



Inland American

® REAL ESTATE TRUST, INC.

February 12, 2009

Dear Stockholder:

We are pleased to provide you with your portion of our January cash distribution. As previously communicated in a stockholders letter, and as stated in Supplement #2 dated January 23, 2009, which was filed with the Securities and Exchange Commission ("SEC"), our board of directors recently voted to determine each monthly distribution rate on an adjustable basis, with a floor of \$0.50 per share, which equates to a 5% annualized yield on a share purchase of \$10.00. **The January monthly distribution enclosed, payable to stockholders of record as of January 31, 2009, is the equivalent of the rate of \$0.50 per share on an annualized basis.** 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.

Recent Acquisitions

Despite the challenging real estate and credit environment, we have acquired a number of attractive assets recently. Several of these acquisitions are highlighted in Supplement #2 dated January 23, 2009, including: Streets of Indian Lake, a 235,144-square foot shopping center in Hendersonville, Tennessee for \$61.6 million; Brazos Ranch Apartments, a 308-unit multi-family property in Rosenberg, Texas for \$27.7 million and two sale-leaseback transactions representing an aggregate 2.5 million square feet. One of these transactions, a \$185 million sale-leaseback acquisition purchased from United Healthcare Group, totaled six office properties with 12 ½ year leases, located in California, Indiana, Maryland and Wisconsin for an aggregate of 1.2 million square feet.

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 stockholders from January 1, 2008 through December 31, 2008. The non-taxable portion of the distribution paid by Inland American for the full year 2008 is in Box 3 on the Form 1099-DIV. If you should need an additional 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 the RTCO company website at www.rtcocom to request a replacement.

Tax Allocation of 2008 Cash Distributions

For the year ended December 31, 2008, we paid distributions of \$405.9 million. Of this amount, 51.9% of the distribution paid in 2008 will be treated as ordinary income, and 48.1% will be treated as a return of capital for income tax purposes only.

As we navigate through this difficult period in our economy, we will continue to manage our business with the same discipline, integrity and vision that The Inland Real Estate Group of Companies has integrated into each of its investment models over the past 40 years. We thank you for your continued support and investment in Inland American.

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