

W.C. and A.N. Miller Companies

Page: 1

Balance Sheet

January 31, 2012

	Current Month	Prior Month
ASSETS		
Current Assets		
Cash and Cash Equivalents	\$ 2,878,787.02	\$ 2,878,679.03
Accounts Receivable	918,596.90	970,036.24
Straightline Rent	2,981,801.42	2,981,801.42
Miscellaneous Receivables	18,840.66	13,740.10
Provision for Loss	0.00	0.00
Other Receivables	935,148.81	936,916.17
Inventory	37,318.04	37,318.04
Prepaid Expenses	299,172.54	286,700.20
Total Current Assets	8,069,665.39	8,105,191.20
Fixed Assets		
Land	6,310,994.50	6,310,994.50
HLP, II Land	538,905.48	538,905.48
Buildings	48,983,364.02	48,983,364.02
Property and Equipment	262,215.66	262,215.66
Capital Improvements - Opt	28,883.00	28,883.00
Improvements	12,641,175.42	12,596,845.05
Less: Accumulated Depreciation	19,756,773.89	19,599,203.01
Net Fixed Assets	49,008,764.19	49,122,004.70
Other Assets		
Deferred Leasing Commissions,	961,717.30	949,720.42
Deferred Finance Charges, net	641,216.11	641,216.11
Deposit	17,630.05	17,630.05
Deferred Taxes	7,241,222.00	7,241,222.00
Real Estate Tax Escrow	347,422.93	283,990.14
Total Other Assets	9,209,208.39	9,133,778.72
TOTAL ASSETS	\$ 66,287,637.97	\$ 66,360,974.62

W.C. and A.N. Miller Companies
Balance Sheet
January 31, 2012

Page: 2

Current Month Prior Month

LIABILITIES AND STOCKHOLDERS' DEFICIT

Current Liabilities		
Accounts Payable	\$ 11,849.15	\$ 165,774.25
2007 Payroll Tax Liability	339,493.41	350,493.41
Accrued Income Taxes	0.00	0.00
Accrued Expenses	1,169,903.44	966,162.89
Security Deposits	379,420.96	385,333.27
Prepaid RE Income	76,863.67	76,863.67
Prepaid Rent Income	778,162.63	770,024.61
Total Current Liabilities	<u>2,755,693.26</u>	<u>2,714,652.10</u>
Long-Term Liabilities		
Notes Payable (1)	87,957,815.08	88,065,402.30
Guaranty Reserve	0.00	0.00
Total Long-Term Liabilities	<u>87,957,815.08</u>	<u>88,065,402.30</u>
Total Liabilities	<u>90,713,508.34</u>	<u>90,780,054.40</u>
Minority Interest (2)	(6,299,410.46)	(6,299,410.46)
Total Minority Interest	<u>(6,299,410.46)</u>	<u>(6,299,410.46)</u>
Stockholders' Deficit		
Common Stock	800,200.00	800,200.00
Dividend	0.00	0.00
Retained Earnings (Deficit)	(18,926,659.91)	(18,919,869.32)
Total Stockholders' Deficit	<u>(18,126,459.91)</u>	<u>(18,119,669.32)</u>
TOTAL LIABILITIES & STOCKHOLDERS' DEFICIENCY	<u>\$ 66,287,637.97</u>	<u>\$ 66,360,974.62</u>

1. Notes Payable of 8,250,229.96 is offset by a Notes Receivable of 825,023 which is the cash of the 8,250,229.96 from Haymount Limited Partnership to W.C. and A.N. Miller Development Company.

2. W.C. and A.N. Miller Development Company owns 85% of Haymount Limited Partnership.

W.C. and A.N. Miller Companies
Long Term Debt
January 31, 2012

		Current Month		Budget	Prior Month
N/P MetLife	\$	25,897,042.89	\$	25,897,042.88	25,946,413.83
Key Bank Loan		17,429,559.81		17,429,559.81	17,450,061.50
N/P - TIAA Loan		21,769,740.82		21,769,741.02	21,790,341.74
N/P - Haymount Mezz		8,250,229.83		8,250,229.83	8,250,229.83
N/P - Cardinal Loan - SVR		14,611,241.73		14,611,237.95	14,628,355.40
Total Long Term Debt	\$	87,957,815.08	\$	87,957,811.49	88,065,402.30

Notes Repayment Schedule

1. MetLife - 1/1/2013
2. Key Bank Loan - 6/30/2021
3. TIAA - 10/1/2018
4. Cardinal Bank - 8/14/2021

Income Statement

for the Month ending January 31, 2012

	Current Month Actual	Current Month Budget	Current Month Variance	Current Month Prior Year	Year to Date Actual	Year to Date Budget	Year to Date Variance	Year to Date Prior Year
Rental Activities								
Rent Income	\$ 1,130,601.30	1,234,840.00	(104,238.70)	1,027,519.49	4,634,339.50	4,919,433.00	(285,093.50)	4,341,913.64
Rent Expenses	(345,671.40)	(396,876.00)	51,204.60	(297,313.93)	(1,293,111.58)	(1,442,042.00)	148,930.42	(1,339,895.55)
Real Estate Taxes	(109,827.60)	(101,240.00)	(8,587.60)	(107,406.07)	(439,310.42)	(404,960.00)	(34,350.42)	(429,704.29)
Depreciation	(167,325.40)	(167,301.00)	(24.40)	(180,989.10)	(669,301.60)	(669,204.00)	(97.60)	(723,956.40)
Debt Service-Interest	(423,109.76)	(421,515.00)	(1,594.76)	(441,794.71)	(1,686,252.16)	(1,685,499.00)	(753.16)	(1,768,232.44)
Net Rental Income	84,667.14	147,908.00	(63,240.86)	15.68	546,363.74	717,728.00	(171,364.26)	80,124.96
Revenues								
Total Revenues	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Cost of Sales	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
COGS	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Corporate Gross Profit	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Gross Profit	84,667.14	147,908.00	(63,240.86)	15.68	546,363.74	717,728.00	(171,364.26)	80,124.96
Operating Expenses								
Auto Expenses	0.00	200.00	(200.00)	0.00	129.34	800.00	(670.66)	1,371.30
Bank Charges	11.76	50.00	(38.24)	14.49	27.31	200.00	(172.69)	68.40
Computer Supplies	59.00	0.00	59.00	0.00	958.96	3,000.00	(2,041.04)	0.00
Computer Consultant	800.00	800.00	0.00	1,200.00	4,400.00	3,200.00	1,200.00	4,825.00
Office Administration	7,000.00	7,000.00	0.00	6,000.00	38,000.00	38,000.00	0.00	34,000.00
Equipment Rental	167.55	400.00	(232.45)	795.17	2,355.12	1,830.00	525.12	3,136.32
General Insurance	0.00	0.00	0.00	270.00	23,360.00	24,453.00	(1,093.00)	23,013.00
Legal	209.86	5,000.00	(4,790.14)	80.00	8,242.49	20,000.00	(11,757.51)	6,502.40
Legal - Loans/lenders	0.00	0.00	0.00	0.00	0.00	0.00	0.00	3,839.06
Legal - Haymount	21,341.95	0.00	21,341.95	27,723.23	166,779.46	100,000.00	66,779.46	50,980.16
Health Insurance	1,498.00	1,650.00	(152.00)	1,371.00	5,992.00	6,144.00	(152.00)	5,484.00

Income Statement

for the Month ending January 31, 2012

Management Meals	317.43	200.00	117.43	138.08	2,386.03	800.00	1,586.03	286.42
Annual Shareholder Meeting	0.00	0.00	0.00	0.00	1,649.10	0.00	1,649.10	0.00
Office Supplies	763.61	500.00	263.61	71.88	3,171.09	2,000.00	1,171.09	2,119.97
Other Taxes and Licenses	10.00	0.00	10.00	12,132.89	4,198.18	10,000.00	(5,801.82)	21,731.15
Payroll Taxes	3,400.50	625.00	2,775.50	1,217.00	5,772.00	2,500.00	3,272.00	3,359.00
Postage	304.19	350.00	(45.81)	253.04	1,426.09	1,400.00	26.09	1,136.81
Accounting	671.88	1,500.00	(828.12)	18,851.98	1,026.88	6,000.00	(4,973.12)	20,071.98
Review/Tax Returns/Fin St.	0.00	0.00	0.00	(17,131.98)	48,152.63	50,000.00	(1,847.37)	45,000.00
Internal Control Review	0.00	0.00	0.00	0.00	4,315.00	5,500.00	(1,185.00)	5,240.00
Promotion and Entertainment	0.00	0.00	0.00	0.00	508.00	0.00	508.00	0.00
Charitable Contribution	0.00	500.00	(500.00)	0.00	500.00	1,000.00	(500.00)	0.00
Rent	6,855.92	6,900.00	(44.08)	6,204.96	27,772.45	27,600.00	172.45	24,819.84
Springvale Meadows Expenses	132.41	0.00	132.41	0.00	21,738.41	21,000.00	738.41	0.00
Executive Compensation	21,000.00	21,000.00	0.00	15,000.00	84,000.00	84,000.00	0.00	60,000.00
Storage	0.00	0.00	0.00	0.00	0.00	0.00	0.00	2,240.00
Telephone	365.59	350.00	15.59	177.24	1,382.60	1,400.00	(17.40)	911.60
Management Travel	3,922.70	2,500.00	1,422.70	2,143.62	8,814.93	10,000.00	(1,185.07)	7,718.71
Payroll Processing Fees	225.72	225.00	0.72	208.80	765.98	900.00	(134.02)	700.98
Board of Directors Fees	13,500.00	13,500.00	0.00	9,000.00	54,000.00	54,000.00	0.00	36,000.00
RE Tax Expense	0.00	0.00	0.00	0.00	2,644.18	2,700.00	(55.82)	2,455.99
Board Travel and Meals	9,575.60	7,000.00	2,575.60	0.00	19,611.57	14,000.00	5,611.57	7,603.68
Total Operating Expenses	92,133.67	70,250.00	21,883.67	85,721.40	544,079.80	492,427.00	51,652.80	374,615.77
Net Operating Income	(7,466.53)	77,658.00	(85,124.53)	(85,705.72)	2,283.94	225,301.00	(223,017.06)	(294,490.81)
Other Income and Expenses								
Miscellaneous Income	0.00	0.00	0.00	1,500.00	0.00	0.00	0.00	1,500.00
Interest Income	445.94	1,200.00	(754.06)	478.10	2,498.55	4,800.00	(2,301.45)	1,905.90
Debt Service (Interest) Other	0.00	0.00	0.00	(3,176.44)	0.00	0.00	0.00	(12,705.76)
Total Other Income and Expenses	445.94	1,200.00	(754.06)	(1,198.34)	2,498.55	4,800.00	(2,301.45)	(9,299.86)
Net Income	(\$ 7,020.59)	78,858.00	(85,878.59)	(86,904.06)	4,782.49	230,101.00	(225,318.51)	(303,790.67)

W.C. and A.N. Miller Development Company
January 2012 Variance Report

	Variance	Explanation
Rental Income	(104,238.70)	1. Recoverable income for Spring Valley Retail is budgeted as monthly accrual but billed and paid as lump-sum 2. Higher vacancy at Sumner Highlands and higher concessions
Rental Expenses	51,204.60	1. Electricity at Shops @Sumner Place and Spring Valley Offices is less than budgeted. 2. Snow Removal less than budgeted. 3. Repairs on Plaza level at Shops @Sumner Place have not been completed. 4. Interior painting projects at Shops and Spring Valley have not been completed.
Real Estate Taxes	(8,587.60)	Sumner Highlands Real Estate Taxes Budgeted Incorrectly
Rental Income Variance	(63,240.86)	
Operating Expenses Variance	21,883.67	
Net Income Variance	(85,878.59)	

W.C. and A.N. MILLER COMPANIES
STATEMENT OF CASH FLOW
For the Month Ended January 31, 2012

	Current Month	Year to Date
Cash Flows for Operating Activities:		
Net Income	(7,021)	4,605
Adjustments to Reconcile Net Income to Net Cash Provided by Operating Activities		
Dividend	-	0
Depreciation and amortization	167,325	669,300
Loss on disposition of fixed assets	-	-
Income allocated to minority interest	0	(294)
Accounts receivable	46,339	(110,911)
Other receivables	1,767	6,990
Inventory	-	-
Deferred income taxes	-	-
Prepaid expenses	(12,472)	120,597
Current maturities of long term debt	-	-
Accounts payable	(164,695)	(73,605)
Accrued income taxes	-	-
Accrued expenses	203,741	311,249
Security deposits	(5,912)	9,158
Prepaid Real Estate Tax Income	-	-
Prepaid rent income	8,138	185,323
Total Adjustments	244,230	1,117,806
Net Cash Provided by (Used for) Operating Activities	237,210	1,122,412
Cash Flow for Investing Activities:		
Acquisition of fixed assets	(44,330)	(123,633)
Acquisition of deferred financing charges	(21,751)	(119,568)
Acquisition of real estate tax escrow	(63,433)	(133,167)
Acquisition of water escrow	-	-
Disposition of guaranty reserve	-	-
Disposition of deposit	-	-
Net Cash Used for Investing Activities	(129,515)	(376,369)
Cash Flow for Financing Activities:		
Disposition of long term debt	(107,587)	(430,902)
Acquisition of long term debt	-	-
Net Cash Used for Financing Activities	(107,587)	(430,902)
Net Increase (Decrease) in Cash and Cash Equivalents	108	315,141
Cash and cash equivalents, Beginning of Period	2,878,679	2,563,645
CASH AND CASH EQUIVALENTS, END OF YEAR	2,878,787	2,878,787

W.C. and A.N. Miller Development Company
2011/2012 Cash Flow Statement
Summary

	January 2012 Month Actual	January 2012 Month Budget	January 2012 Variance	January 2011 Prior Year	Total Actual Year to Date	Total Budget Year to Date	Total Variance	Total Prior Year to Date
Rental Activities								
Rent Income	\$ 1,130,601.30	\$ 1,234,840.00	\$ (104,238.70)	\$ 1,027,519.49	\$ 4,634,339.50	\$ 4,919,433.00	\$ (285,093.50)	\$ 3,233,736.55
Rent Expenses	\$ (345,671.40)	\$ (396,876.00)	\$ 51,204.60	\$ (297,313.93)	\$ (1,293,111.58)	\$ (1,442,042.00)	\$ 148,930.42	\$ (928,296.63)
Real Estate Taxes	\$ (109,827.60)	\$ (101,240.00)	\$ (8,587.60)	\$ (107,406.07)	\$ (439,310.42)	\$ (404,960.00)	\$ (34,350.42)	\$ (322,750.37)
Amortization/Depreciation	\$ (167,325.40)	\$ (167,301.00)	\$ (24.40)	\$ (180,989.10)	\$ (669,301.60)	\$ (669,204.00)	\$ (97.60)	\$ (542,967.30)
Debt Service - Interest	\$ (423,109.76)	\$ (421,515.00)	\$ (1,594.76)	\$ (441,794.71)	\$ (1,686,252.16)	\$ (1,685,499.00)	\$ (753.16)	\$ (1,325,859.57)
Net Rental Income	\$ 84,667.14	\$ 147,908.00	\$ (63,240.86)	\$ 15.68	\$ 546,363.74	\$ 717,728.00	\$ (171,364.26)	\$ 113,862.68
Total Operating Expenses	\$ 92,001.26	\$ 70,250.00	\$ 55,233.04	\$ 15.68	\$ 522,518.68	\$ 471,427.00	\$ 87,947.79	\$ 193,808.87
Net Income	\$ (6,888.18)	\$ 78,858.00	\$ (127,670.30)	\$ (86,904.06)	\$ 26,343.61	\$ 251,101.00	\$ (194,506.04)	\$ (172,251.39)
Total Adjustments to Reconcile to Cash	\$ 114,583.39	\$ 64,724.00	\$ 319,356.82	\$ 132,598.83	\$ 614,701.67	\$ 107,356.50	\$ 456,292.90	\$ 625,470.54
Net Cash provided from Operations	\$ 107,695.21	\$ 143,582.00	\$ 191,686.52	\$ 45,694.77	\$ 641,045.28	\$ 358,457.50	\$ 456,292.90	\$ 453,219.15
Increase or (Decrease) in Long Term Debt	\$ (107,587.22)	\$ (107,587.23)	\$ 0.01	\$ (105,608.04)	\$ (430,902.60)	\$ (429,333.48)	\$ (212,756.07)	\$ (316,333.40)
Net Increase (Decrease) in Cash (FREE CASH FLOW)	\$ 107.99	\$ 35,994.77	\$ 191,686.53	\$ (59,913.27)	\$ 210,142.68	\$ (70,875.98)	\$ 243,536.83	\$ 136,885.75
Shareholder Dividend	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ (100,000.00)
Cash Balance at Beginning of Period	\$ 2,878,679.03	\$ 2,458,697.34	\$ 419,981.69	\$ 1,652,094.04	\$ 2,563,644.63	\$ 2,597,868.09	\$ (34,223.46)	\$ 1,557,845.66
Increase (Decrease) in cash during period	\$ 107.99	\$ 35,994.77	\$ (35,886.78)	\$ (59,913.27)	\$ 210,142.68	\$ (70,875.98)	\$ 281,018.66	\$ 34,335.11
Cash at End of Period	\$ 2,878,787.02	\$ 2,494,692.11	\$ 384,094.91	\$ 1,592,180.77	\$ 2,773,787.31	\$ 2,526,992.11	\$ 246,795.20	\$ 1,592,180.77

2/28/2012 14:14

W.C. and A.N. Miller Development Company
2011/2012 Cash Flow Statement
Comparison

	January 2012 Month Actual	January 2012 Month Budget	January 2012 Variance	January 2011 Prior Year	Total Actual Year to Date	Total Budget Year to Date	Total Variance	Total Prior Year to Date
Rental Activities								
Rent Income	\$ 1,130,601.30	\$ 1,234,840.00	\$ (104,238.70)	\$ 1,027,519.49	4,634,339.50	4,919,433.00	(285,093.50)	4,341,913.64
Rent Expenses	\$ (345,671.40)	\$ (396,876.00)	\$ 51,204.60	\$ (297,313.93)	(1,293,111.58)	(1,442,042.00)	148,930.42	(1,339,895.55)
Real Estate Taxes	\$ (109,827.60)	\$ (101,240.00)	\$ (8,587.60)	\$ (107,406.07)	(439,310.42)	(404,960.00)	(34,350.42)	(429,704.29)
Amortization/Depreciation	\$ (167,325.40)	\$ (167,301.00)	\$ (24.40)	\$ (180,989.10)	(669,301.60)	(669,204.00)	(97.60)	(723,956.40)
Debt Service - Interest	\$ (423,109.76)	\$ (421,515.00)	\$ (1,594.76)	\$ (441,794.71)	(1,686,252.16)	(1,685,499.00)	(753.16)	(1,768,232.44)
Net Rental Income	\$ 84,667.14	\$ 147,908.00	\$ (63,240.86)	\$ 15.68	\$ 546,363.74	\$ 717,728.00	\$ (171,364.26)	\$ 80,124.96
Revenues								
Sales(Lots and Homes)	\$ 84,667.14	\$ 147,908.00	\$ (63,240.86)	\$ 15.68	\$ 546,363.74	\$ 717,728.00	\$ (171,364.26)	\$ 80,124.96
Cost of Sales								
Gross Profit								
Operating Expenses								
Auto Expenses	\$ -	\$ 200.00	\$ (200.00)	\$ -	129.34	800.00	(670.66)	1,371.30
Bank Charges	\$ 11.76	\$ 50.00	\$ (38.24)	\$ 14.49	27.31	200.00	(172.69)	68.40
Computer Consultant	\$ 800.00	\$ 800.00	\$ -	\$ 1,200.00	4,400.00	3,200.00	1,200.00	4,825.00
Computer Supplies	\$ 59.00	\$ -	\$ 59.00	\$ -	958.96	3,000.00	(2,041.04)	0.00
Executive Compensation	\$ 21,000.00	\$ 21,000.00	\$ -	\$ 15,000.00	84,000.00	84,000.00	0.00	60,000.00
Executive Bonus	\$ -	\$ -	\$ -	\$ -	0.00	0.00	0.00	0.00
Office Administration	\$ 7,000.00	\$ 7,000.00	\$ -	\$ 6,000.00	38,000.00	38,000.00	0.00	34,000.00
Payroll Burden	\$ 3,400.50	\$ 625.00	\$ 2,775.50	\$ 1,217.00	5,772.00	2,500.00	3,272.00	3,359.00
Equipment Rental	\$ 167.55	\$ 400.00	\$ (232.45)	\$ 795.17	2,355.12	1,830.00	525.12	3,136.32
General Insurance	\$ -	\$ -	\$ -	\$ 270.00	23,360.00	24,453.00	(1,093.00)	23,013.00
Legal - General	\$ 209.86	\$ 5,000.00	\$ (4,790.14)	\$ 80.00	8,242.49	20,000.00	(11,757.51)	6,502.40
Legal - Loans/Lenders	\$ -	\$ -	\$ -	\$ -	0.00	0.00	0.00	3,839.06
Legal - Haymount	\$ 21,341.95	\$ -	\$ 21,341.95	\$ 27,723.23	166,779.46	100,000.00	66,779.46	50,980.16
Leasing Commission - Corp	\$ -	\$ -	\$ -	\$ -	0.00	0.00	0.00	0.00
Health Insurance	\$ 1,498.00	\$ 1,650.00	\$ (152.00)	\$ 1,371.00	5,992.00	6,144.00	(152.00)	5,484.00
Management Meals	\$ 317.43	\$ 200.00	\$ 117.43	\$ 138.08	2,386.03	800.00	1,586.03	286.42
Offices Supplies	\$ 763.61	\$ 500.00	\$ 263.61	\$ 71.88	3,171.09	2,000.00	1,171.09	2,119.97
Other Taxes and Licenses	\$ 10.00	\$ -	\$ 10.00	\$ 12,132.89	4,198.18	10,000.00	(5,801.82)	21,731.15
Other Real Estate Taxes	\$ -	\$ -	\$ -	\$ -	2,644.18	2,700.00	(55.82)	2,455.99

W.C. and A.N. Miller Development Company
2011/2012 Cash Flow Statement
Comparison

	January 2012 Month Actual	January 2012 Month Budget	January 2012 Variance	January 2011 Prior Year	Total Actual Year to Date	Total Budget Year to Date	Total Variance	Total Prior Year to Date
Postage	\$ 304.19	\$ 350.00	\$ (45.81)	\$ 253.04	1,426.09	1,400.00	26.09	1,136.81
Accounting	\$ 671.88	\$ 1,500.00	\$ (828.12)	\$ 18,851.98	1,026.88	6,000.00	(4,973.12)	20,071.98
Promotion & Entertainment	\$ -	\$ -	\$ -	\$ -	508.00	0.00	508.00	0.00
Internal Control Audit/Review	\$ -	\$ -	\$ -	\$ -	4,315.00	5,500.00	(1,185.00)	5,240.00
Audit and Tax Returns	\$ -	\$ -	\$ -	\$ (17,131.98)	48,152.63	50,000.00	(1,847.37)	45,000.00
Rent	\$ 6,855.92	\$ 6,900.00	\$ (44.08)	\$ 6,204.96	27,772.45	27,600.00	172.45	24,819.84
Telephone	\$ 365.59	\$ 350.00	\$ 15.59	\$ 177.24	1,559.89	1,400.00	159.89	911.60
Management Travel	\$ 3,922.70	\$ 2,500.00	\$ 1,422.70	\$ 2,143.62	8,814.93	10,000.00	(1,185.07)	7,718.71
Payroll Processing Fees	\$ 225.72	\$ 225.00	\$ 0.72	\$ 208.80	765.98	900.00	(134.02)	700.98
Board of Directors Fees	\$ 13,500.00	\$ 13,500.00	\$ -	\$ 9,000.00	54,000.00	54,000.00	0.00	36,000.00
Shareholders Annual Meeting + 100 Yr Party	\$ -	\$ -	\$ -	\$ -	1,649.10	0.00	1,649.10	0.00
Board Travel and Meals	\$ 9,575.60	\$ 7,000.00	\$ 2,575.60	\$ -	19,611.57	14,000.00	5,611.57	7,603.68
Executive Compensation Committee Fee's	\$ -	\$ -	\$ -	\$ -	0.00	0.00	0.00	0.00
Dead Storage	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Charitable Contributions	\$ -	\$ -	\$ -	\$ -	500.00	1,000.00	(500.00)	\$ -
Burke & Herbert Prepayment Penalty	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Total Operating Expenses	\$ 92,001.26	\$ 70,250.00	\$ 22,251.26	\$ 85,721.40	\$ 522,518.68	\$ 471,427.00	\$ 51,091.68	\$ 374,615.77
Net Operating Income	\$ (7,334.12)	\$ 77,658.00	\$ (85,492.12)	\$ (85,705.72)	\$ 23,845.06	\$ 246,301.00	\$ (222,455.94)	\$ (294,490.81)
Other Income and Expenses								
Miscellaneous Income	\$ -	\$ -	\$ -	\$ 1,500.00	\$ -	\$ -	\$ -	\$ 1,500.00
Unamortized Loan Fee's	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Washington Securities Interest	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Subordinated Debentures	\$ -	\$ -	\$ -	\$ (3,176.44)	\$ -	\$ -	\$ -	\$ (12,705.76)
Interest Income	\$ 445.94	\$ 1,200.00	\$ (530.79)	\$ 478.10	2,498.55	4,800.00	(2,301.45)	1,905.90
Total Other Income and Expenses	\$ 445.94	\$ 1,200.00	\$ (530.79)	\$ (1,198.34)	\$ 2,498.55	\$ 4,800.00	\$ (2,301.45)	\$ (9,299.86)
Net Income	\$ (6,888.18)	\$ 78,858.00	\$ (86,022.91)	\$ (86,904.06)	\$ 26,343.61	\$ 251,101.00	\$ (224,757.39)	\$ (303,790.67)
Net Income (Less revenues on Lots)	\$ (6,888.18)	\$ 78,858.00	\$ (86,022.91)	\$ (86,904.06)	\$ 26,343.61	\$ 251,101.00	\$ (224,757.39)	\$ (303,790.67)

W.C. and A.N. Miller Development Company
2011/2012 Cash Flow Statement
Comparison

	January 2012 Month Actual	January 2012 Month Budget	January 2012 Variance	January 2011 Prior Year	Total Actual Year to Date	Total Budget Year to Date	Total Variance	Total Prior Year to Date
Adjustments to reconcile net income to net cash provided by Operations								
Amortization/Depreciation	\$ 167,325.40	\$ 167,301.00	\$ 24.40	\$ 180,989.10	\$ 669,301.60	\$ 669,204.00	\$ 97.60	\$ 723,956.40
Accounts receivable	\$ 46,338.78	\$ -	\$ 46,338.78	\$ (13,138.00)	\$ (110,911.52)	\$ -	\$ (110,911.52)	\$ 298,291.00
Required Building Improvements	\$ -	\$ (87,159.00)	\$ 87,159.00	\$ -	\$ (61,489.00)	\$ (252,575.00)	\$ 191,086.00	\$ (15,541.00)
Optional Building Improvements	\$ -	\$ (32,300.00)	\$ 32,300.00	\$ -	\$ -	\$ -	\$ -	\$ -
Tenant Improvements	\$ (44,330.37)	\$ (9,845.00)	\$ (34,485.37)	\$ (43,436.00)	\$ (62,145.16)	\$ (396,777.00)	\$ 334,631.84	\$ (80,416.00)
Leasing Commission	\$ (21,751.40)	\$ (8,547.00)	\$ (13,204.40)	\$ 5,330.00	\$ (119,568.75)	\$ (153,074.00)	\$ 33,505.25	\$ (150,622.00)
Notes Receivable	\$ 1,767.36	\$ 1,754.00	\$ 13.36	\$ 6,761.00	\$ 6,990.89	\$ 6,938.00	\$ 52.89	\$ 26,568.00
Real Estate Tax Escrows	\$ (63,432.79)	\$ (62,872.00)	\$ (560.79)	\$ (62,884.00)	\$ (133,165.47)	\$ (130,927.50)	\$ (2,237.97)	\$ (123,524.00)
Accrued Real Estate Taxes	\$ 72,786.00	\$ 101,240.00	\$ (28,454.00)	\$ 104,694.15	\$ 291,144.00	\$ 404,960.00	\$ (113,816.00)	\$ 410,720.88
Real-estate Tax Payments	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Accrued Expenses	\$ 130,954.55	\$ -	\$ 130,954.55	\$ 85,680.80	\$ 20,105.07	\$ -	\$ 20,105.07	\$ 4,937.80
2007 Payroll tax payments	\$ (11,000.00)	\$ (11,000.00)	\$ -	\$ (11,000.00)	\$ (44,000.00)	\$ (44,000.00)	\$ -	\$ (44,000.00)
Springvale Meadows Expense	\$ (132.41)	\$ -	\$ (132.41)	\$ -	\$ (21,738.41)	\$ (21,000.00)	\$ (738.41)	\$ (11,241.00)
Minority Interest	\$ -	\$ -	\$ -	\$ (4,892.00)	\$ (293.46)	\$ -	\$ (293.46)	\$ (9,255.00)
Prepaid Expenses	\$ (18,253.58)	\$ -	\$ (18,253.58)	\$ 1,080.75	\$ 120,033.55	\$ -	\$ 120,033.55	\$ 9,418.23
Prepaid Insurance	\$ 5,781.24	\$ 6,152.00	\$ (370.76)	\$ 7,411.63	\$ 11,562.47	\$ 24,608.00	\$ (13,045.53)	\$ 29,646.51
Accounts Payable	\$ (153,695.10)	\$ -	\$ (153,695.10)	\$ 24,155.40	\$ (145,605.22)	\$ -	\$ (145,605.22)	\$ 133,870.23
Security Deposits	\$ (5,912.31)	\$ -	\$ (5,912.31)	\$ (1,448.00)	\$ 9,157.75	\$ -	\$ 9,157.75	\$ 5,635.00
Prepaid RE Tax Income	\$ -	\$ -	\$ -	\$ (9,987.00)	\$ -	\$ -	\$ -	\$ (39,948.00)
Prepaid Rent Income	\$ 8,138.02	\$ -	\$ 8,138.02	\$ (136,719.00)	\$ 185,323.33	\$ -	\$ 185,323.33	\$ (256,524.00)
Cost of Sale Sunshine Brooke LLC	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Washington Securities Receivable	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Write off Burke & Herbert Loan Fee's	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Closing cost Cardinal Bank Loan	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Accrued Interest Payment to Washington Securities	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Total Adjustments	\$ 114,583.39	\$ 64,724.00	\$ 49,859.39	\$ 132,598.83	\$ 614,701.67	\$ 107,356.50	\$ 507,345.17	\$ 911,973.05
Net Cash provided from Operations	\$ 107,695.21	\$ 143,582.00	\$ (36,163.52)	\$ 45,694.77	\$ 641,045.28	\$ 358,457.50	\$ 282,587.78	\$ 608,182.38

W.C. and A.N. Miller Development Company
2011/2012 Cash Flow Statement
Comparison

	January 2012 Month Actual	January 2012 Month Budget	January 2012 Variance	January 2011 Prior Year	Total Actual Year to Date	Total Budget Year to Date	Total Variance	Total Prior Year to Date
Increase or (Decrease) in Long Term Debt	\$ (107,587.22)	\$ (107,587.23)	\$ 0.01	\$ (105,608.04)	\$ (430,902.60)	\$ (429,333.48)	\$ (1,569.12)	\$ (423,797.87)
Net Increase (Decrease) in Cash (FREE CASH FLOW)	\$ 107.99	\$ 35,994.77	\$ (36,163.51)	\$ (59,913.27)	\$ 210,142.68	\$ (70,875.98)	\$ 281,018.66	\$ 184,384.51
Shareholder Dividend	\$ -		\$ -				\$	\$ (150,000.00)
Cash Balance at Beginning of Period	\$ 2,878,679.03	\$ 2,458,697.34	\$ 419,981.69	\$ 1,652,094.04	\$ 2,563,644.63	\$ 2,597,868.09	\$ 2,597,868.09	\$ 1,557,845.66
Increase (Decrease) in cash during period	\$ 107.99	\$ 35,994.77	\$ (35,886.78)	\$ (59,913.27)	\$ 210,142.68	\$ (139,170.75)	\$ 349,313.43	\$ 34,335.11
Cash at End of Period	\$ 2,878,787.02	\$ 2,494,692.11	\$ 384,094.91	\$ 1,592,180.77	\$ 2,773,787.31	\$ 2,458,697.34	\$ 315,089.97	\$ 1,592,180.77

2/28/2012 14:12