

FOR IMMEDIATE RELEASE

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UMH PROPERTIES, INC. REPORTS RESULTS FOR THE YEAR ENDED AND THE
FOURTH QUARTER ENDED DECEMBER 31, 2016

FREEHOLD, NJ, March 8, 2017..... UMH Properties, Inc. (NYSE:UMH) reported Total Income of \$99,214,000 for the year ended December 31, 2016 as compared to \$81,517,000 for the year ended December 31, 2015, representing an increase of 22%. Total Income for the quarter ended December 31, 2016 was \$25,144,000 as compared to \$21,924,000 for the quarter ended December 31, 2015, representing an increase of 15%. Net Loss Attributable to Common Shareholders amounted to \$2,569,000 or \$0.09 per diluted share for the year ended December 31, 2016 as compared to \$6,123,000 or \$0.24 per diluted share for the year ended December 31, 2015, representing an improvement of 58%. Net Loss Attributable to Common Shareholders amounted to \$413,000 or \$0.01 per diluted share for the quarter ended December 31, 2016 as compared to \$2,425,000 or \$0.10 per diluted share for the quarter ended December 31, 2015, representing an improvement of 83%.

Core Funds from Operations (“Core FFO”) was \$20,731,000 or \$0.74 per diluted share for the year ended December 31, 2016 as compared to \$14,267,000 or \$0.55 per diluted share for the year ended December 31, 2015, representing an increase in Core FFO per diluted share of 35%. Core FFO was \$5,719,000 or \$0.20 per diluted share for the quarter ended December 31, 2016 as compared to \$3,894,000 or \$0.14 per diluted share for the quarter ended December 31, 2015, representing an increase in Core FFO per diluted share of 43%. Normalized Funds from Operations (“Normalized FFO”), was \$18,446,000 or \$0.66 per diluted share for the year ended December 31, 2016, as compared to \$14,188,000 or \$0.55 per diluted share for the year ended December 31, 2015, representing an increase in Normalized FFO per diluted share of 20%. Normalized FFO was \$5,333,000 or \$0.18 per diluted share for the quarter ended December 31, 2016, as compared to \$3,817,000 or \$0.14 per diluted share for the quarter ended December 31, 2015, representing an increase in Normalized FFO per diluted share of 29%.

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A summary of significant financial information for the three and twelve months ended December 31, 2016 and 2015 is as follows:

	For the Three Months Ended December 31,	
	2016	2015
Total Income	\$ 25,144,000	\$ 21,924,000
Total Expenses	\$ 20,635,000	\$ 19,256,000
Gain on Sales of Securities, net	\$ 386,000	\$ 77,000
Net Loss Attributable to Common Shareholders	\$ (413,000)	\$ (2,425,000)
Net Loss Attributable to Common Shareholders per Diluted Common Share	\$ (0.01)	\$ (0.10)
Core FFO ⁽¹⁾	\$ 5,719,000	\$ 3,894,000
Core FFO ⁽¹⁾ per Diluted Common Share	\$ 0.20	\$ 0.14
Normalized FFO ⁽¹⁾	\$ 5,333,000	\$ 3,817,000
Normalized FFO ⁽¹⁾ per Diluted Common Share	\$ 0.18	\$ 0.14
Weighted Average Diluted Shares Outstanding	28,830,000	26,978,000

	For the Twelve Months Ended December 31,	
	2016	2015
Total Income	\$ 99,214,000	\$ 81,517,000
Total Expenses	\$ 83,256,000	\$ 72,077,000
Gain on Sales of Securities, net	\$ 2,285,000	\$ 204,000
Net Loss Attributable to Common Shareholders	\$ (2,569,000)	\$ (6,123,000)
Net Loss Attributable to Common Shareholders per Diluted Common Share	\$ (0.09)	\$ (0.24)
Core FFO ⁽¹⁾	\$ 20,731,000	\$ 14,267,000
Core FFO ⁽¹⁾ per Diluted Common Share	\$ 0.74	\$ 0.55
Normalized FFO ⁽¹⁾	\$ 18,446,000	\$ 14,188,000
Normalized FFO ⁽¹⁾ per Diluted Common Share	\$ 0.66	\$ 0.55
Weighted Average Diluted Shares Outstanding	27,809,000	25,933,000

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A summary of significant balance sheet information as of December 31, 2016 and 2015 is as follows:

	December 31, 2016	December 31, 2015
Gross Real Estate Investments	\$ 640,217,000	\$ 577,709,000
Securities Available for Sale at Fair Value	\$ 108,755,000	\$ 75,011,000
Total Assets	\$ 680,445,000	\$ 600,317,000
Mortgages Payable, net	\$ 293,026,000	\$ 283,050,000
Loans Payable, net	\$ 58,285,000	\$ 57,862,000
Total Shareholders' Equity	\$ 317,032,000	\$ 246,238,000

Samuel A. Landy, President and CEO, commented on the 2016 results.

“We are pleased to announce another excellent year of increasing financial operating results and strong overall performance. Our accomplishments during the year included:

- Generated an increase in Normalized FFO share growth of 20.0%, representing our fourth consecutive year of double-digit growth;
- Increased Community Net Operating Income (“NOI”) by 27.4%;
- Increased same property Community NOI by 18.9%;
- Increased same property occupancy from 82.9% to 84.8%;
- Improved our Operating Expense Ratio from 49.6% to 47.0%;
- Generated approximately \$2.3 million in net realized gains in addition to the \$16.7 million in unrealized gains we held at yearend on our REIT securities investments;
- Acquired 3 communities containing approximately 300 home sites for a total cost of \$7.3 million;
- Increased our rental home portfolio by 900 homes, representing an increase of 25% to 4,700 total rental homes;
- Raised approximately \$22 million in common equity capital through our Dividend Reinvestment and Stock Purchase Plan;
- Issued 2 million shares of our 8.0% Series B Cumulative Redeemable Preferred Stock raising net proceeds of approximately \$49 million;
- Financed/refinanced four communities for a total of \$32 million; and
- Reduced our weighted average mortgage interest rate from 4.6% to 4.4%.”

Mr. Landy stated, “UMH was one of the top performing REITs in 2016, with a total shareholder return of 59%. This year also marks our fourth consecutive year of double-digit earnings per share growth, increasing Normalized FFO per diluted share by 20.0%, from \$0.55 per diluted share in 2015 to \$0.66 per diluted share in 2016. For the fourth quarter, our Normalized FFO was \$0.18 per diluted share as compared to \$0.14 per diluted share in the prior year period, representing an increase of 28.6%. We have reached the point where our dividends are once again covered by our Normalized FFO.”

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“Our excellent results are fueled by our solid same property metrics. Year over year, same property revenue increased 12.9% while expenses only increased 6.1% resulting in an increase in same property NOI of 18.9%. These results were led by a same property occupancy gain of 190 basis points.”

“We have continued to acquire value-add communities and in 2016 we purchased 3 communities containing approximately 300 developed homesites for an aggregate cost of approximately \$7.3 million. Subsequent to yearend, we completed the acquisition of an additional 5 communities containing approximately 1,300 developed homesites for an aggregate cost of approximately \$36.5 million. These communities are located in regions where we are seeing increased demand and should provide us with an opportunity to significantly improve community operating results.”

“Our securities portfolio delivered exceptional results this year. We are very pleased with our current holdings which had \$16.7 million in net unrealized gains at yearend, in addition to the \$6.6 million in dividend income and \$2.3 million in net realized gains generated during the year.”

“With respect to our capital markets activity, during 2016 we raised approximately \$49 million through the issuance of 2 million shares of our 8% Series B Cumulative Redeemable Perpetual Preferred Stock. This offering further strengthens our balance sheet and positions the Company to continue to deliver these positive results.”

“Our 2016 results reflect consistent strong performance across our portfolio and positions us for continued success in 2017.”

UMH Properties, Inc. will host its Fourth Quarter and Year End 2016 Financial Results Webcast and Conference Call. Senior management will discuss the results, current market conditions and future outlook on Thursday, March 9, 2017 at 10:00 a.m. Eastern Time.

The Company’s 2016 fourth quarter and yearend financial results being released herein will be available on the Company’s website at www.umh.reit in the “Financial Information and Filings” section.

To participate in the **webcast**, select the microphone icon found on the homepage www.umh.reit to access the call. Interested parties can also participate via **conference call** by calling toll free 877-513-1898 (domestically) or 412-902-4147 (internationally).

The replay of the conference call will be available at 12:00 p.m. Eastern Time on Thursday, March 9, 2017. It will be available until May 1, 2017, and can be accessed by dialing toll free 877-344-7529 (domestically) and 412-317-0088 (internationally) and entering the passcode 10100433. A transcript of the call and the webcast replay will be available at the company's website, www.umh.reit.

UMH Properties, Inc., which was organized in 1968, is a public equity REIT that owns and operates 106 manufactured home communities containing approximately 19,300 developed

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homesites. These communities are located in New Jersey, New York, Ohio, Pennsylvania, Tennessee, Indiana and Michigan. In addition, the Company owns a portfolio of REIT securities.

Certain statements included in this press release which are not historical facts may be deemed forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995. Any such forward-looking statements are based on the Company's current expectations and involve various risks and uncertainties. Although the Company believes the expectations reflected in any forward-looking statements are based on reasonable assumptions, the Company can provide no assurance those expectations will be achieved. The risks and uncertainties that could cause actual results or events to differ materially from expectations are contained in the Company's annual report on Form 10-K and described from time to time in the Company's other filings with the SEC. The Company undertakes no obligation to publicly update or revise any forward-looking statements whether as a result of new information, future events, or otherwise.

Note:

- (1) Non-GAAP Information: We assess and measure our overall operating results based upon an industry performance measure referred to as Funds From Operations ("FFO"), which management believes is a useful indicator of our operating performance. FFO is used by industry analysts and investors as a supplemental operating performance measure of a REIT. FFO, as defined by The National Association of Real Estate Investment Trusts ("NAREIT"), represents Net Income (Loss) Attributable to Common Shareholders, as defined by accounting principles generally accepted in the United States of America ("U.S. GAAP"), excluding extraordinary items, as defined under U.S. GAAP, gains or losses from sales of previously depreciated real estate assets, impairment charges related to depreciable real estate assets, plus certain non-cash items such as real estate asset depreciation and amortization. NAREIT created FFO as a non-U.S. GAAP supplemental measure of REIT operating performance. We define Core Funds From Operations ("Core FFO") as FFO plus acquisition costs and costs of early extinguishment of debt. We define Normalized Funds From Operations ("Normalized FFO") as Core FFO excluding gains and losses realized on securities investments and certain non-recurring charges. We define Community NOI as rental and related income less community operating expenses such as real estate taxes, repairs and maintenance, community salaries, utilities, insurance and other expenses. FFO, Core FFO and Normalized FFO, as well as Community NOI, should be considered as supplemental measures of operating performance used by REITs. FFO, Core FFO and Normalized FFO exclude historical cost depreciation as an expense and may facilitate the comparison of REITs which have a different cost basis. However, other REITs may use different methodologies to calculate FFO, Core FFO, Normalized FFO and Community NOI and, accordingly, our FFO, Core FFO, Normalized FFO and Community NOI may not be comparable to all other REITs. The items excluded from FFO, Core FFO and Normalized FFO are significant components in understanding the Company's financial performance.

FFO, Core FFO and Normalized FFO (i) do not represent Cash Flow from Operations as defined by U.S. GAAP; (ii) should not be considered as an alternative to net income (loss) as a measure of operating performance or to cash flows from operating, investing and financing activities; and (iii) are not alternatives to cash flow as a measure of liquidity.

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The reconciliation of the Company's U.S. GAAP net loss to the Company's FFO, Core FFO and Normalized FFO for the three and twelve months ended December 31, 2016 and 2015 are calculated as follows:

	Three Months Ended		Twelve Months Ended	
	12/31/16	12/31/15	12/31/16	12/31/15
Net Loss Attributable to Common Shareholders	\$(413,000)	\$(2,425,000)	\$(2,569,000)	\$(6,123,000)
Depreciation Expense	6,121,000	5,412,000	23,214,000	18,878,000
(Gain) Loss on Sales of Depreciable Assets	(22,000)	14,000	2,000	80,000
FFO Attributable to Common Shareholders	5,686,000	3,001,000	20,647,000	12,835,000
Acquisition Costs	28,000	508,000	79,000	957,000
Cost of Early Extinguishment of Debt	5,000	385,000	5,000	475,000
Core FFO Attributable to Common Shareholders	5,719,000	3,894,000	20,731,000	14,267,000
Gain on Sales of Securities, net	(386,000)	(77,000)	(2,285,000)	(204,000)
Settlement of Litigation	-0-	-0-	-0-	125,000
Normalized FFO Attributable to Common Shareholders	\$5,333,000	\$3,817,000	\$18,446,000	\$14,188,000

The diluted weighted shares outstanding used in the calculation of Core FFO per Diluted Common Share and Normalized FFO per Diluted Common Share were 29,279,000 and 28,136,000 shares for the three and twelve months ended December 31, 2016, respectively, and 27,024,000 and 25,973,000 for the three and twelve months ended December 31, 2015, respectively. Common stock equivalents resulting from stock options in the amount of 449,000 and 327,000 shares for the three and twelve months ended December 31, 2016, respectively, and 46,000 and 40,000 shares for the three and twelve months ended December 31, 2015, respectively, are included in the diluted weighted shares outstanding. Common stock equivalents were excluded from the computation of the Diluted Net Loss per Share as their effect would be anti-dilutive.

The following are the cash flows provided (used) by operating, investing and financing activities for the twelve months ended December 31, 2016 and 2015:

	2016	2015
Operating Activities	\$29,353,000	\$25,708,000
Investing Activities	(77,567,000)	(148,675,000)
Financing Activities	45,895,000	121,420,000

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