

WC & AN Miller Companies
Balance Sheet
October 31, 2008

Current Month Prior Month

ASSETS

Current Assets		
Cash in Banks	\$ 4,368,327.93	\$ 3,075,973.92
Receivables	1,992,636.40	1,915,347.00
Notes Receivable	1,919,085.01	1,942,801.40
Inventory	5,209,154.43	6,493,605.63
Prepaid Expenses	989,147.14	1,040,688.94
	<hr/>	<hr/>
Total Current Assets	14,478,350.91	14,468,416.89
	<hr/>	<hr/>
Property and Equipment		
Fixes Assets	69,616,168.49	69,616,168.49
Accumulated Depreciation	19,015,282.66	18,841,364.64
	<hr/>	<hr/>
Book Value of Property and Equipment	50,600,885.83	50,774,803.85
	<hr/>	<hr/>
Other Assets		
Leasing Commissions	237,422.01	237,422.01
Rent Abatment	3,900.03	3,900.03
Loan Charges	911,001.38	911,001.38
Deferred Expenses	940,306.64	868,335.07
Escrow - Security Deposit	47.91	0.00
Prepaid Rent	(63,603.47)	0.00
Replacement Reserve - SVO Loan	30,634.38	30,634.38
Accrued Revenue - Leaves	84,795.00	84,795.00
	<hr/>	<hr/>
Total Other Assets	2,144,503.88	2,136,087.87
	<hr/>	<hr/>
Total Assets	\$ 67,223,740.62	\$ 67,379,308.61
	<hr/>	<hr/>

WC & AN Miller Companies
Balance Sheet
October 31, 2008

Current Month Prior Month

LIABILITIES AND STOCKHOLDERS' EQUITY

Current Liabilities		
Accounts Payable	\$ 75,884.83	\$ 51,703.76
Accrued Liabilities	1,164,541.45	1,151,254.34
Contract, Escrow & Deposits	305,858.73	312,668.73
Accrued Payroll & Benefits	26,582.93	51,758.91
	<hr/>	<hr/>
Total Current Liabilities	1,572,867.94	1,567,385.74
	<hr/>	<hr/>
Long-Term Liabilities		
Notes Payable (1)	100,548,755.35	100,156,047.84
Other Non-Current Liabilities	34,310.06	34,310.06
	<hr/>	<hr/>
Total Long-Term Liabilities	100,583,065.41	100,190,357.90
	<hr/>	<hr/>
Total Liabilities	102,155,933.35	101,757,743.64
	<hr/>	<hr/>
Minority Interest (2)	6,034,422.26	6,034,422.26
	<hr/>	<hr/>
Stockholders' Equity		
Common Stock	800,200.00	800,200.00
Retained Earnings	(29,144,212.77)	(4,919,763.00)
Net Income	(566,257.70)	(24,224,449.77)
	<hr/>	<hr/>
Total Capital	(34,944,692.73)	(34,378,435.03)
	<hr/>	<hr/>
Total Liabilities & Capital	\$ 67,211,240.62	\$ 67,379,308.61
	<hr/>	<hr/>

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.

WC & AN Miller Companies
Long Term Debt
October 31, 2008

		Current Month		Budget	Prior Month
N/P Cur Wash Securities	\$	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		27,641,869.52		27,641,869.52	27,682,056.02
N/P - C.C. 314545		15,931,523.14		15,931,523.14	14,699,627.25
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		18,214,410.14		18,214,410.14	18,230,905.00
Key Bank SV Office		27,700,000.00		27,700,000.00	27,800,000.00
N/P - VCB 71295054		387,972.40		387,972.40	1,070,479.42
N/P - TIAA Loan		0.00		22,250,000.00	0.00
N/P - Haymount Mezz		8,250,229.96		6,858,184.72	8,250,229.96
Total Long Term Debt	\$	100,548,755.35	\$	121,406,710.11	100,156,047.84

WC & AN Miller Companies
Income Statement
For the One Month Ending October 31, 2008

	Current Month Actual	Current Month Budget	Current Month Variance	Year to Date Actual	Year to Date Budget	Year to Date Variance
Postage	200.65	200.65	0.00	200.65	200.65	0.00
Accounting	2,055.00	2,055.00	0.00	2,055.00	2,055.00	0.00
Rent	17,627.92	17,627.92	0.00	17,627.92	17,627.92	0.00
Executive Compensation	12,500.00	12,500.00	0.00	12,500.00	12,500.00	0.00
Office Salary	58,155.57	58,155.57	0.00	58,155.57	58,155.57	0.00
Ongoing Severance	0.00	6,222.24	(6,222.24)	0.00	6,222.24	(6,222.24)
One Time Severance	72,163.50	72,163.50	0.00	72,163.50	72,163.50	0.00
Telephone	1,114.10	1,114.10	0.00	1,114.10	1,114.10	0.00
Management Travel	2,880.28	2,880.28	0.00	2,880.28	2,880.28	0.00
Payroll Processing Fees	732.80	732.80	0.00	732.80	732.80	0.00
Board of Directors fees	0.00	6,500.00	(6,500.00)	0.00	6,500.00	(6,500.00)
2008 Deferred Director's Fees	7,500.00	4,000.00	3,500.00	7,500.00	4,000.00	3,500.00
RE Tax Exp	593.05	0.00	593.05	593.05	0.00	593.05
Board Travel and Meals	6,567.52	6,567.52	0.00	6,567.52	6,567.52	0.00
Total Operating Expenses	237,291.96	245,921.15	(8,629.19)	237,291.96	245,921.15	(8,629.19)
Net Operating Income	(539,448.02)	(547,378.90)	7,930.88	(539,448.02)	(547,378.90)	7,930.88
Other Income and Expenses						
Interest Income	5,082.54	5,082.54	0.00	5,082.54	5,082.54	0.00
Debt Service (Interest) Other	(31,892.22)	(31,892.22)	0.00	(31,892.22)	(31,892.22)	0.00
Total Other Income and Expenses	(26,809.68)	(26,809.68)	0.00	(26,809.68)	(26,809.68)	0.00
Net Income	\$ (566,257.70)	(574,188.58)	7,930.88	(566,257.70)	(574,188.58)	7,930.88

For Management Purposes Only

WC & AN Miller Companies
Statement of Cash Flow
For the one Month Ended October 31, 2008

	Current Month	Year to Date
Cash Flows from operating activities		
Net Income	\$ (566,257.70)	\$ (566,257.70)
Adjustments to reconcile net income to net cash provided by operating activities		
Depreciation and Amortization	173,918.02	173,918.02
Accounts Receivable (net)	(32,550.59)	(32,550.59)
Notes Receivable	23,716.39	23,716.39
Intercompany Receivables	171.13	171.13
Other Receivables	(44,909.94)	(44,909.94)
Inventory	1,284,451.20	1,284,451.20
Prepaid Expenses	51,541.80	51,541.80
Accounts Payable	24,181.07	24,181.07
Accrued Expenses	(90,559.20)	(90,559.20)
Accrued Interest Payable	(88.94)	(88.94)
Accrued Income Taxes	(2,728.02)	(2,728.02)
Accrued Insurance	7,855.06	7,855.06
Accrued Real Estat Tax	97,323.23	97,323.23
Provisions for Loss	622.00	622.00
Accrued Directors Fees	3,500.00	3,500.00
Accrued Management Fee	(9,605.00)	(9,605.00)
Accrued Utilities	(5,708.00)	(5,708.00)
Total Adjustments	<u>1,481,130.21</u>	<u>1,481,130.21</u>
Net Cash provided by Operations	<u>914,872.51</u>	<u>914,872.51</u>
Cash Flows from investing activities		
Used For		
Fixed Assets	0.00	0.00
Deferred Expenses	(71,971.57)	(71,971.57)
Escrow - Security Deposit	(47.91)	(47.91)
Prepaid Rent	63,603.47	63,603.47
Net cash used in investing	<u>(8,416.01)</u>	<u>(8,416.01)</u>
Cash Flows from financing activities		
Proceeds From		
Long Term Debt	392,707.51	392,707.51
Net cash used in financing	<u>392,707.51</u>	<u>392,707.51</u>
Net increase <decrease> in cash	<u>\$ 1,299,164.01</u>	<u>\$ 1,299,164.01</u>
Summary		
Cash Balance at End of Period	\$ 4,368,327.93	\$ 4,368,327.93
Cash Balance at Beg of Period	<u>(3,075,973.92)</u>	<u>(3,075,973.92)</u>
Net Increase <Decrease> in Cash	<u>\$ 1,292,354.01</u>	<u>\$ 1,292,354.01</u>