UDR Announces Formation of $510 Million Joint Venture

DENVER, CO., June 29, 2023 – UDR, Inc. (the "Company") (NYSE: UDR), a leading multifamily real estate investment trust and GRESB 5 Star rated company for its sustainability leadership, announced today that it has closed a $510 million joint venture with LaSalle Investment Management (the "Partner"). The Company and the Partner intend to grow the joint venture over time through the acquisition of high-quality, well-located communities with operational upside that can be recognized through the implementation of UDR's industry-leading operating platform.

Under the terms of the agreement, UDR will:

- initially contribute four communities totaling 1,328 apartment homes (the "seed portfolio") into the joint venture;
- retain a 51 percent ownership in the communities included in the joint venture; and,
- receive approximately $250 million in cash proceeds.

The joint venture will initially have no debt. The value of the seed portfolio is based on a low-5% effective forward yield, and the Company expects the transaction to be accretive to FFOA and cash flow per share in the first year of the venture.

Details on the communities included in the seed portfolio, which are diversified across geography, age, price point, and offer various value-add opportunities, are presented in the table below.[(1)]

Community	Market	Homes	Age (Years)	Monthly Revenue per Occupied Home	Occupancy
The Hawthorne Apartments	Seattle	284	20	$2,787	97.3%
Los Alisos at Mission Viejo	Orange County	320	9	2,791	97.1%
Lodge at Ames Pond	Boston	364	13	2,516	97.7%
Signal Hill Apartments	Washington, DC	360	13	2,046	98.0%
Total / Weighted Avg.	**-**	**1,328**	**14**	**$2,513**	**97.6%**

(1) Data as of June 2023.

The Company serves as the manager of the joint venture and will earn asset management, property management, financing, and construction management fees. For new acquisitions made through the venture, the Company will earn acquisition fees and the potential to earn a promoted return should certain return hurdles be achieved.

"We are pleased to establish a new joint venture with such a high-quality partner," said Tom Toomey, UDR's Chairman and CEO. "The venture validates the success of UDR's operating platform, innovation, and unique value creation mechanisms, which have led to the highest controllable operating margin among our peer group and earnings per share growth that is consistently above the peer average. Additionally, the venture expands UDR's strategy of diversifying among capital sources that provide the Company the ability to execute accretive investment opportunities across economic and market cycles. We look forward to growing this venture with our Partner over time to the benefit of our stakeholders through increased operating scale, densification, and earnings accretion."

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, general market and economic conditions, unfavorable changes in the apartment market and economic conditions that could adversely affect occupancy levels and rental rates, including as a result of COVID-19, 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. (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, 2023, UDR owned or had an ownership position in 58,411 apartment homes including 415 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.

About LaSalle Investment Management

LaSalle Investment Management is one of the world’s leading real estate investment managers. On a global basis, LaSalle manages over $78 billion of assets in private and public real estate property and debt investments as of Q1 2023. LaSalle’s diverse client base includes public and private pension funds, insurance companies, governments, corporations, endowments and private individuals from across the globe. LaSalle sponsors a complete range of investment vehicles including separate accounts, open- and closed-end funds, public securities and entity-level investments. For more information please visit www.lasalle.com.

Contact: UDR, Inc.

Trent Trujillo
ttrujillo@udr.com
720-283-6135