



**CHARTER OF THE NOMINATING AND
CORPORATE GOVERNANCE COMMITTEE
OF INLAND REAL ESTATE CORPORATION
Adopted as of March 11, 2004**

Purpose

The purpose of the Nominating and Corporate Governance Committee (the “Committee”) of the board of directors of Inland Real Estate Corporation (the “Company”) is to recommend individuals to the board for nomination as members of the board and its committees and to develop and recommend to the board a set of corporate governance guidelines. The Committee shall report to the board on a regular basis but not less than once a year.

Membership

The Committee shall be composed of at least three directors, all of whom must be “independent” under the listing standards of the New York Stock Exchange as well as any other applicable laws, rules and regulations governing independence, as determined from time to time by the Company’s board of directors. The Committee members and the Committee Chairperson shall be appointed by the board. Members shall serve at the pleasure of the board and for such terms or terms as the board may determine.

Meetings

The Committee must meet in person or telephonically as often as it determines is necessary or appropriate, but not less frequently than annually. The Committee may request that any directors or members of management of the Company attend any meeting of the Committee to provide any information requested by the Committee. The Committee shall keep written minutes of its meetings and maintain the minutes in the books and records of the Company.

Purpose and Responsibilities

The Committee will have the following purpose and responsibilities:

- (1) identify individuals qualified to become board members, consistent with criteria approved by the board;
- (2) select, or recommend that the board select, the director nominees for the next annual meeting of stockholders;
- (3) develop and recommend for the board, a set of corporate governance principles applicable to the Company;

- (4) oversee the evaluation of the board and management; and
- (5) conduct an annual performance evaluation of the committee.

Guidelines on Corporate Governance

The Committee must review, at least annually, the Company's Guidelines on Corporate Governance and recommend any changes to the guidelines deemed necessary or desirable to the board.

Performance Evaluation

The Committee must produce and provide the board with an annual performance evaluation of the Committee. In conducting its evaluation, the Committee shall compare the performance of the Committee with the requirements of this Charter and set forth the goals and objectives of the Committee for the upcoming year. The performance evaluation must also recommend any improvements to this Charter deemed necessary or desirable. The performance evaluation by the Committee may be conducted in any manner deemed appropriate by the Committee. The report to the board may take the form of an oral report by the Chairperson of the Committee or any other member of the Committee designated by the Committee to make this report.

Delegation to Subcommittee

The Committee may form and delegate authority to subcommittees consisting of one or more members when appropriate, provided that the decision of the subcommittees shall be presented to the full Committee at its next meeting.

Resources and Authority of the Committee

The Committee shall have the resources and authority appropriate to discharge its duties and responsibilities, and may retain, at the Company's expense, such independent counsel or other consultants as it deems necessary. The Committee shall have the sole authority to select and retain any consultants or search firms, to terminate any consultants or search firms retained by it, and to approve the consultants or search firms' fees and any other terms of the engagement.