

CORPORATE EVENTS

MEMO # 08-383

DATE: 12/02/08

ACTION:

UDR, Inc. ("UDR") has announced a Special Dividend valued at \$0.97. UDR Stockholders will have the ability to elect to receive the special dividend in the form of cash or additional UDR shares. The cash or stock election must be received prior to 5:00 p.m. (EDT) on January 20, 2009. The payable date is January 29, 2009. The NYSE has set **Friday, December 5, 2008** as the ex-distribution date for this distribution.

This corporate action will be coordinated with the Options Clearing Corporation.

CATEGORY:

SPECIAL CASH AND/OR STOCK DIVIDEND (ELECTION)

EQUITY SYMBOL:

UDR, Inc. ("UDR")

ONECHICAGO SYMBOL:

UDR1C changes to UDR2C; a new UDR1C will be re-listed on Monday, December 8th, 2008

CME FUTURES SYMBOL:

UD9 for the UDR2C; **UDR** for the re-listed UDR1C

EFFECTIVE DATE:

Friday, December 5, 2008

MULTIPLIER:

100 (e.g., 1.00 equals \$100.00)

DELIVERABLE PER CONTRACT:

- 1) 100 UDR, Inc. ("UDR") Common Shares
- 2) An additional amount of UDR, Inc. ("UDR") Common Shares and/or Cash valued at \$0.97 which will accrue to non-electing UDR Shareholders (x 100)
- 3) Cash in lieu of fractional UDR shares, if any

APPLICABLE CONTRACT MONTHS:

December 2008 and January, March, June 2009

SETTLEMENT PRICES AND POSITIONS:

Settlement of UDR2C security futures which mature will be delayed until the consideration which accrues to non-electing UDR Shareholders is determined.

NOTES:

The forecasted effect of the upcoming corporate event on each clearing firm's positions can be viewed in infopac in the Corporate Event Initial Forecast Report (ONE712), the Corporate Event Final Forecast Report (ONE713), and the Corporate Event Forecast Audit Report (CPDBU710).

The details after the corporate event has been applied can be viewed in the Corporate Event Activity Report (ONE711).

If you have any questions regarding the information provided in the document, please call CME Clearing risk management hotline at (312) 648-3888.