

**MINUTES OF THE
W.C. and A. N. MILLER DEVELOPMENT COMPANY
ANNUAL SHAREHOLDERS MEETING**

April 21, 2012

The annual meeting of the Shareholders of the W.C. and A.N. Miller Development Company, a Delaware Corporation (the “Company”) was held at Columbia Country Club in Chevy Chase, Maryland.

I. Participants

The following Shareholders of record were present and no stockholder objected to lack of notice:

Robert W. Beers, Jr.	Robert W. Beers, III	Mary Church
Richard Graft	Katharine P. Kile	Katharine Jones
Adam Miller	Allison Miller, III	Geoffrey T. Miller
Kathleen Miller	Matthew Miller	Patricia Miller
Robert R. Miller	Rosemary Miller	William Miller
Jennifer O. Morgan	James L. Myers, Jr.	James Myers, III
Kenneth Myers	Mark Ong	Thomas Ong
Monica M. Satrape	Francis Seay	Michael Seay, Jr.
Sarah Shaw	Deborah O. Vaughan	

Others in attendance included: Chairman of the Board of Directors, Ernest (Bud) Miller, Jr., Michael (Mike) Fallon, Paul (Jay) Maddock, Jr., and Patricia Emory served as secretary.

II. Call to Order

A quorum being present, Bud Miller, Chairman of the Board of Directors, called the meeting to order at approximately 10:05 am, immediately bringing attention to the Agenda (Attachment A).

III. Approval of April 2011 Meeting Minutes

The first order of business is the approval of the minutes of last year’s meeting.

Motion was made by Patricia Miller to approve the minutes from the April 30, 2011 meeting and seconded by Mary Church. All in favor none opposed.

IV. Company Update

The floor was turned over to Robert (Rob) Miller to report on the status of the Company.

a. Rob Miller showed the Shareholders the new Company website that can be found at www.wcanmiller.com. He stated that there are still some tweaking that needs to be done but once ready a notice to the Shareholders will be sent including login information

- b. Financial Statements as of September 30, 2011: Rob Miller reviewed the financial statements that are detailed in the attached Power Point presentation. He noted the following:
- There was an increase in cash by approximately \$1,000,000.
 - Net Rental Income showed an increase of 1,284,645.
 - Gross Profit for Sale of Lots is a negative due to the expenses that the Company had been carrying for the lots.
 - Net Loss was (\$1,679,489) for the year.
 - Cash Flow Statement shows a net increase in cash of \$995,797.
- c. Company Update 2010/2011
- Rob Miller reviewed the highlights of the fiscal year that ended September 30, 2011 which are detailed in the attached Power Point Presentation.
- d. Review of Haymount Litigation
- Rob Miller explained the lawsuit to the Shareholders. He noted that there is a settlement conference scheduled for April 25, 2012 in Newark, NJ along with a hearing on our Motion for Summary Judgment sometime in June 2012. He stated that he will keep the Shareholders informed as things progress.
- e. Fiscal Year 2011/2012 Leasing Update
- Rob Miller explained that the Company's portfolio is ahead of our competitive set in regards to vacancy. He explained that the Company has created small speculative suites that new tenants have been leasing quicker than we can build them, along with all of the common area improvements that have been made our properties are quite desirable. He explained that our rates are solid and that once all of the vacancy in the Massachusetts Avenue properties are fully leased 4301 50th Street should lease soon thereafter since it will be the only vacancy in Spring Valley. Additionally, he noted that Sumner Highlands is doing well and that we only have 6 units vacant going into our high leasing period.
- f. Dividend
- Rob Miller explained that the dividend had been suspended due to the fact that our available cash fell below our agreed minimum cash reserve of \$2,000,000. He stated that he anticipates that the Company will be able to resume paying dividends next fiscal year. He explained that due to the Company's refinancing of the Shops at Sumner Place, the Company should realize a savings of \$600,000 in interest costs per year. Further, due to the properties being primarily fully leased the Company's leasing expenses (leasing commissions and tenant improvements) will decrease. The only issue that will be outstanding is the Haymount litigation. Due to these factors, the Board of Directors declared a special dividend in the amount of \$200,000. Rob Miller explained that the Company anticipates being able to pay a smaller sustainable dividend next fiscal year and review the Company's financial position from time to time and if warranted pay a special dividend.

A discussion occurred regarding growing the Copmpany. It was explained that the Board of Directors have been working on a Strategic Plan which when finalized, and will be made available to the Shareholders on the website.

V. Slate for Board of Directors

Bud Miller asked if there were any nominations from the floor for the 2012 Board of Directors. None were noted and the floor was closed. William Miller and Kathleen Miller volunteered to be the Shareholder representatives to work with Alan Gordon CPA, PA in tallying the votes.

A discussion occurred regarding Bud Miller staying on the Board for an additional year. It was noted his assistance is necessary in transitioning the two non-family Board members.

A discussion occurred regarding the change to the By-Laws on the Ballot. Bob Beers as Chairman of the Governance & Nominating Committee explained that the only request is to allow 10 Board of Directors for one additional year. He further stated that the By-Laws are being reviewed by his Committee with assistance from outside counsel and he hopes to have a draft of the Revised By-Laws to the Shareholders by the end of the year so that they will have plenty of time to review them and provide feed-back.

The Shareholders were then asked to vote.

VI. Report of the Audit & Finance Committee

Rob Beers as Chairman of the Audit & Finance Committee stated that his Committee is comprised of Jim Myers, Mike Fallon along with himself. He explained what the Committee was responsible for:

- a. Budget Review
- b. Review and Approval of year end Financials from our Accountant
- c. Review of the Agreed Upon procedures Report from our Accountant
- d. Presentation to the full Board of Directors of all 3 items along with the Committee's recommendations.

He further explained that his Committee feels that due to the size of the Company that a Review in conjunction with an Agreed Upon Procedures Report from our Accountant is adequate at this time. Additionally, he explained that the Board of Directors is looking into alternative Corporate structures.

VII. Report of the Governance & Nominating Committee

Bob Beers as Chairman of the Governance & Nominating Committee stated that his Committee is comprised of Kathy Kile, Jay Maddock along with himself. He explained the tasks that his Committee is currently working on:

- a. Revisions to the By-Laws so that they are in compliance with Delaware Law.
- b. Finding a replacement for the Chairman of the Board of Directors. He noted that they will be looking for someone who is currently a Board member. It was asked whether they would look for someone outside of the current Board and Bob Beers said that he will review all candidates. Bud Miller explained that the

Shareholders will be asked for nominations as well as any candidates from the floor during the 2013 Annual Meeting.

- c. Succession Planning. As noted earlier, the immediate replacement would be the Chairman of the Board. The Executive Compensation Committee will be creating the long term Succession Plan.

VIII. Report of the Strategic Planning Committee

Mike Fallon as Chairman of the Strategic Planning Committee stated that his Committee is comprised of Rob Beers, Geoff Miller, Rob Miller, Jim Myers, Debbie Vaughan along with himself. He explained that his Committee has developed a Strategic Plan that will be finalized over the next few months and then presented to the Shareholders. It was noted that the Shareholders will have an opportunity to provide feedback regarding the Strategic Plan. He explained that the Plan is the process of defining the direction the Company should be going in and then allocating the necessary resources to accomplish it.

IX. Report from the Executive Compensation Committee

Debbie Vaughan, Chair of the Executive Compensation Committee, began her report by briefly reviewing the methodology used in evaluating compensation for Rob Miller. The Board adopted the general guidelines that were provided regarding a fair and appropriate compensation package for the CEO position. Debbie stated that the Executive Compensation Committee is comprised of Jay Maddock, Bud Miller, Geoff Miller, and herself. Along with base salary, the Committee has suggested and the overall Board has approved a number of goals which, if achieved by Rob Miller will result in bonus compensation. It was reported that the Executive Compensation Committee will review the Compensation Plan annually.

The Committee will also be working on developing a long term Succession Plan for the Company.

X. Voting Results

After tallying the votes, William Miller and Kathleen Miller rejoined the meeting; William Miller reported the results:

Directors of the Board:

Ernest Miller, Chairman
Robert W. Beers, III
Katharine P. Kile
Geoffrey T. Miller
James L. Myers, Jr.

Robert W. Beers, Jr.
Michael Fallon
Paul (Jay) Maddock, Jr.
Robert R. Miller
Deborah O. Vaughan

Ernest Miller congratulated all the new Directors.

The following change to the By-Laws was approved as well:

ARTICLE III – BOARD OF DIRECTORS

Section 1 – Number, Election and Term of Office:

(a) The number of the directors of the Corporation shall be ten (10), unless and until otherwise determined by vote of the majority of the entire Board of Directors. It is further recommended, in consultation with the shareholders, that five (5) directors be descendants of the founding shareholders (family directors) and that four (4) directors be persons who are not shareholders or employees of the Company [changed in 2006]. The number of Directors shall not be less than three (3), unless all of the outstanding shares are owned beneficially and of records by less than three shareholders, in which event the number of directors shall not be less than the number of shareholders.

XI. Call for Annual Board of Director's Meeting

Bud Miller noted that the By-Laws require that an Annual Board of Directors meeting is to occur and invited all Shareholders to attend the meeting set for April 21, 2011 immediately following this Shareholders meeting. The meeting will be to elect Robert Miller as President and Patricia Emory as Corporate Secretary and reaffirm the actions of management for the past year.

XII. Adjourn

Finally, Ernest Miller asked for a motion to adjourn the Shareholders meeting. Allison Miller so moved and Frances Saey seconded and all were in favor, none opposed.

There being no further business, the meeting was adjourned at 12:15 pm.

Patricia R. Emory, Corporate Secretary

January 26, 2013

Approved

W.C. AND AN. MILLER DEVELOPMENT COMPANY
2011 ANNUAL SHAREHOLDERS MEETING

April 30, 2011

AGENDA

1. Welcome
2. Approval of Minutes of 2010 Annual Meeting
3. Update on Company
4. Report from Governance and Nominating Committee Chairman
5. Report from Audit & Finance Committee Chairman
6. Nomination from Floor for 2011 Board of Directors
7. Election of Board of Directors and Adoption of the Two (2) Changes to the By-Laws
8. Report of Outcome of Election
9. Set Annual Meeting of the Board of Directors
10. Discussion of the future
11. Adjourn
12. Board of Directors Meeting (All Shareholders are invited)
13. Luncheon
14. Tour of Company owned properties