



Inland American

® REAL ESTATE TRUST, INC.

October 12, 2007

Dear Stockholder:

We are pleased to provide you with your portion of our September cash distribution, which we paid using cash generated by our operating and investing activities. Inland American Real Estate Trust, Inc. ("Inland American") currently pays an annualized cash distribution of \$0.61 per share. This equates to a 6.1% annualized return on a \$10.00 share price. If you became a new stockholder during the month of September, the amount of your cash distribution has been prorated from the day your investment was accepted by Inland American. We calculate the prorated amount assuming a 360-day year comprised of twelve 30-day months. If you have invested through a trustee or participate in Direct Deposit or the Distribution Reinvestment Plan ("DRP"), a distribution statement is enclosed in lieu of a check.

Cash Distribution Increase Effective November 2007

Effective November 1, 2007, Inland American will increase the per share amount of its annualized cash distribution from \$0.61 per share to \$0.62 per share, equivalent to a 6.2% annualized return on a \$10.00 share price. Please note that, because we pay distributions in arrears, the cash distribution paid on December 12, 2007, for stockholders of record on November 30, 2007 will be the first to reflect this increase. More information about the cash distribution increase, and Inland American's distribution policy in general, can be found in our Prospectus dated August 1, 2007 and Prospectus Supplement No. 6 dated September 25, 2007, each of which has been filed with the Securities and Exchange Commission.

Portfolio Update During the month of September, we acquired:

Retail

- McKinney Town Center Outlots, McKinney, Texas
- Forest Plaza, Fond Du Lac, Wisconsin
- Lakeport Commons, Sioux City, Iowa

Lodging

- Hilton University of Florida Hotel and Conference Center, Gainesville, Florida

Multi-Family

- Encino Canyon Apartments, San Antonio, Texas
- Seven Palms Apartments, Webster, Texas

Industrial/Distribution

- Atlas Cold Storage Portfolio – eleven properties located throughout Georgia, Illinois, Minnesota and South Carolina

As of September 30, 2007, Inland American's consolidated portfolio of properties, owned directly or indirectly, totaled **399 properties** encompassing approximately 31.5 million square feet of leasable space, four undeveloped parcels of land totaling 55.3 acres and 48 lodging properties representing 6,643 rooms. Our aggregate investment to date for this portfolio is approximately **\$5.1 billion**.

If you have any questions, please contact your Registered Representative or Inland Customer Relations at 800.826.8228.

Sincerely,

INLAND AMERICAN REAL ESTATE TRUST, INC.

Brenda Gail Gujral
President

Enclosure

cc: Trustee
Broker/Dealer
Registered Representative