



Press Release

DENVER, CO – October 29, 2020

Contact: Trent Trujillo
Phone: 720.283.6135

UDR ANNOUNCES THIRD QUARTER 2020 RESULTS AND FOURTH QUARTER 2020 GUIDANCE

UDR, Inc. (the “Company”) Third Quarter 2020 Highlights:

- Net loss per share was (\$0.09), Funds from Operations (“FFO”) per share was \$0.42, FFO as Adjusted (“FFOA”) per share was \$0.50, and Adjusted FFO (“AFFO”) per share was \$0.45.
- Net loss attributable to common stockholders was (\$26.3) million compared to net income of \$26.2 million in the prior year period, primarily due to a decline in Combined Same-Store net operating income (“NOI”), depreciation from communities acquired since 2019, and costs associated with debt extinguishment.
- Year-over-year (“YOY”) Combined Same-Store results during the third quarter of 2020, with concessions accounted for on cash and straight-line bases, as compared to the third quarter of 2019 were as follows:

Region	Revenue Growth / (Decline)	Expense Growth / (Decline)	NOI Growth / (Decline)	% of Combined Same-Store Portfolio ⁽¹⁾	Physical Occupancy ⁽²⁾	YOY Change in Occupancy
West	(7.8)%	1.1%	(10.7)%	39.9%	94.0%	(2.5)%
Mid-Atlantic	(1.7)%	2.6%	(3.6)%	22.8%	96.8%	(0.2)%
Northeast	(16.1)%	7.1%	(26.9)%	13.6%	91.7%	(5.0)%
Southeast	1.7%	8.9%	(1.5)%	11.9%	97.3%	0.3%
Southwest	1.1%	5.4%	(1.8)%	7.1%	96.9%	0.4%
Other Markets	(0.6)%	6.6%	(3.7)%	4.7%	97.1%	1.0%
Total (Cash)	(5.9)%	4.2%	(10.0)%	100.0%	95.5%	(1.2)%
Total (Straight-Line)	(3.3)%	-	(6.4)%	-	-	-

⁽¹⁾ Based on Q3 2020 Combined Same-Store NOI. For definitions of terms, please refer to the “Definitions and Reconciliations” section of the Company’s third quarter Supplemental Financial Information.

⁽²⁾ Weighted average Combined Same-Store physical occupancy for the quarter.

- The Company continues to implement its Next Generation Operating Platform, which has driven a year-to-date (“YTD”) Combined Same-Store controllable expense decline of (0.4) percent YOY.
- The Company repurchased approximately 597,500 common shares at an average price of \$33.11 per share for total consideration of approximately \$19.8 million.
- The Company purchased Village at Valley Forge, a development site in the King of Prussia submarket of Philadelphia, PA, for \$16.2 million.
- As previously announced, the Company [issued \\$400.0 million of unsecured debt at an effective interest rate of 2.11 percent](#) that matures in 2032. Proceeds were used to prepay \$245.8 million of 4.64 percent secured debt due in 2023 and to [purchase \\$116.9 million of 3.75 percent unsecured debt due in 2024](#).
- Subsequent to quarter-end, the Company sold DelRay Tower, a 332-home community located in Metropolitan Washington, D.C., for gross proceeds of \$145.0 million.

“UDR’s business remains resilient with our leasing and occupancy fundamentals bolstered by our Next Generation Operating Platform and strong liquidity position. While we knew the third quarter would be challenging due to transitory issues in three key markets, namely New York, San Francisco, and Boston, we are pleased that across the majority of our portfolio there are growing signs of stability in billed rent, collections, occupancy, blended lease rate growth, concessions, and resident turnover. However, we remain subject to still-evolving regulatory constraints and economic volatility which create a level of future uncertainty,” said Tom Toomey, UDR’s Chairman and CEO. “I am thankful for the commitment our associates have demonstrated to enhancing the lives of our residents and the neighborhoods in which we operate during the pandemic.”

Recent Operating Trends and Fourth Quarter 2020 Outlook

The table below is a summary of third quarter 2020 residential operational trends and October 2020 expectations, as of and through October 26, 2020. Importantly, the Company has seen no degradation in cash revenue collections, which continue to trend above 98 percent. October cash revenue received as a percentage of billed revenue is consistent with the months of April through September at corresponding collection times as of and through the 26th day of each month.

Summary of Third Quarter and October 2020 Residential Operating Trends⁽¹⁾

Metric	As of and Through October 26, 2020					
	Q3 2019	July 2020	Aug 2020	Sept 2020	Q3 2020	Oct 2020 Estimated Range
Residential revenue billed (\$ millions)	\$315.2	\$105.2	\$103.8	\$103.5	\$312.5	\$102.5 - \$103.5
Revenue recognized / reserved ⁽²⁾	N/A	N/A	N/A	N/A	98.7% / 1.3%	N/A
Cash revenue collected (% of billed)	99.6%	97.7%	96.8%	96.0%	96.8% ⁽²⁾	Consistent with prior months
Leasing Traffic ⁽³⁾ Visits ⁽³⁾	874 27,066	1,177 10,445	1,114 10,739	1,103 10,567	1,132 31,751	1,000 - 1,100 10,000 - 11,000
Combined Same-Store Metrics						
Weighted Average Physical Occupancy	96.7%	95.6%	95.5%	95.5%	95.5%	95.5% - 96.0%
Effective Blended Lease Rate Growth ⁽³⁾	3.5%	(0.4)%	(0.6)%	(0.7)%	(0.6)%	(0.6)% - (1.0)%

⁽¹⁾ Metrics shown here are for the Company's total residential portfolio, unless otherwise indicated, and are as of October 26, 2020.

⁽²⁾ As of September 30, 2020, the Company had collected 96.1 percent of Q3 2020 billed residential revenue. Of the 3.9 percent, or \$12.2 million, not collected, and based on probability of collection, the Company reserved (reflected as a reduction to revenue) approximately 1.3 percent, or \$4.0 million, for bad debt, comprising \$3.4 million from Combined Same-Store communities, \$0.3 million from all other consolidated communities, and \$0.3 million from the Company's share from unconsolidated joint ventures.

⁽³⁾ For definitions, please refer to the "Definitions and Reconciliations" section of the Company's third quarter Supplemental Financial Information.

Outlook

For the fourth quarter of 2020, the Company has established the following same-store and earnings guidance ranges⁽¹⁾:

	Q3 2020 – Actual	Q4 2020 – Outlook
Net Income / (Loss) per share	\$(0.09)	\$0.17 to \$0.19
FFO per share	\$0.42	\$0.47 to \$0.49
FFOA per share	\$0.50	\$0.48 to \$0.50
AFFO per share	\$0.45	\$0.43 to \$0.45
YOY Combined Same-Store Revenue Growth / (Decline), with concessions reported on a <u>cash</u> basis ⁽²⁾	(5.9)%	(5.0)% to (6.0)%
YOY Combined Same-Store Revenue Growth / (Decline), with concessions reported on a <u>straight-line</u> basis ⁽²⁾	(3.3)%	(4.0)% to (5.0)%
YOY Combined Same-Store Expense Growth	4.2%	3.25% to 4.25%
YOY Combined Same-Store NOI Growth / (Decline), with concessions reported on a <u>cash</u> basis ⁽²⁾	(10.0)%	(8.5)% to (10.0)%
YOY Combined Same-Store NOI Growth / (Decline), with concessions reported on a <u>straight-line</u> basis ⁽²⁾	(6.4)%	(7.5)% to (9.0)%

⁽¹⁾ Additional assumptions for the Company's fourth quarter outlook can be found on Attachment 15 of the Company's third 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(E) of the Company's third 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(E), "Definitions and Reconciliations," of the Company's third quarter Supplemental Financial Information.

⁽²⁾ "Cash Basis" and "Straight-Line Basis" present concessions reported on a cash or straight-line basis, respectively.

Third Quarter 2020 Operations

In the third quarter, total revenue increased by \$14.7 million year-over-year, or 5.0 percent, to \$310.0 million. This increase was primarily attributable to growth in revenue from acquired and stabilized, non-mature communities. The third quarter annualized rate of turnover increased by 160 basis points versus the prior year period to 65.4 percent. Please refer to the table on page 1 of this Press Release for additional details.

23.1 percent of the Company's third quarter 2020 Combined Same-Store NOI came from communities located in the New York, San Francisco, and Boston markets. Rent growth and occupancy in the suburban areas of these markets remained stable, but third quarter operating results in the urban areas of these three markets were highly challenged due to delayed re-openings of the cities, resulting in elevated concessionary activity and vacancy. While challenged, recent trends indicate evidence of rental rates bottoming and occupancy improving in each of these urban areas.

Summary of Third Quarter YOY Combined Same-Store Growth and Occupancy Trends

Market	% of Combined Same-Store Portfolio ⁽¹⁾	Revenue Growth / (Decline)		NOI Growth / (Decline)		Physical Occupancy ⁽³⁾	
		Cash Basis ⁽²⁾	Straight-Line Basis ⁽²⁾	Cash Basis ⁽²⁾	Straight-Line Basis ⁽²⁾	Q3 2020	As of October 26, 2020
New York, NY	4.0%	(22.2)%	(10.7)%	(44.9)%	(26.2)%	87.7%	92.3%
San Francisco, CA	9.5%	(19.1)%	(15.2)%	(24.7)%	(19.5)%	86.3%	88.6%
Boston, MA	9.6%	(11.4)%	(6.7)%	(15.3)%	(8.9)%	93.8%	93.7%
Subtotal / Wtd. Avg.	23.1%	(17.2)%	(11.0)%	(26.0)%	(17.2)%	89.7%	91.6%
Remaining Markets	76.9%	(1.5)%	(0.3)%	(3.8)%	(2.1)%	97.2%	96.7%
Total / Wtd. Avg.	100.0%	(5.9)%	(3.3)%	(10.0)%	(6.4)%	95.5%	95.8%

⁽¹⁾ Based on Q3 2020 Combined Same-Store NOI. Totals may not equate to the displayed subtotals or weighted averages due to rounding. For definitions of terms, please refer to the "Definitions and Reconciliations" section of the Company's third quarter Supplemental Financial Information.

⁽²⁾ "Cash Basis" and "Straight-Line Basis" present concessions reported on a cash or straight-line basis, respectively.

⁽³⁾ Weighted average Combined Same-Store physical occupancy for the third quarter 2020 and as of October 26, 2020, respectively.

In the table below, the Company has presented sequential Combined Same-Store results by region, with concessions accounted for on cash and straight-line bases.

Summary of Combined Same-Store Results in Third Quarter 2020 versus Second Quarter 2020

Region	Revenue Growth / (Decline)	Expense Growth / (Decline)	NOI Growth / (Decline)	% of Combined Same-Store Portfolio ⁽¹⁾	Physical Occupancy ⁽²⁾	Sequential Change in Occupancy
West	(4.3)%	3.6%	(6.9)%	39.9%	94.0%	(1.5)%
Mid-Atlantic	0.0%	4.1%	(1.8)%	22.8%	96.8%	(0.1)%
Northeast	(9.2)%	14.6%	(20.5)%	13.6%	91.7%	(1.8)%
Southeast	1.6%	3.2%	0.7%	11.9%	97.3%	0.0%
Southwest	0.9%	3.8%	(1.0)%	7.1%	96.9%	0.0%
Other Markets	1.2%	8.5%	(2.0)%	4.7%	97.1%	0.7%
Total (Cash)	(2.8)%	5.9%	(6.5)%	100.0%	95.5%	(0.6)%
Total (Straight-Line)	(0.3)%	-	(2.9)%	-	-	-

⁽¹⁾ Based on Q3 2020 Combined Same-Store NOI. For definitions of terms, please refer to the "Definitions and Reconciliations" section of the Company's third quarter Supplemental Financial Information.

⁽²⁾ Weighted average Combined Same-Store physical occupancy for the quarter.

In the table below, the Company has presented components of residential revenue contribution that drove the year-over-year and sequential decreases in Combined Same-Store revenue during the third quarter, as reported on a cash basis. The decreases are a result of the following:

Residential Revenue Components	Year-Over-Year Contribution to Growth / (Decline) ⁽¹⁾		Sequential Contribution to Growth / (Decline) ⁽¹⁾	
	Q3 2019 to Q3 2020 (\$ in millions)	Q3 2019 to Q3 2020 (%)	Q2 2020 to Q3 2020 (\$ in millions)	Q2 2020 to Q3 2020 (%)
Base Quarter Combined Same-Store Revenue	\$286.9		\$277.9	
Gross Rents	\$0.0	0.0%	\$(1.9)	(0.7)%
Concessions ⁽²⁾	\$(7.7)	(2.7)%	\$(6.5)	(2.4)%
Economic Occupancy Loss	\$(5.6)	(1.9)%	\$(2.3)	(0.8)%
Net Bad Debt Write-Offs	\$(0.5)	(0.2)%	\$(0.5)	(0.2)%
Bad Debt Reserve	\$(3.4)	(1.2)%	\$1.3	0.5%
Fee and Other Income	\$0.4	0.1%	\$2.1	0.8%
Q3 2020 Combined Same-Store Revenue	\$270.1	(5.9)%	\$270.1	(2.8)%

⁽¹⁾ Totals may not sum to \$270.1 million, (5.9) percent and (2.8) percent, respectively, due to rounding.

⁽²⁾ Concessions exclude direct leasing costs. Please see Attachment 16(A), "Definitions and Reconciliations," of the Company's third quarter Supplemental Financial Information for a reconciliation of Combined Same-Store Revenue with concessions on a cash basis to Combined Same-Store Revenue on a straight-line basis.

Year-to-date, for the nine months ended September 30, 2020, total revenue increased by \$91.4 million year-over-year, or 10.8 percent, to \$938.8 million. This increase was primarily attributable to growth in revenue from acquired and stabilized, non-mature communities.

In the table below, the Company has presented year-to-date, for the nine months ended September 30, 2020, Combined Same-Store results by region, with concessions accounted for on cash and straight-line bases. The year-to-date annualized rate of turnover decreased by 70 basis points versus the prior year period to 51.2 percent.

Summary of Combined Same-Store Results YTD 2020 versus YTD 2019

Region	Revenue Growth / (Decline)	Expense Growth / (Decline)	NOI Growth / (Decline)	% of Combined Same-Store Portfolio ⁽¹⁾	Physical Occupancy ⁽²⁾	YTD YOY Change in Occupancy
West	(2.8)%	2.4%	(4.4)%	39.6%	95.5%	(1.0)%
Mid-Atlantic	0.0%	2.0%	(0.9)%	23.9%	96.9%	(0.2)%
Northeast	(6.8)%	6.5%	(13.1)%	12.9%	94.5%	(2.2)%
Southeast	1.8%	6.9%	(0.4)%	11.2%	97.2%	0.2%
Southwest	1.9%	(0.9)%	4.0%	7.5%	96.9%	0.5%
Other Markets	0.2%	1.6%	(0.4)%	4.9%	96.6%	0.6%
Total (Cash)	(1.7)%	3.1%	(3.6)%	100.0%	96.3%	(0.4)%
Total (Straight-Line)	(0.7)%	-	(2.3)%	-	-	-

⁽¹⁾ Based on YTD 2020 Combined Same-Store NOI. For definitions of terms, please refer to the "Definitions and Reconciliations" section of the Company's third quarter Supplemental Financial Information.

⁽²⁾ Weighted average Combined Same-Store physical occupancy for YTD 2020.

Retail tenant income accounts for less than 2 percent of the Company's consolidated NOI. During the third quarter, the Company collected 89.4 percent of billed retail revenue and reserved \$0.8 million, including \$0.1 million for UDR's share from unconsolidated joint ventures, of its retail revenue based on probability of collection.

Wholly Owned Transactional Activity

During the quarter, the Company acquired Village at Valley Forge, a fully entitled development site in the King of Prussia submarket of Philadelphia, PA, for \$16.2 million.

Subsequent to quarter-end the Company sold DelRay Tower, a 332-home community located in Metropolitan Washington, D.C (Alexandria, VA), for gross proceeds of \$145.0 million, or \$436,750 per home. At the time of sale, the community, which was extensively redeveloped six years ago, had a weighted average monthly revenue per occupied home of \$2,095 and physical occupancy of 93.1 percent.

Development Activity

At the end of the third quarter, the Company's development pipeline totaled \$423.5 million, of which 47 percent of this cost had been incurred. The Company's active pipeline includes four development communities, one each in Addison, TX; Denver, CO; Dublin, CA; and Washington, D.C., for a combined total of 1,178 homes. During the quarter construction commenced at 440 Penn Street, a \$145.0 million, 300-home community in Washington, D.C.

Developer Capital Program ("DCP") Activity

At the end of the third quarter, the Company's DCP investments, including accrued return, totaled \$473.2 million with a weighted average return rate of 8.6 percent and weighted average expected remaining term of 2.5 years.

During the quarter, the third-party developer affiliated with UDR's \$20.0 million secured note on Alameda Point Block 11 in Alameda, CA, defaulted on the loan. As a result of the default, the Company expects to take title to the property pursuant to a deed in lieu of foreclosure. At that time, the Company will reclassify the related balance from a secured loan to a wholly-owned land parcel.

As previously announced, during the quarter the Company invested \$40.0 million into Vernon Boulevard, a 534-home multifamily development located in Queens, NY. The investment yields 13.0 percent on the Company's capital outstanding with 4.8 years until expected redemption and includes profit participation upon a liquidity event. The community is fully capitalized, inclusive of \$61.7 million of developer equity (or approximately 18 percent of the \$341.7 million total project cost), and construction commenced during the fourth quarter of 2019.

Capital Markets and Balance Sheet Activity

During the quarter, the Company repurchased approximately 597,500 common shares at an average price of \$33.11 per share for total consideration of approximately \$19.8 million.

As previously announced, during the quarter the Company:

- [Issued \\$400.0 million of unsecured debt at an effective interest rate of 2.11 percent](#) that matures in 2032. A portion of the proceeds were used to prepay \$245.8 million of 4.64 percent secured debt due in 2023 and to [purchase \\$116.9 million of 3.75 percent unsecured debt due in 2024](#) pursuant to the previously-announced tender offer. The combined prepayment and make-whole amounts, netted against fair market value adjustments, totaled approximately \$24.0 million.
- Refinanced its only remaining 2020 maturity, a \$79.3 million, 4.35 percent fixed rate mortgage loan, with a \$160.9 million, 2.62 percent fixed rate secured loan that matures in 2031. The net costs associated with debt extinguishment totaled approximately \$0.5 million.
- Amended its \$75.0 million working capital credit facility. The amendment extends the maturity date from January 2021 to January 2022. The interest rate on the facility remains equal to LIBOR plus a spread of 82.5 basis points.

At September 30, 2020, the Company had \$923.8 million of liquidity through a combination of cash and undrawn capacity on its credit facilities, plus an approximate \$102.0 million of incremental capital sources from the potential settlement of previously-announced forward equity sales agreements. Please see Attachment 15 of the Company's third quarter Supplemental Financial Information for additional details on projected capital sources and uses.

The Company's total indebtedness as of September 30, 2020 was \$4.9 billion with no remaining consolidated maturities through 2022, excluding principal amortization, amounts on the Company's commercial paper program and amounts on the Company's working capital credit facility. The Company ended the quarter with fixed-rate debt representing 93.7 percent of its total debt, a weighted average interest rate of 3.01 percent and a weighted average years to maturity of 7.6 years. The Company's consolidated leverage was 35.0 percent versus 31.0 percent a year ago, its consolidated net-debt-to-EBITDA was 6.5x versus 5.5x a year ago and its consolidated fixed charge coverage ratio was 4.7x, flat versus a year ago.

Dividend

As previously announced, the Company's Board of Directors declared a regular quarterly dividend on its common stock for the third quarter of 2020 in the amount of \$0.36 per share. The dividend will be paid in cash on November 2, 2020 to UDR common stock shareholders of record as of October 12, 2020. The third quarter 2020 dividend will represent the 192nd consecutive quarterly dividend paid by the Company on its common stock.

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 12:00 p.m. Eastern Time on October 30, 2020 to discuss third quarter results as well as high-level views for 2020.

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.

This quarter, given the combination of a high volume of conference calls occurring during this time of year generally and the impact that the COVID-19 pandemic has had on staffing and capacity at our conference call provider, we anticipate potential delays if you dial in to be connected to the live call. As a result, we encourage stockholders and interested parties to join us for the Company's earnings results discussion via the webcast link. If you choose to dial in to the live call, please allow extra time to be connected to the call.

A replay of the conference call will be available through November 29, 2020, by dialing 844-512-2921 for domestic and 412-317-6671 for international and entering the confirmation number, 13710872, 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 September 30, 2020 (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.

Acquired JV Same-Store Portfolio Communities: Represents the Acquired JV Same-Store Portfolio Communities as if these communities were 100% owned by UDR since January 1, 2019. These communities were Stabilized for five full consecutive quarters 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 were not held for disposition. Because these communities became wholly owned by UDR in 2019 (the 11 communities and 3,619 homes were previously owned by UDR unconsolidated JVs), they are not included in the UDR Same-Store Communities. See UDR Same-Store Communities for more information regarding inclusion. These communities have been identified in certain tables to provide Combined Same-Store results as if these communities were 100% owned by UDR in prior periods. These 11 communities will be eligible to join the UDR Same-Store Communities on January 1, 2021.

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.

Combined Same-Store Revenue with Concessions on a Cash Basis: Combined Same-Store Revenue with Concessions on a Cash Basis is considered by the Company to be a supplemental measure to rental income on a straight-line basis which allows investors to evaluate the impact of both current and historical concessions and to more readily enable comparisons to revenue as reported by its peer REITs. In addition, Combined Same-Store Revenue with Concessions on a Cash Basis allows an investor to understand the historical trends in cash concessions.

A reconciliation between Combined Same-Store Revenue with Concessions on a Cash Basis to Combined Same-Store Revenue on a straight-line basis (inclusive of the impact to Combined Same-Store NOI) is provided below:

	3Q 20	3Q 19	3Q 20	2Q 20	YTD 20	YTD 19
Revenue (Cash basis)	\$ 270,093	\$ 286,929	\$ 270,093	\$ 277,938	\$ 770,897	\$ 784,226
Concessions granted/amortized, net	7,746	339	7,746	670	7,203	(348)
Revenue (Straight-line basis)	\$ 277,839	\$ 287,268	\$ 277,839	\$ 278,608	\$ 778,100	\$ 783,878
% change - Combined Same-Store Revenue with Concessions on a Cash Basis:	-5.9%		-2.8%		-1.7%	
% change - Combined Same-Store Revenue on a straight-line basis:	-3.3%		-0.3%		-0.7%	
% change - Combined Same-Store NOI with Combined Same-Store Revenue with Concessions on a Cash Basis:	-10.0%		-6.5%		-3.6%	
% change - Combined Same-Store NOI with Combined Same-Store Revenue on a straight-line basis:	-6.4%		-2.9%		-2.3%	

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.



Attachment 16(B)

UDR, Inc. Definitions and Reconciliations September 30, 2020 (Unaudited)

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 Blended Lease Rate Growth: The Company defines Effective Blended Lease Rate Growth as the combined proportional growth as a result of Effective New Lease Rate Growth and Effective Renewal Lease Rate Growth. Management considers Effective Blended Lease Rate Growth a useful metric for investors as it assesses combined proportional market-level, new and in-place demand trends.

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.

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

	3Q 2020	YTD 2020
Income/(loss) from unconsolidated entities	\$ 2,940	\$ 14,328
Management fee	546	1,730
Interest expense	4,575	14,192
Depreciation	8,738	26,299
General and administrative	58	187
West Coast Development JV Preferred Return	(58)	(201)
Developer Capital Program (excludes Alameda Point Block 11 and Brio)	(7,643)	(19,980)
Other (income)/expense	110	255
Unrealized (gain)/loss on unconsolidated technology investments	213	(4,336)
Total Joint Venture NOI at UDR's Ownership Interest	\$ 9,479	\$ 32,474

Leasing Traffic: The Company defines Leasing Traffic as average daily leads to lease a home for the period indicated.



Attachment 16(C)

UDR, Inc. Definitions and Reconciliations September 30, 2020 (Unaudited)

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, and land rent. Property management expense covers costs directly related to consolidated property operations, inclusive of corporate management, regional supervision, accounting and other costs.

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/(loss) attributable to UDR, Inc. to NOI is provided below.

In thousands	3Q 2020	2Q 2020	1Q 2020	4Q 2019	3Q 2019
Net income/(loss) attributable to UDR, Inc.	\$ (25,258)	\$ 57,771	\$ 5,221	\$ 97,959	\$ 27,204
Property management	8,879	8,797	9,203	8,703	8,309
Other operating expenses	5,543	6,100	4,966	2,800	2,751
Real estate depreciation and amortization	151,949	155,056	155,476	143,464	127,391
Interest expense	62,268	38,597	39,317	60,435	42,523
Casualty-related charges/(recoveries), net	-	102	1,251	1,316	(1,088)
General and administrative	11,958	10,971	14,978	14,531	12,197
Tax provision/(benefit), net	187	1,526	164	2	1,499
(Income)/loss from unconsolidated entities	(2,940)	(8,021)	(3,367)	(118,486)	(12,713)
Interest income and other (income)/expense, net	(2,183)	(2,421)	(2,700)	(2,406)	(1,875)
Joint venture management and other fees	(1,199)	(1,274)	(1,388)	(2,073)	(6,386)
Other depreciation and amortization	3,887	2,027	2,025	1,713	1,619
(Gain)/loss on sale of real estate owned	-	(61,303)	-	-	-
Net income/(loss) attributable to noncontrolling interests	(1,959)	4,325	319	7,278	2,218
Total consolidated NOI	\$ 211,132	\$ 212,253	\$ 225,465	\$ 215,236	\$ 203,649

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.

Other Markets: The Company defines Other Markets as the accumulation of individual markets where it operates less than 1,000 Combined Same-Store homes. Management considers Other Markets a useful metric as the operating results for the individual markets are not representative of the fundamentals for those markets as a whole.

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

QTD Combined Same-Store Communities: QTD Combined Same-Store Communities represent the QTD UDR Same-Store Communities and the Acquired JV Same-Store Portfolio Communities as a single portfolio, as if the Acquired JV Same-Store Portfolio Communities were 100% owned by UDR during all periods presented.

QTD UDR Same-Store Communities: The Company defines QTD UDR 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 were 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.



Attachment 16(D)

UDR, Inc. Definitions and Reconciliations September 30, 2020 (Unaudited)

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 making investments and providing services that are otherwise not allowed to be made or provided by a REIT.

Visits: The Company defines Visits as the summation of tours taken by current and prospective residents, whether in-person (where allowed) or by virtual means, for the period indicated.

YTD Combined Same-Store Communities: YTD Combined Same-Store Communities represent the YTD UDR Same-Store Communities and the Acquired JV Same-Store Portfolio Communities as a single portfolio, as if the Acquired JV Same-Store Portfolio Communities were 100% owned by UDR during all periods presented.

YTD UDR Same-Store Communities: The Company defines YTD UDR 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 were 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. Forward-looking statements, by their nature, involve estimates, projections, goals, forecasts and assumptions and are subject to risks and uncertainties that could cause actual results or outcomes to differ materially from those expressed in a forward-looking statement, due to a number of factors, which include, but are not limited to, the impact of the COVID-19 pandemic and measures intended to prevent its spread or address its effects, unfavorable changes in the apartment market, changing economic conditions, the impact of inflation/deflation on rental rates and property operating expenses, expectations concerning availability of capital and the stabilization of the capital markets, the impact of competition and competitive pricing, acquisitions, developments and redevelopments not achieving anticipated results, delays in completing developments, redevelopments and lease-ups on schedule, expectations on job growth, home affordability and demand/supply ratio for multifamily housing, expectations concerning development and redevelopment activities, expectations on occupancy levels and rental rates, expectations concerning the joint ventures with third parties, expectations that technology will help grow net operating income, expectations on annualized net operating income and other risk factors discussed in documents filed by the Company with the SEC 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 communities in targeted U.S. markets. As of September 30, 2020, UDR owned or had an ownership position in 51,649 apartment homes including 1,031 homes under development. For over 48 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 September 30,		Nine Months Ended September 30,	
	2020	2019	2020	2019
REVENUES:				
Rental income ⁽²⁾	\$ 308,845	\$ 289,008	\$ 934,920	\$ 835,393
Joint venture management and other fees	1,199	6,386	3,861	11,982
Total revenues	310,044	295,394	938,781	847,375
OPERATING EXPENSES:				
Property operating and maintenance	53,385	46,869	151,585	131,702
Real estate taxes and insurance	44,328	38,490	134,485	110,624
Property management	8,879	8,309	26,879	24,018
Other operating expenses	5,543	2,751	16,609	11,132
Real estate depreciation and amortization	151,949	127,391	462,481	357,793
General and administrative	11,958	12,197	37,907	37,002
Casualty-related charges/(recoveries), net	-	(1,088)	1,353	(842)
Other depreciation and amortization	3,887	1,619	7,939	4,953
Total operating expenses	279,929	236,538	839,238	676,382
Gain/(loss) on sale of real estate owned	-	-	61,303	5,282
Operating income	30,115	58,856	160,846	176,275
Income/(loss) from unconsolidated entities ⁽²⁾	2,940	12,713	14,328	19,387
Interest expense	(37,728)	(36,240)	(115,642)	(104,199)
Cost associated with debt extinguishment and other	(24,540)	(6,283)	(24,540)	(6,283)
Total interest expense	(62,268)	(42,523)	(140,182)	(110,482)
Interest income and other income/(expense), net	2,183	1,875	7,304	12,998
Income/(loss) before income taxes	(27,030)	30,921	42,296	98,178
Tax (provision)/benefit, net	(187)	(1,499)	(1,877)	(3,836)
Net income/(loss)	(27,217)	29,422	40,419	94,342
Net (income)/loss attributable to redeemable noncontrolling interests in the OP and DownREIT Partnership	1,990	(2,162)	(2,614)	(6,871)
Net (income)/loss attributable to noncontrolling interests	(31)	(56)	(71)	(145)
Net income/(loss) attributable to UDR, Inc.	(25,258)	27,204	37,734	87,326
Distributions to preferred stockholders - Series E (Convertible)	(1,051)	(1,031)	(3,179)	(3,073)
Net income/(loss) attributable to common stockholders	\$ (26,309)	\$ 26,173	\$ 34,555	\$ 84,253
Income/(loss) per weighted average common share - basic:	(\$0.09)	\$0.09	\$0.12	\$0.30
Income/(loss) per weighted average common share - diluted:	(\$0.09)	\$0.09	\$0.12	\$0.30
Common distributions declared per share	\$0.3600	\$0.3425	\$1.0800	\$1.0275
Weighted average number of common shares outstanding - basic	294,713	288,706	294,627	282,598
Weighted average number of common shares outstanding - diluted	295,003	289,529	294,938	283,292

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

(2) During the three months ended September 30, 2020, UDR collected 96.1% of billed residential revenue and 89.4% of billed retail revenue. Of the 3.9% and 10.6% not collected, UDR reserved (reflected as a reduction to revenues) approximately 1.3% or \$4.0 million for residential, including \$0.3 million for UDR's share from unconsolidated joint ventures, and 9.1% or \$0.8 million, including straight-line rent receivables and \$0.1 million for UDR's share from unconsolidated joint ventures, for retail. The reserves are based on probability of collection.



Attachment 2

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

In thousands, except per share and unit amounts	Three Months Ended September 30,		Nine Months Ended September 30,	
	2020	2019	2020	2019
Net income/(loss) attributable to common stockholders	\$ (26,309)	\$ 26,173	\$ 34,555	\$ 84,253
Real estate depreciation and amortization	151,949	127,391	462,481	357,793
Noncontrolling interests	(1,959)	2,218	2,685	7,016
Real estate depreciation and amortization on unconsolidated joint ventures	8,738	14,615	26,299	45,500
Net gain on the sale of unconsolidated depreciable property	-	(5,259)	-	(10,510)
Net gain on the sale of depreciable real estate owned	-	-	(61,303)	-
Funds from operations ("FFO") attributable to common stockholders and unitholders, basic	\$ 132,419	\$ 165,138	\$ 464,717	\$ 484,052
Distributions to preferred stockholders - Series E (Convertible) ⁽²⁾	1,051	1,031	3,179	3,073
FFO attributable to common stockholders and unitholders, diluted	\$ 133,470	\$ 166,169	\$ 467,896	\$ 487,125
FFO per weighted average common share and unit, basic	\$ 0.42	\$ 0.53	\$ 1.47	\$ 1.58
FFO per weighted average common share and unit, diluted	\$ 0.42	\$ 0.53	\$ 1.46	\$ 1.57
Weighted average number of common shares and OP/DownREIT Units outstanding - basic	317,034	310,917	316,939	305,666
Weighted average number of common shares, OP/DownREIT Units, and common stock equivalents outstanding - diluted	320,242	314,751	320,210	309,371
Impact of adjustments to FFO:				
Cost associated with debt extinguishment and other	\$ 24,540	\$ 6,283	\$ 24,540	\$ 6,283
Promoted interest on settlement of note receivable, net of tax	-	-	-	(6,482)
Legal and other costs	1,570	-	3,914	3,660
Net gain on the sale of non-depreciable real estate owned	-	-	-	(5,282)
Unrealized (gain)/loss on unconsolidated technology investments, net of tax	155	(3,144)	(3,147)	(3,373)
Joint venture development success fee	-	(3,750)	-	(3,750)
Severance costs and other restructuring expense	254	274	1,896	274
Casualty-related charges/(recoveries), net	74	(1,088)	1,722	(827)
Casualty-related charges/(recoveries) on unconsolidated joint ventures, net	-	(651)	31	(424)
	\$ 26,593	\$ (2,076)	\$ 28,956	\$ (9,921)
FFO as Adjusted attributable to common stockholders and unitholders, diluted	\$ 160,063	\$ 164,093	\$ 496,852	\$ 477,204
FFO as Adjusted per weighted average common share and unit, diluted	\$ 0.50	\$ 0.52	\$ 1.55	\$ 1.54
Recurring capital expenditures	(17,397)	(13,177)	(39,110)	(33,145)
AFFO attributable to common stockholders and unitholders, diluted	\$ 142,666	\$ 150,916	\$ 457,742	\$ 444,059
AFFO per weighted average common share and unit, diluted	\$ 0.45	\$ 0.48	\$ 1.43	\$ 1.44

(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 nine months ended September 30, 2020 and September 30, 2019. 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.



Attachment 3

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

<u>In thousands, except share and per share amounts</u>	September 30, 2020	December 31, 2019
ASSETS		
Real estate owned:		
Real estate held for investment	\$ 12,533,801	\$ 12,532,324
Less: accumulated depreciation	(4,467,108)	(4,131,330)
Real estate held for investment, net	8,066,693	8,400,994
Real estate under development		
(net of accumulated depreciation of \$510 and \$23)	197,313	69,754
Real estate held for disposition		
(net of accumulated depreciation of \$45,153 and \$0)	84,243	-
Total real estate owned, net of accumulated depreciation	8,348,249	8,470,748
Cash and cash equivalents	927	8,106
Restricted cash	23,273	25,185
Notes receivable, net	156,996	153,650
Investment in and advances to unconsolidated joint ventures, net	646,355	588,262
Operating lease right-of-use assets	201,754	204,225
Other assets	173,834	186,296
Total assets	\$ 9,551,388	\$ 9,636,472
LIABILITIES AND EQUITY		
Liabilities:		
Secured debt	\$ 933,087	\$ 1,149,441
Unsecured debt	3,984,559	3,558,083
Operating lease liabilities	196,346	198,558
Real estate taxes payable	49,239	29,445
Accrued interest payable	30,606	45,199
Security deposits and prepaid rent	46,861	48,353
Distributions payable	115,055	109,382
Accounts payable, accrued expenses, and other liabilities	102,197	90,032
Total liabilities	5,457,950	5,228,493
Redeemable noncontrolling interests in the OP and DownREIT Partnership	759,986	1,018,665
Equity:		
Preferred stock, no par value; 50,000,000 shares authorized		
2,695,363 shares of 8.00% Series E Cumulative Convertible issued		
and outstanding (2,780,994 shares at December 31, 2019)	44,764	46,200
14,442,737 shares of Series F outstanding (14,691,274 shares		
at December 31, 2019)	1	1
Common stock, \$0.01 par value; 350,000,000 shares authorized		
294,479,942 shares issued and outstanding (294,588,305 shares at December 31, 2019)	2,945	2,946
Additional paid-in capital	5,776,267	5,781,975
Distributions in excess of net income	(2,500,827)	(2,462,132)
Accumulated other comprehensive income/(loss), net	(10,494)	(10,448)
Total stockholders' equity	3,312,656	3,358,542
Noncontrolling interests	20,796	30,772
Total equity	3,333,452	3,389,314
Total liabilities and equity	\$ 9,551,388	\$ 9,636,472

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



Attachment 4(C)

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

	Quarter Ended September 30, 2020
Coverage Ratios	
Net income/(loss)	\$ (27,217)
Adjustments:	
Interest expense, including costs associated with debt extinguishment	62,268
Real estate depreciation and amortization	151,949
Other depreciation and amortization	3,887
Tax provision/(benefit), net	187
Net (gain)/loss on the sale of depreciable real estate owned	-
Adjustments to reflect the Company's share of EBITDAre of unconsolidated joint ventures	13,313
EBITDAre	<u>\$ 204,387</u>
Casualty-related charges/(recoveries), net	74
Legal and other costs	1,570
Severance costs and other restructuring expense	254
(Income)/loss from unconsolidated entities	(2,940)
Adjustments to reflect the Company's share of EBITDAre of unconsolidated joint ventures	(13,313)
Management fee expense on unconsolidated joint ventures	(546)
Consolidated EBITDAre - adjusted for non-recurring items	<u>\$ 189,486</u>
Annualized consolidated EBITDAre - adjusted for non-recurring items	<u>\$ 757,944</u>
Interest expense, including costs associated with debt extinguishment	62,268
Capitalized interest expense	1,834
Total interest	<u>\$ 64,102</u>
Preferred dividends	\$ 1,051
Total debt	\$ 4,917,646
Cash	(927)
Net debt	<u>\$ 4,916,719</u>
Consolidated Interest Coverage Ratio - adjusted for non-recurring items	<u>4.8x</u>
Consolidated Fixed Charge Coverage Ratio - adjusted for non-recurring items	<u>4.7x</u>
Consolidated Net Debt-to-EBITDAre - adjusted for non-recurring items	<u>6.5x</u>

Debt Covenant Overview

Unsecured Line of Credit Covenants ⁽²⁾	Required	Actual	Compliance
Maximum Leverage Ratio	≤60.0%	36.2% ⁽²⁾	Yes
Minimum Fixed Charge Coverage Ratio	≥1.5x	4.1x	Yes
Maximum Secured Debt Ratio	≤40.0%	10.6%	Yes
Minimum Unencumbered Pool Leverage Ratio	≥150.0%	318.3%	Yes

Senior Unsecured Note Covenants ⁽³⁾	Required	Actual	Compliance
Debt as a percentage of Total Assets	≤65.0%	35.0% ⁽³⁾	Yes
Consolidated Income Available for Debt Service to Annual Service Charge	≥1.5x	5.3x	Yes
Secured Debt as a percentage of Total Assets	≤40.0%	6.6%	Yes
Total Unencumbered Assets to Unsecured Debt	≥150.0%	299.1%	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	3Q 2020 NOI ⁽¹⁾ (\$000s)	% of NOI	Gross Carrying Value (\$000s)	% of Total Gross Carrying Value
Unencumbered assets	40,847	\$ 186,351	88.3%	\$ 11,362,739	88.4%
Encumbered assets	6,641	24,781	11.7%	1,498,281	11.6%
	<u>47,488</u>	<u>\$ 211,132</u>	<u>100.0%</u>	<u>\$ 12,861,020</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(E)

UDR, Inc. Definitions and Reconciliations September 30, 2020 (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 fourth quarter of 2020 to forecasted FFO, FFO as Adjusted and AFFO per share and unit:

	4Q 2020	
	Low	High
Forecasted net income per diluted share	\$ 0.17	\$ 0.19
Conversion from GAAP share count	(0.01)	(0.01)
Net gain on the sale of depreciable real estate owned	(0.18)	(0.18)
Depreciation	0.48	0.48
Noncontrolling interests	0.01	0.01
Preferred dividends	-	-
Forecasted FFO per diluted share and unit	\$ 0.47	\$ 0.49
Legal and other costs	0.01	0.01
Severance costs and other restructuring expense	-	-
Casualty-related charges/(recoveries)	-	-
Forecasted FFO as Adjusted per diluted share and unit	\$ 0.48	\$ 0.50
Recurring capital expenditures	(0.05)	(0.05)
Forecasted AFFO per diluted share and unit	\$ 0.43	\$ 0.45