

August 12, 2010

Dear Stockholder:

At Inland American, retail properties comprised 38% of our diverse real estate asset portfolio as of June 30, 2010, providing a primary source of income for distribution to our stockholders. As one of the nation's largest retail landlords, Inland American provides our tenants with high quality shopping centers which we believe represent best-in-market locations. We believe that gradual improvement to the overall economy is encouraging many retailers to resume more normalized operations and secure the space necessary for growth. Evidence of this comes from the significant leasing success in our retail portfolio during the first half of 2010 – both with existing tenants and new tenants alike. Through June 30, 2010, we have:

- Maintained strong economic occupancy of 93% across our 733 retail properties
- Renewed 101 retail leases for a total of 323,044 square feet, representing over \$5.0 million in annual base rent
- Signed 69 new retail leases for a total of 234,707 square feet, representing over \$3.2 million in annual base rent

Conversion to DST Systems, Inc. for Account Information – August 2010

Account information on your Inland American investment will be converted to a new transfer agent in August 2010. This conversion to DST Systems, Inc. will provide increased ease of access to your account information. This conversion will not impact your investment. For further information on the conversion, please read the enclosed fact sheet.

Annual Meeting of Stockholders – Please Vote Your Proxy

The annual meeting will be held on August 24, 2010 at our corporate offices in Oak Brook, Illinois. The stockholders of record as of May 27, 2010 are being asked to vote on the election of eight directors; the retention of the Company's independent registered public accounting firm, KPMG LLP; and amendments to the Company's charter relating to access to our stockholder list and our treatment of "mini-tender" offers. Further detail is available in the proxy materials that are available on our website at www.inlandamerican.com. Your vote is important.

Webcast Monday, September 13, 2010

We are pleased to announce that all stockholders can join us for our live 2010 second quarter update webcast on Monday, September 13, 2010 at 2:00 PM CT. Register at www.inlandamerican.com.

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Cash Distribution

We have enclosed your cash distribution for the month of July, paid at a rate equal to \$0.50 per share on an annualized basis, which was determined by our board of directors in consultation with our business manager. This equates to a 5% annualized yield on a share purchase price of \$10.00 (the price at which we last offered shares of our common stock in the primary offering completed in April 2009). If you have invested through a trustee or participate in Direct Deposit or the Distribution Reinvestment Plan, a distribution statement is enclosed in lieu of a check.

We appreciate your investment in Inland American Real Estate Trust, Inc. If you have any questions, please contact your financial advisor or Inland Customer Service at 800.826.8228.

Sincerely,

INLAND AMERICAN REAL ESTATE TRUST, INC.



Robert D. Parks
Chairman of the Board



Brenda Gail Gujral
President

Enclosure

cc: Trustee
Broker Dealer
Financial Advisor

The statements and certain other information contained in this letter, which can be identified by the use of forward-looking terminology such as "may," "will," "expect," "continue," "remains," "intend," "aim," "towards," "should," "prospects," "could," "future," "potential," "believes," "plans," "likely," "anticipate," "position," "probable," "committed," "achieve," and "focused," or the negative thereof or other variations thereon or comparable terminology, constitute "forward-looking statements" within the meaning of Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, as amended, and are subject to the safe harbors created thereby. These statements should be considered as subject to the many risks and uncertainties that exist in the Company's operations and business environment. Such risks and uncertainties could cause actual results to differ materially from those projected. These uncertainties include, but are not limited to, economic conditions, market demand and pricing, competitive and cost factors, and other risk factors.