	$ 174,721	$ 174,623	$ 171,483	$ 171,280

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 and rental rates, expectations concerning the joint ventures with third parties, expectations that technology 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.

About UDR, Inc.

UDR, Inc. (NYSE: UDR), an S&P 500 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, 2017, UDR owned or had an ownership position in 49,728 apartment homes including 2,444 homes under development or in its Developer Capital Program – West Coast Development JV. For over 46 years, UDR has delivered long-term value to shareholders, the best standard of service to residents and the highest quality experience for associates.

Attachment 1

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

In thousands, except per share amounts	Three Months Ended December 31, 2017	Three Months Ended December 31, 2016	Twelve Months Ended December 31, 2017	Twelve Months Ended December 31, 2016
REVENUES:				
Rental income	$ 250,116	$ 240,081	$ 984,309	$ 948,461
Joint venture management and other fees	2,764	2,927	11,482	11,400
Total revenues	252,880	243,008	995,791	959,861
OPERATING EXPENSES:				
Property operating and maintenance	42,086	40,075	164,660	159,947
Real estate taxes and insurance	30,354	28,726	121,146	115,429
Property management	6,878	6,603	27,068	26,083
Other operating expenses	3,050	2,369	9,060	7,649
Real estate depreciation and amortization	109,401	102,537	430,054	419,615
Acquisition costs	27	152	371	213
General and administrative	11,563	13,104	48,195	49,548
Casualty-related charges/(recoveries), net	586	(1,102)	4,335	732
Other depreciation and amortization	1,648	1,458	6,408	6,023
Total operating expenses	205,593	193,922	811,297	785,239
Operating income	47,287	49,086	184,494	174,622
Income/(loss) from unconsolidated entities [2]	19,666	35,945	31,257	52,234
Interest expense	(30,833)	(29,295)	(119,499)	(121,302)
(Cost)/benefit associated with debt extinguishment and other	(3,378)	-	(9,212)	(1,729)
Total interest expense	(34,211)	(29,295)	(128,711)	(123,031)
Interest income and other income/(expense), net	548	481	1,971	1,930
Income/(loss) before income taxes and gain/(loss) on sale of real estate owned	33,290	56,217	89,011	105,755
Tax (provision)/benefit, net	1,065	3,063	240	3,774
Income/(loss) from continuing operations	34,355	59,280	89,251	109,529
Gain/(loss) on sale of real estate owned, net of tax	41,272	200,466	43,404	210,851
Net income/(loss)	75,627	259,746	132,655	320,380
Net (income)/loss attributable to redeemable noncontrolling interests in the OP and DownREIT Partnership [3]	(6,290)	(22,114)	(10,933)	(27,282)
Net (income)/loss attributable to noncontrolling interests	(57)	(15)	(164)	(380)
Net income/(loss) attributable to UDR, Inc.	69,280	237,617	121,558	292,718
Distributions to preferred stockholders - Series E (Convertible)	(924)	(930)	(3,708)	(3,717)
Net income/(loss) attributable to common stockholders	$ 68,356	$ 236,687	$ 117,850	$ 289,001
Income/(loss) per weighted average common share - basic:	$0.26	$0.89	$0.44	$1.09
Income/(loss) per weighted average common share - diluted:	$0.25	$0.88	$0.44	$1.08
Common distributions declared per share	$0.310	$0.295	$1.24	$1.18
Weighted average number of common shares outstanding - basic	267,270	266,498	267,024	265,386
Weighted average number of common shares outstanding - diluted	269,221	271,551	268,830	267,311

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

(2) During the three months ended December 31, 2017, UDR recorded a gain on sale of approximately $5.5 million in connection with the sale of Katella Grand I, a West Coast Development JV community in Anaheim, CA and a gain on consolidation of approximately $14.8 million in connection with the acquisition of Steele Creek. For the twelve months ended December 31, 2017, UDR has recorded gains on sale or consolidation of approximately $35.4 million.

(3) Due to the quarterly calculation of noncontrolling interest, the sum of the quarterly amounts will not equal the annual totals.

Attachment 2

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

In thousands, except per share and unit amounts	Three Months Ended December 31, 2017	Three Months Ended December 31, 2016	Twelve Months Ended December 31, 2017	Twelve Months Ended December 31, 2016
Net income/(loss) attributable to common stockholders	**$ 68,356**	$ 236,687	**$ 117,850**	$ 289,001
Real estate depreciation and amortization	**109,401**	102,537	**430,054**	419,615
Noncontrolling interests	**6,347**	22,129	**11,097**	27,662
Real estate depreciation and amortization on unconsolidated joint ventures	**14,128**	13,055	**57,102**	47,832
Net gain on the sale of unconsolidated depreciable property	**(20,850)**	(36,385)	**(35,363)**	(47,848)
Net gain on the sale of depreciable real estate owned	**(41,272)**	(200,466)	**(41,824)**	(209,166)
Funds from operations ("FFO") attributable to common stockholders and unitholders, basic	**$ 136,110**	$ 137,557	**$ 538,916**	$ 527,096
Distributions to preferred stockholders - Series E (Convertible) [(2)]	**924**	930	**3,708**	3,717
FFO attributable to common stockholders and unitholders, diluted	**$ 137,034**	$ 138,487	**$ 542,624**	$ 530,813
FFO per common share and unit, basic	**$ 0.47**	$ 0.47	**$ 1.85**	$ 1.81
FFO per common share and unit, diluted	**$ 0.46**	$ 0.47	**$ 1.83**	$ 1.80
Weighted average number of common shares and OP/DownREIT Units outstanding - basic	**291,911**	291,471	**291,845**	290,516
Weighted average number of common shares, OP/DownREIT Units, and common stock equivalents outstanding - diluted	**296,873**	296,524	**296,672**	295,469
Impact of adjustments to FFO:				
Acquisition-related costs/(fees)	**$ 27**	$ 152	**$ 371**	$ 213
Cost/(benefit) associated with debt extinguishment and other	**3,378**	-	**9,212**	1,729
Long-term incentive plan transition costs	**-**	274	**-**	898
Net gain on the sale of non-depreciable real estate owned [(3)]	**-**	-	**(1,580)**	(1,685)
Legal claims, net of tax	**-**	-	**-**	(480)
Net loss on sale of unconsolidated land	**-**	-	**-**	1,016
Severance costs and other restructuring expense	**624**	871	**624**	871
Tax benefit associated with the conversion of certain TRS entities into REITs [(4)]	**-**	(2,436)	**-**	(2,436)
Casualty-related charges/(recoveries), net	**647**	(1,102)	**4,504**	732
Casualty-related charges/(recoveries) on unconsolidated joint ventures, net	**-**	(251)	**(881)**	(3,752)
	$ 4,676	$ (2,492)	**$ 12,250**	$ (2,894)
FFO as Adjusted attributable to common stockholders and unitholders, diluted	**$ 141,710**	$ 135,995	**$ 554,874**	$ 527,919
FFO as Adjusted per common share and unit, diluted	**$ 0.48**	$ 0.46	**$ 1.87**	$ 1.79
Recurring capital expenditures	**(15,912)**	(15,974)	**(46,034)**	(47,257)
AFFO attributable to common stockholders and unitholders, diluted	**$ 125,798**	$ 120,021	**$ 508,840**	$ 480,662
AFFO per common share and unit, diluted	**$ 0.42**	$ 0.40	**$ 1.72**	$ 1.63

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

(2) Series E preferred shares are dilutive for purposes of calculating FFO per share. Consequently, distributions to Series E preferred stockholders are added to FFO and the weighted average number of shares are included in the denominator when calculating FFO per common share and unit, diluted.

(3) The GAAP gain for the year ended December 31, 2017 and 2016 is $43.4 million and $210.9 million, respectively, of which $1.6 million and $1.7 million is FFO gain related to the sale of land parcels. The FFO gain is backed out for FFO as Adjusted.

(4) During 4Q16, the Company recognized a one-time tax benefit of $2.4 million related to the conversion of certain taxable REIT subsidiary entities into REITs.

Attachment 3

UDR, Inc.
Consolidated Balance Sheets
(Unaudited) (1)

In thousands, except share and per share amounts	December 31, 2017	December 31, 2016
ASSETS		
Real estate owned:		
Real estate held for investment	$ 9,584,716	$ 9,271,847
Less: accumulated depreciation	(3,326,312)	(2,923,072)
Real estate held for investment, net	6,258,404	6,348,775
Real estate under development (net of accumulated depreciation of $3,854 and $0)	588,636	342,282
Real estate held for disposition (net of accumulated depreciation of $0 and $553)	-	1,071
Total real estate owned, net of accumulated depreciation	6,847,040	6,692,128
Cash and cash equivalents	2,038	2,112
Restricted cash	19,792	19,994
Notes receivable, net	19,469	19,790
Investment in and advances to unconsolidated joint ventures, net	720,830	827,025
Other assets	124,104	118,535
Total assets	$ 7,733,273	$ 7,679,584
LIABILITIES AND EQUITY		
Liabilities:		
Secured debt	$ 803,269	$ 1,130,858
Unsecured debt	2,868,394	2,270,620
Real estate taxes payable	18,349	17,388
Accrued interest payable	33,432	29,257
Security deposits and prepaid rent	31,916	34,238
Distributions payable	91,455	86,936
Accounts payable, accrued expenses, and other liabilities	102,956	103,835
Total liabilities	3,949,771	3,673,132
Redeemable noncontrolling interests in the OP and DownREIT Partnership	948,138	909,482
Equity:		
Preferred stock, no par value; 50,000,000 shares authorized		
2,780,994 shares of 8.00% Series E Cumulative Convertible issued and outstanding (2,796,903 shares at December 31, 2016)	46,200	46,457
15,852,721 shares of Series F outstanding (16,196,889 shares at December 31, 2016)	1	1
Common stock, $0.01 par value; 350,000,000 shares authorized		
267,822,069 shares issued and outstanding (267,259,469 shares at December 31, 2016)	2,678	2,673
Additional paid-in capital	4,651,205	4,635,413
Distributions in excess of net income	(1,871,603)	(1,585,825)
Accumulated other comprehensive income/(loss), net	(2,681)	(5,609)
Total stockholders' equity	2,825,800	3,093,110
Noncontrolling interests	9,564	3,860
Total equity	2,835,364	3,096,970
Total liabilities and equity	$ 7,733,273	$ 7,679,584

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

Attachment 4(C)

UDR, Inc.
Selected Financial Information
(Dollars in Thousands)
(Unaudited) (1)

Coverage Ratios	Quarter Ended December 31, 2017
Net income/(loss)	$ 75,627
Adjustments:	
Interest expense	34,211
Real estate depreciation and amortization	109,401
Real estate depreciation and amortization on unconsolidated joint ventures	14,128
Other depreciation and amortization	1,648
Income tax provision/(benefit), net	(1,065)
EBITDA	$ 233,950
Net gain on the sale of depreciable real estate owned	(41,272)
Net gain on the sale of unconsolidated depreciable property	(20,850)
Acquisition-related costs/(fees)	27
Severance costs and other restructuring expense	624
Casualty-related charges/(recoveries), net	647
EBITDA - adjusted for non-recurring items	$ 173,126
Annualized EBITDA - adjusted for non-recurring items	$ 692,504
Interest expense	34,211
Capitalized interest expense	4,645
Total interest	$ 38,856
Costs associated with debt extinguishment	(3,378)
Total interest - adjusted for non-recurring items	$ 35,478
Preferred dividends	$ 924
Total debt	$ 3,671,663
Cash	2,038
Net debt	$ 3,669,625
Interest Coverage Ratio - adjusted for non-recurring items	**4.9x**
Fixed Charge Coverage Ratio - adjusted for non-recurring items	**4.8x**
Net Debt-to-EBITDA - adjusted for non-recurring items	**5.3x**

Debt Covenant Overview

Unsecured Line of Credit Covenants (2)	Required	Actual	Compliance
Maximum Leverage Ratio	≤60.0%	33.8% (2)	Yes
Minimum Fixed Charge Coverage Ratio	≥1.5x	3.7x	Yes
Maximum Secured Debt Ratio	≤40.0%	12.8%	Yes
Minimum Unencumbered Pool Leverage Ratio	≥150.0%	351.9%	Yes

Senior Unsecured Note Covenants (3)	Required	Actual	Compliance
Debt as a percentage of Total Assets	≤65.0%	33.3% (3)	Yes
Consolidated Income Available for Debt Service to Annual Service Charge	≥1.5x	5.1x	Yes
Secured Debt as a percentage of Total Assets	≤40.0%	7.3%	Yes
Total Unencumbered Assets to Unsecured Debt	≥150.0%	300.3%	Yes

Securities Ratings	Debt	Preferred	Outlook	Commercial Paper
Moody's Investors Service	Baa1	Baa2	Stable	P-2
Standard & Poor's	BBB+	BBB-	Stable	A-2

Asset Summary	Number of Homes	4Q 2017 NOI (1) ($000s)	% of NOI	Gross Carrying Value ($000s)	% of Total Gross Carrying Value
Unencumbered assets	31,893	$ 146,306	82.3%	$ 8,469,000	83.2%
Encumbered assets	8,105	31,370	17.7%	1,708,206	16.8%
	39,998	$ 177,676	100.0%	$ 10,177,206	100.0%

(1) See Attachment 16 for definitions and other terms.
(2) As defined in our credit agreement dated October 20, 2015.
(3) As defined in our indenture dated November 1, 1995 as amended, supplemented or modified from time to time.

Attachment 16(D)

UDR, Inc.
Definitions and Reconciliations
December 31, 2017
(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 income/(loss) per share for full year 2018 and first quarter of 2018 to forecasted FFO, FFO as Adjusted and AFFO per share and unit:

	Full-Year 2018	
	Low	High
Forecasted net income per diluted share	$ 0.26	$ 0.30
Conversion from GAAP share count	(0.02)	(0.02)
Depreciation	1.64	1.64
Noncontrolling interests	0.02	0.02
Preferred dividends	0.01	0.01
Forecasted FFO per diluted share and unit	**$ 1.91**	**$ 1.95**
Disposition-related FFO	-	-
Cost associated with debt extinguishment	-	-
Casualty-related charges/(recoveries)	-	-
Forecasted FFO as Adjusted per diluted share and unit	**$ 1.91**	**$ 1.95**
Recurring capital expenditures	(0.15)	(0.15)
Forecasted AFFO per diluted share and unit	**$ 1.76**	**$ 1.80**

	1Q 2018	
	Low	High
Forecasted net income per diluted share	$ 0.06	$ 0.08
Conversion from GAAP share count	(0.01)	(0.01)
Depreciation	0.41	0.41
Noncontrolling interests	-	-
Preferred dividends	-	-
Forecasted FFO per diluted share and unit	**$ 0.46**	**$ 0.48**
Disposition-related FFO	-	-
Cost associated with debt extinguishment	-	-
Casualty-related charges/(recoveries)	-	-
Forecasted FFO as Adjusted per diluted share and unit	**$ 0.46**	**$ 0.48**
Recurring capital expenditures	(0.02)	(0.02)
Forecasted AFFO per diluted share and unit	**$ 0.44**	**$ 0.46**