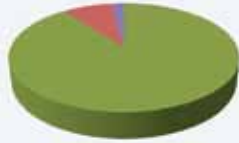




Nontraded REIT Industry Review: Fourth Quarter 2011

Phillips Edison – ARC Shopping Center REIT Inc.

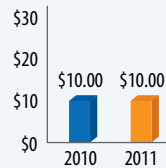
Total Assets.....	\$85.2 Million
Real Estate Assets	\$76.3 Million
Cash	\$7.0 Million
Securities	\$0.0 Million
Other.....	\$1.9 Million



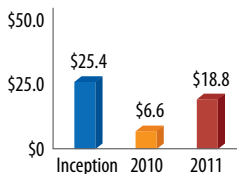
Initial Offering Date:	August 12, 2010
Number of Months Fundraising:	16
Anticipated Offering Close Date:	August 12, 2013
Current Price per Share:	\$10.00
Reinvestment Price per Share:	\$9.50

Cash to Total Assets Ratio:	8.2%
Asset Type:	Retail
Number of Properties:	7
Square Feet / Units / Rooms / Acres:	587,927 Sq. Ft.
Percent Leased:	92.6%
LifeStage.....	Growth
Investment Style	Core

Historical Price



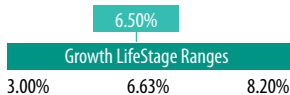
Gross Dollars Raised*



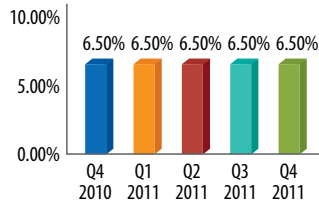
*Includes reinvested distributions (in millions)

Current Distribution

Current Distribution Yield: ... 6.50%



Historical Distribution

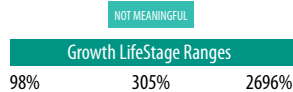


Contact Information

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

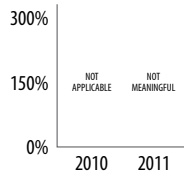
Year to Date FFO Payout Ratio

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



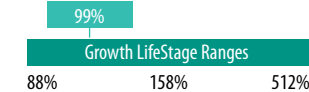
YTD Distributions Paid:..... \$873,000
 YTD FFO: \$(981,000)

Historical FFO Payout Ratio



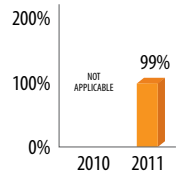
Year to Date MFFO Payout Ratio

MFFO Payout Ratio:
 YTD Distributions/YTD MFFO:.....99%

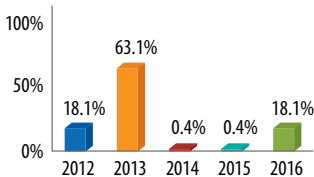


YTD Distributions Paid:..... \$873,000
 YTD MFFO: \$879,000
 *Company reported MFFO – see notes

Historical MFFO Payout Ratio

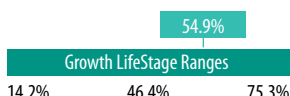


Debt Maturity



Current Debt Ratio

Debt to Total Assets Ratio: ... 54.9%



Debt Breakdown

Total:	\$46.8 Million
Fixed:	\$0.0 Million
Variable:	\$46.8 Million
Avg. Wtd. Rate:	2.91%
Term:	1 – 5 yrs.

Interest Coverage Ratio

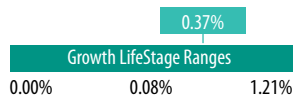
YTD Interest Coverage Ratio:2.1



Adjusted EBITDA: \$1,698,000
 Interest Expense: \$811,000

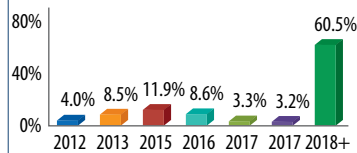
Redemptions

Ratio of Shares Redeemed to Wtd.
 Avg. Shares Outstanding:..... 0.37%



Redemptions Year to Date: 5,630
 Wtd. Avg. Shares Outstanding
 as of 12/31/11: 1,503,477

Lease Expirations



Trends and Items of Note

- The REIT transitioned from the Emerging LifeStage into the Growth LifeStage during the fourth quarter.
- The Company acquired four shopping centers in the fourth quarter of 2011 through a joint venture, holding a 54% interest. The purchase prices of these properties totaled \$45.75 million.
- The Company has not elected to fix the interest rates of its variable rate debt through derivatives as of December 31, 2011. As of year-end, the average rate on variable rate debt was 2.91%.
- The interest rate coverage ratio has steadily improved from 1.3X in the first quarter to 1.9x for the year ending 2011.
- The Company reported that its MFFO has been determined in accordance with the Investment Program Association ("IPA") definition of MFFO.
- See additional notes on page 75 for information regarding the source of distributions.