

W.C. and A.N. Miller Development Company

**Balance Sheet**

for the period ending October 31, 2013

**ASSETS**

<b>Current Assets</b>	Current Month	Prior Month
Cash and Cash Equivalents	\$ 5,580,620.97	\$ 5,600,705.52
Investments	2,493,022.33	2,494,925.95
Unrealized Investments Gain/Lo	434,994.03	329,154.00
Accounts Receivable	189,719.39	187,777.56
Straightline Rent	5,916,588.55	5,916,588.55
Miscellaneous Receivables	81,639.87	49,592.73
Provision for Loss	0.00	0.00
Other Receivables	927,336.93	929,623.77
Inventory	37,318.04	37,318.04
Prepaid Expenses	541,097.69	456,624.52
<b>Total Current Assets</b>	<u>16,202,337.80</u>	<u>16,002,310.64</u>
<b>Fixed Assets</b>		
Land	6,310,994.50	6,310,994.50
HLP, II Land	538,905.48	538,905.48
Buildings	49,725,018.54	49,724,367.54
Property and Equipment	462,186.76	462,707.86
Capital Improvements - Opt	1,876.00	1,876.00
Building on 49th Street	36,738.61	36,738.61
Improvements	13,160,932.34	13,155,286.27
Less: Accumulated Depreciation	22,365,386.03	22,216,394.97
<b>Net Fixed Assets</b>	<u>47,871,266.20</u>	<u>48,014,481.29</u>
<b>Other Assets</b>		
Deferred Leasing Commissions,	1,378,479.15	1,397,114.65
Deferred Finance Charges, net	1,098,287.19	1,104,505.14
Accum Amort Def	(2,900.68)	0.00
Deposit	17,630.05	17,630.05
Deferred Taxes	7,747,233.00	7,747,233.00
Deposit on Refinance	0.00	0.00
Real Estate Tax Escrow	128,859.12	68,985.70
<b>Total Other Assets</b>	<u>10,367,587.83</u>	<u>10,335,468.54</u>
<b>TOTAL ASSETS</b>	<u>\$ 74,441,191.83</u>	<u>\$ 74,352,260.47</u>

## LIABILITIES AND STOCKHOLDERS' DEFICIT

### Current Liabilities

Accounts Payable	\$ 247,003.89	\$ 267,036.47
Accrued Income Taxes	0.00	0.00
Accrued Expenses	1,254,004.92	1,287,980.33
Security Deposits	455,978.55	458,490.22
Prepaid RE Income	82,637.70	82,637.70
Prepaid Rent Income	581,248.72	631,365.36

<b>Total Current Liabilities</b>	<u>2,620,873.78</u>	<u>2,727,510.08</u>
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### Long-Term Liabilities

Notes Payable (1)	96,781,375.64	96,898,243.95
Guaranty Reserve	0.00	0.00

<b>Total Long-Term Liabilities</b>	<u>96,781,375.64</u>	<u>96,898,243.95</u>
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<b>Total Liabilities</b>	<u>99,402,249.42</u>	<u>99,625,754.03</u>
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<b>Minority Interest (2)</b>	<u>(6,803,654.97)</u>	<u>(6,803,475.00)</u>
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<b>Total Minority Interest</b>	<u>(6,803,654.97)</u>	<u>(6,803,475.00)</u>
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### Stockholders' Deficit

Common Stock	800,200.00	800,200.00
Dividend	0.00	(6,350,000.00)
Retained Earnings (Deficit)	(18,957,602.62)	(12,920,218.76)

<b>Total Stockholders' Deficit</b>	<u>(18,157,402.62)</u>	<u>(18,470,018.76)</u>
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<b>TOTAL LIABILITIES &amp; STOCKHOLDERS' DEFICIT</b>	<u><u>\$ 74,441,191.83</u></u>	<u><u>\$ 74,352,260.27</u></u>
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1. 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.

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

W.C. and A.N. Miller Development Company  
**Long Term Debt**  
for the period ending October 31, 2013

	Current Month	Budget	Prior Month
Promissory Notes	\$ 4,303,288.67	\$ 4,303,288.67	4,303,288.67
Key Bank Loan	16,972,548.29	16,972,548.29	16,995,500.81
N/P - TIAA Loan	21,307,822.90	21,307,822.90	21,331,140.76
N/P - Haymount Mezz	8,250,229.83	8,250,229.83	8,250,229.83
N/P - Cardinal Loan - SVR	16,424,264.53	16,424,255.67	16,450,779.62
N/P - Guardian Loan	29,523,221.42	29,523,221.45	29,567,304.26
Total Long Term Debt	<u>\$ 96,781,375.64</u>	<u>\$ 96,781,366.81</u>	<u>96,898,243.95</u>

Notes Repayment Schedule:

1. **Promissory Notes** - interest rate of 3%; due 12/31/2032
2. **Key Bank Loan** - Sumner Highlands; interest rate of 6.47%; due 6/30/2021; No prepayment until 7/1/2011; prepayment penalty afterwards is greater of 1% or present value of principal and interest outstanding discounted at the rate at which, when compounded monthly is equivalent to the Prepayment Treasury Rate compounded semi-annually, less the outstanding principal balance as of the date of prepayment.
3. **TIAA** - Spring Valley Office; interest rate of 7%; due 10/1/2018; no prepayment until 9/30/2013; prepayment penalty afterwards is greater of 1% or present value of principal and interest outstanding discounted at the rate at which, when compounded monthly is equivalent to the Prepayment Treasury Rate compounded semi-annually, less the outstanding principal balance as of the date of prepayment.
4. **Cardinal Bank** - Spring Valley Retail; interest rate of 4.35%; due 3/14/2023; Prepayment of 3% for years 1 & 2; 2% for years 3 & 4; and 1% for years 5, 6, 8, and 9. No prepayment penalty in years 7 or 10.
5. **Guardian Loan**: Shops @Sumner Place; Interest rate of 4.08%; due 10/31/22; no prepayment until 10/31/2017; prepayment penalty afterwards is greater of 1% or present value of principal and interest outstanding discounted at the rate at which, when compounded monthly is equivalent to the Prepayment Treasury Rate compounded semi-annually, less the outstanding principal balance as of the date of prepayment.

W.C. and A.N. Miller Development Company  
**Income Statement**  
for the period ending October 31, 2013

	October 2013 Actual	October 2013 Budget	October 2013 Variance	October 2012 Prior Year	Year to Date Actual	Year to Date Budget	Year to Date Variance	Year to Date Prior Year
<b>Rental Activities</b>								
Rent Income	\$ 1,307,415.96	1,330,811.00	(23,395.04)	1,255,393.67	1,307,415.96	1,330,811.00	(23,395.04)	1,255,393.67
Rent Expenses	(331,178.16)	(353,235.00)	22,056.84	(323,710.45)	(331,178.16)	(353,235.00)	22,056.84	(323,710.45)
Real Estate Taxes	(119,679.84)	(118,446.00)	(1,233.84)	(113,437.55)	(119,679.84)	(118,446.00)	(1,233.84)	(113,437.55)
Depreciation	(176,745.19)	(176,745.00)	(0.19)	(176,011.72)	(176,745.19)	(176,745.00)	(0.19)	(176,011.72)
Debt Service-Interest	(379,606.88)	(378,129.00)	(1,477.88)	(394,664.15)	(379,606.88)	(378,129.00)	(1,477.88)	(394,664.15)
<b>Net Rental Income</b>	<b>300,205.89</b>	<b>304,256.00</b>	<b>(4,050.11)</b>	<b>247,569.80</b>	<b>300,205.89</b>	<b>304,256.00</b>	<b>(4,050.11)</b>	<b>247,569.80</b>
<b>Gross Profit</b>	<b>300,205.89</b>	<b>304,256.00</b>	<b>(4,050.11)</b>	<b>247,569.80</b>	<b>300,205.89</b>	<b>304,256.00</b>	<b>(4,050.11)</b>	<b>247,569.80</b>
<b>Operating Expenses</b>								
Bank Charges	161.28	200.00	(38.72)	24.19	161.28	200.00	(38.72)	24.19
Schwab - ABP Fee	138.86	-	138.86	-	138.86	-	138.86	-
Schwab - Mgt Fee	1,765.05	1,750.00	15.05	-	1,765.05	1,750.00	15.05	-
Computer Supplies	25.00	200.00	(175.00)	-	25.00	200.00	(175.00)	-
Computer Consultant	1,462.50	1,000.00	462.50	800.00	1,462.50	1,000.00	462.50	800.00
Office Administration	8,925.00	8,925.00	-	8,500.00	8,925.00	8,925.00	-	8,500.00
Dues and Subscriptions	89.00	-	89.00	-	89.00	-	89.00	-
General Insurance	-	-	-	-	-	-	-	-
Legal - General	3,236.07	5,000.00	(1,763.93)	7,993.19	3,236.07	5,000.00	(1,763.93)	7,993.19
Legal - Loans/lenders	-	-	-	-	-	-	-	-
Legal - Commercial Leasing	-	-	-	-	-	-	-	-
Legal - Haymount	8,568.79	-	8,568.79	14,647.90	8,568.79	-	8,568.79	14,647.90
Benefits	1,956.10	2,833.33	(877.23)	1,595.10	1,956.10	2,833.33	(877.23)	1,595.10
Management Meals	456.27	500.00	(43.73)	364.21	456.27	500.00	(43.73)	364.21
Annual Shareholder Meeting	-	-	-	-	-	-	-	-
Office Supplies	478.89	600.00	(121.11)	433.93	478.89	600.00	(121.11)	433.93
Other Taxes and Licenses	42.50	-	42.50	-	42.50	-	42.50	-
Payroll Taxes	1,015.05	2,500.00	(1,484.95)	954.75	1,015.05	2,500.00	(1,484.95)	954.75
Postage	422.42	375.00	47.42	444.26	422.42	375.00	47.42	444.26
Public Relations	-	-	-	-	-	-	-	-
Accounting	-	1,200.00	(1,200.00)	245.00	-	1,200.00	(1,200.00)	245.00
Review/Tax Returns/Fin St.	-	-	-	-	-	-	-	-
Internal Control Review	-	-	-	-	-	-	-	-
Promotion and Entertainment	-	350.00	(350.00)	1,541.40	-	350.00	(350.00)	1,541.40
Charitable Contribution	-	500.00	(500.00)	-	-	500.00	(500.00)	-

Rent	8,886.68	9,000.00	(113.32)	6,831.27	8,886.68	9,000.00	(113.32)	6,831.27
East West Sublease Rent		-	-		-	-	-	-
Repairs and Maintenance		-	-		-	-	-	-
Springvale Meadows Expenses		-	-		-	-	-	-
Executive Compensation	22,916.67	22,916.67	-	21,000.00	22,916.67	22,916.67	-	21,000.00
Executice Compensation Committee Fees	9,500.00	-	9,500.00		9,500.00	-	9,500.00	-
Executive Bonus		-	-		-	-	-	-
Office Phone and Internet	541.97	600.00	(58.03)	549.37	541.97	600.00	(58.03)	549.37
Cell Phones & Mobile Devices	1,910.81	750.00	1,160.81	650.36	1,910.81	750.00	1,160.81	650.36
Management Travel	3,045.92	3,500.00	(454.08)	2,059.78	3,045.92	3,500.00	(454.08)	2,059.78
Payroll Processing Fees	329.08	400.00	(70.92)	507.51	329.08	400.00	(70.92)	507.51
Board of Directors Fees	18,000.00	18,000.00	-	19,500.00	18,000.00	18,000.00	-	19,500.00
RE Tax Expense		-	-		-	-	-	-
Board Travel and Meals		-	-		-	-	-	-
<b>Total Operating Expenses</b>	<b>93,873.91</b>	<b>81,100.00</b>	<b>12,773.91</b>	<b>88,642.22</b>	<b>93,873.91</b>	<b>81,100.00</b>	<b>12,773.91</b>	<b>88,642.22</b>
<b>Net Operating Income</b>	<b>206,331.98</b>	<b>223,156.00</b>	<b>(16,824.02)</b>	<b>158,927.58</b>	<b>206,331.98</b>	<b>223,156.00</b>	<b>(16,824.02)</b>	<b>158,927.58</b>
<b>Other Income and Expenses</b>								
Miscellaneous Income	-	-	-	-	-	-	-	-
Accrued Interest HLP LOC	-	-	-	-	-	-	-	-
Interest Income	443.84	500.00	(56.16)	754.12	443.84	500.00	(56.16)	754.12
Interest Dividend Income	0.29	-	0.29	-	0.29	-	0.29	-
Debt Service (Interest) Other	-	-	-	-	-	-	-	-
Pr Yr Adj - 2007 Pay Tax Liab	-	-	-	-	-	-	-	-
Deferred Tax Expense	-	-	-	-	-	-	-	-
Gain/Loss on Sale of Asset	-	-	-	-	-	-	-	-
Unrealized Investment Gain/Loss	105,840.03	-	105,840.03	-	105,840.03	-	105,840.03	-
<b>Total Other Income and Expenses</b>	<b>106,284.16</b>	<b>500.00</b>	<b>105,784.16</b>	<b>754.12</b>	<b>106,284.16</b>	<b>500.00</b>	<b>105,784.16</b>	<b>754.12</b>
<b>Net Income</b>	<b>\$ 312,616.14</b>	<b>\$ 223,656.00</b>	<b>\$ 88,960.14</b>	<b>\$ 159,681.70</b>	<b>\$ 312,616.14</b>	<b>\$ 223,656.00</b>	<b>\$ 88,960.14</b>	<b>\$ 159,681.70</b>

W.C. and A.N. MILLER COMPANIES  
STATEMENT OF CASH FLOW  
For the Month Ended October 31, 2013

	Current Month	Year to Date
Cash Flows for Operating Activities:		
Net Income	312,616.14	312,616.14
Adjustments to Reconcile Net Income to Net Cash Provided by Operating Activities		
Dividend	-	-
Depreciation and amortization	176,745.19	176,745.19
Unrealized Investment Gain/Loss	(105,840.03)	(105,840.03)
Loss on disposition of fixed assets	-	-
Income allocated to minority interest	(179.97)	(179.97)
Accounts receivable	(33,988.97)	(33,988.97)
Other receivables	2,286.84	2,286.84
Inventory	-	-
Deferred income taxes	-	-
Prepaid expenses	(84,473.17)	(84,473.17)
Current maturities of long term debt	-	-
Accounts payable	(20,032.78)	(20,032.78)
Accrued income taxes	-	-
Accrued expenses	(33,975.41)	(33,975.41)
Security deposits	(2,511.67)	(2,511.67)
Prior Tenant Clearing (SH)	-	-
Prepaid Real Estate Tax Income	-	-
Prepaid rent income	(50,116.64)	(50,116.64)
Total Adjustments	<u>(152,086.61)</u>	<u>(152,086.61)</u>
Net Cash Provided by (Used for) Operating Activities	<u>160,529.53</u>	<u>160,529.53</u>
Cash Flow for Investing Activities:		
Acquisition of fixed assets	(5,775.97)	(5,775.97)
Acquisition of deferred financing charges	-	-
Acquisition of deferred Leasing Commissions	-	-
Acquisition of real estate tax escrow	(59,873.42)	(59,873.42)
Acquisition of Investments	1,903.62	1,903.62
Development of 49th Street Lot	-	-
Acquisition of water escrow	-	-
Disposition of guaranty reserve	-	-
Disposition of deposit	-	-
Net Cash Used for Investing Activities	<u>(63,745.77)</u>	<u>(63,745.77)</u>
Cash Flow for Financing Activities:		
Disposition of long term debt	(116,868.31)	(116,868.31)
Acquisition of long term debt	-	-
Net Cash Used for Financing Activities	<u>(116,868.31)</u>	<u>(116,868.31)</u>
Net Increase (Decrease) in Cash and Cash Equivalents	(20,084.55)	(20,084.55)
Cash and cash equivalents, Beginning of Period	<u>5,600,705.52</u>	<u>5,600,705.52</u>
CASH AND CASH EQUIVALENTS, END OF YEAR	<u>5,580,620.97</u>	<u>5,580,620.97</u>

W.C. and A.N. Miller Development Company  
2012/2013 Cash Flow Statement  
**Summary**

	October 2013 Month Actual	October 2013 Month Budget	Variance	October 2012 Prior Year	Actual Year to Date	Budget Year to Date	Variance	Variance as a Percentage	Prior Year to Date
<b>Rental Activities</b>									
Rent Income	\$ 1,307,415.96	\$ 1,330,811.00	\$ (23,395.04)	\$ 1,255,393.67	\$ 1,307,415.96	\$ 1,330,811.00	\$ (23,395.04)	-1.76%	\$ 1,255,393.67
Rent Expenses	\$ (331,178.16)	\$ (353,235.00)	\$ 22,056.84	\$ (323,710.45)	\$ (331,178.16)	\$ (353,235.00)	\$ 22,056.84	-6.24%	\$ (323,710.45)
Real Estate Taxes	\$ (119,679.84)	\$ (118,446.00)	\$ (1,233.84)	\$ (113,437.55)	\$ (119,679.84)	\$ (118,446.00)	\$ (1,233.84)	1.04%	\$ (113,437.55)
Amortization/Depreciation	\$ (176,745.19)	\$ (176,745.00)	\$ (0.19)	\$ (176,011.72)	\$ (176,745.19)	\$ (176,745.00)	\$ (0.19)	0.00%	\$ (176,011.72)
Debt Service - Interest	\$ (379,606.88)	\$ (378,129.00)	\$ (1,477.88)	\$ (394,664.15)	\$ (379,606.88)	\$ (378,129.00)	\$ (1,477.88)	0.39%	\$ (394,664.15)
<b>Net Rental Income</b>	<u>\$ 300,205.89</u>	<u>\$ 304,256.00</u>	<u>\$ (4,050.11)</u>	<u>\$ 247,569.80</u>	<u>\$ 300,205.89</u>	<u>\$ 304,256.00</u>	<u>\$ (4,050.11)</u>	<u>-1.33%</u>	<u>\$ 247,569.80</u>
<b>Total Operating Expenses</b>	\$ 93,873.91	\$ 81,100.00	\$ 12,773.91	\$ 88,642.22	\$ 93,873.91	\$ 81,100.00	\$ 12,773.91	15.75%	\$ 88,642.22
<b>Net Income</b>	<u>\$ 312,616.14</u>	<u>\$ 223,656.00</u>	<u>\$ 88,960.14</u>	<u>\$ 159,681.70</u>	<u>\$ 312,616.14</u>	<u>\$ 223,656.00</u>	<u>\$ 88,960.14</u>	<u>39.78%</u>	<u>\$ 159,681.70</u>
<b>Total Adjustments to Reconcile to Cash</b>	\$ (215,832.38)	\$ 124,367.00	\$ (283,623.54)	\$ 187,269.98	\$ (215,832.38)	\$ 124,367.00	\$ (340,199.38)	-273.54%	\$ 187,269.98
<b>Net Cash provided from Operations</b>	\$ 96,783.76	\$ 348,023.00	\$ (251,239.24)	\$ 346,951.68	\$ 96,783.76	\$ 348,023.00	\$ (251,239.24)	-72.19%	\$ 346,951.68
<b>Increase or (Decrease) in Long Term Debt</b>	<u>\$ (116,868.31)</u>	<u>\$ (206,886.38)</u>	<u>\$ 90,018.07</u>	<u>\$ 4,444,459.37</u>	<u>\$ (116,868.31)</u>	<u>\$ (206,886.38)</u>	<u>\$ 90,018.07</u>	<u>-43.51%</u>	<u>\$ 4,444,459.37</u>
<b>Net Increase (Decrease) in Cash (FREE CASH FLOW)</b>	\$ (20,084.55)	\$ 141,136.62	\$ (161,221.17)	\$ 4,791,411.05	\$ (20,084.55)	\$ 141,136.62	\$ (161,221.17)	-114.23%	\$ 4,791,411.05
<b>Shareholder Dividend</b>	\$ -	\$ -	\$ -	\$ (50,000.00)	\$ -	\$ -	\$ -	0.00%	\$ (50,000.00)
<b>Investments</b>	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	0.00%	\$ -
<b>Cash Balance at Beginning of Period</b>	\$ 5,600,705.52	\$ 5,600,705.52	\$ -	\$ 1,434,683.07	\$ 5,600,705.52	\$ 5,600,705.52	\$ -		\$ 1,434,683.07
<b>Increase (Decrease) in cash during period</b>	<u>\$ (20,084.55)</u>	<u>\$ 141,136.62</u>	<u>\$ (161,221.17)</u>	<u>\$ 4,741,411.05</u>	<u>\$ (20,084.55)</u>	<u>\$ 141,136.62</u>	<u>\$ (161,221.17)</u>	<u>-114.23%</u>	<u>\$ 4,741,411.05</u>
<b>Cash at End of Period</b>	\$ 5,580,620.97	\$ 5,741,842.14	\$ (161,221.17)	\$ 6,176,094.12	\$ 5,580,620.97	\$ 5,741,842.15	\$ (161,221.18)	-2.81%	\$ 6,176,094.12

W.C. and A.N. Miller Development Company  
Cash Flow Statement as of October 31, 2013

**Comparison**

	October 2013 Month Actual	October 2013 Month Budget	Variance	October 2012 Prior Year	Actual Year to Date	Budget Year to Date	Variance	Variance as a Percentage	Prior Year to Date
<b>Rental Activities</b>									
Rent Income	\$ 1,307,415.96	\$ 1,330,811.00	\$ (23,395.04)	\$ 1,255,393.67	1,307,415.96	1,330,811.00	(23,395.04)	-1.76%	1,255,393.67
Rent Expenses	\$ (331,178.16)	\$ (353,235.00)	\$ 22,056.84	\$ (323,710.45)	(331,178.16)	(353,235.00)	22,056.84	-6.24%	(323,710.45)
Real Estate Taxes	\$ (119,679.84)	\$ (118,446.00)	\$ (1,233.84)	\$ (113,437.55)	(119,679.84)	(118,446.00)	(1,233.84)	1.04%	(113,437.55)
Amortization/Depreciation	\$ (176,745.19)	\$ (176,745.00)	\$ (0.19)	\$ (176,011.72)	(176,745.19)	(176,745.00)	(0.19)	0.00%	(176,011.72)
Debt Service - Interest	\$ (379,606.88)	\$ (378,129.00)	\$ (1,477.88)	\$ (394,664.15)	(379,606.88)	(378,129.00)	(1,477.88)	0.39%	(394,664.15)
<b>Net Rental Income</b>	\$ 300,205.89	\$ 304,256.00	\$ (4,050.11)	\$ 247,569.80	\$ 300,205.89	\$ 304,256.00	\$ (4,050.11)	-1.33%	\$ 247,569.80
<b>Gross Profit</b>	\$ 300,205.89	\$ 304,256.00	\$ (4,050.11)	\$ 247,569.80	\$ 300,205.89	\$ 304,256.00	\$ (4,050.11)	-1.33%	\$ 247,569.80
<b>Operating Expenses</b>									
Bank Charges	\$ 161.28	\$ 200.00	\$ (38.72)	\$ 24.19	161.28	200.00	(38.72)	-19.36%	24.19
Schwab - ABPFee/Mgt Fee	\$ 1,903.91	\$ 1,750.00	\$ 153.91	\$ -	1,903.91	1,750.00	153.91	100.00%	0.00
Computer Consultant	\$ 1,462.50	\$ 1,000.00	\$ 462.50	\$ 800.00	1,462.50	1,000.00	462.50	46.25%	800.00
Computer Supplies	\$ 25.00	\$ 200.00	\$ (175.00)	\$ -	25.00	200.00	(175.00)	100.00%	0.00
Executive Compensation	\$ 22,916.67	\$ 22,916.67	\$ -	\$ 21,000.00	22,916.67	22,916.67	0.00	0.00%	21,000.00
Executive Bonus	\$ -	\$ -	\$ -	\$ -	0.00	-	-	0.00%	0.00
Executive Compensation Committee Fees	\$ 9,500.00	\$ -	\$ 9,500.00	\$ -	9,500.00	-	9,500.00	100.00%	-
Office Administration	\$ 8,925.00	\$ 8,925.00	\$ -	\$ 8,500.00	8,925.00	8,925.00	0.00	0.00%	8,500.00
Payroll Burden	\$ 1,015.05	\$ 2,500.00	\$ (1,484.95)	\$ 954.75	1,015.05	2,500.00	(1,484.95)	-59.40%	954.75
Equipment Rental	\$ -	\$ -	\$ -	\$ 549.37	0.00	-	0.00	0.00%	549.37
General Insurance	\$ -	\$ -	\$ -	\$ -	0.00	-	0.00	0.00%	0.00
Legal - General	\$ 3,236.07	\$ 5,000.00	\$ (1,763.93)	\$ 7,993.19	3,236.07	5,000.00	(1,763.93)	-35.28%	7,993.19
Legal - Loans/Lenders	\$ -	\$ -	\$ -	\$ -	0.00	-	-	100.00%	0.00
Legal - Commercial Leasing	\$ -	\$ -	\$ -	\$ -	0.00	-	-	100.00%	0.00
Legal - Haymount	\$ 8,568.79	\$ -	\$ 8,568.79	\$ 14,647.90	8,568.79	-	8,568.79	100.00%	14,647.90
Benefits	\$ 1,956.10	\$ 2,833.33	\$ (877.23)	\$ 1,595.10	1,956.10	2,833.33	(877.23)	-30.96%	1,595.10
Management Meals	\$ 456.27	\$ 500.00	\$ (43.73)	\$ 364.21	456.27	500.00	(43.73)	-8.75%	364.21
Offices Supplies	\$ 478.89	\$ 600.00	\$ (121.11)	\$ 433.93	478.89	600.00	(121.11)	-20.19%	433.93
Dues & Subscriptions	\$ 89.00	\$ -	\$ 89.00	\$ -	89.00	-	89.00	0.00%	0.00
Other Taxes and Licenses	\$ 42.50	\$ -	\$ 42.50	\$ -	42.50	-	42.50	100.00%	0.00
Other Real Estate Taxes	\$ -	\$ -	\$ -	\$ -	0.00	-	-	0.00%	0.00
Postage	\$ 422.42	\$ 375.00	\$ 47.42	\$ 444.26	422.42	375.00	47.42	12.65%	444.26
Public Relations	\$ -	\$ -	\$ -	\$ -	0.00	-	-	0.00%	0.00
Accounting	\$ -	\$ 1,200.00	\$ (1,200.00)	\$ 245.00	0.00	1,200.00	(1,200.00)	-100.00%	245.00
Promotion & Entertainment	\$ -	\$ 350.00	\$ (350.00)	\$ 1,541.40	0.00	350.00	(350.00)	100.00%	1,541.40
Internal Control Audit/Review	\$ -	\$ -	\$ -	\$ -	0.00	-	0.00	0.00%	0.00
Audit and Tax Returns	\$ -	\$ -	\$ -	\$ -	0.00	-	0.00	0.00%	0.00
Rent	\$ 8,886.68	\$ 9,000.00	\$ (113.32)	\$ 6,831.27	8,886.68	9,000.00	(113.32)	-1.26%	6,831.27
Telephone	\$ 1,974.75	\$ 600.00	\$ 1,374.75	\$ 650.36	1,974.75	600.00	1,374.75	229.13%	650.36
Cell Phones & Mobile Devices	\$ 478.03	\$ 750.00	\$ (271.97)	\$ -	478.03	750.00	(271.97)	-36.26%	0.00
Management Travel	\$ 3,045.92	\$ 3,500.00	\$ (454.08)	\$ 2,059.78	3,045.92	3,500.00	(454.08)	-12.97%	2,059.78
Payroll Processing Fees	\$ 329.08	\$ 400.00	\$ (70.92)	\$ 507.51	329.08	400.00	(70.92)	-17.73%	507.51
Board of Directors Fees	\$ 18,000.00	\$ 18,000.00	\$ -	\$ 19,500.00	18,000.00	18,000.00	-	0.00%	19,500.00
Shareholders Annual Meeting	\$ -	\$ -	\$ -	\$ -	0.00	-	-	100.00%	0.00



Board Travel and Meals	\$ -	\$ -	\$ -	\$ -	0.00	-	0.00	0.00%	0.00
Repairs and Maintenance	\$ -	\$ -	\$ -	\$ -	0.00	-	-	0.00%	0.00
Charitable Contributions	\$ -	\$ 500.00	\$ (500.00)	\$ -	0.00	500.00	\$ (500.00)	-100.00%	0.00
Total Operating Expenses	\$ 93,873.91	\$ 81,100.00	\$ 12,773.91	\$ 88,642.22	\$ 93,873.91	\$ 81,100.00	\$ 12,773.91	15.75%	\$ 88,642.22
Net Operating Income	\$ 206,331.98	\$ 223,156.00	\$ (16,824.02)	\$ 158,927.58	\$ 206,331.98	\$ 223,156.00	\$ (16,824.02)	-7.54%	\$ 158,927.58
Other Income and Expenses									
Miscellaneous Income					-	-			-
Unamortized Loan Fee's					-	-			-
Accrued Interest HLP LOC					-	-			-
Deferred Tax Expense					-	-			-
Gain/Loss Sale of Asset					-	-			-
Pr Yr Adj - 2007 Pay Tax Liab					-	-			-
Miscellaneous Income			\$ -		-	-	\$ -	0.00%	-
Accrued Interest HLP LOC					-	-			-
Deferred Tax Expense					-	-			-
Gain/Loss Sale of Asset					-	-			-
Interest Dividend Income	\$ 0.29	\$ -	\$ 0.29	\$ -	0.29				
Debt Service Interest (Other)			\$ -		-	-	\$ -	0.00%	-
Unrealized Investment Gain/Loss	\$ 105,840.03	\$ -	\$ 105,840.03	\$ -	105,840.03	-	\$ 105,840.03	100.00%	-
Pr Yr Adj - 2007 Pay Tax Liability					-	-	\$ -		-
Interest Income	\$ 443.84	\$ 500.00	\$ (56.16)	\$ 754.12	443.84	500.00	\$ (56.16)	-11.23%	754.12
Total Other Income and Expenses	\$ 106,284.16	\$ 500.00	\$ 105,784.16	\$ 754.12	\$ 106,284.16	\$ 500.00	\$ 105,783.87	21156.77%	\$ 754.12
Net Income	\$ 312,616.14	\$ 223,656.00	\$ 88,960.14	\$ 159,681.70	\$ 312,616.14	\$ 223,656.00	\$ 88,959.85	39.78%	\$ 159,681.70
Adjustments to reconcile net income to net cash provided by Operations									
Amortization/Depreciation	\$ 176,745.19	\$ 175,819.00	\$ 926.19	\$ 165,803.67	\$ 176,745.19	\$ 175,819.00	\$ 926.19	0.53%	\$ 165,803.67
Accounts receivable	\$ (33,988.97)	\$ -	\$ (33,988.97)	\$ 108,228.95	\$ (33,988.97)	\$ -	\$ (33,988.97)	100.00%	\$ 108,228.95
Required Building Improvements	\$ (129.90)	\$ (15,000.00)	\$ 14,870.10	\$ (14,990.83)	\$ (129.90)	\$ (15,000.00)	\$ 14,870.10	-99.13%	\$ (14,990.83)
Optional Building Improvements	\$ -	\$ (58,640.00)	\$ 58,640.00	\$ -	\$ -	\$ (58,640.00)	\$ 58,640.00	0.00%	\$ -
Tenant Improvements	\$ (5,646.07)	\$ (33,045.00)	\$ 27,398.93	\$ (7,744.76)	\$ (5,646.07)	\$ (33,045.00)	\$ 27,398.93	-82.91%	\$ (7,744.76)
Leasing Commission	\$ -	\$ -	\$ -	\$ (52,561.41)	\$ -	\$ -	\$ -	#DIV/0!	\$ (52,561.41)
Development of 49th Street Lot	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	100.00%	\$ -
Notes Receivable	\$ 2,286.84	\$ 2,271.00	\$ 15.84	\$ 3,759.38	\$ 2,286.84	\$ 2,271.00	\$ 15.84	0.70%	\$ 3,759.38
Real Estate Tax Escrows	\$ (59,873.42)	\$ (65,484.00)	\$ 5,610.58	\$ (55,619.23)	\$ (59,873.42)	\$ (65,484.00)	\$ 5,610.58	-8.57%	\$ (55,619.23)
Escrow Fund Release	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	0.00%	\$ -
Accrued Real Estate Taxes	\$ 79,654.00	\$ 118,446.00	\$ (38,792.00)	\$ 74,645.00	\$ 79,654.00	\$ 118,446.00	\$ (38,792.00)	-32.75%	\$ 74,645.00
Real-estate Tax Payments	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	0.00%	\$ -
Accrued Expenses	\$ (113,629.41)	\$ -	\$ (113,629.41)	\$ (215,978.91)	\$ (113,629.41)	\$ -	\$ (113,629.41)	100.00%	\$ (215,978.91)
2007 Payroll tax payments			\$ -	\$ -	\$ -	\$ -	\$ -	0.00%	\$ -
Springvale Meadows Expense			\$ -	\$ -	\$ -	\$ -	\$ -	0.00%	\$ -
Minority Interest	\$ (179.97)	\$ -	\$ (179.97)	\$ (119.97)	\$ (179.97)	\$ -	\$ (179.97)	100.00%	\$ (119.97)
Prepaid Expenses	\$ (130,892.51)	\$ -	\$ (130,892.51)	\$ (16,233.90)	\$ (130,892.51)	\$ -	\$ (130,892.51)	100.00%	\$ (16,233.90)
Prepaid Real Estate Taxes	\$ 40,025.84	\$ -	\$ 40,025.84	\$ 38,792.55	\$ 40,025.84	\$ -	\$ 40,025.84	100.00%	\$ 38,792.55
Prepaid Insurance	\$ 6,393.50	\$ -	\$ 6,393.50	\$ 6,478.88	\$ 6,393.50	\$ -	\$ 6,393.50	100.00%	\$ 6,478.88
Accounts Payable	\$ (20,032.78)	\$ -	\$ (20,032.78)	\$ (39,916.46)	\$ (20,032.78)	\$ -	\$ (20,032.78)	100.00%	\$ (39,916.46)
Security Deposits	\$ (2,511.67)	\$ -	\$ (2,511.67)	\$ (8,115.00)	\$ (2,511.67)	\$ -	\$ (2,511.67)	100.00%	\$ (8,115.00)
Prepaid RE Tax Income	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	0.00%	\$ -

Prepaid Rent Income	\$ (50,116.64)		\$ (50,116.64)	\$ 81,975.77	\$ (50,116.64)	\$ -	\$ (50,116.64)	100.00%	\$ 81,975.77
Deposit on Refinance of Shops at Sumner Place	\$ -		\$ -	\$ 600,000.00	\$ -	\$ -	\$ -	#DIV/0!	\$ 600,000.00
Deferred Loan Charges	\$ -		\$ -	\$ -	\$ -	\$ -	\$ -	100.00%	\$ -
Deferred Loan Correction	\$ -		\$ -	\$ -	\$ -	\$ -	\$ -	100.00%	\$ -
Deferred Tax Asset	\$ -		\$ -	\$ -	\$ -	\$ -	\$ -	0.00%	\$ -
Unrealized Investment Gain/Loss	\$ (105,840.03)		\$ (105,840.03)	\$ -	\$ (105,840.03)	\$ -	\$ (105,840.03)	100.00%	\$ -
Prior Tenant Clearing	\$ -		\$ -	\$ -	\$ -	\$ -	\$ -	100.00%	\$ -
Acquisition of Investments	\$ 1,903.62		\$ 1,903.62	\$ -	\$ 1,903.62	\$ -	\$ 1,903.62	100.00%	\$ -
Closing Cost for Refinance			\$ -	\$ (481,133.75)	\$ -	\$ -	\$ -	0.00%	\$ (481,133.75)
<b>Total Adjustments</b>	\$ (215,832.38)	\$ 124,367.00	\$ (340,199.38)	\$ 187,269.98	\$ (215,832.38)	\$ 124,367.00	\$ (340,199.38)	-273.54%	\$ 187,269.98
<b>Net Cash provided from Operations</b>	\$ 96,783.76	\$ 348,023.00	\$ (251,239.24)	\$ 346,951.68	\$ 96,783.76	\$ 348,023.00	\$ (251,239.53)	-72.19%	\$ 346,951.68
<b>Increase or (Decrease) in Long Term Debt</b>	\$ (116,868.31)	\$ (206,886.38)	\$ 90,018.07	\$ 4,444,459.37	\$ (116,868.31)	\$ (206,886.38)	\$ 90,018.07	-43.51%	\$ 4,444,459.37
<b>Net Increase (Decrease) in Cash (FREE CASH FLOW)</b>	\$ (20,084.55)	\$ 141,136.62	\$ (161,221.17)	\$ 4,791,411.05	\$ (20,084.55)	\$ 141,136.62	\$ (161,221.46)	-114.23%	\$ 4,791,411.05
<b>Shareholder Distribution</b>	\$ -	\$ -	\$ -	\$ (50,000.00)	\$ -	\$ -	\$ -	0.00%	\$ (50,000.00)
<b>Investments</b>	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	0.00%	\$ -
<b>Cash Balance at Beginning of Period</b>	\$ 5,600,705.52	\$ 5,600,705.52	\$ -	\$ 1,434,683.07	\$ 5,600,705.52	\$ 5,600,705.52			\$ 1,434,683.07
<b>Increase (Decrease) in cash during period</b>	\$ (20,084.55)	\$ 141,136.62	\$ (161,221.17)	\$ 4,741,411.05	\$ (20,084.55)	\$ 141,136.62	\$ (161,221.17)	-114.23%	\$ 4,741,411.05
<b>Cash at End of Period</b>	\$ 5,580,620.97	\$ 5,741,842.14	\$ (161,221.17)	\$ 6,176,094.12	\$ 5,580,620.97	\$ 5,741,842.15	\$ (161,221.18)	-2.81%	\$ 6,176,094.12

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W.C. and A.N. Miller Development Company  
**CONSOLIDATED CASH FLOW STATEMENT**  
as of October 31, 2013

	October Actual	November Budget	December Budget	January Budget	February Budget	March Budget	April Budget	May Budget	June Budget	July Budget	August Budget	September Budget	Total Budget 2013/2014	Total Actual 2012/2013	Difference Budget v Actual	Variance
<b>Rental Activities</b>																
Rent Income	\$ 1,307,415.96	\$ 1,328,728.00	\$ 1,311,711.00	\$ 1,315,781.00	\$ 1,347,014.00	\$ 1,540,545.00	\$ 1,342,803.00	\$ 1,349,018.00	\$ 1,423,536.00	\$ 1,392,452.00	\$ 1,391,383.00	\$ 1,605,180.00	\$ 16,655,566.96	\$ 18,168,204.90	\$ (1,512,637.94)	-8%
Rent Expenses	\$ (331,178.16)	\$ (383,500.00)	\$ (393,303.00)	\$ (369,917.00)	\$ (380,267.00)	\$ (366,576.00)	\$ (356,739.00)	\$ (343,214.00)	\$ (327,612.00)	\$ (347,259.00)	\$ (354,304.00)	\$ (336,762.00)	\$ (4,290,631.16)	\$ (4,527,018.29)	\$ 236,387.13	-5%
Real Estate Taxes	\$ (119,679.84)	\$ (118,446.00)	\$ (118,446.00)	\$ (118,446.00)	\$ (118,446.00)	\$ (118,446.00)	\$ (118,446.00)	\$ (118,446.00)	\$ (118,446.00)	\$ (120,020.00)	\$ (120,020.00)	\$ (120,020.00)	\$ (1,427,307.84)	\$ (1,364,928.19)	\$ (62,379.65)	5%
Amortization/Depreciation	\$ (176,745.19)	\$ (176,745.00)	\$ (176,746.00)	\$ (176,745.00)	\$ (176,745.00)	\$ (176,744.00)	\$ (176,745.00)	\$ (176,746.00)	\$ (176,742.00)	\$ (176,745.00)	\$ (176,744.00)	\$ (176,751.00)	\$ (2,120,943.19)	\$ (2,074,207.96)	\$ (46,735.23)	2%
Debt Service - Interest	\$ (379,606.88)	\$ (379,607.00)	\$ (377,120.00)	\$ (378,587.00)	\$ (378,077.00)	\$ (371,647.00)	\$ (377,028.00)	\$ (374,545.00)	\$ (375,984.00)	\$ (373,502.00)	\$ (374,930.00)	\$ (374,403.00)	\$ (4,515,036.88)	\$ (4,550,553.48)	\$ 35,516.60	-1%
<b>Net Rental Income</b>	<b>\$ 300,205.89</b>	<b>\$ 270,430.00</b>	<b>\$ 246,096.00</b>	<b>\$ 272,086.00</b>	<b>\$ 293,479.00</b>	<b>\$ 507,132.00</b>	<b>\$ 313,845.00</b>	<b>\$ 336,067.00</b>	<b>\$ 424,752.00</b>	<b>\$ 374,926.00</b>	<b>\$ 365,385.00</b>	<b>\$ 597,244.00</b>	<b>\$ 4,301,647.89</b>	<b>\$ 5,651,496.98</b>	<b>\$ (1,349,849.09)</b>	-24%
<b>Revenues</b>																
Sales(Lots and Homes)																
Cost of Sales																
<b>Gross Profit</b>	<b>\$ 300,205.89</b>	<b>\$ 270,430.00</b>	<b>\$ 246,096.00</b>	<b>\$ 272,086.00</b>	<b>\$ 293,479.00</b>	<b>\$ 507,132.00</b>	<b>\$ 313,845.00</b>	<b>\$ 336,067.00</b>	<b>\$ 424,752.00</b>	<b>\$ 374,926.00</b>	<b>\$ 365,385.00</b>	<b>\$ 597,244.00</b>	<b>\$ 4,301,647.89</b>	<b>\$ 5,651,496.98</b>	<b>\$ (1,349,849.09)</b>	-24%
<b>Operating Expenses</b>																
Bank Charges	\$ 161.28	\$ 200.00	\$ 200.00	\$ 200.00	\$ 200.00	\$ 200.00	\$ 200.00	\$ 200.00	\$ 200.00	\$ 200.00	\$ 200.00	\$ 200.00	\$ 2,361.28	\$ 1,478.99	\$ 882.29	60%
Management fees investment account	\$ 1,903.91			\$ 1,750.00			\$ 1,750.00			\$ 1,750.00			\$ 7,153.91	\$ 5,120.45	\$ 2,033.46	40%
Computer Consultant	\$ 1,462.50	\$ 1,000.00	\$ 1,000.00	\$ 1,000.00	\$ 1,000.00	\$ 1,000.00	\$ 1,000.00	\$ 1,000.00	\$ 1,000.00	\$ 1,000.00	\$ 1,000.00	\$ 1,000.00	\$ 12,462.50	\$ 16,614.29	\$ (4,151.79)	-25%
Computer Supplies	\$ 25.00	\$ 200.00	\$ 1,000.00	\$ 200.00	\$ 200.00	\$ 200.00	\$ 200.00	\$ 200.00	\$ 200.00	\$ 200.00	\$ 200.00	\$ 200.00	\$ 3,025.00	\$ 5,666.97	\$ (2,641.97)	-47%
Executive Compensation	\$ 22,916.67	\$ 22,916.67	\$ 38,541.66	\$ 28,125.00	\$ 28,125.00	\$ 28,125.00	\$ 28,125.00	\$ 28,125.00	\$ 28,125.00	\$ 28,125.00	\$ 28,125.00	\$ 28,125.00	\$ 337,500.00	\$ 275,000.04	\$ 62,499.96	23%
Executive Bonus (2012/2013 Fiscal Year)			\$ 150,000.00										\$ 150,000.00	\$ 100,000.00	\$ 50,000.00	50%
Executive Compensation Committee Fees	\$ 9,500.00	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 9,500.00	\$ -	\$ 9,500.00	100%
Office Administration	\$ 8,925.00	\$ 8,925.00	\$ 8,925.00	\$ 8,925.00	\$ 8,925.00	\$ 8,925.00	\$ 8,925.00	\$ 8,925.00	\$ 8,925.00	\$ 8,925.00	\$ 8,925.00	\$ 8,925.00	\$ 107,100.00	\$ 112,000.00	\$ (4,900.00)	-4%
Payroll Burden	\$ 1,015.05	\$ 2,500.00	\$ 4,000.00	\$ 2,500.00	\$ 2,500.00	\$ 2,500.00	\$ 2,500.00	\$ 2,500.00	\$ 2,500.00	\$ 2,500.00	\$ 2,500.00	\$ 2,500.00	\$ 30,015.05	\$ 22,317.37	\$ 7,697.68	34%
Office telephone and internet service	\$ 1,974.75	\$ 600.00	\$ 600.00	\$ 600.00	\$ 600.00	\$ 600.00	\$ 600.00	\$ 600.00	\$ 600.00	\$ 600.00	\$ 600.00	\$ 600.00	\$ 8,574.75	\$ 4,517.87	\$ 4,056.88	90%
General Insurance		\$ 29,000.00											\$ 29,000.00	\$ 28,632.95	\$ 367.05	1%
Legal - General	\$ 3,236.07	\$ 5,000.00	\$ 5,000.00	\$ 5,000.00	\$ 5,000.00	\$ 5,000.00	\$ 5,000.00	\$ 5,000.00	\$ 5,000.00	\$ 5,000.00	\$ 5,000.00	\$ 5,000.00	\$ 58,236.07	\$ 47,144.50	\$ 11,091.57	24%
Legal - Loans/Lenders													\$ -	\$ 24,099.43	\$ (24,099.43)	-100%
Legal- Commercial Leasing													\$ -	\$ 7,065.00	\$ (7,065.00)	-100%
Legal - Haymount	\$ 8,568.79	\$ 20,000.00			\$ 20,000.00			\$ 20,000.00					\$ 68,568.79	\$ 80,462.10	\$ (11,893.31)	-15%
Benefits	\$ 1,956.10	\$ 2,833.33	\$ 2,833.33	\$ 2,833.33	\$ 2,833.33	\$ 2,833.33	\$ 2,833.33	\$ 2,833.33	\$ 2,833.33	\$ 2,833.33	\$ 2,833.33	\$ 2,833.33	\$ 33,122.77	\$ 33,849.86	\$ (727.09)	-2%
Management Meals	\$ 456.27	\$ 500.00	\$ 1,400.00	\$ 500.00	\$ 500.00	\$ 500.00	\$ 500.00	\$ 500.00	\$ 500.00	\$ 500.00	\$ 500.00	\$ 500.00	\$ 6,856.27	\$ 5,602.96	\$ 1,253.31	22%
Offices Supplies	\$ 567.89	\$ 600.00	\$ 600.00	\$ 600.00	\$ 600.00	\$ 600.00	\$ 600.00	\$ 600.00	\$ 600.00	\$ 600.00	\$ 600.00	\$ 600.00	\$ 7,167.89	\$ 12,453.31	\$ (5,285.42)	-42%
Other Taxes and Licenses	\$ 42.50		\$ 500.00		\$ 200.00		\$ 300.00	\$ 600.00					\$ 1,642.50	\$ 3,856.41	\$ (2,213.91)	-57%
Estimated Taxes (Federal & State)				\$ 17,565.00		\$ 17,565.00			\$ 17,565.00			\$ 17,565.00	\$ 70,260.00	\$ -	\$ 70,260.00	-100%
Other Real Estate Taxes			\$ 3,300.00						\$ 3,300.00				\$ 6,600.00	\$ 5,565.78	\$ 1,034.22	19%
Postage	\$ 422.42	\$ 375.00	\$ 375.00	\$ 375.00	\$ 375.00	\$ 375.00	\$ 375.00	\$ 375.00	\$ 375.00	\$ 375.00	\$ 375.00	\$ 375.00	\$ 4,547.42	\$ 3,251.85	\$ 1,295.57	40%
Accounting	\$ -	\$ 1,200.00	\$ 1,200.00	\$ 1,200.00	\$ 1,200.00	\$ 1,200.00	\$ 1,200.00	\$ 1,200.00	\$ 1,200.00	\$ 1,200.00	\$ 1,200.00	\$ 1,200.00	\$ 13,200.00	\$ 10,071.50	\$ 3,128.50	31%
Promotion & Entertainment	\$ -	\$ 350.00	\$ 350.00	\$ 350.00	\$ 350.00	\$ 350.00	\$ 350.00	\$ 350.00	\$ 350.00	\$ 350.00	\$ 350.00	\$ 350.00	\$ 3,850.00	\$ 39,569.12	\$ (35,719.12)	-90%
Internal Control Audit/Review			\$ 6,000.00										\$ 6,000.00	\$ 3,385.00	\$ 2,615.00	77%
Audit and Tax Returns			\$ 57,000.00										\$ 57,000.00	\$ 43,075.00	\$ 13,925.00	32%
Rent	\$ 8,886.68	\$ 9,000.00	\$ 9,000.00	\$ 9,000.00	\$ 9,000.00	\$ 9,000.00	\$ 9,000.00	\$ 9,000.00	\$ 9,000.00	\$ 9,000.00	\$ 9,000.00	\$ 9,000.00	\$ 107,886.68	\$ 12,050.00	\$ 95,836.68	795%
Cell phones and mobile devices	\$ 478.03	\$ 750.00	\$ 750.00	\$ 750.00	\$ 750.00	\$ 750.00	\$ 750.00	\$ 750.00	\$ 750.00	\$ 750.00	\$ 750.00	\$ 750.00	\$ 8,728.03	\$ 7,119.73	\$ 1,608.30	23%
Management Travel	\$ 3,045.92	\$ 3,500.00	\$ 3,500.00	\$ 3,500.00	\$ 3,500.00	\$ 3,500.00	\$ 3,500.00	\$ 3,500.00	\$ 3,500.00	\$ 3,500.00	\$ 3,500.00	\$ 3,500.00	\$ 41,545.92	\$ 25,544.75	\$ 16,001.17	63%
Payroll Processing Fees	\$ 329.08	\$ 400.00	\$ 400.00	\$ 400.00	\$ 400.00	\$ 400.00	\$ 400.00	\$ 400.00	\$ 400.00	\$ 400.00	\$ 400.00	\$ 400.00	\$ 4,729.08	\$ 4,498.02	\$ 231.06	5%
Board of Directors Fees	\$ 18,000.00	\$ 18,000.00	\$ 18,000.00	\$ 18,000.00	\$ 18,000.00	\$ 18,000.00	\$ 18,000.00	\$ 18,000.00	\$ 18,000.00	\$ 18,000.00	\$ 18,000.00	\$ 18,000.00	\$ 216,000.00	\$ 222,000.00	\$ (6,000.00)	-3%
Shareholders Annual Meeting				\$ 2,000.00									\$ 2,000.00	\$ 1,210.66	\$ 789.34	65%
Board Travel and Meals		\$ 10,000.00			\$ 10,000.00				\$ 10,000.00				\$ 30,000.00	\$ 33,905.16	\$ (3,905.16)	-12%
Charitable Contributions	\$ -	\$ -	\$ -	\$ 500.00	\$ -	\$ -	\$ 500.00	\$ -	\$ -	\$ 500.00	\$ -	\$ -	\$ 1,500.00	\$ 11,800.00	\$ (10,300.00)	-87%
<b>Total Operating Expenses</b>	<b>\$ 93,873.91</b>	<b>\$ 137,850.00</b>	<b>\$ 314,474.99</b>	<b>\$ 105,873.33</b>	<b>\$ 114,258.33</b>	<b>\$ 101,623.33</b>	<b>\$ 86,608.33</b>	<b>\$ 104,658.33</b>	<b>\$ 114,923.33</b>	<b>\$ 86,308.33</b>	<b>\$ 84,058.33</b>	<b>\$ 101,623.33</b>	<b>\$ 1,446,133.91</b>	<b>\$ 1,208,929.07</b>	<b>\$ 237,204.84</b>	20%
<b>Net Operating Income</b>	<b>\$ 206,331.98</b>	<b>\$ 132,580.00</b>	<b>\$ (68,378.99)</b>	<b>\$ 166,212.67</b>	<b>\$ 179,220.67</b>	<b>\$ 405,508.67</b>	<b>\$ 227,236.67</b>	<b>\$ 231,408.67</b>	<b>\$ 309,828.67</b>	<b>\$ 288,617.67</b>	<b>\$ 281,326.67</b>	<b>\$ 495,620.67</b>	<b>\$ 2,855,513.98</b>	<b>\$ 4,442,567.91</b>	<b>\$ (1,587,053.93)</b>	-36%
<b>Other Income and Expenses</b>																
Miscellaneous Income													\$ -	\$ 64,427.04	\$ (64,427.04)	-100%
Investment Dividend Income	\$ 0.29												\$ 0.29	\$ 46.40	\$ (46.11)	-99%
Accrued Interest on HLP LOC													\$ -	\$ 256,862.61	\$ (256,862.61)	-100%
Deferrerred Tax Expense													\$ -	\$ 173,350.00	\$ (173,350.00)	-100%
Gain/Loss Sale of Asset													\$ -	\$ (117,125.38)	\$ 117,125.38	-100%
Unrealized Investment (Gain)/Loss	\$ 105,840.03												\$ 105,840.03	\$ 329,154.00	\$ (223,313.97)	-68%
Debt Service Interest (Other)	\$ -	\$ (10,758.22)	\$ (10,535.12)	\$ (10,311.45)	\$ (10,087.23)	\$ (9,862.45)	\$ (9,637.11)	\$ (9,411.20)	\$ (9,184.73)	\$ (8,957.69)	\$ (8,730.08)	\$ (8,501.91)	\$ (105,977.19)	\$ (103,288.67)	\$ (2,688.52)	3%
Interest Income	\$ 443.84	\$ 500.00	\$ 500.00	\$ 500.00	\$ 500.00	\$ 500.00	\$ 500.00	\$ 500.00	\$ 500.00	\$ 500.00	\$ 500.00	\$ 500.00	\$ 5,943.84	\$ 6,254.56	\$ (310.72)	-5%
<b>Total Other Income and Expenses</b>	<b>\$ 106,284.16</b>	<b>\$ (10,258.22)</b>	<b>\$ (10,035.12)</b>	<b>\$ (9,811.45)</b>	<b>\$ (9,587.23)</b>	<b>\$ (9,362.45)</b>	<b>\$ (9,137.11)</b>	<b>\$ (8,911.20)</b>	<b>\$ (8,684.73)</b>	<b>\$ (8,457.69)</b>	<b>\$ (8,230.08)</b>	<b>\$ (8,001.91)</b>	<b>\$ 5,806.97</b>	<b>\$ 609,680.56</b>	<b>\$ (603,873.59)</b>	-99%
<b>Net Income</b>	<b>\$ 312,616.14</b>	<b>\$ 122,321.78</b>	<b>\$ (78,414.11)</b>	<b>\$ 156,401.22</b>	<b>\$ 169,633.44</b>	<b>\$ 396,146.22</b>	<b>\$ 218,099.56</b>	<b>\$ 222,497.47</b>	<b>\$ 301,143.94</b>	<b>\$ 280,159.98</b>	<b>\$ 273,096.59</b>	<b>\$ 487,618.76</b>	<b>\$ 2,861,320.95</b>	<b>\$ 5,052,248.47</b>	<b>\$ (2,190,927.52)</b>	-43%
<b>Cash Flow from Operating Activities</b>																

Net Income	\$	312,616.14	\$	122,321.78	\$	(78,414.11)	\$	156,401.22	\$	169,633.44	\$	396,146.22	\$	218,099.56	\$	222,497.47	\$	301,143.94	\$	280,159.98	\$	273,096.59	\$	487,618.76	\$	2,861,320.95	\$	5,052,248.47	\$	(2,190,927.52)	-43%
Adjustments to reconcile net income to net cash provided by Operations																															
Amortization/Depreciation	\$	176,745.19	\$	175,819.00	\$	175,819.00	\$	175,819.00	\$	175,819.00	\$	175,819.00	\$	175,819.00	\$	175,819.00	\$	175,819.00	\$	175,819.00	\$	175,819.00	\$	175,819.00	\$	2,110,754.19	\$	1,866,757.30	\$	243,996.89	
Accounts receivable	\$	(33,988.97)																							\$	(33,988.97)	\$	(2,234,696.38)	\$	2,200,707.41	
Required Building Improvements	\$	(129.90)			\$	-	\$	-	\$	-	\$	(18,000.00)	\$	(35,000.00)	\$	(9,500.00)	\$	(20,000.00)	\$	-	\$	-	\$	-	\$	(82,629.90)	\$	(694,281.81)	\$	611,651.91	
Optional Building Improvements	\$	-	\$	(591,820.00)	\$	(85,960.00)	\$	(3,000.00)	\$	(7,700.00)	\$	(85,798.00)	\$	(15,000.00)	\$	(24,775.00)	\$	-	\$	-	\$	(60,000.00)	\$	-	\$	(874,053.00)	\$	-	\$	(874,053.00)	
Tenant Improvements	\$	(5,646.07)	\$	(153,863.00)	\$	(55,650.00)	\$	(208,730.00)	\$	(70,645.00)	\$	(153,844.00)	\$	(140,380.00)	\$	(1,600.00)	\$	(93,241.00)	\$	(120,140.00)	\$	(12,831.00)	\$	(222,860.00)	\$	(1,239,430.07)	\$	(386,264.74)	\$	(853,165.33)	
Leasing Commission	\$	-	\$	(16,636.00)	\$	(2,264.00)	\$	(6,101.00)	\$	(89,044.00)	\$	(76,173.00)	\$	(22,392.00)	\$	-	\$	(22,202.00)	\$	(105,310.00)	\$	(3,215.00)	\$	(64,743.00)	\$	(408,080.00)	\$	(308,508.79)	\$	(99,571.21)	
Notes Receivable	\$	2,286.84	\$	2,289.00	\$	2,305.00	\$	2,322.00	\$	2,340.00	\$	2,357.00	\$	2,374.00	\$	2,392.00	\$	2,410.00	\$	2,428.00	\$	2,446.00	\$	2,464.00	\$	28,413.84	\$	39,496.42	\$	(11,082.58)	
Real Estate Tax Escrows	\$	(59,873.42)	\$	(65,484.00)	\$	(65,484.00)	\$	(65,484.00)	\$	(65,484.00)	\$	(65,484.00)	\$	(65,484.00)	\$	(65,484.00)	\$	(65,484.00)	\$	(65,942.00)	\$	(65,942.00)	\$	(65,942.00)	\$	(781,571.42)	\$	(261,116.33)	\$	(520,455.09)	
Escrow Fund Release												\$	393,591.00												\$	393,591.00	\$	787,182.00	\$	479,271.40	
Accrued Real Estate Taxes	\$	79,654.00	\$	118,446.00	\$	118,446.00	\$	118,446.00	\$	118,446.00	\$	118,446.00	\$	118,446.00	\$	118,446.00	\$	118,446.00	\$	120,020.00	\$	120,020.00	\$	120,020.00	\$	1,387,282.00	\$	412,679.00	\$	974,603.00	
Real-estate Tax Payments												\$	(477,920.00)											\$	(948,154.00)	\$	(1,426,074.00)	\$	(412,679.00)	\$	(1,013,395.00)
Accrued Expenses	\$	(113,629.41)																							\$	(113,629.41)	\$	193,166.62	\$	(306,796.03)	
Minority Interest	\$	(179.97)																							\$	(179.97)	\$	(257,574.18)	\$	257,394.21	
Prepaid Expenses	\$	(130,892.51)																							\$	(130,892.51)	\$	(180,073.45)	\$	49,180.94	
Prepaid Real Estate Taxes	\$	40,025.84																							\$	40,025.84	\$	(11,137.86)	\$	51,163.70	
Prepaid Insurance	\$	6,393.50																							\$	6,393.50	\$	(6,429.29)	\$	12,822.79	
Accounts Payable	\$	(20,032.78)																							\$	(20,032.78)	\$	99,058.36	\$	(119,091.14)	
Security Deposits	\$	(2,511.67)																							\$	(2,511.67)	\$	64,806.30	\$	(67,317.97)	
Prepaid RE Tax Income	\$	-																							\$	-	\$	2,546.54	\$	(2,546.54)	
Prepaid Rent Income	\$	(50,116.64)																							\$	(50,116.64)	\$	180,908.16	\$	(231,024.80)	
Deposit on Refinance of Shops at Sumner Place																									\$	-	\$	600,000.00	\$	(600,000.00)	
Deferred Loan Charges																									\$	-	\$	(73,768.98)	\$	73,768.98	
Unrealized Investment Gain/Loss	\$	(105,840.03)																							\$	(105,840.03)	\$	(324,079.95)	\$	218,239.92	
Acquisition of Investments	\$	1,903.62																							\$	1,903.62					
Closing Cost for Refinance																									\$	-	\$	(481,133.75)	\$	481,133.75	
Prior Tenant Clearing	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-	\$	(1,525.00)	\$	1,525.00	
Total Adjustments	\$	(215,832.38)	\$	(531,249.00)	\$	87,212.00	\$	13,272.00	\$	63,732.00	\$	(187,006.00)	\$	18,383.00	\$	195,298.00	\$	95,748.00	\$	6,875.00	\$	156,297.00	\$	(609,805.00)	\$	(907,075.38)	\$	(1,865,940.21)	\$	958,864.83	
Net Cash provided from Operations	\$	96,783.76	\$	(408,927.22)	\$	8,797.89	\$	169,673.22	\$	233,365.44	\$	209,140.22	\$	236,482.56	\$	417,795.47	\$	396,891.94	\$	287,034.98	\$	429,393.59	\$	(122,186.24)	\$	1,954,245.57	\$	3,186,308.26	\$	(1,232,062.69)	
Cash Flows from Financing Activities																															
Cardinal Bank (Spring Valley Retail)	\$	16,424,264.53	\$	16,399,626.08	\$	16,372,922.61	\$	16,348,100.74	\$	16,323,185.89	\$	16,292,260.56	\$	16,267,136.54	\$	16,239,952.80	\$	16,214,632.85	\$	16,187,258.78	\$	16,161,741.44	\$	16,136,128.52							
Guardian Life (Shops at Sumner Place)	\$	29,523,221.42	\$	29,478,988.74	\$	29,434,605.63	\$	29,390,071.62	\$	29,345,386.20	\$	29,300,548.85	\$	29,255,559.05	\$	29,210,416.28	\$	29,165,120.03	\$	29,119,669.77	\$	29,074,064.98	\$	29,028,305.13							
Key Bank Loan (Sumner Highland Apt)	\$	16,972,548.29	\$	16,949,472.01	\$	16,926,271.31	\$	16,902,945.52	\$	16,879,493.97	\$	16,855,915.97	\$	16,832,210.85	\$	16,808,377.92	\$	16,784,416.49	\$	16,760,325.87	\$	16,736,105.36	\$	16,711,754.26							
Teachers Loan (Spring Valley Office)	\$	21,307,822.90	\$	21,284,367.08	\$	21,260,772.48	\$	21,237,038.27	\$	21,213,163.64	\$	21,189,147.75	\$	21,164,989.76	\$	21,140,688.84	\$	21,116,244.14	\$	21,091,654.81	\$	21,066,919.99	\$	21,042,038.82							
Promissory Notes	\$	4,303,288.67	\$	4,214,046.87	\$	4,124,581.99	\$	4,034,893.44	\$	3,944,980.67	\$	3,854,843.12	\$	3,764,480.23	\$	3,673,891.43	\$	3,583,076.16	\$	3,492,033.85	\$	3,400,763.93	\$	3,309,265.84							
Haymount Mezz	\$	8,250,229.83	\$	8,250,229.83	\$	8,250,229.83	\$	8,250,229.83	\$	8,250,229.83	\$	8,250,229.83	\$	8,250,229.83	\$	8,250,229.83	\$	8,250,229.83	\$	8,250,229.83	\$	8,250,229.83	\$	8,250,229.83							
Total Long Term Debt	\$	96,781,375.64	\$	96,576,730.61	\$	96,369,383.85	\$	96,163,279.42	\$	95,956,440.20	\$	95,742,946.08	\$	95,534,606.26	\$	95,323,557.10	\$	95,113,719.50	\$	94,901,172.91	\$	94,689,825.53	\$	94,477,722.40							
Increase or (Decrease) in Long Term Debt	\$	(116,868.31)	\$	(204,645.03)	\$	(207,346.76)	\$	(206,104.43)	\$	(206,839.22)	\$	(213,494.12)	\$	(208,339.82)	\$	(211,049.16)	\$	(209,837.60)	\$	(212,546.59)	\$	(211,347.38)	\$	(212,103.13)	\$	(2,420,521.55)	\$	9,829,714.19	\$	7,409,192.64	
Net Increase (Decrease) in Cash (FREE CASH FLOW)	\$	(20,084.55)	\$	(613,572.25)	\$	(198,548.87)	\$	(36,431.21)	\$	26,526.22	\$	(4,353.90)	\$	28,142.74	\$	206,746.31	\$	187,054.34	\$	74,488.39	\$	218,046.21	\$	(334,289.37)	\$	(466,275.98)	\$	13,016,022.45	\$	(13,482,298.43)	
Shareholder Payments																											\$	(6,350,000.00)	\$	(6,350,000.00)	
Investments																											\$	(2,500,000.00)	\$	(2,500,000.00)	
Cash Balance at Beginning of Period	\$	5,600,705.52	\$	5,580,620.97	\$	4,967,048.72	\$	4,768,499.84	\$	4,732,068.63	\$	4,758,594.85	\$	4,754,240.94																	

**W.C. and A.N. Miller Development Company**

**October 2013 Variance Report**

	Variance	Explanation
Rental Income	\$ (23,395.04)	1. Vacancy at Sumner Highlands higher than budgeted (\$25,515) 2. Unbudgeted vacancy of Chicken Out (\$17,724)
Rental Expenses	\$ 22,056.84	1. Expenses at Spring Valley Offices less than budgeted (\$22,792)
Net Rental Income Variance	\$ (4,050.11)	
Operating Expenses Variance	\$ 12,773.91	1. Unbudgeted expenses for Executive Compensation Committee (\$9500) 2. Unbudgeted legal fees relating to Haymount litigation (\$8,568.79)
Net Income Variance	\$ (16,824.02)	
Increase/(Decrease) in cash	\$ (20,084.55)	