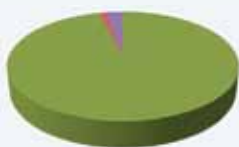


## Nontraded REIT Industry Review: Third Quarter 2011



## Phillips Edison — ARC Shopping Center REIT Inc.

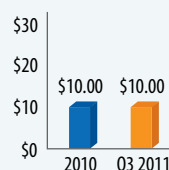
Total Assets.....	\$31.7 Million
Real Estate Assets .....	\$30.4 Million
Cash .....	\$0.4 Million
Securities .....	\$0.0 Million
Other.....	\$0.9 Million



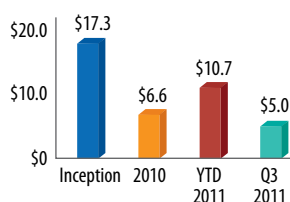
Initial Offering Date: .....	August 12, 2010
Number of Months Fundraising: .....	13
Anticipated Offering Close Date: .....	August 12, 2012
Current Price per Share: .....	\$10.00
Reinvestment Price per Share: .....	\$9.50

Cash to Total Assets Ratio: .....	1.3%
Asset Type: .....	Retail
Number of Properties: .....	3
Square Feet / Units / Rooms / Acres: .....	247,493 Sq. Ft.
Percent Leased: .....	95.9%
LifeStage.....	Emerging
Investment Style .....	Core

## Historical Price



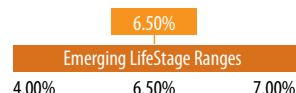
## Gross Dollars Raised\*



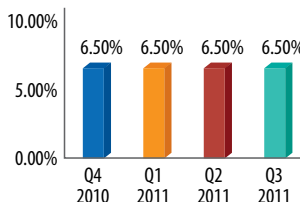
\*Includes reinvested distributions (in millions)

## Current Distribution

Current Distribution Yield: ... 6.50%



## Historical Distribution



## Contact Information

[www.phillipsedison-arc.com](http://www.phillipsedison-arc.com)  
**Phillips Edison –**  
**ARC Shopping Center REIT, Inc.**  
**11501 Northlake Drive**  
**Cincinnati, OH 45249**  
**(513) 554-1110**

## Year to Date FFO Payout Ratio

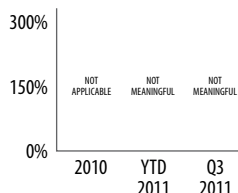
FFO Payout Ratio:  
YTD Distributions/YTD FFO: NOT MEANINGFUL

NOT MEANINGFUL

Emerging LifeStage Ranges

YTD Distributions Paid:..... \$543,000  
YTD FFO: ..... (\$440,000)

## Historical FFO Payout Ratio



## Year to Date MFFO Payout Ratio

MFFO Payout Ratio:  
YTD Distributions/YTD MFFO: ....113%

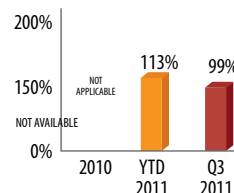
113%

Emerging LifeStage Ranges

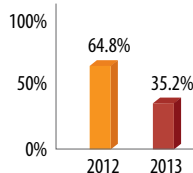
YTD Distributions Paid:..... \$543,000  
YTD MFFO: ..... \$480,000

\*Blue Vault adjusted MFFO – see notes

## Historical MFFO Payout Ratio

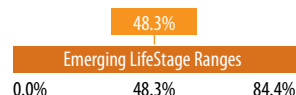


## Debt Maturity



## Current Debt Ratio

Debt to Total Assets Ratio: ... 48.3%



## Debt Breakdown

Total: .....\$15.3 Million  
Fixed: .....\$0.0 Million  
Variable: .....\$15.3 Million  
Rate: .....3.10%  
Term: .....1 – 2 yrs.

## Interest Coverage Ratio

YTD Interest Coverage Ratio: .....1.6



Adjusted EBITDA: ..... \$786,000  
Interest Expense: ..... \$486,000

## Redemptions

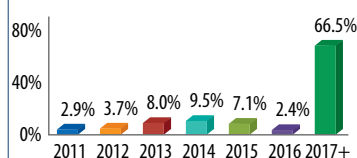
Ratio of Shares Redeemed to Wtd.  
Avg. Shares Outstanding:..... 0.00%

0.00%

Emerging LifeStage Ranges

Redemptions Year to Date: ..... 0  
Wtd. Avg. Shares Outstanding  
as of 12/31/10: ..... 168,419

## Lease Expirations\*



\*Data as of 12/31/10.

## Trends and Items of Note

- The Company did not acquire any new properties during the third quarter of 2011.
- The year to date MFFO payout ratio trended downward from 126% at the end of the second quarter to 113% at the end of the third quarter.
- The Company reported MFFO of \$568,000 for YTD 2011 included an \$88,000 contribution from the sponsor for certain general and administrative expenses. Blue Vault Partners has eliminated the contribution from the sponsor to report YTD 2011 MFFO of \$480,000.
- Sponsors have not received, and will not receive, any reimbursement for the \$88,000 contribution noted above.
- See additional notes on page 71 for information regarding the source of distributions.