

UDR, INC.
CODE OF BUSINESS CONDUCT AND ETHICS

Adopted February 10, 2012

Introduction

This Code of Business Conduct and Ethics (this “Code”) covers a wide range of business practices and procedures. It does not cover every issue that may arise, but it sets out basic principles to guide all persons associated with UDR, Inc. (the “Company”). All of our directors, officers and employees must conduct themselves in accordance with these principles and seek to avoid even the appearance of improper behavior. This Code should also be provided to and followed by the Company’s agents and representatives, including consultants.

If a law conflicts with a policy in this Code, you must comply with the law; however, if a local custom or policy conflicts with this Code, you must comply with the Code. If you have any questions about these conflicts, you should ask your supervisor how to handle the situation.

Those who violate the standards in this Code will be subject to disciplinary action up to and including termination of employment. Employee conduct not specifically in violation of this Code but which adversely affects or is otherwise detrimental to the interests of the Company, other employees, or customers may also result in disciplinary action. *If you are in a situation that you believe may violate or lead to a violation of this Code or is potentially detrimental to the Company, follow the guidelines described in Section 15 of this Code.*

1. Compliance with Laws, Rules and Regulations

Obeying the law, both in letter and in spirit, is the foundation on which this Company’s ethical standards are built. All employees must respect and obey all applicable laws, rules and regulations governing the Company and the operation of its business. Although not all employees are expected to know the details of these laws, it is important to know enough to determine when to seek advice from supervisors, managers or other appropriate personnel.

The Company holds information and training sessions to promote compliance with laws, rules and regulations, including insider trading laws.

2. Conflicts of Interest

A “conflict of interest” exists when a person’s private interest interferes in any way with the interests of the Company. A conflict situation can arise when an employee, officer or director takes actions or has interests that may make it difficult to perform his or her Company work objectively and effectively. Conflicts of interest may also arise when an employee, officer or director, or members of his or her family, receives improper personal benefits as a result of his or her position in the Company. Loans to, or guarantees of obligations of, employees and their family members by a competitor or persons who do business with or seek to do business with the Company may create conflicts of interest. (It is unlawful for the Company, directly or indirectly, to extend or maintain credit to or for any director or executive officer (or equivalent persons).)

It is almost always a conflict of interest for a Company employee to work simultaneously for a competitor, customer or supplier. Accordingly, you are not allowed to work for a competitor as a consultant or board member. The best policy is to avoid any direct or indirect business connection with our customers, suppliers or competitors, except on our behalf.

Conflicts of interest and the appearance of impropriety caused by a potential conflict of interest are prohibited as a matter of Company policy, except under guidelines approved by the Company's Board of Directors ("Board"). Conflicts of interest may not always be clear-cut, so if you have a question, you should consult with a supervisor or manager or the Company's Corporate Compliance Officer. Any employee, officer or director who becomes aware of a conflict or potential conflict should bring it to the attention of a supervisor, manager or other appropriate personnel or consult the procedures described in Section 15 of this Code.

3. Insider Trading

Employees, officers or directors who have access to confidential information are not permitted to use or share that information for stock trading purposes or for any other purpose except the conduct of our business. All non-public information about the Company should be considered confidential information. To use non-public information for personal financial benefit or to "tip" others who might make an investment decision on the basis of this information is not only unethical but also illegal. For more information, please refer to the Company's Insider Trading Policy. If you have any questions, please consult the Company's Corporate Compliance Officer.

4. Corporate Opportunities

Employees, officers and directors are prohibited from taking advantage of their positions in the Company for personal gain and owe a duty to the Company to advance its legitimate interests when the opportunity to do so arises. As a result, unless approved by senior management or the Board, no employee or director should:

- own a direct or indirect interest in any supplier, contractor, subcontractor, customer, competitor or other entity that does business with the Company;
- own or acquire property knowing that its value is likely to increase as a result of an action the Company is considering;
- take for themselves opportunities that are discovered through the use of any Company property, information or position;
- give to others any business opportunity in which the individual knows or should know that the Company would be interested; or
- perform business activities that may conflict with their ability to devote their full-time efforts to their jobs at the Company.

The guidelines in this Section 4 are not intended to prohibit employees or directors from owning the publicly-traded securities of a corporation with which the Company has dealings or

to prohibit employees or directors from owning other security holdings that could not be used to exert influence, whether because of small size or because of the insignificance of the corporation's dealings with the Company. Accordingly, employees and directors may freely own securities traded on a public stock exchange and securities where the aggregate amount owned by the employee or director (or related person) in the corporation providing services to the Company constitutes less than five percent (5%) of the corporation's securities.

5. Competition and Fair Dealing

We seek to outperform our competition fairly and honestly. We seek competitive advantages through superior performance, never through unethical or illegal business practices. Stealing proprietary information, possessing trade secret information that was obtained without the owner's consent or inducing such disclosures by past or present employees of other companies is prohibited. Each employee, officer and director should endeavor to respect the rights of and deal fairly with the Company's customers, suppliers, competitors and employees. No employee, officer or director should take unfair advantage of anyone through manipulation, concealment, abuse of privileged information, misrepresentation of material facts or any other intentional unfair-dealing practice.

To maintain the Company's valuable reputation, compliance with our quality processes and safety requirements is essential. In the context of ethics, quality requires that our services be designed to meet our obligations to customers. All services must be performed in accordance with all applicable regulations.

6. Gifts and Entertainment

The purpose of business entertainment and gifts in a commercial setting is to create good will and sound working relationships, not to gain unfair advantage with customers. No gift or entertainment should ever be offered, given, provided or accepted by any Company employee, family member of an employee or agent unless it: (1) is not a cash gift, (2) is consistent with customary business practices, (3) is not excessive in value, (4) cannot be construed as a bribe or payoff, and (5) does not violate any laws or regulations. Please discuss with your supervisor any gifts or proposed gifts which you are not certain are appropriate.

7. Discrimination and Harassment

Diversity of the Company's employees is a tremendous asset and one which the Company actively embraces. Embracing diversity means respecting visible differences such as age, race, gender, nationality and physical ability, as well as invisible differences such as culture, religion, marital status, sexual orientation, experience and perspective. We are firmly committed to providing equal opportunity in all aspects of employment and absolutely forbid discrimination against any person or harassment, intimidation or hostility of any kind on the basis of race, religion, color, sex, sexual orientation, gender, sexual/gender identity, age, disability, pregnancy, national origin, military or veteran status or any other characteristic protected by applicable law.

8. Health and Safety

The Company strives to provide each employee with a safe and healthy work environment. Each employee has responsibility for maintaining a safe and healthy workplace for all employees by following and encouraging others to follow safety and health rules and practices and reporting accidents, injuries and unsafe equipment, practices or conditions.

Violence and threatening behavior are not permitted. Employees should report to work in condition to perform their duties, free from the influence of illegal drugs or alcohol. The use of illegal drugs in the workplace will not be tolerated.

9. Record-Keeping

The Company requires honest and accurate recording and reporting of information in order to make responsible business decisions. For example, only the true and actual number of hours worked should be reported.

Many employees regularly use business expense accounts, which must be documented and recorded accurately. If you are not sure whether a certain expense is legitimate, ask your supervisor or your controller. Rules and guidelines are available from the Accounting Department.

All of the Company's books, records, accounts and financial statements must be maintained in reasonable detail, must appropriately reflect the Company's transactions and must conform both to applicable legal requirements and to the Company's system of internal controls. Unrecorded or "off the books" funds or assets should not be maintained unless permitted by applicable law or regulation.

Business records and communications often become public, and we should avoid exaggeration, derogatory remarks, guesswork or inappropriate characterizations of people and companies that could be misunderstood. This applies equally to e-mail, internal memos and formal reports. Records should always be retained or destroyed according to the Company's record retention policies. In accordance with those policies, if litigation or a governmental investigation exists or is likely, please consult the Company's Corporate Compliance Officer.

10. Confidentiality

The information gathered and developed in the management and operation of the Company's business is a valuable asset. Some of this information is considered confidential and is not known to the public or the Company's competitors.

For the purposes of this Code, confidential information includes all non-public information and information entrusted to us by suppliers and customers that might be of use to competitors, or harmful to the Company or its customers, if disclosed. Confidential information also includes personally identifiable information received from employees, customers, suppliers and third parties, which if misused could result in identity theft or other fraud.

Employees, officers and directors must maintain the confidentiality of confidential information entrusted to them by the Company or its customers, except when disclosure is authorized in accordance with the Company's Fair Disclosure Policy or required by laws or regulations. You may not use for any personal purpose confidential information which belongs to the Company, its customers, suppliers, employees, or other persons. Company technology and equipment should not be used in a manner that would reasonably result in the disclosure of confidential information to a third party. The obligation to preserve confidential information continues even after your employment ends.

Employees in any location should raise questions about the appropriate treatment of personal or confidential information with the Company's Corporate Compliance Officer.

11. Protection and Proper Use of Company Assets

All employees, officers and directors should endeavor to protect the Company's assets and ensure their efficient use. Theft, carelessness and waste have a direct impact on the Company's profitability. Any suspected incident of fraud or theft should be immediately reported to the Company's Corporate Compliance Officer for investigation or via the Company's anonymous third-party reporting system at www.MySafeWorkplace.com or by calling (800) 461-9330. Company equipment should not be used for non-Company business, though incidental personal use may be permitted with the approval of an officer of the Company.

The obligation of employees to protect the Company's assets includes its proprietary information. Proprietary information includes intellectual property such as trade secrets, patents, trademarks and copyrights, as well as business, marketing and service plans, ideas, designs, databases, records, salary information and any unpublished financial data and reports. Unauthorized use or distribution of this information would violate Company policy and may also be illegal and result in civil or even criminal penalties.

12. Payments to Government Personnel

The U.S. government has a number of laws and regulations regarding business gratuities which may be accepted by U.S. government personnel. The promise, offer or delivery to an official or employee of the U.S. government of a gift, favor or other gratuity in violation of these rules would not only violate Company policy but could also be a criminal offense. State and local governments, as well as foreign governments, may have similar rules. The Company's Corporate Compliance Officer can provide guidance to you in this area.

In addition, the U.S. Foreign Corrupt Practices Act prohibits giving anything of value, directly or indirectly, to officials of foreign governments or foreign political candidates in order to obtain or retain business. The Company strictly prohibits any illegal payment to government officials of any country.

13. Waivers of the Code of Business Conduct and Ethics

Any waiver of this Code for executive officers or directors may be made only by the Board and will be promptly disclosed to the Company's shareholders as required by law or stock exchange rules or regulations.

14. Reporting any Illegal or Unethical Behavior

Employees are encouraged to talk to supervisors, managers or other appropriate personnel about observed illegal or unethical behavior and when in doubt about the best course of action in a particular situation. The Company will not allow retaliation for reports of misconduct by others made in good faith by employees. Employees are expected to cooperate in internal investigations of misconduct. Additionally, employees are encouraged to report any violations of laws, rules, regulations or this Code following the procedure established by the Company and posted on www.MySafeWorkplace.com or by calling (800) 461-9330 or such other procedure as may be established by the Company, from time to time.

15. Compliance Procedures

We must all work to ensure prompt and consistent action against violations of this Code. However, in some situations it is difficult to know right from wrong. Since we cannot anticipate every situation that will arise, it is important that we have a way to approach a new question or problem. These are the steps to keep in mind:

- Make sure you have all the facts. In order to reach the right solutions, we must be as fully informed as possible.
- Ask yourself: What specifically am I being asked or pressured to do? Does it seem unethical or improper? This will enable you to focus on the specific question you are faced with, and the alternatives you have. Use your judgment and common sense; if something seems unethical or improper, it probably is.
- Clarify your responsibility and role. In most situations, there is shared responsibility. Are your colleagues informed? It may help to get others involved and discuss the problem.
- Discuss the problem with your supervisor. This is the basic guidance for all situations. In many cases, your supervisor will be more knowledgeable about the question, and will appreciate being brought into the decision-making process. Remember that it is your supervisor's responsibility to help solve problems.
- Seek help from Company resources. If you do not feel that it is appropriate to discuss an issue with your supervisor, or you do not feel comfortable approaching your supervisor with your question, discuss it locally with your office manager or your Human Resources manager. If that also is not appropriate, you may call, e-mail or write Warren L. Troupe, the Company's Senior Executive Vice President and Corporate Compliance Officer at (720) 283-6080, WTroupe@udr.com, 1745 Shea Center Drive, Suite 200, Highlands Ranch, Colorado 80129 or submit a report at www.MySafeWorkplace.com or call (800) 461-9330.
- You may report ethical violations in confidence and without fear of retaliation. If your situation requires that your identity be kept secret, your anonymity will be protected. The Company does not permit retaliation of any kind against

employees for good faith reports of ethical or legal violations made either internally or directly to law enforcement officers.

- Always ask first, act later. If you are unsure of what to do in any situation, seek guidance before you act.

16. Accounting and Auditing Matters

Employees are encouraged to submit any concerns or complaints that they may have regarding accounting, internal accounting controls or auditing matters to the Company. Employees may submit such concerns or complaints on a confidential, anonymous basis by submitting such concerns or complaints in writing to the Chairman of the Audit Committee of the Board and/or the Chief Executive Officer of the Company or by submitting a report by calling (800) 461-9330 or visiting www.MySafeWorkplace.com.

17. Public Company Reporting

As a public company, it is of critical importance that the Company's filings with the Securities and Exchange Commission and reports distributed to its stockholders be accurate and timely. An employee, officer or director may be called upon to provide necessary information to ensure that the Company's public reports are complete, fair and understandable. The Company expects employees, officers and directors to take this responsibility very seriously and to provide prompt and accurate answers to inquiries relating to the Company's public disclosure requirements. The harm done to the Company's reputation and to its investors by fraudulent or misleading reporting can be severe. Dishonest financial reporting can also result in civil or criminal penalties to the individuals involved and to the Company. Consequently, the reporting of any false or misleading information in internal and external financial reports is strictly prohibited.

18. No Contractual Right or Fair Procedure Created

Nothing in this Code shall interfere with or limit in any way the right of the Company to terminate any person's employment with the Company, or modify or change the "at will" employment relationship of any person's employment with the Company. The policies contained in this Code are not intended to create any contractual rights, express or implied, with respect to employment, or termination thereof, and shall not be construed to create any type of right to a "fair procedure" prior to termination or other disciplinary action.