

Nontraded REIT Industry Review: Second Quarter 2011



Phillips Edison – ARC Shopping Center REIT Inc.

Total Assets.....	\$31.9 Million
Real Estate Assets	\$30.9 Million
Cash	\$0.2 Million
Securities	\$0.0 Million
Other	\$0.8 Million



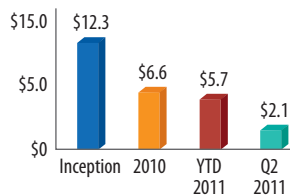
Initial Offering Date:	August 12, 2010
Number of Months Fundraising:	10
Anticipated Offering Close Date:	August 12, 2012
Current Price per Share:	\$10.00
Reinvestment Price per Share:	\$9.50

Cash to Total Assets Ratio:	0.7%
Asset Type:	Retail
Number of Properties:	3
Square Feet / Units / Rooms / Acres:	247,493 sq. ft.
Percent Leased:	95.9%
LifeStage:	Emerging

Historical Price



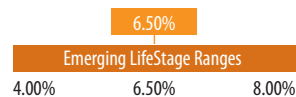
Gross Dollars Raised*



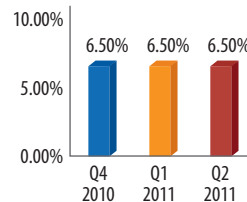
*Includes reinvested distributions (in millions)

Current Distribution

Current Distribution Yield: ... 6.50%



Historical Distribution



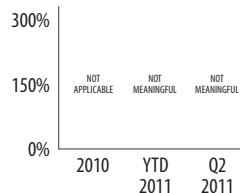
Contact Information

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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 MEANINGFULYTD Distributions Paid:..... \$311,000
YTD FFO:

Historical FFO Payout Ratio

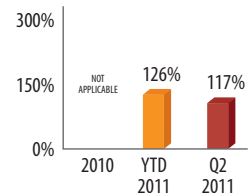


Year to Date MFFO Payout Ratio

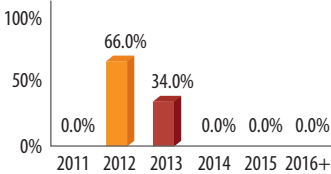
MFFO Payout Ratio:
YTD Distributions/YTD MFFO: ... 126%YTD Distributions Paid:..... \$311,000
YTD MFFO:

*Blue Vault adjusted MFFO – see notes

Historical MFFO Payout Ratio

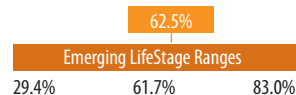


Debt Maturity



Current Debt Ratio

Debt to Total Assets Ratio: ... 62.5%



Debt Breakdown

Total: \$19.9 Million
 Fixed: \$0.0 Million
 Variable: \$19.9 Million
 Rate: 3.10 – 3.25%
 Term: 1 – 2 yrs.

Interest Coverage Ratio

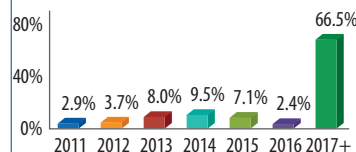
YTD Interest Coverage Ratio: 1.5

Adjusted EBITDA: \$436,000
Interest Expense: \$287,000

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 acquired one property during the second quarter for \$10.1 million.
- The Company's Debt to Total Assets Ratio grew to 62.5% for 2Q 2011 compared to 51.3% for Q1 2011.
- The Company reported MFFO of \$334,000 for YTD 2011 which included a \$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 \$246,000.
- Sponsors have not received, and will not receive, any reimbursement or additional equity for the \$88,000 contribution noted above.
- No share redemptions due to the fact that the REIT has been effective for less than 12 months
- See additional notes on page 84 for information regarding the source of distributions.