MONMOUTH REAL ESTATE INVESTMENT CORPORATION

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FOR IMMEDIATE RELEASE

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MONMOUTH REAL ESTATE REPORTS RESULTS FOR THE FISCAL YEAR ENDED AND THE FOURTH QUARTER ENDED SEPTEMBER 30, 2021

HOLMDEL, NJ, November 12, 2021........ Monmouth Real Estate Investment Corporation (NYSE:MNR) reported Net Income Attributable to Common Shareholders of $44.8 million or $0.45 per diluted share for the fiscal year ended September 30, 2021 as compared to Net Loss Attributable to Common Shareholders of $48.6 million or $0.50 per diluted share for the fiscal year ended September 30, 2020, representing an increase in Net Income Attributable to Common Shareholders of $93.4 million or $0.95 per diluted share. The increase primarily resulted from a change in our unrealized gains from our securities investments whereas the unrealized gains for the current fiscal year were $50.2 million or $0.51 per diluted share as compared to an unrealized loss of $(77.4) million or $(0.79) per diluted share during the prior fiscal year for a net increase of $127.6 million or $1.30 per diluted share. This increase was offset by $35.9 million or $0.36 per diluted share in Non-recurring Strategic Alternatives and Proxy Costs related to our strategic alternatives process and our proxy process. Funds from Operations (FFO), which excludes unrealized gains or losses from our securities portfolio, for the fiscal year ended September 30, 2021 were $46.1 million or $0.47 per diluted share versus $78.4 million or $0.80 per diluted share for the fiscal year ended September 30, 2020, representing a decrease of $32.3 million or $0.33 per diluted share. The decrease in FFO is primarily attributable to the Non-recurring Strategic Alternatives and Proxy Costs. FFO excluding these non-recurring costs for the fiscal year ended September 30, 2021 were $82.0 million or $0.83 per diluted share versus $78.4 million or $0.80 per diluted share for the fiscal year ended September 30, 2020, representing an increase of $0.03 per diluted share. For the fiscal year ended September 30, 2021, Adjusted Funds from Operations (AFFO), which excludes non-recurring items, including costs related to our non-recurring strategic alternatives process and our proxy process and unrealized and realized gains or losses from our securities portfolio were $77.0 million or $0.78 per diluted share compared to $76.9 million or $0.78 per diluted share for the fiscal year ended September 30, 2020, representing unchanged per diluted share earnings year over year.

Net Loss Attributable to Common Shareholders for the three months ended September 30, 2021, was $24.2 million or $0.25 per diluted share as compared to Net Loss Attributable to Common Shareholders of $3.9 million or $0.04 per diluted share for the three months ended September 30, 2020, representing an increase in Net Loss Attributable to Common Shareholders of $0.21 per share. FFO for the three months ended September 30, 2021, were $(4.9) million or $(0.05) per diluted share as compared to $19.2 million or $0.20 per diluted share for the three months ended September 30, 2020, representing a decrease of $0.25 per diluted share. The increase in Net Loss Attributable to Common Shareholders and decrease in FFO for the three months ended September 30, 2021, is primarily attributable to Non-recurring Strategic Alternatives and Proxy costs of $25.0 million or $0.25 per diluted share related to our strategic alternatives process and our proxy process. Excluding these non-recurring costs our Net Income Attributable to Common Shareholders for the three months ended September 30, 2021, would have been $837,000 or $0.01 per diluted share, representing an increase of $0.05 per share from the three months ended September 30, 2020, and our FFO for the three months ended September 30, 2021, would have been $20.1 million or $0.20 per diluted share, representing unchanged per diluted share earnings year over year. For the three months ended September 30, 2021, AFFO were $19.5 million or $0.20 per diluted share compared to $18.2 million or $0.19 per diluted share for the three months ended September 30, 2020, representing an increase of $0.01 per share.

A summary of significant financial information for the three and twelve months ended September 30, 2021 and 2020 (in thousands, except per share amounts) is as follows:

	Three Months Ended September 30, 2021	Three Months Ended September 30, 2020
Rental Revenue	$ 39,921	$ 36,173
Reimbursement Revenue	$ 6,894	$ 6,462
Net Operating Income (NOI) (1)	$ 39,719	$ 36,071
Total Expenses	$ 49,300	$ 21,529
Dividend Income	$ 1,500	$ 1,458
Unrealized Holding Losses Arising During the Periods	$ (5,139)	$ (10,280)
Net Income (Loss)	$ (15,771)	$ 3,143
Net Loss Attributable to Common Shareholders	$ (24,187)	$ (3,917)
Net Loss Attributable to Common Shareholders Per Diluted Common Share	$ (0.25)	$ (0.04)
FFO (1)	$ (4,891)	$ 19,205
FFO per Diluted Common Share (1)	$ (0.05)	$ 0.20
FFO Excluding Non-recurring Strategic Alternatives & Proxy Costs (1)	$ 20,133	$ 19,205
FFO Excluding Non-recurring Strategic Alternatives & Proxy Costs per Diluted Common Share (1)	$ 0.20	$ 0.20
AFFO (1)	$ 19,464	$ 18,193
AFFO per Diluted Common Share (1)	$ 0.20	$ 0.19
Dividends Declared per Common Share	$ 0.18	$ 0.17
Weighted Avg. Diluted Common Shares Outstanding	98,542	98,083

	Twelve Months Ended September 30, 2021	Twelve Months Ended September 30, 2020
Rental Revenue	$ 155,044	$ 141,583
Reimbursement Revenue	$ 27,712	$ 26,234
Lease Termination Income	$ 377	$ -0-
Net Operating Income (NOI) (1)	$ 153,974	$ 140,705
Total Expenses	$ 129,119	$ 86,680
Dividend Income	$ 6,182	$ 10,445
Realized Gain on Sale of Real Estate Investment	$ 6,376	$ -0-
Realized Gain on Sale of Securities Transactions	$ 2,248	$ -0-
Unrealized Holding Gains (Losses) Arising During the Periods	$ 50,239	$ (77,380)
Net Income (Loss)	$ 81,179	$ (22,174)
Net Income (Loss) Attributable to Common Shareholders	$ 44,764	$ (48,617)
Net Income (Loss) Attributable to Common Shareholders Per Diluted Common Share	$ 0.45	$ (0.50)
FFO (1)	$ 46,091	$ 78,409
FFO per Diluted Common Share (1)	$ 0.47	$ 0.80
FFO Excluding Non-recurring Strategic Alternatives & Proxy Costs (1)	$ 82,011	$ 78,409
FFO Excluding Non-recurring Strategic Alternatives & Proxy Costs per Diluted Common Share (1)	$ 0.83	$ 0.80
AFFO (1)	$ 76,969	$ 76,898
AFFO per Diluted Common Share (1)	$ 0.78	$ 0.78
Dividends Declared per Common Share	$ 0.71	$ 0.68
Weighted Avg. Diluted Common Shares Outstanding	98,443	98,164

A summary of significant balance sheet information as of September 30, 2021 and September 30, 2020 (in thousands) is as follows:

	September 30, 2021	September 30, 2020
Cash and Cash Equivalents	$ 48,618	$ 23,517
Real Estate Investments	$ 1,957,702	$ 1,747,844
Securities Available for Sale at Fair Value	$ 143,505	$ 108,832
Total Assets	$ 2,215,883	$ 1,939,783
Fixed Rate Mortgage Notes Payable, net of Unamortized Debt Issuance Costs	$ 832,184	$ 799,507
Loans Payable	$ 250,000	$ 75,000
Total Shareholders’ Equity	$ 1,094,734	$ 1,037,605

During the year, we accomplished the following:

Strong Growth Record and Solid Pipeline

- Acquired 1.6 million square feet situated on over 316 acres representing an abundant land to building ratio of 8.8 times consisting of high-quality industrial space for $258.4 million, generating $15.2 million in annual rental revenue, comprising four brand new Class A, built-to-suit properties, all leased long-term to investment-grade tenants with lease terms ranging from 15 to 20 years and with a weighted average lease term of 17.1 years.

- Increased our Gross Leasable Area (GLA) by 7% to 24.9 million square feet.

- Grew our acquisition pipeline to four new build-to-suit properties containing 1.4 million total square feet situated on over 208 acres representing an ample land to building ratio of 6.6 times at an aggregate cost of $157.0 million, all of which are leased to Investment Grade tenants. Subsequent to the yearend, we acquired one of these properties for $30.2 million representing 291,000 square feet.

- Completed two parking lot expansions for approximately $4.2 million, resulting in an initial increase in annual rent of approximately $392,000. We currently have nine FedEx Ground parking expansion projects underway that are expected to cost approximately $42.6 million. These parking expansion projects will result in additional rent and extensions to the existing lease terms. We are also in discussions to expand parking at eight additional locations.

Strong Portfolio Performance

- Increased our overall occupancy rate by 30 basis points to a sector leading 99.7% currently.

- Achieved 100% tenant retention through the renewal of all ten leases set to expire during fiscal 2021. These ten lease renewals, comprising 1.2 million square feet resulted in a 6.2% increase in GAAP rent, a 0.4% increase in cash rent, and have a weighted average lease renewal term of 4.2 years.

- Maintained a weighted average lease term of 7.0 years.

- Increased our annualized average base rent per occupied square foot to $6.61, an increase of 4% compared to the prior year.

Solid Financial Results

- Achieved a 40.2% total return for our common shareholders.

- Increased our common stock dividend 5.9% while maintaining an AFFO dividend payout ratio of 91%. This increase represents the third dividend increase in the past five years, representing a total increase of 20%. We have maintained or increased our common stock cash dividend for 30 consecutive years.

- Increased the high quality of our cash flow with 83% of our revenue currently secured by leases with tenants from companies, or subsidiaries of companies, that are considered Investment Grade.

- Increased our Gross Revenue by 6% to $188.9 million.

- Increased our Rental and Reimbursement Revenue by 9% to $182.8 million.

- Increased our Net Operating Income by 9% to $154.0 million.

- Reduced our Net Debt to Total Market Capitalization to 29.8% as of fiscal yearend 2021 from 31.5% as of fiscal yearend 2020.

- Reduced the weighted average interest rate on our fixed-rate mortgage debt to 3.86% from 3.98% and maintained a weighted average debt maturity on our fixed-rate mortgage debt at 10.9 years.

- Reduced our General and Administrative expenses as a percentage of gross assets by 8% to 37 basis points for fiscal 2021.

Merger Transaction with Industrial Logistics Properties Trust

As previously announced, following a comprehensive strategic review process, on November 5, 2021, we entered into a definitive merger agreement with Industrial Logistics Properties Trust (NASDAQ: ILPT) under which ILPT will acquire all of the outstanding shares of Monmouth Real Estate Investment Corporation ("Monmouth") for $21.00 per share in an all-cash transaction valued at approximately $4.0 billion including the assumption of debt and the committed acquisition and expansion pipeline (the "Transaction").

The Transaction has been unanimously approved by our Board of Directors. The Transaction price of $21.00 per share represents a 24% premium to the unaffected closing share price of $16.99 on December 18, 2020 and a 36% premium to the 30-day volume weighted average unaffected trading share price of $15.43. This Transaction with ILPT is the culmination of the comprehensive strategic review processes undertaken by our Board of Directors, which were publicly announced and re-initiated in early September of this year following the prior comprehensive process initiated in January of this year. The Transaction is expected to close in the first half of 2022, subject to approval by Monmouth's shareholders and the satisfaction of other customary closing conditions. The Transaction is not contingent upon financing. Under the terms of the agreement, Monmouth shareholders will be entitled to receive the previously announced dividend of $0.18 payable on December 15, 2021. If the Transaction is not consummated by March 31, 2022, Monmouth shareholders will also be entitled to receive a dividend for that completed quarter up to $0.18 if and as declared. In addition, Monmouth plans to continue to pay its regular quarterly 6.125% Series C Cumulative Redeemable Preferred Stock dividend through the closing of the Transaction. Upon completion of the Transaction, Monmouth's common stock will no longer be listed on the New York Stock Exchange.

Due to the pending Transaction, Monmouth Real Estate Investment Corporation will not hold a conference call in connection with the release of its fourth quarter and full year financial results.

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 123 properties, containing a total of approximately 25.2 million rentable square feet, geographically diversified across 32 states. Our occupancy rate is currently 99.7%, our weighted average building age is currently 10.1 years, and our percentage of revenue derived from Investment Grade tenants or their subsidiaries is currently 83%.

Additional Information and Where to Find It

In connection with the Transaction, Monmouth intends to file with the U.S. Securities and Exchange Commission ("SEC") a proxy/solicitation statement and associated white proxy card, which will be sent to the common stockholders of Monmouth seeking their approval of the merger (the "proxy statement"). Monmouth may also file other documents regarding the Transaction with the SEC. This communication is not intended to be, and is not, a substitute for such filings or for any other document that Monmouth may file with the SEC in connection with the Transaction. BEFORE MAKING ANY VOTING OR INVESTMENT DECISION, INVESTORS AND SECURITY HOLDERS ARE URGED TO CAREFULLY READ THE ENTIRE PROXY STATEMENT, WHEN IT BECOMES AVAILABLE, AND ANY OTHER RELEVANT DOCUMENTS FILED WITH THE SEC, AS WELL AS ANY AMENDMENTS OR SUPPLEMENTS TO THESE DOCUMENTS, CAREFULLY AND IN THEIR ENTIRETY BECAUSE THEY WILL CONTAIN IMPORTANT INFORMATION. Investors and security holders will be able to obtain free copies of the proxy statement and other documents filed with the SEC by Monmouth, when they become available, through the website maintained by the SEC at www.sec.gov. In addition, investors and security holders will be able to obtain free copies of the proxy statement and other documents filed with the SEC on Monmouth's website at www.mreic.reit.

Participants in the Solicitation

Monmouth and certain of its directors and executive officers may be deemed to be participants in the solicitation of proxies from Monmouth's stockholders in connection with the Transaction under the rules of the SEC. Investors may obtain information regarding the names, affiliations and interests of directors and executive officers of Monmouth in Monmouth's Annual Report on Form 10-K for Monmouth's fiscal year ended September 30, 2020, which was filed with the SEC on November 23, 2020, as well as in its other filings with the SEC. Other information regarding the participants in the proxy solicitation and a description of their direct and indirect interests, by security holdings or otherwise, will be contained in the proxy statement and other relevant materials to be filed with the SEC in respect of the Transaction when they become available.

Forward-Looking Statements

Some of the statements contained in this press release constitute forward-looking statements within the meaning of the federal securities laws, including, but not limited to, statements regarding consummating the merger and the timing thereof. Any forward-looking statements contained in this press release are intended to be made pursuant to the safe harbor provisions of Section 21E of the Securities Exchange Act of 1934, as amended. Forward-looking statements relate to expectations, beliefs, projections, future plans and strategies, anticipated events or trends and similar expressions concerning matters that are not historical facts. In some cases, you can identify forward-looking statements by the use of forward-looking terminology such as "may," "will," "should," "expects," "intends," "plans," "anticipates," "believes," "estimates," "predicts," "potential," or the negative of these words and phrases or similar words or phrases which are predictions of or indicate future events or trends and which do not relate solely to historical matters. You can also identify forward-looking statements by discussions of strategy, plans or intentions.

The forward-looking statements contained in this press release reflect Monmouth's current views about future events and are subject to numerous known and unknown risks, uncertainties, assumptions and changes in circumstances that may cause actual results to differ significantly from those expressed in any forward-looking statement, including, without limitation, (i) inability to complete the Transaction because, among other reasons, one or more conditions to the closing of the Transaction may not be satisfied or waived; (ii) uncertainty as to the timing of completion of the Transaction; (iii) potential adverse effects or changes to relationships with tenants, employees, service providers or other parties resulting from the announcement or completion of the Transaction; (iv) the outcome of any legal proceedings that may be instituted against the parties and others related to the Merger Agreement; (v) possible disruptions from the

Transaction that could harm Monmouth's business, including current plans and operations; (vi) unexpected costs, charges or expenses resulting from the Transaction; (vii) legislative, regulatory and economic developments; and (viii) unpredictability and severity of catastrophic events, including, but not limited to, acts of terrorism, outbreak of war or hostilities and epidemics and pandemics, including COVID-19, as well as management's response to any of the aforementioned factors. Monmouth does not guarantee that the Transaction and events described will happen as described (or that they will happen at all). For a further discussion of other factors that could cause Monmouth's future results to differ materially from any forward-looking statements, see the section entitled "Risk Factors" in Monmouth's most recent Annual Report on Form 10-K and in its Quarterly Reports on Form 10-Q for subsequent quarters.

While forward-looking statements reflect Monmouth's good faith beliefs, they are not guarantees of future performance. Monmouth disclaims any obligation to publicly update or revise any forward-looking statement to reflect changes in underlying assumptions or factors, of new information, data or methods, future events or other changes.

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 gains or losses from sales of previously depreciated real estate assets, impairment charges related to depreciable real estate assets, certain non-cash items such as real estate asset depreciation and amortization, plus our portion of these items related to our consolidated investment that we have a non-controlling interest in. 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. Our calculation of Adjusted Funds From Operations (AFFO) differs from Nareit's definition of FFO because we exclude certain items that we view as nonrecurring or impacting comparability from period to period. We define AFFO as FFO, excluding stock based compensation expense, depreciation of corporate office tenant improvements, amortization of deferred financing costs, realized gain on sale of securities transactions, lease termination income, non-recurring strategic alternatives & proxy costs, non-recurring severance expense, effect of non-cash U.S. GAAP straight-line rent adjustments and subtracting recurring capital expenditures, plus our portion of these items related to our consolidated investment that we had a non-controlling interest in. 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 (Loss) Attributable to Common Shareholders to the Company's FFO and AFFO for the three and twelve months ended September 30, 2021 and 2020 (in thousands):

	Three Months Ended		Twelve Months Ended	
	9/30/2021	**9/30/2020**	**9/30/2021**	**9/30/2020**
Net Income (Loss) Attributable to Common Shareholders	$(24,187)	$(3,917)	$44,764	$(48,617)
Less/Plus: Unrealized Holding (Gains) Losses Arising During the Periods	5,139	10,280	(50,239)	77,380
Plus: Depreciation Expense (excluding Corporate Office Capitalized Costs)	13,263	11,950	51,223	46,385
Plus: Amortization of Intangible Assets	608	598	2,339	2,137
Plus: Amortization of Capitalized Lease Costs	286	294	1,256	1,124
Less: Realized Gain on Sale of Real Estate Investment (1)	-0-	-0-	(3,252)	-0-
FFO Attributable to Common Shareholders (2)	**(4,891)**	**19,205**	**46,091**	**78,409**
Plus: Depreciation of Corporate Office Capitalized Costs	57	57	230	234
Plus: Stock Compensation Expense	77	84	287	452
Plus: Amortization of Financing Costs	341	328	1,365	1,410
Plus: Non-recurring Strategic Alternatives & Proxy Costs	25,024	-0-	35,920	-0-
Plus: Non-recurring Severance Expense	-0-	-0-	-0-	786
Less: Realized Gain on Sale of Securities Transactions	-0-	-0-	(2,248)	-0-
Less: Lease Termination Income	-0-	-0-	(377)	-0-
Less: Effect of Non-cash U.S. GAAP Straight-line Rent Adjustment	(646)	(472)	(3,010)	(1,940)
Less: Recurring Capital Expenditures	(498)	(1,009)	(1,289)	(2,453)
AFFO Attributable to Common Shareholders	**$19,464**	**$18,193**	**$76,969**	**$76,898**

(1) Fiscal 2021 Realized Gain on Sale of Real Estate represents our portion of the net realized gain from the sale of our property that we owned a 51% interest in.

(2) FFO Attributable to Common Shareholders for the three and twelve months ended September 30, 2021 includes Non-recurring Strategic Alternatives & Proxy Costs of $25.0 million and $35.9 million, respectively. FFO Attributable to Common Shareholders for the three and twelve months ended September 30, 2021 excluding these Non-recurring Strategic Alternatives & Proxy Costs is $20.1 million and $82.0 million, respectively.

The following are the Cash Flows provided (used) by Operating, Investing and Financing Activities for the twelve months ended September 30, 2021 and 2020 (in thousands):

	Twelve Months Ended	
	9/30/2021	**9/30/2020**
Operating Activities	$84,808	$98,861
Investing Activities	(237,817)	(180,676)
Financing Activities	178,110	85,153

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