

MONMOUTH REAL ESTATE INVESTMENT CORP

Form 8-K

January 06, 2010

UNITED STATES

SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

FORM 8-K

CURRENT REPORT

Pursuant to Section 13 OR 15(d) of The Securities Exchange Act of 1934

Date of Report (Date of earliest event reported): January 4, 2010

UMH Properties, Inc.

(Exact name of registrant as specified in its charter)

Maryland 001-12690 22-1890929

(State or other jurisdiction (Commission (IRS Employer
of incorporation) File Number) Identification No.)

Juniper Business Plaza, 3499 Route 9 North, Suite 3-C, Freehold, NJ 07728

(Address of principal executive offices)

(Zip Code)

Registrant's telephone number, including area code: (732) 577-9997

Not Applicable

(Former name or former address, if changed since last report.)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions (see General Instruction A.2. below):

☐ Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)

☐ Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)

☐ Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))

☐ Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

Item 1.01

Entry into a Material Definitive Agreement

On January 4, 2010, the Company executed an employment agreement with Allison Nagelberg, General Counsel. The agreement is effective January 1, 2010.

Item 9.01

Financial Statements and Exhibits.

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(c) Exhibits.

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Employment Agreement Allison Nagelberg, effective January 1, 2010

SIGNATURE

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

UMH Properties, Inc.

Date: January 6, 2010

By: /s/ Anna T. Chew

Name:

Anna T. Chew

Title:

Vice President and Chief Financial Officer

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D WIDTH="62%">Years 6-10 2,156,796 2.85

Bridgestone/Firestone North American Tire, LLC is a wholly owned subsidiary of Bridgestone Americas Holding, Inc. the North American holding company and a wholly owned subsidiary of the Japanese parent, Bridgestone Corporation.

Inventec (USA) Corporation

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Upon the acquisition of West by Northwest, the Company assumed the in-place lease with Inventec (USA) Corporation, a leading designer, developer and manufacturer in the technology industry. Inventec has net leased 100% of this facility. The tenant pays maintenance, insurance, taxes and all other expenses associated with the operation and maintenance of the facility. The landlord is responsible for capital repairs including the roof, truck court and slab. The initial term of the lease is 4 years and may be extended at the option of the tenant for up to two additional three year terms.

Inventec currently occupies 76,201 square feet and the remaining space of 113,266 is currently undergoing new tenant improvements. By May of 2004, Inventec will occupy 100% of the lease space in this facility. Therefore the initial aggregate annual rent under the current lease is \$283,468 payable in equal monthly installments. Upon 100% occupancy, the lease provides for periodic rent increases as follows:

	Annual Rent	Per Square Foot
Years 1-3	\$ 704,817	\$ 3.72
Year 4	738,921	3.90

Iron Mountain Corp.

Upon the acquisition of Mallard Lake, the Company assumed the in-place lease with Iron Mountain Corp., a leading records and information management company. Iron Mountain has net

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leased 100% of this facility. The tenant pays maintenance, insurance, taxes and all other expenses associated with the operation and maintenance of the facility. The landlord is responsible for capital repairs including the roof, truck court and slab. The remaining term of the lease is 11 years and may be extended at the option of the tenant for up to three additional five year terms. In addition, the tenant has the option to purchase the facility in 2009 for \$11.5 million and the tenant has a second option to purchase the facility in 2014 for the lesser of fair market value or \$12.9 million.

The initial aggregate annual rent under the current lease is \$880,230 payable monthly in equal installments of \$73,353. The lease provides for periodic rent increases as follows:

	Annual Rent	Per Square Foot
Year 1	\$ 880,230	\$ 3.97
Years 2-6	984,570	4.44
Years 7-11	1,101,564	4.96

Tenant Lease Expiration

The following table sets forth lease expirations for the next ten years at our properties, assuming that no renewal options are exercised. This should not be deemed indicative of or a predication of future actual results. It is the opinion of the Company's management that the space for expiring leases will be released at market rates existing at the time of the expiration of those leases.

Year Ending December 31,	Number of Leases Expiring	Approximate Area of Leases Expiring	Annual Rents of Leases Expiring	Percentage of Total Project Rents Expiring
2003				
2004				
2005				
2006	2	153,100	\$ 609,500	11.1%
2007	4	415,200	\$ 1,411,500	25.8%
2008	2	191,900	\$ 645,800	11.8%
2009				
2010				
2011				

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Year Ending December 31,	Number of Leases Expiring	Approximate Area of Leases Expiring	Annual Rents of Leases Expiring	Percentage of Total Project Rents Expiring
2012				
Thereafter	2	978,000	\$ 2,804,500	51.3%
Total	10	1,738,200	\$ 5,471,300	100.0%

Insurance Coverage on Properties

The Company carries comprehensive general liability coverage and umbrella liability coverage on all of our properties with limits of liability which we deem adequate. Similarly, we are insured against the risk of direct physical damage in amounts we believe to be adequate to reimburse us on a replacement basis for costs incurred to repair or rebuild each property, including loss of rental income during the reconstruction period. The cost of such insurance is passed through to tenants whenever possible.

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Depreciable Tax Basis and Real Estate Tax

The following table provides information regarding our tax basis and real estate taxes at each of our properties.

Property Location	Approximate Depreciable Tax Basis	Estimated 2003 Real Estate Taxes
Nashville, TN	\$ 21,955,000	\$ 307,500
Memphis, TN	13,660,000	248,000
Rancho Cucamonga, CA	7,574,000	135,000
Chicago, IL	8,808,000	247,000
Houston, TX	7,564,000	278,000
Total	\$ 59,561,000	\$ 1,215,500

Potential Property Acquisitions

As of the date of this filing, the Company had not identified any additional properties that have a reasonable probability to be acquired. When the Company either acquires a significant property or deems there to be a reasonable probability that the Company will acquire a significant property, the Company will provide a supplement to this prospectus to describe the property. You should not assume that the Company will actually acquire the property that the Company describes in a supplement as a probable acquisition because one or more contingencies to the purchase may prevent the acquisition.

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PRIOR PERFORMANCE SUMMARY

The information presented in this section represents the historical experience of real estate programs sponsored by affiliates of the Advisor. Such affiliates consist of John A. Blumberg, James R. Mulvihill and Evan H. Zucker. Prospective investors in Dividend Capital Trust should not assume that they will experience returns, if any, comparable to those realized by investors in any such programs.

As of March 31, 2002, Messrs. Blumberg, Mulvihill and Zucker, directly or through affiliated entities, had served as sponsors, officers, managers, partners or joint venture partners of one public REIT (American Real Estate Investment Trust) and 54 non-public real estate limited partnerships. The public real estate investment trust raised approximately \$93,230,000 from more than 130 investors. The 54 non-public real

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estate limited partnerships raised approximately \$174,437,000 from approximately 415 investors. Collectively, the public real estate investment trust and the private partnerships purchased interests in 75 real estate projects. The aggregate combined acquisition and development cost of these 75 projects was approximately \$503,600,000.

Of the 75 total real estate projects, 21 were purchased by the public real estate investment trust and consisted of multi-family properties (comprising 36% of the total amount of the public program), office properties (comprising 28% of the total amount of the public program), industrial properties (comprising 26% of the total amount of the public program), and retail properties (comprising 11% of the total amount of the public program). Of these 21 projects, four were located in Colorado, 15 were located in New Jersey, one was located in California and one was located in Arizona.

The 54 remaining real estate projects were purchased or developed by the private real estate limited partnerships and consisted of industrial properties (comprising 39% of the total amount of the private programs), multi-family properties (comprising 34% of the total amount of the private programs), land assets (comprising 15% of the total amount of the private programs), golf course properties (comprising 11% of the total amount of the private programs) and retail properties (comprising 1% of the total amount of the private programs). Of these 54 projects, 25 were located in Colorado, 24 were located in Mexico, four were located in New Jersey and one was located in New York.

In the public real estate investment trust, 100% of the properties were purchased, none were developed and four properties were sold while certain sponsors of Dividend Capital Trust served as Chairman of the Board and President. In the private real estate limited partnerships, 76% of the projects were developed, 24% were purchased and 25 of the properties had been sold as of March 31, 2002. Of the \$503,600,000 combined acquisition and development value of all prior public and private projects, approximately 34.30% had investment objectives similar to those of Dividend Capital Trust.

The Prior Performance Tables included as Appendix A to this prospectus contain information regarding certain of the programs described above. The Prior Performance Tables are required to present information only for projects which have investment objectives similar to those of Dividend Capital Trust and which were completed within certain time periods. As a result, the Prior Performance Tables do not contain information relating to the one public real estate investment trust or certain of the non-public programs summarized above.

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FEDERAL INCOME TAX CONSIDERATIONS

General

The following is a summary of United States material federal income tax considerations associated with an investment in our common shares that may be relevant to you. The statements made in this section of the prospectus are based upon current provisions of the Internal Revenue Code and Treasury Regulations promulgated thereunder, as currently applicable, currently published administrative positions of the Internal Revenue Service and judicial decisions, all of which are subject to change, either prospectively or retroactively. We cannot assure you that any changes will not modify the conclusions expressed in counsel's opinions described herein. This summary does not address all possible tax considerations that may be material to an investor and does not constitute legal or tax advice. Moreover, this summary does not deal with all tax aspects that might be relevant to you, as a prospective shareholder, in light of your personal circumstances, nor does it deal with particular types of shareholders that are subject to special treatment under the federal income tax laws, such as insurance companies, holders whose shares are acquired through the exercise of stock options or otherwise as compensation, holders whose shares are acquired through the distribution reinvestment plan or who intend to sell their shares under the share redemption program, tax-exempt organizations except as provided below, financial institutions or broker-dealers, or foreign corporations or persons who are not citizens or residents of the United States except as provided below. The Internal Revenue Code provisions governing the federal income tax treatment of REITs and their shareholders are highly technical and complex, and this summary is qualified in its entirety by the express language of applicable Internal Revenue Code provisions, Treasury Regulations promulgated thereunder and administrative and judicial interpretations thereof.

Skadden, Arps, Slate, Meagher & Flom LLP has acted as our special tax counsel, has reviewed this summary and is of the opinion that it fairly summarizes the United States federal income tax considerations addressed that are likely to be material to U.S. shareholders (as defined herein) of our common shares. This opinion will be filed as an exhibit to the registration statement of which this prospectus is a part. The opinion of Skadden, Arps, Slate, Meagher & Flom LLP is based on various assumptions, is subject to limitations and is not binding on the Internal Revenue Service or any court.

We urge you, as a prospective shareholder, to consult your tax advisor regarding the specific tax consequences to you of a purchase of shares, ownership and sale of the shares and of our election to be taxed as a REIT, including the federal, state, local, foreign and other tax consequences of such purchase, ownership, sale and election and of potential changes in applicable tax laws.

REIT Qualification

We intend to elect to be taxable as a REIT commencing with the year ending December 31, 2003. This section of the prospectus discusses the laws governing the tax treatment of a REIT and its shareholders. These laws are highly technical and complex.

In connection with this offering, Skadden, Arps, Slate, Meagher & Flom LLP has delivered an opinion to us that commencing with Dividend Capital Trust's taxable year that began on January 1, 2003, Dividend Capital Trust was organized in conformity with the requirements for qualification as a REIT under the Internal Revenue Code, and its actual method of operation, and its proposed method of operation will enable it to meet the requirements for qualification and taxation as a REIT.

It must be emphasized that the opinion of Skadden, Arps, Slate, Meagher & Flom LLP is based on various assumptions relating to the organization and operation of Dividend Capital Trust, and is conditioned upon representations and covenants made by us regarding our organization, assets and the past, present and future conduct of our business operations. While we intend to operate so that we will qualify as a REIT, given the highly complex nature of the rules governing REITs, the ongoing

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importance of factual determinations, and the possibility of future changes in our circumstances, no assurance can be given by Skadden, Arps, Slate, Meagher & Flom LLP or by us that we will so qualify for any particular year. Skadden, Arps, Slate, Meagher & Flom LLP will have no obligation to advise us or the holders of our common stock of any subsequent change in the matters stated, represented or assumed in the opinion, or of any subsequent change in the applicable law. You should be aware that opinions of counsel are not binding on the Internal Revenue Service or any court, and no assurance can be given that the Internal Revenue Service will not challenge the conclusions set forth in such opinions.

Qualification and taxation as a REIT depends on our ability to meet on a continuing basis, through actual operating results, distribution levels, and diversity of stock ownership, various qualification requirements imposed upon REITs by the Internal Revenue Code, the compliance with which will not be reviewed by Skadden, Arps, Slate, Meagher & Flom LLP. Our ability to qualify as a REIT also requires that we satisfy certain asset tests, some of which depend upon the fair market values of assets directly or indirectly owned by us. Such values may not be susceptible to a precise determination. While we intend to continue to operate in a manner that will allow us to qualify as a REIT, no assurance can be given that the actual results of our operations for any taxable year satisfy such requirements for qualification and taxation as a REIT.

Taxation of the Company

If we qualify for taxation as a REIT, we generally will not be subject to federal corporate income taxes on that portion of our ordinary income or capital gain that we distribute currently to our shareholders, because the REIT provisions of the Internal Revenue Code generally allow a REIT to deduct distributions paid to its shareholders. This substantially eliminates the federal "double taxation" on earnings (taxation at both the corporate level and shareholder level) that usually results from an investment in a corporation. Even if we qualify for taxation as a REIT, however, we will be subject to federal income taxation as follows:

We will be taxed at regular corporate rates on our undistributed REIT taxable income, including undistributed net capital gains;

Under some circumstances, we may be subject to "alternative minimum tax";

If we have net income from the sale or other disposition of "foreclosure property" that is held primarily for sale to customers in the ordinary course of business or other non-qualifying income from foreclosure property, we will be subject to tax at the highest corporate rate on that income;

If we have net income from prohibited transactions (which are, in general, sales or other dispositions of property, other than foreclosure property, held primarily for sale to customers in the ordinary course of business), the income will be subject to a 100% tax;

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If we fail to satisfy either of the 75% or 95% gross income tests (discussed below) but have nonetheless maintained our qualification as a REIT because certain conditions have been met, we will be subject to a 100% tax on an amount equal to the greater of the amount by which we fail the 75% or 95% test multiplied by a fraction calculated to reflect our profitability;

If we fail to distribute during each year at least the sum of (i) 85% of our REIT ordinary income for the year, (ii) 95% of our REIT capital gain net income for such year and (iii) any undistributed taxable income from prior periods, we will be subject to a 4% excise tax on the excess of the required distribution over the sum of (A) the amounts actually distributed, plus (B) retained amounts on which corporate level tax is paid by us;

We may elect to retain and pay tax on our net long-term capital gain. In that case, a United States shareholder would be taxed on its proportionate share of our undistributed long-term

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capital gain and would receive a credit or refund for its proportionate share of the tax we paid; and

If we acquire any asset from a C corporation (i.e., a corporation generally subject to corporate-level tax) in a transaction in which the C corporation would not normally be required to recognize any gain or loss on disposition of the asset and we subsequently recognize gain on the disposition of the asset during the ten year period beginning on the date on which we acquired the asset, then a portion of the gain may be subject to tax at the highest regular corporate rate, unless the C corporation made an election to treat the asset as if it were sold for its fair market value at the time of our acquisition.

Requirements for Qualification as a REIT

In order for us to qualify as a REIT, we must meet and continue to meet the requirements discussed below relating to our organization, sources of income, nature of assets and distributions of income to our shareholders.

Organizational Requirements

In order to qualify for taxation as a REIT under the Internal Revenue Code, we must meet tests regarding our income and assets described below and:

- 1.) Be a corporation, trust or association that would be taxable as a domestic corporation but for the REIT provisions of the Internal Revenue Code;
- 2.) Elect to be taxed as a REIT and satisfy relevant filing and other administrative requirements for the year ending December 31, 2003;
- 3.) Be managed by one or more trustees or directors;
- 4.) Have our beneficial ownership evidenced by transferable shares;
- 5.) Not be a financial institution or an insurance company subject to special provisions of the federal income tax laws;
- 6.) Use a calendar year for federal income tax purposes;
- 7.) Have at least 100 shareholders for at least 335 days of each taxable year of 12 months or during a proportionate part of a taxable year of less than 12 months; and

8.)

Not be closely held as defined for purposes of the REIT provisions of the Internal Revenue Code.

We would be treated as closely held if, during the last half of any taxable year, more than 50% in value of our outstanding capital stock is owned, directly or indirectly through the application of certain attribution rules, by five or fewer individuals, as defined in the Internal Revenue Code to include certain entities. Items 7 and 8 above will not apply until after the first taxable year for which we elect to be taxed as a REIT. If we comply with Treasury regulations that provide procedures for ascertaining the actual ownership of our common stock for each taxable year and we did not know, and with the exercise of reasonable diligence could not have known, that we failed to meet item 8 above for a taxable year, we will be treated as having met item 8 for that year.

We intend to elect to be taxed as a REIT commencing with our taxable year ending December 31, 2003 and we intend to satisfy the other requirements described in items 1-6 above at all times during each of our taxable years. In addition, our articles of incorporation contain restrictions regarding ownership and transfer of shares of our stock that are intended to assist us in continuing to satisfy the

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share ownership requirements in items 7 and 8 above. (See "Description of Securities Restriction on Ownership of Shares").

For purposes of the requirements described herein, any corporation that is a qualified REIT subsidiary of ours will not be treated as a corporation separate from us and all assets, liabilities, and items of income, deduction and credit of our qualified REIT subsidiaries will be treated as our assets, liabilities and items of income, deduction and credit. A qualified REIT subsidiary is a corporation, other than a taxable REIT subsidiary (as described below under "Operational Requirements Asset Tests"), all of the capital stock of which is owned by a REIT.

In the case of a REIT that is a partner in an entity treated as a partnership for federal tax purposes, the REIT is treated as owning its proportionate share of the assets of the partnership and as earning its allocable share of the gross income of the partnership for purposes of the requirements described herein. In addition, the character of the assets and gross income of the partnership will retain the same character in the hands of the REIT for purposes of the REIT requirements, including the asset and income tests described below. As a result, our proportionate share of the assets, liabilities and items of income of Dividend Capital OP and of any other partnership, joint venture, limited liability company or other entity treated as a partnership for federal tax purposes in which we or Dividend Capital OP have an interest will be treated as our assets, liabilities and items of income.

Operational Requirements Gross Income Tests

To maintain our qualification as a REIT, we must satisfy annually two gross income requirements.

At least 75% of our gross income, excluding gross income from prohibited transactions, for each taxable year must be derived directly or indirectly from investments relating to real property or mortgages on real property and from other specified sources, including qualified temporary investment income, as described below. Gross income includes "rents from real property" and, in some circumstances, interest, but excludes gross income from dispositions of property held primarily for sale to customers in the ordinary course of a trade or business. These dispositions are referred to as "prohibited transactions." This is the 75% Income Test.

At least 95% of our gross income, excluding gross income from prohibited transactions, for each taxable year must be derived from the real property investments described above and generally from dividends and interest and gains from the sale or disposition of stock or securities or from any combination of the foregoing. This is the 95% Income Test.

The rents we will receive or be deemed to receive will qualify as "rents from real property" for purposes of satisfying the gross income requirements for a REIT only if the following conditions are met:

The amount of rent received from a tenant must not be based in whole or in part on the income or profits of any person; however, an amount received or accrued generally will not be excluded from the term "rents from real property" solely by reason of being based on a fixed percentage or percentages of gross receipts or sales;

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In general, neither we nor an owner of 10% or more of our stock may directly or constructively own 10% or more of a tenant (a "Related Party Tenant") or a subtenant of the tenant (in which case only rent attributable to the subtenant is disqualified);

Rent attributable to personal property leased in connection with a lease of real property cannot be greater than 15% of the total rent received under the lease, as determined based on the average of the fair market values as of the beginning and end of the taxable year; and

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We normally must not operate or manage the property or furnish or render services to tenants, other than through an "independent contractor" who is adequately compensated and from whom we do not derive any income or through a "taxable REIT subsidiary." However, a REIT may provide services with respect to its properties, and the income derived therefrom will qualify as "rents from real property," if the services are "usually or customarily rendered" in connection with the rental of space only and are not otherwise considered "rendered to the occupant." Even if the services provided by us with respect to a property are impermissible tenant services, the income derived therefrom will qualify as "rents from real property" if such income does not exceed one percent of all amounts received or accrued with respect to that property.

Prior to the making of investments in properties, we may invest the net offering proceeds in liquid assets such as government securities or certificates of deposit. For purposes of the 75% Income Test, income attributable to a stock or debt instrument purchased with the proceeds received by a REIT in exchange for stock in the REIT (other than amounts received pursuant to a distribution reinvestment plan) constitutes qualified temporary investment income if such income is received or accrued during the one-year period beginning on the date the REIT receives such new capital. To the extent that we hold any proceeds of the offering for longer than one year, we may invest those amounts in less liquid investments such as mortgage-backed securities, maturing mortgage loans purchased from mortgage lenders or shares in other REITs in order to satisfy the 75% Income and the 95% Income Tests and the Asset Tests described below. We expect the bulk of the remainder of our income to qualify under the 75% Income and 95% Income Tests as rents from real property in accordance with the requirements described above. In this regard, we anticipate that most of our leases will be for fixed rentals with annual "consumer price index" or similar adjustments and that none of the rentals under our leases will be based on the income or profits of any person. In addition, none of our tenants are expected to be Related Party Tenants and the portion of the rent attributable to personal property is not expected to exceed 15% of the total rent to be received under any lease. Finally, we anticipate that all or most of the services to be performed with respect to our properties will be performed by the Property Manager and such services are expected to be those usually or customarily rendered in connection with the rental of real property and not rendered to the occupant of such property. In addition, we anticipate that any non-customary services will be provided by a taxable REIT subsidiary or, alternatively, by an independent contractor that is adequately compensated and from whom we derive no income. However, we can give no assurance that the actual sources of our gross income will allow us to satisfy the 75% Income and the 95% Income Tests described above.

Notwithstanding our failure to satisfy one or both of the 75% Income and the 95% Income Tests for any taxable year, we may still qualify as a REIT for that year if we are eligible for relief under specific provisions of the Internal Revenue Code. These relief provisions generally will be available if:

Our failure to meet these tests was due to reasonable cause and not due to willful neglect;

We attach a schedule of our income sources to our federal income tax return; and

Any incorrect information on the schedule is not due to fraud with intent to evade tax.

It is not possible, however, to state whether, in all circumstances, we would be entitled to the benefit of these relief provisions. In addition, as discussed above in "Taxation of the Company," even if these relief provisions apply, a tax would be imposed with respect to the excess net income.

Operational Requirements Asset Tests

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At the close of each quarter of our taxable year, we also must satisfy four tests ("Asset Tests") relating to the nature and diversification of our assets.

First, at least 75% of the value of our total assets must be represented by real estate assets, cash, cash items and government securities. The term "real estate assets" includes real property,

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mortgages on real property, shares in other qualified REITs, property attributable to the temporary investment of new capital as described above and a proportionate share of any real estate assets owned by a partnership in which we are a partner or of any qualified REIT subsidiary of ours.

Second, no more than 25% of our total assets may be represented by securities other than those in the 75% asset class.

Third, of the investments included in the 25% asset class, the value of any one issuer's securities that we own may not exceed 5% of the value of our total assets. Additionally, we may not own more than 10% of the voting power or value of any one issuer's outstanding securities. For purposes of this Asset Test and the second Asset Test, securities do not include the equity or debt securities of a qualified REIT subsidiary of ours or an equity interest in any entity treated as a partnership for federal tax purposes. The third Asset Test does not apply in respect of a taxable REIT subsidiary.

Fourth, no more than 20% of the value of our total assets may consist of the securities of one or more taxable REIT subsidiaries. Subject to certain exceptions, a taxable REIT subsidiary is any corporation, other than a REIT, in which we directly or indirectly own stock and with respect to which a joint election has been made by us and the corporation to treat the corporation as a taxable REIT subsidiary of ours and also includes any corporation, other than a REIT or a qualified REIT subsidiary, in which a taxable REIT subsidiary of ours owns, directly or indirectly, more than 35 percent of the voting power or value.

The Asset Tests must generally be met for any quarter in which we acquire securities or other property. Upon full investment of the net offering proceeds we expect that most of our assets will consist of real property and we therefore expect to satisfy the Asset Tests.

If we meet the Asset Tests at the close of any quarter, we will not lose our REIT status for a failure to satisfy the Asset Tests at the end of a later quarter in which we have not acquired any securities or other property if such failure occurs solely because of changes in asset values. If our failure to satisfy the Asset Tests results from an acquisition of securities or other property during a quarter, we can cure the failure by disposing of a sufficient amount of non-qualifying assets within 30 days after the close of that quarter. We intend to maintain adequate records of the value of our assets to ensure compliance with the Asset Tests and to take other action within 30 days after the close of any quarter as may be required to cure any noncompliance.

Operational Requirements Annual Distribution Requirement

In order to be taxed as a REIT, we are required to make dividend distributions, other than capital gain dividends, to our shareholders each year in the amount of at least 90% of our REIT taxable income (computed without regard to the dividends paid deduction and our net capital gain and subject to certain other potential adjustments) for all tax years. While we must generally pay dividends in the taxable year to which they relate, we may also pay dividends in the following taxable year if (1) they are declared before we timely file our federal income tax return for the taxable year in question, and if (2) they are paid on or before the first regular dividend payment date after the declaration.

Even if we satisfy the foregoing dividend distribution requirement and, accordingly, continue to qualify as a REIT for tax purposes, we will still be subject to federal income tax on the excess of our net capital gain and our REIT taxable income, as adjusted, over the amount of dividends distributed to shareholders.

In addition, if we fail to distribute during each calendar year at least the sum of:

85% of our ordinary income for that year;

95% of our capital gain net income other than the capital gain net income which we elect to retain and pay tax on for that year; and

any undistributed taxable income from prior periods, we will be subject to a 4% nondeductible excise tax on the excess of the amount of the required distributions over the sum of (A) the amounts actually distributed plus (B) retained amounts on which corporate level tax is paid by us.

We intend to make timely distributions sufficient to satisfy this requirement; however, it is possible that we may experience timing differences between (1) the actual receipt of income and payment of deductible expenses, and (2) the inclusion of that income and deduction of those expenses for purposes of computing our taxable income. It is also possible that we may be allocated a share of net capital gain attributable to the sale of depreciated property by Dividend Capital OP that exceeds our allocable share of cash attributable to that sale. In those circumstances, we may have less cash than is necessary to meet our annual distribution requirement or to avoid income or excise taxation on undistributed income. We may find it necessary in those circumstances to arrange for financing or raise funds through the issuance of additional shares in order to meet our distribution requirements. If we fail to satisfy the distribution requirement for any taxable year by reason of a later adjustment to our taxable income made by the Internal Revenue Service, we may be able to pay "deficiency dividends" in a later year and include such distributions in our deductions for dividends paid for the earlier year. In that event, we may be able to avoid being taxed on amounts distributed as deficiency dividends, but we would be required in those circumstances to pay interest to the Internal Revenue Service based upon the amount of any deduction taken for deficiency dividends for the earlier year.

As noted above, we may also elect to retain, rather than distribute, our net long-term capital gains. The effect of such an election would be as follows:

We would be required to pay the federal income tax on these gains;

Taxable U.S. shareholders, while required to include their proportionate share of the undistributed long-term capital gains in income, would receive a credit or refund for their share of the tax paid by the REIT; and

The basis of the shareholder's shares would be increased by the amount of our undistributed long-term capital gains (minus its proportionate share of the amount of capital gains tax we pay) included in the shareholder's long-term capital gains.

In computing our REIT taxable income, we will use the accrual method of accounting and intend to depreciate depreciable property under the alternative depreciation system. We are required to file an annual federal income tax return, which, like other corporate returns, is subject to examination by the Internal Revenue Service. Because the tax law requires us to make many judgments regarding the proper treatment of a transaction or an item of income or deduction, it is possible that the Internal Revenue Service will challenge positions we take in computing our REIT taxable income and our distributions.

Issues could arise, for example, with respect to the allocation of the purchase price of properties between depreciable or amortizable assets and non-depreciable or non-amortizable assets such as land and the current deductibility of fees paid to the Advisor or its affiliates. Were the Internal Revenue Service to successfully challenge our characterization of a transaction or determination of our REIT taxable income, we could be found to have failed to satisfy a requirement for qualification as a REIT. If, as a result of a challenge, we are determined to have failed to satisfy the distribution requirements for a taxable year, we would be disqualified as a REIT, unless we were permitted to pay a deficiency dividend to our shareholders and pay interest thereon to the Internal Revenue Service, as provided by the Internal Revenue Code. A deficiency dividend cannot be used to satisfy the distribution

requirement, however, if the failure to meet the requirement is not due to a later adjustment to our income by the Internal Revenue Service.

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We must maintain certain records as set forth in Treasury Regulations in order to avoid the payment of monetary penalties to the IRS. Such Treasury Regulations require that we request, on an annual basis, certain information designed to disclose the ownership of our outstanding shares. We intend to comply with these requirements.

Failure to Qualify as a REIT

If we fail to qualify as a REIT for any reason in a taxable year and applicable relief provisions do not apply, we will be subject to tax (including any applicable alternative minimum tax) on our taxable income at regular corporate rates. We will not be able to deduct dividends paid to our shareholders in any year in which we fail to qualify as a REIT. In this situation, to the extent of current and accumulated earnings and profits, all distributions to our shareholders that are individuals will generally be taxable at capital gains rates (through 2008), and, subject to limitations of the Internal Revenue Code, corporate distributees may be eligible for the dividends received deduction. We also will be disqualified for the four taxable years following the year during which qualification was lost unless we are entitled to relief under specific statutory provisions.

Sale-Leaseback Transactions

Some of our investments may be in the form of sale-leaseback transactions. We normally intend to treat these transactions as true leases for federal income tax purposes. However, depending on the terms of any specific transaction, the Internal Revenue Service might take the position that the transaction is not a true lease but is more properly treated in some other manner. If such re-characterization were successful, we would not be entitled to claim the depreciation deductions available to an owner of the property. In addition, the re-characterization of one or more of these transactions might cause us to fail to satisfy the Asset Tests or the Income Tests described above based upon the asset we would be treated as holding or the income we would be treated as having earned and such failure could result in our failing to qualify as a REIT. Alternatively, the amount or timing of income inclusion or the loss of depreciation deductions resulting from the re-characterization might cause us to fail to meet the distribution requirement described above for one or more taxable years absent the availability of the deficiency dividend procedure or might result in a larger portion of our distributions being treated as ordinary dividend income to our shareholders.

Taxation of Taxable U.S. Shareholders

Definition

In this section, the phrase "U.S. shareholder" means a holder of our common stock that for federal income tax purposes is:

a citizen or resident of the United States;

a corporation, partnership or other entity treated as a corporation or partnership for U.S. federal income tax purposes created or organized in or under the laws of the United States or of any political subdivision thereof;

an estate, the income of which is subject to U.S. federal income taxation regardless of its source; or

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a trust if a U.S. court is able to exercise primary supervision over the administration of the trust and one or more U.S. persons have the authority to control all substantial decisions of the trust.

For any taxable year for which we qualify for taxation as a REIT, amounts distributed to, and gains realized by, taxable U.S. shareholders with respect to our common shares generally will be taxed as described below. For a summary of the federal income tax treatment of distributions reinvested in additional shares of our common stock pursuant to our distribution reinvestment plan, see "Description of Securities Distribution Reinvestment Plan." For a summary of the federal income tax treatment of shares redeemed by us under our share redemption program, see "Description of Securities Share Redemption Program."

Distributions Generally

Distributions to U.S. shareholders, other than capital gain dividends discussed below, will constitute dividends up to the amount of our current or accumulated earnings and profits and will be taxable to the shareholders as ordinary income. These distributions are not eligible for the dividends received deduction generally available to corporations. In addition, with limited exceptions, these dividends are not eligible for taxation at the preferential income tax rates for qualified dividends received by individuals from taxable C corporations pursuant to the recently enacted Jobs and Growth Tax Relief Reconciliation Act of 2003. Shareholders that are individuals, however, are taxed at the preferential rates on dividends designated by and received from us to the extent that the dividends are attributable to (i) income retained by us in the prior taxable year on which we were subject to corporate level income tax (less the amount of tax), (ii) dividends received by us from taxable C corporations, or (iii) income in the prior taxable year from the sales of "built-in gain" property acquired by us from C corporations in carryover basis transactions (less the amount of corporate tax on such income).

To the extent that we make a distribution in excess of our current and accumulated earnings and profits, the distribution will be treated first as a tax-free return of capital, reducing the tax basis in the U.S. shareholder's shares, and the amount of each distribution in excess of a U.S. shareholder's tax basis in its shares will be taxable as gain realized from the sale of its shares. Distributions that we declare in October, November or December of any year payable to a shareholder of record on a specified date in any of these months will be treated as both paid by us and received by the shareholder on December 31 of the year, provided that we actually pay the distribution during January of the following calendar year. U.S. shareholders may not include any of our losses on their own federal income tax returns.

We will be treated as having sufficient earnings and profits to treat as a dividend any distribution by us up to the amount required to be distributed in order to avoid imposition of the 4% excise tax discussed above. Moreover, any "deficiency dividend" will be treated as an ordinary or capital gain dividend, as the case may be, regardless of our earnings and profits. As a result, shareholders may be required to treat as taxable some distributions that would otherwise result in a tax-free return of capital.

Capital Gain Dividends

Distributions to U.S. shareholders that we properly designate as capital gain dividends normally will be treated as long-term capital gains, to the extent they do not exceed our actual net capital gain, for the taxable year without regard to the period for which the U.S. shareholder has held his stock. A corporate U.S. shareholder might be required to treat up to 20% of some capital gain dividends as ordinary income. Long-term capital gains are generally taxable at maximum federal rates of 15% (through 2008) in the case of stockholders who are individuals, and 35% in the case of stockholders that are corporations. Capital gains attributable to the sale of depreciable real property held for more

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than 12 months are subject to a 25% maximum federal income tax rate for taxpayers who are individuals, to the extent of previously claimed depreciation deductions. See "Requirements for Qualification as a REIT Operational Requirements Annual Distribution Requirement" for the treatment by U.S. shareholders of net long-term capital gains that we elect to retain and pay tax on.

Passive Activity Loss and Investment Interest Limitations

Our distributions and any gain you realize from a disposition of our common shares will not be treated as passive activity income, and shareholders may not be able to utilize any of their "passive losses" to offset this income in their personal tax returns. Our distributions (to the extent they do not constitute a return of capital) will generally be treated as investment income for purposes of the limitations on the deduction of investment interest. Net capital gain from a disposition of shares and capital gain dividends generally will be included in investment income for purposes of the investment interest deduction limitations only if, and to the extent, you so elect, in which case those capital gains will be taxed as ordinary income.

Certain Dispositions of Our Common Shares

In general, any gain or loss realized upon a taxable disposition of our common shares by a U.S. shareholder who is not a dealer in securities will be treated as long-term capital gain or loss if the shares have been held for more than 12 months and as short-term capital gain or loss if the shares have been held for 12 months or less. If, however, a U.S. shareholder has included in income any capital gains dividends with respect to the shares, any loss realized upon a taxable disposition of shares held for six months or less, to the extent of the capital gains dividends included in income with respect to the shares, will be treated as long-term capital loss.

Information Reporting Requirements and Backup Withholding for U.S. Shareholders

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We will report to U.S. shareholders of our common shares and to the Internal Revenue Service the amount of distributions made or deemed made during each calendar year and the amount of tax withheld, if any. Under some circumstances, U.S. shareholders may be subject to backup withholding on payments made with respect to, or cash proceeds of a sale or exchange of, our common stock. Backup withholding will apply only if the shareholder:

Fails to furnish its taxpayer identification number (which, for an individual, would be his or her Social Security number);

Furnishes an incorrect taxpayer identification number;

Is notified by the Internal Revenue Service that the shareholder has failed properly to report payments of interest or dividends; or

Under some circumstances, fails to certify, under penalties of perjury, that it has furnished a correct taxpayer identification number and has not been notified by the Internal Revenue Service that the shareholder is subject to backup withholding for failure to report interest and dividend payments or has been notified by the Internal Revenue Service that the shareholder is no longer subject to backup withholding for failure to report those payments.

Backup withholding will not apply with respect to payments made to some shareholders, such as corporations and tax-exempt organizations. Backup withholding is not an additional tax. Rather, the amount of any backup withholding with respect to a payment to a U.S. shareholder will be allowed as a credit against the U.S. shareholder's United States federal income tax liability and may entitle the U.S. shareholder to a refund, provided that the required information is furnished to the Internal Revenue Service. U.S. shareholders should consult their own tax advisors regarding their qualification for exemption from backup withholding and the procedure for obtaining an exemption.

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Treatment of Tax-Exempt Shareholders

Tax-exempt entities including employee pension benefit trusts and individual retirement accounts generally are exempt from United States federal income taxation. These entities are subject to taxation, however, on any "unrelated business taxable income" ("UBTI"), as defined in the Internal Revenue Code. The Internal Revenue Service has issued a published ruling that dividend distributions from a REIT to a tax-exempt pension trust did not constitute UBTI. Although rulings are merely interpretations of law by the Internal Revenue Service and may be revoked or modified, based on this analysis, indebtedness incurred by us or by Dividend Capital OP in connection with the acquisition of a property should not cause any income derived from the property to be treated as UBTI upon the distribution of those amounts as dividends to a tax-exempt U.S. shareholder of our common shares. A tax-exempt entity that incurs indebtedness to finance its purchase of our common shares, however, will be subject to UBTI under the debt-financed income rules. However, social clubs, voluntary employee benefit associations, supplemental unemployment benefit trusts and qualified group legal services plans that are exempt from taxation under specified provisions of the Internal Revenue Code are subject to different UBTI rules, which generally will require them to treat dividend distributions from us as UBTI. These organizations are urged to consult their own tax advisor with respect to the treatment of our distributions to them.

In addition, tax-exempt pension and specified other tax-exempt trusts that hold more than 10 percent by value of the shares of a REIT may be required to treat a specified percentage of REIT dividends as UBTI. This requirement applies only if our qualification as a REIT depends upon the application of a look-through exception to the closely-held restriction and we are considered to be predominantly held by those tax-exempt trusts. It is not anticipated that our qualification as a REIT will depend upon application of the look-through exception or that we will be predominantly held by these types of trusts.

Special Tax Considerations for Non-U.S. Shareholders

The rules governing United States federal income taxation of non-resident alien individuals, foreign corporations, foreign partnerships and other foreign shareholders (collectively, "Non-U.S. holders") are complex. The following discussion is intended only as a summary of these rules. Non-U.S. holders should consult with their own tax advisors to determine the impact of United States federal, state and local income tax laws on an investment in our common stock, including any reporting requirements as well as the tax treatment of the investment under the tax

laws of their home country.

Ordinary Dividends

The portion of dividends received by non-U.S. holders payable out of our earnings and profits which are not attributable to our capital gains and which are not effectively connected with a U.S. trade or business of the non-U.S. holder will be subject to U.S. withholding tax at the rate of 30%, unless reduced by treaty. In general, non-U.S. holders will not be considered to be engaged in a U.S. trade or business solely as a result of their ownership of our common stock. In cases where the dividend income from a non-U.S. holder's investment in our common stock is, or is treated as, effectively connected with the non-U.S. holder's conduct of a U.S. trade or business, the non-U.S. holder generally will be subject to U.S. tax at graduated rates, in the same manner as domestic stockholders are taxed with respect to such dividends, and may also be subject to the 30% branch profits tax in the case of a non-U.S. holder that is a corporation.

Non-Dividend Distributions

Unless our common stock constitutes a U.S. real property interest (a "USRPI"), distributions by us which are not dividends out of our earnings and profits will not be subject to U.S. income tax. If it

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cannot be determined at the time at which a distribution is made whether or not the distribution will exceed current and accumulated earnings and profits, the distribution will be subject to withholding at the rate applicable to dividends. However, the non-U.S. holder may seek a refund from the Internal Revenue Service of any amounts withheld if it is subsequently determined that the distribution was, in fact, in excess of our current and accumulated earnings and profits. If our common stock constitutes a USRPI, as described below, distributions by us in excess of the sum of our earnings and profits plus the shareholder's basis in our stock will be taxed under the Foreign Investment in Real Property Tax Act of 1980 ("FIRPTA") at the rate of tax, including any applicable capital gains rates, that would apply to a domestic stockholder of the same type (e.g., an individual or a corporation, as the case may be), and the collection of the tax will be enforced by a refundable withholding at a rate of 10% of the amount by which the distribution exceeds the stockholder's share of our earnings and profits.

Capital Gain Dividends

Under FIRPTA, a distribution made by us to a non-U.S. holder, to the extent attributable to gains from dispositions of USRPIs held by us directly or through pass-through subsidiaries ("USRPI capital gains"), will be considered effectively connected with a U.S. trade or business of the non-U.S. holder and will be subject to federal income tax at the rates applicable to U.S. individuals or corporations, without regard to whether the distribution is designated as a capital gain dividend. In addition, we will be required to withhold tax equal to 35% of the amount of dividends to the extent the dividends constitute USRPI capital gains. Distributions subject to FIRPTA may also be subject to a 30% branch profits tax in the hands of a non-U.S. holder that is a corporation. A distribution is not a USRPI capital gain if we held the underlying asset solely as a creditor. Capital gain dividends received by a non-U.S. holder from a REIT that are not USRPI capital gains are generally not subject to U.S. income tax, but may be subject to withholding tax.

Dispositions of Our Common Stock

Unless our common stock constitutes a USRPI, a sale of our common stock by a non-U.S. holder generally will not be subject to U.S. taxation under FIRPTA. Our common stock will not be treated as a USRPI if less than 50% of our assets throughout a prescribed testing period consist of interests in real property located within the United States, excluding, for this purpose, interests in real property solely in a capacity as a creditor.

Even if the foregoing test is not met, our common stock nonetheless will not constitute a USRPI if we are a "domestically-controlled REIT." A domestically-controlled REIT is a REIT in which, at all times during a specified testing period, less than 50% in value of its shares is held directly or indirectly by non-U.S. holders. We currently anticipate that we will be a domestically-controlled REIT and, therefore, the sale of our common stock should not be subject to taxation under FIRPTA. However, we cannot assure you that we will continue to be a domestically controlled REIT. If we were not a domestically controlled REIT, whether a Non-U.S. holder's sale of our common stock would be subject to tax under FIRPTA as a sale of a United States real property interest would depend on whether our common stock were "regularly traded" on an established securities market and on the size of the selling shareholder's interest in us. Our common stock currently are not "regularly traded" on an established securities market.

If the gain on the sale of shares were subject to taxation under FIRPTA, a Non-U.S. holder would be subject to the same treatment as a U.S. shareholder with respect to the gain, subject to any applicable alternative minimum tax and a special alternative minimum tax in the case of

non-resident alien individuals. Gain from the sale of our common stock that would not otherwise be subject to FIRPTA will nonetheless be taxable in the United States to a non-U.S. holder in two cases: (a) if the non-U.S. holder's investment in our common stock is effectively connected with a U.S. trade or business conducted by such non-U.S. holder, the non-U.S. holder will be subject to the same treatment

as a U.S. stockholder with respect to such gain, or (b) if the non-U.S. holder is a nonresident alien individual who was present in the United States for 183 days or more during the taxable year and has a "tax home" in the United States, the nonresident alien individual will be subject to a 30% tax on the individual's capital gain.

Information Reporting Requirements and Backup Withholding for Non-U.S. Shareholders

Non-U.S. shareholders should consult their tax advisors with regard to U.S. information reporting and backup withholding requirements under the Internal Revenue Code.

Statement of Stock Ownership

We are required to demand annual written statements from the record holders of designated percentages of our common stock disclosing the actual owners of the shares. Any record shareholder who, upon our request, does not provide us with required information concerning actual ownership of the shares is required to include specified information relating to his shares in his federal income tax return. We also must maintain, within the Internal Revenue District in which we are required to file our federal income tax return, permanent records showing the information we have received about the actual ownership of our common stock and a list of those persons failing or refusing to comply with our demand.

State and Local Taxation

We and any operating subsidiaries we may form may be subject to state and local tax in states and localities in which we or they do business or own property. The tax treatment of Dividend Capital Trust, Dividend Capital OP, any operating subsidiaries, joint ventures or other arrangements we or Dividend Capital OP may form or enter into and the tax treatment of the holders of our common stock in local jurisdictions may differ from the federal income tax treatment described above. Consequently, prospective shareholders should consult their own tax advisors regarding the effect of state and local tax laws on their investment in our common stock.

Federal Income Tax Aspects of Our Partnership

The following discussion summarizes certain federal income tax considerations applicable to our investment in Dividend Capital OP. The discussion does not cover state or local tax laws or any federal tax laws other than income tax laws.

Classification as a Partnership

We will be entitled to include in our income a distributive share of Dividend Capital OP's income and to deduct our distributive share of Dividend Capital OP's losses only if Dividend Capital OP is classified for federal income tax purposes as a partnership, rather than as a corporation or an association taxable as a corporation. Under applicable Treasury Regulations (the "Check-the-Box-Regulations"), an unincorporated domestic entity with at least two members may elect to be classified either as an association taxable as a corporation or as a partnership. If the entity fails to make an election, it generally will be treated as a partnership for federal income tax purposes. Dividend Capital OP intends to be classified as a partnership for federal income tax purposes and will not elect to be treated as an association taxable as a corporation under the Check-the-Box-Regulations.

Even though Dividend Capital OP will not elect to be treated as an association for federal income tax purposes, it may be taxed as a corporation if it is deemed to be a "publicly traded partnership." A publicly traded partnership is a partnership whose interests are traded on an established securities market or are readily tradable on a secondary market or the substantial equivalent thereof; provided, that even if the foregoing requirements are met, a publicly traded partnership will not be treated as a

corporation for federal income tax purposes if at least 90% of the partnership's gross income for each taxable year consists of "qualifying income" under section 7704(d) of the Internal Revenue Code. Qualifying income generally includes any income that is qualifying income for purposes of the 95% Income Test applicable to REITs (90% Passive-Type Income Exception). (See "Requirements for Qualification as a REIT Operational Requirements Gross Income Tests").

Under applicable Treasury Regulations the ("PTP Regulations"), limited safe harbors from the definition of a publicly traded partnership are provided. Pursuant to one of those safe harbors (the "Private Placement Exclusion"), interests in a partnership will not be treated as readily tradable on a secondary market or the substantial equivalent thereof if (i) all interests in the partnership were issued in a transaction (or transactions) that were not required to be registered under the Securities Act of 1933, as amended, and (ii) the partnership does not have more than 100 partners at any time during the partnership's taxable year. In determining the number of partners in a partnership, a person owning an interest in a flow-through entity (including a partnership, grantor trust or S corporation) that owns an interest in the partnership is treated as a partner in such partnership only if (a) substantially all of the value of the owner's interest in the flow-through entity is attributable to the flow-through entity's direct or indirect interest in the partnership and (b) a principal purpose of the use of the flow-through entity is to permit the partnership to satisfy the 100 partner limitation. Dividend Capital OP presently qualifies for the Private Placement Exclusion. Even if Dividend Capital OP were considered a publicly traded partnership under the PTP Regulations because it was deemed to have more than 100 partners, Dividend Capital OP should not be treated as a corporation because it should be eligible for the 90% Passive-Type Income Exception described above.

We have not requested, and do not intend to request, a ruling from the Internal Revenue Service that Dividend Capital OP will be classified as a partnership for federal income tax purposes.

If for any reason Dividend Capital OP were taxable as a corporation, rather than a partnership, for federal income tax purposes, we would not be able to qualify as a REIT. (See Requirements for Qualification as a REIT Operational Requirements Gross Income Tests" and "Requirements for Qualification as a REIT Operational Requirements Asset Tests"). In addition, any change in Dividend Capital OP's status for tax purposes might be treated as a taxable event, in which case we might incur a tax liability without any related cash distribution. Further, items of income and deduction of Dividend Capital OP would not pass through to its partners, and its partners would be treated as shareholders for tax purposes. Dividend Capital OP would be required to pay income tax at corporate tax rates on its net income, and distributions to its partners would constitute dividends that would not be deductible in computing Dividend Capital OP's taxable income.

Income Taxation of Dividend Capital OP and its Partners

Partners, Not Partnership, Subject to Tax. A partnership is not a taxable entity for federal income tax purposes. As a partner in Dividend Capital OP, we will be required to take into account our allocable share of Dividend Capital OP's income, gains, losses, deductions, and credits for any taxable year of Dividend Capital OP ending within or with our taxable year, without regard to whether we have received or will receive any distributions from Dividend Capital OP.

Partnership Allocations. Although a partnership agreement generally determines the allocation of income and losses among partners, such allocations will be disregarded for tax purposes under section 704(b) of the Internal Revenue Code if they do not comply with the provisions of section 704(b) of the Internal Revenue Code and the Treasury Regulations promulgated thereunder. If an allocation is not recognized for federal income tax purposes, the item subject to the allocation will be reallocated in accordance with the partner's interests in the partnership, which will be determined by taking into account all of the facts and circumstances relating to the economic arrangement of the partners with respect to such item. Dividend Capital OP's allocations of taxable income and loss are intended to comply with the requirements of section 704(b) of the Internal Revenue Code and the Treasury Regulations promulgated thereunder.

Tax Allocations With Respect to Contributed Properties. Pursuant to section 704(c) of the Internal Revenue Code, income, gain, loss, and deduction attributable to appreciated or depreciated property that is contributed to a partnership in exchange for an interest in the partnership must be allocated for federal income tax purposes in a manner such that the contributor is charged with, or benefits from, the unrealized gain or unrealized loss associated with the property at the time of the contribution. The amount of unrealized gain or unrealized loss is generally equal to the difference between the fair market value of the contributed property at the time of contribution and the adjusted tax basis of such property at the time of contribution. Under applicable Treasury Regulations, partnerships are required to use a "reasonable method" for allocating items subject to section 704(c) of the Internal Revenue Code and several reasonable allocation methods are described therein.

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Under the partnership agreement, subject to exceptions applicable to the special limited partnership interests, depreciation or amortization deductions of Dividend Capital OP generally will be allocated among the partners in accordance with their respective interests in Dividend Capital OP, except to the extent that Dividend Capital OP is required under section 704(c) to use a different method for allocating depreciation deductions attributable to its properties. In addition, gain or loss on the sale of a property that has been contributed to Dividend Capital OP will be specially allocated to the contributing partner to the extent of any built-in gain or loss with respect to the property for federal income tax purposes. It is possible that we may (1) be allocated lower amounts of depreciation deductions for tax purposes with respect to contributed properties than would be allocated to us if each such property were to have a tax basis equal to its fair market value at the time of contribution, and (2) be allocated taxable gain in the event of a sale of such contributed properties in excess of the economic profit allocated to us as a result of such sale. These allocations may cause us to recognize taxable income in excess of cash proceeds received by us, which might adversely affect our ability to comply with the REIT distribution requirements, although we do not anticipate that this event will occur. The foregoing principles also will affect the calculation of our earnings and profits for purposes of determining the portion of our distributions that are taxable as a dividend. The allocations described in this paragraph may result in a higher portion of our distributions being taxed as a dividend than would have occurred had we purchased such properties for cash.

Basis in Partnership Interest. The adjusted tax basis of our partnership interest in Dividend Capital OP generally will be equal to (1) the amount of cash and the basis of any other property contributed to Dividend Capital OP by us, (2) increased by (A) our allocable share of Dividend Capital OP's income and (B) our allocable share of indebtedness of Dividend Capital OP, and (3) reduced, but not below zero, by (A) our allocable share of Dividend Capital OP's loss and (B) the amount of cash distributed to us, including constructive cash distributions resulting from a reduction in our share of indebtedness of Dividend Capital OP. If the allocation of our distributive share of Dividend Capital OP's loss would reduce the adjusted tax basis of our partnership interest in Dividend Capital OP below zero, the recognition of the loss will be deferred until such time as the recognition of the loss would not reduce our adjusted tax basis below zero. If a distribution from Dividend Capital OP or a reduction in our share of Dividend Capital OP's liabilities would reduce our adjusted tax basis below zero, that distribution, including a constructive distribution, will constitute taxable income to us. The gain realized by us upon the receipt of any such distribution or constructive distribution would normally be characterized as capital gain, and if our partnership interest in Dividend Capital OP has been held for longer than the long-term capital gain holding period (currently one year), the distribution would constitute long-term capital gain.

Depreciation Deductions Available to Dividend Capital OP. Dividend Capital OP will use a portion of contributions made by Dividend Capital Trust from net offering proceeds to acquire interests in properties. To the extent that Dividend Capital OP acquires properties for cash, Dividend Capital OP's initial basis in such properties for federal income tax purposes generally will be equal to the purchase price paid by Dividend Capital OP. Dividend Capital OP plans to depreciate each depreciable property

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for federal income tax purposes under the alternative depreciation system of depreciation ("ADS"). Under ADS, Dividend Capital OP generally will depreciate buildings and improvements over a 40-year recovery period using a straight-line method and a mid-month convention and will depreciate furnishings and equipment over a 12-year recovery period. To the extent that Dividend Capital OP acquires properties in exchange for units of Dividend Capital OP, Dividend Capital OP's initial basis in each such property for federal income tax purposes should be the same as the transferor's basis in that property on the date of acquisition by Dividend Capital OP. Although the law is not entirely clear, Dividend Capital OP generally intends to depreciate such depreciable property for federal income tax purposes over the same remaining useful lives and under the same methods used by the transferors.

Sale of Dividend Capital OP's Property. Generally, any gain realized by Dividend Capital OP on the sale of property held for more than one year will be long-term capital gain, except for any portion of such gain that is treated as depreciation or cost recovery recapture. Our share of any gain realized by Dividend Capital OP on the sale of any property held by Dividend Capital OP as inventory or other property held primarily for sale to customers in the ordinary course of Dividend Capital OP's trade or business will be treated as income from a prohibited transaction that is subject to a 100% penalty tax. We, however, do not presently intend to acquire or hold or allow Dividend Capital OP to acquire or hold any property that represents inventory or other property held primarily for sale to customers in the ordinary course of our or Dividend Capital OP's trade or business.

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ERISA CONSIDERATIONS

The following is a summary of some non-tax considerations associated with an investment in our common stock by a qualified employee pension benefit plan or an IRA. This summary is based on provisions of ERISA and the Internal Revenue Code, as amended through the date of

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this prospectus, and relevant regulations and opinions issued by the Department of Labor and the Internal Revenue Service. We cannot assure you that adverse tax decisions or legislative, regulatory or administrative changes which would significantly modify the statements expressed herein will not occur. Any such changes may or may not apply to transactions entered into prior to the date of their enactment. Each fiduciary of an employee pension benefit plan subject to ERISA, such as a profit sharing, section 401(k) or pension plan, or of any other retirement plan or account subject to Section 4975 of the Internal Revenue Code, such as an IRA (collectively, Benefit Plans), seeking to invest plan assets in our common stock must, taking into account the facts and circumstances of such Benefit Plan, consider, among other matters:

Whether the investment is consistent with the applicable provisions of ERISA and the Internal Revenue Code;

Whether, under the facts and circumstances attendant to the Benefit Plan in question, the fiduciary's responsibility to the plan has been satisfied;

Whether the investment will produce UBTI to the Benefit Plan (see "Federal Income Tax Considerations Treatment of Tax-Exempt Shareholders"); and

The need to value the assets of the Benefit Plan annually.

Under ERISA, a plan fiduciary's responsibilities include the following duties:

To act solely in the interest of plan participants and beneficiaries and for the exclusive purpose of providing benefits to them, as well as defraying reasonable expenses of plan administration;

To invest plan assets prudently;

To diversify the investments of the plan unless it is clearly prudent not to do so;

To ensure sufficient liquidity for the plan; and

To consider whether an investment would constitute or give rise to a prohibited transaction under ERISA or the Internal Revenue Code.

ERISA also requires that the assets of an employee benefit plan be held in trust and that the trustee, or a duly authorized named fiduciary or investment manager, have exclusive authority and discretion to manage and control the assets of the plan. Section 406 of ERISA and Section 4975 of the Internal Revenue Code prohibit specified transactions involving the assets of a Benefit Plan which are between the plan and any "party in interest" or "disqualified person" with respect to that Benefit Plan. These transactions are prohibited regardless of how beneficial they may be for the Benefit Plan. Prohibited transactions include the sale, exchange or leasing of property, the lending of money or the extension of credit between a Benefit Plan and a party in interest or disqualified person, and the transfer to, or use by, or for the benefit of, a party in interest, or disqualified person, of any assets of a Benefit Plan. A fiduciary of a Benefit Plan also is prohibited from engaging in self-dealing, acting for a person who has an interest adverse to the plan or receiving any consideration for its own account from a party dealing with the plan in a transaction involving plan assets. Furthermore, Section 408 of the Internal Revenue Code states that assets of an IRA trust may not be commingled with other property except in a common trust fund or common investment fund.

Plan Asset Considerations

In order to determine whether an investment in our common stock by Benefit Plans creates or gives rise to the potential for either prohibited transactions or the commingling of assets referred to above, a fiduciary must consider whether an investment in our common stock will cause

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our assets to be treated as assets of the investing Benefit Plans. Neither ERISA nor the Internal Revenue Code define the term "plan assets," however, U.S. Department of Labor Regulations provide guidelines as to whether, and under what circumstances, the underlying assets of an entity will be deemed to constitute assets of a Benefit Plan when the plan invests in that entity (the Plan Assets Regulation). Under the Plan Assets Regulation, the assets of corporations, partnerships or other entities in which a Benefit Plan makes an equity investment will generally be deemed to be assets of the Benefit Plan unless the entity satisfies one of the exceptions to this general rule.

In the event that our underlying assets were treated by the Department of Labor as the assets of investing Benefit Plans, our management would be treated as fiduciaries with respect to each Benefit Plan shareholder, and an investment in our common stock might constitute an ineffective delegation of fiduciary responsibility to the Advisor, and expose the fiduciary of the Benefit Plan to co-fiduciary liability under ERISA for any breach by the Advisor of the fiduciary duties mandated under ERISA. Further, if our assets are deemed to be "plan assets," an investment by an IRA in our common stock might be deemed to result in an impermissible commingling of IRA assets with other property.

If the Advisor or affiliates of the Advisor were treated as fiduciaries with respect to Benefit Plan shareholders, the prohibited transaction restrictions of ERISA and the Internal Revenue Code would apply to any transaction involving our assets. These restrictions could, for example, require that we avoid transactions with entities that are affiliated with us or our affiliates or restructure our activities in order to obtain an administrative exemption from the prohibited transaction restrictions. Alternatively, we might have to provide Benefit Plan shareholders with the opportunity to sell their shares to us or we might dissolve or terminate. If a prohibited transaction were to occur, the Internal Revenue Code imposes an excise tax equal to 15% of the amount involved and authorizes the IRS to impose an additional 100% excise tax if the prohibited transaction is not "corrected." These taxes would be imposed on any disqualified person who participates in the prohibited transaction. In addition, the Advisor and possibly other fiduciaries of Benefit Plan shareholders subject to ERISA who permitted the prohibited transaction to occur or who otherwise breached their fiduciary responsibilities, or a non-fiduciary participating in a prohibited transaction, could be required to restore to the Benefit Plan any profits they realized as a result of the transaction or breach, and make good to the Benefit Plan any losses incurred by the Benefit Plan as a result of the transaction or breach. With respect to an IRA that invests in our common stock, the occurrence of a prohibited transaction involving the individual who established the IRA, or his or her beneficiary, would cause the IRA to lose its tax-exempt status under Section 408(e)(2) of the Internal Revenue Code.

The Plan Assets Regulation provides that the underlying assets of REITs will not be treated as assets of a Benefit Plan investing therein if the interest the Benefit Plan acquires is a "publicly-offered security." A publicly-offered security must be:

Sold as part of a public offering registered under the Securities Act of 1933, as amended, and be part of a class of securities registered under the Securities Exchange Act of 1934, as amended, within 120 days (or such later time as may be allowed by the Securities and Exchange Commission) after the end of the fiscal year in which the initial closing under this offering occurs;

"Widely held," i.e., part of a class of securities that is owned by 100 or more persons who are independent of the issuer and one another; and

"Freely transferable."

Our common stock is being sold as part of an offering of securities to the public pursuant to an effective registration statement under the Securities Act, and are part of a class registered under the Securities Exchange Act. In addition, we have over 100 independent shareholders as of the initial closing under this offering, therefore our common stock is "widely held." Whether a security is "freely transferable" depends upon the particular facts and circumstances. Our common stock is subject to certain restrictions on transferability intended to ensure that we continue to qualify for federal income tax treatment as a REIT. The regulation provides, however, that where the minimum investment in a public offering of securities is \$10,000 or less, the presence of a restriction on transferability intended to prohibit transfers which would result in a termination or reclassification of the entity for state or federal tax purposes will not ordinarily affect a determination that such securities are freely transferable. The minimum investment in our common stock is less than \$10,000; thus, the restrictions imposed in order to maintain our status as a REIT should not cause the shares to be deemed not freely transferable.

Our common stock is "widely held" and assuming that no other facts and circumstances other than those referred to in the preceding paragraph exist that restrict transferability of our common stock and the offering takes place as described in this prospectus, our common stock more likely than not constitute "publicly-offered securities" and, accordingly, it is more likely than not that our underlying assets should not be considered "plan assets" under the Plan Assets Regulation. If our underlying assets are not deemed to be "plan assets," the issues discussed in the second and third paragraphs of this "Plan Assets Considerations" section are not expected to arise.

Other Prohibited Transactions

Regardless of whether the shares qualify for the "publicly-offered security" exception of the Plan Assets Regulation, a prohibited transaction could occur if Dividend Capital Trust, the Advisor, any selected dealer or any of their affiliates is a fiduciary (within the meaning of Section 3(21) of ERISA) with respect to any Benefit Plan purchasing the shares. Accordingly, unless an administrative or statutory exemption applies, shares should not be purchased by a Benefit Plan with respect to which any of the above persons is a fiduciary. A person is a fiduciary with respect to a Benefit Plan under Section 3(21) of ERISA if, among other things, the person has discretionary authority or control with respect to "plan assets" or provides investment advice for a fee with respect to "plan assets." Under a regulation issued by the Department of Labor, a person shall be deemed to be providing investment advice if that person renders advice as to the advisability of investing in our common stock and that person regularly provides investment advice to the Benefit Plan pursuant to a mutual agreement or understanding (written or otherwise) (1) that the advice will serve as the primary basis for investment decisions, and (2) that the advice will be individualized for the Benefit Plan based on its particular needs.

Annual Valuation

A fiduciary of an employee benefit plan subject to ERISA is required to determine annually the fair market value of each asset of the plan as of the end of the plan's fiscal year and to file a report reflecting that value with the Department of Labor. When the fair market value of any particular asset is not available, the fiduciary is required to make a good faith determination of that asset's "fair market value" assuming an orderly liquidation at the time the determination is made. In addition, a trustee or custodian of an IRA must provide an IRA participant with a statement of the value of the IRA each year.

In discharging its obligation to value assets of a plan, a fiduciary subject to ERISA must act consistently with the relevant provisions of the plan and the general fiduciary standards of ERISA. Unless and until our common stock is listed on a national securities exchange or an over-the-counter market, it is not expected that a public market for the shares will develop. To date, neither the Internal

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Revenue Service nor the Department of Labor has promulgated regulations specifying how a plan fiduciary should determine the "fair market value" of the shares, namely when the fair market value of the shares is not determined in the marketplace. Therefore, to assist fiduciaries in fulfilling their valuation and annual reporting responsibilities with respect to ownership of shares, we intend to provide reports of our annual determinations of the current value of our net assets per outstanding share to those fiduciaries (including IRA trustees and custodians) who identify themselves to us and request the reports.

For so long as we are offering shares, we intend to use the most recent offering price as the per share net asset value. During such time as we are not offering shares, the value of the properties and our other assets will be based on a valuation. Such valuation will be performed by a person independent of us and of the Advisor.

We anticipate that we will provide annual reports of our determination of value (1) to IRA trustees and custodians not later than January 15 of each year, and (2) to other Benefit Plan fiduciaries within 75 days after the end of each calendar year. Each determination may be based upon valuation information available as of October 31 of the preceding year, up-dated, however, for any material changes occurring between October 31 and December 31.

We intend to revise these valuation procedures to conform with any relevant guidelines that the Internal Revenue Service or the Department of Labor may hereafter issue. Meanwhile, we cannot assure you:

That the value determined by us could or will actually be realized by us or by shareholders upon liquidation (in part because appraisals or estimated values do not necessarily indicate the price at which assets could be sold and because no attempt will be made to estimate the expenses of selling any of our assets);

That shareholders could realize this value if they were to attempt to sell their shares; or

That the value, or the method used to establish value, would comply with the ERISA or IRA requirements described above.

DESCRIPTION OF SECURITIES

The following description of the shares is not complete but is a summary of portions of our articles of incorporation and is qualified in its entirety by reference to the articles of incorporation. Under our articles of incorporation, we have authority to issue a total of 500,000,000 shares of capital stock. Of the total shares authorized, 350,000,000 shares are designated as common stock with a par value of \$0.01 per share, 50,000,000 shares are designated as preferred stock, and 100,000,000 shares are designated as shares-in-trust, which would be issued only in the event that there is a purported transfer of, or other change in or affecting the ownership of, our common stock that would result in a violation of the ownership limits described below. As of December 1, 2003, approximately 10.8 million shares of our common stock were issued and outstanding, and no shares of preferred stock or shares-in-trust were issued and outstanding.

Common Stock

The holders of common stock is entitled to one vote per share on all matters voted on by shareholders, including election of our directors. Our articles of incorporation do not provide for cumulative voting in the election of directors. Therefore, the holders of a majority of the outstanding common shares can elect our entire board of directors. Subject to any preferential rights of any outstanding series of preferred stock and to the distribution of specified amounts upon liquidation with respect to shares-in-trust, the holders of common stock is entitled to such dividends as may be declared from time to time by our board of directors out of legally available funds and, upon liquidation, are entitled to receive all assets available for distribution to shareholders. All shares issued in the offering will be fully paid and non-assessable shares of common stock. Holders of shares of common stock will not have preemptive rights, which means that you will not have an automatic option to purchase any new shares that we issue.

We will not issue certificates for our common stock. Shares will be held in "uncertificated" form which will eliminate the physical handling and safekeeping responsibilities inherent in owning transferable stock certificates and eliminate the need to return a duly executed stock certificate to effect a transfer. Gemisys Financial Services Corp. acts as our registrar and as the transfer agent for our common stock. Transfers can be effected simply by mailing a transfer and assignment form, which we will provide to you at no charge, to:

Gemisys Financial Services Corp.
7103 South Revere Parkway
Englewood, CO 80112
(303) 705-6000

Preferred Stock

Our articles of incorporation authorize our board of directors to designate and issue one or more classes or series of preferred stock without shareholder approval. The board of directors may determine the relative rights, preferences and privileges of each class or series of preferred stock so issued, which may be more beneficial than the rights, preferences and privileges attributable to the common stock. The issuance of preferred stock could have the effect of delaying or preventing a change in control of Dividend Capital Trust. Our board of directors has no present plans to issue preferred stock, but may do so at any time in the future without shareholder approval.

Soliciting Dealer Warrants

We will issue to the Dealer Manager one soliciting dealer warrant \$.001 for every 25 shares sold during the offering period. These warrants, as well as the shares issuable upon their exercise, have been registered as part of this offering. The Dealer Manager may retain or re-allow these warrants to broker-dealers participating in the offering, unless such issuance of soliciting dealer warrants is prohibited by either federal or state securities laws. The holder of a soliciting dealer warrant will be entitled to purchase one share from Dividend Capital Trust at a price of \$12 per share during the period beginning on the first anniversary of the effective date of this offering and ending five years after the effective date of

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this offering. Subject to certain exceptions, a soliciting dealer warrant may not be transferred, assigned, pledged or hypothecated for a period of one year following the effective date of this offering. Exercise of the soliciting dealer warrants is governed by the terms and conditions detailed in this prospectus and in the Warrant Purchase Agreement, which is an exhibit to the Registration Statement.

Meetings, Special Voting Requirements and Access to Records

An annual meeting of the shareholders will be held each year, at least 30 days after delivery of our annual report. Special meetings of shareholders may be called only upon the request of a majority of the directors, a majority of the independent directors, the chairman, the president or upon the written request of shareholders holding at least 10% of the shares. The presence of a majority of the outstanding shares either in person or by proxy shall constitute a quorum. Generally, the affirmative vote of a majority of all votes entitled to be cast is necessary to take shareholder action authorized by our articles of incorporation, except that a majority of the votes represented in person or by proxy at a meeting at which a quorum is present is sufficient to elect a director.

Under Maryland Corporation Law and our articles of incorporation, shareholders are entitled to vote at a duly held meeting at which a quorum is present on (1) amendment of our articles of incorporation, (2) liquidation or dissolution of Dividend Capital Trust, (3) reorganization of Dividend Capital Trust, (4) merger, consolidation or sale or other disposition of substantially all of our assets, and (5) revocation of our status as a REIT. Shareholders voting against any merger or sale of assets are permitted under Maryland Corporation Law to petition a court for the appraisal and payment of the fair value of their shares. In an appraisal proceeding, the court appoints appraisers who attempt to determine the fair value of the stock as of the date of the shareholder vote on the merger or sale of assets. After considering the appraisers' report, the court makes the final determination of the fair value to be paid to the dissenting shareholder and decides whether to award interest from the date of the merger or sale of assets and costs of the proceeding to the dissenting shareholders.

The Advisory Agreement, including the selection of the Advisor, is approved annually by our directors. While the shareholders do not have the ability to vote to replace the Advisor or to select a new advisor, shareholders do have the ability, by the affirmative vote of a majority of the shares entitled to vote on such matter, to elect to remove a director from our board. Shareholders are entitled to receive a copy of our shareholder list upon request. The list provided by us will include each shareholder's name, address and telephone number, if available, and number of shares owned by each shareholder and will be sent within ten days of the receipt by us of the request. A shareholder requesting a list will be required to pay reasonable costs of postage and duplication. We have the right to request that a requesting shareholder represent to us that the list will not be used to pursue commercial interests. In addition to the foregoing, shareholders have rights under Rule 14a-7 under the Securities Exchange Act, which provides that, upon the request of investors and the payment of the expenses of the distribution, we are required to distribute specific materials to shareholders in the context of the solicitation of proxies for voting on matters presented to shareholders or, at our option, provide requesting shareholders with a copy of the list of shareholders so that the requesting shareholders may make the distribution of proxies themselves.

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Any shareholder shall be permitted access to all records of Dividend Capital Trust at all reasonable times, and may inspect and copy any of them for a reasonable copying charge. Inspection of our records by the office or agency administering the securities laws of a jurisdiction shall be provided upon reasonable notice and during normal business hours. An alphabetical list of the names, addresses and telephone numbers of our shareholders, along with the number of shares held by each of them, shall be maintained as part of the books and records of Dividend Capital Trust and shall be available for inspection by any shareholder or the shareholder's designated agent at the office of Dividend Capital Trust. The shareholder list shall be updated at least quarterly to reflect changes in the information contained therein. A copy of the list shall be mailed to any shareholder who requests the list within ten days of the request. Dividend Capital Trust may impose a reasonable charge for expenses incurred in reproducing the list. A shareholder may request a copy of the shareholder list in connection with matters relating to voting rights and the exercise of shareholder rights under federal proxy laws. If a proper request for the shareholder list is not honored, then the requesting shareholder shall be entitled to recover certain costs incurred in compelling the production of the list as well as actual damages suffered by reason of the refusal or failure to produce the list. However, a shareholder shall not have the right to secure the shareholder list or other information for the purpose of selling or using the list for a commercial purpose not related to the requesting shareholder's interest in the affairs of the Company.

Restriction on Ownership of Common Stock

In order for us to qualify as a REIT, beginning in 2003 not more than 50% in value of our outstanding shares may be owned, directly or indirectly through the application of certain attribution rules under the Internal Revenue Code, by any five or fewer individuals, as defined in the Internal Revenue Code to include specified entities, during the last half of any taxable year. In addition, the outstanding shares must be owned

by 100 or more persons independent of us and each other during at least 335 days of a 12-month taxable year or during a proportionate part of a shorter taxable year, excluding our first taxable year ending December 31, 2002. In addition, we must meet requirements regarding the nature of our gross income in order to qualify as a REIT. One of these requirements is that at least 75% of our gross income for each calendar year must consist of rents from real property and income from other real property investments. The rents received by Dividend Capital OP from any tenant will not qualify as rents from real property, which could result in our loss of REIT status, if we own, actually or constructively within the meaning of certain provisions of the Internal Revenue Code, 10% or more of the ownership interests in that tenant. In order to assist us in preserving our status as a REIT, our articles of incorporation contain limitations on ownership and transfer of shares which from the date of the first closing of this offering prohibit any person or entity from owning or acquiring, directly or indirectly, more than 9.8% of the outstanding shares of any class or series of our stock, prohibit the beneficial ownership of our outstanding shares by fewer than 100 persons and prohibit any transfer of or other event or transaction with respect to our common stock that would result in the beneficial ownership of our outstanding shares by fewer than 100 persons. In addition, our articles of incorporation prohibit, from the date of the first closing of this offering, any transfer of or other event with respect to our common stock that would cause us to violate the Closely Held Test, that would cause us to own, actually or constructively, 9.9% or more of the ownership interests in a tenant of our real property or the real property of Dividend Capital OP or any direct or indirect subsidiary of Dividend Capital OP or that would otherwise cause us to fail to qualify as a REIT. Our articles of incorporation provide that any transfer of shares that would violate our share ownership limitations is null and void and the intended transferee will acquire no rights in such shares, unless, in the case of a transfer that would cause a violation of the 9.8% ownership limit, the transfer is approved by the board of directors based upon receipt of information that such transfer would not violate the provisions of the Internal Revenue Code for qualification as a REIT.

The shares that, if transferred, would result in a violation of any applicable ownership limit notwithstanding the provisions described above which are attempted to be transferred will be exchanged for "shares-in-trust" and will be transferred automatically to a trust effective on the day before the purported transfer of such shares. We will designate a trustee of the share trust that will not be affiliated with us or the purported transferee or record holder. We will also name a charitable organization as beneficiary of the share trust. Shares-in-trust will remain issued and outstanding shares. The trustee will receive all dividends and distributions on the shares-in-trust and will hold such dividends or distributions in trust for the benefit of the beneficiary. The trustee also will vote the shares-in-trust.

The trustee will transfer the shares-in-trust to a person whose ownership of our common stock will not violate the ownership limits. The transfer shall be made no earlier than 20 days after the later of our receipt of notice that shares have been transferred to the trust or the date we determine that a purported transfer of our common stock has occurred. During this 20-day period, we will have the option of redeeming such shares. Upon any such transfer or redemption, the purported transferee or holder shall receive a per share price equal to the lesser of (a) the price per share in the transaction that created such shares-in-trust (or, in the case of a gift or devise, the market price at the time of the gift or devise), and (b) the market price per share on the date of the redemption, in the case of a purchase by us, or the price received by the trustee net of any sales commissions and expenses, in the case of a sale by the trustee. The charitable beneficiary will receive any excess amounts. In the case of a liquidation, holders of shares-in-trust will receive a ratable amount of our remaining assets available for distribution to shares of the applicable class or series taking into account all shares-in-trust of such class or series. The trustee will distribute to the purported transferee or holder an amount equal to the lesser of the amounts received with respect to such shares-in-trust or the price per share in the transaction that created such shares-in-trust (or, in the case of a gift or devise, the market price at the time of the gift or devise) and shall distribute any remaining amounts to the charitable beneficiary.

Any person who (1) acquires or attempts to acquire shares in violation of the foregoing restrictions or who owns shares that were transferred to any such trust is required to give immediate written notice to Dividend Capital Trust of such event or (2) purports to transfer or receive shares subject to such limitations is required to give Dividend Capital Trust 15 days written notice prior to such purported transaction. In both cases, such persons shall provide to Dividend Capital Trust such other information as we may request in order to determine the effect, if any, of such event on our status as a REIT. The foregoing restrictions will continue to apply until (1) the board of directors determines it is no longer in the best interest of Dividend Capital Trust to continue to qualify as a REIT and (2) there is an affirmative vote of the majority of shares entitled to vote on such matter at a regular or special meeting of the shareholders of Dividend Capital Trust.

The ownership limits do not apply to a person or persons which the directors exempt from the ownership limit upon appropriate assurances that our qualification as a REIT is not jeopardized. Any person who owns 5% or more (or such lower percentage applicable under Treasury regulations) of the outstanding shares during any taxable year will be asked to deliver a statement or affidavit setting forth the number of shares beneficially owned.

Dividends

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Dividends will be paid on a quarterly basis. Dividends will be paid to investors who are shareholders as of the record dates selected by the directors. We currently calculate our quarterly dividends based upon daily record and dividend declaration dates so our investors will be entitled to be paid dividends beginning with the quarter in which their shares are purchased. We then make quarterly dividend payments following the end of each calendar quarter.

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We are required to make distributions sufficient to satisfy the requirements for qualification as a REIT for federal income tax purposes. Generally, income distributed will not be taxable to us under the Internal Revenue Code if we distribute at least 90% of our taxable income each year (computed without regard to the dividends paid deduction and our net capital gain). (See "Federal Income Tax Considerations Requirements for Qualification as a REIT" Operational Requirements Annual Distribution Requirement"). Dividends will be declared at the discretion of the board of directors, in accordance with our earnings, cash flow and general financial condition. The board's discretion will be directed, in substantial part, by its obligation to cause us to comply with the REIT requirements. Because we may receive income from interest or rents at various times during our fiscal year, distributions may not reflect our income earned in that particular distribution period and may be made in advance of actual receipt of funds in an attempt to make distributions relatively uniform. We are authorized to borrow money, issue new securities or sell assets in order to make distributions.

We are not prohibited from distributing our own securities in lieu of making cash dividends to shareholders, provided that the securities distributed to shareholders are readily marketable. The receipt of marketable securities in lieu of cash dividends may cause shareholders to incur transaction expenses in liquidating the securities.

Dividends are declared by our board of directors and are calculated on a daily basis. The following table sets forth the dividends declared by our board of directors and the dividends that have been paid to date:

Quarter	Amount Declared(1)	Date Paid
2 nd Quarter 2003	\$ 0.0156	July 15, 2003
3 rd Quarter 2003	\$ 0.0158	October 15, 2003
4 th Quarter 2003	\$ 0.0158	January 15, 2004(2)

- (1) Assumes share was owned for the entire quarter
- (2) Anticipated payment date

Distribution Reinvestment Plan

We currently have a distribution reinvestment plan available that allows you to have cash otherwise distributable to you invested in additional shares of Dividend Capital Trust at a discounted purchase price. You may purchase shares under the distribution reinvestment plan for an amount per share equal to the current offering price of the share on the relevant distribution date less a 5% discount (currently \$9.50). Shares issued pursuant to the Distribution Reinvestment Plan will be subject to a 1.0% service fee payable to our Dealer Manager, which may be re-allowed to participating broker-dealers. Shares may be issued under this plan until all of the shares registered as part of this offering have been sold. Until there is more than a de minimus amount of trading in our common stock, the fair market value of our common stock purchased from us under the distribution reinvestment plan will be the same as the price of a share in this offering. After that time, our board will estimate the fair market value of our common stock by reference to the applicable sales price in respect of the most recent trades occurring on or prior to the relevant distribution date. After all the shares registered as part of this offering have been sold, we may purchase shares either through purchases on the open market, if a market then exists, or through an additional issuance of shares. In either case, the price per share will be equal to the then-prevailing market price, which shall equal the price on the securities exchange or over-the-counter market on which such shares are listed at the date of purchase if such shares are then listed. A copy of our Distribution Reinvestment Plan is included as Appendix C to this prospectus. You may elect to participate in the distribution reinvestment plan by completing the Subscription Agreement, the enrollment form or by other written notice to the plan administrator. Participation in

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the plan will begin with the next distribution made after receipt of your written notice. We may terminate the distribution reinvestment plan for any reason at any time upon 10 days' prior written notice to participants.

If you hold limited partnership interests in Dividend Capital OP, such as DCX Units, you may also participate in the distribution reinvestment plan and have cash otherwise distributable to you by Dividend Capital OP invested in our common stock at a discount equal to 5% of the current offering price of our common stock.

Your participation in the plan will also be terminated to the extent that a reinvestment of your distributions in our common stock would cause the share ownership limitations contained in our articles of incorporation to be violated.

If you elect to participate in the distribution reinvestment plan and are subject to United States federal income taxation, you will incur a tax liability on an amount equal to the fair market value on the relevant distribution date of the shares of our stock purchased with reinvested distributions, even though you have elected not to receive the distributions used to purchase those shares in cash. Under present law, the United States federal income tax treatment of that amount will be as described with respect to distributions under "Federal Income Tax Considerations Taxation of Taxable U.S. Shareholders" in the case of a taxable U.S. shareholder (as defined therein) and as described under "Federal Income Tax Considerations Special Tax Considerations for Non-U.S. Shareholders" in the case of a Non-U.S. Shareholder (as defined therein). However, the tax consequences to you of participating in our distribution reinvestment plan will vary depending upon your particular circumstances and you are urged to consult your own tax advisor regarding the specific tax consequences to you of participation in the plan.

Share Redemption Program

Prior to the time that our common stock is listed on a national securities exchange or traded on an over-the-counter market, shareholders of Dividend Capital Trust who have held their shares for at least one year may receive the benefit of limited interim liquidity by presenting for redemption all or any portion of their shares to us at any time in accordance with the procedures outlined herein. At that time, we may, subject to the conditions and limitations described below, redeem the shares presented for redemption for cash to the extent that we have sufficient funds available to us to fund such redemption. The amount received from the redemption of shares will be equal to the lesser of the price actually paid for the shares or the redemption price which is dependent upon the number of years the shares are held as described in the following table:

Share Purchase Anniversary	Redemption Price Per Share
0 - 1	No Redemption Allowed
1	\$ 9.25
2	\$ 9.50
3	\$ 9.75
4	\$10.00

In the event that you are redeeming all of your shares, shares purchased pursuant to our distribution reinvestment plan may be excluded from the foregoing one-year holding period requirement, in the discretion of the board of directors. In addition, for purposes of the one-year holding period, limited partners of Dividend Capital OP who redeem their limited partnership units for shares in Dividend Capital Trust shall be deemed to have owned their shares as of the date they were issued their limited partnership units in Dividend Capital OP. The board of directors reserves the right in its sole discretion at any time and from time to time to (1) waive the one-year holding period in the event of the death or bankruptcy of a shareholder or other exigent circumstances, (2) reject any request

for redemption for any reason or no reason, (3) change the purchase price for redemptions, or (4) otherwise amend the terms of our share redemption program.

Redemption of shares, when requested, will be made quarterly on a first-come, first-served basis. Subject to funds being available, during any calendar year we will limit the number of shares redeemed pursuant to our share redemption program to the lesser of: (1) three percent (3.0%) of the weighted average number of shares outstanding during the prior calendar year; and (2) that number of shares we can redeem with the proceeds we receive from the sale of shares under our distribution reinvestment plan. In either case, the aggregate amount of redemptions

under our share redemption program is not expected to exceed aggregate proceeds received from the sale of shares pursuant to our distribution reinvestment plan. The board of directors, in its sole discretion, may choose to use other sources of funds to redeem shares, to terminate the share redemption program or to increase or reduce in connection with the limits set forth above the number of shares purchased under the share redemption program. (See "Risk Factors Investment Risks").

In addition, shares of our common stock contain a death put whereby upon the death of a shareholder, the shareholder's estate or trustee may put the shares to the Company for the lesser of the price paid for the shares or the share redemption price. In either case, the shares become redeemable upon the death of the shareholder regardless of share purchase anniversary.

We cannot guarantee that the funds set aside for the share redemption program will be sufficient to accommodate all requests made in any year. If we do not have such funds available, at the time when redemption is requested, you can (1) withdraw your request for redemption, or (2) ask that we honor your request at such time, if any, when sufficient funds become available. Such pending requests will be honored on a first-come, first-served basis.

The share redemption program is only intended to provide possible interim liquidity for shareholders until a secondary market develops for the shares. No such market presently exists, and we cannot assure you that any market for your shares will ever develop.

The shares we purchase under the share redemption program will be cancelled, and will have the status of authorized, but unissued shares. We will not reissue such shares unless they are first registered with the Securities and Exchange Commission (the "Commission") under the Securities Act of 1933 and under appropriate state securities laws or otherwise issued in compliance with such laws. If we terminate, reduce the scope of or otherwise change the share redemption program, we will disclose the changes in reports filed with the Commission.

The federal income tax treatment of shareholders whose shares are redeemed by us under the share redemption program will depend on whether our redemption is treated as a payment in exchange for the shares. A redemption normally will be treated as an exchange if the redemption results in a complete termination of the shareholder's interest in our company, qualifies as "substantially disproportionate" with respect to the shareholder or is treated as "not essentially equivalent to a dividend" with respect to the shareholder. In order for the redemption to be substantially disproportionate, the percentage of our voting shares considered owned by the shareholder immediately after the redemption must be less than 80 percent of the percentage of our voting shares considered owned by the shareholder immediately before the redemption. In order for the redemption to be treated as not essentially equivalent to a dividend with respect to the shareholder, the redemption must result in a "meaningful reduction" in the shareholder's interest in our company. The Internal Revenue Service has indicated in a published ruling that, in the case of a small minority holder of a publicly held corporation whose relative stock interest is minimal and who exercises no control over corporate affairs, a reduction in the holder's proportionate interest in the corporation from .0001118% to .0001081% would constitute a meaningful reduction. In determining whether any of these tests have been met, shares considered to be owned by the shareholder by reason of applicable constructive

ownership rules, as well as the shares actually owned by the shareholder, normally will be taken into account.

In general, if the redemption is treated as an exchange, the United States federal income tax treatment of the redemption under present law will be as described under "Federal Income Tax Considerations Taxation of Taxable U.S. Shareholders Certain Dispositions of Our Common Shares" in the case of a taxable U.S. shareholder (as defined therein) and as described under "Federal Income Tax Considerations Special Tax Considerations for Non-U.S. Shareholders Sale of Our common stock by a Non-U.S. Shareholder" in the case of a Non-U.S. shareholder (as defined therein) whose income derived from the investment in our common stock is not effectively connected with the Non-U.S. shareholder's conduct of a trade or business in the United States. If the redemption does not qualify as an exchange of our common stock, the United States federal income tax treatment of the redemption under present law generally will be as described under "Federal Income Tax Considerations Taxation of Taxable U.S. Shareholders Distributions Generally" in the case of a taxable U.S. shareholder and as described under "Federal Income Tax Considerations Special Tax Considerations for Non-U.S. Shareholders Distributions Not Attributable to Gain From the Sale or Exchange of a United States Real Property Interest" in the case of a Non-U.S. shareholder whose income derived from the investment in our common stock is not effectively connected with the Non-U.S. shareholder's conduct of a trade or business in the United States. However, the tax consequences to you of participating in our share redemption program will vary depending upon your particular circumstances and you are urged to consult your own tax advisor regarding the specific tax consequences to you of participation in the share redemption program.

Restrictions on Roll-Up Transactions

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In connection with any proposed transaction considered a "Roll-up Transaction" involving Dividend Capital Trust and the issuance of securities of an entity (a "Roll-up Entity") that would be created or would survive after the successful completion of the Roll-up Transaction, an appraisal of all properties shall be obtained from a competent independent appraiser. If the appraisal is included in a prospectus used to offer the securities of the Roll-up Entity, then the appraisal will be filed with the Securities and Exchange Commission and state securities administrators as an exhibit to the registration statement covering the offering. The properties shall be appraised on a consistent basis, and the appraisal shall be based on the evaluation of all relevant information and shall indicate the value of the properties as of a date immediately prior to the announcement of the proposed Roll-up Transaction.

The appraisal shall assume an orderly liquidation of properties over a 12-month period. The terms of the engagement of the independent appraiser shall clearly state that the engagement is for our benefit and the shareholders. A summary of the appraisal, indicating all material assumptions underlying the appraisal, shall be included in a report to shareholders in connection with any proposed Roll-up Transaction. A "Roll-up Transaction" is a transaction involving the acquisition, merger, conversion or consolidation, directly or indirectly, of Dividend Capital Trust and the issuance of securities of a Roll-up Entity. This term does not include:

A transaction involving our securities that have been for at least 12 months listed on a national securities exchange or traded on an over-the-counter market; or

A transaction involving the conversion to corporate, trust, or association form of only Dividend Capital Trust if, as a consequence of the transaction, there will be no significant adverse change in any of the following: shareholder voting rights; the term of our existence; compensation to the Advisor; or our investment objectives.

In connection with a proposed Roll-up Transaction, the person sponsoring the Roll-up Transaction must offer to shareholders who vote "no" on the proposal the choice of: (1) accepting the securities of a Roll-up Entity offered in the proposed Roll-up Transaction; or (2) one of the following: (A) remaining as shareholders of Dividend Capital Trust and preserving their interests therein on the

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same terms and conditions as existed previously, or (B) receiving cash in an amount equal to the shareholder's pro rata share of the appraised value of our net assets.

We are prohibited from participating in any proposed Roll-up Transaction:

Which would result in the shareholders having democracy rights in a Roll-up Entity that are less than those provided in our bylaws and described elsewhere in this prospectus, including rights with respect to the election and removal of directors, annual reports, annual and special meetings, amendment of our articles of incorporation, and dissolution of Dividend Capital Trust;

Which includes provisions that would operate to materially impede or frustrate the accumulation of shares by any purchaser of the securities of the Roll-up Entity, except to the minimum extent necessary to preserve the tax status of the Roll-up Entity, or which would limit the ability of an investor to exercise the voting rights of its securities of the Roll-up Entity on the basis of the number of shares held by that investor;

In which investor's rights to access of records of the Roll-up Entity will be less than those provided in the section of this prospectus entitled "Description of Securities Meetings and Special Voting Requirements;" or

In which any of the costs of the Roll-up Transaction would be borne by us if the Roll-up Transaction is not approved by the shareholders.

Business Combinations

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Under Maryland Corporation Law, business combinations between a Maryland corporation and an interested shareholder or the interested shareholder's affiliate are prohibited for five years after the most recent date on which the shareholder becomes an interested shareholder. For this purpose, the term "business combinations" includes mergers, consolidations, share exchanges, asset transfers and issuances or reclassifications of equity securities. An "interested shareholder" is defined for this purpose as: (1) any person who beneficially owns ten percent or more of the voting power of the corporation's shares; or (2) an affiliate or associate of the corporation who, at any time within the two-year period prior to the date in question, was the beneficial owner of ten percent or more of the voting power of the then outstanding voting shares of the corporation.

After the five-year prohibition, any business combination between the corporation and an interested shareholder generally must be recommended by the board of directors of the corporation and approved by the affirmative vote of at least: (1) 80% of the votes entitled to be cast by holders of outstanding voting shares of the corporation; and (2) two-thirds of the votes entitled to be cast by holders of voting shares of the corporation other than shares held by the interested shareholder or its affiliate with whom the business combination is to be effected, or held by an affiliate or associate of the interested shareholder voting together as a single voting group.

These super-majority vote requirements do not apply if the corporation's common shareholders receive a minimum price, as defined under Maryland Corporation Law, for their shares in the form of cash or other consideration in the same form as previously paid by the interested shareholder for its shares. None of these provisions of the Maryland Corporation Law will apply, however, to business combinations that are approved or exempted by the board of directors of the corporation prior to the time that the interested shareholder becomes an interested shareholder.

The business combination statute may discourage others from trying to acquire control of Dividend Capital Trust and increase the difficulty of consummating any offer.

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Control Share Acquisitions

Maryland Corporation Law provides that control shares of a Maryland corporation acquired in a control share acquisition have no voting rights except to the extent approved by a vote of two-thirds of the votes entitled to be cast on the matter. Shares owned by the acquiror, or by officers or directors who are employees of the corporation are not entitled to vote on the matter. As permitted by Maryland Corporation Law, we have provided in our bylaws that the control share provisions of Maryland Corporation Law will not apply to transactions involving Dividend Capital Trust, but the board of directors retains the discretion to change this provision in the future. "Control shares" are voting shares which, if aggregated with all other shares owned by the acquiror or with respect to which the acquiror has the right to vote or to direct the voting of, other than solely by virtue of revocable proxy, would entitle the acquiror to exercise voting power in electing directors within one of the following ranges of voting powers:

One-fifth or more but less than one-third;

One-third or more but less than a majority; or

A majority or more of all voting power.

Control shares do not include shares the acquiring person is then entitled to vote as a result of having previously obtained shareholder approval. Except as otherwise specified in the statute, a "control share acquisition" means the acquisition of control shares. Once a person who has made or proposes to make a control share acquisition has undertaken to pay expenses and has satisfied other required conditions, the person may compel the board of directors to call a special meeting of shareholders to be held within 50 days of demand to consider the voting rights of the shares. If no request for a meeting is made, the corporation may itself present the question at any shareholders meeting.

If voting rights are not approved for the control shares at the meeting or if the acquiring person does not deliver an "acquiring person statement" for the control shares as required by the statute, the corporation may redeem any or all of the control shares for their fair value, except for control shares for which voting rights have previously been approved. Fair value is to be determined for this purpose without regard to the absence of voting rights for the control shares, and is to be determined as of the date of the last control share acquisition or of any meeting of shareholders at which the voting rights for control shares are considered and not approved.

If voting rights for control shares are approved at a shareholders meeting and the acquiror becomes entitled to vote a majority of the shares entitled to vote, all other shareholders may exercise appraisal rights. The fair value of the shares as determined for purposes of these appraisal rights may not be less than the highest price per share paid in the control share acquisition. Some of the limitations and restrictions otherwise applicable to the exercise of dissenters' rights do not apply in the context of a control share acquisition.

The control share acquisition statute does not apply to shares acquired in a merger, consolidation or share exchange if the corporation is a party to the transaction or to acquisitions approved or exempted by the articles of incorporation or bylaws of the corporation.

THE PARTNERSHIP AGREEMENT

General

Dividend Capital OP was formed in April, 2002 to acquire, own and lease properties on our behalf. We utilize this Umbrella Partnership Real Estate Investment Trust ("UPREIT") structure generally to enable us to acquire real property in exchange for limited partnership interests in Dividend Capital OP from owners who desire to defer taxable gain that would otherwise normally be recognized by them upon the disposition of their property or the transfer of their property to us in exchange for our common stock or cash. These owners may also desire to achieve diversity in their investment and other benefits afforded to owners of stock in a REIT. For purposes of satisfying the Asset and Income Tests for qualification as a REIT for federal income tax purposes, the REIT's proportionate share of the assets and income of Dividend Capital OP will be deemed to be assets and income of the REIT.

The property owner's goals are accomplished because the owner may contribute property to Dividend Capital OP in exchange for limited partnership units on a tax deferred basis. Further, Dividend Capital OP is structured to make distributions with respect to regular limited partnership units which are equivalent to the dividend distributions made to shareholders of Dividend Capital Trust. Finally, a limited partner in Dividend Capital OP may later redeem his regular limited partnership units for shares of Dividend Capital Trust (in a taxable transaction) and, if our common stock is then listed, achieve liquidity for his investment.

We intend to hold substantially all of our assets in Dividend Capital OP or in subsidiary entities in which Dividend Capital OP owns an interest, and we intend to make future acquisitions of real properties using the UPREIT structure. Dividend Capital Trust is the sole general partner of Dividend Capital OP. The Advisor and the parent of the Advisor have contributed \$201,000 to Dividend Capital OP for limited partner interest. As the sole general partner of Dividend Capital OP, we have the exclusive power to manage and conduct the business of Dividend Capital OP. We also own a substantial majority of the limited partnership interest of Dividend Capital OP.

The following is a summary of certain provisions of the Partnership Agreement of Dividend Capital OP. This summary is not complete and is qualified by the specific language in the partnership agreement. You should refer to the actual partnership agreement, a copy of which we have filed as an exhibit to the registration statement, for more detail.

Capital Contributions

As we accept subscriptions for shares, we will transfer substantially all of the net offering proceeds to Dividend Capital OP in exchange for limited partnership units. However, we will be deemed to have made capital contributions in the amount of the gross offering proceeds received from investors, and Dividend Capital OP will be deemed to have simultaneously paid the selling commissions and other costs associated with the offering.

If Dividend Capital OP requires additional funds at any time in excess of capital contributions made by us and the Advisor, we may borrow funds from a financial institution or other lender and lend such funds to Dividend Capital OP on the same terms and conditions as are applicable to our borrowing of such funds. In addition, we are authorized to cause Dividend Capital OP to issue partnership interests for less than fair market value if we conclude in good faith that such issuance is in the best interest of Dividend Capital OP and Dividend Capital Trust.

Operations

The partnership agreement requires that Dividend Capital OP be operated in a manner that will enable Dividend Capital Trust to (1) satisfy the requirements for being classified as a REIT for federal

income tax purposes, unless we otherwise cease to qualify as a REIT, (2) avoid any federal income or excise tax liability, and (3) ensure that Dividend Capital OP will not be classified as a "publicly traded partnership" for purposes of Section 7704 of the Internal Revenue Code, which classification could result in Dividend Capital OP being taxed as a corporation, rather than as a partnership. (See "Federal Income Tax Considerations Federal Income Tax Aspects of Our Partnership Classification as a Partnership").

Redemption Rights

The limited partners of Dividend Capital OP (other than Dividend Capital Trust, the Advisor and the holder of the Special Units) generally have the right to cause Dividend Capital OP to redeem all or a portion of their limited partnership units for, at our sole discretion, shares of our common stock or cash. If we elect to redeem limited partnership units for shares of our common stock, we will generally deliver one share of our common stock for each limited partnership unit redeemed. If we elect to redeem limited partnership units for cash, the amount of cash to be paid will be equal to the value of an equivalent number of our common stock of common stock. In connection with the exercise of these redemption rights, a limited partner must make certain representations, including that the delivery of shares of our common stock upon redemption would not result in such limited partner owning shares in excess of our ownership limits in our articles of incorporation. The Special Units will be redeemed for a specified amount of cash upon the occurrence of specified termination events under the Advisory Agreement or the listing of our common stock. See "Management Management Compensation."

Subject to the foregoing, limited partners (other than the Advisor and the holders of the Special Units) may exercise their redemption rights at any time after one year following the date of issuance of their limited partnership units; provided, however, that a limited partner may not deliver more than two redemption notices each calendar year and may not exercise a redemption right for less than 1,000 limited partnership units, unless the limited partner holds less than 1,000 units, in which case, it must exercise its redemption right for all of its units.

Transferability of Interests

Dividend Capital Trust may not (1) voluntarily withdraw as the general partner of Dividend Capital OP, (2) engage in any merger, consolidation or other business combination, or (3) transfer its general partnership interest in Dividend Capital OP (except to a wholly-owned subsidiary), unless the transaction in which such withdrawal, business combination or transfer occurs results in the limited partners receiving or having the right to receive an amount of cash, securities or other property equal in value to the amount they would have received if they had exercised their redemption rights immediately prior to such transaction (or in the case of the holder of the Special Units, the amount of cash, securities or other property equal to the fair market value of the Special Units) or unless, in the case of a merger or other business combination, the successor entity contributes substantially all of its assets to Dividend Capital OP in return for an interest in Dividend Capital OP and agrees to assume all obligations of the general partner of Dividend Capital OP. Dividend Capital Trust may also enter into a business combination or we may transfer our general partnership interest upon the receipt of the consent of a majority-in-interest of the limited partners of Dividend Capital OP, other than the Advisor and its affiliates. With certain exceptions, the limited partners may not transfer their interests in Dividend Capital OP, in whole or in part, without the written consent of Dividend Capital Trust as general partner. In addition, the Advisor may not transfer its interest in Dividend Capital OP as long as it is acting as our advisor to Dividend Capital Trust.

The partnership agreement generally provides that, except as provided below with respect to the Special Units, Dividend Capital OP will distribute cash flow from operations and, except as provided below, net sales proceeds from disposition of assets, to the partners of Dividend Capital OP in accordance with their relative percentage interests, on at least a quarterly basis, in amounts determined by Dividend Capital Trust as general partner such that a holder of one unit of limited partnership interest in Dividend Capital OP (other than the holder of the Special Units) will receive the same amount of annual cash flow distributions from Dividend Capital OP as the amount of annual dividends paid to the holder of one of our common stock.

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Similarly, the partnership agreement of Dividend Capital OP provides that income of Dividend Capital OP from operations and, except as provided below, income of Dividend Capital OP from disposition of assets, normally will be allocated to the partners of Dividend Capital OP (other than the holder of the Special Units) in accordance with their relative percentage interests such that a holder of one unit of limited partnership interest in Dividend Capital OP will be allocated income for each taxable year in an amount equal to the amount of taxable income allocated to us in respect of a holder of one of our common stock, subject to compliance with the provisions of Sections 704(b) and 704(c) of the Internal Revenue Code and corresponding Treasury Regulations. Losses, if any, will generally be allocated among the partners (other than the holder of the Special Units) in accordance with their respective percentage interests in Dividend Capital OP. Upon the liquidation of Dividend Capital OP, after payment of debts and obligations, any remaining assets of Dividend Capital OP will be distributed in accordance with the distribution provisions of the partnership agreement to the extent of each partner's positive capital account balance. If Dividend Capital Trust were to have a negative balance in its capital account following a liquidation, it would be obligated to contribute cash to Dividend Capital OP equal to such negative balance for distribution to other partners, if any, having positive balances in their capital accounts.

The holders of the Special Units will be entitled to distributions from Dividend Capital OP in an amount equal to 15% of net sales proceeds received by Dividend Capital OP on dispositions of its assets and dispositions of real properties by joint ventures or partnerships in which Dividend Capital OP owns an interest, after the holders of regular partnership interests have received cumulative distributions from operating income, sales proceeds or other sources, equal to their capital contributions plus a 7% cumulative non-compounded annual return thereon. There will be a corresponding allocation of realized (or, in the case of redemption, unrealized) profits of Dividend Capital OP made to the holder of the Special Units in connection with the amounts payable with respect to the Special Units, including amounts payable upon redemption of the Special Units, and those amounts will be payable only out of realized (or, in the case of redemption, unrealized) profits of Dividend Capital OP.

In addition to the administrative and operating costs and expenses incurred by Dividend Capital OP in acquiring and operating real properties, Dividend Capital OP will pay all administrative costs and expenses of Dividend Capital Trust and such expenses will be treated as expenses of Dividend Capital OP. Such expenses will include:

All expenses relating to the formation and continuity of existence of Dividend Capital Trust;

All expenses relating to the public offering and registration of securities by Dividend Capital Trust;

All expenses associated with the preparation and filing of any periodic reports by Dividend Capital Trust under federal, state or local laws or regulations;

All expenses associated with compliance by Dividend Capital Trust with applicable laws, rules and regulations; and

All other operating or administrative costs of Dividend Capital Trust incurred in the ordinary course of its business on behalf of Dividend Capital OP.

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PLAN OF DISTRIBUTION

We are offering a maximum of 25,000,000 shares to the public through Dividend Capital Securities LLC, a registered broker-dealer affiliated with the Advisor. (See "Conflicts of Interest"). The shares are being offered at a price of \$10.00 per share on a "best efforts" basis, which means generally that the Dealer Manager and the participating broker-dealers will be required to use only their best efforts to sell the shares and they have no firm commitment or obligation to purchase any of the shares. We are also offering 4,000,000 shares pursuant to our distribution reinvestment plan. An additional 1,000,000 shares are reserved for issuance upon exercise of soliciting dealer warrants, which are granted to participating broker-dealers based upon the number of shares they sell.

Therefore, a total of 30,000,000 shares are being registered in this offering. Except as provided below, the Dealer Manager will receive sales commissions of up to 6.0% of future gross offering proceeds. The Dealer Manager will receive additional compensation in the form of a dealer manager fee as compensation for acting as the Dealer Manager and for expenses incurred in connection with coordinating sales efforts, training of personnel and generally managing the offering of our common stock. The Dealer Manager will receive a dealer manager fee of up to 2.0% of future gross offering proceeds. We will not pay referral or similar fees to any accountants, attorneys or other persons in connection with the distribution of the shares. Shareholders who elect to participate in the distribution reinvestment plan will be charged sales commissions and

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dealer manager fees on shares purchased pursuant to the distribution reinvestment plan on the same basis as shareholders purchasing shares directly in this offering.

We will issue to the Dealer Manager one soliciting dealer warrant for \$.001 for every 25 shares sold during the offering period. These warrants, as well as the shares issuable upon their exercise, have been registered as part of this offering. The Dealer Manager may retain or re-allow these warrants to broker-dealers participating in the offering, unless such issuance of soliciting dealer warrants is prohibited by either federal or state securities laws. The holder of a soliciting dealer warrant will be entitled to purchase one share from Dividend Capital Trust at a price of \$12 per share during the period beginning on the first anniversary of the effective date of this offering and ending five years after the effective date of this offering. Subject to certain exceptions, a soliciting dealer warrant may not be transferred, assigned, pledged or hypothecated for a period of one year following the effective date of this offering. For the life of the soliciting dealer warrants, participating broker-dealers are given the opportunity to profit from a rise in the market price for the common stock without assuming the risk of ownership, with a resulting dilution in the interest of other shareholders upon exercise of such warrants. In addition, holders of the soliciting dealer warrants would be expected to exercise such warrants at a time when we could obtain needed capital by offering new securities on terms more favorable than those provided by the soliciting dealer warrants. Exercise of the soliciting dealer warrants is governed by the terms and conditions detailed in this prospectus and in the Warrant Purchase Agreement, which is an exhibit to the Registration Statement.

The Dealer Manager will authorize certain other broker-dealers who are members of the NASD to sell shares. In connection with the sale of shares by such participating broker-dealers, the Dealer Manager may re-allow its commissions to such participating broker-dealers. In addition, the Dealer Manager, in its sole discretion, may re-allow to broker-dealers participating in the offering a portion of its dealer manager fee in the aggregate amount of up to 1.0% of gross offering proceeds to be paid to such participating broker-dealers as marketing fees and as reimbursement of due diligence expenses based on such factors as the number of shares sold by such participating broker-dealers, the assistance of such participating broker-dealers in marketing the offering and *bona fide* conference fees incurred. Out of organization and offering expenses, we may also reimburse actual due diligence expenses incurred by the Dealer Manager or non-affiliated broker-dealers in an amount of up to 0.5% of gross offering proceeds.

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We anticipate that the total underwriting compensation, including sales commissions, the dealer manager fee and underwriting expense reimbursements, will not exceed 6.6% of future gross offering proceeds (assuming we issue all shares pursuant to our Distribution Reinvestment Plan), except for the soliciting dealer warrants and reimbursement of due diligence expenses described above.

We have agreed to indemnify the participating broker-dealers, including the Dealer Manager, against certain liabilities arising under the Securities Act of 1933, as amended. The broker-dealers participating in the offering of our common stock is not obligated to obtain any subscriptions on our behalf, and we cannot assure you that any shares will be sold.

Our executive officers and directors, as well as officers and employees of the Advisor or other affiliates, may purchase shares offered in this offering and may be charged a reduced rate for certain fees and expenses in respect of such purchases. We expect that a limited number of shares will be sold to such persons. However, except for certain share ownership and transfer restrictions contained in our Articles of Incorporation, there is no limit on the number of shares that may be sold to such persons.

The purchase price for such shares shall be \$9.20 per share reflecting sales commissions in the amount of \$0.60 per share and dealer manager fees in the amount of \$0.20 per share that will not be paid in connection with such sales. The net offering proceeds we receive will not be affected by sales of such shares. The Advisor and its affiliates shall be expected to hold their shares purchased as shareholders for investment and not with a view towards distribution. In addition, shares purchased by the Advisor or its affiliates shall not be entitled to vote on any matter presented to the shareholders for a vote. Shares purchased by our executive officers and directors and by officers, employees or other affiliates of the Advisor shall not count toward the sale of the minimum number of shares required to be sold in this offering.

You should pay for your shares by check payable to "Dividend Capital Trust Inc." Subscriptions will be effective only upon our acceptance, and we reserve the right to reject any subscription in whole or in part. We may not accept a subscription for shares until at least five business days after the date you receive this prospectus and until you have received a confirmation of your purchase. After investors have satisfied the minimum purchase requirement, minimum additional purchases must be in increments of at least 10 shares (\$100), except for purchases made pursuant to our distribution reinvestment plan.

In certain states, including Arizona and Iowa, the offering may continue for just one year unless we renew the offering period for up to one additional year. In the event that other states impose different requirements than those set forth herein, such additional requirements will be set forth in a supplement to this prospectus.

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Subscriptions will be accepted or rejected within 30 days of receipt by us, and if rejected, all funds shall be returned to subscribers within 10 business days. Investors whose subscriptions are accepted will be deemed admitted as shareholders of Dividend Capital Trust on the day on which their subscriptions are accepted. Our offering will terminate upon the earlier of July 16, 2004, or the date on which all 30,000,000 shares have been sold.

In connection with sales of 25,000 or more shares (\$250,000) to a Qualifying Purchaser (as defined below), a participating broker-dealer may offer such Qualifying Purchaser a volume discount by reducing the amount of its sales commissions. Such reduction will be credited to the Qualifying Purchaser by reducing the total purchase price of the shares payable by the Qualifying Purchaser.

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The following table illustrates the various discount levels that may be offered to Qualifying Purchasers by participating broker-dealers for shares sold:

<i>Dollar Volume Shares Purchased</i>	<i>Sales Commissions</i>		<i>Purchase Price Per Share</i>	<i>Dealer Manager Fee Per Share</i>	<i>Net Proceeds Per Share</i>
	<i>Percent</i>	<i>Per Share</i>			
Under \$499,999	6.0%	\$ 0.6000	\$ 10.0000	\$ 0.20	\$ 9.20
\$500,000 \$999,999	5.0%	\$ 0.4947	\$ 9.8947	\$ 0.20	\$ 9.20
\$1,000,000 \$1,499,999	4.0%	\$ 0.3917	\$ 9.7917	\$ 0.20	\$ 9.20
\$1,500,000 \$1,999,999	3.0%	\$ 0.2907	\$ 9.6907	\$ 0.20	\$ 9.20
\$2,000,000 \$2,999,999	2.0%	\$ 0.1918	\$ 9.5918	\$ 0.20	\$ 9.20
\$3,000,000 and Over	1.0%	\$ 0.0949	\$ 9.4949	\$ 0.20	\$ 9.20

For example, if a Qualifying Purchaser purchases 100,000 shares for \$989,470 instead of \$1,000,000, the sales commission would be \$49,470 (\$0.4947 per share), and, after payment of the dealer manager fee, we would receive net proceeds of \$920,000 (\$9.20 per share). The net proceeds to Dividend Capital Trust will not be affected by volume discounts. Because all investors will be deemed to have contributed the same amount per share to Dividend Capital Trust for purposes of declaring and paying dividends, a Qualifying Purchaser will receive a better return on his investment than investors who do not qualify for such discount.

Subscriptions may be combined for the purpose of determining volume discount levels in the case of subscriptions made by any Qualifying Purchaser, provided all such shares are purchased through the same broker-dealer. Any such reduction in sales commissions shall be prorated among the separate investors. Requests to combine subscriptions as a Qualifying Purchaser must be made in writing to the Dealer Manager and any such request will be subject to verification by the Dealer Manager.

The term Qualifying Purchaser includes:

An individual, his or her spouse and their children under the age of 21 who purchase the shares for his, her or their own accounts;

A corporation, partnership, association, joint-stock company, trust fund or any organized group of persons, whether incorporated or not;

An employees' trust, pension, profit sharing or other employee benefit plan qualified under Section 401(a) of the Internal Revenue Code; and

All commingled trust funds maintained by a given bank.

Notwithstanding the above, the Dealer Manager may, at its sole discretion, enter into an agreement with a participating broker-dealer, whereby such broker-dealer may aggregate subscriptions as part of a combined order for the purposes of offering investors reduced sales commissions to as low as 1%, provided that any such aggregate group of subscriptions must be received from such broker-dealer. Additionally, the Dealer Manager may, at its sole discretion, aggregate subscriptions as part of a combined order for the purposes of offering investors reduced

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sales commissions to as low as 1%, provided that any such aggregate group of subscriptions must be received from the Dealer Manager. Any reduction in sales commissions will be prorated among the separate subscribers.

Investors should ask their broker-dealer about the opportunity to receive volume discounts by either qualifying as a Qualifying Purchaser or by having their subscription(s) aggregated with the subscriptions of other investors, as described above.

In order to encourage purchases in amounts of 300,000 or more shares, the Dealer Manager may, in its sole discretion, agree with a Qualifying Purchaser to reduce the dealer manager fee with respect to the sale of such shares to as low as 0.5% and the sales commission with respect to the sale of such

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shares to as low as 0.5%. Additionally, the Advisor may, in its sole discretion, agree with a Qualifying Purchaser to reduce the offering expense reimbursements with respect to the sale of such shares to as low as 0.5%. If a Qualifying Purchaser acquired 300,000 or more shares, the Qualifying Purchaser could pay as little as \$9.15 per share purchased, rather than \$10.00 per share. The net proceeds to Dividend Capital Trust would not be affected by such fee reductions.

In addition, subscribers for shares may agree with their participating broker-dealers and the Dealer Manager to have sales commissions due with respect to the purchase of their shares paid over a six year period pursuant to a deferred commission arrangement. Shareholders electing the deferred commission option will be required to pay a total of \$9.50 per share purchased upon subscription (rather than \$10.00 per share) with respect to which \$0.10 per share will be payable as the commission due upon subscription. For the period of six years following the subscription, \$0.10 per share will be deducted on an annual basis from dividends or other cash distributions otherwise payable to the shareholders and used to pay deferred commissions. The net proceeds to Dividend Capital Trust will not be affected by the election of the deferred commission option. Under this arrangement, a shareholder electing the deferred commission option will pay a 1% commission upon subscription, rather than a 6% commission, and an amount equal to a 1% commission per year thereafter for the next six years, or longer if required to satisfy outstanding deferred commission obligations, will be deducted from dividends or other cash distributions otherwise payable to such shareholder. The foregoing commission amounts may be adjusted with approval of the Dealer Manager by application of the volume discount provisions described above. In addition, we may create other deferred commission structures, however, such structures will not exceed 7% of the current selling price of the Company's common stock.

Shareholders electing the deferred commission option who are subject to United States federal income taxation will incur tax liability for dividends or other cash distributions otherwise payable to them with respect to their shares even though such dividends or other cash distributions will be withheld and will instead be paid to satisfy commission obligations.

Investors who wish to elect the deferred commission option should make the election on their Subscription Agreement Signature Page. Election of the deferred commission option shall authorize Dividend Capital Trust to withhold dividends or other cash distributions otherwise payable to such shareholder for the purpose of paying commissions due under the deferred commission option; provided, however, that in no event may Dividend Capital Trust withhold in excess of \$0.70 per share in the aggregate under the deferred commission option. Such dividends or cash distributions otherwise payable to shareholders may be pledged by Dividend Capital Trust, the Dealer Manager, the Advisor or their affiliates to secure one or more loans, the proceeds of which would be used to satisfy sales commission obligations.

In the event that, at any time prior to the satisfaction of our remaining deferred commission obligations, listing of the shares occurs or is reasonably anticipated to occur, or we begin a liquidation of our properties, the remaining commissions due under the deferred commission option may be accelerated by Dividend Capital Trust. In either such event, we shall provide notice of any such acceleration to shareholders who have elected the deferred commission option. In the event of listing, the amount of the remaining commissions due shall be deducted and paid by Dividend Capital Trust out of dividends or other cash distributions otherwise payable to such shareholders during the time period prior to listing. To the extent that the distributions during such time period are insufficient to satisfy the remaining commissions due, the obligations of Dividend Capital Trust and our shareholders to make any further payments of deferred commissions under the deferred commission option shall terminate, and participating broker-dealers will not be entitled to receive any further portion of their deferred commissions following listing of our common stock. In the event of a liquidation of our properties, the amount of remaining commissions shall be deducted and paid by Dividend Capital Trust

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out of dividends or net sales proceeds otherwise payable to shareholders who are subject to any such acceleration of their deferred commission obligations.

Investors may also agree with the participating broker-dealer selling them shares (or with the Dealer Manager if no participating broker-dealer is involved in the transaction) to reduce the amount of sales commission to zero (i) in the event the investor has engaged the services of a registered investment advisor with whom the investor has agreed to pay a fee for investment advisory services, or (ii) in the event the investor is investing in a bank trust account with respect to which the investor has delegated the decision-making authority for investments made in the account to a bank trust department. The amount of proceeds to Dividend Capital Trust will not be affected by eliminating commissions payable in connection with sales to investors purchasing through such registered investment advisors or bank trust department. All such sales must be made through registered broker-dealers. Neither the Dealer Manager nor its affiliates will directly or indirectly compensate any person engaged as an investment advisor or a bank trust department by a potential investor as an inducement for such investment advisor or bank trust department to advise favorably for an investment in Dividend Capital Trust.

Supplemental Sales Material

In addition to this prospectus, we may utilize certain sales material in connection with the offering of the shares, although only when accompanied by or preceded by the delivery of this prospectus. In certain jurisdictions, some or all of such sales material may not be available. This material may include information relating to this offering, the past performance of the Advisor and its affiliates, property brochures and articles and publications concerning real estate. In addition, the sales material may contain certain quotes from various publications without obtaining the consent of the author or the publication for use of the quoted material in the sales material.

The offering of shares is made only by means of this prospectus. Although the information contained in such sales material will not conflict with any of the information contained in this prospectus, such material does not purport to be complete, and should not be considered a part of this prospectus or the registration statement of which this prospectus is a part, or as incorporated by reference in this prospectus or said registration statement or as forming the basis of the offering of the shares.

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LEGAL OPINIONS

The legality of the shares being offered hereby has been passed upon for Dividend Capital Trust by Clifford Chance US LLP. Such firm has represented the Advisor and certain of its affiliates in other matters and may continue to do so in the future. (See "Conflicts of Interest"). The statements relating to certain federal income tax matters under the caption "Federal Income Tax Considerations" have been reviewed by and the qualification of Dividend Capital Trust as a REIT for federal income tax purposes has been passed upon by Skadden, Arps, Slate, Meagher & Flom LLP.

EXPERTS

The consolidated financial statements of Dividend Capital Trust Inc. as of December 31, 2002 and April 12, 2002, and for the period from inception (April 12, 2002) to December 31, 2002, have been included herein in reliance upon the report of KPMG LLP, independent accountants, appearing elsewhere herein, and upon the authority of said firm as experts in accounting and auditing.

The statements of revenue and certain expenses of the Chickasaw Distribution Facilities located in Memphis, Tennessee, the Mallard Lake Distribution Center located in Chicago, Illinois and the West by Northwest Distribution Facility located in Houston, Texas for the year ended December 31, 2002 have also been included herein in reliance upon the report of KPMG LLP, independent accountants, appearing elsewhere herein, and upon the authority of said firm as experts in accounting and auditing.

ADDITIONAL INFORMATION

We have filed with the Commission a registration statement under the Securities Act of 1933, as amended, with respect to the shares offered pursuant to this prospectus. This prospectus does not contain all the information set forth in the registration statement and the exhibits related thereto filed with the Commission, reference to which is hereby made. Copies of the registration statement and exhibits related thereto may be obtained upon payment of the fees prescribed by the Commission, or may be examined at the offices of the Commission without charge, at the public reference facilities in Washington, D.C. at Judiciary Plaza, Room 1024, 450 Fifth Street, N.W., Washington, D.C. 20549.

The Commission maintains a Web site that contains reports, proxy and information statements and other information regarding registrants that file electronically with the Commission. The address of the Commission's website is <http://www.sec.gov>.

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INDEPENDENT AUDITORS' REPORT

To Dividend Capital Trust Inc.:

We have audited the accompanying consolidated balance sheets of Dividend Capital Trust Inc. (a Maryland corporation) and subsidiary (a development stage company) as of April 12, 2002 and December 31, 2002, and the related consolidated statements of operations, shareholder's equity (deficit) and cash flows for the period from inception (April 12, 2002) to December 31, 2002. These consolidated financial statements are

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the responsibility of the Company's management. Our responsibility is to express an opinion on these consolidated financial statements based on our audits.

We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, the consolidated financial statements referred to above present fairly, in all material respects, the financial position of Dividend Capital Trust Inc. and subsidiary (a development stage company) as of April 12, 2002 and December 31, 2002, and the results of their operations and their cash flows for the period from inception (April 12, 2002) to December 31, 2002 in conformity with accounting principles generally accepted in the United States of America.

/s/ KPMG LLP

Denver, Colorado
March 26, 2003

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Dividend Capital Trust Inc. and Subsidiary (A Maryland Corporation in the Development Stage)

Consolidated Balance Sheets

	As of April 12, 2002	As of December 31, 2002
ASSETS:		
Cash and cash equivalents	\$ 174,215	\$ 11,055
Restricted cash		681,890
Advance for offering costs, related party	27,785	52,923
Other assets		5,810
Total Assets	\$ 202,000	\$ 751,678
LIABILITIES & SHAREHOLDER'S EQUITY (DEFICIT):		
Liabilities:		
Accrued expenses	\$	\$ 79,500
Subscriptions for common shares		681,890
Total Liabilities		761,390
Commitments and Contingencies		
Minority interest	200,000	1,000
Shareholder's equity (deficit):		
Preferred shares		
Authorized 50,000,000 shares, none outstanding		
Shares-in-trust		
Authorized 100,000,000 shares, none outstanding		
Common shares, \$0.01 par value		
Authorized 350,000,000 shares, 200 shares issued and outstanding	2	2
Additional paid-in capital	1,998	1,998

	As of April 12, 2002	As of December 31, 2002
Accumulated deficit incurred during the development stage		(12,712)
Total Shareholder's Equity (Deficit)	2,000	(10,712)
Total Liabilities and Shareholder's Equity (Deficit)	\$ 202,000	\$ 751,678

The accompanying notes are an integral part of these consolidated financial statements.

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Dividend Capital Trust Inc. and Subsidiary
(A Maryland Corporation in the Development Stage)

Consolidated Statement of Operations
For the Period from Inception (April 12, 2002)
to December 31, 2002

REVENUE	\$
COSTS AND EXPENSES:	
General and administrative	212,867
Total Operating Expenses	212,867
OTHER INCOME:	
Interest income	155
Total Other Income	155
Net loss before minority interest	(212,712)
Minority interest	200,000
NET LOSS	\$ (12,712)
NET LOSS PER COMMON SHARE	
Basic and Diluted	\$ (63.56)
WEIGHTED AVERAGE NUMBER OF COMMON SHARES OUTSTANDING	
Basic and Diluted	200

The accompanying notes are an integral part of this consolidated financial statement.

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Dividend Capital Trust Inc. and Subsidiary
(A Maryland Corporation in the Development Stage)

Consolidated Statement of Shareholder's Equity (Deficit)
For the Period from Inception (April 12, 2002)
to December 31, 2002

	Common Shares			Accumulated Deficit Incurred During the Development Stage	Total Shareholder's Equity (Deficit)
	Shares	Amount	Additional Paid-in Capital		
Balances, Inception (April 12, 2002)		\$	\$	\$	\$
Contribution	200	2	1,998		2,000
Net loss				(12,712)	(12,712)
Balances, December 31, 2002	200	\$ 2	\$ 1,998	\$ (12,712)	\$ (10,712)

The accompanying notes are an integral part of this consolidated financial statement.

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Dividend Capital Trust Inc. and Subsidiary
(A Maryland Corporation in the Development Stage)

Consolidated Statement of Cash Flows
For the Period from Inception (April 12, 2002)
to December 31, 2002

CASH FLOWS FROM OPERATING ACTIVITIES:	
Net loss	\$ (12,712)
Adjustments to reconcile net loss to net cash used in operating activities:	
Increase in advance for offering costs, related party	(52,923)
Increase in other assets	(5,810)
Increase in restricted cash	(681,890)
Increase in accrued expenses	79,500
Minority interest	(200,000)
Net cash used in operating activities	(873,835)
CASH FLOWS FROM FINANCING ACTIVITIES:	
Proceeds from subscriptions for common shares	681,890
Proceeds from issuance of common shares to related party	2,000
Proceeds from issuance of Partnership units to related party	200,000
Proceeds from issuance of Special Units to related party	1,000
Net cash provided by financing activities	884,890
NET INCREASE IN CASH AND CASH EQUIVALENTS	11,055
CASH AND CASH EQUIVALENTS, Inception (April 12, 2002)	
CASH AND CASH EQUIVALENTS, December 31, 2002	\$ 11,055

The accompanying notes are an integral part of this consolidated financial statement.

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Dividend Capital Trust Inc. and Subsidiary
(A Maryland Corporation in the Development Stage)

Notes to Consolidated Financial Statements

Note 1 Organization

Dividend Capital Trust Inc. (the "Company") was formed as a Maryland corporation in April 2002 in order to invest in commercial real estate properties consisting primarily of high-quality industrial buildings triple-net leased to creditworthy corporate tenants. The Company intends to qualify as a real estate investment trust ("REIT") for federal tax purposes commencing with its taxable year ending December 31, 2003. The Company is structured as an umbrella partnership REIT ("UPREIT") under which substantially all of the Company's current and future business is and will be conducted through a majority owned subsidiary, Dividend Capital Operating Partnership LP (the "Partnership"), a Delaware limited partnership.

The Company is managed by the Dividend Capital Advisors LLC (the "Advisor") and the Company's property manager will be Dividend Capital Property Management LLC (the "Property Manager"). Dividend Capital Securities LLC (the "Dealer Manager") serves as the dealer manager of the Company's public offering. These related parties receive compensation and fees for services relating to the offering and for the investment and management of the Company's assets (see Note 9).

As of December 31, 2002 and through March 26, 2003, the Company had neither purchased nor contracted to purchase any properties, nor has the Advisor identified any properties in which there is a reasonable probability that the Company will acquire. As a result, the Company is still in the development stage and the accompanying consolidated financial statements are presented as such.

In April 2002, the Company sold 200 shares of common stock, \$0.01 par value, to an affiliate of the Advisor at a price of \$10 per share. On April 15, 2002, the Company filed a Form S-11 Registration Statement (the "Registration Statement") with the Securities and Exchange Commission covering a public offering of its common stock. The Registration Statement was declared effective on July 17, 2002 and the Company received approval of its offering in all fifty states in December 2002. The common stock is being offered at a price of \$10 per share on a 200,000 share minimum, 25,000,000 share maximum, best-efforts basis. The Registration Statement also covers up to 4,000,000 shares available pursuant to the Company's dividend reinvestment plan and up to 1,000,000 shares issuable upon the exercise of warrants that may be sold to broker-dealers participating in the offering. Until the Company received subscriptions covering at least 200,000 shares from at least 100 non-affiliated investors, offering proceeds were required to be held in escrow. The escrow conditions were satisfied on February 10, 2003, at which time 226,567 shares of common stock were issued to investors (see Note 13).

The Partnership issued to the Advisor 20,000 limited partnership units in exchange for \$200,000 representing a 99% limited partnership interest in the Partnership. The Company contributed \$2,000 to the Partnership in exchange for 200 general partnership units representing a 1% general partnership interest in the Partnership. Subject to certain restrictions, the limited partners may require the Partnership to redeem some or all of their operating partnership units for the Company's common shares or, at the option of the Partnership, for cash. The rights of the limited partners are limited and do not include the ability to replace the general partner or to approve the sale, purchase or refinancing of the Partnership's assets. Due to the Company's control of the Partnership through its general partner interest and the limited rights of the limited partners, the Partnership is consolidated with the Company and the limited partnership interest not held by the Company is reflected as minority interest in the accompanying consolidated financial statements.

Dividend Capital Advisors Group LLC, the parent company of the Advisor, has invested \$1,000 in the Partnership in exchange for 10,000 special partnership units (the "Special Units"). Amounts

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distributable to the holder of the Special Units will depend on operations and the amount of net sales proceeds received from property dispositions or upon other events as further described below. In general, after holders of regular partnership interests have received cumulative

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distributions equal to their capital contributions plus a 7% cumulative non-compounded annual return on their net contributions, the holder of the Special Units and the holders of regular partnership interests will receive 15% and 85%, respectively, of the net sales proceeds received by the Partnership upon the disposition of the Partnership's assets.

The Special Units will be redeemed by the Partnership for cash upon the occurrence of specified events that result in a termination or non-renewal of the agreement between the Advisor and the Company (the "Advisory Agreement") (see Note 9). If the Advisory Agreement is terminated by the Company for cause, the redemption price shall be \$1. If the Company's shares are listed for public trading or if the Advisory Agreement is terminated upon the occurrence of certain other events, the redemption price of the Special Units will be the amount which would have been distributed to the holder of the Special Units in accordance with the partnership agreement of the Partnership out of the net sales proceeds. Net sales proceeds will be determined by the public market price of the then listed stock in the event of a listing of the Company's shares or by the net sales proceeds received in the event of the disposition of the Company's properties. In the case of certain other events, net sales proceeds will be determined by the then fair market value of the Partnership's assets, as determined by an appraisal, less all of its liabilities.

Note 2 Summary of Significant Accounting Policies

PRINCIPLES OF CONSOLIDATION

The accounts of the Company and the Partnership, its controlled subsidiary, are consolidated in the accompanying financial statements. All significant intercompany accounts and transactions have been eliminated in consolidation.

USE OF ESTIMATES

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect amounts reported in the consolidated financial statements. Actual results could differ from those estimates. Estimates and assumptions are reviewed periodically and the effects of revision are reflected in the period they are determined to be necessary.

CASH AND CASH EQUIVALENTS

The Company considers all highly liquid instruments with maturities when purchased of three months or less to be cash equivalents.

RESTRICTED CASH

On April 15, 2002, the Company filed the Registration Statement with the Securities and Exchange Commission covering a public offering of its common stock. The Registration Statement was declared effective on July 17, 2002 and the Company received approval of its offering in all fifty states in December 2002. The Company's common stock is being offered at a price of \$10 per share on a 200,000 share minimum, 25,000,000 share maximum, best-efforts basis (see Note 1). Until the Company

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received subscriptions covering at least 200,000 shares from at least 100 non-affiliated investors, offering proceeds were required to be held in escrow. As of December 31, 2002, the proceeds received from the sale of subscriptions are shown as restricted cash in the accompanying consolidated financial statements. The escrow conditions were satisfied on February 10, 2003, at which time 226,567 shares of common stock were issued to investors (see Note 13).

INVESTMENT IN REAL ESTATE

As of December 31, 2002, the Company had neither purchased nor contracted to purchase any properties, nor had the Advisor identified any properties in which there is a reasonable probability that the Company will acquire. Upon the acquisition of real estate, the Company will capitalize direct and certain related indirect costs associated with the successful acquisition, development or improvement of real estate. Capitalized costs associated with unsuccessful acquisition or development pursuits will be expensed at the time the pursuit is abandoned.

Upon acquisition, the purchase price of a property will be allocated to land, building, leasing commissions and other intangible assets and associated liabilities as required by Statement of Financial Accounting Standards ("SFAS") No. 141 "Business Combinations." The allocation to land will be based on the Company's estimate of its fair value based on all available information including appraisals. The allocation to leasing commissions, as required by SFAS No. 141, represents the value associated with the in-place leases, including leasing commission, legal and

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other related costs. Also required by SFAS No. 141, is the creation of an intangible asset or liability resulting from in-place leases being above or below the market rental rates on the date of the acquisition. This asset or liability will be amortized over the life of the remaining in-place leases as an adjustment to revenue.

Real estate, property, and equipment will be stated at cost. Depreciation and amortization will be computed on a straight-line basis over the estimated useful lives as follows:

Description	Estimated Useful Lives
Land	Not depreciated
Buildings	20 to 40 years
Equipment	5 to 7 years
Tenant improvements and lease commissions	Term of lease

Maintenance and repairs will be expensed as incurred and improvements will be capitalized. The cost of assets sold or retired and the related accumulated depreciation and/or amortization will be removed from the accounts and the resulting gain or loss will be reflected in operations in the period in which such sale or retirement occurs.

LONG-LIVED ASSETS

Long-lived assets to be held and used by the Company will be reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount of an asset may not be recoverable. The Company will continually evaluate the recoverability of its long-lived assets based on estimated future cash flows and the estimated liquidation value of such long-lived assets, and provide for impairment if such undiscounted cash flows are insufficient to recover the carrying amount of the long-lived asset. If impaired, the long-lived asset will be written down to its estimated fair value.

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COSTS OF RAISING CAPITAL

Costs incurred in connection with the issuance of equity securities are deducted from shareholder's equity.

REVENUE RECOGNITION

As of December 31, 2002, the Company had not recognized revenue. Upon the acquisition of real estate, the properties may have certain leases that provide for tenant occupancy during periods for which no rent is due or where minimum rent payments increase during the term of the lease. The Company will record rental revenue for the full term of each lease on a straight-line basis. Accordingly, the Company will record a receivable from tenants that the Company expects to collect over the remaining lease term rather than currently, which will be recorded as deferred rents receivable. When the Company acquires a property, the term of existing leases is considered to commence as of the acquisition date for the purposes of this calculation.

INCOME TAXES

During 2002, the Company was taxed as a C corporation for federal and state purposes. For 2002, the Company recognized nominal taxable income and will be obligated to pay a nominal amount of federal and state income tax. The Company intends to meet all the requirements to qualify for REIT status and will make an election under Internal Revenue Code Section 856 for the taxable year ending December 31, 2003. In order for a former C corporation to elect to be a REIT, it must distribute 100% of its C corporation earnings and profits and agree to be subject to federal tax at the corporate level to the extent of any subsequently recognized built-in gains within a ten year period. The Company does not anticipate that it will have any built-in gains at the time of its conversion to REIT status. As a REIT, the Company generally will not be subject to federal income taxation at the corporate level to the extent it distributes annually all of its REIT taxable income, as defined in the Internal Revenue Code, to its shareholders and satisfies other requirements. No provision has been made for federal income taxes in the accompanying consolidated financial statements.

STOCK-BASED COMPENSATION

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The Company has two stock-based employee and director compensation plans, which are fully described in Note 8. At December 31, 2002, the Company had not granted any options under these plans. The Company intends to account for these plans under the recognition and measurement principles of Accounting Principles Board Opinion No. 25, "Accounting for Stock Issued to Employees," and related interpretations. No stock-based employee compensation cost will be reflected in net income (loss) if all options granted under the plans have an exercise price greater than or equal to the market value of the underlying common stock on the date of grant. The Company will disclose the effect on net income (loss) and earnings (loss) per share if the Company had applied the fair value recognition provisions of SFAS No. 123, "Accounting for Stock-Based Compensation," to stock-based employee compensation.

FAIR VALUE

The Company's financial instruments include an advance to an affiliate relating to certain organizational and offering expenses and a liability for investor subscriptions. The fair values of these

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financial instruments were not materially different from their carrying or contract values as of December 31, 2002.

BASIC AND DILUTED NET LOSS PER COMMON SHARE

Basic net loss per common share is determined by dividing net loss attributable to common shareholders by the weighted average number of common shares outstanding during the period. Diluted net loss per common share includes the effects of potentially issuable common stock, but only if dilutive. There were no dilutive instruments outstanding as of December 31, 2002.

NEW ACCOUNTING PRINCIPLES

In April 2002, the Financial Accounting Standards Board ("FASB") issued SFAS No. 145 "Rescission of FASB Statements No. 4, 44, and 64, Amendment of FASB Statement No. 13, and Technical Corrections". The Company is required to adopt SFAS No. 145 on January 1, 2003. SFAS No. 145 significantly limits the treatment of losses associated with early extinguishment of debt as an extraordinary item. Upon adoption, early extinguishments will not continue to qualify for extraordinary item treatment. The Company does not anticipate that the adoption of SFAS No. 145 will have a material impact on its financial position, results of operations or cash flows.

In July 2002, the FASB issued SFAS No. 146 "Accounting for Costs Associated with Exit or Disposal Activities." The Company is required to adopt SFAS No. 146 on January 1, 2003. SFAS No. 146 requires that certain expenses associated with restructuring charges be accrued as liabilities in the period in which the liability is incurred. The Company does not anticipate the adoption of SFAS No. 146 will have a material impact on its financial position, results of operations or cash flows.

In December 2002, the FASB issued SFAS No. 148 "Accounting for Stock-Based Compensation Transition and Disclosure, an amendment of FASB Statement No. 123." The Company is required to adopt SFAS No. 148 for financial statements for fiscal years ending after December 15, 2002. As of December 31, 2002, the Company had not issued any stock-based compensation. The Company does not anticipate the adoption of SFAS No. 148 will have a material impact on its financial position, results of operations or cash flows.

In January 2003, the FASB issued Interpretation No. 46 "Consolidation of Variable Interest Entities." The Company is required to adopt the Interpretation for financial statements for the fiscal year or interim period beginning after June 15, 2003. This Interpretation clarifies the application of Accounting Research Bulletin No. 51, "Consolidated Financial Statements," and requires the consolidation of results of variable interest entities in which the Company has a majority variable interest. The Company has not yet determined the impact of this Interpretation.

Note 3 Public Offering

In April 2002, the Company sold 200 shares of common stock, \$0.01 par value, to an affiliate of the Advisor at a price of \$10 per share. On April 15, 2002, the Company filed the Registration Statement with the Securities and Exchange Commission covering a public offering of its common stock. The Registration Statement was declared effective on July 17, 2002 and the Company received approval of its offering in all fifty states in December 2002. The common stock is being offered at a price of \$10 per share on a 200,000 share minimum, 25,000,000 share maximum, best-efforts basis. The

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Registration Statement also covers up to 4,000,000 shares available pursuant to the Company's dividend reinvestment plan and up to 1,000,000 shares issuable upon the exercise of warrants that may be sold to broker-dealers participating in the offering. Until the Company received subscriptions covering at least 200,000 shares from at least 100 non-affiliated investors, offering proceeds were required to be held in escrow. The escrow conditions were satisfied on February 10, 2003, at which time 226,567 shares of common stock were issued to investors (see Note 13). As of December 31, 2002, the Company had engaged primarily in organizational and offering activities and no shares had been sold in the offering.

Note 4 Advance for Offering Costs

Offering expenses, to the extent they exceed 3% of gross offering proceeds, will be the responsibility of and paid for by the Advisor. Offering expenses include such costs as legal and accounting fees, printing costs, and other offering expenses. As of April 12, 2002 and December 31, 2002 the Company had recorded \$27,785 and \$52,923, respectively, as amounts due from the Advisor for offering costs paid by the Company in excess of 3% of gross offering proceeds. As of December 31, 2002 there had been no gross offering proceeds and as a result, the Advisor is obligated to reimburse the Company for all of these costs until such time gross offering proceeds have been received.

Note 5 Subscription for Common Shares

The initial proceeds of the offering were held in escrow until subscriptions for at least 200,000 shares were received from at least 100 non-affiliated investors. These requirements were met on February 10, 2003, and at such time 226,567 of common shares were issued to investors (see Note 13). As specified in the Prospectus, the net proceeds from the sale of these securities were transferred to the Partnership on a one-for-one basis for limited partnership units.

Note 6 Shareholder's Equity

Preferred Shares

The board of directors, through the articles of incorporation, has the authority to authorize the issuance of 50,000,000 preferred shares of any class or series. The rights and terms of such preferred shares will be determined by the board of directors. However, the voting rights of preferred shareholders shall never exceed the voting rights of common shareholders. As of December 31, 2002, the Company had no outstanding shares of preferred stock.

Shares-in-Trust

The board of directors, through the articles of incorporation, has the authority to authorize the issuance of shares-in-trust which are shares that are automatically exchanged for common or preferred shares as a result of an event that would cause an investor to own, beneficially or constructively, a number of shares in excess of certain limitations. As of December 31, 2002, the Company had no outstanding shares-in-trust.

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Common Shares

The holders of common stock are entitled to one vote per share on all matters voted on by shareholders, including election of the Company's directors. The articles of incorporation do not provide for cumulative voting in the election of directors. Therefore, the holders of the majority of the outstanding common shares can elect the entire board of directors. Subject to any preferential rights of any outstanding series of preferred stock and to the distribution of specified amounts upon liquidation with respect to shares-in-trust, the holders of common stock are entitled to such dividends as may be declared from time to time by the board of directors out of legally available funds and, upon liquidation, are entitled to receive all assets available for distribution to shareholders. All shares issued in the Company's public offering will be fully paid and non-assessable shares of common stock. Holders of shares of common stock will not have preemptive rights. As of December 31, 2002, the Company had 200 shares of common stock outstanding.

Note 7 Minority Interest

Minority interest consists of the following as of:

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	April 12, 2002	December 31, 2002
Limited partnership units	\$ 200,000	\$
Limited partnership special units		1,000
Total	\$ 200,000	\$ 1,000

Limited Partnership Units

At December 31, 2002, the Advisor owned approximately 99% of the Partnership. Limited partnership units are redeemable at the option of the unit holder. The Partnership has the option of redeeming the limited partnership units with cash or with common shares. At inception (April 12, 2002) the Partnership issued 20,000 limited partnership units to the Advisor for gross proceeds of \$200,000. The allocation of net loss to the limited partnership unit holders for the period ended December 31, 2002 has reduced the minority interest balance to zero. The excess loss attributable to the minority interest, \$10,758, will be applied to future income attributable to the minority interest.

Limited Partnership Special Units

During the quarter ended September 30, 2002, the Partnership issued 10,000 Special Units to an affiliate of the Advisor for consideration of \$1,000. The holders of Special Units do not participate in the profits and losses of the Partnership. Amounts distributable to the holder of the Special Units will depend on operations and the amount of net sales proceeds received from property dispositions or upon other events. In general, after holders of regular partnership interests have received cumulative distributions equal to their capital contributions plus a 7% cumulative non-compounded annual return on their net contributions, the holder of the Special Units and the holders of regular partnership interests will receive 15% and 85%, respectively, of the net sales proceeds received by the Partnership upon the disposition of the Partnership's assets.

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Note 8 Stock Option Plans and Warrants

Stock Option Plans

The Company has adopted an independent director stock option plan which it will use in an effort to attract and retain qualified independent directors (the "Independent Director Option Plan"). The Company intends to grant non-qualified stock options to purchase 10,000 shares to each independent director pursuant to the Independent Director Option Plan upon the sale of at least 200,000 shares in the Company's initial offering. In addition, the Company intends to issue options to purchase 5,000 shares to each independent director then in office on the date of each annual shareholder's meeting. A total of 300,000 shares are authorized and reserved for issuance under the Independent Director Option Plan. Options may not be granted under the Independent Director Option Plan at any time when the grant would cause the total number of options outstanding under the Independent Director Option Plan and the Employee Option Plan to exceed 10% of the Company's issued and outstanding shares. The exercise price for options to be issued under the Independent Director Option Plan shall be the greater of (1) \$12.00 per share or (2) the fair market value of the shares on the date they are granted. As of December 31, 2002, there were no options outstanding under the Independent Director Option Plan.

The Company has adopted an employee stock option plan (the "Employee Option Plan"). The Employee Option Plan is designed to enable the Company, the Advisor and the Property Manager to obtain or retain the services of employees (not to include any person who is a sponsor or affiliate of Dividend Capital Trust) considered essential to the Company's long-term success and the success of the Advisor and the Property Manager by offering such employees an opportunity to participate in the growth of the Company through ownership of its shares. The Employee Option Plan will be administered by the Compensation Committee, which is authorized to grant "non-qualified" stock options (the "Employee Options") to selected employees of the Advisor and the Property Manager. Employee Options may not be granted under the Employee Option Plan at any time when the grant would cause the total number of options outstanding under the Employee Option Plan and the Independent Director Option Plan to exceed 10% of the Company's issued and outstanding shares. The exercise price for the Employee Options shall be the greater of (1) \$11.00 per share or (2) the fair market value of the shares on the date the Employee Option is granted. A total of 750,000 shares are authorized and reserved for issuance under the Employee Option Plan. The Compensation Committee shall set the term of the Employee Options at its discretion, which shall not exceed ten years. The Compensation Committee shall set the period during which the right to exercise an Employee Option vests. No Employee Option may be issued or exercised, however, if such issuance or exercise would jeopardize the Company's status as a REIT under the Internal Revenue Code or otherwise violate the ownership and transfer restrictions imposed under the Company's articles of incorporation. In addition, no Employee Option may be sold, pledged, assigned or transferred by an employee in any

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manner other than by will or the laws of descent or distribution. As of December 31, 2002, there were no options outstanding under the Employee Option Plan.

Stock Warrants

The Company will issue to the Dealer Manager one soliciting dealer warrant for \$.001 for every 25 shares sold during the offering period subject to a maximum of 1,000,000 soliciting dealer warrants. These warrants, as well as the shares issuable upon their exercise, have been registered as part of this offering. The Dealer Manager may retain or re-allow these warrants to broker-dealers participating in

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the offering, unless such issuance of soliciting dealer warrants is prohibited by either federal or state securities laws. The holder of a soliciting dealer warrant will be entitled to purchase one share from the Company at a price of \$12 per share during the period beginning on the first anniversary of the effective date of the offering (July 17, 2002) and ending five years after the effective date of the offering (July 16, 2007). Subject to certain exceptions, a soliciting dealer warrant may not be transferred, assigned, pledged or hypothecated for a period of one year following the effective date of this offering. Exercise of the soliciting dealer warrants is governed by the terms and conditions detailed in the warrant purchase agreement. As of December 31, 2002, there were no warrants outstanding under the warrant purchase agreement.

Note 9 Related Party Transactions

Advisory Agreement

The Company has entered into the Advisory Agreement with the Advisor pursuant to which the Company will pay certain acquisition and advisory fees to the Advisor. The Advisor is considered a related party as certain owners and employees of the Advisor serve as executives of the Company. The amount of such fees shall equal up to 3% of the aggregate purchase price of all properties acquired by the Company. The Company has also agreed to reimburse the Advisor for certain expenses incurred in connection with property acquisitions. Such expense reimbursements shall equal up to 0.5% of the aggregate purchase price of all properties acquired by the Company.

The Company will be responsible for the payment of all organization and offering expenses not to exceed 3% of gross offering proceeds. The Advisor will reimburse the Company for all organization and offering expenses in excess of 3% of gross offering proceeds. As a result, the organization and offering expenses paid to date by the Company are accounted for as an advance until such time that the Company receives its initial proceeds from the offering (see Note 13). In addition to the organization and offering costs paid by the Company, the Advisor has paid approximately \$3.4 million of organization and offering expenses as of December 31, 2002.

The Advisor is obligated to reimburse the Company for the amount by which operating expenses (as defined in the Advisory Agreement) of the Company exceed the greater of 2% of Average Invested Assets or 25% of Net Income (as such terms are defined in the Advisory Agreement) for a twelve-month period to be measured each fiscal quarter (the "2%/25% Guidelines"). If in any twelve month period the operating expenses of the Company exceed the 2%/25% Guidelines, the Advisor will have an obligation to reimburse the Company for such excess, subject to certain conditions. If the Independent Directors find that such expenses were justified based on any unusual and nonrecurring factors which they deem sufficient, the Advisor may be reimbursed in future periods for the full amount or any portion of such excess expense, but only to the extent that such reimbursement would not cause the Company's operating expense to exceed the 2%/25% Guidelines in any such year.

Dealer Manager Agreement

The Company has entered into a dealer manager agreement with the Dealer Manager pursuant to which the Company will pay up to 2.5% of gross offering proceeds to the Dealer Manager as compensation for managing the offering. The Dealer Manager may re-allow a portion of such fees to broker-dealers who participate in the offering. The Company will also pay a 7% sales commission on

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shares sold in the offering. The Dealer Manager has indicated that all of the sales commissions are expected to be paid to participating broker-dealers who are responsible for effecting sales.

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Property Management Agreement

The Company has entered into a property management agreement with the Property Manager pursuant to which the Company will pay certain property management and leasing fees to the Property Manager. The amount of such fees shall not exceed the lesser of 4.5% of the gross revenues or 0.6% of the net asset value (as defined in the property management agreement) of properties owned by the Company. The Company may also pay a separate fee for the one-time lease-up of newly-constructed properties in an amount not to exceed the fee customarily charged in arm's length transactions.

The Company may pay real estate commissions to the Advisor or its affiliates in connection with the sale of properties by the Company. Such commissions shall not exceed the lesser of 50% of the reasonable, customary and competitive real estate brokerage commission paid for the sale of comparable property or 3% of the contract price. The payments of such commissions are deferred until distributions to investors equal 100% of their capital contributions plus a 7% cumulative non-compounded return on their net contributions.

Note 10 Comprehensive Income

There are no adjustments necessary to net loss as presented in the accompanying consolidated statement of operations to derive comprehensive income in accordance with SFAS No. 130, "Reporting Comprehensive Income."

Note 11 Income Taxes

During 2002, the Company was taxed as a C corporation for federal and state purposes. For 2002, the Company recognized nominal taxable income and will be obligated to pay a nominal amount of federal and state income tax. During 2003, the Company intends to meet all the requirements to qualify for REIT status and will make an election under Internal Revenue Code Section 856 for the taxable year ending December 31, 2003. In order for a former C corporation to elect to be a REIT, it must distribute 100% of its C corporation earnings and profits and agree to be subject to federal tax at the corporate level to the extent of any subsequently recognized built-in gains within a ten year period. The Company does not anticipate that it will have any built-in gains at the time of its conversion to REIT status. As a REIT, the Company generally will not be subject to federal income taxation at the corporate level to the extent it distributes annually 100% of its REIT taxable income, as defined in the Internal Revenue Code, to its shareholders and satisfies other requirements. No provision has been made for federal income taxes in the accompanying consolidated financial statements.

Note 12 Commitments and Contingencies

The Company is not subject to any material pending legal proceedings.

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Note 13 Subsequent Event

On February 10, 2003 the Company satisfied the minimum offering requirement established for its public offering by accepting subscriptions for at least 200,000 shares of common stock from at least 100 non-affiliated investors. At the initial closing under the public offering, approximately \$2,265,670 of gross proceeds was released from escrow to the Company and 226,567 shares of common stock were issued to investors. Upon satisfaction of this minimum offering requirement, the Company paid the Advisor approximately \$68,000 towards reimbursement for offering and organization related costs.

Approximately \$215,000 was paid to the Dealer Manager for commissions and dealer manager fees. In addition to the dealer manager fees, The Dealer Manager earned 9,062 soliciting dealer warrants. The Company intends to issue these warrants, along with additional warrants earned in the first quarter of 2003, in April 2003. The Company valued these warrants at approximately \$0.33 each for a total value of \$2,981 using the Black-Scholes option-pricing model.

Note 14 Quarterly Results (Unaudited)

The following table presents selected unaudited quarterly financial data for each quarter during the period ending December 31, 2002:

For the Period from Inception	For the Quarter Ended September 30, 2002	For the Quarter Ended December 31, 2002	For the Period from Inception (April 12, 2002) to December 31,
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	(April 12, 2002) to June 30, 2002			2002
Net loss before minority interest	\$ (13,300)	\$ (17,500)	\$ (181,912)	\$ (212,712)
Minority interest			200,000	200,000
Net income (loss)	(13,300)	(17,500)	18,088	(12,712)
Earnings (loss) per common share:				
Basic and diluted	\$ (66.50)	\$ (87.50)	90.44	\$ (63.56)

The Company allocated minority interest for the entire period from inception (April 12, 2002) to December 31, 2002 in the quarter ended December 31, 2002 based on additional information obtained throughout the period. If minority interest was allocated each quarter, the Company would have realized a \$12,404 loss, or \$62.02 per share during the quarter ended December 31, 2002.

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Dividend Capital Trust Inc. and Subsidiary

Condensed Consolidated Balance Sheets

	As of September 30, 2003	As of December 31, 2002
	(Unaudited)	
ASSETS		
Real estate	\$ 34,876,256	\$
Intangible lease asset	4,560,182	
Less accumulated depreciation and amortization	(428,668)	
Net Investment in Real Estate	39,007,770	
Cash and cash equivalents	16,415,362	11,055
Restricted cash		681,890
Other assets, net	1,551,852	58,733
Total Assets	\$ 56,974,984	\$ 751,678
LIABILITIES & SHAREHOLDERS' EQUITY		
Liabilities:		
Accounts payable and accrued expenses	\$ 591,531	\$ 79,500
Dividends payable	695,850	
Subscriptions for common shares		681,890
Other liabilities	458,699	
Intangible lease liability, net	127,421	
Total Liabilities	1,873,501	761,390

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	As of September 30, 2003	As of December 31, 2002
Minority Interest	1,000	1,000
Shareholders' Equity (Deficit):		
Preferred shares, 50,000,000 shares authorized, none outstanding		
Shares-in-trust, 100,000,000 shares authorized, none outstanding		
Common shares, \$0.01 par value, 350,000,000 shares authorized, 6,398,066 and 200 shares issued and outstanding as of September 30, 2003 and December 31, 2002, respectively	63,981	2
Additional paid-in capital	55,920,950	1,998
Distributions in excess of earnings	(884,448)	(12,712)
Total Shareholders' Equity (Deficit)	55,100,483	(10,712)
Total Liabilities and Shareholders' Equity (Deficit)	\$ 56,974,984	\$ 751,678

The accompanying notes are an integral part of these condensed consolidated financial statements.

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Dividend Capital Trust Inc. and Subsidiary

Condensed Consolidated Statements of Operations

(Unaudited)

	Three Months Ended September 30,		Nine Months Ended September 30, 2003	For the Period From Inception (April 12, 2002) through September 30, 2002
	2003	2002		
REVENUE:				
Rental revenue	\$ 842,519	\$	\$ 960,115	\$
Other income	10,828		50,748	
Total Revenue	853,347		1,010,863	
EXPENSES:				
Operating expenses	88,978		88,978	
Depreciation & amortization	359,787		428,391	
Interest expense	137,985		164,263	
General and administrative expenses	117,787	17,500	223,491	30,800
Total Expenses	704,537	17,500	905,123	30,800
NET INCOME (LOSS)	\$ 148,810	\$ (17,500)	\$ 105,740	\$ (30,800)

				For the Period From Inception (April 12, 2002) through September 30, 2002
WEIGHTED AVERAGE NUMBER OF COMMON SHARES OUTSTANDING				
Basic	4,393,069	200	2,160,712	200
Diluted	4,413,069	200	2,180,712	200
NET INCOME (LOSS) PER COMMON SHARE				
Basic and Diluted	\$ 0.03	\$ (87.50)	\$ 0.05	\$ (154.00)
Diluted	\$ 0.03	\$ (87.50)	\$ 0.05	\$ (154.00)

The accompanying notes are an integral part of these condensed consolidated financial statements.

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Dividend Capital Trust Inc. and Subsidiary

Condensed Consolidated Statements of Shareholders' Equity (Deficit)

For the Nine Months Ended September 30, 2003

(Unaudited)

	Common Shares		Additional Paid-in Capital	Distributions in Excess of Earnings	Total Shareholders' Equity (Deficit)
	Shares	Amount			
Balances, December 31, 2002	200	\$ 2	\$ 1,998	\$ (12,712)	\$ (10,712)
Issuance of common stock, net of offering costs of \$7,997,582	6,397,866	63,979	55,917,098		55,981,077
Amortization of stock options			1,854		1,854
Dividends on common shares				(977,476)	(977,476)
Net income				105,740	105,740
Balances, September 30, 2003	6,398,066	\$ 63,981	\$ 55,920,950	\$ (884,448)	\$ 55,100,483

The accompanying notes are an integral part of these condensed consolidated financial statements.

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Dividend Capital Trust Inc. and Subsidiary

Condensed Consolidated Statements of Cash Flows

(Unaudited)

	For the Nine Months Ended September 30, 2003	For the Period from Inception (April 12, 2002) through September 30, 2002
OPERATING ACTIVITIES:		
Net income (loss)	\$ 105,740	\$ (30,800)
Adjustments to reconcile net income (loss) to net cash provided by (used in) operating activities:		
Depreciation and amortization	426,434	
Increase in other assets	(88,321)	
Increase in accounts payable, accrued expenses and other liabilities	537,266	25,000
Net cash provided by (used in) operating activities	981,119	(5,800)
INVESTING ACTIVITIES:		
Real estate investments	(34,876,256)	
Increase in intangible lease asset	(4,560,182)	
Increase in intangible lease liability	133,688	
Increase in deferred acquisition costs	(902,477)	
Net cash used in investing activities	(40,205,227)	
FINANCING ACTIVITIES:		
Decrease (increase) in advance for offering costs, related party	52,923	(187,263)
Increase in amounts due from transfer agent	(557,423)	
Increase in investor deposits	100,000	
Proceeds from sale of common shares	64,012,962	2,000
Offering costs for issuance of common stock	(7,698,421)	
Proceeds from issuance of Partnership Units to related party		200,000
Distributions to common shareholders	(281,626)	
Net cash provided by financing activities	55,628,415	14,737
NET INCREASE IN CASH AND CASH EQUIVALENTS	\$ 16,404,307	\$ 8,937
CASH AND CASH EQUIVALENTS, beginning of period	\$ 11,055	
CASH AND CASH EQUIVALENTS, end of period	\$ 16,415,362	\$ 8,937

For the Nine
Months Ended
September 30,
2003

For the Period
from Inception
(April 12, 2002)
through
September 30,
2002

Cash paid for interest expense

121,912.00

The accompanying notes are an integral part of these condensed consolidated financial statements.

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Dividend Capital Trust Inc. and Subsidiary

Notes to Condensed Consolidated Financial Statements

(Unaudited)

Note 1 Organization and Summary of Significant Accounting Policies

Organization

Dividend Capital Trust Inc. (the "Company" or "Dividend Capital") was formed as a Maryland corporation in April 2002 in order to invest in commercial real estate properties consisting primarily of high-quality industrial buildings net leased to corporate tenants. The Company currently operates in a manner that meets all the requirements necessary to qualify as a real estate investment trust ("REIT") and intends to qualify as a REIT for federal tax purposes commencing with its taxable year ending December 31, 2003. The Company is structured as an umbrella partnership REIT ("UPREIT") under which substantially all of the Company's current and future business is and will be conducted through a controlling interest in its subsidiary, Dividend Capital Operating Partnership LP (the "Partnership"), a Delaware limited partnership. The Company commenced its operations in conjunction with the closing of its first real estate acquisition on June 9, 2003 (see Note 2) and as a result the financials statements of the Company are no longer presented as a development stage enterprise.

Dividend Capital Advisors LLC (the "Advisor"), a related party, provides investment management and administrative services to the Company under an Advisory Agreement dated July 11, 2002. Dividend Capital Securities LLC (the "Dealer Manager"), a related party, serves as the dealer manager of the Company's public offering (see Note 7).

Interim Financial Information

The accompanying unaudited condensed consolidated financial statements have been prepared in accordance with accounting principles generally accepted in the United States of America ("GAAP") and with the instructions to Form 10-Q and Article 10 of Regulation S-X for interim financial information. Accordingly, these statements do not include all of the information and footnotes required by GAAP for complete financial statements. In the opinion of management, the accompanying unaudited condensed consolidated financial statements include all adjustments, consisting only of normal recurring items necessary for their fair presentation in conformity with GAAP. The preparation of financial statements requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and the disclosure of contingent assets and liabilities as of the date of the financial statements and the reported amounts of revenue and expenses during the reporting period. Actual results may differ from those estimates. Interim results are not necessarily indicative of results for a full year. The information included in this Form 10-Q should be read in conjunction with the Company's audited financial statements as of December 31, 2002 and related notes thereto, and the Company's prospectus, as amended.

Principles of Consolidation

The accounts of the Company and the Partnership, its controlled subsidiary, are consolidated in the accompanying financial statements. All significant intercompany accounts and transactions have been eliminated in consolidation.

Use of Estimates

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The preparation of financial statements in conformity with GAAP requires management to make estimates and assumptions relating to the reported amounts of assets and liabilities and the disclosure

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of contingent assets and liabilities at the date of the consolidated financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates. Estimates and assumptions are reviewed periodically and the effects of revision are reflected in the period they are determined to be necessary.

Real Estate

Upon the acquisition of operating properties, the Company allocates the purchase price of the properties to identifiable tangible and intangible assets associated with the property based upon their estimated fair values in accordance with Statement of Financial Accounting Standards ("SFAS") No. 141, "Business Combinations." These tangible and intangible assets are depreciated or amortized over the useful life of such assets. The difference between the purchase price and the estimated fair market value of the tangible assets is the identified intangible lease asset which is amortized over the average life of the in-place leases.

In some cases the acquired operating property may have in-place leases where the current rental rate is above or below market rental rates. In such cases, SFAS No. 141 requires the discounted difference between the current and market rental rates to be recorded as an asset or liability and amortized over the life of the lease to rental revenue. Related to this treatment, as of September 30, 2003, the Company had approximately \$50,000 and \$127,000 recorded as an intangible asset and an intangible liability, respectively, net of amortization of approximately \$2,400 and \$6,300, respectively.

From time to time, the Company receives payments from the seller of properties under master lease agreements covering vacant space at the time of acquisition. The seller is generally obligated to make such payment until the earlier of the commencement of rent from a tenant for the vacant space or until the termination of the master lease agreement. GAAP requires the Company to record these payments as a reduction of the purchase price of the property upon receipt of the payment, rather than as rental income. As of September 30, 2003, the Company had one property, Chickasaw Distribution Facility (Building A), which contained a master lease agreement with the seller. The cumulative amount of master lease payments under this master lease agreement as of September 30, 2003, was approximately \$25,000.

Cash and Cash Equivalents

The Company considers all highly liquid instruments with maturities when purchased of three months or less to be cash equivalents.

Restricted Cash

The Company is currently engaged in a public offering of its common stock. As of December 31, 2002, the Company had not met certain escrow requirements in connection with the offering. Until the Company received subscriptions covering at least 200,000 shares from at least 100 non-affiliated investors, offering proceeds were required to be held in escrow. The escrow conditions were satisfied on February 10, 2003, at which time 226,567 shares of common stock were issued to investors.

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Costs of Raising Capital

Costs incurred in connection with the issuance of equity securities are deducted from shareholders' equity.

Revenue Recognition

The Company's properties may have certain leases that provide for tenant occupancy during periods for which no rent is due or where minimum rent payments increase during the term of the lease. The Company records rental revenue for the full term of each lease on a straight-line basis. In cases where the minimum rental payments increase over the life of the lease, the Company records a receivable due from tenants ("deferred rents receivable") for the difference between the amount of revenue recorded and the amount of cash received. When the Company acquires a property, the term of existing leases is considered to commence as of the acquisition date for the purposes of this

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calculation. For the nine months ended September 30, 2003, the statement of operations includes an increase in rental revenue of approximately \$29,300 related to the straight-lining of revenue. Included in other assets of the accompanying condensed consolidated balance sheet is approximately \$29,300 of deferred rents receivable associated with the straight-lining of rental revenues.

Income Taxes

The Company currently operates in a manner that meets all the requirements necessary to qualify for REIT status and will make an election under Internal Revenue Code Section 856 for the taxable year ending December 31, 2003. In order for a former C corporation to elect to be a REIT, it must distribute 100% of its C corporation earnings and profits and agree to be subject to federal tax at the corporate level to the extent of any subsequently recognized built-in gains within a ten year period. The Company does not anticipate that it will have any built-in gains at the time of its conversion to REIT status. As a REIT, the Company generally will not be subject to federal income taxation at the corporate level to the extent it distributes annually all of its REIT taxable income, as defined in the Internal Revenue Code, to its shareholders and satisfies other requirements. No provision has been made for federal income taxes in the accompanying condensed consolidated financial statements.

Stock-Based Compensation

The Company has two stock-based employee and director compensation plans. As of September 30, 2003, the Company had granted 40,000 options under the Director Stock Option Plan. The Company accounts for these plans under the fair value recognition provisions of SFAS No. 123, "Accounting for Stock-Based Compensation," and related interpretations. As of September 30, 2003, no options had been granted under the Employee Stock Option Plan.

Basic and Diluted Net Income (Loss) Per Common Share

Basic net income (loss) per common share is determined by dividing net income (loss) attributable to common shareholders by the weighted average number of common shares outstanding during the period. Diluted net income per common share includes the effects of potentially issuable common

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stock, but only if dilutive, including the presumed exchange of limited partnership units (see Note 5) for common shares.

New Accounting Principles

In January 2003, the FASB issued Interpretation No. 46 "Consolidation of Variable Interest Entities." The Company is required to adopt the Interpretation for financial statements for the fiscal year or interim period beginning after June 15, 2003. This Interpretation clarifies the application of Accounting Research Bulletin No. 51, "Consolidated Financial Statements," and requires the consolidation of results of variable interest entities in which the Company has a majority variable interest. The Company does not expect the adoption of this Interpretation to have a material impact on the Company's financial position, results of operations or cash flows.

In May 2003, the FASB issued SFAS No. 150, "Accounting for Certain Financial Instruments with Characteristics of both Liabilities and Equity." SFAS No. 150 requires that an issuer that possesses certain financial instruments to classify such instruments as a liability (or as an asset in some circumstances). SFAS No. 150 is effective for financial instruments entered into or modified after May 31, 2003, and otherwise is effective at the beginning of the first interim period beginning after December 15, 2003. Management is currently evaluating SFAS No. 150, however the Company does not expect the adoption of SFAS No. 150 to have a material impact on the Company's financial position, results of operations or cash flows based on current interpretations and guidance.

Note 2 Real Estate

Acquisitions

During the nine months ended September 30, 2003, the Company acquired three industrial buildings for a combined purchase price of \$37,780,000, exclusive of related closing costs and acquisition fees paid to the Advisor, as further described below.

Nashville Facility

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On June 9, 2003, the Company closed on an acquisition of a one story, single tenant, newly constructed distribution facility located in Nashville, Tennessee (the "Nashville Facility"). The Nashville Facility contains 756,000 rentable square feet and is located on approximately 50 acres of land. The purchase price for the Nashville Facility was \$23,500,000, which was paid with \$11,350,000 from our senior secured loan (see Note 3) and \$12,150,000 from proceeds from our public offering. The total cost of the Nashville facility including closing costs and other expenses (including an acquisition fee of \$705,000 paid to our Advisor) was approximately \$24,480,000. The results of operations from this acquired property, from the date of acquisition through September 30, 2003, are included in the Company's result of operations for the three and nine months ended September 30, 2003. This facility is currently 100% leased to Bridgestone/Firestone North American Tire, LLC, a wholly owned subsidiary of Bridgestone Americas Holding, Inc. the North American holding company and a wholly owned subsidiary of the Japanese parent, Bridgestone Corporation.

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Chickasaw Facilities

On July 22, 2003, the Company closed on an acquisition of two distribution facilities located in Memphis, Tennessee totaling approximately 392,000 square feet (together the "Chickasaw Facilities"). The total cost of the two facilities including closing costs and other expenses (including an acquisition fee of \$428,400 payable to our Advisor) was approximately \$14,850,000. The total cost was funded from the net proceeds received from the Company's public offering. As of September 30, 2003, the two facilities were approximately 94.0% leased to various tenants with the remaining vacancy master leased by the seller for a period of twelve months. Master lease payments are accounted for as an adjustment to the purchase price and as of September 30, 2003, the Company had received approximately \$25,000 which reduced the amount invested in real estate in the accompanying condensed consolidated balance sheet. The results of operations from this acquired property, from the date of acquisition through September 30, 2003, are included in the Company's results of operations for the three and nine months ended September 30, 2003.

Note 3 Borrowings

On June 9, 2003, the Company obtained an \$11,350,000 senior secured loan (the "Loan") from Bank of America, N.A., at a variable annual interest rate equal to adjusted LIBOR plus 2.25% or (at the election of Dividend Capital) 1.0% over the Prime rate. The Loan was secured by the Nashville facility. In September 2003, the Company exercised its right to pre-pay the balance of the Loan in full, with accrued interest, pursuant to the loan agreement, with proceeds from the Company's public offering. This pre-payment resulted in a write-off of deferred loan costs to interest expense in the amount of approximately \$41,000 for the periods ended September 30, 2003.

Note 4 Public Offering

On April 15, 2002, the Company filed a registration statement (the "Registration Statement") with the Securities and Exchange Commission ("SEC") covering a public offering of its common stock and the Registration Statement was declared effective by the SEC on July 17, 2002. The common stock is being offered at a price of \$10 per share on a 200,000 share minimum, 25,000,000 share maximum, best-efforts basis. The Registration Statement also covers up to 4,000,000 shares available pursuant to the Company's distribution reinvestment plan and up to 1,000,000 shares issuable upon the exercise of warrants that may be sold to broker-dealers participating in the offering. Until the Company received subscriptions covering at least 200,000 shares from at least 100 non-affiliated investors, offering proceeds were required to be held in escrow. The escrow conditions were satisfied on February 10, 2003, at which time 226,567 shares of common stock were issued to investors. As of September 30, 2003, 6,397,866 shares of common stock had been sold under this Registration Statement for gross proceeds of approximately \$63,978,660.

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Note 5 Minority Interest

Minority interest consists of the following as of:

	September 30, 2003	December 31, 2002
Limited partnership units	\$	\$
Limited partnership Special Units	1,000	1,000

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	September 30, 2003	December 31, 2002
Total	\$ 1,000	\$ 1,000

Limited Partnership Units

Upon inception (April 12, 2002), the Partnership issued to the Advisor 20,000 limited partnership units in exchange for \$200,000 representing an initial 99% limited partnership interest. As of September 30, 2003, the Advisor held a limited partnership interest in the Partnership of less than 1.0%.

The allocation of net loss to the limited partnership unit holder for the period ended December 31, 2002 had reduced the minority interest balance to zero. The excess loss attributable to the minority interest for the periods ended December 31, 2002 and September 30, 2003 was \$10,758 and \$998, respectively. The total accumulated excess loss of \$11,756 will be applied to future income attributable to the minority interest.

Limited partnership units are redeemable at the option of the unit holder. The Company, at its sole discretion, has the option of redeeming the limited partnership units for cash or common shares.

Limited Partnership Special Units

During the quarter ended September 30, 2002, the Partnership issued 10,000 special units (the "Special Units") to an affiliate of the Advisor for consideration of \$1,000. The holders of Special Units do not participate in the profits and losses of the Partnership. Amounts distributable to the holder of the Special Units will depend on operations and the amount of net sales proceeds received from property dispositions or upon other events. In general, after holders of regular partnership interests have received cumulative distributions equal to their capital contributions plus a 7% cumulative non-compounded annual return on their gross contributions, the holder of the Special Units and the holders of regular partnership interests will receive 15% and 85%, respectively, of the net sales proceeds received by the Partnership upon the disposition of the Partnership's assets.

The Special Units will be redeemed by the Partnership for cash upon the occurrence of specified events that result in a termination or non-renewal of the Advisory Agreement. If the Advisory Agreement is terminated by the Company for cause, the redemption price shall be \$1. If the Company's shares are listed for public trading or if the Advisory Agreement is terminated upon the occurrence of certain other events, the redemption price of the Special Units will be the amount which would have been distributed to the holder of the Special Units if the Partnership had sold all of its assets for their then fair market values, paid all of its liabilities and distributed any remaining amounts to partners in liquidation in accordance with the partnership agreement of the Partnership. The fair market value of the assets will be determined by the public market prices in the event of a listing of the Company's shares or by the net sales proceeds received in the event of the disposition of the

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Company's properties. In the case of certain other events, fair market value will be determined by the then fair market value of the Partnership's assets, as determined by an appraisal, less all of its liabilities.

Note 6 Related Party Transactions

Advisory Transactions

The Advisor is considered a related party as certain executives and board members of the Company have material, indirect ownership interests in the Advisor. In addition, all executives of the Company are also executives of the Advisor. The Company has entered into the Advisory Agreement with the Advisor pursuant to which the Company will pay certain acquisition and advisory fees to the Advisor. The amount of such fees shall equal up to 3.0% of the aggregate purchase price of all properties acquired by the Company. As of September 30, 2003, the Company had paid the Advisor approximately \$1.1 million in connection with the acquisition services provided by the Advisor.

The Company will be responsible for the payment of all organization and offering expenses not to exceed 3.0% of gross offering proceeds. The Advisor is obligated to fund all organization and offering expenses in excess of 3.0% of gross offering proceeds. As of September 30, 2003,

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the Advisor had funded approximately \$9.7 million of offering related costs and the Company has reimbursed the Advisor approximately \$1.8 million of these costs.

Dealer Manager Transactions

The Dealer Manager is considered a related party as certain executives and board members of the Company have material, indirect ownership interests in the Dealer Manager. The Company has entered into a dealer manager agreement with the Dealer Manager pursuant to which the Company will pay up to 2.5% of gross offering proceeds to the Dealer Manager as compensation for managing the offering. The Dealer Manager may re-allow a portion of such fees to broker-dealers who participate in the offering. The Company will also pay a sales commission of up to 7.0% on shares sold in the offering. The Dealer Manager has indicated that all of the sales commissions are expected to be paid to participating broker-dealers who are responsible for effecting sales. As of September 30, 2003, the Company had paid approximately \$5.9 million for commissions and management of the Company's initial offering, of which approximately \$4.3 million has been paid to selling broker-dealers who are not affiliated with the Company.

Note 7 Subsequent Events

Acquisition

Rancho Facility

On October 20, 2003, the Company acquired the Rancho Technology Park facility (the "Rancho Facility"), which is a one-story, newly constructed distribution facility with 201,493 square feet of leasable space. The cost of the Rancho Facility (including an acquisition fee of \$297,795 payable to our Advisor) was approximately \$10,350,000, which was paid with the proceeds from the Company's public offering. These costs include certain escrow amounts related to the newly negotiated lease with

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Ozburn-Hessey Logistics, LLC (OHL) totaling approximately \$585,000 which represents amounts to be paid for tenant finish and leasing commissions. CHEP USA, GP entered into a net lease for approximately 50% of the facility's gross leasable square feet. CHEP USA, GP, a wholly-owned subsidiary of Brambles Group, operates globally and distributes, collects, reworks and reissues more than 200 million pallets and containers annually. The remaining space is currently leased to OHL. As a full service logistics company, OHL provides distribution services, transportation management and equipment sourcing to large national and regional companies. Per the lease agreement, rent will commence either; 1) November 15, 2003, if the temporary occupancy permit has been obtained, or 2) the later of January 15, 2004 or upon obtaining the occupancy permit. Per the master lease agreement with the seller, the seller is obligated to pay rent on this space at the same monthly rate that OHL will assume until the space is occupied and rent has commenced.

Mallard Lake

On October 29, 2003, Dividend Capital acquired a 222,122 square foot distribution facility ("Mallard Lake") in the Mallard Lake Distributions Center, a business park in Hanover Park, Illinois (an industrial submarket of Chicago). The Company purchased the building from an unrelated third party that developed Mallard Lake during 1999. The cost of Mallard Lake (including an acquisition fee of \$329,259 payable to our Advisor) was approximately \$11,400,000, which was paid with proceeds from the Company's public offering. The facility is fully leased to Iron Mountain Inc. (NYSE: IRM), an international information storage, management and protection services company.

West by Northwest

On October 30, 2003, the Company acquired an 189,467 square foot industrial distribution building ("West by Northwest") in the West by Northwest Business Center. The West by Northwest Business Center is located in Houston's northwest submarket and was developed by an unrelated third party during 1997. The cost of West by Northwest (including an acquisition fee of \$248,250 payable to our Advisor) was approximately \$8,610,000, which was paid for with proceeds from the Company's public offering and proceeds from the Credit Facility (as discussed below). The building is fully leased to Inventec Electronics Corp, USA., the American subsidiary of Inventec Corp., a Taiwanese designer and manufacturer of technology products, including computers, handhelds and servers.

Senior Secured Revolving Credit Facility

On October 30, 2003 the Company executed an agreement with Bank One, N.A. for a senior secured revolving credit facility (the "Credit Facility") for \$50 million which may be increased up to \$200 million in total. Simultaneously, the Company borrowed \$3.0 million under this Credit Facility to fund the closing of the West by Northwest Business Center. The Credit Facility bears interest at LIBOR plus 1.125% to

1.500%. The Credit Facility matures in April 2004, however, upon successful syndication of this facility, it is expected that the facility will be amended and restated, under the terms consistent with the current facility, to include a maturity date three years after the closing of the syndication.

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Public Offering

As of November 6, 2003, the Company had sold approximately 8.3 million shares of common stock for gross proceeds of approximately \$83.1 million. In conjunction with the sale of such shares, the Company had incurred fees payable to the Dealer Manager in the amount of approximately \$7.6 million, of which approximately \$7.2 million has been paid. Of the amount paid to the Dealer Manager, approximately \$5.3 million was re-allowed by the Dealer Manager to selling broker-dealers who are not affiliated with the Company. In addition, the Company incurred amounts payable to the Advisor for reimbursement of offering costs of approximately \$2.5 million, of which \$2.4 million has been paid.

Special Meeting of Shareholders

On October 16, 2003, the Board of Directors (the "Board") of the Company held a special meeting to vote on certain proposed amendments to the Company's articles of incorporation. The Board approved the amendments to the Company's articles of incorporation and recommended that the Company's shareholders approve such amendments. A special meeting of shareholders of the Company will be held at the Company's corporate offices on November 21, 2003.

A vote will be held at this special meeting to amend the Company's articles of incorporation regarding a reduction of the current fees and reimbursements paid to the Dealer Manager and the Advisor. Additionally, a vote will be held to change the Company's articles of incorporation regarding the Company's leverage restriction and to give authority to an investment committee (consisting of a majority of independent directors) to approve acquisitions of up to \$25 million.

The Board has fixed October 16, 2003 as the record date for the determination of shareholders entitled to receive notice of and to vote at the special meeting or any postponement or adjournment of the meeting.

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Dividend Capital Trust Inc. and Subsidiary

Pro Forma Financial Information

(Unaudited)

The accompanying unaudited pro forma consolidated balance sheet presents the historical financial information of the Company as of September 30, 2003 as adjusted for the acquisitions of the Rancho Business Center, Mallard Lake and West by Northwest as if these transactions had occurred on September 30, 2003.

The accompanying unaudited pro forma consolidated statements of operations for the nine months ended September 30, 2003 and the year ended December 31, 2002 combine the historical operations of the Company with the historical operations of acquired properties as if these transactions had occurred on January 1, 2002.

The unaudited pro forma consolidated financial statements have been prepared by the Company's management based upon the historical financial statements of the Company and of the individually acquired properties. These pro forma statements may not be indicative of the results that actually would have occurred if the combination had been in effect on the dates indicated or which may be obtained in the future. The pro forma financial statements should be read in conjunction with the historical financial statements included in the Company's previous filings with the Securities and Exchange Commission.

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Dividend Capital Trust Inc. and Subsidiary

Pro Forma Consolidating Balance Sheet

As of September 30, 2003

(Unaudited)

	DCT Historical	Rancho Cucamonga	Mallard Lake	West by Northwest	Pro Forma Adjustments	Pro Forma Consolidated
ASSETS						
Real Estate	34,876,256	9,281,409(b)	10,122,156(b)	7,526,436(b)		61,806,256
Intangible lease costs	4,560,182	556,985(b)	1,247,414(b)	1,070,491(b)		7,435,071
Acc. Dep. & Amort	(428,668)					(428,668)
Net Investment in Real Estate	39,007,770	9,838,394	11,369,570	8,596,927		68,812,659
Cash and cash equivalents	16,415,362	(9,775,841)(a)	(11,087,705)(a)	(7,668,438)(a)	13,340,320(g)	1,223,698
Restricted cash		525,383(c)				525,383
Other assets, net	1,551,852	(512,551)(d)	(231,865)(d)	(348,232)(d)		459,204
Total Assets	56,974,984	75,385	50,000	580,256	13,340,320	71,020,944
LIABILITIES & SHAREHOLDERS' EQUITY						
Liabilities:						
Accounts Payable & Accrued Expenses	591,531	30,385(e)	(e)	164,399(e)		786,315
Dividends Payable	695,850					695,850
Other liabilities	458,699	45,000(e)	50,000(e)	415,857(f)		969,557
Intangible Lease Liability, net	127,421					127,421
Total Liabilities	1,873,501	75,385	50,000	580,256		2,579,142
Minority Interest	1,000					1,000
Shareholders' Equity:						
Common Stock	63,981				15,246(g)	79,227
Additional Paid-in-Capital	55,920,950				13,325,074(g)	69,246,024
Distributions in Excess of Earnings	(884,448)					(884,448)
Total Shareholders' Equity	55,100,483				13,340,320(g)	68,440,802
Total Liabilities & Shareholders' Equity	56,974,984	75,385	50,000	580,256	13,340,320	71,020,944

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Pro Forma Statement of Operations

For the Nine Months Ended September 30, 2003

(Unaudited)

	<u>DCT Corporate</u>	<u>Nashville Facility</u>	<u>Chickasaw Facility</u>	<u>Rancho Business Center</u>	<u>Mallard Lake</u>	<u>West by Northwest</u>	<u>Pro Forma Adjustments</u>	<u>Consolidated</u>
REVENUE:								
Rental revenue	960,115	902,677(1)	598,888(4)	580,300(1)	721,989(4)	212,318(4)		3,976,274
Other income	50,748		203,143(4)	155,770(5)	1,275(4)	119,761(4)		530,680
Total Income	1,010,863	902,677	802,031	736,070	723,264	332,079		4,506,954
EXPENSES:								
Operating Expenses	88,978		217,995(4)	155,770(5)	11,757(4)	228,019(4)		702,502
Depreciation & amortization	428,391	343,017(2)	362,726(4)(2)	180,475(2)	201,060(4)(2)	155,606(4)(2)		1,671,258
Interest expense	164,263	173,073(3)						337,333
General and administrative expenses	223,491							223,491
Total Operating Expenses	905,123	516,090	580,721	336,245	212,817	383,625		2,934,584
NET INCOME (LOSS)	105,740	386,587	221,310	399,825	510,447	(51,546)		1,572,369
WEIGHTED AVERAGE NUMBER OF COMMON SHARES OUTSTANDING								
Basic	2,160,712						5,761,962(6)	7,922,674
Diluted	2,180,712						5,761,962(6)	7,942,674
NET INCOME (LOSS) PER COMMON SHARE								
Basic and Diluted \$	0.05							\$ 0.20

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Dividend Capital Trust Inc. and Subsidiary

Pro Forma Statement of Operations

For the Year Ended December 31, 2002

(Unaudited)

	<u>DCT Corporate</u>	<u>Nashville Facility</u>	<u>Chickasaw Facility</u>	<u>Rancho Business Center</u>	<u>Mallard Lake Facility</u>	<u>West by Northwest Facility</u>	<u>Pro Forma Adjustments</u>	<u>Consolidated</u>
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	<u>DCT Corporate</u>	<u>Nashville Facility</u>	<u>Chickasaw Facility</u>	<u>Rancho Business Center</u>	<u>Mallard Lake Facility</u>	<u>West by Northwest Facility</u>	<u>Pro Forma Adjustments</u>	<u>Consolidated</u>
REVENUE:								
Rental revenue		2,040,546(1)	649,849(4)	773,733(1)	957,577(4)	707,684(4)		2,690,395
Other income	155		91,381(4)	207,693(5)	14,412(4)	292,636(4)		91,536
Total Income	155	2,040,546	741,230	981,426	971,989	1,000,320		2,781,931
EXPENSES:								
Operating Expenses			262,178(4)	207,693(5)	23,252(4)	296,467(4)		262,178
Depreciation & amortization		823,241(2)	725,453(4)(2)	240,633(2)	268,079(4)(2)	207,475(4)(2)		1,548,694
Interest expense		398,702(3)						398,702
General and administrative expenses	212,867							212,867
Total Operating Expenses	212,867	1,221,943	987,631	448,326	291,331	503,942		2,422,441
NET INCOME (LOSS)	(212,712)	818,603	(246,401)	533,100	680,658	496,378		359,490
Minority Interest	200,000							200,000
NET INCOME (LOSS)	(12,712)	818,603	(246,401)	533,100	680,658	496,378		559,490
WEIGHTED AVERAGE NUMBER OF COMMON SHARES OUTSTANDING								
Basic	200						7,922,474(6)	7,922,674
Diluted	200						7,942,474(6)	7,942,674
NET INCOME (LOSS) PER COMMON SHARE								
Basic and Diluted	(64)							\$ 0.07

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Dividend Capital Trust Inc. and Subsidiary

Notes to Pro Forma Consolidated Financial Statements

(Unaudited)

Pro Forma Consolidated Balance Sheet as of September 30, 2003:

(a)

Cash paid for the acquisitions closed subsequent to September 30, 2003 consists of the following:

Mallard Lake

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	Rancho Business Center		West by Northwest
Purchase Price	\$ 10,001,955	\$ 10,978,631	\$ 8,275,000
Closing Costs	5,898	715	445
Acquisition fee paid to affiliate	298,373	329,359	248,250
Less:			
Earnest money	500,000	221,000	330,000
Credit for Tenant Security Deposits			21,336
Credit for Tenant Improvement Allowance			290,000
Credit for Pre-paid Rents			49,522
Credit for Real Estate Taxes	30,385		164,399
Cash paid at closing	9,775,841	11,087,705	7,668,438
Add:			
Earnest money	500,000	221,000	330,000
Credits	30,385		525,257
Estimated remaining closing costs	45,000	50,000	55,000
Due Diligence costs	12,551	10,865	18,232
Total Acquisition Costs	\$ 10,363,776	\$ 11,369,570	\$ 8,596,927

- (b) The purchase price of these acquisitions were allocated to tangible and intangible assets in accordance with SFAS No. 141, "Business Combinations."
- (c) This amount consists of a restricted cash item related to an allowance for tenant improvements.
- (d) These amounts represent deferred acquisition costs that were reclassified to investment in real estate. Deferred acquisition costs are costs incurred prior to the closing of the acquisition such as due diligence costs.
- (e) This amount consists of tenant deposits, accrued real estate taxes and management's estimate on remaining acquisition costs.
- (f) This amount consists of tenant deposits, management's estimate on remaining acquisition costs and a liability for a commitment to tenant improvements of \$290,000.
- (g) A certain amount of capital was raised through the Company's public offering after September 30, 2003 which was used to fund the Rancho Business Center, Mallard Lake and West by Northwest. As such, management included the number of shares that were sold

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subsequent to September 30, 2003 through October 30, 2003, the date of the latest acquisition in order to facilitate adequate funding of these acquisitions.

Shares Sold from October 1 through October 30, 2003	1,524,608
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Gross Proceeds	\$ 15,246,080
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Less Selling Costs	(1,905,760)
Net Proceeds	\$ 13,340,320

Pro Forma Consolidated Statements of Operations for the Nine Months Ended September 30, 2003 and for the Twelve Months Ended December 31, 2002:

- (1) This amount of rental revenue reflects the monthly rental rates of the in-place leases as of September 30, 2003 or the date of acquisition pro-rated for Pro Forma periods presented and giving effect to the amounts of revenue included in the historical information.
- (2) Depreciation and amortization expense for the Pro Forma periods presented is based on the allocation of the purchase price between tangible and intangible assets. The Company depreciates these assets on a straight-line basis over the estimated useful life of the assets. The following table represents the allocation of the total cost of the two properties presented:

	Depreciation or Amortization Period	Consolidated
Land	N/A	\$ 10,069,814
Buildings	40 Years	45,837,893
Land Improvements	20 Years	3,486,734
Tenant Improvements	Term of the Lease	2,411,815
Intangible Lease and Acquisition Costs	Average Life of Lease	7,307,650
Total Cost		\$ 69,113,906

- (3) Interest expense for the Pro Forma periods presented was calculated given the terms of our senior secured note. This senior secured note was paid in full in September 2003 and the Company currently has no outstanding obligations. The following table sets forth the calculation for the pro forma adjustments as if the note was outstanding as of January 1, 2002:

Senior Secured Loan	Interest Rate	Pro Forma Amounts	
		For the Six Month Period	For the Twelve Month Period
\$11,350,000	Annual interest rate equal to adjusted LIBOR plus 2.25% or (at the election of Dividend Capital) 1.0% over the Prime rate.	\$ 173,073	\$ 398,702

- (4) In accordance with Rule 3.14 of Regulation S-X, the following acquisitions required an audit of the statement of revenue and certain expenses. The pro forma adjustments presented are

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based on the historical information reported within the audited statement of revenue and certain expenses plus certain adjustments as follows:

Chickasaw

	9-Months			12-Months		
	Chickasaw Facility*	Pro Forma Adjustments	Total Pro Forma	Chickasaw Facility*	Pro Forma Adjustments	Total Pro Forma
REVENUE:						
Rental revenue	588,729	10,159(a)	598,888	629,530	20,319(a)	649,849
Other income	203,143		203,143	91,381		91,381
Total Income	791,872		791,872	720,911		720,911
EXPENSES:						
Operating Expenses	217,995		217,995	262,178		262,178
Depreciation & amortization		362,726(b)	362,726		725,453(b)	725,453
Interest expense						
General and administrative expenses						
Total Operating Expenses	217,995		217,995	262,178		262,178
NET INCOME (LOSS)	573,877		573,877	458,733		458,733

Mallard Lake

	9-Months			12-Months		
	Mallard Lake Facility*	Pro Forma Adjustments	Total Pro Forma	Mallard Lake Facility*	Pro Forma Adjustments	Total Pro Forma
REVENUE:						
Rental revenue	721,989	(a)	721,989	957,577	(a)	957,577
Other income	1,275		1,275	14,412		14,412
Total Income	723,264		723,264	971,989		971,989
EXPENSES:						
Operating Expenses	11,757		11,757	23,252		23,252
Depreciation & amortization		201,060(b)	201,060		268,079(b)	268,079
Interest expense						
General and administrative expenses						
Total Operating Expenses	11,757		212,817	23,252		291,331
NET INCOME (LOSS)	711,507		510,447	948,737		680,658

West by Northwest

	9-Months			12-Months		
	West by Northwest Facility*	Pro Forma Adjustments	Total Pro Forma	West by Northwest Facility*	Pro Forma Adjustments	Total Pro Forma
REVENUE:						
Rental revenue	212,318(c)	(a)	212,318	707,684(c)	(a)	707,684
Other income	119,761		119,761	292,636		292,636
Total Income	332,079		332,079	1,000,320		1,000,320
EXPENSES:						
Operating Expenses	228,019		228,019	296,467		296,467
Depreciation & amortization		155,606(b)	155,606		207,475(b)	207,475
Interest expense						
General and administrative expenses						
Total Operating Expenses	228,019		383,625	296,467		503,942
NET INCOME (LOSS)	104,060		(51,546)	703,853		496,378

*

As Filed Rule 3.14 of Regulation S-X

(a) In accordance with SFAS No. 141, these amounts represent the amortization amounts of the above and below market values of the in-place leases. The intangible lease assets and liabilities are amortized over the life of the lease to rental income.

(b) Depreciation and amortization expense for the Pro Forma periods presented is based on the allocation of the purchase price between tangible and intangible assets. See note (2) for details of the depreciation methods used.

(c) One of the property's two tenants vacated their space during December 2002. There were no adjustment made to the historical financial information that would consider this vacant space during 2003.

(5) These amounts represent managements estimate of reimbursable operating expenses of the Rancho Business Center pro rated for the periods presented.

(6) For purposes of calculating the pro forma weighted average number of common shares outstanding, management determine the number of shares sold as of the latest acquisition, West by Northwest, which was October 30, 2003. As the pro forma financial information presented assumes these acquisitions occurred on January 1, 2002, the number of shares outstanding as of October 30, 2003 are assumed to have been outstanding as of January 1, 2002 as well.

INDEPENDENT AUDITORS' REPORT

The Board of Directors
Dividend Capital Trust Inc.:

We have audited the accompanying statement of revenue and certain expenses of the Chickasaw Distribution Facilities located in Memphis, Tennessee (the "Property") for the year ended December 31, 2002. This financial statement is the responsibility of the Property's management. Our responsibility is to express an opinion on the financial statement based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statement is free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statement. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

The statement of revenue and certain expenses was prepared for the purpose of complying with the rules and regulations of the Securities and Exchange Commission and for inclusion in the Post-Effective Amendment No. 3 to Form S-11 of Dividend Capital Trust Inc., as described in Note 2. The presentation is not intended to be a complete presentation of the Property's revenue and expenses.

In our opinion, the financial statement referred to above presents fairly, in all material respects, the revenue and certain expenses of the Chickasaw Distribution Facilities for the year ended December 31, 2002, in conformity with accounting principles generally accepted in the United States of America.

/s/ KPMG LLP

Denver, Colorado
August 15, 2003

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Chickasaw Distribution Facilities

Statements of Revenue and Certain Expenses

	For the Six Months Ended June 30, 2003	For the Year Ended December 31, 2002
	(Unaudited)	
REVENUE:		
Rental revenue	\$ 588,729	\$ 629,530
Other revenue	203,143	91,381
Total revenue	791,872	720,911

	For the Six Months Ended June 30, 2003	For the Year Ended December 31, 2002
CERTAIN EXPENSES:		
Repairs and maintenance	7,917	19,187
Utilities	11,044	25,621
Property taxes	136,615	143,711
Management fees	23,937	18,624
Operating services	38,482	55,035
Total expenses	217,995	262,178
EXCESS OF REVENUE OVER CERTAIN EXPENSES	\$ 573,877	\$ 458,733

The accompanying notes are an integral part of these financial statements.

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Chickasaw Distribution Facilities

Notes to Statements of Revenue and Certain Expenses as of December 31, 2002

Note 1 Business

The accompanying statement of revenue and certain expenses reflects the operations of the Chickasaw Distribution Facilities (the "Property"). The Property contains two one-story, distribution facilities with approximately 392,000 rentable square feet and is located on approximately 21 acres of land. The two distribution facilities were completed in 2000 and were in the lease-up phase through 2002. As of December 31, 2002, the Property had an occupancy rate of 94.2%.

The Property was acquired by Dividend Capital Trust Inc. and subsidiary (the "Company") from an unrelated party on July 22, 2003 for \$14,280,000, which was paid with the proceeds from the Company's public offering under the registration statement filed on April 15, 2002. In addition, The Company incurred approximately \$564,000 in related acquisition costs (including an acquisition fee of \$428,000 payable to our Advisor, Dividend Capital Advisors LLC), which were capitalized as a cost of acquiring the property.

Note 2 Basis of Presentation

The accompanying Statement of Revenue and Certain Expenses has been prepared for the purposes of complying with Rule 3-14 of the Securities and Exchange Commission Regulation S-X and for inclusion in the Post-Effective Amendment No. 3 to Form S-11 of Dividend Capital Trust Inc. and is not intended to be a complete presentation of Chickasaw Distribution Facilities' revenues and expenses.

The accounting records of the Property are maintained on the accrual basis. The accompanying statement of revenue and certain expenses was prepared pursuant to the rules and regulations of the Securities and Exchange Commission, and exclude certain expenses such as mortgage interest, depreciation and amortization, professional fees and other costs not directly related to future operations of the Property.

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of revenue and expenses during the reporting period. Actual results could differ from those estimates.

Interim Information (unaudited)

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In the opinion of management, the unaudited information as of June 30, 2003 included herein contains all the adjustments necessary, which are of a normal recurring nature, to present fairly the revenue and certain expenses for the six months ended June 30, 2003. Results of interim periods are not necessarily indicative of results to be expected for the year. Management is not aware of any material factors that would cause the information included herein to not be indicative of future operating results.

Note 3 Operating Leases

The Property's revenue is obtained from tenant rental payments as provided for under non-cancelable operating leases.

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Future minimum rental payments due under these leases, excluding tenant reimbursements of operating expenses, as of December 31, 2002, are as follows:

Year Ending December 31:		
2003	\$	1,236,785
2004		1,270,628
2005		1,270,628
2006		1,121,876
2007		884,584
Thereafter		21,537
Total		\$ 5,806,038

Tenant reimbursements of operating expenses are included in other revenue on the accompanying statement of revenue and certain expenses.

The following table exhibits those tenants who accounted for greater than 10% of the revenues for the year ended December 31, 2002, and the corresponding percentage of the future minimum revenues above:

Tenant	Percentage of 2002 Revenues	Percentage of Future Revenues
A	44.00%	12.80%
C	20.70%	0.00%
D	13.60%	25.40%
E	13.30%	22.60%
Total	91.60%	60.80%

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Independent Auditors' Report

The Board of Directors
Dividend Capital Trust Inc.:

We have audited the accompanying statement of revenue and certain expenses of the Mallard Lake Distribution Facility located in Hanover Park, Illinois (the Property) for the year ended December 31, 2002. This financial statement is the responsibility of the Property's management. Our responsibility is to express an opinion on this financial statement based on our audit.

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We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statement is free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statement. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

The statement of revenue and certain expenses was prepared for the purpose of complying with the rules and regulations of the Securities and Exchange Commission and for inclusion in the Post-Effective Amendment No. 4 to Form S-11 of Dividend Capital Trust Inc., as described in Note 2. The presentation is not intended to be a complete presentation of the Property's revenue and expenses.

In our opinion, the financial statement referred to above presents fairly, in all material respects, the revenue and certain expenses of the Mallard Lake Distribution Facility for the year ended December 31, 2002, in conformity with accounting principles generally accepted in the United States of America.

/s/ KPMG LLP

Denver, Colorado
November 14, 2003

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Mallard Lake Distribution Facility Statements of Revenue and Certain Expenses

	For the Nine Months Ended September 30, 2003	For the Year Ended December 31, 2002
	(Unaudited)	
REVENUE:		
Rental revenue	\$ 721,989	\$ 957,577
Other revenue	1,275	14,412
Total revenue	723,264	971,989
CERTAIN EXPENSES:		
Repairs and maintenance		4,968
Management fees	9,758	13,264
Other operating expenses	1,999	5,020
Total expenses	11,757	23,252
EXCESS OF REVENUE OVER CERTAIN EXPENSES	\$ 711,507	\$ 948,737

The accompanying notes are an integral part of these financial statements.

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Mallard Lake Distribution Facility

**Notes to Statements of Revenue and Certain Expenses
as of December 31, 2002**

Note 1 Business

The accompanying statement of revenue and certain expenses reflects the operations of the Mallard Lake Distribution Facility (the "Property"). Completed in 1999, the Property contains a one-story distribution facility with 39 foot clear heights, approximately 222,122 rentable square feet and is located on approximately 11.8 acres of land. As of December 31, 2002, the Property was 100% occupied by a single tenant.

The Property was acquired by Dividend Capital Trust Inc. and subsidiary (the "Company") from an unrelated party on October 29, 2003 for a purchase price of \$10,978,631, which was paid with the proceeds from the Company's public offering under the registration statement filed on April 15, 2002, as amended. In addition, The Company incurred approximately \$390,900 in related acquisition costs (including an acquisition fee of \$329,400 payable to the Company's related advisor, Dividend Capital Advisors LLC), which were capitalized as a cost of acquiring the property.

Note 2 Basis of Presentation

The accompanying Statement of Revenue and Certain Expenses has been prepared for the purposes of complying with Rule 3-14 of the Securities and Exchange Commission Regulation S-X and for inclusion in the Post-Effective Amendment No. 4 to Form S-11 of Dividend Capital Trust Inc. and is not intended to be a complete presentation of Mallard Lake Distribution Facility's revenues and expenses.

The accounting records of the Property are maintained on the accrual basis. The accompanying statement of revenue and certain expenses was prepared pursuant to the rules and regulations of the Securities and Exchange Commission, and exclude certain expenses such as mortgage interest, depreciation and amortization, professional fees and other costs not directly related to future operations of the Property.

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of revenue and expenses during the reporting period. Actual results could differ from those estimates.

Interim Information (unaudited)

In the opinion of management, the unaudited information as of September 30, 2003 included herein contains all the adjustments necessary, which are of a normal recurring nature, to present fairly the revenue and certain expenses for the nine months ended September 30, 2003. Results of interim periods are not necessarily indicative of results to be expected for the year. Management is not aware of any material factors that would cause the information included herein to not be indicative of future operating results.

Note 3 Operating Leases

The Property's revenue is obtained from tenant rental payments as provided for under a non-cancelable operating lease. The Property is currently 100% "net" leased to a single tenant. "Net" means that the tenant is responsible for repairs, maintenance, property taxes, utilities, insurance and other operating costs while we, as landlord, have responsibility for capital repairs or replacement of

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specific structural components of a property such as the roof of the building, the truck court and parking areas, as well as the interior floor or slab of the building. The Company records rental revenue for the full term of the lease on a straight-line basis. In this case where the minimum rental payments increase over the life of the lease, the Company records a receivable due from tenants for the difference between the amount of revenue recorded and the amount of cash received.

Future minimum rental payments due under the lease, excluding tenant reimbursements of operating expenses, as of December 31, 2002, are as follows:

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Year Ending December 31:		
2003	\$	880,230
2004		945,022
2005		984,570
2006		984,570
2007		984,570
Thereafter		6,865,574
<hr/>		
Total	\$	11,644,536
<hr/>		

Tenant reimbursements of operating expenses are included in other revenue on the accompanying statement of revenue and certain expenses.

As of December 31, 2002 the Property was 100% leased to a single tenant which operates in the document storage industry. As such all current and future revenues generated from this tenant will exceed 10% of the Properties total rental revenue.

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Independent Auditors' Report

The Board of Directors
Dividend Capital Trust Inc.:

We have audited the accompanying statement of revenue and certain expenses of the West by Northwest Distribution Facility located in Houston, Texas (the Property) for the year ended December 31, 2002. This financial statement is the responsibility of the Property's management. Our responsibility is to express an opinion on this financial statement based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statement is free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statement. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

The statement of revenue and certain expenses was prepared for the purpose of complying with the rules and regulations of the Securities and Exchange Commission and for inclusion in the Post-Effective Amendment No. 4 to Form S-11 of Dividend Capital Trust Inc., as described in Note 2. The presentation is not intended to be a complete presentation of the Property's revenue and expenses.

In our opinion, the financial statement referred to above presents fairly, in all material respects, the revenue and certain expenses of the West by Northwest Distribution Facility for the year ended December 31, 2002, in conformity with accounting principles generally accepted in the United States of America.

/s/ KPMG LLP

Denver, Colorado
November 14, 2003

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West by Northwest Distribution Facility Statements of Revenue and Certain Expenses

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	For the Nine Months Ended September 30, 2003	For the Year Ended December 31, 2002
	(Unaudited)	
REVENUE:		
Rental revenue	\$ 212,318	\$ 707,684
Other revenue	119,761	292,636
Total revenue	332,079	1,000,320
CERTAIN EXPENSES:		
Real estate taxes	154,644	203,383
Repair and maintenance	23,825	32,925
Utilities expense	19,779	20,488
Management fees	10,347	19,023
Other operating expenses	19,424	20,648
Total expenses	228,019	296,467
EXCESS OF REVENUE OVER CERTAIN EXPENSES	\$ 104,060	\$ 703,853

The accompanying notes are an integral part of these financial statements.

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West by Northwest Distribution Facility

**Notes to Statements of Revenue and Certain Expenses
as of December 31, 2002**

Note 1 Business

The accompanying statement of revenue and certain expenses reflects the operations of the West by Northwest Distribution Facility (the "Property"). Completed in 1997, the Property contains a one-story distribution facility with 30 foot clear heights, 189,467 rentable square feet and is located on approximately 9.5 acres of land. As of December 31, 2002, the Property was 100% occupied by two tenants.

The Property was acquired by Dividend Capital Trust Inc. and subsidiary (the "Company") from an unrelated party on October 30, 2003 for a purchase price of \$8,275,000, which was paid with the proceeds from the Company's public offering under the registration statement filed on April 15, 2002, as amended. In addition, The Company incurred approximately \$322,000 in related acquisition costs (including an acquisition fee of \$248,250 payable to the Company's related advisor, Dividend Capital Advisors LLC), which were capitalized as a cost of acquiring the property.

Note 2 Basis of Presentation

The accompanying Statement of Revenue and Certain Expenses has been prepared for the purposes of complying with Rule 3-14 of the Securities and Exchange Commission Regulation S-X and for inclusion in the Post-Effective Amendment No. 4 to Form S-11 of Dividend Capital Trust Inc. and is not intended to be a complete presentation of West by Northwest's revenues and expenses.

The accounting records of the Property are maintained on the accrual basis. The accompanying statement of revenue and certain expenses was prepared pursuant to the rules and regulations of the Securities and Exchange Commission, and exclude certain expenses such as mortgage

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interest, depreciation and amortization, professional fees and other costs not directly related to future operations of the Property.

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of revenue and expenses during the reporting period. Actual results could differ from those estimates.

Interim Information (unaudited)

In the opinion of management, the unaudited information as of September 30, 2003 included herein contains all the adjustments necessary, which are of a normal recurring nature, to present fairly the revenue and certain expenses for the nine months ended September 30, 2003. Results of interim periods are not necessarily indicative of results to be expected for the year. Management is not aware of any material factors that would cause the information included herein to not be indicative of future operating results.

Note 3 Operating Leases

The Property's revenue is obtained from tenant rental payments as provided for under a non-cancelable operating lease. The Property is currently 100% "net" leased to a single tenant. "Net" means that the tenant is responsible for repairs, maintenance, property taxes, utilities, insurance and other operating costs while we, as landlord, have responsibility for capital repairs or replacement of specific structural components of a property such as the roof of the building, the truck court and

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parking areas, as well as the interior floor or slab of the building. The Company records rental revenue for the full term of the lease on a straight-line basis. In this case where the minimum rental payments increase over the life of the lease, the Company records a receivable due from tenants for the difference between the amount of revenue recorded and the amount of cash received.

Future minimum rental payments due under the lease, excluding tenant reimbursements of operating expenses, as of December 31, 2002, are as follows:

Year Ending December 31:		
2003	\$	283,185
2004		622,492
2005		704,817
2006		727,553
2007		246,307
Thereafter		
<hr/>		
Total	\$	2,584,354
<hr/>		

Tenant reimbursements of operating expenses are included in other revenue on the accompanying statement of revenue and certain expenses.

As of December 31, 2002 the Property was 100% leased to a single tenant that operates in the high tech manufacturing industry. As such, all current and future revenues generated from this tenant will exceed 10% of the Properties total rental revenues.

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APPENDIX A

PRIOR PERFORMANCE TABLES

The following Prior Performance Tables (the "Tables") provide information relating to real estate investment programs sponsored by the Advisor or its affiliates ("Prior Programs") which have investment objectives similar to the Company.

Prospective investors should read these Tables carefully together with the summary information concerning the Prior Programs as set forth in "Prior Performance Summary" elsewhere in this prospectus.

INVESTORS IN DIVIDEND CAPITAL TRUST WILL NOT OWN ANY INTEREST IN THE PRIOR PROGRAMS AND SHOULD NOT ASSUME THAT THEY WILL EXPERIENCE RETURNS, IF ANY, COMPARABLE TO THOSE EXPERIENCED BY INVESTORS IN THE PRIOR PROGRAMS.

These Tables present actual results of Prior Programs that Dividend Capital Trust believes have investment objectives similar to those of Dividend Capital Trust. Dividend Capital Trust's investment objectives are to maximize distributions to shareholders; to preserve original capital contributions; to realize capital appreciation over a period of time; and to ultimately provide shareholders with liquidity of their investment. All of the Prior Programs sponsored by affiliates of the Advisor have used a substantial amount of capital and not acquisition indebtedness to acquire their properties.

Affiliates of the Advisor were responsible for the acquisition and disposition of all properties in the Prior Programs. The financial results of the Prior Programs therefore provide an indication of the affiliates' performance of their obligations during the periods covered. However, general economic conditions affecting the real estate industry and other factors contribute significantly to financial results.

The following tables are included herein:

Table I Experience in Raising and Investing Funds (As a Percentage of Investment)

Table II Compensation to Sponsor (in Dollars)

Table III Annual Operating Results of Prior Programs

Table IV Results of Completed Programs

Table V Sales or Disposals of Property

The following are definitions of certain terms used in the Tables:

"Acquisition Fees" shall mean fees and commissions paid by a Prior Program in connection with its purchase or development of a property, except development fees paid to a person not affiliated with the program or with its general partner or sponsor in connection with the actual development of a project after acquisition of the land by the program.

"Organization Expenses" shall include legal fees, accounting fees, securities filing fees, printing and reproduction expenses and fees paid to the general partners, sponsor or their affiliates in connection with the planning and formation of the program.

"Underwriting Fees" shall include selling commissions and wholesaling fees paid to broker-dealers for services provided by the broker-dealers during the offering.

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TABLE I

(UNAUDITED)

EXPERIENCE IN RAISING AND INVESTING FUNDS

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This Table provides a summary of the experience of the Affiliates of the Advisor in Prior Programs for which offerings have been completed since December 31, 1998. Information is provided with regard to the manner in which the proceeds of the offerings have been applied. Also set forth is information pertaining to the timing and length of these offerings and the time period over which the proceeds have been invested in the properties.

Total Since Inception										
	Matamoros Industrial Partners	Monterrey Industrial Partners	Saltillo Industrial Partners	Matamoros Industrial Partners II	Reynosa Industrial Partners II	Monterrey Industrial Partners II	Apodaca Industrial Partners	Apodaca Industrial Partners II	Apodaca Industrial Partners III	Santa Maria Industrial Partners
(Unaudited)										
Dollar amount offered	21,908,458	6,155,134	3,335,987	2,717,281	1,041,306	4,280,692	4,320,311	4,610,738	2,910,731	15,917,470
Dollar amount raised (100%)	21,908,458	6,155,134	3,335,987	2,717,281	1,041,306	4,280,692	4,320,311	4,610,738	2,910,731	15,917,470
Less offering expenses:										
Selling commissions and discounts retained by affiliates										
Organizational expenses	57,913	25,000	44,843	30,522	15,173	11,783	118,243	22,875	13,843	33,433
Other										
Reserves										
Percent available for investment										
Development and construction costs	19,287,742	5,957,710	3,182,007	2,194,551	835,957	4,239,014	4,167,068	4,400,903	2,832,450	15,884,037
Acquisition costs:										
Prepaid items and fees related to purchase of property										
Cash down payment										
Acquisition fees	2,562,803	172,424	109,137	492,208	190,176	29,895	35,000	186,960	64,438	
Other										
Total acquisition costs	2,562,803	172,424	109,137	492,208	190,176	29,895	35,000	186,960	64,438	
Development and acquisition costs	21,850,545	6,130,134	3,291,144	2,686,759	1,026,133	4,268,909	4,202,068	4,587,863	2,896,888	15,884,037
Percent leverage (mortgage financing divided by total acquisition and dev. cost)	0%	0%	0%	105%	0%	71%	0%	30%	91%	12%
Date offering began	5/7/1998	12/14/1998	8/1/1998	7/19/1999	9/14/1999	1/31/2000	7/22/1999	7/14/1999	10/20/1999	5/31/2000
Length of offering (months)	17	14	18	15	8	14	27	11	19	13
Months to invest 90% of amount available for investment (measured from beginning of offering)	17	14	11	15	8	14	24	9	19	13

TABLE II
(UNAUDITED)

COMPENSATION TO SPONSOR

The following sets forth the compensation received by Affiliates of the Advisor, including compensation paid out of offering proceeds and compensation paid in connection with the ongoing operations of Prior Programs having similar or identical investment objectives the offerings of which have been completed since December 31, 1998. All figures are as of December 31, 2001.

Type of Compensation	Total Since Inception									
	Matamoros Industrial Partners	Monterrey Industrial Partners	Saltillo Industrial Partners	Matamoros Industrial Partners II	Reynosa Industrial Partners II	Monterrey Industrial Partners II	Apodaca Industrial Partners	Apodaca Industrial Partners II	Apodaca Industrial Partners III	Santa Maria Industrial Partners
(Unaudited)										
Date offering commenced	5/7/1998	12/14/1998	8/1/1998	7/19/1999	9/14/1999	1/31/2000	7/22/1999	7/14/1999	10/20/1999	5/31/2000
Dollar amount raised	21,908,458	6,155,134	3,335,987	2,717,281	1,041,306	4,280,692	4,320,311	4,610,738	2,910,731	15,917,470
Amount paid to sponsor from proceeds of offering:										
Underwriting fees										
Acquisition fees										
real estate commissions										
advisory fees										
other (identify and quantify)										
Other										
Dollar amount of cash generated from operations before deducting payments to sponsor										
Amount paid to sponsor from operations:										
Property management fees	487,883	157,444	72,033	169,307	19,267	157,105	99,998	156,121	141,513	464,818
Partnership management fees										
Reimbursements										
Leasing commissions/brokerage fees		42,350		42,997	11,700			46,052	10,106	
Other (identify and quantify)										
Development Fees(1)	492,481	130,074	109,137	66,568	34,162	29,895	35,000	140,908	54,332	
Construction Fees(1)	1,624,109			329,584	117,064					
Administration Fees(1)	446,213			53,059	27,250					
Total Other	2,562,803	130,074	109,137	449,211	178,476	29,895	35,000	140,908	54,332	
Dollar amount of property sales and refinancing before deducting payments to sponsor										
cash	20,000,130	5,740,214								
notes										
Amount paid to sponsor from property sales and refinancing:										
Real estate commissions										

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OPERATING RESULTS OF PRIOR PROGRAMS

	2002	2001	2000	1999	1998
			(Unaudited)		
Gross revenues	843,411	580,396	295,472		
Profit on sale of properties					
Less: Operating expenses(1)	143,384	173,610	115,729	15,527	
Interest expense	189,325	97,084			
Depreciation/Amortization	92,796	98,874	44,021		
Net Income GAAP basis	417,906	210,828	135,722	(15,527)	
Taxable income					
from operations(2)	N/A	235,829	134,003		
from gain on sale(2)	N/A				
Cash generated from operations	510,702	309,702	179,743	(15,527)	
Cash generated from sales					
Cash generated from refinancing	5,462,065	2,828,511			
Cash generated from operations, sales and refinancing	5,972,767	3,138,213	179,743	(15,527)	
Less: Cash distributions to investors					
from operating cash flow					
from sales and refinancing					
from other					
Cash generated (deficiency) after cash distributions	5,972,767	3,138,213	179,743	(15,527)	
Less: Special items (not including sales and refinancing) identify and quantify					
Cash generated (deficiency) after cash distributions and special items	5,972,767	3,138,213	179,743	(15,527)	
Tax and distribution data per \$1,000 invested					

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	2002	2001	2000	1999	1998
Federal income tax results:					
Ordinary income (loss)					
from operations(2)	N/A	87	49		
from recapture(2)	N/A				
Capital gain (loss)(2)	N/A				
Cash distribution to investors					
Source (GAAP)					
Investment income					
Return of capital					
Source (cash basis)					
Sales					
Refinancing					
Operations					
Other					
Amount (percentage) remaining invested in program properties at the end of the last year reported in the Table (original total acquisition cost of properties retained divided by original total acquisition cost of all properties in program)	100%				

NOTE 1: Operating expenses includes interest income, income tax expense and income tax benefit amounts.

NOTE 2: At the time of this filing, the tax return for this entity had not been filed.

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REYNOSA INDUSTRIAL PARTNERS II, LP

Table III

(Unaudited)

OPERATING RESULTS OF PRIOR PROGRAMS

	2002(2)	2001	2000	1999	1998
			(Unaudited)		
Gross revenues		144,676	112,471		
Profit on sale of properties					
Less: Operating expenses(1)		37,707	51,160	8,790	
Interest expense					
Depreciation/Amortization		26,344	17,021		
Net Income GAAP basis		80,625	44,290	(8,790)	
Taxable income					
from operations		32,948	42,711	43,091	
from gain on sale					
Cash generated from operations		106,969	61,311	(8,790)	
Cash generated from sales					
Cash generated from refinancing					

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	2002(2)	2001	2000	1999	1998
Cash generated from operations, sales and refinancing		106,969	61,311	(8,790)	
Less: Cash distributions to investors					
from operating cash flow					
from sales and refinancing					
from other					
Cash generated (deficiency) after cash distributions		106,969	61,311	(8,790)	
Less: Special items (not including sales and refinancing) identify and quantify					
Cash generated (deficiency) after cash distributions and special items		106,969	61,311	(8,790)	
Tax and distribution data per \$1,000 invested					
Federal income tax results:					
Ordinary income (loss)					
from operations		32	41	41	
from recapture					
Capital gain (loss)					
Cash distribution to investors					
Source (GAAP)					
Investment income					
Return of capital					
Source (cash basis)					
Sales					
Refinancing					
Operations					
Other					
Amount (percentage) remaining invested in program properties at the end of the last year reported in the Table (original total acquisition cost of properties retained divided by original total acquisition cost of all properties in program)		0%			

NOTE 1: Operating expenses includes interest income, income tax expense and income tax benefit amounts.

NOTE 2: The company disposed of its interest in this partnership to the minority interest partner in 2001. Therefore, there were no reportable operating results for 2002.

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MONTERREY INDUSTRIAL PARTNERS II, LP

Table III

(Unaudited)

OPERATING RESULTS OF PRIOR PROGRAMS

	2002	2001	2000	1999	1998
Gross revenues	662,191	525,786	180,671		

(Unaudited)

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	2002	2001	2000	1999	1998
Profit on sale of properties					
Less: Operating expenses	328,954	118,710	19,844		
Interest expense	166,071	55,052			
Depreciation/Amortization	126,854	90,789	32,128		
Net Income GAAP basis	40,312	261,235	128,699		
Taxable income					
from operations(2)	N/A	(112,293)	110,034		
from gain on sale(2)	N/A				
Cash generated from operations	167,166	352,025	160,826		
Cash generated from sales					
Cash generated from refinancing					
Cash generated from operations, sales and refinancing	167,166	352,025	160,826		
Less: Cash distributions to investors					
from operating cash flow					
from sales and refinancing					
from other					
Cash generated (deficiency) after cash distributions	167,166	352,025	160,826		
Less: Special items (not including sales and refinancing) identify and quantify					
Cash generated (deficiency) after cash distributions and special items	167,166	352,025	160,826		
Tax and distribution data per \$1,000 invested					
Federal income tax results:					
Ordinary income (loss)					
from operations(2)	N/A	(26)	26		
from recapture(2)	N/A				
Capital gain (loss)(2)	N/A				
Cash distribution to investors					
Source (GAAP)					
Investment income					
Return of capital					
Source (cash basis)					
Sales					
Refinancing					
Operations					
Other					
Amount (percentage) remaining invested in program properties at the end of the last year reported in the Table (original total acquisition cost of properties retained divided by original total acquisition cost of all properties in program)	100%				

NOTE 1: Operating expenses includes interest income, income tax expense and income tax benefit amounts.

NOTE 2: At the time of this filing, the tax return for this entity had not been filed.

APODACA INDUSTRIAL PARTNERS, LP

Table III

(Unaudited)

OPERATING RESULTS OF PRIOR PROGRAMS

	2002	2001	2000	1999	1998
Gross revenues					
Profit on sale of properties					
Less: Operating expenses	110,661	20,651	21,101	25,842	
Interest expense					
Depreciation/Amortization					
Net Income GAAP basis	(110,661)	(20,651)	(21,101)	(25,842)	
Taxable income					
from operations(2)	N/A	(353,251)	(18,106)	1,825	
from gain on sale(2)	N/A				
Cash generated from operations	(110,661)	(20,651)	(21,101)	(25,842)	
Cash generated from sales					
Cash generated from refinancing					
Cash generated from operations, sales and refinancing	(110,661)	(20,651)	(21,101)	(25,842)	
Less: Cash distributions to investors					
from operating cash flow					
from sales and refinancing					
from other					
Cash generated (deficiency) after cash distributions	110,661	(20,651)	(21,101)	(25,842)	
Less: Special items (not including sales and refinancing) identify and quantify					
Cash generated (deficiency) after cash distributions and special items	(110,661)	(20,651)	(21,101)	(25,842)	
Tax and distribution data per \$1,000 invested					
Federal income tax results:					
Ordinary income (loss)					
from operations(2)	N/A	(82)	(4)	0	
from recapture(2)	N/A				
Capital gain (loss)(2)	N/A				
Cash distribution to investors					
Source (GAAP)					
Investment income					
Return of capital					
Source (cash basis)					
Sales					
Refinancing					
Operations					
Other					
	100%				

2002	2001	2000	1999	1998
------	------	------	------	------

Amount (percentage) remaining invested in program properties at the end of the last year reported in the Table (original total acquisition cost of properties retained divided by original total acquisition cost of all properties in program)

NOTE 1: Operating expenses includes interest income, income tax expense and income tax benefit amounts.

NOTE 2: At the time of this filing, the tax return for this entity had not been filed.

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APODACA INDUSTRIAL PARTNERS II, LP

Table III

(Unaudited)

OPERATING RESULTS OF PRIOR PROGRAMS

	2002	2001	2000	1999	1998
Gross revenues	625,724	579,737	515,354		
Profit on sale of properties					
Less: Operating expenses	108,389	249,052	(104,144)	20,954	
Interest expense	103,707	49,072	236,313		
Depreciation/Amortization	101,526	108,165	306,031		
Net Income GAAP basis	312,102	173,448	77,154	(20,954)	
Taxable income					
from operations(2)	N/A	(213,080)	(466,419)	7,243	
from gain on sale(2)	N/A				
Cash generated from operations	413,628	281,613	383,186	(20,954)	
Cash generated from sales					
Cash generated from refinancing					
Cash generated from operations, sales and refinancing	413,628	281,613	383,186	(20,954)	
Less: Cash distributions to investors					
from operating cash flow					
from sales and refinancing					
from other					
Cash generated (deficiency) after cash distributions	413,628	281,613	383,186	(20,954)	
Less: Special items (not including sales and refinancing) identify and quantify					
Cash generated (deficiency) after cash distributions and special items	413,628	281,613	383,186	(20,954)	
Tax and distribution data per \$1,000 invested					
Federal income tax results:					
Ordinary income (loss)					

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	2002	2001	2000	1999	1998
from operations(2)	N/A	(46)	(101)	2	
from recapture(2)	N/A				
Capital gain (loss)(2)	N/A				
Cash distribution to investors					
Source (GAAP)					
Investment income					
Return of capital					
Source (cash basis)					
Sales					
Refinancing					
Operations					
Other					
Amount (percentage) remaining invested in program properties at the end of the last year reported in the Table (original total acquisition cost of properties retained divided by original total acquisition cost of all properties in program)	100%				

NOTE 1: Operating expenses includes interest income, income tax expense and income tax benefit amounts.

NOTE 2: At the time of this filing, the tax return for this entity had not been filed.

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APODACA INDUSTRIAL PARTNERS III, LP

Table III

(Unaudited)

OPERATING RESULTS OF PRIOR PROGRAMS

	2002	2001	2000	1999	1998
Gross revenues	556,015	369,791	1,023		
Profit on sale of properties					
Less: Operating expenses	142,000	269,899	(124,222)	5,108	
Interest expense	190,940	90,045	99,232		
Depreciation/Amortization	201,893	132,411	201,570		
Net Income GAAP basis	21,182	(122,564)	(175,557)	(5,108)	
Taxable income					
from operations(2)	N/A	(224,269)	(205,617)	160	
from gain on sale(2)	N/A				
Cash generated from operations	223,075	9,847	26,013	(5,108)	
Cash generated from sales					
Cash generated from refinancing					
Cash generated from operations, sales and refinancing	223,075	9,847	26,013	(5,108)	
Less: Cash distributions to investors					
from operating cash flow					
from sales and refinancing					

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	2002	2001	2000	1999	1998
from other					
Cash generated (deficiency) after cash distributions	223,075	9,847	26,013	(5,108)	
Less: Special items (not including sales and refinancing) identify and quantify					
Cash generated (deficiency) after cash distributions and special items	223,075	9,847	26,013	(5,108)	
Tax and distribution data per \$1,000 invested					
Federal income tax results:					
Ordinary income (loss)					
from operations(2)	N/A	(77)	(71)	0	
from recapture(2)	N/A				
Capital gain (loss)(2)	N/A				
Cash distribution to investors					
Source (GAAP)					
Investment income					
Return of capital					
Source (cash basis)					
Sales					
Refinancing					
Operations					
Other					
Amount (percentage) remaining invested in program properties at the end of the last year reported in the Table (original total acquisition cost of properties retained divided by original total acquisition cost of all properties in program)	100%				

NOTE 1: Operating expenses includes interest income, income tax expense and income tax benefit amounts.

NOTE 2: At the time of this filing, the tax return for this entity had not been filed.

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SANTA MARIA INDUSTRIAL PARTNERS, LP

Table III

(Unaudited)

OPERATING RESULTS OF PRIOR PROGRAMS

	2002	2001	2000	1999	1998
Gross revenues	2,815,944	637,865			
Profit on sale of properties					
Less: Operating expenses	549,314	(79,066)	(49,621)		
Interest expense	443,019	234,581			
Depreciation/Amortization	777,843	169,705			

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	2002	2001	2000	1999	1998
Net Income GAAP basis	1,045,768	312,645	49,621		
Taxable income					
from operations(2)	N/A	(1,858,297)	(43,438)		
from gain on sale(2)	N/A				
Cash generated from operations	1,823,611	482,350	49,621		
Cash generated from sales					
Cash generated from refinancing					
Cash generated from operations, sales and refinancing	1,823,611	482,350	49,621		
Less: Cash distributions to investors					
from operating cash flow					
from sales and refinancing					
from other					
Cash generated (deficiency) after cash distributions	1,823,611	482,350	49,621		
Less: Special items (not including sales and refinancing) identify and quantify					
Cash generated (deficiency) after cash distributions and special items	1,823,611	482,350	49,621		
Tax and distribution data per \$1,000 invested					
Federal income tax results:					
Ordinary income (loss)					
from operations(2)	N/A	(117)	(3)		
from recapture(2)	N/A				
Capital gain (loss)(2)	N/A				
Cash distribution to investors					
Source (GAAP)					
Investment income					
Return of capital					
Source (cash basis)					
Sales					
Refinancing					
Operations					
Other					
Amount (percentage) remaining invested in program properties at the end of the last year reported in the Table (original total acquisition cost of properties retained divided by original total acquisition cost of all properties in program)	100%				

NOTE 1: Operating expenses includes interest income, income tax expense and income tax benefit amounts.

NOTE 2: At the time of this filing, the tax return for this entity had not been filed.

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MATAMOROS INDUSTRIAL PARTNERS, LP

Table III

(Unaudited)

OPERATING RESULTS OF PRIOR PROGRAMS

	2002(2)	2001	2000	1999	1998
			(Unaudited)		
Gross revenues		2,256,819	2,889,729	2,349,613	661,307
Profit on sale of properties		3,381,672			
Less: Operating expenses(1)		1,072,978	708,592	420,682	291,664
Interest expense					
Depreciation/Amortization		583,401	778,610	622,925	104,310
Net Income GAAP basis		3,982,112	1,402,527	1,306,006	265,333
Taxable income					
from operations		736,112	1,619,253	1,447,733	424,220
from gain on sale		2,770,281			
Cash generated from operations		1,183,841	2,181,137	1,928,931	369,643
Cash generated from sales		21,339,180			
Cash generated from refinancing					
Cash generated from operations, sales and refinancing		22,523,021	2,181,137	1,928,931	369,643
Less: Cash distributions to investors					
from operating cash flow		1,961,058	2,275,007	1,552,952	242,080
from sales and refinancing		20,000,130			
from other					
Cash generated (deficiency) after cash distributions		561,833	(93,870)	375,979	127,563
Less: Special items (not including sales and refinancing) identify and quantify					
Cash generated (deficiency) after cash distributions and special items		561,833	(93,870)	375,979	127,563
Tax and distribution data per \$1,000 invested					
Federal income tax results:					
Ordinary income (loss)					
from operations		34	74	66	19
from recapture					
Capital gain (loss)		126			
Cash distribution to investors					
Source (GAAP)					
Investment income		189			
Return of capital		814	104	71	11
Source (cash basis)					
Sales		913			
Refinancing					
Operations		90	104	71	11
Other					
Amount (percentage) remaining invested in program properties at the end of the last year reported in the Table (original total acquisition cost of properties retained divided by original total acquisition cost of all	0%				

properties in program)

NOTE 1: Operating expenses includes interest income, income tax expense and income tax benefit amounts.

NOTE 2: The company disposed of its assets in 2001, therefore there are no reportable operating results for 2002.

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MONTERREY INDUSTRIAL PARTNERS, LP

Table III

(Unaudited)

OPERATING RESULTS OF PRIOR PROGRAMS

	2002(2)	2001	2000	1999	1998
			(Unaudited)		
Gross revenues		389,634	439,438		
Profit on sale of properties		101,276	618,751		
Less: Operating expenses(1)		188,337	82,251	95,475	11,215
Interest expense					
Depreciation/Amortization		60,111	82,174		
Net Income GAAP basis		242,462	893,764	(95,475)	(11,215)
Taxable income					
from operations		106,021	502,086	(124,705)	(3,509)
from gain on sale		346,634			
Cash generated from operations		201,297	357,187	(95,475)	(11,215)
Cash generated from sales		3,298,433	3,198,793		
Cash generated from refinancing					
Cash generated from operations, sales and refinancing		3,499,730	3,555,980	(95,475)	(11,215)
Less: Cash distributions to investors					
from operating cash flow		400,431			
from sales and refinancing		5,740,214			
from other					
Cash generated (deficiency) after cash distributions		(2,640,915)	3,555,980	(95,475)	(11,215)
Less: Special items (not including sales and refinancing) identify and quantify					
Cash generated (deficiency) after cash distributions and special items		(2,640,915)	3,555,980	(95,475)	(11,215)
Tax and distribution data per \$1,000 invested					
Federal income tax results:					
Ordinary income (loss)					
from operations		17	82	(20)	(1)

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	2002(2)	2001	2000	1999	1998
from recapture					
Capital gain (loss)		56			
Cash distribution to investors					
Source (GAAP)					
Investment income					
Return of capital		998			
Source (cash basis)					
Sales		933			
Refinancing					
Operations		65			
Other					
Amount (percentage) remaining invested in program properties at the end of the last year reported in the Table (original total acquisition cost of properties retained divided by original total acquisition cost of all properties in program)	0%	0%			

NOTE 1: Operating expenses includes interest income, income tax expense and income tax benefit amounts.

NOTE 2: The company disposed of its assets in 2001, therefore there are no reportable operating results for 2002.

SALTILLO INDUSTRIAL PARTNERS, LP

Table III

(Unaudited)

OPERATING RESULTS OF PRIOR PROGRAMS

	2002	2001	2000	1999	1998
			(Unaudited)		
Gross revenues	729,815	266,375	108,726		
Profit on sale of properties					
Less: Operating expenses(1)	48,073	93,073	53,383	35,613	29,153
Interest expense					
Depreciation/Amortization	78,621	70,127	62,654	29,422	
Net Income GAAP basis	603,121	103,175	(7,311)	(65,035)	(29,153)
Taxable income					
from operations(2)	N/A	95,738	(25,506)	(61,448)	
from gain on sale(2)	N/A				
Cash generated from operations	681,742	173,302	55,343	(35,613)	(29,153)
Cash generated from sales					
Cash generated from refinancing					
Cash generated from operations, sales and refinancing	681,742	173,302	55,343	(35,613)	(29,153)
Less: Cash distributions to investors					

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	2002	2001	2000	1999	1998
from operating cash flow					
from sales and refinancing					
from other					
Cash generated (deficiency) after cash distributions	681,742	173,302	55,343	(35,613)	(29,153)
Less: Special items (not including sales and refinancing) identify and quantify					
Cash generated (deficiency) after cash distributions and special items	681,742	173,302	55,343	(35,613)	(29,153)
Tax and distribution data per \$1,000 invested					
Federal income tax results:					
Ordinary income (loss)					
from operations(2)	N/A	29	(8)	(18)	
from recapture(2)	N/A				
Capital gain (loss)(2)	N/A				
Cash distribution to investors					
Source (GAAP)					
Investment income					
Return of capital					
Source (cash basis)					
Sales					
Refinancing					
Operations					
Other					
Amount (percentage) remaining invested in program properties at the end of the last year reported in the Table (original total acquisition cost of properties retained divided by original total acquisition cost of all properties in program)	100%				

NOTE 1: Operating expenses includes interest income, income tax expense and income tax benefit amounts.

NOTE 2: At the time of this filing, the tax return for this entity had not been filed.
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Table IV

(Unaudited)

RESULTS OF COMPLETED PROGRAMS

This Table provides a summary of the experience of the Affiliates of the Advisor in Prior Programs for which programs have completed operations in the past five years. Programs that have completed operations are programs that no longer hold properties. Set forth is information pertaining to the distributions made from the completed programs.

Table IV

Program name	Reynosa	Matamoros	Monterrey
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Program name	Reynosa	Matamoros	Monterrey
	(Unaudited)		
Dollar amount raised	1,041,306	21,908,458	6,155,134
Number of properties purchased or developed	1	7	1
Date of closing of offering	5/14/2000	9/10/1999	1/31/2000
Date of first sale of property	7/1/2001	10/4/2001	10/4/2001
Date of final sale of property	7/1/2001	10/4/2001	10/4/2001
Tax and distribution data per \$1,000 investment through date of final sale of property			
Federal income tax results:			
Ordinary income (loss)			
from operations	114	193	78
from recapture			
Capital gain (loss)		126	56
Deferred gain (note)			
Capital			
Ordinary			
Cash distribution to investors			
Source (GAAP)			
Investment income	1,007	189	
Return of capital		1,000	998
Source (cash basis)			
Sales	1,007	913	933
Refinancing			
Operations		276	65
Other			
Receivable on net purchase money financing (note)			

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Table V

(Unaudited)

SALES OR DISPOSALS OF PROPERTY

This Table provides a summary of the experience of the Affiliates of the Advisor in Prior Programs with sales or disposals of properties within the past three years. Set forth is information pertaining to the net selling price, cost of the properties and the excess or deficiency of the selling price to the property cost.

Selling Price, Net of Closing Costs and GAAP Adjustments									Cost of Properties Including Closing and Soft Costs			Excess (Deficiency) of Property Operating Cash Receipts Over Cash Expenditures
Entity	Property	Date Acquired (Note 1)	Date of Sale	Cash Received Net of Closing Costs	Mortgage Balance at Time of Sale	Purchase Money Mortgage Taken Back by Program	Adjustments Resulting from Application of GAAP	Total	Original Mortgage Financing	Total Acquisition Cost, Capital Improvement, Closing and Soft Costs	Total	
(Unaudited)												

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						Cost of Properties Including Closing and Soft Costs			
Matamoros	Axa Yazaki	5/7/1998	10/4/2001	2,663,439	2,663,439	2,625,823	2,625,823	37,616	
	Lucent I	5/7/1998	10/4/2001	500,217	500,217	609,308	609,308	(109,091)	
	Lucent II	5/7/1998	10/4/2001	3,274,495	3,274,495	2,722,399	2,722,399	552,096	
	Starkey	5/7/1998	10/4/2001	583,616	583,616	613,810	613,810	(30,194)	
	Frensenius	4/19/1999	10/4/2001	10,100,957	10,100,957	7,938,297	7,938,297	2,162,660	
	Panasonic	3/1/1999	10/4/2001	1,174,530	1,174,530	1,009,134	1,009,134	165,396	
	IEC/Interpark	4/26/1999	10/4/2001	4,487,739	4,487,739	4,251,114	4,251,114	236,625	
Monterrey	Bundy	1/1/2000	10/4/2001	3,610,877	3,610,877	3,339,441	3,339,441	271,435	
Reynosa	Elster Amco	4/1/2000	7/1/2001	1,049,089	1,049,089	1,049,089	1,049,089		

NOTE 1: The date acquired represents either the date the building was acquired or the date the building's construction was completed.

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APPENDIX B

SUBSCRIPTION AGREEMENT

To: Dividend Capital Trust Inc.
518 17th Street, 17th Floor
Denver, Colorado 80202

Ladies and Gentlemen:

The undersigned, by signing and delivering a copy of the attached Subscription Agreement Signature Page, hereby tenders this subscription and applies for the purchase of the number of shares of common stock ("Shares") of Dividend Capital Trust Inc., a Maryland corporation (the "Company"), set forth on such Subscription Agreement Signature Page. Payment for the Shares is hereby made by check payable to "Dividend Capital Trust Inc."

I hereby acknowledge receipt of the Prospectus of the Company dated September 5, 2003 (the "Prospectus"). I agree that if this subscription is accepted, it will be held, together with the accompanying payment, on the terms described in the Prospectus. I agree that subscriptions may be rejected in whole or in part by the Company in its sole and absolute discretion. **Sale of Shares pursuant to this Subscription Agreement will not be effective until at least five business days after the date an investor has received a final prospectus and until the investor has received a confirmation of purchase.**

Prospective investors should be aware that:

(a) The assignability and transferability of the Shares is restricted and will be governed by the Company's Articles of Incorporation and Bylaws and all applicable laws as described in the Prospectus.

(b) Prospective investors should not invest in Shares unless they have an adequate means of providing for their current needs and personal contingencies and have no need for liquidity in this investment.

(c) There is no public market for the Shares and, accordingly, it may not be possible to readily liquidate an investment in the Company.

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SPECIAL NOTICES FOR CALIFORNIA RESIDENTS ONLY CONDITIONS RESTRICTING TRANSFER OF SHARES

Section 260.141.11 Restrictions on Transfer:

a. The issuer of any security upon which a restriction on transfer has been imposed pursuant to Sections 260.102.6, 260.141.10 or 260.534 of the Rules (the "Rules") adopted under the California Corporate Securities Law (the "Code") shall cause a copy of this section to be delivered to each issuee or transferee of such security at the time the certificate evidencing the security is delivered to the issuee or transferee.

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b. It is unlawful for the holder of any such security to consummate a sale or transfer of such security, or any interest therein, without the prior written consent of the Commissioner (until this condition is removed pursuant to Section 260.141.12 of the Rules), except:

- (i) to the issuer;
- (ii) pursuant to the order or process of any court;
- (iii) to any person described in subdivision (i) of Section 25102 of the Code or Section 260.105.14 of the Rules;
- (iv) to the transferor's ancestors, descendants or spouse, or any custodian or trustee for the account of the transferor or the transferor's ancestors, descendants or spouse; or to a transferee by a trustee or custodian for the account of the transferee or the transferee's ancestors, descendants or spouse;
- (v) to holders of securities of the same class of the same issuer;
- (vi) by way of gift or donation inter vivos or on death;
- (vii) by or through a broker-dealer licensed under the Code (either acting as such or as a finder) to a resident of a foreign state, territory or country who is neither domiciled in this state to the knowledge of the broker-dealer, nor actually present in this state if the sale of such securities is not in violation of any securities laws of the foreign state, territory or country concerned;
- (viii) to a broker-dealer licensed under the Code in a principal transaction, or as an underwriter or member of an underwriting syndicate or selling group;
- (ix) if the interest sold or transferred is a pledge or other lien given by the purchaser to the seller upon a sale of the security for which the Commissioner's written consent is obtained or under this rule not required;
- (x) by way of a sale qualified under Sections 25111, 25112, 25113 or 25121 of the Code, of the securities to be transferred, provided that no order under Section 25140 or subdivision (a) of Section 25143 is in effect with respect to such qualification;
- (xi) by a corporation to a wholly owned subsidiary of such corporation, or by a wholly owned subsidiary of a corporation to such corporation;
- (xii) by way of an exchange qualified under Section 25111, 25112 or 25113 of the Code provided that no order under Section 25140 or subdivision (a) of Section 25143 is in effect with respect to such qualification;
- (xiii) between residents of foreign states, territories or countries who are neither domiciled or actually present in this state;

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(xiv) to the State Controller pursuant to the Unclaimed Property Law or to the administrator of the unclaimed property law of another state;

(xv) by the State Controller pursuant to the Unclaimed Property Law or by the administrator of the unclaimed property law of another state if, in either such case, such person (i) discloses to potential purchasers at the sale that transfer of the securities is restricted under this rule, (ii) delivers to each purchaser a copy of this rule, and (iii) advises the Commissioner of the name of each purchaser;

(xvi) by a trustee to a successor trustee when such transfer does not involve a change in the beneficial ownership of the securities;

(xvii) by way of an offer and sale of outstanding securities in an issuer transaction that is subject to the qualification requirement of Section 25110 of the Code but exempt from that qualification requirement by subdivision (f) of Section 25102; provided that any such transfer is on the condition that any certificate evidencing the security issued to such transferee shall contain the legend required by this section.

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(d) The certificates representing all such securities subject to such a restriction on transfer, whether upon initial issuance or upon any transfer thereof, shall bear on their face a legend, prominently stamped or printed thereon in capital letters of not less than 10-point size, reading as follows:

"IT IS UNLAWFUL TO CONSUMMATE A SALE OR TRANSFER OF THIS SECURITY, OR ANY INTEREST THEREIN, OR TO RECEIVE ANY CONSIDERATION THEREFOR, WITHOUT THE PRIOR WRITTEN CONSENT OF THE COMMISSIONER OF CORPORATIONS OF THE STATE OF CALIFORNIA, EXCEPT AS PERMITTED IN THE COMMISSIONER'S RULES."

[Last amended effective January 21, 1988.]

FOR MAINE, MASSACHUSETTS, MINNESOTA, MISSOURI AND NEBRASKA RESIDENTS ONLY

In no event may a subscription for Shares be accepted until at least five business days after the date the subscriber receives the Prospectus. Residents of the States of Maine, Massachusetts, Minnesota, Missouri and Nebraska who first received the Prospectus only at the time of subscription may receive a refund of the subscription amount upon request to the Company within five days of the date of subscription.

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REGISTRATION OF SHARES

The following requirements have been established for the various types of ownership in which Shares may be held and registered. Subscription Agreements must be executed and supporting material must be provided in accordance with these requirements.

1. **Individual Owner:** One signature required.
2. **Joint Tenants with Right of Survivorship:** Each joint tenant must sign.
3. **Tenants in Common:** Each tenant in common must sign.
4. **Community Property:** Only one investor must sign.
5. **Pension or Profit Sharing Plans:** The trustee must sign the Signature Page.
6. **Trust:** The trustee must sign. Provide the name of the trust, the name of the trustee and the name of the beneficiary.
7. **Partnership:** Identify whether the entity is a general or limited partnership. Each general partner must be identified and must sign the Signature Page. In the case of an investment by a general partnership, all partners must sign.
8. **Corporation:** An authorized officer must sign. The Subscription Agreement must be accompanied by a certified copy of the resolution of the Board of Directors designating the executing officer as the person authorized to sign on behalf of the corporation and a certified copy of the Board's resolution authorizing the investment.
9. **IRAs, IRA Rollovers And Keoghs:** The officer (or other authorized signer) of the bank, trust company, or other fiduciary of the account must sign. The address of the bank, trust company or other fiduciary must be provided in order to receive checks and other pertinent information regarding the investment.
- 10.

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Uniform Gift to Minors Act (UGMA) or Uniform Transfers to Minors Act (UTMA): The person named as the custodian of the account must sign. (This may or may not be the minor's parent.) Only one child is permitted in each investment under UGMA or UTMA. In addition, designate the state under which the UGMA or UTMA has been formed.

1.

INSTRUCTIONS TO SIGNATURE PAGE

Please refer to the following instructions in completing the Signature Page contained below. Failure to follow these instructions may result in the rejection of your subscription.

1. **Investment.** A minimum investment of \$2,000 (200 Shares) is required, except for certain states which require a higher minimum investment. A CHECK FOR THE FULL PURCHASE PRICE OF THE SHARES SUBSCRIBED FOR SHOULD BE MADE PAYABLE TO THE ORDER OF "DIVIDEND CAPITAL TRUST INC." Shares may be purchased only by persons meeting the standards set forth under the Section of the Prospectus entitled "Investor Suitability Standards." Please indicate the state in which the sale was made.

2. **Type Of Ownership.** Please check the appropriate box to indicate the type of entity or type of individuals subscribing.

3. **Registration Name And Address.** Please enter the exact name in which the Shares are to be held. For joint tenants with right of survivorship or tenants in common, include the names of both investors. In the case of partnerships or corporations, include the name of an individual to whom correspondence will be addressed. Trusts should include the name of the trustee. All investors must complete the space provided for taxpayer identification number or social security number. By signing in Section 5, the investor is certifying that the taxpayer or social security number is correct. Enter the

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mailing address and telephone numbers of the registered owner of this investment. In the case of a Qualified Plan or trust, this will be the address of the trustee. Indicate the birthdate and occupation of the registered owner unless the registered owner is a partnership, corporation or trust.

4. **Investor Name And Address.** Complete this Section only if the investor's name and address is different from the registration name and address provided in Section 3. If the Shares are registered in the name of a trust, enter the name, address, telephone number, social security number, birthdate and occupation of the beneficial owner of the trust.

5. **Subscriber Signatures.** Please separately initial each representation made by the investor where indicated. Except in the case of fiduciary accounts, the investor may not grant any person a power of attorney to make such representations on his or her behalf. Each investor must sign and date this Section. If title is to be held jointly, all parties must sign. If the registered owner is a partnership, corporation or trust, a general partner, officer or trustee of the entity must sign. PLEASE NOTE THAT THESE SIGNATURES ARE NOT REQUIRED TO BE NOTARIZED.

6. **Suitability.** Please complete this Section so that the Company and your Broker-Dealer can assess whether your subscription is suitable given your financial condition and investment objectives. The investor agrees to notify the Company and the Broker-Dealer named on the Subscription Agreement Signature Page in writing if at any time he fails to meet the applicable suitability standards or he is unable to make any other representations and warranties as set forth in the Prospectus or Subscription Agreement.

7. **Distribution Reinvestment Plan.** By electing the Distribution Reinvestment Plan, the investor elects to reinvest 100% of cash dividends otherwise payable to such investor in Shares of the Company. The investor acknowledges that the Dealer Manager may receive a service fee in the amount up to 1% of the current selling price of the Company's common stock. If cash dividends are to be sent to an address other than that provided in Section 4 (i.e., a bank, brokerage firm or savings and loan, etc.), please provide the name, account number and address.

8. **Broker-Dealer.** This Section is to be completed by the Registered Representative. Please complete all BROKER-DEALER information contained in Section 8 including suitability certification.

9. **Signature Page Must Be Signed By An Authorized Representative.** The Subscription Agreement Signature Page, which has been delivered with the Prospectus, together with a check for the full purchase price, should be delivered or mailed to your Broker-Dealer. Only original, completed copies of Subscription Agreements may be accepted. Photocopied or otherwise duplicated Subscription Agreements cannot be accepted by the Company.

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IF YOU NEED FURTHER ASSISTANCE IN COMPLETING THIS SUBSCRIPTION AGREEMENT SIGNATURE PAGE, PLEASE CALL (303) 228-2200

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Special Instructions:

**DIVIDEND CAPITAL TRUST INC.
SUBSCRIPTION AGREEMENT SIGNATURE PAGE**

See the Prospectus for application explanation.

1. INVESTMENT See payment instructions on back.

- ☐ This is my Initial Investment (\$2,000 minimum)
- Total \$ Invested ☐ This is an Additional Investment (minimum \$100)
(Minimum Investment \$2,000) State in which sale was made: _____
- ☐ Check this box if you are purchasing Shares from a registered investment advisor in a fee only account. (Advisor listed below must agree to this election)

2. ADDITIONAL INVESTMENTS

- ☐ **Please check the box if you plan to make additional investments in the Company.** If additional investments are made, please include social security number or other taxpayer identification number on your check. All additional investments must be made in increments of \$100. By checking this box, I agree to notify the Company in writing if at any time I fail to meet the suitability standards or am unable to make the representations in Section 6.

3. TYPE OF OWNERSHIP

- | | | |
|---|--|--|
| <input type="checkbox"/> Individual | <input type="checkbox"/> Keogh | <input type="checkbox"/> Transfer on Death |
| <input type="checkbox"/> Joint Tenants With Right of Survivorship | <input type="checkbox"/> Qualified Pension Plan | |
| <input type="checkbox"/> Community Property | <input type="checkbox"/> Qualified Profit Sharing Plan | |
| <input type="checkbox"/> Tenants in Common | <input type="checkbox"/> Other Trust _____ For the Benefit of _____ | |
| <input type="checkbox"/> Company | <input type="checkbox"/> Custodian: Custodian for _____ under the Uniform Gift to Minors Act | |
| <input type="checkbox"/> IRA | <input type="checkbox"/> or the Uniform Transfers to Minors Act of the State of _____ | |

4. REGISTRATION NAME AND ADDRESS

Please print name(s) in which Shares are to be registered. Include trust name and designated custodian if applicable.

Name (include Mr., Mrs., Dr. etc.): _____ Social Security Number: _ _ _ _ _

Street Address _____ Taxpayer ID Number: _ _ _ _ _

City: _____ State: _____ Zip Code: _____

Home Phone No.: _____ Business Phone No.: _____ Birth Date: _____

Email Address: _____ Occupation: _____

5. INVESTOR NAME AND ADDRESS (COMPLETE ONLY IF DIFFERENT FROM REGISTRATION NAME AND ADDRESS)

Name (include Mr., Mrs., Dr. etc.): _____ Social Security Number: _ _ _ _ _

Street Address _____ Taxpayer ID Number: _ _ _ _ _

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City: _____ State: _____ Zip Code: _____
Home Phone: _____ Business Phone No.: _____ Birth Date: _____
No.: _____

6. SUITABILITY

Occupation: _____ Annual Income: _____ Net Worth: _____

Investment objectives: _____

Nature of other investments or securities holdings: _____

(REVERSE SIDE MUST BE COMPLETED)

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7. SUBSCRIBER SIGNATURES

Please separately initial each of the representations below. Except in the case of fiduciary accounts, you may not grant any person a power of attorney to make such representations on your behalf. In order to induce the Company to accept this subscription, I hereby represent and warrant to you as follows:

- (a) I have received the Prospectus. (a) _____
Initials Initials
- (b) I accept and agree to be bound by the terms and conditions of the Articles of Incorporation. (b) _____
Initials Initials
- (c) I have (i) a net worth (exclusive of home, home furnishings and automobiles) of \$150,000 or more; or (ii) a net worth (as described above) of at least \$45,000 AND had during the last tax year or estimate that I will have during the current tax year a minimum of \$45,000 annual gross income, or that I meet the higher suitability requirements imposed by my state of primary residence as set forth in the Prospectus under "SUITABILITY STANDARDS." (c) _____
Initials Initials
- (d) If I propose to assign or transfer any Shares to any Person who is a California resident, or if I am a California resident, I may not consummate a sale or transfer of my Shares, or any interest therein, or receive any consideration therefore, without the prior written consent of the Commissioner of the Department of Corporations of the State of California, except as permitted in the Commissioner's Rules, and I understand that my Shares, or any document evidencing my Shares, will bear a legend reflecting the substance of the foregoing understanding. (d) _____
Initials Initials
- (e) I am purchasing Shares for my own account and acknowledge that the investment is not liquid. (e) _____
Initials Initials

I declare that the information supplied above is true and correct and may be relied upon by the Company in connection with my investment in the Company. Under penalties of perjury, by signing this Signature Page, I hereby certify that (a) I have provided my correct Taxpayer Identification Number, and (b) I am not subject to back-up withholding as a result of a failure to report all interest and dividends, or the Internal Revenue Service has notified me that I am no longer subject to back-up withholding.

Signature of Investor or Trustee Signature of Joint Owner, if applicable Date
(MUST BE SIGNED BY TRUSTEE(S) IF IRA, KEOGH OR QUALIFIED PLAN.)

8. DISTRIBUTIONS

- ☐ I prefer to participate in the Dividend Reinvestment Plan ☐ I prefer dividends in cash, send checks to address in section 4

- ☐ I prefer not to participate in the Dividend Reinvestment Plan and would like dividends to be deposited in the account listed below:

Institution Name

Name on Account

Account Number

Street
Address

City

State

ZIP

9. BROKER-DEALER (THIS SECTION TO BE COMPLETED BY THE REGISTERED REPRESENTATIVE.)

The Broker-Dealer or authorized representative must sign below to complete the order. Broker-Dealer or authorized representative warrants that it is a duly licensed Broker-Dealer and may lawfully offer Shares in the state designated as the investor's address or the state in which the sale was made, if different. The Broker-Dealer or authorized representative warrants that he has reasonable grounds to believe this investment is suitable as defined in Section 3(b) of the Rules of Fair Practice of the NASD Manual and that he has informed subscriber of all aspects of liquidity and marketability of this investment as required by Section 4 of such Rules of Fair Practice.

Broker-Dealer Name:

Telephone No.:

Broker-Dealer Street
Address:

City:

State:

Zip Code:

Registered Rep. Name:

Telephone No.:

Registered Rep. Address:

Rep ID #

City:

State:

Zip Code:

Email Address:

Registered Representative Signature

Broker-Dealer Signature, if required

Please mail completed Subscription Agreement
(with all signatures) and check(s) made payable to:

DIVIDEND CAPITAL TRUST INC.

7103 S. Revere Parkway
Englewood, CO 80112

Wiring Instructions:

Wells Fargo Bank West,
N.A.
ABA 102000076
Dividend Capital Trust Inc.
#0609921887
Ref: Escrow Account
Attn: Jennifer Miley
(303) 863-5238
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DCT contact information:

866-328-7348
303-228-2200
303-228-2201
info@dividendcapital.com
Toll
Free
Phone
Fax
Email

APPENDIX C**AMENDED AND RESTATED****DISTRIBUTION REINVESTMENT PLAN**

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THIS DISTRIBUTION REINVESTMENT Plan ("Plan") is adopted by the Dividend Capital Trust Inc., a Maryland corporation (the "Company"), pursuant to its Articles of Incorporation. Unless otherwise defined herein, capitalized terms shall have the same meaning as set forth in the Articles of Incorporation (the "Articles").

1. *Distribution Reinvestment.* As agent for the shareholders ("Shareholders") of the Company who (i) purchase shares of the Company's common stock (the "Shares") pursuant to the Company's initial public offering (the "Initial Offering"), or (ii) purchase Shares pursuant to any future offering of the Company ("Future Offering"), and who elect to participate in the Plan (the "Participants"), the Company will apply all dividends and other distributions declared and paid in respect of the Shares held by each Participant (the "Dividends"), including Dividends paid with respect to any full or fractional Shares acquired under the Plan, to the purchase of the Shares for such Participants directly, if permitted under state securities laws and, if not, through the Dealer Manager or Soliciting Dealers registered in the Participant's state of residence.

2. *Effective Date.* The effective date of this Plan shall be the date that the Registration Statement filed with respect to the Initial Offering is declared effective by the Securities and Exchange Commission (the "Commission").

3. *Procedure for Participation.* Any Shareholder who purchases Shares pursuant to the Initial Offering or any Future Offering and who has received a prospectus, as contained in the Company's registration statement filed with the Commission, may elect to become a Participant by completing and executing the Subscription Agreement, an enrollment form or any other appropriate authorization form as may be available from the Company, the Dealer Manager or Soliciting Dealer. Participation in the Plan will begin with the next Dividend payable after receipt of a Participant's subscription, enrollment or authorization. Shares will be purchased under the Plan on the date that Dividends are paid by the Company. The Company intends to pay Dividends on a quarterly basis. Each Participant agrees that if, at any time prior to the listing of the Shares on a national stock exchange or inclusion of the Shares for quotation on Nasdaq, he or she fails to meet the suitability requirements for making an investment in the Company or cannot make the other representations or warranties set forth in the Subscription Agreement, he or she will promptly so notify the Company in writing.

4. *Purchase of Shares.* Participants will acquire Plan Shares from the Company at a discounted price equal to 95% of the current offering price until the earliest of (i) all 4,000,000 of the Plan Shares registered in the Initial Offering are issued, (ii) the Initial Offering terminates and the Company elects to deregister with the Commission the unsold Plan Shares, or (iii) there is more than a *de minimis* amount of trading in our common stock, at which time any registered Plan Shares then available under the Plan will be sold at a discounted price equal to 95% of the fair market value of the shares, as determined by the Company's Board of Directors by reference to the applicable sales price in respect to the most recent trades occurring on or prior to the relevant distribution date. Participants in the Plan may also purchase fractional Shares so that 100% of the Dividends will be used to acquire Shares. However, a Participant will not be able to acquire Plan Shares to the extent that any such purchase would cause such Participant to exceed the Ownership Limit as set forth in the Articles or otherwise would cause a violation of the share ownership restrictions set forth in the Articles. Notwithstanding the foregoing, shares issued pursuant to the Plan will be assessed a service fee equal to 1.0% of the current offering price of the Company's common stock payable to the Broker Dealer. The service fee will be paid to the Broker Dealer for the cost of administering the Plan.

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Shares to be distributed by the Company in connection with the Plan may (but are not required to) be supplied from: (a) the Plan Shares which will be registered with the Commission in connection with the Company's Initial Offering, (b) Shares to be registered with the Commission in a Future Offering for use in the Plan (a "Future Registration"), or (c) Shares of the Company's common stock purchased by the Company for the Plan in a secondary market (if available) or on a stock exchange or Nasdaq (if listed) (collectively, the "Secondary Market").

Shares purchased in any Secondary Market will be purchased at the then-prevailing market price, which price will be utilized for purposes of issuing Shares in the Plan. Shares acquired by the Company in any Secondary Market or registered in a Future Registration for use in the Plan may be at prices lower or higher than the Share price which will be paid for the Plan Shares pursuant to the Initial Offering.

If the Company acquires Shares in any Secondary Market for use in the Plan, the Company shall use its reasonable efforts to acquire Shares at the lowest price then reasonably available. However, the Company does not in any respect guarantee or warrant that the Shares so acquired and purchased by the Participant in the Plan will be at the lowest possible price. Further, irrespective of the Company's ability to acquire Shares in any Secondary Market or to make a Future Offering for Shares to be used in the Plan, the Company is in no way obligated to do either, in its sole discretion.

It is understood that reinvestment of Dividends does not relieve a Participant of any income tax liability which may be payable on the Dividends.

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5. *Share Certificates.* The ownership of the Shares purchased through the Plan will be in book-entry form unless and until the Company issues certificates for its outstanding common stock.

6. *Reports.* Within 90 days after the end of the Company's fiscal year, the Company shall provide each Shareholder with an individualized report on his or her investment, including the purchase date(s), purchase price and number of Shares owned, as well as the dates of Dividend distributions and amounts of Dividends paid during the prior fiscal year. In addition, the Company shall provide to each Participant an individualized quarterly report at the time of each Dividend payment showing the number of Shares owned prior to the current Dividend, the amount of the current Dividend and the number of Shares owned after the current Dividend.

7. *Service Fee.* In connection with Shares sold pursuant to the Plan, the Company will pay, to the Broker Dealer, a service fee for the cost of administering the Plan equal to 1% of the then fair market value of the Company's common stock as determined in accordance with Section 4; and, in the event that proceeds from the sale of Plan Shares are used to acquire properties, acquisition and advisory fees will be paid to the Advisor.

8. *Termination by Participant.* A Participant may terminate participation in the Plan at any time, without penalty by delivering to the Company a written notice. Prior to listing of the Shares on a national stock exchange or Nasdaq, any transfer of Shares by a Participant to a non-Participant will terminate participation in the Plan with respect to the transferred Shares. Upon termination of Plan participation for any reason, Dividends subsequent to termination will be distributed to the Shareholder in cash.

9. *Amendment or Termination of Plan by the Company.* The Board of Directors of the Company may by majority vote (including a majority of the Independent Directors) amend or terminate the Plan for any reason upon 10 days' written notice to the Participants.

10. *Liability of the Company.* The Company shall not be liable for any act done in good faith, or for any good faith omission to act, including, without limitation, any claims or liability (a) arising out of failure to terminate a Participant's account upon such Participant's death prior to receipt of notice in writing of such death; or (b) with respect to the time and the prices at which Shares are purchased or

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sold for a Participant's account. To the extent that indemnification may apply to liabilities arising under the Securities Act of 1933, as amended, or the securities laws of a particular state, the Company has been advised that, in the opinion of the Commission and certain state securities commissioners, such indemnification is contrary to public policy and, therefore, unenforceable.

11. *Certain Definitions.* "Shareholders" shall be deemed to include limited partners of Dividend Capital Operating Partnership LP (the "Dividend Capital OP"), "Participants" shall be deemed to include limited partners of Dividend Capital OP that elect to participate in the Plan, and "Dividend", when used with respect to a limited partner of Dividend Capital OP, shall mean distributions on limited partnership interests held by such DCX Unit holder.

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No dealer, salesperson or other individual has been authorized to give any information or to make any representations that are not contained in this prospectus. If any such information or statements are given or made, you should not rely upon such information or representation. This prospectus does not constitute an offer to sell any securities other than those to which this prospectus relates, or an offer to sell, or a solicitation of an offer to buy, to any person in any jurisdiction where such an offer or solicitation would be unlawful. This prospectus speaks as of the date set forth below. You should not assume that the delivery of this prospectus or that any sale made pursuant to this prospectus implies that the information contained in this prospectus will remain fully accurate and correct as of any time subsequent to the date of this prospectus.

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**Up to 25,000,000 Shares
of Common Stock
Offered to the Public**

PROSPECTUS

**Dividend Capital
Securities LLC**

December 9, 2003

PART II

INFORMATION NOT REQUIRED IN PROSPECTUS

Item 31. Other Expenses of Issuance and Distribution.

SEC registration fee	\$	27,784
NASD filing fee		30,500
Accounting fees and expenses		300,000*
Escrow Agent's Fees		15,000*
Sales and advertising expenses		6,000,000*
Legal fees and expenses		600,000*
Blue Sky fees and expenses		500,000*
Printing expenses		500,000*
Miscellaneous		726,716*
		<hr/>
Total	\$	8,700,000*

*

Estimated through completion of offering, assuming sale of 29,000,000 shares.

Item 32. Sales to Special Parties.

Not Applicable.

Item 33. Recent Sales of Unregistered Securities.

Effective April 12, 2002, the Company issued 200 shares of common stock to an affiliate of Dividend Capital Advisors LLC for \$2,000 in cash. The Company relied on Section 4(2) of the Securities Act of 1933, as amended, for the exemption from the registration requirements of such Act. The investor, by virtue of its affiliation with the Company, had access to information concerning the proposed operations of the Company and the terms and conditions of its investment. In addition, the investor acknowledged its intent to acquire the shares of the Company for investment purposes and not with a view toward the subsequent distribution thereof. Any certificates which may be issued with respect to the shares will contain a legend restricting transfer of the shares represented thereby.

Item 34. Indemnification of Directors and Officers.

Pursuant to Maryland corporate law and the Company's Articles of Incorporation, the Company is required to indemnify and hold harmless a present or former Director, officer, Advisor, or Affiliate and may indemnify and hold harmless a present or former employee or agent of the Company (the "Indemnitees") against any or all losses or liabilities reasonably incurred by the Indemnitee in connection with or by reason of any act or omission performed or omitted to be performed on behalf of the Company while a Director, officer, Advisor, Affiliate, employee or agent and in such capacity, provided, that the Indemnitee has determined, in good faith, that the act or omission which caused the loss or liability was in the best interests of the Company. The Company will not indemnify or hold harmless the Indemnitee if: (i) the loss or liability was the results of negligence or misconduct, or if the Indemnitee is an Independent Director, the loss or liability was the result of gross negligence or willful misconduct, (ii) the act or omission was material to the loss or liability and was committed in bad faith or was the result of active or deliberate dishonesty, (iii) the Indemnitee actually received an improper personal benefit in money, property, or services, (iv) in the case of any criminal proceeding, the Indemnitee had reasonable cause to believe that the act or omission was unlawful, or (v) in a proceeding by or in the right of the Company, the Indemnitee shall have been adjudged to be liable to the Company. In addition, the Company will not provide indemnification for any loss or liability arising from an alleged violation of federal or state securities laws unless one or more of the following conditions are met: (i) there has been a successful adjudication on the merits of each count involving

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alleged securities law violation as to the particular Indemnitee; (ii) such claims have been dismissed with prejudice on the merits by a court of competent jurisdiction as to the particular Indemnitee or (iii) a court of competent jurisdiction approves a settlement of the claims against a particular Indemnitee and finds that indemnification of the settlement and the related costs should be made, and the court considering the request of indemnification has been advised of the position of the Securities and Exchange Commission and of the published position of any state securities regulatory authority in which securities of the Company were offered or sold as to indemnification for violation of securities laws. Pursuant to its Articles of Incorporations, the Company is required to pay or reimburse reasonable expenses incurred by a present or former Director, officer, Advisor or Affiliate and may pay or reimburse reasonable expenses incurred by any other Indemnitee in advance of final disposition of a proceeding if the following are satisfied: (i) the Indemnitee was made a party to the proceeding by reason of his or her service as a Director, officer, Advisor, Affiliate, employee or agent of the Company, (ii) the Indemnitee provides the Company with written affirmation of his or her good faith belief that he or she has met the standard of conduct necessary for indemnification by the Company as authorized by the Articles of Incorporation, (iii) the Indemnitee provides the Company with a written agreement to repay the amount paid or reimbursed by the Company, together with the applicable legal rate of interest thereon if it is ultimately determined that the Indemnitee did not comply with the requisite standard of conduct, and (iv) the legal proceeding was initiated by a third party who is not a stockholder or, if by a stockholder of the Company acting in his or her capacity as such, a court of competent jurisdiction approves such advancement. The Company's Articles of Incorporation further provide that any indemnification, payment, or reimbursement of the expenses permitted by the Articles of Incorporation will be furnished in accordance with the procedures in Section 2-418 of the Maryland General Corporation Law.

Any indemnification may be paid only out of Net Assets of the Company, and no portion may be recoverable from the stockholders.

The Company has entered into indemnification agreements with each of the Company's officers and Directors. The Indemnification agreements require, among other things, that the Company indemnify its officers and Directors to the fullest extent permitted by law, and advance to the officers and Directors all related expenses, subject to reimbursement if it is subsequently determined that indemnification is not permitted. In accordance with this agreement, the Company must indemnify and advance all expenses incurred by officers and Directors seeking

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to enforce their rights under the indemnification agreements. The Company must also cover officers and Directors under the Company's directors' and officers' liability insurance.

Item 35. Treatment of Proceeds from Securities Being Registered.

Not applicable.

Item 36. Financial Statements and Exhibits.

(a)

Financial Statements:

The following financial statements are included in the Prospectus:

Audited Financial Information:

- (1) Independent Auditors' Report
- (2) Consolidated Balance Sheets as of April 12, 2002 and December 31, 2002
- (3) Consolidated Statement of Operations for the Period from Inception (April 12, 2002) to December 31, 2002
- (4) Consolidated Statement of Shareholder's Equity (Deficit) for the Period from Inception (April 12, 2002) to December 31, 2002

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- (5) Consolidated Statement of Cash Flows for the Period from Inception (April 12, 2002) to December 31, 2002
- (6) Notes to Consolidated Financial Statements

Unaudited Financial Information:

- (1) Condensed Consolidated Balance Sheets as of September 30, 2003 and December 31, 2002 (Unaudited)
- (2) Condensed Consolidated Statements of Operations for the Three and Nine Months Ended September 30, 2003 for the Three Months Ended September 30, 2002 and for the Period from Inception (April 12, 2002) through September 30, 2002 (Unaudited)
- (3) Condensed Consolidated Statements of Shareholders' Equity (Deficit) for the Nine Months Ended September 30, 2003 (Unaudited)
- (4) Condensed Consolidated Statements of Cash Flows for the Nine Months Ended September 30, 2003 and for the Period from Inception (April 12, 2002) to September 30, 2002 (Unaudited)
- (5) Notes to Condensed Consolidated Financial Statements (Unaudited)

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- (6) Pro Forma Consolidated Balance Sheet (Unaudited) as of September 30, 2003
- (7) Pro Forma Consolidated Statement of Operations (Unaudited) for the six months ended September 30, 2003
- (8) Pro Forma Consolidated Statement of Operations (Unaudited) for the Year Ended December 31, 2002
- (9) Notes to Pro Forma Consolidated Financial Statements

Chickasaw Distribution Facilities:

- (1) Independent Auditors' Report
- (2) Statements of Revenue and Certain Expenses for the Six Months Ended June 30, 2003 (unaudited) and for the Year Ended December 31, 2002
- (3) Notes to Statements of Revenue and Certain Expenses

Mallard Lake Distribution Facility:

- (1) Independent Auditors' Report
- (2) Statements of Revenue and Certain Expenses for the Nine Months Ended September 30, 2003 (unaudited) and for the Year Ended December 31, 2002
- (3) Notes to Statements of Revenue and Certain Expenses

West by Northwest Distribution Facility:

- (1) Independent Auditors' Report
- (2) Statements of Revenue and Certain Expenses for the Nine Months Ended September 30, 2003 (unaudited) and for the Year Ended December 31, 2002
- (3) Notes to Statements of Revenue and Certain Expenses

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- (b) Exhibits:

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*1.2	Form of Selected Dealer Agreement
*1.3	Form of Warrant Purchase Agreement
*3.1	Dividend Capital Trust Inc. Articles of Incorporation
*3.1.1	Dividend Capital Trust Inc. Amended and Restated Articles of Incorporation
*3.2	Dividend Capital Trust Inc. Bylaws
*4.1	Form of Subscription Agreement (Included in the Prospectus as Appendix B and incorporated herein by reference.)
*4.2	Form of Dividend Reinvestment Plan (Included in the prospectus as Appendix C and incorporated herein by reference.)
+5	Opinion of Clifford Chance US LLP as to the legality of the securities being registered
+8	Opinion of Skadden, Arps, Slate, Meagher & Flom LLP regarding certain federal income tax considerations relating to Dividend Capital Trust Inc.
*10.1	Form of Escrow Agreement between Dividend Capital Trust Inc. and Wells Fargo Bank West, N.A.
*10.2	Advisory Agreement between Dividend Capital Trust Inc. and Dividend Capital Advisors LLC dated July 12, 2002
*10.3	Management Agreement between Dividend Capital Trust Inc. and Dividend Property Management LLC dated July 12, 2002
*10.4	Form of Indemnification Agreement between Dividend Capital Trust Inc. and the officers and directors of Dividend Capital Trust Inc.
*10.5	Limited Partnership Agreement of Dividend Capital Operating Partnership LP.
*10.6.1	Dividend Capital Trust Inc. Employee Stock Option Plan
*10.6.2	Dividend Capital Trust Inc. Independent Director Stock Option Plan
+23.1	Consent of KPMG LLP, Independent Auditors, dated December 2, 2003.
+23.2	Consent of Clifford Chance US LLP (contained in its opinion filed as Exhibit 5 and incorporated herein by reference).
+23.3	Consent of Skadden, Arps, Slate, Meagher & Flom LLP (contained in its opinion filed as Exhibit 8 and incorporated herein by reference).
*24	Power of Attorney

+ Filed herewith.

* Previously filed.

Item 37. Undertakings

The registrant undertakes (a) to file any prospectuses required by Section 10 (a) (3) as post-effective amendments to this registration statement, (b) during any period in which offers or sales are being made, to file a post-effective amendment to this registration statement (i) to reflect in the prospectus any facts or events arising after the effective date of the registration statement (or the most recent post-effective amendment thereof) which, individually or in the aggregate, represent a fundamental change in the information set forth in the registration statement, and (ii) to include any material information with respect to the plan of distribution not previously disclosed on the registration statement or any material change to such information in the registration statement, (c) that, for the purpose of determining any liability under the Securities Act of 1933, as amended, each such post-effective amendment may be deemed to be a new registration statement relating to the securities offered therein, and the offering of such securities at that time shall be deemed to be the initial bona fide offering thereof, (d) that all post-effective amendments will comply with the applicable forms, rules and regulations of the Commission in effect at the time such post-effective amendments are filed, and (e) to remove from registration by means of a post-effective amendment any of the securities being registered which remain unsold at the termination of the offering.

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The registrant undertakes to send to each stockholder, at least on an annual basis, a detailed statement of any transactions with the Advisor or its Affiliates, and of fees, commissions, compensations and other benefits paid or accrued to the Advisor or its Affiliates, for the fiscal year completed, showing the amount paid or accrued to each recipient and the services performed.

The registrant undertakes to provide to the stockholders the financial statements required by Form 10-K for the first full fiscal year of operations.

The registrant undertakes to file a sticker supplement pursuant to Rule 424(c) under the Act during the distribution period describing each property not identified in the Prospectus at such time as there arises a reasonable probability that such property will be acquired and to consolidate all such stickers into a post-effective amendment filed at least once every three months, with the information contained in such amendment provided simultaneously to the existing stockholders. Each sticker supplement will disclose all compensation and fees received by

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the Advisor and its Affiliates in connection with any such acquisition. The post-effective amendment will include audited financial statements meeting the requirements of Rule 3-14 or Rule 3-05 of Regulation S-X, as appropriate based on the type of property acquired and the type of lease to which such property will be subject, only for properties acquired during the distribution period.

The registrant also undertakes to file, after the end of the distribution period, a current report on Form 8-K containing the financial statements and any additional information required by Rule 3-14 or Rule 3-05 of Regulation S-X, as appropriate based on the type of property acquired and the type of lease to which such property will be subject, to reflect each commitment (i.e., the signing of a binding purchase agreement) made after the end of the distribution period involving the use of 10% or more (on a cumulative basis) of the net proceeds of the offering and to provide the information contained in such report to the stockholders at least once per quarter after the distribution period of the offering has ended. The registrant also undertakes to include, in filings containing financial statements of the registrant, separate audited financial statements for all lessees leasing one or more properties whose cost represents 20% or more of the total assets or gross proceeds of the offering.

Insofar as indemnification for liabilities arising under the Securities Act of 1933, as amended, may be permitted to directors, officers, and controlling persons of the registrant pursuant to the foregoing provisions, or otherwise, the registrant has been advised that in the opinion of the Securities and Exchange Commission such indemnification is against public policy as expressed in the Act and is, therefore, unenforceable. In the event that a claim for indemnification against such liabilities (other than the payment by the registrant of expenses incurred or paid by a director, officer, or controlling person of the registrant in the successful defense of any such action, suit, or proceeding) is asserted by such director, officer, or controlling person in connection with the securities being registered, the registrant will, unless in the opinion of its counsel the matter has been settled by controlling precedent, submit to a court of appropriate jurisdiction the question whether such indemnification by it is against public policy as expressed in the Act and will be governed by the final adjudication of such issue.

The undersigned registrant hereby undertakes that (a) for purposes of determining any liability under the Securities Act of 1933, the information omitted from the form of prospectus filed as part of this registration statement in reliance upon Rule 430A and contained in a form of prospectus filed by the registrant pursuant to Rule 424(b)(1) or (4) or 497(h) under the Securities Act shall be deemed to be part of this registration statement as of the time it was declared effective, and (b) for the purpose of determining any liability under the Securities Act of 1933, each post-effective amendment that contains a form of prospectus shall be deemed to be a new registration statement relating to the securities offered therein, and the offering of such securities at that time shall be deemed to be the initial bona fide offering thereof.

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SIGNATURES

Pursuant to the requirements of the Securities Act of 1933, the Registrant has duly caused this Registration Statement to be signed on its behalf by the undersigned, thereunto duly authorized, in the City of Denver, State of Colorado, on December 9, 2003.

DIVIDEND CAPITAL TRUST INC.

By: /s/ EVAN H. ZUCKER

Evan H. Zucker, *President*

Pursuant to the requirements of the Securities Act of 1933, this Registration Statement has been signed below by the following persons in the capacities and on the dates indicated.

Signature	Title	Date
<u>/s/ EVAN H. ZUCKER</u> Evan H. Zucker	President (Principal Executive Officer) and Director	December 9, 2003
<u>/s/ JAMES R. MULVIHILL</u> James R. Mulvihill	Chief Financial Officer (Principal Accounting Officer) and Director	December 9, 2003

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Signature	Title	Date
<u>/s/ THOMAS G. WATTLES</u> Thomas G. Wattles	Chairman and Director	December 9, 2003
<u>/s/ TRIPP H. HARDIN*</u> Tripp H. Hardin	Director	December 9, 2003
<u>/s/ ROBERT F. MASTEN*</u> Robert F. Masten	Director	December 9, 2003
<u>/s/ JOHN C. O'KEEFFE*</u> John C. O'Keeffe	Director	December 9, 2003
<u>/s/ LARS O. SODERBERG*</u> Lars O. Soderberg	Director	December 9, 2003
*By: <u>/s/ EVAN H. ZUCKER</u> Evan H. Zucker <i>Attorney-in-fact</i>		

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