FOR IMMEDIATE RELEASE

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MONMOUTH REAL ESTATE REPORTS RESULTS FOR THE THIRD QUARTER ENDED JUNE 30, 2017

FREEHOLD, NJ, August 9, 2017........ Monmouth Real Estate Investment Corporation (NYSE:MNR) reported Net Income Attributable to Common Shareholders of $5,217,000 or $0.07 per diluted share for the three months ended June 30, 2017 as compared to $6,080,000 or $0.09 per diluted share for the three months ended June 30, 2016. This decrease was due to a $2.5 million, or $0.03 per diluted share, non-recurring preferred stock redemption charge. Core Funds from Operations (Core FFO) were $15,441,000 or $0.21 per diluted share for the three months ended June 30, 2017 as compared to $12,752,000 or $0.19 per diluted share for the three months ended June 30, 2016, representing an increase in Core FFO per share of 11%. Adjusted Funds from Operations (AFFO) for the three months ended June 30, 2017 were $13,960,000, or $0.19 per diluted share, versus $12,431,000, or $0.19 per diluted share, for the three months ended June 30, 2016.

A summary of significant financial information for the three and nine months ended June 30, 2017 and 2016 is as follows:

	Three Months Ended June 30, 2017	Three Months Ended June 30, 2016
Rental Revenue	$ 24,400,000	$ 20,790,000
Reimbursement Revenue	$ 4,209,000	$ 3,324,000
Net Operating Income (NOI) (1)	$ 24,036,000	$ 20,499,000
Total Expenses	$ 14,131,000	$ 11,836,000
Dividend and Interest Income	$ 1,899,000	$ 1,486,000
Gain on Sale of Securities Transactions, net	$ 1,488,000	$ 272,000
Net Income	$ 11,730,000	$ 8,231,000
Net Income Attributable to Common Shareholders	$ 5,217,000	$ 6,080,000
Net Income Attributable to Common Shareholders Per Diluted Common Share	$ 0.07	$ 0.09
Core FFO (1)	$ 15,441,000	$ 12,752,000
Core FFO per Diluted Common Share (1)	$ 0.21	$ 0.19
AFFO (1)	$ 13,960,000	$ 12,431,000
AFFO per Diluted Common Share (1)	$ 0.19	$ 0.19
Dividends Declared per Common Share	$ 0.16	$ 0.16
Weighted Avg. Diluted Common Shares Outstanding	73,054,000	66,462,000

	Nine Months Ended June 30, 2017	Nine Months Ended June 30, 2016
Rental Revenue	$ 71,292,000	$ 59,466,000
Reimbursement Revenue	$ 11,807,000	$ 9,874,000
Net Operating Income (NOI) (1)	$ 70,184,000	$ 58,342,000
Total Expenses	$ 41,179,000	$ 35,541,000
Dividend and Interest Income	$ 4,631,000	$ 4,050,000
Gain on Sale of Securities Transactions, net	$ 2,294,000	$ 1,159,000
Net Income	$ 30,009,000	$ 22,302,000
Net Income Attributable to Common Shareholders	$ 16,216,000	$ 15,847,000
Net Income Attributable to Common Shareholders Per Diluted Common Share	$ 0.23	$ 0.24
Core FFO (1)	$ 41,694,000	$ 35,278,000
Core FFO per Diluted Common Share (1)	$ 0.58	$ 0.55
AFFO (1)	$ 39,411,000	$ 33,901,000
AFFO per Diluted Common Share (1)	$ 0.55	$ 0.52
Dividends Declared per Common Share	$ 0.48	$ 0.48
Weighted Avg. Diluted Common Shares Outstanding	71,423,000	64,703,000

A summary of significant balance sheet information as of June 30, 2017 and September 30, 2016 is as follows:

	June 30, 2017	September 30, 2016
Net Real Estate Investments	$ 1,204,348,000	$ 1,022,483,000
Securities Available for Sale at Fair Value	$ 100,496,000	$ 73,605,000
Total Assets	$ 1,351,618,000	$ 1,223,486,000
Fixed Rate Mortgage Notes Payable, net of Unamortized Debt Issuance Costs	$ 554,487,000	$ 477,476,000
Loans Payable	$ 122,095,000	$ 80,791,000
Total Shareholders' Equity	$ 658,246,000	$ 597,858,000

Michael P. Landy, President and CEO, commented on the results for the third quarter of fiscal 2017,

"Monmouth had a very productive quarter that saw a substantial amount of acquisition activity as several properties from our build-to-suit pipeline came on line. During the quarter, we acquired five brand-new Class A built-to-suit properties containing a total of 1.4 million square feet. These five acquisitions were purchased for an aggregate cost of $152.0 million and have a weighted average lease term of 14.4 years. Because four of the five acquisitions did not close until the last week of the quarter, their favorable impact to our earnings was not a factor during the recent quarter but will be apparent going forward."

"During the quarter, we also finished successfully replacing all $111 million of our high dividend Series A and Series B perpetual preferred stock, which had a weighted average coupon of 7.755%, with our new 6.125% Series C perpetual preferred stock. This will result in approximately $1.76 million in annual preferred dividend savings going forward. Our balance sheet has never been stronger and these substantial improvements to our capital structure will benefit Monmouth for many years to come, regardless of what interest rates may do in the future. Net Income during the quarter was impacted by a non-recurring, non-cash $2.5 million preferred redemption charge. During the recent quarter, we generated Core FFO of $0.21 per diluted share representing an 11% increase over the prior year period. Our AFFO per diluted share was $0.19 which is in-line with the prior year period and represents a 6% increase sequentially."

"Additionally, our strong financial performance continued with the following achievements over the quarter:

- Increased our Gross Revenue by 19% to $30.5 million, compared to $25.6 million in the prior year period,

- Increased our Net Operating Income by 17% to $24.0 million, compared to $20.5 million in the prior year period,

- Generated $1.5 million in net realized gains on our securities investments resulting in $2.3 million in cumulative net realized gains thus far in fiscal 2017, in addition to the $8.8 million in unrealized gains held at quarter end,

- Achieved a total market capitalization of $2.0 billion, and

- Entered into an At-The-Market Preferred Equity Program (ATM Preferred Stock Program) with FBR Capital Markets & Co. in which the Company may, from time to time, offer and sell additional shares of its 6.125% Series C Preferred Stock. Subsequent to the quarter end through July 25, 2017, the Company sold 627,867 shares under its ATM Preferred Stock Program at a weighted average price of $25.44 per share, and realized net proceeds, after offering expenses, of approximately $15.6 million."

"Our property portfolio continued to deliver strong results as evidenced by the following accomplishments:

- Increased our current quarter end occupancy rate to 99.8%, an increase of 20 basis points over the prior year period,

- Increased our weighted average lease maturity by 10% to 7.8 years from 7.1 years in the prior year period,

- Renewed 10 of the 13 leases set to expire in fiscal 2017, totaling 1.5 million square feet. Nine of the 10 renewed leases, representing 1.3 million square feet, or 83% of the expiring square footage, have a weighted average lease term of 6.5 years, and a weighted average lease rate of $5.61 per square foot on a GAAP basis. This represents a decrease in the weighted average lease rate of 1.2% on a GAAP basis. Subsequent to quarter end, we leased one of the additional three buildings to a new tenant. One of the ten leases, representing 87,500 square feet, was renewed for only eight months because the tenant, FedEx Ground, moved its operations to our newly constructed 214,000 square foot facility, in the same market, in Ft. Myers, FL. The remaining two leases that are still set to expire during fiscal 2017 are currently under discussion.

- Our same property occupancy decreased 30 basis points from 100% to 99.7% during the nine month period and our same property NOI increased 0.4% on a GAAP basis and 1.6% on a cash basis.

- Subsequent to quarter end, we acquired a brand new Class A built-to-suit property containing 354,000 square feet, in the Charlotte, NC MSA, for a cost of $40.6 million, leased for 15 years to FedEx Ground. This facility will generate $2.5 million in annualized rental revenue, and

- Continued to grow our acquisition pipeline to $88.7 million currently, representing 1.04 million square feet. These are all brand new, build-to-suit developments currently under construction and set to come online over the next several quarters."

Mr. Landy further stated, "Monmouth's strong performance was on full display this recent quarter. Our 1.4 million square feet in new acquisition activity, our sector leading 99.8% occupancy rate, our major enhancements to our strong balance sheet, and our consistent earnings growth, all result in a company that is very well positioned to achieve substantial results going forward. We continue to grow our asset base one high quality acquisition at a time and look forward to building upon our successful track record to date."

Monmouth Real Estate Investment Corporation will host its Third Quarter FY 2017 Financial Results Webcast and Conference Call on Thursday, August 10, 2017 at 10:00 a.m. Eastern Time. Senior management will discuss the results, current market conditions and future outlook.

The Company's Third Quarter FY 2017 financial results being released herein will be available on the Company's website at www.mreic.reit in the Investor Relations section, under Filings and Reports.

To participate in the **Webcast**, select the **3Q2017 Webcast and Earnings Call** "Link to Webcast" on the homepage of the Company's 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 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, August 10, 2017. It will be available until December 1, 2017, and can be accessed by dialing toll free 877-344-7529 (domestically) and 412-317-0088 (internationally) and entering the passcode 10107965. A transcript of the call and the webcast replay will be available at the Company's 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 U.S. The Company specializes 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 106 properties containing a total of approximately 18.3 million rentable square feet, geographically diversified across 30 states. 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, as defined by The National Association of Real Estate Investment Trusts (NAREIT), to be equal to net income applicable to common shareholders, as defined by U.S. GAAP, excluding extraordinary items as defined by 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. We define Core FFO as FFO, excluding acquisition costs and costs associated with the Redemption of Preferred Stock. 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, non-recurring other expense, the effect of non-cash 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 from property operations as net income attributable to common shareholders, as defined by U.S. GAAP, plus preferred dividends, general & administrative expenses, acquisitions costs, depreciation, amortization of capitalized lease costs & intangible assets and interest expense, including amortization of financing costs, less dividend and interest income and gain on sale of securities transactions. The components of NOI consists of recurring rental and reimbursement revenue, less real estate taxes and operating expenses, such as insurance, utilities, and repairs and maintenance and other expenses. Adjusted EBITDA is calculated as net income attributable to common shareholders, as defined by U.S. GAAP, plus preferred dividends; depreciation and amortization; interest expense, including amortization of financing costs; acquisition costs; net amortization of acquired above and below market lease revenue and loss on sale of real estate investment, less gain on sale of securities transactions. 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 and Adjusted EBITDA, 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. However, other REITs may use different methodologies to calculate FFO, Core FFO and AFFO per diluted share and, accordingly, our FFO, Core FFO and AFFO per diluted share may not be comparable to all other REITs. 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 nine months ended June 30, 2017 and 2016:

	Three Months Ended		**Nine Months Ended**	
	6/30/2017	**6/30/2016**	**6/30/2017**	**6/30/2016**
Net Income Attributable to Common Shareholders	$5,217,000	$6,079,000	$16,216,000	$15,847,000
Plus: Depreciation Expense (excluding Corporate Office Capitalized Costs)	7,279,000	6,066,000	21,333,000	17,390,000
Plus: Amortization of Intangible Assets	263,000	272,000	771,000	915,000
Plus: Amortization of Capitalized Lease Costs	215,000	199,000	633,000	580,000
Plus: Loss on Sale of Real Estate Investment	-0-	-0-	95,000	-0-
FFO Attributable to Common Shareholders	**12,974,000**	**12,616,000**	**39,048,000**	**34,732,000**
Plus: Acquisition Costs	-0-	136,000	179,000	546,000
Plus: Redemption of Preferred Stock	2,467,000	-0-	2,467,000	-0-
Core FFO Attributable to Common Shareholders	**15,441,000**	**12,752,000**	**41,694,000**	**35,278,000**
Plus: Stock Compensation Expense	175,000	100,000	441,000	307,000
Plus: Depreciation of Corporate Office Capitalized Costs	39,000	31,000	117,000	88,000
Plus: Amortization of Financing Costs	283,000	240,000	950,000	713,000
Plus: Non-recurring other expense	-0-	100,000	-0-	500,000
Less: Gain on Sale of Securities Transactions	(1,488,000)	(272,000)	(2,294,000)	(1,159,000)
Less: Effect of Non-cash U.S. GAAP Straight-line Rent Adjustment	(295,000)	(350,000)	(925,000)	(1,172,000)
Less: Recurring Capital Expenditures	(195,000)	(170,000)	(572,000)	(654,000)
AFFO Attributable to Common Shareholders	**$13,960,000**	**$12,431,000**	**$39,411,000**	**$33,901,000**

The following are the Cash Flows provided (used) by Operating, Investing and Financing Activities for the nine months ended June 30, 2017 and 2016:

	Nine Months Ended	
	6/30/2017	**6/30/2016**
Operating Activities	$50,191,000	$43,347,000
Investing Activities	(232,827,000)	(169,805,000)
Financing Activities	98,637,000	121,271,000

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