

UDR, Inc.
Form 424B5
September 01, 2011

Table of Contents**CALCULATION OF REGISTRATION FEE**

Title of Each Class of Securities to be Registered	Amount to be Registered	Proposed Maximum Offering Price per Unit (1)	Proposed Maximum Aggregate Offering Price (1)	Amount of Registration Fee (2)
Common Stock, par value \$0.01 per share	20,000,000	\$26.42	\$528,400,000	\$61,347.24

- (1) Estimated solely for the purpose of calculating the registration fee. Pursuant to Rule 457(c) under the Securities Act of 1933, as amended (the Securities Act), the proposed maximum offering price per share and the proposed maximum aggregate offering price have been determined on the basis of the average of the high and low prices reported on the New York Stock Exchange on August 31, 2011.
- (2) The registration fee has been calculated in accordance with Rule 457(r) and is being offset against a balance of previously paid fees of \$54,845.64 in connection with the filing of a prospectus supplement in connection with this offering on March 31, 2011.

**Filed pursuant to Rule 424(b)(5)
Registration No. 333-176616**

Prospectus Supplement

(To Prospectus Dated September 1, 2011)

Up to 20,000,000 Shares**UDR, INC.*****Common Stock***

On September 1, 2011, we entered into an ATM Equity Offering^{SM*} sales agreement with Merrill Lynch, Pierce, Fenner & Smith Incorporated, Citigroup Global Markets Inc., Credit Suisse Securities (USA) LLC and J.P. Morgan Securities LLC, or the Initial Agents, relating to the offering of up to 20,000,000 shares of our common stock, par value \$0.01 per share, offered by this prospectus supplement and the accompanying prospectus. In accordance with the terms of the sales agreement, we may offer and sell up to 20,000,000 shares of our common stock from time to time through the Initial Agents and any additional agents appointed under the sales agreement from time to time by us, acting as sales agents, or the Agents. Sales of the shares, if any, will be made by means of ordinary brokers transactions on the New York Stock Exchange, or the NYSE, or otherwise at market prices prevailing at the time of sale or negotiated transactions, or as otherwise agreed with the applicable Agent.

Our common stock is listed and trades on the NYSE under the symbol UDR. The last reported sale price of our common stock on the NYSE on August 31, 2011 was \$26.71 per share.

We will pay the Agents an aggregate fee of 2% of the gross sales price per share for any shares sold through them acting as our sales agents. Subject to the terms and conditions of the sales agreement, the Agents will use their reasonable efforts to sell on our behalf any shares of common stock to be offered by us under the sales agreement. The

offering of common stock pursuant to the sales agreement will terminate upon the earlier of (1) the sale of all the shares of our common stock subject to the sales agreement, and (2) the termination of the sales agreement, pursuant to its terms, by either the Agents or us.

Under the terms of the sales agreement, we also may sell shares to each of the Agents, as principal for its own respective account, at a price per share to be agreed upon at the time of sale. If we sell shares to any Agent, acting as principal, we will enter into a separate terms agreement with the Agent, setting forth the terms of such transaction, and we will describe the agreement in a separate prospectus supplement or pricing supplement.

Investing in our common stock involves risks. See Risk Factors beginning on page S-3 of this prospectus supplement and on page 3 of the accompanying prospectus, and the risks set forth under the caption Item 1A. Risk Factors included in our most recent Annual Report on Form 10-K and other periodic filings with the Securities and Exchange Commission, or the SEC, incorporated by reference herein.

Neither the Securities and Exchange Commission nor any state securities commission has approved or disapproved of these securities or determined if this prospectus supplement or the accompanying prospectus is truthful or complete. Any representation to the contrary is a criminal offense.

BofA Merrill Lynch

Citigroup

Credit Suisse

J.P. Morgan

The date of this prospectus supplement is September 1, 2011.

* ATM Equity Offering is a service mark of Merrill Lynch & Co., Inc.

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This document is in two parts. The first part is the prospectus supplement, which describes the terms of this offering and adds to and updates information contained in the accompanying prospectus. The second part, the prospectus, provides more general information, some of which may not apply to this offering. Generally, when we refer to this prospectus, we are referring to both parts of this document combined. To the extent there is a conflict between the information contained in this prospectus supplement, on the one hand, and the information contained in the accompanying prospectus, on the other hand, you should rely on the information contained in this prospectus supplement.

You should rely only on the information contained or incorporated by reference in this prospectus supplement and the accompanying prospectus. We have not, and the sales agents have not, authorized anyone to provide additional information or information different from that contained or incorporated by reference in this prospectus supplement and the accompanying prospectus. If anyone provides you with different or inconsistent information, you should not rely on it. This prospectus supplement and the accompanying prospectus do not constitute an offer to sell, or a solicitation of an offer to purchase, the securities offered by this prospectus supplement and the accompanying prospectus in any jurisdiction where it is unlawful to make such offer or solicitation. Neither the delivery of this prospectus supplement nor the sale of shares of common stock means that information contained or incorporated by reference in this prospectus supplement and the accompanying prospectus is correct after their respective dates. These documents do not constitute an offer to sell or solicitation of any offer to buy these shares of common stock in any circumstances under which the offer or solicitation is unlawful.

Unless otherwise expressly stated or the context otherwise requires, references in this prospectus supplement and the accompanying prospectus to UDR, we, us, our or the company are to UDR, Inc.

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STATEMENT REGARDING FORWARD-LOOKING INFORMATION

This prospectus supplement, the accompanying prospectus and the documents incorporated by reference in this prospectus supplement and the accompanying prospectus, include statements about future events and expectations that constitute forward-looking statements. Such forward-looking statements include, without limitation, statements concerning property acquisitions and dispositions, development activity and capital expenditures, capital raising activities, rent growth, occupancy, and rental expense growth. Words such as expects, anticipates, intends, plans, believes, seeks, estimates, and variations of such words and similar expressions are intended to identify such forward-looking statements. Such statements involve known and unknown risks, uncertainties and other factors which may cause the actual results, performance or achievements to be materially different from the results of operations or plans expressed or implied by such forward-looking statements. Such factors include, among other things, unanticipated adverse business developments affecting us or our properties, adverse changes in the real estate markets and general and local economies and business conditions. Although we believe that the assumptions underlying such forward-looking statements are reasonable, any of the assumptions could be inaccurate, and therefore such statements may not prove to be accurate. In light of the significant uncertainties inherent in the forward-looking statements included herein, the inclusion of such information should not be regarded as a representation by us or any other person that the results or conditions described in such statements or our objectives and plans will be achieved.

The following factors, among others, could cause our future results to differ materially from those expressed in the forward-looking statements:

general economic factors;

unfavorable changes in apartment market and economic conditions that could adversely affect occupancy levels and rental rates;

the failure of acquisitions to achieve anticipated results;

possible difficulty in selling apartment communities;

competitive factors that may limit our ability to lease apartment homes or increase or maintain rents;

insufficient cash flow that could affect our debt financing and create refinancing risk;

failure to generate sufficient revenue, which could impair our debt service payments and distributions to stockholders;

development and construction risks that may impact our profitability;

potential damage from natural disasters, including hurricanes and other weather-related events, which could result in substantial costs to us;

risks from extraordinary losses for which we may not have insurance or adequate reserves;

uninsured losses due to insurance deductibles, self-insurance retention, uninsured claims or casualties, or losses in excess of applicable coverage;

delays in completing developments and lease-ups on schedule;

our failure to succeed in new markets;

changing interest rates, which could increase interest costs and affect the market price of our securities;

potential liability for environmental contamination, which could result in substantial costs to us;

the imposition of federal taxes if we fail to qualify as a REIT under the Internal Revenue Code of 1986, as amended (the Internal Revenue Code) in any taxable year;

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our internal control over financial reporting may not be considered effective which could result in a loss of investor confidence in our financial reports, and in turn have an adverse effect on our stock price; and changes in real estate laws, tax laws and other laws affecting our business.

Please also refer to the section entitled "Risk Factors" in our most recent Annual Report on Form 10-K and the other information that we file with the SEC from time to time and incorporate by reference herein for further information on these and other risks affecting us. See "Where You Can Find More Information."

We caution you not to place undue reliance on forward-looking statements because our future results may differ materially from those expressed or implied by them. We do not intend to update any forward-looking statement, whether written or oral, relating to the matters discussed in this prospectus supplement and the accompanying prospectus, except as required by law.

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PROSPECTUS SUPPLEMENT SUMMARY

This summary highlights information contained elsewhere in this prospectus supplement and the accompanying prospectus or incorporated by reference in this prospectus supplement and the accompanying prospectus. This summary does not contain all of the information that you should consider before making an investment decision. Before making an investment decision, you should read carefully this entire prospectus supplement and the accompanying prospectus, including the matters discussed in Risk Factors in this prospectus supplement, the accompanying prospectus, our most recent Annual Report on Form 10-K and the other information that we file with the SEC from time to time and incorporate by reference herein, as such risk factors may be amended, updated or modified periodically in our reports filed with the SEC, and the financial data and related notes and the reports incorporated by reference in this prospectus supplement and the accompanying prospectus.

Company Overview

We are a self-administered real estate investment trust, or REIT, that owns, acquires, renovates, develops and manages apartment communities nationwide. As of June 30, 2011, our consolidated apartment portfolio included 48,556 homes located in 25 markets, with a total of 23,693 completed apartment homes, which are held through our operating partnership, United Dominion Realty, L.P., or the Operating Partnership, together with its consolidated subsidiaries, our subsidiaries and our consolidated joint ventures. In addition, we have an ownership interest in 10,650 homes including 9,891 completed apartment homes through unconsolidated joint ventures. At June 30, 2011, the Operating Partnership's consolidated apartment portfolio included 80 communities located in 21 markets.

We have elected to be taxed as a REIT under the applicable provisions of the Internal Revenue Code. To continue to qualify as a REIT under the Internal Revenue Code, we must continue to meet certain tests which, among other things, generally require that our assets consist primarily of real estate assets, our income be derived primarily from real estate assets, and that we distribute at least 90% of our REIT taxable income (other than our net capital gain) to our stockholders. As a qualified REIT, we generally will not be subject to U.S. federal income taxes on our REIT taxable income to the extent we distribute such income to our stockholders.

We were formed in 1972 as a Virginia corporation and reincorporated in the State of Maryland in June 2003. The Operating Partnership was formed in 2004 as a Delaware limited partnership. The Operating Partnership is the successor-in-interest to United Dominion Realty, L.P., a limited partnership formed under the laws of Virginia, which commenced operations in 1995. Our principal offices are located at 1745 Shea Center Drive, Suite 200, Highlands Ranch, Colorado 80129 and our telephone number at that address is (720) 283-6120. Our website address is www.udr.com. The information on, or accessible through, our website is not part of this prospectus supplement and should not be relied upon in connection with making any investment decision with respect to the securities offered by this prospectus supplement.

Additional information regarding UDR and the Operating Partnership is set forth in documents on file with the SEC and incorporated by reference in this prospectus supplement and the accompanying prospectus, as described in the sections entitled *Where You Can Find More Information* and *Incorporation of Certain Documents by Reference*.

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The Offering

Issuer	UDR, Inc., a Maryland corporation.
Common stock offered	Up to 20,000,000 shares of our common stock, par value \$0.01 per share.
Use of proceeds	We intend to use the net proceeds from the sale of shares that we may offer under this prospectus supplement and the accompanying prospectus to repay outstanding indebtedness under our \$600 million unsecured revolving credit facility, to fund acquisitions of properties, including acquisitions through our joint ventures, to fund opportunistic investments that we may pursue and for working capital and other general corporate purposes. Pending the application of such net proceeds, we intend to invest such net proceeds in interest bearing accounts and short-term marketable securities. See Use of Proceeds.
Risk factors	Before deciding to invest in shares of our common stock, you should read carefully the risks set forth under the caption Risk Factors beginning on page S-3 of this prospectus supplement and page 3 of the accompanying prospectus, and the risks set forth under the caption Item 1A. Risk Factors included in our most recent Annual Report on Form 10-K and the other information that we file with the SEC from time to time and incorporate by reference herein for certain considerations relevant to an investment in our common stock.
New York Stock Exchange symbol	UDR
Transfer Agent and Registrar	Wells Fargo Bank, N.A.

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RISK FACTORS

An investment in our common stock is subject to risk. Our business, financial condition, and results of operations could be materially adversely affected by any of these risks. The trading price of our common stock could decline due to any of these risks, and you may lose all or part of your investment. Before you decide to invest in our common stock, you should carefully consider the risks described below and in our most recent Annual Report on Form 10-K and the other information that we file with the SEC from time to time and incorporate by reference herein, as such risks may be amended, updated or modified periodically in our reports filed with the SEC, as well as the other information included in and incorporated by reference in this prospectus supplement and the accompanying prospectus.

The market value of our common stock could be substantially affected by various factors. Market volatility may adversely affect the market price of our common stock. As with other publically traded securities, the share price of our common stock depends on many factors, which may change from time to time, including:

- the market for similar securities issued by REITs;
- changes in estimates by analysts;
- our ability to meet analysts' estimates;
- prevailing interest rates;
- general economic and financial market conditions; and
- our financial condition, performance and prospects.

Our issuance of additional capital stock or debt securities, whether or not convertible, may reduce the market price for shares of our common stock and dilute the ownership interests of existing stockholders. We cannot predict the effect, if any, that future sales of our capital stock or debt securities, including sales pursuant to the sales agreement, or the availability of our securities for future sale, will have on the market price of shares of our common stock. Sales of substantial amounts of our common stock or preferred shares, or debt securities convertible into or exercisable or exchangeable for common stock in the public market, or the perception that such sales might occur, could negatively impact the market price of our common stock and the terms upon which we may obtain additional equity financing in the future. The issuance of any additional shares of our common stock or securities convertible into or exchangeable for common stock or that represent the right to receive common stock, or the exercise of such securities, could be substantially dilutive to holders of our common stock, including purchasers of common stock in this offering.

In addition, we may issue additional capital stock in the future to raise capital or as a result of the following:

- the issuance and exercise of options to purchase our common stock;
- the issuance of shares pursuant to our dividend reinvestment plan; and
- the issuance of debt securities exchangeable for our common stock.

Legislative or regulatory action could adversely affect purchasers of our common stock. In recent years, numerous legislative, judicial and administrative changes have been made in the provisions of the federal income tax laws applicable to investments similar to an investment in our common stock. Changes are likely to continue to occur in the future, and we cannot assure you that any of these changes will not adversely affect our stockholders' stock. Any of these changes could have an adverse effect on an investment in our common stock or on market value or resale potential of our common stock. Stockholders are urged to consult with their own tax advisor with respect to the impact that recent legislation may have on their investment and the status of legislative, regulatory or administrative developments and proposals and their potential effect on their investment in our stock.

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USE OF PROCEEDS

We intend to use the net proceeds from the sale of the shares that we may offer under this prospectus supplement and the accompanying prospectus, after deducting commissions and estimated offering expenses, to repay outstanding indebtedness under our \$600 million unsecured revolving credit facility, to fund acquisitions of properties, including acquisitions through our joint ventures, to fund opportunistic investments that we may pursue and for working capital and other general corporate purposes. Pending the application of such net proceeds, we intend to invest such net proceeds in interest bearing accounts and short-term marketable securities.

Our unsecured credit facility provides us with an aggregate borrowing capacity of \$600 million, which at our election we can increase to \$750 million under certain circumstances. Our unsecured credit facility carries an interest rate equal to LIBOR plus a spread of 47.5 basis points and matures on July 26, 2012. As of June 30, 2011, \$5 million was outstanding under the credit facility, leaving \$595 million of unused capacity.

The Agents and/or their affiliates are lenders under our \$600 million unsecured revolving credit facility. If we use a portion of the net proceeds from this offering to repay outstanding indebtedness under our unsecured revolving credit facility, the Agents and/or their affiliates will receive a portion of the proceeds from this offering used to reduce amounts outstanding thereunder.

PLAN OF DISTRIBUTION

We have entered into an ATM Equity Offering^{SM*} sales agreement, as amended or supplemented from time to time, or the sales agreement, with Merrill Lynch, Pierce, Fenner & Smith Incorporated, Citigroup Global Markets Inc., Credit Suisse Securities (USA) LLC and J.P. Morgan Securities LLC, or the Initial Agents, under which we may issue and sell over a period of time and from time to time up to 20,000,000 shares of our common stock through the Initial Agents and any additional agents appointed under the sales agreement, as amended or supplemented from time to time, by us, acting as sales agents, or the Agents. Sales of the shares to which this prospectus supplement and the accompanying prospectus relate, if any, will be made by means of ordinary brokers' transactions on the NYSE, or otherwise at market prices prevailing at the time of sale or negotiated transactions, or as otherwise agreed with the applicable Agent. As our sales agents, the Agents will not engage in any transactions that stabilize our common stock.

The Agents will offer the shares of our common stock subject to the terms and conditions of the sales agreement on a daily basis or as otherwise agreed upon by us and the Agents. We will designate the maximum number of shares of common stock to be sold through the Agents on a daily basis or otherwise determine such maximum number together with the Agents. Subject to the terms and conditions of the sales agreement, the Agents will use their reasonable efforts to sell on our behalf all of the shares of common stock so designated or determined. We may instruct the Agents not to sell shares of common stock if the sales cannot be effected at or above the price designated by us in any such instruction. We or the Agents may suspend the offering of shares of common stock being made through the Agents under the sales agreement upon proper notice to the other party. We also may appoint additional agents to solicit offers to purchase shares of our common stock.

For its service as sales agent in connection with the sale of shares of our common stock that may be offered hereby, we will pay the Agents an aggregate fee of 2% of the gross sales price per share for any shares sold through them acting as our sales agents. The remaining sales proceeds, after deducting any expenses payable by us and any transaction fees imposed by any governmental, regulatory, or self-regulatory organization in connection with the sales, will equal our net proceeds for the sale of such shares.

The Agents will provide written confirmation to us following the close of trading on the NYSE each day in which shares of common stock are sold by it for us under the sales agreement. Each confirmation will include the number of shares sold on that day, the gross sales price per share, the compensation payable by us to the Agents and the proceeds to us net of such compensation.

* ATM Equity Offering is a service mark of Merrill Lynch & Co., Inc.

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Settlement for sales of common stock will occur, unless the parties agree otherwise, on the third business day following the date on which any sales were made in return for payment of the proceeds to us net of compensation paid by us to the Agents. There is no arrangement for funds to be received in an escrow, trust or similar arrangement.

We will deliver to the NYSE copies of this prospectus supplement and the accompanying prospectus pursuant to the rules of the NYSE. Unless otherwise required, we will report at least quarterly the number of shares of common stock sold through the Agents under the sales agreement, the net proceeds to us and the compensation paid by us to the Agents in connection with the sales of common stock.

Under the terms of the sales agreement, we also may sell shares to each of the Agents, as principal for its own respective account, at a price agreed upon at the time of sale. If we sell shares to the Agents, as principal, we will enter into a separate terms agreement with the Agent, as applicable, setting forth the terms of such transaction, and we will describe the agreement in a separate prospectus supplement or pricing supplement.

In connection with the sale of the common stock on our behalf, the Agents may be deemed to be an underwriter within the meaning of the Securities Act, and the compensation paid to the Agents may be deemed to be underwriting commissions or discounts. We have agreed in the sales agreement to provide indemnification and contribution to the Agents against certain civil liabilities, including liabilities under the Securities Act.

In the ordinary course of their business, the Agents and/or their affiliates have in the past performed, and may continue to perform, investment banking, broker dealer, lending, financial advisory or other services for us for which they have received, or may receive, separate fees. The Agents and/or their affiliates are lenders under our existing unsecured credit facility. As described above, we may use net proceeds from this offering to repay borrowings under our unsecured credit facility. If we use a portion of the net proceeds to repay outstanding indebtedness under our existing \$600 unsecured credit facility, these Agents or their affiliates will receive a portion of the net proceeds from this offering through the repayment of borrowings under the credit facility.

To the extent that more than 5% of the net proceeds of this offering will be paid to any individual Agent or its affiliates through these repayments, this offering will be conducted in accordance with the provisions of NASD Rule 2720 of the Financial Industry Regulatory Authority, Inc. because such Agent is deemed to have a conflict of interest as defined by such rule. Under such rule, such Agent will not be permitted to sell shares in this offering to an account over which it exercises discretionary authority without the prior written approval of the customer to which the account relates.

We estimate that the total expenses of the offering payable by us, excluding discounts and commissions payable to the Agents under the sales agreement, will be approximately \$100,000.

The offering of common stock pursuant to the sales agreement will terminate upon the earlier of (1) the sale of 20,000,000 shares of our common stock and (2) the termination of the sales agreement, pursuant to its terms, by either the Agents or us.

WHERE YOU CAN FIND MORE INFORMATION

We are subject to the information requirements of the Securities Exchange Act of 1934, as amended, or the Exchange Act, which means that we are required to file annual, quarterly and current reports, proxy statements and other information with the SEC, all of which are available at the Public Reference Room of the SEC at 100 F Street, NE, Washington, D.C. 20549. You may also obtain copies of the reports, proxy statements and other information from the Public Reference Room of the SEC, at prescribed rates, by calling 1-800-SEC-0330. The SEC maintains an Internet website at <http://www.sec.gov> where you can access reports, proxy, information and registration statements, and other

information regarding registrants that file electronically with the SEC. You may also access our SEC filings free of charge on our website at www.udr.com.

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We have filed with the SEC a registration statement on Form S-3 (Registration File No. 333-176616) covering the shares of common stock offered by this prospectus statement. You should be aware that this prospectus supplement does not contain all of the information contained or incorporated by reference in that registration statement and its exhibits and schedules. You may inspect and obtain the registration statement, including exhibits, schedules, reports and other information that we have filed with the SEC, as described in the preceding paragraph. Statements contained in this prospectus supplement concerning the contents of any document we refer you to are not necessarily complete and in each instance we refer you to the applicable document filed with the SEC for more complete information.

You can inspect our reports, proxy statements and other information that we file at the offices of the NYSE at 20 Broad Street, New York, New York 10005.

INCORPORATION OF CERTAIN DOCUMENTS BY REFERENCE

The SEC allows us to incorporate by reference the information we file with the SEC, which means that we can disclose important information to you by referring you to those documents. The information incorporated by reference herein is an important part of this prospectus supplement and the accompanying prospectus. Any statement contained in a document which is incorporated by reference in this prospectus supplement and the accompanying prospectus is automatically updated and superseded if information contained in this prospectus supplement and the accompanying prospectus, or information that we later file with the SEC prior to the termination of this offering, modifies or replaces this information. The following documents filed with the SEC (Commission File No. 1-10524) are incorporated by reference in this prospectus supplement and the accompanying prospectus, except for any document or portion thereof deemed to be furnished and not filed in accordance with SEC rules:

Our Annual Report on Form 10-K for the fiscal year ended December 31, 2010, filed with the SEC on February 23, 2011;

Our Quarterly Reports on Form 10-Q for the fiscal quarter ended March 31, 2011, filed with the SEC on May 3, 2011, and the fiscal quarter ended June 30, 2011, filed with the SEC on August 5, 2011;

Our Current Reports on Form 8-K filed with the SEC on February 7, 2011 (with respect to Items 8.01 and 9.01 only), March 2, 2011, March 4, 2011, March 31, 2011, April 4, 2011, May 2, 2011 (with respect to Items 8.01 and 9.01 only), May 4, 2011, May 13, 2011, July 12, 2011 (with respect to Items 8.01 and 9.01 only), July 13, 2011, July 18, 2011, August 5, 2011, and September 1, 2011;

Our definitive Proxy Statement dated March 31, 2011, and definitive Additional Materials filed with the SEC on March 31, 2011, both filed in connection with our Annual Meeting of Stockholders held on May 12, 2011;

All other reports filed by us pursuant to Section 13(a) or 15(d) of the Exchange Act since December 31, 2008 (other than any document or portion thereof deemed to be furnished and not filed in accordance with the rules and regulations of the SEC);

The description of our capital stock contained in our Registration Statement on Form 8-A/A dated and filed with the SEC on November 7, 2005, including any amendments or reports filed with the SEC for the purpose of updating such description; and

All other documents and reports we file after the date of this prospectus supplement and prior to completion of all offerings of the particular securities covered by this prospectus supplement pursuant to Sections 13(a), 13(c), 14 or 15(d) of the Exchange Act (with the exception of information that is deemed

furnished rather than filed, which information shall not be deemed incorporated by reference herein).

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As explained above in **Where You Can Find More Information**, these incorporated documents (as well as other documents filed by us under the Exchange Act) are available at the SEC and may be accessed in a number of ways, including online via the Internet.

We will provide without charge to each person, including any beneficial owner, to whom this prospectus supplement and the accompanying prospectus are delivered, a copy of any of the documents referred to above by written or oral request to:

UDR, Inc.
1745 Shea Center Drive, Suite 200
Highlands Ranch, Colorado 80129
Attention: Investor Relations
Telephone: (720) 283-6120

We maintain a web site at www.udr.com. The information on our website is not considered a part of, or incorporated by reference in, this prospectus supplement, the accompanying prospectus, or any other document we file with or furnish to the SEC.

LEGAL MATTERS

Certain legal matters in connection with this offering will be passed upon for us by Morrison & Foerster LLP, and certain U.S. federal income tax matters will be passed upon for us by Kutak Rock LLP. Certain legal matters in connection with this offering will be passed upon for the Agents by Sidley Austin LLP, New York, New York.

EXPERTS

The consolidated financial statements of UDR, Inc. and United Dominion Realty, L.P. as of December 31, 2010 and 2009 and for each of the three years in the period ended December 31, 2010 appearing in UDR, Inc.'s Current Report (Form 8-K) dated August 5, 2011 (including the schedules appearing therein), and the effectiveness of UDR Inc.'s internal control over financial reporting as of December 31, 2010, have been audited by Ernst & Young LLP, independent registered public accounting firm, as set forth in their reports thereon, included therein or in the Annual Report (Form 10-K) of UDR, Inc. for the year ended December 31, 2010, and incorporated herein by reference. Such financial statements are, and audited financial statements to be included in subsequently filed documents will be, incorporated herein in reliance upon the reports of Ernst & Young LLP pertaining to such financial statements (to the extent covered by consents filed with the SEC) given on the authority of such firm as experts in accounting and auditing.

The statement of revenues and certain expenses of 10 Hanover Square for the year ended December 31, 2010 has been audited by Ehrhardt Keefe Steiner & Hottman PC, independent registered public accounting firm, as set forth in its report thereon, and incorporated herein by reference. Such financial statement is incorporated herein by reference in reliance upon such report given on the authority of such firm as experts in accounting and auditing.

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UDR, Inc.

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We may from time to time offer to sell together or separately in one or more offerings:

common stock;

preferred stock;

debt securities, which may be senior, subordinated or junior subordinated, convertible or non-convertible and guaranteed by certain of our subsidiaries, including United Dominion Realty, L.P.;

warrants to purchase common stock, preferred stock or debt securities;

subscription rights to purchase common stock, preferred stock, debt securities or other securities;

purchase contracts; and

purchase units.

This prospectus describes some of the general terms that may apply to these securities. We will provide the specific prices and terms of these securities in one or more supplements to this prospectus at the time of the offering. You should read this prospectus and the accompanying prospectus supplement carefully before you make your investment decision.

We may offer and sell these securities through underwriters, dealers or agents or directly to purchasers, on a continuous or delayed basis. The securities may also be resold by selling security holders. The prospectus supplement for each offering will describe in detail the plan of distribution for that offering and will set forth the names of any underwriters, dealers or agents involved in the offering and any applicable fees, commissions or discount arrangements.

This prospectus may not be used to sell securities unless accompanied by a prospectus supplement or a free writing prospectus.

Our common stock is listed on the New York Stock Exchange, or the NYSE, under the trading symbol UDR. Each prospectus supplement will indicate if the securities offered thereby will be listed on any securities exchange.

Investing in our securities involves a high degree of risk. See Risk Factors on page 3 before you make your investment decision.

Neither the Securities and Exchange Commission nor any state securities commission has approved or disapproved of these securities or determined if this prospectus or the accompanying prospectus supplement is truthful or complete. Any representation to the contrary is a criminal offense.

The date of this prospectus is September 1, 2011.

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ABOUT THIS PROSPECTUS

This prospectus is part of a registration statement that we filed with the Securities and Exchange Commission (the SEC) using a shelf registration process. Under the shelf process, we may sell any combination of the securities described in this prospectus in one or more offerings.

This prospectus only provides you with a general description of the securities we may offer. Each time we sell securities, we will provide a supplement to this prospectus that will contain specific information about the terms of that offering, including the specific amounts, prices and terms of the securities offered. The prospectus supplement may also add, update or change information contained in this prospectus. You should carefully read both this prospectus and any accompanying prospectus supplement or other offering materials, together with the additional information described under the heading **Where You Can Find More Information**.

You should rely only on the information contained or incorporated by reference in this prospectus. We have not authorized anyone to provide you with different information. If anyone provides you with different or inconsistent information, you should not rely on it. We are not making an offer to sell these securities in any jurisdiction where the offer or sale is not permitted.

This prospectus and any accompanying prospectus supplement or other offering materials do not contain all of the information included in the registration statement as permitted by the rules and regulations of the SEC. For further information, we refer you to the registration statement on Form S-3, including its exhibits. We are subject to the informational requirements of the Securities Exchange Act of 1934, as amended (Exchange Act), and, therefore, file reports and other information with the SEC. Statements contained in this prospectus and any accompanying prospectus supplement or other offering materials about the provisions or contents of any agreement or other document are only summaries. If SEC rules require that any agreement or document be filed as an exhibit to the registration statement, you should refer to that agreement or document for its complete contents.

You should not assume that the information in this prospectus, any prospectus supplement or any other offering materials is accurate as of any date other than the date on the front of each document. Our business, financial condition, results of operations and prospects may have changed since then.

In this prospectus, unless otherwise specified or the context requires otherwise, we use the terms **UDR**, **the Company**, **we**, **us** and **our** to refer to UDR, Inc., and the term **Operating Partnership** to refer to United Dominion Realty, L.P.

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OUR COMPANY

We are a self-administered real estate investment trust, or REIT, that owns, acquires, renovates, develops and manages apartment communities nationwide. As of June 30, 2011, our consolidated apartment portfolio included 48,556 homes located in 25 markets, with a total of 23,693 completed apartment homes, which are held through the Operating Partnership, together with its consolidated subsidiaries, our subsidiaries and our consolidated joint ventures. In addition, we have an ownership interest in 10,650 homes including 9,891 completed apartment homes through unconsolidated joint ventures. At June 30, 2011, the Operating Partnership's consolidated apartment portfolio included 80 communities located in 21 markets.

We have elected to be taxed as a REIT under the applicable provisions of the Internal Revenue Code of 1986, or the Internal Revenue Code. To continue to qualify as a REIT under the Internal Revenue Code, we must continue to meet certain tests which, among other things, generally require that our assets consist primarily of real estate assets, our income be derived primarily from real estate assets, and that we distribute at least 90% of our REIT taxable income (other than our net capital gain) to our stockholders. As a qualified REIT, we generally will not be subject to U.S. federal income taxes on our REIT taxable income to the extent we distribute such income to our stockholders.

We were formed in 1972 as a Virginia corporation and reincorporated in the State of Maryland in June 2003. The Operating Partnership was formed in 2004 as a Delaware limited partnership. The Operating Partnership is the successor-in-interest to United Dominion Realty, L.P., a limited partnership formed under the laws of Virginia, which commenced operations in 1995. Our principal offices are located at 1745 Shea Center Drive, Suite 200, Highlands Ranch, Colorado 80129 and our telephone number at that address is (720) 283-6120. Our website address is www.udr.com. The information on, or accessible through, our website is not part of this prospectus and should not be relied upon in connection with making any investment decision with respect to the securities offered by this prospectus.

Additional information regarding UDR and the Operating Partnership is set forth in documents on file with the SEC and incorporated by reference in this prospectus and any accompanying prospectus supplement, as described in the section of this prospectus entitled "Where You Can Find More Information."

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You should consider the specific risks described in our Annual Report on Form 10-K for the year ended December 31, 2010, our Quarterly Report on Form 10-Q for the quarter ended June 30, 2011, the risk factors described under the caption "Risk Factors" in any applicable prospectus supplement and any risk factors set forth in our other filings with the SEC, pursuant to Sections 13(a), 13(c), 14 or 15(d) of the Exchange Act, before making an investment decision. Each of the risks described in these documents could materially and adversely affect our business, financial condition, results of operations and prospects, and could result in a partial or complete loss of your investment. See "Where You Can Find More Information" beginning on page 52 of this prospectus.

USE OF PROCEEDS

Unless we state otherwise in the applicable prospectus supplement, we intend to use the net proceeds from the sale of the securities offered by this prospectus and the accompanying prospectus supplement for general corporate purposes. General corporate purposes may include additions to working capital, capital expenditures, repayment of debt, funding improvements to properties, and acquiring and developing additional properties. Pending application of the net proceeds, we intend to invest the proceeds in interest bearing accounts and short-term, interest bearing securities. Unless otherwise set forth in a prospectus supplement, we will not receive any proceeds in the event that the securities are sold by a selling security holder.

RATIO OF EARNINGS TO FIXED CHARGES

The following table sets forth our ratio of earnings to combined fixed charges and preferred stock dividends for the periods indicated:

	Years Ended December 31,				
	2010	2009	2008	2007	2006
Ratio of earnings to fixed charges UDR, Inc.(1)				1.18	
Ratio of earnings to fixed charges United Dominion Realty, L.P.(2)			1.25	4.72	1.50
Ratio of earnings to combined fixed charges and preferred stock dividend UDR, Inc.(3)					