

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

**BOARD OF DIRECTORS
TELECONFERENCE MEETING**

August 22, 2008

Participants

The following directors participated and no director objected to lack of notice:

Robert Miller	
Ernest (Bud Miller)	Deborah Vaughan
Monica Satrape	Ben Wafle
Kathy Kile	
Jim Myers	

Jennifer Coleman served as secretary.

Consideration of Business

Agenda attached.

1. **Audited Statement:** Vincent returns next week, at which point we can get his signature on the audited statement to send to shareholders. There were no questions.
2. **July Statements:** Rob made note that the July statements look a little different as all charts have been removed. 3 "profit centers" have been identified so we can easily see where our money comes in and where it's going. There were no questions.
3. **Property Management Outsourcing:** Of the 6 prospective property management companies, the due diligence has been completed on 5 of the companies. The final meeting is directly after the conference call. Each company has provided a great proposal; Rob will be taking each home with him over the weekend to review. Next week we will be sending out the complete package with all proposals included along with his rating on each and final recommendation. Kathy feels the need to physically be here for the decision. She wants to be included with doing the due diligence as well. Rob invited her to come up so he can go through his selection and take her to visit the properties.
4. **Key Bank Loan Buy-Down:** We have made our offer to Key Bank. They are considering it, no decision has been reached.
5. **Apartment Update:** Rob reviewed the current situation with the Sumner Highlands apartments. He has asked that Bozzuto provide him with a regular move in/out report with percentage of occupancy. Vincent used to provide the Board with a minimum number of leases required to break even, Rob is to get this number when Vince returns. Kathy asked if Bozzuto still thinks they can make their goal of 10 new leases/ month. Currently, they are averaging about 3 per week.
7. **Cash Flow:** Rob skipped to number 7 on the agenda. He has reviewed the cash flow and found a major discrepancy. He is holding the cash flow and will send it when it can be explained. It will be sent for next week's call.

8. **Resolution:** Rob called attention to the attached Board resolution required by Chevy Chase Bank allowing him financial authority on behalf of the company. Bud said that we can pass this resolution over the phone, but only if all included are willing to call this as a special meeting and waive prior notice. All present were in favor, those absent will need to be contacted and waive notice of the meeting.

SPECIAL MEETING The Special Meeting was officially called at 10:10am to vote on two matters: the passing of the resolution and to allow Robert Miller to proceed forward with an offer that has been made on the Warrenton Property.

A motion to pass the resolution was made by Jim Myers, seconded Ben and unanimously approved.

6. **Warrenton:** We received a contract for all cash, non-contingent purchase of Warrenton with a 30 day close for \$3.5million. Rob suggests we counter for \$3.5 as our net.

Jim motioned to have Rob enter a contract for a net of \$3.5million, Kathy seconded and unanimously approved.

A waiver of meeting notice will be sent to Geoff and Bob for approval. (Approved via email, attached).

Debbie suggested that we look into the mineral rights on the property; it was concluded that if we own them, we will ask to retain them, but if the purchaser refuses that we will let it go so it will not interfere with the sale. Information should be in the deed.

Executive Session: Jennifer was excused at this point and the call went into executive session for the remainder.

Approved: October 24, 2008