



## Press Release

DENVER, CO – April 25, 2018

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### UDR ANNOUNCES FIRST QUARTER 2018 RESULTS

#### UDR, Inc. (the “Company”) First Quarter 2018 Highlights:

- Net income per share was \$0.30, Funds from Operations (“FFO”) per share was \$0.47, FFO as Adjusted (“FFOA”) per share was \$0.47, and Adjusted Funds from Operations (“AFFO”) per share was \$0.45.
- Net income attributable to common stockholders was \$80.8 million as compared to \$25.0 million in the prior year period. The increase was primarily due to higher gains on the sale of real estate.
- Year-over-year same-store (“SS”) revenue, expense and net operating income (“NOI”) growth was 3.0 percent, 3.6 percent and 2.7 percent, respectively.
- Invested \$20.0 million into Alameda Point, a 220-home Developer Capital Program (“DCP”) project located in Alameda, CA through a secured note. At quarter end, the Company’s DCP investment totaled \$159.3 million.
- Repurchased approximately 593 thousand common shares at an average price of \$33.69 for approximately \$20.0 million.
- Elected Thomas W. Toomey as Chairman of the Company’s Board, in addition to his responsibilities as Chief Executive Officer and President, effective January 1, 2018. Contemporaneously, James D. Klingbeil was elected Lead Independent Director of the Board.
- Reaffirmed full-year 2018 earnings and same-store guidance ranges.

	Q1 2018	Q1 2017
<b>Net income per common share, diluted</b>	<b>\$0.30</b>	<b>\$0.09</b>
Conversion from GAAP share count	(0.028)	(0.009)
Net gain on the sale of depreciable real estate owned	(0.237)	(0.043)
Cumulative effect of change in accounting principle	(0.007)	-
Depreciation and amortization	0.413	0.400
Noncontrolling interests and preferred dividends	0.028	0.011
<b>FFO per common share and unit, diluted</b>	<b>\$0.47</b>	<b>\$0.45</b>
Cost/(benefit) associated with debt extinguishment and other	-	0.005
Net gain on the sale of non-depreciable real estate owned	-	(0.005)
Casualty-related charges/(recoveries), including JVs, net	0.003	(0.001)
<b>FFOA per common share and unit, diluted</b>	<b>\$0.47</b>	<b>\$0.45</b>
Recurring capital expenditures	(0.022)	(0.023)
<b>AFFO per common share and unit, diluted</b>	<b>\$0.45</b>	<b>\$0.43</b>

*A reconciliation of FFO, FFOA and AFFO to GAAP Net income attributable to common stockholders can be found on Attachment 2 of the Company’s first quarter Supplemental Financial Information.*

## **Operations**

In the first quarter, total revenue increased by \$9.5 million, or 3.9 percent, to \$253.3 million. This increase was primarily attributable to growth in revenue from same-store communities, stabilized, non-mature and development communities.

In the first quarter, same-store NOI increased 2.7 percent year-over-year and was driven by same-store revenue growth of 3.0 percent and a 3.6 percent increase in same-store expenses. Weighted average same-store physical occupancy increased by 30 basis points year-over-year at 96.9 percent. The first quarter annualized rate of turnover was 40.0 percent, representing a 120 basis point decline year-over-year.

### **Summary of Same-Store Results First Quarter 2018 versus First Quarter 2017**

<b>Region</b>	<b>Revenue Growth</b>	<b>Expense Growth/ (Decline)</b>	<b>NOI Growth/ (Decline)</b>	<b>% of Same-Store Portfolio<sup>(1)</sup></b>	<b>Same-Store Occupancy<sup>(2)</sup></b>	<b>Number of Same-Store Homes<sup>(3)</sup></b>
West	4.1%	1.8%	4.8%	44.0%	96.4%	13,698
Mid-Atlantic	2.3%	6.4%	0.5%	23.7%	97.4%	10,480
Northeast	0.4%	4.2%	(1.2)%	15.9%	97.4%	3,493
Southeast	4.8%	(0.1)%	7.1%	12.6%	96.8%	7,683
Southwest	0.9%	8.2%	(3.4)%	3.8%	96.3%	2,923
<b>Total</b>	<b>3.0%</b>	<b>3.6%</b>	<b>2.7%</b>	<b>100.0%</b>	<b>96.9%</b>	<b>38,277</b>

<sup>(1)</sup> Based on Q1 2018 NOI.

<sup>(2)</sup> Weighted average same-store occupancy for the quarter.

<sup>(3)</sup> During the first quarter, 38,277 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 0.5 percent in the first quarter of 2018 on same-store revenue growth of 1.0 percent and a 2.4 percent increase in same-store expenses. Weighted average same-store physical occupancy increased by 20 basis points sequentially to 96.9 percent.

## **Development and Redevelopment Activity**

At the end of the first quarter, the Company's development pipeline totaled \$810.5 million at its pro-rata ownership interest. Of this total, 91 percent had been funded. All of the Company's development communities were in lease-up as of the end of the first quarter. 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.

## **DCP**

At the end of the first quarter, the Company's DCP investment, including accrued return, totaled \$159.3 million. Activity during the first quarter consisted of:

- Invested \$20.0 million into Alameda Point, a 220-home project located in Alameda, CA, through a secured note.
- Agreed to transition OLiVE DTLA, a 293-home, \$129.4 million West Coast Development Joint Venture ("WCDJV") community located in Los Angeles, from a DCP project into a long-term hold.

## **Wholly-Owned Transactional Activity**

During the first quarter, the Company sold Pacific Shores, a 264-home community located in Orange County, for \$90.5 million or \$342,800 per home. At the time of the sale, the community had a weighted average monthly revenue per occupied home of \$2,053 and was 47 years old.

## **Capital Markets and Balance Sheet**

During the first quarter, the Company repurchased approximately 593 thousand common shares at an average price of \$33.69 for approximately \$20.0 million.

At March 31, 2018, the Company had approximately \$843.4 million of availability, through a combination of cash and undrawn capacity, on its credit facilities.

The Company's total indebtedness at March 31, 2018 was \$3.7 billion. The Company ended the quarter with fixed-rate debt representing 86.7 percent of its total debt, a total blended interest rate of 3.7 percent and a weighted average maturity of 5.1 years. The Company's consolidated leverage was 33.1 percent versus 32.9 percent a year ago, its consolidated net-debt-to-EBITDAre was flat year-over-year at 5.8x and its consolidated fixed charge coverage ratio was 4.5x versus 4.4x a year ago.

## **Board of Directors**

The Company's Board of Directors elected 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 Chief Executive Officer and President. James D. Klingbeil, who had served as Chairman since 2010, was elected 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 first quarter of 2018 in the amount of \$0.3225 per share. The dividend will be paid in cash on April 30, 2018 to UDR common stockholders of record as of April 9, 2018. The first quarter 2018 dividend represented the 182<sup>nd</sup> consecutive quarterly dividend paid by the Company on its common stock.

## **Outlook**

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

Net income per share	\$0.07 to \$0.09
FFO per share	\$0.47 to \$0.49
FFOA per share	\$0.47 to \$0.49
AFFO per share	\$0.43 to \$0.45

**For the full-year 2018**, the Company reaffirmed the following earnings guidance ranges:

Net income per share	\$0.50 to \$0.54
FFO per share	\$1.91 to \$1.95
FFOA per share	\$1.91 to \$1.95
AFFO per share	\$1.76 to \$1.80

**For the full-year 2018**, the Company reaffirmed 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 second quarter and full-year 2018 guidance can be found on Attachment 15 of the Company's first quarter Supplemental Financial Information. A reconciliation of FFO per share, FFOA per share and AFFO per share to GAAP Net income per share can be found on Attachment 16(D) of the Company's first 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 first 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](http://ir.udr.com).

### **Conference Call and Webcast Information**

UDR will host a webcast and conference call at 12:00 p.m. Eastern Time on April 26, 2018 to discuss first quarter results. The webcast will be available on UDR's website at [ir.udr.com](http://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 May 26, 2018, by dialing 844-512-2921 for domestic and 412-317-6671 for international and entering the confirmation number, 13678176, when prompted for the passcode.

A replay of the call will also be available for 30 days on UDR's website at [ir.udr.com](http://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](http://ir.udr.com).

Mail -- For those without Internet access, the first quarter 2018 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 March 31, 2018 (Unaudited)

**Funds from Operations as Adjusted ("FFO as Adjusted") attributable to common stockholders and unitholders:** The Company defines FFO as Adjusted attributable to common stockholders and unitholders as FFO excluding the impact of acquisition-related costs and other non-comparable items including, but not limited to, prepayment costs/benefits associated with early debt retirement, gains or losses on sales of non-depreciable property and marketable securities, deferred tax valuation allowance increases and decreases, casualty-related expenses and recoveries, severance costs and legal costs.

Management believes that FFO as Adjusted is useful supplemental information regarding our operating performance as it provides a consistent comparison of our operating performance across time periods and allows investors to more easily compare our operating results with other REITs. FFO as Adjusted is not intended to represent cash flow or liquidity for the period, and is only intended to provide an additional measure of our operating performance. The Company believes that net income/(loss) attributable to common stockholders is the most directly comparable GAAP financial measure to FFO as Adjusted. However, other REITs may use different methodologies for calculating FFO as Adjusted or similar FFO measures and, accordingly, our FFO as Adjusted may not always be comparable to FFO as Adjusted or similar FFO measures calculated by other REITs. FFO as Adjusted should not be considered as an alternative to net income (determined in accordance with GAAP) as an indication of financial performance, or as an alternative to cash flows from operating activities (determined in accordance with GAAP) as a measure of our liquidity. A reconciliation from net income attributable to common stockholders to FFO as Adjusted is provided on Attachment 2.

**Funds from Operations ("FFO") attributable to common stockholders and unitholders:** The Company defines FFO attributable to common stockholders and unitholders as net income/(loss) attributable to common stockholders (computed in accordance with GAAP), excluding 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 noncontrolling interests, unconsolidated partnerships and joint ventures. This definition conforms with the National Association of Real Estate Investment Trust's definition issued in April 2002. In the computation of diluted FFO, if OP Units, DownREIT Units, unvested restricted stock, unvested LTIP units, stock options, and the shares of Series E Cumulative Convertible Preferred Stock are dilutive, they are included in the diluted share count.

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 flow as a measure of the Company's activities in accordance with GAAP. FFO does not represent cash generated from operating activities in accordance with GAAP and is not necessarily indicative of funds available to fund our cash needs. A reconciliation from net income/(loss) attributable to common stockholders to FFO is provided on Attachment 2.

**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.

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

#### In thousands

	1Q 2018
Income/(loss) from unconsolidated entities	\$ (1,677)
Management fee	1,205
Interest expense	9,558
Depreciation	14,340
General and administrative	125
West Coast Development JV Preferred Return - Attachment 12(B)	(1,022)
Developer Capital Program - Other (excludes Alameda Point Block 11)	(1,428)
Other (income)/expense	167
<b>Total Joint Venture NOI at UDR's Ownership Interest</b>	<b>\$ 21,268</b>

**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

	1Q 2018	4Q 2017	3Q 2017	2Q 2017	1Q 2017
Net income/(loss) attributable to UDR, Inc.	\$ 81,756	\$ 69,280	\$ 16,190	\$ 10,157	\$ 25,967
Property management	6,888	6,878	6,827	6,728	6,635
Other operating expenses	2,009	3,050	1,950	2,369	1,691
Real estate depreciation and amortization	108,136	109,401	107,171	108,450	105,032
Interest expense	29,943	34,211	30,095	33,866	30,539
Casualty-related charges/(recoveries), net	940	586	2,056	1,191	502
General and administrative	11,759	11,590	12,467	11,434	13,075
Tax provision/(benefit), net	227	(1,065)	127	366	332
(Income)/loss from unconsolidated entities	1,677	(19,666)	(1,819)	1,426	(11,198)
Interest income and other (income)/expense, net	(2,759)	(548)	(481)	(515)	(427)
Joint venture management and other fees	(2,822)	(2,764)	(2,827)	(3,321)	(2,570)
Other depreciation and amortization	1,691	1,648	1,585	1,567	1,608
(Gain)/loss on sale of real estate owned, net of tax	(70,300)	(41,272)	-	-	(2,132)
Net income/(loss) attributable to noncontrolling interests	7,469	6,347	1,380	905	2,429
<b>Total consolidated NOI</b>	<b>\$ 176,614</b>	<b>\$ 177,676</b>	<b>\$ 174,721</b>	<b>\$ 174,623</b>	<b>\$ 171,483</b>

## **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. Such statements involve known and unknown risks, uncertainties and other factors which may cause our actual results, performance or achievements to be materially different from the results of operations or plans expressed or implied by such forward-looking statements. Such factors include, among other things, unfavorable changes in the apartment market, changing economic conditions, the impact of inflation/deflation on rental rates and property operating expenses, expectations concerning the 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 and redevelopments, delays in completing lease-ups on schedule or at expected rent and occupancy levels, 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 joint ventures and partnerships 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.

## **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 March 31, 2018, UDR owned or had an ownership position in 49,464 apartment homes including 1,953 homes under development or in its Developer Capital Program – WCDJV. 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) <sup>(1)</sup>

In thousands, except per share amounts	Three Months Ended March 31,	
	2018	2017
<b>REVENUES:</b>		
Rental income	\$ 250,483	\$ 241,271
Joint venture management and other fees	2,822	2,570
Total revenues	<u>253,305</u>	<u>243,841</u>
<b>OPERATING EXPENSES:</b>		
Property operating and maintenance	40,587	39,600
Real estate taxes and insurance	33,282	30,188
Property management	6,888	6,635
Other operating expenses	2,009	1,691
Real estate depreciation and amortization	108,136	105,032
General and administrative	11,759	13,075
Casualty-related charges/(recoveries), net	940	502
Other depreciation and amortization	1,691	1,608
Total operating expenses	<u>205,292</u>	<u>198,331</u>
<b>Operating income</b>	<b>48,013</b>	45,510
Income/(loss) from unconsolidated entities <sup>(2)</sup>	(1,677)	11,198
Interest expense	(29,943)	(29,023)
(Cost)/benefit associated with debt extinguishment and other	-	(1,516)
Total interest expense	<u>(29,943)</u>	<u>(30,539)</u>
Interest income and other income/(expense), net	2,759	427
<b>Income/(loss) before income taxes and gain/(loss) on sale of real estate owned</b>	<b>19,152</b>	26,596
Tax (provision)/benefit, net	(227)	(332)
<b>Income/(loss) from continuing operations</b>	<b>18,925</b>	26,264
Gain/(loss) on sale of real estate owned, net of tax	<u>70,300</u>	<u>2,132</u>
<b>Net income/(loss)</b>	<b>89,225</b>	28,396
Net (income)/loss attributable to redeemable noncontrolling interests in the OP and DownREIT Partnership	(7,390)	(2,338)
Net (income)/loss attributable to noncontrolling interests	<u>(79)</u>	<u>(91)</u>
<b>Net income/(loss) attributable to UDR, Inc.</b>	<b>81,756</b>	25,967
Distributions to preferred stockholders - Series E (Convertible)	(955)	(929)
<b>Net income/(loss) attributable to common stockholders</b>	<b>\$ 80,801</b>	\$ 25,038
<b>Income/(loss) per weighted average common share - basic:</b>	<b>\$0.30</b>	\$0.09
<b>Income/(loss) per weighted average common share - diluted:</b>	<b>\$0.30</b>	\$0.09
Common distributions declared per share	\$0.3225	\$0.3100
Weighted average number of common shares outstanding - basic	267,546	266,790
Weighted average number of common shares outstanding - diluted	269,208	268,688

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

(2) During the three months ended March 31, 2017, UDR exercised its fixed price option to acquire CityLine, a West Coast Development JV community in Seattle, WA, and recorded a \$12.2 million gain on consolidation.





## Attachment 2

### UDR, Inc. Funds From Operations (Unaudited) <sup>(1)</sup>

In thousands, except per share and unit amounts	Three Months Ended March 31,	
	2018	2017
<b>Net income/(loss) attributable to common stockholders</b>	\$ 80,801	\$ 25,038
Real estate depreciation and amortization	108,136	105,032
Noncontrolling interests	7,469	2,429
Real estate depreciation and amortization on unconsolidated joint ventures	14,340	13,767
Cumulative effect of change in accounting principle <sup>(2)</sup>	(2,100)	-
Net gain on the sale of unconsolidated depreciable property	-	(12,158)
Net gain on the sale of depreciable real estate owned	(70,300)	(552)
<b>Funds from operations ("FFO") attributable to common stockholders and unitholders, basic</b>	<b>\$ 138,346</b>	<b>\$ 133,556</b>
Distributions to preferred stockholders - Series E (Convertible) <sup>(3)</sup>	955	929
<b>FFO attributable to common stockholders and unitholders, diluted</b>	<b>\$ 139,301</b>	<b>\$ 134,485</b>
<b>FFO per common share and unit, basic</b>	<b>\$ 0.47</b>	<b>\$ 0.46</b>
<b>FFO per common share and unit, diluted</b>	<b>\$ 0.47</b>	<b>\$ 0.45</b>
Weighted average number of common shares and OP/DownREIT Units outstanding - basic	292,052	291,752
Weighted average number of common shares, OP/DownREIT Units, and common stock equivalents outstanding - diluted	296,725	296,678
<b>Impact of adjustments to FFO:</b>		
Cost/(benefit) associated with debt extinguishment and other	\$ -	\$ 1,516
Net gain on the sale of non-depreciable real estate owned <sup>(4)</sup>	-	(1,580)
Casualty-related charges/(recoveries), net	1,009	502
Casualty-related charges/(recoveries) on unconsolidated joint ventures, net	-	(881)
	<b>\$ 1,009</b>	<b>\$ (443)</b>
<b>FFO as Adjusted attributable to common stockholders and unitholders, diluted</b>	<b>\$ 140,310</b>	<b>\$ 134,042</b>
<b>FFO as Adjusted per common share and unit, diluted</b>	<b>\$ 0.47</b>	<b>\$ 0.45</b>
Recurring capital expenditures	(6,669)	(6,791)
<b>AFFO attributable to common stockholders and unitholders, diluted</b>	<b>\$ 133,641</b>	<b>\$ 127,251</b>
<b>AFFO per common share and unit, diluted</b>	<b>\$ 0.45</b>	<b>\$ 0.43</b>

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

(2) During the three months ended March 31, 2018, UDR adopted ASU No. 2016 01, *Financial Instruments – Overall (Subtopic 825-10), Recognition and Measurement of Financial Assets and Financial Liabilities*. The updated standard requires certain equity securities to be measured at fair value on the balance sheet, with changes in fair value recognized in net income. The adoption of the standard resulted in UDR recording a gain of \$2.1 million in Interest income and other income/(expense), net on the Consolidated Statements of Operations. As such, the cumulative effect of the change in accounting principle is backed out for FFO.

(3) 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.

(4) The GAAP gain for the three months ended March 31, 2017 is \$2.1 million, of which \$1.6 million is FFO gain related to the sale of land parcels. The FFO gain is backed out for FFO as Adjusted.



## Attachment 3

### UDR, Inc. Consolidated Balance Sheets (Unaudited) <sup>(1)</sup>

In thousands, except share and per share amounts	March 31, 2018	December 31, 2017
<b>ASSETS</b>		
Real estate owned:		
Real estate held for investment	\$ 9,558,744	\$ 9,584,716
Less: accumulated depreciation	(3,407,025)	(3,326,312)
Real estate held for investment, net	6,151,719	6,258,404
Real estate under development		
(net of accumulated depreciation of \$6,790 and \$3,854)	644,207	588,636
Total real estate owned, net of accumulated depreciation	6,795,926	6,847,040
Cash and cash equivalents	1,083	2,038
Restricted cash	19,770	19,792
Notes receivable, net	39,469	19,469
Investment in and advances to unconsolidated joint ventures, net	732,578	720,830
Other assets	120,222	124,104
Total assets	\$ 7,709,048	\$ 7,733,273
<b>LIABILITIES AND EQUITY</b>		
Liabilities:		
Secured debt	\$ 801,523	\$ 803,269
Unsecured debt	2,879,150	2,868,394
Real estate taxes payable	24,130	18,349
Accrued interest payable	28,850	33,432
Security deposits and prepaid rent	35,321	31,916
Distributions payable	95,122	91,455
Accounts payable, accrued expenses, and other liabilities	83,054	102,956
Total liabilities	3,947,150	3,949,771
Redeemable noncontrolling interests in the OP and DownREIT Partnership	876,120	948,138
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 (2,780,994 shares at December 31, 2017)	46,200	46,200
15,805,518 shares of Series F outstanding (15,852,721 shares		
at December 31, 2017)	1	1
Common stock, \$0.01 par value; 350,000,000 shares authorized		
267,583,892 shares issued and outstanding (267,822,069 shares at December 31, 2017)	2,676	2,678
Additional paid-in capital	4,638,766	4,651,205
Distributions in excess of net income	(1,808,907)	(1,871,603)
Accumulated other comprehensive income/(loss), net	(1,276)	(2,681)
Total stockholders' equity	2,877,460	2,825,800
Noncontrolling interests	8,318	9,564
Total equity	2,885,778	2,835,364
Total liabilities and equity	\$ 7,709,048	\$ 7,733,273

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



## Attachment 4(C)

### UDR, Inc. Selected Financial Information (Dollars in Thousands) (Unaudited) <sup>(1)</sup>

Coverage Ratios	Quarter Ended March 31, 2018
Net income/(loss)	\$ 89,225
Adjustments:	
Interest expense, including costs associated with debt extinguishment	29,943
Real estate depreciation and amortization	108,136
Other depreciation and amortization	1,691
Income tax provision/(benefit), net	227
Net gain on the sale of depreciable real estate owned	(70,300)
Adjustments to reflect the Company's share of EBITDAre of unconsolidated joint ventures	23,898
EBITDAre	<u>\$ 182,820</u>
Casualty-related charges/(recoveries), net	1,009
Cumulative effect of change in accounting principle	(2,100)
Adjustments to reflect the Company's share of EBITDAre of unconsolidated joint ventures (Income)/loss from unconsolidated entities	(23,898) 1,677
Management fee expense on unconsolidated joint ventures	(1,205)
Consolidated EBITDAre - adjusted for non-recurring items	<u>\$ 158,303</u>
Annualized consolidated EBITDAre - adjusted for non-recurring items	<u>\$ 633,212</u>
Interest expense, including costs associated with debt extinguishment	29,943
Capitalized interest expense	4,573
Total interest	<u>\$ 34,516</u>
Preferred dividends	<u>\$ 955</u>
Total debt	<u>\$ 3,680,673</u>
Cash	<u>(1,083)</u>
Net debt	<u>\$ 3,679,590</u>
<b>Consolidated Interest Coverage Ratio - adjusted for non-recurring items</b>	<b><u>4.6x</u></b>
<b>Consolidated Fixed Charge Coverage Ratio - adjusted for non-recurring items</b>	<b><u>4.5x</u></b>
<b>Consolidated Net Debt-to-EBITDAre - adjusted for non-recurring items</b>	<b><u>5.8x</u></b>

#### Debt Covenant Overview

Unsecured Line of Credit Covenants <sup>(2)</sup>	Required	Actual	Compliance
Maximum Leverage Ratio	≤60.0%	33.8% <sup>(2)</sup>	Yes
Minimum Fixed Charge Coverage Ratio	≥1.5x	3.7x	Yes
Maximum Secured Debt Ratio	≤40.0%	12.9%	Yes
Minimum Unencumbered Pool Leverage Ratio	≥150.0%	352.5%	Yes

Senior Unsecured Note Covenants <sup>(3)</sup>	Required	Actual	Compliance
Debt as a percentage of Total Assets	≤65.0%	33.2% <sup>(3)</sup>	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%	7.2%	Yes
Total Unencumbered Assets to Unsecured Debt	≥150.0%	300.7%	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	1Q 2018 NOI <sup>(1)</sup> (\$000s)	% of NOI	Gross Carrying Value (\$000s)	% of Total Gross Carrying Value
Unencumbered assets	31,729	\$ 146,434	82.9%	\$ 8,497,601	83.2%
Encumbered assets	8,105	30,180	17.1%	1,712,140	16.8%
	<u>39,834</u>	<u>\$ 176,614</u>	<u>100.0%</u>	<u>\$ 10,209,741</u>	<u>100.0%</u>

(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 March 31, 2018 (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 second 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	\$ 0.50	\$ 0.54
Conversion from GAAP share count	(0.04)	(0.04)
Net gain on the sale of depreciable real estate owned	(0.24)	(0.24)
Depreciation	1.65	1.65
Cumulative effect of change in accounting principle	(0.01)	(0.01)
Noncontrolling interests	0.04	0.04
Preferred dividends	0.01	0.01
<b>Forecasted FFO per diluted share and unit</b>	<b>\$ 1.91</b>	<b>\$ 1.95</b>
Disposition-related FFO	-	-
Cost associated with debt extinguishment	-	-
Casualty-related charges/(recoveries)	-	-
<b>Forecasted FFO as Adjusted per diluted share and unit</b>	<b>\$ 1.91</b>	<b>\$ 1.95</b>
Recurring capital expenditures	(0.15)	(0.15)
<b>Forecasted AFFO per diluted share and unit</b>	<b>\$ 1.76</b>	<b>\$ 1.80</b>

	2Q 2018	
	Low	High
Forecasted net income per diluted share	\$ 0.07	\$ 0.09
Conversion from GAAP share count	(0.01)	(0.01)
Depreciation	0.41	0.41
Noncontrolling interests	-	-
Preferred dividends	-	-
<b>Forecasted FFO per diluted share and unit</b>	<b>\$ 0.47</b>	<b>\$ 0.49</b>
Disposition-related FFO	-	-
Cost associated with debt extinguishment	-	-
Casualty-related charges/(recoveries)	-	-
<b>Forecasted FFO as Adjusted per diluted share and unit</b>	<b>\$ 0.47</b>	<b>\$ 0.49</b>
Recurring capital expenditures	(0.04)	(0.04)
<b>Forecasted AFFO per diluted share and unit</b>	<b>\$ 0.43</b>	<b>\$ 0.45</b>