

Director Stock Ownership Guidelines
Effective September 12, 2017

Monmouth Real Estate Investment Corporation (the “Company”) recommends that each individual serving as a director of the Company (other than directors who are also officers of the Company and subject to comparable ownership guidelines in their capacity as officers of the Company) own shares of the Company’s common stock having a value equal to at least three times the director’s annual cash retainer from the Company. These recommendations are intended to be a guide; the Company recognizes that each director has different personal financial circumstances. Therefore, each director is advised to own shares of the Company’s common stock in an amount commensurate with each director’s circumstances. Each director’s stock ownership level will be evaluated by or at the direction of the Company’s Chief Financial Officer in connection with the preparation of the Company’s Annual Report on Form 10-K or the Company’s proxy statement each year. The value of stock holdings will be calculated based on the closing price of a share of common stock of the Company on the last trading day of the Company’s fiscal year ending prior to the annual review. Stock that counts towards satisfaction of the Company’s Director Stock Ownership Guidelines includes: a) Shares owned outright by the director or his or her immediate family members residing in the same household; b) Shares held in trust or under a similar arrangement for the economic benefit of the director; c) Restricted or unrestricted stock issued as part of a director’s compensation, whether or not vested; and d) Shares acquired upon option exercise that the director continues to own. The Nominating/Corporate Governance Committee has authority to administer and interpret these guidelines and will include these guidelines as part of its annual review of directors.