

Nontraded REIT Industry Review: Fourth Quarter 2010



Phillips Edison – ARC Shopping Center REIT Inc.

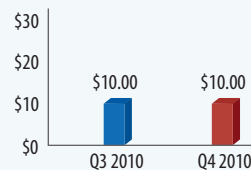
Total Assets.....	\$22.7 Million
Real Estate Assets	\$19.1 Million
Cash	\$0.7 Million
Securities	\$0.0 Million
Other	\$2.9 Million



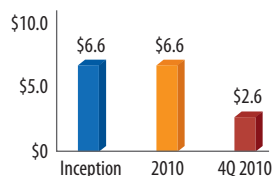
Initial Offering Date:	August 12, 2010
Number of Months Fundraising:	4
Anticipated Offering Close Date:	August 12, 2012
Current Price per Share:	\$10.00
Reinvestment Price per Share:	\$9.50

Cash to Total Assets Ratio:	3.1%
Asset Type:	Retail
Number of Properties:	2
Square Feet / Units / Rooms / Acres:	182,493 sq. ft.
Percent Leased:	98.9% and 98.0%

Historical Price



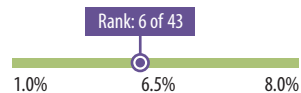
Gross Dollars Raised*



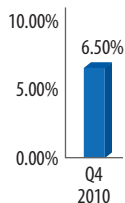
*Includes reinvested distributions (in millions)

Current Distribution

Current Distribution Yield: ... 6.50%



Historical Distribution



Contact Information

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ARC Shopping Center REIT, Inc.
 11501 Northlake Drive
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Year to Date FFO Payout Ratio

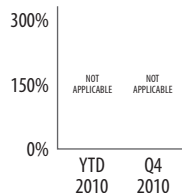
FFO Payout Ratio:
YTD Distributions/YTD FFO: NOT APPLICABLE

Not Ranked

75% 200% 3998%

YTD Distributions Paid:..... \$0
YTD FFO:

Historical FFO Payout Ratio



Year to Date MFFO Payout Ratio

MFFO Payout Ratio:
YTD Distributions/YTD MFFO: NOT APPLICABLE

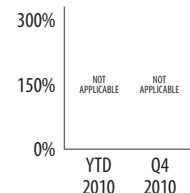
Not Ranked

68% 144% 891%

YTD Distributions Paid:..... \$0
YTD MFFO:

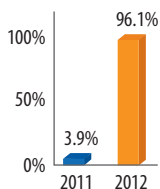
*Blue Vault calculated MFFO – see notes

Historical MFFO Payout Ratio



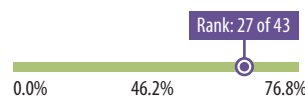
Figures prior to YTD 2010 and Q4 2010 are as previously defined.

Debt Maturity

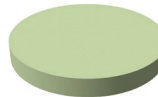


Current Debt Ratio

Debt to Total Assets Ratio: ... 67.4%



Debt Breakdown



Total:\$15.3 Million
 Fixed:\$0.0 Million
 Variable:\$15.3 Million
 Rate: 3.25% – 3.51%
 Term: <1 – 2 yrs

Interest Coverage Ratio

YTD Interest Coverage Ratio: NOT MEANINGFUL

Rank: 19 of 43

0.5 2.3 22.9

EBITDA: (\$162,000)
Interest Expense: \$38,000

Redemptions

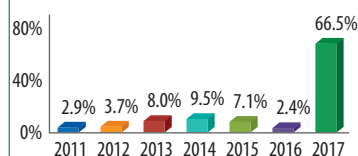
Ratio of Shares Redeemed to Wtd.
Avg. Shares Outstanding:..... 0.00%

Rank: 1 of 43

0.0% 1.92% 42.25%

Redemptions Year to Date: 0
Wtd. Avg. Shares Outstanding
as of 12/31/09: 20,000

Lease Expirations*



*As a percent of expiring base rent.

Notes

6.5% distribution was paid on January 5, 2011 for shareholders of record between 12/1/10-12/31/10. No distributions were actually paid in 2010. The Company reported MFFO of (\$42,000) and \$38,000 for 2010 and 4Q 2010, respectively, include a \$140,000 contribution from the sponsor. Blue Vault Partners has eliminated the contribution from the sponsor to report 2010 MFFO of (\$182,000) and 4Q 2010 MFFO of (\$102,000). Distributions have been funded with advances from the Sponsor.