

\$375,000

**Pike Place Public Markets, Inc.**

Seattle, Washington

**7% First Mortgage and  
Leasehold Gold Bonds 7%**

Dated January 4, 1926

Due Serially (as Below)

Denominations of \$1,000, \$500 and \$100

Principal and semi-annual interest January 15 and July 15, payable at the National Bank of Commerce, Seattle, Washington. Redeemable as a whole or in part in inverse numerical order at the option of the borrower at any time on thirty days' written notice to the Trustee at 102 up to and including January 15, 1931; thereafter at 101 to January 15, 1936; and thereafter at 100.

National Bank of Commerce, Seattle, Trustee

**MATURITIES AND PRICES**

Amount	Maturity	Price	Yield	Amount	Maturity	Price	Yield
\$ 8,000	July 15, 1926	100.75 to net	5.50%	\$14,000	July 15, 1932	100.00 to net	7%
8,000	Jan. 15, 1927	101.00 to net	5.90%	14,000	Jan. 15, 1933	100.00 to net	7%
8,500	July 15, 1927	101.00 to net	6.25%	15,000	July 15, 1933	100.00 to net	7%
8,500	Jan. 15, 1928	101.00 to net	6.50%	15,000	Jan. 15, 1934	100.00 to net	7%
9,000	July 15, 1928	101.00 to net	6.55%	16,000	July 15, 1934	100.00 to net	7%
9,000	Jan. 15, 1929	101.00 to net	6.625%	18,000	Jan. 15, 1935	100.00 to net	7%
9,500	July 15, 1929	100.77 to net	6.75%	18,000	July 15, 1935	100.00 to net	7%
9,500	Jan. 15, 1930	100.86 to net	6.75%	19,000	Jan. 15, 1936	100.00 to net	7%
10,000	July 15, 1930	100.00 to net	7%	15,000	July 15, 1936	100.00 to net	7%
10,000	Jan. 15, 1931	100.00 to net	7%	15,000	Jan. 15, 1937	100.00 to net	7%
13,000	July 15, 1931	100.00 to net	7%	15,000	July 15, 1937	100.00 to net	7%
13,000	Jan. 15, 1932	100.00 to net	7%	85,000	Jan. 15, 1938	100.00 to net	7%

These bonds are offered for delivery when, as and if issued and accepted by us, and subject to approval of our counsel.



*Founded 1892*  
**Wm. P. Harper & Son**  
 Municipal, Corporation, Mortgage  
**Bonds**  
*Hoge Bldg. Seattle, Wash.*



\$375,000

# Pike Place Public Markets, Inc.

Seattle, Washington

7% First Mortgage and Leasehold Gold Bonds 7%

DATED JANUARY 4, 1926

DUE SERIALLY

Coupon Bonds in Denominations of \$1,000, \$500 and \$100

Principal and semi-annual interest January 15 and July 15, payable at the National Bank of Commerce, Seattle, Washington. Redeemable as a whole or in part in inverse numerical order at the option of the borrower at any time on thirty days' written notice to the Trustee at 102 up to and including January 15, 1931; thereafter at 101 to January 15, 1936; and thereafter at 100.

*National Bank of Commerce, Seattle, Trustee*

**Business:** Pike Place Public Markets, Inc., owns or controls the major portion of the well known system of public markets located at Pike Street and Pike Place, Seattle, which is one of the most noted markets of the country. Space is furnished for farmers who sell their products direct to the consumer, along with other tenants who deal in all kinds of foodstuffs. The properties owned or controlled by the company include the Economy Market, the Pike Place Market, and the Municipal Market. The markets were established in 1907, and have been built up to the present intensive state through competent management, and because of an ideal location at one of the principal transfer points of the city and within two blocks of the retail center of the City of Seattle.

**Security:** These bonds are the direct obligation of the company, and are guaranteed as to principal and interest by Mr. Arthur E. Goodwin, its president and general manager. The bonds are secured by a pledge with the Trustee of the following: (1) A first mortgage on the five-story Pike Place Market Building owned in fee, located at Pike Street and Pike Place; (2) A first mortgage on a leasehold and building of the Municipal Market, connected with Pike Place, such lease extending with certain restrictions to 1971; (3) A pledge of the lease extending to August 31, 1936, on the Economy Market Building, located at First Avenue and Pike Street; (4) A contract with the City of Seattle extending to September 20, 1936, which gives the company certain valuable rights including the use of the sidewalk in front of the Pike Place Market; and a further pledge of the entire Capital Stock of the Public Market & Department Stores Company, which operations have brought net earnings to the business of approximately \$11,000 per annum. The above properties have been appraised at \$530,000.00.

**Earnings:** According to figures compiled by E. G. Shorrock & Company, Certified Public Accountants, Seattle, Washington, the company's income statements for the past two years before depreciation, Federal taxes and interest, are as follows:

	Gross	Net
1924 .....	\$175,281.94	\$72,492.00
1925 (partly est.).....	180,656.80	79,743.20

Due to some increases in earnings already in effect and certain savings in expenses, the estimated net income for 1925, available for principal and interest on these bonds, totals \$88,834.47.

Average net earnings for 1924 and 1925 are at the rate of over three times maximum annual interest requirements, while estimated net earnings for 1926 are approximately three and one-half times such requirements.

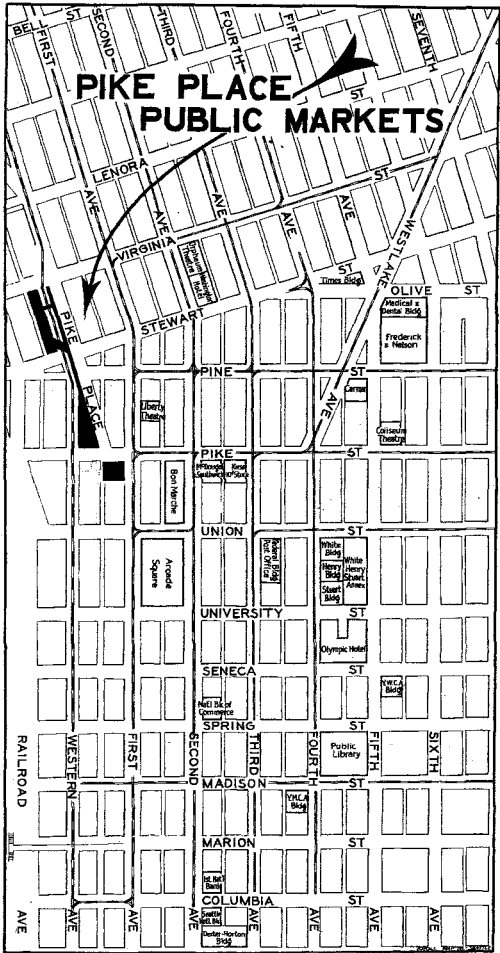
**Management:** The company's affairs will be under the management of Mr. Arthur E. Goodwin, with Mr. Walter R. Taylor as assistant manager. Mr. Goodwin has been for some years general manager of the market properties and is one of the recognized market experts of the country.

**Insurance:** Full fire insurance and rental insurance, together with title insurance will be carried and pledged to the Trustee for the benefit of the bondholders.

**Purposes of Loan:** The entire proceeds of this loan, together with funds furnished by Mr. Arthur E. Goodwin and associates, are being used to consolidate Pike Place Market, the Economy Market, the Municipal Market and other properties and activities in connection therewith under Pike Place Public Markets, Inc., with control in the hands of Mr. Arthur E. Goodwin and associates.

**Legality:** All legal proceedings in connection with the issuance of these bonds will be approved by Messrs. Kerr, McCord & Ivey, Attorneys, Seattle, Washington.

# PIKE PLACE PUBLIC MARKETS



October 11, 1929

Ferris & Hardgrove  
Hagg Building  
Seattle, Washington

Gentlemen:

We hand you herewith copy of letter received from the Trust Department of the National Bank of Commerce, which is self-explanatory.

We are,

Yours very truly,

PAUL C. HARPER  
President

# THE NATIONAL BANK OF COMMERCE

OF SEATTLE

CAPITAL SURPLUS AND PROFITS \$4,000,000.00

CABLE ADDRESS: "COMMERCE"

SEATTLE, WASHINGTON

October 7, 1929

Wm. P. Harper and Son  
Seattle, Washington

Gentlemen: Attention Mr. Paul Harper

Re - Pike Place Public Market <sup>B</sup> Bond Issue

In reply to your request relative to the outstanding bonds and the sinking fund on the above issue, we wish to advise that there are at present outstanding \$309,500 of the First Mortgage bonds, and that the present sinking fund balance is in the amount of \$43,234.24. All of the payments are made promptly when due and all the provisions of the indenture and the sinking fund are being carried out.

Yours very truly,



R. W. Sprague  
Trust Officer

GEO:T



**PIKE PLACE PUBLIC MARKETS, INC.**  
**INCOME PROFIT AND LOSS STATEMENT**  
**FOR THE YEAR ENDED DECEMBER 31, 1931**

<b>INCOME:</b>		
Rents		\$159,074.79
Miscellaneous Income		28,470.75
		<u>\$197,545.53</u>
Sugar Stall Receipts		26,546.91
Cost of Sales		34,015.65
		<u>2,531.22</u>
<b>GROSS PROFIT - SUGAR STALLS</b>		<u>2,531.22</u>
<b>OTHER INCOME - Miscellaneous</b>		<u>4,736.82</u>
<b>TOTAL INCOME</b>		<u>204,813.53</u>
<b>EXPENSES:</b>		
Economy Market	40,120.97	
Municipal Market	11,217.20	
Pike Place Market	34,891.77	
Refrigeration Expense	4,821.84	
Auto Park Expense	2,028.04	
Administrative and General	<u>33,647.55</u>	
		<u>126,727.37</u>
<b>TOTAL EXPENSES</b>		<u>126,727.37</u>
<b>GROSS PROFIT</b>		<u>78,136.25</u>
<b>OTHER CHARGES:</b>		
Depreciation	21,234.72	
Interest on Notes Payable	4,375.83	
Interest on Deposit on Leases	1,058.75	
Interest on Bonds	22,035.41	
Amortisation of Bond Discount	3,350.24	
Amortisation of Organization Expense	791.52	
Uncollectible Accounts	1,777.28	
Income Tax Reserve (Estimate)	<u>2,732.82</u>	
		<u>57,359.62</u>
<b>TOTAL OTHER CHARGES</b>		<u>57,359.62</u>
<b>NET PROFIT FOR YEAR</b>		<u>20,776.63</u>
<b>SURPLUS JANUARY 1, 1931</b>		<u>55,009.67</u>
<b>GROSS SURPLUS</b>		<u>75,786.27</u>
<b>Less:</b>		
Premium on Preferred Stock Redeemed	610.00	
Income Tax Adjustment	522.12	
Dividends paid 1931	<u>6,760.00</u>	
		<u>7,892.12</u>
<b>SURPLUS DECEMBER 31, 1931</b>		<u>67,894.14</u>