FOR IMMEDIATE RELEASE

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Contact: Becky Coleridge
732-577-9996

MONMOUTH REAL ESTATE REPORTS RESULTS FOR THE FISCAL YEAR ENDED AND THE FOURTH QUARTER ENDED SEPTEMBER 30, 2019

HOLMDEL, NJ, November 25, 2019........ Monmouth Real Estate Investment Corporation (NYSE:MNR) reported Net Income Attributable to Common Shareholders of $11.0 million or $0.12 per diluted share for the fiscal year ended September 30, 2019 as compared to Net Income Attributable to Common Shareholders of $38.8 million or $0.49 per diluted share for the fiscal year ended September 30, 2018, representing a decrease of $0.37 per share. The decrease in our Net Income Attributable to Common Shareholders this year was primarily due to the implementation of a new accounting rule requiring that unrealized gains and losses resulting from our securities investments be reflected on our income statement. During the fiscal year 2019, we recognized $24.7 million of unrealized losses or $0.26 per diluted share. Prior to the adoption of the rule, unrealized gains and losses were reflected as a change in our shareholders' equity. During fiscal year 2018, we reported realized gains of $7.6 million or $0.10 per diluted share, including realized gains of $7.5 million from the sale of real estate and $111,000 from the sale of securities. Excluding all non-cash unrealized losses and realized gains, our Net Income Attributable to Common Shareholders for the fiscal year 2019 would have been $35.7 million or $0.38 per diluted share as compared to $31.2 million or $0.40 per diluted share for the fiscal year ended September 30, 2018, representing a decrease of $0.02. Funds from Operations (FFO), which exclude unrealized gains or losses from our securities portfolio, for the fiscal year ended September 30, 2019 were $81.2 million or $0.87 per diluted share versus $69.8 million or $0.89 per diluted share for the fiscal year ended September 30, 2018, representing a decrease in FFO per share of $0.02. Adjusted Funds from Operations (AFFO), which also exclude unrealized and realized gains or losses from our securities portfolio, for the fiscal year ended September 30, 2019 were $79.7 million or $0.85 per diluted share versus $68.4 million or $0.87 per diluted share for the fiscal year ended September 30, 2018, representing a decrease in AFFO per share of $0.02.

Net Income Attributable to Common Shareholders for the three months ended September 30, 2019 was $22.7 million or $0.24 per diluted share as compared to $7.8 million or $0.10 per diluted share for the three months ended September 30, 2018, representing an increase in Net Income Attributable to Common Shareholders of $0.14 share. Excluding all non-cash unrealized gains, our Net Income Attributable to Common Shareholders for the three months ended September 30, 2019 would have been $8.7 million or $0.09 per diluted share, representing a decrease of $0.01 per share from the three months ended September 30, 2018. FFO were $20.3 million or $0.21 per diluted share for the three months ended September 30, 2019 as compared to $18.1 million or $0.22 per diluted share for the three months ended September 30, 2018, representing a decrease in FFO per share of $0.01. AFFO for the three months ended September 30, 2019 were $20.1 million or $0.21 per diluted share versus $17.7 million or $0.22 per diluted share for the three months ended September 30, 2018, representing a decrease in AFFO per share of $0.01.

A summary of significant financial information for the three and twelve months ended September 30, 2019 and 2018 (in thousands, except per share amounts) is as follows:

	Three Months Ended September 30,			
		2019		2018
Rental Revenue	$	33,846	$	30,305
Reimbursement Revenue	$	6,751	$	6,312
Net Operating Income (NOI) (1)	$	33,600	$	30,174
Total Expenses	$	21,337	$	19,488
Dividend Income	$	3,599	$	3,740
Unrealized Holding Gains Arising During the Periods	$	13,988	$	-0-
Net Income	$	27,814	$	12,160
Net Income Attributable to Common Shareholders	$	22,690	$	7,782
Net Income Attributable to Common Shareholders Per Diluted Common Share	$	0.24	$	0.10
FFO (1)	$	20,280	$	18,090
FFO per Diluted Common Share (1)	$	0.21	$	0.22
AFFO (1)	$	20,112	$	17,708
AFFO per Diluted Common Share (1)	$	0.21	$	0.22
Dividends Declared per Common Share	$	0.17	$	0.17
Weighted Avg. Diluted Common Shares Outstanding		95,759		80,889

		Twelve Months Ended September 30,		
		2019		**2018**
Rental Revenue	$	132,524	$	115,864
Reimbursement Revenue	$	25,998	$	23,298
Lease Termination Income	$	-0-	$	210
Net Operating Income (NOI) (1)	$	131,195	$	114,772
Total Expenses	$	82,298	$	71,733
Dividend Income	$	15,168	$	13,121
Gain on Sale of Securities Transactions	$	-0-	$	111
Unrealized Holding Gains (Losses) Arising During the Periods	$	(24,680)	$	-0-
Gain on Sale of Real Estate Investments	$	-0-	$	7,485
Net Income	$	29,800	$	56,006
Net Income Attributable to Common Shareholders	$	11,026	$	38,815
Net Income Attributable to Common Shareholders Per Diluted Common Share	$	0.12	$	0.49
FFO (1)	$	81,197	$	69,841
FFO per Diluted Common Share (1)	$	0.87	$	0.89
AFFO (1)	$	79,695	$	68,375
AFFO per Diluted Common Share (1)	$	0.85	$	0.87
Dividends Declared per Common Share	$	0.68	$	0.68
Weighted Avg. Diluted Common Shares Outstanding		93,485		78,802

A summary of significant balance sheet information as of September 30, 2019 and 2018 is as follows (in thousands):

		September 30, 2019		**September 30, 2018**
Real Estate Investments	$	1,616,934	$	1,512,513
Securities Available for Sale at Fair Value	$	185,250	$	154,921
Total Assets	$	1,871,948	$	1,718,378
Fixed Rate Mortgage Notes Payable, net of Unamortized Debt Issuance Costs	$	744,928	$	711,546
Loans Payable	$	95,000	$	186,609
Total Shareholders' Equity	$	1,011,043	$	797,906

Michael P. Landy, President and CEO, commented on the results for fiscal year 2019,

"While our reported results for fiscal year 2019 were modestly impacted by the timing of our equity issuance in October 2018 and by a 70-basis point reduction in our occupancy compared to the prior year, we expect the combination of our recent $81.5 million acquisition leased to Amazon for fifteen years, our $150.5 million acquisition pipeline comprising one million square feet, as well as a 30-basis point recovery in occupancy since the fiscal yearend to positively contribute to per share earnings and cash flow going forward. During the year, we accomplished the following:

Solid Financial Results

- Increased our Gross Revenue by 14.1% to $173.7 million.
- Increased our Net Operating Income by 14.3% to $131.2 million.
- Reduced our Net Debt to Adjusted EBITDA to 5.9x from 7.1x as of the prior year period and reduced our Net Debt to Undepreciated Book Capitalization to 39.0% as of the current fiscal yearend from 46.7% as of the prior fiscal yearend.
- Maintained a conservative AFFO dividend payout ratio of 80%.
- Reduced our General and Administrative expenses as a percentage of gross revenue to 5.2% for fiscal year 2019 compared to 5.8% for fiscal year 2018.
- Achieved $2.6 billion in total market capitalization as of September 30, 2019.

Strong Growth Record and Solid Pipeline

- Acquired 824,000 square feet of high-quality industrial space for $138.6 million, generating $8.8 million in annual rental revenue, comprising three brand new Class A, built-to-suit properties, all leased long-term to investment-grade tenants.
- Completed one 155,000 square foot building expansion totaling $8.6 million, generating $821,000 in additional annual rental revenue, and resulting in a 15-year lease extension.
- Increased our gross leasable area (GLA) by 5.1% year-over-year, to 22.3 million square feet.
- Entered into commitments to acquire five new build-to-suit properties containing 1.6 million total square feet for a total cost of $232.0 million. Subsequent to fiscal yearend, we acquired one of these properties for $81.5 million representing a 616,000 square foot property.

Strong Portfolio Performance

- Achieved a 98.9% occupancy rate, representing our fourth consecutive year with above 98% occupancy. Subsequent to fiscal yearend, we increased our occupancy rate to 99.2%.

- Renewed seven leases comprising 1.1 million square feet for a weighted-average lease term of 7.2 years. These lease renewals resulted in an increase in the weighted-average lease rate of 1.3% on a U.S. GAAP straight-line basis.
- Achieved a weighted average lease maturity of 7.6 years as of the current fiscal yearend.
- Increased our annualized average base rent per occupied square foot by 3% to $6.20 from the prior year.

Capital Market Activity

- Raised $132.3 million in net proceeds in a Common Stock Offering in October 2018.
- Raised $74.0 million (including dividend reinvestments of $16.9 million) through our Dividend Reinvestment and Stock Purchase Plan, representing a 26% participation rate.
- Raised $58.2 million in net proceeds through our 6.125% Series C Perpetual Preferred Stock ATM Program, as well as an additional $35.3 million in net proceeds subsequent to the fiscal yearend.
- Maintained the weighted-average debt maturity on our fixed-rate debt at 11.3 years.

Mr. Landy stated, "We continue to successfully grow our portfolio of industrial properties while strengthening our capital structure. Our business model of investing in well-located, modern industrial buildings, leased primarily to investment-grade tenants, has provided our shareholders with compelling returns throughout the business cycle. The high-quality of our portfolio is evidenced by our sector-leading 98.9% occupancy rate."

"During fiscal 2019, we grew our gross leasable area (GLA) by 5% through the acquisition of three brand-new Class A, built-to-suit properties for an aggregate cost of $138.6 million. We also completed one property expansion which resulted in a 15-year lease extension. As of September 30, 2019, our property portfolio had a weighted-average building age of 9.2 years, and a weighted-average lease maturity of 7.6 years. We have assembled a modern industrial portfolio that contains large amounts of excess land to accommodate future growth. These are highly-automated industrial assets that are mission-critical to our tenants' operations."

"During the fiscal year, we raised net proceeds of $132.3 million in our first common stock offering since 2014, with the sale of 9.2 million shares. In addition, we raised $74.0 million in equity capital through our Dividend Reinvestment and Stock Purchase Plan. Of this amount, a total of $16.9 million in dividends were reinvested, representing a 26% participation rate. We also sold 2.4 million shares of our 6.125% Series C Preferred Stock through our ATM program generating net proceeds of $58.2 million. Looking ahead, Monmouth is very well capitalized to continue to execute our qualitative growth strategy."

"Subsequent to the fiscal yearend, on November 15, 2019, we replaced our $200.0 million unsecured line of credit with a new $225.0 million unsecured line of credit and a new $75.0 million Term Loan. This new facility provides us with increased borrowing capacity while reducing our borrowing rates and extending our term. Including the accordion feature, our new facility provides for up to $400.0 million in total borrowing capacity."

"Subsequent to fiscal yearend, we also acquired a newly constructed built-to-suit property containing 616,000 square feet for $81.5 million. This brings our current portfolio to a total of 115 properties containing 22.9 million square feet, geographically diversified across 30 states. Our acquisition pipeline now comprises four brand new build-to-suit, industrial buildings that are currently being developed in North Carolina, Ohio (2) and Utah. These four pipeline transactions total approximately one million square feet for an aggregate purchase price of $150.5 million with a weighted-average lease term of 14.2 years and are scheduled to close during fiscal 2020 and the first quarter of fiscal 2021. All four properties will be leased to investment-grade tenants."

"Additionally, subsequent to the fiscal yearend, effective November 1, 2019, we leased one previously vacant property consisting of 60,000 square feet for 12.5 years. This lease increased our current overall occupancy rate to 99.2%."

Monmouth Real Estate Investment Corporation will host its Fourth Quarter and FY 2019 Financial Results Webcast and Conference Call on Tuesday, November 26, 2019 at 10:00 a.m. Eastern Time. Senior management will discuss the results, current market conditions and future outlook.

Our Fourth Quarter and FY 2019 financial results being released herein will be available on our website at www.mreic.reit in the Investor Relations section, under Filings and Reports.

To participate in the **Webcast**, select the **4Q and Fiscal Yearend 2019 Webcast and Earnings Call** "Link to Webcast" on the homepage of our website at www.mreic.reit, in the Highlights section, which is located towards the bottom of the homepage. Interested parties can also participate via **conference call** by calling toll free 1-877-510-5852 (domestically) or 1-412-902-4138 (internationally).

The replay of the conference call will be available at 12:00 p.m. Eastern Time on Tuesday, November 26, 2019. It will be available until January 31, 2020, and can be accessed by dialing toll free 1-877-344-7529 (domestically) and 1-412-317-0088 (internationally) and entering the passcode 10134297. A transcript of the call and the webcast replay will be available at our website on the Investor Relations homepage, www.mreic.reit.

Monmouth Real Estate Investment Corporation, founded in 1968, is one of the oldest public equity REITs in the world. We specialize in single tenant, net-leased industrial properties, subject to long-term leases, primarily to investment-grade tenants. Monmouth Real Estate is a fully integrated and self-managed real estate company, whose property portfolio consists of 115 properties containing a total of approximately 22.9 million rentable square feet, geographically diversified across 30 states. In addition, we own 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 our current expectations and involve various risks and uncertainties. Although we believe the expectations reflected in any forward-looking statements are based on reasonable assumptions, we 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 our annual report on Form 10-K and described from time to time in our other filings with the SEC. We undertake 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, as defined by the National Association of Real Estate Investment Trusts (NAREIT), represents net income attributable to common shareholders, as defined by accounting principles generally accepted in the United States of America (U.S. GAAP), excluding extraordinary items, as defined under U.S. GAAP, gains or losses from sales of

previously depreciated real estate assets, impairment charges related to depreciable real estate assets, plus certain non-cash items such as real estate asset depreciation and amortization. Included in the NAREIT FFO White Paper - 2018 Restatement, is an option pertaining to assets incidental to our main business in the calculation of NAREIT FFO to make an election to include or exclude mark-to-market changes in the value recognized on these marketable equity securities. In conjunction with the adoption of the FFO White Paper - 2018 Restatement, for all periods presented, we have elected to exclude unrealized gains and losses from our investments in marketable equity securities from our FFO calculation. NAREIT created FFO as a non-GAAP supplemental measure of REIT operating performance. We define Adjusted Funds From Operations (AFFO) as FFO, excluding stock based compensation expense, depreciation of corporate office tenant improvements, amortization of deferred financing costs, lease termination income, net gain or loss on sale of securities transactions, effect of non-cash U.S. GAAP straight-line rent adjustments and subtracting recurring capital expenditures. We define recurring capital expenditures as all capital expenditures that are recurring in nature, 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 believe that, as widely recognized measures of performance used by other REITs, FFO and AFFO may be considered by investors as supplemental measures to compare our operating performance to those of other REITs. FFO and AFFO exclude historical cost depreciation as an expense and may facilitate the comparison of REITs which have a different cost basis. However, other REITs may use different methodologies to calculate FFO and AFFO and, accordingly, our FFO and AFFO may not be comparable to all other REITs. The items excluded from FFO and AFFO are significant components in understanding our financial performance.

FFO and AFFO are non-GAAP performance measures and (i) do not represent Cash Flow from Operations as defined by U.S. GAAP; (ii) should not be considered as an alternative to Net Income or Net Income Attributable to Common Shareholders as a measure of operating performance or to Cash Flows from Operating, Investing and Financing Activities; and (iii) are not an alternative to Cash Flows from Operating, Investing and Financing Activities as a measure of liquidity. FFO and AFFO, as calculated by us, 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 Attributable to Common Shareholders to the Company's FFO and AFFO for the three and twelve months ended September 30, 2019 and 2018 (in thousands):

	Three Months Ended		**Twelve Months Ended**	
	9/30/2019	**9/30/2018**	**9/30/2019**	**9/30/2018**
Net Income Attributable to Common Shareholders (1)	$22,690	$7,782	$11,026	$38,815
Plus: Unrealized Holding (Gains) Losses Arising During the Periods (2)	(13,988)	-0-	24,680	-0-
Plus: Depreciation Expense (excluding Corporate Office Capitalized Costs)	10,826	9,632	42,518	36,018
Plus: Amortization of Intangible Assets	491	455	1,986	1,613
Plus: Amortization of Capitalized Lease Costs	261	221	987	880
Less: Gain on Sale of Real Estate Investments	-0-	-0-	-0-	(7,485)
FFO Attributable to Common Shareholders (3)	**20,280**	**18,090**	**81,197**	**69,841**
Plus: Depreciation of Corporate Office Capitalized Costs	126	39	502	158
Plus: Stock Compensation Expense	210	95	784	434
Plus: Amortization of Financing Costs	297	310	1,253	1,221
Less: Gain on Sale of Securities Transactions	-0-	-0-	-0-	(111)
Less: Lease Termination Income	-0-	-0-	-0-	(210)
Less: Effect of Non-cash U.S. GAAP Straight-line Rent Adjustment	(574)	(615)	(1,926)	(1,973)
Less: Recurring Capital Expenditures	(227)	(211)	(2,115)	(985)
AFFO Attributable to Common Shareholders	**$20,112**	**$17,708**	**$79,695**	**$68,375**

(1) Effective October 1, 2018, we adopted ASU 2016-01. This new accounting standard requires unrealized gains or losses on our securities investments to flow through our income statement. Periods shown here prior to October 1, 2018 do not include the effect of this accounting change and therefore Net Income Attributable to Common Shareholders between these periods are not comparable.

(2) Unrealized Holding Gains or Losses Arising During the Periods, if any, were previously reported as an adjustment to Core FFO.

(3) In conjunction with the adoption of the FFO White Paper - 2018 Restatement, for all periods presented, we have elected to exclude unrealized gains and losses from our investments in marketable equity securities from our FFO calculation. Prior to the adoption of the FFO White Paper – 2018 Restatement, we defined Core FFO as FFO, excluding Unrealized Holding Gains or Losses Arising During the Periods.

The following are the Cash Flows provided by (used in) Operating, Investing and Financing Activities for the twelve months ended September 30, 2019 and 2018 (in thousands):

	Twelve Months Ended	
	9/30/2019	**9/30/2018**
Operating Activities	$101,622	$85,829
Investing Activities	(214,508)	(332,513)
Financing Activities	123,741	246,083

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