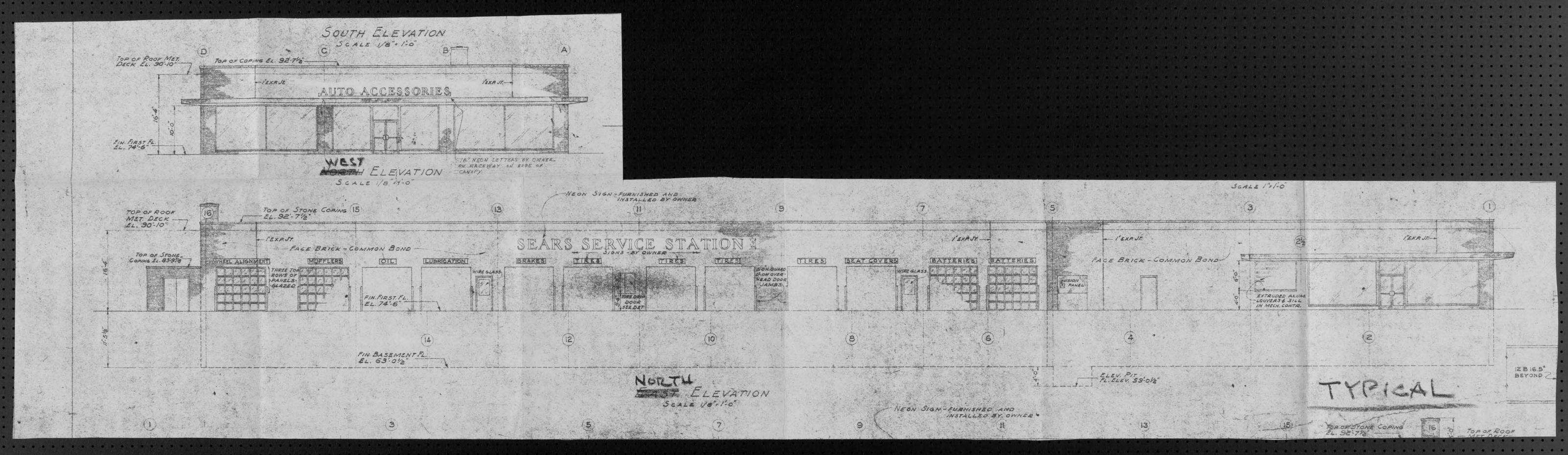
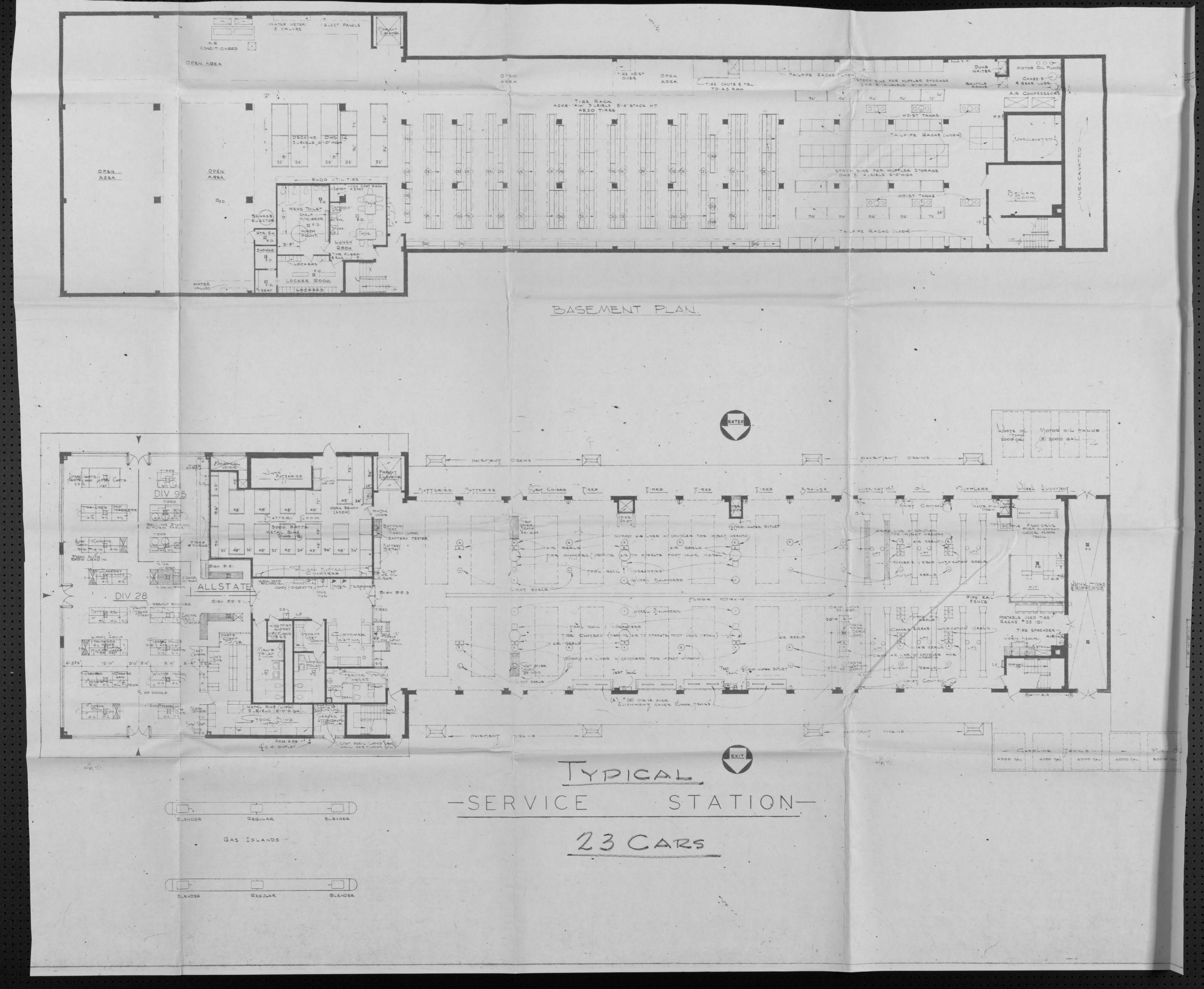


Housing and Redevelopment Authority of the City of Saint Paul, Minnesota: Redevelopment project files

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SEARS, ROEBUCK AND CO.

ANNUAL REPORT 1959

For the Fiscal Year Ended January 31, 1960

SEARS, ROEBUCK AND CO.



The First National Bank of Chicago, 38 South Dearborn Street, Chicago 90, Illinois The Chase Manhattan Bank, 40 Wall Street, New York 5, New York Transfer Agents Bank of America National Trust and Savings Association, 660 South Spring Street, Los Angeles 54, California The First National Bank of Atlanta, Five Points, Atlanta 2, Georgia Republic National Bank of Dallas, Pacific and Ervay Streets, Dallas 22, Texas

Registrars

Continental Illinois National Bank and Trust Company of Chicago, 231 South La Salle Street, Chicago 90, Illinois Morgan Guaranty Trust Company of New York, 140 Broadway, New York 15, New York Security-First National Bank of Los Angeles, Sixth and Spring Streets, Los Angeles 54, California Trust Company of Georgia, Pryor Street and Edgewood Avenue, Atlanta 2, Georgia First National Bank in Dallas, 1401 Main Street, Dallas 2, Texas

ANNUAL REPORT 1959

Contents	The Comparative Story in Brief Letter to Shareowners Consolidated Balance Sheet Consolidated Statement of Incom The Financial Report for 1959 Sales and Income Dividends to Shareowners Shareowners' Equity Equity in Unconsolidated Subsidiaries and Affiliates Source and Application of Fund		eign Investments
	CROWDUS BAKER	FOWLER B. McCONNE Chairman of the Be	ER RUSSELL B. STEARNS

FOWLER B. McCONNELL

LOU R. CRANDALL

AUSTIN T. CUSHMAN

CALVIN FENTRESS, JR.

HUGH K. DUFFIELD

EDWARD GUDEMAN

Directors

Officers

CHARLES H. KELLSTADT

GEORGE H. STRUTHERS

RICHARD L. TAYLOE

W. WALLACE TUDOR

ARTHUR M. WOOD

ROBERT E. WOOD

CROWDUS BAKER Vice-President and Comptroller	ARTHUR M. WOOD Vice-President and Secretary	ROBERT B. MONSON Assistant Secretar
AUSTIN T. CUSHMAN Vice-President, Far West	JAMES C. WORTHY Vice-President, Public Relations	NORMAN E. NELSON Assistant Secretar
HUGH K. DUFFIELD Vice-President, East	DONALD MAC ARTHUR Treasurer	WILLIAM WADLER Assistant Secretar
GORDON M. METCALF Vice-President, Midwest	JAMES W. BUTTON Assistant Vice-President	JOHN L. WHEELER Assistant Secretar
CHARLES A. MEYER Vice-President, Foreign Operations	WILLIAM K. ALSOP Assistant Secretary	ROBERT M. WOOD Assistant Secretar
LUCIEN E. OLIVER Vice-President, South	WILLIAM J. COUGHLIN Assistant Secretary	CLAYTON H. BANZHAF Assistant Treasure
GEORGE H. STRUTHERS Vice-President, Merchandising	RUSSELL G. CURRY Assistant Secretary	WALTER H. DAVIES, JR Assistant Treasure
RICHARD L. TAYLOE Vice-President, Southwest	JOHN J. EISENBERG Assistant Secretary	CARL E. GOOD Assistant Treasure
W. WALLACE TUDOR Vice-President, Personnel	ALAN GRISWOOD Assistant Secretary	ARTHUR M. GRAY Assistant Treasure
ARTHUR K. WALTON Vice-President, Factories	FRED R. HAMILTON Assistant Secretary	JOHN J. NOONE Assistant Treasure
	GEORGE J. KUECHLER Assistant Secretary	JOHN H. WOODALL, JR. Assistant Treasure

HOMER J. LIVINGSTON

GORDON M. METCALF

HERBERT F. MURPHY

JULIUS ROSENWALD, II

J. ROSCOE MILLER

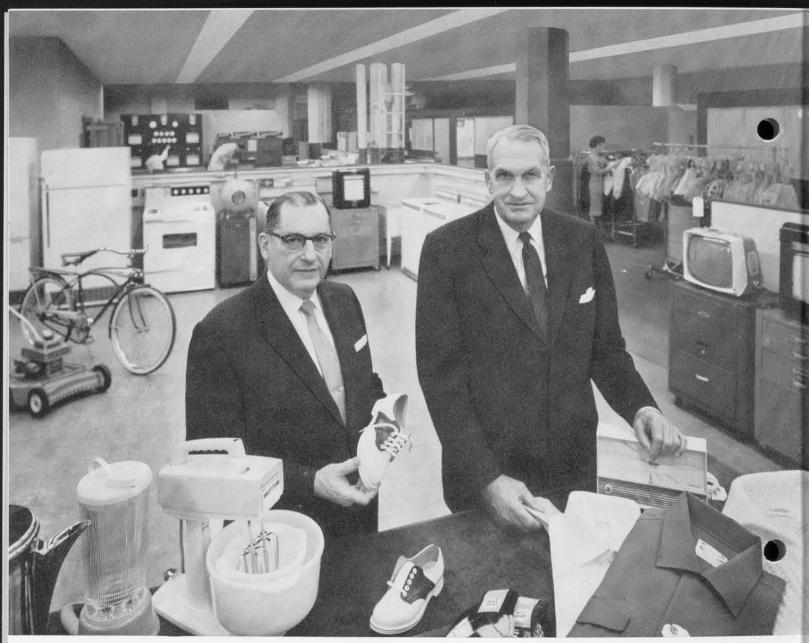
LUCIEN E. OLIVER

ANNUAL MEETING. The annual meeting of the shareowners of Sears, Roebuck and Co. will be held in the Auditorium of the Prudential Building, 130 East Randolph Street, Chicago, Illinois at 10:00 o'clock A.M., Central Daylight Saving Time, on Monday, May 9, 1960. The formal notice of the meeting together with the proxy and the proxy statement is being mailed to shareowners with this report.

The Comparative Story in Brief . . . sears, roebuck and co. and consolidated subsidiaries

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	1959	1958	1957	1956	1955	1954	1953	1952	1951	1950
CONSOLIDATED RESULTS (in millions)										
Net Sales	\$4,036.2	\$3,721.3	\$3,600.9	60 FFF 7	#0.000.0	#0.00F.4		3		
Income before Federal Income Taxes.	403.2	337.4	333.3	\$3,555.7 343.3	\$3,306.8 334.7	\$2,965.4	\$2,981.9	\$2,932.3	\$2,657.4	\$2,556.4
Provision for Federal Income Taxes	204.5	171.6	172.2	178.5		290.8	271.8	276.1	272.0	303.7
Net Income after Taxes	198.7	165.8	161.1	164.8	175.9 158.8	149.5	153.9	165.9	160.1	160.0
Dividends Paid to Shareowners	105.3	90.1	82.4	74.0*	73.0*	141.3	117.9	110.2	111.9	143.7
Depreciation	31.5	27.4	24.9	22.3	25.5	72.7 23.6	66.5	65.3	65.0	65.0
Taxes—Other than Federal Income	62.0	51.0	48.6	47.4	42.7	37.2	21.4	22.6	22.9	18.8
Contribution to the Employes' Profit Sharing Pension Fund.	46.0	37.9	36.1	36.3	38.1	33.7	36.5 30.7	34.8 31.5	33.7 26.9	30.0 30.5
ONSOLIDATED YEAR END POSITION (in millions)	- 6-							21114		
Customer Installment and Revolving Charge Accounts Out-										
standing (before allowances and deduction of accounts sold).	1,439.2	1,226.9	1,119.8	1,039.1	902.6	790.7	759.0	669.6	493.2	517.8
Inventories	605.6	562.5	510.6	533.3	513.4	456.6	419.0	452.3	440.6	380.2
Merchandise on Order	657.4	612.0	519.9	543.7	505.4	445.2	396.2	441.9	357.6	418.8
Working Capital	1,199.7	1,136.2	777.2	743.6	938.7	857.7	790.4	735.2	687.5	469.3
Property, Plant and Equipment (net)	316.1	283.4	272.3	243.7	210.4	211.9	211.1	214.1	211.7	187.3
Long-Term Debt	350.0	350.0			200.0	200.0	200.0	200.0	200.0	_
Shareowners' Equity (book value)	1,382.6	1,286.2	1,209.2	1,127.7	1,032.7	941.4	869.2	815.7	740.2	693.3
NCONSOLIDATED SUBSIDIARIES AND AFFILIATES (in millions)										
Dividends Paid to Sears	22.6	19.3	5.5	4.3	4.1	4.3	2.9	3,1	3.4	3.4
Sears Equity in Undistributed Net Income	30.8	16.1	16.9	14.7	21.4	17.5	17.2	14.3	7.9	8.9
Excess of Sears Equity in Net Assets Over Investment on	100 000000000	10000	20.42 W				verane			0.0
Sears Books	205.5	165.9	113.4	107.5	93.7	72.6	60.1	55.7	41.3	29.4
ER SHARE OF COMMON STOCK (in dollars)										
Consolidated Net Income.	2.64	2.21	2.15	2.20	2.13	1.90	1.59	1.49	4.55	1.00
Sears Equity in Undistributed Net Income of Unconsoli-	2.01		10241076	2.20	2.10	1.50	1.09	1.49	1.55	1.99
dated Subsidiaries and Affiliates	.41	.21	.23	.20	.29	.21	.23	.19	.11	.12
Combined Net Income	3.05	2.42	2.38	2.40	2.42	2.11	1.82	1.68	1.66	2.11
Dividends Paid to Shareowners	1.40	1.20	1.10	1.00*	1.00*	1.00	.92	.92	.92	.92
Shareowners' Equity (book value)	18.38	17.12	16.11	15.06	13.83	12.67	11.73	11.03	10.23	9.58
HSCELLANEOUS DATA										
Shareowners**	152,623	146,331	141,957	100 000	100.004	00.004	00 705	04.054	00.000	0.1.000
Retail Stores (excluding 59 foreign stores)	734	728	724	126,389	102,984	96,834	96,735	94,351	93,900	94,362
Mail Order Plants.	11	11	11	717	707	699	694	684	674	654
Catalog Sales Offices	913	849	815	11	11	11	11	540	11	11
Employes' Profit Sharing Pension Fund: (as of Dec. 31)				772	694	609	570	546	479	404
Members	144,049	139,967	135,701	129,646	125,299	123,740	120,558	114,663	109,252	104,100
Market Value of Fund (in millions)	\$1,322.3	\$1,062.2	\$704.1	\$737.9	\$860.2	\$635.0	\$501.4	\$456.2	\$400.0	\$350.5
*Plus 1% Stock Dividend. *Employes' Profit Sharing Pension Fund Counted as a Single Shareowner.										



C. H. Kellstadt, President, and F. B. McConnell, Chairman of the Board, examining merchandise in the Company's own laboratory, the largest private consumer goods testing and development laboratory in the world. (For story on Sears laboratory, see page 24.)

To Sears, Roebuck and Co. Shareowners

During the fiscal year 1959 the Company's net sales exceeded the four billion dollar mark for the first time.

This large sales volume of \$4,036,153,139 was accompanied by a record high net profit of \$198,670,983. This is equal to \$2.64 per share,

and represents an increase of 19.8 per cent over 1958 net profit.

Net income was 4.9 per cent of net sales, an improvement over the 4.5 per cent for the previous year.

The year was marked by other developments of

special interest to shareowners:

. . . The regular quarterly cash dividend was increased to 30¢ per share in July and an extra dividend of 25¢ per share was paid with the fourth quarter dividend. Total dividends of \$1.40 per share compared with \$1.20 in the previous year.

... The Company continued to expand and improve its physical facilities and \$77,330,663 was spent for this purpose during the year.

... Allstate Insurance Company, an unconsolidated wholly-owned subsidiary, set new growth and income records in 1959 and paid a substantial dividend to Sears.

... The Company's equity in the undistributed net income of unconsolidated subsidiaries and affiliates for 1959 was almost double the comparable figure of last year.

THE PAST YEAR

Sales in each of the twelve months of the fiscal year reached record highs. December's sales of \$531,413,000 represented the largest sales ever realized by the Company in a single month. It is interesting to note that this figure exceeded the Company's sales volume for the entire Golden Jubilee Year, 1936.

The Company continued to expand and modernize its physical facilities, a policy which has been carried out without interruption since 1946. Eight new stores were opened in areas that previously had no stores, sixteen stores were relocated in new and larger buildings and two stores were enlarged and modernized.

The catalog sales division—as well as the retail stores division—achieved sales growth. The program of opening catalog sales offices in communities not served by retail stores continued and 64 new offices were opened.

New and enlarged facilities, primarily retail stores open less than one year, accounted for slightly over 2 per cent of 1959 sales.

Purchases on credit continued to increase and collections on accounts were good.

The Allstate Insurance Company had its most successful year in volume of premiums written and profits. A detailed report on this important subsidiary commences on page 29.

Latin American operations continued to be satisfactory from the standpoint of sales and profits.

In Canada, the five year expansion program of Simpsons-Sears Limited was completed with the opening of a full size department store in Winnipeg, Manitoba. Earnings of this Canadian affiliate have been retained in the business to assist in financing the expanded operations.

Simpsons-Sears now operates 37 retail stores, 4 mail order plants and 319 catalog sales offices. The success of this expansion program was reflected in record sales and net earnings in 1959. A statement of earnings appears on page 17.

Because of the distance separating the United States and Australia, it became increasingly difficult for the Sears and Waltons manage-



ments to coordinate their programming for the expansion of Waltons-Sears, Limited. Last year it was agreed to dissolve this partnership and Sears subsidiary, Sears Roebuck Australia Pty., Ltd., sold its 24 per cent stock interest in Waltons-Sears, Limited to the other shareowners. Upon the liquidation of this Australian subsidiary. Sears repatriated its initial investment and achieved a capital gain of 17 per cent. Following Sears withdrawal, the firm became known as Waltons, Limited. The use of Sears private brand names was also withdrawn.

MANAGEMENT CHANGES

At the 1959 annual shareowners' meeting held in Chicago on May 11th, all members of the Board of Directors were re-elected. On the same date two new directors, Lucien E. Oliver, Vice-President in charge of the Southern Territory, and Arthur M. Wood, Vice-President and Secretary, were added to the board giving it a total of 22 members.

In October, Edward Gudeman, who had served as Vice-President in charge of Merchandising for seven years and had been with the Company for 32 years, resigned from his officer post. He continues as an employe on special assignments and as a director.

George H. Struthers, Assistant Vice-President and General Manager of the New York Office, was elected to succeed Mr. Gudeman as Vice-President in charge of Merchandising. Mr. Struthers was also elected by the directors to serve as a director until the annual meeting on May 9, 1960, thus raising the board membership to 23. The Company's Articles of Incorporation

provide that the Board of Directors shall consist of not less than 14 and not more than 24 directors. Directors connected with the management of the Company receive no additional compensation for board membership. James W. Button was elected to succeed Mr. Struthers as Assistant Vice-President and General Manager of the New York Office.

THE YEAR AHEAD

It appears that 1960 should be a satisfactory year for most areas of the nation's economy, including the retail industry.

The length of the steel strike prevented excessive inventory accumulation in 1959 and a modest increase in industrial production appears likely in 1960. Other areas of activity, such as governmental expenditures (Federal, state, and local) and private business investment in both new plant and equipment should also show gains.

The two major exceptions to anticipated growth are residential building which is expected to show some decline, and farm income which will probably average somewhat lower than in 1959. However, these areas will be offset by the other sectors of the economy; a high level of employment should produce a rising personal income and this would react to the benefit of retailers generally.

Sales of nondurable goods, consisting mainly of apparel and household textiles, should continue to expand. The growth in nondurables has followed a consistently expanding pattern for the past five years.

The demand for durable goods, such as home furnishings and appliances, tends to be somewhat less stable and is greatly influenced by employment levels and conditions. Sales of these goods should respond to increases in payroll income and 1960 should be a good sales year for this type of merchandise.

It is not expected that there will be an excessive rate of growth in installment credit. Although the supply of money is currently limited, it should be sufficient to permit the reasonable growth expected in this area.

The Company will continue to offer merchandise selections of quality, style, and value which should appeal to consumers and enable Sears to increase its share of sales of general merchandise. Sales gains of about five per cent are projected for 1960.

In 1960 the modernization and expansion program will continue. It is planned to open six new retail stores in areas where Sears has had no stores previously. Seventeen existing stores will be relocated in new buildings, and one department store will be modernized and enlarged.

Capital expenditures for land, buildings, and fixtures in the 1960 expansion program are estimated to be \$77,000,000. This figure does not include funds required for additional inventories, accounts receivable, and other working capital. In addition, the amount to be spent by landlords is estimated to be \$11,000,000. * * * * *

A vital reason for the strength and success of

F. B. McConnell, Chairman

March 28, 1960

Sears over the years has been the interest of the employes in the enterprise and its aims. This interest has been stimulated to a large extent by the personnel program of the Company. Some aspects of the personnel program are reviewed in the article, AN IMPORTANT ASSET, which starts on page 21 of this Report. Another important aspect, of equal interest to shareowners, is the fact that the majority of employes are shareowners, principally through the Profit Sharing Pension Fund. Through this Fund, and other personnel benefits, Sears people live out the years of their retirement in an unusual degree of security. Their substantial proprietary interest in the Company is one of Sears chief characteristics.

In recording the results of another year of significant growth and progress for the Company, the Officers and Directors wish to thank all employes for their important part in this successful performance.

We also wish to thank our many fine sources of supply for their splendid cooperation in producing quality goods necessary to meet the demands of Sears customers.

Finally, we should make special reference to those individuals, institutions, and trusts who last year became shareowners. During the year there was a net increase of 6,292. We appreciate this expression of confidence in the future of the Company.

By order of the Board of Directors.

Consolidated Balance Sheet. . .

ASSETS		
	JANUARY 31, 1960	JANUARY 31, 1959
CURRENT ASSETS		
Cash and U.S. treasury bills	\$ 212,860,535	\$ 207,043,985
Marketable securities—market value \$9,017,212	2,233,937	2,413,645
Receivables (principally customer installment accounts) less allowance for collection expense and losses	1,370,804,778	1,174,900,218
Less installment accounts sold	604,348,987	434,990,040
Net receivables	766,455,791	739,910,178
Inventories—at lower of cost or market	605,558,314	562,486,502
Prepaid advertising and other charges	28,675,217	24,588,632
TOTAL CURRENT ASSETS	1,615,783,794	1,536,442,942
INVESTMENTS—substantially at cost		
Unconsolidated subsidiaries		
Allstate Insurance Company (wholly-owned)	54,848,347	54,848,347
Sears Roebuck Acceptance Corp. (wholly-owned)	50,000,000	50,000,000
Latin American subsidiaries	50,433,307	42,384,491
Manufacturing subsidiaries	18,149,032	18,465,248
Simpsons-Sears Limited	20,376,550	20,376,550
Other investments and advances	19,604,611	26,878,569
	213,411,847	212,953,205
PROPERTY, PLANT AND EQUIPMENT—at cost	565,569,687	515,115,881
Less accumulated depreciation	249,482,720	231,694,747
	316,086,967	283,421,134
UNAMORTIZED DEBENTURE DISCOUNT AND EXPENSE	3,383,684	3,628,849
TOTAL ASSETS	\$2,148,666,292	\$2,036,446,130
		4-1-2-1

See Notes to Financial Statements, pages 11 to 20.

SERS, ROEBUCK AND CO. AND CONSOLIDATED SUBSIDIARIES

CURRENT LIABILITIES	JANUARY 31, 1960	JANUARY 31, 1959
Accounts payable	\$ 78,449,243	\$ 89,178,861
Due customers	23,918,141	26,217,753
Accrued expenses	92,753,997	83,909,870
Federal income taxes accrued	147,101,478	137,087,508
Other accrued taxes	73,881,515	63,868,948
TOTAL CURRENT LIABILITIES	416,104,374	400,262,940
LONG-TERM DEBT 43/4% Sinking Fund Debentures due 1983 (Sinking Fund payments required, commencing in 1965)	350,000,000	350,000,000
SHAREOWNERS' EQUITY		
SHAREOWNERS' EQUITY Common Stock—\$3.00 Par Value—authorized		
SHAREOWNERS' EQUITY Common Stock—\$3.00 Par Value—authorized 100,000,000 shares, outstanding 75,235,590 shares		225.365.007
SHAREOWNERS' EQUITY Common Stock—\$3.00 Par Value—authorized 100,000,000 shares, outstanding 75,235,590 shares and 75,121,669 shares, respectively	225,706,770	225,365,007 65,757,383
SHAREOWNERS' EQUITY Common Stock—\$3.00 Par Value—authorized 100,000,000 shares, outstanding 75,235,590 shares and 75,121,669 shares, respectively Capital in excess of par value.	225,706,770 68,382,403	65,757,383
SHAREOWNERS' EQUITY Common Stock—\$3.00 Par Value—authorized 100,000,000 shares, outstanding 75,235,590 shares and 75,121,669 shares, respectively	225,706,770	

Report of Certified Public Accountants

To The Shareowners and Board of Directors of Sears, Roebuck and Co.

We have examined the accompanying Consolidated Balance Sheet of Sears, Roebuck and Co. and consolidated subsidiaries as of January 31, 1960, and the related Consolidated Statements of Income and Retained Earnings for the fiscal year then ended. Our examination was made in accordance with generally accepted auditing standards, and accordingly included such tests of the accounting records and such other auditing procedures as we considered necessary in the circumstances.

In our opinion, the financial statements referred to above present fairly the financial position of Sears, Roebuck and Co. and consolidated subsidiaries at January 31, 1960 and the results of their operations for the fiscal year then ended, in conformity with generally accepted accounting principles applied on a basis consistent with that of the preceding year.

Touche, Ross, Bailey & Smart

Chicago, Illinois, March 28, 1960

Touche, Ross, Bailey & Smart Certified Public Accountants

SEARS, ROEBUCK AND CO. AND CONSOLIDATED SUBSIDIARIES

Consolidated Statement of Income

	YEAR ENDED JANUARY 31, 1960	YEAR ENDED JANUARY 31, 1959
NET SALES	\$4,036,153,139	\$3,721,272,080
OTHER INCOME Dividends Miscellaneous income	22,637,682 2,157,686	19,309,355 2,441,871
TOTAL INCOME	4,060,948,507	3,743,023,306
Costs and expenses Cost of sales, advertising, selling, administrative and general expenses	3,406,533,521	3,192,453,771
Rents	44,145,860	41,283,785
Repairs and maintenance	24,286,790	20,332,118
Depreciation	31,492,343	27,356,333
Taxes (other than Federal Income Taxes) Interest (including discount on sold accounts) Contribution to The Savings and Profit Sharing Pension	61,979,747 43,386,717	51,000,487 35,290,160
Fund of Sears, Roebuck and Co. Employes	45,952,546	37,918,179
TOTAL COSTS AND EXPENSES	3,657,777,524	3,405,634,833
INCOME BEFORE PROVISION FOR FEDERAL INCOME TAXES	403,170,983	337,388,473
PROVISION FOR FEDERAL INCOME TAXES	204,500,000	171,600,000
NET INCOME FOR THE YEAR	\$ 198,670,983	\$ 165,788,473
NET INCOME PER SHARE	\$2.64	\$2,21

Consolidated Statement of Retained Earnings

BALANCE BEGINNING OF YEAR	\$ 995,060,800	\$ 919,376,749
NET INCOME FOR THE YEAR	198,670,983	165,788,473
	1,193,731,783	1,085,165,222
CASH DIVIDENDS PAID TO SHAREOWNERS		
(\$1.40 per share and \$1.20 per share respectively)	105,259,038	90,104,422
BALANCE END OF YEAR	\$1,088,472,745	\$ 995,060,800



Crowdus Baker, Vice-President and Comptroller, checking a report in the Company's auditing, statistics and data processing center in Sears Chicago headquarters.

The Financial Report for 1959

(INCLUDING NOTES TO THE FINANCIAL STATEMENTS)

PRINCIPLES OF CONSOLIDATION

The consolidated financial statements include all wholly-owned domestic subsidiaries except Allstate Insurance Company and Sears Roebuck Acceptance Corp. The foreign subsidiaries are not consolidated.

SALES AND INCOME

Net sales for 1959 exceeded four billion dollars, the first time in the Company's history. This record-breaking total reached \$4,036,153,139, 8.5% greater than the previous high of \$3,721,272,080 set last year. The Company has now established

See Notes to Financial Statements, pages 11 to 20.



Plainview, Texas-opened October, 1959.

sales records for five consecutive years and for thirteen of the last fifteen years.

Net income of \$198,670,983 established an all-time high exceeding last year's record of \$165,788,473 by 19.8%. This increase in earnings resulted from the additional sales volume and an increase in other income.

Net income was equal to \$2.64 per share compared with last year's \$2.21 per share based on shares outstanding at the close of the respective years.

Other income, consisting principally of dividends received from unconsolidated subsidiaries and affiliates, was \$24,795,368 or \$3,044,142 higher than last year. Dividends alone paid to the Company by all unconsolidated subsidiaries and affiliates during 1959 were \$22,637,682 or 17.2% larger than 1958. Dividends of \$3,319,107 from foreign subsidiaries were not as large as last year's \$7,111,341, however, Allstate Insurance Company increased its dividend to Sears from \$10,200,000 to \$17,010,000.

TAXES

Federal, state and local government taxes continue to have a substantial impact on Company profits. The tabulation below shows the effect of these taxes on 1959 earnings.

Income before taxes\$465,150,730
\$6.18 per share Federal income taxes \$204,500,000
\$2.72 per share
Taxes other than Federal
income taxes\$ 61,979,747
\$0.82 per share Net income\$198,670,983 \$2.64 per share



Crossett, Ark., Catalog Sales Office-opened August, 1959.

DIVIDENDS TO SHAREOWNERS

Dividend payments were increased from \$1.20 per share to \$1.40 per share for the fiscal year 1959. Total dividends of \$105,259,038, representing the largest amount paid in one year, were \$15,154,616 higher than last year's total of \$90,104,422. In 1959, dividends were 53.0% of net income compared with 54.3% in 1958. The Board of Directors increased the regular quarterly dividend rate from 25¢ to 30¢ per share commencing with the July 2, 1959 dividend. In addition, a year end extra of 25¢ per share was paid.

SHAREOWNERS' EQUITY

Shareowners' equity increased \$96,378,728 during the year. Net income retained in the business accounted for \$93,411,945 of this increase. The book value at the close of the year was \$18.38 per share compared with \$17.12 last year. The table on the next page summarizes the changes in shareowners' equity for 1959:



Des Moines, Iowa-opened November, 1959.



Newport News, Virginia-opened April, 1959.

SHAREOWNERS' EQUITY		on Stock Par Value Amount	Capital in Excess of Par Value	Retained Earnings	Total Shareowners' Equity
Balance Jan. 31, 1959	75,121,669	\$225,365,007	\$65,757,383	\$ 995,060,800	\$1,286,183,190
Net Income for 1959				198,670,983	198,670,983
Dividends Paid to Shareowners Employe Stock Options Exercised:				(105,259,038)	(105,259,038)
Stock Option Plan V (approved April, 1951) Stock Option Plan VII	90,116	270,348*	1,954,811**		2,225,159
(approved May, 1958)	23,805	71,415*	670,209**		741,624
Net Increase	113,921	341,763	2,625,020	93,411,945	96,378,728
Balance Jan. 31, 1960	75,235,590	\$225,706,770	\$68,382,403	\$1,088,472,745	\$1,382,561,918

EQUITY IN UNCONSOLIDATED SUBSIDIARIES AND AFFILIATES*

Income of unconsolidated subsidiaries and affiliates is included in the Consolidated Statement of Income only to the extent that dividends are received by the Company. In 1959, Sears received \$22,637,682 in dividends compared with \$19,309,355 in 1958.

Sears equity in the 1959 undistributed net income of these companies (net income less dividends paid) was \$30,834,859 or 41¢ per share, almost double the comparable figures of

\$16,052,499 or 21¢ per share for 1958.

This equity of 41¢ added to the consolidated net income per share of \$2.64 results in a combined net income per share of \$3.05, compared with \$2.42 in 1958, an increase of 26%.

Sears equity in undistributed net income and the excess of the Company's equity in net assets over the related investment for unconsolidated subsidiaries and affiliates are shown below:

	FOR YEAR ENDED	JAN. 31, 1960		JANUARY 31, 1960	
EQUITY IN UNCONSOLIDATED SUBSIDIARIES AND AFFILIATES	Sears Equ Undistributed N		Sears Equity	Investment on Sears Books	Excess of Equity Over Investment
Allstate Insurance Company .	\$17,573,324	\$0.24	\$199,018,902	\$ 54,848,347	\$144,170,555
Sears Roebuck Acceptance Corp Simpsons-Sears Limited Latin American subsidiaries Manufacturing subsidiaries	3,331,295 3,399,093 1,289,145 2,228,916 3,013,086	0.04 0.04 0.02 0.03 0.04	59,097,398 28,851,250 65,983,957 23,871,009 29,841,854	50,000,000 20,376,550 50,433,307 18,149,032 7,312,806	9,097,398 8,474,700 15,550,650 5,721,977 22,529,048
Manufacturing affiliates	\$30,834,859	\$0,41	\$406,664,370	\$201,120,042	\$205,544,328

^{*}Equity in the undistributed net income of freign subsidiaries was calculated on the basis of exchange rates in effect on January 31, 1960. In determining equity in net assets of foreign subsidiaries, net current assets were translated at year end exchange rates and other assets at the exchange rates on the dates of acquisition.



Mason City, Iowa-opened February, 1959.

NET WORKING CAPITAL

Net working capital, the excess of current assets over current liabilities, was \$1,199,679,420, an increase of \$63,499,418 over last year's figure of \$1,136,180,002. Increased net receivables and

inventories accounted for the major portion of this additional amount.

Current assets were 3.88 times current liabilities compared with 3.84 times last year.

SOURCE AND APPLICATION OF FUNDS 1959	
	(Thousands
Funds Were Provided by:	
Net income for the year	\$198,67
Depreciation	31,49
Amortization of debenture discount and expense	24
Proceeds from stock issued under Stock Option Plans V and VII.	2,96
Dispositions of property, plant and equipment (net)	2,47
Liquidation of Australian subsidiary less profit of \$653,000 included in income	3,93
Other decreases in investments and advances	4,61
	\$244,39
funds Were Applied to:	**
Dividends paid to shareowners	\$105,25
Expenditures for property, plant and equipment	66,62
Investment in Panama finance company (Banco de Credito International S.A.—See page 16.)	9,01
Net increase in working capital	63,49
	\$244.39



Jacksonville, Florida-opened July, 1959.



Longview, Texas-opened August, 1959.



Torrance, Cal. (suburban L. A.)—opened September, 1959.



Augusta, Georgia-opened February, 1959.

RECEIVABLES (before deduction of accounts sold) Customer accounts receivable	JANUARY 31, 1960	JANUARY 31, 1959
Installment accounts	\$1,183,201,624	\$1,094,468,836
Revolving charge accounts	255,990,858	132,382,524
	1,439,192,482	1,226,851,360
Other customer accounts	26,689,609	26,655,985
Installment accounts purchased from Mexican subsidiary		
(with full recourse)		11,402,433
Miscellaneous accounts and notes receivable	23,847,307	20,372,805
	1,489,729,398	1,285,282,583
Less allowance for collection expense and losses on		
customer accounts	118,924,620	110,382,365
	\$1,370,804,778	\$1,174,900,218

RECEIVABLES

Gross receivables outstanding were \$204,446,815 larger than last year. This increase resulted from expanded sales volume coupled with an increase in the percentage of credit sales to total sales.

Credit selling in 1959 accounted for 50.3% of the Company's sales, 37.1% representing installment sales and 13.2% revolving charge sales. Last year, 38.5% of Company sales were on the installment basis and 8.8% on the revolving charge basis. At the year end, there were 7,326,112 installment accounts with an average balance of \$162 and 3,215,435 revolving charge accounts with an average balance of \$80.

Allowance for collection expense and losses on customer accounts increased \$8,542,255 in line with the increase in customer accounts receivable. This increase in allowance is subject to Federal income taxes and full tax provision has been made out of 1959 income.

INVENTORIES

At the close of the year merchandise inventories were \$605,558,314 compared with \$562,486,502 last year, an increase of \$43,071,812. In addition to inventories on hand, the Company had merchandise on order for future deliveries in the amount of \$657,361,000, an increase of \$45,399,000 over last year's figure of \$611,962,000.

Merchandise inventories are valued at the lower of cost or market. Cost is determined on the first-in-first-out basis for individual items for mail order, pool stocks, and factories, and by the retail inventory method for retail stores.



Bay Shore, L.I., New York-opened October, 1959.



Ogden, Utah-opened November, 1959.



Tuscaloosa, Alabama-opened May, 1959.



Special sections of this report covering these two wholly-owned subsidiaries commence on pages 29 and 35 respectively.

FOREIGN INVESTMENTS

Sales and net income of foreign subsidiaries are not included in the sales and net income of the Company.

Mexico, Cuba and South America—Sales for 1959 of foreign subsidiaries in the Latin American countries were \$95,608,732 compared with \$95,015,533 last year, an increase of .6%. All Latin American subsidiaries operated at a profit for the year.

The Company's equity in the net income of these subsidiaries was \$5,600,757 before deducting a translation loss of \$992,505 resulting principally from a decline in value of the Brazilian cruzeiro.

Dividends received by the Company from Latin American subsidiaries were as follows:

	1959	Total Dividends to Date
Brazil	\$ 650,033	\$ 1,950,033
Cuba	_	3,550,996
Mexico	317,943	5,334,067
Peru	321,874	321,874
Venezuela	2,029,257	2,957,907
L - 1	\$3,319,107	\$14,114,877
-		

During the year, one small store in Mexico City was relocated and enlarged. Six small stores and 6 sales offices located in Mexico were closed.

One sales office in Venezuela was also closed. At the year end there were 49 stores and 8 sales offices operated by the Latin American subsidiaries.

In 1959, the Company invested \$9,010,000 additional in Banco de Credito International S.A., a wholly-owned finance company organized under the laws of Panama to finance installment accounts of the foreign subsidiaries. Investment in other Latin American subsidiaries was reduced \$961,184 principally by repayments of amounts previously advanced by the Company. As a result, investment in Latin American subsidiaries showed a net increase of \$8,048,816 for the year.

The Company's investment in its Latin American subsidiaries was \$50,433,307 at January 31, 1960. The value of this investment on the books of the subsidiaries was \$65,983,957 after providing \$9,853,579 in reserves for installment accounts and other contingencies. Cash balances of these Latin American subsidiaries amounted to \$3,908,361.

Central America—Sears Roebuck, S. A. is a Delaware Corporation operating under Western Hemisphere Trade Corporation rules. Its sales and profits are included in the consolidated figures of the Company.

In April, 1959 a medium sized department store was opened in Panama City, replacing two smaller stores which were closed. Sears Roebuck, S. A. also operated small stores in Colon, Panama; San José, Costa Rica; and Santa Ana, El Salvador. The three small stores offer appliance and hard line merchandise, plus catalog order facilities.



Medford, Oregon-opened August, 1959.



Port Huron, Michigan-opened August, 1959.

Canada—Simpsons-Sears Limited, Sears affiliate in Canada, showed an increase in both net sales and net earnings for the fiscal year 1959.

The Company's equity of 46% (50% of the voting stock) in Simpsons-Sears Limited, based on the Canadian exchange rate in effect on January 31, 1960, was valued at \$28,851,250 in United States dollars or \$8,474,700 in excess of the investment of \$20,376,550 carried on

the Company's balance sheet.

In May, 1959, a new complete department store was opened in Winnipeg, Manitoba increasing the number of retail stores to 37. Simpsons-Sears Limited also had in operation 4 mail order plants and 319 catalog sales offices at the year end

Following is a condensed statement of earnings for Simpsons-Sears Limited in Canadian dollars:

STATEMENT OF EARNINGS (Canadian dollars)	FISCAL	FISCAL YEAR			
	1959	1958			
Net sales	\$228,277,605	\$203,900,979			
Other income	1,134,790	1,202,869			
	229,412,395	205,103,848			
Deduct cost of merchandise sold and expenses	217,192,810	194,387,328			
Earnings before provision for income taxes	12,219,585	10,716,520			
Provision for income taxes		4,690,000			
Net earnings for the fiscal year	\$ 6,219,585	\$ 6,026,520			

PROPERTY, PLANT AND EQUIPMENT

Capital Expenditures. Expenditures for property, plant and equipment during 1959 totaled \$66,629,291. Of this amount, \$54,432,128 was spent for the retail system, and \$10,132,817 for mail order facilities. In addition, capital expenditures of \$10,701,372 for retail properties were financed under sale and lease-back arrangements.

Depreciation. The Company uses the "sum-of-the-years-digits" method of depreciation on new assets acquired subsequent to 1953. On assets acquired prior to 1954, the Company uses an

accelerated method of depreciating retail store equipment, and on other plant and equipment items, a straight-line method based on shorter asset life than allowed in computing Federal taxable income.

The amount charged against income for depreciation of plant and equipment was \$31,492,343 compared with \$27,356,333 last year.

Repairs and Maintenance. Expenditures for repairing and maintaining existing facilities were \$24,286,790 for the year. This compares with \$20,332,118 for last year.



St. Matthews, Ky. (suburban Louisville)-opened October, 1959.



Buena Park, Cal. (suburban L. A.)-opened November, 1959.

PROPERTY, PLANT AND EQUIPMENT	JANUARY 31, 1960	JANUARY 31, 1959
Land	\$ 52,433,893	\$ 46,967,624
Buildings and improvements Less accumulated depreciation	310,478,565 117,095,139	283,987,542 108,758,213
	193,383,426	175,229,329
Furniture, fixtures and equipment Less accumulated depreciation	202,657,229 132,387,581	184,160,715 122,936,534
	70,269,648	61,224,181
Property, plant and equipment (net)	\$316,086,967	\$283,421,134

Rentals—Long Term Leases. The Company is leasing a number of store and warehouse properties from The Supplemental Savings and Retirement Plan of Sears, Roebuck and Co. Employes, as well as from various insurance, educational and other institutions. Most of these leases are for maximum terms ranging from 25 to 99 years with the right, after initial periods ranging from 25 to 45 years, to terminate or continue at reduced rentals, and contain one or both of the following two additional types of options:

The Company can, after the initial period of years, purchase the property at the then fair value of the land alone.

The Company can, on various specified dates (usually within the first 25 to 35 years), make a rejectable offer to purchase the property at specified prices and, in the event the lessor does not accept the offer, can either terminate or continue the lease.

Minimum annual fixed rentals, exclusive of

taxes, insurance and other expenses paid directly by the Company, under long-term leases (over three years) in effect at January 31, 1960 total approximately \$22,500,000. The aggregate minimum rental liability for the period subsequent to January 31, 1985 is \$43,000,000.

Facilities. The Company continued its expansion program during the year by opening 24 new retail stores and increasing the number of catalog sales offices by 64.

New retail stores were opened in the following cities:

Areas Not Previously Served by Sears (8)

Complete Department Stores

Buena Park, Cal. (suburban Los Angeles)

Torrance, Cal. (suburban Los Angeles)

Abington, Pa. (suburban Philadelphia)

Medium Size Department Stores

Medford, Oregon Midland, Texas

Smaller Hard Lines Stores
Hyannis, Mass.
Midwest City, Okla.
Willowick, Ohio (suburban Cleveland)



Midland, Texas-opened February, 1959.



Abington, Pa. (suburban Philadelphia)—opened April, 1959.

Relocations in Areas Previously Served by Sears (16)

Complete Department Stores

Jacksonville, Fla. Honolulu, Hawaii
Des Moines, Ia. Newport News, Va.

Medium Size Department Stores

Augusta, Ga. Bay Shore, L.I., N.Y.

Dothan, Ala. Longview, Texas

Mason City, Ia. Ogden, Utah

Plainview, Texas Port Huron, Mich.

St. Matthews, Ky. (suburban Louisville)

Tuscaloosa, Ala.

Smaller Hard Lines Stores
Philadelphia (Germantown), Pa.
Princeton, Ind.

At the close of the year, Sears operated 734 retail stores in the United States; 130 were complete department stores located in larger cities; 300 were medium size department stores which also carry extensive assortments of general merchandise, and 304 were smaller hard lines stores which carry major household appliances, hard lines, sporting goods, and automotive supplies. These smaller hard lines stores are usually located in outlying neighborhoods of metropolitan areas or in smaller communities.

The Company also operated 11 mail order plants, 913 catalog sales offices, 35 major distribution warehouses for retail store groups, and numerous other warehouses which serve individual stores. In addition, 38 service and parts centers supported the retail and mail order mechanical service operations.

During 1960 Sears plans to open 8 complete department stores, 6 medium size department stores, and 9 smaller hard lines stores. The Company also plans to increase the number of catalog sales offices to reach more people through this selling medium.

LONG-TERM DEBT

The Company has agreed that while its 43/4% Sinking Fund Debentures of \$350,000,000 due August 1, 1983 are outstanding it will not take certain actions described in the indenture, including the declaration of cash dividends, which would reduce "Consolidated Unencumbered Assets plus Consolidated Capitalized Rentals" to an amount less than 150% of "Consolidated Liabilities plus Consolidated Capitalized Rentals," as defined in the indenture. At January 31, 1960, "Consolidated Unencumbered Assets plus Consolidated Capitalized Rentals," were 226% of "Consolidated Liabilities plus Consolidated Capitalized Rentals" and exceeded 150% of "Consolidated Liabilities plus Consolidated Capitalized Rentals" by \$818,000,000. The sinking fund provisions call for the redemption of not less than \$12,000,000 nor more than \$24,000,000 of debentures on February 1 in each of the years 1965 through 1970 and of not less than \$16,000,000 nor more than \$32,000,000 in each of the years 1971 through 1983.



Honolulu, Hawaii-opened August, 1959.



Dothan, Alabama-opened September, 1959.

EMPLOYES' STOCK OPTIONS

During the fiscal year ended January 31, 1960, option contracts were issued under Employes Stock Plan VII to 82 employes for a total of 24,600 shares of Company stock at the option price of \$48.75 per share and to one employe for 150 shares at the option price of \$49.38 per share, in each case the option price being equal to the opening market price of the Company

stock on the date of grant. These contracts have a term of approximately ten years and are exercisable in five annual and cumulative installments beginning approximately one year from the date of grant.

The tabulation below summarizes the option transactions for the year 1959:

	PLAN V		PLAN VII		
	Shares issuable under outstanding options	Unoptioned shares available for granting	Shares issuable under outstanding options	Unoptioned shares available for granting	
Balance February 1, 1959	278,089	12,871	561,850	438,150	
Options granted			24,750	(24,750)	
Options cancelled	(1,422)	1,422	(2,950)	2,950	
Options exercised	(90,116)		(23,805)		
Balance January 31, 1960	186,551	14,293	559,845	416,350	

EMPLOYES' PROFIT SHARING PENSION FUND

The Company contributed \$45,952,546 in 1959 to The Savings and Profit Sharing Pension Fund of Sears, Roebuck and Co. Employes.

On December 31, 1959, the close of the Fund's fiscal year, the Fund had 144,049 members and owned 20,266,432 shares or 26.9% of the outstanding stock of Sears, Roebuck and Co. This stock had a market value of \$1,025,988,120 which represented 77.6% of the total Fund value of \$1,322,327,797 at that date.

APPOINTMENT OF AUDITORS

The Committee on Audits of the Board of Directors, consisting of three directors who are not officers, recommended Touche, Niven, Bailey & Smart to audit the Company's records for the fiscal year 1959. This recommendation was submitted to the shareowners at their annual meeting last year. After obtaining the shareowners' approval of this recommendation, the Board of Directors appointed this firm, which changed its name to Touche, Ross, Bailey & Smart on January 1, 1960.



W. Wallace Tudor, Vice President, Personnel and Employe Relations, with the Company's Personnel Administrators. From left to right: Stacy A. Haines, Headquarters; Anton J. Bjorklund, Midwest; Chester E. Brabyn, Far West; W. Wallace Tudor; Edward M. Craig, South; Charles F. Bacon, East; W. Ernie Lusby, Southwest; Gilbert J. Sturrock, Latin-America; (Not present for photograph: Robert W. Harwell, Factories.)

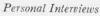
An Important Asset

Most shareowners of Sears, Roebuck and Co. know that, since its beginning, the Company has been built upon stability and growth. Perhaps the principal reason for its success has been its quality merchandise and pioneering spirit. But a fundamental reason may be over-

looked: Sears people, and the leadership provided by supervisors and executives.

Leadership does not just happen. It is deliberate. It derives from the proper selection, training, and placement of a particular kind of man or woman.







Consideration for Well-being



Pride in Assignment



Opportunity for Expression



Adequate Compensation



Profit Sharing

A successful executive is a man of character, of high personal standards. His actions are guided by these standards. He lives by the same principles in his business, family, and community life. He possesses much physical energy and vigor. He is not deterred by temporary discouragements or frustrations. He maintains a proper balance between personal, business, and civic interests. He has strong convictions, and he has the courage to pursue and implement these convictions. He is prepared to defend what he believes to be right. He makes mistakes but, analyzing these mistakes, he profits from them to the end that the quality of his decisions will continue to improve. He is willing-eager, in fact-to devote the time necessary for acquiring additional skills and knowledge, to enlarge his capacities for handling increased responsibility. He works harmoniously with others. He tries constantly to create and to urge improvements. These are some of the characteristics of the executives who have helped make this Company successful and a leader in its field.

Of nearly 230,000 employes, many thousands are in supervisory and executive positions. Sales prospects for the 1960's leave no doubt that the need for people with superior supervisory and executive talents will increase. Con-

sistent with established Company practice, careful estimates have been developed of the number required to fill this need.

So that we may continue to have competent supervisors and executives, potential ability must be recognized early in their careers. Such early identification makes it possible to schedule assignments to insure the breadth of experience and knowledge which will enable them to cope with complex problems as they present themselves.

In the Sears organization, a large number of people are being trained. Fortunately, the scope and variety of activities in the Company permit unusual flexibility in planning training programs. Training takes place, not only within a given function such as Merchandising, Accounting, or Personnel; it also crosses functions. Flexibility and freedom of movement are essential in the preparation of men and women who will be placed in positions of major responsibility. Such movement is essential to comprehensive understanding.

It is this understanding which is so crucial to the continuous growth and prosperity of our widespread, complex, and diverse business. Change in assignment is only part of the training of Sears people. Another is direct promotion to assignments of increased responsibility. Built into the training is a definite plan—promotion from within the Company.

Sears has had this policy of "promotion from within" since 1934. All of our men and women in positions of major responsibility today were prepared over the years. Because of previous experience, they have brought to their important assignments a mature understanding of the principles which guide the Company.

The policy carries the responsibility to make promotions today that will assure competent leadership in future years. It also means that the Company must continue to recruit promising young men and women from high schools and colleges.

Sears policies are guided not only by the principles that pertain to *selecting*, *training*, and *promoting people*; they are guided also by the importance of:

Demonstrating concern for the personal dignity, health, and welfare of everyone in the organization;

Protecting and preserving conditions which will encourage men and women to take pride in their jobs, in their personal accomplishments, and in their Company;

Establishing policies which invite and encourage personal initiative;

Maintaining a system of compensation which properly rewards for work well done;

Sharing the Company profits with Sears men and women.

The concern for the development of executives has great meaning to shareowners of the Company. The ability of these executives does not appear on the operating statement but is reflected in it.

Executive ability is fundamental to the continued success of the Company. It does most to assure long-term growth in terms of sales and profits. It contributes to the attractiveness of Sears as an investment. It helps the Company maintain its position of leadership in the field of general merchandising, and its position as a responsible corporate citizen.

THE SEARS LABORATORY

Scientific Techniques Help Develop and Select Quality Merchandise

In this technological age it is not surprising that science influences many phases of everyday life, including the selection of merchandise at Sears, Roebuck and Co. However, many people might be surprised at the thoroughness with which scientific laboratory methods are used to help Company buyers select quality merchandise, to develop merchandise for our exclusive sale, to maintain high standards of quality control, and to hold production expenses at an optimum—all in order to bring the best values to our customers.

ALMOST FIFTY YEARS OF SERVICE

The Sears Merchandise Development, Design, and Testing Laboratory has been in continuous operation since 1911. Today it is the largest private laboratory of its kind in the world. It occupies 75,000 square feet of space at the Company's Chicago headquarters. In addition, branch laboratories are operated, one in New

York for women's and girls' apparel, and the other in Ft. Myers Beach, Florida for year-round testing of such merchandise as outboard motors, boats, swimming pool filters, exterior paints and finishes, lawn sprinklers, motor scooters, and trailers.

THE ACTIVITIES OF THE LABORATORY

Product Engineering and Testing. This activity is broken down into six divisions: textiles, home economics, electronics-physics, chemical and materials, electro-mechanical, heating and refrigeration. In each of these divisions, our own merchandise as well as competitive lines are carefully compared and analyzed for weaknesses and strengths. This leads to improved features, and ultimately, to better quality merchandise at lower cost.

Product Design. This activity is concerned with creating a product "image" which will visually convey the function and purpose of that product.

Its aim is to make the product not only convenient and efficient but aesthetically attractive as well.

Production Engineering aims at the most efficient production possible, taking into consideration such things as machinery, skills and availability of personnel, availability of raw materials, even factory location, in order to arrive at this goal.

Protective Packaging tries to find the best way

THE LABORATORY STAFF

To aid the members of its staff in their research, the Laboratory maintains a comprehensive scientific and technical library which is open and available to all Company buyers.

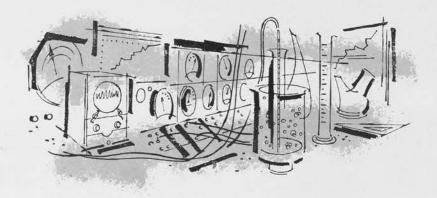
The Laboratory's staff consists of 200 people, the great majority of whom are professionally trained, many holding engineering and other technical degrees. It is because of the Laboratory's highly competent staff that Sears has



of packaging in order to allow for a minimum of space in shipping and storage, and to provide maximum protection for merchandise both in transit and on display in the store.

Quality Control creates an efficient inspection system for factories in order to assure consistent product quality. Identical standards of quality must be agreed upon by both Sears and factory engineers, and maintained in production, so that any variations from these specifications are quickly adjusted.

been able to break through the limitations imposed on most merchants in the selection of merchandise. A Sears buyer need not confine himself to choosing items only from the offerings of manufacturers and distributors. Instead, with the aid of the Laboratory, he may tailor the merchandise directly to the needs of Sears customers by having his products created with specifications and features that have the greatest appeal to consumers. Very often, these features are exclusive in the field, and the finished product represents a superior value.



THE DACRON-COTTON SHIRT STORY

Typical of the major role played by the Laboratory in the development of exclusive Sears products, is the story of the Pilgrim wash-and-wear men's Dacron and cotton shirt.

The first synthetic-fiber shirt with fast-drying, wrinkle-free properties was made of nylon parachute cloth shortly after World War II. Later modifications of this shirt were made of nylon tricot and woven fabrics of Dacron filament.

None of these attempts at developing a satisfactory wash-and-wear shirt was completely successful. The materials soiled quickly and had a cold, damp feel, partly because normal perspiration was not being absorbed from the skin.

The first attempts at a blend to overcome these complaints consisted of cotton combined with a standard diameter Dacron fiber which was available in quantity. The use of cotton im-

Laboratory tests for tensile (pulling) strength, abrasion wear, and fiber quality prove Pilgrim superiority.

proved the appearance, helped in the absorption of perspiration and reduced the "damp-cold" feel. But another problem developed—the tendency of Dacron fibers to "pill" or form little balls on the surface of the fabric. This pilling occurred around the collar of the shirt and wherever there was rubbing or abrasion of the material. The buyer and the Laboratory initiated a research program to overcome pilling while retaining the fast-drying, wrinkle-resistant characteristics which had so much appeal.

Developing the Shirt. Finding the right formula for a satisfactory material could not be confined to the work-table and the microscope. Shirts made of experimental materials had to be field-tested, worn by men under normal use conditions, and laundered individually under controlled standards. The shirts were washed, both by hand and in experimental automatic washer cycles, with various soaps and detergents and at a variety of water temperatures. The samples were both drip-dried and machine-dried.

After months of experimentation, the material which received the highest scores in tests for abrasion, tensile (pulling) strength, retention of the soft fabric feel with minimum pilling, was a new fabric from yarn made of 35% cotton and 65% Dacron of larger diameter. This Dacron fabric proved less likely to "pill", and quickly dried wrinkle-free when hung up wet.

This outstanding blend of Dacron and cotton was a Sears "first," made possible by the development of a new technique for spinning the yarn. Continuing Laboratory tests have shown that these shirts retain their fresh appearance after several hundred wearings. Some have been machine-washed 130 times before signs of wear began to appear.

Comprehensive Quality Control. The top-quality Pilgrim Dacron-cotton shirt is produced by a large manufacturer whose several plants supply merchandise to a number of apparel departments at Sears. The firm's reputation has been proven by consistently high quality production over the years.

The factory follows a system of comprehensive inspections in all stages of production. The material is inspected before sewing begins; production operations are checked at intermediate stages; and each shirt is examined thoroughly both before and after pressing for defects in fabric, workmanship, and size.

To supplement inspections made during production, the factory maintains a central audit inspection activity in which production samples are given still another thorough examination. Shirts are minutely checked for defects on 59 different counts, including such details as buttonhole spacing and puckered seams.

Using identical standards of quality control, inspectors from the Laboratory examine sample quantities of the same shirts, ordered from Sears retail stores and mail order plants, and review their findings with the dress shirt buyer. The buyer then compares the results of Laboratory inspections with those of factory inspections.

Shirts which have been inspected at the Laboratory are returned to the factory for review.

WASH-WEAR AND THE AUTOMATIC WASHER

Man-made fibers, and fabrics with quick-drying and wrinkle-free characteristics have proven extremely popular, but they present very definite laundering problems, because these materials are "thermoplastic"—that is, they become "plastic" when hot, and wrinkles may be "set." For this reason, it was originally recommended that they be handwashed in luke-warm water and drip-dried. However, for a number of reasons this method is not completely satisfactory:

- 1. Hand washing is inconvenient, time consuming, and tedious for anyone accustomed to using an automatic washer.
- 2. Washing in luke-warm or cool water provides only moderately good soil removal.
- 3. Dripping garments hanging in the bathroom are a nuisance.

Until recently, there were no machines equipped to wash or dry man-made materials automatically. The Laboratory worked on this problem for many months before an acceptable wash cycle for wash-and-wear fabrics was evolved in automatic washers. The key to the problem was the thermoplastic nature of the fibers. Washing and spinning in the usual way were out of the question for these fabrics, because creases or wrinkles would be "set" under the heat of the



Wash-and-wear cycles are tested for their ability to clean the fabrics thoroughly, yet leave them wrinkle-free.

typical laundering cycle, and the fabric would require ironing for a smooth, fresh appearance.

With the knowledge gained through the development of Sears exclusive Dacron-cotton shirt and with the assistance of synthetic fiber manufacturers, the Laboratory finally developed a true wash-and-wear cycle for Sears Kenmore automatic washers. It gave excellent soil removal and avoided setting wrinkles while the garment was in the machine. This new cycle washed the garments gently at warm or medium temperatures; cooled the water before spinning by partially draining and then refilling the tub with cold water; and reduced spinning time.

To test the cycle's effectiveness, a group of men wore representative wash-and-wear shirts laundered in the new way. These shirts were photographed before and after laundering, without ironing, through ten washings and wearings. For comparison purposes, hand wash and drip-dry shirts were worn side by side with shirts laundered in the new cycle.

When all parties concerned were convinced of the dependability of the new wash-and-wear cycle, the manufacturer was given the go-ahead. This new feature has been incorporated in the Kenmore automatic washer.

It is interesting to note that both textile manufacturers and our own retail competitors use this Kenmore equipment extensively in their own testing laboratories.

THE CONSTANTLY CHANGING NATURE OF THE LABORATORY'S WORK

It is easy to see how problems in a variety of technical areas will interrelate in the Laboratory. The kind of teamwork that resulted in the development of both a wash-and-wear fabric and a wash-and-wear cycle for Kenmore automatic washers is an everyday occurrence. With dozens of projects under way at any one time, information is constantly being gathered and made available to Sears buyers to aid them in developing new merchandise and features.

The essential function of the Laboratory is to help our buyers offer Sears customers reasonably priced, high quality merchandise, keyed to today's living. While it is impossible to measure this contribution on any balance sheet, Sears customers provide us with the best evaluation of the Laboratory's worth by their continuing confidence in our products.

Over the years, the Laboratory has undergone a constant process of evolution. As the needs of our customers change, so do the activities of the Laboratory. Each year new fields of investigation open up, and traditional ones close down. It is the Laboratory's responsibility not only to keep abreast of the times, but to provide positive leadership to the retailing industry.



Calvin Fentress, Jr., Chairman of the Board, and J. B. Branch, President, of Sears subsidiary, Allstate Insurance Company, visiting an insurance selling booth in Sears store in Aurora, Ill. Similar booths are in most Sears stores.

Allstate Insurance Company

Seven years ago Allstate was exclusively an automobile insurance company. At that time a program of diversification into other kinds of insurance was commenced as essential to both continued growth and increased profits. By the end of 1959, Allstate had become a multiple line insurance company offering a full circle of protection to its policyholders.

During the last year this program of diversification was accelerated. Accident and sickness, boatowners, and garage liability insurance were introduced in practically every state. Commercial fire and liability insurance were extended into additional areas. A continued increase in the volume of residential fire and homeowners insurance was realized. Expansion in all of



The Southeast Zone and Atlanta Regional Office of the Allstate Insurance Company, Atlanta, Ga.—opened May, 1959

these new lines of insurance was emphasized and together they produced over \$40 million in premiums, or nearly 10% of the total. At the same time, premium volume for automobile insurance increased 15%. Thus the production of a substantial volume in the new kinds of insurance was accomplished without retarding the continued growth of the major line, automobile insurance.

This diversification resulted in record highs in total premium volume and net income for Allstate in 1959. Total premium volume, excluding life insurance, was \$438,581,000—an increase of 16.8%. Net income for the year amounted to \$34,583,000 compared with \$20,423,000 in 1958. Cash dividends of \$17,010,000 were paid to the Parent Company in 1959.

At year end assets were \$678,067,000, an increase of \$89,525,000 or 15.2%. The investment of these assets continued to be concentrated in state and municipal bonds. Allstate's investment portfolio was designed to capitalize on favorable conditions in the money market; and investment income from interest, dividends, and real estate rose to \$19,529,000, up 33.3%. Capital of \$1,876,000 was invested in subsidiary companies in Switzerland and Mexico.

EXAMINATION BY INSURANCE DEPARTMENTS

In 1959 the Insurance Departments of Illinois, California, Mississippi, New York, West Virginia and Wyoming, representing all of the state insurance departments, made their regular periodic examination of the Allstate Insurance

30

Company and the Allstate Fire Insurance Company. The report of examination was very favorable, stating among other things that all necessary reserves for claims and claim expenses were maintained, that claims were paid in accordance with terms of the policy contracts, and that policyholders and claimants received prompt service.

CLAIMS SERVICE

Allstate's growth has resulted in great part from the excellent claim service rendered to its policyholders. To provide this service, Allstate maintains the largest claim organization in the insurance industry, totaling 4,246 highly trained personnel as of December 31, 1959. The prompt disposition of nearly 1,900,000 cases during the past year was a dramatic demonstration of Allstate's policy of fast and fair claim service. To continually improve this service,





The Illinois Regional Office of the Allstate Insurance Company, Skokie, Ill.—opened February, 1959.

the operation of company staffed drive-in claim offices was expanded, and settlements for more than 205,000 damaged cars were handled by such offices, many within a few hours after the accident. Claim costs again rose sharply as they have throughout the postwar period, and the cost per accident continued to increase for All-state as well as the entire industry.

TRAFFIC SAFETY

The accident problem is reflected in national accident statistics for 1959 with 38,000 fatalities, 1,500,000 disabling injuries, and a traffic accident economic loss estimated at over \$5 billion. The anticipated 25% increase in vehicle registrations expected during the next decade indicates the necessity of imaginative and aggressive action in the traffic safety and accident prevention fields. Through the Allstate Foundation, with the support of a large number of Allstate employes devoting their efforts to this problem, Allstate has taken a position of leader-

ship in this field. In an effort to help reduce the accident toll and promote traffic safety, Allstate participated in the establishment of the Insurance Institute for Highway Safety in 1959. This organization has the united support of the entire casualty insurance industry in a coordinated, all-out attack on the automobile accident problem.

CUSTOMER SERVICE

Substantial improvements were made in office operations during the year. Additional regional offices were converted to the use of electronic equipment for computer operation in the issuance of policies, endorsements, and billings. This program is designed for accurate, fast, and economical operation, and to further improve and speed up customer service. It will be extended to additional offices in 1960. Allstate now has 30 regional offices, 13 located in company-owned buildings and the remainder in leased facilities. These regional offices supervise

					GROWTH 00 Omitted	STORY				
	1959	1958	1957	1956	1955	1954	1953	1952	1951	1950
PREMIUMS WRITTEN	\$438,581	\$375,647	\$313,168	\$282,685	\$251,833	\$209,228	\$173,613	\$117,347	\$83,973	\$66,312
TOTAL ASSETS	\$678,067	\$588,542	\$423,894	\$379,358	\$334,072	\$267,379	\$194,556	\$137,892	\$100,039	\$78,867









AUTO

LIFE

HOMEOWNERS

SICKNESS AND ACCIDENT

224 claim service offices in the United States and Canada. From this network of strategically located offices, over 14,000 Allstate personnel serve the growing policyholder family.

EMPLOYE BENEFITS

Allstate's employe benefits program is modeled closely after that of Sears. It includes a balanced program of life insurance and accident and sickness insurance benefits, vacation, illness allowance, profit sharing, and supplemental programs. This employe benefits package is outstanding in the insurance industry. As a part of this program, Allstate contributed \$3,849,000 to the Employes Profit Sharing Pension Fund in 1959, and over 99% of the eligible personnel participated in the Plan.

ALLSTATE LIFE INSURANCE COMPANY

In its second full year of operation, Allstate Life Insurance Company crossed the billion dollar mark of insurance in force with \$270 million of ordinary life insurance and \$1,106 million of group life insurance. Allstate Insurance Company invested an additional \$2,500,000 of capital in the life subsidiary and also organized Cross Country Life Insurance Company to write life insurance in the State of Texas. Life operations resulted in a loss for the year as anticipated, but substantial growth was realized, resulting in a base for future profits and producing valuable equities in the reserves established.

THE YEAR AHEAD

During 1960 Allstate plans to continue its tradi-

tion of rapid growth. Again emphasis will be placed upon diversification through multiple lines sales programs providing the customer with a full circle of protection meeting all of his insurance needs. The commercial lines should produce an increased volume as businessmen are becoming increasingly aware of the substantial savings they can realize by placing their business insurance with Allstate.

Competition in 1960 will be exceptionally keen, but the Allstate Companies are prepared to meet these competitive challenges. As it did last year, Allstate will maintain price levels for the various kinds of personal and commercial insurance below the rates charged by most other companies. Underwriting income is expected to compare favorably with that of the past year. Projections for 1960 show another marked increase in new funds available for investment, and earnings from these additional funds will increase investment income.

The excellent results produced in 1959 and those anticipated for 1960 are due to the splendid effort put forth by the entire Allstate organization in support of the programs to diversify, expand, and improve our operations at all levels of the Company. People, not machines, produce results of this type. Recognition is given to the entire Allstate team for their excellent work, their loyalty, and their devotion to duty. Their successful efforts are written plainly in the bottom line of the annual statement.

ALLSTATE INSURANCE COMPANY AND SUBSIDIARY, ALLSTATE FIRE INSURANCE COMPANY

Consolidated Statement of Income

	YEAR ENDED DECEMBER 31, 1959	YEAR ENDED DECEMBER 31, 1958
NET PREMIUMS WRITTEN	\$438,580,658	\$375,647,228
PREMIUMS EARNED (after dividends on participating policies)	\$405,303,220	\$345,005,026
UNDERWRITING CHARGES Claims and claims expense	263,452,049	235,920,123
Sales, policy issuance and service, administration, and other expenses.	99,373,295	83,313,732
Premium and other taxes and fees (excluding income taxes)	13,457,638	10,926,667
TOTAL UNDERWRITING CHARGES	376,282,982	330,160,522
NET UNDERWRITING INCOME	29,020,238	14,844,504
INVESTMENT INCOME		
Interest, dividends, and net real estate income	19,528,995	14,651,599
Net gain from sales of investments	4,105,713	345,115
	23,634,708	14,996,714
Investment expenses	571,622	424,940
NET INVESTMENT INCOME	23,063,086	14,571,774
INCOME BEFORE INCOME TAXES	52,083,324	29,416,278
PROVISION FOR INCOME TAXES	17,500,000	8,993,000
NET INCOME	\$ 34,583,324	\$ 20,423,278

Consolidated Statement of Capital

(Surplus for Protection of Policyholders)

BALANCE BEGINNING OF YEAR. NET INCOME. UNREALIZED APPRECIATION IN MARKET VALUES OF STOCKS. NET CHANGES IN OTHER ASSET VALUES.	\$171,876,064 34,583,324 9,002,470 567,044	\$ 76,964,030 20,423,278 35,446,365 (757,609) 50,000,000
CASH DIVIDENDS PAID TO SEARS, ROEBUCK AND CO	216,028,902 17,010,000	182,076,064 10,200,000
BALANCE END OF YEAR	\$199,018,902	\$171,876,064

ALLSTATE INSURANCE COMPANY AND SUBSIDIARY, ALLSTATE FIRE INSURANCE COMPANY

Consolidated Balance Sheet

	DECEMBER 31, 1959	DECEMBER 31, 1958
ADMITTED ASSETS	18.8.8	
Investments		
U.S. Government Securities	\$ 13,646,712	\$ 28,167,371
State and Municipal Bonds	338,428,908	287,508,986
Other Bonds	22,407,755	23,151,654
Preferred Stocks	36,938,842	28,618,374
Common Stocks	141,494,813	113,546,704
Capital Stock of Unconsolidated	NECESSARIA DE ANTIGO	
Subsidiaries (wholly-owned)	7,514,440	3,826,408
Real Estate	19,385,536	18,928,413
TOTAL INVESTMENTS	579,817,006	503,747,910
Cash	13,072,660	15,765,417
Premium Installments Receivable	76,390,537	64,430,773
Accrued Interest	4,553,019	3,667,255
Other Assets	4,233,407	930,617
TOTAL ADMITTED ASSETS	\$678,066,629	\$588,541,972
LIABILITIES AND CAPITAL		
Liabilities		
Reserve for Claims and Claims Expense	\$222,470,105	\$196,624,668
Unearned Premiums	218,956,971	187,894,726
Income Taxes	13,735,308	11,203,804
Other Taxes	9,767,024	8,163,588
Other Liabilities	14,118,319	12,779,122
TOTAL LIABILITIES	479,047,727	416,665,908
Capital		
Capital Stock, Par Value	3,000,000	3,000,000
Additional Capital Paid In	51,600,245	51,600,245
Unrealized Gain on Stocks	54,784,507	45,782,037
Retained Earnings	89,634,150	71,493,782
TOTAL CAPITAL	199,018,902	171,876,064
TOTAL LIABILITIES AND CAPITAL	\$678,066,629	\$588,541,972

Bonds are stated at amortized cost, preferred and common stocks are stated at market value, and stocks of unconsolidated subsidiaries are stated at underlying net asset value, all as prescribed by the National Association of Insurance Commissioners.

To The Board of Directors of Allstate Insurance Company
We have examined the accompanying Consolidated Balance Sheet of Allstate Insurance Company and its
consolidated subsidiary, Allstate Fire Insurance Company, as of December 31, 1959, and the related Consolidated Statements of Income and Capital for the year then ended. Our examination was made in accordance
with generally accepted auditing standards, and accordingly included such tests of the accounting records
and such other auditing procedures as we considered necessary in the circumstances.

In our opinion, the financial statements referred to above present fairly the consolidated financial position of Allstate Insurance Company and its consolidated subsidiary at December 31, 1959, and the consolidated results of their operations for the year then ended, in conformity with accounting principles and classifications prescribed by the Insurance Department of the State of Illinois and applied on a basis consistent with that of the preceding year.

Chicago, Illinois February 19, 1960 Touche, Ross, Bailey & Smart Certified Public Accountants

Sears Roebuck Acceptance Corp.

Net income for the year was \$3,331,295 compared with \$3,678,942 last year, a decline of \$347,647 or 9.4%. During the first three quarters of 1959, net income decreased \$710,216 compared with the same period of 1958. This was the result of a reduction in the purchases of installment contracts from Sears, Roebuck and Co. However, this decrease was reduced during the fourth quarter when net income for that period was \$362,569 higher than the comparable figure for 1958. All earnings have been retained in the business.

On January 31, 1960 receivables outstanding

were \$460,278,853 compared with \$373,831,918 on January 31, 1959. Lines of credit available to Sears, Roebuck and Co. and Sears Roebuck Acceptance Corp. by 435 banks totaled \$474,764,500. The average daily usage by the Acceptance Corp. during 1959 was \$37,714,753. Short term notes placed directly amounted to \$157,732,000 at year end. The average daily outstanding balance of such notes was \$149,917,500 during 1959.

The Balance Sheet of Sears Roebuck Acceptance Corp. appears on the next page.

Report of Certified Public Accountants

To the Board of Directors of Sears Roebuck Acceptance Corp.

We have examined the accompanying Balance Sheet of Sears Roebuck Acceptance Corp. as of January 31, 1960. Our examination was made in accordance with generally accepted auditing standards, and accordingly included such tests of the accounting records and such other auditing procedures as we considered necessary in the circumstances.

In our opinion, the Balance Sheet referred to above presents fairly the financial position of Sears Roebuck Acceptance Corp. at January 31, 1960, in conformity with generally accepted accounting principles applied on a basis consistent with that of the preceding year.

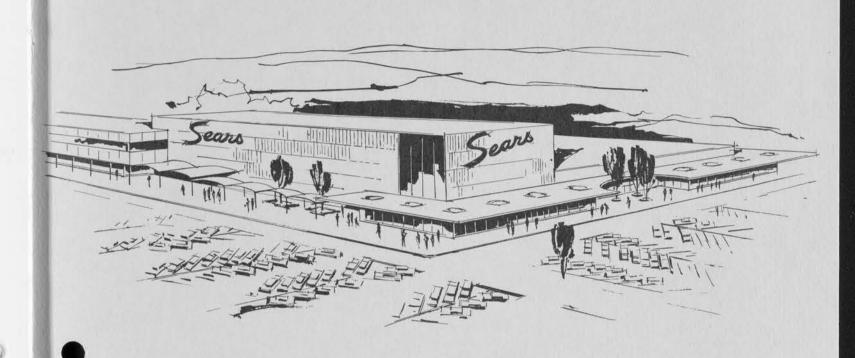
Touche, Ross, Bailey & Smart, Certified Public Accountants

Chicago, Illinois, March 28, 1960

SEARS ROEBUCK ACCEPTANCE CORP.

Balance Sheet

ASSETS	JANUARY 31,	JANUARY 31,
CURRENT ASSETS	1960	1959
Customer installment contracts purchased from Sears, Roebuck and Co. Less portion of purchase price withheld pending collection (including allowances for uncollectible accounts of \$4,602,789 at January 31, 1960 and	\$460,278,853	\$373,831,918
\$3,738,319 at January 31, 1959)	46,519,153	37,917,170
Cash	413,759,700 3,417,045 — 1,088,710	335,914,748 2,998,612 22,508,391 1,375,506
TOTAL CURRENT ASSETS FURNITURE AND EQUIPMENT,	418,265,455	362,797,257
at cost less accumulated depreciation. UNAMORTIZED DEBENTURE DISCOUNT AND EXPENSE UNAMORTIZED ORGANIZATION EXPENSE	9,832 1,870,933 14,363	10,468 1,992,652 22,571
	\$420,160,583	\$364,822,948
LIABILITIES AND SHAREOWNER'S EQUI CURRENT LIABILITIES Notes payable	\$231,682,000	\$180,288,500
Accrued interest and other liabilities	1,907,538 2,473,647	520,463 3,247,882
TOTAL CURRENT LIABILITIES	236,063,185	184,056,845
LONG-TERM LIABILITIES 45/8% Debentures, due 1972	50,000,000 50,000,000 25,000,000 125,000,000	50,000,000 50,000,000 25,000,000
SHAREOWNER'S EQUITY Capital stock par value \$100 per share: Authorized 500,000 shares, issued and outstanding 350,000 shares	35,000,000	35,000,000
Capital in excess of par value	15,000,000 9,097,398	15,000,000 5,766,103
	59,097,398	55,766,103
	\$420,160,583	\$364,822,948



Sears creates modern, complete department stores

Since 1946, two hundred and thirty large and medium size department stores have been erected throughout the country with 11,857,636 square feet of new selling area, surrounded by space for 443,148 automobiles. In addition, during this same period, Sears has spent \$252,137,752 on its existing stores to enlarge, remodel, refixture, air condition, install escalators, and expand parking facilities. All of this was done to help make all Sears stores convenient family shopping centers. The Company intends to continue building modern retail stores and refurbishing its existing stores to maintain its position of leadership in the field of merchandising.



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ANNUAL REPORT 1959/SEARS, ROEBUCK AND CO

Sears, Roebuck and Co. Executive Offices Chicago 7 April 20, 1960

Housing and Redevelopment Authority of the City of Saint Paul, Minnesota 60 East Fourth Street Saint Paul 1, Minnesota

Gentlemen:

Western Redevelopment Project Area UR Minn. 1-2, West of the Minnesota State Capitol Parcelization Map, March, 1960 Parcel 4

Submitted herewith are Preliminary Bid and supporting documents under which Sears, Roebuck and Co. offers to purchase from the Housing and Redevelopment Authority of the City of Saint Paul, Minnesota, Parcel 4 of the above mentioned property for a purchase price of \$303,200.00.

Sears, Roebuck and Co. has heretofore purchased from the Authority, Parcel 3, upon which Sears will construct a retail department store, with automobile parking facilities, a mall and landscaped areas.

It is the intention of Sears, Roebuck and Co., if it be awarded the contract for the purchase of Parcel 4, to use the same for automobile parking in connection with, and in addition to, the parking facilities to be installed by the company on Parcel 3.

Respectfully submitted,

SEARS, ROEBUCK AND CO.

Vice President

att.

Sears, Roebuck and Co.

Executive Offices
Chicago 7

BID DOCUMENTS
Submitted April 21, 1960 to
The HOUSING AND REDEVELOPMENT AUTHORITY
Of the City of Saint Paul, Minnesota
By SEARS, ROEBUCK AND CO.

Parcel 4

- 1. LETTER-NARRATIVE dated April 20, 1960
- 2. BOND (Form 2)
- 3. OFFER TO PURCHASE PROJECT LAND AND PROPOSAL FOR REDEVELOPMENT (Form 3)
- 4. REDEVELOPER'S AFFIDAVIT OF NON-COLLUSION (Form 4)
- 5. REDEVELOPER'S STATEMENT OF QUALIFICATIONS AND FINANCIAL RESPONSIBILITY (Form 5)
- 6. REDEVELOPER'S STATEMENT FOR PUBLIC DISCLOSURE (Form 6)
- 7. SITE PLAN dated April 21, 1960 (Marked "Exhibit A")

SEARS, ROEBUCK AND CO.

By: Milh Asst. Secretary

Sem-3 December 6, 1960 Mr. Warren Skoning Property Manager Sears Roebuck & Co. 8 E. Congress Parkway Chicago, Illinois Re: Parcel No. 3 Western Redevelopment Area Project No. UR Minn. 1-2 Dear Mr. Skoning: Earlier this year, the Authority was in the process of receiving negotiated proposals for the purchase of Parcel No. 4 in our Western Redevelopment Project. As you were one of the proposers for the purchase and development of Parcel No. 4, and as the award of Parcel No. 4 to your organization would allow a substantial increase in the size of the building that you plan for Parcel No. 3, we have delayed our review of the plans so far submitted for Parcel No. 3 until a determination was made on Parcel No. 4. On November 21, 1960, a proposal to purchase Parcel No. 4 was submitted by the Kroger Company which included a letter from Mr. Metcalf of your organization to the Kroger Company. This letter served as a proposal for the utilization of a portion of Parcel No. 4 for your use. Our Authority, on November 30th, determined to favor Ravoux Company for the development of Parcel No. 4 and we are now in the process of negotiating the sale Contract. Certain development plans will be necessary from Ravoux Company before the Authority could approve, by resolution, a sale to this organization. We expect that a Contract will be executed by and between our Authority and Ravoux Company following the receipt of satisfactory development plans. The present proposal by the Ravoux Company serves to indicate that they will develop a 200 unit motor hotel with a 9,000 square foot conference facility. We may only assume at this time, that Ravoux Company will develop the entire parcel with the above facilities. They must submit plans for the development of the entire parcel.

Page -2-December 6, 1960 Mr. Warren Skoning We are interested to know if you have any further plans for the development of Parcel No. 3 as requested in our letter of September 20, 1960. Any submittal of revised plans will, of course, require approval by our Authority and the ultimate development of the site must be in accord with the provisions of the Redevelopment Plan and the Building Requirements for the Western Redevelopment Project. Your letter of September 7th indicates that construction would commence in the season of 1961 and the improvements would be completed within one year thereafter. This is in complete accord with the Deed of Conveyance which requires that construction commence within two years following the date of the Deed and be completed within five years from the date of the Deed. Under the terms of the Contract, commencement of construction should therefore, be prior to March 7, 1962. Sincerely yours, L. J. Thompson Executive Director BBC: kam cc:MDA:files AR

Sears, Roebuck and Co.

Executive Offices
Chicago 7
May 27, 1960

Housing and Redevelopment Authority of the City of Saint Paul, Minnesota 60 East Fourth Street Saint Paul 1, Minnesota

Gentlemen:

Western Redevelopment Project Area UR Minn. 1-2, West of the Minnesota State Capitol Parcelization Map, March, 1960 Parcels 1 and 2

Reference is made to Preliminary Bid and supporting documents submitted by Sears, Roebuck and Co. on April 21, 1960 as its offer to purchase from the Housing and Redevelopment Authority of the City of Saint Paul, Minnesota, Parcel 1 of the above mentioned property for a purchase price of \$90,400.00 and Parcel 2 for a purchase price of \$13,700.00.

Heretofore, Sears, Roebuck and Co. has purchased from the Authority Parcel 3, upon which Parcel Sears proposes to construct a retail department store with automobile parking facilities, a mall and landscaped areas. Our original plans, and our proposals for said Parcel 3, envision the construction of an automobile service station, upon said Parcel 3, in conjunction with said proposed retail store property.

From a practical standpoint, the efficiency of a service station and the service rendered to customers of a service station are materially increased in proportion to the freedom of movement and circulation for customers using the facilities of such service station.

Our Preliminary Bid for Parcels 1 and 2 is for the purpose of supplementing our plans in connection with Parcel 3.

It is our intention, if awarded the contract for the purchase of Parcel 1, to construct the automobile service station upon said Parcel, thereby permitting greater flexibility of movement in the area of such service station, and permitting an increase of approximately sixty parking spaces on Parcel 3.

Please refer to "Exhibit A" dated April 21, 1960 and incorporated in our Preliminary Bid, which shows the proposed service station on Parcel 1, placed parallel to, and north of, Aurora Avenue, with the result that cars would enter from Aurora Avenue rather than from Louis Marion Street. Further, said "Exhibit A" shows that additional parking facilities would be provided for "holding" cars in connection with the service station operation.

Reference to the Parcelization Map dated March, 1960 shows the relation of Parcel 2 to Parcel 3. It is evident that Parcel 2 is abutted on two sides by said Parcel 3 and will be very close to the shipping, receiving and loading docks of the retail store property which we have planned. The awarding to Sears of a contract for the purchase of Parcel 2 will be of great benefit in permitting greater freedom of movement of vehicular traffic, of both Sears employees as well as customers, in and about said loading facilities, and will increase the parking facilities by approximately twenty automobiles, as well as provide additional landscaping areas together with a strip of land, adjoining the church property, of approximately one hundred fifty feet long, for landscaping.

If awarded the contract for the purchase of Parcels 1 and 2, Sears intends, promptly, to ask for the Authority's approval to change the plan, submitted with our Bid for Parcel 3, for the construction of its retail department store, in order to increase the size of the store to be built on Parcel 3. It is estimated that the increase in the size of the retail store will provide approximately ten thousand square feet more of gross retail area which, according to the Redevelopment Plan, would require approximately one hundred thirty more parking spaces than are now provided for by the plan for Parcel 3, on file and approved by the Authority.

It is understood that, according to computations acceptable to the Housing and Redevelopment Authority, the present, approved plan for Parcel 3, provides for approximately ninety one thousand fifty square feet of "gross retail area" (as defined in the 'Building Requirements, March, 1960') and eight thousand seven hundred square feet of "gross office area" (as defined in said 'Building Requirements'), thus requiring capacity for parking one thousand one hundred twenty cars. Under the plan submitted with our Preliminary Bid for Parcel 1, there are fifty-seven parking spaces in excess of those required for Parcel 1, and, the plan submitted with our Preliminary Bid for Parcel 2 provides for twenty parking spaces. The proposed relocation of the filling station from Parcel 3 to Parcel 1 furnishes an additional sixty parking spaces on Parcel 3, thus making total additional parking spaces for one hundred thirty-seven cars. These additional spaces will take care of the requirements for parking, on the basis of the planned increase in size of the retail department store on Parcel 3.

The acquisition of Parcels 1 and 2 by Sears, Roebuck and Co. would enable Sears to proceed with its plans for the improvements on Parcel 3, as well as on Parcels 1 and 2.

The Housing Authority is respectfully requested to consider Sears, Roebuck and Co.'s Preliminary Bid for Parcels 1 and 2, as submitted on April 21, 1960, as our Final Bid, in accordance with Section IV, page 5 of the Housing Authority's brochure "Procedures for Disposition of Project Land", and, the Authority is respectfully asked to consider this letter as a supplement to the narrative submitted with said Preliminary Bid.

Housing and Redevelopment Authority of the City of Saint Paul, Minnesota May 27, 1960 It is Sears, Roebuck and Co.'s considered opinion that the award to Sears of the contract to purchase Parcels 1 and 2 will permit the highest and best use, in a unified and integrated whole, of Parcels 1, 2 and 3 in the well conceived, well planned and well executed Western Redevelopment Project Area in Saint Paul. Respectfully submitted. SEARS, ROEBUCK AND CO. By: Moughland Assistant Secretary

FORM 2

BOND TO ACCOMPANY OFFER TO PURCHASE

	MON ALL MEN BY THESE DRESENTS +	nat we, SEARS, ROEBUCK AND CO
	and a Now York comments, th	, as principal, and
	Surety Co.	as surety, are jointly and severally
	held and firmly hound to the House	ing and Redevelopment Authority of the
	City of Saint Paul Minnesota (her	reinafter referred to as the Authority
	and to its successors and assigns	, in the amount of THIRTY THOUSAND,
	FIVE HUNDRED DOLLARS Dollars	(\$ 30,500.00), lawful money
	of the United States to the name	ent of which, well and truly to be made,
	or the united States, to the paying	of us, our and each of our heirs,
	we hereby bind ourselves and each	sors and assigns firmly by these presents.
	executors, administrators, success	sors and assigns riring by ender presented
	The condition of this obligation	is such that, whereas the principal has
	submitted an offer for the nurchas	se of lands for redevelopment in the
	Western Redevelonment Area, Project	ct UR Minn. 1-2, now, therefore, if
	the said Authority shall award the	e contract for the purchase of said
	lands to the principal, and if the	e principal shall thereupon enter into
	a Contract for the Furchase of La	nd for Redevelopment pursuant to his
	said offer and shall furnish to	the Authority therewith a satisfactory
	performance and completion bond.	certified check, or personal guarantee,
	pursuant to the requirements of s	aid contract, then this obligation shall
	be void: otherwise it shall be a	nd remain in full force and effect, and
	the Redeveloper's default shall co	onstitute a forfeiture and the surety
W .	shall be liable to the Authority	for the full amount of this bond as
	liquidated damages for said defau	lt.
		SEARS, ROEBUCK AND CO.
		Principal /
	Pop am.	APPRINTED D/766
COUNTER	SIGNED AT AT any	By MICE PRESIDENT
	TRANT	SEABOARD SURETY COMPANY
Ву	I Child'm	Company ()
	Resident Agent	Surety
		p. K. R. Lounder, Attorney-in-Pact
		БУ
	STATE OF THE THOUGH)	
) ss.	
	COUNTY OF COOK	
	COOM ,	
	On this 20th day of April	, 1960, before me, a Notary
	Public within and for said County	personally appeared
	CROWDUS BAKER	VICE PRESIDENT , to me known to
2 3	be the persons described in and w	ho executed the foregoing instrument,
	and acknowledged that _he_ execut	ed the same as free act
	and deed.	
		Handa G. Museria
		Notary Public, Crak County, Ju.
		My Commission expires 3/ab/64
	(Power of attorney or other autho	rization on behalf of surety shall be

STATE OF ILLINOIS COUNTY OF COOK

ss.

I, HELEN KOVEL, a Notary Public, in and for said County, in the State aforesaid, do hereby certify that K. R. Leander Attorney-in-fact for the Seaboard Surety Company, who is personally known to me to be the same person whose name is subscribed to the foregoing instrument as Attorney-in-fact, appeared before me this day in person and acknowledged that he signed, sealed and delivered the foregoing instrument as his free and voluntary act as Attorney-in-fact of the Seaboard Surety Company, for the uses and purposes therein set forth, And the said K. R. Leander being first duly sworn on oath says that he is Attorney-in-fact for the said Seaboard Surety Company, and that such authority has not been revoked or rescinded; that he knows the corporate seal of said Company; that the seal affixed to said instrument is such corporate seal, and that it was so affixed by order of the Board of Directors.

Given under my hand and Notarial Seal this

oth day of April

A. D. 196

My Commission Expires April 9, 1962.

Notary Public.

SEABOARD SURETY COMPANY

No. 4515

HOME OFFICE

100 WILLIAM STREET, NEW YORK 38, N.Y.

Power of Attorney

Know all Men by these Presents: That SEABOARD SURETY COMPANY, a corporation of the State of New York, has made, constituted and appointed and by these presents does make, constitute and appoint John F. Schmidt or B. J. Dorsch or R. J. Hyde or K. R. Leander or Thomas F. Clabots,

SURETY COM	May 117/holins
In Witness Whereof. I have signed this certificate at New 19	York, New York, thisday of
I, Donald H. Colyer SEABOARD SURETY COMPANY, do hereby certify that t copy of a power of attorney executed by said SEABOARD Storce and effect.	Asst. Secretary of he above and foregoing is a true and correct SURETY COMPANY, which is still in full
STATE OF NEW YORK COUNTY OF NEW YORK ss.:	
(Seal) No. 41-2711300 Qualified in Queens County Cert. filed in New York County	Lillian Miller Notary Public
of said Company by like authority. LILLIAN MILLER NOTARY PUBLIC, State of New York	
in the State of New Jersey ; that he is Vice-Presi the corporation described in and which executed the foregoing of the said Company; that the seal affixed to said instrument by order of the Board of Directors of said Company; and that	dent of SEABOARD SURETY COMPANY, instrument; that he knows the corporate seal is such corporate seal; that it was so affixed
On this 28th day of July F. E. Schiele COMPANY, with whom I am personally acquainted, who, I	Vice-President of SEABOARD SURETY
STATE OF NEW YORK COUNTY OF NEW YORK ss.:	
(Seal) B. C. Rode Assistant Secretary	F. E. Schiele Vice-President
Attest:	SEABOARD SURETY COMPANY, By
In Witness Whereof, SEABOARD SURETY COMPAN by its Vice-President, and its corporate seal to be hereunto a retary, this 28th day of July	affixed and duly attested by its Assistant Sec-
"All policies, bonds, recognizances, stipulations and all underwritin (a) when signed by the President, or a Vice-President, or a R Assistant Secretary, or a Resident Assistant Secretary or o pany; or (b) when executed by an Attorney-in-Fact."	esident Vice-President, and by a Secretary, or an
ARTICLE VI, Paragraph 6.7: "Attorneys-in-Fact may be appointed by the President or a Vice and duties as he may prescribe." ARTICLE XI, Paragraph 11.1:	
This appointment is made pursuant to the following By-Law Directors of the said Company on December 8th, 1927, and a	
Such bonds, undertakings and obligatory instruments for said said Attorney-in-Fact, shall be binding upon the said Compa bonds, undertakings and obligatory instruments were signed be and sealed with its corporate seal; and all the acts of said hereby given, are hereby ratified and confirmed.	my as fully and to the same extent as if such by the duly authorized officers of the Company
takings and other obligatory instruments of similar nature as	follows: Without Limitations.
its true and lawful Attorney-in-Fact, to make, execute and d	

FORM 2

BOND TO ACCOMPANY OFFER TO PURCHASE

	KNOW ALL MEN BY THESE PRESENTS, that	t we, SEARS, RUESUCK AND CO.,
	and a New York corporation	as principal, and seasoard
	surety co.	s surety, are jointly and severally
	held and firmly bound to the Housing	g and Redevelopment Authority of the
	City of Saint Paul, Minnesota (here:	inafter referred to as the Authority
	and to its successors and assigns,	in the amount of TEN THOUSAND,
	PIVE HUNDREDDollars	(\$_10,500.00), lawful money
	of the United States, to the paymen	t of which, well and truly to be made,
	we hereby bind ourselves and each or	r us, our and each of our helfs,
	executors, administrators, successor	rs and assigns firmly by these presents.
	The condition of this obligation is	such that, whereas the principal has
	submitted an offer for the purchase	of lands for redevelopment in the
	Western Redevelopment Area, Project	UR Minn. 1-2. now. therefore. if
	the said Authority shall award the	contract for the purchase of said
	lands to the principal, and if the	principal shall thereupon enter into
	a Contract for the Furchase of Land	for Redevelopment pursuant to his
	said offer, and shall furnish to the	e Authority therewith a satisfactory
,	performance and completion bond, ce	rtified check, or personal guarantee,
	pursuant to the requirements of said contract, then this obligation shall	
	be void; otherwise it shall be and remain in full force and effect, and	
	the Redeveloper's default shall constitute a forfeiture and the surety	
	shall be liable to the Authority for the full amount of this bond as	
	liquidated damages for said default	
		SEARS, ROEBUCK AND CO.
		Principal / D
	P.D.	Frowdus Daku
TWI ER	SIGNED AT It Caul Mu	By ANDE PRESIDENT - 90VED
	TALIC	SEABOARD SURETY COMPANY
Бу	V C TULL W	
	Resident Agent	Surety
		S. N. Laurday Attaphove In-Pact
		Бу
	STATE OF ILLINOIS)	
) ss.	
	COUNTY OF COOK)	
	On this 20th day ofApril	, 19 60 , before me, a Notary
	Public within and for said County,	personally appeared
100000	CROWDUS BAKER	VICE PRESIDENE, to me known to
	be the persons described in and who	executed the foregoing instrument,
	and acknowledged that _he_ executed	
	and deed.	Nauda G. Museume
		Motary Public, Cook County, Illinois
		My Commission expires 3/26/04
		zation on behalf of surety shall be
	attached here.)	

STATE OF ILLINOIS COUNTY OF COOK

ss.

I, HELEN KOVEL, a Notary Public, in and for said County, in the State aforesaid, do hereby certify that K. R. Leander Attorney-in-fact for the Seaboard Surety Company, who is personally known to me to be the same person whose name is subscribed to the foregoing instrument as Attorney-in-fact, appeared before me this day in person and acknowledged that he signed, sealed and delivered the foregoing instrument as his free and voluntary act as Attorney-in-fact of the Seaboard Surety Company, for the uses and purposes therein set forth, And the said K. R. Leander being first duly sworn on oath says that he is Attorney-in-fact for the said Seaboard Surety Company, and that such authority has not been revoked or rescinded; that he knows the corporate seal of said Company; that the seal affixed to said instrument is such corporate seal, and that it was so affixed by order of the Board of Directors.

Given under my hand and Notarial Seal this

Oth day of

A, D. 196 🗣

My Commission Expires April 9, 1962.

Notary Public.

SEABOARD SURETY COMPANY

No. 4515

HOME OFFICE

100 WILLIAM STREET, NEW YORK 38, N.Y.

Power of Attorney

the State of New York, has made, constitute	That SEABOARD SURETY COMPANY, a corporation of d and appointed and by these presents does make, constitute Dorsch or R. J. Hyde or K. R. Leander or
	e, execute and deliver, on its behalf as Surety, bonds, under- imilar nature as follows: Without Limitations.
said Attorney-in-Fact, shall be binding upon bonds, undertakings and obligatory instrumer	ruments for said purposes, when duly executed by the afore- the said Company as fully and to the same extent as if such its were signed by the duly authorized officers of the Company he acts of said Attorney-in-Fact, pursuant to the authority ed.
This appointment is made pursuant to the for Directors of the said Company on December	ollowing By-Laws which were duly adopted by the Board of 8th, 1927, and are still in full force and effect:
ARTICLE VI, Paragraph 6.7: "Attorneys-in-Fact may be appointed by the P and duties as he may prescribe."	resident or a Vice-President upon such terms and with such powers
ARTICLE XI, Paragraph 11.1: "All policies, bonds, recognizances, stipulations (a) when signed by the President or a Vice-	and all underwriting undertakings shall be valid: -President, or a Resident Vice-President, and by a Secretary, or an ant Secretary or other duly authorized official or agent of the Com-
	ETY COMPANY has caused these presents to be signed to be hereunto affixed and duly attested by its Assistant Sec- July 19 59.
Attest:	SEABOARD SURETY COMPANY, By
(Seal) B. C. Rode	F. E. Schiele
Assistant Secreta	Vice-President
COUNTY OF NEW YORK ss.:	
On this 28th day of Ju	ly , 19 59 , before me personally appeared
	Vice-President of SEABOARD SURETY cquainted, who, being by me duly sworn, said that he resides
in the State of New Jersey ; that	he is Vice-President of SEABOARD SURETY COMPANY,
of the said Company; that the seal affixed to	ted the foregoing instrument; that he knows the corporate seal o said instrument is such corporate seal; that it was so affixed ompany; and that he signed his name thereto as Vice-President
LILLIAN	MILLER State of New York
No. 41	Queens County Lillian Miller
Cert. filed in N	Notary Public ares March 30, 1961
STATE OF NEW YORK COUNTY OF NEW YORK ss.:	
. Dana 1 d H Calarra	Asst. Secretary of
SEABOARD SURETY COMPANY, do here	by certify that the above and foregoing is a true and correct d SEABOARD SURETY COMPANY, which is still in full
	ertificate at New York, New York, thisday of
April	1960



FORM 2

KNOW ALL MEN BY THESE PRESENTS, that we, SEARS, ROEBUCK AND CO., as principal, and Seaboar

Surety Co.

BOND TO ACCOMPANY OFFER TO PURCHASE

_____, as principal, and <u>Seaboard</u>_____, as surety, are jointly and severally

City of Saint Paul, Minnesota (hereinafter referred to as the Authority and to its successors and assigns, in the amount of TEN THOUSAND, PIVE HUNDRED — Dollars (\$ 10,500.00 —), lawful money of the United States, to the payment of which, well and truly to be made, we hereby bind ourselves and each of ous, our and each of our heirs, executors, administrators, successors and assigns firmly by these presents. The condition of this obligation is such that, whereas the principal has submitted an offer for the purchase of lands for redevelopment in the Western Redevelopment Area, Project UR Minn. 1-2, now, therefore, if the said Authority shall award the contract for the purchase of said lands to the principal, and if the principal shall thereupon enter into a Contract for the furchase of Land for Redevelopment pursuant to his said offer, and shall furnish to the authority therewith a satisfactory performance and completion bond, certified check, or personal guarantee, pursuant to the requirements of said contract, then this obligation shall be void; otherwise it shall be and remain in full force and effect, and the Redeveloper's default shall constitute a forfeiture and the surety shall be liable to the Authority for the full amount of this bond as liquidated damages for said default. SEARS, ROEBUCK AND CO. Principal By SEADARD SURETY COMPANY STATE OF ILLINOIS STATE OF ILLINOIS On this 20th day of Public within and for said County, personally appeared, to me known to be the persons described in and who executed the foregoing instrument, and acknowledged that he executed the same as his free act Manual A. Wille PRESIDENT To to me known to be the persons described in and who executed the foregoing instrument, and acknowledged that he executed the same as his free act Manual A. William Cook County, Illinois Notary Public, Cook County, Illinois Notary Public, Cook County, Illinois Notary Public Presidents of Surety shall be	held and firmly bound to the	Housing and Redevelopment Authority of the
and to its successors and assigns, in the amount of TEN THOUSAND. FIVE HUNDRED Dollars (\$ 10,500.00) lawful money of the United States, to the payment of which, well and truly to be made, we hereby bind ourselves and each of us, our and each of our heirs, executors, administrators, successors and assigns firmly by these presents. The condition of this obligation is such that, whereas the principal has submitted an offer for the purchase of lands for redevelopment in the Western Redevelopment Area, Project UR Minn. 1-2, now, therefore, if the said Authority shall award the contract for the purchase of said lands to the principal, and if the principal shall thereupon enter into a Contract for the Furchase of Land for Redevelopment pursuant to his said offer, and shall furnish to the authority therewith a satisfactory performance and completion bond, certified check, or personal guarantee, pursuant to the requirements of said contract, then this obligation shall be void; otherwise it shall be and remain in full force and effect, and the Redeveloper's default shall constitute a forfeiture and the surety shall be liable to the Authority for the full amount of this bond as liquidated damages for said default. SEARS, ROBBUCK AND CO. Principal By SURETY COPPANY SURETY COPPANY SURETY COPPANY SEABOARD SURETY COPPANY SUCCEPTION TO ME known to be the persons described in and who executed the foregoing instrument, and acknowledged that he executed the same as his free act and deed. Notary Public, Cook County, Illinois My Commission expires 3704/646 (Power of attorney or other authorization on behalf of surety shall be	City of Saint Paul, Minnesota	(hereinafter referred to as the Authority
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The condition of this obligation is such that, whereas the principal has submitted an offer for the purchase of lands for redevelopment in the Western Redevelopment Area, Project UR Minn. 1-2, now, therefore, if the said Authority shall award the contract for the purchase of said lands to the principal, and if the principal shall thereupon enter into a Contract for the turchase of Land for Redevelopment pursuant to his said offer, and shall furnish to the Authority therewith a satisfactory performance and completion bond, certified check, or personal guarantee, pursuant to the requirements of said contract, then this obligation shall be void; otherwise it shall be and remain in full force and effect, and the Redeveloper's default shall constitute a forfeiture and the surety shall be liable to the Authority for the full amount of this bond as liquidated damages for said default. SEARS, ROEBUCK AND CO. Principal By STATE OF ILLINOIS On this 20th day of April Public within and for said County, personally appeared ON THE PRESIDENT ON TOWN TOWN TOWN TOWN TOWN TOWN TOWN	we hereby bind ourselves and a	each of us, our and each of our hells,
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western Redevelopment Area, Project UR Minn. 1-2, now, therefore, if the said Authority shall award the contract for the purchase of said lands to the principal, and if the principal shall thereupon enter into a Contract for the Furchase of Land for Redevelopment pursuant to his said offer, and shall furnish to the Authority therewith a satisfactory performance and completion bond, certified check, or personal guarantee, pursuant to the requirements of said contract, then this obligation shall be void; otherwise it shall be and remain in full force and effect, and the Redeveloper's default shall constitute a forfeiture and the surety shall be liable to the Authority for the full amount of this bond as liquidated damages for said default. SEARS, ROEBUCK AND CO. Principal By Surety By STATE OF ILLINOIS On this 20th day of April 1960, before me, a Notary Public within and for said County, personally appeared CKOWPUS BAKKN WEE PRESIDENT TO MENOW to be the persons described in and who executed the foregoing instrument, and acknowledged that he executed the same as his free act and deed. Notary Public, Cook County, Illinois Notary Public, Cook County, Illinois Notary Public, Cook County, Illinois Notary Public, Cook County, Stall be	The condition of this obligat:	ion is such that, whereas the principal has
Western Redevelopment Area, Project UR Minn. 1-2, now, therefore, it the said Authority shall award the contract for the purchase of said lands to the principal, and if the principal shall thereupon enter into a Contract for the Furchase of Land for Redevelopment pursuant to his said offer, and shall furnish to the Authority therewith a satisfactory performance and completion bond, certified check, or personal guarantee, pursuant to the requirements of said contract, then this obligation shall be void; otherwise it shall be and remain in full force and effect, and the Redeveloper's default shall constitute a forfeiture and the surety shall be liable to the Authority for the full amount of this bond as liquidated damages for said default. SEARS, ROEBUCK AND CO. Principal By SURETY COMPANN SURETY COMPANN SURETY COMPANN SURETY COMPANN STATE OF ILLINOIS On this 20th day of April 1,1960, before me, a Notary Public within and for said County, personally appeared VICE PRESIDENT , to me known to be the persons described in and who executed the foregoing instrument, and acknowledged that he executed the same as his free act and deed. Notary Public, Cook County, Illinois Ny Commission expires 3746 for surety shall be	submitted an offer for the pur	rchase of lands for redevelopment in the
Indis to the principal, and if the principal shall thereupon enter into a Contract for the Furchase of Land for Redevelopment pursuant to his said offer, and shall furnish to the Authority therewith a satisfactory performance and completion bond, certified check, or personal guarantee, pursuant to the requirements of said contract, then this obligation shall be void; otherwise it shall be and remain in full force and effect, and the Redeveloper's default shall constitute a forfeiture and the surety shall be liable to the Authority for the full amount of this bond as liquidated damages for said default. SEARS, ROEBUCK AND CO. Principal By SURETY COMPANY SURETY COMPANY STATE OF ILLINOIS On this 20th day of April , 1960, before me, a Notary Public within and for said County, personally appeared CROWDUS BAKEN VICE PRESIDENT , to me known to be the persons described in and who executed the foregoing instrument, and acknowledged that he executed the same as his free act and deed. Notary Public, Cook County, Illinois My Commission expires 3/36/64. (Power of attorney or other authorization on behalf of surety shall be	Western Redevelopment Area. P	roject UR Minn. 1-2. now, therefore, if
lands to the principal, and if the principal shall thereupon enter into a Contract for the Furchase of Land for Redevelopment pursuant to his said offer, and shall furnish to the Authority therewith a satisfactory performance and completion bond, certified check, or personal guarantee, pursuant to the requirements of said contract, then this obligation shall be void; otherwise it shall be and remain in full force and effect, and the Redeveloper's default shall constitute a forfeiture and the surety shall be liable to the Authority for the full amount of this bond as liquidated damages for said default. SEARS, ROEBUCK AND CO. Principal SURETY COMPANY SURETY COMPANY STATE OF ILLINOIS On this 20th day of April 1960, before me, a Notary Public within and for said County, personally appeared CHOWEDS BAKEN VICE PRESIDENT 1, to me known to be the persons described in and who executed the foregoing instrument, and acknowledged that he executed the same as his free act and deed. Notary Public, Cook County, Illinois My Commission expires 3/36/64.	the said Authority shall awar	d the contract for the purchase of said
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said offer, and shall furnish to the Authority therewith a satisfactory performance and completion bond, certified check, or personal guarantee, pursuant to the requirements of said contract, then this obligation shall be void; otherwise it shall be and remain in full force and effect, and the Redeveloper's default shall constitute a forfeiture and the surety shall be liable to the Authority for the full amount of this bond as liquidated damages for said default. SEARS, ROEBUCK AND CO. Principal By SURETY COMPANY SURETY COMPANY STATE OF ILLINOIS On this 20th day of April 1960, before me, a Notary Public within and for said County, personally appeared CROWDUS BAKEN WICE PRESIDENT, to me known to be the persons described in and who executed the foregoing instrument, and acknowledged that he executed the same as his free act and deed. Notary Public, Cook County, Illinois Notary Public, Cook County South Notary Publi	Tands to the principal, and I	f Land for Podovolonment pursuant to his
performance and completion bond, certified check, or personal guarantee, pursuant to the requirements of said contract, then this obligation shall be void; otherwise it shall be and remain in full force and effect, and the Redeveloper's default shall constitute a forfeiture and the surety shall be liable to the Authority for the full amount of this bond as liquidated damages for said default. SEARS, ROEBUCK AND CO. Principal By SURETY COMPANY Surety Ey STATE OF ILLINOIS On this 20th day of April , 1960, before me, a Notary Public within and for said County, personally appeared CROWDUS BAKEN VICE PRESIDENT , to me known to be the persons described in and who executed the foregoing instrument, and acknowledged that _he_ executed the same ashis free act and deed. Notary Public,Cook _County, Illinois _ Notary Public,Cook _County, Illinois _ Ny Commission expires3/2/6/6/4. (Fower of attorney or other authorization on behalf of surety shall be	a Contract for the Furchase of	t Land for Redevelopment pursuant to mis
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SEARS, ROEBUCK AND CO. Principal By SURETY COMPANY Surety By STATE OF ILLINOIS On this 20th day of April Public within and for said County, personally appeared CROWDUS BAKEN Modern Agent April Public within and for said County, personally appeared CROWDUS BAKEN MICE PRESIDENT MICE PRESIDENT Surety By Surety MICE PRESIDENT MICE PRESIDENT MICE PRESIDENT To me known to be the persons described in and who executed the foregoing instrument, and acknowledged that he executed the same as his free act and deed. Notary Public, Cook County, Illinois My Commission expires 3/26/64/4. (Power of attorney or other authorization on behalf of surety shall be	pursuant to the requirements	of said contract, then this obligation shall
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SEARS, ROEBUCK AND CO. Principal By SEARS BOEBUCK AND CO. Principal By Surety By Surety By Surety CALUNIA By Surety By Surety By Surety By Surety By Surety By Surety CALUNIA By Surety	the Redeveloper's default sha	11 constitute a forfeiture and the surety
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STATE OF ILLINOIS On this 20th day of April public within and for said County, personally appeared CROWDUS BAKEN VICE PRESIDENT , to me known to be the persons described in and who executed the foregoing instrument, and acknowledged that _he_ executed the same as		Principal
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STATE OF ILLINOIS On this 20th day of April , 1960, before me, a Notary Public within and for said County, personally appeared CROWDUS BAKEN MIDE PRESIDENT , to me known to be the persons described in and who executed the foregoing instrument, and acknowledged that he executed the same as his free act and deed. Notary Public, Cook County, Illinois My Commission expires 3/34/64 (Fower of attorney or other authorization on behalf of surety shall be	M.SIGNED ALL SCO. D. G.	SEABOARD SURETY COMPANY
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(Fower of attorney or other authorization on behalf of surety shall be		16. Commission austinos 3/16/16/
		My Commission expires Date 4
	(Power of attorney or other a	

STATE OF ILLINOIS COUNTY OF COOK

ss

I, HELEN KOVEL, a Notary Public, in and for said County, in the State aforesaid, do hereby certify that K. R. Leander Attorney-in-fact for the Seaboard Surety Company, who is personally known to me to be the same person whose name is subscribed to the foregoing instrument as Attorney-in-fact, appeared before me this day in person and acknowledged that he signed, sealed and delivered the foregoing instrument as his free and voluntary act as Attorney-in-fact of the Seaboard Surety Company, for the uses and purposes therein set forth, And the said K. R. Leander being first duly sworn on oath says that he is Attorney-in-fact for the said Seaboard Surety Company, and that such authority has not been revoked or rescinded; that he knows the corporate seal of said Company; that the seal affixed to said instrument is such corporate seal, and that it was so affixed by order of the Board of Directors.

Given under my hand and Notarial Seal this

20th day of

A. D. 196 0

My Commission Expires April 9, 1962.

Helen Kovel

Notary Public.

SEABOARD SURETY COMPANY

No. 4515

HOME OFFICE

100 WILLIAM STREET, NEW YORK 38, N.Y.

Power of Attorney

Know all Men by these Presents: That SEABOARD SURETY COMPANY, a corporation of the State of New York, has made, constituted and appointed and by these presents does make, constitute and appoint John F. Schmidt or B. J. Dorsch or R. J. Hyde or K. R. Leander or Thomas F. Clabots, .

of Chicago, Illinois,	
its true and lawful Attorney-in-Fact, to make, execute takings and other obligatory instruments of similar natu	and deliver, on its behalf as Surety, bonds, under- re as follows: Without Limitations.
Such bonds, undertakings and obligatory instruments for said Attorney-in-Fact, shall be binding upon the said C bonds, undertakings and obligatory instruments were sig and sealed with its corporate seal; and all the acts of hereby given, are hereby ratified and confirmed.	Company as fully and to the same extent as if such med by the duly authorized officers of the Company
This appointment is made pursuant to the following By Directors of the said Company on December 8th, 1927,	y-Laws which were duly adopted by the Board of and are still in full force and effect:
ARTICLE VI, Paragraph 6.7: "Attorneys-in-Fact may be appointed by the President or and duties as he may prescribe."	a Vice-President upon such terms and with such powers
ARTICLE XI, Paragraph 11.1: "All policies, bonds, recognizances, stipulations and all under (a) when signed by the President, or a Vice-President, or Assistant Secretary, or a Resident Assistant Secretary pany; or (b) when executed by an Attorney-in-Fact."	
In Witness Wherent, SEABOARD SURETY COMby its Vice-President, and its corporate seal to be here retary, this 28th day of July	unto affixed and duly attested by its Assistant Sec-
the state of the second state of the second state of	
Attest:	SEABOARD SURETY COMPANY, By
(Seal) B. C. Rode	F. E. Schiele
Assistant Secretary	Vice-President
COUNTY OF NEW YORK ss.:	
On this 28th day of July F. E. Schiele	, 19.59., before me personally appeared Vice-President of SEABOARD SURETY
COMPANY, with whom I am personally acquainted, in the State of New Jersey ; that he is Vice-the corporation described in and which executed the fore of the said Company; that the seal affixed to said instruby order of the Board of Directors of said Company; and of said Company by like authority.	who, being by me duly sworn, said that he resides President of SEABOARD SURETY COMPANY, going instrument; that he knows the corporate seal ament is such corporate seal; that it was so affixed
(Seal) LILLIAN MILLER NOTARY PUBLIC, State of New No. 41-2711300 Qualified in Queens County Cert, filed in New York Coun Commission Expires March 30,	ty Lillian Miller
COUNTY OF NEW YORK ss.:	
I,Donald H. Colyer SEABOARD SURETY COMPANY, do hereby certify copy of a power of attorney executed by said SEABOA force and effect.	that the above and foregoing is a true and correct RD SURETY COMPANY, which is still in full
In Bitness Bherent. I have signed this certificate at	New York, New York, thisday of
April , 1960 .	
SURETY	11 11/1/
8 * 18	Amald Hooken
1927	Assistant Secretary

FORM 2

BOND TO ACCOMPANY OFFER TO PURCHASE

KNOW ALL MEN BY THESE PRESENTS, that we, SEARS, ROEBUCK AND CO. and a New York corporation, as principal, and Seaboard	
Surety Co. , as surety, are jointly and severally	
held and firmly bound to the Housing and Redevelopment Authority of the	
City of Saint Paul, Minnesota (hereinafter referred to as the Authority	
and to its successors and assigns, in the amount of THIRTY/THOUSAND, FIVE HUNDRED DOLLARS Dollars (\$ 30,500.00), lawful money	
FIVE HUNDRED DOLLARS Dollars (\$30,500.00), lawful money	
of the United States, to the payment of which, well and truly to be made,	
we hereby bind ourselves and each of us. our and each of our heirs,	
executors, administrators, successors and assigns firmly by these presents	•
Ti whence the mineral has	
The condition of this obligation is such that, whereas the principal has	
submitted an offer for the purchase of lands for redevelopment in the	
Western Redevelopment Area, Project UR Minn. 1-2, now, therefore, if	
the said Authority shall award the contract for the purchase of said lands to the principal, and if the principal shall thereupon enter into	
a Contract for the Furchase of Land for Redevelopment pursuant to his	
said offer, and shall furnish to the Authority therewith a satisfactory	
performance and completion bond, certified check, or personal guarantee,	
pursuant to the requirements of said contract, then this obligation shall	
be void; otherwise it shall be and remain in full force and effect, and	
the Redeveloper's default shall constitute a forfeiture and the surety	
shall be liable to the Authority for the full amount of this bond as	
liquidated damages for said default.	
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SEARS, ROEBUCK AND CO.	
Principal Baker	
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Resident Agent By K. R. Leander, Attorney-in-Fact	2
Resident Agent By K. R. Leander, Attorney-in-Fact STATE OF ILLINOIS	2
Resident Agent By K. R. Leander, Attorney-in-Fact STATE OF ILLINOIS) ss. COUNTY OF COOK	2
STATE OF ILLINOIS COUNTY OF COOK On this 20th day of April , 1960, before me, a Notary	2
STATE OF ILLINOIS On this 20th day of April , 1960, before me, a Notary Public within and for said County, personally appeared CROWDUS RETINER. to me known to	2
STATE OF ILLINOIS On this 20th day of April , 1960, before me, a Notary Public within and for said County, personally appeared CROWDUS BAKER VICE PRESIDENT , to me known to be the persons described in and who executed the foregoing instrument,	2
STATE OF ILLINOIS On this 20th day of April , 1960, before me, a Notary Public within and for said County, personally appeared CROWDUS RETHER , to me known to	2
STATE OF ILLINOIS On this 20th day of April , 1960, before me, a Notary Public within and for said County, personally appeared CROINDUS BEKER VICE PRESIDENT , to me known to be the persons described in and who executed the foregoing instrument, and acknowledged that he executed the same as free act and deed.	2
STATE OF ILLINOIS On this 20th day of April , 1960, before me, a Notary Public within and for said County, personally appeared CROWDUS BETKER VICE PRESIDENT , to me known to be the persons described in and who executed the foregoing instrument, and acknowledged that he executed the same as free act and deed. Agent Surety By K. R. Leander, Attorney-in-Fact 1960, before me, a Notary Public within and for said County, personally appeared CROWDUS BETKER VICE PRESIDENT , to me known to be the persons described in and who executed the foregoing instrument, and acknowledged that he executed the same as free act	2
Surety By K. R. Leander, Attorney-in-Fact STATE OF ILLINOIS Ss. COUNTY OF COOK On this 20th day of April 1960, before me, a Notary Public within and for said County, personally appeared Chow Dus April 1960, before me, a Notary Public within and for said County, personally appeared Okow Dus April 1960, before me, a Notary Public within and for said County, personally appeared Okow Dus April 1960, before me, a Notary Public within and for said County, personally appeared Okow Dus April 1960, before me, a Notary Public within and for said County, personally appeared Okow Dus April 1960, before me, a Notary Notary Public, to me known to be the persons described in and who executed the foregoing instrument, and acknowledged that he executed the same as free act Notary Public, Cook County, Mental County, Ment	7.
STATE OF ILLINOIS State of Illi	2
Surety By K. R. Leander, Attorney-in-Fact STATE OF ILLINOIS Ss. COUNTY OF COOK On this 20th day of April 1960, before me, a Notary Public within and for said County, personally appeared Chow Dus April 1960, before me, a Notary Public within and for said County, personally appeared Chow Dus April 1960, before me, a Notary Public within and for said County, personally appeared On this 20th day of April 1960, before me, a Notary Public within and for said County, personally appeared The persons described in and who executed the foregoing instrument, and acknowledged that he executed the same as free act and deed. The property in the personal property i	7.

I, HELEN KOVEL, a Notary Public, in and for said County, in the State aforesaid, do hereby. certify that K. R. Leander Attorney-in-fact for the Seaboard Surety Company, who is personally known to me to be the same person whose name is subscribed to the foregoing instrument as Attorney-in-fact, appeared before me this day in person and acknowledged that he signed, sealed and delivered the foregoing instrument as his free and voluntary act as Attorney-in-fact of the Seaboard Surety Company, for the uses and purposes therein set forth, And the said K. R. Leander being first duly sworn on oath says that he is Attorney-in-fact for the said Seaboard Surety Company, and that such authority has not been revoked or rescinded; that he knows the corporate seal of said Company; that the seal affixed to said instrument is such corporate seal, and that it was so affixed by order of the Board of Directors.

Given under my hand and Notarial Seal this

20th day of Apri 1

A. D. 196 C

My Commission Expires April 9, 1962.

Votary Public.

SEABOARD SURETY COMPANY

No. 4515

HOME OFFICE

100 WILLIAM STREET, NEW YORK 38, N.Y.

Power of Attorney

Know all	Men hy	these Pr	esents: '	That SEA	BOARD S	URETY	COMPA	NY, a corpo	ration of
								does make, d	
			or B. J.	Dorsch	or R. J.	Hyde or	K. R.	Leander or	
Thomas F.	Clabots, ~								

of Chicago, Illinois, its true and lawful Attorney-in-Fact, to make, execute and deliver, on its behalf as Surety, bonds, undertakings and other obligatory instruments of similar nature as follows: Without Limitations. Such bonds, undertakings and obligatory instruments for said purposes, when duly executed by the aforesaid Attorney-in-Fact, shall be binding upon the said Company as fully and to the same extent as if such bonds, undertakings and obligatory instruments were signed by the duly authorized officers of the Company and sealed with its corporate seal; and all the acts of said Attorney-in-Fact, pursuant to the authority hereby given, are hereby ratified and confirmed. This appointment is made pursuant to the following By-Laws which were duly adopted by the Board of Directors of the said Company on December 8th, 1927, and are still in full force and effect: ARTICLE VI, Paragraph 6.7: "Attorneys-in-Fact may be appointed by the President or a Vice-President upon such terms and with such powers and duties as he may prescribe." ARTICLE XI, Paragraph 11.1: "All policies, bonds, recognizances, stipulations and all underwriting undertakings shall be valid: (a) when signed by the President, or a Vice-President, or a Resident Vice-President, and by a Secretary, or an Assistant Secretary, or a Resident Assistant Secretary or other duly authorized official or agent of the Company; or (b) when executed by an Attorney-in-Fact." In Witness Whereof, SEABOARD SURETY COMPANY has caused these presents to be signed by its Vice-President, and its corporate seal to be hereunto affixed and duly attested by its Assistant Secretary, this 28th day of July ., 19...59.. SEABOARD SURETY COMPANY, Attest: B. C. Rode F. E. Schiele Vice-President Assistant Secretary STATE OF NEW YORK SS.: COUNTY OF NEW YORK On this 28th day of July ., 19...59..., before me personally appeared F. E. Schiele .Vice-President of SEABOARD SURETY COMPANY, with whom I am personally acquainted, who, being by me duly sworn, said that he resides in the State of New Jersey ; that he is Vice-President of SEABOARD SURETY COMPANY, the corporation described in and which executed the foregoing instrument; that he knows the corporate seal of the said Company; that the seal affixed to said instrument is such corporate seal; that it was so affixed by order of the Board of Directors of said Company; and that he signed his name thereto as Vice-President of said Company by like authority. LILLIAN MILLER NOTARY PUBLIC, State of New York
No. 41-2711300
Qualified in Queens County
Cert. filed in New York County Lillian Miller Notary Public Commission Expires March 30, 1961 STATE OF NEW YORK COUNTY OF NEW YORK Donald H. Colyer Asst. Secretary of

SEABOARD SURETY COMPANY, do hereby certify that the above and foregoing is a true and correct copy of a power of attorney executed by said SEABOARD SURETY COMPANY, which is still in full

In Witness Whereof. I have signed this certificate at New York, New York, this 20th April, 19....60



Almald Hoo Assistant Secretary

STATE VETERANS SERVICE BUILDING COMMISSION City Hall and Court House St. Paul 2. Minnesota November 12, 1959 Tel. GA. 4612 WRA Mr. I. J. Thompson Executive Director St. Paul, Minnesota Dear Sir: Pursuant to your request, the plans and drawings of the proposed Sear-Roebuck Company retail store to be located in the Western Redevelopment Area have been submitted to our engineers and architect for their study and recommendation. I enclose herewith a report from our engineers, Nason-Law-Wehrman & Knight, which I believe is self-explanatory. Insofar as the proposed building is concerned, it is in compliance with the provisions of the State Veterans Building Act, Chapter 315, Minnesota Session Laws 1945, and is, therefore, approved. With reference to the parking area your attention is directed to the recommendations and suggestions of Mr. G. L. Nason, and the approval of these portions of the plans is withheld pending your study of the recommendations. Respectfully submitted, WHF:cb Enclosure HLR

NASON · LAW · WEHRMAN & KNIGHT The state of the state of the state of MORELL & NICHOLS IN .. TRUS 385 AVENUT STORM . WINE ZET I DO TO THE November 6, 1959 Mr. William Fallon Executive Secretary State Veterans Service Building Commission 1745 City Hall and Court House St. Paul, Minnesota Dear Mr. Fallon: In have reviewed the proposed plans for the Sears Roebuck and Company site. This is in the area bounded by Louis-Marion Street, Aurora Avenue, Rice Street and Rondo Avenue in St. Paul. Insofar as the building itself, I believe it would be harmonious with the other structures in the capitol approach area. It might be well to have Brooks Cavin review the plan also. It is a two-story building with the first and a portion of the second floor devoted to sales and the balance of the second floor for stock. The structure has approximately 90,000 square feet of selling area on the first floor including toilets, seasonal sales, package delivery and truck loading. On the second floor, approximately 26,000 square feet is sales and the balance of the floor is stock, offices, employees space, mechanical equipment, etc. Based on this square footage, of approximately 116,000 square feet of selling area thence using the national average of 1 car parking space per 100 square feet of selling area, it seems the 1120 parking spaces are approximately correct. This does not, however, allow for employee parking. The diagonal entrance from Louis-Marion Street at the center line of Fuller must be maintained as a one-way entrance or revised. The parking lot south of the service station containing 135 cars should be revised as to direction of parking. The angle should always carry directly through the spaces. This also allows traffic flow when one is seeking a space. This also applies as to direction of spaces in the 187 car lot directly north of the building. It also seems that the lot in the southwest corner of the property might better well be oriented north and south so pedestrian movement would be northerly toward the mall thence toward the building. This is the basis for our layout of parking at Southdale. It appears that all heavy trucking would be either entering the service station area or the store from Aurora Avenue which seems reasonable. The total landscaped area seems to be adequate. I would recommend that provisional approval be given requiring additional

Mr. William Fallon -2-November 6, 1959 study as to parking and revision of the entrances on Louis-Marion Street. Relative to the Housing and Redevelopment Authority's request as to

federal aid for renewal projects, I am supplying the following data:

- 1. I believe could be a simple statement written by you as to the purpose and result of the Capitol Approach improvement.
- 2. A tabulation of the commencement and completion of each contract and description and cost is attached.
- 3. A tabulation of the engineering and supervision costs and special costs is attached.
- 4. A tabulation of the demolition costs above ground is attached. The foundation removal, etc. was covered in the construction section. (In regard to the acquisition costs, I believe you have a list already made which is better than mine.)
- 5. Is covered in the tabulation for item no. 2

If we can be of any additional help regarding this, please do not hesitate to let me know.

Very truly yours.

NASON, LAW, WEHRMAN & KNIGHT Morell & Nichols, Inc.

GLN/gmp

October 5, 1959 M. D. Anderson WKA. L. J. Thompson B. Chapman Sears Proposal - Redesign Sept. 25, 1959, Parcel 3, W.R.A. Attached is a copy of the "Analysis Checklist for Redevelopment Proposals" for the Sears-Roebuck August 7, 1959 proposal (final bid) and another analysis based on the September 25, 1959 request. The latest request concerns the placement of the "Toledo" building on parcel 2 and 3. The recent analysis sheet was completed concerning Plan 1 as received from Sears on September 25. 1959 but the computations were based on the plan without the service station shown, as it was immediately apparent that the placement of both structures on the parcel would not be possible. The following concerns the proposals: there appears to be about a 10% increase of coverage of the main building and also about a 10% increase of retail area for the Tolede building as it relates to the building indicated on the final bid proposal. The Toledo building has about 1,030,000 square fact of retail area. 103,000. The building requirements dated May of 1957 of the Contract documents for the disposition of W.R.A. land require, among other things, 13 cars for every 1000 square feet of retail area and one car for each 1000 square feet of office area. The area of 1,030,000 square feet would require parking space for approximately 1345 cars (including the office requirement of 7 spaces). A total of 1150 parking spaces are provided on Plan 1, which eliminates the plan as feasible under the terms of the contract. Plan No. 4 (September 25, 1959 proposal) shows parking spaces (on parcel 2 and 3) totaling 1188 cars which is still 157 cars short of the necessary amount. Parcel 2 and 3. Toledo Building without service station provided 1188 cars required 1345 cars. Parcel No. 1 could accomodate approximately (180 cars if it is used entirely for parking purposes. Acquisition of both Parcel 1 and 2 for parking purposes appears necessary to allow construction of the main Toledo building on parcel 3. This would be without the service station. Parcel 1, 2 and 3 Toledo building without service station provided 1340 cars remired 1345 cars The placement of a service station with a retail area of 4800 square feet would require an additional 60 parking spaces and the placement of this station on Parcel No. 1 would reduce the parcel's parking capacity by about 80 cars. Parcels 1, 2 and 3 Toledo building with service station (plan 4) Provided (parcel 1, 2 & 3 1260 cars (estimate) required 1405 cars The above amount is 195 cars short of the necessary amount to actisfy the building requirements for both buildings on all three parcels as shown on Plan 4.

Page two. Very little is indicated concerning parking and location of service station on Plan No. 4 but some changes are necessary to satisfy City requirements and the Building Requirements of the sale Documents. These conflicts are minor. Some courses of action are listed: Sears acquires Parcels 1, 2 and 3 and constructs surface parking. "Toledo Bldg." and no service station. 2. Sears builds generally as originally proposed on Parcel 3. 3. Sears delay construction until 1961, bid for and buy parcels 1 and 2 and construct "Toledo" building, service station and a combination of surface and ramp parking. All of the above computations are based on the parking requirements, based on the "inside" retail area. An "cutdoor" sales lot is shown on the Teledo plan totaling 6300 square feet, which would require an additional 82 parking spaces if we want to consider this as "retail area". It, of course, has only seasonal use. The remaining Building Requirements have been satisfied or exceptions have previously been allowed which, it is assumed, will be allowed again. Previous exceptions concern the followings 1. Individual parking space (size" 2. Parking lane width 3. Circulation drive width 4. Landscaping 5. Mall requirement.

"To ledo Building Variances Contract Plan" Requirements Permitted By Plan Resolution 58-14 Exhibit "A" May, 1957 Ground Cover: 100,000 sq.ft. 86,300 sq.ft. Retail Store (a) 9,200 sq.ft. 9,200 sq.ft. (b) Service Station Gross Retain Area (a) Sears Figures 96,369 sq. ft. 97,000 sq.ft. (b) Housing Auth-106,100*sq.ft. 91,050*sq.ft. ority Service Station Sales Area 2,300 sq.ff. 3,100 sq.ft. 8,700 sq. ft. 13,125 sq. ft. Office Space Automobile Parking (a) Sears Figures 1,120 cars 1,117 cars 1,390 cars 155.6 sq. ft. 180 sq.ft. 157 sq.ft. Area Per Parking Space 157 eq. ft. Width of Circulation Drives 15 ft. 15 ft. 20 ft. 20 ft. 33 ft. 30 ft. 30 ft. 30 ft. Landscape Planting Area (a) Total required (or provided) ** 107,500sq. ft. 100,900 sq.ft. 50,040 sq. ft. 124,650 sq.ft. (b) excluding mall & setbacks (and sidewalks therein 15,500 sq. ft. 33,900 sq.ft. Minimum Matt Width 40 ft. 45 44. Ave. 60 ft.

- * Includes retail sales space, service station and outside sales area.
- ** includes mall, boulevard strips, setbacks, sidewalks, landscape in parking compounds, covered welkways, patio area and planting adjacent to church property.

(Ave. 60 ft.)

3100 service states 96700 106,100