

W.C. and A.N. Miller Development Company
4701 Sangamore Road, Suite 135 South Tower
Bethesda, Maryland 20816

January 8, 2009

Mr. Robert W. Beers, Jr.
157 Twelve Oaks Circle
Ponte Vedra, FL 32082

Dear Bob:

This will serve as the official notice and call to meeting of the Shareholders of the W.C. and A.N. Miller Development Company for their Annual Meeting to be held at 10 am on Saturday, January 24, 2009 at Columbia County Club located at 7900 Connecticut Avenue, Chevy Chase, Maryland 20815. Enclosed with this mailing are the following:

1. Proxy: This proxy should be completed by those that are not planning on attending the meeting. I do, though, recommend that all Shareholders complete a proxy so that should something come up preventing you from attending the meeting your vote will be counted.

Please designate your proxy, sign the form and return the completed proxy to Alan Gordon, CPA, who will be managing the proxy information on our behalf, in the enclosed self-addressed stamped envelope to be received no later than Wednesday, January 21, 2009 giving us enough time to prepare for Saturday's meeting.

2. Agenda for Annual Meeting of the Shareholders of the W.C. and A.N. Miller Development Company.
3. Slate for Board of Directors for 2009.
4. Minutes from January 25, 2008 Annual Meeting.
5. Unaudited Year-end Statement of the W.C. and A.N. Miller Development Company as of September 30, 2008.

Finally, please contact my associate, Patty Emory [301-915-9393 or pemory@wcanmiller.com] to let her know if you are planning on attending the meeting so that we have an accurate head count for the luncheon.

I look forward to seeing everyone on the 24th and in the meantime should you have any questions, please feel free to contact me.

Sincerely,



Robert R. Miller

NOTICE

You are hereby notified that the Annual Meeting of the Stockholders of the W.C. and A.N. Miller Development Company will be held at Columbia Country Club, 7900 Connecticut Avenue, Chevy Chase, Maryland 20815, on Saturday, January 24, 2009 at 10:00 a.m. Please designate your proxy, sign and **return it**, in the enclosed self-addressed stamped envelope, **no later than Wednesday, January 21, 2009**.

PROXY

I hereby constitute _____ to act for me in my stead as a proxy at the Annual Meeting of the Stockholders of the W.C. & A.N. Miller Development Company to be held on January 24, 2009 and at any adjournment of adjournments thereof, with full power and authority to act for me on my behalf, with all powers and I, the undersigned, would possess if I were personally present.

Effective Date: _____

Signed: _____

Print Name: _____
Stockholder

W.C. AND AN. MILLER DEVELOPMENT COMPANY
2009 ANNUAL SHAREHOLDERS MEETING

JANUARY 24, 2009

AGENDA

1. Welcome
2. Approval of Minutes of 2008 Annual Meeting
3. Update on Company
4. Nomination from Floor for 2009 Board of Directors
5. Election of Board of Directors
6. Report of Outcome of Election
7. Set Annual Meeting of the Board of Directors
8. Discussion of the future
9. Adjourn
10. Board of Directors Meeting (All Shareholders are invited)
11. Luncheon
12. Presentation by McShea on the state of our commercial and residential holdings.

W.C. AND AN. MILLER DEVELOPMENT COMPANY

BOARD OF DIRECTORS RECOMMENDED

2009 SLATE OF DIRECTORS

Ernest Miller – Chairman

Robert W. Beers, Jr.

Robert W. Beers, III

Katharine P. Kile

Geoffrey T. Miller

Robert R. Miller

James L. Myers, Jr.

Monica M. Satrape

Deborah O. Vaughan

**MINUTES OF THE
W.C. & A. N. MILLER DEVELOPMENT COMPANY**

ANNUAL SHAREHOLDERS MEETING

January 25, 2008

The annual meeting of the Shareholders of the W.C. & A.N. Miller Development Company, Delaware Corporation (the "Company") was held at the Downtown Bethesda Marriott.

I. Participants

The following Shareholders of record were present and no stockholder objected to lack of notice:

Alison N. Miller, III	Deborah O Vaughan
Diane M. Ryburn	Geoffrey T. Miller
Helen K. Nee	Katharine O. Wylie
Katharine P. Kile	Robert W. Beers, Jr.
Mark M. Ong	Monica M. Satrape
James L. Myers, Jr.	Paula S. Gregg
Robert R. Miller	William C. Miller
Michael W. Seay, Jr.	

Others in attendance included: Board members Larry E. Ruhland, R. Michael Mears, Ben Wafle, Chairman, Ernest (Bud) Miller, Jr., and Company President, Vincent Pasko. Jennifer Coleman served as secretary. Donald Hadley, Esquire was asked to sit in as well to answer Shareholders' questions.

II. Call to Order

A quorum being present, Bud Miller, Chairman of the Board, called the meeting to order at approximately 10:05am, immediately bringing attention to the Agenda (Attachment A).

III. Consideration of Business

Before approving the Minutes from the prior year, Bud noted an amendment to the By-laws made by the Board to reduce the number of directors from twelve to nine; followed by discussion and clarification of the change. While the number of directors had been reduced, the ratio of family to outside members was the Board's suggestion to Shareholders and not a change to the By-laws.

Bud briefly spoke about how the proxy voting was to be handled; Richard Hoban from Reznick Group (auditors) would be tallying the vote and would need the assistance of two other members not on the ballot for election to the Board. Not going up for reelection, Larry Ruhland volunteered, as did Michael W. Seay, Jr.

Next, Bud referenced the Minutes of Annual Shareholders Meeting of January 25th, 2007. A motion was made by Jim Myers to approve the minutes which was seconded by Robert Beers and unanimously carried.

IV. Company Update

The floor was turned over to Vincent Pasko to report on the status of the Company and Haymount.

The Shareholders and the Board entered into a discussion about the timely receipt of yearly financial statements and why there has been a delay in the distribution.

The discussion moved to the current financial state of the Company, the changes already made and the ones being put in place.

Vincent reported on his Goals for 2008, the first of which is to resolve Haymount.

Vincent's other primary goal for 2008 is the leasing of Sumner Highlands. There was a discussion regarding leasing efforts, marketing strategies and the cost of rent.

V. Review of Proposed Provisions to By-laws

After a short break at 11:45am, Bud Miller welcomed Richard Hoban who explained how the proxies were received and how the votes would be counted. Mr. Hoban reported that 90% of all Shareholders were represented at the meeting, 60% through proxy. Bud asked if there were any further nominees; there being none, a motion to close the floor to nominations was made by Jim Myers, seconded by Bob Beers, passed unanimously.

Before asking the Shareholders to proceed with the voting process, Bud reviewed the proposed provisions to the By-laws passed by the Board.

- Decrease in number of Directors from 14 to 9 (111.1(a)) omitting the footnote "suggestion" from the Board on the composition of those 9).
- Addition of Office of Vice Chairman of the Board. This filling of this officer position is made by the Board. Jim Myers is currently filling this position. There is no additional compensation.
- Indemnification Provision: Conformed to Delaware Statute (IV.9 (a) & (b))
- Delete requirement that Chairman of the Board must also be the CEO.

The Shareholders then commenced voting and lunch and was served.

VI. Family Council Update

In observance of time, Bud asked Monica Satrape and Kathy Kile to give an update on the Family Council while the votes continued to be tallied.

Monica said that she and Kathy were looking into putting together a charter and asked the group to develop recommendations for the Family Council moving forward and thanked Mike Mears, Debbie Vaughan and Ben Wafle, for their assistance. The Family Council would like a representative from each branch of the family to participate in the Council. Other topics they are addressing are moving the annual meeting to mid summer, requesting a budget from the Company for the council's needs and reporting quarterly to all family members.

Kathy Kile reported that a family reunion was in the works and to save the date for August 1st, 2008.

VII. Voting Results

After tallying the votes, Larry Ruhland, Michael Seay, Jr. and Richard Hoban rejoined the meeting; Mr. Hoban reported the results:

Directors of the Board:

Ernest Miller, Chairman
Robert W. Beers, Jr.
Ben Wafle
Robert Miller
Monica Satrape

James L. Myers, Jr. Co-Chair
Deborah O. Vaughan
Geoffrey Miller
Kathy Kile

Proposals: All changes to the By-laws were approved by a wide margin.

Bud congratulated all the new Directors, and thanked the members that would not be continuing on the Board, Larry Ruhland and Mike Mears, for their dedication and service.

VIII. Adjourn

There being no further business, the meeting was adjourned.

MILLER COMPANY
2008 ANNUAL MEETING
JANUARY 25, 2008

AGENDA

- Welcome
- Approval of Minutes of 2007 Annual Meeting
- Update on Company/Haymount
- Nominations from Floor for Directors
- Election of Directors
- Vote on By-Law Changes
- Report from Family Council
- Lunch
- Report of Outcome of Election
- Set annual Meeting of Board
- Other Business
- Adjourn

EXPLANATION TO ATTACHED FINANCIAL STATEMENTS

The attached Financial Statements were prepared by former employees of the W.C. and A.N. Miller Development Company. We have been working diligently to try and reconcile these accounts back to the audited statement of 2007. We have run into a problem with the auditors and they have failed to provide documentation that explains the discrepancies between the current financial statements as of 9/30/08 versus the audited statement as of 9/30/07. We are confident that the cash, receivable and current and long term liabilities are accurate. Once we have completed our investigation, we will make the corresponding adjustments to bring these in line of the audited statement of 2007.

If you wish to have specific questions about the Balance Sheet and Profit & Loss Statement addressed at the Annual Meeting, it would be appreciated if you brought them to my attention prior to the meeting so that I am properly prepared to answer them.

W.C. and A.N. Miller Companies**Consolidated****Comparative Balance Sheet**

Balance as of:

	<u>ASSETS</u>
3,033,347	Cash & Cash Equivalents
38,601	Restricted Cash
3,071,948	TOTAL CASH & RESTRICTED CASH
1,847,801	Receivables
6,493,606	Inventory
1,018,873	Prepaid Expenses
9,360,280	TOTAL CURRENT ASSETS
(533)	Investments
1,304,264	Notes Receivable
50,775,079	Land, Property & Equipment
2,168,514	Other Assets
54,247,324	TOTAL NON CURRENT ASSETS
66,679,551	TOTAL ASSETS
	<u>LIABILITIES</u>
59,599	Accounts Payable
309,994	Accrued Payroll & Benefits
1,515,184	Accrued Liabilities
1,884,777	TOTAL CURRENT LIABILITIES
336,905	Contract, Escrow & Deposits
91,937,965	Notes Payable
(2,561,690)	Other Non-Current Liabilities
89,713,181	TOTAL NON-CURRENT LIABILITIES
91,597,958	TOTAL LIABILITIES
	<u>OWNERS EQUITY</u>
800,200	Common Stock
(25,718,607)	Retained Earnings
(24,918,407)	TOTAL STOCKHOLDERS EQUITY
66,679,551	TOTAL LIABILITIES & STOCKHOLDERS EQUITY

W.C. and A.N. Jr Companies

Consolidated

Profit and Loss Statement

For the Period Ended September 30, 2008

Current Month				Year to Date			Prior Year	Annual	%
Actual	Budget	Variance	Prior Year	Actual	Budget	Variance	Actual	Budget	
REVENUE									
2,225,000	-	2,225,000	(38,838)	6,100,404	3,893,257	2,207,147	4,920,429	3,893,257	156.7%
929,317	1,007,643	(78,326)	314,989	11,324,929	11,143,791	180,838	10,682,042	11,143,791	101.6%
-	1	(1)	(369,689)	779,763	592,386	187,377	1,704,243	592,386	131.6%
-	1	(1)	(504,722)	3,810	1	3,809	-	-	0.0%
42,382	39,484	2,898	-	492,005	459,991	32,014	-	459,991	107.0%
18,311	8,892	9,419	164,200	282,772	125,805	156,967	548,550	125,806	224.8%
3,215,010	1,056,021	2,158,989	(434,060)	18,983,383	16,215,231	2,768,152	17,855,264	16,215,231	117.1%
DIRECT EXPENSES									
2,849,490	-	2,849,490	1,718,092	6,865,332	3,816,000	3,049,332	7,014,481	3,816,000	179.9%
-	9	(9)	(534,167)	3,048	3	3,045	-	-	0.0%
-	-	-	-	229,002	275,148	(46,146)	275,356	275,148	83.2%
-	-	-	(48,976)	3,477	-	3,477	(25,865)	-	0.0%
-	-	-	-	-	-	-	-	-	0.0%
2,378,486	-	2,378,486	(5,281)	2,443,714	17,750	2,425,964	6,532	17,750	13767.4%
5,227,976	9	5,227,967	1,129,668	9,544,573	4,108,901	5,435,672	7,270,504	4,108,898	232.3%
(2,012,966)	1,056,012	(3,068,978)	(1,563,728)	9,438,810	12,106,330	(2,667,520)	10,584,760	12,106,333	78.0%
PAYROLL & RELATED EXPENSES									
96,529	100,076	(3,547)	369,932	1,408,623	1,323,587	85,036	2,951,954	1,323,585	106.4%
14,577	11,170	3,407	23,869	178,236	156,547	21,689	356,601	156,538	113.9%
111,106	111,246	(140)	393,801	1,586,859	1,480,134	106,725	3,308,555	1,480,123	107.2%
GENERAL & ADMINISTRATIVE EXP									
(19,648)	6,954	(26,602)	33,694	588,555	243,360	345,195	738,193	243,360	241.8%
6,176	892	5,284	(1,314)	24,429	19,915	4,514	123,713	19,912	122.7%
(110)	-	(110)	1,100	4,819	5,808	(989)	23,856	5,808	83.0%
-	12	(12)	-	616	744	(128)	1,845	744	32.8%
834	400	434	773	5,668	5,553	115	12,663	5,553	102.1%
4,702	500	4,202	21,348	101,940	47,900	54,040	173,008	47,900	212.8%
851	574	277	(147)	8,878	7,700	1,178	19,889	7,700	115.3%
4,946	5,869	(923)	6,766	58,698	75,628	(16,930)	86,080	75,628	77.6%
3,655	4,151	(496)	3,951	48,934	50,862	(1,928)	77,046	50,862	96.2%
1,431	300	1,131	81	11,296	3,600	7,696	25,033	3,600	313.8%
(51,120)	28,585	(79,705)	13,816,454	310,049	560,324	(250,275)	14,317,533	560,324	55.3%
(48,283)	48,237	(96,520)	13,882,706	1,163,882	1,021,394	142,488	15,598,859	1,021,391	114.0%
OVERHEAD EXPENSES									
17,594	16,848	746	(618,934)	177,270	172,080	5,190	(276,733)	172,080	103.0%
7,841	9	7,832	(534,607)	14,922	2,127	12,795	(13,119)	2,127	701.6%
112,136	88,684	23,452	88,134	1,095,866	1,164,006	(68,120)	1,083,484	1,164,007	94.1%
78,542	74,594	3,948	71,568	981,240	984,383	(3,143)	978,838	984,383	99.7%
29,013	29,385	(372)	(7,169)	409,102	338,233	70,869	365,746	338,233	121.0%
26,374	26,229	145	17,275	273,641	317,332	(43,691)	398,512	317,332	86.2%

W.C. and A.N. Jr Companies

Consolidated

Profit and Loss Statement

For the Period Ended September 30, 2008

	Current Month			Year to Date			Annual Budget	%
	Actual	Budget	Variance	Actual	Budget	Variance		
	136,634	140,232	(3,598)	1,646,463	1,643,294	3,169	1,436,986	100.2%
Property Taxes	-	-	-	-	-	-	(143,108)	0.0%
Corp. Serv. Alloc. For NOI								
TOTAL OVERHEAD EXPENSES	408,134	375,981	32,153	4,598,524	4,621,455	(22,931)	3,830,606	99.5%
TOTAL PERIOD EXPENSES	470,957	535,464	(64,507)	7,349,265	7,122,983	226,282	22,738,020	103.2%
Capitalized Expenses	-	-	-	-	-	-	(525,475)	0.0%
NET OPERATING INCOME (LOSS)	(2,483,923)	520,548	(3,004,471)	2,089,545	4,983,347	(2,893,802)	(11,627,785)	41.9%
NON-OPERATING EXP								
Depreciation Expense	136,162	106,524	29,638	1,357,099	1,274,145	82,954	1,186,149	106.5%
Amortization Expense	35,251	35,191	60	416,733	423,300	(6,567)	627,052	98.4%
Interest Expense	517,932	518,830	(898)	5,614,287	6,017,180	(402,893)	4,908,192	93.3%
Corporate Service Expense	-	-	-	-	-	-	(266,073)	0.0%
TOTAL NON-OPERATING EXP	689,345	660,545	28,800	7,388,119	7,714,625	(326,506)	6,455,320	95.8%
INC(LOSS) BEFORE OTHER INCOME	(3,173,268)	(139,997)	(3,033,271)	(5,298,574)	(2,731,278)	(2,567,296)	(18,083,105)	194.0%
OTHER (EXPENSE)/INCOME								
Other (Expense)/Income	3,456,886	(56,181)	3,513,067	1,183,119	(1,101,402)	(2,284,521)	(1,343,738)	-107.4%
TOTAL OTHER INCOME	3,456,886	(56,181)	3,513,067	1,183,119	(1,101,402)	(2,284,521)	(1,343,738)	-107.4%
INC(LOSS) BEFORE INCOME TAXES	283,618	(196,178)	479,796	(4,115,455)	(3,832,680)	(282,775)	(19,426,843)	107.4%
INCOME TAX								
Income Tax	-	-	-	(225,884)	-	(225,884)	(1,400,768)	0.0%
TOTAL INCOME TAX	-	-	-	(225,884)	-	(225,884)	(1,400,768)	0.0%
NET INCOME (LOSS)	283,618	(196,178)	479,796	(3,889,571)	(3,832,680)	(56,891)	(18,026,075)	101.5%