



**Inland Real Estate Corporation**

2901 Butterfield Road  
Oak Brook, IL 60523  
888-331-4732 FAX: 630-218-7350

\*\*\*THIRD NOTICE\*\*\*

February 1, 2005

Dear Stockholder:

As previously announced, the Company has implemented a mandatory stock certificate exchange to resolve certain issues previously affecting the settlement of trades in its common stock. The mandatory certificate exchange became effective as of December 3, 2004. A mandatory stock certificate exchange involves turning in your existing stock certificates for newly issued stock certificates. Your rights as a stockholder are unchanged and will not be impacted by this mandatory certificate exchange. Further, shares of the Company's common stock continue to trade on the New York Stock Exchange under the ticker symbol "IRC."

We have asked our transfer agent, Registrar and Transfer Company, to direct and oversee the mandatory stock certificate exchange on our behalf. To complete the mandatory certificate exchange, you must turn in all of your existing stock certificates issued with or under the CUSIP number 457461101 for new stock certificates with the new CUSIP number 457461200. Your existing stock certificates may or may not have the old CUSIP number printed on them. A CUSIP number is a nine-digit number assigned to a security to uniquely identify that security for trading purposes. As a result of the mandatory certificate exchange, all trades in the Company's common stock can be delivered only with stock evidenced by certificates with the new CUSIP number. You will not receive a new stock certificate until you have turned in your old stock certificates to Registrar and Transfer Company in accordance with the exchange procedures set forth below. Please note that simply striking out the old CUSIP number and overwriting the new CUSIP number will not be effective because we have also changed the background color of our stock certificates from red to brown.

In addition, all distributions made by the Company after the payment of its December 17, 2004 dividend, including those distributions that otherwise would have been reinvested through the Company's dividend reinvestment plan ("DRP"), **are being held** in a segregated, non-interest bearing account for your benefit until you have turned in your old stock certificates for new stock certificates.

**As of the date of this mailing, some or all of your old stock certificates have not yet been received by Registrar and Transfer Company and, as a result, distributions made by the Company are no longer being paid to you. You must exchange your old certificate(s) for new ones by completing the enclosed Letter of Transmittal and returning it, along with your certificate(s) to Registrar and Transfer Company as indicated below.**

Procedures for Turning in Paper Stock Certificates

- Read and carefully complete the enclosed Letter of Transmittal. Duplicate copies are available by mail by contacting Registrar and Transfer Company at (800) 368-5948.
- Deliver the completed Letter of Transmittal and all old stock certificate(s) to:  

<i>For Delivery by Courier or by Hand:</i>	<i>For All Other Deliveries:</i>
Registrar and Transfer Company	Registrar and Transfer Company
10 Commerce Drive	P.O. Box 645
Cranford, NJ 07016	Cranford, NJ 07016
Attn: Corporate Actions	Attn: Corporate Actions

We strongly recommend the use of an overnight courier or registered insured mail, return receipt requested.

- You should not endorse the back of your stock certificate(s).

New stock certificates typically will be issued within five business days following receipt by Registrar and Transfer Company of a properly completed and duly executed Letter of Transmittal accompanied by valid stock certificates.

Procedure for Lost Certificates

If you have lost any of your stock certificate(s), check the box on the front page of the Letter of Transmittal and complete the section on the reverse side of the Letter of Transmittal entitled "AFFIDAVIT OF LOST STOCK CERTIFICATE (S)". If the stock certificate(s) was issued on or before May 18, 2004, there will be no costs to replace the lost certificate(s). If the lost certificate(s) was issued on or after May 18, 2004, please contact Registrar and Transfer Company at (800) 368-5948.

If you have questions after reading this letter, please contact Registrar and Transfer Company at (800) 368-5948. We appreciate your help in making the mandatory certificate exchange a success. Thank you for your continued support and interest.

Sincerely,

Robert D. Parks  
President and Chief Executive Officer