

MINUTES
W.C. & A.N. MILLER DEVELOPMENT COMPANY
BOARD OF DIRECTORS TELECONFERENCE
May 20, 2009

Participants:

Robert (Bob) Beers, Jr.	Katharine (Kathy) Kile
Ernest (Bud) Miller	Robert R. Miller
James (Jim) Myers, Jr.	Monica Satrape
Deborah (Debbie) Vaughan	

Not Attending: Robert (Rob) Beers, III and Geoffrey (Geoff) Miller were not present

The Board meeting began at 11 am. Attached are e-mails detailing the purpose of the meeting that were given to all members in advance of the meeting. Patricia R. Emory acted as Corporate Secretary for the meeting.

1. **F & R Limited Partnership:** Rob Miller explained the history of the W.C. and A.N. Miller Development Company's interest in the Partnership as well as Mr. Vazzana's correspondence regarding the Partnership's desire to pay the Note back early and at a discounted rate. The final offer from the Partnership is \$1,080,000 and the W.C. and A.N. Miller Development Company would forgive the interest due on the Note.

MOTION: Motion was made by Robert Miller and seconded by Deborah Vaughan that the W.C. and A.N. Miller Development Company would accept the F & R Limited Partnership's offer of \$1,080,000 as full satisfaction of their Note. All were in favor, none opposed.

2. **Burke & Herbert Bank and Trust Company:** Rob Miller explained that Burke & Herbert are willing to replace the Chevy Chase Line of Credit as follows:

- a. \$10,500,000 7 year term loan on the Spring Valley retail properties at a rate of 7%.
- b. \$7,000,000 revolving line of credit at a rate of Prime and a floor of 6%. The line of credit is renewable annually for 4 years. This line of credit will be used to pay off the remaining 2 notes on Chandlee Mill and Sunshine Brook lots with Chevy Chase Bank as well as the balance due on the Line of Credit.

Rob Miller explained that all cash will go into the line of credit which should leave approximately \$2,000,000 owed on it when we go to close.

3. **Long & Foster Lawsuit:** Rob Miller explained that the case settled on Tuesday. Our settlement cost will be \$10,000.
3. **Sumner Highlands:** Leasing is ramping up. We should be at 70% by the end of this month. Rob Miller explained that to be cash flow positive we will need to be close to 100% occupied.

4. **Financial Statements:** Rob Miller explained that we have completed the process of reconciling the Balance Sheet and Profit & Loss Statement as of September 30, 2008. We are waiting the return of our accountant on May 26, 2009 for his review and blessing and then it will be forwarded to the Audit Committee, then full Board and then to Shareholders.
5. **Reznick Lawsuit:** Engagement letter signed and retainer of \$7,500 paid. We should have demand letter in next month or two.

There being no other business the meeting adjourned at 11:30 am.

Patricia R. Emory, Corporate Secretary

June 10, 2009
Approved