

W.C. and A.N. Miller Development Company
Balance Sheet
for the period ending February 28, 2014

ASSETS

Current Assets	Current Month	Prior Month
Cash and Cash Equivalents	\$ 4,898,941.31	\$ 5,101,183.73
Investments	2,490,516.18	2,490,666.12
Unrealized Investments Gain/Loss	597,665.12	457,100.20
Accounts Receivable	213,321.26	294,977.82
Straightline Rent	5,916,588.55	5,916,588.55
Miscellaneous Receivables	8,864.90	5,998.91
Provision for Loss	0.00	0.00
Other Receivables	918,018.62	920,374.09
Inventory	37,318.04	37,318.04
Prepaid Expenses	314,996.15	347,852.69
Total Current Assets	\$ 15,396,230.13	\$ 15,572,060.15
 Fixed Assets		
Land	\$ 6,310,994.50	\$ 6,310,994.50
HLP, II Land	538,905.48	538,905.48
Buildings	50,436,649.52	50,131,762.33
Property and Equipment	474,827.83	474,827.83
Capital Improvements - Opt	1,876.00	1,876.00
Building on 49th Street	37,711.61	37,711.61
Improvements	13,301,703.51	13,446,329.44
Less: Accumulated Depreciation	22,961,350.27	22,812,359.21
Net Fixed Assets	\$ 48,141,318.18	\$ 48,130,047.98
 Other Assets		
Deferred Leasing Commissions,	\$ 1,464,670.28	\$ 1,455,507.50
Deferred Finance Charges, net	1,064,713.35	1,070,931.30
Accum Amort Def	(5,801.36)	(2,900.68)
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	429,990.44	349,665.37
Total Other Assets	\$ 10,718,435.76	\$ 10,638,066.54
 TOTAL ASSETS	\$ 74,255,984.07	\$ 74,340,174.67

LIABILITIES AND STOCKHOLDERS' DEFICIT

Current Liabilities

Accounts Payable	\$	77,636.35	\$	46,795.27
Accrued Income Taxes		0.00		0.00
Accrued Expenses		1,542,918.43		1,679,653.31
Security Deposits		452,451.47		450,951.47
Prepaid RE Income		82,637.70		82,637.70
Prepaid Rent Income		580,592.43		676,115.97

Total Current Liabilities	\$	2,736,236.38	\$	2,936,153.72
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Long-Term Liabilities

Notes Payable (1)	\$	95,956,452.36	\$	96,163,291.55
Guaranty Reserve		0.00		0.00

Total Long-Term Liabilities	\$	95,956,452.36	\$	96,163,291.55
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Total Liabilities	\$	98,692,688.74	\$	99,099,445.27
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Minority Interest (2)	\$	(6,803,872.56)	\$	(6,803,872.56)
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Total Minority Interest	\$	(6,803,872.56)	\$	(6,803,872.56)
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Stockholders' Deficit

Common Stock	\$	800,200.00	\$	800,200.00
Dividend		0.00		0.00
Retained Earnings (Deficit)		(18,433,032.11)		(18,755,598.04)

Total Stockholders' Deficit	\$	(17,632,832.11)	\$	(17,955,398.04)
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TOTAL LIABILITIES & STOCKHOLDERS' DEFICIT	\$	74,255,984.07	\$	74,340,174.67
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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 February 28, 2014

	Current Month	Budget	Prior Month
Promissory Notes	\$ 3,944,980.64	\$ 3,944,980.67	4,034,893.41
Key Bank Loan	16,879,493.97	16,879,493.97	16,902,945.52
N/P - TIAA Loan	21,213,163.64	21,213,163.64	21,237,038.27
N/P - Haymount Mezz	8,250,229.83	8,250,229.83	8,250,229.83
N/P - Cardinal Loan - SVR	16,323,198.13	16,323,185.89	16,348,112.94
N/P - Guardian Loan	29,345,386.15	29,345,386.20	29,390,071.58
Total Long Term Debt	\$ 95,956,452.36	\$ 95,956,440.20	\$ 96,163,291.55

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 February 28, 2014

	February 2014 Actual	February 2014 Budget	February 2014 Variance	February 2013 Prior Year	Year to Date Actual	Year to Date Budget	Year to Date Variance	Year to Date Prior Year
Rental Activities								
Rent Income	\$ 1,276,142.04	1,347,014.00	(70,871.96)	1,268,626.87	6,524,425.95	6,634,045.00	(109,619.05)	6,281,256.12
Rent Expenses	(309,847.17)	(380,267.00)	70,419.83	(328,882.80)	(1,800,753.83)	(1,880,222.00)	79,468.17	(1,728,141.58)
Real Estate Taxes	(119,679.83)	(118,446.00)	(1,233.83)	(113,437.56)	(598,399.17)	(592,230.00)	(6,169.17)	(567,187.78)
Depreciation	(176,745.19)	(176,745.00)	(0.19)	(176,011.75)	(883,725.95)	(883,726.00)	0.05	(880,058.72)
Debt Service-Interest	(371,656.44)	(378,077.00)	6,420.56	(375,523.99)	(1,885,050.18)	(1,891,520.00)	6,469.82	(1,915,056.49)
Net Rental Income	298,213.41	293,479.00	4,734.41	274,770.77	1,356,496.82	1,386,347.00	(29,850.18)	1,190,811.55
Gross Profit	298,213.41	293,479.00	4,734.41	274,770.77	1,356,496.82	1,386,347.00	(29,850.18)	1,190,811.55
Operating Expenses								
Bank Charges	166.86	200.00	(33.14)	150.05	775.24	1,000.00	(224.76)	360.53
Schwab - ABP Fee	149.94	-	149.94	-	733.59	-	733.59	-
Schwab - Mgt Fee	-	-	-	-	3,676.67	3,500.00	176.67	-
Computer Supplies	-	200.00	(200.00)	360.00	984.00	1,800.00	(816.00)	4,835.81
Computer Consultant	1,000.00	1,000.00	-	1,312.50	6,175.00	5,000.00	1,175.00	7,083.04
Office Administration	8,925.00	8,925.00	-	8,500.00	54,625.00	44,625.00	10,000.00	52,500.00
Dues and Subscriptions	-	-	-	-	89.00	-	89.00	-
General Insurance	-	-	-	-	33,452.25	29,000.00	4,452.25	27,780.00
Legal - General	-	5,000.00	(5,000.00)	3,362.00	8,456.97	25,000.00	(16,543.03)	22,652.96
Legal - Loan/Lenders	-	-	-	-	-	-	-	17,050.00
Legal - Haymount	1,794.77	20,000.00	(18,205.23)	650.96	29,003.58	40,000.00	(10,996.42)	64,064.40
Benefits	3,663.26	2,833.33	829.93	1,640.95	14,344.86	14,166.67	178.19	9,270.74
Management Meals	549.71	500.00	49.71	372.84	4,401.62	3,400.00	1,001.62	3,439.51
Office Supplies	2,051.11	600.00	1,451.11	1,251.37	12,567.84	3,000.00	9,567.84	7,549.87
Other Taxes and Licenses	200.00	200.00	-	200.00	1,036.85	700.00	336.85	1,166.00
Payroll Taxes	2,834.32	2,500.00	334.32	2,403.37	13,072.85	14,000.00	(927.15)	11,458.86
Estimated Taxes (Federal & State)	-	-	-	-	17,565.00	17,565.00	-	-
Postage	196.81	375.00	(178.19)	346.21	2,342.25	1,875.00	467.25	1,977.87
Accounting	-	1,200.00	(1,200.00)	390.00	2,950.00	6,000.00	(3,050.00)	3,926.50
Review/Tax Returns/Fin St.	-	-	-	-	55,517.40	57,000.00	(1,482.60)	42,838.75
Internal Control Review	-	-	-	-	3,725.60	6,000.00	(2,274.40)	3,385.00
Promotion and Entertainment	-	350.00	(350.00)	445.88	510.92	1,750.00	(1,239.08)	37,553.81
Charitable Contribution	-	-	-	1,000.00	1,000.00	1,000.00	-	11,000.00
Rent	9,816.35	9,000.00	816.35	7,403.08	45,363.07	45,000.00	363.07	36,443.19
Executive Compensation	28,125.00	28,125.00	-	22,916.67	140,625.00	140,625.00	-	114,583.35

Executive Bonus	-	-	-	-	150,000.00	150,000.00	-	100,000.00
Executive Compensation Committee Fees	-	-	-	-	9,500.00	-	9,500.00	-
Office Phone & Internet	541.62	600.00	(58.38)	510.75	2,557.56	3,000.00	(442.44)	1,211.04
Cell Phones & Mobile Devices	536.74	750.00	(213.26)	506.85	3,871.43	3,750.00	121.43	2,377.57
Management Travel	5,302.97	3,500.00	1,802.97	3,093.90	12,987.27	17,500.00	(4,512.73)	12,602.27
Payroll Processing Fees	329.08	400.00	(70.92)	338.34	2,092.18	2,000.00	92.18	2,147.34
Board of Directors Fees	18,000.00	18,000.00	-	17,000.00	90,000.00	90,000.00	-	95,000.00
House Plans for Neighbors	-	-	-	-	(345.30)	-	(345.30)	-
RE Tax Expense	-	-	-	-	2,799.72	3,300.00	(500.28)	2,799.72
Shareholders Annual Meeting	794.70	-	794.70	-	794.70	2,000.00	(1,205.30)	1,210.66
Board Travel and Meals	8,476.90	10,000.00	(1,523.10)	-	15,418.00	20,000.00	(4,582.00)	17,096.89
Total Operating Expenses	93,455.14	114,258.33	(20,803.19)	74,155.72	742,670.12	753,556.67	(10,886.55)	715,365.68
Net Operating Income	204,758.27	179,220.67	25,537.60	200,615.05	613,826.70	632,790.33	(18,963.63)	475,445.87
Other Income and Expenses		-						
Miscellaneous Income	-	500.00	(500.00)		7,465.00	-	7,465.00	-
Interest Income	392.47	-	392.47	172.93	2,137.85	2,500.00	(362.15)	3,270.28
Interest Dividend Income	-	-	-	-	0.49	-	0.49	-
Debt Service (Interest) Other	(10,087.23)	(10,087.23)	-	(12,731.51)	(41,692.00)	(41,692.02)	0.02	(12,731.51)
Unrealized Investment Gain/Loss	140,564.92		140,564.92	(6,268.13)	268,511.12	-	268,511.12	(6,268.13)
Total Other Income and Expenses	130,870.16	(9,587.23)	140,457.39	(18,826.71)	236,422.46	(39,192.02)	275,614.48	(15,729.36)
Net Income	\$ 335,628.43	\$ 169,633.44	\$ 165,994.99	\$ 181,788.34	\$ 850,249.16	\$ 593,598.31	\$ 256,650.85	\$ 459,716.51

W.C. and A.N. MILLER COMPANIES
STATEMENT OF CASH FLOW
For the Month Ended February 28, 2014

	Current Month	Year to Date
Cash Flows for Operating Activities:		
Net Income	335,628.43	850,249.15
Adjustments to Reconcile Net Income to Net Cash Provided by Operating Activities		
Dividend		-
Depreciation and amortization	176,745.19	869,655.05
Unrealized Investment Gain/Loss	(140,564.92)	(268,511.12)
Loss on disposition of fixed assets		-
Income allocated to minority interest		(397.56)
Accounts receivable	78,790.57	16,613.96
Other receivables	2,355.47	11,605.14
Inventory		-
Deferred income taxes		-
Prepaid expenses	(20,231.79)	8,488.38
Current maturities of long term debt		-
Accounts payable	30,841.08	(189,400.32)
Accrued income taxes		-
Accrued expenses	(136,734.88)	254,938.10
Security deposits	1,500.00	(6,038.75)
Prior Tenant Clearing (SH)		-
Prepaid Real Estate Tax	40,025.83	120,077.49
Prepaid rent income	(95,523.54)	(50,772.93)
Total Adjustments	<u>(62,796.99)</u>	<u>766,257.44</u>
Net Cash Provided by (Used for) Operating Activities	<u>272,831.44</u>	<u>1,616,506.59</u>
Cash Flow for Investing Activities:		
Acquisition of fixed assets	(160,261.26)	(858,178.12)
Acquisition of deferred financing charges		-
Acquisition of deferred Leasing Commissions	(27,798.28)	(160,733.13)
Acquisition of real estate tax escrow	(80,325.07)	(361,004.74)
Acquisition of Investments	149.94	4,409.77
Development of 49th Street Lot		(973.00)
Acquisition of water escrow		-
Disposition of guaranty reserve	-	-
Disposition of deposit	-	-
Net Cash Used for Investing Activities	<u>(268,234.67)</u>	<u>(1,376,479.22)</u>
Cash Flow for Financing Activities:		
Disposition of long term debt	(206,839.19)	(941,791.59)
Acquisition of long term debt		
Net Cash Used for Financing Activities	<u>(206,839.19)</u>	<u>(941,791.59)</u>
Net Increase (Decrease) in Cash and Cash Equivalents	(202,242.42)	(701,764.22)
Cash and cash equivalents, Beginning of Period	<u>5,101,183.72</u>	<u>5,600,705.52</u>
CASH AND CASH EQUIVALENTS, END OF YEAR	<u>4,898,941.31</u>	<u>4,898,941.31</u>

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

	February 2014 Month Actual	February 2014 Month Budget	Variance	February 2013 Prior Year	Actual Year to Date	Budget Year to Date	Variance	Variance as a Percentage	Prior Year to Date
Rental Activities									
Rent Income	\$ 1,276,142.04	\$ 1,347,014.00	\$ (70,871.96)	\$ 1,268,626.87	\$ 6,524,425.95	\$ 6,634,045.00	\$ (109,619.05)	-1.65%	\$ 6,281,256.12
Rent Expenses	\$ (309,847.17)	\$ (380,267.00)	\$ 70,419.83	\$ (328,882.80)	\$ (1,800,753.83)	\$ (1,880,222.00)	\$ 79,468.17	-4.23%	\$ (1,728,141.58)
Real Estate Taxes	\$ (119,679.83)	\$ (118,446.00)	\$ (1,233.83)	\$ (113,437.56)	\$ (598,399.17)	\$ (592,230.00)	\$ (6,169.17)	1.04%	\$ (567,187.78)
Amortization/Depreciation	\$ (176,745.19)	\$ (176,745.00)	\$ (0.19)	\$ (176,011.75)	\$ (883,725.95)	\$ (883,726.00)	\$ 0.05	0.00%	\$ (880,058.72)
Debt Service - Interest	\$ (371,656.44)	\$ (378,077.00)	\$ 6,420.56	\$ (375,523.99)	\$ (1,885,050.18)	\$ (1,891,520.00)	\$ 6,469.82	-0.34%	\$ (1,915,056.49)
Net Rental Income	\$ 298,213.41	\$ 293,479.00	\$ 4,734.41	\$ 274,770.77	\$ 1,356,496.82	\$ 1,386,347.00	\$ (29,850.18)	-2.15%	\$ 1,190,811.55
Total Operating Expenses	\$ 93,455.14	\$ 114,258.33	\$ (20,803.19)	\$ 74,155.72	\$ 742,670.12	\$ 753,556.67	\$ (10,886.55)	-1.44%	\$ 715,365.68
Net Income	\$ 335,628.43	\$ 169,633.44	\$ 165,994.99	\$ 181,788.34	\$ 850,249.16	\$ 593,598.31	\$ 256,650.85	43.24%	\$ 459,716.51
Total Adjustments to Reconcile to Cash	\$ (331,031.66)	\$ 63,732.00	\$ (394,763.66)	\$ 103,111.93	\$ (610,221.78)	\$ (242,666.00)	\$ (367,555.78)	151.47%	\$ 960,067.23
Net Cash provided from Operations	\$ 4,596.77	\$ 233,365.44	\$ (228,768.67)	\$ 284,900.27	\$ 240,027.38	\$ 350,932.31	\$ (110,904.93)	-31.60%	\$ 1,419,783.74
Increase or (Decrease) in Long Term Debt	\$ (206,839.19)	\$ (206,839.22)	\$ 0.03	\$ (142,516.21)	\$ (941,791.59)	\$ (1,031,812.97)	\$ 90,021.38	-8.72%	\$ 8,729,553.11
Net Increase (Decrease) in Cash (FREE CASH FLOW)	\$ (202,242.42)	\$ 26,526.22	\$ (228,768.64)	\$ 142,384.06	\$ (701,764.21)	\$ (680,880.66)	\$ (20,883.55)	3.07%	\$ 10,149,336.85
Shareholder Dividend	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	0.00%	\$ (6,350,000.00)
Investments	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	0.00%	\$ (2,500,000.00)
Cash Balance at Beginning of Period	\$ 5,101,183.72	\$ 4,893,298.65	\$ 207,885.07	\$ 2,591,635.86	\$ 5,600,705.52	\$ 5,600,705.52	\$ -		\$ 1,434,683.07
Increase (Decrease) in cash during period	\$ (202,242.42)	\$ 26,526.22	\$ (228,768.64)	\$ 142,384.06	\$ (701,764.21)	\$ (680,880.66)	\$ (20,883.55)	3.07%	\$ 1,299,336.85
Cash at End of Period	\$ 4,898,941.30	\$ 4,919,824.87	\$ (20,883.57)	\$ 2,734,019.92	\$ 4,898,941.30	\$ 4,919,824.87	\$ (20,883.57)	-0.42%	\$ 2,734,019.92

W.C. and A.N. Miller Development Company
Cash Flow Statement as of February 28, 2014
Comparison

	February 2014 Actual	February 2014 Budget	February 2014 Variance	February 2013 Prior Year	Year to Date Actual	Year to Date Budget	Year to Date Variance	Variance as a Percentage	Year to Date Prior Year
Rental Activities									
Rent Income	\$ 1,276,142.04	1,347,014.00	(70,871.96)	1,268,626.87	6,524,425.95	6,634,045.00	(109,619.05)	-1.65%	6,281,256.12
Rent Expenses	(309,847.17)	(380,267.00)	70,419.83	(328,882.80)	(1,800,753.83)	(1,880,222.00)	79,468.17	-4.23%	(1,728,141.58)
Real Estate Taxes	(119,679.83)	(118,446.00)	(1,233.83)	(113,437.56)	(598,399.17)	(592,230.00)	(6,169.17)	1.04%	(567,187.78)
Depreciation	(176,745.19)	(176,745.00)	(0.19)	(176,011.75)	(883,725.95)	(883,726.00)	0.05	0.00%	(880,058.72)
Debt Service-Interest	(371,656.44)	(378,077.00)	6,420.56	(375,523.99)	(1,885,050.18)	(1,891,520.00)	6,469.82	-0.34%	(1,915,056.49)
Net Rental Income	298,213.41	293,479.00	4,734.41	274,770.77	1,356,496.82	1,386,347.00	(29,850.18)	-2.15%	1,190,811.55
Gross Profit	298,213.41	293,479.00	4,734.41	274,770.77	1,356,496.82	1,386,347.00	(29,850.18)	-2.15%	1,190,811.55
Operating Expenses									
Bank Charges	166.86	200.00	(33.14)	150.05	775.24	1,000.00	(224.76)	-22.48%	360.53
Schwab - ABP Fee	149.94	-	149.94	-	733.59	-	733.59	100.00%	-
Schwab - Mgt Fee	-	-	-	-	3,676.67	3,500.00	176.67	5.05%	-
Computer Supplies	-	200.00	(200.00)	360.00	984.00	1,800.00	(816.00)	-45.33%	4,835.81
Computer Consultant	1,000.00	1,000.00	-	1,312.50	6,175.00	5,000.00	1,175.00	23.50%	7,083.04
Office Administration	8,925.00	8,925.00	-	8,500.00	54,625.00	44,625.00	10,000.00	22.41%	52,500.00
Dues and Subscriptions	-	-	-	-	89.00	-	89.00	100.00%	-
General Insurance	-	-	-	-	33,452.25	29,000.00	4,452.25	15.35%	27,780.00
Legal - General	-	5,000.00	(5,000.00)	3,362.00	8,456.97	25,000.00	(16,543.03)	-66.17%	22,652.96
Legal - Loan/Lenders	-	-	-	-	-	-	-	100.00%	17,050.00
Legal - Haymount	1,794.77	20,000.00	(18,205.23)	650.96	29,003.58	40,000.00	(10,996.42)	-27.49%	64,064.40
Benefits	3,663.26	2,833.33	829.93	1,640.95	14,344.86	14,166.67	178.19	1.26%	9,270.74
Management Meals	549.71	500.00	49.71	372.84	4,401.62	3,400.00	1,001.62	29.46%	3,439.51
Office Supplies	2,051.11	600.00	1,451.11	1,251.37	12,567.84	3,000.00	9,567.84	318.93%	7,549.87
Other Taxes and Licenses	200.00	200.00	-	200.00	1,036.85	700.00	336.85	48.12%	1,166.00
Payroll Taxes	2,834.32	2,500.00	334.32	2,403.37	13,072.85	14,000.00	(927.15)	-6.62%	11,458.86
Estimated Taxes (Federal & State)	-	-	-	-	17,565.00	17,565.00	-	0.00%	-
Postage	196.81	375.00	(178.19)	346.21	2,342.25	1,875.00	467.25	24.92%	1,977.87
Accounting	-	1,200.00	(1,200.00)	390.00	2,950.00	6,000.00	(3,050.00)	-50.83%	3,926.50
Review/Tax Returns/Fin St.	-	-	-	-	55,517.40	57,000.00	(1,482.60)	-2.60%	42,838.75
Internal Control Review	-	-	-	-	3,725.60	6,000.00	(2,274.40)	-37.91%	3,385.00
Promotion and Entertainment	-	350.00	(350.00)	445.88	510.92	1,750.00	(1,239.08)	-70.80%	37,553.81
Charitable Contribution	-	-	-	1,000.00	1,000.00	1,000.00	-	0.00%	11,000.00
Rent	9,816.35	9,000.00	816.35	7,403.08	45,363.07	45,000.00	363.07	0.81%	36,443.19
Executive Compensation	28,125.00	28,125.00	-	22,916.67	140,625.00	140,625.00	-	0.00%	114,583.35
Executive Bonus	-	-	-	-	150,000.00	150,000.00	-	0.00%	100,000.00
Executice Compensation Committee Fees	-	-	-	-	9,500.00	-	9,500.00	100.00%	-
Office Phone & Internet	541.62	600.00	(58.38)	510.75	2,557.56	3,000.00	(442.44)	-14.75%	1,211.04
Cell Phones & Mobile Devices	536.74	750.00	(213.26)	506.85	3,871.43	3,750.00	121.43	3.24%	2,377.57
Management Travel	5,302.97	3,500.00	1,802.97	3,093.90	12,987.27	17,500.00	(4,512.73)	-25.79%	12,602.27
Payroll Processing Fees	329.08	400.00	(70.92)	338.34	2,092.18	2,000.00	92.18	4.61%	2,147.34
Board of Directors Fees	18,000.00	18,000.00	-	17,000.00	90,000.00	90,000.00	-	0.00%	95,000.00
House Plans for Neighbors	-	-	-	-	(345.30)	-	(345.30)	100.00%	-
RE Tax Expense	-	-	-	-	2,799.72	3,300.00	(500.28)	-15.16%	2,799.72
Shareholders Annual Meeting	794.70	-	794.70	-	794.70	2,000.00	(1,205.30)	-60.27%	1,210.66

Board Travel and Meals	8,476.90	10,000.00	(1,523.10)	-	15,418.00	20,000.00	(4,582.00)	-22.91%	17,096.89
Total Operating Expenses	93,455.14	114,258.33	(20,803.19)	74,155.72	742,670.12	753,556.67	(10,886.55)	-1.44%	715,365.68
Net Operating Income	204,758.27	179,220.67	25,537.60	200,615.05	613,826.70	632,790.33	(18,963.63)	-3.00%	475,445.87
Other Income and Expenses									
Miscellaneous Income	-	-	-	-	7,465.00	-	7,465.00	100.00%	-
Interest Income	392.47	500.00	(107.53)	172.93	2,137.85	2,500.00	(362.15)	-14.49%	3,270.28
Interest Dividend Income	-	-	-	-	0.49	-	0.49	100.00%	-
Debt Service (Interest) Other	(10,087.23)	(10,087.23)	-	(12,731.51)	(41,692.00)	(41,692.02)	0.02	0.00%	(12,731.51)
Unrealized Investment Gain/Loss	140,564.92	-	140,564.92	(6,268.13)	268,511.12	-	268,511.12	100.00%	(6,268.13)
Total Other Income and Expenses	130,870.16	(9,587.23)	140,457.39	(18,826.71)	236,422.46	(39,192.02)	275,614.48	-703.24%	(15,729.36)
Net Income	\$ 335,628.43	\$ 169,633.44	\$ 165,994.99	\$ 181,788.34	\$ 850,249.16	\$ 593,598.31	\$ 256,650.85	43.24%	\$ 459,716.51
Adjustments to reconcile net income to net cash provided by Operations									
Amortization/Depreciation	176,745.19	175,819.00	926.19	169,063.70	871,084.88	879,095.00	(8,010.12)	-0.91%	834,723.78
Accounts receivable	78,790.57	-	78,790.57	24,246.79	15,184.13	-	15,184.13	100.00%	172,736.45
Required Building Improvements	(304,887.19)	-	(304,887.19)	(50,362.83)	(711,760.88)	(15,000.00)	(696,760.88)	4645.07%	(83,691.66)
Optional Building Improvements	-	(7,700.00)	7,700.00	-	-	(747,120.00)	747,120.00	0.00%	-
Tenant Improvements	144,625.93	(70,645.00)	215,270.93	(12,366.00)	(146,417.24)	(521,933.00)	375,515.76	-71.95%	(28,971.90)
Leasing Commission	(27,798.28)	(89,044.00)	61,245.72	(64,628.72)	(160,733.13)	(114,045.00)	(46,688.13)	40.94%	(206,996.79)
Notes Receivable	2,355.47	2,340.00	15.47	3,822.18	11,605.14	11,527.00	78.14	0.68%	18,953.31
Real Estate Tax Escrows	(80,325.07)	(65,484.00)	(14,841.07)	(59,894.83)	(361,004.74)	(327,420.00)	(33,584.74)	10.26%	(291,487.05)
Escrow Fund Release	-	-	-	-	-	-	-	0.00%	-
Accrued Real Estate Taxes	79,654.00	118,446.00	(38,792.00)	74,645.00	398,270.00	592,230.00	(193,960.00)	-32.75%	373,225.00
Real-estate Tax Payments	-	-	-	-	-	-	-	0.00%	-
Accrued Expenses	(216,388.88)	-	(216,388.88)	23,633.94	(143,331.90)	-	(143,331.90)	100.00%	(224,620.01)
Minority Interest	-	-	-	-	(397.56)	-	(397.56)	100.00%	(501.81)
Prepaid Expenses	(26,845.57)	-	(26,845.57)	(22,159.79)	(104,411.93)	-	(104,411.93)	100.00%	(74,140.05)
Prepaid Real Estate Taxes	40,025.83	-	40,025.83	38,792.55	200,129.17	-	200,129.17	100.00%	193,962.78
Prepaid Insurance	6,613.78	-	6,613.78	6,478.88	32,848.63	-	32,848.63	100.00%	32,394.39
Accounts Payable	30,841.08	-	30,841.08	(11,047.27)	(189,400.32)	-	(189,400.32)	100.00%	(91,078.26)
Security Deposits	1,500.00	-	1,500.00	2,250.00	(6,038.75)	-	(6,038.75)	100.00%	29,638.00
Prepaid RE Tax Income	-	-	-	-	-	-	-	0.00%	-
Prepaid Rent Income	(95,523.54)	-	(95,523.54)	(32,577.85)	(50,772.93)	-	(50,772.93)	100.00%	163,413.83
Deposit on Refinance of Shops at Sumner Place	-	-	-	-	-	-	-	0.00%	600,000.00
Deferred Loan Charges	-	-	-	6,948.05	-	-	-	100.00%	17,372.84
Unrealized Investment Gain/Loss	(140,564.92)	-	(140,564.92)	6,268.13	(268,511.12)	-	(268,511.12)	100.00%	6,268.13
Acquisition of Investments	149.94	-	149.94	-	4,409.77	-	4,409.77	100.00%	-
Development of 49th Street Lot	-	-	-	-	(973.00)	-	(973.00)	100.00%	-
Closing Cost for Refinance	-	-	-	-	-	-	-	0.00%	(481,133.75)
Prior Tenant Clearing	-	-	-	-	-	-	-	100.00%	-
Total Adjustments	\$ (331,031.66)	\$ 63,732.00	\$ (394,763.66)	\$ 103,111.93	\$ (610,221.78)	\$ (242,666.00)	\$ (367,555.78)	151.47%	\$ 960,067.23
Net Cash provided from Operations	\$ 4,596.77	\$ 233,365.44	\$ (228,768.67)	\$ 284,900.27	\$ 240,027.38	\$ 350,932.31	\$ (110,904.93)	-31.60%	\$ 1,419,783.74
Increase or (Decrease) in Long Term Debt	\$ (206,839.19)	\$ (206,839.22)	\$ 0.03	\$ (142,516.21)	\$ (941,791.59)	\$ (1,031,812.97)	\$ 90,021.38	-8.72%	\$ 8,729,553.11

Net Increase (Decrease) in Cash (FREE CASH FLOW)	\$ (202,242.42)	\$ 26,526.22	\$ (228,768.64)	\$ 142,384.06	\$ (701,764.21)	\$ (680,880.66)	\$ (20,883.55)	3.07%	\$ 10,149,336.85
Shareholder Distribution	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	0.00%	\$ (6,350,000.00)
Investments	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	0.00%	\$ (2,500,000.00)
Cash Balance at Beginning of Period	\$ 5,101,183.72	\$ 4,893,298.65	\$ 207,885.07	\$ 2,591,635.86	\$ 5,600,705.52	\$ 5,600,705.52			\$ 1,434,683.07
Increase (Decrease) in cash during period	<u>\$ (202,242.42)</u>	<u>\$ 26,526.22</u>	<u>\$ (228,768.64)</u>	<u>\$ 142,384.06</u>	<u>\$ (701,764.21)</u>	<u>\$ (680,880.66)</u>	<u>\$ (20,883.55)</u>	<u>3.07%</u>	<u>\$ 1,299,336.85</u>
Cash at End of Period	\$ 4,898,941.30	\$ 4,919,824.87	\$ (20,883.57)	\$ 2,734,019.92	\$ 4,898,941.30	\$ 4,919,824.87	\$ (20,883.57)	-0.42%	\$ 2,734,019.92

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W.C. and A.N. Miller Development Company
CONSOLIDATED CASH FLOW STATEMENT
as of February 28, 2014

	October Actual	November Actual	December Actual	January Actual	February Actual	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
Rental Activities																
Rent Income	\$ 1,307,415.96	\$ 1,284,916.51	\$ 1,357,423.31	\$ 1,298,528.13	\$ 1,276,142.04	\$ 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	\$ 16,569,342.95	\$ 18,168,204.90	\$ (1,598,861.95)	-9%
Rent Expenses	\$ (331,178.16)	\$ (315,055.17)	\$ (384,682.16)	\$ (459,991.17)	\$ (309,847.17)	\$ (366,576.00)	\$ (356,739.00)	\$ (343,214.00)	\$ (327,612.00)	\$ (347,259.00)	\$ (354,304.00)	\$ (336,762.00)	\$ (4,233,219.83)	\$ (4,527,018.29)	\$ 293,798.46	-6%
Real Estate Taxes	\$ (119,679.84)	\$ (119,679.83)	\$ (119,679.84)	\$ (119,679.83)	\$ (119,679.83)	\$ (118,446.00)	\$ (118,446.00)	\$ (118,446.00)	\$ (118,446.00)	\$ (120,020.00)	\$ (120,020.00)	\$ (120,020.00)	\$ (1,432,243.17)	\$ (1,364,928.19)	\$ (67,314.98)	5%
Amortization/Depreciation	\$ (176,745.19)	\$ (176,745.19)	\$ (176,745.19)	\$ (176,745.19)	\$ (176,745.19)	\$ (176,744.00)	\$ (176,745.00)	\$ (176,746.00)	\$ (176,742.00)	\$ (176,745.00)	\$ (176,744.00)	\$ (176,751.00)	\$ (2,120,942.95)	\$ (2,074,207.96)	\$ (46,734.99)	2%
Debt Service - Interest	\$ (379,606.88)	\$ (377,120.07)	\$ (378,589.96)	\$ (378,076.83)	\$ (371,656.44)	\$ (371,647.00)	\$ (377,028.00)	\$ (374,545.00)	\$ (375,984.00)	\$ (373,502.00)	\$ (374,930.00)	\$ (374,403.00)	\$ (4,507,089.18)	\$ (4,550,553.48)	\$ 43,464.30	-1%
Net Rental Income	\$ 300,205.89	\$ 296,316.25	\$ 297,726.16	\$ 164,035.11	\$ 298,213.41	\$ 507,132.00	\$ 313,845.00	\$ 336,067.00	\$ 424,752.00	\$ 374,926.00	\$ 365,385.00	\$ 597,244.00	\$ 4,275,847.82	\$ 5,651,496.98	\$ (1,375,649.16)	-24%
Revenues																
Sales(Lots and Homes)																
Cost of Sales																
Gross Profit	\$ 300,205.89	\$ 296,316.25	\$ 297,726.16	\$ 164,035.11	\$ 298,213.41	\$ 507,132.00	\$ 313,845.00	\$ 336,067.00	\$ 424,752.00	\$ 374,926.00	\$ 365,385.00	\$ 597,244.00	\$ 4,275,847.82	\$ 5,651,496.98	\$ (1,375,649.16)	-24%
Operating Expenses																
Bank Charges	\$ 161.28	\$ 170.26	\$ 108.15	\$ 168.69	\$ 166.86	\$ 200.00	\$ 200.00	\$ 200.00	\$ 200.00	\$ 200.00	\$ 200.00	\$ 200.00	\$ 2,175.24	\$ 1,478.99	\$ 696.25	47%
Management fees investment account	\$ 1,903.91	\$ 147.49	\$ 144.19	\$ 2,064.73	\$ 149.94	\$	\$ 1,750.00	\$	\$ 1,750.00	\$	\$ 1,750.00	\$	\$ 7,910.26	\$ 5,120.45	\$ 2,789.81	54%
Computer Consultant	\$ 1,462.50	\$ 1,531.25	\$ 1,181.25	\$ 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	\$ 13,175.00	\$ 16,614.29	\$ (3,439.29)	-21%
Computer Supplies	\$ 25.00	\$ -	\$ 959.00	\$ -	\$	\$ 200.00	\$ 200.00	\$ 200.00	\$ 200.00	\$ 200.00	\$ 200.00	\$ 200.00	\$ 2,384.00	\$ 5,666.97	\$ (3,282.97)	-58%
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	\$ 18,925.00	\$ 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	\$ 117,100.00	\$ 112,000.00	\$ 5,100.00	5%
Payroll Burden	\$ 1,015.05	\$ 1,015.05	\$ 4,181.61	\$ 4,026.82	\$ 2,834.32	\$ 2,500.00	\$ 2,500.00	\$ 2,500.00	\$ 2,500.00	\$ 2,500.00	\$ 2,500.00	\$ 2,500.00	\$ 30,572.85	\$ 22,317.37	\$ 8,255.48	37%
Office telephone and internet service	\$ 1,974.75	\$ 498.82	\$ 498.51	\$ 476.64	\$ 541.62	\$ 600.00	\$ 600.00	\$ 600.00	\$ 600.00	\$ 600.00	\$ 600.00	\$ 600.00	\$ 8,190.34	\$ 4,517.87	\$ 3,672.47	81%
General Insurance		\$ 33,651.25	\$ -	\$ (199.00)									\$ 33,452.25	\$ 28,632.95	\$ 4,819.30	17%
Legal - General	\$ 3,236.07	\$ 7,865.15	\$ 747.00	\$ (3,391.25)	\$	\$ 5,000.00	\$ 5,000.00	\$ 5,000.00	\$ 5,000.00	\$ 5,000.00	\$ 5,000.00	\$ 5,000.00	\$ 43,456.97	\$ 47,144.50	\$ (3,687.53)	-8%
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	\$ 3,397.07	\$ 15,242.95	\$ -	\$ 1,794.77		\$	\$ 20,000.00					\$ 49,003.58	\$ 80,462.10	\$ (31,458.52)	-39%
Benefits	\$ 1,956.10	\$ 1,872.11	\$ 1,860.15	\$ 4,993.24	\$ 3,663.26	\$ 2,833.33	\$ 2,833.33	\$ 2,833.33	\$ 2,833.33	\$ 2,833.33	\$ 2,833.33	\$ 2,833.33	\$ 34,178.19	\$ 33,849.86	\$ 328.33	1%
Management Meals	\$ 456.27	\$ 321.45	\$ 2,833.36	\$ 240.83	\$ 549.71	\$ 500.00	\$ 500.00	\$ 500.00	\$ 500.00	\$ 500.00	\$ 500.00	\$ 500.00	\$ 7,901.62	\$ 5,602.96	\$ 2,298.66	41%
Offices Supplies	\$ 567.89	\$ 1,000.47	\$ 7,981.65	\$ 1,055.72	\$ 2,051.11	\$ 600.00	\$ 600.00	\$ 600.00	\$ 600.00	\$ 600.00	\$ 600.00	\$ 600.00	\$ 16,856.84	\$ 12,453.31	\$ 4,403.53	35%
Other Taxes and Licenses	\$ 42.50	\$ -	\$ 794.35	\$ -	\$ 200.00		\$ 300.00	\$ 600.00					\$ 1,936.85	\$ 3,856.41	\$ (1,919.56)	-50%
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			\$ 2,799.72	\$ -					\$ 3,300.00				\$ 6,099.72	\$ 5,565.78	\$ 533.94	10%
Postage	\$ 422.42	\$ 807.07	\$ 593.78	\$ 322.17	\$ 196.81	\$ 375.00	\$ 375.00	\$ 375.00	\$ 375.00	\$ 375.00	\$ 375.00	\$ 375.00	\$ 4,967.25	\$ 3,251.85	\$ 1,715.40	53%
Accounting	\$ -	\$ -	\$ 160.00	\$ 2,790.00		\$ 1,200.00	\$ 1,200.00	\$ 1,200.00	\$ 1,200.00	\$ 1,200.00	\$ 1,200.00	\$ 1,200.00	\$ 11,350.00	\$ 10,071.50	\$ 1,278.50	13%
Promotion & Entertainment	\$ -	\$ 249.44	\$ -	\$ 261.48	\$	\$ 350.00	\$ 350.00	\$ 350.00	\$ 350.00	\$ 350.00	\$ 350.00	\$ 350.00	\$ 2,960.92	\$ 39,569.12	\$ (36,608.20)	-93%
Internal Control Audit/Review			\$ 3,725.60	\$ -									\$ 3,725.60	\$ 3,385.00	\$ 340.60	10%
Audit and Tax Returns			\$ 55,517.40	\$ -									\$ 55,517.40	\$ 43,075.00	\$ 12,442.40	29%
Rent	\$ 8,886.68	\$ 8,886.68	\$ 8,886.68	\$ 8,886.68	\$ 9,816.35	\$ 9,000.00	\$ 9,000.00	\$ 9,000.00	\$ 9,000.00	\$ 9,000.00	\$ 9,000.00	\$ 9,000.00	\$ 108,363.07	\$ 12,050.00	\$ 96,313.07	799%
Cell phones and mobile devices	\$ 478.03	\$ 730.50	\$ 1,013.43	\$ (320.05)	\$ 536.74	\$ 750.00	\$ 750.00	\$ 750.00	\$ 750.00	\$ 750.00	\$ 750.00	\$ 750.00	\$ 7,688.65	\$ 7,119.73	\$ 568.92	8%
Management Travel	\$ 3,045.92	\$ 2,988.37	\$ 371.82	\$ 1,278.19	\$ 5,302.97	\$ 3,500.00	\$ 3,500.00	\$ 3,500.00	\$ 3,500.00	\$ 3,500.00	\$ 3,500.00	\$ 3,500.00	\$ 37,487.27	\$ 25,544.75	\$ 11,942.52	47%
Payroll Processing Fees	\$ 329.08	\$ 329.08	\$ 704.36	\$ 400.58	\$ 329.08	\$ 400.00	\$ 400.00	\$ 400.00	\$ 400.00	\$ 400.00	\$ 400.00	\$ 400.00	\$ 4,892.18	\$ 4,498.02	\$ 394.16	9%
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			\$ -	\$ -	\$ 794.70								\$ 794.70	\$ 1,210.66	\$ (415.96)	-34%
Board Travel and Meals		\$ 6,941.10	\$ -	\$ -	\$ 8,476.90				\$ 10,000.00				\$ 25,418.00	\$ 33,905.16	\$ (8,487.16)	-25%
House Plans for Neighbors			\$ (164.70)	\$ (180.60)												
Charitable Contributions	\$ -	\$ 1,000.00		\$ -	\$ -	\$ -	\$ 500.00	\$ -	\$ -	\$ 500.00	\$ -	\$ -	\$ 2,000.00	\$ 11,800.00	\$ (9,800.00)	-83%
Total Operating Expenses	\$ 93,873.91	\$ 123,244.28	\$ 335,606.92	\$ 96,489.87	\$ 93,455.14	\$ 101,623.33	\$ 86,608.33	\$ 104,658.33	\$ 114,923.33	\$ 86,308.33	\$ 84,058.33	\$ 101,623.33	\$ 1,422,818.75	\$ 1,208,929.07	\$ 213,889.68	18%
Net Operating Income	\$ 206,331.98	\$ 173,071.97	\$ (37,880.76)	\$ 67,545.24	\$ 204,758.27	\$ 405,508.67	\$ 227,236.67	\$ 231,408.67	\$ 309,828.67	\$ 288,617.67	\$ 281,326.67	\$ 495,620.67	\$ 2,853,029.07	\$ 4,442,567.91	\$ (1,589,538.84)	-36%
Other Income and Expenses																
Miscellaneous Income		\$ 7,465.00	\$ -										\$ 7,465.00	\$ 64,427.04	\$ (56,962.04)	-88%
Investment Dividend Income	\$ 0.29	\$ 0.20	\$ -	\$ -									\$ 0.49	\$ 46.40	\$ (45.91)	-99%
Accrued Interest on HLP LOC			\$ -	\$ -									\$ -	\$ 256,862.61	\$ (256,862.61)	-100%
Defererred 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	\$ 66,365.32	\$ 64,501.13	\$ (108,760.28)	\$ 140,564.92								\$ 268,511.12	\$ 329,154.00	\$ (60,642.88)	-18%
Debt Service Interest (Other)	\$ -	\$ (10,758.22)	\$ (10,535.11)	\$ (10,311.44)	\$ (10,087.23)	\$ (9,862.45)	\$ (9,637.11)	\$ (9,411.20)	\$ (9,184.73)	\$ (8,957.69)	\$ (8,730.08)	\$ (8,501.91)	\$ (105,977.17)	\$ (103,288.67)	\$ (2,688.50)	3%
Interest Income	\$ 443.84	\$ 425.56	\$ 441.51	\$ 434.47	\$ 392.47	\$ 500.00	\$ 500.00	\$ 500.00	\$ 500.00	\$ 500.00	\$ 500.00	\$ 500.00	\$ 5,637.85	\$ 6,254.56	\$ (616.71)	-10%
Total Other Income and Expenses	\$ 106,284.16	\$ 63,497.86	\$ 54,407.53	\$ (118,637.25)	\$ 130,870.16	\$ (9,362.45)	\$ (9,137.11)	\$ (8,911.20)	\$ (8,684.73)	\$ (8,457.69)	\$ (8,230.08)	\$ (8,001.91)	\$ 175,637.29	\$ 609,680.56	\$ (434,043.27)	-71%
Net Income	\$ 312,616.14	\$ 236,569.83	\$ 16,526.77	\$ (51,092.01)	\$ 335,628.43	\$ 396,146.22	\$ 218,099.56	\$ 222,497.47	\$ 301,143.94	\$ 280,159.98	\$ 273,096.59	\$ 487,618.76	\$ 3,028,666.36	\$ 5,052,248.47	\$ (2,023,582.11)	-40%

Cash Flow from Operating Activities

Net Income	\$	312,616.14	\$	236,569.83	\$	16,526.77	\$	(51,092.01)	\$	335,628.43	\$	396,146.22	\$	218,099.56	\$	222,497.47	\$	301,143.94	\$	280,159.98	\$	273,096.59	\$	487,618.76	\$	3,028,666.36	\$	5,052,248.47	\$	(2,023,582.11)	-40%
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Adjustments to reconcile net income to net cash provided by Operations

Amortization/Depreciation	\$	176,745.19	\$	176,224.09	\$	165,752.21	\$	174,188.37	\$	176,745.19	\$	175,819.00	\$	175,819.00	\$	175,819.00	\$	175,819.00	\$	175,819.00	\$	175,819.00	\$	175,819.00	\$	2,100,388.05	\$	1,866,757.30	\$	233,630.75
Accounts receivable	\$	(33,988.97)	\$	(9,363.19)	\$	(171,442.05)	\$	152,617.60	\$	78,790.57															\$	16,613.96	\$	(2,234,696.38)	\$	2,251,310.34
Required Building Improvements	\$	(129.90)	\$	(56,111.25)	\$	(299,516.19)	\$	(51,116.35)	\$	(304,887.19)	\$	(18,000.00)	\$	(35,000.00)	\$	(9,500.00)	\$	(20,000.00)	\$	-	\$	-	\$	-	\$	(794,260.88)	\$	(694,281.81)	\$	(99,979.07)
Optional Building Improvements	\$	-	\$	-	\$	-	\$	-	\$	(85,798.00)	\$	(15,000.00)	\$	(24,775.00)	\$	-	\$	-	\$	(60,000.00)	\$	-	\$	-	\$	(185,573.00)	\$	-	\$	(185,573.00)
Tenant Improvements	\$	(5,646.07)	\$	(81,966.16)	\$	(166,174.69)	\$	(37,256.25)	\$	144,625.93	\$	(153,844.00)	\$	(140,380.00)	\$	(1,600.00)	\$	(93,241.00)	\$	(120,140.00)	\$	(12,831.00)	\$	(222,860.00)	\$	(891,313.24)	\$	(386,264.74)	\$	(505,048.50)
Leasing Commission	\$	-	\$	(3,622.40)	\$	(30,289.44)	\$	(99,023.01)	\$	(27,798.28)	\$	(76,173.00)	\$	(22,392.00)	\$	-	\$	(22,202.00)	\$	(105,310.00)	\$	(3,215.00)	\$	(64,743.00)	\$	(454,768.13)	\$	(308,508.79)	\$	(146,259.34)
Notes Receivable	\$	2,286.84	\$	2,303.81	\$	2,320.90	\$	2,338.12	\$	2,355.47	\$	2,357.00	\$	2,374.00	\$	2,392.00	\$	2,410.00	\$	2,428.00	\$	2,446.00	\$	2,464.00	\$	28,476.14	\$	39,496.42	\$	(11,020.28)
Real Estate Tax Escrows	\$	(59,873.42)	\$	(60,177.80)	\$	(80,310.56)	\$	(80,317.89)	\$	(80,325.07)	\$	(65,484.00)	\$	(65,484.00)	\$	(65,484.00)	\$	(65,484.00)	\$	(65,942.00)	\$	(65,942.00)	\$	(65,942.00)	\$	(820,766.74)	\$	(261,116.33)	\$	(559,650.41)
Escrow Fund Release						\$	-		\$	393,591.00											\$	393,591.00		\$	787,182.00		307,910.60		479,271.40	
Accrued Real Estate Taxes	\$	79,654.00	\$	79,654.00	\$	79,654.00	\$	79,654.00	\$	79,654.00	\$	118,446.00	\$	118,446.00	\$	118,446.00	\$	118,446.00	\$	120,020.00	\$	120,020.00	\$	120,020.00	\$	1,232,114.00	\$	412,679.00	\$	819,435.00
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)	\$	129,714.52	\$	(7,917.29)	\$	64,889.16		(216,388.88)															\$	(143,331.90)	\$	193,166.62	\$	(336,498.52)
Minority Interest	\$	(179.97)	\$	(3.75)	\$	(213.84)	\$	-																	\$	(397.56)	\$	(257,574.18)	\$	257,176.62
Prepaid Expenses	\$	(130,892.51)	\$	16,489.47	\$	6,096.98	\$	30,739.70	\$	(26,845.57)															\$	(104,411.93)	\$	(180,073.45)	\$	75,661.52
Prepaid Real Estate Taxes	\$	40,025.84	\$	40,025.83	\$	40,025.84	\$	40,025.83	\$	40,025.83															\$	200,129.17	\$	(11,137.86)	\$	211,267.03
Prepaid Insurance	\$	6,393.50	\$	6,613.78	\$	6,613.78	\$	6,613.79	\$	6,613.78															\$	32,848.63	\$	(6,429.29)	\$	39,277.92
Accounts Payable	\$	(20,032.78)	\$	(29,458.28)	\$	(113,224.71)	\$	(57,525.63)	\$	30,841.08															\$	(189,400.32)	\$	99,058.36	\$	(288,458.68)
Security Deposits	\$	(2,511.67)	\$	1,720.00	\$	(8,966.75)	\$	2,219.67	\$	1,500.00															\$	(6,038.75)	\$	64,806.30	\$	(70,845.05)
Prepaid RE Tax Income	\$	-	\$	-	\$	-	\$	-																	\$	-	\$	2,546.54	\$	(2,546.54)
Prepaid Rent Income	\$	(50,116.64)	\$	(121,342.33)	\$	140,755.89	\$	75,453.69	\$	(95,523.54)															\$	(50,772.93)	\$	180,908.16	\$	(231,681.09)
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)	\$	(66,365.32)	\$	(64,501.13)	\$	108,760.28	\$	(140,564.92)															\$	(268,511.12)	\$	(324,079.95)	\$	55,568.83
Acquisition of Investments	\$	1,903.62	\$	147.29	\$	144.19	\$	2,064.73	\$	149.94															\$	4,409.77				
Development of 49th Street Lot	\$	-	\$	-	\$	(973.00)	\$	-																	\$	(973.00)				
Closing Cost for Refinance						\$	-																		\$	-	\$	(481,133.75)	\$	481,133.75
Prior Tenant Clearing	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-	\$	(1,525.00)	\$	1,525.00
Total Adjustments	\$	(215,832.38)	\$	24,482.31	\$	(502,165.86)	\$	414,325.81	\$	(331,031.66)	\$	(187,006.00)	\$	18,383.00	\$	195,298.00	\$	95,748.00	\$	6,875.00	\$	156,297.00	\$	(609,805.00)	\$	(934,431.78)	\$	(1,865,940.21)	\$	931,508.43
Net Cash provided from Operations	\$	96,783.76	\$	261,052.14	\$	(485,639.09)	\$	363,233.80	\$	4,596.77	\$	209,140.22	\$	236,482.56	\$	417,795.47	\$	396,891.94	\$	287,034.98	\$	429,393.59	\$	(122,186.24)	\$	2,094,234.58	\$	3,186,308.26	\$	(1,092,073.68)

Cash Flows from Financing Activities

Cardinal Bank (Spring Valley Retail)	\$	16,424,264.53	\$	16,399,634.98	\$	16,372,931.55	\$	16,348,112.94	\$	16,323,198.13	\$	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	\$	29,478,988.70	\$	29,434,605.59	\$	29,390,071.58	\$	29,345,386.15	\$	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	\$	4,214,046.89	\$	4,124,582.00	\$	4,034,893.41	\$	3,944,980.64	\$	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	\$	96,576,739.49	\$	96,369,392.76	\$	96,163,291.55	\$	95,956,452.36	\$	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)	\$	(204,636.15)	\$	(207,346.73)	\$	(206,101.21)	\$	(206,839.19)	\$	(213,506.28)	\$	(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
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Net Increase (Decrease) in Cash (FREE CASH FLOW)	\$	(20,084.55)	\$	56,415.99	\$	(692,985.82)	\$	157,132.59	\$	(202,242.42)	\$	(4,366.06)	\$	28,142.74	\$	206,746.31	\$	187,054.34	\$	74,488.39	\$	218,046.21	\$	(334,289.37)	\$	(325,941.67)	\$	13,016,022.45	\$	(13,341,964.12)
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Shareholder Payments	\$	-	\$	-																					\$	(6,350,000.00)	\$	(6,350,000.00)
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Investments	\$	-	\$	-																					\$	(2,500,000.00)	\$	(2,500,000.00)
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Cash Balance at Beginning of Period	\$	5,600,705.52	\$	5,580,620.97	\$	5,637,036.96	\$	4,944,051.14	\$	5,101,183.73	\$	4,898,941.31	\$	4,894,575.25	\$	4,922,717.98	\$	5,129,464.29	\$	5,316,518.63	\$	5,391,007.01	\$	5,609,053.22	\$	5,600,705.52	\$	1,434,683.07	\$	4,166,022.45
Increase (Decrease) in cash during period	\$	(20,084.55)	\$	56,415.99	\$	(692,985.82)	\$	157,132.59	\$	(202,242.42)	\$	(4,366.06)	\$	28,142.74	\$	206,746.31	\$	187,054.34	\$	74,488.39	\$	218,046.21	\$	(334,289.37)	\$	(325,941.67)	\$	4,166,022.45	\$	(4,491,964.12)
Cash at End of Period	\$	5,580,620.97	\$	5,637,036.96	\$	4,944,051.14	\$	5,101,183.73	\$	4,898,941.31	\$	4,894,575.25	\$	4,922,717.98	\$	5,129,464.29	\$	5,316,518.63	\$	5,391,007.01	\$	5,609,053.22	\$	5,274,763.85	\$	5,274,763.85	\$	5,600,705.52	\$	(325,941.67)

W.C. and A.N. Miller Development Company
2013/2014 Budget
CONSOLIDATED CASH FLOW STATEMENT

	October Budget	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
Rental Activities																
Rent Income	\$ 1,330,811.00	\$ 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	\$ 16,678,962.00	\$ 18,168,204.90	\$ (1,489,242.90)	-8%
Rent Expenses	\$ (353,235.00)	\$ (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)	\$ (4,312,688.00)	\$ (4,527,018.29)	\$ 214,330.29	-5%
Real Estate Taxes	\$ (118,446.00)	\$ (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)	\$ (1,426,074.00)	\$ (1,364,928.19)	\$ (61,145.81)	4%
Amortization/Depreciation	\$ (176,745.00)	\$ (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)	\$ (2,120,943.00)	\$ (2,074,207.96)	\$ (46,735.04)	2%
Debt Service - Interest	\$ (378,129.00)	\$ (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)	\$ (4,513,559.00)	\$ (4,550,553.48)	\$ 36,994.48	-1%
Net Rental Income	\$ 304,256.00	\$ 270,430.00	\$ 246,096.00	\$ 272,086.00	\$ 293,479.00	\$ 507,132.00	\$ 313,845.00	\$ 336,067.00	\$ 424,752.00	\$ 374,926.00	\$ 365,385.00	\$ 597,244.00	\$ 4,305,698.00	\$ 5,651,496.98	\$ (1,345,798.98)	-24%
Revenues																
Sales(Lots and Homes)																#DIV/0!
Cost of Sales																#DIV/0!
Gross Profit	\$ 304,256.00	\$ 270,430.00	\$ 246,096.00	\$ 272,086.00	\$ 293,479.00	\$ 507,132.00	\$ 313,845.00	\$ 336,067.00	\$ 424,752.00	\$ 374,926.00	\$ 365,385.00	\$ 597,244.00	\$ 4,305,698.00	\$ 5,651,496.98	\$ (1,345,798.98)	-24%
Operating Expenses																
Bank Charges	\$ 200.00	\$ 200.00	\$ 200.00	\$ 200.00	\$ 200.00	\$ 200.00	\$ 200.00	\$ 200.00	\$ 200.00	\$ 200.00	\$ 200.00	\$ 200.00	\$ 2,400.00	\$ 1,478.99	\$ 921.01	62%
Management fee' investment account	\$ 1,750.00			\$ 1,750.00			\$ 1,750.00		\$ 1,750.00		\$ 1,750.00		\$ 7,000.00	\$ 5,120.45	\$ 1,879.55	37%
Computer Consultant	\$ 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	\$ 1,000.00	\$ 12,000.00	\$ 16,614.29	\$ (4,614.29)	-28%
Computer Supplies	\$ 200.00	\$ 200.00	\$ 1,000.00	\$ 200.00	\$ 200.00	\$ 200.00	\$ 200.00	\$ 200.00	\$ 200.00	\$ 200.00	\$ 200.00	\$ 200.00	\$ 3,200.00	\$ 5,666.97	\$ (2,466.97)	-44%
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%
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	\$ 2,500.00	\$ 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	\$ 31,500.00	\$ 22,317.37	\$ 9,182.63	41%
Office telephone and internet service	\$ 600.00	\$ 600.00	\$ 600.00	\$ 600.00	\$ 600.00	\$ 600.00	\$ 600.00	\$ 600.00	\$ 600.00	\$ 600.00	\$ 600.00	\$ 600.00	\$ 7,200.00	\$ 4,517.87	\$ 2,682.13	59%
General Insurance		\$ 29,000.00											\$ 29,000.00	\$ 28,632.95	\$ 367.05	1%
Legal - General	\$ 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	\$ 5,000.00	\$ 60,000.00	\$ 47,144.50	\$ 12,855.50	27%
Legal - Loans/Lenders													\$ -	\$ 24,099.43	\$ (24,099.43)	-100%
Legal- Commercial Leasing													\$ -	\$ 7,065.00	\$ (7,065.00)	-100%
Legal - Haymount		\$ 20,000.00			\$ 20,000.00			\$ 20,000.00					\$ 60,000.00	\$ 80,462.10	\$ (20,462.10)	-25%
Benefits	\$ 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	\$ 2,833.33	\$ 34,000.00	\$ 33,849.86	\$ 150.14	0%
Management Meals	\$ 500.00	\$ 500.00	\$ 1,400.00	\$ 500.00	\$ 500.00	\$ 500.00	\$ 500.00	\$ 500.00	\$ 500.00	\$ 500.00	\$ 500.00	\$ 500.00	\$ 6,900.00	\$ 5,602.96	\$ 1,297.04	23%
Offices Supplies	\$ 600.00	\$ 600.00	\$ 600.00	\$ 600.00	\$ 600.00	\$ 600.00	\$ 600.00	\$ 600.00	\$ 600.00	\$ 600.00	\$ 600.00	\$ 600.00	\$ 7,200.00	\$ 12,453.31	\$ (5,253.31)	-42%
Other Taxes and Licenses			\$ 500.00		\$ 200.00		\$ 300.00	\$ 600.00					\$ 1,600.00	\$ 3,856.41	\$ (2,256.41)	-59%
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	\$ 375.00	\$ 375.00	\$ 375.00	\$ 375.00	\$ 375.00	\$ 375.00	\$ 375.00	\$ 375.00	\$ 375.00	\$ 375.00	\$ 375.00	\$ 375.00	\$ 4,500.00	\$ 3,251.85	\$ 1,248.15	38%
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	\$ 1,200.00	\$ 14,400.00	\$ 10,071.50	\$ 4,328.50	43%
Promotion & Entertainment	\$ 350.00	\$ 350.00	\$ 350.00	\$ 350.00	\$ 350.00	\$ 350.00	\$ 350.00	\$ 350.00	\$ 350.00	\$ 350.00	\$ 350.00	\$ 350.00	\$ 4,200.00	\$ 39,569.12	\$ (35,369.12)	-89%
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	\$ 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	\$ 9,000.00	\$ 108,000.00	\$ 12,050.00	\$ 95,950.00	796%
Cell phones and mobile devices	\$ 750.00	\$ 750.00	\$ 750.00	\$ 750.00	\$ 750.00	\$ 750.00	\$ 750.00	\$ 750.00	\$ 750.00	\$ 750.00	\$ 750.00	\$ 750.00	\$ 9,000.00	\$ 7,119.73	\$ 1,880.27	26%
Management Travel	\$ 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	\$ 3,500.00	\$ 42,000.00	\$ 25,544.75	\$ 16,455.25	64%
Payroll Processing Fees	\$ 400.00	\$ 400.00	\$ 400.00	\$ 400.00	\$ 400.00	\$ 400.00	\$ 400.00	\$ 400.00	\$ 400.00	\$ 400.00	\$ 400.00	\$ 400.00	\$ 4,800.00	\$ 4,498.02	\$ 301.98	7%
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	\$ -	\$ -	\$ 500.00	\$ -	\$ -	\$ 2,000.00	\$ 11,800.00	\$ (9,800.00)	-83%
Total Operating Expenses	\$ 81,100.00	\$ 137,850.00	\$ 314,474.99	\$ 105,873.33	\$ 114,258.33	\$ 101,623.33	\$ 86,608.33	\$ 104,658.33	\$ 114,923.33	\$ 86,308.33	\$ 84,058.33	\$ 101,623.33	\$ 1,433,360.00	\$ 1,208,929.07	\$ 224,430.93	19%
Net Operating Income	\$ 223,156.00	\$ 132,580.00	\$ (68,378.99)	\$ 166,212.67	\$ 179,220.67	\$ 405,508.67	\$ 227,236.67	\$ 231,408.67	\$ 309,828.67	\$ 288,617.67	\$ 281,326.67	\$ 495,620.67	\$ 2,872,338.00	\$ 4,442,567.91	\$ (1,570,229.91)	-35%
Other Income and Expenses																
Miscellaneous Income													\$ -	\$ 64,427.04	\$ (64,427.04)	-100%
Investment Dividend Income													\$ -	\$ 46.40	\$ (46.40)	-100%
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													\$ -	\$ 329,154.00	\$ (329,154.00)	-100%
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	\$ 500.00	\$ 500.00	\$ 500.00	\$ 500.00	\$ 500.00	\$ 500.00	\$ 500.00	\$ 500.00	\$ 500.00	\$ 500.00	\$ 500.00	\$ 500.00	\$ 6,000.00	\$ 6,254.56	\$ (254.56)	-4%
Total Other Income and Expenses	\$ 500.00	\$ (10,258.22)	\$ (10,035.12)	\$ (9,811.45)	\$ (9,587.23)	\$ (9,362.45)	\$ (9,137.11)	\$ (8,911.20)	\$ (8,684.73)	\$ (8,457.69)	\$ (8,230.08)	\$ (8,001.91)	\$ (99,977.19)	\$ 609,680.56	\$ (709,657.75)	-116%
Net Income	\$ 223,656.00	\$ 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	\$ 2,772,360.81	\$ 5,052,248.47	\$ (2,279,887.66)	-45%
Cash Flow from Operating Activities																

Net Income	\$	223,656.00	\$	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	\$	2,772,360.81	\$	5,052,248.47	\$	(2,279,887.66)	-45%	
Adjustments to reconcile net income to net cash provided by Operations																																
Amortization/Depreciation	\$	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	\$	175,819.00	\$	2,109,828.00	\$	1,866,757.30	\$	243,070.70		
Accounts receivable																									\$	-	\$	(2,234,696.38)	\$	2,234,696.38		
Required Building Improvements	\$	(15,000.00)		\$	-	\$	-	\$	-	\$	(18,000.00)	\$	(35,000.00)	\$	(9,500.00)	\$	(20,000.00)	\$	-	\$	-	\$	-	\$	(97,500.00)	\$	(694,281.81)	\$	596,781.81			
Optional Building Improvements	\$	(58,640.00)	\$	(591,820.00)	\$	(85,960.00)	\$	(3,000.00)	\$	(7,700.00)	\$	(85,798.00)	\$	(15,000.00)	\$	(24,775.00)	\$	-	\$	-	\$	(60,000.00)	\$	-	\$	(932,693.00)	\$	-	\$	(932,693.00)		
Tenant Improvements	\$	(33,045.00)	\$	(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)	\$	(1,266,829.00)	\$	(386,264.74)	\$	(880,564.26)		
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	\$	2,271.00	\$	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	\$	28,398.00	\$	39,496.42	\$	(11,098.42)		
Real Estate Tax Escrows	\$	(65,484.00)	\$	(65,484.00)	\$	(65,484.00)	\$	(65,484.00)	\$	(65,484.00)	\$	(65,484.00)	\$	(65,484.00)	\$	(65,484.00)	\$	(65,484.00)	\$	(65,942.00)	\$	(65,942.00)	\$	(65,942.00)	\$	(787,182.00)	\$	(261,116.33)	\$	(526,065.67)		
Escrow Fund Release												393,591.00													\$	393,591.00	\$	787,182.00	\$	307,910.60	\$	479,271.40
Accrued Real Estate Taxes	\$	118,446.00	\$	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	\$	1,426,074.00	\$	412,679.00	\$	1,013,395.00		
Real-estate Tax Payments												(477,920.00)													\$	(948,154.00)	\$	(1,426,074.00)	\$	(412,679.00)	\$	(1,013,395.00)
Accrued Expenses																									\$	-	\$	193,166.62	\$	(193,166.62)		
Minority Interest																									\$	-	\$	(257,574.18)	\$	257,574.18		
Prepaid Expenses																									\$	-	\$	(180,073.45)	\$	180,073.45		
Prepaid Real Estate Taxes																									\$	-	\$	(11,137.86)	\$	11,137.86		
Prepaid Insurance																									\$	-	\$	(6,429.29)	\$	6,429.29		
Accounts Payable																									\$	-	\$	99,058.36	\$	(99,058.36)		
Security Deposits																									\$	-	\$	64,806.30	\$	(64,806.30)		
Prepaid RE Tax Income																									\$	-	\$	2,546.54	\$	(2,546.54)		
Prepaid Rent Income																									\$	-	\$	180,908.16	\$	(180,908.16)		
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																									\$	-	\$	(324,079.95)	\$	324,079.95		
Closing Cost for Refinance																									\$	-	\$	(481,133.75)	\$	481,133.75		
Prior Tenant Clearing	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-	\$	(1,525.00)	\$	1,525.00		
Total Adjustments	\$	124,367.00	\$	(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)	\$	(566,876.00)	\$	(1,865,940.21)	\$	1,299,064.21		
Net Cash provided from Operations	\$	348,023.00	\$	(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)	\$	2,205,484.81	\$	3,186,308.26	\$	(980,823.45)		
Cash Flows from Financing Activities																																
Cardinal Bank (Spring Valley Retail)	\$	16,424,255.67	\$	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)	\$	29,523,221.45	\$	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	\$	4,303,288.65	\$	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	\$	96,781,366.79	\$	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	\$	(206,886.38)	\$	(204,636.18)	\$	(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)	\$	(2,510,530.77)	\$	9,829,714.19	\$	7,319,183.42		
Net Increase (Decrease) in Cash (FREE CASH FLOW)	\$	141,136.62	\$	(613,563.40)	\$	(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)	\$	(305,045.96)	\$	13,016,022.45	\$	(13,321,068.41)		
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	\$	5,741,842.14	\$	5,128,278.73	\$	4,929,729.86	\$	4,893,298.65	\$	4,919,824.86	\$	4,915,470.96	\$	4,943,613.70	\$	5,150,360.00	\$	5,337,414.34	\$	5,411,902.73	\$	5,629,948.93	\$	5,600,705.52	\$	1,434,683.07	\$	4,166,022.45		
Increase (Decrease) in cash during period	\$	141,136.62	\$	(613,563.40)	\$	(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)	\$	(305,045.96)	\$	4,166,022.45	\$	(4,471,068.41)		
Cash at End of Period	\$	5,741,842.14	\$	5,128,278.73	\$	4,929,729.86	\$	4,893,298.65	\$	4,919,824.86	\$	4,915,470.96	\$	4,943,613.70	\$	5,150,360.00	\$	5,337,414.34	\$	5,411,902.73	\$	5,629,948.93	\$	5,295,659.56	\$	5,295,659.56	\$	5,600,705.52	\$	(305,045.		

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

February 2014 Variance Report

	Variance	Explanation
Rental Income	\$ (70,871.96)	1. Higher vacancy at Sumner Highlands (\$16,745) 2. Unbudgeted vacancy for 4866 Massachusetts Avenue (\$22,386) 3. Concession for 4301 50th was budgeted as vacant (\$18,198) 4. Concession of the expansion of Miller's Corporate Office from October to February (\$12,910) and Tale2Go two months Free Rent (\$2,922.67)
Rental Expenses	\$ 70,419.83	1. Weather delays in completing outdoor work on all properties 2. Higher than budget snow removal costs (\$20,284)
Net Rental Income Variance	\$ 4,734.41	
Operating Expenses Variance	\$ (20,803.19)	1. Legal for Haymount in under Budget (\$18,205.23)
Net Income Variance	\$ 165,994.99	
Increase/(Decrease) in cash	\$ (202,242.42)	

Year to Date Variance Report

Rental Income	\$ (109,619.05)	1. Higher vacancy at Sumner Highlands (\$74,091) 2. Unbudgeted vacancy for 4866 Massachusetts Avenue (\$81,397) 3. Receipt of \$16,118.33 from Damon & Drapers Bankruptcy (Total claim was \$42,416.66 which was written off to bad debt in) 4. FBI build out billed (\$93,181)
Rental Expenses	\$ 79,468.17	1. Weather delays in completing outdoor work on all properties 2. Snow removal is over budget by (\$66,108)
Net Rental Income Variance	\$ (29,850.18)	
Operating Expenses Variance	\$ (10,886.55)	
Net Income Variance	\$ 256,650.85	
Increase/Decrease in cash	\$ (701,764.21)	