

February 14, 2013

Dear Shareholder:

Enclosed is the 2012/2013 Budget and First Quarter Financial Statements for the period ending on December 31, 2012. You were sent the Financial Statements for the W.C. and A.N. Miller Development Company and Subsidiaries with the mailing that was sent out on December 28, 2012 and if you cannot locate your copy the report is also posted on the Company's website.

The 2012 Fiscal Year was an excellent year for the Miller Company compared to the previous year. I believe that our Company is in far better financial condition at the end of this Fiscal Year then at the end of 2011 Fiscal Year.

Financial Statement for the Fiscal Year ending September 20, 2012

1. Balance Sheet:

Our current Total Assets have decreased by \$745,420 primarily attributable to an increase in Accumulated Depreciation of \$1.4 million and a deposit of \$600,000 on the refinance of the Shops at Sumner Place. We also had a decrease in our Cash of approximately \$1.1 million giving us \$1,434,684 in the bank. Finally, we had an increase in Improvements to our Buildings of approximately \$722,810.

2. Income Statement:

Total Rental Income of \$15,177,455 is up \$913,000 from last year and in line with Budget. Rental Expenses is in line with last year and with Budget. Depreciation at \$2,028,573 is in line with last year and with Budget. Interest Expense of \$5,026,648 is approximately \$230,000 below last year but in line with Budget. Real Estate taxes of \$1,297,061 is \$85,705 below last year but in line with Budget. Net Rental Income of \$2,397,939 is better than last year by \$1,140,860. Operating Expenses of \$1,430,485 is below last year by approximately \$83,606 but over Budget by approximately \$250,000 which is primarily attributable to 2007 DC and Federal Payroll taxes. For the year ending September 30, 2012, the Company realized a net

profit of \$1,159,797. A more detailed analysis can be found in the Supplementary Schedules at the back of the Financial Statements.

In conclusion, our performance this year, although a little below what was budgeted, was still continuing to place the Company on more stable footing. The following unbudgeted expenses are the primary reason for the decrease in cash versus what was budgeted: 2007 DC and Federal Payroll taxes of \$360,000; Deposit of \$600,000 on the refinance of the Shops at Sumner Place; and \$200,000 special dividend to the Shareholders.

Fiscal Year 2011/2012 Company Update

Listed below are some of the accomplishments of the Company during the past Fiscal Year.

- Celebrated 100th Anniversary.
- Prevailed in the Haymount lawsuit with the Court granting our Motion for Summary Judgment. The appeal is pending.
- Completed all site work at Springvale Meadows for \$149,447 this fiscal year. The subdivision roads were accepted by Fairfax County on January 29, 2013.
- Resolved all 3 year CAM issues with the tenants at the Shops at Sumner Place.
- Secured refinancing for the Shops at Sumner Place at a rate of 4.08% saving the Company approximately \$400,000 a year in interest expense.
- Company paid \$200,000 in dividends.
- Leasing Activity:
 - a. Renewed 99,578 square feet of space; and
 - b. New Tenants rented 31,878 square feet of space
 - c. Reduction in our vacancy for the offices by 1.27% giving us 92.50% occupancy in the offices.
 - d. Reduction in vacancy for the Retail portion of our portfolio by 3.15% giving us 100% occupancy.
- Resolved the Crate and Barrel conflict increasing their rent over the term of the lease by \$4.46 million.
- Maintained a 5% vacancy at Sumner Highlands Apartments.
- Increased our asking rents at the Shops at Sumner Place to \$32 per square foot in the offices and \$45 per square foot in the retail section.

- Increased our asking rents in Spring Valley to \$42 per square foot for the offices and \$60 to \$80 per square foot in the retail section.
- Continued the program begun two (2) years ago of “catching up” on the deferred maintenance and developed a plan to be completed within the next 24 months.

First Quarter Update for period ending December 31, 2012

1. Balance Sheet:

Total Assets have increased by \$2,915,397.50 since the beginning of the Fiscal Year primarily due to an increase in cash and the refund of our security deposit from the refinance of The Shops at Sumner Place. Our current cash is \$4,827,308.00. There was an increase in Liabilities of \$2,915,397.50 for the quarter which is primarily due to the increase in Long Term Liabilities of \$9,276,842 due to the refinance of the Shops at Sumner Place and the issuance of the Promissory Notes to the Shareholders.

2. Income Statement:

Our Net Rental Income is down from Budget by (\$75,527.39) which is primarily due to a decrease in occupancy at Sumner Highlands Apartments versus what was budgeted. Operating Expenses are over by \$18,547.47 over Budget for the quarter resulting in Net Income of \$241,790.33 versus Budget of \$232,293.97. Our leasing activity continues to be strong. We have successfully leased and/or renewed approximately 6,626 square feet of space so that our office vacancy has been reduced to 5.51%, retail vacancy to 2.26% and residential to 5.6%.

This concludes our report to the Shareholders. Should you have any questions in regards to these or any other matters, please do not hesitate to call me [443-315-9721] or e-mail me [rmiller@wcanmiller.com].

Sincerely,

Robert R. Miller

Enclosures

W.C. and A.N. Miller Development Company
2012/2013 Budget
Summary

	Total Budget 2012/2013
Rental Activities	
Rent Income	\$ 16,410,685.00
Rent Expenses	\$ (4,406,877.00)
Real Estate Taxes	\$ (1,364,430.00)
Amortization/Depreciation	\$ (1,960,020.00)
Debt Service - Interest	<u>\$ (4,555,742.00)</u>
Net Rental Income	\$ 4,123,616.00
Gross Profit	\$ 4,123,616.00
Total Operating Expenses	\$ 1,245,720.04
Total Other Income and Expenses	\$ (46,116.69)
Net Income	\$ 2,924,087.15
Total Adjustment to Reconcile Net Income to Cash	\$ (236,761.80)
Net Cash provided from Operations	\$ 2,687,325.35
Increase or (Decrease) in Long Term Debt	\$ 7,611,823.59
Net Increase (Decrease) in Cash (Free Cash Flow)	\$ 10,299,148.94
Shareholder Dividend	\$ (6,350,000.00)
Cash Balance at Beginning of Period	\$ 1,434,683.07
Increase (Decrease) in Cash during Period	<u>\$ 3,856,841.06</u>
Cash at End of Period	\$ 5,291,524.13

W.C. and A.N. Miller Development Company
2012/2013 Budget
Comparison

	Total Budget 2012/2013	Total Actual 2011/2012	Difference Budget v Actual
Rental Activities			
Rent Income	\$ 16,410,685.00	\$ 15,179,456.10	\$ 1,231,228.90
Rent Expenses	\$ (4,406,877.00)	\$ (4,218,700.37)	\$ (188,176.63)
Real Estate Taxes	\$ (1,364,430.00)	\$ (1,297,062.36)	\$ (67,367.64)
Amortization/Depreciation	\$ (1,960,020.00)	\$ (2,033,472.71)	\$ 73,452.71
Debt Service - Interest	\$ (4,555,742.00)	\$ (5,025,335.30)	\$ 469,593.30
Net Rental Income	\$ 4,123,616.00	\$ 2,604,885.36	\$ 1,518,730.64
Gross Profit	\$ 4,123,616.00	\$ 2,604,885.36	\$ 1,518,730.64
Operating Expenses			
Bank Charges	\$ 300.00	\$ 120.48	\$ 179.52
Computer Consultant	\$ 9,600.00	\$ 14,525.00	\$ (4,925.00)
Computer Supplies	\$ -	\$ 2,213.66	\$ (2,213.66)
Executive Compensation	\$ 275,000.04	\$ 252,000.00	\$ 23,000.04
Executive Bonus	\$ 100,000.00	\$ 40,000.00	\$ 60,000.00
Office Administration	\$ 102,000.00	\$ 94,000.00	\$ 8,000.00
Payroll Burden	\$ 19,700.00	\$ 18,232.20	\$ 1,467.80
Equipment Rental	\$ 7,200.00	\$ 6,829.23	\$ 370.77
General Insurance	\$ 25,000.00	\$ 24,780.57	\$ 219.43
Legal - General	\$ 60,000.00	\$ 56,916.41	\$ 3,083.59
Legal - Loans/Lenders	\$ -	\$ -	\$ -
Legal - Haymount	\$ 125,000.00	\$ 253,952.21	\$ (128,952.21)
Benefits	\$ 34,000.00	\$ 19,184.75	\$ 14,815.25
Management Meals	\$ 4,500.00	\$ 6,490.60	\$ (1,990.60)
Offices Supplies	\$ 6,000.00	\$ 13,567.36	\$ (7,567.36)
Other Taxes and Licenses	\$ 3,620.00	\$ 120,393.09	\$ (116,773.09)
Other Real Estate Taxes	\$ 5,600.00	\$ 5,383.06	\$ 216.94
Public Relations	\$ -	\$ 10,017.68	\$ (10,017.68)
Postage	\$ 4,500.00	\$ 4,748.54	\$ (248.54)
Accounting	\$ 9,000.00	\$ 4,378.38	\$ 4,621.62
Promotion & Entertainment	\$ -	\$ 2,903.80	\$ (2,903.80)
Internal Control Audit/Review	\$ 6,000.00	\$ 4,315.00	\$ 1,685.00
Audit and Tax Returns	\$ 51,000.00	\$ 45,507.63	\$ 5,492.37
Rent	\$ 90,000.00	\$ 238,387.18	\$ (148,387.18)
Telephone	\$ 5,100.00	\$ 4,612.39	\$ 487.61
Management Travel	\$ 36,000.00	\$ 23,791.28	\$ 12,208.72
Payroll Processing Fees	\$ 3,600.00	\$ 3,498.80	\$ 101.20
Board of Directors Fees	\$ 214,000.00	\$ 162,000.00	\$ 52,000.00
Shareholders Annual Meeting	\$ 7,000.00	\$ 10,404.65	\$ (3,404.65)
Board Travel and Meals	\$ 40,000.00	\$ 39,422.65	\$ 577.35
Charitable Contributions	\$ 2,000.00	\$ 1,000.00	\$ 1,000.00
Total Operating Expenses	\$ 1,245,720.04	\$ 1,489,480.60	\$ (243,760.56)
Net Operating Income	\$ 2,877,895.96	\$ 1,115,404.76	\$ 1,762,491.20
Other Income and Expenses			
Miscellaneous Income			
Unamortized Loan Fee's			
Accrued Interest HLP LOC	\$ -	\$ 245,673.63	\$ (245,673.63)
Deferred Tax Expense	\$ -	\$ 331,320.00	\$ (331,320.00)
Gain/Loss Sale of Asset	\$ -	\$ (388,887.83)	\$ 388,887.83

	Total Budget 2012/2013	Total Actual 2011/2012	Difference Budget v Actual
Pr Yr Adj - 2007 Pay Tax Liability	\$ -	\$ (13,878.85)	\$ 13,878.85
Debt Service Interest (Other)	\$ (92,307.88)	\$ -	\$ (92,307.88)
Interest Income	\$ 46,191.19	\$ 4,237.80	\$ 41,953.39
Total Other Income and Expenses	\$ (46,116.69)	\$ 178,464.75	\$ (224,581.44)
Net Income	\$ 2,924,087.15	\$ 1,293,869.51	\$ 1,537,909.76
Adjustments to reconcile net income to net cash provided by Operations			
Amortization/Depreciation	\$ 1,960,020.00	\$ 1,797,314.56	\$ 162,705.44
Accounts receivable	\$ -	\$ (96,493.56)	\$ 96,493.56
Required Building Improvements	\$ (445,069.00)	\$ (397,351.75)	\$ (47,717.25)
Optional Building Improvements	\$ (430,376.00)	\$ 27,007.00	\$ (457,383.00)
Tenant Improvements	\$ (891,914.00)	\$ (325,457.99)	\$ (566,456.01)
Leasing Commission	\$ (573,019.00)	\$ (594,229.54)	\$ 21,210.54
Notes Receivable	\$ 39,319.00	\$ (26,980.49)	\$ 66,299.49
Real Estate Tax Escrows	\$ (9,641.00)	\$ (706,593.72)	\$ 696,952.72
Escrow Fund Release	\$ -	\$ 805,076.98	\$ (805,076.98)
Accrued Real Estate Taxes	\$ 1,364,430.00	\$ 989,803.13	\$ 374,626.87
Real-estate Tax Payments	\$ (1,364,430.00)	\$ (989,809.05)	\$ (374,620.95)
Accrued Expenses	\$ -	\$ 305,680.34	\$ (305,680.34)
2007 Payroll tax payment	\$ -	\$ (383,493.41)	\$ 383,493.41
Springvale Meadows expense	\$ -	\$ (147,995.78)	\$ 147,995.78
Minority Interest	\$ -	\$ (246,783.82)	\$ 246,783.82
Prepaid Expenses	\$ -	\$ 11,649.31	\$ (11,649.31)
Prepaid Real Estate Taxes	\$ -	\$ (15,375.30)	\$ 15,375.30
Prepaid Insurance	\$ -	\$ (5,267.61)	\$ 5,267.61
Accounts Payable	\$ -	\$ 53,439.04	\$ (53,439.04)
Security Deposits	\$ -	\$ 23,420.71	\$ (23,420.71)
Prepaid RE Tax Income	\$ -	\$ 3,227.49	\$ (3,227.49)
Prepaid Rent Income	\$ -	\$ (142,382.10)	\$ 142,382.10
Security Deposit on refinance	\$ 600,000.00	\$ (600,000.00)	\$ 1,200,000.00
Deferred Loan Charges	\$ -	\$ 91,613.70	\$ (91,613.70)
Deferred Tax Asset	\$ -	\$ (332,661.00)	\$ 332,661.00
Closing cost for refinance	\$ (486,081.80)	\$ -	\$ (486,081.80)
Total Adjustments	\$ (236,761.80)	\$ (902,642.86)	\$ 665,881.06
Net Cash provided from Operations	\$ 2,687,325.35	\$ 391,226.65	\$ 2,296,098.70
Increase or (Decrease) in Long Term Debt	\$ 7,611,823.59	\$ (1,320,188.21)	\$ 8,932,011.80
Net Increase (Decrease) in Cash (FREE CASH FLOW)	\$ 10,299,148.94	\$ (928,961.56)	\$ 11,228,110.50
Shareholder Dividend	\$ (6,350,000.00)	\$ (200,000.00)	\$ (6,150,000.00)
Cash Balance at Beginning of Period	\$ 1,434,683.07	\$ 2,563,644.63	\$ (1,128,961.56)
Increase (Decrease) in cash during period	\$ 3,856,841.06	\$ (1,128,961.56)	\$ 4,985,802.62
Cash at End of Period	\$ 5,291,524.13	\$ 1,434,683.07	\$ 3,856,841.06

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W.C. and A.N. Miller Development Company 2012/2013 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 2012/2013	Total Actual 2011/2012	Difference Budget v Actual	
Rental Activities																
Rent Income	\$ 1,282,591.00	\$ 1,292,122.00	\$ 1,275,767.00	\$ 1,278,813.00	\$ 1,318,764.00	\$ 1,488,870.00	\$ 1,335,539.00	\$ 1,357,250.00	\$ 1,419,913.00	\$ 1,491,078.00	\$ 1,362,176.00	\$ 1,507,802.00	\$ 16,410,685.00	\$ 15,179,456.10	\$ 1,231,228.90	
Rent Expenses	\$ (373,760.00)	\$ (423,723.00)	\$ (373,816.00)	\$ (392,441.00)	\$ (371,107.00)	\$ (380,248.00)	\$ (355,871.00)	\$ (382,372.00)	\$ (347,951.00)	\$ (339,122.00)	\$ (348,445.00)	\$ (318,021.00)	\$ (4,406,877.00)	\$ (4,218,700.37)	\$ (188,176.63)	
Real Estate Taxes	\$ (113,310.00)	\$ (113,310.00)	\$ (113,310.00)	\$ (113,310.00)	\$ (113,310.00)	\$ (113,310.00)	\$ (113,310.00)	\$ (113,310.00)	\$ (113,310.00)	\$ (114,880.00)	\$ (114,880.00)	\$ (114,880.00)	\$ (1,364,430.00)	\$ (1,297,062.36)	\$ (67,367.64)	
Amortization/Depreciation	\$ (163,335.00)	\$ (163,335.00)	\$ (163,335.00)	\$ (163,335.00)	\$ (163,335.00)	\$ (163,335.00)	\$ (163,335.00)	\$ (163,335.00)	\$ (163,335.00)	\$ (163,335.00)	\$ (163,335.00)	\$ (163,335.00)	\$ (1,960,020.00)	\$ (2,033,472.71)	\$ 73,452.71	
Debt Service - Interest	\$ (381,444.00)	\$ (382,921.00)	\$ (380,512.00)	\$ (381,981.00)	\$ (381,510.00)	\$ (375,231.00)	\$ (380,540.00)	\$ (378,133.00)	\$ (379,577.00)	\$ (377,170.00)	\$ (378,604.00)	\$ (378,119.00)	\$ (4,555,742.00)	\$ (5,025,335.30)	\$ 469,593.30	
Net Rental Income	\$ 250,742.00	\$ 208,833.00	\$ 244,794.00	\$ 227,746.00	\$ 289,502.00	\$ 456,746.00	\$ 322,483.00	\$ 320,100.00	\$ 415,740.00	\$ 496,571.00	\$ 356,912.00	\$ 533,447.00	\$ 4,123,616.00	\$ 2,604,885.36	\$ 1,518,730.64	
Gross Profit	\$ 250,742.00	\$ 208,833.00	\$ 244,794.00	\$ 227,746.00	\$ 289,502.00	\$ 456,746.00	\$ 322,483.00	\$ 320,100.00	\$ 415,740.00	\$ 496,571.00	\$ 356,912.00	\$ 533,447.00	\$ 4,123,616.00	\$ 2,604,885.36	\$ 1,518,730.64	
Operating Expenses																
Bank Charges	\$ 25.00	\$ 25.00	\$ 25.00	\$ 25.00	\$ 25.00	\$ 25.00	\$ 25.00	\$ 25.00	\$ 25.00	\$ 25.00	\$ 25.00	\$ 25.00	\$ 300.00	\$ 120.48	\$ 179.52	
Computer Consultant	\$ 800.00	\$ 800.00	\$ 800.00	\$ 800.00	\$ 800.00	\$ 800.00	\$ 800.00	\$ 800.00	\$ 800.00	\$ 800.00	\$ 800.00	\$ 800.00	\$ 9,600.00	\$ 14,525.00	\$ (4,925.00)	
Computer Supplies	\$ -												\$ -	\$ 2,213.66	\$ (2,213.66)	
Executive Compensation	\$ 22,916.67	\$ 22,916.67	\$ 22,916.67	\$ 22,916.67	\$ 22,916.67	\$ 22,916.67	\$ 22,916.67	\$ 22,916.67	\$ 22,916.67	\$ 22,916.67	\$ 22,916.67	\$ 22,916.67	\$ 275,000.04	\$ 252,000.00	\$ 23,000.04	
Executive Bonus (2011/2012 Fiscal Year)		\$ 100,000.00											\$ 100,000.00	\$ 40,000.00	\$ 60,000.00	
Office Administration	\$ 8,500.00	\$ 8,500.00	\$ 8,500.00	\$ 8,500.00	\$ 8,500.00	\$ 8,500.00	\$ 8,500.00	\$ 8,500.00	\$ 8,500.00	\$ 8,500.00	\$ 8,500.00	\$ 8,500.00	\$ 102,000.00	\$ 94,000.00	\$ 8,000.00	
Payroll Burden	\$ 900.00	\$ 900.00	\$ 1,600.00	\$ 3,400.00	\$ 2,400.00	\$ 2,200.00	\$ 2,200.00	\$ 2,200.00	\$ 1,200.00	\$ 900.00	\$ 900.00	\$ 900.00	\$ 19,700.00	\$ 18,232.20	\$ 1,467.80	
Equipment Rental	\$ 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	\$ 6,829.23	\$ 370.77	
General Insurance		\$ 25,000.00											\$ 25,000.00	\$ 24,780.57	\$ 219.43	
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	\$ 56,916.41	\$ 3,083.59	
Legal - Loans/Lenders													\$ -	\$ -	\$ -	
Legal - Haymount			\$ 50,000.00		\$ 50,000.00		\$ -	\$ 25,000.00					\$ 125,000.00	\$ 253,952.21	\$ (128,952.21)	
Benefits	\$ 2,833.34	\$ 2,833.34	\$ 2,833.34	\$ 2,833.34	\$ 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	\$ 19,184.75	\$ 14,815.25	
Management Meals	\$ 300.00	\$ 300.00	\$ 1,200.00	\$ 300.00	\$ 300.00	\$ 300.00	\$ 300.00	\$ 300.00	\$ 300.00	\$ 300.00	\$ 300.00	\$ 300.00	\$ 4,500.00	\$ 6,490.60	\$ (1,990.60)	
Offices Supplies	\$ 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	\$ 13,567.36	\$ (7,567.36)	
Dues and Subscriptions													\$ -	\$ 2,104.00	\$ (2,104.00)	
Other Taxes and Licenses		\$ 2,500.00		\$ 10.00	\$ 200.00	\$ 10.00	\$ 300.00	\$ 600.00					\$ 3,620.00	\$ 120,393.09	\$ (116,773.09)	
Other Real Estate Taxes			\$ 2,800.00						\$ 2,800.00				\$ 5,600.00	\$ 5,383.06	\$ 216.94	
Public Relations													\$ -	\$ 10,017.68	\$ (10,017.68)	
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	\$ 4,748.54	\$ (248.54)	
Accounting	\$ 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	\$ 4,378.38	\$ 4,621.62	
Promotion & Entertainment													\$ -	\$ 2,903.80	\$ (2,903.80)	
Internal Control Audit/Review			\$ 6,000.00										\$ 6,000.00	\$ 4,315.00	\$ 1,685.00	
Audit and Tax Returns			\$ 51,000.00										\$ 51,000.00	\$ 45,507.63	\$ 5,492.37	
Rent	\$ 7,500.00	\$ 7,500.00	\$ 7,500.00	\$ 7,500.00	\$ 7,500.00	\$ 7,500.00	\$ 7,500.00	\$ 7,500.00	\$ 7,500.00	\$ 7,500.00	\$ 7,500.00	\$ 7,500.00	\$ 90,000.00	\$ 238,387.18	\$ (148,387.18)	
Telephone	\$ 425.00	\$ 425.00	\$ 425.00	\$ 425.00	\$ 425.00	\$ 425.00	\$ 425.00	\$ 425.00	\$ 425.00	\$ 425.00	\$ 425.00	\$ 425.00	\$ 5,100.00	\$ 4,612.39	\$ 487.61	
Management Travel	\$ 3,000.00	\$ 3,000.00	\$ 3,000.00	\$ 3,000.00	\$ 3,000.00	\$ 3,000.00	\$ 3,000.00	\$ 3,000.00	\$ 3,000.00	\$ 3,000.00	\$ 3,000.00	\$ 3,000.00	\$ 36,000.00	\$ 23,791.28	\$ 12,208.72	
Payroll Processing Fees	\$ 300.00	\$ 300.00	\$ 300.00	\$ 300.00	\$ 300.00	\$ 300.00	\$ 300.00	\$ 300.00	\$ 300.00	\$ 300.00	\$ 300.00	\$ 300.00	\$ 3,600.00	\$ 3,498.80	\$ 101.20	
Board of Directors Fees	\$ 19,500.00	\$ 19,500.00	\$ 19,500.00	\$ 19,500.00	\$ 17,000.00	\$ 17,000.00	\$ 17,000.00	\$ 17,000.00	\$ 17,000.00	\$ 17,000.00	\$ 17,000.00	\$ 17,000.00	\$ 214,000.00	\$ 162,000.00	\$ 52,000.00	
Shareholders Annual Meeting					\$ 7,000.00		\$ -						\$ 7,000.00	\$ 10,404.65	\$ (3,404.65)	
Board Travel and Meals		\$ 10,000.00		\$ 10,000.00			\$ 10,000.00			\$ 10,000.00			\$ 40,000.00	\$ 39,422.65	\$ 577.35	
Repairs and Maintenance													\$ -	\$ 3,800.00	\$ (3,800.00)	
Charitable Contributions	\$ 500.00	\$ -	\$ -	\$ 500.00	\$ -	\$ -	\$ 500.00	\$ -	\$ -	\$ 500.00	\$ -	\$ -	\$ 2,000.00	\$ 1,000.00	\$ 1,000.00	
Total Operating Expenses	\$ 74,725.01	\$ 211,725.01	\$ 185,625.01	\$ 87,235.01	\$ 130,425.00	\$ 73,035.00	\$ 83,825.00	\$ 98,625.00	\$ 74,825.00	\$ 82,225.00	\$ 71,725.00	\$ 71,725.00	\$ 1,245,720.04	\$ 1,489,480.60	\$ (243,760.56)	
Net Operating Income	\$ 176,016.99	\$ (2,892.01)	\$ 59,168.99	\$ 140,510.99	\$ 159,077.00	\$ 383,711.00	\$ 238,658.00	\$ 221,475.00	\$ 340,915.00	\$ 414,346.00	\$ 285,187.00	\$ 461,722.00	\$ 2,877,895.96	\$ 1,115,404.76	\$ 1,762,491.20	
Other Income and Expenses																
Miscellaneous Income																
Unamortized Loan Fee's																
Accrued Interest HLP LOC													\$ -	\$ 245,673.63	\$ (245,673.63)	
Deferred Tax Expense													\$ -	\$ 331,320.00	\$ (331,320.00)	
Gain/Loss Sale of Asset													\$ -	\$ (388,887.83)	\$ 388,887.83	
Pr Yr Adj - 2007 Pay Tax Liability													\$ -	\$ (13,878.85)	\$ 13,878.85	
Debt Service Interest (Other)					\$ (12,731.50)	\$ (11,656.83)	\$ (11,560.97)	\$ (11,464.87)	\$ (11,368.54)	\$ (11,271.96)	\$ (11,175.14)	\$ (11,078.07)	\$ (92,307.88)	\$ -	\$	

	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 2012/2013	Total Actual 2011/2012	Difference Budget v Actual
Adjustments to reconcile net income to net cash provided by Operations															
Amortization/Depreciation	\$ 163,335.00	\$ 163,335.00	\$ 163,335.00	\$ 163,335.00	\$ 163,335.00	\$ 163,335.00	\$ 163,335.00	\$ 163,335.00	\$ 163,335.00	\$ 163,335.00	\$ 163,335.00	\$ 163,335.00	\$ 1,960,020.00	\$ 1,797,314.56	\$ 162,705.44
Accounts receivable													\$ -	\$ (96,493.56)	\$ 96,493.56
Required Building Improvements			\$ (47,237.00)	\$ (276,532.00)	\$ (32,300.00)		\$ (34,000.00)		\$ (55,000.00)				\$ (445,069.00)	\$ (397,351.75)	\$ (47,717.25)
Optional Building Improvements							\$ (5,500.00)	\$ (380,000.00)			\$ (44,876.00)		\$ (430,376.00)	\$ 27,007.00	\$ (457,383.00)
Tenant Improvements	\$ (350.00)	\$ (61,211.00)	\$ (156,474.00)	\$ (201,785.00)	\$ (158,790.00)	\$ (33,235.00)	\$ (7,310.00)	\$ (120,608.00)	\$ (108,000.00)	\$ (41,635.00)	\$ (2,516.00)		\$ (891,914.00)	\$ (325,457.99)	\$ (566,456.01)
Leasing Commission		\$ (39,558.00)	\$ (54,055.00)	\$ (91,558.00)	\$ (521.00)	\$ (101,839.00)	\$ (5,691.00)	\$ (29,564.00)	\$ (131,115.00)	\$ (487.00)	\$ (41,635.00)	\$ (76,996.00)	\$ (573,019.00)	\$ (594,229.54)	\$ 21,210.54
Notes Receivable	\$ 3,745.00	\$ 3,760.00	\$ 3,776.00	\$ 3,792.00	\$ 3,808.00	\$ 3,823.00	\$ 3,839.00	\$ 3,856.00	\$ 2,205.00	\$ 2,222.00	\$ 2,238.00	\$ 2,255.00	\$ 39,319.00	\$ (26,980.49)	\$ 66,299.49
Real Estate Tax Escrows	\$ (76,521.00)	\$ (76,521.00)	\$ (76,521.00)	\$ (76,521.00)	\$ (76,521.00)	\$ 143,581.00	\$ (76,521.00)	\$ (76,580.00)	\$ (76,580.00)	\$ (76,580.00)	\$ (76,580.00)	\$ 612,224.00	\$ (9,641.00)	\$ (706,593.72)	\$ 696,952.72
Escrow Fund Release													\$ -	\$ 805,076.98	\$ (805,076.98)
Accrued Real Estate Taxes	\$ 113,310.00	\$ 113,310.00	\$ 113,310.00	\$ 113,310.00	\$ 113,310.00	\$ 113,310.00	\$ 113,310.00	\$ 113,310.00	\$ 113,310.00	\$ 114,880.00	\$ 114,880.00	\$ 114,880.00	\$ 1,364,430.00	\$ 989,803.13	\$ 374,626.87
Real-estate Tax Payments						\$ (447,863.00)						\$ (916,567.00)	\$ (1,364,430.00)	\$ (989,809.05)	\$ (374,620.95)
Accrued Expenses													\$ -	\$ 305,680.34	\$ (305,680.34)
2007 Payroll tax payment													\$ -	\$ (383,493.41)	\$ 383,493.41
Springvale Meadows expense													\$ -	\$ (147,995.78)	\$ 147,995.78
Minority Interest													\$ -	\$ (246,783.82)	\$ 246,783.82
Prepaid Expenses													\$ -	\$ 11,649.31	\$ (11,649.31)
Prepaid Real Estate Taxes													\$ -	\$ (15,375.30)	\$ 15,375.30
Prepaid Insurance													\$ -	\$ (5,267.61)	\$ 5,267.61
Accounts Payable													\$ -	\$ 53,439.04	\$ (53,439.04)
Security Deposits													\$ -	\$ 23,420.71	\$ (23,420.71)
Prepaid RE Tax Income													\$ -	\$ 3,227.49	\$ (3,227.49)
Prepaid Rent Income													\$ -	\$ (142,382.10)	\$ 142,382.10
Security Deposit on refinance	\$ 600,000.00												\$ 600,000.00	\$ (600,000.00)	\$ 1,200,000.00
Deferred Loan Charges													\$ -	\$ 91,613.70	\$ (91,613.70)
Deferred Tax Asset													\$ -	\$ (332,661.00)	\$ 332,661.00
Closing cost for refinance	\$ (486,081.80)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ (486,081.80)	\$ -	\$ (486,081.80)
Total Adjustments	\$ 317,437.20	\$ 103,115.00	\$ (53,866.00)	\$ (365,959.00)	\$ 12,321.00	\$ (158,888.00)	\$ 151,462.00	\$ (326,251.00)	\$ (91,845.00)	\$ 161,735.00	\$ 114,846.00	\$ (100,869.00)	\$ (236,761.80)	\$ (902,642.86)	\$ 665,881.06
Net Cash provided from Operations	\$ 495,048.14	\$ 105,454.98	\$ 10,494.56	\$ (221,377.58)	\$ 162,215.22	\$ 216,731.18	\$ 382,179.62	\$ (112,422.55)	\$ 241,303.43	\$ 568,490.43	\$ 392,889.13	\$ 354,010.92	\$ 2,687,325.35	\$ 391,226.65	\$ 2,296,098.70
Cash Flows from Financing Activities															
Cardinal Bank (Spring Valley Retail)	\$ 14,443,982.28	\$ 14,426,098.60	\$ 14,406,196.71	\$ 14,388,155.22	\$ 14,370,038.38	\$ 14,346,037.99	\$ 14,327,745.25	\$ 14,307,445.85	\$ 14,288,991.94	\$ 14,268,535.91	\$ 14,249,919.49	\$ 14,231,225.33			
Guardian Life (Shops at Sumner Place)	\$ 30,000,000.00	\$ 29,957,388.00	\$ 29,914,631.00	\$ 29,871,729.00	\$ 29,828,682.00	\$ 29,785,487.00	\$ 29,742,146.00	\$ 29,698,658.00	\$ 29,655,022.00	\$ 29,611,237.00	\$ 29,567,304.00	\$ 29,523,221.00			
Key Bank Loan (Sumner Highland Apt)	\$ 17,239,998.22	\$ 17,218,363.94	\$ 17,196,613.02	\$ 17,174,744.83	\$ 17,152,758.73	\$ 17,130,654.09	\$ 17,108,430.27	\$ 17,086,086.62	\$ 17,063,622.50	\$ 17,041,037.26	\$ 17,018,330.25	\$ 16,995,500.81			
Teachers Loan (Spring Valley Office)	\$ 21,578,760.30	\$ 21,556,907.52	\$ 21,534,925.45	\$ 21,512,813.32	\$ 21,490,570.36	\$ 21,468,195.79	\$ 21,445,688.84	\$ 21,423,048.72	\$ 21,400,274.65	\$ 21,377,365.83	\$ 21,354,321.47	\$ 21,331,140.76			
Promissory Notes			\$ 5,000,000.00	\$ 4,700,000.00	\$ 4,662,731.50	\$ 4,624,388.33	\$ 4,585,949.30	\$ 4,547,414.17	\$ 4,508,782.71	\$ 4,470,054.67	\$ 4,431,229.81	\$ 4,392,307.88			
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	\$ 91,512,970.63	\$ 91,408,987.89	\$ 96,302,596.01	\$ 95,897,672.20	\$ 95,755,010.80	\$ 95,604,993.03	\$ 95,460,189.49	\$ 95,312,883.19	\$ 95,166,923.63	\$ 95,018,460.50	\$ 94,871,334.85	\$ 94,723,625.61			
Increase or (Decrease) in Long Term Debt	\$ 4,401,168.61	\$ (103,982.74)	\$ 4,893,608.12	\$ (404,923.81)	\$ (142,661.40)	\$ (150,017.77)	\$ (144,803.54)	\$ (147,306.30)	\$ (145,959.56)	\$ (148,463.13)	\$ (147,125.65)	\$ (147,709.24)	\$ 7,611,823.59	\$ (1,320,188.21)	\$ 8,932,011.80
Net Increase (Decrease) in Cash (FREE CASH FLOW)	\$ 4,896,216.75	\$ 1,472.24	\$ 4,904,102.68	\$ (626,301.39)	\$ 19,553.82	\$ 66,713.41	\$ 237,376.08	\$ (259,728.85)	\$ 95,343.87	\$ 420,027.30	\$ 245,763.48	\$ 206,301.68	\$ 10,299,148.94	\$ (928,961.56)	\$ 11,228,110.50
Shareholder Payments	\$ (50,000.00)	\$ (50,000.00)	\$ (6,250,000.00)	\$ -									\$ (6,350,000.00)	\$ (200,000.00)	\$ (6,150,000.00)
Cash Balance at Beginning of Period	\$ 1,434,683.07	\$ 6,280,899.82	\$ 6,232,372.06	\$ 4,886,474.74	\$ 4,260,173.35	\$ 4,279,727.18	\$ 4,346,440.59	\$ 4,583,816.66	\$ 4,324,087.81	\$ 4,419,431.68	\$ 4,839,458.98	\$ 5,085,222.45	\$ 1,434,683.07	\$ 2,563,644.63	\$ (1,128,961.56)
Increase (Decrease) in cash during period	\$ 4,846,216.75	\$ (48,527.76)	\$ (1,345,897.32)	\$ (626,301.39)	\$ 19,553.82	\$ 66,713.41	\$ 237,376.08	\$ (259,728.85)	\$ 95,343.87	\$ 420,027.30	\$ 245,763.48	\$ 206,301.68	\$ 3,856,841.06	\$ (1,128,961.56)	\$ 4,985,802.62
Cash at End of Period	\$ 6,280,899.82	\$ 6,232,372.06	\$ 4,886,474.74	\$ 4,260,173.35	\$ 4,279,727.18	\$ 4,346,440.59	\$ 4,583,816.66	\$ 4,324,087.81	\$ 4,419,431.68	\$ 4,839,458.98	\$ 5,085,222.45	\$ 5,291,524.13	\$ 5,291,524.13	\$ 1,434,683.07	\$ 3,856,841.06

W.C. and A.N. Miller Development Company
Balance Sheet
as of December 31, 2012

ASSETS

	12/31/2012	9/30/2012	YTD Variance
Current Assets			
Cash and Cash Equivalents	\$ 4,827,308.07	\$ 1,434,683.07	\$ 3,392,625.00
Accounts Receivable, net	281,035.04	277,884.17	3,150.87
Straightline Rent	3,512,731.89	3,512,731.89	-
Miscellaneous Receivables	92,248.18	128,646.40	(36,398.22)
Provision for Loss	-	-	-
Other Receivables	957,795.36	969,120.19	(11,324.83)
Inventory	37,318.04	37,318.04	-
Prepaid Expenses	281,650.65	439,762.31	(158,111.66)
Total Current Assets	<u>\$ 9,990,087.23</u>	<u>\$ 6,800,146.07</u>	<u>\$ 3,189,941.16</u>
Fixed Assets			
Land	\$ 6,310,994.50	\$ 6,310,994.50	-
HLP, II Land	538,905.48	538,905.48	-
Buildings	49,339,522.73	49,317,516.27	22,006.46
Property and Equipment	73,838.72	64,244.02	9,594.70
Capital Improvements - Opt	1,876.00	1,876.00	-
Tenant Improvements	12,916,233.58	12,906,198.75	10,034.83
Less: Accumulated Depreciation	21,003,924.14	20,551,320.26	452,603.88
Net Fixed Assets	<u>\$ 48,177,446.87</u>	<u>\$ 48,588,414.76</u>	<u>\$ (410,967.89)</u>
Other Assets			
Deferred Leasing Commissions,	\$ 1,387,946.02	\$ 1,300,883.14	\$ 87,062.88
Deferred Finance Charges, net	1,027,259.42	549,602.41	477,657.01
Deposit	17,630.05	17,630.05	-
Deferred Taxes	7,573,883.00	7,573,883.00	-
Deposit on Refinance	-	600,000.00	(600,000.00)
Real Estate Tax Escrow	287,484.31	115,779.97	171,704.34
Total Other Assets	<u>\$ 10,294,202.80</u>	<u>\$ 10,157,778.57</u>	<u>\$ 136,424.23</u>
TOTAL ASSETS	<u>\$ 68,461,736.90</u>	<u>\$ 65,546,339.40</u>	<u>\$ 2,915,397.50</u>

LIABILITIES AND STOCKHOLDERS' DEFICIT

	12/31/2012	9/30/2012	YTD Variance
Current Liabilities			
Accounts Payable	(\$ 251,150.48)	\$ 106,300.70	\$ (357,451.18)
Accrued Expenses	1,123,070.35	1,164,334.71	(41,264.36)
Prepaid Income/RE	80,091.16	80,091.16	-
Security Deposits	418,769.92	393,683.92	25,086.00
Prepaid Rent Income	568,830.65	450,457.20	118,373.45
Total Current Liabilities	<u>\$ 1,939,611.60</u>	<u>\$ 2,194,867.69</u>	<u>\$ (255,256.09)</u>
Long-Term Liabilities			
Notes Payable (1)	\$ 96,345,372.00	\$ 87,068,529.76	\$ 9,276,842.24
Total Long-Term Liabilities	<u>\$ 96,345,372.00</u>	<u>\$ 87,068,529.76</u>	<u>\$ 9,276,842.24</u>
Total Liabilities	<u>\$ 98,284,983.60</u>	<u>\$ 89,263,397.45</u>	<u>\$ 9,021,586.15</u>
 Minority Interest (2)	 \$ (6,546,402.63)	 \$ (6,545,900.82)	 \$ (501.81)
Total Minority Interest	<u>\$ (6,546,402.63)</u>	<u>\$ (6,545,900.82)</u>	<u>\$ (501.81)</u>
 Stockholders' Deficit			
Common Stock	\$ 800,200.00	\$ 800,200.00	\$ -
Dividend	(6,350,000.00)	(200,000.00)	(6,150,000.00)
Retained Earnings (Deficit)	(17,727,044.07)	(17,771,357.23)	44,313.16
Total Stockholders' Deficit	<u>\$ (23,276,844.07)</u>	<u>\$ (17,171,157.23)</u>	<u>\$ (6,105,686.84)</u>
 TOTAL LIABILITIES & STOCKHOLDERS' DEFICIT	 \$ 68,461,736.90	 \$ 65,546,339.40	 \$ 2,915,397.50

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
as of December 31, 2012

	12/31/2012	09/30/2012	YTD Variance
MetLife	\$ -	\$ 25,492,553.17	\$ (25,492,553.17)
Key Bank	17,196,613.02	17,261,516.48	(64,903.46)
TIAA	21,534,925.45	21,600,484.54	(65,559.09)
Cardinal Bank	14,406,215.37	14,463,745.74	(57,530.37)
Guardian Life	29,957,388.33	-	29,957,388.33
Promissory Note	5,000,000.00	-	5,000,000.00
Haymount Mezz	8,250,229.83	8,250,229.83	-
	<hr/>		
Total Long Term Debt	\$ 96,345,372.00	\$ 87,068,529.76	\$ 9,276,842.24
	<hr/>		

Notes Repayment Schedule:

1. MetLife - 1/1/2013
2. Key Bank Loan - 6/30/2021
3. TIAA - 10/1/2018
4. Cardinal Bank - 8/14/21
5. Guardian Life - 10/2022
6. Promissory Notes - 12/31/2032

W.C. and A.N. Miller Development Company
Income Statements
as of December 31, 2012

	Year to Date Actual	Year to Date Budget	Year to Date Variance	Year to Date Prior Year
Rental Activities				
Rent Income	3,774,952.61	3,850,480.00	(75,527.39)	3,503,738.20
Rent Expenses	(1,016,462.33)	(1,171,299.00)	154,836.67	(947,440.18)
Real Estate Taxes	(340,312.67)	(339,930.00)	(382.67)	(329,482.82)
Depreciation	(528,035.22)	(490,005.00)	(38,030.22)	(501,976.20)
Debt Service-Interest	(1,157,729.56)	(1,144,877.00)	(12,852.56)	(1,263,142.40)
Net Rental Income	\$ 732,412.83	\$ 704,369.00	\$ 28,043.83	\$ 461,696.60
Gross Profit	\$ 732,412.83	\$ 704,369.00	\$ 28,043.83	\$ 461,696.60
Operating Expenses				
Auto Expenses	279.03	-	279.03	129.34
Bank Charges	149.39	75.00	74.39	15.55
Computer Supplies	1,885.27	-	1,885.27	899.96
Computer Consultant	3,764.29	2,400.00	1,364.29	3,600.00
Office Administration	35,500.00	25,500.00	10,000.00	31,000.00
Equipment Rental	1,649.30	1,800.00	(150.70)	2,187.57
General Insurance	27,780.00	25,000.00	2,780.00	23,360.00
Legal - Haymount	61,047.68	50,000.00	11,047.68	145,437.51
Management Meals	2,051.96	1,800.00	251.96	2,068.60
Annual Shareholder Meeting	-	-	-	1,649.10
Office Supplies	5,094.09	1,500.00	3,594.09	2,407.48
Other Taxes and Licenses	966.00	2,500.00	(1,534.00)	4,188.18
Payroll Taxes	5,162.62	3,400.00	1,762.62	2,371.50
Postage	1,314.38	1,125.00	189.38	1,121.90
Accounting	1,893.20	2,250.00	(356.80)	355.00
Review/Tax Returns/Fin St.	42,838.75	51,000.00	(8,161.25)	48,152.63
Internal Control Review	3,385.00	6,000.00	(2,615.00)	4,315.00
Promotion and Entertainment	1,651.98	-	1,651.98	508.00
Charitable Contribution	-	500.00	(500.00)	500.00
Rent	21,637.23	22,500.00	(862.77)	20,916.53
Springvale Meadows Expenses	-	-	-	21,606.00
Executive Compensation	68,750.01	68,750.01	-	63,000.00
Executive Bonus	100,000.00	100,000.00	-	-

Telephone	1,615.75	1,275.00	340.75	1,017.01
Management Travel	5,798.69	9,000.00	(3,201.31)	4,892.23
Payroll Processiong Fees	1,353.36	900.00	453.36	540.26
Board of Directors Fees	58,500.00	58,500.00	-	40,500.00
RE Tax Expense	2,799.72	2,800.00	(0.28)	2,644.18
Legal - General	19,290.96	15,000.00	4,290.96	8,032.63
Benefits	5,571.00	8,500.02	(2,929.02)	4,494.00
Board Travel and Meals	8,892.84	10,000.00	(1,107.16)	10,035.97
Total Operating Expenses	<u>\$ 490,622.50</u>	<u>\$ 472,075.03</u>	<u>\$ 18,547.47</u>	<u>\$ 451,946.13</u>
Net Operating Income	<u>\$ 241,790.33</u>	<u>\$ 232,293.97</u>	<u>\$ 9,496.36</u>	<u>\$ 9,750.47</u>
Other Income and Expenses				
Interest Income	2,522.83	12,017.51	(9,494.68)	2,052.61
Total Other Income and Expenses	<u>\$ 2,522.83</u>	<u>\$ 12,017.51</u>	<u>\$ (9,494.68)</u>	<u>\$ 2,052.61</u>
Net Income	<u><u>\$ 244,313.16</u></u>	<u><u>\$ 244,311.48</u></u>	<u><u>\$ 1.68</u></u>	<u><u>\$ 11,803.08</u></u>

W.C. and A.N. MILLER COMPANIES
STATEMENT OF CASH FLOW
For the Month Ended December 31, 2012

	Current Month	Year to Date
Cash Flows for Operating Activities:		
Net Income	109,644	244,313
Adjustments to Reconcile Net Income to Net Cash Provided by Operating Activities		
Dividend	(6,250,000.00)	(6,350,000)
Depreciation and amortization	162,729	497,597
Loss on disposition of fixed assets		-
Income allocated to minority interest	(214)	(502)
Accounts receivable	(59,939)	33,248
Other receivables	3,791	11,325
Inventory	-	-
Deferred income taxes	-	-
Prepaid expenses	148,739	158,683
Current maturities of long term debt		-
Accounts payable	(150,621)	(108,984)
Accrued income taxes		-
Accrued expenses	(12,450)	(42,790)
Security deposits	32,050	25,086
Prior Tenant Clearing (SH)	-	1,525
Prepaid Real Estate Tax Income	-	-
Prepaid rent income	(9,624)	118,373
Total Adjustments	(6,135,538)	(5,656,438)
Net Cash Provided by (Used for) Operating Activities	(6,025,894)	(5,412,125)
Cash Flow for Investing Activities:		
Acquisition of fixed assets	(5,739)	(32,042)
Acquisition of deferred financing charges	6,948	(477,657)
Acquisition of deferred Leasing Commissions	(30,090)	(141,650)
Acquisition of real estate tax escrow	(59,883)	(171,704)
Acquisition of water escrow	-	-
Deposit on Refinance	-	-
Disposition of guaranty reserve	-	-
Disposition of deposit	-	600,000
Net Cash Used for Investing Activities	(88,764)	(223,053)
Cash Flow for Financing Activities:		
Disposition of long term debt	4,893,754	(20,723,158)
Acquisition of long term debt	-	30,000,000
Net Cash Used for Financing Activities	4,893,754	9,276,842
Net Increase (Decrease) in Cash and Cash Equivalents	(1,220,904)	3,641,664
Cash and cash equivalents, Beginning of Period	6,297,251	1,434,683
CASH AND CASH EQUIVALENTS, END OF YEAR	5,076,346	5,076,346