



Nontraded REIT Industry Review: First Quarter 2011

Phillips Edison – ARC Shopping Center REIT Inc.

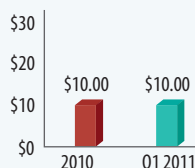
Total Assets.....	\$21.9 Million
Real Estate Assets	\$21.1 Million
Cash	\$0.3 Million
Securities	\$0.0 Million
Other	\$0.6 Million



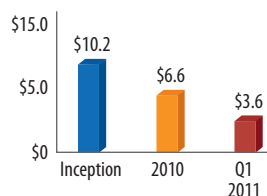
Initial Offering Date:	August 12, 2010
Number of Months Fundraising:	7
Anticipated Offering Close Date:	August 12, 2012
Current Price per Share:	\$10.00
Reinvestment Price per Share:	\$9.50

Cash to Total Assets Ratio:	1.3%
Asset Type:	Retail
Number of Properties:	2
Square Feet / Units / Rooms / Acres:	182,493 sq. ft.
Percent Leased:	97.8%

Historical Price



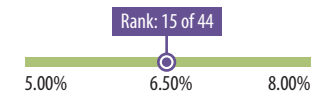
Gross Dollars Raised*



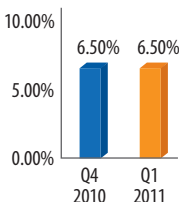
*Includes reinvested distributions (in millions)

Current Distribution

Current Distribution Yield: ... 6.50%



Historical Distribution

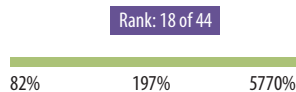


Contact Information

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

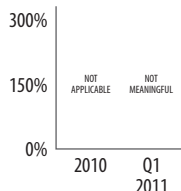
Year to Date FFO Payout Ratio

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



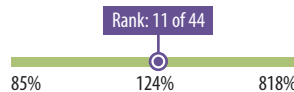
YTD Distributions Paid:..... \$121,000
 YTD FFO:, (\$3,000)

Historical FFO Payout Ratio



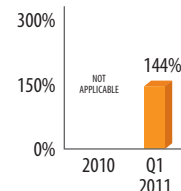
Year to Date MFFO Payout Ratio

MFFO Payout Ratio:
 YTD Distributions/YTD MFFO: ... 144%

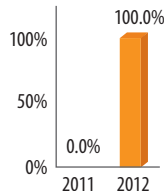


YTD Distributions Paid:..... \$121,000
 YTD MFFO:, \$84,000
 *Blue Vault adjusted MFFO – see notes

Historical MFFO Payout Ratio

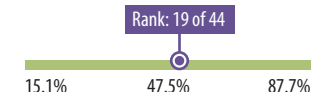


Debt Maturity



Current Debt Ratio

Debt to Total Assets Ratio: ... 51.3%

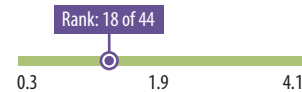


Debt Breakdown

Total:	\$11.2 Million
Fixed:	\$0.0 Million
Variable:	\$11.2 Million
Rate:	3.32%
Term:	1 – 2 yrs.

Interest Coverage Ratio

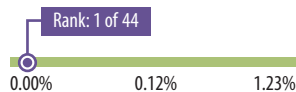
YTD Interest Coverage Ratio: 1.3



EBITDA:, \$192,000
 Interest Expense:, \$149,000

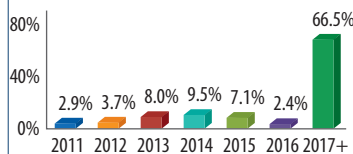
Redemptions

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



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

Lease Expirations*



*Data as of 12/31/10.

Notes

The Company reported MFFO for 1Q 2011 include a \$60,000 contribution from the sponsor for certain general and administrative expenses. Blue Vault Partners has eliminated the contribution from the sponsor to report 1Q 2011 MFFO of \$84,000. Distributions were funded from advances from the Sub-advisor and cash generated from operations. Asset management fees waived by the Advisor and Sub-advisor for the three months ended March 31, 2011 were \$53,000.