

**INLAND AMERICAN REAL ESTATE TRUST, INC.
AMENDED AND RESTATED
DISTRIBUTION REINVESTMENT PLAN**

Inland American Real Estate Trust, Inc. (“Inland American” or the “Company”), as a service to its stockholders, hereby offers participation in its Amended and Restated Distribution Reinvestment Plan (the “Plan”). The Plan is designed to provide participants with a simple and convenient way to purchase shares of the Company’s common stock. Stockholders who choose not to participate in the Plan will receive cash distributions, as declared and paid by the Company.

To aid in your understanding of the question-and-answer statements set forth below, you may find the following basic definitions useful:

“*Shares registered in your name*” means shares of the Company’s common stock for which you are the owner of record. If you own shares of the Company’s common stock but are not the owner of record for those shares, it is likely that the shares you own are registered in the name of another (e.g., in the name of a bank or trustee holding shares of common stock on your behalf) and are held for you by the registered owner in an account in your name.

“*Shares enrolled in the Plan*” means shares registered in your name that you have chosen to enroll in the Plan. Distributions on all shares enrolled in the Plan are automatically reinvested in additional shares of the Company’s common stock. You do not have to enroll all of your shares of common stock in the Plan.

The following question-and-answer statements define the Company’s Amended and Restated Distribution Reinvestment Plan, effective as of August 23, 2010.

Purpose

1. What is the purpose of the Plan?

The purpose of the Plan is to provide eligible stockholders (see Question 5) with a simple and convenient way to invest cash distributions in additional shares of the Company’s common stock. The Plan is intended to be used by you as a vehicle for long-term investment in the Company’s common stock.

Maximum Ownership of Shares. To maintain the Company’s qualification as a REIT, no more than 50% of its outstanding shares of common stock may be owned directly or indirectly by five or fewer individuals at any time during July through December of each year. To ensure that the Company meets this test, its charter provides that no person may own more than 9.8% in value of its issued and outstanding stock or more than 9.8% in value or in number of shares, whichever is more restrictive, of its issued and outstanding common stock. Therefore, to the extent that any purchase of shares of common stock under the Plan would cause you to own in excess of 9.8% in value of the Company’s issued and outstanding stock or 9.8% in value or in number of shares, whichever is more restrictive, of the Company’s issued and outstanding common stock, you may not reinvest your distributions to purchase additional shares of common stock.

Investment Options

2. What investment options are available to participants in the Plan?

The Plan provides two options for purchasing additional shares of common stock.

Full Distribution Reinvestment Option. You may have cash distributions on all of your shares of common stock automatically reinvested; or

Partial Distribution Reinvestment Option. You may reinvest distributions on a percentage of the shares of common stock you own and continue to receive cash distributions on the other shares registered in your name. You can take advantage of this option by enrolling in the Plan only that percentage of your shares for which you wish to reinvest distributions.

Benefits and Disadvantages

3. *What are the benefits and disadvantages of the Plan?*

Benefits. Before deciding whether to participate, you should consider the following benefits of the Plan:

- You may purchase additional shares of the Company's common stock by automatically reinvesting cash distributions on all, or less than all, of the shares registered in your name. You will continue to receive cash distributions for those shares of common stock that you choose not to enroll in the Plan.
- No commissions, brokerage fees or service charges will be paid by you in connection with purchases under the Plan.
- Your funds will be fully invested because the Plan permits fractions of shares of common stock to be purchased by you and registered in your name. Distributions on such fractions, as well as on whole shares, will be reinvested in additional shares of common stock and registered in your name.
- Regular statements from the Administrator reflecting all current activity in your account, including purchases, sales and latest balance, will simplify your recordkeeping.

Disadvantages. Before deciding whether to participate, you should consider the following disadvantages of the Plan:

- You will be treated for federal income tax purposes as receiving a distribution equal to the fair market value of the shares of common stock issued to you as a result of the reinvestment of cash distributions. This distribution will be taxable to the extent of the Company's current and accumulated earnings and profits (and to the extent the distribution exceeds both the Company's current and accumulated earnings and profits and the tax basis in your shares of common stock) . Accordingly, you may have a tax liability without a corresponding distribution of cash with which to pay the liability when it comes due.
- You may not know the actual number of shares of common stock issued to you as a result of the reinvestment of cash distributions until after the applicable Distribution Payment Date, as defined in Question 15.
- You may incur income taxes, as described in Question 19.
- We may amend, suspend, modify or terminate the Plan at any time, without prior notice to, or the prior consent of, participants in the Plan.

Administration

4. *Who administers the Plan for participants?*

DST Systems, Inc. (the "Administrator") administers the Plan, keeps records, sends statements of account to each participant, and performs other duties related to the Plan. Shares purchased under the Plan will be registered in your name.

The Company, in conjunction with the Administrator, may adopt rules and regulations to facilitate the administration of the Plan. The Company reserves the right to interpret the provisions of the Plan, and any rules and regulations adopted in accordance therewith, in its sole discretion. The determination of any matter with respect to the Plan made by the Company in good faith shall be final and conclusive and binding on the Administrator and all participants in the Plan. The Administrator currently acts as distribution disbursing and transfer agent and registrar for the Company's common stock and may have other business relationships with the Company from time to time.

For answers to questions regarding the Plan and to request Plan forms, please contact the Company at (800) 826-8228. Additional information and copies of the Plan forms also are available on the Company's website, www.inlandamerican.com.

Eligibility and Enrollment

5. *Who is eligible to participate?*

If you are a stockholder in the Company and have shares registered in your name, you are eligible to participate in the Plan. If your shares of common stock are registered in a name other than your own (e.g., in the name of a bank or trustee holding shares of common stock on your behalf) and you want to participate in the Plan, you should consult directly with the entity holding your shares to determine if they can enroll in the Plan.

The Company reserves the right to reject the enrollment of any participant who has abused the Plan through excessive sales, terminations and enrollments, or otherwise (see Questions 1 and 24).

6. *When may an eligible person join the Plan?*

If you are eligible to participate as described in Question 5 and have been furnished a copy of the Company's Prospectus, you may join the Plan at any time. Your enrollment will become effective as described below in Question 11.

7. *How does an eligible person join the Plan?*

You may join the Plan by submitting an Enrollment Form. In the event you wish to enroll shares of common stock that are registered in more than one name (i.e., joint tenants, trustees, etc.), all registered stockholders must sign the Election Form. You may obtain an Election Form at any time by calling the Company at the telephone number set forth in Question 4, or by going to the Company's website, www.inlandamerican.com.

8. *Is partial participation possible under the Plan?*

Yes. You may elect to enroll in the Plan all, or less than all, of the shares registered in your name.

9. *For what reinvestment options does the Election Form provide?*

The Election Form authorizes the Administrator to invest in accordance with the Plan all cash distributions paid on your shares then or subsequently enrolled in the Plan. The Election Form also provides for the partial enrollment in the Plan of your shares of common stock. If you do not wish all of the shares of common stock held in your name to be enrolled in the Plan, you may designate the percentage of shares of common stock you do wish enrolled.

10. *How may a participant change options under the Plan?*

As a participant, you may change your reinvestment options at any time by requesting a new Election Form and returning it to the Administrator at the address set forth on the Form. Any change in reinvestment option must be received by the Administrator not later than the Record Date for the next Distribution Payment Date in order to make a change with respect to that distribution payment (see also Questions 11, 13 and 15).

11. *When does enrollment in the Plan become effective?*

Your signed Election Form will be processed as quickly as practicable after its receipt by the Administrator. Reinvestment of cash distributions on your Shares enrolled in the Plan will take place as follows:

- If your signed Election Form is received by the Administrator on or prior to the Record Date for a Distribution Payment Date, reinvestment of distributions on your enrolled shares of common stock will begin with that Distribution Payment Date.
- If your signed Election Form is received by the Administrator after the Record Date for a Distribution Payment Date, that distribution payment will be made in cash and reinvestment of distributions on your enrolled shares of common stock will begin with the next following Distribution Payment Date.

For a discussion of Record Dates and Distribution Payment Dates, see Questions 13 and 15.

Costs

12. *Are there any costs to participants in the Plan?*

All costs to administer the Plan are paid by the Company, except that you may incur income taxes as a result of your participation in the Plan (see Question 19).

Purchases

13. *When are the Record Dates and Distribution Payment Dates for the Company's distributions?*

You should not assume that the Company will pay distributions or pay them in any particular amount or on any particular date. For a given distribution, the Company's board of directors will establish the Distribution Payment Date and corresponding Record Date.

The Company currently has no plans to declare any special or extraordinary distributions. However, should any such special distribution be declared, the Record Dates and Distribution Payment Dates for it will be announced by the Company, and the amount due on shares enrolled in the Plan will be paid to your account under the Plan and invested in accordance with the Plan, subject to your right to withdraw at any time.

14. *What is the source of shares purchased under the Plan?*

The sole source of shares purchased under the Plan is newly issued shares of common stock purchased directly from the Company.

15. *When will shares be purchased under the Plan?*

Cash distributions reinvested under the Plan will be applied to the purchase of shares of common stock on the dates that cash distributions are paid on the Company's common stock (each, a "Distribution Payment Date"). Shares will be issued to you and registered in your name on the Distribution Payment Date.

16. *What will be the price of the shares purchased under the Plan?*

The price per share for shares of common stock purchased by you under the Plan on any Distribution Payment Date will be equal to 95% of the "market price" of a share of the Company's common stock until the shares become listed for trading. For these purposes, "market price" means, prior to a liquidity event, either (1) the last price at which shares were offered by the Company in a "best efforts" public offering of its shares or (2) the fair market value of a share of the Company's common stock, as estimated by the Company, if the Company's estimate of fair market value on a per share basis is not equal to the last price at which shares were offered by the Company.

in a “best efforts” public offering. If a liquidity event occurs, the price per share for shares of common stock purchased by you under the Plan will be equal to 100% of the average daily open and close sales price per share, as reported by the national securities exchange or inter-dealer quotation system, whichever is applicable, on any Dividend Payment Date.

17. *How many shares will be purchased for participants?*

The number of shares of common stock issued to you depends on the aggregate amount of your cash distributions and the purchase price per share, determined in accordance with Question 16. A number of shares of common stock, including fractions computed to three decimal places, equal to the aggregate amount of your cash distributions on any particular Distribution Payment Date, less taxes on distributions (if applicable, see Question 19 and Question 20), divided by the applicable purchase price per share, will be issued to you and registered in your name. The Administrator and the Company will not accept orders to purchase a specific number of shares or to purchase on days other than the applicable Distribution Payment Date. The Company will not issue shares of common stock for you under the Plan to the extent that the issuance would cause you to own in excess of 9.8% in value of the Company’s issued and outstanding shares of stock and 9.8% in value or in number of shares, whichever is more restrictive, of its issued and outstanding shares of common stock, unless those limitations are waived by the Company’s board of directors.

18. *Will shares purchased through the Plan earn distributions?*

Yes. All shares purchased through the Plan, including fractional shares, will be entitled to any distributions when and as declared by the Company.

Only shares of common stock held as of the Record Date for a given distribution are entitled to that distribution. Thus, shares of common stock acquired after the Record Date for a given distribution, but before the Distribution Payment Date for that distribution, will not be entitled to that particular distribution, but will be entitled to any subsequent distribution for which they are shares of record on the Record Date (see also Question 13).

Taxes

19. *What are the income tax consequences of participation in the Plan?*

The Company believes the following to be an accurate summary of the federal income tax consequences for Plan participants as of the effective date of this Plan. You are urged to consult with your own tax advisor to determine the particular tax consequences that may result from your participation in the Plan and the subsequent disposition by you of shares of common stock purchased pursuant to the Plan.

(1) Cash distributions reinvested under the Plan are, in effect, treated for federal income tax purposes as having been received in cash on the Distribution Payment Date even though they are used to purchase additional shares of common stock. You will be treated for federal income tax purposes as having received, on the investment date, a dividend equal to the sum of (a) the fair market value of any common stock purchased under the plan (including common stock purchased through reinvestment of dividends on shares held in your account), and (b) any cash distributions actually received by you with respect to your shares of common stock not included in the plan.

(2) The tax basis per share of common stock purchased under the Plan is the fair market value of the share on the Distribution Payment Date on which the share was issued to you and registered in your name.

(3) The holding period for shares of common stock acquired with reinvested distributions generally will begin on the day following the Distribution Payment Date on which the shares were issued to you and registered in your name (see Question 15).

(4) Distributions in excess of the Company’s current and accumulated earnings and profits will not be taxable to you to the extent that the distributions do not exceed the adjusted tax basis of your shares. You will be required, however, to reduce the adjusted tax basis of your shares by the amount in excess of the Company’s current

and accumulated earnings and profits. To the extent that the distributions exceed the adjusted tax basis of your shares, this excess amount will be taxable as capital gain.

(5) A gain or loss may be recognized upon your disposition of common stock received from the Plan. The amount of gain or loss will be the difference between the amount received for the whole or fractional shares of common stock and the tax basis of the whole or fractional shares of common stock. Generally, any gain or loss recognized on the disposition of common stock acquired under the Plan will be treated for federal income tax purposes as a capital gain or loss.

20. *How are income tax withholding provisions applied to participants in the Plan?*

If you fail to furnish a valid taxpayer identification number to the Administrator and to certify that you are not subject to backup withholding, then the Administrator is required by law to withhold taxes from the amount of distributions and the proceeds from any sale of your shares. Under certain other circumstances, you also may be subject to backup withholding. The withheld amount will be deducted from the amount of distributions and the remaining amount of distributions will be reinvested. In the case of a sale, the withheld amount will be deducted from the sale proceeds and the remaining amount will be sent to you.

If you are a non-U.S. stockholder, you need to provide the required federal income tax certifications to establish your status as a non-U.S. stockholder so that backup withholding does not apply to you. You also need to provide the required certifications if you wish to claim the benefit of exemptions from federal income tax withholding or reduced withholding rates under a treaty or convention entered into between the United States and your country of residence. If you are a non-U.S. stockholder participating in the plan whose dividends are subject to federal income tax withholding, the appropriate amount will be withheld and the balance in shares of common stock will be issued to you and registered in your name.

Reports to Participants

21. *What kinds of reports will be sent to participants in the Plan?*

As soon as practicable after each Distribution Payment Date, a summary statement of your account will be mailed to you by the Administrator. These statements are your continuing record of current activity including the cost of your purchases and proceeds from your sales in the Plan. In addition, you will be sent copies of other communications sent to holders of the Company's common stock, including the Company's annual report, the notice of annual meeting, proxy statement, and the information you will need for reporting your distribution income for federal income tax purposes. If, after receiving and reviewing this information, you no longer wish to participate in the Plan, you may withdraw from the Plan in accordance with the terms set forth in Questions 23 and 24 below.

All notices, statements and reports from the Administrator and Company to you will be addressed to your latest address of record with the Administrator. Therefore, you must promptly notify the Administrator of any change of address. To be effective with respect to mailings of distribution checks, address changes must be received by the Administrator prior to the Record Date for the next Distribution Payment Date.

Certificates for Shares

22. *Will certificates be issued for shares purchased?*

No. Shares of the Company's common stock purchased through the Plan will be issued in book entry form only. This means that we will not issue actual share certificates to you or any holders of the Company's common stock. The use of book entry only registration protects you against loss, theft or destruction of stock certificates and reduces costs. Shares of common stock purchased through the Plan will be registered in your name. The number of shares of common stock registered in your name will be shown on your statement of your account.

Termination of Participation

23. *When may a participant terminate participation in the Plan?*

You may request termination of your participation in the Plan at any time by completing an Election Form and returning the completed form to the Administrator. Any distributions earned subsequent to the effective date of your termination will be paid to you by check unless you re-enroll in the Plan.

24. *May an individual's participation be terminated by the Company or the Administrator?*

The Company reserves the right to terminate the participation of any participant who, in the Company's sole discretion, is abusing the Plan or causing undue expense. The Company also reserves the right to suspend or terminate the Plan with respect to participants in one or more jurisdictions (see Question 28).

Also, as discussed in response to Question 17, the Company will not issue shares of common stock for you under the Plan to the extent that the issuance would cause you to own in excess of 9.8% in value of the Company's issued and outstanding shares of stock and 9.8% in value or in number of shares, whichever is more restrictive, of its issued and outstanding shares of common stock, unless those limitations are waived by the Company's board of directors.

Sales of Shares

25. *What happens when a participant sells or transfers all of his or her shares?*

If you sell or transfer all the shares registered in your name, the Administrator will continue to reinvest any distributions received after your disposition of the shares (for example, if the shares of common stock are disposed after the Record Date and before the Distribution Payment Date), subject to your right to withdraw from the Plan at any time.

26. *What happens when a participant sells or transfers some but not all of his or her shares?*

If you have elected the "Full Distribution Reinvestment" option described in Question 2, and you transfer or sell a portion of the shares registered in your name, then the Administrator will continue to reinvest the distributions on all remaining shares registered in your name.

If you have elected the "Partial Distribution Reinvestment" option described at Question 2 by enrolling in the Plan only a percentage of the shares you own, and you transfer or sell a portion of the shares registered in your name, then the Administrator will continue to reinvest the distributions on the remaining shares registered in your name up to the number of shares originally enrolled in the Plan. For example, if you requested the Company to enroll in the Plan 50% of the 100 shares registered in your name, and then you transferred or sold 20 shares, the Company would continue to reinvest the distributions on 40 shares. If instead, you transferred or sold 80 shares, the Company would continue to reinvest the distributions on 10 shares.

Other Information

27. *What are the responsibilities of the Administrator and the Company under the Plan?*

Subject to the limitations contained in the Company's charter, the Administrator and the Company will not be liable under the Plan for any act done in good faith or for any good faith omission to act, including, without limitation, any claim of liability arising with respect to the prices or times at which shares are purchased by you or any change in the market value of the Company's common stock.

You should not assume that the Company will pay distributions or pay them in any particular amount or on any particular date.

You should recognize that neither the Administrator nor the Company can assure you of a profit or protect you against a loss on the shares of common stock purchased by you under the Plan.

28. *May the Plan be changed or discontinued?*

Notwithstanding any other provisions of the Plan, the Company reserves the right to amend, modify, suspend or terminate the Plan at any time, in whole or in part, or in respect to participants in one or more jurisdictions, without prior notice to, or the prior consent of, participants in the Plan. Notice of any material amendment or modification, or of any suspension or termination, will be mailed to all affected participants following the date of such amendment, modification, suspension or termination.