

Prudence-Bonds Corporation

Prudence First Mortgage Guaranteed 5½% Participating Certificates

Legal for trust funds in the state of New York.

These certificates are issued by Prudence-Bonds Corporation and evidence the participation or ownership in bonds and mortgages constituting first liens against specific parcels of real estate, the owner being entitled (1) to his share in the mortgage lien on the particular property, and (2) to the guaranty of the principal and interest of the certificate by The Prudence Company, Inc. The Prudence Company, Inc., incorporated in New York in 1919, operates, under the supervision of the New York Banking Department, the business of financing real estate, purchasing first mortgages, building loans, etc.

In lieu of the earnings of the particular properties, the comparative balance sheet of the guarantor for 1927 and 1928 is given. Its 1929 capital and surplus are \$17,181,775.

Assets:

	1928	1927
Cash	\$3,887,238	\$10,677,586
Prudence Bonds, ctfs., etc....	9,011,787	2,662,022
Mortgages	20,858,946	17,549,145
Accrued interest.....	2,892,919	2,073,338
Marketable securities.....	2,613,527	2,332,491
Other assets	2,445,239	691,962
	\$41,709,656	\$35,986,544

Liabilities:

Preferred stock	5,000,000	5,000,000
Common stock	5,000,000	5,000,000
Bonded debt	14,600,000	14,800,000
Interim certificates, etc.....	1,675,150	2,322,566
Due bank	4,000,000
Unpresented coupons.....	144,488	352,336
Accounts payable.....	140,356	301,725
Tax reserve	747,777	650,313
Advance payments	2,284,612	1,165,017
Reserve for interest.....	1,807,283	1,369,033
Surplus	6,309,990	5,025,554
	\$41,709,656	\$35,986,544