

UDR, INC.
CHARTER OF THE GOVERNANCE COMMITTEE

Adopted February 10, 2012

PURPOSE AND AUTHORITY

The Governance Committee ("Committee") is appointed by the Board of Directors ("Board") (1) to assist the Board by identifying individuals qualified to become Board members and to select, or to recommend that the Board select, the director nominees for the next annual meeting of shareholders; (2) to develop and recommend to the Board the corporate governance guidelines applicable to the Company; (3) to lead the Board in its annual review of the Board's performance; (4) to ensure an assessment of each committee is conducted annually; (5) to oversee the evaluation of the Board; and (6) to recommend to the Board director nominees for each committee.

The Committee shall have the sole authority to retain and terminate any search firm to be used to identify director candidates and shall have sole authority to approve the search firm's fees and other retention terms. The Committee shall also have the authority to obtain advice and assistance from internal or external legal, accounting or other advisors. The Company will provide appropriate funding, as determined by the Committee, for payment of the fees and expenses incurred by the Committee, including fees and expenses of any search firm or other advisor. The Committee may request any officer or employee of the Company or the Company's outside counsel or independent auditor to attend a meeting of the Committee or to meet with any members of, or consultants to, the Committee. In addition, in discharging its duties and responsibilities the Committee shall have full access to any applicable records of the Company.

The Committee shall also undertake those specific duties and responsibilities listed below and such other duties as the Board may from time to time prescribe.

COMMITTEE MEMBERSHIP

The Committee shall consist of three or more members, each of whom is determined by the Board to be "independent" in accordance with the rules of the New York Stock Exchange ("NYSE").

The members of the Committee and its Chairperson shall be appointed by the Board at the recommendation of the Chairman of the Board to serve an annual term. Committee members may be replaced by the Board. In the event that the Chairperson of the Committee is not also the Chairman of the Board, the Chairman of the Board will be an ex-officio member of the Committee, will be entitled to attend all meetings of the Committee, and shall have voting rights in case of a tie vote.

If the Chairperson is not present, the members may designate an acting Chairperson by majority vote of the membership present.

DUTIES AND RESPONSIBILITIES

The Committee shall report, at least annually, to the Board. Further, the Committee shall:

1. Establish criteria for the selection of new directors to serve on the Board.
2. Identify individuals believed to be qualified as candidates to serve on the Board and select, or recommend that the Board select, the director nominees for the next annual meeting of shareholders. In nominating a slate of directors, the Committee's objective is to select individuals with skills and experience that can assist the Company and the Board achieve their objectives.
3. Evaluate candidates for nomination to the Board, including those recommended by stockholders. In that connection, the Committee shall adopt procedures for the submission of recommendations by stockholders, as it deems appropriate.
4. Review annually with the Board the composition of the Board as a whole and recommend, if necessary, measures to be taken so that the Board (a) reflects the appropriate balance of knowledge, experience, skills and expertise required for the Board as a whole and (b) contains at least the minimum number of independent directors required by the NYSE.
5. Oversee the evaluation of the Board and report at least annually to the Board with an assessment of the Board's performance.
6. Periodically review director orientation and continuing education programs and make recommendations to the Board regarding such programs.
7. Develop and recommend to the Board a set of corporate governance principles through the Statement on Corporate Governance and review and reassess the adequacy of the Statement on Corporate Governance at least annually and recommend any proposed changes to the Board for approval.
8. Review any director resignation that is made in accordance with the director resignation policy set forth in the Statement on Corporate Governance, and make a recommendation to the Board regarding whether the director's resignation should be accepted by the Board.
9. Review the Company's Policy and Procedures with Respect to Related Party Transactions at least annually and recommend any amendments for consideration by the Board.
10. Review and revise the Company's Executive Stock Ownership Guidelines and Director Ownership Guidelines, as necessary.
11. Form and delegate any of the foregoing functions and powers to subcommittees.
12. Review and reassess the adequacy of this Charter annually and recommend any proposed changes to the Board for approval.
13. Ensure an assessment is conducted annually on each committee of the Board.

14. Review its own performance at least annually.

MEETINGS

The Committee will meet at least two times each year or more frequently as circumstances dictate. The Chairman of the Board of Directors or any Committee member may call meetings of the Committee. All meetings may be held telephonically. The Committee may establish its own schedule and notify the Board.

MINUTES

The Committee will maintain written minutes of its meetings, which minutes will be filed with the minutes of the meetings of the Board.