

SECURITIES AND EXCHANGE COMMISSION

FORM 8-K

Current report filing

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FILER

**UDR, Inc.**

CIK: **74208** | IRS No.: **540857512** | State of Incorporation: **MD** | Fiscal Year End: **1231**  
Type: **8-K** | Act: **34** | File No.: **001-10524** | Film No.: **13904279**  
SIC: **6798** Real estate investment trusts

Mailing Address

1745 SHEA CENTER DRIVE  
SUITE 200  
HIGHLANDS RANCH CO  
80129

Business Address

1745 SHEA CENTER DRIVE  
SUITE 200  
HIGHLANDS RANCH CO  
80129  
720-283-6120

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**UNITED STATES  
SECURITIES AND EXCHANGE COMMISSION  
Washington, D.C. 20549**

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**FORM 8-K**

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**CURRENT REPORT  
Pursuant to Section 13 OR 15(d)  
of The Securities Exchange Act of 1934**

**Date of Report (Date of earliest event reported): June 6, 2013**

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**UDR, Inc.**

(Exact name of registrant as specified in its charter)

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**Maryland**  
(State or other jurisdiction  
of incorporation)

**1-10524**  
(Commission  
File Number)

**54-0857512**  
(I.R.S. Employer  
Identification No.)

**1745 Shea Center Drive, Suite 200,  
Highlands Ranch, Colorado**  
(Address of principal executive offices)

**80129**  
(Zip Code)

**Registrant's telephone number, including area code: (720) 283-6120**

**Not Applicable**

(Former name or former address, if changed since last report.)

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Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions:

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
  - Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
  - Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
  - Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))
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**Item 1.01. Entry into A Material Definitive Agreement.**

On June 6, 2013, UDR, Inc. (the “Company”) entered into a Second Amendment to the Credit Agreement (the “Credit Agreement Amendment”). The Credit Agreement Amendment relates to, and was entered into pursuant to that certain Credit Agreement, dated as of October 25, 2011, which is attached as Exhibit 10.1 to the Company’s Current Report on Form 8-K dated October 25, 2011, filed with the Securities and Exchange Commission on October 26, 2011 (Commission File No. 1-10524). The Credit Agreement, as amended, is an unsecured \$900 million revolving credit facility, which includes a \$100 million swingline subfacility and a \$100 million letter of credit subfacility. The initial amount of \$900 million may be increased in minimum amounts of \$25 million, not to exceed \$1.45 billion. The initial amount of the swingline subfacility may also be increased up to 10% of the total commitment under the Credit Agreement or \$145 million.

Under the terms of the Credit Agreement Amendment, the applicable spread over LIBOR at the Company’s current credit rating is reduced from 122.5 to 110 basis points, and the applicable facility fee is reduced from 22.5 to 20 basis points, while the maturity date has changed to December 6, 2017, with one 6-month extension option for 7.5 basis points.

On June 6, 2013, the Company also entered into an amendment to the \$250 million term loan which matures January 2016 (the “\$250 Million Term Loan Amendment”), and an amendment to the \$100 million term loan which matures January 2016 (the “\$100 Million Term Loan Amendment,” and collectively with the \$250 Million Term Loan Amendment, the “Term Loan Amendments”). United Dominion Realty, L.P. (the “Operating Partnership”) is a guarantor on the \$250 million term loan and the \$100 million term loan.

Under the terms of the Term Loan Amendments, the applicable spread over LIBOR for the term loans is reduced from 142.5 to 125 basis points, and the maturity dates of the term loans are extended to June 2018. Both the credit facility and the term loans have matching covenants, which have been enhanced mainly by a reduction in the cap rate used to calculate Gross Asset Value to 6 percent from 6.5 percent and the addition of an Investment in Unconsolidated Affiliates carve-out for Permitted Investments.

The Credit Agreement Amendment, the \$250 Million Term Loan Amendment and the \$100 Million Term Loan Amendment are attached hereto as Exhibits 10.1, 10.2 and 10.3, respectively, and each such exhibits are incorporated herein by reference. The foregoing description of the material terms of the Credit Agreement Amendment and the Term Loan Amendments, as well as the transactions contemplated thereby, does not purport to be complete and is qualified in its entirety by reference to Exhibits 10.1, 10.2 and 10.3.

**Item 2.03. Creation of a Direct Financial Obligation or an Obligation under an Off-Balance Sheet Arrangement of a Registrant.**

The information reported under Item 1.01 of this report is incorporated by reference into this Item 2.03.

**Item 8.01. Other Events.**

On June 10, 2013, the Company issued a press release announcing the entry into the Credit Agreement Amendment and the Term Loan Amendments. A copy of the press release is attached hereto as Exhibit 99.1, and is incorporated by reference herein.

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**Item 9.01. Financial Statements and Exhibits.**

(d) Exhibits.

<u>Exhibit No.</u>	<u>Description</u>
10.1	Credit Agreement Amendment, dated as of June 6, 2013.
10.2	\$250 Million Term Loan Amendment, dated as of June 6, 2013.
10.3	\$100 Million Term Loan Amendment, dated as of June 6, 2013.
99.1	Press release dated June 10, 2013.

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## SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

UDR, INC.

Date: June 10, 2013

By: /s/ Warren L. Troupe

Name: Warren L. Troupe

Title: Senior Executive Vice President

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EXHIBIT LIST

<u>Exhibit No.</u>	<u>Description</u>
10.1	Credit Agreement Amendment, dated as of June 6, 2013.
10.2	\$250 Million Term Loan Amendment, dated as of June 6, 2013.
10.3	\$100 Million Term Loan Amendment, dated as of June 6, 2013.
99.1	Press release dated June 10, 2013.

## SECOND AMENDMENT TO CREDIT AGREEMENT

THIS SECOND AMENDMENT TO CREDIT AGREEMENT (this "Amendment") dated as of June 6, 2013 by and among UDR, Inc., a Maryland corporation (the "Borrower"), each of the Lenders party hereto and WELLS FARGO BANK, NATIONAL ASSOCIATION, as Administrative Agent (the "Administrative Agent").

WHEREAS, the Borrower, the Lenders, the Administrative Agent and certain other parties have entered into that certain Credit Agreement dated as of October 25, 2011 (as amended by that certain letter agreement dated as of March 1, 2013 and as in effect immediately prior to the effectiveness hereof, the "Credit Agreement"); and

WHEREAS, the Borrowers, the Lenders and the Administrative Agent desire to amend certain provisions of the Credit Agreement on the terms and conditions contained herein.

NOW, THEREFORE, for good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged by the parties hereto, the parties hereto hereby agree as follows:

Section 1. Specific Amendments to Credit Agreement. Upon the effectiveness of this Amendment, the parties hereto agree that the Credit Agreement is amended as follows:

(a) The Credit Agreement is amended by restating in their entireties the tables set forth in the definitions of "Applicable Facility Fee" and "Applicable Margin", respectively, clause (a) of the definition of "Condominium Property Value", clause (c) of the definition of "Debt", clauses (a)(iii) and (b) of the definition of "Gross Asset Value", the definition of "Guarantor", the definition of "LIBOR", clause (a) of the definition of "Renovation Property Value", the definition of "Termination Date", and clause (c) of the definition of "Unencumbered Pool Asset", in each case in Section 1.1 thereof as follows:

**"Applicable Facility Fee" ...**

	<u>Level</u>	<u>Facility Fee</u>
1		0.15 %
2		0.15 %
3		0.20 %
4		0.30 %
5		0.35 %

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**“Applicable Margin” ...**

Level	Borrower' s Credit	Applicable Margin for	
	Rating (S&P/Moody' s or equivalent)	Revolving Loans	
1	A-/A3 (or equivalent) or better	0.90	%
2	BBB+/Baa1 (or equivalent)	1.00	%
3	BBB/Baa2 (or equivalent)	1.10	%
4	BBB-/Baa3 (or equivalent)	1.35	%
5	Lower than BBB-/Baa3 (or equivalent)	1.70	%

**“Condominium Property Value”** ... (a) the Consolidated Net Operating Income attributable to such Property for the two quarter period annualized ending immediately prior to such conversion divided by 6.0%, ...

**“Debt”** ... (c) Capitalized Lease Obligations of such Person (excluding ground leases regardless of whether required under GAAP to be reported as a liability); ...

**“Gross Asset Value”** ... (a) ... (iii) 6.0%; (b) the purchase price paid for any Multifamily Property acquired by any member of the Consolidated Group during the period of six consecutive fiscal quarters most recently ended (less any amounts paid as a purchase price adjustment, held in escrow, retained as a contingency reserve, or other similar arrangements) ...

**“Guarantor”** means any Person that is party to the Guaranty as a “Guarantor” and in any event shall include United Dominion Realty, L.P.

**“LIBOR”** means, with respect to any LIBOR Loan for any Interest Period, the rate of interest obtained by dividing (i) the rate appearing on the Reuters Screen LIBOR01 page (or on any successor or substitute page of such service, or any successor to or substitute for such service, providing rate quotations comparable to those currently provided on such page, as determined by the Administrative Agent from time to time for purposes of providing quotations of interest rates applicable to Dollar deposits in the London interbank market) at approximately 11:00 a.m., London time, on the date that is two Business Days prior to the first day of such Interest Period and having a maturity equal to such Interest Period by (ii) a percentage equal to 1 minus the stated maximum rate (stated as a decimal) of all reserves, if any, required to be maintained with respect to Eurocurrency funding (currently referred to as “Eurocurrency liabilities”) as specified in Regulation D of the Board of Governors of the Federal Reserve System (or against any other category of liabilities which includes deposits by reference to which the interest rate on LIBOR Loans is determined or any applicable category of extensions of credit or other assets which includes loans by an office of any Lender outside of the United States of America). Any change in such maximum rate shall result in a change in LIBOR on the date on which such change in such maximum rate becomes effective.



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**“Renovation Property Value”** ... (a) the Consolidated Net Operating Income attributable to such Property for the two quarter period annualized ending immediately prior to the commencement of such renovation and redevelopment divided by 6.0% ...

**“Termination Date”** means December 6, 2017, or such later date to which the Termination Date may be extended pursuant to Section 2.13.

**“Unencumbered Pool Asset”** ... (c) if such asset is owned by Person other than the Borrower (i) none of the Borrower’s direct or indirect ownership interest in such Person is subject to any Lien (other than Permitted Liens of the types described in clauses (a) through (c) of the definition thereof) or to any Negative Pledge; and (ii) the Borrower directly, or indirectly through a Subsidiary, has the right to take the following actions without the need to obtain the consent of any Person: (x) sell, transfer or otherwise dispose of such asset and (y) to create a Lien on such asset as security for Debt of the Borrower or such Subsidiary, as applicable;

(b) The Credit Agreement is amended by deleting Section 2.3(a) in its entirety and replacing it with the following:

(a) Letters of Credit. Subject to the terms and conditions of this Agreement, including without limitation, Section 2.15., the Issuing Bank, on behalf of the Lenders, agrees to issue for the account of the Borrower during the period from and including the Effective Date to, but excluding, the date thirty (30) days prior to the Termination Date, one or more standby letters of credit (each a “Letter of Credit”) up to a maximum aggregate Stated Amount at any one time outstanding not to exceed \$75,000,000.00 as such amount may be reduced from time to time in accordance with the terms hereof (the “L/C Commitment Amount”). The parties hereto agree that the Existing Letters of Credit shall be deemed to be Letters of Credit for all purposes of this Agreement.

(c) The Credit Agreement is amended by deleting Section 2.13 in its entirety and replacing it with the following:

**Section 2.13. Extension of Termination Date.**

The Borrower shall have the right, exercisable one time, to request that the Administrative Agent and the Revolving Lenders agree to extend the Termination Date by six months. The Borrower may exercise such right only by executing and delivering to the Administrative Agent at least 90 days but not more than 180 days prior to the current Termination Date, a written request for such extension (an “Extension Request”). The Administrative Agent shall notify the Revolving Lenders if it receives an Extension Request promptly upon receipt thereof. Subject to satisfaction of the following conditions, the Termination Date shall be extended for six months effective upon receipt by the Administrative Agent of the Extension Request and payment of the fee referred to in the following clause (ii): (i) (x) no Default or Event of Default shall exist and (y) the representations and warranties made or deemed made by the Borrower and each other Loan Party in the Loan Documents to which any of them is a party, shall be true and correct in all material respects (except in the case of a representation or warranty qualified by materiality, in which case such representation or warranty shall be true and correct in all respects) on and as of the date of such extension with the same force and effect as if made on and as of such date except to the extent that such representations and warranties expressly relate solely to an earlier date (in which case such representations and warranties shall have been true and correct in all material respects on and as of such earlier date) and except for changes in factual circumstances specifically and expressly permitted under the Loan Documents and (ii) the Borrower shall have paid the Fees payable under Section 3.5.(e). At any time prior to the effectiveness of any such extension, upon the Administrative Agent’s request, the Borrower shall deliver to the Administrative Agent a certificate from a Responsible Officer certifying the matters referred to in the immediately preceding clauses (i)(x) and (i)(y).

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(d) The Credit Agreement is amended by deleting the first sentence of Section 2.16 in its entirety and replacing it with the following:

The Borrower shall have the right to request increases in the aggregate amount of the Commitments by providing written notice to the Administrative Agent, which notice shall be irrevocable once given; provided, however, that after giving effect to any such increases the aggregate amount of the Commitments shall not exceed \$1,450,000,000.00.

(e) The Credit Agreement is amended by deleting the Section 3.5(e) in its entirety and replacing it with the following:

(e) Revolving Credit Extension Fee. If the Borrower exercises its right to extend the Termination Date in accordance with Section 2.13., the Borrower agrees to pay to the Administrative Agent for the account of each Revolving Lender a fee equal to 0.075% of the amount of such Revolving Lender' s Commitment (whether or not utilized). Such fee shall be due and payable in full on the date the Administrative Agent receives the Extension Request pursuant to such Section.

(f) The Credit Agreement is amended by deleting Sections 7.13(a) and (b) in their entireties and replacing them with the following:

(a) As soon as available, and in any event within 30 days of the date on which either of the following conditions first applies to any Subsidiary that is not already a Guarantor, the Borrower shall deliver to the Administrative Agent each of the following in form and substance satisfactory to the Administrative Agent: (i) an Accession Agreement executed by such Subsidiary (or if the Guaranty is not then in effect, the Guaranty executed by such Subsidiary) and (ii) the items that would have been delivered under subsections (iv) through (viii) and (xiv) of Section 5.1.(a) if such Subsidiary had been required to become a Guarantor on the Agreement Date:

(x) such Subsidiary Guarantees, or otherwise becomes obligated in respect of, any Debt of the Borrower or any other Subsidiary of the Borrower; or

(y) such Subsidiary (A) owns an Unencumbered Pool Asset or any other asset the value of which is included in the determination of Gross Asset Value of the Unencumbered Pool and (B) has incurred, acquired or suffered to exist any Debt other than Nonrecourse Debt.

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(b) The Borrower may request in writing that the Administrative Agent release, and upon receipt of such request the Administrative Agent shall release, a Guarantor (other than United Dominion Realty, L.P.) from the Guaranty so long as: (i) such Guarantor is not, or simultaneously with its release from the Guaranty will not be, required to be a party to the Guaranty under the immediately preceding subsection (a); (ii) no Default or Event of Default shall then be in existence or would occur as a result of such release, including without limitation, a Default or Event of Default resulting from a violation of any of the covenants contained in Section 9.1.; (iii) the representations and warranties made or deemed made by the Borrower and each other Loan Party in the Loan Documents to which any of them is a party, shall be true and correct in all material respects on and as of the date of such release with the same force and effect as if made on and as of such date except to the extent that such representations and warranties expressly relate solely to an earlier date (in which case such representations and warranties shall have been true and correct in all material respects on and as of such earlier date) and except for changes in factual circumstances not prohibited under the Loan Documents; and (iv) the Administrative Agent shall have received such written request at least 10 Business Days (or such shorter period as may be acceptable to the Administrative Agent in its sole discretion) prior to the requested date of release. Delivery by the Borrower to the Administrative Agent of any such request shall constitute a representation by the Borrower that the matters set forth in the preceding sentence (both as of the date of the giving of such request and as of the date of the effectiveness of such request) are true and correct with respect to such request.

(g) The Credit Agreement is amended by deleting Section 9.1(e) in its entirety and replacing it with the following:

(e) Permitted Investments.

(i) The Borrower shall not, and shall not permit any Subsidiary to, make any Investment in or otherwise own the following items which would cause the aggregate value of such holdings of the Borrower and such other Subsidiaries to exceed 20.0% of Gross Asset Value at any time (or in the case of promissory notes and marketable securities described in subsection (D) below to exceed 10.0% of Gross Asset Value at any time):

(A) Development Properties valued at book value, Condominium Properties valued at their Condominium Property Value, and Renovation Properties valued at their Renovation Property Value;

(B) Properties that are developed but that are not Multifamily Properties, with value based on the lower of cost or market price determined in accordance with GAAP;

(C) raw land, valued at current book value;

(D) promissory notes, including any secured by a Mortgage, payable solely to any member of the Consolidated Group and the obligors of which are not Affiliates of the Borrower, and all marketable securities, with value based on the lower of cost or market price determined in accordance with GAAP; and

(E) Investments in Multifamily REIT Preferred Interests; provided, however, such Investments must be acquired or otherwise made in connection with the acquisition of a portfolio of Multifamily Properties or a series of Multifamily Properties.

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Solely for purposes of this subsection (e), a Development Property on which construction has been substantially completed will no longer be considered to be a Development Property.

(ii) The Borrower shall not, and shall not permit any Subsidiary to, make any Investment in Unconsolidated Affiliates and other Persons that, in each case, are not Subsidiaries which would cause the aggregate value (with the value thereof determined in a manner consistent with the definition of Gross Asset Value or, if not contemplated under the definition of Gross Asset Value, as determined in accordance with GAAP) of such Investments of the Borrower and such other Subsidiaries to exceed 20.0% of Gross Asset Value at any time.

(h) The Credit Agreement is amended by deleting Section 9.4(a) in its entirety and replacing it with the following:

(a) any of the actions described in the immediately preceding clauses (i) through (iii) may be taken with respect to any Subsidiary or any other Loan Party (other than the Borrower) so long as immediately prior to the taking of such action, and immediately thereafter and after giving effect thereto, no Default or Event of Default is or would exist; notwithstanding the foregoing, a Loan Party (other than the Borrower) may enter into a transaction of merger pursuant to which such Loan Party is not the survivor of such merger only if (i) the Borrower shall have given the Administrative Agent and the Lenders at least 10 Business Days' prior written notice of such merger, such notice to include a certification to the effect that immediately after and after giving effect to such action, no Default or Event of Default is or would be in existence; provided that if the survivor of such merger is (or is to become) a Loan Party, then such notice and certification may be given within 5 Business Days after the consummation of such merger; (ii) if the survivor entity is Person that is required to become a Guarantor pursuant to Section 7.13, the Borrower complies with the requirements of Section 7.13. within the time period provided in such Section; and (iii) such Loan Party and the survivor entity each takes such other action and delivers such other documents, instruments, opinions and agreements as the Administrative Agent may reasonably request;

(i) The Credit Agreement is amended by deleting Section 9.10(b) in its entirety and replacing it with the following:

(b) Investments to acquire Equity Interests of a Subsidiary or any other Person who after giving effect to such acquisition would be a Subsidiary, so long as if such Subsidiary is (or after giving effect to such Investment would become) required to become a Guarantor pursuant to Section 7.13, the terms and conditions set forth in Section 7.13. are satisfied;

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(j) The Credit Agreement is amended by deleting the address of the Administrative Agent (but not the address of the Administrative Agent for purposes of Article II) and of the Issuing Agent set forth in Section 12.1 in their entirety and replacing such addresses with the following:

Wells Fargo Bank, National Association  
1800 Century Park East, 12<sup>th</sup> Floor  
Los Angeles, California 90067  
Attn: Derek Evans  
Telephone: (310) 789-8931  
Telecopier: (310) 789-3733

(k) The Credit Agreement is amended by deleting Schedule I attached thereto in its entirety and substituting in lieu thereof Schedule I attached hereto.

Section 2. Conditions Precedent. The effectiveness of this Amendment, including, without limitation, the allocation of the Commitments pursuant to Section 3 below and the release of Guarantors under Section 4 below, is subject to receipt by the Administrative Agent of each of the following, each in form and substance satisfactory to the Administrative Agent:

- (a) A counterpart of this Amendment duly executed by the Borrower and each of the Lenders;
- (b) A Revolving Note duly executed by the Borrower payable to the order of (i) each Person, if any, becoming a Lender in connection with this Amendment and (ii) each Lender whose Commitment has changed as a result of this Amendment, in each case, in a principal amount equal to the amount of such Lender's Commitment as set forth on Schedule I attached hereto;
- (c) A Guarantor Acknowledgement substantially in the form of Exhibit A attached hereto, executed by United Dominion Realty, L.P. and any other Guarantor not being released pursuant to Section 4 below;
- (d) A Compliance Certificate calculated on a pro forma basis;
- (e) Evidence that all upfront fees and expenses payable pursuant to (a) the Fee Letter dated May 8, 2013 among the Borrower, Wells Fargo and Wells Fargo Securities, LLC have been paid and (b) the Fee Letter among the Borrower, JPMorgan Chase Bank, N.A. and J.P. Morgan Securities LLC relating to this Amendment have been paid;
- (f) An opinion of counsel to the Borrower and the other Loan Parties addressed to the Administrative Agent and the Lenders regarding such matters as the Administrative Agent may reasonably request;
- (g) A certificate of good standing (or certificate of similar meaning) with respect to each Loan Party issued as of a recent date by the Secretary of State of the state of formation of each such Loan Party;
- (h) A certificate of the Secretary or Assistant Secretary (or other individual performing similar functions) of each Loan Party certifying that either (i) there has been no change to (x) the by-laws of such Loan Party, if a corporation, the operating agreement, if a limited liability company, the partnership agreement, if a limited or general partnership, or other comparable document in the case of any other form of legal entity and (y) the certificate or articles of incorporation, articles of organization, certificate of limited partnership, declaration of trust or other comparable organizational instrument of such Loan Party, in each case since the Agreement Date or (ii) if they have changed, that the true, correct and complete by-laws, operating agreement, partnership agreement, articles of incorporation or organization or certificate of limited partnership, as the case may be, are attached;

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(i) Copies certified by the Secretary or Assistant Secretary (or other individual performing similar functions) of each Loan Party of all corporate, partnership, member or other necessary action taken by such Loan Party to authorize the execution and delivery of this Amendment and the performance of this Amendment and the Credit Agreement as amended by this Amendment;

(j) A copy of (i) a duly executed amendment to that certain Term Loan Agreement dated as of December 29, 2010 (as amended, the "Wells Fargo Term Loan Agreement") by and among the Borrower, the financial institutions party thereto, Wells Fargo Bank, as Administrative Agent, and the other parties thereto and (ii) a duly executed amendment to that certain Term Loan Agreement dated as of December 14, 2009 (as amended, the "Regions Term Loan Agreement"; collectively with the Wells Fargo Term Loan Agreement, the "Term Loan Agreements") by and among the Borrower, the financial institutions party thereto, Regions Bank, as Agent and the other parties thereto, in each case amending the terms of the Term Loan Agreements corresponding to the terms of the Credit Agreement amended by Sections 1(a) (other than the amendment to the definition of "Termination Date" and the definition of "LIBOR" in the case of the Regions Term Loan Agreement"), (f), (g), (h) and (i) of this Amendment so that all such terms and sections shall be substantially the same; and

(k) Such other documents, instruments and agreements as the Administrative Agent may reasonably request.

Section 3. Allocations. The Administrative Agent, the Borrower and each Lender agree that upon the effectiveness of this Amendment (the date of such effectiveness, the "Amendment Effective Date"), the outstanding Revolving Loans and the participation interests of the Lenders in any outstanding Letters of Credit and Swingline Loans shall be allocated among the Lenders in accordance with their respective Commitment Percentages calculated based on the Commitments of the Lenders set forth on Schedule I attached hereto (the "Post-Amendment Commitment Percentage"). To effect such allocations, each Lender whose Post-Amendment Commitment Percentage exceeds the amount of such Lender's Commitment Percentage immediately prior to the effectiveness of this Amendment and any Lender providing a new Commitment shall make a Revolving Loan in such amount as is necessary so that the aggregate principal amount of Revolving Loans held by such Lender shall equal such Lender's Post-Amendment Commitment Percentage of the aggregate outstanding principal amount of the Revolving Loans as of the Amendment Effective Date. The Administrative Agent shall make such amounts of the proceeds of such Revolving Loans available (a) to each Lender whose Post-Amendment Commitment Percentage is less than the amount of such Lender's Commitment Percentage immediately prior to the effectiveness of this Amendment as is necessary so that the aggregate principal amount of Revolving Loans held by such Lender shall equal such Lender's Post-Amendment Commitment Percentage of the aggregate outstanding principal amount of the Revolving Loans as of the Amendment Effective Date and (b) to the Exiting Lenders (as defined below) as is necessary to repay in full the Revolving Loans owing to such Exiting Lenders. The parties hereto confirm that the aggregate outstanding principal amount of the Revolving Loans immediately prior to the Amendment Effective Date is equal to the aggregate outstanding principal amount of the Revolving Loans immediately after giving effect to the Amendment. Except for any Revolving Notes to be provided to the Lenders in the principal amount of their respective Commitments, no other documents, instruments or fees (other than fees set forth in Section 2(e) above) shall be, or shall be required to be, executed or paid in connection with such allocations (all of which are hereby waived, as necessary).

On the Amendment Effective Date, the Commitments of each of Royal Bank of Canada and Capital One, N.A. (each, an "Exiting Lender") shall be terminated, all outstanding amounts due under the Credit Agreement and the other Loan Documents to the Exiting Lenders on the Amendment Effective Date shall be paid in full, and each Exiting Lender shall cease to be a Lender under the Credit Agreement.

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The Administrative Agent, the Borrower and each Lender confirms the amount of each such Lender's Commitment as set forth on Schedule I attached hereto.

Section 4. Release of Guarantors. Upon the effectiveness of this Amendment as provided in Section 2 above, the Administrative Agent and the Lenders agree that the Guarantors set forth on Schedule II attached hereto shall be released as Guarantors under the Guaranty in effect immediately prior to the effectiveness of this Amendment and such Guaranty shall terminate.

Section 5. Representations. The Borrower represents and warrants to the Administrative Agent and the Lenders that:

(a) Authorization. The Borrower has the right and power, and has taken all necessary action to authorize it, to execute and deliver this Amendment and to perform its obligations hereunder and under the Credit Agreement, as amended by this Amendment, in accordance with their respective terms. This Amendment has been duly executed and delivered by a duly authorized officer of the Borrower and each of this Amendment and the Credit Agreement, as amended by this Amendment, is a legal, valid and binding obligation of the Borrower enforceable against the Borrower in accordance with its respective terms, except as (i) the enforceability thereof may be limited by bankruptcy, insolvency or similar laws affecting creditors rights generally and (ii) the availability of equitable remedies may be limited by equitable principles of general applicability.

(b) Compliance with Laws, etc. The execution and delivery by the Borrower of this Amendment and the performance by the Borrower of this Amendment and the Credit Agreement, as amended by this Amendment, in accordance with their respective terms, do not and will not, by the passage of time, the giving of notice or otherwise: (i) require any Government Approvals or violate any Applicable Laws relating to the Borrower; (ii) conflict with, result in a breach of or constitute a default under the Borrower's articles of incorporation or by-laws or any indenture, agreement or other instrument to which the Borrower is a party or by which the Borrower or any of its properties may be bound; or (iii) result in or require the creation or imposition of any Lien upon or with respect to any property now owned or hereafter acquired by the Borrower other than Permitted Liens. The Borrowers, each Subsidiary and each other Loan Party is in compliance with each Governmental Approval applicable to it and in compliance with all other Applicable Laws (including without limitation, Environmental Laws) relating to the Borrower, a Subsidiary or such other Loan Party except for noncompliances which, and Governmental Approvals the failure to possess which, would not, individually or in the aggregate, cause a Default or Event of Default or have a Material Adverse Effect.

(c) No Default. No Default or Event of Default has occurred and is continuing as of the date hereof nor will exist immediately after giving effect to this Amendment.

(d) No Guarantors. As of the effective date of this Amendment and after giving effect hereto, no Subsidiary other than United Dominion Realty, L.P. is required to be a Guarantor pursuant to the Credit Agreement as amended by this Amendment.

Section 6. Reaffirmation of Representations by the Borrower. The Borrower hereby repeats and reaffirms all representations and warranties made by it to the Administrative Agent and the Lenders in the Credit Agreement and the other Loan Documents to which it is a party on and as of the date hereof with the same force and effect as if such representations and warranties were set forth in this Amendment in full.

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Section 7. Certain References. Each reference to the Credit Agreement in any of the Loan Documents shall be deemed to be a reference to the Credit Agreement as amended by this Amendment.

Section 8. Obligations. The Borrower confirms that all advances to, and debts, liabilities, obligations, covenants and duties of, any Loan Party arising under any Loan Document or otherwise with respect to any Loan, whether direct or indirect (including those acquired by assumption), absolute or contingent, due or to become due, now existing or hereafter arising and including interest and fees that accrue under the Loan Documents after the commencement by or against any Loan Party or any Affiliate thereof of any proceeding under any Debtor Relief Laws naming such Person as the debtor in such proceeding, regardless of whether such interest and fees are allowed claims in such proceeding, are "Obligations" under and as defined in the Credit Agreement.

Section 9. Costs and Expenses. The Borrower shall reimburse the Administrative Agent upon demand for all costs and expenses (including attorneys' fees) incurred by the Administrative Agent in connection with the preparation, negotiation and execution of this Amendment and the other agreements and documents executed and delivered in connection herewith.

Section 10. Benefits. This Amendment shall be binding upon and shall inure to the benefit of the parties hereto and their respective successors and assigns.

Section 11. GOVERNING LAW. THIS AMENDMENT SHALL BE GOVERNED BY, AND CONSTRUED IN ACCORDANCE WITH, THE LAWS OF THE STATE OF NEW YORK APPLICABLE TO CONTRACTS EXECUTED, AND TO BE FULLY PERFORMED, IN SUCH STATE.

Section 12. Effect. Except as expressly herein amended, the terms and conditions of the Credit Agreement and the other Loan Documents remain in full force and effect. The amendments contained herein shall be deemed to have prospective application only, unless otherwise specifically stated herein. The execution, delivery and effectiveness of this Amendment shall not, except as expressly provided herein, operate as a waiver of any right, power or remedy of any Lender or the Administrative Agent under any of the Loan Documents, nor constitute a waiver of any provision of any of the Loan Documents.

Section 13. Counterparts. This Amendment may be executed in any number of counterparts, each of which shall be deemed to be an original and shall be binding upon all parties, their successors and assigns.

Section 14. Definitions. All capitalized terms not otherwise defined herein are used herein with the respective definitions given them in the Credit Agreement.

[Signatures on Next Page]



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IN WITNESS WHEREOF, the parties hereto have caused this Second Amendment to Credit Agreement to be executed as of the date first above written.

UDR, INC., a Maryland corporation

By: /s/ William T. O' Shields III

Name: William T. O' Shields III

Title: Vice President-Treasurer

[Signatures Continue on Next Page]

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**[Signature Page to Second Amendment to Credit Agreement with UDR, Inc.]**

WELLS FARGO BANK, NATIONAL  
ASSOCIATION, in its capacity as Administrative  
Agent and individually as a Lender

By: /s/ J. Derek Evans

Name: J. Derek Evans

Title: Senior Vice President

[Signatures Continue on Next Page]

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**[Signature Page to Second Amendment to Credit Agreement with UDR, Inc.]**

JPMORGAN CHASE BANK, N.A. as a Lender

By: /s/ Kimberly Turner

Name: Kimberly Turner

Title: Executive Director

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[Signature Page to Second Amendment to Credit Agreement with UDR, Inc.]

BANK OF AMERICA, N.A.

By: /s/ Helen Chan

Name: Helen Chan

Title: Vice President

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**[Signature Page to Second Amendment to Credit Agreement with UDR, Inc.]**

PNC BANK, NATIONAL ASSOCIATION, as a  
Lender

By: /s/ James A. Harmann

Name: James A. Harmann

Title: Senior Vice President

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**[Signature Page to Second Amendment to Credit Agreement with UDR, Inc.]**

US BANK, NATIONAL ASSOCIATION, as a Lender

By: /s/ Andrew Hyde

Name: Andrew Hyde

Title: Vice President

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[Signature Page to Second Amendment to Credit Agreement with UDR, Inc.]

CITIBANK, N.A., as a Lender

By: /s/ John C. Rowland

Name: John C. Rowland

Title: Vice President

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[Signature Page to Second Amendment to Credit Agreement with UDR, Inc.]

MORGAN STANLEY BANK, N.A., as a Lender

By: /s/ Michael King

Name: Michael King

Title: Authorized Signatory



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[Signature Page to Second Amendment to Credit Agreement with UDR, Inc.]

Regions Bank, as a Lender

By: /s/ Lori Chambers

Name: Lori Chambers

Title: Vice President

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[Signature Page to Second Amendment to Credit Agreement with UDR, Inc.]

Union Bank, N.A., as a Lender

By: /s/ Juliana Matson

Name: Juliana Matson

Title: Vice President

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[Signature Page to Second Amendment to Credit Agreement with UDR, Inc.]

Credit Suisse AG, Cayman Islands Branch, as a  
Lender

By: /s/ Mikhail Faybusovich

Name: Mikhail Faybusovich

Title: Authorized Signatory

By: /s/ Tyler R. Smith

Name: Tyler R. Smith

Title: Authorized Signatory

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[Signature Page to Second Amendment to Credit Agreement with UDR, Inc.]

COMPASS BANK, as a Lender

By: /s/ Brian Tuerff

Name: Brian Tuerff

Title: Senior Vice President

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**[Signature Page to Second Amendment to Credit Agreement with UDR, Inc.]**

SUNTRUST BANK, as a Lender

By: /s/ Nancy B. Richards

Name: Nancy B. Richards

Title: Senior Vice President

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**[Signature Page to Second Amendment to Credit Agreement with UDR, Inc.]**

Branch Banking and Trust Company, as a Lender

By: /s/ Steve Whitcomb

Name: Steve Whitcomb

Title: Senior Vice President

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SCHEDULE I

Commitments

<u>Lender</u>	<u>Commitment</u>
Wells Fargo Bank, National Association	\$100,000,000
JPMorgan Chase Bank, N.A.	\$100,000,000
Bank of America, N.A.	\$82,500,000
PNC Bank, National Association	\$82,500,000
U.S. Bank National Association	\$82,500,000
Citibank, N.A.	\$65,000,000
Morgan Stanley Bank, N.A.	\$65,000,000
Regions Bank	\$65,000,000
Union Bank, N.A.	\$65,000,000
Credit Suisse AG	\$52,500,000
BBVA Compass Bank	\$50,000,000
SunTrust Bank	\$50,000,000
Branch Banking and Trust Company	\$40,000,000
<b>TOTAL</b>	<b><u>\$900,000,000</u></b>

Schedule I-1

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SCHEDULE II

Released Guarantors

The Commons of Columbia, Inc.  
Hawthorne Apartments LLC  
Heritage Communities LLC  
UDR 1818 Platinum LLC  
UDR Arborview Associates LLC  
UDR Carriage Homes, LLC  
UDR Domain Brewers Hill LLC  
UDR Garrison Square LLC  
UDR Presidential Greens, L.L.C.  
UDR Rivergate LLC  
UDR Towers by the Bay LLC  
View 14 Investments LLC  
UDR California Properties, LLC  
UDR Virginia Properties, LLC  
UDR of Tennessee, L.P.  
AAC Funding Partnership II  
CMP-1, LLC  
UDR Texas Properties LLC  
Waterside Towers, L.L.C.  
Ninety Five Wall Street LLC  
Polo Park Apartments LLC  
UDR Calvert, LLC  
UDR Crane Brook LLC  
Northbay Properties II, L.P.  
Winterland San Francisco Partners, a California Limited Partnership  
AAC Funding IV, LLC  
Jamestown of St. Matthews Limited Partnership  
Inlet Bay at Gateway, LLC  
Continental 146 Fund, LLC  
UDR Ridgewood (II) Garden, LLC,  
UDR Crossroads, L.P.  
UDR Presidio, LP  
UDR Villa Venetia Apartments, L.P.  
UDR/Pacific Los Alisos, L.P.  
LPC Plantation Apartments, L.P.  
Macalpine Place Apartment Partners, LTD.  
Andover House LLC  
Coastal Monterey Properties LLC  
DCO Holdings, Inc.  
DCO Millenia LLC  
DCO Realty LP LLC  
Harding Park, Inc.  
UDR Holdings, LLC  
Ashwood Commons North LLC  
Ashwood Commons, L.L.C.  
DCO 2400 14th Street LLC



DCO Arbors at Lee Vista LLC  
DCE Bennett Development LP  
DCO Brookhaven Center LP

Schedule II-1

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SCHEDULE II (Cont.)

Released Guarantors

DCO Glenwood Urban LP  
DCO Highlands LLC  
DCO Mission Bay LP  
DCO Option 2 LLC  
DCO Pine Avenue LP  
DCO Realty Surprise LLC  
DCO Realty Woodlands LP  
DCO Realty, Inc.  
DCO Savoye LLC  
HPI Option 2 LLC  
LPC Millenia Place Apartments LLC  
RE3, Inc.  
Sierra Palms Condominiums LLC

Schedule II-2

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EXHIBIT A

FORM OF GUARANTOR ACKNOWLEDGEMENT

THIS GUARANTOR ACKNOWLEDGEMENT dated as of June \_\_, 2013 (this "Acknowledgement") executed by each of the undersigned (the "Guarantors") in favor of WELLS FARGO BANK, NATIONAL ASSOCIATION, as Administrative Agent (the "Administrative Agent") and each "Lender" a party to the Credit Agreement referred to below (the "Lenders").

WHEREAS, UDR, INC. (the "Borrower"), the Lenders, the Administrative Agent and certain other parties have entered into that certain Credit Agreement dated as of October 25, 2011 (as amended, restated, supplemented or otherwise modified from time to time, the "Credit Agreement");

WHEREAS, each of the Guarantors is a party to that certain Guaranty dated as of October 25, 2011 (as amended, restated, supplemented or otherwise modified from time to time, the "Guaranty") pursuant to which they guaranteed, among other things, the Borrower's obligations under the Credit Agreement on the terms and conditions contained in the Guaranty;

WHEREAS, the Borrower, the Administrative Agent and the Lenders are to enter into a Second Amendment to Credit Agreement dated as of the date hereof (the "Amendment"), to amend the terms of the Credit Agreement on the terms and conditions contained therein; and

WHEREAS, it is a condition precedent to the effectiveness of the Amendment that each of the Guarantors execute and deliver this Acknowledgement.

NOW, THEREFORE, for good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged by the parties hereto, the parties hereto agree as follows:

Section 1. Reaffirmation. Each Guarantor hereby reaffirms its continuing obligations to the Administrative Agent and the Lenders under the Guaranty and agrees that the transactions contemplated by the Amendment shall not in any way affect the validity and enforceability of the Guaranty, or reduce, impair or discharge the obligations of such Guarantor thereunder.

Section 2. Governing Law. THIS ACKNOWLEDGEMENT SHALL BE GOVERNED BY, AND CONSTRUED IN ACCORDANCE WITH, THE LAWS OF THE STATE OF NEW YORK APPLICABLE TO CONTRACTS EXECUTED, AND TO BE FULLY PERFORMED, IN SUCH STATE.

Section 3. Counterparts. This Acknowledgement may be executed in any number of counterparts, each of which shall be deemed to be an original and shall be binding upon all parties, their successors and assigns.

[Signatures on Next Page]

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IN WITNESS WHEREOF, each Guarantor has duly executed and delivered this Guarantor Acknowledgement as of the date and year first written above.

UNITED DOMINION REALTY, L.P., a Delaware  
limited partnership

By: UDR, INC., a Maryland corporation

By: \_\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_

## THIRD AMENDMENT TO TERM LOAN AGREEMENT

THIS THIRD AMENDMENT TO LOAN AGREEMENT (this "Amendment") dated as of June 6, 2013 by and among UDR, Inc., a Maryland corporation (the "Borrower"), each of the Lenders party hereto and WELLS FARGO BANK, NATIONAL ASSOCIATION, as Agent (the "Agent").

WHEREAS, the Borrower, the Lenders, the Agent and certain other parties have entered into that certain Term Loan Agreement dated as of December 29, 2010 (as amended by that certain First Amendment to Term Loan Agreement dated as of October 25, 2011 and by that certain letter agreement dated as of March 4, 2013, and as in effect immediately prior to the effectiveness hereof, the "Loan Agreement"); and

WHEREAS, the Borrowers, the Lenders and the Agent desire to amend certain provisions of the Loan Agreement on the terms and conditions contained herein.

NOW, THEREFORE, for good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged by the parties hereto, the parties hereto hereby agree as follows:

Section 1. Specific Amendments to Loan Agreement. Upon the effectiveness of this Amendment, the parties hereto agree that the Loan Agreement is amended as follows:

(a) The Loan Agreement is amended by restating in its entirety the table set forth in the definition of "Applicable Margin", the definition of "Commitment", clause (a) of the definition of "Condominium Property Value", clause (c) of the definition of "Debt", clauses (a)(iii) and (b) of the definition of "Gross Asset Value", the definition of "Guarantor", the definition of "LIBOR", the definition of "Loan", clause (a) of the definition of "Renovation Property Value", the definition of "Termination Date", and clause (c) of the definition of "Unencumbered Pool Asset", in each case in Section 1.1 thereof as follows:

**"Applicable Margin" ...**

Level	Borrower' s Credit Rating	Applicable Margin	
	(S&P or Moody' s or other approved Rating Agency)		
1	BBB+/Baa1 (or higher)	1.15	%
2	BBB/Baa2	1.25	%
3	BBB-/Baa3	1.65	%
4	BBB-/Baa3 (or lower)	2.05	%

**"Commitment"** means, as to each Lender, such Lender' s obligation to make a Loan pursuant to Section 2.1.

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**“Condominium Property Value”** ... (a) the Consolidated Net Operating Income attributable to such Property for the two quarter period annualized ending immediately prior to such conversion divided by 6.0%, ...

**“Debt”** ... (c) Capitalized Lease Obligations of such Person (excluding ground leases regardless of whether required under GAAP to be reported as a liability); ...

**“Gross Asset Value”** ... (a) ... (iii) 6.0%; (b) the purchase price paid for any Multifamily Property acquired by any member of the Consolidated Group during the period of six consecutive fiscal quarters most recently ended (less any amounts paid as a purchase price adjustment, held in escrow, retained as a contingency reserve, or other similar arrangements) ...

**“Guarantor”** means any Person that is party to the Guaranty as a “Guarantor” and in any event shall include United Dominion Realty, L.P.

**“LIBOR”** means, with respect to any LIBOR Loan for any Interest Period, the rate of interest obtained by dividing (i) the rate appearing on the Reuters Screen LIBOR01 page (or on any successor or substitute page of such service, or any successor to or substitute for such service, providing rate quotations comparable to those currently provided on such page, as determined by the Agent from time to time for purposes of providing quotations of interest rates applicable to Dollar deposits in the London interbank market) at approximately 11:00 a.m., London time, on the date that is two Business Days prior to the first day of such Interest Period and having a maturity equal to such Interest Period by (ii) a percentage equal to 1 minus the stated maximum rate (stated as a decimal) of all reserves, if any, required to be maintained with respect to Eurocurrency funding (currently referred to as “Eurocurrency liabilities”) as specified in Regulation D of the Board of Governors of the Federal Reserve System (or against any other category of liabilities which includes deposits by reference to which the interest rate on LIBOR Loans is determined or any applicable category of extensions of credit or other assets which includes loans by an office of any Lender outside of the United States of America). Any change in such maximum rate shall result in a change in LIBOR on the date on which such change in such maximum rate becomes effective.

**“Loan”** means a loan made by a Lender to the Borrower pursuant to Section 2.1, the amounts of which for each Lender are set forth on Schedule I.

**“Renovation Property Value”** ... (a) the Consolidated Net Operating Income attributable to such Property for the two quarter period annualized ending immediately prior to the commencement of such renovation and redevelopment divided by 6.0% ...

**“Termination Date”** means June 6, 2018.

**“Unencumbered Pool Asset”** ... (c) if such asset is owned by Person other than the Borrower (i) none of the Borrower’s direct or indirect ownership interest in such Person is subject to any Lien (other than Permitted Liens of the types described in clauses (a) through (c) of the definition thereof) or to any Negative Pledge (other than under the Revolving Credit Agreement); and (ii) the Borrower directly, or indirectly through a Subsidiary, has the right to take the following actions without the need to obtain the consent of any Person: (x) sell, transfer or otherwise dispose of such asset and (y) to create a Lien on such asset as security for Debt of the Borrower or such Subsidiary, as applicable;

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(b) The Loan Agreement is amended by deleting Sections 7.12(a), (b) and (c) in their entireties and replacing them with the following:

(a) As soon as available, and in any event within 30 days of the date on which either of the following conditions first applies to any Subsidiary that is not already a Guarantor, the Borrower shall deliver to the Agent each of the following in form and substance satisfactory to the Agent: (i) an Accession Agreement executed by such Subsidiary (or if the Guaranty is not then in effect, the Guaranty executed by such Subsidiary) and (ii) the items that would have been delivered under subsections (iv) through (viii) and (xiv) of Section 5.1.(a) if such Subsidiary had been required to become a Guarantor on the Agreement Date:

(x) such Subsidiary Guarantees, or otherwise becomes obligated in respect of, any Debt of the Borrower or any other Subsidiary of the Borrower; or

(y) such Subsidiary (A) owns an Unencumbered Pool Asset or any other asset the value of which is included in the determination of Gross Asset Value of the Unencumbered Pool and (B) has incurred, acquired or suffered to exist any Debt other than Nonrecourse Debt.

(b) The Borrower may request in writing that the Agent release, and upon receipt of such request the Agent shall release, a Guarantor (other than United Dominion Realty, L.P.) from the Guaranty so long as: (i) such Guarantor is not, or simultaneously with its release from the Guaranty will not be, required to be a party to the Guaranty under the immediately preceding subsection (a); (ii) no Default or Event of Default shall then be in existence or would occur as a result of such release, including without limitation, a Default or Event of Default resulting from a violation of any of the covenants contained in Section 9.1.; (iii) the representations and warranties made or deemed made by the Borrower and each other Loan Party in the Loan Documents to which any of them is a party, shall be true and correct in all material respects on and as of the date of such release with the same force and effect as if made on and as of such date except to the extent that such representations and warranties expressly relate solely to an earlier date (in which case such representations and warranties shall have been true and correct in all material respects on and as of such earlier date) and except for changes in factual circumstances not prohibited under the Loan Documents; and (iv) the Agent shall have received such written request at least 10 Business Days (or such shorter period as may be acceptable to the Agent in its sole discretion) prior to the requested date of release. Delivery by the Borrower to the Agent of any such request shall constitute a representation by the Borrower that the matters set forth in the preceding sentence (both as of the date of the giving of such request and as of the date of the effectiveness of such request) are true and correct with respect to such request.

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(c) The Loan Agreement is amended by deleting Section 9.1(e) in its entirety and replacing it with the following:

(e) Permitted Investments.

(i) The Borrower shall not, and shall not permit any Subsidiary to, make any Investment in or otherwise own the following items which would cause the aggregate value of such holdings of the Borrower and such other Subsidiaries to exceed 20.0% of Gross Asset Value at any time (or in the case of promissory notes and marketable securities described in subsection (D) below to exceed 10.0% of Gross Asset Value at any time):

(A) Development Properties valued at book value, Condominium Properties valued at their Condominium Property Value, and Renovation Properties valued at their Renovation Property Value;

(B) Properties that are developed but that are not Multifamily Properties, with value based on the lower of cost or market price determined in accordance with GAAP;

(C) raw land, valued at current book value;

(D) promissory notes, including any secured by a Mortgage, payable solely to any member of the Consolidated Group and the obligors of which are not Affiliates of the Borrower, and all marketable securities, with value based on the lower of cost or market price determined in accordance with GAAP; and

(E) Investments in Multifamily REIT Preferred Interests; provided, however, such Investments must be acquired or otherwise made in connection with the acquisition of a portfolio of Multifamily Properties or a series of Multifamily Properties.

Solely for purposes of this subsection (e), a Development Property on which construction has been substantially completed will no longer be considered to be a Development Property.

(ii) The Borrower shall not, and shall not permit any Subsidiary to, make any Investment in Unconsolidated Affiliates and other Persons that, in each case, are not Subsidiaries which would cause the aggregate value (with the value thereof determined in a manner consistent with the definition of Gross Asset Value or, if not contemplated under the definition of Gross Asset Value, as determined in accordance with GAAP) of such Investments of the Borrower and such other Subsidiaries to exceed 20.0% of Gross Asset Value at any time.

(d) The Loan Agreement is amended by deleting Section 9.4(a) in its entirety and replacing it with the following:

(a) any of the actions described in the immediately preceding clauses (i) through (iii) may be taken with respect to any Subsidiary or any other Loan Party (other than the Borrower) so long as immediately prior to the taking of such action, and immediately thereafter and after giving effect thereto, no Default or Event of Default is or would exist; notwithstanding the foregoing, a Loan Party (other than the Borrower or an Operating Partnership) may enter into a transaction of merger pursuant to which such Loan Party is not the survivor of such merger only if (i) the Borrower shall have given the Agent and the Lenders at least 10 Business Days' prior written notice of such merger, such notice to include a certification to the effect that immediately after and after giving effect to such action, no Default or Event of Default is or would be in existence; provided that if the survivor of such merger is (or is to become) a Loan Party, then such notice and certification may be given within 5 Business Days after the consummation of such merger; (ii) if the survivor entity is Person that is required to become a Guarantor pursuant to Section 7.12, the Borrower complies with the requirements of Section 7.12. within the time period provided in such Section; and (iii) such Loan Party and the survivor entity each takes such other action and delivers such other documents, instruments, opinions and agreements as the Agent may reasonably request;



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(e) The Loan Agreement is amended by deleting Section 9.10(b) in its entirety and replacing it with the following:

(b) Investments to acquire Equity Interests of a Subsidiary or any other Person who after giving effect to such acquisition would be a Subsidiary, so long as if such Subsidiary is (or after giving effect to such Investment would become) required to become a Guarantor pursuant to Section 7.12, the terms and conditions set forth in Section 7.12. are satisfied;

(f) The Loan Agreement is amended by deleting the address of the Agent (but not the address of the Agent for purposes of Article II) set forth in Section 12.1 in its entirety and replacing such address with the following:

Wells Fargo Bank, National Association  
1800 Century Park East, 12<sup>th</sup> Floor  
Los Angeles, California 90067  
Attn: Derek Evans  
Telephone: (310) 789-8931  
Telecopier: (310) 789-3733

(g) The Loan Agreement is amended by deleting Schedule I attached thereto in its entirety and substituting in lieu thereof Schedule I attached hereto.

Section 2. Conditions Precedent. The effectiveness of this Amendment, including, without limitation, the allocation of the Loans pursuant to Section 3 below and the release of Guarantors under Section 4 below, is subject to receipt by the Agent of each of the following, each in form and substance satisfactory to the Agent:

(a) A counterpart of this Amendment duly executed by the Borrower and each of the Lenders;

(b) A Note duly executed by the Borrower payable to the order of (i) each Person, if any, becoming a Lender in connection with this Amendment and (ii) each Lender whose Loan has changed as a result of this Amendment, in each case, in a principal amount equal to the amount of such Lender's Loan as set forth on Schedule I attached hereto;

(c) A Guarantor Acknowledgement substantially in the form of Exhibit A attached hereto, executed by United Dominion Realty, L.P. and any other Guarantor not being released pursuant to Section 4 below;

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(d) A Compliance Certificate calculated on a pro forma basis;

(e) Evidence that all upfront fees and expenses payable pursuant to the Fee Letter dated May 8, 2013 among the Borrower, Wells Fargo and Wells Fargo Securities, LLC have been paid;

(f) An opinion of counsel to the Borrower and the other Loan Parties addressed to the Agent and the Lenders regarding such matters as the Agent may reasonably request;

(g) A certificate of good standing (or certificate of similar meaning) with respect to each Loan Party issued as of a recent date by the Secretary of State of the state of formation of each such Loan Party;

(h) A certificate of the Secretary or Assistant Secretary (or other individual performing similar functions) of each Loan Party certifying that either (i) there has been no change to (x) the by-laws of such Loan Party, if a corporation, the operating agreement, if a limited liability company, the partnership agreement, if a limited or general partnership, or other comparable document in the case of any other form of legal entity and (y) the certificate or articles of incorporation, articles of organization, certificate of limited partnership, declaration of trust or other comparable organizational instrument of such Loan Party, in each case since the Agreement Date or (ii) if they have changed, that the true, correct and complete by-laws, operating agreement, partnership agreement, articles of incorporation or organization or certificate of limited partnership, as the case may be, are attached;

(i) Copies certified by the Secretary or Assistant Secretary (or other individual performing similar functions) of each Loan Party of all corporate, partnership, member or other necessary action taken by such Loan Party to authorize the execution and delivery of this Amendment and the performance of this Amendment and the Loan Agreement as amended by this Amendment;

(j) A copy of (i) a duly executed amendment to that certain Credit Agreement dated as of October 25, 2011 (as amended, the "Wells Fargo Credit Agreement") by and among the Borrower, the financial institutions party thereto, Wells Fargo Bank, as Agent, and the other parties thereto and (ii) a duly executed amendment to that certain Term Loan Agreement dated as of December 14, 2009 (as amended, the "Regions Term Loan Agreement") by and among the Borrower, the financial institutions party thereto, Regions Bank, as Agent and the other parties thereto, in each case amending the terms of the Wells Fargo Credit Agreement and the Regions Term Loan Agreement corresponding to the terms of the Loan Agreement amended by Sections 1(a) (other than the amendment to the definition of "Termination Date" and the definition of "LIBOR" in the case of the Regions Term Loan Agreement"), (b), (c), (d) and (e) of this Amendment so that all such terms and sections shall be substantially the same; and

(k) Such other documents, instruments and agreements as the Agent may reasonably request.

Section 3. Allocations. The Agent, the Borrower and each Lender agree that upon the effectiveness of this Amendment (the date of such effectiveness, the "Amendment Effective Date"), the outstanding Loans shall be allocated among the Lenders in accordance with their respective Credit Percentages calculated based on the Loans of the Lenders set forth on Schedule I attached hereto (the "Post-Amendment Credit Percentage"). To effect such allocations, each Lender whose Post-Amendment Credit Percentage exceeds the amount of such Lender's Credit Percentage immediately prior to the effectiveness of this Amendment shall make a Loan in such amount as is necessary so that the aggregate principal amount of Loan held by such Lender shall equal such Lender's Post-Amendment Credit Percentage of the aggregate outstanding principal amount of the Loans as of the Amendment Effective Date. The Agent shall make such amounts of the proceeds of such Loans available (a) to each Lender whose Post-Amendment Credit Percentage is less than the amount of such Lender's Credit Percentage immediately prior to the effectiveness of this Amendment as is necessary so that the aggregate principal amount of Loans held by such Lender shall equal such Lender's Post-Amendment Credit Percentage of the aggregate outstanding principal amount of the Loans as of the Amendment Effective Date and (b) to the Exiting Lenders (as defined below) as is necessary to repay in full the Revolving Loans owing to such Exiting Lenders. The parties hereto confirm that the aggregate outstanding principal amount of the Loans immediately prior to the Amendment Effective Date is equal to the aggregate outstanding principal amount of the Loans immediately after giving effect to the Amendment. Except for any Notes to be provided to the Lenders in the principal amount of their respective Loans, no other documents, instruments or fees (other than fees set forth in Section 2(e) above) shall be, or shall be required to be, executed or paid in connection with such allocations (all of which are hereby waived, as necessary).

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Each of JPMorgan Chase Bank, N.A., SunTrust Bank, Branch Banking and Trust Company, Citibank, N.A., each as a new Lender under the Loan Agreement on the Amendment Effective Date (each, a “New Lender” and collectively, the “New Lenders”), hereby agrees to provide a new Loan in the amount set forth on Schedule I attached hereto. On the Amendment Effective Date, each New Lender agrees to become and shall be deemed a Lender for all purposes of the Loan Agreement, and each reference to the Lenders in the Loan Agreement shall be deemed to include the New Lenders. The New Lenders hereby appoint Wells Fargo Bank, National Association as the Agent and authorizes the Agent to take such action on their respective behalves and to exercise such powers under the Loan Agreement and other Loan Documents as are delegated to the Agent by the terms thereof.

On the Amendment Effective Date, the Loans of each of Royal Bank of Canada, Sumitomo Mitsui Banking Corporation, Capital One, N.A. and Citicorp North America, Inc. (each, an “Exiting Lender”) shall be terminated, all outstanding amounts due under the Loan Agreement and the other Loan Documents to the Exiting Lenders on the Amendment Effective Date shall be paid in full, and each Exiting Lender shall cease to be a Lender under the Loan Agreement.

The Agent, the Borrower and each Lender confirms the amount of each such Lender’s Loan as set forth on Schedule I attached hereto.

Section 4. Release of Guarantors. Upon the effectiveness of this Amendment as provided in Section 2 above, the Agent and the Lenders agree that the Guarantors set forth on Schedule II attached hereto shall be released as Guarantors under the Guaranty in effect immediately prior to the effectiveness of this Amendment and such Guaranty shall terminate.

Section 5. Representations. The Borrower represents and warrants to the Agent and the Lenders that:

(a) Authorization. The Borrower has the right and power, and has taken all necessary action to authorize it, to execute and deliver this Amendment and to perform its obligations hereunder and under the Loan Agreement, as amended by this Amendment, in accordance with their respective terms. This Amendment has been duly executed and delivered by a duly authorized officer of the Borrower and each of this Amendment and the Loan Agreement, as amended by this Amendment, is a legal, valid and binding obligation of the Borrower enforceable against the Borrower in accordance with its respective terms, except as (i) the enforceability thereof may be limited by bankruptcy, insolvency or similar laws affecting creditors rights generally and (ii) the availability of equitable remedies may be limited by equitable principles of general applicability.

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(b) Compliance with Laws, etc. The execution and delivery by the Borrower of this Amendment and the performance by the Borrower of this Amendment and the Loan Agreement, as amended by this Amendment, in accordance with their respective terms, do not and will not, by the passage of time, the giving of notice or otherwise: (i) require any Government Approvals or violate any Applicable Laws relating to the Borrower; (ii) conflict with, result in a breach of or constitute a default under the Borrower's articles of incorporation or by-laws or any indenture, agreement or other instrument to which the Borrower is a party or by which the Borrower or any of its properties may be bound; or (iii) result in or require the creation or imposition of any Lien upon or with respect to any property now owned or hereafter acquired by the Borrower other than Permitted Liens. The Borrowers, each Subsidiary and each other Loan Party is in compliance with each Governmental Approval applicable to it and in compliance with all other Applicable Laws (including without limitation, Environmental Laws) relating to the Borrower, a Subsidiary or such other Loan Party except for noncompliances which, and Governmental Approvals the failure to possess which, would not, individually or in the aggregate, cause a Default or Event of Default or have a Material Adverse Effect.

(c) No Default. No Default or Event of Default has occurred and is continuing as of the date hereof nor will exist immediately after giving effect to this Amendment.

(d) No Guarantors. As of the effective date of this Amendment and after giving effect hereto, no Subsidiary other than United Dominion Realty, L.P. is required to be a Guarantor pursuant to the Loan Agreement as amended by this Amendment.

Section 6. Reaffirmation of Representations by the Borrower. The Borrower hereby repeats and reaffirms all representations and warranties made by it to the Agent and the Lenders in the Loan Agreement and the other Loan Documents to which it is a party on and as of the date hereof with the same force and effect as if such representations and warranties were set forth in this Amendment in full.

Section 7. Certain References. Each reference to the Loan Agreement in any of the Loan Documents shall be deemed to be a reference to the Loan Agreement as amended by this Amendment.

Section 8. Obligations. The Borrower confirms that all advances to, and debts, liabilities, obligations, covenants and duties of, any Loan Party arising under any Loan Document or otherwise with respect to any Loan, whether direct or indirect (including those acquired by assumption), absolute or contingent, due or to become due, now existing or hereafter arising and including interest and fees that accrue under the Loan Documents after the commencement by or against any Loan Party or any Affiliate thereof of any proceeding under any Debtor Relief Laws naming such Person as the debtor in such proceeding, regardless of whether such interest and fees are allowed claims in such proceeding, are "Obligations" under and as defined in the Loan Agreement.

Section 9. Costs and Expenses. The Borrower shall reimburse the Agent upon demand for all costs and expenses (including attorneys' fees) incurred by the Agent in connection with the preparation, negotiation and execution of this Amendment and the other agreements and documents executed and delivered in connection herewith.

Section 10. Benefits. This Amendment shall be binding upon and shall inure to the benefit of the parties hereto and their respective successors and assigns.

Section 11. GOVERNING LAW. THIS AMENDMENT SHALL BE GOVERNED BY, AND CONSTRUED IN ACCORDANCE WITH, THE LAWS OF THE STATE OF NEW YORK APPLICABLE TO CONTRACTS EXECUTED, AND TO BE FULLY PERFORMED, IN SUCH STATE.

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Section 12. Effect. Except as expressly herein amended, the terms and conditions of the Loan Agreement and the other Loan Documents remain in full force and effect. The amendments contained herein shall be deemed to have prospective application only, unless otherwise specifically stated herein. The execution, delivery and effectiveness of this Amendment shall not, except as expressly provided herein, operate as a waiver of any right, power or remedy of any Lender or the Administrative Agent under any of the Loan Documents, nor constitute a waiver of any provision of any of the Loan Documents.

Section 13. Counterparts. This Amendment may be executed in any number of counterparts, each of which shall be deemed to be an original and shall be binding upon all parties, their successors and assigns.

Section 14. Definitions. All capitalized terms not otherwise defined herein are used herein with the respective definitions given them in the Loan Agreement.

[Signatures on Next Page]

- 9 -

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IN WITNESS WHEREOF, the parties hereto have caused this Third Amendment to Term Loan Agreement to be executed as of the date first above written.

UDR, INC., a Maryland corporation

By: /s/ William T. O' Shields III  
Name: William T. O' Shields III  
Title: Vice President-Treasurer

[Signatures Continue on Next Page]

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[Signature Page to Third Amendment to Term Loan Agreement with UDR, Inc.]

WELLS FARGO BANK, NATIONAL  
ASSOCIATION, in its capacity as Agent and  
individually as a Lender

By: /s/ J. Derek Evans  
Name: J. Derek Evans  
Title: Senior Vice President

[Signatures Continue on Next Page]

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[Signature Page to Third Amendment to Term Loan Agreement with UDR, Inc.]

PNC BANK, NATIONAL ASSOCIATION, as a  
Lender

By: /s/ James A. Harmann

Name: James A. Harmann

Title: Senior Vice President



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**[Signature Page to Third Amendment to Term Loan Agreement with UDR, Inc.]**

US BANK, NATIONAL ASSOCIATION, as a Lender

By: /s/ Andrew Hyde

Name: Andrew Hyde

Title: Vice President

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[Signature Page to Third Amendment to Term Loan Agreement with UDR, Inc.]

Regions Bank, as a Lender

By: /s/ Lori Chambers

Name: Lori Chambers

Title: Vice President

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**[Signature Page to Third Amendment to Term Loan Agreement with UDR, Inc.]**

Union Bank, N.A., as a Lender

By: /s/ Juliana Matson

Name: Juliana Matson

Title: Vice President

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[Signature Page to Third Amendment to Term Loan Agreement with UDR, Inc.]

COMPASS BANK, as a Lender

By: /s/ Brian Tuerff

Name: Brian Tuerff

Title: Senior Vice President

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[Signature Page to Third Amendment to Term Loan Agreement with UDR, Inc.]

BANK OF AMERICA, N.A.

By: /s/ Helen Chan

Name: Helen Chan

Title: Vice President

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[Signature Page to Third Amendment to Term Loan Agreement with UDR, Inc.]

CITIBANK, N.A., as a Lender

By: /s/ John C. Rowland

Name: John C. Rowland

Title: Vice President

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[Signature Page to Third Amendment to Term Loan Agreement with UDR, Inc.]

JPMORGAN CHASE BANK, N.A., as a Lender

By: /s/ Kimberly Turner

Name: Kimberly Turner

Title: Executive Director

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[Signature Page to Third Amendment to Term Loan Agreement with UDR, Inc.]

SunTrust Bank, as a Lender

By: /s/ Nancy B. Richards

Name: Nancy B. Richards

Title: Senior Vice President



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**[Signature Page to Third Amendment to Term Loan Agreement with UDR, Inc.]**

Branch Banking and Trust Company, as a Lender

By: /s/ Steve Whitcomb

Name: Steve Whitcomb

Title: Senior Vice President

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SCHEDULE I

Loans

<u>Lender</u>	<u>Loans</u>
Wells Fargo Bank, National Association	\$45,000,000
PNC Bank, National Association	\$45,000,000
U.S. Bank National Association	\$32,000,000
Regions Bank	\$23,000,000
Union Bank, N.A.	\$23,000,000
BBVA Compass Bank	\$22,000,000
Bank of America N.A.	\$15,000,000
Citibank, N.A.	\$15,000,000
JPMorgan Chase Bank, N.A.	\$10,000,000
SunTrust Bank	\$10,000,000
Branch Banking and Trust Company	\$10,000,000
<b>TOTAL</b>	<b><u>\$250,000,000.00</u></b>

Schedule I-1

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SCHEDULE II

Released Guarantors

The Commons of Columbia, Inc.  
Hawthorne Apartments LLC  
Heritage Communities LLC  
UDR 1818 Platinum LLC  
UDR Arborview Associates LLC  
UDR Carriage Homes, LLC  
UDR Domain Brewers Hill LLC  
UDR Garrison Square LLC  
UDR Presidential Greens, L.L.C.  
UDR Rivergate LLC  
UDR Towers by the Bay LLC  
View 14 Investments LLC  
UDR California Properties, LLC  
UDR Virginia Properties, LLC  
UDR of Tennessee, L.P.  
AAC Funding Partnership II  
CMP-1, LLC  
UDR Texas Properties LLC  
Waterside Towers, L.L.C.  
Ninety Five Wall Street LLC  
Polo Park Apartments LLC  
UDR Calvert, LLC  
UDR Crane Brook LLC  
Northbay Properties II, L.P.  
Winterland San Francisco Partners, a California Limited Partnership  
AAC Funding IV, LLC  
Jamestown of St. Matthews Limited Partnership  
Inlet Bay at Gateway, LLC  
Continental 146 Fund, LLC  
UDR Ridgewood (II) Garden, LLC,  
UDR Crossroads, L.P.  
UDR Presidio, LP  
UDR Villa Venetia Apartments, L.P.  
UDR/Pacific Los Alisos, L.P.  
LPC Plantation Apartments, L.P.  
Macalpine Place Apartment Partners, LTD.  
Andover House LLC  
Coastal Monterey Properties LLC  
DCO Holdings, Inc.  
DCO Millenia LLC  
DCO Realty LP LLC  
Harding Park, Inc.  
UDR Holdings, LLC  
Ashwood Commons North LLC  
Ashwood Commons, L.L.C.  
DCO 2400 14th Street LLC

DCO Arbors at Lee Vista LLC  
DCE Bennett Development LP  
DCO Brookhaven Center LP

Schedule II-1

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SCHEDULE II (Cont.)

Released Guarantors

DCO Glenwood Urban LP  
DCO Highlands LLC  
DCO Mission Bay LP  
DCO Option 2 LLC  
DCO Pine Avenue LP  
DCO Realty Surprise LLC  
DCO Realty Woodlands LP  
DCO Realty, Inc.  
DCO Savoye LLC  
HPI Option 2 LLC  
LPC Millenia Place Apartments LLC  
RE3, Inc.  
Sierra Palms Condominiums LLC

Schedule II-2

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EXHIBIT A

FORM OF GUARANTOR ACKNOWLEDGEMENT

THIS GUARANTOR ACKNOWLEDGEMENT dated as of June 6, 2013 (this "Acknowledgement") executed by each of the undersigned (the "Guarantors") in favor of WELLS FARGO BANK, NATIONAL ASSOCIATION, as Agent (the "Agent") and each "Lender" a party to the Loan Agreement referred to below (the "Lenders").

WHEREAS, UDR, INC. (the "Borrower"), the Lenders, the Agent and certain other parties have entered into that certain Term Loan Agreement dated as of December 29, 2010 (as amended, restated, supplemented or otherwise modified from time to time, the "Loan Agreement");

WHEREAS, each of the Guarantors is a party to that certain Guaranty dated as of December 29, 2010 (as amended, restated, supplemented or otherwise modified from time to time, the "Guaranty") pursuant to which they guaranteed, among other things, the Borrower's obligations under the Loan Agreement on the terms and conditions contained in the Guaranty;

WHEREAS, the Borrower, the Agent and the Lenders are to enter into a Third Amendment to Term Loan Agreement dated as of the date hereof (the "Amendment"), to amend the terms of the Loan Agreement on the terms and conditions contained therein; and

WHEREAS, it is a condition precedent to the effectiveness of the Amendment that the Guarantor execute and deliver this Acknowledgement.

NOW, THEREFORE, for good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged by the parties hereto, the parties hereto agree as follows:

Section 1. Reaffirmation. The Guarantor hereby reaffirms its continuing obligations to the Agent and the Lenders under the Guaranty and agrees that the transactions contemplated by the Amendment shall not in any way affect the validity and enforceability of the Guaranty, or reduce, impair or discharge the obligations of such Guarantor thereunder.

Section 2. Governing Law. THIS ACKNOWLEDGEMENT SHALL BE GOVERNED BY, AND CONSTRUED IN ACCORDANCE WITH, THE LAWS OF THE STATE OF NEW YORK APPLICABLE TO CONTRACTS EXECUTED, AND TO BE FULLY PERFORMED, IN SUCH STATE.

Section 3. Counterparts. This Acknowledgement may be executed in any number of counterparts, each of which shall be deemed to be an original and shall be binding upon all parties, their successors and assigns.

[Signatures on Next Page]

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IN WITNESS WHEREOF, each Guarantor has duly executed and delivered this Guarantor Acknowledgement as of the date and year first written above.

UNITED DOMINION REALTY, L.P., a Delaware limited partnership

By: UDR, INC., a Maryland corporation

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_

### THIRD AMENDMENT TO TERM LOAN AGREEMENT

THIS THIRD AMENDMENT TO TERM LOAN AGREEMENT (this “Amendment”) is made as of the 6<sup>th</sup> day of June, 2013, by and among UDR, INC., a Maryland corporation (the “Borrower”), each of the LENDERS party hereto (the “Lenders”), and REGIONS BANK, as agent for the Lenders (the “Agent”).

#### RECITALS:

WHEREAS, the Borrower, the Lenders, the Agent and certain other parties have entered into that certain Term Loan Agreement dated December 14, 2009 (as amended by that certain First Amendment to Term Loan Agreement dated August 20, 2010, that certain Second Amendment to Term Loan Agreement dated November 3, 2011, that certain Letter Agreement dated March 4, 2013, and as further amended, modified or restated from time to time, the “Loan Agreement”). Capitalized terms used in this Amendment which are not otherwise defined in this Amendment shall have the respective meanings assigned to them in the Loan Agreement.

WHEREAS, the Borrowers, the Lenders and the Agent desire to amend certain provisions of the Loan Agreement on the terms and conditions contained herein.

NOW, THEREFORE, for good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged by the parties hereto, the parties hereto hereby agree as follows:

SECTION 1. Specific Amendments to Loan Agreement. Upon the effectiveness of this Amendment, the parties hereto agree that the Loan Agreement is amended as follows:

1.1 The Loan Agreement is amended by restating in its entirety the table set forth in the definition of “Applicable Margin”, clause (a) of the definition of “Condominium Property Value”, clause (c) of the definition of “Debt”, clauses (a)(iii) and (b) of the definition of “Gross Asset Value”, the definition of “Guarantor”, clause (a) of the definition of “Renovation Property Value”, the definition of “Termination Date”, and clause (c) of the definition of “Unencumbered Pool Asset”, in each case in Section 1.1 thereof as follows:

#### “Applicable Margin” ...

Level	Borrower's Credit Rating	Applicable Margin	
	(S&P or Moody's or other approved Rating Agency)		
1	BBB+/Baa1 (or higher)	1.15	%
2	BBB/Baa2	1.25	%
3	BBB-/Baa3	1.65	%
4	BBB-/Baa3 (or lower)	2.05	%

“**Condominium Property Value**” ... (a) the Consolidated Net Operating Income attributable to such Property for the two quarter period annualized ending immediately prior to such conversion divided by 6.0%, ...



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“**Debt**” ... (c) Capitalized Lease Obligations of such Person (excluding ground leases regardless of whether required under GAAP to be reported as a liability); ...

“**Gross Asset Value**” ... (a) ... (iii) 6.0%; (b) the purchase price paid for any Multifamily Property acquired by any member of the Consolidated Group during the period of six consecutive fiscal quarters most recently ended (less any amounts paid as a purchase price adjustment, held in escrow, retained as a contingency reserve, or other similar arrangements) ...

“**Guarantor**” means any Person that is party to the Guaranty as a “Guarantor” and in any event shall include United Dominion Realty, L.P.

“**Renovation Property Value**” ... (a) the Consolidated Net Operating Income attributable to such Property for the two quarter period annualized ending immediately prior to the commencement of such renovation and redevelopment divided by 6.0% ...

“**Termination Date**” means June 6, 2018, or such later date to which the Termination Date may be extended pursuant to Section 2.10.

“**Unencumbered Pool Asset**” ... (c) if such asset is owned by Person other than the Borrower (i) none of the Borrower’s direct or indirect ownership interest in such Person is subject to any Lien (other than Permitted Liens of the types described in clauses (a) through (c) of the definition thereof) or to any Negative Pledge (other than under the Revolving Credit Agreement); and (ii) the Borrower directly, or indirectly through a Subsidiary, has the right to take the following actions without the need to obtain the consent of any Person: (x) sell, transfer or otherwise dispose of such asset and (y) to create a Lien on such asset as security for Debt of the Borrower or such Subsidiary, as applicable;

1.2 The Loan Agreement is amended by deleting Section 2.2(a)(i) in its entirety and replacing it with the following:

(i) With respect to any portion of such Loan that is a Base Rate Loan, at the Base Rate (as in effect from time to time) plus the Applicable Margin; and

1.3 The Loan Agreement is amended by inserting the following new Section 2.10:

**Section 2.10. Extension of Termination Date.**

The Borrower shall have the right, exercisable one time, to request that the Agent and the Lenders agree to extend the Termination Date by one year. The Borrower may exercise such right only by executing and delivering to the Agent at least 90 days but not more than 180 days prior to the current Termination Date, a written request for such extension (an “Extension Request”). The Agent shall notify the Lenders if it receives an Extension Request promptly upon receipt thereof. Subject to satisfaction of the following conditions, the Termination Date shall be extended for one year effective upon receipt by the Agent of the Extension Request and payment of the fee referred to in the following clause (ii): (i) (x) no Default or Event of Default shall exist and (y) the representations and warranties made or deemed made by the Borrower and each other Loan Party in the Loan Documents to which any of them is a party, shall be true and correct in all material respects (except in the case of a representation or warranty qualified by materiality, in which case such representation or warranty shall be true and correct in all respects) on and as of the date of such extension with the same force and effect as if made on and as of such date except to the extent that such representations and warranties expressly relate solely to an earlier date (in which case such representations and warranties shall have been true and correct in all material respects on and as of such earlier date) and except for changes in factual circumstances specifically and expressly permitted under the Loan Documents, and (ii) the Borrower shall have paid to the Agent for the account of each Lender a fee equal to 0.20% of the amount of such Lender’s outstanding Loans as of the date of the Extension Request. Such fee shall be due and payable in full on the date the Agent receives the Extension Request. At any time prior to the effectiveness of any such extension, upon the Agent’s request, the Borrower shall deliver to the Agent a certificate from a Responsible Officer certifying the matters referred to in the immediately preceding clauses (i)(x) and (i)(y).

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1.4 The Loan Agreement is amended by deleting Sections 7.12(a), (b) and (c) in their entireties and replacing them with the following:

(a) As soon as available, and in any event within 30 days of the date on which either of the following conditions first applies to any Subsidiary that is not already a Guarantor, the Borrower shall deliver to the Agent each of the following in form and substance satisfactory to the Agent: (i) an Accession Agreement executed by such Subsidiary (or if the Guaranty is not then in effect, the Guaranty executed by such Subsidiary), and (ii) the items that would have been delivered under subsections (iv) through (viii) and (xiv) of Section 5.1.(a) if such Subsidiary had been required to become a Guarantor on the Agreement Date:

(x) such Subsidiary Guarantees, or otherwise becomes obligated in respect of, any Debt of the Borrower or any other Subsidiary of the Borrower; or

(y) such Subsidiary (A) owns an Unencumbered Pool Asset or any other asset the value of which is included in the determination of Gross Asset Value of the Unencumbered Pool, and (B) has incurred, acquired or suffered to exist any Debt other than Nonrecourse Indebtedness.

(b) The Borrower may request in writing that the Agent release, and upon receipt of such request the Agent shall release, a Guarantor (other than United Dominion Realty, L.P.) from the Guaranty so long as: (i) such Guarantor is not, or simultaneously with its release from the Guaranty will not be, required to be a party to the Guaranty under the immediately preceding subsection (a); (ii) no Default or Event of Default shall then be in existence or would occur as a result of such release, including without limitation, a Default or Event of Default resulting from a violation of any of the covenants contained in Section 9.1.; (iii) the representations and warranties made or deemed made by the Borrower and each other Loan Party in the Loan Documents to which any of them is a party, shall be true and correct in all material respects on and as of the date of such release with the same force and effect as if made on and as of such date except to the extent that such representations and warranties expressly relate solely to an earlier date (in which case such representations and warranties shall have been true and correct in all material respects on and as of such earlier date) and except for changes in factual circumstances not prohibited under the Loan Documents; and (iv) the Agent shall have received such written request at least ten (10) Business Days (or such shorter period as may be acceptable to the Agent in its sole discretion) prior to the requested date of release. Delivery by the Borrower to the Agent of any such request shall constitute a representation by the Borrower that the matters set forth in the preceding sentence (both as of the date of the giving of such request and as of the date of the effectiveness of such request) are true and correct with respect to such request.

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1.5 The Loan Agreement is amended by deleting Section 9.1(e) in its entirety and replacing it with the following:

(e) Permitted Investments.

(i) The Borrower shall not, and shall not permit any Subsidiary to, make any Investment in or otherwise own the following items which would cause the aggregate value of such holdings of the Borrower and such other Subsidiaries to exceed 20.0% of Gross Asset Value at any time (or in the case of promissory notes and marketable securities described in subsection (D) below to exceed 10.0% of Gross Asset Value at any time):

(A) Development Properties valued at book value, Condominium Properties valued at their Condominium Property Value, and Renovation Properties valued at their Renovation Property Value;

(B) Properties that are developed but that are not Multifamily Properties, with value based on the lower of cost or market price determined in accordance with GAAP;

(C) raw land, valued at current book value;

(D) promissory notes, including any secured by a Mortgage, payable solely to any member of the Consolidated Group and the obligors of which are not Affiliates of the Borrower, and all marketable securities, with value based on the lower of cost or market price determined in accordance with GAAP; and

(E) Investments in Multifamily REIT Preferred Interests; provided, however, such Investments must be acquired or otherwise made in connection with the acquisition of a portfolio of Multifamily Properties or a series of Multifamily Properties.

Solely for purposes of this subsection (e), a Development Property on which construction has been substantially completed will no longer be considered to be a Development Property.

(ii) The Borrower shall not, and shall not permit any Subsidiary to, make any Investment in Unconsolidated Affiliates and other Persons that, in each case, are not Subsidiaries which would cause the aggregate value (with the value thereof determined in a manner consistent with the definition of Gross Asset Value or, if not contemplated under the definition of Gross Asset Value, as determined in accordance with GAAP) of such Investments of the Borrower and such other Subsidiaries to exceed 20.0% of Gross Asset Value at any time.

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1.6 The Loan Agreement is amended by deleting Section 9.4(a) in its entirety and replacing it with the following:

(a) any of the actions described in the immediately preceding clauses (i) through (iii) may be taken with respect to any Subsidiary or any other Loan Party (other than the Borrower) so long as immediately prior to the taking of such action, and immediately thereafter and after giving effect thereto, no Default or Event of Default is or would exist; notwithstanding the foregoing, a Loan Party (other than the Borrower or an Operating Partnership) may enter into a transaction of merger pursuant to which such Loan Party is not the survivor of such merger only if (i) the Borrower shall have given the Agent and the Lenders at least ten (10) Business Days' prior written notice of such merger, such notice to include a certification to the effect that immediately after and after giving effect to such action, no Default or Event of Default is or would be in existence; provided that if the survivor of such merger is (or is to become) a Loan Party, then such notice and certification may be given within five (5) Business Days after the consummation of such merger; (ii) if the survivor entity is a Person that is required to become a Guarantor pursuant to Section 7.12, the Borrower complies with the requirements of Section 7.12 within the time period provided in such Section; and (iii) such Loan Party and the survivor entity each takes such other action and delivers such other documents, instruments, opinions and agreements as the Agent may reasonably request;

1.7 The Loan Agreement is amended by deleting Section 9.10(b) in its entirety and replacing it with the following:

(b) Investments to acquire Equity Interests of a Subsidiary or any other Person who after giving effect to such acquisition would be a Subsidiary, so long as if such Subsidiary is (or after giving effect to such Investment would become) required to become a Guarantor pursuant to Section 7.12, the terms and conditions set forth in Section 7.12 are satisfied;

SECTION 2. Conditions Precedent. The effectiveness of this Amendment, including, without limitation, the release of Guarantors under Section 3 below, is subject to receipt by the Agent of each of the following no later than June 13, 2013, each in form and substance satisfactory to the Agent, and in the event that the following are not received by the Agent by such date, this Amendment shall terminate and shall not have any force or effect:

(a) A counterpart of this Amendment duly executed by the Borrower and each of the Lenders;

(b) A Guarantor Acknowledgement substantially in the form of Exhibit A attached hereto, executed by United Dominion Realty, L.P. and any other Guarantor not being released pursuant to Section 3 below;

(c) A Compliance Certificate calculated on a pro forma basis;

(d) Evidence that all upfront fees and expenses payable pursuant to the Fee Letter dated May 3, 2013 among the Borrower, Regions Bank and Regions Capital Markets have been paid;

(e) An opinion of counsel to the Borrower and the other Loan Parties addressed to the Agent and the Lenders regarding such matters as the Agent may reasonably request;

(f) A certificate of good standing (or certificate of similar meaning) with respect to each Loan Party issued as of a recent date by the Secretary of State of the state of formation of each such Loan Party;

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(g) A certificate of the Secretary or Assistant Secretary (or other individual performing similar functions) of each Loan Party certifying that either (i) there has been no change to (x) the by-laws of such Loan Party, if a corporation, the operating agreement, if a limited liability company, the partnership agreement, if a limited or general partnership, or other comparable document in the case of any other form of legal entity and (y) the certificate or articles of incorporation, articles of organization, certificate of limited partnership, declaration of trust or other comparable organizational instrument of such Loan Party, in each case since the Agreement Date or (ii) if they have changed, that the true, correct and complete by-laws, operating agreement, partnership agreement, articles of incorporation or organization or certificate of limited partnership, as the case may be, are attached;

(h) Copies certified by the Secretary or Assistant Secretary (or other individual performing similar functions) of each Loan Party of all corporate, partnership, member or other necessary action taken by such Loan Party to authorize the execution and delivery of this Amendment and the performance of this Amendment and the Loan Agreement as amended by this Amendment;

(i) A copy of (i) a duly executed amendment to that certain Credit Agreement dated as of October 25, 2011 (as amended, the "Wells Fargo Revolving Credit Agreement") by and among the Borrower, the financial institutions party thereto, Wells Fargo Bank, as Agent, and the other parties thereto and (ii) a duly executed amendment to that certain Term Loan Agreement dated as of December 29, 2010 (as amended, the "Wells Fargo Term Loan Agreement") by and among the Borrower, the financial institutions party thereto, Wells Fargo Bank, as Agent and the other parties thereto, in each case amending the terms of the Wells Fargo Revolving Credit Agreement and the Wells Fargo Term Loan Agreement corresponding to the terms of the Loan Agreement amended by Sections 1.1 (other than the amendment to the definition of "Termination Date"), 1.4, 1.5, 1.6 and 1.7 of this Amendment so that all such terms and sections shall be substantially the same; and

(j) Such other documents, instruments and agreements as the Agent may reasonably request.

SECTION 3. Release of Guarantors. Upon the effectiveness of this Amendment as provided in Section 2 above, the Agent and the Lenders agree that the Guarantors set forth on Schedule I attached hereto shall be released as Guarantors under the Guaranty in effect immediately prior to the effectiveness of this Amendment and such Guaranty shall terminate.

SECTION 4. Representations. The Borrower represents and warrants to the Agent and the Lenders that:

(a) Authorization. The Borrower has the right and power, and has taken all necessary action to authorize it, to execute and deliver this Amendment and to perform its obligations hereunder and under the Loan Agreement, as amended by this Amendment, in accordance with their respective terms. This Amendment has been duly executed and delivered by a duly authorized officer of the Borrower and each of this Amendment and the Loan Agreement, as amended by this Amendment, is a legal, valid and binding obligation of the Borrower enforceable against the Borrower in accordance with its respective terms, except as (i) the enforceability thereof may be limited by bankruptcy, insolvency or similar laws affecting creditors rights generally and (ii) the availability of equitable remedies may be limited by equitable principles of general applicability.

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(b) Compliance with Laws, etc. The execution and delivery by the Borrower of this Amendment and the performance by the Borrower of this Amendment and the Loan Agreement, as amended by this Amendment, in accordance with their respective terms, do not and will not, by the passage of time, the giving of notice or otherwise: (i) require any Government Approvals or violate any Applicable Laws relating to the Borrower; (ii) conflict with, result in a breach of or constitute a default under the Borrower's articles of incorporation or by-laws or any indenture, agreement or other instrument to which the Borrower is a party or by which the Borrower or any of its properties may be bound; or (iii) result in or require the creation or imposition of any Lien upon or with respect to any property now owned or hereafter acquired by the Borrower other than Permitted Liens. The Borrowers, each Subsidiary and each other Loan Party is in compliance with each Governmental Approval applicable to it and in compliance with all other Applicable Laws (including without limitation, Environmental Laws) relating to the Borrower, a Subsidiary or such other Loan Party except for noncompliances which, and Governmental Approvals the failure to possess which, would not, individually or in the aggregate, cause a Default or Event of Default or have a Material Adverse Effect.

(c) No Default. No Default or Event of Default has occurred and is continuing as of the date hereof nor will exist immediately after giving effect to this Amendment.

(d) No Guarantors. As of the effective date of this Amendment and after giving effect hereto, no Subsidiary other than United Dominion Realty, L.P. is required to be a Guarantor pursuant to the Loan Agreement as amended by this Amendment.

SECTION 5. Reaffirmation of Representations by the Borrower. The Borrower hereby repeats and reaffirms all representations and warranties made by it to the Agent and the Lenders in the Loan Agreement and the other Loan Documents to which it is a party on and as of the date hereof with the same force and effect as if such representations and warranties were set forth in this Amendment in full.

SECTION 6. Certain References. Each reference to the Loan Agreement in any of the Loan Documents shall be deemed to be a reference to the Loan Agreement as amended by this Amendment.

SECTION 7. Obligations. The Borrower confirms that all advances to, and debts, liabilities, obligations, covenants and duties of, any Loan Party arising under any Loan Document or otherwise with respect to any Loan, whether direct or indirect (including those acquired by assumption), absolute or contingent, due or to become due, now existing or hereafter arising and including interest and fees that accrue under the Loan Documents after the commencement by or against any Loan Party or any Affiliate thereof of any proceeding under any debtor relief laws naming such Person as the debtor in such proceeding, regardless of whether such interest and fees are allowed claims in such proceeding, are "Obligations" under and as defined in the Loan Agreement.

SECTION 8. Costs and Expenses. The Borrower shall reimburse the Agent upon demand for all costs and expenses (including attorneys' fees) incurred by the Agent in connection with the preparation, negotiation and execution of this Amendment and the other agreements and documents executed and delivered in connection herewith.

SECTION 9. Benefits. This Amendment shall be binding upon and shall inure to the benefit of the parties hereto and their respective successors and assigns.

SECTION 10. GOVERNING LAW. THIS AMENDMENT SHALL BE GOVERNED BY, AND CONSTRUED IN ACCORDANCE WITH, THE LAWS OF THE STATE OF NEW YORK APPLICABLE TO CONTRACTS EXECUTED, AND TO BE FULLY PERFORMED, IN SUCH STATE.

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SECTION 11. Effect. Except as expressly herein amended, the terms and conditions of the Loan Agreement and the other Loan Documents remain in full force and effect. The amendments contained herein shall be deemed to have prospective application only, unless otherwise specifically stated herein. The execution, delivery and effectiveness of this Amendment shall not, except as expressly provided herein, operate as a waiver of any right, power or remedy of any Lender or the Administrative Agent under any of the Loan Documents, nor constitute a waiver of any provision of any of the Loan Documents.

SECTION 12. Counterparts. This Amendment may be executed in any number of counterparts, each of which shall be deemed to be an original and shall be binding upon all parties, their successors and assigns.

SECTION 13. Definitions. All capitalized terms not otherwise defined herein are used herein with the respective definitions given them in the Loan Agreement.

[The remainder of this page intentionally left blank.]

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IN WITNESS WHEREOF, the parties hereto have executed and delivered, or have caused their respective duly authorized officers or representatives to execute and deliver this Amendment under seal as of the day and year first above written.

**BORROWER:**

**UDR, INC.**, a Maryland corporation

By: /s/ William T. O' Shields III [SEAL]

Name: William T. O' Shields III

Title: Vice President-Treasurer



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REGIONS BANK,  
as Agent and as a Lender

By: /s/ Lori Chambers

Name: Lori Chambers

Title: Vice President

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PNC BANK, NATIONAL ASSOCIATION

By: /s/ James A. Harmann

Name: James A. Harmann

Title: Senior Vice President

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US BANK, NATIONAL ASSOCIATION

By: /s/ Andrew Hyde

Name: Andrew Hyde

Title: Vice President

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UNION BANK, N.A.

By:  /s/ Juliana Matson

Name: Juliana Matson

Title: V. P.

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WELLS FARGO BANK, N.A.

By:  /s/ J. Derek Evans

Name: J. Derek Evans

Title: SVP

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SCHEDULE I

Released Guarantors

The Commons of Columbia, Inc.  
Hawthorne Apartments LLC  
Heritage Communities LLC  
UDR 1818 Platinum LLC  
UDR Arborview Associates LLC  
UDR Carriage Homes, LLC  
UDR Domain Brewers Hill LLC  
UDR Garrison Square LLC  
UDR Presidential Greens, L.L.C.  
UDR Rivergate LLC  
UDR Towers by the Bay LLC  
View 14 Investments LLC  
UDR California Properties, LLC  
UDR Virginia Properties, LLC  
UDR of Tennessee, L.P.  
AAC Funding Partnership II  
CMP-1, LLC  
UDR Texas Properties LLC  
Waterside Towers, L.L.C.  
Ninety Five Wall Street LLC  
Polo Park Apartments LLC  
UDR Calvert, LLC  
UDR Crane Brook LLC  
Northbay Properties II, L.P.  
Winterland San Francisco Partners, a California Limited Partnership  
AAC Funding IV, LLC  
Jamestown of St. Matthews Limited Partnership  
Inlet Bay at Gateway, LLC  
Continental 146 Fund, LLC  
UDR Ridgewood (II) Garden, LLC,  
UDR Crossroads, L.P.  
UDR Presidio, LP  
UDR Villa Venetia Apartments, L.P.  
UDR/Pacific Los Alisos, L.P.  
LPC Plantation Apartments, L.P.  
Macalpine Place Apartment Partners, LTD.  
Andover House LLC  
Coastal Monterey Properties LLC  
DCO Holdings, Inc.  
DCO Millenia LLC  
DCO Realty LP LLC  
Harding Park, Inc.  
UDR Holdings, LLC  
Ashwood Commons North LLC  
Ashwood Commons, L.L.C.

DCO 2400 14<sup>th</sup> Street LLC  
DCO Arbors at Lee Vista LLC  
DCE Bennett Development LP  
DCO Brookhaven Center LP  
DCO Glenwood Urban LP  
DCO Highlands LLC  
DCO Mission Bay LP  
DCO Option 2 LLC  
DCO Pine Avenue LP  
DCO Realty Surprise LLC  
DCO Realty Woodlands LP  
DCO Realty, Inc.  
DCO Savoye LLC  
HPI Option 2 LLC  
LPC Millenia Place Apartments LLC  
RE3, Inc.  
Sierra Palms Condominiums LLC

Schedule I-1

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EXHIBIT A

FORM OF GUARANTOR ACKNOWLEDGEMENT

THIS GUARANTOR ACKNOWLEDGEMENT dated as of June 6, 2013 (this "Acknowledgement") executed by each of the undersigned (the "Guarantors") in favor of REGIONS BANK, as Agent (the "Agent") and each "Lender" a party to the Loan Agreement referred to below (the "Lenders").

WHEREAS, UDR, INC. (the "Borrower"), the Lenders, the Agent and certain other parties have entered into that certain Term Loan Agreement dated as of December 14, 2009 (as amended, restated, supplemented or otherwise modified from time to time, the "Loan Agreement");

WHEREAS, each of the Guarantors is a party to that certain Guaranty dated as of December 14, 2009 (as amended, restated, supplemented or otherwise modified from time to time, the "Guaranty") pursuant to which they guaranteed, among other things, the Borrower's obligations under the Loan Agreement on the terms and conditions contained in the Guaranty;

WHEREAS, the Borrower, the Agent and the Lenders are to enter into a Third Amendment to Term Loan Agreement dated as of the date hereof (the "Amendment"), to amend the terms of the Loan Agreement on the terms and conditions contained therein; and

WHEREAS, it is a condition precedent to the effectiveness of the Amendment that the Guarantors execute and deliver this Acknowledgement.

NOW, THEREFORE, for good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged by the parties hereto, the parties hereto agree as follows:

SECTION 1. Reaffirmation. The Guarantor hereby reaffirms its continuing obligations to the Agent and the Lenders under the Guaranty and agrees that the transactions contemplated by the Amendment shall not in any way affect the validity and enforceability of the Guaranty, or reduce, impair or discharge the obligations of such Guarantor thereunder.

SECTION 2. Governing Law. THIS ACKNOWLEDGEMENT SHALL BE GOVERNED BY, AND CONSTRUED IN ACCORDANCE WITH, THE LAWS OF THE STATE OF NEW YORK APPLICABLE TO CONTRACTS EXECUTED, AND TO BE FULLY PERFORMED, IN SUCH STATE.

SECTION 3. Counterparts. This Acknowledgement may be executed in any number of counterparts, each of which shall be deemed to be an original and shall be binding upon all parties, their successors and assigns.

[Signatures on Next Page]

Exhibit A-1



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**GUARANTOR:**

**UNITED DOMINION REALTY, L.P.**, a Delaware  
limited partnership

By: UDR, INC., its General Partner

By: \_\_\_\_\_  
William T. O' Shields III,  
Vice President - Treasurer

Exhibit A-2



Opening doors to the future<sup>SM</sup>

**UDR Announces Amendment and Re-Pricing of \$900 Million  
Revolving Credit Facility Agreement and \$350 Million of Term Loans**

**Denver, CO. (June 10, 2013)** - UDR, Inc. (the "Company") (NYSE: UDR), a leading multifamily real estate investment trust, today announced that it has amended its \$900 million unsecured revolving credit facility. The amendment extends the maturity date to December 2017 with one 6 month extension option, and contains an accordion feature that allows the Company to increase the facility to \$1.45 billion.

Based on the Company's current credit ratings, the credit facility carries an interest rate equal to LIBOR plus a spread of 110 basis points and a facility fee of 20 basis points, a reduction of 12.5 basis points and 2.5 basis points, respectively.

In addition, the Company has amended and re-priced both its \$250 million and \$100 million unsecured term loans due in January, 2016. The loans were re-priced to LIBOR plus 125 basis points from LIBOR plus 142.5 basis points, and extended the maturity dates to June 2018. Both the credit facility and the term loans have matching covenants, which have been enhanced mainly by a reduction in the cap rate used to calculate Gross Asset Value to 6 percent from 6.5 percent and the addition of an Investment in Unconsolidated Affiliates carve-out for Permitted Investments.

Wells Fargo Bank, N.A. and JPMorgan Chase Bank, N.A. served as Joint Lead Arrangers and Joint Bookrunners for the revolver with Wells Fargo Bank, N.A. also serving as Administrative Agent and JPMorgan Chase Bank, N.A. also serving as Syndication Agent. Bank of America, N.A., PNC Bank, N.A., and US Bank, N.A. all served as Documentation Agents. Citibank, N.A., Morgan Stanley Bank, N.A., Regions Bank, and Union Bank, N.A. served as Managing Agents. Other lenders to the agreement include BBVA Compass Bank, Credit Suisse AG, SunTrust Bank, and Branch Banking and Trust Company.

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## **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, 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, expectations concerning the Vitruvian Park® development, expectations concerning the joint ventures with third parties, expectations that automation will help grow net operating income, expectations on annualized net operating income and other risk factors discussed in documents filed by the Company with the Securities and Exchange Commission from time to time, including the Company’s Annual Report on Form 10-K and the Company’s Quarterly Reports on Form 10-Q. Actual results may differ materially from those described in the forward-looking statements. These forward-looking statements and such risks, uncertainties and other factors speak only as of the date of this press release, and the Company expressly disclaims any obligation or undertaking to update or revise any forward-looking statement contained herein, to reflect any change in the Company’s expectations with regard thereto, or any other change in events, conditions or circumstances on which any such statement is based, except to the extent otherwise required under the U.S. securities laws.

This press release and these forward-looking statements include UDR’s analysis and conclusions and reflect UDR’s judgment as of the date of these materials. UDR assumes no obligation to revise or update to reflect future events or circumstances.

## **About UDR, Inc.**

UDR, Inc. (NYSE:[UDR](#)), an S&P 400 company, is a leading multifamily real estate investment trust with a demonstrated performance history of delivering superior and dependable returns by successfully managing, buying, selling, developing and redeveloping attractive real estate properties in targeted U.S. markets. As of March 31, 2013, UDR owned or had an ownership position in 54,195 apartment homes including 2,887 homes under development. For over 40 years, UDR has delivered long-term value to shareholders, the best standard of service to residents and the highest quality experience for associates. Additional information can be found on the Company’s website at [www.udr.com](http://www.udr.com).

## **Contact: UDR, Inc.**

Chris Van Ens, UDR, Inc.

[cvanens@udr.com](mailto:cvanens@udr.com)

720-348-7762