

COMMITTEE CHARTER
for the
COMPENSATION COMMITTEE
of
MONMOUTH REAL ESTATE INVESTMENT CORPORATION
(the “Company”)
AMENDED JANUARY 16, 2013

PURPOSE:

The primary function of the Compensation Committee (the “Committee”) of the Board of Directors (the “Board”) of the Company is to discharge the responsibilities of the Board regarding oversight of compensation of the Company’s senior officers and directors.

COMPOSITION:

The Committee shall be comprised of two (2) or more directors who shall be appointed by the Board after considering the recommendation of the Nominating Committee. Each member of the Board shall be “independent” under the rules established by the Securities and Exchange Commission and the listing standards established by the New York Stock Exchange, Inc. Members of the Committee shall serve at the pleasure of the Board. The members of the Committee shall serve terms of one year and shall be eligible for reappointment. The Committee shall also provide procedures for the removal of a member of the Committee.

The Committee may, in its discretion, form and delegate all or a portion of its authority and responsibilities to a subcommittee of the Committee when appropriate, as permitted by applicable rules and regulations.

RESPONSIBILITIES:

1. At least annually, review the Company’s overall compensation strategy, including base, incentive compensation and restricted stock grants, to assure that it promotes shareholder interests and supports the Company’s strategic objectives, and that it provides for appropriate rewards and incentives for the Company’s management and employees;
2. At least annually, review and approve corporate goals and objectives relevant to the compensation of the Company’s Chief Executive Officer, evaluate the Chief Executive Officer’s performance in light of those goals and objectives and establish the compensation of the Chief Executive officer based on such evaluations;
3. Review and recommend to the Board the compensation for directors and named executives;

4. Review and recommend to the Board the structure and overall size of the Company's bonus or other cash incentive plans used to compensate officers and employees;
5. Approve and administer the Company's equity compensation/incentive plans and delegate to the Chairman or President authority to make grants to other employees under such plans;
6. Conduct an annual evaluation of the Committee's performance and assessment of the adequacy of the Committee's charter and recommend to the Board such charter changes as the Committee deems appropriate;
7. Prepare and approve the Committee's report to be included as part of the Company's annual proxy statement and/or annual report on Form 10-K in accordance with applicable rules and regulations;
8. Review and discuss with management the Compensation Discussion and Analysis disclosures required in accordance with applicable rules and regulations; and
9. Perform such other activities consistent with this Charter, the Company's by-laws, governing law, the rules and regulations of the New York Stock Exchange and such other requirements applicable to the Company as the Committee or the Board deem necessary or appropriate.

MEETINGS:

The Committee shall meet at such times as it determines to be necessary or appropriate, but not less often than annually. Meetings may be called by a Committee member or the Chief Executive Officer of the Company. A majority of the members of the Committee entitled to vote, either present in person or by means of remote communication or represented by proxy, shall constitute a quorum of the Committee. A majority of the members in attendance shall decide any question brought before any meeting of the Committee. The Committee may request that any directors, officers or employees of the Company, or other persons whose advice and counsel are sought by the Committee, attend any meeting of the Committee. The Committee shall meet in executive session without the presence of any members of management as often as it deems appropriate. The Committee shall report to the Board at each regular meeting of the Board any actions or recommendations of the Committee since the last regular Board meeting. Except as expressly provided in this Charter, the by-laws of the Company or as required by law or the listing standards of the New York Stock Exchange, the Committee shall establish its own rules of procedures.

AUTHORITY:

The Committee may obtain advice and assistance from such internal and external advisors as it deems appropriate in connection with the discharge of its duties. The

Committee shall have authority to determine and approve related fees and retention terms for any such advisors. Without limiting the generality of the foregoing, the Committee shall have the sole authority on behalf of the Company to retain, consult with and terminate any compensation consultant to be used to assist the Committee in evaluating compensation for directors, consultants, the Chief Executive Officer, the President or other executive officers, to determine the compensation for any such consultant and to determine the other retention terms of such consultant.

DISCLOSURE OF THE CHARTER:

This Charter shall be made available to the public on the Company's website, in the manner and at such times as may be required by applicable law or regulations or the direction of the Board.