



# Inland American

REAL ESTATE TRUST, INC.

February 12, 2008

Dear Stockholder:

We are pleased to provide you with your portion of our January cash distribution, which we paid using cash generated by our operating and investing activities. Inland American Real Estate Trust, Inc. ("Inland American") currently pays annualized cash distributions of \$0.62 per share. This equates to a 6.2% annualized return on a \$10.00 share price. If you became a new stockholder during the month of January, 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.

### **Form 1099-DIVs**

Form 1099-DIVs were mailed to Inland American stockholders at the end of January by our transfer agent Registrar and Transfer Company ("RTCO"). In accordance with the IRS Instructions for Form 1099-DIV for real estate investment trusts, the Form 1099-DIV includes distributions that were paid to shareholders from January 12, 2007 through December 12, 2007. The non-taxable portion of the distribution paid by Inland American for the full year 2007 is in Box 3 on the Form 1099-DIV. If you need a duplicate copy of your Form 1099-DIV, please contact RTCO's Investor Relations at 800.960.6552 from 8 AM to 7 PM ET Monday through Friday, or visit their website at [www.rtc.com](http://www.rtc.com) to request a replacement.

### **Tax Allocation of 2007 Cash Distributions**

For the year ended December 31, 2007, we paid distributions of approximately \$222.7 million. **For income tax return purposes only**, approximately 54.7% of the distribution paid in 2007 will be treated as ordinary income, approximately 36.7% will be treated as a return of capital, and approximately 8.6% will be treated as a distribution of capital gain.

### **Employee Retirement Income Security Act ("ERISA") Letter**

In January, a letter was mailed to stockholders regarding Inland American's Employee Retirement Income Security Act ("ERISA") valuation. ERISA requires that Inland American estimate the value of its shares every year for IRAs, pension funds and other tax-exempt investments. As disclosed in our prospectus dated August 1, 2007, and supplemented periodically, the net asset value of our common stock is deemed to be \$10.00 per share.

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