Equity Commonwealth

Two North Riverside Plaza
Suite 2100
Chicago, IL 60606

August 25, 2021

Dear Monmouth Shareholders:

For more than 50 years, the Equity group of companies has had the opportunity and great responsibility of managing our capital and our investors' capital across a variety of businesses and asset classes. We have maintained a disciplined and prudent approach to investing, with the goal being to create and deliver long-term value to our shareholders.

In early 2014, during the proxy battle for control of Equity Commonwealth ("EQC"), at the time named CommonWealth REIT, we went to see the ISS Special Situations team. In that meeting, we laid out a plan for what we would do if we were successful gaining responsibility for the company. Following ISS and shareholder support, we put in place a leading corporate governance structure and began implementing our strategic plan focused on creating value for our shareholders. In the seven years since we took responsibility, we have completed the sale of $7.6 billion of assets, repaying $3.3 billion of debt and returning $1.4 billion of capital to shareholders through dividends and share buybacks. Today, we have $3 billion of cash and no outstanding debt. Our execution has resulted in outperformance for EQC compared to its office REIT peers by over 2x.[1]

We have spent the last few years reviewing numerous opportunities across a range of sectors in the real estate industry. When we started, we were looking for bargains. Over time, with the tremendous amount of capital looking for a home and no bargains to be found, we shifted our focus to something we have been doing for decades - base building. The Equity group of companies has built a base in each of the residential, manufactured housing and office sectors, and we are now looking to do so in the industrial sector. We believe we have found the right partner with whom to do that in Monmouth Real Estate Investment Corporation ("Monmouth"). With our combined portfolios, along with the EQC management team and balance sheet, we have the opportunity to create significant long-term value through this transformational merger with Monmouth. Our approach with the Monmouth transaction is to increase value for shareholders by repositioning the portfolio and making accretive acquisitions in the industrial sector, utilizing our cash and unencumbered balance sheet.

Based on our revised offer, Monmouth shareholders will have the option to elect to receive, for each Monmouth common share, either (i) $19.00 of cash or (ii) 0.713 shares of EQC stock. Pursuant to the terms of the Merger Agreement, the aggregate cash consideration will be $641 million and the transaction will result in the issuance of 46.2 million EQC common shares. We incorporated a cash election option to provide shareholders with greater value certainty, while enabling shareholders to retain the potential future upside from the execution of our business plan.

Based on our revised offer, Monmouth shareholders will receive more in current value than Starwood's taxable cash offer and benefit from the upside from our strategic combination. Using a hypothetical basis of $15.00 per share, a Monmouth shareholder's estimated net cash proceeds, under Starwood's offer, would be approximately $18.36 per share, a 0.5% discount to the current value of a stock election based on EQC's closing price on August 24, 2021.[2]

We strongly believe there are significant merits of a combination of EQC and Monmouth for the following reasons:

1. **Industrial fundamentals have never been stronger – more e-commerce means more warehouses; it is not the right time to sell**

   The pandemic has accelerated the pace of adoption of e-commerce and next-day delivery resulting in increased demand for industrial properties. While supply for these properties has increased, it has not kept pace with growing demand. We don't view this imbalance as momentary – we are in the midst of a long-term secular shift in the logistics networks across the U.S. The recent growth and performance reported by industrial REITs are a testament to these outstanding supply-demand fundamentals.

2. **We offer a unique opportunity to be part of a well-capitalized public industrial platform**

We are an unconventional REIT in a unique position, with no debt and approximately $3 billion in cash. We expect our cash balance to be approximately $2.5 billion after closing the transaction and the disposition of our office properties. We are offering MNR shareholders the opportunity to partner with us in a tax efficient manner by offering the option to receive EQC shares, as we build a leading industrial platform.

Equity Commonwealth plans to leverage the Monmouth team's industrial experience and contacts to manage Monmouth's single-tenant net leased portfolio. We have been working together with the Monmouth team since early-May, and we do not anticipate any challenges or transition issues, particularly in light of the nature of this portfolio where the tenants have responsibility for most of the day-to-day operations. Each of us, Sam and David, has industrial real estate experience, including with Equity Office Properties, one of our public REITs discussed below, where we owned and managed over 12 million square feet of industrial assets through our acquisition of another public REIT in 2001. In addition, EQC owned and managed approximately 6.4 million square feet of industrial properties that we sold while executing our repositioning strategy. When it comes to future investments, Equity Commonwealth has existing relationships with many of the leading industrial real estate brokers across the country. David Weinberg, EQC's EVP and Chief Operating Officer, has in the past completed industrial transactions with some of the top brokers at CBRE, Eastdil Secured and JLL. We are currently engaged with these brokers looking for investment opportunities. In addition, we look forward to continuing the existing merchant builder relationships the Monmouth team has forged over the years. We do not plan to have a significant development footprint to start, though like we have run our other real estate companies, we may use partnerships to build that capability over time. We are confident that as we grow and emerge as a leading industrial owner, we will be able to recruit top talent in the industrial sector, as needed.

3. **Our track record speaks for itself**

We are not simply asking you to trust us, but rather to rely on the empirical data. The Equity group of companies has spent decades building strong stable businesses for shareholders. We have done so successfully with each of the public REITs we've sponsored - Equity Office Properties, Equity Lifestyle Properties (NYSE: ELS), and Equity Residential (NYSE: EQR). In each instance, these businesses allowed us to create and grow platforms and outperform our peers. We are confident that at EQC we have the right team and balance sheet to create similar long-term value for our shareholders.

We invite you to join us as we build an industrial business. We are incredibly excited about a combination with Monmouth and believe that partnering to build a best-in-class industrial real estate company represents the most compelling opportunity for long-term value creation for all of us.

Sincerely,

Sam Zell
Chairman
EQUITY COMMONWEALTH

David Helfand
President & CEO
EQUITY COMMONWEALTH

[1] Source, Bloomberg. Total Returns from January 2, 2014 to August 24, 2021. Office REITs include BDN, BXP, CLI, CUZ, CXP, DEI, ESRT, HIW, HPP, JBGS, KRC, OFC, OPI, PGRE, PDM, SLG, VNO, WRE.

[2] The estimated net proceeds of $18.36 per share assumes shares are owned for a minimum of one year and a 20% federal capital gains tax is due. This example does not consider additional taxes that may be due or a higher tax rate if shares are owned over a shorter time period. Shareholders should consult with their tax advisor before making any determination on potential proceeds from Starwood's cash offer.