



Press Release

DENVER, CO – July 30, 2019

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UDR ANNOUNCES SECOND QUARTER 2019 RESULTS AND INCREASES FULL-YEAR GUIDANCE RANGES

UDR, Inc. (the “Company”) Second Quarter 2019 Highlights:

- Net income per share was \$0.12, Funds from Operations (“FFO”) per share was \$0.54, FFO as Adjusted (“FFOA”) per share was \$0.52, and Adjusted Funds from Operations (“AFFO”) per share was \$0.48.
- Net income attributable to common stockholders was \$34.6 million as compared to \$19.6 million in the prior year period. The increase was primarily due to higher gains on the sale of real estate and net operating income (“NOI”) growth.
- Year-over-year same-store (“SS”) revenue, expense and NOI growth was 3.7 percent, 2.3 percent and 4.2 percent, respectively.
- The Company’s operating margin (property net operating income divided by property rental income) was 71.7 percent as compared to 71.4 percent in the prior year period.
- The Company continued to implement its Next Generation Operating Platform which drove SS controllable operating margin expansion of approximately 50 basis points year-over-year to 84.7 percent and restrained SS controllable expense growth to 40 basis points year-over-year.
- Acquired four apartment communities comprising 1,251 homes in Towson, MD, King of Prussia, PA, St. Petersburg, FL and Waltham, MA for \$327.7 million. Subsequent to quarter-end, the Company entered into a contract to acquire a 185-home community in Englewood, NJ, for \$83.6 million subject to customary closing conditions.
- Invested in a Developer Capital Program (“DCP”) project in Oakland, CA with a total capital commitment of \$27.3 million.
- The UDR/KFH JV sold one community in Washington, D.C. for \$74.8 million. Subsequent to quarter-end, a second community was sold for \$43.5 million. The Company is under contract to purchase the 70 percent it did not previously own of the third community, 1301 Thomas Circle, a 292-home property in Washington, D.C. at a valuation of \$184.0 million subject to customary closing conditions. Upon closing, the JV will terminate.
- Issued approximately 460.5 thousand common shares through the Company’s at-the-market equity program at a weighted average net price of \$44.94 for proceeds of \$20.7 million. Subsequent to quarter-end, the Company issued approximately 2.2 million shares at a weighted average net price of \$45.70 for proceeds of \$99.4 million. These proceeds will be used to accretively fund acquisition activity.
- Subsequent to quarter-end, the Company settled its late-June issuance of \$300.0 million, 10-year unsecured debt at an effective rate of 3.46 percent after accounting for previous hedging activities.
- Increased full-year 2019 earnings and same-store growth guidance:
 - Increased net income per share guidance by \$0.015 at the midpoint to \$0.38 to \$0.41.
 - Increased FFO per share guidance by \$0.035 at the midpoint to \$2.09 to \$2.12.
 - Increased FFOA and AFFO per share guidance by \$0.015 at the midpoints, to \$2.05 to \$2.08 and \$1.89 to \$1.92, respectively.
 - Increased SS revenue guidance by 20 basis points at the midpoint to 3.40 to 4.00 percent.
 - Decreased SS expense guidance by 50 basis points at the midpoint to 2.50 to 3.00 percent.
 - Increased SS NOI guidance by 37.5 basis points at the midpoint to 3.75 to 4.50 percent.

	Q2 2019	Q2 2018	YTD 2019	YTD 2018
Net income per common share, diluted	\$0.12	\$0.07	\$0.21	\$0.37
Conversion from GAAP share count	(0.010)	(0.007)	(0.018)	(0.035)
Net gain on the sale of depreciable real estate owned, incl. JVs	(0.017)	-	(0.017)	(0.237)
Cumulative effect of change in accounting principle	-	-	-	(0.007)
Depreciation and amortization, including JVs	0.432	0.412	0.852	0.824
Noncontrolling interests and preferred dividends	0.012	0.009	0.022	0.038
FFO per common share and unit, diluted	\$0.54	\$0.49	\$1.05	\$0.96
Promoted interest on settlement of note receivable, net of tax	-	-	(0.021)	-
Legal and other costs	-	0.002	0.011	0.002
Net gain on the sale of non-depreciable real estate owned	(0.017)	-	(0.017)	-
Casualty-related charges/(recoveries), including JVs, net	0.001	0.003	0.002	0.006
FFOA per common share and unit, diluted	\$0.52	\$0.49	\$1.02	\$0.97
Recurring capital expenditures	(0.041)	(0.043)	(0.065)	(0.066)
AFFO per common share and unit, diluted	\$0.48	\$0.45	\$0.96	\$0.90

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 second quarter Supplemental Financial Information.

Operations

In the second quarter, total revenue increased by \$21.6 million year-over-year, or 8.3 percent, to \$281.3 million. This increase was primarily attributable to growth in revenue from operating and acquisition communities.

In the second quarter, same-store NOI increased 4.2 percent year-over-year, driven by same-store revenue growth of 3.7 percent and same-store expense growth of 2.3 percent. Weighted average same-store physical occupancy remained at 96.9 percent versus the same prior year period. The second quarter annualized rate of turnover was 54.8 percent, representing a 100 basis point increase year-over-year and partially driven by the Company's Short-Term Furnished Rental Program.

Summary of Same-Store Results Second Quarter 2019 versus Second Quarter 2018

Region	Revenue Growth	Expense Growth	NOI Growth	% of Same-Store NOI ⁽¹⁾	Same-Store Occupancy ⁽²⁾	Number of Same-Store Homes ⁽³⁾
West	4.5%	2.5%	5.2%	46.2%	96.6%	13,942
Mid-Atlantic	2.9%	1.6%	3.4%	23.0%	97.4%	9,877
Southeast	4.0%	2.4%	4.7%	12.6%	96.9%	7,683
Northeast	2.5%	4.3%	1.7%	12.3%	97.0%	2,840
Southwest	2.5%	0.6%	3.8%	5.9%	97.0%	3,835
Total	3.7%	2.3%	4.2%	100.0%	96.9%	38,177

⁽¹⁾ Based on Q2 2019 SS NOI.

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

⁽³⁾ During the second quarter, 38,177 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 were not held for disposition.

In the second quarter, sequential same-store NOI increased by 2.4 percent, driven by same-store revenue growth of 1.3 percent and a same-store expense decline of 1.2 percent. Weighted average same-store physical occupancy increased by 10 basis points sequentially to 96.9 percent.

Year-to-date, for the six months ended June 30, 2019, total revenue increased by \$38.9 million year-over-year, or 7.6 percent, to \$552.0 million. This increase was primarily attributable to growth in revenue from operating and acquisition communities.

Year-to-date, for the six months ended June 30, 2019, same-store NOI increased 4.1 percent year-over-year, driven by same-store revenue growth of 3.7 percent and same-store expense growth of 2.7 percent. Weighted average same-store physical occupancy remained at 96.9 percent versus the same prior year period. The year-to-date annualized rate of turnover was 47.0 percent, representing a 10 basis point decrease year-over-year.

Summary of Same-Store Results Year-To-Date 2019 versus Year-To-Date 2018

Region	Revenue Growth	Expense Growth	NOI Growth	% of Same-Store NOI ⁽¹⁾	Same-Store Occupancy ⁽²⁾	Number of Same-Store Homes ⁽³⁾
West	4.4%	3.0%	4.9%	46.4%	96.5%	13,942
Mid-Atlantic	3.1%	1.4%	3.9%	23.1%	97.5%	9,877
Southeast	4.1%	3.0%	4.6%	12.9%	96.8%	7,683
Northeast	2.3%	5.6%	0.9%	12.4%	97.0%	2,840
Southwest	3.1%	0.6%	4.9%	5.2%	96.9%	3,617
Total	3.7%	2.7%	4.1%	100.0%	96.9%	37,959

⁽¹⁾ Based on YTD 2019 NOI.

⁽²⁾ Weighted average same-store physical occupancy for YTD 2019.

⁽³⁾ For the six months ended June 30, 2019, 37,959 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 were not held for disposition.

Development Activity

At the end of the second quarter, the Company's development pipeline totaled \$32.0 million at its pro-rata ownership interest and was 26 percent funded. 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 Activity

At the end of the second quarter, the Company's DCP investments, including accrued return, totaled \$243.5 million.

During the quarter, the Company committed to providing \$27.3 million of capital to the 173-home Modera Lake Merritt multifamily development located in Oakland, CA. The investment yields 9.0% on the Company's capital outstanding with a profit participation upon sale of the community.

Wholly-Owned Transactional Activity

During the quarter, the Company acquired:

- Rodgers Forge, a 498-home community located in Towson, MD, for \$86.4 million or \$173,500 per home. At the time of the acquisition, the community had average monthly revenue per occupied home of \$1,263, occupancy of 91 percent, was 74 years old and underwent a major renovation in 2010.
- Park Square, a 313-home community located in King of Prussia, PA, for \$107.3 million or \$342,800 per home. At the time of the acquisition, the community had average monthly revenue per occupied home of \$1,897, occupancy of 67 percent and was one year old.
- The Preserve at Gateway, a 240-home community located in St. Petersburg, FL, for \$49.4 million or \$205,800 per home. At the time of the acquisition, the community had average monthly revenue per occupied home of \$1,434, occupancy of 95 percent and was six years old.
- Currents on the Charles, a 200-home community located in Waltham, MA, for \$84.6 million or \$423,000 per home. At the time of the acquisition, the community had average monthly revenue per occupied home of \$2,574, occupancy of 97 percent and was four years old.

Subsequent to quarter-end, the Company entered into a contract to acquire One William, a 185-home community located in Englewood, NJ, for \$83.6 million or \$451,900 per home. The community had average monthly revenue per occupied home of \$2,701, occupancy of 99 percent and was one year old when the contract was executed. One William is expected to close during the third quarter, subject to customary closing conditions.

Joint Venture Transactional Activity

During the quarter, the UDR/KFH joint venture sold one community in Washington, D.C. for \$74.8 million. Subsequent to quarter-end, a second community in Washington, D.C. was sold for \$43.5 million. The Company is under contract to purchase the 70 percent it does not own of the third community in the joint venture, 1301 Thomas Circle, a 292-home property in Washington, D.C. at a valuation of \$184.0 million or \$630,100 per home. The community had average monthly revenue per occupied home of \$3,395, occupancy of 98 percent and was 13 years old when the contract was executed. Thomas Circle is expected to close in 2019, subject to customary closing conditions. Once complete, the UDR/KFH joint venture will terminate.

Capital Markets and Balance Sheet Activity

During the second quarter, the Company issued approximately 460.5 thousand common shares through its at-the-market equity program at a weighted average net price of \$44.94 for proceeds of \$20.7 million. Uses of proceeds include the acquisitions outlined in this press release and general corporate purposes.

Subsequent to quarter-end, the Company:

- Issued approximately 2.2 million common shares through its at-the-market equity program at a weighted average net price of \$45.70 for proceeds of \$99.4 million. Uses of proceeds include the acquisitions outlined in this press release and general corporate purposes.
- Settled its late-June issuance of \$300.0 million, 10-year unsecured debt at an effective rate of 3.46 percent after accounting for previous hedging activities. Uses of proceeds include the repayment of debt, including amounts outstanding under the Company's commercial paper program, unsecured revolving credit facility and working capital credit facility, or for other general corporate purposes.

At June 30, 2019, the Company had approximately \$750.6 million of liquidity through a combination of cash and undrawn capacity on its credit facilities and prior to accounting for the \$300.0 million unsecured debt issuance outlined previously in this press release.

The Company's total indebtedness at June 30, 2019 was \$3.87 billion. The Company ended the quarter with fixed-rate debt representing 85.7 percent of its total debt, a total blended interest rate of 3.64 percent and a weighted average maturity of 4.9 years. The Company's consolidated leverage was 32.1 percent versus 33.4 percent a year ago, its consolidated net-debt-to-EBITDA was 5.4x versus 5.7x a year ago and its consolidated fixed charge coverage ratio was 4.9x versus 4.6x a year ago.

Dividend

As previously announced, the Company's Board of Directors declared a regular quarterly dividend on its common stock for the second quarter of 2019 in the amount of \$0.3425 per share. The dividend will be paid in cash on July 31, 2019 to UDR common stockholders of record as of July 10, 2019. The second quarter 2019 dividend will represent the 187th consecutive quarterly dividend paid by the Company on its common stock.

Outlook

For the third quarter of 2019, the Company has established the following earnings guidance ranges.

Net income per share	\$0.11 to \$0.13
FFO per share	\$0.52 to \$0.54
FFOA per share	\$0.51 to \$0.53
AFFO per share	\$0.46 to \$0.48

For the full-year 2019, the Company increased its previously provided earnings per share guidance ranges.

	<u>Updated Guidance</u>	<u>Prior Guidance</u>
Net income per share	\$0.38 to \$0.41	\$0.36 to \$0.40
FFO per share	\$2.09 to \$2.12	\$2.05 to \$2.09
FFOA per share	\$2.05 to \$2.08	\$2.03 to \$2.07
AFFO per share	\$1.89 to \$1.92	\$1.87 to \$1.91

For the full-year 2019, the Company increased its previously provided same-store revenue and NOI growth guidance ranges and decreased its previously provided same-store expense growth guidance range.

	<u>Updated Guidance</u>	<u>Prior Guidance</u>
Revenue growth	3.40% to 4.00%	3.00% to 4.00%
Expense growth	2.50% to 3.00%	2.75% to 3.75%
Net operating income growth	3.75% to 4.50%	3.25% to 4.25%
Physical Occupancy	96.8% to 97.0%	96.8% to 97.0%

Additional assumptions for the Company's third quarter and full-year 2019 guidance can be found on Attachment 15 of the Company's second 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 second 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 second 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 July 31, 2019 to discuss second quarter results. 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 August 31, 2019, by dialing 844-512-2921 for domestic and 412-317-6671 for international and entering the confirmation number, 13692090, 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.

Full Text of the Earnings Report and Supplemental Data

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



Attachment 16(A)

UDR, Inc. Definitions and Reconciliations June 30, 2019 (Unaudited)

Acquired Communities: The Company defines Acquired Communities as those communities acquired by the Company, other than development and redevelopment activity, that did not achieve stabilization as of the most recent quarter.

Adjusted Funds from Operations ("AFFO") attributable to common stockholders and unitholders: The Company defines AFFO as FFO as Adjusted attributable to common stockholders and unitholders less recurring capital expenditures on consolidated communities that are necessary to help preserve the value of and maintain functionality at our communities.

Management considers AFFO a useful supplemental performance metric for investors as it is more indicative of the Company's operational performance than FFO or FFO as Adjusted. AFFO 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 AFFO. Management believes that AFFO is a widely recognized measure of the operations of REITs, and presenting AFFO will enable investors to assess our performance in comparison to other REITs. However, other REITs may use different methodologies for calculating AFFO and, accordingly, our AFFO may not always be comparable to AFFO calculated by other REITs. AFFO should not be considered as an alternative to net income/(loss) (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, nor is it indicative of funds available to fund our cash needs, including our ability to make distributions. A reconciliation from net income/(loss) attributable to common stockholders to AFFO is provided on Attachment 2.

Consolidated Fixed Charge Coverage Ratio - adjusted for non-recurring items: The Company defines Consolidated Fixed Charge Coverage Ratio - adjusted for non-recurring items as Consolidated Interest Coverage Ratio - adjusted for non-recurring items divided by total consolidated interest, excluding the impact of costs associated with debt extinguishment, plus preferred dividends.

Management considers Consolidated Fixed Charge 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 consolidated debt obligations as well as compare leverage against that of its peer REITs. A reconciliation of the components that comprise Consolidated Fixed Charge Coverage Ratio - adjusted for non-recurring items is provided on Attachment 4(C) of the Company's quarterly supplemental disclosure.

Consolidated Interest Coverage Ratio - adjusted for non-recurring items: The Company defines Consolidated Interest Coverage Ratio - adjusted for non-recurring items as Consolidated EBITDAre - adjusted for non-recurring items divided by total consolidated interest, excluding the impact of costs associated with debt extinguishment.

Management considers Consolidated 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 consolidated debt obligations as well as compare leverage against that of its peer REITs. A reconciliation of the components that comprise Consolidated Interest Coverage Ratio - adjusted for non-recurring items is provided on Attachment 4(C) of the Company's quarterly supplemental disclosure.

Consolidated Net Debt-to-EBITDAre - adjusted for non-recurring items: The Company defines Consolidated Net Debt-to-EBITDAre - adjusted for non-recurring items as total consolidated debt net of cash and cash equivalents divided by annualized Consolidated EBITDAre - adjusted for non-recurring items. Consolidated EBITDAre - adjusted for non-recurring items is defined as EBITDAre excluding the impact of income/(loss) from unconsolidated entities, adjustments to reflect the Company's share of EBITDAre of unconsolidated joint ventures and other non-recurring items including, but not limited to casualty-related charges/(recoveries), net of wholly owned communities.

Management considers Consolidated Net Debt-to-EBITDAre - 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 consolidated debt obligations as well as compare leverage against that of its peer REITs. A reconciliation between net income/(loss) and Consolidated EBITDAre - adjusted for non-recurring items is provided on Attachment 4(C) of the Company's quarterly supplemental disclosure.

Controllable Expenses: The Company refers to property operating and maintenance expenses as Controllable Expenses.

Controllable Operating Margin: The Company defines Controllable Operating Margin as (i) rental income less Controllable Expenses (ii) divided by rental income. Management considers Controllable Operating Margin a useful metric as it provides investors with an indicator of the Company's ability to limit the growth of expenses that are within the control of the Company.

Development Communities: The Company defines Development Communities as those communities recently developed or under development by the Company, that are currently majority owned by the Company and have not achieved stabilization as of the most recent quarter.

Earnings Before Interest, Taxes, Depreciation and Amortization for Real Estate (EBITDAre): The Company defines EBITDAre as net income/(loss) (computed in accordance GAAP), plus interest expense, including costs associated with debt extinguishment, plus real estate depreciation and amortization, plus other depreciation and amortization, plus (minus) income tax provision/(benefit), net, (minus) plus net gain/(loss) on the sale of depreciable real estate owned, plus impairment write-downs of depreciable real estate, plus the adjustments to reflect the Company's share of EBITDAre of unconsolidated joint ventures. The Company computes EBITDAre in accordance with standards established by the National Association of Real Estate Investment Trusts, or Nareit, which may not be comparable to EBITDAre reported by other REITs that do not compute EBITDAre in accordance with the Nareit definition, or that interpret the Nareit definition differently than the Company does. The White Paper on EBITDAre was approved by the Board of Governors of Nareit in September 2017.

Management considers EBITDAre a useful metric for investors as it provides an additional indicator of the Company's ability to incur and service debt, and will enable investors to assess our performance against that of its peer REITs. EBITDAre 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. EBITDAre 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 between net income/(loss) and EBITDAre is provided on Attachment 4(C) of the Company's quarterly supplemental disclosure.

Effective New Lease Rate Growth: The Company defines Effective New Lease Rate Growth as the increase in gross potential rent realized less concessions for the new lease term (current effective rent) versus prior resident effective rent for the prior lease term on new leases commenced during the current quarter.

Management considers Effective New Lease Rate Growth a useful metric for investors as it assesses market-level new demand trends.

Effective Renewal Lease Rate Growth: The Company defines Effective Renewal Lease Rate Growth as the increase in gross potential rent realized less concessions for the new lease term (current effective rent) versus prior effective rent for the prior lease term on renewed leases commenced during the current quarter.

Management considers Effective Renewal Lease Rate Growth a useful metric for investors as it assesses market-level, in-place demand trends.

Estimated Quarter of Completion: The Company defines Estimated Quarter of Completion of a development or redevelopment project as the date on which construction is expected to be completed, but it does not represent the date of stabilization.



Attachment 16(B)

UDR, Inc. Definitions and Reconciliations June 30, 2019 (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 other non-comparable items including, but not limited to, acquisition-related costs, prepayment costs/benefits associated with early debt retirement, impairment write-downs or gains and losses on sales of real estate or other assets incidental to the main business of the Company and income taxes directly associated with those gains and losses, casualty-related expenses and recoveries, severance costs and legal and other 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 related to the main business of the Company or of investments in non-consolidated investees that are directly attributable to decreases in the fair value of depreciable real estate held by the investee, gains and losses from sales of depreciable real estate related to the main business of the Company and income taxes directly associated with those gains and losses, plus real estate depreciation and amortization, and after adjustments for noncontrolling interests, and the Company's share of unconsolidated partnerships and joint ventures. This definition conforms with the National Association of Real Estate Investment Trust's definition issued in April 2002 and restated in November 2018. 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

	2Q 2019	YTD 2019
Income/(loss) from unconsolidated entities	\$ 6,625	\$ 6,674
Management fee	1,341	2,562
Interest expense	10,272	20,594
Depreciation	15,211	30,885
General and administrative	141	273
West Coast Development JV Preferred Return - Attachment 12(B)	(174)	(450)
Developer Capital Program - Other (excludes Alameda Point Block 11)	(4,683)	(8,655)
Other (income)/expense	324	243
NOI related to sold properties	(184)	(456)
(Gain)/loss on sales	(5,251)	(5,251)
Total Joint Venture NOI at UDR's Ownership Interest	\$ 23,622	\$ 46,419

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 2.875% 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

	2Q 2019	1Q 2019	4Q 2018	3Q 2018	2Q 2018
Net income/(loss) attributable to UDR, Inc.	\$ 35,619	\$ 24,503	\$ 82,139	\$ 18,610	\$ 20,601
Property management	8,006	7,703	7,280	7,240	7,057
Other operating expenses	2,735	5,646	3,952	3,314	2,825
Real estate depreciation and amortization	117,934	112,468	106,469	107,881	106,520
Interest expense	34,417	33,542	38,226	34,401	31,598
Casualty-related charges/(recoveries), net	246	-	(243)	678	746
General and administrative	12,338	12,467	10,955	11,896	12,373
Tax provision/(benefit), net	125	2,212	70	158	233
(Income)/loss from unconsolidated entities	(6,625)	(49)	(36)	1,382	2,032
Interest income and other (income)/expense, net	(1,310)	(9,813)	(1,660)	(1,188)	(1,128)
Joint venture management and other fees	(2,845)	(2,751)	(2,935)	(2,888)	(3,109)
Other depreciation and amortization	1,678	1,656	1,616	1,682	1,684
(Gain)/loss on sale of real estate owned, net of tax	(5,282)	-	(65,897)	-	-
Net income/(loss) attributable to noncontrolling interests	2,699	2,099	7,476	1,648	1,843
Total consolidated NOI	\$ 199,735	\$ 189,683	\$ 187,412	\$ 184,814	\$ 183,275



Attachment 16(C)

UDR, Inc. Definitions and Reconciliations June 30, 2019 (Unaudited)

NOI Enhancing Capital Expenditures ("Cap Ex"): The Company defines NOI Enhancing Capital Expenditures as expenditures that result in increased income generation or decreased expense growth over time.

Management considers NOI Enhancing Capital Expenditures a useful metric for investors as it quantifies the amount of capital expenditures that are expected to grow, not just maintain, revenues or to decrease expenses.

Non-Mature Communities: The Company defines Non-Mature Communities as those communities that have not met the criteria to be included in same-store communities.

Non-Residential / Other: The Company defines Non-Residential / Other as non-apartment components of mixed-use properties, land held, properties being prepared for redevelopment and properties where a material change in home count has occurred.

Physical Occupancy: The Company defines Physical Occupancy as the number of occupied homes divided by the total homes available at a community.

QTD Same-Store Communities: The Company defines QTD Same-Store Communities as those communities Stabilized for five full consecutive quarters. These communities were owned and had stabilized 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.

Recurring Capital Expenditures: The Company defines Recurring Capital Expenditures as expenditures that are necessary to help preserve the value of and maintain functionality at its communities.

Redevelopment Communities: The Company generally defines Redevelopment Communities as those communities where substantial redevelopment is in progress that is expected to have a material impact on the community's operations, including occupancy levels and future rental rates.

Redevelopment Projected Weighted Average Return on Incremental Capital Invested: The projected weighted average return on incremental capital invested for redevelopment projects is NOI as set forth in the definition of Stabilization Period for Redevelopment Yield, less Recurring Capital Expenditures, minus the project's annualized NOI prior to commencing the redevelopment, less Recurring Capital Expenditures, divided by the total cost of the project.

Sold Communities: The Company defines Sold Communities as those communities that were disposed of prior to the end of the most recent quarter.

Stabilization/Stabilized: The Company defines Stabilization/Stabilized as when a community's occupancy reaches 90% or above for at least three consecutive months.

Stabilized, Non-Mature Communities: The Company defines Stabilized, Non-Mature Communities as those communities that have reached Stabilization but are not yet in the same-store portfolio.

Stabilization Period for Development Yield: The Company defines the Stabilization Period for Development Yield as the forward twelve month NOI, excluding any remaining lease-up concessions outstanding, commencing one year following the delivery of the final home of the project.

Stabilization Period for Redevelopment Yield: The Company defines the stabilization period for a redevelopment property yield for purposes of computing the Redevelopment Projected Weighted Average Return on Incremental Capital Invested, as the forward twelve month NOI, excluding any remaining lease-up concessions outstanding, commencing one year following the delivery of the final home of a project.

Stabilized Yield on Developments: The Company calculates expected stabilized yields on development as follows: projected stabilized NOI less management fees divided by budgeted construction costs on a project-specific basis. Projected stabilized NOI for development projects, calculated in accordance with the NOI reconciliation provided on Attachment 16(B), is set forth in the definition of Stabilization Period for Development Yield. Given the differing completion dates and years for which NOI is being projected for these communities as well as the complexities associated with estimating other expenses upon completion such as corporate overhead allocation, general and administrative costs and capital structure, a reconciliation to GAAP measures is not meaningful. Projected NOI for these projects is neither provided, nor is representative of Management's expectations for the Company's overall financial performance or cash flow growth and there can be no assurances that forecast NOI growth implied in the estimated construction yield of any project will be achieved.

Management considers estimated Stabilized Yield on Developments as a useful metric for investors as it helps provide context to the expected effects that development projects will have on the Company's future performance once stabilized.

Total Revenue per Occupied Home: The Company defines Total Revenue per Occupied Home as rental and other revenues, calculated in accordance with GAAP, divided by the product of occupancy and the number of apartment homes.

Management considers Total Revenue per Occupied Home a useful metric for investors as it serves as a proxy for portfolio quality, both geographic and physical.

TRS: The Company's taxable REIT subsidiary ("TRS") focuses on development, land entitlement and short-term hold investments. TRS gains on sales, net of taxes, is defined as net sales proceeds less a tax provision and the gross investment basis of the asset before accumulated depreciation.

YTD Same-Store Communities: The Company defines YTD Same-Store Communities as those communities Stabilized for two full consecutive calendar years. These communities were owned and had stabilized operating expenses as of the beginning of the prior year, were not in process of any substantial redevelopment activities, and not held for disposition.

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 stability 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 June 30, 2019, UDR owned or had an ownership position in 50,829 apartment homes including 366 homes under development. For over 47 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 June 30,		Six Months Ended June 30,	
	2019	2018	2019	2018
REVENUES:				
Rental income	\$ 278,463	\$ 256,634	\$ 546,385	\$ 507,117
Joint venture management and other fees	2,845	3,109	5,596	5,931
Total revenues	281,308	259,743	551,981	513,048
OPERATING EXPENSES:				
Property operating and maintenance	42,894	41,452	84,833	82,039
Real estate taxes and insurance	35,834	31,907	72,134	65,189
Property management	8,006	7,057	15,709	13,945
Other operating expenses	2,735	2,825	8,381	4,834
Real estate depreciation and amortization	117,934	106,520	230,402	214,656
General and administrative	12,338	12,373	24,805	24,132
Casualty-related charges/(recoveries), net	246	746	246	1,686
Other depreciation and amortization	1,678	1,684	3,334	3,375
Total operating expenses	221,665	204,564	439,844	409,856
Gain/(loss) on sale of real estate owned	5,282	-	5,282	70,300
Operating income	64,925	55,179	117,419	173,492
Income/(loss) from unconsolidated entities	6,625	(2,032)	6,674	(3,709)
Interest expense	(34,417)	(31,598)	(67,959)	(61,541)
Interest income and other income/(expense), net ⁽²⁾	1,310	1,128	11,123	3,887
Income/(loss) before income taxes	38,443	22,677	67,257	112,129
Tax (provision)/benefit, net ⁽²⁾	(125)	(233)	(2,337)	(460)
Net Income/(loss)	38,318	22,444	64,920	111,669
Net (income)/loss attributable to redeemable noncontrolling interests in the OP and DownREIT Partnership	(2,652)	(1,813)	(4,709)	(9,203)
Net (income)/loss attributable to noncontrolling interests	(47)	(30)	(89)	(109)
Net income/(loss) attributable to UDR, Inc.	35,619	20,601	60,122	102,357
Distributions to preferred stockholders - Series E (Convertible)	(1,031)	(971)	(2,042)	(1,926)
Net income/(loss) attributable to common stockholders	\$ 34,588	\$ 19,630	\$ 58,080	\$ 100,431
Income/(loss) per weighted average common share - basic:	\$0.12	\$0.07	\$0.21	\$0.38
Income/(loss) per weighted average common share - diluted:	\$0.12	\$0.07	\$0.21	\$0.37
Common distributions declared per share	\$0.3425	\$0.3225	\$0.6850	\$0.6450
Weighted average number of common shares outstanding - basic	281,960	267,311	279,494	267,428
Weighted average number of common shares outstanding - diluted	282,575	268,890	280,081	269,002

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

(2) During the six months ended June 30, 2019, UDR earned a promoted interest of \$8.5 million on the payment of a promissory note receivable from a multifamily technology company. The estimated tax provision on the payment was approximately \$2.0 million.



Attachment 2

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

In thousands, except per share and unit amounts	Three Months Ended June 30,		Six Months Ended June 30,	
	2019	2018	2019	2018
Net income/(loss) attributable to common stockholders	\$ 34,588	\$ 19,630	\$ 58,080	\$ 100,431
Real estate depreciation and amortization	117,934	106,520	230,402	214,656
Noncontrolling interests	2,699	1,843	4,798	9,312
Real estate depreciation and amortization on unconsolidated joint ventures	15,211	15,512	30,885	29,852
Cumulative effect of change in accounting principle	-	-	-	(2,100)
Net gain on the sale of unconsolidated depreciable property	(5,251)	-	(5,251)	-
Net gain on the sale of depreciable real estate owned	-	-	-	(70,300)
Funds from operations ("FFO") attributable to common stockholders and unitholders, basic	\$ 165,181	\$ 143,505	\$ 318,914	\$ 281,851
Distributions to preferred stockholders - Series E (Convertible) ⁽²⁾	1,031	971	2,042	1,926
FFO attributable to common stockholders and unitholders, diluted	\$ 166,212	\$ 144,476	\$ 320,956	\$ 283,777
FFO per weighted average common share and unit, basic	\$ 0.54	\$ 0.49	\$ 1.05	\$ 0.97
FFO per weighted average common share and unit, diluted	\$ 0.54	\$ 0.49	\$ 1.05	\$ 0.96
Weighted average number of common shares and OP/DownREIT Units outstanding - basic	304,696	291,885	302,998	291,968
Weighted average number of common shares, OP/DownREIT Units, and common stock equivalents outstanding - diluted	308,322	296,475	306,596	296,553
Impact of adjustments to FFO:				
Promoted interest on settlement of note receivable, net of tax ⁽³⁾	\$ -	\$ -	\$ (6,482)	\$ -
Legal and other costs ⁽⁴⁾	-	625	3,431	625
Net gain on the sale of non-depreciable real estate owned	(5,282)	-	(5,282)	-
Casualty-related charges/(recoveries), net	246	806	261	1,815
Casualty-related charges/(recoveries) on unconsolidated joint ventures, net	81	-	227	-
	\$ (4,955)	\$ 1,431	\$ (7,845)	\$ 2,440
FFO as Adjusted attributable to common stockholders and unitholders, diluted	\$ 161,257	\$ 145,907	\$ 313,111	\$ 286,217
FFO as Adjusted per weighted average common share and unit, diluted	\$ 0.52	\$ 0.49	\$ 1.02	\$ 0.97
Recurring capital expenditures	(12,750)	(12,781)	(19,968)	(19,450)
AFFO attributable to common stockholders and unitholders, diluted	\$ 148,507	\$ 133,126	\$ 293,143	\$ 266,767
AFFO per weighted average common share and unit, diluted	\$ 0.48	\$ 0.45	\$ 0.96	\$ 0.90

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

(2) Series E preferred shares are dilutive for purposes of calculating FFO per share for the three and six months ended June 30, 2019 and June 30, 2018. 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) See footnote 2 on Attachment 1.

(4) During 1Q19, UDR adopted ASU No. 2016-02, *Leases (codified as ASC 842)*, which changed how UDR recognizes costs incurred to obtain resident and retail leases. Prior to adoption, UDR deferred and amortized over the lease term certain direct leasing costs. Under the updated standard, only those direct costs that are incremental to the arrangement may be deferred and any direct costs to negotiate or arrange a lease that would have been incurred regardless of whether the lease was obtained ("non-incremental costs") shall be expensed as incurred. The standard also provided a practical expedient whereby an entity need not reassess direct costs for any pre-existing leases upon adoption. As such, the adoption of the standard resulted in UDR expensing any new non-incremental costs as incurred and continuing to amortize the pre-existing non-incremental costs deferred upon adoption over the remaining lease terms. The impact for the six months ended June 30, 2019 for the amortization expense related to the pre-existing non-incremental costs was \$1.1 million, which is backed out for FFO as Adjusted in Legal and other costs.



Attachment 3

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

In thousands, except share and per share amounts	June 30, 2019	December 31, 2018
ASSETS		
Real estate owned:		
Real estate held for investment	\$ 11,011,516	\$ 10,196,159
Less: accumulated depreciation	(3,878,897)	(3,654,160)
Total real estate owned, net of accumulated depreciation	<u>7,132,619</u>	6,541,999
Cash and cash equivalents	981	185,216
Restricted cash	23,042	23,675
Notes receivable, net	37,494	42,259
Investment in and advances to unconsolidated joint ventures, net	769,000	780,869
Operating lease right-of-use assets ⁽²⁾	93,939	-
Other assets	140,191	137,710
Total assets	<u>\$ 8,197,266</u>	<u>\$ 7,711,728</u>
LIABILITIES AND EQUITY		
Liabilities:		
Secured debt	\$ 598,389	\$ 601,227
Unsecured debt	3,272,200	2,946,560
Operating lease liabilities ⁽²⁾	88,099	-
Real estate taxes payable	23,919	20,608
Accrued interest payable	42,029	38,747
Security deposits and prepaid rent	35,222	35,060
Distributions payable	105,611	97,666
Accounts payable, accrued expenses, and other liabilities	63,250	76,343
Total liabilities	<u>4,228,719</u>	3,816,211
Redeemable noncontrolling interests in the OP and DownREIT Partnership	1,000,532	972,740
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, 2018)	46,200	46,200
15,097,917 shares of Series F outstanding (15,802,393 shares at December 31, 2018)	1	1
Common stock, \$0.01 par value; 350,000,000 shares authorized		
283,104,643 shares issued and outstanding (275,545,900 shares at December 31, 2018)	2,831	2,755
Additional paid-in capital	5,244,819	4,920,732
Distributions in excess of net income	(2,336,609)	(2,063,996)
Accumulated other comprehensive income/(loss), net	(7,838)	(67)
Total stockholders' equity	<u>2,949,404</u>	2,905,625
Noncontrolling interests	18,611	17,152
Total equity	<u>2,968,015</u>	2,922,777
Total liabilities and equity	<u>\$ 8,197,266</u>	<u>\$ 7,711,728</u>

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

(2) During 1Q19, UDR adopted ASU No. 2016-02, *Leases (codified as ASC 842)*. The updated standard requires lessees to recognize a lease liability and a right-of-use asset for all leases on their balance sheets (with certain exceptions provided by the standard). The standard also provides a transition option that permits entities to not recast the comparative periods presented when transitioning to the standard. Given that UDR elected the transition option, there are no comparable balances as of December 31, 2018.



Attachment 4(C)

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

	Quarter Ended June 30, 2019
Coverage Ratios	
Net income/(loss)	\$ 38,318
Adjustments:	
Interest expense, including costs associated with debt extinguishment	34,417
Real estate depreciation and amortization	117,934
Other depreciation and amortization	1,678
Tax provision/(benefit), net	125
Adjustments to reflect the Company's share of EBITDAre of unconsolidated joint ventures	20,232
EBITDAre	<u>\$ 212,704</u>
Casualty-related charges/(recoveries), net	246
Casualty-related charges/(recoveries) on unconsolidated joint ventures, net	81
Net gain on the sale of non-depreciable real estate owned	(5,282)
(Income)/loss from unconsolidated entities	(6,625)
Adjustments to reflect the Company's share of EBITDAre of unconsolidated joint ventures	(20,232)
Management fee expense on unconsolidated joint ventures	(1,341)
Consolidated EBITDAre - adjusted for non-recurring items	<u>\$ 179,551</u>
Annualized consolidated EBITDAre - adjusted for non-recurring items	<u>\$ 718,204</u>
Interest expense, including costs associated with debt extinguishment	34,417
Capitalized interest expense	1,236
Total interest	<u>\$ 35,653</u>
Preferred dividends	\$ 1,031
Total debt	\$ 3,870,589
Cash	(981)
Net debt	<u>\$ 3,869,608</u>
Consolidated Interest Coverage Ratio - adjusted for non-recurring items	5.0x
Consolidated Fixed Charge Coverage Ratio - adjusted for non-recurring items	4.9x
Consolidated Net Debt-to-EBITDAre - adjusted for non-recurring items	5.4x

Debt Covenant Overview

Unsecured Line of Credit Covenants ⁽²⁾	Required	Actual	Compliance
Maximum Leverage Ratio	≤60.0%	32.9% ⁽²⁾	Yes
Minimum Fixed Charge Coverage Ratio	≥1.5x	4.1x	Yes
Maximum Secured Debt Ratio	≤40.0%	10.9%	Yes
Minimum Unencumbered Pool Leverage Ratio	≥150.0%	358.8%	Yes
Senior Unsecured Note Covenants ⁽³⁾	Required	Actual	Compliance
Debt as a percentage of Total Assets	≤65.0%	32.1% ⁽³⁾	Yes
Consolidated Income Available for Debt Service to Annual Service Charge	≥1.5x	5.6x	Yes
Secured Debt as a percentage of Total Assets	≤40.0%	4.9%	Yes
Total Unencumbered Assets to Unsecured Debt	≥150.0%	304.9%	Yes
Securities Ratings	Debt	Outlook	Commercial Paper
Moody's Investors Service	Baa1	Stable	P-2
S&P Global Ratings	BBB+	Stable	A-2

Asset Summary	Number of Homes	2Q 2019 NOI ⁽¹⁾ (\$000s)	% of NOI	Gross Carrying Value (\$000s)	% of Total Gross Carrying Value
Unencumbered assets	37,360	\$ 177,575	88.9%	\$ 9,702,756	88.1%
Encumbered assets	4,932	22,160	11.1%	1,308,760	11.9%
	<u>42,292</u>	<u>\$ 199,735</u>	<u>100.0%</u>	<u>\$ 11,011,516</u>	<u>100.0%</u>

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

(2) As defined in our credit agreement dated September 27, 2018.

(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 June 30, 2019 (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 2019 and third quarter of 2019 to forecasted FFO, FFO as Adjusted and AFFO per share and unit:

	Full-Year 2019	
	Low	High
Forecasted net income per diluted share	\$ 0.38	\$ 0.41
Conversion from GAAP share count	(0.04)	(0.04)
Net gain on the sale of depreciable real estate owned	(0.03)	(0.03)
Depreciation	1.74	1.74
Noncontrolling interests	0.03	0.03
Preferred dividends	0.01	0.01
Forecasted FFO per diluted share and unit	\$ 2.09	\$ 2.12
Legal and other costs	0.01	0.01
Net gain on the sale of non-depreciable real estate owned	(0.02)	(0.02)
Cost associated with debt extinguishment	-	-
Casualty-related charges/(recoveries)	-	-
Joint venture development success fee	(0.01)	(0.01)
Promoted interest on settlement of note receivable, net of tax	(0.02)	(0.02)
Forecasted FFO as Adjusted per diluted share and unit	\$ 2.05	\$ 2.08
Recurring capital expenditures	(0.16)	(0.16)
Forecasted AFFO per diluted share and unit	\$ 1.89	\$ 1.92

	3Q 2019	
	Low	High
Forecasted net income per diluted share	\$ 0.11	\$ 0.13
Conversion from GAAP share count	(0.01)	(0.01)
Net gain on the sale of depreciable real estate owned	(0.02)	(0.02)
Depreciation	0.43	0.43
Noncontrolling interests	0.01	0.01
Preferred dividends	-	-
Forecasted FFO per diluted share and unit	\$ 0.52	\$ 0.54
Legal and other costs	-	-
Cost associated with debt extinguishment	-	-
Casualty-related charges/(recoveries)	-	-
Joint venture development success fee	(0.01)	(0.01)
Forecasted FFO as Adjusted per diluted share and unit	\$ 0.51	\$ 0.53
Recurring capital expenditures	(0.05)	(0.05)
Forecasted AFFO per diluted share and unit	\$ 0.46	\$ 0.48