FOR IMMEDIATE RELEASE

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MONMOUTH REAL ESTATE REPORTS RESULTS FOR THE THIRD QUARTER ENDED JUNE 30, 2019

FREEHOLD, NJ, August 1, 2019........ Monmouth Real Estate Investment Corporation (NYSE:MNR) reported Net Loss Attributable to Common Shareholders of $3.1 million or $0.03 per diluted share for the three months ended June 30, 2019 as compared to Net Income Attributable to Common Shareholders of $10.3 million or $0.13 per diluted share for the three months ended June 30, 2018, representing a decrease of $0.16 per share. The large decrease in our net income this quarter 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 third quarter of fiscal year 2019, we recognized $11.6 million of unrealized losses or $0.12 per diluted share. Prior to the adoption of the rule, unrealized gains and losses were reflected as a change in our shareholders' equity. During the third quarter of fiscal year 2018, we reported realized gains of $2.1 million or $0.03 per diluted share from the sale of real estate. Excluding all non-cash unrealized losses and realized gains, our Net Income Attributable to Common Shareholders for the three months ended June 30, 2019 would have been $8.5 million or $0.09 per diluted share as compared to $8.2 million or $0.10 per diluted share for the three months ended June 30, 2018, representing a per share decrease of 10%. Funds from Operations (FFO), which excludes unrealized gains or losses from our securities portfolio, for the three months ended June 30, 2019 were $19.9 million or $0.21 per diluted share versus $18.0 million or $0.23 per diluted share for the three months ended June 30, 2018, representing a decrease in FFO per share of 8.7%. Adjusted Funds from Operations (AFFO), which also excludes unrealized and realized gains or losses from our securities portfolio, for the three months ended June 30, 2019 were $19.4 million or $0.21 per diluted share versus $17.3 million or $0.22 per diluted share for the three months ended June 30, 2018, representing a decrease in AFFO per share of 4.5%. These decreases in FFO and AFFO per share were attributable to the impact of our October equity offering of 9.2 million shares combined with additional share issuances pursuant to our DRIP/SIP program, as well as a 70-basis point reduction in our portfolio occupancy rate compared to a year ago.

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

	Three Months Ended June 30,			
		2019		**2018**
Rental Revenue	$	33,127	$	29,256
Reimbursement Revenue	$	6,345	$	5,480
Net Operating Income (NOI) (1)	$	32,731	$	28,789
Total Expenses	$	20,646	$	17,611
Dividend Income	$	3,686	$	3,628
Gain on Sale of Securities Transactions	$	-0-	$	-0-
Unrealized Holding Gains (Losses) Arising During the Periods	$	(11,609)	$	-0-
Gain on Sale of Real Estate Investments	$	-0-	$	2,097
Net Income	$	1,628	$	14,571
Net Income (Loss) Attributable to Common Shareholders	$	(3,121)	$	10,323
Net Income (Loss)Attributable to Common Shareholders Per Diluted Common Share	$	(0.03)	$	0.13
FFO (1)	$	19,899	$	17,988
FFO per Diluted Common Share (1)	$	0.21	$	0.23
AFFO (1)	$	19,388	$	17,348
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		94,493		79,572

	Nine Months Ended June 30,			
		2019		**2018**
Rental Revenue	$	98,678	$	85,559
Reimbursement Revenue	$	19,247	$	17,002
Lease Termination Income	$	-0-	$	210
Net Operating Income (NOI) (1)	$	97,595	$	84,597
Total Expenses	$	60,961	$	52,262
Dividend Income	$	11,569	$	9,380
Gain on Sale of Securities Transactions	$	-0-	$	111
Unrealized Holding Gains (Losses) Arising During the Periods	$	(38,668)	$	-0-
Gain on Sale of Real Estate Investments	$	-0-	$	7,486
Net Income	$	1,986	$	43,846
Net Income (Loss) Attributable to Common Shareholders	$	(11,664)	$	31,033
Net Income (Loss) Attributable to Common Shareholders Per Diluted Common Share	$	(0.13)	$	0.40
FFO (1)	$	60,917	$	51,751
FFO per Diluted Common Share (1)	$	0.66	$	0.66
AFFO (1)	$	59,583	$	50,667
AFFO per Diluted Common Share (1)	$	0.64	$	0.65
Dividends Declared per Common Share	$	0.51	$	0.51
Weighted Avg. Diluted Common Shares Outstanding		92,719		78,099

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

		June 30, 2019		September 30, 2018
Real Estate Investments	$	1,601,163	$	1,512,513
Securities Available for Sale at Fair Value	$	171,040	$	154,921
Total Assets	$	1,835,183	$	1,718,378
Fixed Rate Mortgage Notes Payable, net of Unamortized Debt Issuance Costs	$	734,095	$	711,546
Loans Payable	$	126,187	$	186,609
Total Shareholders' Equity	$	953,772	$	797,906

Michael P. Landy, President and CEO, commented on the results for the third quarter of fiscal 2019,

"Our FFO per share decreased by $0.02 or 8.7% and our AFFO per share decreased by $0.01 or 4.5% from the prior year quarter. This decrease was primarily attributable to the timing impact of equity issuance over the past year as well as a 70-basis point reduction in our overall occupancy rate to 98.9% versus the prior year period. Going forward, we expect our recent $25.5 million acquisition leased to Toyota for ten years, our 50-basis point increase in our overall occupancy rate since the quarter end, which was primarily the result of a new 10-year lease with Amazon, as well as our substantial $219.2 million acquisition pipeline to positively contribute to our per share earnings in the ensuing quarters."

"We are pleased to report continued growth across multiple fronts. During the quarter we:

- Increased our Gross Revenue by 12% over the prior year period to $43.2 million;
- Increased our Net Operating income by 14% over the prior year period to $32.7 million;
- Increased our gross leasable area (GLA) by 6% over the prior year period to 21.8 million square feet;
- Renewed seven and re-leased two of the eleven leases scheduled to expire in Fiscal 2019. These seven lease renewals, along with two properties that were re-tenanted, comprising 1.3 million square feet resulted in a 3.9% weighted-average increase in GAAP rent, and have a weighted-average lease term of 7.4 years;
- Maintained a high occupancy rate of 98.9% throughout the quarter;
- Increased our overall occupancy rate by 50-basis points to 99.4%, effective July 1, 2019, with the execution of a ten-year lease agreement to Amazon for our 92,000 square foot facility located in Charleston, SC;
- Maintained our weighted average lease maturity at 7.8 years over the prior year period;
- Increased our annualized average base rent per occupied square foot by 6% to $6.23 from the prior year quarter;
- Reduced our weighted average interest rate on our fixed-rate debt by 8 bps to 4.03% over the prior year period;
- Maintained our weighted average debt maturity on our fixed-rate debt at 11.5 years;
- Reduced our Net Debt to Adjusted EBITDA to 6.2x from 6.4x in the prior quarter;
- Raised $16.8 million (including dividend reinvestments of $4.4 million) from our Dividend Reinvestment and Stock Purchase Plan, representing a 27% participation rate;
- Raised $12.8 million in net proceeds from our Preferred Stock At-The-Market Sales Program as well as an additional $6.6 million in net proceeds subsequent to the quarter end; and
- Subsequent to the quarter end, acquired one brand new Class A property leased for ten-years to Toyota comprising 350,000 square feet, for a cost of $25.5 million."

"Our $219.2 million acquisition pipeline currently contains four new build-to-suit properties comprising 1.5 million total square feet. These properties have a weighted-average lease term of 14.5 years, with FedEx representing 50% of the 1.5 million square feet and Amazon representing 40%. In keeping with our business model, these projects are all leased to investment grade tenants. Subsequent to the quarter end, we acquired a brand new 350,000 square foot industrial building for $25.5 million, leased for 10 years to Toyota in Lafayette, IN. Thus far in fiscal 2019, we have acquired three buildings comprising 824,000 square feet for a total purchase price of $138.6 million."

"Our GAAP leasing spreads this year are up 3.9%, driven by seven lease renewals and two re-tenanted properties, resulting in 7.4 years of weighted-average lease term. At quarter end, our overall weighted-average lease maturity was 7.8 years and our weighted-average debt maturity was 11.5 years. Our Net Debt to Adjusted EBITDA has improved steadily as anticipated and is now at 6.2x which we view as modest leverage given our well-laddered debt and lease maturities. With approximately 80% of our rental revenue derived from investment grade tenants, we expect our portfolio to continue to deliver a very reliable, long-term income stream for our shareholders. Our recent acquisition coupled with our increased occupancy, both of which occurred subsequent to quarter end, combined with our build-to-suit acquisition pipeline, should result in per share earnings accretion going forward."

Monmouth Real Estate Investment Corporation will host its Third Quarter FY 2019 Financial Results Webcast and Conference Call on Friday, August 2, 2019 at 10:00 a.m. Eastern Time. Senior management will discuss the results, current market conditions and future outlook.

Our Third Quarter 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 **3Q2019 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 Friday, August 2, 2019. It will be available until November 15, 2019, and can be accessed by dialing toll free 1-877-344-7529 (domestically) and 1-412-317-0088 (internationally) and entering the passcode 10131764. 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 114 properties containing a total of approximately 22.3 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. Prior to the adoption of the FFO White Paper – 2018 Restatement, we utilized Core Funds From Operations (Core FFO), which we defined as FFO, excluding Unrealized Holding Gains or Losses Arising During the Periods. 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 (Loss) Attributable to Common Shareholders to the Company's FFO and AFFO for the three and nine months ended June 30, 2019 and 2018 (in thousands):

	Three Months Ended		**Nine Months Ended**	
	6/30/2019	**6/30/2018**	**6/30/2019**	**6/30/2018**
Net Income (Loss) Attributable to Common Shareholders (1)	$(3,121)	$10,323	$(11,664)	$31,033
Plus: Unrealized Holding Losses Arising During the Periods (2)	11,609	-0-	38,668	-0-
Plus: Depreciation Expense (excluding Corporate Office Capitalized Costs)	10,665	9,123	31,692	26,386
Plus: Amortization of Intangible Assets	490	417	1,495	1,158
Plus: Amortization of Capitalized Lease Costs	256	222	726	660
Less: Gain on Sale of Real Estate Investments	-0-	(2,097)	-0-	(7,486)
FFO Attributable to Common Shareholders	**19,899**	**17,988**	**60,917**	**51,751**
Plus: Depreciation of Corporate Office Capitalized Costs	168	39	376	118
Plus: Stock Compensation Expense	231	97	574	339
Plus: Amortization of Financing Costs	319	315	956	911
Less: Gain on Sale of Securities Transactions	-0-	-0-	-0-	(111)
Less: Lease Termination Income	-0-	-0-	-0-	(210)
Less: Recurring Capital Expenditures	(702)	(490)	(1,888)	(774)
Less: Effect of Non-cash U.S. GAAP Straight-line Rent Adjustment	(527)	(601)	(1,352)	(1,357)
AFFO Attributable to Common Shareholders	**$19,388**	**$17,348**	**$59,583**	**$50,667**

(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 (Loss) 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.

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

	Nine Months Ended	
	6/30/2019	**6/30/2018**
Operating Activities	$75,404	$63,094
Investing Activities	(185,987)	(216,286)
Financing Activities	114,890	149,858

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