

\$400,000

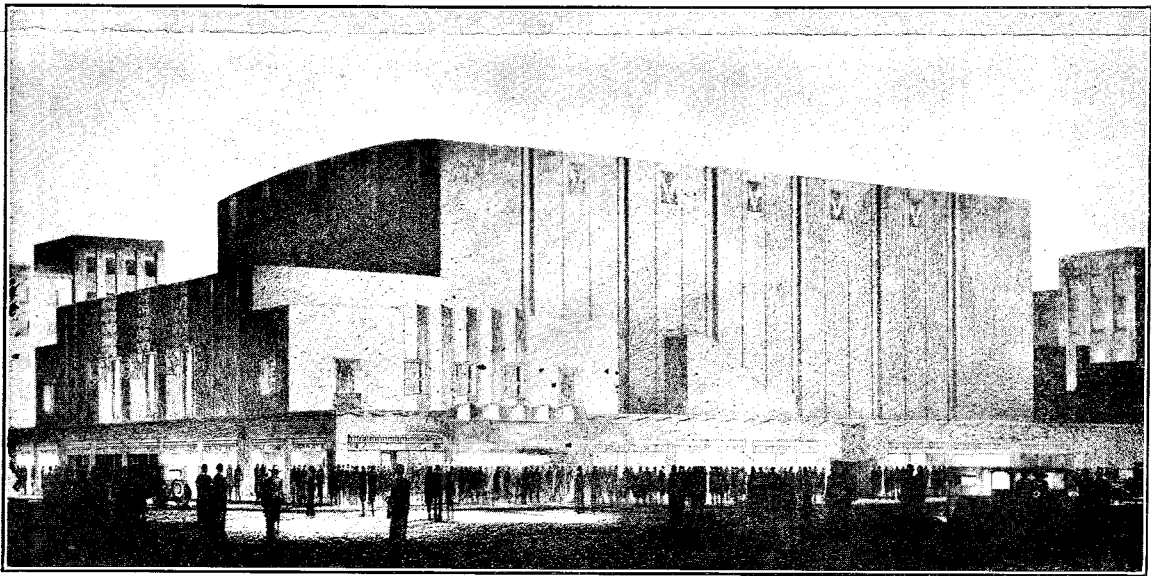
FOX WEST COAST THEATRES

SPOKANE, WASHINGTON

FIRST MORTGAGE

6½%

SERIAL GOLD BONDS



Architects Drawing of Fox West Coast Theatre, Spokane, Washington

MATURITY OF BONDS

March 1, 1932.....	\$ 8,000	Sept. 1, 1936.....	\$ 16,000
Sept. 1, 1932.....	15,000	March 1, 1937.....	16,000
March 1, 1933.....	15,000	Sept. 1, 1937.....	16,000
Sept. 1, 1933.....	15,000	March 1, 1938.....	16,000
March 1, 1934.....	15,000	Sept. 1, 1938.....	16,000
Sept. 1, 1934.....	16,000	March 1, 1939.....	16,000
March 1, 1935.....	16,000	Sept. 1, 1939.....	16,000
Sept. 1, 1935.....	16,000	March 1, 1940.....	16,000
March 1, 1936.....	16,000	Sept. 1, 1940.....	140,000

PRICE: 100 AND ACCRUED INTEREST

Founded 1892

Wm. P. Harper & Son

Incorporated

Investment Stocks & Bonds

\$400,000
FOX WEST COAST THEATRES
6½%

FIRST MORTGAGE GOLD BONDS

DATED: September 1, 1930

DUE: SERIALY—1932 to 1940

Coupon bonds in denominations of \$500 and \$1,000 registerable as to principal. Interest payable March 1st and September 1st, without deduction for normal Federal Income Tax, not in excess of 2%. Both principal and interest payable at the Spokane and Eastern Trust Company, Spokane, Washington, Trustee. Callable in whole or in part on any interest date on 60 days' written notice at 105 to March 1, 1932, the premium decreasing ¼ of 1% for each six months' period thereafter, until it shall have reached 1%.

SPOKANE AND EASTERN TRUST COMPANY, TRUSTEE

The loan is more fully referred to in the following letter from Mr. Howard Sheehan, Vice President of the Fox West Coast Theatres.

Murphey, Favre & Co.,
Ferris & Hardgrove,
Richards & Blum, Inc.
Spokane Eastern Company,
Drumbheller, Ehrlichman & White,
Wm. P. Harper & Son,

December 3, 1930.

Gentlemen:

With reference to your purchase of \$400,000 First Mortgage 6½% Serial Gold Bonds of the Fox West Coast Theatres, dated September 1, 1930, we take pleasure in supplying the following information:

FOX WEST COAST THEATRES: The company, a California Corporation, was organized in 1920 as the West Coast Theatres, Inc., and the name was changed as above in February, 1929. The company controls or operates directly or through subsidiaries or affiliations, approximately 500 motion picture houses in California, Kansas, Missouri, Iowa, Illinois, Colorado, Wyoming, New Mexico, Arizona, Nebraska, Washington, Oregon, Montana and Idaho.

The management is in the hands of executives who have been prominently identified with the motion picture theatre and equipment industries for a number of years. The president of the Corporation Mr. Harley L. Clarke, is also president of Fox Film Corporation and General Theatres Equipment, Inc.

Earnings of the Corporation and its subsidiaries for the three year period ending December 31, 1929, after depreciation and amortization, available for interest charges have averaged \$3,455,-240.00 per year, compared with an average annual interest charge of \$391,978.00 for the same period.

SECURITY: These bonds, the obligation of the Fox West Coast Theatres, are issued under a Trust Mortgage Indenture to the Spokane & Eastern Trust Company, Spokane, Washington, Trustee, and constitute a first mortgage on land owned in fee (155x200 ft.) and a thoroughly modern fireproof theatre with a seating capacity of approximately 2,300 now being constructed thereon.

LOCATION: The building will face Monroe Street and extend west 200 feet, fronting both Sprague Avenue and First Avenue. The main entrance will be on Sprague Avenue, just west of Monroe Street, which is one block from the Davenport Hotel and five blocks from Howard and Riverside, the center of Spokane's business district.

BUILDING: The building, designed by Mr. R. C. Reamer, Architect of Seattle, is being constructed under the supervision of Whitehouse & Price, Architects of Spokane. It is modernistic in design, and will have a seating capacity of approximately 2,300. The stage, one of the largest in the West, will be constructed so that the recently developed wide film can be shown. While the theatre is being constructed primarily as a motion picture house, the plans provide for a complete set of dressing rooms, and the stage will be of sufficient size to accommodate the largest and most elaborate road productions. In addition to the theatre, the building, when complete, will have 14 retail shops facing Monroe Street and Sprague Avenue.

GUARANTY OF COMPLETION: Satisfactory bonds guaranteeing completion of the building, free from all labor and material liens, are to be furnished by the contractors and the Fox West Coast Theatres, and delivered to the Trustee. The proceeds of this bond issue will be deposited with the Trustee and disbursed by it as the building progresses on the certificates of the supervising architects. The building is to be completed and ready for occupancy by September 1, 1931.

INSURANCE: The Trust Indenture provides that fire insurance for at least 70% of the value of the building and equipment shall be carried, this insurance to be assigned to the Trustee for the benefit of the bondholders.

VALUATION: From information supplied by you, I understand the Spokane Realty Board has appraised the land at \$351,033, and, based on the general construction contract with allowances for work not included therein, the building project will represent a cost of \$450,000, or a total valuation for the entire project including land and building of \$800,000, exclusive of furnishings.

INCOME: Fox West Coast Theatres has leased the theatre part of the building to Pacific Northwest Theatres, Inc., for a period of 15 years at a net rental of \$60,000 per year, payable \$5,000 per month. The lease provides that the lessee shall pay all taxes and assessments and furnish the theatre at a cost of approximately \$100,000. This lease has been assigned to the Trustee as additional security for the bonds of this issue. In addition to the rental under this lease, the Fox West Coast Theatres will receive the rental from the shops, which has been estimated at \$18,240 per year, making the gross estimated revenue from this property \$78,240 per year, which is three times the maximum annual interest charge on the bonds of this issue. In addition, these bonds are the direct obligation of Fox West Coast Theatres, whose earnings together with those of its subsidiaries available for interest have averaged \$3,455,240 per year for the past three years.

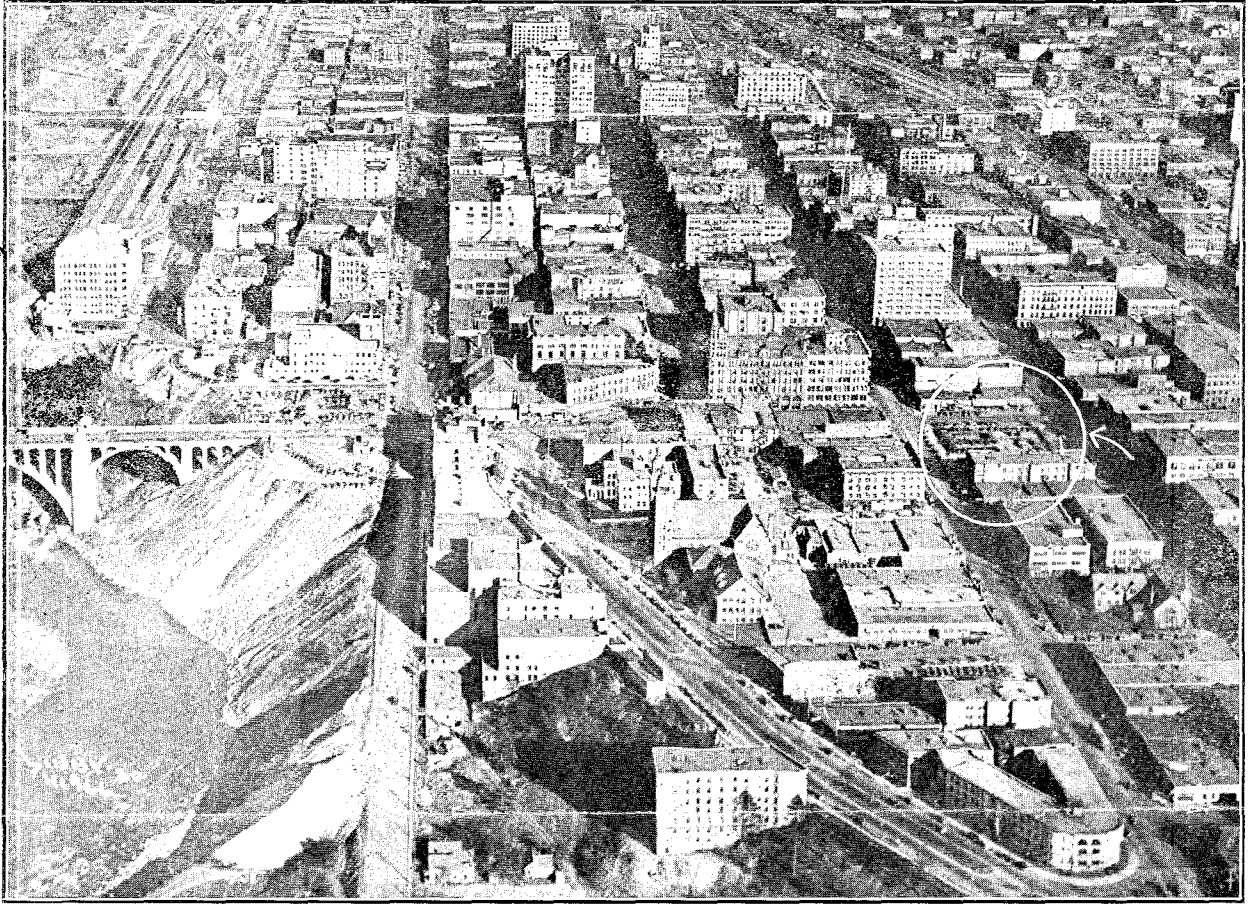
INDUSTRY: In 1905, a theatre was opened in Pittsburgh in a remodeled store room with a seating capacity of less than 100, which is said to have been the first theatre in the United States devoted exclusively to the exhibition of motion pictures. Since that time the industry has expanded rapidly, and, from the best information available, it is estimated that in the United States there are at present approximately 22,600 theatres devoted to this purpose, employing more than 100,000 people. Weekly attendance figures are stated to approximate 115,000,000, which is almost the equivalent of the population of the country. The investment in the industry is estimated to exceed \$2,000,000,000, of which approximately two-thirds is invested in theatres and one-third in the production and distribution of films. The Fox West Coast Theatres, through its affiliation with the Fox Film Corporation, is a part of one of the largest and most influential units in the industry.

LEGALITY: The Northwestern Title Insurance Company has guaranteed the title to this property through the medium of a mortgagees' policy for \$400,000, which is held by the Trustee. Legal details in connection with this issue have been approved for you by Graves, Kizer & Graves, Spokane, Washington, and by Venables, Graham & Howe, Seattle, Washington, for Fox West Coast Theatres.

Very truly yours,

HOWARD SHEEHAN,

Vice President.



Airplane View of Business District of Spokane, Showing Location of Fox West Coast Theatre