MINUTES
W.C. & A.N. MILLER COMPANY

BOARD OF DIRECTORS TELECONFERENCE
JULY 28, 2009

Participants

Robert (Bob) Beers, Jr.	Robert (Rob) Beers, III
Kathy Kile	Ernest (Bud) Miller, Jr
Geoff Miller	James (Jim) Myers, Jr.
Monica Satrape	Deborah (Debbie) Vaughn

Not attending

Robert R. Miller

Incentive Compensation

The conference call began at 9:30 a.m., and the purpose of the call was to discuss the performance of the Company's CEO (Rob Miller) during the preceding 12 months and to consider whether an incentive compensation payment (bonus) was appropriate and to determine the amount of any bonus.

Prior to the call the Chairman (Bud Miller) had sent an email to the Board outlining his recommendation, and a copy of this email is attached.

There was strong and unanimous belief by the Board that the CEO's performance over the last 12 months was extraordinary, and the Board wanted to express its appreciation for the efforts of the CEO and the results these efforts produced.

The Board then discussed whether a bonus was appropriate and what amount, if any, should be any bonus. All Board members participated in the discussion which included such factors as what was in the best interest of the Company's shareholders, what was the understanding about compensation when Rob Miller became CEO in July 2008, what should be the criteria used in determining the amount of any bonus, what were compensation packages for comparable real estate companies, what rationale did Bud Miller use in developing the recommendation of a $200,000 bonus to be paid when sustainable dividends are re-established and paid, what were Rob Miller's expectations, what precedent would any bonus be for future compensation, how would the shareholders' view of Rob Miller be impacted by the payment of any bonus, etc.

The Board also considered that Rob Miller's actions most likely saved the Company from filing bankruptcy and that the estimated shareholders' equity in the Company using recent appraisals was about $43.7 million. A bonus of $200,000 was less than one-half of 1% of the $43.7 million in shareholders' equity that could have been lost in bankruptcy. In addition, the Board considered that if a third-party turnaround firm was retained rather than Rob Miller's being hired the cost to the Company for similar results would have been substantially more.
After weighing the above factors the Board reached the following consensus (with one member dissenting):

- A bonus of $200,000 would be paid to Rob Miller
- The payment of 50% of this bonus would not be made until the payment of sustainable dividends to shareholders commenced, and the remaining 50% would be paid one year later.
- This bonus would not be a precedent for any future compensation. Any future compensation would only be decided upon after the Board had determined: (1) the direction of the Company, (2) what was the role of the CEO, and (3) what were the goals and objectives of the CEO.
- The Board would not formally approve the amount of the above bonus until after the Board determined when annual sustainable dividends would be restored and the annual amount of such dividends.

The Board authorized the Chair to relay this consensus to Rob Miller and agreed that there would be inappropriate to have any discussion of a bonus with shareholders until the Board took formal action. The Board also requested that the Chair send the shareholders that portion of the Chair's July 21, 2008 that described the CEO's accomplishments over the last 12 months so that the shareholders could have a more detailed understating of the CEO's performance.

<u>Next Board meeting</u>

The Board then set the time of the next Board meeting, and it was agreed that the Board would meet starting at 1:00 p.m. on Thursday, November 5 and continue all day on November 6.

There being no further business to conduct, the conference call ended at approximately 11:00 a.m.

Respectfully submitted,

Ernest M (Bud) Miller, Jr., Chair

APPROVED: November 5, 2009