## WC & AN Miller Companies Balance Sheet December 31, 2008

Current Month

Prior Month

ASSETS
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		Ab	OLID	,
Current Assets				
Cash in Banks	\$	4,292,672.09	\$	4,003,033.76
Receivables		1,973,868.50		1,826,815.55
Notes Receivable		1,897,473.88		1,909,156.90
Inventory		5,246,580.94		5,229,342.02
Prepaid Expenses	_	332,135.24		382,306.47
Total Current Assets	_	13,742,730.65	_	13,350,654.70
Property and Equipment				
Fixes Assets		69,616,168.49		69,616,168.49
Accumulated Depreciation	_	19,358,748.98		19,188,505.76
Book Value of Property and Equipment	-	50,257,419.51	_	50,427,662.73
Other Assets				
Leasing Commissions		243,319.44		243,146.64
Rent Abatment		3,900.03		3,900.03
Loan Charges		1,195,376.38		1,195,376.38
Deferred Expenses		635,297.39		564,133.51
Escrow - Security Deposit		47.91		47.91
Prepaid Rent		(182,266.38)		(75,029.39)
Replacement Reserve - SVO Loan		30,634.38		30,634.38
Accrued Revenue - Leaves	_	84,795.00		84,795.00
Total Other Assets	-	2,011,104.15	_	2,047,004.46
Total Assets	\$	66,011,254.31	\$	65,825,321.89
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#### WC & AN Miller Companies Balance Sheet December 31, 2008

Current Month

Prior Month

### LIABILITIES AND STOCKHOLDERS' EQUITY

Current Liabilities Accounts Payable Accrued Liabilities Contract, Escrow & Deposits Accrued Payroll & Benefits	\$	71,021.05 1,160,151.95 324,687.15 26,582.93	\$	91,896.40 1,265,400.88 323,943.40 26,582.93
Total Current Liabilities	-	1,582,443.08	•	1,707,823.61
Long-Term Liabilities Notes Payable (1) Other Non-Current Liabilities	<del></del>	94,500,018.14 34,310.06		94,296,748.81 34,310.06
Total Long-Term Liabilities		94,534,328.20		94,331,058.87
Total Liabilities	·	96,116,771.28		96,038,882.48
Minority Interest (2)		6,034,422.26		6,034,422.26
Stockholders' Equity Common Stock Retained Earnings Net Income	-	800,200.00 (29,144,212.77) 4,225,418.06		800,200.00 (29,144,212.77) 4,134,874.44
Total Capital		(30,153,016.97)		(30,243,560.59)
Total Liabilities & Capital	\$	65,963,754.31	\$	65,795,321.89

<sup>1.</sup> 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.

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

#### WC & AN Miller Companies Long Term Debt December 31, 2008

	Current Month	Budget	Prior Month
N/P Cur Wash Securties	\$ 200,000.00	\$ 200,000.00	200,000.00
NP Cur Sub Debent	440,000.00	440,000.00	440,000.00
N/P MetLife	27,560,857.44	27,560,857.37	27,601,470.37
N/P - C.C. 314545	15,463,508.35	15,202,823.19	15,202,823.19
Chevy Chase - Sunshine Brooke	791,250.00	791,250.00	791,250.00
Chevy Chase - Builder LOC	991,500.19	991,500.19	991,500.19
Key Bank Loan	18,164,699.80	18,148,066.70	18,181,502.70
N/P - VCB 71295054	387,972.40	387,972.40	387,972.40
N/P - TIAA Loan	22,250,000.00	22,250,000.00	22,250,000.00
N/P - Haymount Mezz	 8,250,229.96	 6,858,184.72	8,250,229.96
Total Long Term Debt	\$ 94,500,018.14	\$ 92,830,654.57	94,296,748.81

WC & AN Miller Companies Income Statement For the Three Months Ending December 31, 2008

	Current Month Actual	Current Month Budget	Current Month Variance	Year to Date Actual	Year to Date Budget	Year to Date Variance
Rental Activities Rent Income Rent Expenses Real Estate Taxes Depreciation Debt Service-Interest	\$ 1,138,550.12 (317,819.05) (140,403.82) (170,243.22) (305,344.87)	1,090,930.00 (274,108.00) (134,088.00) (173,297.00) (435,085.00)	47,620.12 (43,711.05) (6,315.82) 3,053.78 129,740.13	3,113,855.40 (971,747.26) (428,376.40) (517,385.17) (1,198,837.20)	3,066,235.28 (928,036.21) (422,060.58) (519,737.00) (1,328,577.33)	47,620.12 (43,711.05) (6,315.82) 2,351.83 129,740.13
Net Rental Income	204,739.16	74,352.00	130,387.16	(2,490.63)	(132,175.84)	129,685.21
Revenues Management Fee - Haymount LP Land Management - Haymount LP Haymount LP Management Fee Sales	0.00	0.00	0.00 0.00 0.00	38,502.00 38,332.00 (27,500.00) 1,077,500.00	38,502.00 38,332.00 (27,500.00) 1,077,500.00	0.00
Total Revenues	0.00	0.00	00.00	1,126,834.00	1,126,834.00	0.00
Cost of Sales	0.00	0.00	0.00	1,340,018.54	1,340,018.54	00.00
Corporate Gross Profit	0.00	0.00	00.00	(213,184.54)	(213,184.54)	00.00
Gross Profit	204,739.16	74,352.00	130,387.16	(215,675.17)	(345,360.38)	129,685.21
Operating Expenses Advertising Auto Expenses Bank Charges Move Expenses Computer Supplies Computer Consultant Board Consultant New Homes Consultant Office Administration Courier Dues and Subscriptions Equipment Rental General Insurance Legal - General Legal - General Legal - Loans/Lenders Legal - Conmercial Leasing	0.00 105.35 541.22 160.00 0.00 3,000.00 5,000.00 9,000.00 0.00 3,596.36 (199.12) 0.00 22.05 355.45 0.00	0.00 200.00 1,100.00 600.00 3,000.00 5,000.00 0.00 0.00 0.00 5,000.00 0.00	0.00 0.00 (558.78) 00 (440.00) 00 0.	74.00 407.53 2,497.00 4,779.00 1,155.00 4,791.25 9,000.00 17,000.00 17,000.00 13,478.76 362.06 13,478.76 37,539.88 3,663.90 4,125.45 106,127.45 741.26 937.50	74.00 502.18 3,055.78 5,219.00 1,155.00 8,156.25 9,000.00 12,000.00 12,000.00 113.14 362.06 9,882.39 37,739.00 8,663.90 4,103.40 105,772.00 741.26 937.50	0.00 (94.65) (558.78) (440.00) 0.00 (3,365.00) 0.00 5,000.00 0.00 3,596.37 (199.12) (5,000.00) 22.05 355.45 0.00

WC & AN Miller Companies Income Statement For the Three Months Ending December 31, 2008

	Current Month	Current Month	Current Month Variance	Year to Date Actual	Year to Date Budget	Year to Date Variance
į	10007C	3 000 00	2 3 8 8 9 2	7 727 48	4.458.66	3.268.82
Legal - Employee Matters	0,000.00	00.000,6	20:802,5	22.095.00	22,095.00	0.00
Legal - Haymount	0.00	000	000	12 553 80	12,553.80	0.00
Leasing Commission - Corp	0.00	1 200 00	3 171 00	6.507.70	3.336.70	3,171,00
Health Insurance	4,577.00	100.00	(89.42)	205.71	295.13	(89.42)
Management Meals	204 88	500.00	(205.12)	5,886.23	6,091.35	(205.12)
Office Supplies Other Toyer and Unearees	4 913 01	0.00	4,913.01	32,043.44	27,130.43	4,913.01
Onlei Laxes and Electroca	0.00	200.00	(200.00)	1,492.00	1,692.00	(200.00)
Lainiig Dagell Tayes	830.79	0.00	830.79	14,023.30	13,192.51	830.79
Layton Taxes Doctage	0.00	200.00	(200.00)	708.63	69.806	(200.00)
Lostago	1.602.00	18,000.00	(16,398.00)	27,907.00	44,305.00	(16,398.00)
Accounting I can Charges	0.00	0.00	00.0	418,019.61	418,019.61	0.00
Loan Citatges	57.90	0.00	57.90	27,769.08	27,711.18	57.90
Denoire and Maintenance	15.064.37	00.008,6	5,264.37	7,936.37	2,672.00	5,264.37
Executive Compensation	12,500.00	12,500.00	0.00	37,500.00	37,500.00	00:0
Office Salary	0.00	0.00	0.00	58,155.57	58,155.57	0.00
Ongoing Severance	22.885.90	17,799.31	5,086.59	45,771.77	41,820.86	3,950.91
One Time Severance	0.00	0.00	0.00	72,163.50	72,163.50	0.00
Storage	426.14	506.30	(80.16)	932.44	1,012.60	(80.16)
Diviago Telenhone	14.59	00.06	(75.41)	1,275.69	1,351.10	(75.41)
Management Travel	00.0	2,500.00	(2,500.00)	6,695.68	9,195.68	(2,500.00)
Payroll Processing Fees	634.62	365.84	268.78	1,733.26	1,464.48	268.78
Roard of Directors fees	6,500.00	6,000.00	200.00	13,000.00	18,500.00	(5,500.00)
2008 Deferred Director's Fees	0.00	00.0	0.00	7,500.00	7,500.00	0.00
RE Tax Exh	0.00	0.00	00'0	593.05	0.00	593.05
Board Travel and Meals	3,412.98	0.00	3,412.98	11,439.77	8,026.79	3,412.98
Total Operating Expenses	104,003.89	97,661.45	6,342.44	1,058,429.26	1,058,629.44	(200.18)
Net Operating Income	100,735.27	(23,309.45)	124,044.72	(1,274,104.43)	(1,403,989.82)	129,885.39
Other Income and Expenses	00.00	0.00	0.00	5,550,000.00	5,725,000.00	(175,000.00)
Interest Income	4,565.46	5,082.54	(517.08)	9,648.00	15,247.62	(5,599.62)
Debt Service (Interest) Other	(14,757.11)	(14,876.44)	119.33	(60,125.51)	(01,645.10)	4C.41C,1
Total Other Income and Expenses	(10,191.65)	(9,793.90)	(397.75)	5,499,522.49	5,678,602.52	(179,080.03)
Net Income	\$ 90,543.62	(33,103.35)	123,646.97	4,225,418.06	4,274,612.70	(49,194.64)

For Management Purposes Only

# WC & AN Miller Companies Statement of Cash Flow For the three Months Ended December 31, 2008

		Current Month		Year to Date
Cash Flows from operating activities				
Net Income	\$	90,543.62	\$	4,225,418.06
Adjustments to reconcile net				
income to net cash provided				
by operating activities				
Depreciation and Amortization		170,243.22		517,384.34
Accounts Receivable (net)		(177,212.50)		(30,246.27)
Notes Receivable		11,683.02		45,327.52
Intercompany Receivables		(3,843.31)		(3,672.18)
Other Receivables		34,002.86		(24,603.05)
Inventory		(17,238.92)		1,247,024.69
Prepaid Expenses		50,171.23		708,553.70
Accounts Payable		(20,875.35)		19,317.29
Accrued Expenses		(61,262.18)		(43,180.05)
Accrued Interest Payable		0.00		(88.94)
Accrued Income Taxes		0.00		(9,411.81)
Accrued Insurance		4,536.17		566.56
Accrued Real Estat Tax		95,256.59		289,903.05
Provisions for Loss		4,099.21		12,405.83
Accrued Directors Fees		3,500.00		10,500.00 (9,605.00)
Accrued Management Fee		0.00		
Accrued Utilities		0.00		(5,708.00) (231,595.84)
Accrued Interest		(133,878.72)		
Security Deposit - Cricket	-	0.00	-	17,435.83
Total Adjustments	-	(40,818.68)	-	2,510,307.67
Net Cash provided by Operations		49,724.94	_	6,735,725.73
Cash Flows from investing activities				
Used For				
Fixed Assets		0.00		0.00
Leasing Commissions		(172.80)		(5,897.43)
Loan Charges		0.00		(284,375.00)
Deferred Expenses		(71,163.88)		233,037.68
Escrow - Security Deposit		0.00		(47.91)
Prepaid Rent	-	107,236.99		182,266.38
Net cash used in investing	-	35,900.31		124,983.72
Cash Flows from financing activities				
Proceeds From				
Long Term Debt		203,269.33		(5,656,029.70)
Net each used in financing	-	203,269.33		(5,656,029.70)
Net cash used in financing		203,207.33	ē	
Net increase <decrease> in cash</decrease>	\$	288,894.58	\$	1,204,679.75
Summary				
Cash Balance at End of Period	\$	4,292,672.09	\$	4,292,672.09
Cash Balance at End of Period	Ψ	(4,003,033.76)	•	(3,075,973.92)
Com Damino at Dog of Latton		( ),		
Net Increase < Decrease > in Cash	\$	289,638.33	\$	1,216,698.17