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Press Release

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UDR ANNOUNCES FIRST QUARTER RESULTS AND RAISES CERTAIN FULL-YEAR 2024 GUIDANCE RANGES

UDR, Inc. (the “Company”) (NYSE: [UDR](https://www.udr.com)), announced today its first quarter 2024 results. Net Income, Funds from Operations (“FFO”), FFO as Adjusted (“FFOA”), and Adjusted FFO (“AFFO”) per diluted share for the quarter ended March 31, 2024 are detailed below.

Metric	Quarter Ended March 31				
	1Q 2024 Actual	1Q 2024 Guidance	1Q 2023 Actual	\$ Change vs. Prior Year Period	% Change vs. Prior Year Period
Net Income per diluted share	\$0.13	\$0.13 to \$0.15	\$0.09	\$0.04	44%
FFO per diluted share	\$0.60	\$0.60 to \$0.62	\$0.59	\$0.01	2%
FFOA per diluted share	\$0.61	\$0.60 to \$0.62	\$0.60	\$0.01	2%
AFFO per diluted share	\$0.56	\$0.56 to \$0.58	\$0.57	\$(0.01)	(2)%

- Same-Store (“SS”) results, with concessions reflected on a straight-line basis, for the first quarter 2024 versus the first quarter 2023 and the fourth quarter 2023 are summarized below.

SS Growth / (Decline)	Year-Over-Year (“YOY”): 1Q 2024 vs. 1Q 2023	Sequential: 1Q 2024 vs. 4Q 2023
Revenue	3.1%	0.4%
Expense	7.5% ⁽¹⁾	4.9%
Net Operating Income (“NOI”)	1.2% ⁽¹⁾	(1.6)%

⁽¹⁾ In 1Q 2023, the Company recorded a \$3.7 million refundable payroll tax credit related to the Employee Retention Credit program. Excluding this benefit, YOY SS Expense and NOI growth would have been 4.0 percent and 2.7 percent, respectively.

- During the first quarter, the Company,
 - Sold Crescent Falls Church, a 214-home apartment community in Metropolitan Washington, D.C., for gross proceeds of \$100.0 million.
 - Completed development at Villas at Fiori, a \$53.5 million, 85-home townhome community developed in the Addison submarket of Dallas, TX.
- Subsequent to quarter-end, the joint venture affiliated with the Company’s Developer Capital Program investment in 1300 Fairmount, a 478-home apartment community in Philadelphia, PA, refinanced the expiring senior construction loan with a new loan that matures in April 2026. The joint venture’s ability to refinance the senior construction loan results in UDR continuing to accrue a return on its investment, thereby adding \$0.02 of FFOA per diluted share to prior full-year 2024 expectations.

“We have started the year with improving leasing conditions, largely due to employment growth that has exceeded expectations and led to near-record high absorption. Our first quarter results, including 3.1 percent same-store revenue growth over the prior year period, demonstrate the strength of our strategy and the value of our operating platform,” said Tom Toomey, UDR’s Chairman and CEO. “UDR’s operating and capital markets acumen as well as our innovative culture position us well for continued success.”

Outlook⁽¹⁾

As shown in the table below, the Company has established the following guidance ranges for the second quarter of 2024 and has updated its previously provided full-year 2024 guidance ranges for FFO per diluted share and AFFO per diluted share.

	2Q 2024 Outlook	1Q 2024 Actual	Updated Full-Year 2024 Outlook	Prior Full-Year 2024 Outlook	Full-Year 2024 Midpoint (Change)
Net Income per diluted share	\$0.13 to \$0.15	\$0.13	\$0.33 to \$0.45	\$0.33 to \$0.45	\$0.39 (unch)
FFO per diluted share	\$0.60 to \$0.62	\$0.60	\$2.36 to \$2.48	\$2.36 to \$2.48	\$2.42 (unch)
FFOA per diluted share	\$0.60 to \$0.62	\$0.61	\$2.38 to \$2.50	\$2.36 to \$2.48	\$2.44 (+\$0.02)
AFFO per diluted share	\$0.53 to \$0.55	\$0.56	\$2.12 to \$2.24	\$2.10 to \$2.22	\$2.18 (+\$0.02)
YOY Growth: concessions reflected on a straight-line basis:					
SS Revenue	N/A	3.1%	0.00% to 3.00%	0.00% to 3.00%	1.50% (unch)
SS Expense	N/A	7.5%	4.25% to 6.25%	4.25% to 6.25%	5.25% (unch)
SS NOI	N/A	1.2%	(1.75)% to 1.75%	(1.75)% to 1.75%	0.00% (unch)

⁽¹⁾ Additional assumptions for the Company's second quarter and full-year 2024 outlook can be found on Attachment 13 of the Company's related quarterly Supplemental Financial Information ("Supplement"). A reconciliation of GAAP Net Income per share to FFO per share, FFOA per share, and AFFO per share can be found on Attachment 14(D) of the Company's related quarterly Supplement. Non-GAAP financial measures and other terms, as used in this earnings release, are defined and further explained on Attachments 14(A) through 14(D), "Definitions and Reconciliations," of the Company's related quarterly Supplement.

First Quarter 2024 and April 2024 Results

In the first quarter, total revenue increased by \$14.1 million YOY, or 3.5 percent, to \$413.6 million. This increase was primarily attributable to growth in revenue from Same-Store communities and growth from past accretive external investments.

"Monthly sequential improvement across key revenue metrics of occupancy, concessions granted, effective lease rate growth, and resident turnover led to first quarter same-store results slightly ahead of our expectations," said Mike Lacy, UDR's Senior Vice President of Operations. "As we begin the second quarter, occupancy remains high and we continue to achieve new lease rate growth momentum. While much of this year's leasing activity remains ahead of us, I am optimistic about our operating trajectory and the incremental income we deliver from our initiatives, the relative value we offer versus other forms of housing, and the resiliency of our consumer, all of which should help us manage through elevated supply deliveries."

Summary of Fourth Quarter 2023, First Quarter 2024, and April 2024 Residential Operating Trends⁽¹⁾

Same-Store Metric	As of April 29, 2024		
	4Q 2023	1Q 2024	Apr 2024
Weighted Average Physical Occupancy	96.9%	97.1%	96.8% to 97.0%
Effective Blended Lease Rate Growth ⁽²⁾	(0.5)%	0.8%	1.9% to 2.1%
Effective New Lease Rate Growth	(5.1)%	(2.5)%	(0.1)% to 0.1%
Effective Renewal Lease Rate Growth	4.2%	3.8%	3.5% to 3.7%
Average Concession Granted (in Weeks) on New Leases	1.3	0.9	0.8

⁽¹⁾ Metrics are as of April 29, 2024 for the Company's same-store residential portfolio and are subject to change.

⁽²⁾ The Company defines Effective Blended Lease Rate Growth as the combined proportional growth as a result of (a) Effective New Lease Rate Growth and (b) 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. Please refer to the "Definitions and Reconciliations" section of the Company's related quarterly Supplement for additional details.

In the tables below, the Company has presented YOY and sequential Same-Store results by region, with concessions accounted for on a straight-line basis.

Summary of Same-Store Results in First Quarter 2024 versus First Quarter 2023

Region	Revenue Growth / (Decline)	Expense Growth / (Decline)	NOI Growth / (Decline)	% of Same-Store Portfolio ⁽¹⁾	Physical Occupancy ⁽²⁾	YOY Change in Occupancy
West	3.1%	8.9%	1.2%	31.5%	97.1%	0.8%
Mid-Atlantic	4.4%	9.0%	2.4%	20.8%	97.3%	0.7%
Northeast	4.1%	10.5%	0.7%	18.2%	97.3%	0.1%
Southeast	2.2%	3.8%	1.4%	14.3%	96.9%	0.8%
Southwest	0.2%	(0.8)%	0.8%	8.8%	96.7%	0.1%
Other Markets	2.9%	11.7%	(0.4)%	6.4%	97.2%	0.2%
Total	3.1%	7.5%	1.2%	100.0%	97.1%	0.6%

⁽¹⁾ Based on 1Q 2024 Same-Store NOI. For definitions of terms, please refer to the "Definitions and Reconciliations" section of the Company's related quarterly Supplement.

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

Summary of Same-Store Results in First Quarter 2024 versus Fourth Quarter 2023

Region	Revenue Growth / (Decline)	Expense Growth / (Decline)	NOI Growth / (Decline)	% of Same-Store Portfolio ⁽¹⁾	Physical Occupancy ⁽²⁾	Sequential Change in Occupancy
West	0.9%	3.7%	0.0%	31.5%	97.1%	0.5%
Mid-Atlantic	0.6%	4.6%	(1.1)%	20.8%	97.3%	0.1%
Northeast	0.0%	8.3%	(4.2)%	18.2%	97.3%	0.2%
Southeast	0.1%	5.2%	(2.2)%	14.3%	96.9%	0.0%
Southwest	(0.6)%	2.9%	(2.5)%	8.8%	96.7%	(0.3)%
Other Markets	0.0%	1.7%	(0.7)%	6.4%	97.2%	0.3%
Total	0.4%	4.9%	(1.6)%	100.0%	97.1%	0.2%

⁽¹⁾ Based on 1Q 2024 Same-Store NOI. For definitions of terms, please refer to the "Definitions and Reconciliations" section of the Company's related quarterly Supplement.

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

Transactional Activity

During the quarter, the Company sold Crescent Falls Church, a 214-home apartment community with approximately 6,400 square feet of retail space in Metropolitan Washington, D.C., for gross proceeds of \$100.0 million. At the time of sale, the 14-year-old community had a weighted average monthly revenue per occupied home of \$3,385 and physical occupancy of 97.9 percent.

Development Activity

During the quarter, the Company completed development at Villas at Fiori, a \$53.5 million, 85-home townhome community developed in the Addison submarket of Dallas, TX. At the end of the first quarter, the Company's development pipeline included one 330-home apartment community in Tampa, FL, at a total budgeted cost of \$134.0 million, of which 94 percent has been funded, with only \$7.8 million remaining to fund.

Developer Capital Program ("DCP") Portfolio Activity

Subsequent to quarter-end, the joint venture affiliated with the Company's investment in 1300 Fairmount, a 478-home apartment community in Philadelphia, PA, refinanced the senior construction loan with a new loan that matures in April 2026 and includes an additional one-year extension option, subject to certain conditions.

At the end of the first quarter, the Company had fully funded its \$476.6 million of commitments under its DCP platform. These investments carry a contractual weighted average return rate of 10.0 percent and have a weighted average remaining term of 2.7 years.

Capital Markets and Balance Sheet Activity

“Robust liquidity and minimal committed forward funding obligations position UDR well to opportunistically utilize our investment grade balance sheet to accretively deploy capital and enhance stakeholder returns,” said Joe Fisher, UDR’s President and Chief Financial Officer.

The Company’s total indebtedness as of March 31, 2024 was \$5.8 billion with only \$291.2 million, or 5.1 percent of total consolidated debt, maturing through 2025, including principal amortization and excluding amounts on the Company’s commercial paper program and working capital credit facility. As of March 31, 2024, the Company had \$960 million in liquidity through a combination of cash and undrawn capacity on its credit facilities. Please see Attachment 13 of the Company’s related quarterly Supplement for additional details on projected capital sources and uses.

In the table below, the Company has presented select balance sheet metrics for the quarter ended March 31, 2024 and the comparable prior year period.

Balance Sheet Metric	Quarter Ended March 31		
	1Q 2024	1Q 2023	Change
Weighted Average Interest Rate	3.38%	3.25%	0.13%
Weighted Average Years to Maturity ⁽¹⁾	5.4	6.3	(0.9)
Consolidated Fixed Charge Coverage Ratio	4.8x	5.2x	(0.4)x
Consolidated Debt as a percentage of Total Assets	32.7%	33.0%	(0.3)%
Consolidated Net Debt-to-EBITDAre ⁽²⁾	5.7x	5.7x	0.0x

(1) If the Company’s commercial paper balance was refinanced using its line of credit, the weighted average years to maturity would have been 5.5 years without extensions and 5.6 years with extensions for 1Q 2024 and 6.5 years without extensions and 6.6 years with extensions for 1Q 2023.

(2) Defined as EBITDAre - adjusted for non-recurring items. A reconciliation of GAAP Net Income per share to EBITDAre - adjusted for non-recurring items and GAAP Total Debt to Net Debt can be found on Attachment 4(C) of the Company’s related quarterly Supplement.

Senior Management

As previously announced, effective July 31, 2024, [Harry Alcock will retire from the role of Senior Vice President and Chief Investment Officer](#), at which time he will transition to a consulting role with a focus on transactions. H. Andrew Cantor, UDR’s Senior Vice President – Acquisitions and Dispositions, will continue to oversee the Company’s transactions platform, as he has for the last 12 years of his more than 14-year tenure with UDR. Bob McCullough, UDR’s Senior Vice President – Development, will continue to oversee the Company’s development platform, as he has during his 11-year tenure with UDR.

Dividend

As previously announced, the Company’s Board of Directors [declared a regular quarterly dividend](#) on its common stock for the first quarter 2024 in the amount of \$0.425 per share, a 1.2 percent increase over the comparable period in 2023. The dividend was paid in cash on April 30, 2024 to UDR common shareholders of record as of April 10, 2024. The first quarter 2024 dividend represented the 206th consecutive quarterly dividend paid by the Company on its common stock.

Supplemental Financial 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 Investor Relations section of the Company’s website at ir.udr.com.



Attachment 14(A)

Definitions and Reconciliations

March 31, 2024

(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 enables 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 flow 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 lenders 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 lenders 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 lenders 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 with 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 enables 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 on a straight-line basis 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 on a straight-line basis 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 14(B)

Definitions and Reconciliations

March 31, 2024

(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 flow 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

	1Q 2024
Income/(loss) from unconsolidated entities	\$ 9,085
Management fee	838
Interest expense	4,472
Depreciation	13,693
General and administrative	157
Developer Capital Program (excludes loans)	(8,163)
Other (income)/expense	(45)
Realized and unrealized (gain)/loss on real estate technology investments, net of tax	(5,646)
Total Joint Venture NOI at UDR's Ownership Interest	\$ 14,391

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 3.25% 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

	1Q 2024	4Q 2023	3Q 2023	2Q 2023	1Q 2023
Net income/(loss) attributable to UDR, Inc.	\$ 43,149	\$ 32,986	\$ 32,858	\$ 347,545	\$ 30,964
Property management	13,379	13,354	13,271	13,101	12,945
Other operating expenses	6,828	8,320	4,611	4,259	3,032
Real estate depreciation and amortization	169,858	170,643	167,551	168,925	169,300
Interest expense	48,062	47,347	44,664	45,113	43,742
Casualty-related charges/(recoveries), net	6,278	(224)	(1,928)	1,134	4,156
General and administrative	17,810	20,838	15,159	16,452	17,480
Tax provision/(benefit), net	337	93	428	1,351	234
(Income)/loss from unconsolidated entities	(9,085)	20,219	(5,508)	(9,697)	(9,707)
Interest income and other (income)/expense, net	(5,865)	(9,371)	3,069	(10,447)	(1,010)
Joint venture management and other fees	(1,965)	(2,379)	(1,772)	(1,450)	(1,242)
Other depreciation and amortization	4,316	4,397	3,692	3,681	3,649
(Gain)/loss on sale of real estate owned	(16,867)	(25,308)	-	(325,884)	(1)
Net income/(loss) attributable to noncontrolling interests	3,161	2,975	2,561	22,638	1,961
Total consolidated NOI	\$ 279,396	\$ 283,890	\$ 278,656	\$ 276,721	\$ 275,503



Attachment 14(C)

Definitions and Reconciliations

March 31, 2024

(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.

Other Markets: The Company defines Other Markets as the accumulation of individual markets where it operates less than 1,000 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 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 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. Based upon the level of material impact the redevelopment has on the community (operations, occupancy levels, and future rental rates), the community may or may not maintain Stabilization. As such, for each redevelopment, the Company assesses whether the community remains in Same-Store.

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

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.

Total Revenue per Occupied Home: The Company defines Total Revenue per Occupied Home as rental and other revenues with concessions reported on a straight-line basis, 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 subsidiaries ("TRS") focus on making investments and providing services that are otherwise not allowed to be made or provided by a REIT.

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 were not held for disposition.

Conference Call and Webcast Information

UDR will host a webcast and conference call at 12:00 p.m. Eastern Time on May 1, 2024, to discuss first quarter 2024 results as well as high-level views for 2024. The webcast will be available on the Investor Relations section of the Company'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 877-423-9813 for domestic and 201-689-8573 for international. A passcode is not necessary.

Given a high volume of conference calls occurring during this time of year, delays are anticipated when connecting to the live call. As a result, stakeholders and interested parties are encouraged to utilize the Company's webcast link for its earnings results discussion.

A replay of the conference call will be available through June 1, 2024, by dialing 844-512-2921 for domestic and 412-317-6671 for international and entering the confirmation number, 13745939, when prompted for the passcode. A replay of the call will also be available on the Investor Relations section of the Company's website at ir.udr.com.

Full Text of the Earnings Report and Supplemental Data

The full text of the earnings report and related quarterly Supplement will be available on the Investor Relations section of the Company's website at ir.udr.com.

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," "outlook," "guidance," "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, general market and economic conditions, unfavorable changes in the apartment market and economic conditions that could adversely affect occupancy levels and rental rates, the impact of inflation/deflation on rental rates and property operating expenses, the availability of capital and the stability of the capital markets, rising interest rates, 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 or at expected rent and occupancy levels, changes in job growth, home affordability and demand/supply ratio for multifamily housing, development and construction risks that may impact profitability, risks that joint ventures with third parties and DCP investments do not perform as expected, the failure of automation or technology to help grow 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.](http://www.udr.com) (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 March 31, 2024, UDR owned or had an ownership position in 60,124 apartment homes including 311 homes under development. For over 51 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

Consolidated Statements of Operations (Unaudited) ⁽¹⁾

In thousands, except per share amounts	Three Months Ended March 31,	
	2024	2023
REVENUES:		
Rental income ⁽²⁾	\$ 411,669	\$ 398,307
Joint venture management and other fees	1,965	1,242
Total revenues	413,634	399,549
OPERATING EXPENSES:		
Property operating and maintenance	73,478	64,834
Real estate taxes and insurance	58,795	57,970
Property management	13,379	12,945
Other operating expenses	6,828	3,032
Real estate depreciation and amortization	169,858	169,300
General and administrative	17,810	17,480
Casualty-related charges/(recoveries), net ⁽³⁾	6,278	4,156
Other depreciation and amortization	4,316	3,649
Total operating expenses	350,742	333,366
Gain/(loss) on sale of real estate owned	16,867	1
Operating income	79,759	66,184
Income/(loss) from unconsolidated entities ⁽²⁾	9,085	9,707
Interest expense	(48,062)	(43,742)
Interest income and other income/(expense), net	5,865	1,010
Income/(loss) before income taxes	46,647	33,159
Tax (provision)/benefit, net	(337)	(234)
Net income/(loss)	46,310	32,925
Net (income)/loss attributable to redeemable noncontrolling interests in the OP and DownREIT Partnership	(3,149)	(1,953)
Net (income)/loss attributable to noncontrolling interests	(12)	(8)
Net income/(loss) attributable to UDR, Inc.	43,149	30,964
Distributions to preferred stockholders - Series E (Convertible)	(1,231)	(1,183)
Net income/(loss) attributable to common stockholders	\$ 41,918	\$ 29,781
Income/(loss) per weighted average common share - basic:	\$0.13	\$0.09
Income/(loss) per weighted average common share - diluted:	\$0.13	\$0.09
Common distributions declared per share	\$0.425	\$0.42
Weighted average number of common shares outstanding - basic	328,823	328,789
Weighted average number of common shares outstanding - diluted	328,954	329,421

(1) See Attachment 14 for definitions and other terms.

(2) As of March 31, 2024, UDR's residential accounts receivable balance, net of its reserve, was \$7.7 million, including its share from unconsolidated joint ventures. The unreserved amount is based on probability of collection.

(3) During the three months ended March 31, 2024, UDR recorded \$6.3 million of casualty-related charges, net in connection with clean-up costs and property damages primarily from various coastal storms.



Attachment 2

Funds From Operations (Unaudited) ⁽¹⁾

In thousands, except per share and unit amounts	Three Months Ended March 31,	
	2024	2023
Net income/(loss) attributable to common stockholders	\$ 41,918	\$ 29,781
Real estate depreciation and amortization	169,858	169,300
Noncontrolling interests	3,161	1,961
Real estate depreciation and amortization on unconsolidated joint ventures	14,154	7,485
Net (gain)/loss on the sale of depreciable real estate owned, net of tax	(16,867)	(1)
Funds from operations ("FFO") attributable to common stockholders and unitholders, basic	\$ 212,224	\$ 208,526
Distributions to preferred stockholders - Series E (Convertible) ⁽²⁾	1,231	1,183
FFO attributable to common stockholders and unitholders, diluted	\$ 213,455	\$ 209,709
FFO per weighted average common share and unit, basic	\$ 0.60	\$ 0.60
FFO per weighted average common share and unit, diluted	\$ 0.60	\$ 0.59
Weighted average number of common shares and OP/DownREIT Units outstanding, basic	353,241	350,112
Weighted average number of common shares, OP/DownREIT Units, and common stock equivalents outstanding, diluted	356,280	353,653
Impact of adjustments to FFO:		
Legal and other costs	\$ 2,530	\$ (1,258)
Realized and unrealized (gain)/loss on real estate technology investments, net of tax	(4,988)	(263)
Severance costs	421	-
Casualty-related charges/(recoveries), net ⁽³⁾	6,278	4,156
Total impact of adjustments to FFO	\$ 4,241	\$ 2,635
FFO as Adjusted attributable to common stockholders and unitholders, diluted	\$ 217,696	\$ 212,344
FFO as Adjusted per weighted average common share and unit, diluted	\$ 0.61	\$ 0.60
Recurring capital expenditures, inclusive of unconsolidated joint ventures	(17,308)	(12,299)
AFFO attributable to common stockholders and unitholders, diluted	\$ 200,388	\$ 200,045
AFFO per weighted average common share and unit, diluted	\$ 0.56	\$ 0.57

(1) See Attachment 14 for definitions and other terms.

(2) Series E cumulative convertible preferred shares are dilutive for purposes of calculating FFO per share for the three months ended March 31, 2024 and March 31, 2023. Consequently, distributions to Series E cumulative convertible preferred stockholders are added to FFO and the weighted average number of Series E cumulative convertible preferred shares are included in the denominator when calculating FFO per common share and unit, diluted.

(3) See Attachment 1, footnote 3 for further details.



Attachment 3

Consolidated Balance Sheets (Unaudited) ⁽¹⁾

In thousands, except share and per share amounts	March 31, 2024	December 31, 2023
ASSETS		
Real estate owned:		
Real estate held for investment	\$ 15,865,033	\$ 15,757,456
Less: accumulated depreciation	(6,407,092)	(6,242,686)
Real estate held for investment, net	9,457,941	9,514,770
Real estate under development		
(net of accumulated depreciation of \$19 and \$184)	126,144	160,220
Real estate held for disposition		
(net of accumulated depreciation of \$0 and \$24,960)	-	81,039
Total real estate owned, net of accumulated depreciation	9,584,085	9,756,029
Cash and cash equivalents	2,116	2,922
Restricted cash	29,850	31,944
Notes receivable, net	235,382	228,825
Investment in and advances to unconsolidated joint ventures, net	954,301	952,934
Operating lease right-of-use assets	189,729	190,619
Other assets	195,025	209,969
Total assets	\$ 11,190,488	\$ 11,373,242
LIABILITIES AND EQUITY		
Liabilities:		
Secured debt	\$ 1,236,779	\$ 1,277,713
Unsecured debt	4,525,549	4,520,996
Operating lease liabilities	184,961	185,836
Real estate taxes payable	37,917	47,107
Accrued interest payable	27,255	47,710
Security deposits and prepaid rent	50,187	50,528
Distributions payable	151,512	149,600
Accounts payable, accrued expenses, and other liabilities	119,739	141,311
Total liabilities	6,333,899	6,420,801
Redeemable noncontrolling interests in the OP and DownREIT Partnership	937,311	961,087
Equity:		
Preferred stock, no par value; 50,000,000 shares authorized at March 31, 2024 and December 31, 2023:		
2,686,308 shares of 8.00% Series E Cumulative Convertible issued		
and outstanding (2,686,308 shares at December 31, 2023)	44,614	44,614
11,785,976 shares of Series F outstanding (11,867,730 shares at December 31, 2023)	1	1
Common stock, \$0.01 par value; 450,000,000 shares authorized at March 31, 2024 and December 31, 2023:		
329,327,553 shares issued and outstanding (329,014,512 shares at December 31, 2023)	3,293	3,290
Additional paid-in capital	7,500,170	7,493,217
Distributions in excess of net income	(3,638,370)	(3,554,892)
Accumulated other comprehensive income/(loss), net	9,235	4,914
Total stockholders' equity	3,918,943	3,991,144
Noncontrolling interests	335	210
Total equity	3,919,278	3,991,354
Total liabilities and equity	\$ 11,190,488	\$ 11,373,242

(1) See Attachment 14 for definitions and other terms.



Attachment 4(C)

Selected Financial Information

(Dollars in Thousands)
(Unaudited) ⁽¹⁾

	Quarter Ended March 31, 2024
Coverage Ratios	
Net income/(loss)	\$ 46,310
Adjustments:	
Interest expense, including debt extinguishment and other associated costs	48,062
Real estate depreciation and amortization	169,858
Other depreciation and amortization	4,316
Tax provision/(benefit), net	337
Net (gain)/loss on the sale of depreciable real estate owned	(16,867)
Adjustments to reflect the Company's share of EBITDAre of unconsolidated joint ventures	18,626
EBITDAre	<u>\$ 270,642</u>
Casualty-related charges/(recoveries), net	6,278
Legal and other costs	2,530
Severance costs	421
Realized and unrealized (gain)/loss on real estate technology investments	658
(Income)/loss from unconsolidated entities	(9,085)
Adjustments to reflect the Company's share of EBITDAre of unconsolidated joint ventures	(18,626)
Management fee expense on unconsolidated joint ventures	(838)
Consolidated EBITDAre - adjusted for non-recurring items	<u>\$ 251,980</u>
Annualized consolidated EBITDAre - adjusted for non-recurring items	<u>\$ 1,007,920</u>
Interest expense, including debt extinguishment and other associated costs	48,062
Capitalized interest expense	2,838
Total interest	<u>\$ 50,900</u>
Preferred dividends	<u>\$ 1,231</u>
Total debt	<u>\$ 5,762,328</u>
Cash	<u>(2,116)</u>
Net debt	<u>\$ 5,760,212</u>
Consolidated Interest Coverage Ratio - adjusted for non-recurring items	<u>5.0x</u>
Consolidated Fixed Charge Coverage Ratio - adjusted for non-recurring items	<u>4.8x</u>
Consolidated Net Debt-to-EBITDAre - adjusted for non-recurring items	<u>5.7x</u>

Debt Covenant Overview

Unsecured Line of Credit Covenants ⁽²⁾	Required	Actual	Compliance
Maximum Leverage Ratio	≤60.0%	31.1% ⁽²⁾	Yes
Minimum Fixed Charge Coverage Ratio	≥1.5x	4.9x	Yes
Maximum Secured Debt Ratio	≤40.0%	10.2%	Yes
Minimum Unencumbered Pool Leverage Ratio	≥150.0%	384.3%	Yes

Senior Unsecured Note Covenants ⁽³⁾	Required	Actual	Compliance
Debt as a percentage of Total Assets	≤65.0%	32.8% ⁽³⁾	Yes
Consolidated Income Available for Debt Service to Annual Service Charge	≥1.5x	5.5x	Yes
Secured Debt as a percentage of Total Assets	≤40.0%	7.0%	Yes
Total Unencumbered Assets to Unsecured Debt	≥150.0%	319.6%	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	1Q 2024 NOI ⁽¹⁾ (\$000s)	% of NOI	Gross Carrying Value (\$000s)	% of Total Gross Carrying Value
Unencumbered assets	46,108	\$ 242,162	86.7%	\$ 13,839,276	86.5%
Encumbered assets	9,278	37,234	13.3%	2,151,920	13.5%
	<u>55,386</u>	<u>\$ 279,396</u>	<u>100.0%</u>	<u>\$ 15,991,196</u>	<u>100.0%</u>

(1) See Attachment 14 for definitions and other terms.

(2) As defined in our credit agreement dated September 15, 2021, as amended.

(3) As defined in our indenture dated November 1, 1995 as amended, supplemented or modified from time to time.



Attachment 14(D)

Definitions and Reconciliations March 31, 2024 (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 2024 and second quarter of 2024 to forecasted FFO, FFO as Adjusted and AFFO per share and unit:

	Full-Year 2024	
	Low	High
Forecasted net income per diluted share	\$ 0.33	\$ 0.45
Conversion from GAAP share count	(0.02)	(0.02)
Net gain on the sale of depreciable real estate owned	(0.05)	(0.05)
Depreciation	2.07	2.07
Noncontrolling interests	0.02	0.02
Preferred dividends	0.01	0.01
Forecasted FFO per diluted share and unit	\$ 2.36	\$ 2.48
Legal and other costs	0.01	0.01
Severance costs and other restructuring expense	0.01	0.01
Casualty-related charges/(recoveries)	0.02	0.02
Realized/unrealized (gain)/loss on real estate technology investments	(0.01)	(0.01)
Forecasted FFO as Adjusted per diluted share and unit	\$ 2.38	\$ 2.50
Recurring capital expenditures	(0.26)	(0.26)
Forecasted AFFO per diluted share and unit	\$ 2.12	\$ 2.24

	2Q 2024	
	Low	High
Forecasted net income per diluted share	\$ 0.13	\$ 0.15
Conversion from GAAP share count	(0.01)	(0.01)
Net gain on the sale of depreciable real estate owned	(0.05)	(0.05)
Depreciation	0.52	0.52
Noncontrolling interests	0.01	0.01
Preferred dividends	-	-
Forecasted FFO per diluted share and unit	\$ 0.60	\$ 0.62
Legal and other costs	-	-
Severance costs and other restructuring expense	-	-
Casualty-related charges/(recoveries)	-	-
Realized/unrealized (gain)/loss on real estate technology investments	-	-
Forecasted FFO as Adjusted per diluted share and unit	\$ 0.60	\$ 0.62
Recurring capital expenditures	(0.07)	(0.07)
Forecasted AFFO per diluted share and unit	\$ 0.53	\$ 0.55