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**MONMOUTH REAL ESTATE INVESTMENT CORPORATION REPORTS RESULTS FOR
THE FISCAL YEAR ENDED AND THE FOURTH QUARTER ENDED SEPTEMBER 30, 2015**

FREEHOLD, NJ, December 9, 2015..... Monmouth Real Estate Investment Corporation (NYSE:MNR) reported Core Funds from Operations (Core FFO) of \$35,276,000 or \$0.60 per diluted share for the fiscal year ended September 30, 2015 as compared to \$29,482,000 or \$0.59 per diluted share for the fiscal year ended September 30, 2014. Adjusted Funds from Operations (AFFO), for the fiscal year ended September 30, 2015 was \$33,977,000 or \$0.57 per diluted share versus \$25,844,000 or \$0.52 per diluted share for the fiscal year ended September 30, 2014.

Core FFO for the three months ended September 30, 2015 was \$9,180,000 or \$0.15 per diluted share as compared to \$7,676,000 or \$0.14 per diluted share for the three months ended September 30, 2014. AFFO for the three months ended September 30, 2015 was \$9,159,000 or \$0.15 per diluted share versus \$6,732,000 or \$0.12 per diluted share for the three months ended September 30, 2014.

A summary of significant financial information for the three and twelve months ended September 30, 2015 and 2014 is as follows:

	Three Months Ended September 30,	
	2015	2014
Rental Revenue	\$ 18,168,000	\$ 14,473,000
Reimbursement Revenue	\$ 2,400,000	\$ 2,453,000
Lease Termination Income	\$ -0-	\$ -0-
Net Operating Income (NOI) (1)	\$ 17,732,000	\$ 13,949,000
Total Expenses	\$ 10,875,000	\$ 9,346,000
Interest and Dividend Income	\$ 853,000	\$ 1,005,000
Gain on Sale of Securities Transactions, net	\$ 428,000	\$ 684,000
Net Income	\$ 10,188,000	\$ 5,204,000
Net Income Attributable to Common Shareholders	\$ 8,036,000	\$ 3,053,000
Net Income Attributable to Common Shareholders Per Diluted Common Share	\$ 0.13	\$ 0.05
Core FFO (1)	\$ 9,180,000	\$ 7,676,000
Core FFO per Diluted Common Share (1)	\$ 0.15	\$ 0.14
AFFO (1)	\$ 9,159,000	\$ 6,732,000
AFFO per Diluted Common Share (1)	\$ 0.15	\$ 0.12
Weighted Avg. Diluted Common Shares Outstanding	60,514,000	56,754,000

	Twelve Months Ended September 30,	
	2015	2014
Rental Revenue	\$ 67,059,000	\$ 55,512,000
Reimbursement Revenue	\$ 10,716,000	\$ 9,160,000
Lease Termination Income	\$ 239,000	\$ 1,183,000
Net Operating Income (NOI) (1)	\$ 65,285,000	\$ 53,355,000
Total Expenses	\$ 42,115,000	\$ 35,229,000
Interest and Dividend Income	\$ 3,724,000	\$ 3,883,000
Gain on Sale of Securities Transactions, net	\$ 805,000	\$ 2,167,000
Net Income	\$ 25,606,000	\$ 19,845,000
Net Income Attributable to Common Shareholders	\$ 16,999,000	\$ 11,238,000
Net Income Attributable to Common Shareholders Per Diluted Common Share	\$ 0.29	\$ 0.23
Core FFO (1)	\$ 35,276,000	\$ 29,482,000
Core FFO per Diluted Common Share (1)	\$ 0.60	\$ 0.59
AFFO (1)	\$ 33,977,000	\$ 25,844,000
AFFO per Diluted Common Share (1)	\$ 0.57	\$ 0.52
Weighted Avg. Diluted Common Shares Outstanding	59,201,000	49,925,000

A summary of significant balance sheet information as of September 30, 2015 and 2014 is as follows:

	September 30, 2015	September 30, 2014
Net Real Estate Investments	\$ 816,801,000	\$ 636,923,000
Securities Available for Sale at Fair Value	\$ 54,541,000	\$ 59,311,000
Total Assets	\$ 915,992,000	\$ 743,757,000
Mortgage Notes Payable	\$ 373,991,000	\$ 287,796,000
Loans Payable	\$ 85,041,000	\$ 25,200,000
Total Shareholders' Equity	\$ 446,011,000	\$ 420,631,000

Michael P. Landy, President and CEO, commented on the results for the fiscal year 2015,

“Monmouth successfully grew our high-quality portfolio and built long-term value for our shareholders in fiscal 2015. During the year, the Company accomplished the following:

- Acquired 2.7 million square feet of high-quality industrial space for \$192 million comprising ten brand new, Class A built-to-suit properties, all leased long term to investment grade tenants, representing a 24% increase in our gross leaseable area
- Renewed all six leases that were scheduled to expire in fiscal 2015, resulting in a 100% tenant retention rate
- Increased rents on lease renewals 6.3% on a U.S. GAAP straight-line basis
- Completed four property expansions totaling \$14.4 million and with several additional expansions underway
- Achieved a sector leading 97.7% occupancy rate
- Increased occupancy an additional 180 basis points to 99.5% effective January 1st, 2016
- Increased our total market capitalization 17% to \$1.2 billion at fiscal yearend
- Increased Net Operating Income 22% to \$65.3 million
- Generated AFFO per diluted share growth of 10%
- Raised approximately \$48.4 million in equity through the Dividend Reinvestment and Stock Purchase Plan during fiscal 2015
- Entered into commitments to acquire nine industrial properties containing 2.4 million square feet all leased long term to investment grade tenants, at an aggregate cost of \$249.2 million, scheduled to close in fiscal 2016 and fiscal 2017, of which two were acquired during the first quarter of fiscal 2016 to date
- Increased our common stock dividend 6.7% on October 1st, 2015.”

Mr. Landy stated, “Our business model of investing in single tenant, net leased industrial properties on long-term leases to investment grade tenants continued to deliver strong results. Fiscal 2015 saw a record amount of acquisitions, the completion of several expansions, and AFFO per diluted share growth of 10%. The high quality of our asset base is evidenced by our 100% tenant retention rate as well as our sector leading occupancy rate of 97.7%. As a result of new leases that will become effective subsequent to yearend, our occupancy rate will rise further to 99.5% commencing on January 1st, 2016.”

“Subsequent to fiscal yearend, the Company has acquired two brand new built-to-suit properties containing a total of 506,000 square feet at an aggregate cost of \$50.4 million. This brings our current portfolio to a total of 93 properties containing 14.4 million square feet, geographically diversified across 29 states. We are very excited about our best in class acquisition pipeline, which now comprises seven new build-to-suit properties containing 1.9 million total square feet, representing approximately \$200 million in acquisitions scheduled to close over the next seven quarters.”

“The migration toward on-line shopping will continue to be a leading demand driver for industrial space in 2016. This holiday season has shown a stark disconnect between on-line and brick-and-mortar sales expectations, with on-line sales growing by 15.2% in the third quarter over the prior year period while brick-and-mortar retail sales remained relatively flat. E-Commerce sales accounted for 6.8% of total sales in the third quarter providing plenty of room for future growth. The recent Black Friday through Cyber Monday holiday weekend saw total on-line sales eclipse brick-and-mortar sales for the first time. Every year market share keeps moving on-line. From a real estate standpoint the direct beneficiary of this paradigm shift has been, and will continue to be, the Industrial Property sector.”

“Following 24 consecutive years of maintaining or increasing our common stock dividend, on October 1st we announced a 6.7% dividend increase. Monmouth is not only one of the few REITs that maintained its cash dividend throughout the Global Financial Crisis, we are now one of the very few REITs that is paying out a higher cash dividend today than we did prior to the Global Financial Crisis. This solid long-term performance best illustrates the high-quality of our business model, our tenant base, and our property portfolio.”

Monmouth Real Estate Investment Corporation will host its Fiscal Year End and Fourth Quarter 2015 Financial Results Webcast and Conference Call on Thursday, December 10, 2015 at 10:00 a.m. Eastern Time. Senior management will discuss the results, current market conditions and future outlook.

The Company’s Fiscal Year End and Fourth Quarter 2015 financial results being released herein will be available on the Company’s website at www.mreic.com in the “Financial Filings” section.

To participate in the **Webcast**, select the microphone icon in the Webcast section of the Company’s homepage on the Company’s website at www.mreic.com. Interested parties can also participate via **conference call** by calling toll free 877-510-5852 (domestically) or 412-902-4138 (internationally).

The replay of the conference call will be available at 12:00 p.m. Eastern Time on Thursday, December 10, 2015. It will be available until February 1, 2016, and can be accessed by dialing toll free 877-344-7529 (domestically) and 412-317-0088 (internationally) and entering the passcode 10071925. A transcript of the call and the webcast replay will be available at the Company’s website, www.mreic.com.

Monmouth Real Estate Investment Corporation, founded in 1968 and one of the oldest public equity REITs in the U.S., specializes in single tenant, net-leased industrial properties subject to long-term leases primarily to investment grade tenants. The Company is a fully integrated and self-managed real estate company, whose property portfolio consists of ninety-three properties located in twenty-nine states, containing a total of approximately 14.4 million rentable square feet. In addition, the Company owns a portfolio of REIT securities.

Certain statements included in this press release which are not historical facts may be deemed forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995. Any such forward-looking statements are based on the Company's current expectations and involve various risks and uncertainties. Although the Company believes the expectations reflected in any forward-looking statements are based on reasonable assumptions, the Company can provide no assurance those expectations will be achieved. The risks and uncertainties that could cause actual results or events to differ materially from expectations are contained in the Company's annual report on Form 10-K and described from time to time in the Company's other filings with the SEC. The Company undertakes no obligation to publicly update or revise any forward-looking statements whether as a result of new information, future events, or otherwise.

Notes:
(1) Non-U.S. GAAP Information: FFO is defined by the National Association of Real Estate Investment Trusts ("NAREIT") as net income applicable to common shareholders, excluding gains or losses from sales of depreciable assets, plus real estate-related depreciation and amortization. We define Core FFO as FFO plus acquisition costs. We define AFFO as Core FFO excluding lease termination income, gains or losses on securities transactions, stock based compensation expense, depreciation of corporate office tenant improvements, amortization of deferred financing costs, U.S. GAAP straight-line rent adjustments and less recurring capital expenditures. We define recurring capital expenditures as all capital expenditures, excluding capital expenditures related to expansions at our current locations or capital expenditures that are incurred in conjunction with obtaining a new lease or a lease renewal. We define NOI as recurring rental and reimbursement revenues less real estate and other operating expenses. FFO, Core FFO and AFFO per diluted common share are defined as FFO, Core FFO and AFFO divided by weighted average diluted common shares outstanding. FFO, Core FFO and AFFO per diluted common share, as well as NOI, should be considered as supplemental measures of operating performance used by real estate investment trusts (REITs). FFO, Core FFO and AFFO per diluted common share exclude historical cost depreciation as an expense and may facilitate the comparison of REITs which have different cost basis. The items excluded from FFO, Core FFO and AFFO per diluted common share are significant components in understanding the Company's financial performance.

FFO, Core FFO and AFFO per diluted common share (A) do not represent cash flow from operations as defined by accounting principles generally accepted in the United States of America; (B) should not be considered as an alternative to net income as a measure of operating performance or to cash flows from operating, investing and financing activities; and (C) are not alternatives to cash flow as a measure of liquidity. FFO, Core FFO and AFFO per diluted common share, as well as NOI, as calculated by the Company, may not be comparable to similarly titled measures reported by other REITs.

The following is a reconciliation of the Company's U.S. GAAP Net Income to the Company's FFO, Core FFO and AFFO for the three and twelve months ended September 30, 2015 and 2014:

	Three Months Ended		Twelve Months Ended	
	9/30/2015	9/30/2014	9/30/2015	9/30/2014
Net Income Attributable to Common Shareholders	\$8,036,000	\$3,053,000	\$16,999,000	\$11,238,000
Plus: Depreciation Expense (excluding Corporate Office)	5,328,000	4,129,000	19,626,000	15,909,000
Plus: Amortization of Intangible Assets	330,000	338,000	1,370,000	1,348,000
Plus: Amortization of Capitalized Lease Costs (*)	265,000	137,000	756,000	505,000
Less: Gain on Sale of Real Estate Investment	(5,021,000)	-0-	(5,021,000)	-0-
FFO Attributable to Common Shareholders	8,938,000	7,657,000	33,730,000	29,000,000
Plus: Acquisition Costs	242,000	19,000	1,546,000	482,000
Core FFO Attributable to Common Shareholders	9,180,000	7,676,000	35,276,000	29,482,000
Less: Lease Termination Income	-0-	-0-	(239,000)	(1,183,000)
Less: Gain on Sale of Securities Transactions, net	(428,000)	(684,000)	(805,000)	(2,167,000)
Plus: Stock Compensation Expense	165,000	90,000	449,000	347,000
Plus: Depreciation of Corporate Office Tenant Improvements	8,000	-0-	80,000	-0-
Plus: Amortization of Financing Costs	678,000	190,000	1,286,000	726,000
Less: U.S. GAAP Straight-line Rent Adjustment	(282,000)	(291,000)	(1,446,000)	(601,000)
Less: Recurring Capital Expenditures	(162,000)	(249,000)	(624,000)	(760,000)
AFFO Attributable to Common Shareholders	\$9,159,000	\$6,732,000	\$33,977,000	\$25,844,000

* In previous press releases, the Company has presented its calculation of FFO and Core FFO without excluding the effects of the amortization of Capitalized Lease Costs. FFO and Core FFO for the three and twelve months ended September 30, 2015 and 2014 has been presented above reflecting the effects of excluding the amortization of Capitalized Lease Costs.

The following are the Cash Flows provided (used) by Operating, Investing and Financing Activities for the twelve months ended September 30, 2015 and 2014:

	Twelve Months Ended	
	9/30/2015	9/30/2014
Operating Activities	\$38,062,000	\$34,856,000
Investing Activities	(194,470,000)	(131,810,000)
Financing Activities	148,007,000	105,024,000

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