# WC & AN Miller Companies Balance Sheet January 31, 2009

Current Month

Prior Month

### **ASSETS**

Current Assets Cash in Banks Receivables Notes Receivable Inventory Prepaid Expenses	\$	3,681,509.31 1,975,078.39 1,887,743.73 5,276,462.24 287,798.02	\$	4,292,672.09 1,973,868.50 1,897,473.88 5,246,580.94 332,135.24
Total Current Assets	-	13,108,591.69	_	13,742,730.03
Property and Equipment				
Fixes Assets		69,643,637.02		69,616,168.49
Accumulated Depreciation	_	19,412,594.06	_	19,358,748.98
Book Value of Property and Equipment		50,231,042.96	-	50,257,419.51
Other Assets				
Leasing Commissions		312,260.12		243,319.44
Rent Abatment		3,900.03		3,900.03 1,195,376.38
Loan Charges		1,195,376.38 706,461.27		635,297.39
Deferred Expenses Escrow - Security Deposit		700,401.27 47.91		47.91
Prepaid Rent		(70,096.14)		(182,266.38)
Replacement Reserve - SVO Loan		30,634.38		30,634.38
Accrued Revenue - Leaves		84,795.00	-	84,795.00
Total Other Assets		2,263,378.95	-	2,011,104.15
Total Assets	\$	65,603,013.60	\$ =	66,011,254.31

### WC & AN Miller Companies Balance Sheet January 31, 2009

Current Month

Prior Month

### LIABILITIES AND STOCKHOLDERS' EQUITY

Current Liabilities Accounts Payable Accrued Liabilities Contract, Escrow & Deposits Accrued Payroll & Benefits  Total Current Liabilities	\$	42,504.34 1,319,803.80 326,577.15 26,582.93	\$	71,021.05 1,160,151.95 324,687.15 26,582.93
Long-Term Liabilities Notes Payable (1)	<del>-</del>	94,283,639.69	_	94,500,018.14
Other Non-Current Liabilities	-	34,310.06		34,310.06
Total Long-Term Liabilities		94,317,949.75	_	94,534,328.20
Total Liabilities	-	96,033,417.97	_	96,116,771.28
Minority Interest (2)		6,034,422.26		6,034,422.26
Stockholders' Equity				000 700 00
Common Stock		800,200.00		800,200.00
Retained Earnings		(29,144,212.77)		(29,144,212.77)
Net Income		3,948,030.66	_	4,225,418.06
Total Capital	-	(30,430,404.37)	_	(30,153,016.97)
Total Liabilities & Capital	\$ =	65,603,013.60	\$	65,963,754.31

<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 January 31, 2009

	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	27,520,029.60	27,520,029.37	27,560,857.44
N/P - C.C. 314545	15,304,851.23	15,202,823.19	15,463,508.35
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	18,147,806.31	18,131,213.70	18,164,699.80
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	\$ 94,283,639.69	\$ 92,772,973.57	94,500,018.14

WC & AN Miller Companies Income Statement For the Four Months Ending January 31, 2009

	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	\$ 985,842.14 (361,505.58) (141,781.57) (53,845.08) (436,058.64)	1,113,496.00 (272,658.00) (134,088.00) (173,429.00) (434,780.00)	(127,653.86) (88,847.58) (7,693.57) 119,583.92 (1,278.64)	4,099,697.54 (1,333,252.84) (570,157.97) (571,230.25) (1,634,895.84)	4,179,731.28 (1,200,694.21) (556,148.58) (693,166.00) (1,763,357.33)	(80,033.74) (132,558.63) (14,009.39) 121,935.75 128,461.49
Net Rental Income	(7,348.73)	98,541.00	(105,889.73)	(9,839.36)	(33,634.84)	23,795.48
Revenues Management Fee - Haymount LP Land Management - Haymount LP Haymount LP Management Fee Sales	0.00	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 0.00 0.00
Total Revenues	0.00	00.00	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	0.00
Corporate Gross Profit	00.00	0.00	00.00	(213,184.54)	(213,184.54)	0.00
Gross Profit	(7,348.73)	98,541.00	(105,889.73)	(223,023.90)	(246,819.38)	23,795.48
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 - Commercial Leasing	0.00 135.27 568.26 3,440.00 640.24 17,941.19 3,000.00 5,000.00 0.00 5,581.67 8,579.00 1,648.00 0.00 0.00 0.00 0.00	0.00 200.00 1,100.00 600.00 2,500.00 3,000.00 6,000 0.00 5,000.00 0.00 0.00 0.00 0.00 0	0.00 0.00 (64.73) 0.00 0.31.74) 0.00	74.00 542.80 3,065.26 8,219.00 1,795.24 22,732.44 12,000.00 15,000.00 21,000.00 113.14 362.06 19,060.43 46,118.88 5,311.90 4,125.45 106,127.45 741.26 937.50	74.00 702.18 4,155.78 5,819.00 1,155.00 10,656.25 12,000.00 15,000.00 16,000.00 16,000.00 15,007.91 362.06 12,907.91 37,739.00 13,663.90 4,103.40 105,772.00 741.26 937.50	0.00 (159.38) (1,090.52) 2,400.00 640.24 12,076.19 0.00 5,000.00 6,152.52 8,379.88 (8,352.00) 22.05 355.45 0.00 0.00

WC & AN Miller Companies Income Statement For the Four Months Ending January 31, 2009

	Current Month	Current Month	Current Month	Year to Date	Year to Date	Year to Date Variance
T 1 Present agence Matheway	Actual	3 000.00	(3.000.00)	7,727.48	7,458.66	268.82
Legal - Limployee Matters Tegal - Haymonint	22.848.73	0.00	22,848.73	44,943.73	22,095.00	22,848.73
Legal - may mount Leasing Commission - Com	0.00	0.00	00.00	12,553.80	12,553.80	0.00
Health Insurance	1.443.50	1,200.00	243.50	7,951.20	4,536.70	3,414.50
Monagement Meals	25.82	100.00	(74.18)	231.53	395.13	(163.60)
Annual Shareholder Meeting	819.80	0.00	819.80	819.80	0.00	819.80
Office Supplies	2.775.64	100.00	2,675.64	8,661.87	6,191.35	2,470.52
Other Taxes and Licenses	0.00	0.00	0.00	32,043.44	27,130.43	4,913.01
Parking	111.00	200.00	(89.00)	1,603.00	1,892.00	(289.00)
Payroll Taxes	0.00	0.00	00'0	14,023.30	13,192.51	830.79
Postage	400.08	200.00	200.08	1,108.71	1,108.63	80.0
Accounting	23,622.00	18,000.00	5,622.00	51,529.00	62,305.00	(10,776.00)
I can Charges	0.00	0.00	00.0	418,019.61	418,019.61	0.00
Pent Charges	226.38	0.00	226.38	27,995.46	27,711.18	284.28
Renairs and Maintenance	133.40	00.000'9	(2,866.60)	8,069.77	8,672.00	(602.23)
Executive Compensation	12,500.00	12,500.00	00.00	50,000.00	50,000.00	0.00
Office Salary	0.00	0.00	00.0	58,155.57	58,155.57	0.00
Ongoing Severance	13,950.00	13,950.00	00.0	59,721.77	55,770.86	3,950.91
One Time Severance	101,132.36	95,525.21	5,607.15	173,295.86	167,688.71	5,607.15
Storage	469.62	506.30	(36.68)	1,402.06	1,518.90	(116.84)
Jiviago Telenhone	4.153.83	00:06	4,063.83	5,429.52	1,441.10	3,988.42
Management Travel	2,318.42	2,500.00	(181.58)	9,014.10	11,695.68	(2,681.58)
Paymall Processing Rees	145.83	1,265.84	(1,120.01)	1,879.09	2,730.32	(851.23)
Roard of Directors fees	8,000.00	9,000.00	(1,000.00)	21,000.00	27,500.00	(6,500.00)
2008 Deferred Director's Fees	15,000.00	00.0	15,000.00	22,500.00	7,500.00	15,000.00
RE Tax Exp	0.00	0.00	00'0	593.05	0.00	593.05
Board Travel and Meals	2,966.57	7,000.00	(4,033.43)	14,406.34	15,026.79	(620.45)
Total Operating Expenses	263,576.61	195,562.87	68,013.74	1,322,005.87	1,254,192.31	67,813.56
Net Operating Income	(270,925.34)	(97,021.87)	(173,903.47)	(1,545,029.77)	(1,501,011.69)	(44,018.08)
Other Income and Expenses						(00 000 711)
Miscellaneous Income	971.02	0.00	971.02	5,550,971.02	5,725,000.00	(1,74,028.98) (5,362.64)
Interest Income Debt Service (Interest) Other	(12,752.60)	(14,876.44)	2,123.84	(72,878.11)	(76,521.54)	3,643.43
Total Other Income and Expenses	(6,462.06)	(9,793.90)	3,331.84	5,493,060.43	5,668,808.62	(175,748.19)
		(106 815 77)	(170 571 63)	3 948 030.66	4.167.796.93	(219,766.27)
Net Income	\$ (2//,38/.40)	(100,01)	(20,110,011)			

For Management Purposes Only

# WC & AN Miller Companies Statement of Cash Flow For the four Months Ended January 31, 2009

		Current Month	Year to Date
Cash Flows from operating activities			
Net Income	\$	(277,387.40)	\$ 3,948,030.66
Adjustments to reconcile net			
income to net cash provided			
by operating activities			000 550 55
Depreciation and Amortization		53,845.08	982,558.67
Accounts Receivable (net)		(12,421.62)	(42,667.89)
Notes Receivable		9,730.15	55,057.67
Intercompany Receivables		(271.80)	(3,943.98)
Other Receivables		11,483.53	(13,119.52) 1,217,143.39
Inventory		(29,881.30)	752,890.92
Prepaid Expenses		44,337.22	(9,199.42)
Accounts Payable		(28,516.71) 14,318.46	(28,861.59)
Accrued Expenses		0.00	(88.94)
Accrued Interest Payable Accrued Income Taxes		0.00	(9,411.81)
Accrued Income Taxes  Accrued Insurance		13,459.11	14,025.67
Accrued Real Estat Tax		96,634.35	386,537.40
Provisions for Loss		(3,260.07)	9,145.76
Accrued Directors Fees		(9,000.00)	1,500.00
Accrued Management Fee		0.00	(9,605.00)
Accrued Utilities		0.00	(5,708.00)
Accrued Interest		0.00	(231,595.84)
Security Deposit - Cricket		0.00	17,435.83
Becumy Deposit - Cheket	-		
Total Adjustments	-	160,456.40	3,082,093.32
Net Cash provided by Operations	-	(116,931.00)	7,030,123.98
Cash Flows from investing activities			
Used For		(07.4(0.52)	(27.469.52)
Fixed Assets		(27,468.53)	(27,468.53)
Leasing Commissions		(68,940.68)	(74,838.11) (284,375.00)
Loan Charges		0.00 (71,163.88)	161,873.80
Deferred Expenses		0.00	(47.91)
Escrow - Security Deposit		(112,170.24)	70,096.14
Prepaid Rent		(112,170.24)	
Net cash used in investing		(279,743.33)	(154,759.61)
Cash Flows from financing activities			
Proceeds From			
Long Term Debt		(216,378.45)	(5,872,408.15)
Net cash used in financing		(216,378.45)	(5,872,408.15)
Net cash used in financing			
Net increase <decrease> in cash</decrease>	\$	(613,052.78)	\$ 1,002,956.22
Summary			
Cash Balance at End of Period	\$	3,681,509.31	\$ 3,681,509.31
Cash Balance at Beg of Period	•	(4,292,672.09)	(3,075,973.92)
Net Increase < Decrease > in Cash	\$	(611,162.78)	\$ 605,535.39