

Sept. 20, 1892

\$1,000,000

FIVE PER CENT.

Cable Consolidated Gold Bonds

— OF —

THE ST. PAUL CITY RAILWAY COMPANY.

(Being the unsold balance of the \$3,477,000 now outstanding.)

THE FARMERS' LOAN & TRUST COMPANY, NEW YORK, TRUSTEE.

PRINCIPAL PAYABLE JANUARY 15th, 1937.

Interest Payable Semi-Annually, January 15th and July 15th.

Principal and Interest unconditionally guaranteed by the Twin City Rapid Transit Company, and so endorsed on each Bond

— AND —

Payable in New York, in Gold Coin of the United States of present standard weight and fineness.

(Mortgage Limited to \$5,500,000.)

The undersigned offer, at 95 per cent. and accrued interest, the
ST. PAUL CITY RAILWAY COMPANY Bonds herein described.

The legality of the Mortgage securing these Bonds has been
certified to by Mr. Charles C. Beaman, of Messrs. Evarts, Choate
& Beaman, a competent Consulting Engineer has thoroughly
examined into the physical condition of the property and an Expert
Accountant has reported on the financial status of the Company.

Copy of Mortgage, legal opinion concerning same, statements
of current earnings and Engineer's and Accountant's reports can
be examined at the office of either of the undersigned.

Attention is directed to the accompanying letter of Mr. Thomas
Lowry, President of the TWIN CITY RAPID TRANSIT COMPANY, and
map showing location of lines.

KOUNTZE BROTHERS,
120 BROADWAY,
NEW YORK.

CLARK, DODGE & CO.,
51 WALL STREET,
NEW YORK.

LEE, HIGGINSON & CO.,
44 STATE STREET,
BOSTON.

Gentlemen:

Minneapolis, September 20th, 1892.

THE TWIN CITY RAPID TRANSIT COMPANY, having a Capital Stock of \$20,000,000, of which \$15,000,000 is outstanding and \$5,000,000 is in the Company's treasury, owns and operates, under exclusive charters, the entire street railroad lines of the cities of St. Paul and Minneapolis, Minnesota.

These consist of 195 miles of railroad operated by electricity and 15 miles of railroad operated by cable, 210 miles in all; the original or constituent Companies being known as The Minneapolis Street Railway Company, The Minneapolis, Lyndale & Minnetonka Railway Company and The St. Paul City Railway Company. A double track electric road nine miles in length connects the business centres of the two cities.

The cities of St. Paul and Minneapolis have a combined population exceeding 350,000 and are growing rapidly.

The Bonded Debt upon the Company's property is as follows:

St. Paul City	{ 6 per cent. Prior Lien,	\$ 680,000	
Railway Co.	{ 5 per cent. Cable Consolidated,	3,477,000	
	{ 6 per cent. Debenture,	1,000,000	\$5,157,000

The Cable Consolidated 5 per cent. Mortgage is limited to \$5,500,000 of which there are:

Retained by the Farmers' Loan & Trust Co., Trustee, to retire at maturity the Prior Lien Bonds, \$680,000

Actually issued, 3,477,000

Balance to be issued only for additional construction under a mileage allowance of not over \$15,000 per mile, 1,343,000

The Cable Consolidated Bonds are a lien prior to that of the Debenture Bonds.

Minneapolis Street	{ 7 per cent. Prior Lien,	\$ 380,000	
Railway Co.	{ 6 per cent. Prior Lien,	600,000	
	{ 5 per cent. Consolidated,	3,990,000	4,970,000

The Consolidated 5 per cent. Mortgage is limited to \$5,000,000 of which there are:

Retained by the Farmers' Loan & Trust Co., Trustee, to retire at maturity the Prior Lien Bonds, 980,000

Actually issued, 3,990,000

Balance to be issued, 30,000

Total Outstanding Bonded Debt of the combined systems, \$10,127,000

The Mortgage covers all franchises and properties of these Companies now owned or hereafter to be acquired, including Real Estate owned and costing \$2,298,852.

The fiscal year ending December 31, 1891, covered a period of reconstruction and transition from horse to electric power and of extensions to the lines, which resulted in a serious interruption to the operation of the system and naturally impaired earnings. Notwithstanding these unfavorable conditions, the Gross Earnings of the combined properties, for the year 1891, showed an increase over the two preceding fiscal years and the Surplus Earnings, after the payment of Operating Expenses, leave, applicable to the payment of Interest on Debt, Taxes and Insurance, a sum considerably in excess of all requirements of this description.

GROSS EARNINGS.	
1889,	\$ 976,085.59
1890,	1,337,189.77
1891,	1,820,592.33

The Company, for the first seven months of the present fiscal year, beginning January, 1892, has earned \$1,191,856.82 Gross and, after payment of Operating Expenses, \$400,400.63 Net, applicable to the payment of Interest on Debt, Taxes and Insurance, due and accrued, resulting in a net profit of \$91,370.69 for the seven months' operations. During this period, some betterments and changes were made in the reconstructed lines, which were strictly Construction charges, but are included in the Operating Expenses.

The extensions which have been in process of construction are now practically completed and the economies introduced in the management of the properties are manifesting themselves in steadily increasing earnings.

The improvement of and additions to rolling stock, etc., involving large expenditures, are substantially finished and the Company now has sufficient equipment to handle an increased business without adding to cost of operation.

Its ownership of a plant for the manufacture of, and the necessary repairs to, electric motors will result in a decrease in Operating Expenses.

With the natural growth in population of the cities of St. Paul and Minneapolis, a system of Roads substantially completed and equipped with the most modern and approved electrical appliances, rolling stock and plant owned in excess of present requirements, increased earnings must follow, assuring to the Company continued prosperity.

Yours truly,

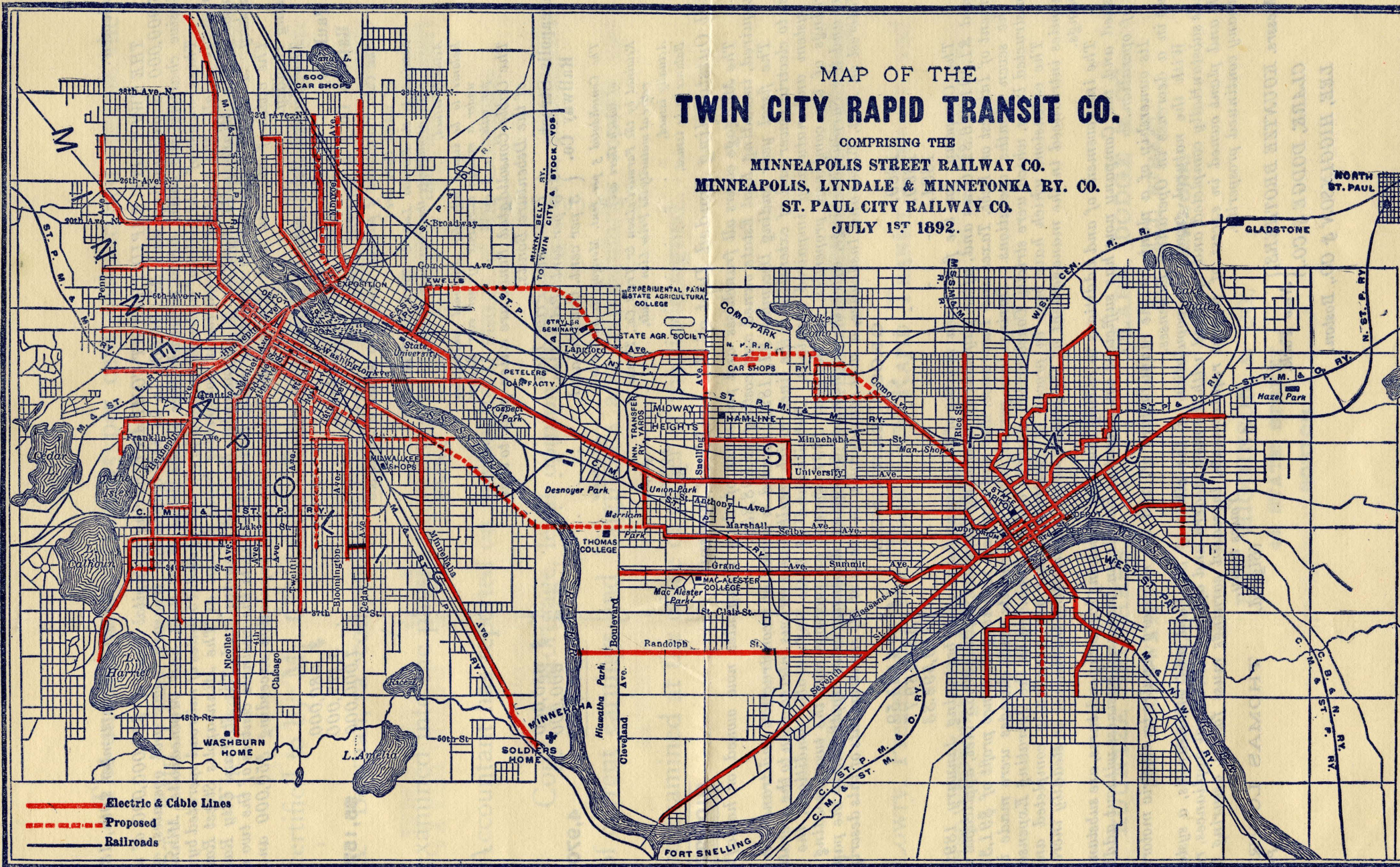
(Signed)

THOMAS LOWRY,

President.

To Messrs. KOUNTZE BROTHERS, }
CLARK, DODGE & CO., } New York.
LEE, HIGGINSON & CO., Boston.

MAP OF THE
TWIN CITY RAPID TRANSIT CO.
 COMPRISING THE
 MINNEAPOLIS STREET RAILWAY CO.
 MINNEAPOLIS, LYNDALE & MINNETONKA RY. CO.
 ST. PAUL CITY RAILWAY CO.
 JULY 1ST 1892.





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