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Inland American Real Estate Trust, Inc. Forms Two New Joint Ventures with Kessler Enterprises to Develop Two Hotels in South Carolina and Alabama

Two new luxury boutique assets will be affiliated with Marriott's Autograph Collection

Oak Brook, Ill. – Inland American Lodging Group, Inc. (IALG), a wholly owned subsidiary of Inland American Real Estate Trust, Inc. (Inland American), announced today that it has formed two new joint ventures for a combined investment of \$68.5 million with Kessler Enterprises. The joint ventures will focus on developing two luxury boutique hotels, totaling 150 rooms, in Charleston, S.C., and Mountain Brook, Ala., a suburb of Birmingham. Both hotels will be affiliated with Marriott's Autograph Collection, a collection of high quality boutique hotels known for their rich character and unique details.

"We are delighted to grow our relationship with Richard Kessler as we expand our investment in upper-upscale and luxury hotels through this mutually beneficial joint venture partnership," said Marcel Verbaas, president and CEO, Inland American Lodging Advisor, Inc. "The development of these assets further exemplifies our strategy of adding hotels to our portfolio that are well positioned to experience strong growth and capture outsized market share in high barrier-to-entry locations."

Verbaas continued, "Despite the significant demand and the desire of travelers for modern comforts and amenities, both Birmingham and Charleston have not experienced a new luxury hotel in their markets for more than a decade. We are excited to be able to bring these markets two outstanding new properties."

Grand Bohemian Hotel Mountain Brook

Set to debut in early 2015 as an Autograph Collection hotel, in the city of Mountain Brook's Lane Parke Village development, the highly anticipated 100-room boutique hotel will boast an on-site Grand Bohemian Art Gallery, signature Poseidon Spa, interactive cooking school, wine blending experience, 12,630 square feet of meeting space and a vibrant rooftop terrace and restaurant.

Grand Bohemian Hotel Charleston

Set to debut in early 2015 as an Autograph Collection hotel, Grand Bohemian Hotel Charleston will mark The Kessler Collection's first property in South Carolina. The 50-room luxury boutique hotel, located in Charleston's Historic District at the corner of Wentworth and Meeting Street just steps away from historic landmarks, shopping and dining, will incorporate diverse offerings including an on-site Grand Bohemian Gallery, more than 3,000 square feet of meeting and event space, wine blending and tasting room with curated wine selections, fitness center, specialty coffee shop with micro-roasted coffee, farm-to-table culinary offerings with regional

ingredients, as well as a rooftop restaurant and terrace providing breathtaking views of the sought-after Southern escape.

Under the joint venture agreements, Inland American will be the majority owner of the properties and Kessler Enterprises will develop both properties. The properties will be managed by Kessler Collection Management under a 15-year management agreement.

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About Inland American Lodging Advisor, Inc.

Inland American Lodging Advisor, Inc., located in Orlando, FL, focuses on acquiring and asset managing a diversified portfolio of lodging properties on behalf of Inland American Real Estate Trust, Inc. Inland American Lodging Advisor, Inc. currently oversees 100 hotels with 19,438 rooms branded under various Marriott, Hilton, Starwood, Hyatt, Fairmont, Kimpton and IHG brands that are managed either by the brand managers or independent third-party management companies. For further information regarding Inland American Lodging Advisor, please refer to the company website at www.inlandamericanlodging.com.

About Inland American Real Estate Trust, Inc.

Inland American Real Estate Trust, Inc. focuses on acquiring and developing a diversified portfolio of commercial real estate located in the United States. The company also invests in joint ventures, development projects, real estate loans and marketable securities. As of September 30, 2013 Inland American owned 268 properties, representing approximately 24 million square feet of retail, industrial and office properties, 8,350 student housing beds and 18,222 hotel rooms. Inland American is one of six REITs that are, or have been, sponsored by affiliates of The Inland Real Estate Group of Companies, Inc. For further information regarding Inland American, please refer to the company website at www.inlandamerican.com.

About The Kessler Collection

Capturing the classical and unconventional spirit of Bohemian cultures, The Kessler Collection's portfolio of passionately created and artistically inspired boutique hotels boast chic design, luxe accommodations, enriching ambiance and intuitive service. Whether visiting properties in Florida, Georgia, North Carolina, Colorado or New Mexico, each hotel's exquisite art, music and cultural influences are deliberately approachable. Designed to inspire mystique and experiences beyond reason, Kessler guests are bathed in re-defined Bohemian luxury, from an 1888 historic hotel, a cutting edge downtown landmark and a magical castle, to an earthy Native American retreat, high design southern mansion and elite ski lodge.

The Kessler Collection proudly holds nine hotels as the founding member of the Marriott Autograph Collection, a well-edited ensemble of boldly original independent hotels, each carefully selected for their distinctiveness, style and synchronicity with individual travel interests. For more information or to book a stay at Kessler Collection properties, please visit www.kesslercollection.com or call the Kessler corporate office at 888.472.6312.