

BROOKLYN RAPID TRANSIT CO.

(See Accompanying Map)

History.—Incorporated Jan 18, 1896, under the Business Corporations Law of the State of New York. Among other purposes for which the company was formed are the construction, extension, repair, improvement, equipment of and furnishing the motive power for railroads and other works, and to purchase, acquire, hold and dispose of stocks, bonds and other evidences of indebtedness of any corporation, domestic or foreign, and to issue in exchange therefor its stock, bonds and other obligations. The company acquired the assets of the Long Island Traction Co., which was sold under foreclosure in Dec, 1895. These assets included (a) the entire \$200,000 capital stock of the Brooklyn Heights Railroad Co., carrying with it the lease of the Brooklyn City Railroad; (b) the entire \$2,000,000 capital stock of the Brooklyn, Queens County & Suburban RR; (c) the guaranty fund for the due performance of the lease of Brooklyn City RR to Brooklyn Heights RR, consisting of \$2,000,000 of Brooklyn, Queens County & Suburban RR First Mortgage bonds and \$1,627,000 of Brooklyn City RR First Mortgage bonds, and (d) the equity in the construction account of Brooklyn Heights RR against Brooklyn City RR.

In April, 1899, the Brooklyn Rapid Transit Co., through one of its constituent companies, acquired all the franchises and property of the Brooklyn & Brighton Beach RR, a steam railroad, and converted it into an electric road. In Nov, 1899, all the stock of the Kings County Elevated RR Co. was acquired, and the property of that company was subsequently consolidated with the Brooklyn Union Elevated RR (now New York Consolidated RR Co.).

The Brooklyn Rapid Transit Co. owns \$13,180,031 Common and \$4,785,485 Pfd. stock of the New York Consolidated RR Co. (being over 96% of outstanding stock), incorporated Nov 30, 1912, in New York, as consolidation of the Brooklyn Union Elevated RR Co., Sea Beach Ry and Canarsie RR; also owns about 98% of the entire capital stock of the Nassau Electric RR, the entire \$350,000 capital stock of the Coney Island & Gravesend Ry and the entire \$500,000 stock of the South Brooklyn Ry.

In April, 1903, the **Transit Development Co.** was organized with \$500,000 capital stock (all owned by the B. R. T. Co.), for the purpose of handling real estate, manufacturing and selling power, etc. Under an arrangement made March 1, 1907, the company furnishes power and takes care of the maintenance and repair of the various lines and their equipment. In May, 1906, the Transit Development Co. acquired the entire \$250,000 stock of the Canarsie RR Co., subsequently merged in the New York Consolidated RR Co. The Transit Development Co. also owns \$980,000 of the \$1,000,000 capital stock of the **American Railway Traffic Co.**, organized in Jan, 1904, for the purpose of handling freight, hauling and disposing of city's ashes, refuse, etc., for the Borough of Brooklyn. Contract with city expiring Dec 27, 1908, was not renewed and company is in process of dissolution.

Resume of System.—Through its ownership of all or a majority of the capital stocks of its subsidiary companies, the Brooklyn Rapid Transit Co. controls substantially all the elevated lines in the Borough of Brooklyn, and all of the surface lines, including those of the Coney Island & Brooklyn RR, with the exception of those of the Van Brunt St. & Erie Basin RR. The entire system operated June 30, 1913 comprised 273.84 miles of first track of which 150.54 miles were controlled through stock ownership; 115.15 miles were held under 999 year leases, and 8.14 miles were operated under special

leases. The lines of the system practically gridiron the business and residential portions of the Borough of Brooklyn, and extend to Coney Island, Brighton Beach, Bergen Beach, Canarsie, and other seashore resorts.

Bridge Contract.—On May 21, 1904, the Brooklyn Heights RR Co. made a contract with the Department of Bridges of the City of New York providing for the operation of trolley cars over the Williamsburg Bridge for a term of ten years, from Sept 1, 1904. Subsequently the Bridge Operating Co. was organized with \$100,000 capital stock, of which the B. R. T. Co. owns \$50,000, to operate local cars on the bridge, the operation of which was begun in Nov. 1904. On April 26, 1907, a contract was signed covering the operation of elevated trains over this bridge.

Acquisition of Coney Island & Brooklyn RR.—The P. S. Commission of New York, First District, on Dec 26, 1913 authorized the Coney Island & Gravesend Ry, a subsidiary of the B. R. T., to acquire by purchase \$2,637,000 of the \$2,983,900 outstanding stock of the Coney Island & Brooklyn RR at par.

The consent was given on the understanding that transfers are to be issued at all intersecting points of the Coney Island and B. R. T. lines.

RAPID TRANSIT EXPANSION.—AGREEMENTS WITH THE CITY.

(New York Municipal Ry Corp. System.)

Negotiations with the City were finally consummated in the contracts of March 19, 1913, between the City of New York and New York Municipal Ry Corp., which was incorporated on Sept 27, 1912, for the purpose of carrying out the Brooklyn Rapid Transit Co.'s part in the so-called dual system.

These contracts were four in number, and covered substantially the following obligations:

1. The City agreed to construct at its expense three rapid transit railroads, namely:
 - (a) The Broadway-Fourth Avenue Line, comprising generally in Manhattan the Broadway-59th Street line, the Canal St. connection with Manhattan Bridge, the Centre St. Loop with its extension through Nassau and Broad Streets, and a tunnel under the East River, and in Brooklyn the Fourth Ave. subway from Manhattan Bridge to 86th St., with branches to Coney Island via 38th St. and New Utrecht Ave., and to a connection with the Brighton Beach railroad at Malbone St. via Flatbush Ave.
 - (b) The Culver Line, constituting in effect another branch of the Fourth Avenue subway to Coney Island via Gravesend Ave.
 - (c) The Fourteenth St.-Eastern Line, beginning at 6th Ave., Manhattan, and extending under 14th St. and the East River to North Seventh Street, Brooklyn, and thence to a connection with the elevated railroads at East New York.
2. The Company agreed to equip the above named railroads, and to contribute towards the cost of construction thereof the sum of \$13,500,000 in addition to the cost of a connection between the Broadway and Canal St. subways; also at its own expense to construct and equip certain elevated railroad extensions, one to Jamaica Ave., the other to Lefferts Ave., Queens, via Liberty Ave., and certain additional tracks upon the present elevated railroad system, and to provide for certain connections and reconstruction of the railroads and equipment of the New York Consolidated RR Co. The estimated cost of construction to the City is \$100,500,000; of construction and equipment to the Company, \$65,000,000, besides the contribution of existing rapid transit railroads.
3. The lines to be constructed by the City are to be leased to the Company for a period of 49 years from Jan 1, 1917 (with provision for recapture by the City after ten years), and are to be operated by the lessee in connection with the existing railroads of the New York Consolidated RR Co. (as enlarged and extended) as one system, and for a single fare.

There will be approximately 293 miles of track in the enlarged system (including trackage rights over the Astoria and Corona, Queens, lines enjoyed mutually with the Interborough Rapid Transit Co.), of which approximately 133 miles will be owned by the City.

Under the terms of the lease the annual net revenue remaining after operating expenses, taxes and provision for depreciation, is to be applied in the following order:

1. To the lessee \$3,500,000 as representing the net earnings of the existing railroads which are to form part of the new rapid transit system. Out of this reservation the lessee is to pay interest charges on capital investments prior to March 19, 1913, in the existing railroads.

2. To the lessee 6% on its new investment in construction and equipment prior to the beginning of permanent operation, and thereafter interest and 1% sinking fund.
3. To the City interest and 1% sinking fund on its investment in cost of construction.

Any surplus remaining, after making provision for a moderate contingent reserve fund, is to be divided equally between the lessee and the City.

Prior to the execution of the contracts with the City, and pursuant to the predetermined arrangement, the companies owning the existing railroads which are to form part of the new rapid transit system, namely, the Brooklyn Union Elevated RR Co., the Canarsie RR Co. and the Sea Beach Ry Co., were duly consolidated into the New York Consolidated RR Co., and subsequently the latter company took from the New York Municipal Ry. Corp. an assignment of the operating provisions of the City contracts assumed by that corporation, so that the New York Consolidated RR Co. will be the operator of the new system. It has also acquired all the capital stock of the New York Municipal Ry. Corp. with the right and obligation to take any which may hereafter be issued, and has guaranteed the principal and interest of the latter company's funded debt. The money necessary for the construction and equipment, however, will be provided by the New York Municipal Ry. Corp. and for this purpose it has mortgaged its agreement and lease with the City and all its other property, now or hereafter acquired, to secure \$100,000,000 of its 5% gold bonds. Its authorized capital stock is \$2,000,000, of which \$100,000 has been issued and is outstanding.

MILEAGE OPERATED, AS OF JUNE 30, 1913.

Controlled by Stock Ownership:				
	1st Track.	2nd Track.	Sidings, etc.	Total Track.
*Brooklyn Heights RR.....	2,134	1,851	0.198	4,183
Brooklyn, Queens County & Suburban RR..	29,712	28,987	3,223	61,922
Nassau Electric RR.....	67,236	65,470	10,230	142,936
†Coney Island & Gravesend Ry.....	3,950	3,188	0.348	7,486
South Brooklyn Ry.....	1,184	1,184	3,301	5,669
New York Consolidated RR				
Elevated lines.....	29,249	29,221	5,802	64,272
Surface lines.....	17,082	17,082	21,478	55,642
Total.....	150,547	146,983	44,580	342,110
Leased for 999 Years:				
Brooklyn City RR.....	105,598	100,685	22,713	228,996
Prospect Park & Coney Island RR.....	9,549	8,925	8,460	26,935
Total.....	115,147	109,611	31,173	255,931
Operated under Special Leases:				
New York & Brooklyn Bridge:				
Elevated lines.....	1,762	1,762	0.231	3,755
Surface lines.....	1,802	1,707	....	3,509
Williamsburgh Bridge:				
Elevated lines.....	1,635	1,635	....	3,270
Surface lines.....	1,741	1,741	0.218	3,700
Coney Island & Brooklyn RR.....	1,203	1,538	....	2,741
Total.....	8,143	8,383	0.449	16,975
Grand total.....	273,837	264,977	76,202	615,016

* Owned jointly by Brooklyn Heights RR Co. and Brooklyn City & Newtown RR Co.

† Owned jointly by Coney Island & Gravesend Ry Co. and Coney Island & Brooklyn RR Co.

Equipment, June 30, 1913.—Closed cars, 1,126; open cars, 919; convertible cars, 671; semi-convertible, 767; mail, freight and miscellaneous cars, 380; snow plows, sweepers and sprinklers, 80; electric locomotives, 5—total, 3,948.

CAPITAL STOCK AND DIVIDENDS.

Authorized, \$90,000,000; outstanding, \$49,013,218, of which \$64,782 held in the treasury as of June 30, 1913; par, \$100. The authorized capital stock was increased from \$45,000,000 to \$90,000,000 on Jan 3, 1913, the new stock to be issued from time to time prior to July 1, 1914, exclusively for the conversion of the 4% bonds of 1902, at par, if presented by the holders for that purpose. Listed on New York Stock Exchange. Transfer Agent: Equitable Trust Co., New York. Registrar: United States Mortgage & Trust Co., New York.

Dividends at rate of 4% per annum were paid, quarterly, April 1, 1909, to April 1, 1910, inclusive; 5% per annum from July 1, 1910, to April 1, 1913, inclusive; 1½%, July 1, 1913; 1½%, Oct 1, 1913; 1½%, Jan 1, 1914; 1½%, April 1, 1914.

BONDED DEBT (ENTIRE SYSTEM), JUNE 30, 1913.

The following table shows the bonded debt and interest charges of the Brooklyn Rapid Transit Co. and constituent companies as of June 30, 1913. In addition to the bonds shown, there were outstanding real estate mortgages aggregating \$448,500, the average rate of interest of which was 4.87%.

Company.	Amount Authorized.	Owned by Constituent Cos.	Amount Outstanding.	Rate, %	Annual Interest.	Maturity Date of Bonds.
Brooklyn Rapid Transit Co.:						
Fifty-Year Gold.....	\$7,000,000	\$30,000	\$6,970,000	5	\$348,500	Oct 1, 1945
First Ref. Gold Mtg.....	150,000,000	17,984,000	28,901,000	4	1,156,040	July 1, 2002
Six-Year Notes.....	60,000,000	.....	40,000,000	5	2,000,000	July 1, 1918
New York Municipal Ry Corp.:						
First Mtge. Bonds.....	100,000,000	40,000,000	.....	5	.....	Jan 1, 1966
The Bklyn Heights RR:						
First Mtge.....	250,000	.....	250,000	5	12,500	Apr 1, 1941
Bklyn, Queens Co. & Sub. RR:						
First Mtge.....	3,500,000	2,000,000	1,500,000	5	75,000	July 1, 1941
First Consol. Mtge.....	4,500,000	50,000	2,534,000	5	141,700	July 1, 1941
Jamaica & Bklyn Road:						
Mortgage.....	240,000	2,000	238,000	5	11,900	Jan 1, 1930
Sea Beach Ry:						
Consol. Mtge.....	650,000	22,500	627,500	4	25,100	Sept 1, 1916
Nassau Elec. RR:						
First Mtge.....	660,000	.....	660,000	5	33,000	Apr 1, 1944
First Consol. Mtge.....	15,000,000	1,161,000	10,347,000	4	413,880	Jan 1, 1951
Atlantic Ave. RR:						
Gen. Consol. Mtge.....	2,241,000	.....	2,241,000	5	112,050	Apr 1, 1931
Improvement Mtge.....	220,000	.....	220,000	5	11,000	Jan 1, 1934
Bklyn., Bath & W. E. RR:						
General Mtge.....	121,000	.....	121,000	5	6,050	Oct 1, 1933
First Mtge., Series B....	250,000	.....	250,000	5	12,500	Jan 1, 1917
Bklyn Union El. RR:						
First Mtge.....	16,000,000	.....	16,000,000	5	800,000	Feb 1, 1950
Kings Co. Elev. RR:						
First Mortgage.....	7,000,000	.....	7,000,000	4	280,000	Aug 1, 1949
Real Estate Mortgages....	.....	.....	448,500	..	21,875	.....
Totals.....	.....	\$61,249,500	\$118,608,000	..	\$5,461,095	.....

BONDED DEBT.—B. R. T. PROPER.—TOTAL, \$93,885,000, AS OF JUNE 30, 1913.

\$7,000,000 (entire issue) First Gold 5s; dated Oct 1, 1895; due Oct 1, 1945; int. A & O 1, at Equitable Trust Co., New York, Trustee. Coupon, \$1,000; principal may be registered. A first lien on all property of the company, including securities, certificates of indebtedness, etc. Listed on the New York Stock Exchange. Normal Income Tax deducted from interest.

\$46,885,000 First Refunding Gold 4s; dated July 1, 1902; due July 1, 2002; int. J & J 1, at Central Trust Co., New York, Trustee. Coupon (principal may be registered), \$1,000, and registered, \$1,000 and \$5,000. Coupon bonds may be exchanged for registered bonds and vice versa. Authorized, \$150,000,000, of which \$59,304,000 reserved to retire all underlying liens, the remainder for improvements, betterments and acquisitions. The mortgage provides that a fund of \$5,000,000 bonds, or their proceeds, shall at all times be at the disposal of the company, and as this fund is reduced, the trustee may authenticate more bonds and turn them over to the company, but only to the extent of actual cost of properties acquired. Subject to call at 110 and interest on any interest date up to and including July 1, 2000, upon 6 months' notice, and thereafter at par. The bonds are convertible into stock, par for par, on and before July 1, 1914. Secured by a direct lien on the property of the Brooklyn Rapid Transit Co., subject only to the First Mortgage 5% bonds described above. Total issued to June 30, 1913, \$51,062,000, of which \$46,885,000 were outstanding and \$4,177,000 converted into capital stock. Of the amount shown as outstanding, there were on hand as of June 30, 1913, bonds of the par value of \$17,984,000, of which \$10,000,000 were pledged as collateral to \$40,000,000 6-year 5% notes; \$2,861,000 were pledged as collateral to "bills payable"; \$3,112,000 were in hands of treasurer, B. R. T. Co.; \$1,046,000 in hands of treasurer, Nassau Electric RR Co., \$700,000 deposited with Trustee of Nassau Electric RR, Consol. Mtge.; \$15,000 deposited by N. E. RR Co., with City of New York and held in escrow, and \$250,000 held in the guaranty fund of Brooklyn City RR. lease. Listed on the New York Stock Exchange. Interest paid without deduction for Normal Income Tax.

\$40,000,000 Six-Year 5% Gold Notes; dated July 1, 1912; due July 1, 1918; int. J & J 1, at Central Trust Co., New York, Trustee. Coupon, principal may be registered. Authorized, \$60,000,000; the balance to be issued only for the same purpose as the present issue, viz., of meeting the requirements of the proposed contract with the city for the construction, equipment and operation of the rapid transit lines to be operated by the New York Municipal Railway Corp. Convertible at the option of the holder into 5% First Mortgage bonds of the New York Municipal Ry Corp. at any time prior to Jan 1, 1916, on and after which date they are to be subject to call as an entire issue only at the option of the company at 101 and int., on any interest date, on ninety days' notice. Secured by pledge with the Central Trust Co. of an equal amount of First Mortgage 5% bonds of the New York Municipal Ry Corp., and of \$10,000,000 Brooklyn Rapid Transit Co. 4% First Refunding bonds. Proceeds of the notes are to be deposited as security for the notes until expended. Listed on New York Stock Exchange. Interest paid without deduction for Normal Income Tax.

Note: To Jan 31, 1914, \$301,000 of the above notes had been converted into N. Y. Municipal Ry Corp. First 5s, leaving \$39,699,000 outstanding.

SECURITIES OWNED OR CONTROLLED, AS OF JAN 31, 1914.

Stocks (\$40,635,473).		\$100,000 (auth. \$2,000,000) N. Y. Municipal Ry Corp.	
\$980,000	(auth. \$1,000,000) American Ry Traffic Co.	50,000 (entire issue) Prospect Park of South Brooklyn RR.	
50,000	(total issue \$100,000) Bridge Operating Co., being 50% of entire stock	500,000 (entire issue) South Brooklyn Ry.	
200,000	(entire issue) Brooklyn Heights RR.	500,000 (entire issue) Transit Development Co.	
2,000,000	(entire issue) Brooklyn Queens Co. & Suburban RR.	Bonds (\$64,036,500).	
64,752	Brooklyn Rapid Transit Co.	\$1,627,000	Brooklyn City RR First 5s.
2,637,000	(total issue \$2,983,900) Coney Island & Brooklyn RR.	725,000	Brooklyn City RR Ref. 4s.
350,000	(entire issue) Coney Island & Gravesend Ry.	2,000,000	Brooklyn, Queens County & Suburban RR First 5s.
6,394,375	(auth. \$6,500,000) Nassau Elec. RR Pfd.	50,000	Brooklyn, Queens County & Suburban RR First Consol. 5s.
8,500,000	(entire issue) Nassau Elec. RR Com.	30,000	Brooklyn Rap. Tran. Gold 5s.
4,785,985	N. Y. Consolidated RR Pfd.	18,714,000	Brooklyn Rap. Tran. Ref. 4s.
13,430,831	N. Y. Consolidated RR Com., 96% of entire Com.	8,000	Jamaica & Brooklyn Mgt.
92,500	(auth. \$100,000) N. Y. & Coney Island RR.	1,161,000	Nassau Elec. RR First Consol. 4s.
		39,699,000	N. Y. Municipal Ry Corp. First 5s.
		22,500	Sea Beach Ry Consol. 5s.

OPERATING STATISTICS, YEARS ENDED JUNE 30.

	1912-13.	1911-12.	1910-11.	1909-10.	1908-9.	1907-8.
Passengers carried.....	626,304,156	598,555,794	571,881,446	569,438,773	530,149,597	515,184,967
Transfers redeemed.....				151,279,806	141,326,128	128,650,863
Revenue mileage.....	82,217,451	81,604,127	79,619,831	77,984,651	74,200,436	73,674,770
Earnings per revenue mile	28.5 cts.	27.6 cts.	26.8 cts.	26.3 cts.	25.7 cts.	25.7 cts.
Passenger earnings—units						
per passenger.....	3.74 cts.	3.77 cts.	3.73 cts.	3.60 cts.	3.60 cts.	3.68 cts.
Oper. expenses to earnings	53.33%	54.51%	55.57%	56.15%	57.86%	60.09%

INCOME ACCOUNT, YEARS ENDED JUNE 30.

	1912-13.	1911-12.	1910-11.	1909-10.	1908-9.	1907-8.
Pass. earnings—						
Surface div..	\$14,680,066	\$13,944,850	\$12,976,397	\$12,346,325	\$11,645,569	\$11,543,992
Elevated div.	8,773,016	8,619,166	8,577,966	8,130,820	7,413,124	7,386,172
Total.....	\$23,453,082	\$22,564,016	\$21,354,363	\$20,477,145	\$19,058,693	\$18,930,164
Freight, mail, express, etc....	609,797	571,903	540,034	427,376	635,769	940,403
Other earnings.	429,356	408,622	389,671	353,807	605,817	677,824
Total earns.	\$24,492,235	\$23,544,541	\$22,284,068	\$21,258,328	\$20,300,279	\$20,548,391
Operat. charges & betterments	12,833,456	12,612,059	12,254,902	11,845,671	11,460,084	12,169,360
Net income.	\$11,658,779	\$10,932,482	\$10,029,166	\$9,412,657	\$8,840,195	\$8,379,031
Taxes.....	1,750,083	1,775,041	1,465,535	1,454,213	1,337,620	930,008
Int. and rentals.	5,411,768	5,446,219	5,503,687	5,455,409	5,631,396	5,604,931
Dividends (5¼%)	2,440,770	(5%) 2,239,851	(5%) 2,242,690	(4½%) 1,906,286	(2%) 897,076	.....
Sur. for year	\$2,056,158	\$1,471,371	\$817,254	\$596,749	\$974,103	\$1,844,092

CONSOLIDATED BALANCE SHEET, JUNE 30.

	1913.	1912.		1913.	1912.
Assets—	\$	\$	Liabilities—	\$	\$
Road and equipm't. (a)	127,472,652	(a)126,280,147	Capital stock B. R. T.	49,013,218	44,837,218
Bonds Brooklyn City RR	(b)600,000	(b)600,000	Stock of constit. cos. not owned	824,009	816,609
Advances to leased cos	11,440,521	11,303,225	Bonded debt	120,434,540	84,362,549
Deposit to guar. Bklyn City lease	4,153,945	3,904,920	Real estate mort.	448,500	154,500
Capital expenditures account subway and rapid transit lines.	4,267,379		Bills payable	(c)2,750,000	(c)4,150,000
Materials and supplies.	1,079,872	860,764	Accounts payable	(d)3,302,990	2,073,580
Accounts receivable	881,151	1,164,919	Taxes accrued	1,636,882	1,693,802
Cash fund for construction and equipment of subways & rapid transit lines	35,483,220		Int. and rents accrued	648,262	658,015
Investments	165,166	171,166	Insurance reserve	472,119	361,900
Cash on hand and in bank	2,118,305	1,742,686	Accrued amortization of capital and sinking fund accrual	884,719	654,145
Prepaid accounts	194,911	287,823	Special reserve	957,967	1,000,000
Insur. res. investm'ts.	420,691	310,472	Surplus	(e)7,904,607	5,863,813
Deposit with City of New York	1,000,000				
Total	189,277,813	146,626,122	Total	189,277,813	146,626,122

(a) Includes construction expenditure, constituent companies, not yet funded, \$927,669 in 1913, against \$41,977 in 1912. (b) Deposited with Trustee of B. R. T. Co. Refunding 4% bonds. (c) These are secured by deposit of B. R. T. Co. Refunding bonds. (d) Includes July 1, 1913, dividend unpaid. (e) After adding profit from real estate disposed of and other misc. items, \$123,740, and deducting \$50,000 for special reserve and \$89,103 for adjustments, etc.

In addition to the above securities, there is held in the treasury \$64,782 B. R. T. stock and \$57,111,500 bonds of the B. R. T. and constituent companies not included in Assets or Liabilities.

Officers: N. F. Brady, *Chairman of Board*; T. S. Williams, *Pres.*; C. D. Meneely, *V-P. & Treas.*; Slaughter W. Huff, *V-P.*; J. H. Bennington, *Sec.*; G. D. Yeomans, *Gen. Counsel*; Howard Abel, *Compt.*; W. S. Menden, *Chief Eng. of Rapid Transit Construction*; L. Van Cott, *Pur. Agt.*

Directors: N. F. Brady, H. C. DuVal, Henry Evans, W. G. Oakman, J. H. Harding, J. N. Wallace, T. S. Williams, Bernard Gallagher, C. D. Meneely, G. W. Davidson, Colgate Hoyt, New York; G. F. Porter, Chicago.